CITY OF SANTA FE SPRINGS
MEETINGS OF THE PUBLIC FINANCING AUTHORITY, WATER UTILITY AUTHORITY, HOUSING SUCCESSOR, SUCCESSOR AGENCY, AND CITY COUNCIL
AGENDA

TUESDAY, MARCH 18, 2025
AT 5:00 P.M.

CITY HALL COUNCIL CHAMBERS
11710 TELEGRAPH ROAD
SANTA FE SPRINGS, CA 90670

CITY COUNCIL

William K. Rounds, Mayor
Joe Angel Zamora, Mayor Pro Tem
Annette Rodriguez, Councilmember
Juanita Martin, Councilmember
John M. Mora, Councilmember

CITY MANAGER
René Bobadilla, P.E.

CITY ATTORNEY
Rick Olivarez

CITY STAFF

Assistant City Manager	**Nicholas Razo**
Fire Chief	**Chad Van Meeteren**
Police Chief	**Aviv Bar**
Director of Community Development	**Cuong Nguyen**
Director of Community Services	**Maricela Balderas**
Director of Finance	**Lana Dich**
Director of Parks & Recreation	**Gus Hernandez**
Director of Police Services	**Arlene Salazar**
Director of Public Works	**James Enriquez**
City Clerk	**Fernando N. Muñoz**

NOTICES

This City Council Meeting ("Council") will be held in person and will meet at City Hall – City Council Chambers, 11710 E. Telegraph Road, Santa Fe Springs, California. The meeting will be live streamed on the City's YouTube Channel and can be accessed on the City's website via the following link:
https://santafesprings.gov/city_council/city_council_meetings/index.php

Americans with Disabilities Act: In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by this City, please contact the City Clerk's Office. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

SB 1439: Effective January 1, 2025, City Council Members are subject to SB 1439 and cannot participate in certain decisions for a year after accepting campaign contributions of more than $500 from an interested person. The Council Member would need to disclose the donation and abstain from voting.

Public Comments: The public is encouraged to address City Council on any matter listed on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council on the day of the meeting, please fill out a speaker card provided at the door and submit it to City Clerk staff. You may also submit comments in writing by sending them to the City Clerk's Office at cityclerk@santafesprings.gov. All written comments received by 12:00 p.m. the day of the City Council Meeting will be distributed to the City Council and made a part of the official record of the meeting. Written comments will not be read at the meeting, only the name of the person submitting the comment will be announced. Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

Council Meeting Start Times: If there is a closed session or study session scheduled on the agenda, the regular meeting shall be scheduled to start at 5:00 p.m. and open session shall start at 6:00 p.m. If there is no closed session or study session scheduled on the agenda, the regular meeting shall be scheduled to start at 6:00 p.m.

Please Note: Staff reports and supplemental attachments are available for inspection online and at the office of the City Clerk in City Hall, during regular business hours 7:30 a.m. – 5:30 p.m., Monday – Thursday. Telephone: (562) 868-0511.

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS ON CLOSED SESSION ITEMS

At this time, the general public may address the City Council on closed session items *only*. Please be aware that the maximum time allotted for members of the public to speak shall not exceed three (3) minutes per speaker. State Law prohibits the City Council from taking action or entertaining extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the City Council.

1. CLOSED SESSION

CONFERENCE WITH REAL PROPERTY NEGOTIATIORS
(Pursuant to Government Code Section 54956.8)
Property: Assessor Parcel No. 8001-003-934
Agency negotiator: René Bobadilla, City Manager, and Cuong Nguyen, Director of Community Development
Negotiating parties: Jamboree Housing Corporation
Under negotiation: Price and Terms

2. CLOSED SESSION

CONFERENCE WITH LEGAL – ANTICIPATED LITIGATION: One Matter
(Pursuant to Government Code Section 54956.9(d)(2) and 54956.9(e)(1)

CLOSED SESSION REPORT

REGULAR SESSION – BEGINNING AT 6:00 P.M.

INVOCATION

PLEDGE OF ALLEGIANCE

INTRODUCTIONS

PRESENTATIONS

3. WHITTIER POLICE DEPARTMENT CRIME STATISTICS REPORT (POLICE SERVICES)

CHANGES TO AGENDA

PUBLIC COMMENTS ON NON-AGENDA & NON-PUBLIC HEARING AGENDA ITEMS

At this time, the general public may address the City Council on both non-agenda *and* non-public hearing agenda items. Comments relating to public hearing items will be heard during the public hearing. Please be aware that the maximum time allotted for members of the public to speak shall not exceed three (3) minutes per speaker. State Law prohibits the City

Council from taking action or entertaining extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the City Council.

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

PUBLIC HEARING

4. ORDINANCE NO. 1155 – AMEND SECTION 155.519 (INTERSTATE 605 CORRIDOR ELECTRONIC BILLBOARD SIGN PROGRAM) WITHIN TITLE 15 (LAND USE), CHAPTER 155 (ZONING), OF THE SANTA FE SPRINGS MUNICIPAL CODE AND DETERMINE THAT THE ACTION IS EXEMPT UNDER CEQA (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the City Council:

1) Open the Public Hearing; and

2) Receive any comments from the public wishing to speak on this matter and thereafter close the Public Hearing; and

3) Find and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3); and

4) Introduce by title only and waive further reading of Ordinance No. 1155: An Ordinance of the City of Santa Fe Springs Municipal Code relating to electronic billboards in manufacturing zones of the Interstate 605 Corridor; and

5) Take such additional, related, action that may be desirable.

OLD BUSINESS – NONE

REGULAR BUSINESS

5. FISCAL YEAR (FY) 2023-24 YEAR-END REVIEW AND PRESENTATION OF THE CITY'S ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) (FINANCE)

RECOMMENDATION: It is recommended that the City Council:

1) Receive and file the City's Annual Comprehensive Financial Report (ACFR) for the Fiscal Year (FY) ending June 20, 2024, and related communications.

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine. Any items a Councilmember wishes to discuss should be designated at this time. All other items may be approved in a single motion. Such approval will also waive the reading of any Ordinance.

PUBLIC FINANCING AUTHORITY

6. MINUTES OF THE FEBRUARY 18, 2025 PUBLIC FINANCING AUTHORITY MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Public Financing Authority:

1) Approve the minutes as submitted.

7. MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS PUBLIC FINANCING AUTHORITY (PFA) (FINANCE)

RECOMMENDATION: It is recommended that the Public Financing Authority:

1) Receive and file the report.

WATER UTILITY AUTHORITY

8. MINUTES OF THE FEBRUARY 18, 2025 WATER UTILITY AUTHORITY MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Water Utility Authority:

1) Approve the minutes as submitted.

9. MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS WATER UTILITY AUTHORITY (WUA) (FINANCE)

RECOMMENDATION: It is recommended that the Water Utility Authority:

1) Receive and file the report.

HOUSING SUCCESSOR

10. MINUTES OF THE FEBRUARY 18, 2025 HOUSING SUCCESSOR MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Housing Successor:

1) Approve the minutes as submitted.

SUCCESSOR AGENCY

11. MINUTES OF THE FEBRUARY 18, 2025 SUCCESSOR AGENCY MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Successor Agency:

1) Approve the minutes as submitted.

CITY COUNCIL

12. MINUTES OF THE FEBRUARY 18, 2025 CITY COUNCIL MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the minutes as submitted.

13. SECOND READING OF ORDINANCE NO. 1158 – AMENDING TITLE III (ADMINISTRATION) TO ADD NEW CHAPTER 41 (ELECTRONIC RECORDS AND SIGNATURES) TO THE SANTA FE SPRINGS MUNICIPAL CODE AND DETERMINE THAT THE ACTION IS EXEMPT UNDER CEQA (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Ordinance No. 1158:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS, CALIFORNIA, AMENDING TITLE III (ADMINISTRATION) OF THE SANTA FE SPRINGS MUNICIPAL CODE ("SFSMC") BY ADDING A NEW CHAPTER 41 (ELECTRONIC RECORDS AND SIGNATURES) TO ESTABLISH A POLICY FOR THE USE OF ELECTRONIC RECORDS AND ELECTRONIC OR DIGITAL SIGNATURES

2) Take such additional, related action that may be desirable.

14. AUTHORIZATION TO AWARD COMPREHENSIVE ZONING CODE UPDATE SERVICES (RFP 25-8) TO LISA WISE CONSULTING (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the City Council:

1) Authorize the award of RFP 25-8 to Lisa Wise Consulting for the Comprehensive Zoning Code Update; and

2) Approve the Professional Service Agreement between the City of Santa Fe Springs and Lisa Wise Consulting; and

3) Take such additional, related action that may be desirable.

15. 2024 HOUSING ELEMENT ANNUAL PROGRESS REPORT (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the City Council:

1) Find that the preparation, review, and submission of the 2024 Housing Element Annual Progress Report is not subject to the California Environmental Quality Act (CEQA), as the actions are not a project as defined by Section 15378(b)(2) of the Public Resources Code; and

2) Receive and file the 2024 Housing Element Annual Progress Report; and

3) Authorize staff to submit the 2024 Housing Element Annual Progress Report to the California Department of Housing and Community Development (HCD) and to the Governor's Office of Planning and Research (OPR).

16. CALIFORNIA STATE LIBRARY GRANT AWARD FOR LUNCH AT THE LIBRARY PROGRAM (COMMUNITY SERVICES)

RECOMMENDATION: It is recommended that the City Council:

1) Approve and authorize the Director of Community Services to execute the agreement for *California State Library Grant Award for the Lunch At The Library Program at the Santa Fe Springs City Library*; and

2) Approve the recognition of $8,800 in grant funds awarded by the California State Library and authorize the deposit of these funds into the Library & Cultural Services Administration's State Grants/Subventions revenue account (No. 10105699-442000); and

3) Approve an increase in expense authority by $8,800 in the Library & Cultural Services Activity (No. 10105699) as outlined in the Fiscal Impact section to allow for the expenditure of the grant funds; and

4) Take such additional, related, action that may be desirable.

17. AUTHORIZE THE TWO-YEAR LEASE OF 11 ADDITIONAL FLOCK SAFETY FIXED AUTOMATED LICENSE PLATE READER (ALPR) CAMERAS (POLICE SERVICES)

RECOMMENDATION: It is recommended that the City Council:

1) Authorize the Director of Police Services to enter into a two-year lease agreement with Flock Group Inc. for 11 additional fixed Automated License Plate Reader (ALPR) cameras in an amount not-to-exceed $67,650 over two years; and

2) Approve the use of existing funds within the FY24/25 adopted budget, Contract Patrol-Miscellaneous Equipment Replacement account 10102215-523030 to fund year-one expenses of the two-year lease; and

3) Take such additional, related, action that may be desirable.

18. CATCH BASIN INSERT INSTALLATION PROJECT – AWARD OF CONTRACT TO G2 CONSTRUCTION, INC. (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Award a cooperative purchase contract to G2 Construction, Inc. of Santa Ana, CA in the amount of $1,471,830 for the installation of trash and debris capture devices in approximately 700 storm drain catch basins located in the City of Santa Fe Springs in accordance with Santa Fe Springs Municipal Code §34.18; and

2) Authorize the City Manager to execute the agreement with G2 Construction, Inc.; and

3) Appropriate $1,471,830 of Measure W funds earmarked for trash and debris capture device installation; and

4) Take such additional, related, action that may be desirable.

19. ON-CALL PROFESSIONAL ENGINEERING SERVICES – AUTHORIZATION TO ADVERTISE REQUEST FOR PROPOSALS (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Authorize the City Engineer to Advertise a Request for Proposals to Provide On-Call Professional Engineering Services; and

2) Approve Amendment No. 1 to the On-Call Professional Engineering Services Contract Agreements with Southstar Engineering and Consulting, Inc.; JMDiaz, Inc.; NV5, Inc.; and RMA International Landscape Architecture providing a 1-year term extension and revising the expiration date to April 6, 2026; and

3) Authorize the City Manager to execute the amendment with each of the consultant firms; and

4) Take such additional, related, action that may be desirable.

20. ADOPTION TO JOINT POWER AUTHORITY (JPA) AGREEMENT MEETING DATE AND REPLACING SUCCESSOR AGENCY WITH HOUSING AUTHORITY IN JPA (FINANCE)

RECOMMENDATION: It is recommended that the City Council and the Governing Board of the Housing Authority:

1) Adopt Resolutions Nos. 9953 & 9955 approving the Amendment to the City of Santa Fe Springs Joint Exercise Powers Agreement.

RECOMMENDATION: It is recommended that the Board of Directors of the Santa Fe Springs Public Financing Authority:

2) Adopt Resolution No. 9954 to amend bylaws regarding regular meeting schedule.

21. AUTHORIZE THE PURCHASE OF FIVE (5) POLICE VEHICLES (FINANCE/POLICE SERVICES)

RECOMMENDATION: It is recommended that the City Council:

1) Authorize issuing a purchase order to Sunrise Ford to purchase two (2) Ford F-150 police responder vehicles in the amount of $162,908; and

2) Authorize issuing a purchase order to National Auto Fleet Group to purchase two (2) Ford F-150s and one (1) Ford Ranger in the amount of $162,679; and

3) Authorize the City Manager to establish an agreement/purchase order in an amount that shall not exceed $105,000 to acquire the items and services necessary to upfit the vehicles for field use; and

4) Authorize a contingency in the amount of $43,059 for any expenditures related to the purchase; and

5) Authorize a budget transfer from the Equipment Acquisition and Replacement Fund and Police Services – Contract Patrol in the total amount of $473,646 for the items above and services; and

6) Take such additional, related action that may be desirable.

APPOINTMENTS TO BOARDS, COMMITTEES, AND COMMISSIONS

COUNCIL COMMENTS/AB1234 COUNCIL CONFERENCE REPORTING

Council member announcements; requests for future agenda items; conference/meetings reports. Members of the City Council will provide a brief report on meetings attended at the expense of the local agency as required by Government Code Section 53232.3(d).

ADJOURNMENT

I, Fernando N. Muñoz, City Clerk for the City of Santa Fe Springs hereby certify that a copy of this agenda has been posted no less than 72 hours at the following locations; City's website at www.santafesprings.gov; Santa Fe Springs City Hall, 11710 Telegraph Road; Santa Fe Springs City Library, 11700 Telegraph Road; and the Town Center Plaza (Kiosk), 11740 Telegraph Road.

ITEM # 4

CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Cuong Nguyen, Director of Community Development
Laurel Reimer, Planning Consultant

SUBJECT: **ORDINANCE NO. 1155 – AMEND SECTION 155.519 (INTERSTATE 605 CORRIDOR ELECTRONIC BILLBOARD SIGN PROGRAM) WITHIN TITLE 15 (LAND USE), CHAPTER 155 (ZONING), OF THE SANTA FE SPRINGS MUNICIPAL CODE AND DETERMINE THAT THE ACTION IS EXEMPT UNDER CEQA**

DATE: March 18, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Open the Public Hearing; and

2) Receive any comments from the public wishing to speak on this matter and thereafter close the Public Hearing; and

3) Find and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3); and

4) Introduce by title only and waive further reading of Ordinance No. 1155: An Ordinance of the City of Santa Fe Springs Municipal Code relating to electronic billboards in manufacturing zones of the Interstate 605 Corridor; and

5) Take such additional, related, action that may be desirable.

FISCAL IMPACT

N/A

BACKGROUND

In November 2012, the City adopted Ordinance No. 1036 to establish regulations for the location, operation, and aesthetic standards for billboards along Interstate 5 within the Freeway Overlay Zone (FOZ). In May 2018, the City adopted Ordinance No. 1092 to include additional design and regulatory controls for billboards in the FOZ. In September 2021, the City adopted Ordinance No. 1118 to establish regulations for electronic billboards along the Interstate 605 corridor, which included standards for billboard location, operation, and design that were substantially similar to those for the FOZ. To date, seven billboards have been constructed along Interstate 5 and no billboards have been constructed along Interstate 605.

One of the location requirements for the Interstate 605 corridor restricts billboards to the M-2, Heavy Manufacturing, Zone. At the time Ordinance No. 1118 was adopted in 2021, all parcels east of the freeway and north of the railroad tracks were zoned M-2, Heavy Manufacturing:

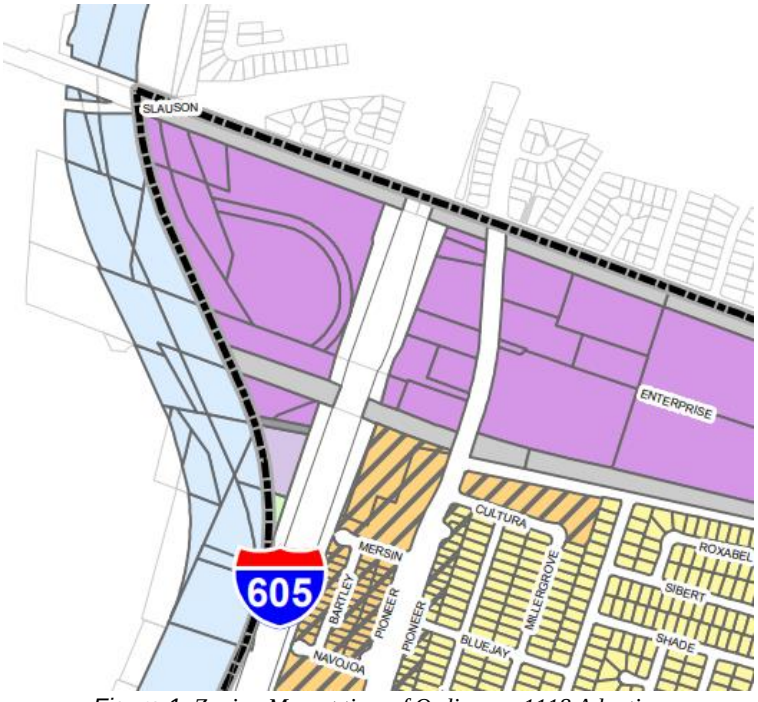

Figure 1: Zoning Map at time of Ordinance 1118 Adoption

In February 2022, the City adopted the 2040 General Plan, which was the City's first comprehensive general plan update in over 25 years. The updated General Plan included a new land use map and six new land use designations, including "Light Industrial." The updated land use map changed the designation for the parcels east of the freeway and

north of the railroad tracks from “Industrial” to “Light Industrial.” To maintain consistency between the General Plan and the Zoning Code, an updated Zoning Map was adopted by the City in September 2023. The updated zoning map re-zoned the parcels east of the freeway and north of the railroad track from “M-2, Heavy Manufacturing” to “M-1, Light Manufacturing:”

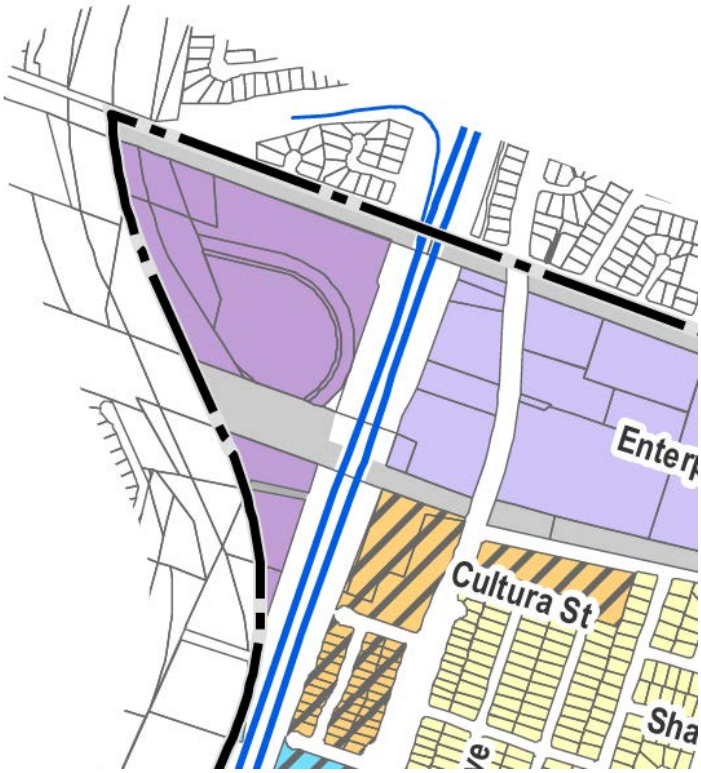

Figure 2: Current Zoning Map

The intent of the Interstate 605 billboard ordinance was to allow for billboards within the manufacturing zones along the freeway. At the time of the Interstate 605 billboard ordinance adoption, the only manufacturing zone along Interstate 605 was M-2, Heavy Manufacturing. Therefore, the only permissible zone contemplated in the ordinance was M-2, Heavy Manufacturing. The updated Zoning Map eliminated the manufacturing parcels east of the freeway from billboard eligibility by re-zoning them to M-1, Light Manufacturing. The proposed Ordinance will update the location criteria for Interstate 605 billboards to also allow them in the M-1, Light Manufacturing, Zone. Allowing billboards in the M-1 Zone has no impact on the remainder of the regulations in the Code. The numerous design and operational restrictions already included in the Interstate 605 ordinance to minimize the possible impacts billboards may have on surrounding uses will remain unaffected by the Ordinance.

ANALYSIS

The proposed Ordinance will amend the following text of Municipal Code Section 155.519 (Interstate 605 Corridor Electronic Billboard Sign Program):

(E) Permitted Use in the *Manufacturing Zones* ~~*M-2 Zone*~~*.* Subject to the limitations of this Section, and notwithstanding the provisions of any other Section of the zoning ordinance, electronic billboards shall be a permitted use in the *M-1 and* M-2 zones along the 605 corridor.

ENVIRONMENTAL

This Ordinance is exempt from CEQA pursuant to the common sense CEQA exemption (CEQA Guidelines Section 15061(b)(3)) which provides that CEQA applies only to projects which have the potential to have a "significant effect on the environment," as defined in Public Resources Code Section 21068 and in CEQA Guidelines Section 15382. The amendments to the City's Municipal Code will not have a significant effect on the environment.

SUMMARY

Staff is recommending that the City Council approve and adopt Ordinance No. 1155 to effectuate the proposed amendments to the text of the City's Municipal Code and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3).

ATTACHMENT(S):

A. Ordinance No. 1155
    a. Exhibit A – Amendments to Chapter 155 (Zoning) of Title 15 (Land Use) of the Municipal Code of Santa Fe Springs

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

ORDINANCE NO. 1155

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS AMENDING SECTION 155.519 (INTERSTATE 605 CORRIDOR ELECTRONIC BILLBOARD SIGN PROGRAM) WITHIN TITLE 15 (LAND USE), CHAPTER 155 (ZONING), OF THE SANTA FE SPRINGS MUNICIPAL CODE

WHEREAS, On January 27, 2025, the Planning Commission of the City of Santa Fe Springs conducted a duly noticed public hearing and adopted Resolution 279-2025 recommending that the City Council adopt Ordinance No. 1155 to amend Section 155.519 within Title 15 (Land Use), Chapter 155 (Zoning), of the Santa Fe Springs Municipal Code; and

WHEREAS, On March 18, 2025, the City Council of the City of Santa Fe Springs considered this Ordinance, the staff report, and all testimony, written and spoken, at a duly noticed public hearing; and

WHEREAS, the Zoning Code Amendment meets the requirements as contained in Planning and Zoning Law (Government Code sections 65800-65912); and

WHEREAS, the Zoning Code Amendment has been prepared and will be adopted in accordance with the requirements of Planning and Zoning Law (Government Code sections 65850-65860).

NOW THEREFORE, the City Council of the City of Santa Fe Springs does ordain as follows:

SECTION 1. The Zoning Code Amendment is exempt from CEQA because it falls within the common sense exemption, pursuant to CEQA Guidelines Section 15061(b)(3), which indicates that CEQA only applies to projects that have a "significant effect on the environment" as defined in Public Resources Code Section 21068 and CEQA Guidelines Section 15382 as a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project. Adopting the Zoning Code Amendment would not be an activity with the potential to cause a significant effect on the environment, and therefore is exempt from CEQA. Consequently, no other environmental documents are required by law.

SECTION 2. The Zoning Code Amendment is consistent with the following Santa Fe Springs General Plan Goals and Policies:

1. Policy LU-1.6 – Community Benefits. Ensure that new development(s) provide a net community benefit and pay their fair share of fiscal impacts on infrastructure and services.
2. Policy ED-4.5 – Targeted Economic Incentives. Assess the value of alternative incentive concepts and programs for specific business types, in relation to what

competing cities within the region are doing, along with a thoughtful assessment of the actual overall competitive strength of the community.

Billboard developments are fiscally positive for the City. Billboard developers are required to enter into an operating agreement with the City and revenue received through the billboard operating agreement helps fund municipal services. The operating agreement is required to include compensation to the City, the utilization of the billboard for City messages of community interest, and the utilization of the billboard to display emergency alerts, such as Amber Alert messages and emergency-disaster communications.

SECTION 3. Chapter 155 (Zoning) of Title 15 (Land Use) of the Santa Fe Springs Municipal Code is hereby amended as provided in Exhibit "A" attached hereto and incorporated herein by reference.

SECTION 4. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Ordinance, or any part thereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance or of Chapter 155, or any part thereof. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases may be declared invalid or unconstitutional.

SECTION 5. The City Clerk shall certify the passage and adoption of this ordinance and shall cause the same to be published in the same manner required by law. This Ordinance shall become effective thirty (30) days from and after its passage.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Santa Fe Springs at a regular meeting on this 1st day of April 2025.

_____
ATTEST: William K. Rounds, Mayor

_____

Fernando Muñoz, City Clerk

APPROVED AS TO FORM:

_____
Rick R. Olivarez, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.
CITY OF SANTA FE SPRINGS)

I, Fernando Muñoz, City Clerk of the City of Santa Fe Springs, do hereby certify that the foregoing Urgency Ordinance was adopted at a regular meeting of the City Council held on the 1st day of April 2025, and was carried by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

_____
Fernando Muñoz, City Clerk

Exhibit A – Amendments to Chapter 155 (Zoning) of Title 15 (Land Use) of the Santa Fe Springs Municipal Code

Exhibit A – Zoning Code Amendment
Amendments to Chapter 155 (Zoning) of Title 15 (Land Use) of the Municipal Code of Santa Fe Springs

Key:
Normal Text = Existing unmodified Code language
~~Strikethrough Text~~ = Proposed language to be removed from the existing Code
Underline Text = Proposed language to be added to the Code

Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.519 (Interstate 605 Corridor Electronic Billboard Sign Program) is hereby amended as follows:

§ 155.519 INTERSTATE 605 CORRIDOR ELECTRONIC BILLBOARD SIGN PROGRAM.

(E) *Permitted use in the ~~M-2~~ Manufacturing zones.* Subject to the limitations of this Section, and notwithstanding the provisions of any other Section of the zoning ordinance, electronic billboards shall be a permitted use in the M-1 and M-2 zones along the 605 corridor.

ITEM # 5

CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Lana Dich, Director of Finance & Administrative Services

SUBJECT: **FISCAL YEAR (FY) 2023-24 YEAR-END REVIEW AND PRESENTATION OF THE CITY'S ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)**

DATE: March 18, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Receive and file the City's Annual Comprehensive Financial Report (ACFR) for the Fiscal Year (FY) ending June 20, 2024, and related communications.

FISCAL IMPACT

Presentation of ACFR does not have fiscal impact.

Overall on a cash basis, the City's General Fund Unassigned Reserve balance increased approximately $16 million from $34 million at June 30, 2023 to $50 million at June 30, 2024.

In the Water Fund, the Unrestricted Net Assets increased by approximately $2.6 million from $5.7 million at June 30, 2022 to $8.3 million at June 30, 2024.

BACKGROUND

Each year, the City engages an independent financial auditor to audit the City's financial statements, known as the ACFR. The purpose of the City's ACFR is to provide independently audited relevant financial information to the City Council, citizens, staff, grant entities, creditors, bond investors, rating agencies, and other concerned readers.

The City's financial statements contained within the ACFR are presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted governmental auditing standards ("GAGAS"). The statements are reported on a fiscal year basis beginning July 1st and ending June 30th and have been audited by an independent firm of certified public accountants, CliftonLarsonAllen LLP ("CLA") to provide reasonable assurance that the financial statements fairly present the City's financial condition in all material respects. The ACFR, including Independent Auditors' Opinion, are included here as attachment A.

As required by GAGAS, CLA has also issued a Report on Internal Control and Compliance and an Audit Communication Letter summarizing the results of the audit. These reports, included here as attachment B and C, are used to communicate certain matters to the City Council. The audit did not identify any material weaknesses or significant deficiencies in internal controls.

As part of the City's annual fiscal year-end procedures, staff compiles a summary of the City's actual General Fund and Water Fund revenues and operating expenditures compared to the adjusted budget. The summary is instrumental in helping staff assess prior year expenditures and current financial trends to incorporate the information into future budget estimates and to assess the City's current financial position.

ANALYSIS

Actual vs. Budget Information

Attached are revenue and expenditure summaries illustrating comparisons between budgeted and actual figures. Although the City's operations in FY 2024-25 were, in part, influenced by the pandemic and its effect on the national economy, the City was fortunate, from a financial perspective, given that the Sales Tax base was relatively unaffected. The Sales Tax generated in FY 2023-24 of $40.5 million, the highest ever in the City's history, surpassed the prior year amount of $4.2 million. The Sales Tax revenue/growth is critical to the City's finances as it represents over half of all General Fund revenues.

This is also the fourth full year of collecting the voter-approved Transactions & Use Tax (Measure Y) and its trend continues to be very favorable for the City. Measure Y has alleviated some of the financial burdens that have threatened our strong financial position. Even during the global pandemic, Measure Y was a consistent and reliable stream of revenue for the City. The Sales Tax and Measure Y combined represent approximately fifty-five (55%) of General Fund revenues.

Additionally, across the General Fund, the actual year-end financial information is favorable for both revenues and expenditures. Revenues, in general, are higher than anticipated by 13.8% and expenditures are less than budgeted amounts by 9.6%. The influx in additional revenue, coupled with significant savings from operating costs across

departments has created an operating surplus of approximately $16 million for FY 2023-24.

The revenues in the Water Fund were on pace with budget and expenditures were 10.3% under budget. The actual revenues were $17.0 million and actual expenditures were $15.4 million, which resulted in an increase in available fund balance of $1.6 million. However, the revenues amount also reflect $4 million of outstanding water bills that have not been collected as of June 30, 2024.

GENERAL FUND

Overall, General Fund revenues were approximately $13.2 million or 13.8% higher than anticipated at $109 million. This high variance is primarily due to the Sales Tax, the Transactions and Use Tax (Measure Y), the Utility Users Tax (UUT), Franchise Tax, and the Property Tax, all of which exceeded budget estimates by 3.7% to 31.4%. Additionally, the revenue of $109 million reflects approximately $7.3 million of investment earnings due to market recovery in the City's investment portfolio.

Sales Taxes reached an all-time high for FY 2023-24 coming in at $40.4 million and 3.7% over budget. Part of the revenue growth is related to a sales tax sharing agreement entered into with the City of Vernon regarding tax generated by a business located in both cities. While the agreement provides a healthy boost to sales tax, the City still experienced significant growth within the existing sales tax base. Measure Y also finished the year 6.5% over budget at $17.3 million, a record level for the five-year old tax.

Property Taxes generated during FY 2023-24 totaled $6.3 million, which is $1.2 million over the anticipated amount. Approximately $3.0 million of the $6.2 million received was from Property Tax allotments and $3.2 million were from Residual Property Tax (former Redevelopment Agency). Increases to both sources was a direct result of higher assessed valuation throughout the City.

The UUT came in at 17.7% over budget expectations at $8.8 million. The UUT was a revenue that staff was closely monitoring given that there was a downward trend observed for the UUT. A year-over-year comparison, the UUT decreased by approximately $147,000 over the previous year. Staff will continue to monitor and adjust figures as appropriate.

Franchise Tax and Motor Vehicle in Lieu Tax exceeded budget expectations by 31.4% and 5.4%, respectively. The Other Taxes category is at the budget. This is primarily due to changes in the ownership structure of the City's largest oil producer which has caused the City's Barrel Tax to fall significantly.

In the Use of Money, Property, & Other Category, revenues of approximately $10.1 million were received for items such as Interest, Development and Green Waste Host Fees,

Ground Leases and other rental income, and the Water Utility lease payment. The Use of Money, Property, & Other Category revenues were approximately 68.8% higher than anticipated, mainly due to investment earnings in the City's investment portfolio.

Operating Expenditures

Overall, in the General Fund, operating department expenditures totaled $81.1 million, providing a savings of approximately $8.6 million or 9.6% compared to the adjusted midyear budget figures. Although there were customary actual-to-budget departmental fluctuations, all departments realized savings primarily through vacancies and operational savings.

The Fire-Rescue Department realized a saving of $1.2 million due to unused non-recurring expenses. However, without the non-recurring budget, the Fire Department was overbudget by approximately $499,000 due to an increase in full-time overtime hours. The Community Services department realized approximately $571,000 in savings, while the Public Works and Police Departments generated $2.6 million and $2.0 million in savings when compared to the midyear budget, respectively. Community Development achieved $887,000 in savings while the Finance and General Government Departments generated approximately $224,000 and 721,000 in savings, respectively.

Summary

Below is a summary comparing the General Fund's budgeted vs. actual year-end figures followed by a discussion of potential uses of the available balance.

	Adjusted Budget	Actual
Revenues	$ 95,983,300	$ 109,198,384
Expenditures		
Operating Expenditures	(89,728,400)	(81,118,462)
Vehicles/Transfers/Non-Recurring	(4,506,200)	(11,256,200)
Total Expenditures (Uses)	(94,234,600)	(92,374,662)
Net Increase in Available Fund Balance	$ 1,748,700	$ 16,823,722

At this time, staff is not recommending any specific action regarding the year-end surplus. Further direction from the City Council will be necessary to determine how the available fund balance can be utilized to support the City's goals and objectives.

WATER FUND

Revenues

In the Water Fund, total revenues received were on pace with budget amount by approximately. Metered water sales were under budget by approximately $1,751,000 or 4.4%. Interest earnings came in $717,000 greater than anticipated (1204%). Other revenues were $89,000 over budget primarily due to trunk line connections, and temporary meter fees.

Operating Expenditures
Similar to the General Fund, the Water Fund experienced overall expenditure savings of $1.8 million or 10.3% in the operating activities. Labor and operational savings were realized in all of the budget activities. The greatest savings were in the Water Purchases activity came in below budget by approximately $1.1 million or 13.8%. An additional $131,000 in Production Facilities Maintenance activities.

Summary
The Water Fund's budgeted vs. actual year-end figures are summarized in the table below:

	Adjusted Budget	Actual
Revenues	$ 16,966,100	$ 16,966,926
Expenditures		
Operating Expenditures	(16,935,800)	(15,185,448)
Transfer to Water CIP	-	(183,521)
Total Expenditures (Uses)	(16,935,800)	(15,368,969)
Net Increase in Available Fund Balance	$ 30,300	$ 1,597,957
Outstanding Billings	-	(3,956,600)
Decrease in Available Fund Balance	**$ 30,300**	**$ (2,358,643)**

Water Fund Balance
As of June 30, 2024, the outstanding water billing balance is significantly higher compared to the previous year, primarily due to a system outage and staff being unable to process bills. The collectability of these balances is currently uncertain. Once the new system is fully implemented, staff will present a true-up of the balance for Council's consideration

ENVIRONMENTAL

NA

DISCUSSION

Both the City's General Fund experienced positive results for FY 2023-24 despite the despite the uncertainty of the current stage of the economy. General funds is reporting increases in available fund balances and the Sales Tax and Measure Y provided a significant increase to the City's revenue base. While the enterprise is experiencing an uncertainty. There are a number of issues to call to the City Council's attention as we look to the future:

- **Current Geopolitical Climate** – The invasion of Ukraine by Russia presents an undeniable level of uncertainty in the economy. As with any conflict, there are lasting and spillover effects on the national and local economy that can linger for years to come.

- **CalPERS Unfunded Liability and Normal Costs contributions** – These are expected to increase over the next five years. These projections are based on actuarial report from June 30, 2022 and will be adjusted each year based on actual results experienced by CalPERS. In addition, and perhaps more significantly, if investment performance does not meet expectations, the rates could escalate even higher, which can occur given the current economic environment. The CalPERS contributions affect both the General Fund and Water Fund.

- **Infrastructure funding** - While there are funds and accounts that have been established by the City Council, the City will be challenged to provide an increased level of funding to address significant deferred maintenance needs moving forward.

- **Rising inflation** – Inflation can also jeopardize the City's favorable financial position as it is directly tied to the rising cost of acquiring items and services necessary to deliver local programs and services

  The City is particularly sensitive to changes in the economy. The City's reliance on sales tax makes the City susceptible to economic downturns faster than other agencies which rely on revenue sources such as property taxes. Additionally, the City's industrial business-to-business sales tax base also causes the City's sales tax to behave differently than regional and statewide trends, making predicting sales tax more challenging.

- **Sales tax new proposal** - Proposals also continue to be brought forward to modify the state's allocation methodology for sales tax revenues, primarily concerning on-line sales transactions. Most proposals would result in a reduction of sales tax for Santa Fe Springs. The City continues to be actively involved in these discussions and argues against proposals that would negatively impact the City; however, it is a continuing threat which must be acknowledged.

Under the current fiscal environment, revenues are expected to exceed expenditures over the next couple of years, but this structural surplus is expected to decrease each year given the negotiated salary increases, new positons added to the organization and other increases in operating costs. As such, staff will continue to pursue internal operating efficiencies and strategies to minimize costs and impacts to City services while exploring new and innovative revenue ideas. Staff will continue to work with the City Council to explore not only new revenue options but cost containment strategies as well.

SUMMARY/NEXT STEPS

The recommended items have been incorporated in the assigned fund balance. Staff will incorporate any further direction and input provided by the City Council.

ATTACHMENT(S):

A. Final audited FY 2023-24 Annual Comprehensive Financial Report
B. Report of Internal Controls and Compliance
C. Audit Communication Letter
D. General Fund FY 2023-24 Budget to Actual Summary
E. Water Fund FY 2023-24 Budget to Actual Summary

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

CITY OF SANTA FE SPRINGS
JULY 1, 2023 TO JUNE 30, 2024

CITY OF
SANTA FE SPRINGS

Annual Comprehensive Financial Report

City of Santa Fe Springs, CA
Year Ended June 30, 2024

City Council
William K. Rounds, Mayor
Joe Angel Zamora, Mayor Pro-Tem
Annette Rodriguez, Councilmember
Juanita Martin, Councilmember
John M. Mora, Councilmember

Planning Commission
Isabel Cervantes
David Ayala
Joseph Flores
Gabriel Jimenez
Jay Sarno

Traffic Commission
Blake Carter
Felix Miranda
Johana Coca
Sally Gaitan

Executive Management Team
René Bobadilla, City Manager
Nicholas Razo, Assistant City Manager
Rick Olivarez, City Attorney
Lana Dich, Director of Finance
Maricela Balderas, Dir. of Com. Services
Chad A. Van Meeteren, Fire Chief
Cuong H. Nguyen, Dir. of Comm. Dev.
James Enriquez, Director of Public Works
Arlene Salazar, Director of Police Services

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CITY OF
SANTA FE SPRINGS

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CITY OF
SANTA FE SPRINGS
11710 Telegraph Road • CA • 90670-3679 • (562) 868-0511 • Fax (562) 868-7112 • www.santafesprings.org
"A great place to live, work, and play"

March 10, 2025

Honorable Mayor & City Council and
Residents of the City of Santa Fe Springs:

Introduction

It is our pleasure to submit for your information and consideration the Annual Comprehensive Financial Report of the City of Santa Fe Springs (City). The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City's Department of Finance and Administrative Services. It is our opinion that the data as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of the various funds; and that all disclosures necessary to enable the reader to gain a full understanding of the financial activities have been included.

The enclosed financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as recommended by the Governmental Accounting Standards Board (GASB) and include the report of the independent certified public accountants, CliftonLarsonAllen LLP. The complete report is divided into distinct sections:

Introduction-	Letter of transmittal, an organizational chart, and prior year award for financial reporting.
Financial -	Independent auditor's report, Management's Discussion and Analysis (MD&A), basic financial statements, accompanying notes to the financial statements, required supplementary information, and supplementary information. MD&A complements this letter of transmittal and should be read in conjunction with it.
Statistical -	Pertinent financial and non-financial data that present historical trends and other information about the City.

William K. Rounds, Mayor • Joe Angel Zamora, Mayor Pro Tem
City Council
Annette Rodriguez • Juanita Martin • John Mora
City Manager
René Bobadilla, PE, City Manager

Introduction (cont.)

This report presents the financial status of the City and its component units, the Successor Agency to the Community Development Commission, Housing Successor Agency, the Public Financing Authority, and Water Utility Authority as a single reporting entity. Although these component units are legally separate from the City, the City maintains significant financial accountability. Financial accountability is defined as appointment of a voting majority of the component unit's board and either (A) the ability of the primary government to impose its will on the component unit, or (B) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. For detailed information regarding the City and its component units, please refer to Notes to the Financial Statements section in this report.

Accounting System and Budgetary Control

In developing and modifying the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding:

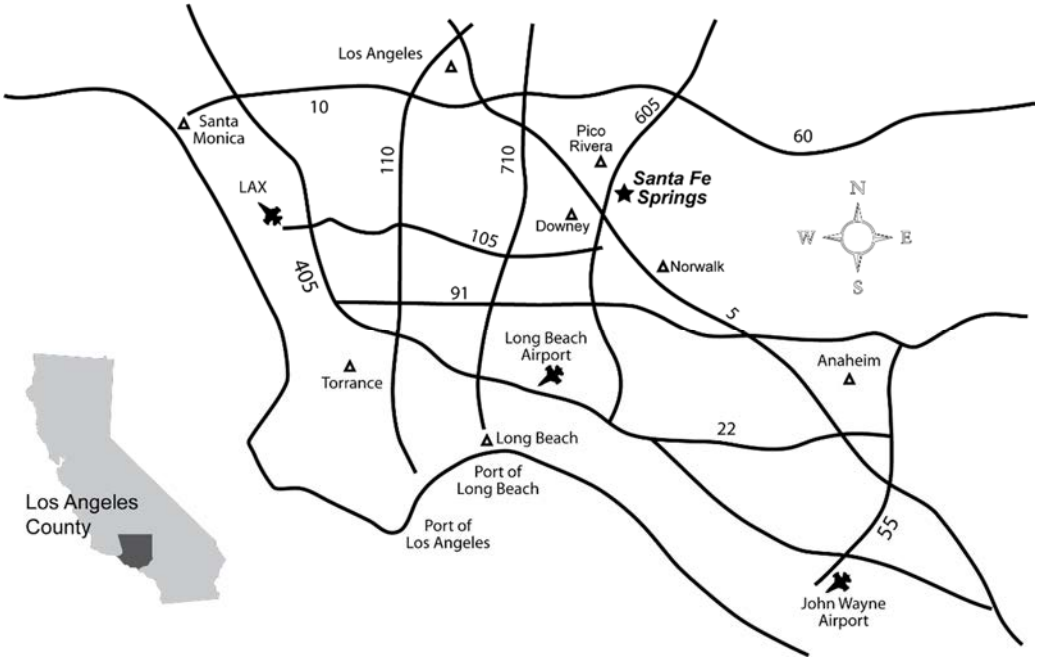
- The safeguarding of assets against loss from unauthorized use or disposition; and
- The reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from it and that the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. The accounting system is maintained on a functional basis (activity/sub-activity) in order to reflect the services provided by the City.

The City maintains budgetary controls at the individual fund level to ensure compliance with the budget approved by the City Council. The budget includes estimated revenues and appropriations for the City's General Fund and certain Special Revenue Funds. Operating plans for the City's Water Utility Fund are also prepared as part of the budget.

Profile and Government Structure

The urban development of Santa Fe Springs began in the early 1950's as the result of a planned effort by a coalition of business community members and local residents. During the ensuing years, community pressures resulted in the incorporation of the City on May 15, 1957. The new City covered 4.9 square miles with a population of 11,787. The City of Santa Fe Springs now encompasses 9 square miles, with about 84% of the land zoned for commercial and industrial use. The City's population is approximately 18,200; however, the daytime population is estimated at 100,000.



The City of Santa Fe Springs operates as a general law city under the council-manager form of government. Five City Council members are elected at-large for alternating four-year terms. The Mayor is selected annually from among the five members of the City Council. The City Council is responsible for the City's ordinances, operating resolutions, budget adoption and appointment of committee members. Overall, there are 11 standing committees, boards and commissions that provide input to the City Council. Among these are the Planning Commission and the Traffic Commission. The City Manager is responsible for administering the policies and directives approved by the City Council. The City Manager appoints the Executive Management Team, which is comprised of the Director of Finance & Administrative Services, Fire Chief, Director of Community Services, Director of Planning, Director of Police Services, and Director of Public Works.

Local Economic Outlook

The City of Santa Fe Springs is strategically located in southeast Los Angeles County with access to major seaports, airports and transportation corridors. With the vast majority of the City zoned for commercial and industrial use, Santa Fe Springs has historically experienced strong development and redevelopment activity in the community. Sales taxes, transaction and use taxes, and utility user's taxes (UUT) revenues are the largest sources in the General Fund.

The City's sales tax base is comprised of businesses within the following categories: Business and Industry (Manufacturing and business-to- business sells), Building and Construction, Autos and Transportation, General Consumer Goods, Fuel and Service Stations, Restaurants and Hotels and Food and Drugs. Close to two-thirds of the total sales tax revenue is generated by manufacturing and construction businesses. In the past couple of years, the City's businesses have seen a growth in sales and has translated into increases in the City's sales tax.

The City's voters approved the additional 1% transactions and use tax (Measure Y) on November 2018, which became effective April 1, 2019. The additional tax has broadened the City's revenue base and added over $10 million in General Fund revenue.

Although the COVID-19 pandemic and its economic impact were felt throughout our nation, the City was fortunate that our sales tax base was relatively unaffected by the pandemic as it had little to no effect on the City's revenue stream. In fact, the Stay-at-Home orders generated greater than anticipated online sales which played a pivotal role in the City's increased sales tax revenue. While the sales tax generated in FY 2021-22 was the highest the City had ever generated, the sales tax generated in FY 2022-23 surpassed last year's amount. The Sales Tax revenue and its growth are critical to the City's financial position as it represents nearly half of all of the City's General Fund revenues.

Additionally, this is the fourth full year of collecting the voter-approved Transaction & Use Tax (Measure Y) and its trend is favorable for the City. Measure Y has lessened some of the financial burdens that have threatened the City's strong financial position. Even during a global pandemic, Measure Y continues to be a consistent and reliable stream of revenue for our City. The Sales Tax and Measure Y combined represent 60% of the City's General Fund revenues.

At the end of 2024, the City voters approved Parcel Tax (Measure SFS). This is a dedicated source to provide funding for roads/streets. The Measure SFS is expected to generate $6 million per year, for 25 years, beginning in FY 2025-26. This amount generated will increase by 2% per year thereafter.

Vision, Mission, and Guiding Values

The City is now in a position to accomplish its long-term goals given the City's financial resiliency during the pandemic. This improved financial position has allowed the City to fund several operational needs and will allow the City's financial position to remain stable barring any unforeseen economic downturns that are out of the City's control.

The City has a vision statement that affirms: "The City of Santa Fe Springs is a great place to live, work and play," with the following mission statement: "The City of Santa Fe Springs is committed to enhancing the quality of life of its residents and businesses by providing: a safe environment, a thriving business community, quality family, youth, and senior services, and sound financial management of the community's resources." The guiding values are as follows:

- Personal integrity, honesty, and ethics
- Public service
- Compassion
- Responsibility, accessibility, and accountability
- Dedication

Accomplishments & Outlook

Historically, the City has utilized a two-year operating budget during stable financial times and a six-year Capital Improvement Program (CIP) as some of the most significant planning tools to achieve the City's vision and identified missions. The unprecedented events of recent years necessitated more swift and short-term actions. In moving past the "Great Recession" and the elimination of redevelopment, the City has begun to re-establish some of the above long-range planning tools along with strategic goals that will better guide the City into the future. This includes, as approved by the State, the ability to spend capital funding from previously-issued tax allocation bonds.

Public safety is the highest priority in the community. This is evidenced by the continued financial commitment provided to both Fire and Police Services. The Fire-Rescue and Police Services Departments continue to combine their manpower to provide the resources and tools to manage emergency and security issues that may arise in the community and region. The City continues to purchase specialized equipment with the use of grant funding. The following are some of the highlights by department:

<u>Department of Fire- Rescue</u>

The Department of Fire-Rescue comprises 57 members working from four fire stations providing traditional fire suppression services, hazardous materials response, fire prevention, and emergency medical services, and a full-service Environmental Protection Division. The environmental protection and response components are considered model systems in the State of California. The City's status as a Certified Unified Program Agency (CUPA) makes Santa Fe Springs a

Accomplishments & Outlook (cont.)

"one-stop-shop" for administering all the City's hazardous materials, hazardous waste, and tank programs. The State has long held the City's CUPA as one of the most regarded programs in the State. The CUPA Division utilizes the California Environmental Reporting System (CERS), allowing business residents to file their annual hazardous materials disclosures electronically. The Fire Prevention Division also provides many services, including code enforcement, plan checks, issuing permits, fire investigations, and public education events. In FY 2023-2024, the Environmental and Prevention Divisions performed over 2500 permit inspections of new and existing facilities. Fire Suppression personnel have a business-friendly fire inspection program to annually inspect each business in the City to identify possible fire and life safety issues and update emergency contact information in the department's database. The Department of Fire Rescue conducted over 3200 business and residential inspections and responded to over 4,000 emergency calls in FY 2023-24.

The Department of Fire Rescue currently staffs a State certified Regional Urban Search and Rescue Team (US&R) designated at the highest level as a "Heavy" rescue team by the Office of Emergency Services (OES). Fire-Rescue also staffs a State certified Type I Hazardous Materials Response Team with all staff trained to the Haz-Mat "Specialist" level. The City is currently one of only thirty Hazardous Material Teams in the State certified as a Type I Response Team and qualified to mitigate emergencies involving acts of terrorism and weapons of mass destruction. The Department houses and maintains an OES Fire Engine for local and statewide disaster response. The Department continues to support neighboring communities through the California Master Mutual Aid Agreement in response to major disasters and emergencies, including brush fires, landslides, earthquakes, acts of terrorism, major disasters, etc. In FY 2023-2024, the Department of Fire-Rescue assisted outside their jurisdiction six times to significant fire incidents. The City was reimbursed over $182,000 in backfill expenses for labor and equipment to respond to these incidents.

In partnership with Rio Hondo College, the department continues to manage the Regional Homeland Security Training Center located directly adjacent to the Headquarters Fire Station. This state-of-the-art facility was built with grant funding to assist local fire and police agencies in increasing awareness and training regarding terrorist activity, including building collapse, hazardous materials, rail car incidents, confined space, trench rescue, etc. The center has been recognized by the California State Training Institute (CSTI) as the primary training center for Hazardous Material Specialists Training in Southern California.

In FY 2023-2024, the Fire-Rescue Department secured $1,055,480 through the 2022 State of Homeland Security Grant Program (SHSGP) and the Assistance to Firefighters Grant Program (AFGP). This funding supports the purchase of equipment and training for the Homeland Regional Training Center, the City's

Accomplishments & Outlook (cont.)

Type I Hazardous Materials Response Team, and the City's Urban Search and Rescue (USAR) Response Team. As in the past years, the use of grant funds has provided relief to the City budget as these vehicles, equipment, and training would typically have been funded through the City's General Fund.

Department of Police Services

The Department of Police Services is responsible for the management of all law enforcement services in the city. The Santa Fe Springs Policing Team is comprised of City administrative personnel, Public Safety Officers, Code Enforcement Inspectors, and Whittier Police Department (WPD) sworn personnel committed to community safety by developing effective strategies and maintaining collaborative partnerships to address quality of life issues. Additionally, Police Services oversees animal licensing services and process regulatory permits such as catering food truck, soliciting, sidewalk vending, alcohol sales conditional use, and entertainment conditional use permits.

During FY 2023-2024, the department continued to strive toward keeping crime and property loss rates at the lowest possible levels, maintain acceptable response times for emergency service calls, promote the use of technology, and enhance coordination between schools and the City. The policing team focused on enhancing community partnerships by providing a variety of programs, services and tools designed to reduce crime and maintain the safety and well-being of all citizens within the community. Some of the Department efforts and accomplishments included:

- Whittier Police Department Officers responded to 17,777 calls for service throughout the city. Additionally, Police officers also responded to several incidents involving Driving Under the Influence (DUI) offenses resulting in arrests and 34 citations were processed for cost recovery.
- WPD partnered with LA County District Attorney Investigators Community Violence Reduction Team (CVRT) to conduct sweeps, targeting violent suspects and gang enforcement operations to address violators who jeopardize the safety of the community. This team allows WPD to be a force multiplier in addressing several locations throughout the city. 30 parole/probation compliance searches were conducted in Santa Fe Springs and surrounding communities affecting public safety and quality of life issues.
- Officers conducted 9 large homeless encampment cleanups at various locations throughout the city including Coyote Creek, Santa Fe Springs Road, and various rail lines that run through the City of Santa Fe Springs. Cleanups required partnering with the Los Angeles County Department's HOST Team, LA County Department of Public Works, Union Pacific Railroad and Burlington Northern Santa Fe Railroad.

Accomplishments & Outlook (cont.)

- In January 2024, Officers received comprehensive refresher training in Rapid Response protocols to active shooter situations such as school and workplace violence scenarios. Officers were given a scenario and responded as a team to mitigate the problem. In addition, Officers received less lethal and de-escalation training in April 2024. This included the acquisition of new less lethal equipment for officers to utilize in field operations.
- In July 2023, Body Worn Cameras were deployed and issued to all officers in Santa Fe Springs.
- WPD Special Enforcement Team (SET) conducted several narcotics investigations. These efforts have resulted in the seizure of 2 pounds of methamphetamine, over 1,000 fentanyl pills and 5 pounds of cocaine.
- SET investigated a commercial business operating an illegal marijuana grow which resulted in the destruction of over 800 marijuana plants
- In effort to increase traffic safety, the department focused on traffic enforcement operations and proactive traffic overtime enforcement. Approximately, 989 citations were issued at citywide problematic locations for hazardous violations such as distracted driving, unsafe speed, disobeying signage, red light violations and unsafe movements.
- The department entered into an agreement with the California Highway Patrol Santa Fe Springs station to provide supplemental traffic enforcement.
- New solar-powered surveillance cameras were installed in select residential locations to help deter criminal activity and enhance neighborhood safety and security.
- Approximately, 23 homeowners have taken advantage of the opportunity to enhance security at their homes through the Home Security Camera Rebate Program. The program offers residents a rebate for the purchase and installation of a security camera device at their residence.
- The department continued to subscribe to Crimereports.com, providing citizens with access to up-to date city crime statistics.

<u>Public Safety Program:</u>

Public Safety Officers (PSO's) provide citywide support and perform a variety of public safety and law enforcement functions and serve as a liaison between law enforcement and the community. PSO's work seven days a week to enhance the quality of life and increase the safety and well-being of citizens who live, work and visit Santa Fe Springs. Their duties include but are not limited to responding to non-emergent/non-hazardous calls for service, preparing criminal/non-criminal police reports, documenting traffic collisions, and enforcing parking violations. PSO's provide vital support to police officers by responding to non-emergent calls for services and addressing quality of life concerns, which allow

Accomplishments & Outlook (cont.)

sworn police officers to remain free to respond to emergent/priority calls for service.

- Public Safety Officers (PSO's) played a critical role in the department's field operations. PSO's responded to approximately 3,258 calls for service and provided 4,572 pro-active patrols throughout the city. Calls for service included, but were not limited to parking violations, graffiti vandalism, safety hazards, non-criminal and criminal reports and other quality of life issue concerns. A total of 5,261 parking citations were issued.
- PSO's responded to 697 traffic collision related incidents, allowing sworn personnel to remain available to respond to emergent calls for service and reducing overall response times for priority calls.
- PSO's prepared 1,268 criminal/non-criminal and traffic collision reports.
- PSO's issued 285 parking warnings to vehicles in violation of 72-hour parking.
- PSO's issued 156 Notice of Violations for illegal street vending activity.
- PSO's completed over 488 hours of officer safety training which included Officer Safety, Bike Patrol, PC832 Laws of Arrest, Supervisory Skills, Assertive Supervision, Maximizing Performance through documentation and Harassment Training.
- Enhancing community partnerships by improving community relations was also a key area of focus. The department held events such as Coffee with a Cop, Sweets & treats with Santa, Trick-or-Treat at the Police Services Center, and hosted information booths at community and City special events. Additionally, PSO's and WPD personnel visited elementary schools and participated in Read Across America, which aims to celebrate reading across the county.
- The department partnered with numerous law enforcement agencies, non-profit organizations and City departments to host National Night Out (NNO). The event aims to strengthen community-police partnerships and build neighborhood camaraderie, essential in keeping our community safe. NNO included police and fire vehicle displays and community information booths.
- The Bike Patrol Program continued throughout the city. Public Safety Officers provided pro-active patrol on bicycles in residential neighborhoods, City facilities, and parks to improve citizen engagement and ensure a safe community.
- Three Community Block Parties were also held to bring community members together to get to know their neighbors and policing team in a relaxed environment.

Accomplishments & Outlook (cont.)

Animal Licensing Program & Regulatory Permits:

- During FY 2023-2024, 1,326 dog licenses were processed.
- The Department partnered with the Southeast Area Animal Control Authority (SEAACA) to host the annual Low-Cost Pet Vaccination Clinic. 86 animals were licensed, 209 received vaccinations and 19 pets were microchipped.
- Administrative staff issued 14 regulatory permits for catering food truck operations and two special events permits.
- A total of 193 yard sale permits were issued during FY 2023-2024.

Code Enforcement Program:

Code Enforcement is another significant component of the Department of Police Services that is responsible for enforcing Santa Fe Springs Municipal codes related to residential and business property maintenance standards, illegal business operations, land use and unpermitted construction. Code Enforcement Inspectors also enforce building code violations, zoning violations, health and safety standards related to environmental protection and neighborhood preservation. The division works closely with all City departments to ensure community needs are met.

Code Enforcement activity for FY 2023-2024 included, but was not limited to:

- 281 new code enforcement cases initiated to address numerous violations related to property maintenance concerns, illegal garage conversions, illegal structures, hazardous property conditions, illegal business operations, inoperable and abandoned vehicles, and illegal land use activity.
- Coordinated outreach and partnered with outside agencies to remove homeless encampments located on City property, Burlington Northern Santa Fe Railroad, Union Pacific Railroad, LA County Public Works, Caltrans and private properties. The team coordinated with these agencies and business owners to assist with several homeless encampment cleanups. Although some of these homeless encampments were located on outside agency property, they ran through the Santa Fe Springs jurisdiction and negatively impacted the residential and business community.
- Over 181 contacts were made with individuals experiencing homelessness.
- Code Enforcement Inspectors conducted 1,168 residential and commercial inspections and 671 follow-ups in an effort to get properties into compliance.
- Inspectors also issued 296 Notice of Violations, and 207 Administrative Citations were issued by Code Enforcement and Public Safety Officers for various code violations.

Accomplishments & Outlook (cont.)

- Code Enforcement staff also remained dedicated to participating in ongoing training. Inspectors participated in over 39 hours of code enforcement continued education and officer safety trainings.
- Code Enforcement staff processed 6 Alcohol Sales Conditional Use Permits (ASCUP) and 8 ASCUP Compliance Reviews.
- Staff also continued to work closely with the Community Development Department to identify potential impacts and mitigate hazards of new and existing developments by developing conditions of approval to ensure safety and minimize negative impacts to the community.
- In February 2024, a Senior Code Enforcement Inspector position was added to the team. This position provides direct supervision to Code Enforcement Inspectors and performs technical office and field work.
- In June 2024, Thomson Reuters CLEAR investigative software was added to assist Code Enforcement staff identify responsible parties. CLEAR software is a valuable resource which makes Code Enforcement more effective and efficient by providing the most accurate information.

Department of Public Works

The City's Department of Public Works is responsible for efficiently developing, constructing, and maintaining the City's infrastructure. The infrastructure consists of streets, facilities, parks, fleet, traffic signals, street lighting, and water distribution system. This encompasses routine and preventive maintenance items as well as responding to numerous citizen requests for service. The City prides itself in having a functional and well-maintained infrastructure that the community can enjoy.

The Engineering Division is responsible for the administration of the Capital Improvement Program (CIP); working closely with the Council CIP Subcommittee. In addition, traffic engineering and development review services are provided within the Engineering Division. In FY 2023-2024, the Engineering Division issued approximately 300 total excavation and construction permits.

During FY 2023-2024, the Department of Public Works coordinated a multitude of capital improvement projects including:

Facility Improvements

- Town Center Hall Storage Cabinets at the Social Hall
- Police Service Center Main Entrance Improvements (Sky-Light)
- City Hall Roof Replacement
- Police Services Staging Roof Replacement
- Clarke Estate Parking Lot Improvements
- Traffic Signal Administration Roof Replacement

Accomplishments & Outlook (cont.)

- City Clerk's Office Improvements
- EV Charge Stations North City Hall Parking Lot

Park Improvements

- Los Nietos Park North Baseball Field Fencing Improvements
- Heritage Park Trellis/Pergola Rehabilitation
- Los Nietos Park North Baseball Field Fencing Improvements Phase II - Hood Netting
- Install WIFI at City Hall

Street Improvements

- Stop Sign Installations at Orr and Day Road at Whiteland Street
- Street Rehabilitation on Residential Streets South of Florence Ave
- Street Rehabilitation on Longworth Avenue (Orr & Day Road to Harvest Avenue)
- Street Rehabilitation on Pioneer Frontage Road (Clarkman Street to south end)
- Telegraph Rd at Carmenita Rd Intersection Improvements
- Pioneer Bl at Houghton Stop Sign Study
- Median Entry Monument on Pioneer Rehabilitation

Building & Safety

Responsible for ensuring that construction and occupancy of buildings meet safety standards by managing the plan check process, issuing permits, and conducting inspections.

Building Activities during FY 2023-2024

- Total permits issued:
  - 1,358 total
    - 665 Building Permits
    - 312 Electrical Permits
    - 149 Mechanical Permits
    - 157 Plumbing Permits
    - 66 Sewer Permits
    - 9 Grading Permits
- Overall project valuation of permits issued:
  - $132,712,093 total
  - It should be noted that the Electrical, Mechanical, Plumbing and Grading permits do not have a valuation.
- Total number of individuals assisted at the counter:
  - 751 total.

Accomplishments & Outlook (cont.)

Department of Community Development

The Community Development Department provides staff support to the City Council, Planning Commission, Housing Successor, Successor Agency, and other development-related activities. The Community Development Department is responsible for the following divisions:

- Planning
  - Current and Advanced (long-range) planning;
- Economic Development
  - Creating, retaining, attracting, and expanding the business community; and
- Housing
  - Improving the quality of our neighborhoods, providing affordable housing options, and managing and disposing of the assets of the former redevelopment agency.

The role of the department is to foster public involvement and creativity and assist decision makers and the public in formulating and implementing policies, which balance environmental, economic and social needs for the present, and future. The department is committed to playing a prominent role in shaping the community through high-quality standards citywide to preserve and cultivate smart and sustainable growth of the City's residential, commercial, and industrial areas. Through the regulation of land use and development, the Community Development Department continually strives to protect and enhance the City's environment and quality of life, resulting in a diverse and livable community where residents, businesses, and visitors can thrive.

Planning Division Activities during FY 2023-2024

- Total number of entitlements processed:
  - Discretionary entitlements: 46 total.
  - Administrative entitlements: 14 total (*wireless projects*)
- Advanced Planning projects completed:
  - Established an on-call environmental services list.
  - Initiated the Surplus Land Act process for several city-owned properties.
  - Adopted local CEQA Guidelines.
  - Adopted an Ordinance to allow Temporary Truck, Trailer, and Container storage on selective properties.
  - Total number of plan checks completed: 500 total.
- Total number of Zone Certification Letters prepared:
  - 18 total.
- Various miscellaneous permits processed:
  - 3 Office Trailer Permits.
  - 3 Home Occupation Permits.
  - 7 Preliminary Application Reviews.

Accomplishments & Outlook (cont.)

- Total number of individuals assisted at the counter:
  - 699 total.

Economic Development Division Activities during FY 2023-2024

- Opening of a new Chick-Fil-A drive-through restaurant at 13225 Telegraph Road.
- Entitled the development of a new Raising Cane's drive-through restaurant at 12623 Imperial Highway.
- Construction began for the Sonic's Drive In and Dave's Hot Chicken at the northeast corner of Laurel Avenue and Florence Avenue.
- Zoning Code revision to simplify and streamline the Alcohol Sales Conditional Use Permits process.

Housing Division Activities during FY 2023-2024

- Submitted the 5th draft of the 2021-2029 Housing Element to the California Department of Housing and Community Development (HCD) for approval.
- Updated City's ADU ordinance to comply with State's updated ADU laws
- Updated the City's Municipal Code to include provisions for SB 9 two-unit developments and urban lot splits.
- Accessory Dwelling Units (ADUs) reviewed and approved: 20 total.
- SB 9 (Two-unit Development) reviewed and approved: 2 total.

Upcoming Activities

In addition to the items listed above, staff is in the beginning and intermediate stages of completing the following projects:

- Select a consultant and begin the Comprehensive Zoning Code Update.
- Select a consultant and begin the Town Center Telegraph Corridor Specific Plan as part of the Caltrans Sustainable Transportation Planning Grant.
- Complete the Surplus Land Act process to construct new housing and commercial opportunities with several city-owned properties.
- Completion of The Whole Child interim housing and community wellness support center.
- Completion of the Richman Group housing project.
- Begin construction of the Habitat for Humanity housing project.
- Select a consultant and process entitlements for three (3) new billboards on the I-605 freeway.
- Complete the design and build for five (5) new single-family homes on existing city parcels.
- Complete the environmental assessment of four (4) city-owned properties as part of the Equitable Community Revitalization Grant (ECRG).
- Adopt new regulations and procedures related to firework booth sales.
- Implement a new Zoning Compliance Form into the business license review process to streamline the understanding of new and existing business operations.

Accomplishments & Outlook (cont.)

Department of Community Services

The Department of Community Services includes the following Divisions: 1) Administration; 2) Library and Cultural Services (LCS); and 3) Family and Human Services (FHS). It is one of the City departments that has the most direct impact on the residents of Santa Fe Springs. Programs and services are available to City residents, visitors, and business residents. These programs and services range from social, recreational, and cultural services. During Fiscal Year 2023-2024, the Department of Community Services achieved several significant accomplishments.

The following includes a variety of program, event, and department accomplishments:

- The Community Services Department implemented several internal operational changes, including:
    - Separation of Parks and Recreation (parks, sports, some special events, aquatics, teens, contract classes) operations from the Community Services Department.
    - Creation of a Creative Media & Communications team under the Administration Division.
    - Transfer of Transit Services from the Public Works Department to the Community Services Department.

    - The Creative Media & Communications (CMC) Team formed in December 2023. The CMC Team is essential for creating a positive image, fostering community engagement, and ensuring effective communication in a way that benefits both the municipality and the community it serves. The CMC Team will help to serve the City of Santa Fe Springs in a variety of roles including, but not limited to, community engagement, public awareness, brand building, communication, crisis management, data collection, policy advocacy, enhancing public legitimacy and trust, and promotion of city services, programs, and events.

    - Since its inception, the team has worked to:
    - Complete a media audit to identify how to better engage the community, including Issuing a public survey that resulted in 715 responses and a better understanding of community needs.
    - Produced a new monthly E-Newsletter “Be in the know of the 90670!”
    - Increased Social Media Followers by 19%, from 14,752 to 17,561 in just 6 months
    - Obtained permission from the Federal Government to use the www.santafesprings.gov domain (transition to .gov will happen in FY24.25).

Accomplishments & Outlook (cont.)

- Initiated better internal communications with a monthly Department Liaisons meeting and routine Public Safety meetings, including SFS Fire, Creative Media & Communications, Police Services, and Whittier P.D.

- Assisted with SFS Art Fest promotional efforts resulting in almost doubled attendance from the previous year's event.
- Utilized digital platforms such as Hootsuite and Placer AI to increase efficient operations and better analyze marketing efforts.
-
- The Community Services Department Administration Division hosted the annual Walk to School Day on Wednesday, October 4, 2023, and included participation from the Police Services Department and City of Norwalk Public Safety. Six elementary schools participated – Rancho Santa Gertrudes, Jersey Avenue, Cresson, Lakeview, Lakeland, and Santa Fe Springs Christian. About 500 4th and 5th-grade students, teachers, parent volunteers, and staff participated.
-
- The Library continued to increase its attendance numbers, services offered, and special programs in Fiscal Year 2023-24 some noteworthy accomplishments include:
-
- Grant Funded Programming - In FTY2023/2024, the Library received over $85,000 in funds and $11,000 in materials for programs and services to the community, including:
- Literacy Services to Adults – The Library rebuilt and updated its Literacy Services and added English As A Second Language (ESL) to its program.
- Programming for Developmentally Adults – The Library received funds to present programming on sustainability. The programs included topics such as native plants, the benefits of insects and trees, low waste living and energy and water efficiency.
- Stay and Play, a program that provides a dedicated space for children and their caregivers to promote socializing, learning, and literacy
- Participation in E-books For All, a statewide collection of e-books and e-audiobooks. The Library received funds to select titles that interest our community.
- Materials to distribute or offer for checkout, such as eclipse viewing glasses, backpacks with hiking supplies, including solar panels, and fix-it kits filled with tools to help people fix their broken items.
- Passport Services - In August 2023 the Library began to offer passport acceptance services. During this period the Library generated almost $13,000 in fees related to services and passport photos.

Accomplishments & Outlook (cont.)

- Library Programs - The Library's innovative programming was very popular with the public. We hosted Pub Trivia, a Mystery Dinner Night, Lantern Tours and 5 book groups. We also expanded our First Fridays and added teen programming. Our Children's programming grew considerably. Over 500 guests attended our Summer Reading Program kickoff party, where we presented a live dance band, face painting, a caricature artist, a mocktail bar and a live animal show complete with a kangaroo. We also revised our children's literacy program and replaced the old Reading Club with a new Reading Lab that is open to all children regardless of reading level and promotes reading with fun activities.

- The Family and Human Services Division continued to increased offerings for social services, community events, and programs for seniors, this includes:

  - $83,918.59 in utility assistance grants, and 453 applications were processed. The Family & Human Services Division continues to partner with United Way and Southern California Edison and SoCal Gas, to provide utility assistance to low-income families and seniors at risk of having their utilities disconnected.
  - 210 Emergency food/clothing packages were distributed. Gus' Kitchen Food Pantry and Community Closet located at the Gus Velasco Neighborhood Center, provides food, hygiene products, and clothing to low-income residents and our unhoused neighbors.
  - 144 inquiries for affordable housing, were responded to by case managers. Affordable housing is increasingly in demand. Most of those in need are either at risk of homelessness or homeless and are often older adults or families.
  - 125 participants attended our Family Health and Wellness classes. These events are chosen to promote protective factors within families and build overall health in our community. Evidence-based data shows that regular family engagement, communication, acceptance, and time spent together after school supports strong families, mental health, and resilience. They also reduce the risk of child abuse and substance use. The classes this year were:
    - Cellphone Savvy Family Photo Class- 15 Participants
    - Family Rock Painting Night- 29 Participants
    - Family Yoga Night, (in partnership with SPIRITT Family Services)- 16 Participants
    - Family Wood Block Craft- 32 Participants
    - Pride Family Paint Night- 33 Participants
  - 168 Backpacks filled with school supplies were distributed to Santa Fe Springs resident children for our Back-to-School Backpack Program. Backpacks were donated by the Rotary Club of Santa Fe Springs, and other monetary donations as well as school supplies were donated by the community.

Accomplishments & Outlook (cont.)

- 153 bags of clothing were provided to community children at the Children's Spring Boutique. A boutique-style outdoor marketplace provides our families with a fun and festive shopping experience. Gently used clothing from our Community Closet was displayed for families to shop for free!
- 324-holiday food baskets were distributed to older adults and families in the community through the Neighborly Elf and Thankful Neighbor Basket programs.
- 3,645 Social Service inquiries were responded to, by Case Managers.
- 98 Families and individuals received assistance in accessing or maintaining affordable health care through Covered California.
- 292 Clients received assistance in form completion. Most are to assist with maintaining or accessing vital services to improve or maintain their quality of life.
- Two emergency meetings were coordinated to offer support and resources to the residents living without gas because of a gas leak and shut off natural gas to the Placita Park Apartment complex. Resources included gift cards, information and referrals, and electric space heaters. An additional meeting with a speaker from the Housing Rights Center was held to inform residents of their rights as tenants. 124 residents of the apartments attended the meetings.
- 15 Older adults attended a workshop on How to Protect your Home Equity, to prevent being a victim of fraud or scams.
- 10 Children participated in a sleep-away camp through Woodcraft Rangers and sponsored by Family and Human Services.
- 4 children were sponsored by Family and Human Services funds for sports and day camp activities.

<u>Department of Parks and Recreation</u>

The Department of Parks & Recreation is dedicated to enriching the lives of our residents by providing quality and caring programs, events, and services that foster community engagement, personal growth, and well-being. We strive to create inclusive recreational opportunities that promote both physical and emotional development for individuals of all ages.

Our wide array of offerings includes year-round programs such as youth and adult sports leagues, recreational classes, day camps, aquatic programs, and youth-focused initiatives at our Activity Center. These activities are thoughtfully designed to encourage cultural enrichment, social connection, and lifelong learning, ensuring that every resident can find opportunities to explore their interests and achieve personal growth.

Accomplishments & Outlook (cont.)

- Restructured Operations and Established the Department of Parks and Recreation
  - In February 2024, the City established the Department of Parks and Recreation, leading to a comprehensive restructuring of program areas and operations. Key improvements that directly impacted residents and key stakeholders by providing higher-quality programming, fostering opportunities for new collaborations, and improving the overall management of community resources, included:
    - The creation of a dedicated maintenance crew for sports fields.
    - The addition of Summer Movie Nights (formerly housed in Community Services).
    - The integration of the Family and Youth Intervention Program into recreation programming, enhancing service delivery and operational efficiency.

- Expanded and Enhanced Community Events
  - The Department significantly increased and enhanced community events, resulting in higher participation and community pride. Key highlights included:
    - Overall, the department hosted 12 community special events with an estimated attendance of approximately 36,600 people.
    - The Independence Day celebration attracted 3,000 more attendees than the previous year—a 25% increase—largely due to improved entertainment, the addition of a second stage, and a spectacularly produced fireworks show.
    - New Memorial Day and Veterans Day Ceremonies were introduced to honor military personnel and their families, receiving widespread acclaim from the community for their heartfelt tributes.
    - The annual 5K event saw a 50% increase in participation, with 700 additional participants joining the run.
    - The Tree Lighting Ceremony also experienced a significant boost in attendance, with an estimated 4,200 attendees enjoying the festive celebration.

- Expanded Collaborative Partnership with the American Cancer Society
  - The Department forged new partnerships, including securing various donations and services for Relay for Life, which featured enhanced entertainment and new activities. Despite a location change that was initially received by stakeholders with skepticism, the event attracted more volunteers, raised over $100,000 toward cancer research, and saw a 37% increase in participation, with over 3,700 attendees, the most this event has seen. These efforts strengthened community engagement and elevated the overall event experience. Additionally, the Relay for Life event was nominated for Event of the Year on the west coast by the American Cancer Society, highlighting its significant impact and success.

Accomplishments & Outlook (cont.)

- Reintroduced Swim Program at the Aquatic Center
  - The Department successfully reintroduced the swim program at the Aquatic Center following a complete refurbishment of the pools, after a three-year closure due to safety concerns. The upgrades included new concrete decking, advanced pool features, modern equipment, and infrastructure leak repairs, revitalizing the facility. Swim lessons were reinstated mid-summer, serving 80% residents, with a daily average participation of 514 across various aquatic programs, including swim lessons, water aerobics, lap swim, and recreational swim, significantly enhancing community engagement and wellness.

- Enhanced Community Access Through Online Transactions The Department strengthened its role as a community hub by increasing online transactions by 31% in the past fiscal year, with online registrations accounting for 22% of all transactions processed for recreation programs. In total, the department processed 5,569 transactions, showcasing its commitment to accessibility and convenience for residents. These efforts reflect the department's dedication to modernizing services and enhancing community engagement.

<u>City Manager</u>

The City Manager is responsible for carrying out the policies and directives of the Council, for overseeing the City's daily operations, maintain the city budget and represent the municipality in a variety of settings, and supervise City departments. Additionally, the City Manager's Office also researches issues important to the city and advises the mayor and council on the best course of action.

City Manager's Office Accomplishments

In the past year, the City Manager's Office has made significant strides in improving internal operations, enhancing efficiency, and addressing the evolving needs of both city departments and the community. Key accomplishments include:

- **Organizational Enhancements & Efficiency Improvements**
  - Assessed internal city expectations and community needs to better align operations with resident and staff priorities.
  - Strengthened the City Manager's Office by integrating Human Resources and IT functions under its umbrella, fostering greater collaboration, efficiency, and productivity.

Accomplishments & Outlook (cont.)

- **Human Resources & Policy Updates**
  - Launched a streamlined performance evaluation system, making it more efficient for supervisors to complete assessments.
  - Conducted and implemented a comprehensive classification and compensation study to ensure equitable and competitive pay structures.
  - Implemented a revised Vehicle Use Policy to enhance operational consistency and accountability.
  - Continued to provide guidance to Department Directors on personnel matters, ensuring effective leadership and decision-making.
- **Technology & Communication Advancements**
  - Conducted an IT assessment to identify and address infrastructure needs.
  - Successfully launched the City's first YouTube-streamed Council meeting, increasing public access to government proceedings. Meetings are now available on the City's website for on-demand viewing.
  - Upgraded all city users to Microsoft 365, improving communication and productivity across departments.
  - Updated the City's online domain from **.org** to **.gov** to comply with state requirements, reinforcing the City's official government status and enhancing cybersecurity.
- **Financial & Operational Improvements**
  - Collaborated with the Finance Department to implement a new banking process, ensuring high-quality service and a cost-effective fee structure.
  - Evaluated City facility audiovisual needs, paving the way for AV system enhancements.

Through these initiatives, the City Manager's Office remains committed to fostering an efficient, transparent, and responsive government that effectively serves both city employees and the community.

<u>Department of Finance and Administrative Services</u>

The Department of Finance and Administrative Services is responsible for various different areas, including managing and safeguarding financial resources in accordance with specific principles and practices, administering information technology and risk management functions, as well as the City's Human Resources function. In addition to receiving the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting again this year and over the last several decades, the department embarked on several initiatives this fiscal year.

Accomplishments & Outlook (cont.)

During Fiscal Year 2022 through 2023, the City's operations were in part impacted by the pandemic. However, the City experienced little to no effect on revenue stream, and in fact, experienced greater than anticipated Sales Tax and Transaction Tax revenues.

The department is in the process of implementing the following:

- Transitioning to a new bank
- New Trustee for Pension and OPEB
- New Investment Portfolio Manager
- Lock Box system to ensure quick turnaround for payment processing
- New Water utility billing software
- Budget software
- Assisting Human Resources and Payroll software

Long-Term Financial Planning

The City continued taking a number of steps to better position its long-term financial standing. City employees are paying their full share of City pension costs. This, coupled with "tiered" benefits providing future City employees with a reduced set of benefits and a greater share of the costs, will substantially help the City's future fiscal standing. In conjunction with subsequent pension reform earmarked changes adopted by the State, the effect should be the stabilization of employee costs.

Debt Administration

The City continues to prefund Other Postemployment Benefits (OPEBs) through CalPERS' California Employers' Retiree Benefit Trust Fund (CERBT). It recognizes the benefit of "prefunding" through a trust rather than using the "pay as you go" method.

The City established California Employers Pension Prefunding Trust (CEPPT) on June 2021. This is a special trust fund for the purpose of allowing City to prefund the required pension contributions to a defined benefit pension plan by receiving and holding in the CEPPT amounts that are intended to be contributed to the Pension Plan at a later date.

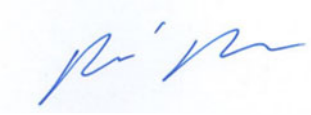
Over the course of the next year, staff will be looking to further develop and formalize more long-term financial planning models. They should help provide a framework that helps identify future trends.

At June 30, 2023, the City of Santa Fe Springs oversaw five outstanding bond issues comprised of: three Consolidated Redevelopment Project tax allocation bond issues, and two City water revenue bond issues.

The City works closely with public financial professionals to monitor opportunities to effectively administer the outstanding debt in a fluid public finance market. More detailed information about the debt is contained in the Management's Discussion and Analysis and in the Notes to Financial Statements.

Acknowledgements

We would like to extend our appreciation to the City Council, the City Council Audit/Finance Subcommittee, and City departments for their cooperation and support in planning and conducting the financial operations of the City during the past fiscal year. Specifically, we would like to thank the Department of Finance & Administrative Services for their consistent dedication and hard work.

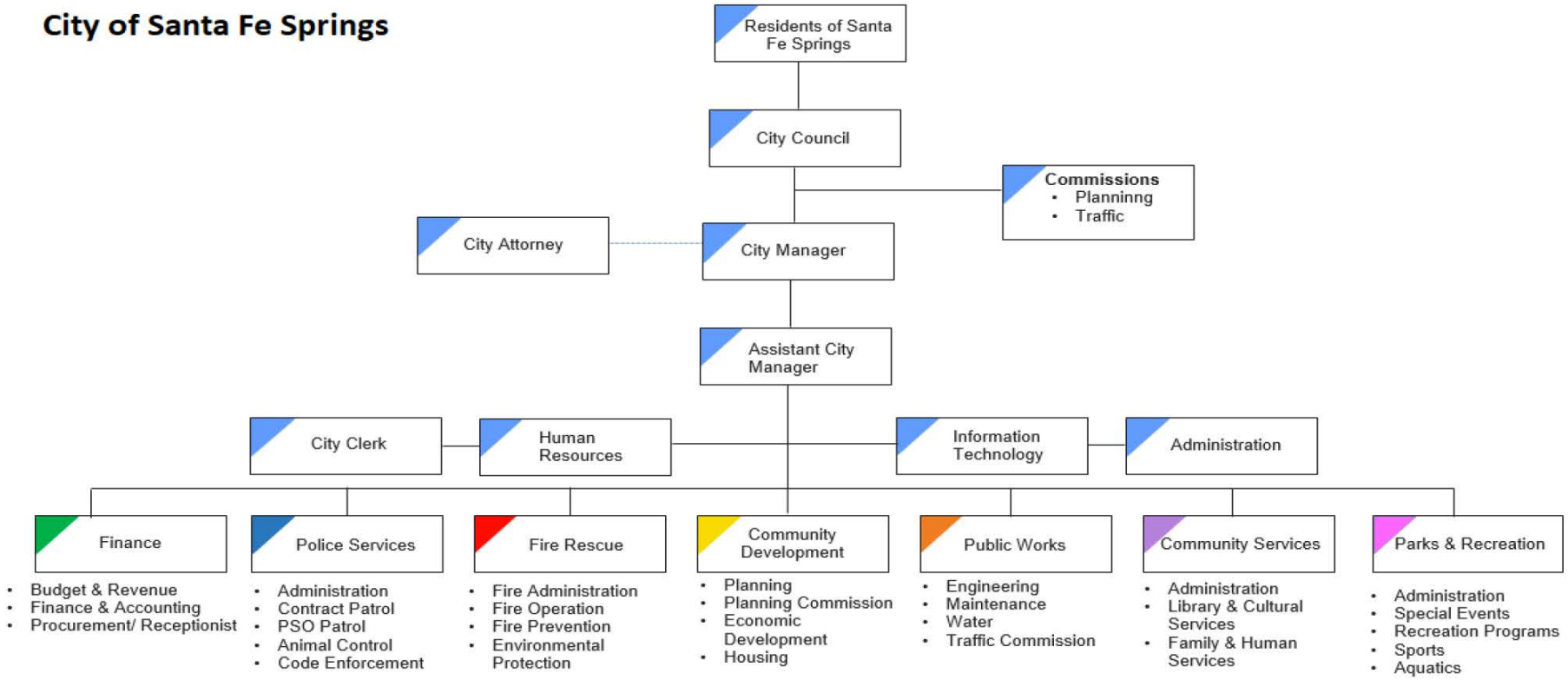


René Bobadilla
City Manager

Lana Dich
Director of Finance

Organizational Chart

City of Santa Fe Springs



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Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

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CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council
City of Santa Fe Springs
Santa Fe Springs, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Santa Fe Springs (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the General Fund and Low and Moderate Income Housing Assets Fund, the schedules of changes in the net pension liability and related ratios for the agent multiple-employer miscellaneous plan, the schedule of plan contributions for the agent multiple-employer miscellaneous plan, the schedule of proportionate share of the net pension liability for the cost sharing safety plan, the schedule of plan contributions for the cost sharing safety plan, the schedule of changes in the net OPEB liability and related ratios, and the schedule of contributions for OPEB, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining nonmajor fund financial statements and budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Irvine, California
March 10, 2025

CITY OF SANTA FE SPRINGS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

This is management's discussion and analysis (MD&A) of the financial performance of the City of Santa Fe Springs (City) for the fiscal year ended June 30, 2024. This should be read in conjunction with the transmittal letter that can be found in the introductory section of this report and with the City's financial statements, which follow this discussion

Financial Highlights

- The City's total net position increased over the course of the fiscal year by $32.1 million to $249.0 million. The governmental net position increased by $30.4 million or 15.8%, while the business-type net position increased by $1.7 million or 7.1%.

- The General Fund, on the current financial resources basis, reported an increase in fund balance of $20.8 million to $121.2 million. Excluding transfers and other financing sources/uses, the General Fund reported $24.3 million excess of revenues over expenditures. Revenues increased by $5.4 million or 5.4% and expenditures increased by $5.9 million or 7.8% when compared to prior year. Increase in revenues was primarily due to increase in revenues provided by sales, use, and transaction taxes, use of money & property and charges for services. Increases in expenditures were mainly due to supply chain pressure, causing inflation to rise sharply.

- At the close of the fiscal year, unassigned fund balance for the General Fund was $50.1 million or approximately 56.4% of total General Fund expenditures and transfers.

Overview of the Financial Statements

This annual report consists of several parts: an introductory section, management's discussion and analysis, the basic financial statements, required supplementary information, supplementary information and a statistical section. The basic financial statements include two kinds of statements that present different views of the City: government-wide financial statements and fund financial statements.

Government-wide Financial Statements

The government-wide financial statements provide both short and long-term information about the City's overall financial status in a manner similar to a private sector business.

- The statement of net position presents information on all of the City's assets and deferred outflows, and liabilities and deferred inflows, with the difference between the two reported as net position. In time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of the City is improving or deteriorating.

- The statement of activities presents information on how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The governmental activities of the City include general government, public safety, community development, public works, culture and leisure, human services and Interest on Long-Term debt. The City's Water Utility operates as a proprietary fund and is reported as the City's only business-type activity in the government-wide statements.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.

- Governmental funds statements tell how general government services such as public works, community services, police and fire were financed in the short term, as well as what remains for future spending. Because this information does not encompass the additional long-term focus of the government-wide statements, reconciliations that explain the relationship (or differences) between governmental funds and governmental activities follow each of the governmental funds statements.

- Proprietary fund statements offer short and long-term financial information about the City's Water Utility Enterprise fund and internal service funds.

- Fiduciary funds statements provide information about the financial relationships in which the City acts solely in a trustee or custodial capacity for the benefit of others, to whom the resources belong. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by certain required supplementary information concerning the City's budgetary comparison schedules for its general fund and the City's pension and other post-employment benefits obligation to its employees. In addition to these required elements, we have included supplementary statements and schedules that provide details about the City's non-major governmental funds.

Financial Analysis of the Government-wide Statements

The government-wide financial statements provide short and long-term information about the City's overall financial condition. This analysis addresses the financial statements of the City as a whole. The statement of net position includes all of the City's assets and deferred outflows, and liabilities and deferred inflows. All current year revenues and expenses are reported in the statement of activities, regardless of when cash is received or paid.
The two government-wide financial statements report the City's net position and how it has changed during the fiscal year. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial health of the City is improving or deteriorating.

City of Santa Fe Springs
Summary of Net Position
June 30, 2023 and 2024
(in millions)

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2023	2024	2023	2024	2023	2024	
Current and other assets	$ 200.7	$ 220.0	$ 20.4	$ 22.3	$ 221.1	$ 242.3	9.6%
Capital assets, net	163.1	171.3	25.0	24.4	188.1	195.7	4.0%
Total assets	363.8	391.3	45.4	46.7	409.2	438.0	7.0%
Deferred outflows	47.2	46.3	2.7	2.6	49.9	48.9	-2.0%
Long-term liabilities	176.0	168.8	20.7	19.6	196.7	188.4	-4.2%
Other liabilities	13.1	11.5	2.9	2.8	16.0	14.3	-10.6%
Total liabilities	189.1	180.3	23.6	22.4	212.7	202.7	-4.7%
Deferred inflows	28.9	33.9	0.6	1.3	29.5	35.2	19.3%
Net position							
Net investment in capital assets	155.9	165.1	17.7	17.2	173.6	182.3	5.0%
Restricted	34.5	40.5	0.6		35.1	40.5	15.4%
Unrestricted	2.6	17.8	5.6	8.4	8.2	26.2	219.5%
	$ 193.0	$ 223.4	$ 23.9	$ 25.6	$ 216.9	$ 249.0	14.8%

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Santa Fe Springs, assets and deferred outflows exceeded liabilities and deferred inflows by $249.0 million at the close of the fiscal year. The largest portion of the City's net position 73.2%, is invested in capital assets, net of related debt. Approximately 10.5 % of the City's net position is unrestricted. Unrestricted net position is at a surplus of $26.1 million, an increase of $17.9 million from the prior year. An additional portion of the City's net position, $40.5 million, represents resources that are subject to external restrictions on how they may be used.

During the fiscal year, the City's ending net position increased by $32.1 million, when compared to the prior year, revenues increased by $3.8 million to $135.4 million. Expenses increased by $11.0 million to $103.3 million. Total revenues outpaced total expenses primarily due to increases in sales, use, and transaction taxes, franchise taxes, use of money & property, and charges for services program revenues.

Changes in Net Position
For the Fiscal Years Ended June 30, 2023 and 2024
(in millions)

	Governmental Activities		Business-type Activities		Total Primary Government		Total Percentage Change
	2023	2024	2023	2024	2023	2024	
Revenues							
Program revenues:							
Charges for services	$ 14.7	$ 14.3	$ 15.3	$ 16.1	$ 30.0	$ 30.4	1.3%
Operating grants and contributions	11.4	7.7	0.1	-	11.5	7.7	-33.0%
Capital grants and contributions	3.4	3.7	-	0.1	3.4	3.8	11.8%
General revenues:							
Sales and use taxes	40.2	40.5	-	-	40.2	40.5	0.7%
Transaction and use taxes	16.8	17.2	-	-	16.8	17.2	2.4%
Property taxes	5.9	6.4	-	-	5.9	6.4	8.5%
Franchise taxes	4.7	5.3	-	-	4.7	5.3	12.8%
Motor vehicle in lieu	2.5	2.7	-	-	2.5	2.7	8.0%
Business operations taxes	0.8	0.8	-	-	0.8	0.8	0.0%
Utility users taxes	8.8	8.8	-	-	8.8	8.8	0.0%
Other taxes	0.2	0.2	-	-	0.2	0.2	0.0%
Use of money and property	4.0	9.1	0.4	0.7	4.4	9.8	122.7%
Other	2.3	1.7	0.1	0.1	2.4	1.8	-25.0%
Total revenues	115.7	118.4	15.9	17.0	131.6	135.4	2.9%
Expenses							
Governmental activities:							
General government	10.3	11.2	-	-	10.3	11.2	8.7%
Public safety	28.3	41.4	-	-	28.3	41.4	46.3%
Community development	11.7	4.7	-	-	11.7	4.7	-59.8%
Public works	18.8	20.9	-	-	18.8	20.9	11.2%
Culture and leisure	7.3	8.6	-	-	7.3	8.6	17.8%
Human services	2.2	2.4	-	-	2.2	2.4	9.1%
Interest on long-term debt	0.1	0.1	-	-	0.1	0.1	0.0%
Business-type activities:							
Water	-	-	13.6	14.0	13.6	14.0	2.9%
Total expenses	78.7	89.3	13.6	14.0	92.3	103.3	11.9%
Excess (deficiency) before transfers	37.0	29.1	2.3	3.0	39.3	32.1	-18.3%
Transfers	1.4	1.3	(1.4)	(1.3)	-	-	
Increase (decrease) in net position	38.4	30.4	0.9	1.7	39.3	32.1	-18.3%
Net position - beginning	154.6	193.0	23.0	23.9	177.6	216.9	22.1%
Net position - ending	$ 193.0	$ 223.4	$ 23.9	$ 25.6	$ 216.9	$ 249.0	14.8%

The City's total revenues were $135.4 million for the fiscal year ended June 30, 2024. Revenues from governmental activity totaled $118.4 million and revenues from business-type activities totaled $17.0 million. Program revenues comprise 30.9% of total revenues with the largest portion of this, $30.4 million, resulting from charges for services. Sales, use, and transaction taxes comprise 42.6% of total revenues and other general revenues comprise the remaining 26.4%. Total revenues increased by 2.9%, primarily due to increase in program charges for services, sales, use, and transaction taxes, and the use of money & property during the fiscal year.

- Charges for services includes culture and leisure programs, and facilities rentals. Increased in charges for services due to an increase in the demand to use city's programs and services.
- The stay-at-home orders during the pandemic generated greater than anticipated online sales which resulted in the City's increased sales, use, and transaction taxes.

Expenses of the City for the year totaled $103.3 million. Governmental activity expenses totaled $89.3 million, or 86.4% of total expenses. The following table summarizes the total cost and net cost of the City's governmental activities by function type.

Net Cost of Governmental Activities

(in millions)

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2023	2024		2023	2024	
General government	$ 10.3	$ 11.2	8.7%	$ 2.5	$ 2.8	12.0%
Public safety	28.3	41.4	46.3%	20.2	36.8	82.2%
Community development	11.7	4.7	-59.8%	8.1	1.6	-80.2%
Public works	18.8	20.9	11.2%	10.6	13.1	23.6%
Culture and leisure	7.3	8.6	17.8%	5.8	7.1	22.4%
Human services	2.2	2.4	9.1%	1.8	2.1	16.7%
Interest on long-term debt	0.1	0.1	0.0%	0.1	0.1	0.0%
Total	$ 78.7	$ 89.3	13.5%	$ 49.1	$ 63.6	29.5%

Business-type Activities

Program revenues of the City's only business-type activity, the Water Utility, totaled $16.2 million, and investment and other income totaled an additional $0.8 million. Expenses of the Water Utility were $14.0 million. Water rates include a factor to provide for a modest annual water infrastructure replacement program. Income before transfers was $3.0 million. Transfers out totaled $1.3 million. This amount was transferred to the City's General Fund for use of the City's rights of way and maintenance of the City's extensive infrastructure. The cost of capital improvements is reported in the statement of net position, rather than as expenses in the statement of activities. Capital assets of $24.4 million (net of accumulated depreciation) decreased by approximately $0.6 million.

Financial Analysis of the Fund Statements

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of City government, reporting the City's operations in more detail than the government-wide statements.

The City's governmental funds provide information on near-term inflows, outflows and the balance of available resources. The City's governmental funds reported combined fund balances at June 30, 2024, of $182.5 million, an increase of approximately $17.6 million from the previous fiscal year. The primary reason for the increase was due to revenues exceeding expenditures in the General Fund resulting from increase in sales, use, and transaction taxes, use of money & property and charges for services program incomes. The increase in the use of money and property was due to an increase interest rates the City is earning on its funds invested.

The General Fund is the chief operating fund of the City. On June 30, 2024, the General Fund's unassigned fund balance was $50.1 million. Additional General Fund balances were: nonspendable $1.8 million, restricted $3.9 million, committed $0.2 million, and assigned $65.2 million. Revenues increased by approximately $5.4 million, and expenditures increased by $5.9 million when compared to prior year. The revenue increase is a combination of increases in sales, use, transaction taxes, franchise taxes, use of money & property, and charges for services program incomes. The expenditure increase is reflective of rising costs across the nation, pension costs, and additional projects. During the fiscal year ended June 30, 2024, the overall fund balance in the General Fund increased by $20.7 million.

Within the governmental funds designation, the City has four other major funds: the Low and Moderate Income Housing Assets Special Revenue Fund, the Capital Improvement Capital Projects Fund, the Prefunded Capital Projects Fund, and the Successor Agency Bond Funded Capital Projects Fund.

The Low and Moderate Income Housing Assets Special Revenue Fund was created during FY 2011-12 to account for the assets of the Housing Fund of the former Redevelopment Agency. Under the redevelopment dissolution bills, the City acts as housing successor to the former Redevelopment Agency and will retain the rights and obligations to administer the assets of the Fund. The assets of the Fund total $9.8 million consisting primarily of cash and investments, notes and loans, advances receivable, and land and buildings held for resale. During fiscal year 2023-24 the Fund expended $1.5 million in housing administration costs.

The Capital Improvement Capital Projects Fund is used to account for expenditures on various capital improvement projects and the related revenues to finance the projects. The revenues and expenditures of the Fund may vary significantly from year to year depending on the activity each year. The assets of the Fund total $11.4 million primarily consisting of cash and investments, and receivables expected to be received from various governmental agencies. During the fiscal year ended June 30, 2024, the overall Fund balance decreased by $2.6 million. The decrease was due to an increase in Due to other Funds and offset by reimbursements from various government agencies for completed projects during prior year were collected this year. These receivables are outstanding beyond the available period and have not been recognized as revenues.

The Prefunded Capital Projects Fund was created during fiscal year 2012-13 to account for the City's Capital Improvement Program in the post-redevelopment era. The former Redevelopment Agency was a significant source of funding prior to dissolution. Without the redevelopment agency, the General Fund became the main source of future funds for the Capital Improvement Program. Through a combination of revenue enhancements (i.e. increase in the utility users tax rate) and cost containment and reduction measures, the General Fund will annually budget a transfer to the Prefunded Capital Projects Fund to build the base from which the Capital Improvement Program will operate. Additionally, one-time revenues will be considered for allocation to the Fund. For the fiscal year ended June 30, 2024, the General Fund transferred $7.9 million into the Prefunded Capital Projects Fund to restore a portion of the CIP target funding. The Fund balance has decreased by $1.9 million to $33.6 million as of the fiscal year-end. The decrease was primarily due to an increase in capital outlay. City staff, in conjunction with the CIP Subcommittee of the City Council, work together throughout the year to plan and manage the projects financed through this fund.

The Successor Agency Bond Funded Capital Projects Fund was created in fiscal year 2014-15 to account for the unspent bond proceeds of the former Redevelopment Agency. With approval from the California Department of Finance, the Successor Agency transferred approximately $19.6 million in unspent proceeds to the City as of July 1, 2014. Under a Bond Expenditure Agreement between the City and the Successor Agency, the City manages the projects for which the bond proceeds are to be

used. During fiscal year 2023-24, the City expended approximately $0.8 million on projects. As of fiscal year-end the fund balance increased by $0.2 million to $8.3 million. The increase was due to higher interest income on investments. The balance accumulated in the Fund is to be used on future projects.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget for expenditures was a $1.9 million increase or 2.1%. The final amended budget exceeded actual expenditures by approximately 10.1% due to lower-than-expected operation costs throughout most functional areas.

Revenues exceeded the budget amount by $14.2 million, primarily due sales, use, and transaction taxes growth more than anticipated after the pandemic. Increases were seen in other revenue categories, including franchise taxes, charges for services, licenses and permits, and interest income. The Notes to the Required Supplementary Information provides more details regarding budgeting policies and practices.

Capital Assets

The City's investment in capital assets for its governmental activities as of June 30, 2024, amounts to $171.3 million (net of accumulated depreciation), an increase of approximately $8.2 million from the previous year. This investment in capital assets includes land, construction in progress, buildings, improvements other than buildings, equipment and infrastructure. Note 7 – Capital Assets provides more detailed information on the capital assets.

The City's investment in capital assets for its business-type activities, the Water Utility Fund, as of June 30, 2024, amounts to $24.4 million (net of accumulated depreciation), a decrease of $0.6 million. Water Utility capital assets required for private development purposes are funded by capital contributions.

Long-term Liabilities

On June 30, 2024, the City's governmental activities long-term liabilities decreased by $7.2 million to $170.2 million. The City's business-type activities long-term liabilities decreased by $1.1 million to $19.9 million. The long-term liabilities consisted of bonds, compensated absences, OPEB obligation, Pension obligation, and other loans/leases are summarized in the table below and more detailed information is included in Note 8 – Long-Term Liabilities, Note 9 - Compensated Absences, Note 11 – Pension Plan Obligations and Note 12 – Post-Employment Health Care Benefits.

During FY 2012-13, the City's business-type activity Water Utility Fund issued $6.89 million in water revenue bonds to refund the existing 2003 water revenue bonds at lower interest rates and provide approximately $2.1 million in additional proceeds to be used for water infrastructure projects. During FY 2017-18, Water Utility Authority issued $1.8 million in water revenue bonds to refund the existing 2005 water revenue bonds at lower interest rates and provide a reduction of approximately $0.4 million in total debt service payments.

Outstanding Debt
(in millions)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2023	2024	2023	2024	2023	2024	
Revenue bonds	$ -	$ -	$ 7.4	$ 7.2	$ 7.4	$ 7.2	-2.7%
Compensated absences	1.9	1.9	0.3	0.3	2.2	2.2	0.0%
OPEB obligation	34.8	20.7	3.4	2.0	38.2	22.7	-40.6%
Pension obligation	135.6	143.1	9.9	10.4	145.5	153.5	5.5%
Other loans/leases	5.1	4.5	0.0	0.0	5.1	4.5	-11.8%
Total	$ 177.4	$ 170.2	$ 21.0	$ 19.9	$ 198.4	$ 190.1	-4.2%

All water revenue bonds are insured issues.

Economic Factors and Next Year's Budgets

The City of Santa Fe Springs has dealt with many difficult decisions stemming from the downturn in the economy in the late 2000's, the dissolution of redevelopment agencies and tax increment financing and more recently the COVID-19 pandemic. The City's condition, despite the impacts of the pandemic, is improving due to revenue enhancements coupled with cost containment and reduction measures but still faces significant financial challenges in the years ahead. Major factors expected to affect the budget include:

- Slow recovery of state and local economies.
- Funding capital improvements without the Redevelopment Agency, which historically has funded the majority of capital projects prior to the dissolution of redevelopment.
- Funding for significantly increasing retirement contributions rates caused by a number of factors including the reduced number of active employees, actuarial assumption changes related to mortality and expected investment returns, and poor investment performance of the pension plan during the economic downturn in 2008.
- Increasing demands for public services, including unfunded mandates by both federal and state governments.
- The high inflation rates have led to sharp increases in the cost of living throughout our community and it has also increased the cost to deliver City's programs and services.

All these factors were considered in adopting the Fiscal Year 2025-26 operational budget.

Requests for Information

This financial report is designed to provide a general overview of the City of Santa Fe Springs finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Director of Finance and Administrative Services, City of Santa Fe Springs, 11710 Telegraph Road, Santa Fe Springs, California.

CITY OF SANTA FE SPRINGS
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities	Business-Type Activity	Total
CURRENT ASSETS			
Cash and Investments	$ 139,790,474	$ 17,400,453	$ 157,190,927
Receivables:			
Accounts	3,703,594	3,956,338	7,659,932
Interest	795,706	2,662	798,368
Leases	257,548	-	257,548
Deposits and Other Assets	363,622	-	363,622
Due from Other Governments	20,631,699	-	20,631,699
Inventories	1,265,018	328,153	1,593,171
Restricted Assets:			
Cash and Investments with Fiscal Agents	28,237,121	574,740	28,811,861
Total Current Assets	195,044,782	22,262,346	217,307,128
NONCURRENT ASSETS			
Notes and Loans, Net of Allowances	6,254,849	-	6,254,849
Leases Receivable	18,083,305	-	18,083,305
Land and Buildings Held for Resale	520,032	-	520,032
Capital Assets Not Being Depreciated/Amortized	60,429,279	8,366,862	68,796,141
Capital Assets, Net of Depreciation/Amortization	110,917,569	16,031,166	126,948,735
Total Noncurrent Assets	196,205,034	24,398,028	220,603,062
Total Assets	391,249,816	46,660,374	437,910,190
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Charge on Refunding	-	16,655	16,655
Deferred Pension-Related Items	41,257,035	2,160,151	43,417,186
Deferred OPEB-Related Items	5,083,130	502,727	5,585,857
Total Deferred Outflows of Resources	46,340,165	2,679,533	49,019,698
CURRENT LIABILITIES			
Accounts Payable	4,385,846	1,327,965	5,713,811
Accrued Liabilities	2,016,066	190,583	2,206,649
Accrued Interest	41,438	44,313	85,751
Unearned Revenue	780,405	15,102	795,507
Deposits Payable	2,373,771	972,331	3,346,102
Due to Other Governments	538,953	-	538,953
Compensated Absences	440,000	60,000	500,000
Bonds, Notes, and Lease Payable	935,828	223,817	1,159,645
Total Current Liabilities	11,512,307	2,834,111	14,346,418
NONCURRENT LIABILITIES			
Compensated Absences	1,456,806	198,656	1,655,462
Bonds, Notes, Lease and SBITA Payable	3,516,713	6,963,435	10,480,148
Net OPEB Liability	20,680,773	2,045,351	22,726,124
Net Pension Liability	143,122,601	10,422,414	153,545,015
Total Noncurrent Liabilities	168,776,893	19,629,856	188,406,749
Total Liabilities	180,289,200	22,463,967	202,753,167
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension-Related Items	3,576,520	112,060	3,688,580
Deferred OPEB-Related Items	11,955,648	1,182,427	13,138,075
Deferred Leases-Related Items	18,340,853	-	18,340,853
Total Deferred Inflows of Resources	33,873,021	1,294,487	35,167,508
NET POSITION			
Net Investment in Capital Assets	165,187,789	17,227,431	182,415,220
Restricted - Nonexpendable	244,676	-	244,676
Restricted - Expendable:			
Community Development Projects	114,646	-	114,646
Public Safety	131,479	-	131,479
Public Works	15,665,017	-	15,665,017
Capital Projects	8,267,213	-	8,267,213
Low and Moderate Income Housing	9,814,905	-	9,814,905
Art in Public Places - Expendable	2,416,000	-	2,416,000
Waste Management	3,344,622	-	3,344,622
Environmental Programs	508,908	-	508,908
Unrestricted	17,732,505	8,354,022	26,086,527
Total Net Position	$ 223,427,760	$ 25,581,453	$ 249,009,213

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental Activities:				
General Government	$ 11,238,050	$ 5,735,195	$ 2,655,757	$ -
Public Safety	41,413,294	3,354,600	1,237,669	-
Community Development	4,705,749	3,078,908	32,182	-
Public Works	20,888,027	1,169,696	2,844,777	3,732,406
Culture and Leisure	8,613,554	602,224	939,685	-
Human Services	2,404,255	342,632	26,511	-
Interest on Long-Term Debt	125,137	-	-	-
Total Governmental Activities	89,388,066	14,283,255	7,736,581	3,732,406
Business-Type Activity:				
Water Fund	14,019,326	16,148,720	35,222	75,113
Total	$ 103,407,392	$ 30,431,975	$ 7,771,803	$ 3,807,519

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED JUNE 30, 2024

Functions/Programs	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Business-Type Activity	Total
Governmental Activities:			
General Government	$ (2,847,098)	$ -	$ (2,847,098)
Public Safety	(36,821,025)	-	(36,821,025)
Community Development	(1,594,659)	-	(1,594,659)
Public Works	(13,141,148)	-	(13,141,148)
Culture and Leisure	(7,071,645)	-	(7,071,645)
Human Services	(2,035,112)	-	(2,035,112)
Interest on Long-Term Debt	(125,137)	-	(125,137)
Total Governmental Activities	(63,635,824)	-	(63,635,824)
Business-Type Activity:			
Water Fund	-	2,239,729	2,239,729
Total	(63,635,824)	2,239,729	(61,396,095)
GENERAL REVENUES			
Taxes:			
Property Taxes, Levied for General Purpose	6,322,226	-	6,322,226
Transaction and Use Taxes	17,251,079	-	17,251,079
Sales and Use Taxes	40,445,644	-	40,445,644
Franchise Taxes	5,254,059	-	5,254,059
Business Operation Taxes	815,837	-	815,837
Utility Users Tax	8,827,062	-	8,827,062
Other Taxes	174,853	-	174,853
Intergovernmental Revenues - Motor Vehicle in Lieu	2,739,793	-	2,739,793
Use of Money and Property	9,131,020	681,910	9,812,930
Other	1,747,586	101,074	1,848,660
Gain on Sale of Capital Assets	34,215	-	34,215
TRANSFERS	1,343,800	(1,343,800)	-
Total General Revenues and Transfers	94,087,174	(560,816)	93,526,358
CHANGE IN NET POSITION	30,451,350	1,678,913	32,130,263
Net Position - Beginning of Year	192,976,410	23,902,540	216,878,950
NET POSITION - END OF YEAR	$ 223,427,760	$ 25,581,453	$ 249,009,213

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
BALANCE SHEET—GOVERNMENTAL FUNDS
JUNE 30, 2024

	General	Special Revenue Fund: Low and Moderate Income Housing Assets Fund	Capital Projects Funds: Capital Improvement	Capital Projects Funds: Prefunded Capital Projects
ASSETS				
Pooled Cash and Investments	$ 76,271,314	$ 1,833,035	$ 3,182,922	$ 35,245,002
Restricted Cash and Investments with Fiscal Agents	28,237,121	-	-	-
Receivables:				
Accounts	3,653,375	29,098	20,408	-
Notes and Loans, Net of Allowances	177,450	6,000,000	-	-
Leases	18,340,853	-	-	-
Accrued Interest	578,211	-	-	-
Deposits and Other Assets	363,622	-	-	-
Due from Other Governments	10,847,193	-	8,217,416	10,088
Due from Other Funds	8,632,549	-	-	-
Advances to Other Funds	-	1,437,861	-	-
Inventories	1,265,018	-	-	-
Land and Buildings Held for Resale	-	520,032	-	-
Total Assets	$ 148,366,706	$ 9,820,026	$ 11,420,746	$ 35,255,090
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ 2,621,009	$ 1,493	$ 96,269	$ 1,610,249
Accrued Liabilities	1,998,532	3,628	-	11,559
Unearned Revenues	766,305	-	-	-
Deposits Payable	1,516,609	-	857,162	-
Due to Other Governments	473,359	-	65,594	-
Due to Other Funds	-	-	7,384,255	-
Advances from Other Funds	1,437,861	-	-	-
Total Liabilities	8,813,675	5,121	8,403,280	1,621,808
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	21,435	-	8,217,416	10,088
Deferred Leases-Related Items	18,340,853	-	-	-
Total Deferred Inflows of Resources	18,362,288	-	8,217,416	10,088
FUND BALANCES				
Nonspendable:				
Inventory	1,265,018	-	-	-
Notes and Loans	177,450	-	-	-
Deposits and Other Assets	363,622	-		-
Permanent Fund Principal	-	-	-	-
Restricted for:				
Community Development Projects	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Capital Projects	-	-	-	-
Low and Moderate Income Housing	-	9,814,905	-	-
Art in Public Places	-	-	-	-
Waste Management	3,344,622	-	-	-
Environmental Programs	508,908	-	-	-
Committed to:				
Capital Projects	225,000	-	-	-
Assigned to:				
Capital Projects	9,500,000	-	-	33,623,194
Renovation & Replacement	250,000	-	-	-
Facility Improvement	25,193	-	-	-
Equipment Replacement	9,177,605	-	-	-
Economic Uncertainty	11,725,000	-	-	-
Employee Liability	7,377,784	-	-	-
Risk Management	903,200	-	-	-
Unfunded Liability	26,276,543	-	-	-
Unassigned	50,070,798	-	(5,199,950)	-
Total Fund Balances	121,190,743	9,814,905	(5,199,950)	33,623,194
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 148,366,706	$ 9,820,026	$ 11,420,746	$ 35,255,090

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
BALANCE SHEET—GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024

	Capital Projects Funds		
	Successor Agency Bond Funded Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Pooled Cash and Investments	$ 7,991,569	$ 15,266,632	$ 139,790,474
Restricted Cash with Fiscal Agent	-	-	28,237,121
Receivables:			
Accounts	-	713	3,703,594
Notes and Loans, Net of Allowances	58,149	19,250	6,254,849
Leases	-	-	18,340,853
Accrued Interest	217,495	-	795,706
Deposits and Other Assets	-	-	363,622
Due from Other Governments	-	1,557,002	20,631,699
Due from Other Funds	-	-	8,632,549
Advances to Other Funds	-	-	1,437,861
Inventories	-	-	1,265,018
Land and Buildings Held for Resale	-	-	520,032
Total Assets	$ 8,267,213	$ 16,843,597	$ 229,973,378
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	$ -	$ 56,826	$ 4,385,846
Accrued Liabilities	-	2,347	2,016,066
Unearned Revenues	-	14,100	780,405
Deposits Payable	-	-	2,373,771
Due to Other Governments	-	-	538,953
Due to Other Funds	-	1,248,294	8,632,549
Advances from Other Funds	-	-	1,437,861
Total Liabilities	-	1,321,567	20,165,451
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues	-	749,157	8,998,096
Deferred Leases-Related Items	-	-	18,340,853
Total Deferred Inflows of Resources	-	749,157	27,338,949
FUND BALANCES			
Nonspendable:			
Inventory	-	-	1,265,018
Notes and Loans	-	-	177,450
Deposits and Other Assets	-	-	363,622
Permanent Fund Principal	-	244,676	244,676
Restricted for:			
Community Development Projects	-	114,646	114,646
Public Safety	-	131,479	131,479
Public Works	-	12,647,551	12,647,551
Capital Projects	8,267,213	-	8,267,213
Low and Moderate Income Housing	-	-	9,814,905
Art in Public Places	-	2,416,000	2,416,000
Waste Management	-	-	3,344,622
Environmental Programs	-	-	508,908
Committed to:			
Capital Projects	-	-	225,000
Assigned to:			
Capital Projects	-	-	43,123,194
Renovation & Replacement	-	-	250,000
Facility Improvement	-	-	25,193
Equipment Replacement	-	-	9,177,605
Economic Uncertainty	-	-	11,725,000
Employee Benefits	-	-	7,377,784
Risk Management	-	-	903,200
Unfunded Liability	-	-	26,276,543
Unassigned	-	(781,479)	44,089,369
Total Fund Balances	8,267,213	14,772,873	182,468,978
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 8,267,213	$ 16,843,597	$ 229,973,378

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Fund Balances of Governmental Funds		$ 182,468,978
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and, therefore, are not reported in the fund financial statements.		
Capital Assets Not Being Depreciated/Amortized	$ 60,429,279	
Capital Assets Being Depreciated/Amortized	265,725,058	
Accumulated Depreciation/Amortization	(154,807,489)	171,346,848
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long term, are reported in the Statement of Net Position.		
Notes and Lease Payable	(4,452,541)	
Compensated Absences	(1,896,806)	(6,349,347)
Pension and OPEB related debt applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Deferred outflows of resources and deferred inflows of resources related to pensions and OPEB are only reported in the Statement of Net Position as the changes in these amounts affect only the government-wide statements for governmental activities.		
Deferred Outflows of Resources - Pension Related	41,257,035	
Deferred Inflows of Resources - Pension Related	(3,576,520)	
Net Pension Liability	(143,122,601)	
Deferred Outflows of Resources - OPEB Related	5,083,130	
Deferred Inflows of Resources - OPEB Related	(11,955,648)	
Net OPEB Liability	(20,680,773)	(132,995,377)
Accrued interest payable for the current portion of interest due on bonds has not been reported in the governmental funds.		(41,438)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		8,998,096
Net Position of Governmental Activities		$ 223,427,760

See accompanying Notes to Basic Financial Statements.

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CITY OF SANTA FE SPRINGS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	General	Special Revenue Fund: Low and Moderate Income Housing Assets Fund	Capital Projects Funds: Capital Improvement	Capital Projects Funds: Prefunded Capital Projects
REVENUES				
Taxes	$ 81,562,279	$ -	$ -	$ -
Licenses and Permits	3,685,156	-	-	-
Intergovernmental	1,013,587	-	410,442	16,410
Charges for Services	7,517,518	-	28,425	-
Use of Money and Property	7,367,932	204,640	-	-
Rentals	2,103,157	-	-	-
Fines and Forfeitures	772,530	-	-	-
Contributions	258,116	-	-	-
Miscellaneous	1,533,425	16,548	332,248	975
Total Revenues	105,813,700	221,188	771,115	17,385
EXPENDITURES				
Current:				
General Government	10,812,851	-	-	-
Public Safety	39,447,134	-	-	-
Community Development	3,540,981	1,459,966	-	-
Public Works	14,839,359	-	-	235,288
Culture and Leisure	7,861,333	-	-	-
Human Services	2,207,919	-	-	-
Capital Outlay	1,656,202	-	4,214,252	9,216,310
Debt Service:				
Principal Retirement	1,008,219	-	-	-
Interest and Fiscal Charges	134,763	-	-	-
Total Expenditures	81,508,761	1,459,966	4,214,252	9,451,598
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	24,304,939	(1,238,778)	(3,443,137)	(9,434,213)
OTHER FINANCING SOURCES (USES)				
Transfers In	3,350,469	-	851,288	7,881,534
Transfers Out	(7,290,190)	-	-	(311,242)
Sale of Capital Assets	34,215	-	-	-
Issuance of SBITA Payable	351,676	-	-	-
Total Other Financing Sources (Uses)	(3,553,830)	-	851,288	7,570,292
NET CHANGE IN FUND BALANCES	20,751,109	(1,238,778)	(2,591,849)	(1,863,921)
Fund Balances - Beginning of Year	100,439,634	11,053,683	(2,608,101)	35,487,115
FUND BALANCES - END OF YEAR	$ 121,190,743	$ 9,814,905	$ (5,199,950)	$ 33,623,194

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Capital Projects Funds		
	Successor Agency Bond Funded Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	$ -	$ 246,839	$ 81,809,118
Licenses and Permits	-	-	3,685,156
Intergovernmental	-	5,446,782	6,887,221
Charges for Services	-	-	7,545,943
Use of Money and Property	1,036,902	521,546	9,131,020
Rentals	-	-	2,103,157
Fines and Forfeitures	-	-	772,530
Contributions	-	806,705	1,064,821
Miscellaneous	-	-	1,883,196
Total Revenues	1,036,902	7,021,872	114,882,162
EXPENDITURES			
Current:			
General Government	-	-	10,812,851
Public Safety	-	423,375	39,870,509
Community Development	-	32,182	5,033,129
Public Works	-	104,094	15,178,741
Culture and Leisure	-	28,000	7,889,333
Human Services	-	-	2,207,919
Capital Outlay	835,727	942,218	16,864,709
Debt Service:			
Principal Retirement	-	-	1,008,219
Interest and Fiscal Charges	-	-	134,763
Total Expenditures	835,727	1,529,869	99,000,173
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	201,175	5,492,003	15,881,989
OTHER FINANCING SOURCES (USES)			
Transfers In	-	144	12,083,435
Transfers Out	-	(3,138,203)	(10,739,635)
Sale of Capital Assets	-	-	34,215
Issuance of SBITA Payable	-	-	351,676
Total Other Financing Sources (Uses)	-	(3,138,059)	1,729,691
NET CHANGE IN FUND BALANCES	201,175	2,353,944	17,611,680
Fund Balances - Beginning of Year	8,066,038	12,418,929	164,857,298
FUND BALANCES - END OF YEAR	$ 8,267,213	$ 14,772,873	$ 182,468,978

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Net Change in Fund Balances - Total Governmental Funds		$ 17,611,680
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:		
Capital Outlay	$ 16,291,437	
Depreciation	(8,010,193)	8,281,244
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. These amounts are the net effect of these differences in the treatment of long-term debt and related items.		
Principal Payment	1,008,219	
SBITA Obligation Issuance	(351,676)	656,543
Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.		9,626
Compensated absence expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		(29,281)
Pension expense reported in the governmental funds includes the annual required contributions. In the Statement of Activities, pension expense includes the change in the net pension liability, and related changes in pension amounts for deferred outflows of resources and deferred inflows of resources.		(4,646,559)
Other postemployment benefit expense reported in the governmental funds includes payment of premiums for the current year. In the OPEB expense includes the change in the net other postemployment benefit liability and OPEB related deferred inflows of resources.		4,988,858
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the revenues in the governmental fund activity.		3,579,239
Change in Net Position of Governmental Activities		$ 30,451,350

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
STATEMENT OF NET POSITION—PROPRIETARY FUNDS
JUNE 30, 2024

	Business-Type Activity - Enterprise Fund
	Water Fund
ASSETS	
Current Assets:	
Pooled Cash and Investments	$ 17,400,453
Receivables:	
Accounts	3,956,338
Accrued interest	2,662
Inventories	328,153
Restricted:	
Cash with Fiscal Agent	574,740
Total Current Assets	22,262,346
NONCURRENT ASSETS	
Capital Assets not Being Depreciated/Amortized	8,366,862
Capital Assets, Net of Depreciation/Amortization	16,031,166
Total Noncurrent Assets	24,398,028
Total Assets	46,660,374
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Charge on Refunding	16,655
Deferred Pension-Related Items	2,160,151
Deferred OPEB-Related Items	502,727
Total Deferred Outflows of Resources	2,679,533
LIABILITIES	
Current Liabilities:	
Accounts Payable	1,327,965
Accrued Liabilities	190,583
Accrued Interest	44,313
Unearned Revenues	15,102
Deposits Payable	972,331
Compensated Absences	60,000
Bonds, Notes and Lease Payable	223,817
Total Current Liabilities	2,834,111
NONCURRENT LIABILITIES	
Compensated Absences	198,656
Bonds, Notes, and Lease Payable	6,963,435
Net OPEB Liability	2,045,351
Net Pension Liability	10,422,414
Total Noncurrent Liabilities	19,629,856
Total Liabilities	22,463,967
DEFERRED INFLOWS OF RESOURCES:	
Deferred Pension-Related Items	112,060
Deferred OPEB-Related Items	1,182,427
Total Deferred Inflows of Resources	1,294,487
NET POSITION	
Net Investment in Capital Assets	17,227,431
Unrestricted	8,354,022
Total Net Position	$ 25,581,453

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION—
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	Business-Type Activity - Enterprise Fund Water Fund
OPERATING REVENUES	
Sales and Service Charges	$ 16,148,720
Other Water Revenue	101,074
Total Operating Revenues	16,249,794
OPERATING EXPENSES	
Source of Supply	7,015,949
System Maintenance and Operation	3,655,373
Billing and Collection	1,555,275
Administration	854,058
Depreciation/Amortization Expense	651,439
Total Operating Expenses	13,732,094
OPERATING INCOME	2,517,700
NONOPERATING REVENUES (EXPENSES)	
Interest Revenue	681,910
Interest Expense	(287,232)
Intergovernmental Revenue	35,222
Total Nonoperating Revenues (Expenses)	429,900
INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	2,947,600
Capital Contributions	75,113
Transfers Out	(1,343,800)
CHANGE IN NET POSITION	1,678,913
Net Position - Beginning of Year	23,902,540
NET POSITION - END OF YEAR	$ 25,581,453

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
STATEMENT OF CASH FLOWS—PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	Business-Type Activity - Enterprise Fund Water Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers and Users	$ 15,084,850
Cash Paid to Suppliers for Goods and Services	(11,753,197)
Cash Paid to Employees for Services	(1,604,086)
Cash Received from Others	101,074
Net Cash Provided by Operating Activities	1,828,641
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Cash Transfers Out	(1,343,800)
Cash Received from Other Governments	35,222
Net Cash Used by Noncapital Financing Activities	(1,308,578)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Cash Received for Capital Contributions	67,713
Principal Paid on Capital Debt	(218,758)
Interest Paid on Capital Debt	(271,015)
Net Cash Used by Capital and Related Financing Activities	(422,060)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	681,910
Net Cash Provided by Investing Activities	681,910
NET INCREASE IN CASH AND CASH EQUIVALENTS	779,913
Cash and Cash Equivalents - Beginning of Year	17,195,280
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 17,975,193
CASH AND CASH EQUIVALENTS:	
Pooled Cash and Investments	$ 17,400,453
Cash with Fiscal Agent	574,740
Total Cash and Cash Equivalents	$ 17,975,193
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Income	$ 2,517,700
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation/Amortization Expense	651,439
(Increase) Decrease in Assets:	
Accounts Receivable	(1,188,764)
Inventory	(41,629)
Deferred Outflows for Pension-Related Items	(82,526)
Deferred Outflows for OPEB-Related Items	75,744
Increase (Decrease) in Liabilities:	
Accounts Payable	(85,565)
Accrued Liabilities	23,127
Unearned Revenues	(44,022)
Deposits Payable	36,255
Compensated Absences	3,993
Net Pension Liability	523,887
Other Postemployments Benefits	(1,396,223)
Deferred Inflows for Pension-Related Items	(124,511)
Deferred Inflows for OPEB-Related Items	798,526
Net Cash Provided by Operating Activities	$ 1,667,431
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES	
Amortization of Bond Discounts and Deferred Charges	$ 17,073

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024

	Custodial Funds	Private-Purpose Trust Fund Successor Agency of the Former RDA
ASSETS		
Pooled Cash and Investments	$ 793,995	$ 2,353,078
Receivables:		
Accounts	-	19,726
Notes and Loans	-	61,438
Due from Other Governments	-	68,801
Land and Buildings Held for Resale	-	3,251,851
Restricted Assets:		
Cash and Investments with Fiscal Agents	175,647	12,604,586
Capital Assets:		
Capital Assets not Being Depreciated	-	415,530
Total Assets	969,642	18,775,010
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charge on Refunding	-	97,478
Total Deferred Outflows of Resources	-	97,478
LIABILITIES		
Accounts Payable	-	311
Accrued Liabilities	-	6,323
Accrued Interest	-	4,264,946
Deposits Payable	-	49,060
Due to Other Governments	-	160,706
Long-Term Liabilities:		
Due in One Year	-	4,998,770
Due in More Than One Year	-	26,847,906
Total Liabilities	-	36,328,022
NET POSITION		
Net Investment in Capital Assets	-	415,530
Held for Bondholders	969,642	-
Held in Trust for Other Purposes	-	(17,871,064)
Total Net Position	$ 969,642	$ (17,455,534)

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2024

	Custodial Funds	Private-Purpose Trust Fund Successor Agency of the Former RDA
ADDITIONS:		
Taxes	$ -	$ 10,525,148
Special Assessments or Special Taxes Collected From Property Owners	219,079	-
Interest and Change in Fair Value of Investments	8,494	434,360
Gain on Sale of Land and Buildings Held for Resale	-	-
Total Additions	227,573	10,959,508
DEDUCTIONS:		
Administrative Expenses	-	211,953
Program Expenses	-	34,000
Payment for Special Assessment or Special Tax Debt	168,361	-
Interest Expense	-	542,975
Total Deductions	168,361	788,928
CHANGE IN NET POSITION	59,212	10,170,580
Net Position - Beginning of Year	910,430	(27,626,114)
NET POSITION - END OF YEAR	$ 969,642	$ (17,455,534)

See accompanying Notes to Basic Financial Statements.

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NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Reporting Entity

The City of Santa Fe Springs (City) was incorporated on May 15, 1957, under the general laws of the state of California and enjoys all the rights and privileges pertaining to such "General Law" cities and is governed by an elected five-member City Council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. These entities are legally separate from each other. However, the City elected officials have a continuing accountability for fiscal matters of the other entities. The financial reporting entity consists of: (1) the City, (2) organizations for which the City is financially accountable, and (3) organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete.

An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government. In a blended presentation, a component unit's balances and transactions are reported in a manner similar to the balances and transactions of the City. Component units are presented on a blended basis when the component unit's governing body is substantially the same as the city's and (1) there is a financial benefit or burden relationship between the primary government and the component unit, or (2) management of the primary government has operational responsibility for the component unit, or the component unit provides services almost entirely to the City.

In accordance with Assembly Bill 1X 26 (the Dissolution Act), the Successor Agency to the Community Development Commission for the City of Santa Fe Springs (Successor Agency) was created on February 1, 2012 to serve as a custodian for the assets and to wind down the affairs of the former Agency. The Successor Agency is a legally separate public entity from the City and is reported as a fiduciary component unit under private-purpose trust fund in the fiduciary fund statements.

In general, the Successor Agency's assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). In future fiscal years, the Successor Agency will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former Agency until all enforceable obligations of the former Agency have been paid in full and all assets have been liquidated. See Note 16 for further detail regarding the dissolution.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Blended Component Units

The City of Santa Fe Springs Public Financing Authority (PFA) was organized under a joint exercise of power agreement on August 24, 1989. The purpose of this authority is to provide, through the issuance of debt, financing for public capital improvements. The board of directors is appointed by the City Council. The PFA has no activity in the current year.

The Santa Fe Springs Water Utility Authority (WUA) was organized under a joint exercise of power agreement on July 1, 2009. The purpose of this authority is to provide an entity to assist in financing, leasing, owning, operating, and maintaining the water operation. The City Council members are designated as board of directors of the WUA. The WUA has debt outstanding reported in the Water Proprietary Fund and Water Proprietary Fund revenues are pledged to the payment of the debt.

Separate Successor Agency, PFA, and WUA financial statements are not available.

Joint Powers Agreements

Joint Fire Dispatching Center

The City is a participant in the Joint Fire Dispatching Center (Center). The Center is currently comprised of four member cities and is organized under a Joint Powers Agreement. Each member City provides an annually determined contribution towards the ongoing operation. The purpose of the Center is to provide centralized fire dispatching for the participating cities. The communication system is located in and operated by the City of Downey. The payments from the participating cities for the fiscal year ended June 30, 2024, were based on the following percentages:

Downey	34.62 %
Santa Fe Springs	16.17 %
Compton	39.28 %
Vernon	9.93 %

During the fiscal year ended June 30, 2024, the City contributed $265,893 for the operation of the Center. Separate audited financial statements are not prepared for the Center. Financial information can be obtained from the City of Downey at 11111 Brookshire Avenue, Downey, California.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Joint Powers Agreements (Continued)

Southeast Water Coalition

The City is a participant in the Southeast Water Coalition (Coalition). The Coalition is currently comprised of several municipal entities in the County of Los Angeles and is organized under a Joint Powers Agreement. The purpose of the Coalition is to maintain groundwater quality within the Central and West Coast Basins (Basins), maintain secure groundwater supplies within the Basins, manage the use of groundwater within the Basins, coordinate efforts among Watermaster and entities proposing to store water within the Basins for future recovery, facilitate the implementation of a conjunctive use program by water purveyors, coordinate efforts among local entities and Watermaster to devise and implement strategies to safeguard groundwater quality, and work cooperatively with Watermaster, the Water Replenishment District of Southern California, and other entities to promote coordination of policies and activities throughout the region. Each member of the Coalition shares financial responsibility equally. Each member is required to make a contribution at the beginning of each year. The contribution requirement for the fiscal year ended June 30, 2024 was $5,534. Financial statements can be obtained from the City of Whittier. City Hall is located at 13230 Penn Street, Whittier, California.

Basis of Accounting and Measurement Focus

The basic financial statements of the City are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements.

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information about the primary government and component units as a whole, except for its fiduciary activities. These statements report separately for governmental and business-type activities of the primary government (including its blended component units). Governmental activities are normally financed primarily by taxes and intergovernmental revenues. Business-type activities are financed primarily by fees charged for goods or services.

Certain indirect costs have been allocated and are included as part of the program expenses reported for the various functional activities. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other service charges between the City's water utility and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide Financial Statements (Continued)

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Accordingly, all of the City's assets and liabilities, including capital assets and infrastructure as well as long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Using the accrual basis of accounting, revenues are recognized in the period in which they are earned and expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue when all eligibility requirements have been satisfied. The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Grants and contributions include revenues restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Governmental Funds Financial Statements

The accounting records of the City are organized on the basis of funds. Each fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The governmental funds financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances for all major governmental funds and aggregated nonmajor funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the government-wide financial statements.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds Financial Statements (Continued)

Governmental fund financial statements are reported using the "current financial resources" measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days, except sales tax revenues, which is 90 days. Sales taxes, property taxes, franchise fees, gas taxes, motor vehicle in lieu fees, highway user's taxes, transient occupancy taxes, grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims payable are recorded only when payment is due.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. This fund accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Low and Moderate Income Housing Assets Special Revenue Fund is used to account for the receipts and expenditures relating to the Housing Successor in accordance with the California Health and Safety Code.

The Capital Improvement Capital Projects Fund is used to account for monies received from the General Fund, special revenue funds, private developers and from outside governmental entities. These funds are subsequently used for the construction or rehabilitation of streets, bridges, traffic signals, public facilities, and a variety of other construction or improvement projects.

The Prefunded Capital Projects Fund was established in fiscal year 2013. It is used to account for the accumulation of resources used for various construction, rehabilitation, and improvement projects similar to the Capital Improvement Fund. This fund differs from the Capital Improvement Capital Projects Fund in that resources are typically accumulated in the fund prior to undertaking the projects.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds Financial Statements (Continued)

The Successor Agency Bond Funded Capital Projects Fund is used to account for the expenditure of unspent bond proceeds of the Successor Agency used for various construction, rehabilitation, and improvement projects within the Consolidated Project Area of the former Community Development Commission. All unspent bond proceeds were transferred to the City during fiscal year 2014-15 in accordance with a Bond Expenditure Agreement between the City and Successor Agency.

Additionally, the City reports the following fund types:

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Permanent Funds account for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support specific programs.

Proprietary Funds Financial Statements

Proprietary Funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for sales and services. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major proprietary fund:

The Water Fund is used to account for the operations of the City-owned water system.

Fiduciary Fund Financial Statements

Fiduciary funds are accounted for on the accrual basis of accounting as are the proprietary funds explained above. The City reports the following fiduciary funds, which are excluded from the government-wide financial statements:

The Private-Purpose Trust Fund accounts for the custodial responsibilities that are assigned to the Successor Agency pursuant to the Dissolution Act.

The City reports the following custodial funds:

The Assessment Districts Fund is used to account for special assessments received by the City as agent for payment of special assessment district bonds.

The Community Facilities Assessment Districts Fund is used to account for special assessments received by the City as agent for payment of community facilities district debt and expenses.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Classifications

General government – includes the legislative activities, which have a primary objective of providing legal and policy guidance for industrial and residential issues within the City. Also included in this classification are those activities, which provide management or support services across more than one functional area.

Public safety – includes those activities, which have a primary objective of protecting people and property other than health related perils.

Community development – includes those activities which have a primary objective of enhancing the general quality of life in the City. This encompasses aesthetic, as well as economical and structural activities.

Public works – includes all maintenance and engineering of streets, parks, and other public facilities.

Culture and leisure – includes those activities, which have a primary objective of providing recreational and educational endeavors.

Human services – includes those activities, which have a primary objective of maintaining or improving the physical and/or mental health of residents of the community, improving the employment status of unemployed or underemployed residents, and otherwise serving the needs of the less privileged.

Inventory and Prepaid Items

Inventory (General Fund and Water Fund) is valued utilizing the average cost method. Inventory items are considered expenditures or expenses when used under the consumption method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These prepaid items are reflected in the financial statements as deposits and other assets and are accounted for under the consumption method.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

Under California law, the assessment, levy, and collection of property taxes are the responsibility of the County of Los Angeles. The City records property taxes as revenue in the year for which they are levied, and in the governmental fund statements when received from the County within 60 days of year-end. Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien	January 1
Levy period	July 1 - June 30
Due	November 1 - 1st installment February 1 - 2nd installment
Delinquent	December 11 - 1st installment April 11 - 2nd installment

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. In addition, funds invested in the City's cash and investment pool are considered cash equivalents.

Investments

All investments are stated at fair value (the value at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale), except for money market investments, which have a remaining maturity of less than one year when purchased, which are stated at amortized cost. Money market investments are short-term, highly liquid debt instruments including commercial paper, bankers' acceptances, and U.S. Treasury and agency obligations.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (roads, sidewalks, drainage systems, lighting systems, etc.) are reported in the applicable governmental or business-type activities columns in the government-wide and enterprise fund financial statements. These assets are stated at historical cost or estimated historical cost if purchased or constructed (except for intangible right-to-use lease assets and SBITA assets, the measurement of which is discussed below). The City conducted an infrastructure valuation in conjunction with the implementation of GASB No. 34 during the fiscal year ended June 30, 2002. Current replacement costs were calculated for infrastructure assets and discounted back to the original construction dates and the corresponding accumulated depreciation was calculated. Donated capital assets are stated at their estimated acquisition value on the date received. The capitalization threshold is $20,000, except for vehicles, equipment, and streetlights which is $5,000.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of assets are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation is recorded in the government-wide and enterprise fund financial statements on a straight-line basis over the useful life of the assets as follows:

Assets	Years
Computer	3
Furniture	10
Machinery and equipment	3 to 20
Vehicles	8
Water service meters and hydrants	10 to 50
Water transmission and distribution mains	10 to 50
Infrastructure	20 to 75

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received form the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Land and Buildings Held for Resale

Land and related buildings acquired by the former Community Development Commission (former Commission) and held for resale are accounted for as an investment and are recorded at the lower of cost or estimated realizable value, as determined upon the execution of a disposition and development agreement. Upon the dissolution of the former Commission, land and buildings held for resale were transferred to respective Low and Moderate Income Housing Assets Fund and Successor Agency Private-Purpose Trust Fund.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and balance sheet reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The category of deferred outflow of resources reported in the statement of net position is related to debt refunding, pensions, and other postemployment benefits. The deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows on pension and other postemployment benefits are more fully discussed in Notes 11 and 12.

In addition to liabilities, the statement of net position and balance sheet reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets or fund balance that applies to a future period(s) and thus will not be recognized as an inflow of resources (revenue) until that time. The City's deferred inflows of resources reported on the statement of net position relate to pension and other postemployment benefits, which are more fully discussed in Notes 11 and 12. The statement of net position and the governmental funds balance sheet report a deferred inflow of resources related to leases, which is amortized over the life of the lease.

Under the modified accrual basis of accounting, deferred inflows of resources also include revenues not collected within the availability period after the fiscal year-end. These amounts are deferred and will be recognized as an inflow of resources in the period that amounts become available.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unearned Revenue

Unearned revenues are reported in connection with resources that have been received but not yet earned.

Compensated Absences

The cost of earned but unused vacation and sick leave, for which the City has a future obligation to pay, is recognized in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have become due and payable as a result of employee resignations or retirements. For sick leave, Fire Safety personnel will receive 25% of the employee's current hourly pay upon normal service retirement, if the member reaches 90% service credit with CalPERS.

Pension Plans

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of City's OPEB Plan, the assets of which are held by California Employers' Retiree Benefit Trust (CERBT), and additions to/deductions from the OPEB Plan's fiduciary net position have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

The government-wide, proprietary fund, and fiduciary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of liabilities that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

- Restricted – This category represents restricted assets reduced by liabilities related to those assets. Restrictions can be imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

- Unrestricted – This category represents net position of the City, not restricted for any project or other purpose.

Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2024, fund balances for government funds are made up of the following:

- Nonspendable Fund Balance – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventory, prepaid amounts, and long-term notes receivable.

- Restricted Fund Balance – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

- Committed Fund Balance – includes amounts that can only be used for the specific purposes determined by a resolution of the City's highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City adopting a resolution.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances (Continued)

- Assigned Fund Balance – comprises amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by the City Council to which the City Council has delegated the authority to assign amounts to be used for specific purposes.

- Unassigned Fund Balance – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. Other governmental funds may only report a negative unassigned balance that was created after classification in one of the other four fund balance categories.

In circumstances when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the City's policy is to first apply restricted fund balance. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, the City's policy is to first apply committed fund balance. It is at the discretion of the Council's designee to then apply the remaining expenditures to assigned or unassigned fund balance.

The City Council delegates to the City Manager and Director of Finance and Administrative Services the authority to assign unrestricted fund balance amounts where the City's intent is for those amounts to be used for specific purposes. This delegation of authority is for the sole purpose of reporting these amounts in the annual financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Endowments

The City has been the recipient of endowments that are recorded in Permanent Funds. The endowments are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs or specific restrictions that were placed on the endowment when the donation to the City was made.

Stewardship, Compliance, and Accountability

Deficit Fund Balance

At June 30, 2024, the Capital Improvement fund had a deficit fund balance of $5,199,950 and the Fire Grants fund had a deficit fund balance of $781,479. These funds are on a cost reimbursement basis. The deficit resulted from timing differences between when expenditures are incurred and the recognition of grant revenue. These funds will be replenished with reimbursements from grantor.

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Stewardship, Compliance, and Accountability (Continued

Expenditures in Excess of Appropriations

The following funds reported expenditures in excess of the adopted budget:

- Low and Moderate Income Housing Assets ($1,206,966)
- Community Development Block Grant ($33,682)
- Measure W ($101,994)

NOTE 2 CASH AND INVESTMENTS

Cash and investments as of June 30, 2024, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Pooled Cash and Investments	$ 157,190,927
Cash and Investments with Fiscal Agents	28,811,861
Fiduciary Funds:	
Pooled Cash and Investments	3,147,073
Cash and Investments with Fiscal Agents	12,780,233
Total	$ 201,930,094

Cash and investments were comprised of the following as of June 30, 2024:

Cash on Hand	$ 58,519
Deposits with Financial Institutions	6,575,853
California Employers' Pension Prefunding Trust*	28,237,121
Investments	167,058,601
Total	$ 201,930,094

* The City has a Section 115 trust account with CalPERS to hold assets that are legally restricted for use in administering the City's CalPERS pension plans. The trust's specific cash and investments are managed by CalPERS under guidelines approved by the City. Disclosures related to investments in CalPERS' California Employers' Pension Prefunding Trust related to interest rate risk and fair value are available online.

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by the City's Investment Policy

The City's Statement of Investment Policy (investment policy) is adopted by the City Council. The investment policy is more conservative and restrictive than the investment vehicles authorized by Section 53601 of the California Government Code. The City's investment policy does not allow investments in stocks, inverse floaters, range notes, mortgage-derived, interest-only strips, or any security that could result in zero interest accrual if held to maturity. Investment vehicles not specifically mentioned in the City's investment policy are not authorized unless the policy is amended by the City Council or are approved as part of the provisions of the bond indentures. Investments are limited to:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Municipal Obligations	5 years	30%	5%
Bankers' Acceptances	180 days	40%	5%
Commercial Paper	270 days	25%	5%
Medium-Term Notes	5 years	30%	5%
Time Certificates of Deposit	3 years	30%	5%
Negotiable Certificates of Deposit	5 years	30%	5%
Supranationals	5 years	30%	None
Asset-Backed Securities	5 years	20%	5%
Money Market Mutual Funds	N/A	20%	None
Local Agency Investment Fund (LAIF)	N/A	$75 million	None
Los Angeles County Pooled Fund	N/A	None	None
Local Government Investment Pools (LGIPs)	N/A	None	None

*Excluding amounts held by bond trustee that are subject to California Code restrictions

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Bankers' Acceptances	180 days	None	None
Commercial Paper	270 days	None	None
Money Market Mutual Funds	N/A	None	None
Investment Contracts	30 years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table:

	Remaining Maturity (in Months)					
Investment Type	12 Months or Less	13 to 24 Months	25 to 36 Months	37 to 48 Months	48 to 60 Months	Total
U.S. Treasury Obligations	$ -	$ 3,172,997	$ 12,200,737	$ 8,138,306	$ 5,897,743	$ 29,409,783
U.S. Agency Securities:						
Federal Home Loan Mortgage Corporation (FHLMC)	-	151,824	242,252	873,069	-	1,267,145
Federal National Mortgage Association (FNMA)	609,265	1,805,610	1,905,405	1,144,384	4,185,124	9,649,788
Municipal Obligations	642,530	-	265,482	-	-	908,012
Medium-Term Notes	1,148,784	3,446,499	7,580,670	2,399,246	1,741,673	16,316,872
Negotiable Certificates of Deposit (CD)	-	651,297	1,028,453	-	-	1,679,750
Supranationals	-	-	263,863	-	-	263,863
Asset-Backed Securities	-	230,822	1,989,130	5,368,442	3,430,056	11,018,450
Local Agency Investment Fund (LAIF)	24,398,688	-	-	-	-	24,398,688
CAMP Pool	58,791,276	-	-	-	-	58,791,276
Held by Bond Trustee:						
Money Market Funds	13,354,974	-	-	-	-	13,354,974
Total	$ 98,945,517	$ 9,459,049	$ 25,475,992	$ 17,923,447	$ 15,254,596	$ 167,058,601

Credit Risk

The City's investment policy limits investments to a rating of "A" or higher for California state and local agency obligations, banker acceptances, and commercial paper that is (i) organized within the United States as a special purpose corporation, trust, or limited liability company and (ii) has program wide credit enhancements including, but not limited to, over collateralization, letters of credit. The City's investment policy limits investments to a rating of "A" or higher for other state obligations, medium-term notes, asset backed securities and commercial paper that is (i) organized and operating in the United States as a general corporation and (ii) has total assets in excess of five hundred million dollars ($500,000,000). The City's investment policy limits investments to a rating of "AA" or higher for supranational. As of June 30, 2024, the City's investments in external investment pools and money market mutual funds are unrated.

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Credit Risk (Continued)

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The City's investments as rated by Standard & Poor's, a nationally recognized statistical rating organization, are as follows:

Investment Type	Total as of June 30, 2024	Minimum Legal Rating	AAA	AA	A	BBB*	Not Rated
U.S. Treasury Obligations	$ 29,409,783	N/A	$ -	$ 29,409,783	$ -	$ -	$ -
U.S. Agency Securities:							
FHLMC	1,267,145	N/A	-	1,267,145	-	-	-
FNMA	9,649,788	N/A	-	9,649,788	-	-	-
Municipal Obligations	908,012	A	-	578,695	-	-	329,317
Medium-Term Notes	16,316,872	A	-	2,715,322	12,637,288	964,262	-
Negotiable CD	1,679,750	A	-	-	1,679,750	-	-
Supranationals	263,863	AA	263,863	-	-	-	-
Asset-Backed Securities	11,018,450	AA	7,977,621	-	-	-	3,040,829
LAIF	24,398,688	N/A	-	-	-	-	24,398,688
CAMP Pool	58,791,276	N/A	-	-	-	-	58,791,276
Held by Bond Trustee:							
Money Market Funds	13,354,974	AAA	13,354,974	-	-	-	-
Total	$ 167,058,601		$ 21,596,458	$ 43,620,733	$ 14,317,038	$ 964,262	$ 86,560,110

* These investments were rated A by Moody's, which meets the minimum rating requirement.

Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer, other than U.S. Treasury obligations, external investment pools, and money market funds, that represent 5% or more of total City investments at June 30, 2024 are as follows:

Investment Type	Issuer	Amount
U.S. Agency Securities	FNMA	$ 9,649,788

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Investment in State Investment Pool and CAMP Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the treasurer of the state of California and California Asset Management Program (CAMP) that is regulated by California Government Code. The fair value of the City's investment in these pools is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF and CAMP for the entire LAIF and CAMP portfolio (in relation to the amortized cost of that portfolio, respectively.) The balance available for withdrawal is based on the accounting records maintained by LAIF and CAMP, which are recorded on an amortized cost basis.

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are quoted prices for similar assets in active markets (significant other observable inputs); Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2024:

		Level	
Investment Type	Totals	1	2
U.S. Treasury Obligations	$ 29,409,783	$ 29,409,783	$ -
U.S. Agency Securities:			
FHLMC	1,267,145	-	1,267,145
FNMA	9,649,788	-	9,649,788
Municipal Obligations	908,012	-	908,012
Medium-Term Notes	16,316,872	-	16,316,872
Negotiable Certificates of Deposit	1,679,750	-	1,679,750
Supranationals	263,863	-	263,863
Asset-Backed Securities	11,018,450	-	11,018,450
Totals	70,513,663	$ 29,409,783	$ 41,103,880
Not Subject to Fair Value Measurement Hierarchy:			
Local Agency Investment Fund (LAIF)	24,398,688		
CAMP Pool	58,791,276		
Held by Bond Trustee:			
Money Market Funds	13,354,974		
Total Investments	$ 167,058,601		

All investments classified in Level 2 of the fair value hierarchy are valued using specified fair market value factors or institutional bond quotes.

NOTE 3 LEASES RECEIVABLE

On March 1, 2003, the City (Landlord) and SFSHP Investors I, LLC and SFSHP Investors II, LLC (collectively, Tenant) entered into an Amended, Restated, and Consolidated Ground Lease for 23 buildings as described in the lease agreement. The ground lease has an amended term of 64 years expiring on December 31, 2067. The annual rent as of July 1, 2021, was $824,000, and is paid in equal monthly installments. The annual rent increases based on defined increases in the Consumer Price Index every five years starting January 1, 2005, with a maximum increase of 35%.

In additional to the ground lease noted above, the City, acting as lessor, leases other land and buildings under long-term noncancelable lease agreements. The leases expire at various dates and provide for renewal options ranging up to 25 years. At June 30, 2024, the City has $18,340,853 in both lease receivables and deferred inflows of resources in the General Fund.

During the year ended June 30, 2024, the City recognized $446,217 and $730,463 in lease revenue and interest revenue, respectively, pursuant to all of its lease agreements.

Total future minimum lease payments to be received under lease agreements are as follows:

Year Ending June 30,	Principal	Interest
2025	$ 257,548	$ 722,419
2026	238,818	713,773
2027	246,357	704,995
2028	252,055	695,839
2029	248,280	686,457
2030-2034	1,274,671	3,289,799
2035-2039	1,400,678	3,036,018
2040-2044	1,763,844	2,723,294
2045-2049	1,899,254	2,345,305
2050-2054	2,174,749	1,945,250
2055-2059	2,655,362	1,464,637
2060-2064	3,242,188	877,811
2065-2069	2,687,049	196,950
Total	$ 18,340,853	$ 19,402,547

NOTE 4 LOANS AND NOTES RECEIVABLE

The loans and notes receivable balance consist of the following:

Fund	Balance
Governmental Funds:	
General Fund	$ 177,450
Low and Moderate Income Housing Assets Special Revenue Fund	6,000,000
Successor Agency Bond Funded Capital Projects Fund	58,149
Nonmajor Governmental Funds	19,250
Total Funds	$ 6,254,849

The General Fund has loans and notes receivable in the amount of $28,360 representing monies advanced to City employees for home computer purchases. These loans are required to be repaid within two years and bear no interest. Notes receivable in the amount of $149,090 relate to monies advanced to Community Facilities District 2002-1 for infrastructure improvements. This loan bears an interest rate of 5.75% per annum.

The Low and Moderate Income Housing Assets Special Revenue Fund has 10 notes outstanding related to housing for qualified buyers. The loans are secured by a deed of trust and must be repaid upon sale or refinance of the home if such a transaction occurs within 45 years. A portion of the loan balance is forgiven each year beginning five years after issuance and is completely forgiven after 45 years. An allowance for the full amount of the loans has been recorded as the expectation is for the homeowners to keep the properties for the entire term of the agreement. The balance outstanding at June 30, 2024 is $822,510 with a net carrying value of zero. The loans do not accrue interest.

In June 2023, the City signed a promissory note to lend Richman Santa Fe Springs Apartments $6,000,000 for the development of affordable housing. The note is secured by certain Deed of Trust with Assignment of Rents with a maturity date of 55 years from the date Conversion occurs, as defined in the agreement. The agreement calls for annual payments based on a calculation of residual receipts. The residual receipts are calculated based on the project revenues less approved expenses. The outstanding principal accrues simple interest at 3%. At June 30, 2024, the note has an outstanding balance of $6,000,000

The Successor Agency Bond Funded Capital Projects Fund has a note receivable in the amount of $58,149 related to monies advanced by the former Commission to Community Facilities District 2004-1 for infrastructure improvements. This loan bears interest at a rate of 5.75% per annum.

The Nonmajor Governmental Funds have two notes receivable outstanding from homeowners through the CDBG housing program. The loans have zero interest and do not require repayment. The loans are secured by a deed of trust and must be repaid upon sale or refinance of the home. The balance outstanding at June 30, 2024, is $19,250.

NOTE 5 DUE FROM OTHER GOVERNMENTS

Due from other governments primarily consists of grants due from the federal government, the state of California, and the county of Los Angeles.

NOTE 6 INTERFUND ACTIVITY

The following is a summary of interfund transfers for the fiscal year ended June 30, 2024:

	Transfers Out:				
Transfers In:	General Fund	Prefunded Capital Projects Fund	Nonmajor Governmental Funds	Water Enterprise Fund	Total
General Fund	$ -	$ -	$ 2,006,669	$ 1,343,800	$ 3,350,469
Capital Improvement	540,046	311,242	-	-	851,288
Prefunded Capital Projects Fund	6,750,000	-	1,131,534	-	7,881,534
Nonmajor Governmental Funds	144	-	-	-	144
Total	$ 7,290,190	$ 311,242	$ 3,138,203	$ 1,343,800	$ 12,083,435

The General Fund transferred $6,750,000 into the Prefunded Capital Projects Fund and $540,046 to Capital Improvement Fund provide funding for current and future capital projects. The General Fund transferred $144 to Fire Grants Nonmajor Governmental Fund for expenditures not covered by grants.

Prefunded Capital Projects Fund transferred $311,242 into Capital Improvement Fund for cost related to a capital project.

Other nonmajor Governmental Funds transferred $2,006,669 into the General Fund for various purposes including eligible expenditures incurred related to public safety, gas tax, metro grants, street lighting, and art in public places activities, and $1,131,531 into the Prefunded Capital Projects Fund for costs incurred related to capital projects.

The Water Fund transferred $1,200,000 into the General Fund in connection with the lease agreement between the City and the City's Water Utility Authority and $143,800 for NPDES street purposes and other computer replacements.

NOTE 6 INTERFUND ACTIVITY (CONTINUED)

Due to/from other funds at June 30, 2024, were as follows:

	Due to		
Due from	Capital Improvement Fund	Nonmajor Governmental Funds	Total
General Fund	$ 7,384,255	$ 1,248,294	$ 8,632,549

The due to/from other funds balances resulted from reimbursable expenditures occurring while the revenues with which to reimburse those expenditures had not yet been received. All balances are expected to be repaid once the fund receives reimbursement from the grantor.

Advances from other funds and advances to other funds at June 30, 2024, are as follows:

	Advances from
Advances to	Low and Moderate Income Housing Assets Fund
General Fund	$ 1,437,861

An advance payable/receivable was set up between the General Fund and the Low and Moderate Income Housing Assets Fund (Housing Fund) to account for costs originally charged to the Housing Fund but later determined to belong to the General Fund. The advance does not bear interest. Currently, there is no date set for the repayment of the advance.

NOTE 7 CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2024:

	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024
Governmental Activities:				
Capital Assets, not Being Depreciated/Amortized:				
Land	$ 49,181,852	$ -	$ -	$ 49,181,852
Construction in Process	6,699,149	13,934,605	9,386,327	11,247,427
Total Capital Assets not Being Depreciated/Amortized	55,881,001	13,934,605	9,386,327	60,429,279
Capital Assets, Being Depreciated/Amortized:				
Buildings	35,007,427	2,758,843	-	37,766,270
Improvements	32,206,635	3,955,428	-	36,162,063
Equipment	18,753,834	2,005,157	60,555	20,698,436
Intangible Assets	1,313,015	-	-	1,313,015
Infrastructure	166,247,029	2,672,055	-	168,919,084
Right-to-Use Lease Equipment	454,612	-	-	454,612
SBITA	59,902	351,676	-	411,578
Total Capital Assets, Being Depreciated/Amortized	254,042,454	11,743,159	60,555	265,725,058
Less Accumulated Depreciation/Amortization:				
Buildings	16,331,726	792,227	-	17,123,953
Improvements	21,771,885	1,148,356	-	22,920,241
Equipment	11,879,399	1,447,909	60,555	13,266,753
Intangible Assets	393,905	87,534	-	481,439
Infrastructure	96,339,331	4,384,142	-	100,723,473
Right-to-Use Lease Equipment	138,277	89,029	-	227,306
SBITA	3,328	60,996	-	64,324
Total Accumulated Depreciation/ Amortization	146,857,851	8,010,193	60,555	154,807,489
Total Capital Assets, Being Depreciated/Amortized, Net	107,184,603	3,732,966	-	110,917,569
Government Activities Capital Assets, Net	$ 163,065,604	$ 17,667,571	$ 9,386,327	$ 171,346,848

NOTE 7 CAPITAL ASSETS (CONTINUED)

	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024
Business-Type Activities:				
Capital Assets, not Being Depreciated/Amortized:				
Land and Water Rights	$ 3,384,974	$ -	$ -	$ 3,384,974
Construction in Process	4,974,488	7,400		4,981,888
Total Capital Assets not Being Depreciated/Amortized	8,359,462	7,400	-	8,366,862
Capital Assets, Being Depreciated/Amortized:				
Source of Supply Plant	4,622,244	-	-	4,622,244
Transmission and Distribution Plant	37,607,015	-	-	37,607,015
Pumping and Treatment Plant	111,016	-	-	111,016
General Plant	1,096,135	-	-	1,096,135
Right-to-Use Leased Equipment	18,942	-	-	18,942
Total Capital Assets, Being Depreciated/Amortized	43,455,352	-	-	43,455,352
Less Accumulated Depreciation/Amortization:				
Source of Supply Plant	2,731,947	87,837	-	2,819,784
Transmission and Distribution Plant	22,828,358	559,420	-	23,387,778
Pumping and Treatment Plant	110,625	393	-	111,018
General Plant	1,096,135	-	-	1,096,135
Right-to-Use Leased Equipment	5,682	3,789	-	9,471
Total Accumulated Depreciation/ Amortization	26,772,747	651,439	-	27,424,186
Total Capital Assets, Being Depreciated/Amortized, Net	16,682,605	(651,439)	-	16,031,166
Water Utility Capital Assets, Net	$ 25,042,067	$ (644,039)	$ -	$ 24,398,028

Depreciation expense was charged to functions/programs of the primary government as follows:

	Governmental Activities	Business-Type Activities
General Government	$ 816,101	$ -
Public Safety	1,259,862	-
Community Development	67,948	-
Transportation	4,769,656	-
Culture and Leisure	829,895	-
Human Services	266,731	-
Water Utility	-	651,439
Total Governmental Activities	$ 8,010,193	$ 651,439

NOTE 8 LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the fiscal year ended June 30, 2024:

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Governmental Activities:					
Direct Borrowing - Notes Payable:					
Fire Engines	$ 2,295,114	$ -	$ 295,293	$ 1,999,821	$ 305,539
Fire Equipment	2,401,803	-	463,932	1,937,871	472,005
Fire Air and Light Vehicle	90,253	-	90,253	-	-
Lease Payable	321,915	-	90,198	231,717	91,609
SBITA Payable	-	351,676	68,544	283,132	66,675
Total	$ 5,109,085	$ 351,676	$ 1,008,220	$ 4,452,541	$ 935,828
Business-Type Activities:					
Water Revenue Bonds Payable:					
2013 Series A	$ 6,890,000	$ -	$ -	$ 6,890,000	$ -
2018 Subordinate Bonds	610,000	-	215,000	395,000	220,000
Issuance Discount/Premiums	(113,370)	-	5,967	(107,403)	-
Lease Payable	13,413	-	3,758	9,655	3,817
Total	$ 7,400,043	$ -	$ 224,725	$ 7,187,252	$ 223,817

The total annual debt service requirements to maturity on bonds and loans are as follows:

Governmental Activities

	Notes Payable	
Year Ending June 30,	Principal	Interest
2025	$ 777,544	$ 103,113
2026	796,359	84,298
2027	815,685	64,972
2028	835,537	45,120
2029	712,567	37,300
Total	$ 3,937,692	$ 334,803

Business-Type Activities

	Revenue Bonds	
Year Ending June 30,	Principal	Interest
2025	$ 220,000	$ 265,878
2026	240,000	260,620
2027	300,000	254,488
2028	310,000	245,113
2029	320,000	235,038
2029-2033	1,770,000	1,002,400
2034-2038	2,120,000	651,000
2039-2043	2,005,000	204,200
Total	$ 7,285,000	$ 3,118,737

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities

Fire Engines Note Payable

In February 2023, the City entered into a financed purchase agreement for $2,295,114 with Bank of America to purchase two fire engines. Payments are due annually in the amount of $374,933 on February 28 each year at an annual interest rate of 3.47% with the note payable maturing on February 28, 2030. The current balance outstanding for this note payable is $1,999,822.

Fire Equipment Note Payable

In November 2020, the City entered into a financed purchase agreement for $3,306,000 with Bank of America to purchase a fire engine and fire equipment. Payments are due annually in the amount of $505,724 on November 17 each year at an annual interest rate of 1.74% with the note payable maturing on November 17, 2027. The current balance outstanding for this note payable is $1,937,871.

Fire Air and Light Vehicle Note Payable

In September 2017, the City entered into a financed purchase agreement for $598,911 with Community First National Bank to purchase an Air & Light Vehicle for the Fire department. Payments are due annually in the amount of $92,765 on September 1, each year at an annual interest rate of 2.73%; with the note payable maturing on September 1, 2023. This note was paid off as of June 30, 2024.

Lease Payable

The City leases equipment under a noncancelable lease agreement. A portion of this lease is allocated to the Water Fund The lease expires in 2027 and does not have a renewal option. Total future minimum lease payments are as follows:

	Governmental Activities		Business-Type Activities	
Year Ending June 30,	Principal	Interest	Principal	Interest
2025	$ 91,609	$ 2,950	$ 3,817	$ 123
2026	93,043	1,517	3,877	63
2027	47,065	213	1,961	9
Total	$ 231,717	$ 4,680	$ 9,655	$ 195

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities (Continued)

SBITA Payable

The City entered into subscription based-information technology arrangements for a software. The SBITA arrangement expires in 2028. The subscription assets and the related accumulated amortization are detailed in Note 7. The future subscription payments under the SBITA agreement are as follows:

Governmental Activities

	SBITA Payable	
Year Ending June 30,	Principal	Interest
2025	$ 66,675	$ 8,325
2026	69,342	5,658
2027	72,115	2,885
2028	75,000	-
Total	$ 283,132	$ 16,868

Business-Type Activities

Water Refunding Revenue Bonds, 2013

In May 2013, in order to take advantage of a low interest rate market and to capture economic savings, the City "currently refunded" the 2003 Water Revenue Bond Series A. The 2013 Revenue Bonds were issued to (1) provide funds for the refunding of the PFA's 2003 Water Revenue Bond Series A; (2) finance improvements to the water utility enterprise; (3) fund a deposit to a debt service reserve fund for the 2013 bonds; and (4) pay the costs of issuance associated with the issuance and sale of the 2013 Revenue Bonds.

The 2013 Revenue Bonds are due from 2026 through 2043 in annual principal installments of $65,000 to $530,000. Interest rates range from 3% to 4% and interest is payable semiannually on November 1 and May 1. The total outstanding principal as of June 30, 2024, is $6,890,000. The 2013 Revenue Bonds are payable from and secured by net revenues of the City's water system and facilities. The City has covenanted in the Installment Sale Agreement to set rates and charges for water services for its customers sufficient to provide net revenues each fiscal year equal to at least 120% of the debt service due in such fiscal year. Net revenue is determined by the gross revenues received during such period minus the amount required to pay all operation and maintenance costs becoming payable during such period. Net revenue pledged to these bonds for the current year was $2,921,004 against debt service payments of $256,438.

If any event of default shall occur, then the Trustee may, and at the written direction of the owners of a majority in aggregate principal amount of the 2013 Revenue Bonds then outstanding, shall declare the principal of the 2013 Revenue Bonds, together with the accrued interest thereon, to be due and payable immediately.

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Business-Type Activities

Water Refunding Revenue Bonds, 2018

In January 2018, in order to take advantage of a low interest rate market and to capture economic savings, the City "currently refunded" the 2005 Water Revenue Bond Series A. The 2018 Revenue Bonds were issued to (1) provide funds for the refunding of the PFA's 2005 Water Revenue Bond Series A; (2) finance improvements to the water utility enterprise; and (3) pay the costs of issuance associated with the issuance and sale of the 2018 Revenue Bonds.

The 2018 Revenue Bonds are due from 2018 through 2026 in annual principal installments of $175,000 to $220,000. The interest rate is 2.39% and interest is payable semiannually on May 1 and November 1. The total outstanding principal as of June 30, 2024, is $610,000. The 2018 Revenue Bonds are payable from and secured by net revenues of the City's water system and facilities on a subordinate basis to the 2013 Revenue Bonds. Net revenue is determined by the gross revenues received during such period minus the amount required to pay all operation and maintenance costs becoming payable during such period. Net revenue pledged to these bonds for the current year was $2,921,004 against debt service payments of $229,441.

If any event of default shall occur, then the Trustee may, and at the written direction of the owners of a majority in aggregate principal amount of the 2018 Revenue Bonds then outstanding, shall declare the principal of the 2018 Revenue Bonds, together with the accrued interest thereon, to be due and payable immediately.

NOTE 9 COMPENSATED ABSENCES

Compensated absences consist of amounts due to employees for earned but unused vacation and sick leave balances. Compensated absences are primarily liquidated from the General Fund.

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Governmental Activities	$ 1,867,524	$ 347,540	$ 318,258	$ 1,896,806	$ 440,000
Business-Type Activities	254,663	47,392	43,399	258,656	60,000
Total Compensated Absences	$ 2,122,187	$ 394,932	$ 361,657	$ 2,155,462	$ 500,000

NOTE 10 CALIFORNIA JOINT POWERS INSURANCE AUTHORITY INSURANCE PROGRAM

Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of Santa Fe Springs is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 126 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the board of directors. The board operates through a nine-member executive committee.

Primary Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to $100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from $100,000 to $500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from $500,000 to $50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is $50 million per occurrence. Subsidence losses have a $50 million per occurrence limit. The coverage structure is composed of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the Authority's website: https://cjpia.org/coverage/risk-sharing-pools.

NOTE 10 CALIFORNIA JOINT POWERS INSURANCE AUTHORITY INSURANCE PROGRAM (CONTINUED)

Primary Self-Insurance Programs of the Authority (Continued)

Primary Workers' Compensation Program

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to $75,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from $75,000 to $200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from $200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2023-24, the Authority's pooled retention is $1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to $1 million. Coverage from $1 million to $5 million is purchased through reinsurance policies, and Employer's Liability losses from $5 million to $10 million are pooled among members.

Purchased Insurance

Pollution Legal Liability Insurance

The City of Santa Fe Springs participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Santa Fe Springs. Coverage is on a claims-made basis. There is a $250,000 deductible. The Authority has an aggregate limit of $20 million.

Property Insurance

The City of Santa Fe Springs participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Santa Fe Springs property is currently insured according to a schedule of covered property submitted by the City of Santa Fe Springs to the Authority. City of Santa Fe Springs property currently has all-risk property insurance protection in the amount of $135,512,752. There is a $10,000 deductible per occurrence except for nonemergency vehicle insurance which has a $2,500 deductible.

NOTE 10 CALIFORNIA JOINT POWERS INSURANCE AUTHORITY INSURANCE PROGRAM (CONTINUED)

Purchased Insurance (Continued)

Earthquake and Flood Insurance

The City of Santa Fe Springs purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of Santa Fe Springs property currently has earthquake protection in the amount of $62,694,195. There is a deductible of 5% per unit of value with a minimum deductible of $100,000.

Crime Insurance

The City of Santa Fe Springs purchases crime insurance coverage in the amount of $5,000,000 with a $2,500 deductible. The fidelity coverage is provided through the Authority.

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2023-2024.

NOTE 11 PENSION PLAN OBLIGATIONS

a. General Information About the Pension Plan

Plan Description

The City contributes to the California Public Employees Retirement System (CalPERS), an agent multiple-employer defined benefit pension plan for the miscellaneous employees and a cost-sharing multiple-employer public employee defined benefit pension plan for the public safety employees that acts as a common investment and administrative agent for participating public entities within the state of California. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. All full-time employees are eligible to participate in PERS. Part-time employees are not eligible to participate in PERS retirement system but participate in a defined contribution plan. Benefit provisions for the plans are established by State Statutes and City resolution. Copies of PERS' annual financial report may be obtained from its executive office: 400 P Street, Sacramento, California 95814.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for nonduty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

a. General Information About the Pension Plan (Continued)

Benefits Provided (Continued)

The Plan provisions and benefits for the fiscal year ended June 30, 2024, are summarized as follows:

	Miscellaneous Plan		
	Tier 1*	Tier 2*	PEPRA
Hire Date	Prior to November 19, 2012	November 19, 2012 but prior to January 1, 2013	January 1, 2013 and After
Benefit Formula	2.7%@55	2.0%@55	2.0%@62
Benefit Vesting Schedule	5 years service	5 years service	5 years service
Benefit Payments	monthly for life	monthly for life	monthly for life
Minimum Retirement Age	50	50	52
Monthly Benefits, as a % of Eligible Compensation	2.000% - 2.700%, 50 yrs - 55+ yrs,	1.426% - 2.418%, 50 yrs - 63+ yrs,	1.000% - 2.500%, 52 yrs - 67+ yrs,
Required Employee Contribution Rates	8.00%	7.00%	7.25%
Required Employer Contribution Rates	12.500%	12.500%	7.350%

	Safety Cost-Sharing Rate Plans		
	Tier 1*	Tier 2*	PEPRA
Hire Date	Prior to November 19, 2012	November 19, 2012 but prior to January 1, 2013	January 1, 2013 and After
Benefit Formula	3.0%@50	3.0%@55	2.7%@57
Benefit Vesting Schedule	5 years service	5 years service	5 years service
Benefit Payments	monthly for life	monthly for life	monthly for life
Minimum Retirement Age	50	50	50
Monthly Benefits, as a % of Eligible Compensation	3.000%, 50+ yrs	2.400% - 3.000%, 50 yrs - 55+ yrs,	2.000% - 2.700%, 50 yrs - 57+ yrs,
Required Employee Contribution Rates	9.000%	9.000%	14.500%
Required Employer Contribution Rates	29.090%	24.790%	14.500%

*Plan is closed to new entrants. The PEPRA plan was enacted for new members hired after January 1, 2013.

Employees Covered

For the measurement period ended June 30, 2023, the following employees were covered by the benefit terms of the Miscellaneous Plan:

Description	Number of Members
Active Members	136
Transferred Members	44
Terminated Members	30
Retired Members and Beneficiaries	228
Total	438

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

a. General Information About the Pension Plan (Continued)

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. City contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contributions requirements are classified as plan member contributions. The liability for governmental activities is primarily liquidated from the general fund and the liability for business-type activities is liquidated from the water enterprise fund.

Employer contributions for the miscellaneous and safety plans for fiscal year ended June 30, 2024, was $8,157,789 and $6,312,822, respectively.

b. Net Pension Liability

The net pension liability is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the plans is measured as of June 30, 2023, using an annual actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown on the subsequent page.

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

b. Net Pension Liability (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liabilities were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2022	June 30, 2022
Measurement Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Projected Salary Increase	(1)	(1)
Mortality Rate Table	(2)	(2)
Post Retirement Benefit Increase	(3)	(3)

Varies by entry age and service.

(1) Varies by entry age and service.
(2) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.
(3) The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.30% thereafter.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

b. Net Pension Liability (Continued)

Long-Term Expected Rate of Return (Continued)

In determining the long-term expected rate of return, CalPERS took into account both short- term and long-term market return expectations. Using historical returns all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points. The expected real rates of return by asset class are as follows:

Asset Class (a)	Assumed Asset Allocation	Real Return (a) (b)
Global Equity - Cap-Weighted	30.00 %	4.45 %
Global Equity - Non-Cap-Weighted	12.00	3.84 %
Private Equity	13.00	7.28 %
Treasury	5.00	0.27 %
Mortgage-Backed Securities	5.00	0.50 %
Investment Grade Corporates	10.00	1.56 %
High Yield	5.00	2.27 %
Emerging Market Debt	5.00	2.48 %
Private Debt	5.00	3.57 %
Real Assets	15.00	3.21 %
Leverage	(5.00)	(0.59)%
Total	100.00 %	

(a) An expected inflation of 2.30% used for this period.
(b) Figures are based on the 2021 Asset Liability Management study.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Change in Benefit Terms

In 2022, Senate Bill 1168 increased the standard retiree lump sum death benefit from $500 to $2,000 for any death occurring on or after July 1, 2023.

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

c. Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period for the Miscellaneous Plan.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2022 (Measurement Date)	$ 196,092,030	$ 113,604,295	$ 82,487,735
Changes in the Year:			
Service Cost	2,152,473	-	2,152,473
Interest on the Total Pension Liability	13,500,457	-	13,500,457
Change in Benefit Terms	127,718	-	127,718
Changes of Assumptions	-	-	-
Differences Between Actual and Expected Experience	4,491,245	-	4,491,245
Contribution - Employer	-	7,918,095	(7,918,095)
Contribution - Employee	-	1,014,108	(1,014,108)
Net Investment Income	-	7,057,512	(7,057,512)
Administrative Expenses	-	(83,539)	83,539
Benefit Payments, Including Refunds of Employee Contributions	(12,256,868)	(12,256,868)	-
Net Changes	8,015,025	3,649,308	4,365,717
Balance at June 30, 2023 (Measurement Date)	$ 204,107,055	$ 117,253,603	$ 86,853,452

As of June 30, 2024, the City Safety Plan reported a net pension liability for its proportionate share of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Safety Plan	$ 66,691,562

The City's net pension liability for the Safety Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Safety Plan is measured as of June 30, 2023, and the total pension liability for the Safety Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023, using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

c. Changes in the Net Pension Liability (Continued)

The City's proportionate share of the net pension liability for the Safety Plan as of measurement period ended June 30, 2022 and 2023, was as follows:

Safety Cost-Sharing Plan	
Safety Cost-Sharing Plan	
Proportion - June 30, 2022	0.91734%
Proportion - June 30, 2023	0.89220%
Change - Increase (Decrease)	-0.02514%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Plan's as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	Discount Rate - 1% 5.90%	Current Discount 6.90%	Discount Rate + 1% 7.90%
Miscellaneous Plan	$ 111,056,315	$ 86,853,452	$ 66,624,602
Safety Plan	93,069,847	66,691,562	45,125,437
Total Net Pension Liability	$ 204,126,162	$ 153,545,014	$ 111,750,039

Pension Plan Fiduciary Net Position

The plan fiduciary net position disclosed in the GASB 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance, and OPEB expense included as assets. These amounts are excluded for rate setting purposes in the funding actuarial valuation. In addition, differences may result from early Annual Comprehensive Financial Report closing and final reconciled reserves. Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. See CalPERS website for additional information.

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

d. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2024, the City recognized pension expense of $10,845,513 and $8,635,829 for the Miscellaneous and Safety Plan, respectively, which totals $14,470,611. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	$ 8,157,789	$ -
Changes of Assumptions	1,555,106	-
Differences Between Expected and Actual Experience	3,042,456	(933,834)
Net Differences Between Projected and Actual Earnings on Plan Investments	5,245,933	-
Total	$ 18,001,284	$ (933,834)

	Safety Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	$ 6,312,822	$ -
Difference Between Expected and Actual Experiences	4,896,390	(419,183)
Change in Assumptions	3,892,209	-
Net Differences Between Projected and Actual Earnings on Plan Investments	9,126,722	-
Change in Employer's Proportion	549,758	(494,359)
Differences Between the Employer's Contributions and the Employer's Proportionate Share of Contributions	638,001	(1,841,204)
Total	25,415,902	(2,754,746)
Total All Plans	$ 43,417,186	$ (3,688,580)

$8,157,789 and $6,312,822 reported in the Miscellaneous and Safety Plans, respectively, as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Differences between projected and actual investment earnings are amortized on a five-year straight-line basis and all other amounts are amortized over the expected average remaining service lives of all members that are provided with benefits.

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

d. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

	Deferred Outflows/(Inflows) of Resources		
Measurement Period Ending June 30,	Miscellaneous	Safety	Total
2024	$ 2,952,037	$ 5,015,967	$ 7,968,004
2025	1,894,211	3,683,197	5,577,408
2026	3,930,739	7,394,426	11,325,165
2027	132,675	254,744	387,419
Total	$ 8,909,662	$ 16,348,334	$ 25,257,996

e. Payable to the Pension Plans

At June 30, 2024, the City had no outstanding amount of contributions to the pension plans required for the year ended June 30, 2024.

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS

The City provides an agent multiple-employer OPEB plan to retirees through the California Employers' Retiree Benefit Trust (CERBT). Information on the plan is available from CalPERS on their website www.calpers.ca.gov.

a. Plan Description

The City contributes to the California Employers' Retiree Benefit Trust (CERBT), an agent multiple-employer public employee defined postemployment benefit plan. The City provides retiree medical benefits under the PERS health plan, which provides medical insurance benefits to eligible retirees and their beneficiaries in accordance with various labor agreements. Copies of the PERS' annual financial report may be obtained from the PERS Executive Office, 400 P Street, Sacramento, California 95814.

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

b. Eligibility and Employees Covered

Employees are eligible for retiree health benefits if they retire from the City on or after age 50 (unless disabled) with five years or service and are eligible for a PERS pension. The benefits are available only to employees who retire from the City. At measurement date ended June 30, 2023, the benefit terms covered the following employees:

	Miscellaneous	Fire	Total
Retirees and Beneficiaries Receiving Benefits	$ 174	$ 99	$ 273
Retirees and Beneficiaries Entitled to but not yet Receiving Benefits	108	44	152
Active Plan Members	282	143	425
Total	$ 564	$ 286	$ 850

These amounts do not reflect current retirees not enrolled in the PERS health plan that are eligible to enroll in the plan at a later date.

c. Contributions

The City currently contributes to the CERBT OPEB trust, in addition to paying benefit payments outside the trust. For the fiscal year ended June 30, 2024, the City contributed $469,000 to the CERBT, paid $3,408,337 for current premiums, and paid $10,029 of nontrust admin expenses, resulting in total contributions of $3,887,366. The liability for governmental activities is primarily liquidated from the general fund and the liability for business-type activities is liquidated from the water enterprise fund.

d. Investments

The CERBT was established for public agencies to pre-fund other postemployment benefit obligations. Employers may choose among three different investment strategies. The City of Santa Fe Springs has selected Strategy 1. Compared with CERBT Strategy 2 and Strategy 3, this portfolio consists of a higher percentage of equities than bonds and other assets. The following was the investment committee approved asset allocation targets:

Asset Class	Target Allocation
Global Equity	49.0 %
U.S. Fixed Income	23.0
REITs	20.0
TIPS	5.0
Commodities	3.0
Total	100.0 %

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

e. Net OPEB Liability

The City's net OPEB liability as the total OPEB liability, less the plan's fiduciary net position. The net OPEB liability is measured as of June 30, 2023, using an actuarial valuation as of June 30, 2022. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	6.25%
Inflation	3.10%
Salary Increases	2.80%
Healthcare Cost Trend Rates:	20
2023 Trend (Pre 65 / Post 65)	0.00% / 6.70%
2024 Trend (Pre 65 / Post 65)	0.00% / 4.54%
Ultimate Trend	4.54%
Year Ultimate Trend is Reached (Pre 65 / Post 65)	2090 / 2024
Mortality Rates	Public Agency - Post-Retirement Mortality - SOA Scale MP-2020 Base Year 2018, Public Agency Miscellaneous - Pre-Retirement Mortality - SOA Scale MP-2020 Base Year 2018, and Public Agency Safety / Fire - Pre-Retirement Mortality - SOA Scale MP-2020 Base Year 2018.

The actuarial assumptions used in the June 30, 2022, valuation were based on a standard set of assumptions the actuary has used for similar valuations, modified as appropriate for the City.

The City holds the presumption that the CalPERS medical plan and its premium structure are sustainable over the measurement period, even if other groups or active participants cease to participate and has selected to incorporate that opinion as an assumption in its valuation. The actuary incorporated this assumption and has applied the Actuarial Standard of Practice No. 6 section 3.7.7(c)(4) exception and performed the valuation based on the direct premium rates charged by CalPERS without regard to adjustments for age, thereby resulting in no liability due to an implied rate subsidy.

f. Discount Rate

The discount rate used to measure the total OPEB liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates.

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

g. Changes in the Net OPEB Liability

The changes in the Net OPEB Liability for the Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (c)=(a)-(b)
Balance at June 30, 2022 (Measurement Date)	$ 64,552,170	$ 26,312,462	$ 38,239,708
Changes Recognized for the Measurement Period:			
Service Cost	1,204,768	-	1,204,768
Interest on Total OPEB Liability	3,128,602	-	3,128,602
Changes of Assumptions	(12,557,072)	-	(12,557,072)
Difference Between Actual vs. Expected Experience	(1,351,973)	-	(1,351,973)
Contributions-Employer	-	4,211,515	(4,211,515)
Net Investment Income	-	1,734,112	(1,734,112)
Benefit Payments, Including Refunds of Employee Contributions	(3,580,515)	(3,580,515)	-
Administrative Expense	-	(7,718)	7,718
Net Changes	(13,156,190)	2,357,394	(15,513,584)
Balance at June 30, 2023 (Measurement Date)	$ 51,395,980	$ 28,669,856	$ 22,726,124

h. Change in Assumptions

Initial trend rates were advanced and the model for trends in subsequent years is based on the Getzen Model as updated through October 2023. The payroll growth rate was increased form 2.75% to 2.80%.

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

i. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current discount rate:

	Discount Rate -1% 5.25%	Current Discount 6.25%	Discount Rate + 1% 7.25%
Net OPEB Liability	$ 29,703,753	$ 22,726,124	$ 16,932,500

j. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	Trend Rate -1% 0.00% / 5.70%	Trend Rate 0.00% / 6.70%	Trend Rate + 1% 1.00% / 7.70%
Net OPEB Liability	$ 16,306,311	$ 22,726,124	$ 30,669,730

k. Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the City recognized OPEB gain of $1,929,298. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
City Contributions Made Subsequent to Measurement Date	$ 3,570,152	$ -
Differences Between Expected and Actual Experience	-	(2,979,464)
Changes of Assumptions	222,027	(10,158,611)
Net Difference Between Projected and Actual Earnings on Plan Investments	1,793,678	-
Total	$ 5,585,857	$ (13,138,075)

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

k. Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

$3,570,152 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of total OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Deferred Outflows/ (Inflows) of of Resources
2025	$ (3,546,374)
2026	(3,396,347)
2027	(1,668,277)
2028	(2,511,372)
Total	$ (11,122,370)

NOTE 13 DEFINED CONTRIBUTION PLAN

Employees hired by the City on a part-time, seasonal, or temporary basis whose wages do not qualify for Social Security deductions or membership in a qualified pension plan are required to participate in the Part-Time, Seasonal and Temporary (PST) Employee Retirement Program. The City administers PST, an eligible 457 plan under the Internal Revenue Code. Employees' mandatory PST contributions amount to 7.5% of gross wages on a pretax basis. Employees are fully vested upon enrollment and are entitled to 100% of the account upon separation from the City. The City does not make any contributions to the PST. The PST assets are held in a trust account for the sole benefit of the employees and their beneficiaries and have been excluded from the City's reported assets accordingly.

NOTE 14 COMMITMENTS AND CONTINGENCIES

Claims

Various claims for personal injury and for property damage are pending against the City. It is the opinion of the City Attorney that any liability arising out of such claims is adequately covered under insurance agreements.

NOTE 15 CONDUIT OBLIGATION DEBT

The City issued $2,315,000 of Heritage Springs Assessment District Improvement Bonds on August 9, 2001. These bonds are not included in the accompanying financial statements as neither the faith and credit nor the taxing powers of the City have been pledged to the payment of the obligations. The outstanding balance at June 30, 2024, is $1,045,000.

NOTE 16 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (the Bill) that provides for the dissolution of all redevelopment agencies in the state of California. This action impacted the reporting entity of the City of Santa Fe Springs (City) that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit. The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. As of February 1, 2012, the City Council, by operation of law, became the Successor Agency to the Community Development Commission for the City of Santa Fe Springs (Successor Agency) in accordance with the Bill.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the state of California cannot enter into new projects, obligations, or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). Successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

Loans and Notes Receivable

The loans and notes receivable balance in the Successor Agency Fund consist of an installment note in the amount of $61,438 relate to an advance of former Commission monies to property owners to clean up hazardous materials on private property. This note bears an interest rate of 9.0% per annum.

Capital Assets

Additions and deletions in the Successor Agency's capital assets were as follows:

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024
Capital Assets, not Being Depreciated:				
Land	$ 415,530	$ -	$ -	$ 415,530
Total Capital Assets, Not Being Depreciated	$ 415,530	$ -	$ -	$ 415,530

NOTE 16 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (CONTINUED)

Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the fiscal year ended June 30, 2024:

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Private-Purpose Activities:					
Consolidated Redevelopment Project Tax Allocation Bonds:					
2006 Issue	$ 17,027,773	$ -	$ 5,624,491	$ 11,403,282	$ 4,253,770
Accreted Interest on Capital Appreciation Bonds	18,616,344	-	4,999,843	13,616,501	-
2016 Refunding Issue	1,480,000	-	735,000	745,000	745,000
Issuance Discounts/Premiums	(45,934)	-	15,312	(30,622)	-
Direct Borrowings:					
Tax Increment Loan from Los Angeles County	6,144,414	169,957	201,856	6,112,515	-
Total	$ 43,222,597	$ 169,957	$ 11,576,502	$ 31,846,676	$ 4,998,770

	Tax Allocation Bonds	
Year Ending June 30,	Principal	Interest
2025	$ 4,998,770	$ 8,381
2026	4,040,748	-
2027	2,069,997	-
2028	1,038,767	-
Total	12,148,282	$ 8,381
Cumulative Accretion Interest on Capital Appreciation Bonds	13,616,501	
Total Principal, June 30, 2024	$ 25,764,783	

Consolidated Redevelopment Project 2006 Tax Allocation Bonds

In December 2006, the former Commission issued serial bonds (Series A) in the amount of $27,658,493. Series A bonds are structured with a mix of current interest bonds and accreted interest on capital appreciation bonds. Serial bonds totaling $4,710,000 are payable annually on each September 1 ranging from $10,000 to $2,195,000 through September 1, 2020. Interest is payable on September 1 and March 1 in each year at rates of 3.75% to 5.0% per annum. Capital appreciation bonds have serial maturities in 2020 through 2028 payable annually on September 1 each year with a value at maturity ranging from $920,000 to $11,805,000. The current interest bonds are optionally callable at par on September 1, 2016. The capital appreciation bonds are noncallable. The serial bonds were fully refunded in fiscal year 2016-17 with the issuance of the 2016 Subordinate Tax Allocation Refunding Bonds.

NOTE 16 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (CONTINUED)

Consolidated Redevelopment Project 2006 Tax Allocation Bonds (Continued)

In December 2006, the former Commission issued serial bonds (Series B) in the amount of $18,760,000. Series B bonds have current interest term bonds of $5,230,000 and $13,530,000 due September 1, 2011 and September 1, 2018, respectively. The interest rates range from 5.18% to 5.35%. The bonds are optionally callable at par on September 1, 2016. The serial bonds were fully refunded in fiscal year 2016-17 with the issuance of the 2016 Subordinate Tax Allocation Refunding Bonds.

Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the bonds was transferred to the Successor Agency. Upon dissolution, former tax increment revenues are deposited into the Los Angeles County Redevelopment Property Tax Trust Fund (RPTTF) and are distributed to Successor Agencies based on approved enforceable obligations. The City does not believe the dissolution bill changes the pledged nature of the former tax increment and considers all deposits to the RPTTF pledged for debt service until the full debt service obligation for the fiscal year is reached. Total amount outstanding as of June 30, 2024, is $25,019,783 including $13,616,501 of accreted interest.

2016 Subordinate Tax Allocation Refunding Bonds

In July 2016, the Successor Agency to the Community Development Commission of the City of Santa Fe Springs (the Successor Agency) issued $25,270,000 in 2016 Subordinate Tax Allocation Refunding Bonds to redeem and defease all amounts outstanding under the following five series of bonds issued by the former Community Development Commission of the City of Santa Fe Springs:

- $28,845,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Tax Allocation Bonds, 2001 Series A.

- $50,915,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Tax Allocation Refunding Bonds, 2002 Series A.

- $6,530,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Taxable Tax Allocation Refunding Bonds, 2003 Series A (Housing Tax Revenues).

- $4,710,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Tax Allocation Bonds, 2006 Series A, issued as current interest bonds.

- $18,760,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Taxable Tax Allocation Bonds, 2006 Series B.

NOTE 16 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (CONTINUED)

2016 Subordinate Tax Allocation Refunding Bonds (Continued)

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $487,390, of which the outstanding amount at June 30, 2024 is $97,478, which is reported as a deferred outflow of resources in the accompanying financial statements and amortized over the remaining life of the refunded debt. Interest is payable semi-annually on March 1 and September 1 of each year, commencing March 1, 2017. The certificates mature in 2025 and principal is payable on September 1 each year, commencing September 1, 2017. Total amount outstanding as of June 30, 2024, is $745,000.

Tax Increment Loan Payable

A loan of property tax increment was issued by the County of Los Angeles, California, to the former Washington Boulevard Redevelopment Project Debt Service Fund at a variable interest rate equivalent to the Los Angeles County Annual Treasury Pool rate as calculated annually by the County Auditor-Controller. Principal and interest payments on this loan were originally to be deferred until such time as the former Washington Boulevard Project has received a combined total of $10,750,000 in monies from sales tax increment, and property tax increment. Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the loan was transferred to the Successor Agency. The repayment schedule is not fixed and will be dependent upon the availability of RPTTF to be used for that purpose, subject to the approval of the Oversight Board, Los Angeles County Auditor-Controller, and California Department of Finance. Total amount outstanding as of June 30, 2024, is $6,112,515.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 73,169,500	$ 76,069,500	$ 81,562,279	$ 5,492,779
Licenses and Permits	2,840,400	2,900,400	3,685,156	784,756
Intergovernmental	1,003,400	1,003,400	1,013,587	10,187
Charges for Services	6,113,100	6,332,100	7,517,518	1,185,418
Use of Money and Property	2,182,000	2,182,000	7,367,932	5,185,932
Rentals	1,877,100	1,877,100	2,103,157	226,057
Fines and Forfeitures	432,000	432,000	772,530	340,530
Contributions	118,700	118,700	258,116	139,416
Miscellaneous	744,900	744,900	1,533,425	788,525
Total Revenues	88,481,100	91,660,100	105,813,700	14,153,600
EXPENDITURES				
General Government	12,494,400	12,993,500	10,812,851	2,180,649
Public Safety	40,564,600	40,734,500	39,447,134	1,287,366
Community Development	4,399,400	4,329,100	3,540,981	788,119
Public Works	15,971,500	16,582,700	14,839,359	1,743,341
Culture and Leisure	7,628,200	8,162,400	7,861,333	301,067
Human Services	2,147,800	2,147,800	2,207,919	(60,119)
Capital Outlay	4,612,300	4,762,300	1,656,202	3,106,098
Debt Service:				
Principal Retirement	850,000	850,000	1,008,219	(158,219)
Interest and Fiscal Charges	125,000	125,000	134,763	(9,763)
Total Expenditures	88,793,200	90,687,300	81,508,761	9,178,539
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(312,100)	972,800	24,304,939	23,332,139
OTHER FINANCING SOURCES (USES)				
Transfers In	4,655,828	4,680,828	3,350,469	(1,330,359)
Transfers Out	(4,104,828)	(4,104,828)	(7,290,190)	(3,185,362)
Issuance of SBITA Payable	-	-	351,676	351,676
Sale of Capital Asset	5,000	5,000	34,215	29,215
Total Other Financing Sources (Uses)	556,000	581,000	(3,553,830)	(4,134,830)
NET CHANGE IN FUND BALANCE	243,900	1,553,800	20,751,109	19,197,309
Fund Balance - Beginning of Year	100,439,634	100,439,634	100,439,634	-
FUND BALANCE - END OF YEAR	$ 100,683,534	$ 101,993,434	$ 121,190,743	$ 19,197,309

See accompanying Notes to Required Supplementary Information.

CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE
LOW AND MODERATE INCOME HOUSING ASSETS FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Use of Money and Property	$ -	$ -	$ 204,640	$ 204,640
Miscellaneous	-	-	16,548	(16,548)
Total Revenues	-	-	221,188	188,092
EXPENDITURES				
Community Development	253,000	253,000	1,459,966	(1,206,966)
Total Expenditures	253,000	253,000	1,459,966	(1,206,966)
NET CHANGE IN FUND BALANCE	(253,000)	(253,000)	(1,238,778)	(1,018,874)
Fund Balance - Beginning of Year	11,053,683	11,053,683	11,053,683	-
FUND BALANCE - END OF YEAR	$ 10,800,683	$ 10,800,683	$ 9,814,905	$ (1,018,874)

See accompanying Notes to Required Supplementary Information.

CITY OF SANTA FE SPRINGS
MISCELLANEOUS PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS

Fiscal Year Ended	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Measurement Period	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
Total Pension Liability:					
Service Cost	$ 2,152,473	$ 1,970,794	$ 1,766,312	$ 1,567,189	$ 1,609,236
Interest on Total Pension Liability	13,500,457	12,966,728	13,033,238	12,629,742	12,378,733
Differences Between Expected and Actual Experience	4,491,245	(3,009,015)	2,313,861	268,043	2,131,720
Changes in Assumptions	-	5,010,900	-	-	-
Changes in Benefit Terms	127,718	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(12,256,868)	(11,567,406)	(10,958,843)	(10,975,249)	(10,473,500)
Net Change in Total Pension Liability	8,015,025	5,372,001	6,154,568	3,489,725	5,646,189
Total Pension Liability - Beginning of Year	196,092,030	190,720,029	184,565,461	181,075,736	175,429,547
Total Pension Liability - End of Year (a)	$ 204,107,055	$ 196,092,030	$ 190,720,029	$ 184,565,461	$ 181,075,736
Plan Fiduciary Net Position:					
Contributions - Employer	$ 7,918,095	$ 7,068,656	$ 6,557,278	$ 5,957,285	$ 5,182,712
Contributions - Employee	1,014,108	930,374	911,222	855,704	783,946
Net Investment Income	7,057,512	(9,636,898)	24,174,117	5,199,591	6,740,766
Benefit Payments	(12,256,868)	(11,567,406)	(10,958,843)	(10,975,249)	(10,473,500)
Net Plan to Plan Resource Movement	-	-	-	-	-
Other Miscellaneous Income (Expense)	-	-	-	-	242
Administrative Expense	(83,539)	(79,044)	(106,198)	(148,620)	(73,690)
Net Change in Plan Fiduciary Net Position	3,649,308	(13,284,318)	20,577,576	888,711	2,160,476
Plan Fiduciary Net Position - Beginning of Year	113,604,295	126,888,613	106,311,037	105,422,326	103,261,850
Plan Fiduciary Net Position - End of Year (b)	$ 117,253,603	$ 113,604,295	$ 126,888,613	$ 106,311,037	$ 105,422,326
Net Pension Liability - Ending (a)-(b)	$ 86,853,452	$ 82,487,735	$ 63,831,416	$ 78,254,424	$ 75,653,410
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	57.45%	57.93%	66.53%	57.60%	58.22%
Covered Payroll	$ 11,947,551	$ 10,510,114	$ 9,998,155	$ 9,185,973	$ 8,249,634
Net Pension Liability as Percentage of Covered Payroll	726.96%	784.84%	638.43%	851.89%	917.05%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2019 to June 30, 2022:

There were no changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023:

The discount rate and long-term rate of return decreased from 7.15% to 6.90% and the inflation rate decreased from 2.50% to 2.30%.

From fiscal year June 30, 2023 to June 30, 2024:

There were no changes in assumptions.

CITY OF SANTA FE SPRINGS
MISCELLANEOUS PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS

Fiscal Year Ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Measurement Period	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Total Pension Liability:					
Service Cost	$ 1,796,886	$ 1,697,844	$ 1,501,984	$ 1,544,341	$ 1,578,729
Interest on Total Pension Liability	11,973,513	11,756,269	11,766,386	11,550,084	11,142,267
Differences Between Expected and Actual Experience	(299,522)	(3,198,739)	(1,620,555)	714,618	-
Changes in Assumptions	(953,019)	9,199,362	-	(2,672,769)	-
Changes in Benefit Terms	-	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(9,808,276)	(8,617,142)	(8,887,931)	(8,362,515)	(8,292,893)
Net Change in Total Pension Liability	2,709,582	10,837,594	2,759,884	2,773,759	4,428,103
Total Pension Liability - Beginning of Year	172,719,965	161,882,371	159,122,487	156,348,728	151,920,625
Total Pension Liability - End of Year (a)	$ 175,429,547	$ 172,719,965	$ 161,882,371	$ 159,122,487	$ 156,348,728
Plan Fiduciary Net Position:					
Contributions - Employer	$ 4,673,836	$ 4,174,840	$ 3,728,926	$ 3,368,960	$ 2,513,465
Contributions - Employee	873,584	957,530	932,924	945,614	1,210,652
Net Investment Income	8,481,211	10,317,843	500,787	2,213,275	14,964,552
Benefit Payments	(9,808,276)	(8,617,142)	(8,887,931)	(8,362,515)	(8,292,893)
Net Plan to Plan Resource Movement	(242)	-	-	-	-
Other Miscellaneous Income (Expense)	(294,413)	-	-	-	-
Administrative Expense	(155,035)	(137,006)	(58,860)	(108,707)	-
Net Change in Plan Fiduciary Net Position	3,770,665	6,696,065	(3,784,154)	(1,943,373)	10,395,776
Plan Fiduciary Net Position - Beginning of Year	99,491,185	92,795,120	96,579,274	98,522,647	88,126,871
Plan Fiduciary Net Position - End of Year (b)	$ 103,261,850	$ 99,491,185	$ 92,795,120	$ 96,579,274	$ 98,522,647
Net Pension Liability - Ending (a)-(b)	$ 72,167,697	$ 73,228,780	$ 69,087,251	$ 62,543,213	$ 57,826,081
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.86%	57.60%	57.32%	60.69%	63.01%
Covered Payroll	$ 8,771,632	$ 9,696,909	$ 9,040,284	$ 9,086,236	$ 8,979,508
Net Pension Liability as Percentage of Covered Payroll	822.74%	755.18%	764.22%	688.33%	643.98%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2019:

There were no changes in assumptions.

CITY OF SANTA FE SPRINGS
MISCELLANEOUS PLAN
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Contractually Required Contribution (Actuarially Determined)	$ 8,157,789	$ 7,870,770	$ 7,068,663	$ 6,557,278	$ 5,952,729
Contributions in Relation to the Actuarially Determined Contributions	(8,157,789)	(7,870,770)	(7,068,663)	(6,557,278)	(5,952,729)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 13,920,715	$ 11,947,551	$ 10,510,114	$ 9,998,155	$ 9,185,973
Contributions as a Percentage of Covered Payroll	58.60%	65.88%	67.26%	65.58%	64.80%
Notes to Schedule:					
Valuation Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.300%	2.500%	2.500%	2.500%	2.625%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	6.80% (3)	7.00% (3)	7.00% (3)	7.00% (3)	7.25% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed.
(2) Depending on age, service and type of employment.
(3) Net of pension plan investment expense, including inflation.
(4) 2.7% at 55, 2% at 55 and 2% at 62
(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

CITY OF SANTA FE SPRINGS
MISCELLANEOUS PLAN
SCHEDULE OF CONTRIBUTIONS (CONTINUED)
LAST TEN FISCAL YEARS

Fiscal Year Ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually Required Contribution (Actuarially Determined)	$ 5,182,369	$ 4,669,275	$ 4,174,840	$ 3,728,926	$ 3,554,823
Contributions in Relation to the Actuarially Determined Contributions	(5,182,369)	(4,669,275)	(4,174,840)	(3,728,926)	(3,554,823)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 8,249,634	$ 8,771,632	$ 9,696,909	$ 9,040,284	$ 9,086,236
Contributions as a Percentage of Covered Payroll	62.82%	53.23%	43.05%	41.25%	39.12%
Notes to Schedule:					
Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	15-Year Smoothed Fair Value Method
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed.
(2) Depending on age, service and type of employment.
(3) Net of pension plan investment expense, including inflation.
(4) 2.7% at 55, 2% at 55 and 2% at 62
(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

CITY OF SANTA FE SPRINGS
COST SHARING SAFETY PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS

Fiscal Year Ended	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Measurement Period	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
Plan's Proportion of the Net Pension Liability	0.89220%	0.91734%	1.08803%	0.82961%	0.81779%
Plan's Proportionate Share of the Net Pension Liability	$ 66,691,562	$ 63,035,973	$ 38,184,110	$ 55,271,784	$ 51,050,543
Plan's Covered Payroll	$ 7,031,317	$ 6,764,920	$ 6,644,007	$ 6,934,844	$ 6,607,330
Plan's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	948.49%	931.81%	574.72%	797.02%	772.63%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	65.32%	66.21%	78.59%	68.36%	75.26%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2019 to June 30, 2022:

There were no changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023:

The discount rate and long-term rate of return decreased from 7.15% to 6.90% and the inflation rate decreased from 2.50% to 2.30%.

From fiscal year June 30, 2023 to June 30, 2024:

There were no changes in assumptions.

CITY OF SANTA FE SPRINGS
COST SHARING SAFETY PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (CONTINUED)
LAST TEN FISCAL YEARS

Fiscal Year Ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Measurement Period	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Plan's Proportion of the Net Pension Liability	0.80993%	0.78353%	0.79447%	0.77891%	0.70334%
Plan's Proportionate Share of the Net Pension Liability	$ 47,522,971	$ 46,817,505	$ 41,147,225	$ 32,094,633	$ 26,382,020
Plan's Covered Payroll	$ 6,994,713	$ 6,971,540	$ 6,843,585	$ 6,502,095	$ 6,188,907
Plan's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	679.41%	671.55%	601.25%	493.60%	426.28%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	75.26%	73.31%	74.06%	78.40%	79.82%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%

From fiscal year June 30, 2018 to June 30, 2019:

There were no changes in assumptions.

CITY OF SANTA FE SPRINGS
COST SHARING SAFETY PLAN
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Contractually Required Contribution (Actuarially Determined)	$ 6,312,822	$ 5,870,803	$ 5,345,973	$ 4,786,061	$ 4,372,591
Contributions in Relation to the Actuarially Determined Contributions	(6,312,822)	(5,870,803)	(5,345,973)	(4,786,061)	(4,372,591)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 7,736,367	$ 7,031,317	$ 6,764,920	$ 6,644,007	$ 6,934,844
Contributions as a Percentage of Covered Payroll	81.60%	83.50%	79.02%	72.04%	63.05%
Notes to Schedule:					
Valuation Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.300%	2.500%	2.500%	2.500%	2.625%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	6.80% (3)	7.00% (3)	7.00% (3)	7.00% (3)	7.25% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed.
(2) Depending on age, service and type of employment.
(3) Net of pension plan investment expense, including inflation.
(4) 3% at 50, 3% at 55 and 2.7% at 57.
(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

CITY OF SANTA FE SPRINGS
COST SHARING SAFETY PLAN
SCHEDULE OF CONTRIBUTIONS (CONTINUED)
LAST TEN FISCAL YEARS

Fiscal Year Ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually Required Contribution (Actuarially Determined)	$ 3,701,766	$ 3,247,068	$ 2,887,172	$ 1,166,499	$ 1,892,765
Contributions in Relation to the Actuarially Determined Contributions	(3,701,766)	(3,247,068)	(2,887,172)	(1,166,499)	(1,892,765)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 6,607,330	$ 6,994,713	$ 6,971,540	$ 6,843,585	$ 6,502,095
Contributions as a Percentage of Covered Payroll	56.03%	46.42%	41.41%	17.05%	29.11%
Notes to Schedule:					
Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	15-Year Smoothed Fair Value Method
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed.
(2) Depending on age, service and type of employment.
(3) Net of pension plan investment expense, including inflation.
(4) 3% at 50, 3% at 55 and 2.7% at 57.
(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

CITY OF SANTA FE SPRINGS
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS*

Fiscal Year Ended	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2023	June 30, 2022
Total OPEB Liability:		
Service Cost	$ 1,204,768	$ 984,226
Interest on Total OPEB Liability	3,128,602	3,619,578
Changes of Benefit Terms	-	4,802,768
Differences Between Expected and Actual Experience	(1,351,973)	-
Changes of Assumptions	(12,557,072)	-
Benefit Payments	(3,580,515)	(3,566,828)
Net Change in Total OPEB Liability	(13,156,190)	5,839,744
Total OPEB Liability - Beginning of Year	64,552,170	58,712,426
Total OPEB Liability - End of Year (a)	$ 51,395,980	$ 64,552,170
Plan Fiduciary Net Position:		
Contributions - Employer	$ 4,211,515	$ 4,183,089
Net Investment Income	1,734,112	(4,051,230)
Benefit Payments	(3,580,515)	(3,566,828)
Administrative Expenses	(7,718)	(14,857)
Net Change in Plan Fiduciary Net Position	2,357,394	(3,449,826)
Plan Fiduciary Net Position - Beginning of Year	26,312,462	29,762,288
Plan Fiduciary Net Position - End of Year (b)	$ 28,669,856	$ 26,312,462
Net OPEB Liability - Ending (a)-(b)	$ 22,726,124	$ 38,239,708
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	55.78%	40.76%
Covered - Employee Payroll	$ 22,159,644	$ 21,555,073
Net OPEB Liability as Percentage of Covered - Employee Payroll	102.56%	177.40%

Notes to Schedule:

Benefit Changes:

From fiscal year June 30, 2022 to June 30, 2023:

Effective 1/1/22, the Miscellaneous cap is set equal to the Kaiser Family non-Medicare premium, and the Fire cap is set equal to the PORAC Family non-Medicare premium (CalPERS Region 3).

Changes in Assumptions:

From fiscal year June 30, 2021 to June 30, 2022:

Decreased inflation reduced discount rate, medical trend, and salary increases, decreased medical trend rate for Kaiser Senior Advantage, Medicare Advantage plan implied subsidy excluded, mortality improvement scale updated to Scale MP-2021.

From fiscal year June 30, 2022 to June 30, 2023:

Initial trend rates were advanced and the model for trends in subsequent years is based on the Getzen Model as updated through October 2023. The payroll growth rate was increased form 2.75% to 2.80%.

* Fiscal year 2018 was the first year of implementation and therefore only seven years are shown.

CITY OF SANTA FE SPRINGS
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS*

Fiscal Year Ended	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Measurement Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB Liability:					
Service Cost	$ 978,905	$ 966,145	$ 1,105,368	$ 1,073,173	$ 1,042,000
Interest on Total OPEB Liability	4,094,287	4,051,589	4,408,354	4,254,334	4,100,000
Changes of Benefit Terms	-	-	(24,586)	-	-
Differences Between Expected and Actual Experience	(4,911,693)	-	(7,005,009)	-	-
Changes of Assumptions	572,595	(1,048,245)	(397,546)	-	-
Benefit Payments	(3,397,735)	(3,301,649)	(3,163,861)	(2,992,000)	(2,786,000)
Net Change in Total OPEB Liability	(2,663,641)	667,840	(5,077,280)	2,335,507	2,356,000
Total OPEB Liability - Beginning of Year	61,376,067	60,708,227	65,785,507	63,450,000	61,094,000
Total OPEB Liability - End of Year (a)	$ 58,712,426	$ 61,376,067	$ 60,708,227	$ 65,785,507	$ 63,450,000
Plan Fiduciary Net Position:					
Contributions - Employer	$ 5,011,731	$ 5,033,207	$ 4,995,349	$ 4,616,000	$ 5,223,000
Net Investment Income	6,178,247	793,628	1,101,136	1,119,324	1,216,000
Benefit Payments	(3,397,735)	(3,301,649)	(3,163,861)	(2,992,000)	(2,786,000)
Administrative Expenses	(15,517)	(17,396)	(10,164)	(26,012)	(6,000)
Net Change in Plan Fiduciary Net Position	7,776,726	2,507,790	2,922,460	2,717,312	3,647,000
Plan Fiduciary Net Position - Beginning of Year	21,985,562	19,477,772	16,555,312	13,838,000	10,191,000
Plan Fiduciary Net Position - End of Year (b)	$ 29,762,288	$ 21,985,562	$ 19,477,772	$ 16,555,312	$ 13,838,000
Net OPEB Liability - Ending (a)-(b)	$ 28,950,138	$ 39,390,505	$ 41,230,455	$ 49,230,195	$ 49,612,000
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	50.69%	35.82%	32.08%	25.17%	21.81%
Covered - Employee Payroll	$ 19,983,477	$ 18,008,437	$ 17,127,695	$ 19,257,018	$ 18,626,195
Net OPEB Liability as Percentage of Covered - Employee Payroll	144.87%	218.73%	240.72%	255.65%	266.36%

Notes to Schedule:

Benefit Changes:

From fiscal year June 30, 2018 to June 30, 2019:
There were no changes in benefits.

From fiscal year June 30, 2019 to June 30, 2020:
Life insurance benefit for grandfathered retirees was terminated.

From fiscal year June 30, 2020 to June 30, 2022:
There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2018 to June 30, 2019:
There were no changes in assumptions.

From fiscal year June 30, 2019 to June 30, 2020:
The mortality improvement scale was updated from Scale MP-2017 to MP-2019 and the healthcare trend changed from 7.50% non-Medicare and 6.50% Medicare to 7.25% non-Medicare and 6.30% Medicare.

From fiscal year June 30, 2020 to June 30, 2021:
Removal of ACA Excise Tax.

* Fiscal year 2018 was the first year of implementation and therefore only seven years are shown.

CITY OF SANTA FE SPRINGS
SCHEDULE OF CONTRIBUTIONS—OPEB
LAST TEN FISCAL YEARS*

Fiscal Year Ended	June 30, 2024	June 30, 2023
Actuarially Determined Contribution	$ 6,579,931	$ 4,229,000
Contributions in Relation to the Actuarially Determined Contributions	(3,887,366)	(4,220,985)
Contribution Deficiency (Excess)	$ 2,692,565	$ 8,015
Covered - Employee Payroll	$ 20,648,719	$ 22,159,644
Contributions as a Percentage of Covered - Employee Payroll	18.83%	19.05%
Notes to Schedule:		
Valuation Date	6/30/2022	6/30/2021
Methods and Assumptions Used to Determine Contribution Rates:		
Actuarial Cost Method	Entry age	Entry age
Amortization Method	(1)	(1)
Amortization Period	15 year	16.1 year fixed
Asset Valuation Method	(2)	(2)
Discount Rate	6.25%	6.25%
Inflation	3.10%	2.50%
Healthcare Trend Rates	(9)	(7)
Mortality	(10)	(8)

(1) Level percentage of payroll.

(2) Investment gains/losses spread over 5-year rolling period.

(7) Non-Medicare 6.5%, Medicare (Non-Kaiser) 5.65%., Medicare (Kaiser) 4.6%. Decreasing to an ultimate rate of 3.75% in 2076.

(8) CalPERS 2000-2019 experience study.

(9) 2023 trend pre 65/post 65 - 0.00%/6.70%. 2024 trend pre 65/post 65 - 0.00%/4.54%. Ultimate trend 4.54% is reached 2090/2024.

(10) Public Agency - Post-Retirement Mortality - SOA Scale MP-2020 Base Year 2018, Public Agency Miscellaneous - Pre-Retirement Mortality - SOA Scale MP-2020 Base Year 2018, and Public Agency Safety / Fire - Pre-Retirement Mortality - SOA Scale MP-2020 Base Year 2018.

* Fiscal year 2018 was the first year of implementation and therefore only seven years are shown.

CITY OF SANTA FE SPRINGS
SCHEDULE OF CONTRIBUTIONS—OPEB (CONTINUED)
LAST TEN FISCAL YEARS*

Fiscal Year Ended	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially Determined Contribution	$ 4,266,000	$ 4,141,000	$ 5,047,000	$ 4,900,000	$ 4,737,000
Contributions in Relation to the Actuarially Determined Contributions	(4,183,089)	(5,074,731)	(5,033,207)	(4,995,349)	(4,616,000)
Contribution Deficiency (Excess)	$ 82,911	$ (933,731)	$ 13,793	$ (95,349)	$ 121,000
Covered - Employee Payroll	$ 21,555,073	$ 19,983,477	$ 18,008,437	$ 17,127,695	$ 19,257,018
Contributions as a Percentage of Covered - Employee Payroll	19.41%	25.39%	27.95%	29.17%	23.97%
Notes to Schedule:					
Valuation Date	6/30/2019	6/30/2019	6/30/2017	6/30/2017	6/30/2017
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Amortization Period	23-year fixed (closed)	23-year fixed (closed)	23-year fixed (closed)	23-year fixed (closed)	23-year fixed (closed)
Asset Valuation Method	(2)	(2)	(2)	(2)	(2)
Discount Rate	6.75%	6.75%	6.75%	6.75%	7.25%
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Healthcare Trend Rates	(4)	(4)	(4)	(4)	(3)
Mortality	(6)	(6)	(6)	(6)	(5)

(1) Level percentage of payroll.
(2) Investment gains/losses spread over 5-year rolling period.
(3) Non-Medicare 7.5%, Medicare 6.5%. Decreasing to an ultimate rate of 4% in 2076.
(4) Non-Medicare 7.25%, Medicare 6.3%. Decreasing to an ultimate rate of 4% in 2076.
(5) CalPERS 1997-2011 experience study.
(6) CalPERS 1997-2015 experience study.

* Fiscal year 2018 was the first year of implementation and therefore only seven years are shown.

Budgetary Comparison Information

Summary of Budgetary Policies

The budget is prepared by the City Manager in accordance with City Code Section 31.13 and is legally adopted by the City Council. The budget includes activities for the General Fund.

Budgets for capital projects funds are not presented because they are budgeted on a project life basis. Revisions to the originally adopted budget were made during the year and have been incorporated into the budgetary amounts presented within the financial statements.

The basis for budgeting in the General Fund and Special Revenue Funds is substantially consistent with accounting principles generally accepted in the United States of America, except that payments made on financing leases are recorded as functional expenditures. The lease agreements are not budgeted as a financing source and the acquisition price of the acquired asset is not budgeted as an expenditure.

The legal level of control is considered to be at the fund level since management can reassign resources within a fund without special approval from City Council.

The budget is formally integrated into the accounting system and employed as a management control tool during the year. At fiscal year-end, unexpended appropriations lapse, with the exception of capital improvements. All appropriations for capital improvements are carried forward until such time as the project is completed or terminated by action of the City Council.

The following funds do not have a legally adopted budget:

- Heritage Springs Street Maintenance District
- Business License Surcharge
- Fire Grants
- Community Development Block Grant Program Income Fund
- Narcotics Forfeitures/Seizures
- Transportation Center Expansion Parking Lot Fund
- State Coronavirus Relief Fund
- Heritage Art Education Endowment Fund

Nonmajor governmental funds reported in the governmental fund financial statements include the following:

SPECIAL REVENUE FUNDS

State Gas Tax

This fund is used to account for gasoline taxes received under Sections 2105, 2106, 2107, and 2107.5 of the Street and Highways Code. These funds are utilized solely for street related purposes such as new construction, rehabilitation, or maintenance.

County Transit Tax

This fund is used to account for the City's share of an additional one-half percent sales tax, which was approved by the electorate in November 1980, restricted to financing transportation projects. This fund is also used to account for the City's share of an additional one-half percent sales tax, which was approved by the electorate in November 1990, restricted to financing transit projects within the City.

Street Lighting Maintenance District

This fund is used to account for revenues received and costs incurred for street lighting services in selected areas within the City. Funds are derived from property-related assessments collected by the County. Financing for the district is provided by assessing areas of benefit under the 1972 Lighting and Maintenance District Art.

Heritage Springs Street Maintenance District

This fund is used to account for revenues received and costs incurred for street maintenance and repair services in selected areas within the City. Funds are derived from property-related assessments collected by the County. Financing for the district is provided by assessing areas of benefit under the 1913 Municipal Improvement Act.

Art in Public Places

This fund is used to account for Heritage Artwork Program fees imposed upon new development at 1% of the building permit valuation for the purpose of increasing public art and providing art educational programs.

Business License Surcharge

This fund is used to account for state mandated $1 surcharge applied to all business licenses issued in the City. Under SB 1186 the revenue is restricted for Certified Access Specialists (CASp) programs, assisting businesses to become American with Disabilities Act (ADA) compliant and developing tools to help educate the businesses community on expanding ADA access.

Air Quality Improvement

This fund is used to account for additional motor vehicle registration fees imposed by the South Coast Air Quality Management District to finance the implementation of mobile source emission reduction programs and the provisions of the California Clean Air Act.

Community Development Block Grant

This fund is used to account for expenditures funded by the Community Development Block Grant Program authorized by Title I of the Housing and Community Development Act of 1974 for the purpose of developing viable urban communities, including decent housing and suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

Fire Grants

This fund is used to account for various federal and state grants administered by the Department of Fire-Rescue which provide funding for labor, operating, and capital expenditures.

Public Safety Augmentation

This fund is used to account for the City's share of the one-half percent sales tax, which was approved by the electorate in November of 1993. The proceeds are earmarked exclusively for public safety purposes.

Supplemental Law Enforcement Services

This fund is used to account for a state of California block grant providing for community-oriented policing programs. The funds are to be spent on new programs supporting "front-line" law enforcement activities.

Community Development Block Grant Program Income

This fund is used to account for the receipt of repayments received by the City from loans funded by the Community Development Block Grant program. These funds may be retained by the City but must be expended under the Community Development Block Grant program.

Narcotics Forfeitures/Seizures

This fund is used to account for assets received for direct local law enforcement participation in investigations or prosecutions resulting in a forfeiture.

Transportation Center Expansion Parking Lot Fund

This fund is used to account for lease income from City of Norwalk for the vacant parcel at the Transportation Center that is being developed. The fund is being earmarked for transportation purposes.

Measure W

This fund is used to account for stormwater activities.

PERMANENT FUND

Heritage Art Education Endowment Fund

This fund is used to account for an endowment held by the City to be used for the purpose of providing art education programs.

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CITY OF SANTA FE SPRINGS
COMBINING BALANCE SHEET—
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

	Special Revenue Funds				
	State Gas Tax	County Transit Tax	Street Lighting Maintenance District	Heritage Springs Street Maintenance District	Art in Public Places
ASSETS					
Pooled Cash and Investments	$ 759,813	$ 5,020,621	$ 226,688	$ 183,007	$ 2,167,812
Receivables:					
Accounts	-	-	-	-	-
Notes and Loans	-	-	-	-	-
Due from Other Governments	179,102	98,542	3,274	-	-
Due from other Funds	-	-	-	-	-
Total Assets	$ 938,915	$ 5,119,163	$ 229,962	$ 183,007	$ 2,167,812
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ -	$ -	$ -	$ -	$ -
Accrued Liabilities	-	-	-	-	-
Unearned Revenues	-	14,100	-	-	-
Due to Other Funds	-	-	-	-	-
Total Liabilities	-	14,100	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
FUND BALANCES					
Nonspendable:					
Permanent Fund Principal	-	-	-	-	-
Restricted for:					
Community Development Projects	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	938,915	5,105,063	229,962	183,007	-
Art in Public Places	-	-	-	-	2,167,812
Unassigned	-	-	-	-	-
Total Fund Balances	938,915	5,105,063	229,962	183,007	2,167,812
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 938,915	$ 5,119,163	$ 229,962	$ 183,007	$ 2,167,812

CITY OF SANTA FE SPRINGS
COMBINING BALANCE SHEET—
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024

	Special Revenue Funds				
	Business License Surcharge	Air Quality Improvement	Community Development Block Grant	Fire Grants	Public Safety Augmentation
ASSETS					
Pooled Cash and Investments	$ 94,683	$ 161,212	$ 4,699	$ -	$ -
Receivables:					
Accounts	713	-	-	-	-
Notes and Loans	-	-	-	-	-
Due from Other Governments	-	6,248	13,500	1,213,907	42,429
Due from other Funds	-	-	-	-	-
Total Assets	$ 95,396	$ 167,460	$ 18,199	$ 1,213,907	$ 42,429
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ -	$ -	$ 15,852	$ 40,364	$ -
Accrued Liabilities	-	-	2,347	-	-
Unearned Revenues	-	-	-	-	-
Due to Other Funds	-	-	-	1,205,865	42,429
Total Liabilities	-	-	18,199	1,246,229	42,429
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	749,157	-
Total Deferred Inflows of Resources	-	-	-	749,157	-
FUND BALANCES					
Nonspendable:					
Permanent Fund Principal	-	-	-	-	-
Restricted for:					
Community Development Projects	95,396	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	167,460	-	-	-
Art in Public Places	-	-	-	-	-
Unassigned	-	-	-	(781,479)	-
Total Fund Balances	95,396	167,460	-	(781,479)	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 95,396	$ 167,460	$ 18,199	$ 1,213,907	$ 42,429

CITY OF SANTA FE SPRINGS
COMBINING BALANCE SHEET—
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024

	Special Revenue Funds				
	Supplemental Law Enforcement Services	Community Development Block Grant Program Income	Narcotics Forfeitures/ Seizures	Transportation Center Expansion Parking Lot Fund	Measure W
ASSETS					
Pooled Cash and Investments	$ 4,513	$ -	$ 126,966	$ 41,003	$ 5,982,751
Receivables:					
Accounts	-	-	-	-	-
Notes and Loans	-	19,250	-	-	-
Due from Other Governments	-	-	-	-	-
Due from other Funds	-	-	-	-	-
Total Assets	$ 4,513	$ 19,250	$ 126,966	$ 41,003	$ 5,982,751
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ -	$ -	$ -	$ -	$ 610
Accrued Liabilities	-	-	-	-	-
Unearned Revenues	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Total Liabilities	-	-	-	-	610
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
FUND BALANCES					
Nonspendable:					
Permanent Fund Principal	-	-	-	-	-
Restricted for:					
Community Development Projects	-	19,250	-	-	-
Public Safety	4,513	-	126,966	-	-
Public Works	-	-	-	41,003	5,982,141
Art in Public Places	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	4,513	19,250	126,966	41,003	5,982,141
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 4,513	$ 19,250	$ 126,966	$ 41,003	$ 5,982,751

CITY OF SANTA FE SPRINGS
COMBINING BALANCE SHEET—
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024

	Permanent Fund Heritage Art Education Endowment Fund	Total Nonmajor Governmental Funds
ASSETS		
Pooled Cash and Investments	$ 492,864	$ 15,266,632
Receivables:		
Accounts	-	713
Notes and Loans	-	19,250
Due from Other Governments	-	1,557,002
Due from other Funds	-	-
Total Assets	$ 492,864	$ 16,843,597
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Accounts Payable	$ -	$ 56,826
Accrued Liabilities	-	2,347
Unearned Revenues	-	14,100
Due to Other Funds	-	1,248,294
Total Liabilities	-	1,321,567
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue	-	749,157
Total Deferred Inflows of Resources	-	749,157
FUND BALANCES		
Nonspendable:		
Permanent Fund Principal	244,676	244,676
Restricted for:		
Community Development Projects	-	114,646
Public Safety	-	131,479
Public Works	-	12,647,551
Art in Public Places	248,188	2,416,000
Unassigned	-	(781,479)
Total Fund Balances	492,864	14,772,873
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 492,864	$ 16,843,597

CITY OF SANTA FE SPRINGS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES—NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	Special Revenue Funds				
	State Gas Tax	County Transit Tax	Street Lighting Maintenance District	Heritage Springs Street Maintenance District	Art in Public Places
REVENUES					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	997,443	1,569,031	194,709	-	-
Use of Money and Property	30,121	173,024	7,338	-	81,294
Contributions	-	-	-	-	806,705
Miscellaneous	-	-	-	-	-
Total Revenues	1,027,564	1,742,055	202,047	-	887,999
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Community Development	-	-	-	-	-
Public Works	-	-	-	-	-
Culture and Leisure	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,027,564	1,742,055	202,047	-	887,999
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	(1,063,758)	(848,450)	(183,000)	-	(611,876)
Total Other Financing Sources (Uses)	(1,063,758)	(848,450)	(183,000)	-	(611,876)
NET CHANGE IN FUND BALANCES	(36,194)	893,605	19,047	-	276,123
Fund Balances - Beginning of Year	975,109	4,211,458	210,915	183,007	1,891,689
FUND BALANCES - END OF YEAR	$ 938,915	$ 5,105,063	$ 229,962	$ 183,007	$ 2,167,812

CITY OF SANTA FE SPRINGS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES—NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Special Revenue Funds				
	Business License Surcharge	Air Quality Improvement	Community Development Block Grant	Fire Grants	Public Safety Augmentation
REVENUES					
Taxes	$ 6,260	$ -	$ -	$ -	$ 240,579
Intergovernmental	-	24,979	60,182	964,124	-
Use of Money and Property	-	8,574	-	-	-
Contributions	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	6,260	33,553	60,182	964,124	240,579
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	423,375	-
Community Development	-	-	32,182	-	-
Public Works	-	2,100	-	-	-
Culture and Leisure	-	-	28,000	-	-
Capital Outlay	-	116,752	-	825,466	-
Total Expenditures	-	118,852	60,182	1,248,841	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	6,260	(85,299)	-	(284,717)	240,579
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	144	-
Transfers Out	-	-	-	-	(240,579)
Total Other Financing Sources (Uses)	-	-	-	144	(240,579)
NET CHANGE IN FUND BALANCES	6,260	(85,299)	-	(284,573)	-
Fund Balances - Beginning of Year	89,136	252,759	-	(496,906)	-
FUND BALANCES - END OF YEAR	$ 95,396	$ 167,460	$ -	$ (781,479)	$ -

CITY OF SANTA FE SPRINGS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES—NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Special Revenue Funds				
	Supplemental Law Enforcement Services	Community Development Block Grant Program Income	Narcotics Forfeitures/ Seizures	Transportation Center Expansion Parking Lot Fund	Measure W
REVENUES					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	186,159	-	2,984	-	1,447,171
Use of Money and Property	4,512	-	4,507	-	194,581
Contributions	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	190,671	-	7,491	-	1,641,752
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Community Development	-	-	-	-	-
Public Works	-	-	-	-	101,994
Culture and Leisure	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	-	-	-	-	101,994
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	190,671	-	7,491	-	1,539,758
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	(190,540)	-	-	-	-
Total Other Financing Sources (Uses)	(190,540)	-	-	-	-
NET CHANGE IN FUND BALANCES	131	-	7,491	-	1,539,758
Fund Balances - Beginning of Year	4,382	19,250	119,475	41,003	4,442,383
FUND BALANCES - END OF YEAR	$ 4,513	$ 19,250	$ 126,966	$ 41,003	$ 5,982,141

CITY OF SANTA FE SPRINGS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES—NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Permanent Fund Heritage Art Education Endowment Fund	Total Nonmajor Governmental Funds
REVENUES		
Taxes	$ -	$ 246,839
Intergovernmental	-	5,446,782
Use of Money and Property	17,595	521,546
Contributions	-	806,705
Miscellaneous	-	-
Total Revenues	17,595	7,021,872
EXPENDITURES		
Current:		
General Government	-	-
Public Safety	-	423,375
Community Development	-	32,182
Public Works	-	104,094
Culture and Leisure	-	28,000
Capital Outlay	-	942,218
Total Expenditures	-	1,529,869
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	17,595	5,492,003
OTHER FINANCING SOURCES (USES)		
Transfers In	-	144
Transfers Out	-	(3,138,203)
Total Other Financing Sources (Uses)	-	(3,138,059)
NET CHANGE IN FUND BALANCES	17,595	2,353,944
Fund Balances - Beginning of Year	475,269	12,418,929
FUND BALANCES - END OF YEAR	$ 492,864	$ 14,772,873

CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
STATE GAS TAX
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 535,500	$ 535,500	$ 997,443	$ 461,943
Use of Money and Property	-	-	30,121	30,121
Total Revenues	535,500	535,500	1,027,564	492,064
OTHER FINANCING SOURCES (USES)				
Transfers Out	(642,800)	(642,800)	(1,063,758)	(420,958)
Total Other Financing Sources (Uses)	(642,800)	(642,800)	(1,063,758)	(420,958)
NET CHANGE IN FUND BALANCE	(107,300)	(107,300)	(36,194)	71,106
Fund Balance - Beginning of Year	975,109	975,109	975,109	-
FUND BALANCE - END OF YEAR	$ 867,809	$ 867,809	$ 938,915	$ 71,106

CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
COUNTY TRANSIT TAX
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 1,711,700	$ 1,711,700	$ 1,569,031	$ (142,669)
Use of Money and Property	-	-	173,024	173,024
Miscellaneous	-	-	-	-
Total Revenues	1,711,700	1,711,700	1,742,055	30,355
OTHER FINANCING SOURCES (USES)				
Transfers Out	(2,280,300)	(2,305,300)	(848,450)	1,456,850
Total Other Financing Sources (Uses)	(2,280,300)	(2,305,300)	(848,450)	1,456,850
NET CHANGE IN FUND BALANCE	(568,600)	(593,600)	893,605	1,487,205
Fund Balance - Beginning of Year	4,211,458	4,211,458	4,211,458	-
FUND BALANCE - END OF YEAR	$ 3,642,858	$ 3,617,858	$ 5,105,063	$ 1,487,205

CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
STREET LIGHTING MAINTENANCE DISTRICT
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 195,000	$ 195,000	$ 194,709	$ (291)
Use of Money and Property	-	-	7,338	7,338
Total Revenues	195,000	195,000	202,047	7,047
OTHER FINANCING SOURCES (USES)				
Transfers Out	(183,000)	(183,000)	(183,000)	-
Total Other Financing Sources (Uses)	(183,000)	(183,000)	(183,000)	-
NET CHANGE IN FUND BALANCE	12,000	12,000	19,047	7,047
Fund Balance - Beginning of Year	210,915	210,915	210,915	-
FUND BALANCE - END OF YEAR	$ 222,915	$ 222,915	$ 229,962	$ 7,047

CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
ART IN PUBLIC PLACES
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Use of Money and Property	$ -	$ -	$ 81,294	$ 81,294
Contributions	300,000	300,000	806,705	506,705
Total Revenues	300,000	300,000	887,999	587,999
OTHER FINANCING SOURCES (USES)				
Transfers Out	(564,100)	(564,100)	(611,876)	(47,776)
Total Other Financing Sources (Uses)	(564,100)	(564,100)	(611,876)	(47,776)
NET CHANGE IN FUND BALANCE	(264,100)	(264,100)	276,123	540,223
Fund Balance - Beginning of Year	1,891,689	1,891,689	1,891,689	-
FUND BALANCE - END OF YEAR	$ 1,627,589	$ 1,627,589	$ 2,167,812	$ 540,223

CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
AIR QUALITY IMPROVEMENT
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 22,000	$ 22,000	$ 24,979	$ 2,979
Use of Money and Property	-	-	8,574	8,574
Total Revenues	22,000	22,000	33,553	11,553
EXPENDITURES				
Public Works	2,100	2,100	2,100	-
Capital Outlay	117,000	117,000	116,752	248
Total Expenditures	119,100	119,100	118,852	248
NET CHANGE IN FUND BALANCE	(97,100)	(97,100)	(85,299)	11,305
Fund Balance - Beginning of Year	252,759	252,759	252,759	-
FUND BALANCE - END OF YEAR	$ 155,659	$ 155,659	$ 167,460	$ 11,305

CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
COMMUNITY DEVELOPMENT BLOCK GRANT
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 26,500	$ 26,500	$ 60,182	$ 33,682
Total Revenues	26,500	26,500	60,182	33,682
EXPENDITURES				
Community Development	-	-	32,182	(32,182)
Culture and Leisure	26,500	26,500	28,000	(1,500)
Total Expenditures	26,500	26,500	60,182	(33,682)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
PUBLIC SAFETY AUGMENTATION
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 211,200	$ 211,200	$ 240,579	$ 29,379
Total Revenues	211,200	211,200	240,579	29,379
OTHER FINANCING SOURCES (USES)				
Transfers Out	(211,200)	(211,200)	(240,579)	(29,379)
Total Other Financing Sources (Uses)	(211,200)	(211,200)	(240,579)	(29,379)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	$ -	$ -	$ -	$ -

CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
SUPPLEMENTAL LAW ENFORCEMENT SERVICES
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 100,000	$ 100,000	$ 186,159	$ 86,159
Use of Money and Property	-	-	4,512	4,512
Total Revenues	100,000	100,000	190,671	90,671
OTHER FINANCING SOURCES (USES)				
Transfers Out	(100,000)	(100,000)	(190,540)	(90,540)
Total Other Financing Sources (Uses)	(100,000)	(100,000)	(190,540)	(90,540)
NET CHANGE IN FUND BALANCE	-	-	131	131
Fund Balance - Beginning of Year	4,382	4,382	4,382	-
FUND BALANCE - END OF YEAR	$ 4,382	$ 4,382	$ 4,513	$ 131

CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
MEASURE W
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 2,500,000	$ 2,500,000	$ 1,447,171	$ (1,052,829)
Use of Money and Property	-	-	194,581	194,581
Total Revenues	2,500,000	2,500,000	1,641,752	(858,248)
EXPENDITURES				
Public Works	-	-	101,994	(101,994)
Total Expenditures	-	-	101,994	(101,994)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,500,000	2,500,000	1,539,758	(960,242)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(4,028,000)	(4,028,000)	-	4,028,000
Total Other Financing Sources (Uses)	(4,028,000)	(4,028,000)	-	4,028,000
NET CHANGE IN FUND BALANCE	(1,528,000)	(1,528,000)	1,539,758	3,067,758
Fund Balance - Beginning of Year	4,442,383	4,442,383	4,442,383	-
FUND BALANCE - END OF YEAR	$ 2,914,383	$ 2,914,383	$ 5,982,141	$ 3,067,758

CITY OF SANTA FE SPRINGS
DESCRIPTION OF FIDUCIARY FUNDS

Fiduciary funds are used to account for resources held for the benefits of parties outside the government. The resources of fiduciary funds are not available to support the City's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

CUSTODIAL FUNDS

Assessment District Funds

This fund is used to account for special assessments received by the City as agent for payment of special assessment district bonds.

Community Facilities Assessment Districts Fund

This fund is used to account for special assessments received by the City as agent for payment of community facilities district debt and expenses.

CITY OF SANTA FE SPRINGS
COMBINING STATEMENT OF FIDUCIARY NET POSITION—
CUSTODIAL FUNDS
JUNE 30, 2024

	Assessment Districts	Community Facilities Assessment Districts	Total
ASSETS			
Pooled Cash and Investments	$ 726,343	$ 67,652	$ 793,995
Restricted Assets:			
Cash and Investment with Fiscal Agents	175,647	-	175,647
Total Assets	901,990	67,652	969,642
NET POSITION			
Held for Bondholders	901,990	67,652	969,642
Total Net Position	$ 901,990	$ 67,652	$ 969,642

CITY OF SANTA FE SPRINGS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION—
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2024

	Assessment Districts	Community Facilities Assessment Districts	Total
ADDITIONS			
Special Assessments or Special Taxes Collected From Property Owners	$ 219,079	$ -	$ 219,079
Interest and Change in Fair Value of Investments	8,494	-	8,494
Total Additions	227,573	-	227,573
DEDUCTIONS			
Payment for Special Assessment or Special Tax Debt	168,361	-	168,361
Total Deductions	168,361	-	168,361
CHANGE IN NET POSITION	59,212	-	59,212
Net Position - Beginning of Year	842,778	67,652	910,430
NET POSITION - END OF YEAR	$ 901,990	$ 67,652	$ 969,642

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CITY OF SANTA FE SPRINGS
STATISTICAL SECTION

This part of the City of Santa Fe Springs comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, not disclosures, and required supplementary information says about the government's overall financial health.

	Page
Financial Trends – These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	118
Revenue Capacity – These schedules contain information to help the reader asses the City's most significant local revenue source, the property tax.	128
Debt Capacity – These schedules present information to help the reader assess the Affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	132
Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	140
Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the Services the City provides and the activities it performs.	143

CITY OF SANTA FE SPRINGS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2015	2016	2017	2018
Governmental activities:				
Net investment in capital assets	$ 163,742,164	$ 159,942,690	$ 158,121,201	$ 156,001,364
Restricted	29,208,112	32,373,440	33,145,221	32,820,873
Unrestricted	(50,143,910)	(49,235,190)	(52,203,681)	(90,543,090)
Total governmental activities net position	$ 142,806,366	$ 143,080,940	$ 139,062,741	$ 98,279,147
Business-type activities:				
Net investment in capital assets	$ 15,541,573	$ 17,182,873	$ 17,533,898	$ 18,890,862
Restricted	-	-	817,087	536,194
Unrestricted	(2,072,299)	(728,889)	331,570	(1,190,788)
Total business type activities net position	$ 13,469,274	$ 16,453,984	$ 18,682,555	$ 18,236,268
Primary government:				
Net investment in capital assets	$ 179,283,737	$ 177,125,563	$ 175,655,099	$ 174,892,226
Restricted	29,208,112	32,373,440	33,962,308	33,357,067
Unrestricted	(52,216,209)	(49,964,079)	(51,872,111)	(91,733,878)
Total primary government net position	$ 156,275,640	$ 159,534,924	$ 157,745,296	$ 116,515,415

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
NET POSITION BY COMPONENT (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year						
2019	2020	2021	2022	2023	2024
$ 154,315,020	$ 162,029,958	$ 163,949,669	$ 162,283,010	$ 155,913,818	$ 165,187,789
34,775,125	30,978,812	30,905,794	32,275,248	34,548,863	40,507,466
(89,116,900)	(75,019,083)	(59,478,048)	(39,991,438)	2,513,729	17,732,505
$ 99,973,245	$ 117,989,687	$ 135,377,415	$ 154,566,820	$ 192,976,410	$ 223,427,760
$ 18,754,383	$ 18,028,340	$ 19,156,150	18,669,402	17,669,785	17,227,431
558,184	559,019	-	-	570,673	-
(324,355)	526,956	218,253	3,110,220	5,662,082	7,354,022
$ 18,988,212	$ 19,114,315	$ 19,374,403	$ 21,779,622	$ 23,902,540	$ 24,581,453
$ 173,069,403	$ 180,058,298	$ 183,105,819	$ 180,952,412	173,583,603	182,415,220
35,333,309	31,537,831	30,905,794	32,275,248	35,119,536	40,507,466
(89,441,255)	(74,492,127)	(59,259,795)	(36,881,218)	8,175,811	25,086,527
$ 118,961,457	$ 137,104,002	$ 154,751,818	$ 176,346,442	$ 216,878,950	$ 248,009,213

CITY OF SANTA FE SPRINGS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2015	2016	2017	2018
Expenses:				
Governmental activities:				
General government	$ 5,614,730	$ 5,692,938	$ 6,910,410	$ 4,251,432
Public safety	28,215,907	31,438,552	31,961,957	34,034,478
Community development	3,794,506	4,020,001	4,347,313	4,116,962
Public works	14,269,841	9,510,398	9,160,460	17,219,492
Culture and leisure	7,681,363	8,103,268	9,185,643	6,982,622
Human services	3,133,900	3,326,615	3,190,530	2,790,840
Unallocated depreciation	-	-	-	-
Interest on long term liabilities	239,719	207,917	160,610	121,322
Total governmental activities expenses	62,949,966	62,299,689	64,916,923	69,517,148
Business type activities:				
Water utility	10,911,725	10,056,785	10,437,631	11,192,617
Total primary government expenses	73,861,691	72,356,474	75,354,554	80,709,765
Program revenues:				
Governmental activities:				
Charges for Services:				
General government	1,975,162	2,067,142	2,474,664	2,038,573
Public safety	2,985,378	3,485,203	3,191,717	3,561,042
Community development	1,953,691	2,558,688	2,577,415	1,723,739
Public works	753,510	824,258	791,941	1,046,597
Culture and leisure	533,242	516,907	609,553	453,369
Human services	520,428	450,564	409,783	311,394
Operating grants and contributions	2,090,135	2,414,716	2,313,540	5,261,361
Capital grants and contributions	6,801,309	596,380	708,569	3,883,123
Total governmental activities program revenues	17,612,855	12,913,858	13,077,182	18,279,198
Business type activities:				
Charges for services:				
Water utility	12,252,452	11,445,171	12,760,330	13,491,332
Operating grants and contributions	-	-	-	-
Capital grants and contributions	111,777	796,442	762,739	-
Total business type activities program revenues	12,364,229	12,241,613	13,523,069	13,491,332
Total primary government program revenues	29,977,084	25,155,471	26,600,251	31,770,530
Net revenues (expenses):				
Governmental activities	(45,337,111)	(49,385,831)	(51,839,741)	(51,237,950)
Business type activities	1,452,504	2,184,828	3,085,438	2,298,715
Total net revenues (expenses)	(43,884,607)	(47,201,003)	(48,754,303)	(48,939,235)

CITY OF SANTA FE SPRINGS
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year					
2019	2020	2021	2022	2023	2024
$ 6,896,856	$ 8,544,252	$ 8,482,800	$ 7,629,048	$ 10,309,257	$ 11,238,050
33,932,658	34,743,488	35,296,588	40,445,623	28,262,932	41,413,294
2,955,522	2,795,648	2,674,722	2,728,716	11,654,888	4,705,749
15,558,408	17,572,927	16,766,663	16,318,672	18,788,759	20,888,027
6,689,566	6,539,103	5,501,644	5,486,877	7,320,797	8,613,554
2,000,692	1,777,281	1,612,973	1,637,533	2,233,457	2,404,255
-	-	-			
112,477	56,935	51,054	67,435	79,938	125,137
68,146,179	72,029,634	70,386,444	74,313,904	78,650,028	89,388,066
11,124,404	11,310,735	13,282,916	12,347,405	13,624,222	14,019,326
79,270,583	83,340,369	83,669,360	86,661,309	92,274,250	103,407,392
2,131,444	2,246,355	3,121,333	3,306,540	5,172,985	5,735,195
3,433,078	3,222,786	3,580,227	4,298,393	3,109,883	3,354,600
1,818,544	2,005,242	1,760,519	2,336,477	3,509,086	3,078,908
757,476	1,478,915	995,335	1,317,122	2,047,599	1,169,696
624,126	256,996	34,487	275,337	510,546	602,224
39,913	12,063	1,149	40,073	356,524	342,632
4,215,071	4,378,318	5,694,683	6,210,343	11,429,865	7,736,581
161,836	2,116,919	3,351,016	622,474	3,409,443	3,732,406
13,181,488	15,717,594	18,538,749	18,406,759	29,545,931	25,752,242
12,611,914	12,406,103	14,430,951	15,627,075	15,279,357	16,148,720
-	-	-	72,774	8,727	75,113
-	63,014	22,074	5,287	17,285	35,222
12,611,914	12,469,117	14,453,025	15,705,136	15,305,369	16,259,055
25,793,402	28,186,711	32,991,774	34,111,895	44,851,300	42,011,297
(54,964,691)	(56,312,040)	(51,847,695)	(55,907,145)	(49,104,097)	(63,635,824)
1,487,510	1,158,382	1,170,109	3,357,731	1,681,147	2,239,729
(53,477,181)	(55,153,658)	(50,677,586)	(52,549,414)	(47,422,950)	(61,396,095)

CITY OF SANTA FE SPRINGS
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2015	2016	2017	2018
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Sales and use taxes	$ 26,432,547	$ 25,518,717	$ 25,076,235	$ 26,093,872
Transaction and use taxes	-	-	-	-
Property taxes	4,088,687	3,425,637	3,949,731	4,130,663
Franchise taxes	2,978,360	3,034,652	2,915,926	3,180,671
Motor vehicle in lieu tax - general purpose	1,686,499	1,716,181	1,767,500	1,863,969
Business operations taxes	780,747	801,658	807,702	789,379
Utility users taxes	6,836,360	6,669,155	6,406,684	6,523,816
Other taxes	567,503	531,045	522,091	628,828
Investment income	1,440,422	1,807,176	1,874,492	2,189,573
Other	2,692,622	2,988,717	2,269,170	675,977
Gain (Loss) on disposal of asset	-	-	-	-
Transfers to Successor Agency	-	-	-	-
Transfers	1,224,700	1,073,642	1,168,892	1,163,587
Extraordinary gain	19,954,190	-	-	-
Total governmental activities	68,682,637	47,566,580	47,821,542	47,240,335
Business type activities:				
Investment income	15,849	27,006	62,836	118,561
Other	240,554	156,955	249,189	1,791,077
Transfers	(1,224,700)	(1,073,642)	(1,168,892)	(1,163,587)
Total business type activities	(968,297)	(889,681)	(856,867)	746,051
Total primary government	67,714,340	46,676,899	46,964,675	47,986,386
Changes in Net Position:				
Governmental activities	23,345,526	(1,819,251)	(4,018,199)	(3,997,615)
Business type activities	484,207	1,295,147	2,228,571	3,044,766
Total primary government	$ 23,829,733	$ (524,104)	$ (1,789,628)	$ (952,849)

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year						
2019	**2020**	**2021**	**2022**	**2023**	**2024**
$ 28,360,308	$ 30,689,739	$ 32,305,008	$ 39,572,185	$ 40,224,112	$ 40,445,644
3,044,712	13,083,262	13,682,006	15,661,416	16,807,006	17,251,079
4,587,444	4,958,288	5,961,342	5,724,154	5,898,604	6,322,226
3,377,884	3,495,821	3,550,280	3,790,928	4,704,512	5,254,059
1,960,317	2,148,113	2,297,474	2,359,894	2,507,001	2,739,793
831,717	752,800	771,642	809,418	764,330	815,837
6,517,423	6,484,575	6,907,100	7,824,051	8,758,357	8,827,062
564,638	132,232	172,204	158,797	165,381	174,853
4,263,013	4,308,252	1,303,072	(2,976,930)	4,027,079	9,131,020
1,996,198	1,496,137	1,089,993	963,042	2,091,536	1,747,586
-	292,655	40,878	55,786	209,605	34,215
-	-	-	-		
1,155,135	1,156,300	1,154,424	1,153,809	1,356,165	1,343,800
-	-	-	-		
56,658,789	68,998,174	69,235,423	75,096,550	87,513,688	94,087,174
218,248	306,513	181,503	118,355	439,703	681,910
201,321	111,085	61,605	84,237	92,807	101,074
(1,155,135)	(1,156,300)	(1,154,424)	(1,153,809)	(1,356,165)	(1,343,800)
(735,566)	(738,702)	(911,316)	(951,217)	(823,655)	(560,816)
55,923,223	68,259,472	68,324,107	74,145,333	86,690,033	93,526,358
1,694,098	12,686,134	17,387,728	19,189,405	38,409,591	30,451,350
751,944	419,680	258,793	2,406,514	857,492	1,678,913
$ 2,446,042	$ 13,105,814	$ 17,646,521	$ 21,595,919	$ 39,267,083	$ 32,130,263

CITY OF SANTA FE SPRINGS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2015	**2016**	**2017**	**2018**
General fund:				
Nonspendable	$ 4,753,064	$ 12,721,050	$ 11,441,321	$ 7,809,238
Restricted	98,821	322,843	869,331	1,070,451
Committed	225,000	225,000	225,000	225,000
Assigned	2,399,700	630,000	3,629,664	6,585,155
Unassigned	20,027,817	21,301,702	21,868,047	21,730,547
Total general fund	$ 27,504,402	$ 35,200,595	$ 38,033,363	$ 37,420,391
All other governmental funds:				
Nonspendable	$ 4,330,950	$ -	$ -	$ 244,676
Restricted	25,059,379	32,050,597	32,275,890	31,750,422
Assigned	9,480,556	15,036,492	14,316,725	13,256,233
Unassigned	(16,968)	(13,040)	(13,413)	(3,913,948)
Total all other governmental funds	$ 38,853,917	$ 47,074,049	$ 46,579,202	$ 41,337,383

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year					
2019	2020	2021	2022	2023	2024
$ 1,828,548	$ 2,224,444	$ 2,340,616	$ 2,813,309	$ 2,808,056	$ 1,806,090
1,194,990	1,344,838	1,612,762	1,818,278	2,513,307	3,853,530
225,000	225,000	225,000	225,000	225,000	225,000
10,997,012	22,126,736	31,285,627	35,424,875	61,208,026	65,235,325
22,675,644	24,121,539	24,884,524	28,046,008	33,685,245	50,070,798
$ 36,921,194	$ 50,042,557	$ 60,348,529	$ 68,327,470	$ 100,439,634	$ 121,190,743
$ 244,673	$ 244,676	$ 244,676	$ 244,676	$ 244,676	$ 244,676
33,580,135	28,278,390	26,982,856	30,212,294	31,790,880	33,391,794
17,598,708	22,501,686	28,622,561	35,841,732	35,487,115	33,623,194
(3,222,614)	(1,679,312)	(3,279,711)	(62,608)	(3,105,007)	(5,981,429)
$ 48,200,905	$ 49,345,440	$ 52,570,382	$ 66,236,094	$ 64,417,664	$ 61,278,235

CITY OF SANTA FE SPRINGS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fsical Year			
	2015	**2016**	**2017**	**2018**
Revenues:				
Taxes	$ 41,684,204	$ 39,980,864	$ 39,678,369	$ 43,211,198
Licenses and permits	2,206,324	2,536,719	2,750,708	2,363,791
Fines, forfeitures and seizures	529,250	515,632	492,313	487,549
Interest and rentals	1,440,422	1,807,176	1,874,492	2,189,573
Intergovernmental	11,054,345	5,257,715	5,357,852	4,640,275
Charges for services	5,250,369	6,078,535	5,798,869	5,899,159
Other	2,855,254	3,146,736	2,464,110	1,671,228
Total revenues	65,020,168	59,323,377	58,416,713	60,462,773
Expenditures:				
Current:				
General government	5,483,276	5,449,398	6,282,824	3,795,998
Public safety	26,968,072	28,407,173	29,775,257	31,403,449
Community development	3,755,596	3,876,256	4,214,838	3,935,033
Public works	4,591,234	4,553,769	4,687,638	10,447,798
Culture and leisure	6,995,907	7,337,952	8,356,661	5,932,050
Human services	2,798,407	3,022,969	2,885,022	2,303,821
Capital outlay	9,745,411	2,621,810	4,208,654	5,960,909
Debt service:				
Interest	240,815	209,663	162,419	123,174
Principal retirement	1,045,658	988,940	1,059,310	1,133,745
Total expenditures	61,624,376	56,467,930	61,632,623	65,035,977
Excess (deficiency) of revenues over (under) expenditures	3,395,792	2,855,447	(3,215,910)	(4,573,204)
Other financing sources (uses):				
Proceeds (loss) from sale of assets	25,000	34,954	7,318	-
Contributions from successor agency	100,238	48,465	-	-
Transfer to private purpose trust fund	(20,000)	-	-	-
Leases/SBITA obligations	-	-	-	-
Transfers in	6,524,301	8,616,801	6,879,579	4,902,747
Transfers out	(4,749,901)	(8,753,473)	(2,388,867)	(3,739,160)
Total other financing sources (uses)	1,879,638	(53,253)	4,498,030	1,163,587
Extraordinary loss	19,954,190	-	1,055,801	-
Net change in fund balances	$ 25,229,620	$ 2,802,194	$ 2,337,921	$ (3,409,617)
Debt service as a percentage of noncapital expenditures	2.2%	2.2%	2.1%	2.1%

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year					
2019	2020	2021	2022	2023	2024
$ 49,244,443	$ 62,150,070	$ 65,647,056	$ 75,791,133	$ 79,939,013	$ 81,809,118
2,145,963	2,485,395	2,228,200	2,913,256	4,254,978	3,685,156
738,807	788,382	380,754	446,114	452,766	772,530
4,263,013	4,667,628	1,514,370	(2,550,531)	6,170,529	11,234,177
4,551,765	6,210,417	5,495,267	9,014,232	10,596,884	6,887,221
5,524,875	5,346,393	6,463,339	7,558,372	7,561,413	7,545,943
2,698,764	2,467,770	2,274,675	2,085,146	3,500,830	2,948,017
69,167,630	84,116,055	84,003,661	95,257,722	112,476,413	114,882,162
6,876,387	7,902,106	8,521,649	8,985,486	9,252,883	10,812,851
30,466,404	30,472,065	33,162,493	36,495,217	36,964,765	39,870,509
2,777,781	2,649,405	2,758,116	3,254,267	4,455,993	5,033,129
10,651,342	11,375,367	11,324,465	12,439,376	13,838,498	15,178,741
5,698,374	5,554,076	5,029,572	5,785,102	6,620,926	7,889,333
1,532,644	1,414,482	1,418,131	1,757,065	1,953,202	2,207,919
5,459,285	10,174,605	12,561,418	5,809,555	12,158,811	16,864,709
95,235	63,389	21,337	76,193	64,482	1,008,219
1,488,130	1,464,840	176,868	675,015	793,905	134,763
65,045,582	71,070,335	74,974,049	75,277,276	86,103,465	99,000,173
4,122,048	13,045,720	9,029,612	19,980,446	26,372,948	15,881,989
-	292,655	40,878	55,786	209,605	34,215
-	-	-	-	-	-
-	-	-	-		
1,087,142	-	3,306,000	454,612	2,355,017	351,676
10,635,624	9,593,689	12,168,606	14,688,298	11,798,545	12,083,435
(9,480,489)	(8,437,389)	(11,014,182)	(13,534,489)	(10,442,380)	(10,739,635)
2,242,277	1,448,955	4,501,302	1,664,207	3,920,787	1,729,691
-	-	-	-		
$ 6,364,325	$ 14,494,675	$ 13,530,914	$ 21,644,653	$ 30,293,735	$ 17,611,680
2.6%	2.5%	0.3%	1.1%	1.2%	1.3%

CITY OF SANTA FE SPRINGS
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS)

Fiscal Year	Secured Property	Unsecured Property	Less Property Exemptions	Grand Total	Homeowner's Exemption	Net Taxable Value (1)	Total Direct Tax Rate (2)
2015	$ 5,819,662	$ 1,002,581	$ 67,730	$ 6,754,513	$ 15,194	$ 6,739,319	0.077%
2016	5,954,556	993,740	88,515	6,859,781	15,058	6,844,723	0.077%
2017	6,101,589	1,054,534	80,496	7,075,627	14,805	7,060,822	0.077%
2018	6,463,463	1,061,430	70,198	7,454,696	14,547	7,440,148	0.077%
2019	6,820,231	1,104,056	78,617	7,845,670	14,262	7,831,408	0.077%
2020	7,432,543	1,184,857	38,932	8,578,468	14,162	8,564,306	0.077%
2021	8,031,534	1,251,065	99,021	9,183,578	13,761	9,169,817	0.077%
2022	8,288,822	1,271,960	160,749	9,400,033	13,593	9,386,440	0.077%
2023	8,865,124	1,275,308	167,026	9,973,406	13,360	9,960,046	0.077%
2024	9,561,297	1,420,887	59,330	10,922,854	13,054	10,909,800	0.077%

NOTE:

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

(1) Net taxable value does not include state utility value

(2) Total direct tax rate is the City share of the 1% proposition 13 tax only for TRA 05-333

Source: County Assessor data, MuniServices, LLC / Avenu Insights & Analytics

CITY OF SANTA FE SPRINGS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(PER $100 OF ASSESSED VALUE)

	Basic 1% Direct Tax Rate		Override Assessments					
Fiscal Year	City of Santa Fe Springs	Los Angeles County	Elementary Schools	Los Angeles County	Rio Hondo Community College District	Whitter Union High School District	Metro. Water District	Total
2015	0.077	0.923	0.080	0.000	0.028	0.053	0.004	1.165
2016	0.077	0.923	0.065	0.000	0.027	0.051	0.004	1.147
2017	0.077	0.923	0.075	0.000	0.028	0.060	0.004	1.167
2018	0.077	0.923	0.079	0.000	0.027	0.058	0.004	1.168
2019	0.077	0.923	0.076	0.000	0.026	0.058	0.004	1.164
2020	0.077	0.923	0.065	0.000	0.026	0.055	0.004	1.150
2021	0.077	0.923	0.065	0.000	0.014	0.054	0.004	1.137
2022	0.077	0.923	0.062	0.000	0.015	0.054	0.004	1.135
2023	0.077	0.923	0.068	0.000	0.015	0.053	0.004	1.140
2024	0.077	0.923	0.080	0.000	0.022	0.051	0.004	1.157

NOTE:

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% general levy, Los Angeles County, elementary school districts, Rio Hondo College Disctrict, Whittier Union High School District, and Metropolitan Water District all have levied direct assessments in addition to the 1.00% general levy.

Source: Los Angeles County Auditor/Controller data, MuniServices, LLC / Avenu Insights & Analytics

Rates are not adjusted for ERAF

CITY OF SANTA FE SPRINGS
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND TEN YEARS AGO

	FY 2023-24		FY 2014-15	
Taxpayer	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Golden Springs Dev	$ 345,181,516	3.16%	$ 292,234,962	4.34%
Goodman Santa Fe Springs	241,267,969	2.21%		
Rexford Industrial	169,019,775	1.55%		
GLC SFS II LLC	167,913,933	1.54%		
PPF Industrial 12016 Telegraph	165,626,072	1.52%	33,848,104	0.50%
PSB Hathaway III LLC	109,322,550	1.00%		
1050 College Partners	96,282,199	0.88%		
MCcaster Carr Supply Company	93,938,923	0.86%	73,731,771	1.09%
Duke Realty Lakeland Rd LP	92,310,000	0.85%		
Teachers Insurance Annuity Assoc	85,076,404	0.78%	59,782,680	0.89%
Thor 12065 Pike Street LLC	85,000,000	0.78%		
TGA Greenstone Logistics Center	82,492,631	0.76%		
SDCO SFS Logistics Center Inc.	70,829,879	0.65%		
BSREP III California Infill	70,705,582	0.65%		
Sorensen XC II LLC	70,213,515	0.64%		
BRE Jupiter Western B West Az	68,326,603	0.63%		
WG Holdings SPV LLC	65,319,104	0.60%		
AMB Us Logistics Fund LP	62,802,864	0.58%	110,516,555	1.64%
Breit MF Telegraph Rd LLC	60,846,654	0.56%		
Pioneer Gardens Venture LP	60,259,891	0.55%		
Heraeus Metal Processing Inc.	58,355,493	0.53%	44,000,862	0.65%
Freeway Springs LLC	57,152,151	0.52%	48,204,440	0.72%
FDC Partners LP	55,772,591	0.51%		
Centris Telegraph Point LLC	54,520,000	0.50%		
Standard SFV Venture LP	54,035,739	0.49%		
Breitburn Operating LP			315,111,209	4.68%
Legacy Partners II Santa Fe Springs			86,768,493	1.29%
Gateway Santa Fe Springs Industrial			60,000,000	0.89%
Inland Paperboard			54,758,611	0.81%
Mckesson Corp			47,248,544	0.70%
Vons Companies Inc.			45,720,266	0.68%
Catellus			41,804,931	0.62%
Maruichi American Corp			40,776,806	0.61%
Centro Watt Property Owner II			39,296,630	0.58%
Bloomfield Commerce Center			38,649,642	0.57%
Prologis			35,825,308	0.53%
Carmenita Plaza LLC			35,370,558	0.52%
14141 Alondra LP			32,886,491	0.49%
CFH ENVP Ltd. Ptnshp			32,455,393	0.48%
Solaris Paper Inc.			31,131,403	0.46%
Pactiv LLC			30,415,605	0.45%
Sorensen Industrial LLC			28,830,298	0.43%
PR Mid Counties LLC			28,627,334	0.42%
	$ 2,542,572,038	23.29%	$ 1,687,996,896	25.05%

NOTE:

The amounts shown above include assessed value data for both the City and Redevelopment Agency

Source: Los Angeles County Assessor data, MuniServices, LLC / Avenu Insights & Analytics

CITY OF SANTA FE SPRINGS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Total Tax Levy	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2015	$ 35,511,774	$ 35,217,986	99.17%	$ -	$ 35,217,986	99.17%
2016	34,092,546	33,826,245	99.22%	-	33,826,245	99.22%
2017	34,802,722	34,524,691	99.20%	-	34,524,691	99.20%
2018	37,721,588	36,571,390	96.95%	-	36,571,390	96.95%
2019	39,275,800	38,914,079	99.08%	-	38,914,079	99.08%
2020	45,613,414	45,027,883	98.72%	-	45,027,883	98.72%
2021	46,103,009	45,790,160	99.32%	-	45,790,160	99.32%
2022	48,011,117	47,585,974	99.11%	-	47,585,974	99.11%
2023	50,915,906	50,660,885	99.50%	-	50,660,885	99.50%
2024	56,622,331	56,087,067	99.05%	-	56,087,067	99.05%

NOTE:

The amounts presented include City property taxes and Redevelopment Agency tax increment. This schedule also includes amounts collected by the City and Redevelopment Agency that were passed-through to other agencies

The City receives limited information from Los Angeles County in relation to tax levies and collections. The City was unable to obtain further detail from Los Angeles County regarding the collections in excess of the levy amount after 2011.

Source: County Assessor Data,MuniServices, LLC / Avenu Insights & Analytics

CITY OF SANTA FE SPRINGS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Governmental Activities				Business-type Activities			Total Primary Government	Percentage of Personal Income[1]	Debt Per Capita[1]
	SBITA	Pension Obligation Bonds	Notes Payable/ Lease Payable	Total Governmental Activities	Lease Payable	Revenue Bonds	Total Business-type Activities			
2015	$ -	$ 5,238,000	$ 449,068	$ 5,687,068	$ -	$ 9,069,544	$ 9,069,544	$ 14,756,612	3.93%	837
2016	-	4,334,000	364,128	4,698,128	-	8,902,394	8,902,394	13,600,522	3.49%	737
2017	-	3,362,000	276,819	3,638,819	-	8,725,243	8,725,243	12,364,062	3.06%	676
2018	-	2,318,000	693,218	3,011,218	-	8,366,795	8,366,795	11,378,013	2.64%	621
2019	-	1,199,000	905,085	2,104,085	-	8,177,762	8,177,762	10,281,847	2.27%	563
2020	-	-	639,246	639,246	-	7,983,729	7,983,729	8,622,975	1.83%	471
2021	-	-	3,768,377	3,768,377	-	7,789,696	7,789,696	11,558,073	2.29%	638
2022	-	-	3,547,974	3,547,974	17,113	7,590,663	7,607,776	11,155,750	1.86%	595
2023	-	-	5,109,085	5,109,085	13,413	7,386,630	7,400,043	12,509,128	1.81%	674
2024	283,132	-	4,169,409	4,452,541	9,655	7,177,597	7,187,252	11,639,793	1.67%	624

NOTES:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[1] These ratios are calculated using personal income and population for the prior calendar year.

Prior year data has been adjusted for updated personal income information obtained after the 2010 Census.

Source: City of Santa Fe Springs Department of Finance and Administrative Services

CITY OF SANTA FE SPRINGS
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Outstanding General Bonded Debt: Tax Allocation Bonds	Outstanding General Bonded Debt: Pension Obligation Bonds	Outstanding General Bonded Debt: Total General Bonded Debt	Percent of Assessed Value[1]	Per Capita
2015	-	$ 5,238,000	$ 5,238,000	0.08%	297
2016	-	4,334,000	4,334,000	0.06%	235
2017	-	3,362,000	3,362,000	0.05%	184
2018	-	2,318,000	2,318,000	0.03%	126
2019	-	1,199,000	1,199,000	0.01%	66
2020	-	-	-	0.00%	0
2021	-	-	-	0.00%	0
2022	-	-	-	0.00%	0
2023	-	-	-	0.00%	0
2024	-	-	-	0.00%	0

NOTE:

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which, the City has none).

1 Assessed value has been used because the actual value of taxable property is not readily available in the State of California.

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
DIRECT AND OVERLAPPING DEBT
JUNE 30, 2024

2023-24 Assessed Valuation: $10,930,479,620

OVERLAPPING TAX AND ASSESSMENT DEBT:	Total Debt 6/30/24	% Applicable (1)	City's Share of Debt 6/30/24
Metropolitan Water District	$ 18,210,000	0.282%	$ 51,352
Cerritos Community College District	433,766,921	4.854	21,055,046
Rio Hondo Community College District	164,769,080	15.378	25,338,189
Whittier Union High School District	157,614,361	23.902	37,672,985
ABC Unified School District	116,814,373	2.960	3,457,705
Norwalk-La Mirada Unified School District	298,338,444	13.871	41,382,526
Little Lake City School District	55,709,901	61.473	34,246,547
Los Nietos School District	39,847,715	61.418	24,473,670
South Whittier School District	43,530,000	45.159	19,657,713
Whittier City School District	65,020,000	0.555	360,861
City of Santa Fe Springs Heritage Springs Assessment District	1,045,000	100.	1,045,000
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			$208,741,594
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Los Angeles County General Fund Obligations	$2,479,229,730	0.545%	$13,511,802
Los Angeles County Superintendent of Schools Certificates of Participation	2,857,300	0.545	15,572
Whittier City School District Certificates of Participation	8,365,000	0.555	46,426
City of Santa Fe Springs Capital Lease Obligations	**3,937,692**	**100.**	**3,937,692**
City of Santa Fe Springs Lease Payables	**231,717**	**100**	**231,717**
Subscription Based Information Technology	**283,132**	**100**	**283,132**
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			$18,026,341
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	$12,148,281	100. %	$12,148,281
TOTAL DIRECT DEBT			**$4,452,541**
TOTAL OVERLAPPING DEBT			$234,463,675
COMBINED TOTAL DEBT			$238,916,216 (2)

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2023-24 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.91%
Total Direct Debt ($4,452,541)	**0.04%**
Combined Total Debt	2.18%

Ratios to Redevelopment Successor Agency Incremental Valuation ($6,188,630,995):

Total Overlapping Tax Increment Debt	0.20%

Source: Avenu Insights & Analytics
California Municipal Statistics, Inc

CITY OF SANTA FE SPRINGS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30		
	2015	2016	2017
Assessed valuation	$ 6,754,513,000	6,874,971,507	7,078,133,887
Conversion percentage	25%	25%	25%
Adjusted assessed valuation	$ 1,688,628,250	1,718,742,877	1,769,533,472
Debt limit percentage	15%	15%	15%
Debt limit	$ 253,294,238	257,811,432	265,430,021
Total net debt applicable to the limit:			
General obligation bonds[1]	5,238,000	4,334,000	3,362,000
Legal Debt Margin	$ 248,056,238	253,477,432	262,068,021
Total debt applicable to the limit			
as a percentage of debt limit	2.1%	1.7%	1.3%

NOTE:
The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with Fiscal Year1981-82, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the State.

Source: City of Santa Fe Springs Finance and Administrative Services Department
Los Angeles County, Auditor-Controller

CITY OF SANTA FE SPRINGS
LEGAL DEBT MARGIN INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30			
	2018	2019	2020	2021
Assessed valuation	$ 7,446,116,929	$ 7,831,408,399	$ 8,570,322,631	$ 9,175,834,549
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	$ 1,861,529,232	$ 1,957,852,100	$ 2,142,580,658	$ 2,293,958,637
Debt limit percentage	15%	15%	15%	15%
Debt limit	$ 279,229,385	$ 293,677,815	$ 321,387,099	$ 344,093,796
Total net debt applicable to the limit:				
General obligation bonds[1]	2,318,000	$ 1,199,000	$ -	$ -
Legal Debt Margin	$ 276,911,385	$ 292,478,815	$ 321,387,099	$ 344,093,796
Total debt applicable to the limit as a percentage of debt limit	0.8%	0.4%	-	-

NOTE:

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with Fiscal Year1981-82, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the State.

Source: City of Santa Fe Springs Finance and Administrative Services Department
Los Angeles County, Auditor-Controller

CITY OF SANTA FE SPRINGS
LEGAL DEBT MARGIN INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30		
	2022	2023	2024
Assessed valuation	$ 9,393,925,905	9,967,531,845	10,917,286,020
Conversion percentage	25%	25%	25%
Adjusted assessed valuation	$ 2,348,481,476	2,491,882,961	2,729,321,505
Debt limit percentage	15%	15%	15%
Debt limit	$ 352,272,221	373,782,444	409,398,226
Total net debt applicable to the limit: obligation bonds[1]	-	-	-
Legal Debt Margin	$ 352,272,221	373,782,444	409,398,226
Total debt applicable to the limit as a percentage of debt limit	-	-	-

NOTE:

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with Fiscal Year1981-82, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the State.

Source: City of Santa Fe Springs Finance and Administrative Services Department
Los Angeles County, Auditor-Controller

CITY OF SANTA FE SPRINGS
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

	Water Revenue Bonds					
Fiscal Year	Water Revenue	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2015	$ 12,604,783	$ 9,674,355	$ 2,930,428	$ 165,000	$ 373,579	5.44
2016	12,398,568	9,210,440	3,188,128	170,000	365,329	5.96
2017	13,772,258	9,488,599	4,283,659	180,000	356,830	7.98
2018	15,282,409	10,181,577	5,100,832	180,000	347,800	9.66
2019	12,936,754	10,173,874	2,762,880	195,000	325,379	5.31
2020	12,823,701	10,649,931	2,173,770	200,000	318,349	4.19
2021	14,674,059	12,636,213	2,037,846	200,000	313,569	3.97
2022	15,902,441	11,699,084	4,203,357	200,000	285,714	8.65
2023	17,086,718	12,889,897	4,196,821	210,000	276,040	8.63
2024	17,174,700	15,334,577	1,840,123	215,000	287,232	3.66

NOTE:

Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expenses.

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
PLEDGED-REVENUE COVERAGE (CONTINUED)
LAST TEN FISCAL YEARS

	Tax Allocation Bonds			
Fiscal Year	Tax Increment	Debt Service Principal	Debt Service Interest	Coverage
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-

NOTE:

Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expenses.

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income	*Public School Enrollment	Unemployment Rate
2015	17,627	$ 375,077	$ 21,279	6,632	8.4%
2016	18,459	389,558	21,104	6,632	8.0%
2017	18,291	404,312	22,104	6,632	6.2%
2018	18,335	431,061	23,510	5,621	2.2%
2019	18,261	452,842	24,798	6,632	2.5%
2020	18,295	471,861	25,792	6,632	13.1%
2021	18,129	504,701	27,839	5,203	7.6%
2022	18,763	599,975	31,976	5,478	2.4%
2023	18,570	692,611	37,297	4,959	3.2%
2024	18,640	777,773	41,726	4,452	3.8%

NOTE:

The data for prior years has been adjusted based on currently available data.

Sources: Population Projections are provided by the California Department of Finance Projections.
Income Data is provided by the United States Census Bureau, 2010 American Community Survey.
Unemployment Rates are provided by the State of California, Employment Development Department Labor Market Information Division.

*Student Enrollment reflects the total number of students enrolled in Santa Fe Springs Schools, which occur in several different school districts.

CITY OF SANTA FE SPRINGS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO

	FY 2023-24		FY 2014-15	
Employer	**Number of Employees**	**Percent of Total Employment**	**Number of Employees**	**Percent of Total Employment**
FN Logistics, LLC	1,100	2.59%		
McMaster Carr Supply Company	803	1.89%	845	1.92%
L. A. Specialty Produce Company	532	1.25%	511	1.16%
MRDN Staffing Inc.	500	1.18%		
Harbor Distributions LLC	450	1.06%		
Vans	448	1.05%		
FedeEx Ground Package System In	446	1.05%	350	0.80%
Southern Glazer's Wine and Spirits	427	1.00%	395	0.90%
Trojan Battery Company LLC	408	0.96%	365	0.83%
Windsor Fashions LLC	379	0.89%		
SE Pipe Line Construction	-	0.00%		
Bumble Bee Seafoods, LLC	-	0.00%		
Pactiv LLC	-	0.00%		
Shaw Diversified Services, Inc.			336	0.76%
Performance Team			337	0.77%
Vance and Hines, Inc.			414	0.94%
Swift & Company			429	0.98%
The Vons Companies, Inc.			745	1.69%
	5,493	12.93%	4,727	10.75%

NOTE:

"Total Employment" as used above represents the total employment of all employers located within City limits.

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
FULL-TIME AND PART-TIME CITY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30									
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
General Government	39	38	38	37	39	39	38	37	38	38
Public Safety	83	83	76	73	70	72	70	74	76	77
Public Works	54	56	58	57	55	52	57	55	60	65
Planning and Community Development	6	7	7	6	7	9	9	9	10	8
Community Services - Administration	1	4	4	4	4	4	3	3	3	6
Community Services - Parks and Recreation	88	88	106	108	93	27	75	72	98	128
Community Services - Library Services	17	22	20	22	23	14	16	20	22	28
Community Services - Human Services	48	54	50	39	32	11	27	31	34	39
Total	336	352	359	346	323	228	295	301	341	389

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fire:										
Number of emergency calls	3,439	3,928	3,961	3,835	3,732	3,644	3,542	3,985	3,798	4,170
Inspections	3,325	2,428	1,702	1,598	1,798	2,209	1,916	2,707	4,549	3,230
Public works:										
Street resurfacing (miles)	3	1.5	1	2	1.5	3.0	5.21	2	11.65	1
Parks and recreation:										
Number of recreation classes	368	335	309	393	356	216	157	310	341	506
Number of participants in recreation classes	**	3,419	3,771	3,779	3,515	449	913	3,224	3,614	5,470
Number of events	**	**	**	**	10	0	7	10	14	17
Attendance at events	**	**	**	**	**	**	15,325	19,275	24,680	35,167
Number of meals served	**	**	**	**	2,995	1,875	2,130	3,412	3,487	3,519
Number of facility rentals	3,038	3,822	3,791	4,323	4,073	1,179	4	1,475	1,906	1,989
Number of sports field reservations	**	**	**	**	**	459	0	1,955	2,140	2,278
Human services:										
Children served in the City's										
**childcare centers	286	807	1,006	266	0	0	0	0	0	0
Number of facility rentals	* 333	305	536	878	983	671	2	111	395	390
Number of Older Adult Gym Usage			1,500	4,476	4,895	3,245	0	109	61	2,136
Number of Older Adult classes			40	40	42	28	4	19	21	32
Estimated Number of Congregate Meals			12,000	10,002	11,700	12,400	10,700	7,096	12,750	12,600
Water:										
Average daily consumption										
(thousands of gallons)	5,207	5,580	5,073	5,615	5,379	5,314	5,809	5,703	4,869	4,882

NOTES:

* Reflective of the limited availability of the Neighborhood Center due to construction.

** 2019's number has reduced significantly due to no longer partnering with Child care for summer camp.

Source: City of Santa Fe Springs

CITY OF SANTA FE SPRINGS
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30									
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Fire:										
Fire stations *	4	4	4	4	4	4	4	4	4	4
Public works:										
Streets (miles)	110	110	110	110	110	110	110	110	110	110
Traffic signals	75	81	81	81	81	81	81	81	81	81
Streetlights	2,960	3,174	3,140	3,140	3,140	3,140	3,140	3,140	3,140	3,140
Parks and recreation:										
**Parks/Fields	11	11	11	11	9	9	9	9	9	9
**Community services facilities	4	4	4	4	4	4	4	4	4	4
Human services:										
Child care centers	3	3	3	3	0	0	0	0	0	0
Community services facilities	1	1	1	1	3	3	3	3	3	3
Library Services:										
Library facilities	2	2	2	2	2	2	2	2	2	2
Water:										
Water mains (miles)	107	108	108	108	108	108	108	108	108	108
Number of service connections	6,330	6,335	6,402	6,509	6,731	6,722	6,232	6,247	6,237	6,239

NOTES:

* For a portion of FY 2012-13 (August 2012 - April 2013) there were three (3) operating fire stations.

**Numbers were modified to include all City fields and additional facilities not captured elsewhere on this report.

Source: City of Santa Fe Springs

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor and Members of the City Council
City of Santa Fe Springs
Sante Fe Springs, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Santa Fe Springs (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 10, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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Honorable Mayor and Members of the City Council
City of Santa Fe Springs

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Irvine, California
March 10, 2025

CliftonLarsonAllen LLP
CLAconnect.com

Honorable Mayor and Members of the City Council
City of Santa Fe Springs
Santa Fe Springs, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Santa Fe Springs as of and for the year ended June 30, 2024, and have issued our report thereon dated March 10, 2025. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit in our planning letter dated September 3, 2024,. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Santa Fe Springs are described in Note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during 2024.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- The annual required contributions, pension expense, net pension liability and corresponding deferred outflows of resources and deferred inflows of resources for the City's public defined benefit plans with CalPERS are based on actuarial valuations provided by CalPERS.

- The OPEB actuarially determined contribution, OPEB expense, total OPEB liability, and corresponding deferred outflows of resources and deferred inflows of resources for the City's OPEB plan are based on certain actuarial assumptions and methods prepared by an outside consultant.

We evaluated the key factors and assumptions used to develop these estimates in determining that they were reasonable in relation to the financial statements taken as a whole.

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Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were Note 11 regarding the pension plan obligations and Note 12 regarding the post-employment health care benefits.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Corrected misstatements

Management did not identify and we did not notify them of any financial statement misstatements detected as a result of audit procedures.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated March 10, 2025.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Required supplementary information

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Supplementary information in relation to the financial statements as a whole

With respect to the combining nonmajor fund financial statements, and budgetary comparison schedules (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated March 10, 2025.

Other information included in annual reports

Other information (financial or nonfinancial information other than the financial statements and our auditors' report thereon) is being included in your annual report and is comprised of introductory and statistical sections. Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information included in your annual report and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. Our auditors' report on the financial statements includes a separate section, "Other Information," which states we do not express an opinion or any form of assurance on the other information included in the annual report. We did not identify any material inconsistencies between the other information and the audited financial statements.

* * *

This communication is intended solely for the information and use of the City Council and management of City of Santa Fe Springs and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Irvine, California
March 10, 2025

General Fund - FY 2023-24 Budget to Actual Summary **ATTACHMENT D**

Revenues

Type	Original Budget FY 2023-24	Adjusted Adjusted Budget	Actual	Variance: Actual vs. Final Favorable / (Unfavorable) $	%
Sales Tax	$ 38,000,000	$ 39,000,000	$ 40,445,644	$ 1,445,644	3.7%
Transactions & Use Tax	15,600,000	16,200,000	17,251,079	1,051,079	6.5%
Utility Users Tax	7,000,000	7,500,000	8,827,062	1,327,062	17.7%
Franchise Tax	3,642,000	4,000,000	5,254,059	1,254,059	31.4%
Property Tax	5,100,000	5,100,000	6,322,226	1,222,226	24.0%
Motor Vehicle In Lieu Tax	2,300,000	2,600,000	2,739,793	139,793	5.4%
Other Taxes	1,527,500	1,527,500	1,531,974	4,474	0.3%
Use of Money, Property, & Other	5,981,100	5,981,100	10,094,678	4,113,578	68.8%
Program Revenues	8,609,100	8,609,100	10,031,307	1,422,207	16.5%
One-Time Funding Sources	838,500	838,500	$891,500	53,000	6.3%
Other Sources	4,668,700	4,627,100	5,809,062	1,181,962	25.5%
Total Revenues	**93,266,900**	**95,983,300**	**109,198,384**	**13,215,084**	**13.8%**

Expenditures (Operating Departments)

Department/Activity	Original Budget FY 2023-24	Adjusted Budget	Actual	Variance: Actual vs. Final Favorable / (Unfavorable) $	%
General Government	$ 4,933,900	$ 5,415,400	$ 4,694,040	$ 721,360	13.3%
Community Development	4,499,400	4,429,100	3,541,978	887,122	20.0%
Community Services					
Administration	1,495,400	1,730,200	1,360,496	369,705	21.4%
Library & Cultural Services	2,247,000	2,231,300	2,038,595	192,705	8.6%
Family & Human Services	2,365,800	2,365,800	2,356,771	9,029	0.4%
Subtotal	6,108,200	6,327,300	5,755,861	571,439	9.0%
Finance and Admin Svcs.	7,989,300	8,006,900	7,782,628	224,272	2.8%
Fire-Rescue	25,020,800	25,275,800	24,015,365	1,260,435	5.0%
Police	18,407,100	18,457,100	16,478,715	1,978,385	10.7%
Parks and Recreation	4,169,000	4,484,100	4,086,507	397,593	8.9%
Public Works					
Engineering	2,017,700	2,127,700	1,885,867	241,833	11.4%
Maintenance	14,713,900	15,205,000	12,877,501	2,327,499	15.3%
Subtotal	16,731,600	17,332,700	14,763,368	2,569,332	14.8%
Total Operating Expenditures	**$ 87,859,300**	**$ 89,728,400**	**$ 81,118,462**	**$ 8,609,938**	**9.6%**

* In the budget document, overhead recovery is included within the Finance & Admin. Services Dept.

Other Sources and Uses

Type	Original Budget FY 2023-24	Adjusted Budget	Actual	Variance: Actual vs. Final Favorable / (Unfavorable) $	%
Vehicle Acquisitions/Replacements	838,500	-	-	-	0.0%
Interfund Transfers	2,800,000	2,800,000	9,550,000	(6,750,000)	-241.1%
Other Funding Sources	1,769,100	1,706,200	1,706,200		
Total Vehicles/Transfers	**$ 5,407,600**	**$ 4,506,200**	**$ 11,256,200**	**$ (6,750,000)**	**-149.8%**
Net Increase in Available Fund Balance	**$ -**	**$ 1,748,700**	**$ 16,823,722**	**$ 15,075,022**	**862.1%**

Water Fund - FY 2023-24 Budget to Actual Summary **ATTACHMENT E**

Revenues

Type	Original Budget FY 2023-24	Adjusted Budget	Actual	Variance: Actual vs. Final Favorable / (Unfavorable) $	%
Metered Water Sales	$ 16,900,000	$ 16,900,000	$ 16,148,720	$ (751,280)	-4.4%
Interest	55,000	55,000	717,132	662,132	1203.9%
Other	11,100	11,100	101,074	89,974	810.6%
Total Revenues	**16,966,100**	**16,966,100**	**16,966,926**	**826**	**0.0%**

Department/Activity	Original Budget FY 2023-24	Adjusted Budget	Actual	Variance: Actual vs. Final Favorable / (Unfavorable) $	%
Administration	$ 1,434,300	$ 1,434,300	$ 1,505,497	$ (71,197)	-5.0%
Purchases	8,142,600	8,142,600	7,015,949	1,126,651	13.8%
Billing and Collection	1,481,200	1,481,200	1,555,274	(74,074)	-5.0%
Backflow	378,300	378,300	370,672	7,628	2.0%
Distribution System Maintenance	1,804,000	1,914,000	2,040,152	(126,152)	-6.6%
Production Facilities Maintenance	1,192,000	1,192,000	1,060,247	131,753	11.1%
Debt Service	496,100	496,100	293,857	202,243	40.8%
Interfund Transfers	1,897,300	1,897,300	1,343,800	553,500	29.2%
Total Operating Expenditures	**$ 16,825,800**	**$ 16,935,800**	**$ 15,185,448**	**$ 1,750,352**	**10.3%**
Project Expenditures	-	-	183,521	$ 183,521	
Net Increase in Available Fund Balance	**$ 140,300**	**$ 30,300**	**$ 1,597,957**	**$ 1,567,657**	
Outstanding Bills			3,956,600	25% of of water revenue	
Net Change in Fund Balance wihtout Outstanding Bill			**(2,358,643)**		

FOR ITEM NO. 6, PLEASE SEE ITEM NO. 12

ITEM # 7

CITY OF SANTA FE SPRINGS

PUBLIC FINANCING AUTHORITY AGENDA STAFF REPORT

TO: Honorable Chair and Board Members

FROM: René Bobadilla, P.E., Executive Director

BY: Lana Dich, Director of Finance & Administrative Services

SUBJECT: **MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS PUBLIC FINANCING AUTHORITY (PFA)**

DATE: March 18, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Receive and file the report.

FISCAL IMPACT

N/A

BACKGROUND/DISCUSSION

The Santa Fe Springs Public Financing Authority (PFA) is a City entity that has periodically issued debt for the benefit of the Santa Fe Springs community. The following is a brief status report on the debt instruments currently outstanding that were issued through the PFA.

Consolidated Redevelopment Project 2006-A Tax Allocation Bonds

Financing proceeds available for appropriation at 2/31/2025	None
Outstanding principal at 2/31/2025	$25,205,601

Bond Repayment

The former Community Development Commission (CDC) issued a number of tax allocation bonds before it was dissolved by State law effective February 1, 2012 which are administered by the City acting as Successor Agency under the oversight of the appointed Oversight Board. The Successor Agency no longer receives tax increment.

Instead, distributions from the Redevelopment Property Tax Trust Fund (RPTTF) are received based on approved obligations. It is anticipated that sufficient allocations from the RPTTF will continue to be made to the Successor Agency to meet ongoing debt service obligations.

Unspent Bond Proceeds
Under an approved Bond Expenditure Agreement, unspent bond proceeds of the former CDC in the amount of approximately $19 million were transferred to the City in July 2014. The funds are to be spent in accordance with the original bond documents. The unspent proceeds continue to be a source of funding within the City's capital improvement program (CIP).

2016 Bond Refunding
In July 2016, the Successor Agency issued its 2016 Tax Allocation Refunding Bonds, which paid off several bond issuances of the former CDC. The bonds were originally issued through the Public Financing Authority and included the 2001 Series A, 2002 Series A, 2003 Series A, the current interest portion of the 2006 Series A, and 2006 Series B bond issuances.

2017 Bond Refunding
In December 2017, the Successor Agency issued its 2017 Tax Allocation Refunding Bonds, which paid off the 2007 Tax Allocation Bonds of the former CDC. The 2007 Bonds were originally issued through the Public Financing Authority.

ANALYSIS

The report is presented for informational purposes only.

ENVIRONMENTAL

N/A

SUMMARY/NEXT STEPS

The Successor Agency will continue to request sufficient distributions from the RPTTF to make required bond payments through maturity on September 1, 2028.

ATTACHMENT(S):

N/A

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

FOR ITEM NO. 8, PLEASE SEE ITEM NO. 12

ITEM # 9

CITY OF SANTA FE SPRINGS

WATER UTILITY AUTHORITY AGENDA STAFF REPORT

TO: Honorable Chair and Board Members

FROM: René Bobadilla, P.E., Executive Director

BY: Lana Dich, Director of Finance

SUBJECT: **MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS WATER UTILITY AUTHORITY (WUA)**

DATE: March 18, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Receive and file the report.

FISCAL IMPACT

N/A

BACKGROUND/DISCUSSION

The Santa Fe Springs Water Utility Authority (WUA) is a City entity that has issued debt for the benefit of the Santa Fe Springs community. The following is a brief status report on the debt instruments currently outstanding that were issued through the WUA.

Water Revenue Bonds, 2013

Financing proceeds available for appropriation at 2/31/2025	None
Outstanding principal at 2/31/2025	$6,890,000

Water Revenue Bonds, 2018

Financing proceeds available for appropriation at 2/31/2025	None
Outstanding principal at 2/31/2025	$395,000

In May 2013 the Water Utility Authority issued the 2013 Water Revenue Bonds in the amount of $6,890,000. The bonds refunded the existing 2003 Water Revenue Bonds

(issued through the Public Financing Authority) and provided additional funds for water improvement projects in the amount of $2,134,339. The funds were restricted for use on water system improvements. In August 2013 the Water Utility Authority Board appropriated the proceeds for the Equipping Water Well No. 12 Project and all proceeds were since used on this project.

In January 2018 the Water Utility Authority issued the 2018 Water Revenue Bonds in the amount of $1,800,000. The bonds refunded the existing 2005 Water Revenue Bonds (issued through the Public Financing Authority). No additional funds were raised through the issuance of the 2018 Water Revenue Bonds.

The WUA was formed in June of 2009. Water revenue bonds issued prior to this date were issued through the City of Santa Fe Springs Public Financing Authority.

ANALYSIS

The report is presented for informational purposes only.

ENVIRONMENTAL

N/A

SUMMARY/NEXT STEPS

The WUA budget includes sufficient appropriations and adequate revenues are expected to be collected to meet the debt service obligations associated with the 2013 and 2018 Water Revenue Bonds.

ATTACHMENT(S):

None.

ITEM STATUS:

APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

FOR ITEM NO. 10, PLEASE SEE ITEM NO. 12

FOR ITEM NO. 11, PLEASE SEE ITEM NO. 12

ITEM # 12

CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Fernando N. Muñoz, City Clerk

SUBJECT: **MINUTES OF THE FEBRUARY 18, 2025 CITY COUNCIL MEETINGS**

DATE: March 18, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Approve the minutes as submitted.

FISCAL IMPACT

N/A

BACKGROUND

Staff has prepared minutes for the following meeting:

- Council Meeting of February 18, 2025

ANALYSIS

N/A

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

N/A

ATTACHMENT(S):

A. February 18, 2025 Meeting Minutes

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

APPROVED:

MINUTES OF THE MEETINGS OF THE CITY COUNCIL

February 18, 2025

CALL TO ORDER
Mayor Rounds called the meeting to order at 5:02 p.m.

ROLL CALL
Members present: Councilmembers/Directors: Mora, Martin, Rodriguez, Mayor Pro Tem/Vice Chair Zamora, and Mayor/Chair Rounds.

Members absent: None

PUBLIC COMMENTS ON CLOSED SESSION ITEMS
None

1. CLOSED SESSION
CONFERENCE WITH REAL PROPERTY NEGOTIATIORS
(Pursuant to Government Code Section 54956.8)
Property: Assessor Parcel No. 8001-003-934
Agency negotiator: René Bobadilla, City Manager, and Cuong Nguyen, Director of Community Development
Negotiating parties: Jamboree Housing Corporation
Under negotiation: Price and Terms

2. CLOSED SESSION
CONFERENCE WITH REAL PROPERTY NEGOTIATIORS
(Pursuant to Government Code Section 54956.8)
Property: Assessor Parcel Nos. 8005-012-031, 8005-012-902, and 8005-012-041
Agency negotiator: René Bobadilla, City Manager, and Cuong Nguyen, Director of Community Development
Negotiating parties: KAMLA Hotels
Under negotiation: Price and Terms

Mayor Rounds recessed the meeting at 5:03 p.m.

Mayor Rounds reconvened the meeting at 6:03 p.m.

CLOSED SESSION REPORT
City Attorney Olivarez provided a closed session report: Direction was given to staff and no reportable action was taken.

INVOCATION
Councilmember Mora led the invocation.

PLEDGE OF ALLEGIANCE
The Youth Leadership Committee led the pledge of allegiance.

INTRODUCTIONS
Mayor Rounds introduced the following members from the Chamber of Commerce:
1. Nico Shubin – Serv-Wel Disposal & Recycling
2. Kathie Fink – SFS Chamber CEO

PRESENTATIONS

3. ADVISORY COMMITTEE REPORT – YOUTH LEADERSHIP COMMITTEE (PARKS & RECREATION)

4. BLACK HISTORY MONTH; STAND IN THE SCHOOLHOUSE DOOR (PARKS & RECREATION)

5. RECOGNITION OF THE PEREZ-MACIAS FAMILY 2024 FIREFIGHTERS TOY DRIVE (FIRE)

CHANGES TO AGENDA
None

PUBLIC COMMENTS
The following people spoke during Public Comments: 1) Lee Squire.

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST
None

PUBLIC HEARING

6. ANNUAL WEED ABATEMENT PROGRAM (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

1) Open the Public Hearing;

2) Receive any comments from the public wishing to speak on this matter and thereafter close the Public Hearing; and

3) Direct the Los Angeles County Agricultural Commissioner/Weights & Measures to abate the nuisance by having weeds, rubbish, and refuse removed.

Mayor Rounds opened the public hearing at 6:25 p.m.

There was no one wishing to speak on Item No. 6.

Mayor Rounds closed the public hearing at 6:25 p.m.

It was moved by Councilmember Martin, seconded by Councilmember Rodriguez, to direct the Los Angeles County Agricultural Commissioner/Weights & Measures to abate the nuisance by having weeds, rubbish, and refuse removed, by the following vote:

Ayes: Mora, Martin, Rodriguez, Zamora, Rounds
Noes: None
Absent: None
Recuse: None

REGULAR BUSINESS

7. FY 2024-2025 2ND QUARTER BUDGET REVIEW AND MODIFICATIONS (FINANCE)

RECOMMENDATION: It is recommended that the City Council:

1) Approve staff recommendation of an additional $851,100 to the expenditures in the General Fund detailed in Attachment D;

2) Approve staff recommendation of adjustment to the revenue & expenditures of $585,000 from other funding sources detailed in Attachment D;

3) Approve adjustments for six (6) positions (Attachment D):
   a. Five (5) new full-time positions
   b. One (1) adjustment to a full-time position
   c. Eliminate 1,040 part-time hours

4) Adopt Resolution No. 9946 New Salary Schedule.

City Manager, René Bobadilla introduced Director of Finance, Lana Dich to talk about several topics, including inflation and savings. She further talked about sales tax, different revenue "buckets", and compared the sales tax in the 3rd quarter from 2024 and 2023. City Manager Bobadilla added that there are several issues with water reader meters, including the need for modernization.

It was moved by Mayor Pro Tem Zamora, seconded by Councilmember Martin, to approve staff recommendation of an additional $851,100 to the expenditures in the General Fund detailed in Attachment D, to approve staff recommendation of adjustment to the revenue & expenditures of $585,000 from other funding sources detailed in Attachment D, to approve adjustments for six (6) positions (Attachment D), and adopt Resolution No. 9946 New Salary Schedule, by the following vote:

Ayes: Mora, Martin, Rodriguez, Zamora, Rounds
Noes: None
Absent: None
Recuse: None

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine. Any items a Councilmember wishes to discuss should be designated at this time. All other items may be approved in a single motion. Such approval will also waive the reading of any ordinance.

PUBLIC FINANCING AUTHORITY

8. MINUTES OF THE JANUARY 21, 2025 PUBLIC FINANCING AUTHORITY MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Public Financing Authority:

1) Approve the minutes as submitted.

9. MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS PUBLIC FINANCING AUTHORITY (PFA) (FINANCE)

RECOMMENDATION: It is recommended that the Public Financing Authority:

1) Receive and file the report.

WATER UTILITY AUTHORITY

10. MINUTES OF THE JANUARY 21, 2025 WATER UTILITY AUTHORITY MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Water Utility Authority:

1) Approve the minutes as submitted.

11. MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS WATER UTILITY AUTHORITY (WUA) (FINANCE)

RECOMMENDATION: It is recommended that the Water Utility Authority:

1) Receive and file the report.

12. LOS ANGELES GATEWAY REGION INTEGRATED REGIONAL WATER MANAGEMENT JOINT POWERS AUTHORITY - ADOPTION OF RESOLUTION NO. 9945, APPOINTING PRIMARY BOARD MEMBER AND ALTERNATES (FINANCE)

RECOMMENDATION: It is recommended that the Water Utility Authority:

1) Adopt Resolution No. 9945 appointing a primary member and alternates to the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority governing board; and

2) Take such additional, related, action that may be desirable.

HOUSING SUCCESSOR

13. MINUTES OF THE JANUARY 21, 2025 HOUSING SUCCESSOR MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Housing Successor:

1) Approve the minutes as submitted.

SUCCESSOR AGENCY

14. MINUTES OF THE JANUARY 21, 2025 SUCCESSOR AGENCY MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Successor Agency:

1) Approve the minutes as submitted.

CITY COUNCIL

15. MINUTES OF THE JANUARY 21, 2025 CITY COUNCIL MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the minutes as submitted.

16. RESOLUTION NO. 9886 – DECLARING A TRUSTED SYSTEM FOR THE MANAGEMENT OF CITY RECORDS AND THE AUTOMATION OF RETENTION REQUIREMENTS (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Resolution No. 9886, designating Laserfiche as a Trusted Records Management System.

17. TREASURER'S REPORT OF INVESTMENTS FOR THE QUARTER ENDED DECEMBER 31, 2024 (FINANCE)

RECOMMENDATION: It is recommended that the City Council:

1) Receive and file the report.

18. AUTHORIZE BID AWARDS FOR TRAFFIC SIGNAL AND LIGHTING EQUIPMENT, HARDWARE, SUPPLIES (FINANCE)

RECOMMENDATION: It is recommended that the City Council:

1) Authorize awarding an annual blanket purchase order to Cal-Duct, Inc. (Cal-Duct) in the not-to-exceed amount of $175,000 per fiscal year thru June 30, 2027; and

2) Authorize awarding an annual blanket purchase order to Econolite Control Products, Inc. (Econolite) in the not-to-exceed amount of $175,000 per fiscal year thru June 30, 2027; and

3) Authorize awarding an annual blanket purchase order to Main Street Materials, Inc. (Main Street) in the not-to-exceed amount of $175,000 per fiscal year thru June 30, 2027; and

4) Authorize awarding an annual blanket purchase order to SWARCO McCain, Inc. (SWARCO McCain) in the not-to-exceed amount of $175,000 per fiscal year thru June 30, 2027; and

5) Authorize awarding an annual blanket purchase order to Western Systems (Western) in the not-to-exceed amount of $150,000 per fiscal year thru June 30, 2027; and

6) Authorize the City Manager to take any further necessary actions regarding this matter.

19. AUTHORIZE PROFESSIONAL SERVICES AGREEMENT WITH KTUA FOR A PARKS, RECREATION, AND COMMUNITY SERVICES MASTER PLAN (PARKS & RECREATION)

RECOMMENDATION: It is recommended that the City Council:

1) Award a Professional Service Agreement between the City of Santa Fe Springs and KTUA for consulting services to produce a Parks, Recreation, and Community Services Master Plan in the amount of $229,660; and

2) Directs the City Attorney to make clarifying changes necessary to effectuate the intent of the Agreement; and

3) Authorize the City Manager to execute the agreement; and

4) Take such additional, related action that may be desirable.

20. SECOND READING OF ORDINANCE NO. 1156 TO AMEND SECTION 70.01 (DEFINITIONS) OF CHAPTER 70 (GENERAL PROVISIONS) AND TO ADD SECTION 72.26 (PARKING RECREATIONAL VEHICLES IS PROHIBITED ON ANY CITY STREET) TO CHAPTER 72 (STOPPING, STANDING, AND PARKING) WITHIN TITLE VII (TRAFFIC CODE) OF THE SANTA FE SPRINGS MUNICIPAL CODE (POLICE SERVICES)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Ordinance No. 1156:

AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS TO AMEND SECTION 70.01 (DEFINITIONS) OF CHAPTER 70 (GENERAL PROVISIONS) AND TO ADD

SECTION 72.26 (PARKING RECREATIONAL VEHICLES IS PROHIBITED ON ANY CITY STREET) TO CHAPTER 72 (STOPPING, STANDING, AND PARKING) WITHIN TITLE VII (TRAFFIC CODE) OF THE SANTA FE SPRINGS MUNICIPAL CODE

2) Take such additional, related, action that may be desirable.

21. SECOND READING OF ORDINANCE NO. 1157 TO AMEND TITLE XIII, CHAPTER 136 OF THE SANTA FE SPRINGS MUNICIPAL CODE ADDING NEW DEFINITIONS AND SECTIONS 136.03 TO 136.07 TO ESTABLISH REGULATIONS CONCERNING THE ABANDONMENT OF PERSONAL PROPERTY ON PUBLIC PROPERTY (POLICE SERVICES)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Ordinance No. 1157:

AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS AMENDING TITLE XIII, CHAPTER 136 OF THE SANTA FE SPRINGS MUNICIPAL CODE ADDING NEW DEFINITIONS AND SECTIONS 136.03 TO 136.07 TO ESTABLISH REGULATIONS CONCERNING THE ABANDONMENT OF PERSONAL PROPERTY ON PUBLIC PROPERTY

2) Take such additional, related, action that may be desirable.

22. AUTHORIZE RECOMMENDED MODIFICATIONS TO THE HOME SECURITY CAMERA REBATE PROGRAM (POLICE SERVICES)

RECOMMENDATION: It is recommended that the City Council:

1) Authorize recommended modifications to the Home Security Rebate Program to extend eligibility to business owners, include security enhancements such as but not limited to surveillance cameras, alarm monitoring systems, accessories, tracking devices and other hardware necessary to safeguard property, and increase the one-time rebate amount for residents from $150 to $250; and

2) Take such additional; related, action that may be desirable.

23. APPROVAL OF TRANSFER AGREEMENT NO. 2024MP72 FOR THE SAFE CLEAN WATER MUNICIPAL PROGRAM WITH THE LOS ANGELES FLOOD CONTROL DISTRICT (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Approve Transfer Agreement No. 2024MP72 with the Los Angeles County Flood Control District; and

2) Authorize the Mayor to execute Transfer Agreement No. 2024MP72; and

3) Take such additional, related, action that may be desirable.

It was moved by Councilmember Martin, seconded by Councilmember Rodriguez, to approve the consent calendar, by the following vote:

Ayes: Mora, Martin, Rodriguez, Zamora, Rounds
Noes: None
Absent: None
Recuse: None

APPOINTMENTS TO BOARDS, COMMITTEES, AND COMMISSIONS

Mayor Rounds appointed Lisa Chavarria to the Heritage Arts Advisory Committee.

COUNCIL COMMENTS/AB1234 COUNCIL CONFERENCE REPORTING

Councilmember Mora thanked Nico Shubin and Serv-Wel for their donations to the Youth Leadership Committee and also thanked the Perez-Macias families. He talked about Coffee with a Cop and thanked Lee Squire for his presentation.

Councilmember Martin praised the VITA Tax Program and also thanked Tangram Interiors for donating furniture to the schools that were affected by the fires.

Councilmember Rodriguez thanked Parks & Recreation staff for the President's Day Penny Carnival. She also thanked first responders.

Mayor Pro Tem Zamora also praised the President's Day Penny Carnival event and talked about the positives of hiring home-grown staff. He promoted Quartermania and talked about Coffee with a Cop.

Mayor Rounds thanked the residents, vendors, and staff.

ADJOURNMENT

Mayor Rounds adjourned the meeting in memory of Fred Corona at 7:04 p.m.

_____
William K. Rounds
Mayor

ATTEST:

_____ _____
Fernando N. Muñoz Date
City Clerk

ITEM # 13

CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Fernando N. Muñoz, City Clerk

SUBJECT: **SECOND READING OF ORDINANCE NO. 1158 – AMENDING TITLE III (ADMINISTRATION) TO ADD NEW CHAPTER 41 (ELECTRONIC RECORDS AND SIGNATURES) TO THE SANTA FE SPRINGS MUNICIPAL CODE AND DETERMINE THAT THE ACTION IS EXEMPT UNDER CEQA**

DATE: March 18, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Adopt Ordinance No. 1158:

   AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS, CALIFORNIA, AMENDING TITLE III (ADMINISTRATION) OF THE SANTA FE SPRINGS MUNICIPAL CODE ("SFSMC") BY ADDING A NEW CHAPTER 41 (ELECTRONIC RECORDS AND SIGNATURES) TO ESTABLISH A POLICY FOR THE USE OF ELECTRONIC RECORDS AND ELECTRONIC OR DIGITAL SIGNATURES

2) Take such additional, related action that may be desirable.

FISCAL IMPACT

N/A

BACKGROUND

Currently, the City of Santa Fe Springs has utilized traditional methods of maintaining and retaining records and for the signing of documents related to the normal course of conducting business for the City. The City desires to transition to a more "paperless"

agency, where appropriate, by allowing for the use of electronic records and electronic or digital signatures for documents between City staff and with external parties.

Staff recommends adopting the proposed Ordinance (Attachment A) to authorize the use of electronic records and electronic or digital signatures as an alternative method to retain and sign records and documents between City staff and external parties. In conformance with State law, the parties involved in the conduct of a transaction or communication would have to consent to conducting business electronically.

ANALYSIS

The proposed Ordinance will establish local standards authorizing the use of electronic records and electronic or digital signatures in the course of conducting business with City staff and external parties, when the parties have elected to do so.

ENVIRONMENTAL

This Ordinance is exempt from the California Environmental Quality Act (CEQA) (Pub. Res. Code § 21000 *et seq.*) pursuant to CEQA Guidelines (Cal. Code Regs., § 15000 *et seq.*) Section 15061(b)(3) under the general rule that CEQA does not apply to activities which can be seen with certainty to have no effect on the environment. The proposed actions would not create any environmental impacts, therefore no additional action under CEQA is required.

DISCUSSION

The State of California adopted the Uniform Electronic Transactions Act ("UETA") that provides rules and regulations pertaining to the use of electronic records and electronic signatures related to the transactions undertaken in the course of conducting business, commercial, and governmental affairs.

The City of Santa Fe Springs has introduced Ordinance No. 1158, establishing the requirements which would authorize the City to utilize electronic records and electronic or digital signatures in conformance with the UETA, as well as Government Code Section 16.5 and Section 22003 of Title 2, Division 7, Chapter 10 of the California Code of Regulations, as it pertains to digital signatures and the use of acceptable technology.

SUMMARY/NEXT STEPS

Staff is recommending that the City Council approve and adopt Ordinance No. 1158 to effectuate the proposed amendments to the text of the City's Municipal Code and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3).

ATTACHMENT(S):

A. Ordinance No. 1158

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

ORDINANCE NO. 1158

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS, CALIFORNIA, AMENDING TITLE III (ADMINISTRATION) OF THE SANTA FE SPRINGS MUNICIPAL CODE ("SFSMC") BY ADDING A NEW CHAPTER 41 (ELECTRONIC RECORDS AND SIGNATURES) TO ESTABLISH A POLICY FOR THE USE OF ELECTRONIC RECORDS AND ELECTRONIC OR DIGITAL SIGNATURES

RECITALS

WHEREAS, computer programs and digital signature technology have allowed for the creation and preservation of records in electronic form and the use of electronic or digital signatures to sign an electronic record in a quick, secure, and efficient manner; and

WHEREAS, pursuant to California Government Code Section 16.5, the City of Santa Fe Springs ("City") may elect to use a digital signature on any written communication where a signature is required or used and may accept a digital signature from another party, when created by an acceptable technology, for any written communications with the City; and

WHEREAS, the Uniform Electronic Transaction Act ("UETA") (Civil Code Section 1633.1 *et seq.*) was enacted to establish rules and procedures for the sending and receiving of electronic records and electronic signatures relating to a transaction; and

WHEREAS, pursuant to Civil Code Section 1633.7, a record or signature may not be denied legal effect or enforceability solely because it is in electronic form and a contract may not be denied legal effect or enforceability solely because an electronic record was used in its formation; and

WHEREAS, an electronic record or electronic signature will satisfy the law when it requires a record to be in writing or requires a signature; and

WHEREAS, the City has elected to authorize the use of an electronic or digital signature on any written communication within the City; and

WHEREAS, when the parties agree to conduct a transaction by electronic means, the City has elected to authorize the use and acceptance of an electronic or digital signature, where permitted, in the course of conducting a transaction between the City and another party; and

WHEREAS, the conditions under which the City of Santa Fe Springs will accept digital signatures on City documents shall comply with the requirements below, pursuant to California Government Code Section 16.5; Title 2, Division 7, Chapter 10 of the California Code of Regulations; and the Uniform Electronic Transactions Act, commencing at section 1633.1 of the California Civil Code.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The Recitals set forth above are true and correct and incorporated into this Ordinance.

SECTION 2. Title III (Administration) of the Santa Fe Springs Municipal Code is hereby amended by the addition of a new Chapter 41 (Electronic Records and Signatures) as follows (unless otherwise noted, where ~~Strikethrough Text~~ is language to be removed from the existing Code and Underline Text is language to be added to the Code):

CHAPTER 41. - ELECTRONIC RECORDS AND SIGNATURES

§ 41.01 DEFINITIONS. For the purposes of this Chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning. Whenever any words or phrases used in this Chapter are not defined in this section but are defined in Section 16.5 of the California Government Code, Section 22003 of Title 2, Division 7, Chapter 10 of the California Code of Regulations, or Section 1633.2 of the California Civil Code, such definitions are incorporated in this section and shall be deemed to apply to such words and phrases used herein as though set forth in this section in full:

"Certification Authority" means a person or entity that issues certification, or in the case of certain certificate processes, certifies amendments to an existing certificate.

"Digital signature" has the same meaning as in Section 16.5 of the California Government Code and as may be amended.

"Electronic record" has the same meaning as in Section 1633.2 of the California Civil Code.

"Electronic signature" has the same meaning as in Section 1633.2 of the California Civil Code.

"Signer" means the person who signs a digitally signed communication with the use of an acceptable technology to uniquely link the message with the person sending it.

"Technology" means the computer hardware and/or software-based method or process used to create the digital signature.

"UETA" means the Uniform Electronic Transactions Act, commencing at Section 1633.1 of the California Civil Code.

§ 41.02 APPLICABILITY AND PURPOSE. In any written communication or transaction with the City where a signature is required, any party to the

communication may use an electronic or digital signature, provided that it complies with the requirements of this Chapter. This Chapter is intended to enable the City to use electronic or digital signatures to the fullest extent allowed by the law, and does not limit the City's ability to use electronic records, electronic signatures, or digital signatures in any way.

§ 41.03 REQUIREMENTS. In any transaction or communication with the City for which the parties have elected to conduct the transaction or communication by electronic means, the following provisions shall apply:

(A) When a record is required to be in writing, an electronic record shall satisfy that requirement, if it is in accordance with the UETA.

(B) When a signature is required, the parties may agree that either:

(1) An electronic signature satisfies that requirement, if it is in accordance with the UETA; or

(2) A digital signature satisfies that requirement, if it is in accordance with Section 16.5 of the California Government Code.

(C) A digital signature shall include the following attributes:

(1) It is unique to the person using it.

(2) It is capable of verification.

(3) It is under the sole control of the signer.

(4) It is linked to data in such a manner that if the data changed, the digital signature is invalidated.

(5) It conforms to regulations adopted by the California Secretary of State at Title 2, Division 7, Chapter 10 of the California Code of Regulations, as the same may be modified from time to time.

(D) The technology used to create the digital signature shall meet the Secretary of State's acceptable technology requirements under Title 2, Division 7, Chapter 10, Section 22003 of the California Code of Regulations, as the same may be modified and amended from time to time.

(E) The City shall ensure that the level of security used to identify the signer of a document, and that the level of security used to transmit the signature, is sufficient for the transaction being conducted.

§ 41.04 POLICIES. The City Council, by resolution, may establish and amend such

policies as deemed necessary or desirable to expand upon the provisions of this Chapter, provided that such policies are consistent with the provisions of this Chapter.

§ 41.05 EXCLUDED TRANSACTIONS. The authorization conferred under this Chapter, shall not apply where the use of digital signatures or electronic signatures are prohibited by law or otherwise not governed by the UETA.

SECTION 3. CEQA. This Ordinance is exempt from the California Environmental Quality Act (CEQA) (Pub. Res. Code § 21000 *et seq.*) pursuant to CEQA Guidelines (Cal. Code Regs., § 15000 *et seq.*) Section 15061(b)(3) under the general rule that CEQA does not apply to activities which can be seen with certainty to have no effect on the environment. The proposed actions would not create any environmental impacts, therefore no additional action under CEQA is required.

This Ordinance is not subject to CEQA because it is not a "project" pursuant to CEQA Guidelines Section 15378(b)(2). The subsection provides that a "project" does not include "[c]ontinuing administrative or maintenance activities, such as purchases for supplies, personnel-related actions, general policy and procedural making…" As adopted, this Ordinance would establish general policies and procedures for the use of electronic records and electronic or digital signatures and therefore falls within the scope of activities not considered to be a "project" under the CEQA Guidelines. No additional action under CEQA is required.

SECTION 4. Clerical Errors. The City Council authorizes the City Attorney to make any clarifying changes necessary to this Ordinance including, but not limited to, typographical errors, irregular numbering and incorrect section references.

SECTION 5. Severability. If any section, subsection, sentence, clause, or phrase in this Ordinance, or any part thereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance or of Title III (Administration) of the SFSMC, or any part thereof. The City Council hereby declares that it would have each section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases may be declared invalid or unconstitutional.

SECTION 6. Effective Date. In accordance with Government Code Section 36937, this Ordinance shall take effect and be in force thirty (30) days from passage and adoption.

SECTION 7. Certification and Posting. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause it to be published or posted as required by law.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Santa

Fe Springs at a regular meeting held on the ____ day of March, 2025.

_____
William K. Rounds, Mayor

ATTEST:

_____
Fernando N. Muñoz, City Clerk

APPROVED AS TO FORM:

_____
Rick R. Olivarez, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF SAN FERNANDO)

I, FERNANDO N. MUÑOZ, City Clerk of the City of Santa Fe Springs, do hereby certify that the foregoing Ordinance was adopted at a regular meeting of the City Council held on the ___ day of March, 2025 and was carried by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Fernando N. Muñoz, City Clerk

ITEM # 14

CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Cuong Nguyen, Director of Community Development

SUBJECT: **AUTHORIZATION TO AWARD COMPREHENSIVE ZONING CODE UPDATE SERVICES (RFP 25-8) TO LISA WISE CONSULTING**

DATE: March 18, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1) Authorize the award of RFP 25-8 to Lisa Wise Consulting for the Comprehensive Zoning Code Update; and

2) Approve the Professional Service Agreement between the City of Santa Fe Springs and Lisa Wise Consulting; and

3) Take such additional, related action that may be desirable.

FISCAL IMPACT

The Comprehensive Zoning Code Update is anticipated to be a two-year endeavor with a total cost of $598,763.00. The approved Fiscal Year (FY) 2024-25 budget includes $300,000 in the Community Development Contractual Services Account No. 10103199-542050 to cover the initial year of the project costs. Additional appropriations for this project will be included in the FY 2025-26 and FY 2026-27 budget to cover the remaining balance.

BACKGROUND

The City of Santa Fe Springs City Council authorized the issuance of RFP 25-8 for the Comprehensive Zoning Code Update on November 12, 2024, to secure a qualified firm to assist with updating Chapter 155 (Zoning) of the City's Municipal Code. The goal of this initiative is to create a streamlined, user-friendly document that reflects contemporary land use and zoning practices while aligning with the goals of the City's latest General

Plan.

The RFP was advertised on November 13, 2024, with proposals due by December 19, 2024. The City received five proposals from highly qualified firms, with costs ranging from $256,980 to $665,540. A selection panel comprised of staff from Community Development, Fire-Rescue, and Parks & Recreation evaluated the proposals based on criteria such as qualifications, experience, proposed methodology, work samples, and cost-effectiveness.

The Comprehensive Zoning Code Update project seeks to engage a consulting firm with expertise in zoning and land use law, public engagement, and urban planning. The selected firm will collaborate with staff and the community to craft a Zoning Code that is clear, equitable, and aligned with the community's vision for future growth.

ANALYSIS

Following a thorough evaluation process, the selection committee selected Lisa Wise Consulting as the most qualified firm to undertake the Comprehensive Zoning Code Update project. Lisa Wise Consulting demonstrated a strong understanding of the City's needs and presented a well-structure approach that aligns with the City's goal of engaging the community throughout the process. Over the past five years, Lisa Wise Consulting has successfully completed Zoning Code updates for the Cities of Beaumont, Rancho Cucamonga, Milpitas, and Lompoc, among others. Their proven track record of working with public agencies, combined with their innovative approach to zoning and land use planning, makes them an ideal partner for this initiative.

Under this agreement, Lisa Wise Consulting will:

- Conduct a thorough review of the current Zoning Code, land use regulations, and comprehensive plans.
- Engage stakeholder, including residents, businesses, and City officials, to gather input.
- Develop an updated Zoning Code and land use regulations that align with the City's vision and goals.
- Coordinate with City departments and agencies to facilitate smooth implementation.
- Establish mechanisms for ongoing monitoring and evaluation to assess effectiveness and address emerging issues.

City staff is confident that Lisa Wise Consulting will help deliver a well-crafted Comprehensive Zoning Code Update that embodies the vision, values, and distinct identity of the Santa Fe Springs community. This initiative will advance the City's goals by streamlining the development review process, eliminating redundancies, and minimizing discretionary review requirements, fostering a more efficient and predictable regulatory framework.

ENVIRONMENTAL

NA

DISCUSSION

NA

SUMMARY/NEXT STEPS

Upon City Council approval of the contract with Lisa Wise Consulting, City staff will finalize the agreement and schedule a kickoff meeting to establish timelines, milestones, and deliverables. Staff will also initiate stakeholder engagement activities, such as workshops and surveys, to gather input from residents, businesses, and City officials. Additionally, City staff will provide regular progress updates to the City Manager's Office to ensure the Comprehensive Zoning Code Update stays on schedule and is completed within the established timeframe.

ATTACHMENT(S):

A. Lisa Wise Consulting Professional Services Agreement

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

CITY OF SANTA FE SPRINGS
PROFESSIONAL SERVICES AGREEMENT
WITH
LISA WISE CONSULTING

This Professional Services Agreement ("Agreement") is made and effective as of March 18, 2025 ("Effective Date"), by and between the City of Santa Fe Springs, a California municipal corporation, ("City") and Lisa Wise Consulting ("Consultant"). For the purposes of this Agreement, City and Consultant may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to City or Consultant interchangeably, as appropriate

RECITALS

WHEREAS, City requires professional consulting services for a Comprehensive Zoning Code Update (collectively, the "Project"); and

WHEREAS, City staff has determined that Consultant possesses the experience, skills, and training necessary to competently provide such services to City; and

WHEREAS, the execution of this Agreement was approved by the City of Santa Fe Springs City Council ("City Council") at its Regular Meeting of March 18, 2025;

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

AGREEMENT

1. TERM

This Agreement shall commence on the Effective Date and shall remain and continue in effect until March 18, 2027 ("Term"), or until services described herein are completed, unless sooner terminated pursuant to the provisions of this Agreement. This Agreement may be extended for one (1) additional, one (1) year term, if mutually agreed upon in writing.

2. SERVICES

Subject to the terms and conditions of this Agreement, Consultant shall perform the services and tasks described and set forth in the City's Request for Proposals, attached hereto as Exhibit A, and Consultant's Proposal, attached hereto as Exhibit B, both incorporated herein as though set forth in full ("Scope of Work"). Consultant further agrees to furnish to City all labor, materials, tools, supplies, equipment, services, tasks and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Scope of Work. Consultant shall complete the services and tasks set forth in the Scope of Work according to any schedule of performance set forth in Exhibit A. To the extent that Exhibit B contains provisions

inconsistent with this Agreement and/or Exhibit A, the provisions of this Agreement and Exhibit A shall govern. For the purposes of this Agreement, the aforementioned services and tasks set forth in the Scope of Work shall hereinafter be referred to generally by the capitalized term "Work."

3. PERFORMANCE

A. Time is of importance for this Agreement and every provision contained herein. The Work shall commence upon mutual consent of the Parties subsequent the City's issuance of a written Notice to Proceed. Consultant shall perform the various tasks identified in, and within the timeframes set forth in, the Scope of Work, and shall complete all of the Work in accordance with the schedule and timeline established by the Parties;

B. Consultant shall at all times faithfully, competently and to the best of Consultant's ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant under this Agreement;

C. Consultant shall not claim or be entitled to receive any compensation or damage because of the failure of Consultant, or its subconsultants, to have related services or tasks completed in a timely manner;

D. Consultant shall at all times enforce strict discipline and good order among Consultant's employees; and

E. Consultant, at its sole expense, shall pay all sales, consumer, use or other similar taxes required by law

4. PAYMENT OF COMPENSATION

A. Consultant's total compensation for the performance of all Work contemplated under this Agreement shall not exceed Five Hundred Ninety-Eight Thousand, Seven Hundred Sixty-Three Dollars ($598,763) during the Term of this Agreement unless additional payment is first approved as provided in this Agreement. In the event Consultant's charges are projected to exceed the Not-to-Exceed Sum prior to the expiration of this Agreement, City may suspend Consultant's performance for the relevant Work pending City approval of any anticipated expenditures in excess of the Not-to-Exceed Sum or any other City approved amendment to the compensation terms of this Agreement.

B. Consultant shall not be compensated for any Work rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager or his/her designee. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to in writing by

the City and Consultant at the time the City's written authorization is given to Consultant for the performance of said services.

C. The Not-to-Exceed Sum will be paid to Consultant in monthly increments as the Work is completed. Following the conclusion of each calendar month, Consultant will submit to City an itemized invoice indicating the services performed and tasks completed during the recently concluded calendar month, including services and tasks performed and the reimbursable out-of-pocket expenses incurred. Within thirty (30) calendar days of receipt of each invoice, City will notify Consultant in writing of any disputed amounts included in the invoice. Within forty-five (45) calendar days of receipt of each invoice, City will pay all undisputed amounts included on the invoice. City will not withhold applicable taxes or other authorized deductions from payments made to Consultant..

D. Consultant agrees to participate in the City's Electronic Funds Transfer program and to receive electronic payments for the Work.

5. ACCOUNTING RECORDS

Consultant will maintain complete and accurate records with respect to all matters covered under this Agreement for a period of three (3) years after the expiration or termination of this Agreement. City will have the right to access and examine such records, without charge, during normal business hours. City will further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

6. ABANDONMENT BY CONSULTANT

In the event Consultant ceases to perform the Work agreed to under this Agreement or otherwise abandons the undertaking contemplated herein prior to the expiration of this Agreement or prior to completion of any or all tasks set forth in the Scope of Work, Consultant will deliver to City immediately and without delay, all materials, records and other work product prepared or obtained by Consultant in the performance of this Agreement. Furthermore, Consultant will only be compensated for the reasonable value of the services, tasks and other Work performed up to the time of cessation or abandonment, less a deduction for any damages, costs or additional expenses which City may incur as a result of Consultant's cessation or abandonment.

7. CITY'S REPRESENTATIVE

City hereby designates the City Manager or Director of Community Development (the "City Representative") to act as its representative for the performance of this Agreement. The City Representative or his/her designee will act on behalf of the City for all purposes under this Agreement. Consultant will not accept directions or orders from any person other than the City Representative or his/her designee.

8. CONSULTANT REPRESENTATIVE

Consultant hereby designates Jennifer Murillo, Director, to act as its representative for the performance of this Agreement (the "Consultant Representative"). Consultant Representative will have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. Consultant Representative or his/her designee will supervise and direct the performance of the Work, using his best skill and attention, and will be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Agreement. Notice to the Consultant Representative will constitute notice to Consultant.

9. COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS

Consultant agrees to work closely with City staff in the performance of the Work and this Agreement and will be reasonably available to City staff and the City Representative at all reasonable times. All work prepared by Consultant will be subject to inspection and approval by City Representative or his or her designees.

10. STANDARD OF CARE; PERFORMANCE OF EMPLOYEES

Consultant represents, acknowledges and agrees to the following:

A. Consultant will perform all Work skillfully, competently and to the highest standards of Consultant's profession;

B. Consultant shall at all times employ such force, plant, materials, and tools as will be sufficient in the opinion of the City to perform the Services within the time limits established, and as provided herein. It is understood and agreed that said tools, equipment, apparatus, facilities, labor, and material shall be furnished and said Services performed and completed as required by the Agreement, and subject to the approval of the City's authorized representative;

C. Consultant will perform all Work in a manner reasonably satisfactory to the City;

D. Consultant will comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 et seq.). Consultant shall be liable for all violations of such laws and regulations in connection with Services. If Consultant performs any work knowing it to be contrary to such laws, rules and regulations, Consultant shall be solely responsible for all costs arising therefrom;

E. Consultant understands the nature and scope of the Work to be performed under this Agreement as well as any and all schedules of performance;

F. All of Consultant's employees and agents possess sufficient skill, knowledge, training and experience to perform those services and tasks assigned to them by

Consultant; and

G. All of Consultant's employees and agents (including, but not limited to, subcontractors and subconsultants) possess all licenses, permits, certificates, qualifications and approvals of whatever nature that are legally required to perform the tasks and services contemplated under this Agreement and all such licenses, permits, certificates, qualifications and approvals will be maintained throughout the term of this Agreement and made available to City for copying and inspection.

The Parties acknowledge and agree that Consultant will perform, at Consultant's own cost and expense and without any reimbursement from City, any services necessary to correct any errors or omissions caused by Consultant's failure to comply with the standard of care set forth under this Section or by any like failure on the part of Consultant's employees, agents, contractors, subcontractors and subconsultants. Such effort by Consultant to correct any errors or omissions will be commenced immediately upon their discovery by either Party and will be completed within seven (7) calendar days from the date of discovery or such other extended period of time authorized by the City Representative in writing and in her sole and absolute discretion. The Parties acknowledge and agree that City's acceptance of any work performed by Consultant or on Consultant's behalf will not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand and agree that City has relied upon the foregoing representations of Consultant, including but not limited to the representation that Consultant possesses the skills, training, knowledge and experience necessary to perform the Work skillfully, competently and to the highest standards of Consultant's profession.

11. ASSIGNMENT

The skills, training, knowledge and experience of Consultant are material to City's willingness to enter into this Agreement. Accordingly, City has an interest in the qualifications and capabilities of the person(s) who will perform the services and tasks to be undertaken by Consultant or on behalf of Consultant in the performance of this Agreement. In recognition of this interest, Consultant agrees that it will not assign or transfer, either directly or indirectly or by operation of law, this Agreement or the performance of any of Consultant's duties or obligations under this Agreement without the prior written consent of the City. In the absence of City's prior written consent, any attempted assignment or transfer will be ineffective, null and void and will constitute a material breach of this Agreement.

12. SUBSTITUTION OF KEY PERSONNEL

Consultant has represented to City that certain key personnel will perform and coordinate the Services under this agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for

cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the City. The key personnel for performance of this Agreement are as follows: Lisa Wise, AICP (Principal) and Jennifer Murillo (Project Manager).

13. CONTROL AND PAYMENT OF SUBORDINATES; INDEPENDENT CONTRACTOR

The Work will be performed by Consultant or under Consultant's strict supervision. Consultant will determine the means, methods and details of performing the Work subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Consultant reserves the right to perform similar or different services for other principals during the term of this Agreement, provided such work does not unduly interfere with Consultant's competent and timely performance of the Work contemplated under this Agreement and provided the performance of such services does not result in the unauthorized disclosure of City's confidential or proprietary information. Any additional personnel performing the Work under this Agreement on behalf of Consultant are not employees of City and will at all times be under Consultant's exclusive direction and control. Consultant will pay all wages, salaries and other amounts due to such personnel and will assume responsibility for all benefits, payroll taxes, Social Security and Medicare payments and the like. Consultant will be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like.

14. REMOVAL OF EMPLOYEES OR AGENTS

If any of Consultant's officers, employees, agents, contractors, subcontractors or subconsultants is determined by the City Representative to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to Consultant, a threat to persons or property, or if any of Consultant's officers, employees, agents, contractors, subcontractors or subconsultants fail or refuse to perform the Work in a manner acceptable to the City, such officer, employee, agent, contractor, subcontractor or subconsultant will be promptly removed by Consultant and will not be reassigned to perform any of the Work.

15. COMPLIANCE WITH LAWS

Consultant will keep itself informed of and in compliance with all applicable federal, state or local laws to the extent such laws control or otherwise govern the performance of the Work. Consultant's compliance with applicable laws will include, without limitation, compliance with all applicable Cal/OSHA requirements, Federal Labor Standards Provisions including the prevailing wage requirements of the DBRA, and all applicable

regulations of the U.S. Department of Housing and Urbanization.

16. NON-DISCRIMINATION

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

17. INDEPENDENT CONTRACTOR STATUS

The Parties acknowledge, understand and agree that Consultant and all persons retained or employed by Consultant are, and will at all times remain, wholly independent contractors and are not officials, officers, employees, departments or subdivisions of City. Consultant will be solely responsible for the negligent acts and/or omissions of its employees, agents, contractors, subcontractors and subconsultants. Consultant and all persons retained or employed by Consultant will have no authority, express or implied, to bind City in any manner, nor to incur any obligation, debt or liability of any kind on behalf of, or against, City, whether by contract or otherwise, unless such authority is expressly conferred to Consultant under this Agreement or is otherwise expressly conferred by City in writing.

18. INSURANCE

Prior to the beginning of and throughout the duration of the Work, Consultant will procure and maintain policies of insurance that meet the requirements and specifications set forth in **Exhibit C**. Consultant will procure and maintain the required insurance coverage, at its own expense.

19. INDEMNIFICATION

A. The Parties agree that City and City's elected and appointed officials, officers, employees, agents and volunteers (hereinafter, the "City Indemnitees") should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the City Indemnitees with the fullest protection possible under the law. Consultant acknowledges that City would not enter into this Agreement in the absence of Consultant's commitment to indemnify, defend and protect City as set forth herein. Notwithstanding the foregoing, to the extent Consultant's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to Claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its officials, officers, employees, agents or volunteers.

B. To the fullest extent permitted by law, Consultant shall indemnify, hold harmless and defend the City Indemnitees from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other costs, and fees of litigation) of every nature arising out of or in connection with Consultant's performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole negligence or willful misconduct of the City.

C. City shall have the right to offset against the amount of any compensation due to Consultant under this Agreement, any amount due to City from Consultant as a result of Consultant's failure to either pay City promptly for any costs associated with Consultant's obligations to indemnify the City Indemnitees under this Section, or related to Consultant's failure to either (i) pay taxes on amounts received pursuant to this Agreement, or (ii) comply with applicable workers' compensation laws.

D. The obligations of Consultant under this Section will not be limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City and City's elected and appointed officials, officers, employees, agents, and volunteers.

E. Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible and indemnify, hold harmless and defend City and City's elected and appointed officials, officers, employees, agents, and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant's subcontractors or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.

F. City does not and shall not waive any rights that it may possess against Consultant because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not

any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost, or expense.

G. This Section and all provisions contained herein (including but not limited to the duty to indemnify, defend, and hold free and harmless) shall survive the termination or normal expiration of this Agreement and is in addition to any other rights or remedies which the City may have at law or in equity.

20. TERMINATION WITHOUT CAUSE

City may immediately terminate this Agreement at any time for convenience and without cause by giving prior written notice of City's intent to terminate this Agreement which notice shall specify the effective date of such termination. Upon such termination for convenience, Consultant will be compensated only for those services and tasks which have been performed by Consultant up to the effective date of the termination. Consultant may not terminate this Agreement except for cause as provided under Section 21, below. If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and Data, as defined in Section 24, below, and other information of any kind prepared by Consultant in connection with the performance of the Work. Consultant will be required to provide such Documents and Data within fifteen (15) calendar days of City's written request. No actual or asserted breach of this Agreement on the part of City pursuant to Section 21, below, will operate to prohibit or otherwise restrict City's ability to terminate this Agreement for convenience as provided under this Section.

21. EVENTS OF DEFAULT; BREACH OF AGREEMENT

A. In the event either Party fails to perform any duty, obligation, service or task set forth under this Agreement (or fails to timely perform or properly perform any such duty, obligation, service or task set forth under this Agreement), an event of default (hereinafter, "Event of Default") will occur. For all Events of Default, the Party alleging an Event of Default will give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which will specify: (i) the nature of the Event of Default; (ii) the action required to cure the Event of Default; (iii) a date by which the Event of Default will be cured, which will not be less than the applicable cure period set forth herein, or if a cure is not reasonably possible within the applicable cure period, to begin such cure and diligently prosecute such cure to completion. The Event of Default will constitute a breach of this Agreement if the defaulting Party fails to cure the Event of Default within the applicable cure period or any extended cure period allowed under this Agreement.

B. Consultant will cure the Event of Default within the following time periods:

   i. Within ten (10) business days of City's issuance of a Default Notice for any failure of Consultant to timely provide City or City's employees or agents with any information and/or written reports, documentation or work product which Consultant is obligated to provide to City or City's employees or agents under this Agreement. Prior to the expiration of

the 10-day cure period, Consultant may submit a written request for additional time to cure the Event of Default upon a showing that Consultant has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 10-day cure period. The foregoing notwithstanding, City will be under no obligation to grant additional time for the cure of an Event of Default under this subsection B.i. that exceeds seven (7) calendar days from the end of the initial 10-day cure period; or

ii. Within fourteen (14) calendar days of City's issuance of a Default Notice for any other Event of Default under this Agreement. Prior to the expiration of the 14-day cure period, Consultant may submit a written request for additional time to cure the Event of Default upon a showing that Consultant has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 14-day cure period. The foregoing notwithstanding, City will be under no obligation to grant additional time for the cure of an Event of Default under this Subsection B.ii that exceeds thirty (30) calendar days from the end of the initial 14-day cure period.

In addition to any other failure on the part of Consultant to perform any duty, obligation, service or task set forth under this Agreement (or the failure to timely perform or properly perform any such duty, obligation, service or task), an Event of Default on the part of Consultant will include, but will not be limited to the following: (i) Consultant's refusal or failure to perform any of the services or tasks called for under the Scope of Work; (ii) Consultant's failure to fulfill or perform its obligations under this Agreement within the specified time or if no time is specified, within a reasonable time; (iii) Consultant's and/or its employees' disregard or violation of any federal, state, local law, rule, procedure or regulation; (iv) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to Consultant, whether voluntary of involuntary; (v) Consultant's refusal or failure to perform or observe any covenant, condition, obligation or provision of this Agreement; and/or (vii) CITY's discovery that a statement representation or warranty by Consultant relating to this Agreement is false, misleading or erroneous in any material respect.

C. City will cure any Event of Default asserted by Consultant within forty-five (45) calendar days of Consultant's issuance of a Default Notice, unless the Event of Default cannot reasonably be cured within the 45-day cure period. Prior to the expiration of the 45-day cure period, City may submit a written request for additional time to cure the Event of Default upon a showing that City has commenced its efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 45-day cure period. The foregoing notwithstanding, an Event of Default dealing with City's failure to timely pay any

undisputed sums to Consultant pursuant to this Agreement will be cured by City within five (5) calendar days from the date of Consultant's Default Notice to City.

D. City, in its sole and absolute discretion, may also immediately suspend Consultant's performance under this Agreement pending Consultant's cure of any Event of Default by giving Consultant written notice of City's intent to suspend Consultant's performance (hereinafter, a "Suspension Notice"). City may issue the Suspension Notice at any time upon the occurrence of an Event of Default. Upon such suspension, Consultant will be compensated only for those services and tasks which have been rendered by Consultant to the reasonable satisfaction of City up to the effective date of the suspension. No actual or asserted breach of this Agreement on the part of City will operate to prohibit or otherwise restrict City's ability to suspend this Agreement as provided herein.

E. No waiver of any Event of Default or breach under this Agreement will constitute a waiver of any other or subsequent Event of Default or breach. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.

F. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder will be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. In addition to any other remedies available to City at law or under this Agreement in the event of any breach of this Agreement, City, in its sole and absolute discretion, may also pursue any one or more of the following remedies:

    i. Upon written notice to Consultant, the City may immediately terminate this Agreement in whole or in part;

    ii. Upon written notice to Consultant, the City may extend the time of performance;

    iii. The City may proceed by appropriate court action to enforce the terms of the Agreement to recover damages for Consultant's breach of the Agreement or to terminate the Agreement; or

    iv. The City may exercise any other available and lawful right or remedy.

    Consultant will be liable for all legal fees plus other costs and expenses that City incurs upon a breach of this Agreement or in the City's exercise of its remedies under this Agreement.

G. In the event City is in breach of this Agreement, Consultant's sole remedy will be the suspension or termination of this Agreement and/or the recovery of any unpaid

sums lawfully owed to Consultant under this Agreement for completed services and tasks.

22. SCOPE OF WAIVER OF DEFAULT

No waiver of any default or breach under this Agreement will constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.

23. SURVIVING ARTICLES, SECTIONS AND PROVISIONS

The termination of this Agreement pursuant to any provision of this Agreement or by normal expiration of its term or any extension thereto will not operate to terminate any Section or provision contained herein which provides that it will survive the termination or normal expiration of this Agreement.

24. DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY

All Documents and Data will be and remain the property of City without restriction or limitation upon their use or dissemination by City. For purposes of this Agreement, the term "Documents and Data" means and includes all reports, analyses, correspondence, plans, designs, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of Consultant in the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically. This Agreement creates, at no cost to City, a perpetual license for City to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual property embodied in all Documents and Data. Consultant will require all subcontractors and subconsultants working on behalf of Consultant in the performance of this Agreement to agree in writing that City will be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any subcontractor or subconsultant as applies to Documents and Data prepared by Consultant in the performance of this Agreement.

25. CONFIDENTIALITY

All data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and will not be disclosed by Consultant without prior written consent by City. City will grant such consent of disclosure as legally required. Upon request, all City data will be returned to City upon the termination or expiration of this Agreement. Consultant will not use City's name or insignia, photographs, or any publicity pertaining to the Work in any magazine, trade

paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

26. FALSE CLAIMS ACT

Consultant warrants and represents that neither Consultant nor any person who is an officer of, in a managing position with, or has an ownership interest in Consultant has been determined by a court or tribunal of competent jurisdiction to have violated the False Claims Act, 31 U.S.C., Section 3789 et seq. and the California False Claims Act, Government Code Section 12650 et seq.

27. PROHIBITED INTERESTS

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

28. RELEASE OF INFORMATION

A. All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without the City's prior written authorization, unless the information is clearly public. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City Manager or designee, or unless requested by the City's attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the Services performed under this Agreement or relating to the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives the City notice of such court order or subpoena.

B. Consultant shall promptly notify the City should Consultant, its officers, employees, agents, and/or subconsultants be served with any summons, complaint, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the Services performed hereunder or with respect to any project or property located within the City, unless the City is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless Consultant is prohibited by law from

informing the City of such Discovery. The City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless the City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, the City's right to review any such response does not imply or mean the right by the City to control, direct, or rewrite said response, or that the City has an obligation to review any such response or verifies any response it has reviewed.

29. COOPERATION; FURTHER ACTS

The Parties will fully cooperate with one another and will take any additional acts or sign any additional documents as are reasonably necessary, appropriate or convenient to achieve the purposes of this Agreement.

30. SUBCONTRACTING

Consultant will not subcontract any portion of the Work required by this Agreement, except as expressly stated herein, without the prior written approval of City. Subcontracts (including without limitation subcontracts with subconsultants), if any, will contain a provision making them subject to all provisions stipulated in this Agreement, including provisions relating to insurance requirements and indemnification.

31. NOTICES

All notices permitted or required under this Agreement will be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

To the City:	City of Santa Fe Springs 11710 E. Telegraph Road Santa Fe Springs, CA 90670 Attention: City Clerk's Office
To Consultant:	Lisa Wise Consulting 983 Osos Street San Luis Obispo, CA 93401 Attention: Lisa Wise, AICP

Such notices will be deemed effective when personally delivered or successfully transmitted by facsimile as evidenced by a fax confirmation slip or when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepaid and addressed to the Party at its applicable address.

32. TIME IS OF THE ESSENCE

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

33. GOVERNING LAW

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City.

34. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

35. FORCE MAJEURE

The Completion Date shall be extended in the event of any delays due to unforeseeable causes beyond the control of Consultant and without the fault or negligence of Consultant, including but not limited to severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall within three (3) calendar days of the commencement of such delay notify the City Representative in writing of the causes of the delay. The City Representative shall ascertain the facts and the extent of delay and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the City Representative such delay is justified. The City Representative's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

36. AMENDMENTS; MODIFICATIONS

No amendment, modification or supplement of this Agreement will be valid or binding unless executed in writing and signed by both Parties, subject to City approval. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver will be void and invalid.

37. NON-EXCLUSIVE AGREEMENT

Consultant acknowledges that the City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

38. ATTORNEYS' FEES

In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

39. NO THIRD-PARTY BENEFIT

There are no intended third-party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.

40. SUCCESSORS AND ASSIGNS

This Agreement will be binding on the successors and assigns of the Parties

41. CONSTRUCTION

The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

42. WAIVER

The delay or failure of any party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

43. SEVERABILITY

If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired,

which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

44. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

45. AUTHORITY TO EXECUTE THIS AGREEMENT

The persons executing this Agreement on behalf of the parties warrant and represents that they have the authority to execute this Agreement on behalf of said parties and has the authority to bind the parties to the provisions of this Agreement.

46. ELECTRONIC SIGNATURES

The parties acknowledge and agree that execution of this Agreement by electronic signature or electronic transmittal of signatures shall have the same effect as handwritten signatures for the purposes of validity, enforceability, and admissibility.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF SANTA FE SPRINGS

_____

Date: _____

ATTEST:

_____
Fernando Munoz, Deputy City Clerk

CONSULTANT

Name: Lisa Wise, AICP
Title: President, CEO
Date: 03/03/2025

CONSULTANT

_____
Name: Henry Pontarelli
Title: Vice President, Secretary
Date: 03/03/2025

APPROVED AS TO FORM:

_____
Rick Olivarez, City Attorney

Attachments:	Exhibit A	City's Request for Proposals
	Exhibit B	Consultant's Proposal
	Exhibit C	Insurance Requirements

EXHIBIT A

CITY'S REQUEST FOR PROPOSALS

EXHIBIT B

CONSULTANT'S PROPOSAL

EXHIBIT C

INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of the City, and prior to commencement of Services, Consultant shall obtain, provide, and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to the City. If Consultant maintains higher limits than the minimum limits shown below, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Commercial General Liability Insurance. Consultant shall procure and maintain commercial general liability insurance ("CGL Coverage") with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than One Million Dollars ($1,000,000.00) per occurrence, Two Million Dollars ($2,000,000.00) general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile Liability Insurance. Consultant shall procure and maintain automobile liability insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than One Million Dollars ($1,000,000.00) per accident for bodily injury and property damage.

Professional Liability (Errors & Omissions) Insurance. For the full term of this Agreement and for a period of three (3) years thereafter, Consultant shall procure and maintain professional liability insurance appropriate to Consultant's profession. Such coverage shall have the minimum limits of no less than One Million Dollars ($1,000,000.00) per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

Workers' Compensation Insurance. Consultant shall procure and maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least One Million Dollars ($1,000,000.00) per accident for bodily injury or disease), which will indemnify, insure and provide legal defense for both Consultant and City against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by Consultant in the course of carrying out the Work contemplated in this Agreement.

Consultant shall submit to the City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the City, its officers, agents, employees, and volunteers.

Umbrella or Excess Liability Insurance. Consultant shall obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies;
- Policies shall "follow form" to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

Other provisions or requirements

Proof of insurance. Consultant shall provide certificates of insurance to the City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by the City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement. The City reserves the right to require complete, certified copies of all required insurance policies at any time.

Duration of coverage. Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, or Consultant's agents, representatives, employees or subconsultants.

Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by the City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

The City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced,

the City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by the City will be promptly reimbursed by Consultant or the City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, the City may immediately terminate this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against the City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against the City and shall require similar written express waivers and insurance clauses from each of its subconsultants.

Enforcement of Agreement provisions (non estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Agreement are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to the City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that the City and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to the City and approved of in writing.

Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass through clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the Services who is brought onto or involved in the Services by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subconsultants, and others engaged in the Services will be submitted to the City for review.

The City's right to revise specifications. The City reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by giving Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to Consultant, City and Consultant may renegotiate Consultant's compensation or come to some other agreement to address the additional cost.

Self-insured retentions. Any self-insured retentions must be declared to and approved by the City. The City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the City.

Timely notice of claims. Consultant shall give the City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Services.

Failure to Maintain Coverage. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced immediately so as to avoid a lapse in the required coverage, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement effective upon notice.

ITEM # 15

CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Cuong Nguyen, Director of Community Development

SUBJECT: **2024 HOUSING ELEMENT ANNUAL PROGRESS REPORT**

DATE: March 18, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Find that the preparation, review, and submission of the 2024 Housing Element Annual Progress Report is not subject to the California Environmental Quality Act (CEQA), as the actions are not a project as defined by Section 15378(b)(2) of the Public Resources Code; and

2) Receive and file the 2024 Housing Element Annual Progress Report; and

3) Authorize staff to submit the 2024 Housing Element Annual Progress Report to the California Department of Housing and Community Development (HCD) and to the Governor's Office of Planning and Research (OPR).

FISCAL IMPACT:

There is no financial impact associated with the submission of the City's 2024 Housing Element Annual Progress Report to OPR and HCD. By filing the Report with OPR and HCD, the City will be in compliance with Government Code Section 65400.

BACKGROUND:

Government Code Section 65400 requires each city to submit an Annual Progress Report (APR) on the status of implementing the Housing Element of its General Plan. The APR must be submitted to the California Department of Housing and Community Development (HCD) and the Governor's Office of Planning and Research (OPR) to:

- Tracking the City's progress in meeting its Regional Housing Needs Allocation (RHNA).
- Assist OPR in identifying statewide trends in land use planning.
- Evaluate how local planning activities relate to statewide planning goals and policies.
- Identify potential improvements to General Plan guidelines.

The Southern California Association of Governments (SCAG) determines each jurisdiction's share of the regional housing needs through the RHNA process. For the 2021-2029 planning period (6th Cycle), SCAG allocated 952 new dwelling units to Santa Fe Springs, categorized by income category.

On February 8, 2022, the City Council adopted the Santa Fe Springs 2040 General Plan, including the 2021-2029 Housing Element and Implementation Plan. The 2024 Housing Element Annual Progress Report (Attachment A) summarizes the City's housing implementation measures completed between January 1, 2024, and December 31, 2024, and does not reflect any changes or updates that may have occurred since.

ENVIRONMENTAL:

The Housing Element Annual Progress Report is not subject to CEQA, as the actions are not a project as defined in Section 15378(b)(2) of the Public Resources Code.

DISCUSSION:

HCD provided mandatory forms (Excel spreadsheets) and definitions for the Housing Element APR. The completed forms are included as Attachment A of the staff report and will be submitted to HCD and OPR in electronic format.

The Housing Element APR requires the City to report:

- All housing applications submitted in 2024 (Table A).
- All housing applications with a net increase in units approved and finalized in 2024 (Table A2).

Table A2 is the largest worksheet in the APR, containing 49 columns of information related to residential units that have been entitled, issued building permits, or completed construction in 2024. The table also includes information about the affordability of the units. In summary, Table A2 indicates that the City entitled 15 housing units, issued building permits for 17 housing units, and issued certificates of occupancy for 54 housing units. All building permits issued were for accessory dwelling unit (ADU) projects. The housing units that were issued certificates of occupancy include The Whole Child and a portion of the Melia Homes project.

The permits approved and reported in Table A2 are automatically populated in Table B, which tracks the number of units for which permits were issued to demonstrate progress towards the City's RHNA goal. Housing production for the 6th Cycle RHNA allocation is best summarized by Table B, which is excerpted below.

Table B Summary: Regional Housing Needs Allocation Progress							
Permitted Units Issued by Affordability							
Income Level	**RHNA**	**2021**	**2022**	**2023**	**2024**	**Total to Date**	**Remaining RHNA**
Very Low	253	-	1	89	6	96	157
Low	159	2	4	30	6	42	117
Moderate	152	2	8	7		17	135
Above Moderate	388	-	-	58	5	63	325
Total RHNA	**952**						
Total Units Produced		1	13	184	17	218	734

Table D of the Housing Element APR provides an update on the status and progress of each of the City's 23 programs that implement the Housing Element Program during the reporting period. Table H lists the two City-owned surplus sites included in the housing sites inventory. The Local Early Action Planning (LEAP) reporting table provides an update on the status of the City's LEAP-funded projects. All LEAP tasks were completed in 2024, culminating with HCD certification of the 2021-2029 Housing Element on October 28, 2024.

The Housing Element APR also includes blank tables requiring information that is not applicable to the City of Santa Fe Springs or was not collected during the 2024 reporting period. As a result, the following tables have been left blank:

- Tables C (sites identified or rezoned to accommodate shortfall housing need and no net-loss law)
- Table E (commercial development bonus approved)
- Table F (units rehabilitated, preserved or acquired for alternative adequate sites)
- Table F2 (above moderate income units converted to moderate income)
- Table G (locally owned sites in the Housing Element Site Inventory that have been sold or leased)
- Table J (student housing development)

SUMMARY/NEXT STEPS:

Following the City Council's review, staff will submit the 2024 Housing Element Annual Progress Report to the California Department of Housing and Community Development (HCD) and to the Governor's Office of Planning and Research (OPR), as required by State law.

ATTACHMENT:

A. 2024 Housing Element Annual Progress Report

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

Jurisdiction	Santa Fe Springs	
Reporting Year	2024	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	10/15/2021 - 10/15/2029

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

Table A
Housing Development Applications Submitted

Project Identifier					Unit Types		Date Application Submitted	Proposed Units - Affordability by Household Incomes								Total Approved Units by Project	Total Disapproved Units by Project	Streamlining	Density Bo Applica
1					2	3	4	5							6	7	8	9	10
Prior APN+	Current APN	Street Address	Project Name+	Local Jurisdiction Tracking ID	Unit Category (SFA,SFD,2 to 4,5+,ADU,MH)	Tenure R=Renter O=Owner	Date Application Submitted (see instructions)	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Total PROPOSED Units by Project	Total APPROVED Units by project	Total DISAPPROVED Units by Project	Please select state streamlining provision/s the application was submitted pursuant to.	Did the housing development application seek incentives or concessions pursuant to Government Code section 65915?
Summary Row: Start Data Entry Below								0	3	0	7	0	0	6	16	15	0		
	8008-018-038	11702 Glenworth		ADU 01-2024	ADU	O	3/7/2024		1						1	1		NONE	No
	8007-002-008	10013 Cedardale		ADU 02-2024	ADU	R	2/21/2024							1	1	1		NONE	No
	8008-007-031	11554 Davenrich		ADU 04-2024	ADU	O	4/8/2024		1						1	1		NONE	No
	8005-004-031	11649 Sunglow		ADU 05-2024	ADU	R	5/23/2024				1			1	2	2		SB 9 (2021) - Duplex in SF Zone	No
	8006-024-009	9508 Bradwell		ADU 06-2024	ADU	O	5/14/2024				1				1	1		NONE	No
	8017-015-028	11212 Ringwood		ADU 07-2024	ADU	R	6/6/2024				1				1	1		NONE	No
	8007-021-016	10235 Orr and Day		ADU 08-2024	ADU	R	6/10/2024							1	1	1		NONE	No
	8007-008-005	10050 Harvest		ADU 09-2024	ADU	O	8/5/2024				1				1	1		NONE	No
	8017-015-014	11426 Cecilia		ADU 11-2024	ADU	O	8/8/2024				1				1	1		NONE	No
	8017-012-001	10803 Ringwood		ADU 12-2024	ADU	R	8/13/2024							1	1	1		NONE	No
	8007-014-026	10984 Davenrich		ADU 13-2024	ADU	R	8/22/2024				1				1	1		NONE	No
	8008-025-045	10358 Jersey		ADU 14-2024	ADU	O	10/15/2024		1					1	2	1		NONE	No
	8007-024-003	10357 Gridley		ADU 15-2024	ADU	O	11/4/2024				1				1	1		NONE	No
	8008-027-001	10030 Jersey		ADU 17-2024	ADU	R	12/3/2024							1	1	1		NONE	No
															0				
															0				
															0				
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Jurisdiction	Santa Fe Springs	
Reporting Year	2024	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	10/15/2021 - 10/15/2029

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

Note: "+" indicates an optional field

Cells in grey contain auto-calculation formulas

Table A2

Annual Building Activity Report Summary - New Construction, Entitled, Permits and Completed Units

Project Identifier					Unit Types		Affordability by Household Incomes - Completed Entitlement									Affordability by Household Incomes - Building Permits										
1					2	3	4							5	6	7								8	9	
Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID	Unit Category (SFA,SFD,2 to 4,5+,ADU,MH)	Tenure R=Renter O=Owner	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low- Income Deed Restricted	Low- Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Entitlement Date Approved	# of Units issued Entitlements	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Building Permits Date Issued	# of Units Issued Building Permits	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted
Summary Row: Start Data Entry Below							0	3	0	7	0	0	5		15	0	6	0	6	0	0	5		17	0	2
	8007-022-051	10424 1/2 Gridley		ADU 10-2022	ADU	R						1		12/22/2022	1						1		4/5/2023	1		
	8008-007-023	11530 1/2 Davenrich		ADU 02-2022	ADU	R							1	3/8/2022	1							1	9/10/2024	1		
	8008-029-001	11765 1/2 Dunning		ADU 17-2023	ADU	R		1						10/31/2023	1		1						1/1/2024	1		1
	8008-023-002	11761 1/2 Idalene St		ADU 18-2023	ADU	R		1						11/1/2023	1		1						2/28/2024	1		1
	8008-007-031	11554 1/2 Davenrich		ADU 04-2024	ADU	O		1						4/8/2024	1		1						4/8/2024	1		
	8008-018-038	11702 1/2 Glenworth		ADU 01-2024	ADU	O		1						3/7/2024	1		1						5/20/2024	1		
	8001-021-041	9114 1/2 Flallon		ADU 19-2023	ADU	O				1				10/25/2023	1				1				7/1/2024	1		
	8007-022-030	10315 1/2 Orr and Day		ADU 13-2021	ADU	R							1	8/27/2021	1							1	7/10/2024	1		
	8002-009-008	9120 1/2 Corby		ADU 15-2023	ADU	R							1	9/18/2023	1							1	8/5/2024	1		
	8006-022-013	11305 1/2 Flossmoor Rd		ADU 05-2023	ADU	O				1				5/22/2023	1				1				8/6/2024	1		
	8017-010-027	11532 1/2 Buell		ADU 11-2023	ADU	R							1	7/24/2023	1							1	8/7/2024	1		
	8017-014-002	11560 1/2 Cecilia		ADU 10-2023	ADU	O		1					1	7/3/2023	2		1						8/15/2024	1		
	8007-002-008	10013 Cedardale		ADU 02-2024	ADU	R							1	2/21/2024	1									0		
	8005-004-031	11649 Sunglow		ADU 05-2024	ADU	R				1			1	5/23/2024	2				1			1	9/23/2024	2		
	8006-024-009	9508 1/2 Bradwell		ADU 06-2024	ADU	O				1				5/14/2024	1				1				10/31/2024	1		
	8017-015-028	11212 1/2 Ringwood		ADU 07-2024	ADU	R				1				6/6/2024	1				1				9/17/2024	1		
	8007-021-016	10235 Orr and Day		ADU 08-2024	ADU	R							1	6/10/2024	1									0		
	8007-008-005	10050 Harvest		ADU 09-2024	ADU	O				1				8/5/2024	1									0		
	8017-015-014	11426 1/2 Cecilia		ADU 11-2024	ADU	O				1				8/8/2024	1				1				10/23/2024	1		
	8017-012-001	10803 Ringwood		ADU 12-2024	ADU	R							1	8/13/2024	1									0		
	8007-014-026	10984 Davenrich		ADU 13-2024	ADU	R				1				8/22/2024	1									0		
	8008-025-045	10358 1/2 Jersey		ADU 14-2024	ADU	O		1						10/15/2024	1		1						10/15/2024	1		
	8007-024-003	10357 Gridley		ADU 15-2024	ADU	O				1				11/4/2024	1									0		
	8008-027-001	10030 Jersey		ADU 17-2024	ADU	R							1	12/3/2024	1									0		
	8011-012-902	10951 Laurel	The Whole Child - Interim Housing	DPA 974	5+	R			18				1	1/24/2022	19			18				1	8/11/2023	19		
	8008-017-014	11733 Florence Avenue	Melia Homes	DPA 982	5+	O							54	2/8/2022	54							54	3/14/2023	54		

Affordability by Household Incomes - Certificates of Occupancy								Streamlining	Infill	Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions	Term of Affordability or Deed Restriction	Demolished/Destroyed Units			Density Bonus				Notes
10					11	12	13	14	15	16	17	18	19	20			21	22	23	24	25
Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Certificates of Occupancy or other forms of readiness (see instructions) Date Issued	# of Units issued Certificates of Occupancy or other forms of readiness	How many of the units were Extremely Low Income?	Please select the state streamlining provision the project was APPROVED pursuant to. (may select multiple)	Infill Units? Y/N*	Assistance Programs for Each Development (may select multiple - see instructions)	Deed Restriction Type (may select multiple - see instructions)	For units affordable without financial assistance or deed restrictions, explain how the locality determined the units were affordable (see instructions)	Term of Affordability or Deed Restriction (years) (if affordable in perpetuity enter 1000)*	Number of Demolished/Destroyed Units	Demolished or Destroyed Units	Demolished/ Destroyed Units Owner or Renter	Total Density Bonus Applied to the Project (Percentage Increase in Total Allowable Units or Total Maximum Allowable Residential Gross Floor Area)	Number of Other Incentives, Concessions, Waivers, or Other Modifications Given to the Project (Excluding Parking Waivers or Parking Reductions)	List the incentives, concessions, waivers, and modifications (Excluding Parking Waivers or Parking Modifications)	Did the project receive a reduction or waiver of parking standards? (Y/N)	Notes*
18	0	0	1	33		54	2							0							
			1		6/13/2024	1	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
					4/24/2024	1	1	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
					9/9/2024	1	1	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
				1	1/7/2025	1	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	SB 9 (2021) - Duplex in SF Zone	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
						0	0	NONE	Y			Based on percentages of affordable ADUs found in SCAG report for LA County II									
18				1	12/12/2024	19	0	NONE	Y	CDLAC, RDA, Other	Other		55								
				32	7/2/2024	32	0	NONE	Y												

Jurisdiction	Santa Fe Springs	
Reporting Year	2024	(Jan. 1 - Dec. 31)
Planning Period	6th Cycle	10/15/2021 - 10/15/2029

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.

Please contact HCD if your data is different than the material supplied here

Table B
Regional Housing Needs Allocation Progress
Permitted Units Issued by Affordability

		1	Projection Period	2									3	4
Income Level		**RHNA Allocation by Income Level**	**Projection Period - 06/30/2021-10/14/2021**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**Total Units to Date (all years)**	**Total Remaining RHNA by Income Level**
Very Low	Deed Restricted	253	-	-	1	89	-	-	-	-	-	-	96	**157**
	Non-Deed Restricted		-	-	-	-	6	-	-	-	-	-		
Low	Deed Restricted	159	1	1	4	30	-	-	-	-	-	-	42	**117**
	Non-Deed Restricted		-	-	-	-	6	-	-	-	-	-		
Moderate	Deed Restricted	152	2	-	8	7	-	-	-	-	-	-	17	**135**
	Non-Deed Restricted		-	-	-	-	-	-	-	-	-	-		
Above Moderate		388	-	-	-	58	5	-	-	-	-	-	63	**325**
Total RHNA		**952**												
Total Units			**3**	**1**	**13**	**184**	**17**	**-**	**-**	**-**	**-**	**-**	**218**	**734**

Progress toward extremely low-income housing need, as determined pursuant to Government Code 65583(a)(1).

	5		2021	2022	2023	2024	2025	2026	2027	2028	2029	6	7
	Extremely low-Income Need											**Total Units to Date**	**Total Units Remaining**
Extremely Low-Income Units*	127		-	1	23	2	-	-	-	-	-	**26**	**101**

*Extremely low-income housing need determined pursuant to Government Code 65583(a)(1). Value in Section 5 is default value, assumed to be half of the very low-income RHNA. May be overwritten.

Please Note: Table B does not currently contain data from Table F or Table F2 for prior years. You may login to the APR system to see Table B that contains this data.

Note: units serving extremely low-income households are included in the very low-income RHNA progress and must be reported as very low-income units in section 7 of Table A2. They must also be reported in the extremely low-income category (section 13) in Table A2 to be counted as progress toward meeting the extremely low-income housing need determined pursuant to Government Code 65583(a)(1).

Please note: For the last year of the 5th cycle, Table B will only include units that were permitted during the portion of the year that was in the 5th cycle. For the first year of the 6th cycle, Table B will only include units that were permitted since the start of the planning period. Projection Period units are in a separate column.

Please note: The APR form can only display data for one planning period. To view progress for a different planning period, you may login to HCD's online APR system, or contact HCD staff at apr@hcd.ca.gov.

VLI Deed Restricted
VLI Non Deed Restricted
LI Deed Restricted
LI Non Deed Restricted
MI Deed Restricted
MI Non Deed Restricted
Above Mod Income

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

Jurisdiction	Santa Fe Springs	
Reporting Year	2024	(Jan. 1 - Dec. 31)

Table D

Program Implementation Status pursuant to GC Section 65583

Housing Programs Progress Report

Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.

1	2	3	4
Name of Program	**Objective**	**Timeframe in H.E**	**Status of Program Implementation**
1. Home Improvement Rebate Program	Pursue outside funding, such as CDBG or other viable financial sources, to support re-initiation of the Home Improvement Rebate Program. Re-evaluate program guidelines in light of funding constraints to ensure an effective program. Seek to assist a minimum of 12 lower income households and four extremely low income households. Additionally, work with non-profit organizations to obtain financial assistance to rehabilitate dwellings owned or rented by lower-income households.	Re-initiate program in 2022; outreach to non-profit organizations on annual basis; and ongoing	When redevelopment was dissolved, the Home Improvement Rebate Program was eliminated, but the City continued to re-evaluate the long-term viability of the program, including the possible use of CDBD funding. On November 15, 2022 , the City Council approved $104,000 of CDBG funds for a Home Improvement Grant Program. The program provides financial assistance in the form of grants of up to $20,000 to low income households for the rehabilitation of owner-occupied, single-family dwellings, condominiums, townhomes, mobile homes, and 1-4 unit rental properties. Through an RFP process, Willdan was selected to administer the program. The City is currently working with 4 low income homeowners to make needed repairs to their homes.
2. Property Maintenance Program	Continue to bring properties into compliance with the City's Property Maintenance Ordinance; provide information on available rehabilitation assistance. Seek to complete 80 residential Code Enforcement inspections annually.	2021-2029	During calendar year 2024, the City processed a total of 144 residential code enforcement cases.
3. Sale of HARP Properties	Transfer ownership of HARP properties to a non-profit for provision of first-time homebuyer units. Seek to provide one moderate income unit.	2021-2029	The City has a vacat lot at 9257 Millergrove Drive. The City is working to subdivide the property to build two single family homes. The City will then design and build the homes using the adjacent greenbelt area.
4. Homebuyer Assistance Programs	Advertise the availability of the Los Angeles County Homeownership Program (HOP), the Southern California Home Financing Authority (SCHFA) homeownership assistance programs, and the Mortgage Credit Certificate (MCC) Program.	Update advertising materials by 2022, and ongoing thereafter.	The City provides a description of the HOP, SCHFA, and MCC programs on its website, along with links to the programs on the Los Angeles County Development Authority (LACDA) website with program application information and dates for homebuyer seminars.
5. Affordable Housing Assistance	Encourage and facilitate affordable housing development in Santa Fe Springs—including housing for extremely low-, very low-, and low-income households— by providing incentives to private developers along with information regarding the availability of funding through Federal and State housing assistance programs. Assist with the development of thtree (3) affordable housing projects.	Outreach to affordable housing developers on an annual basis and ongoing.	In 2022, the City entered into a Purchase and Sale Agreement with Habitat For Humanity, The Whole Child, and The Richman Group of California (Richman Group) to develop 139 units of affordable housing on Housing Successor Agency-owned property. Planning entitlements were approved for both The Whole Child and Richman Group projects in 2022 and Habitat For Humanity received Planning Commission approval for their 18 units of affordable for-sale housing in May 2023. The Whole Child recieved certificates of occupancy for their 19 units in 2024. The Richman Group of California is nearing construction of their 102 units of lower-income housing and expect certificates of occupany in 2025.
6. Residential Sites Inventory and Monitoring of No Net Loss	Monitor the status of potential sites to ensure adequate sites to accommodate the City's entire RHNA allocation of 952 units (253 very low income, 159 low income, 152 moderate income, and 388 above moderate income) during the 2021-2029 planning period, and continue to provide site information to interested developers.	Ongoing; annual assessment of status of housing sites inventory as part of the Housing Element annual progress reporting process to HCD and OPR.	The City has submitted and will continue to submit its Annual Report for each year of the 2021-2029 Housing Element planning period. The City has been monitoring its site inventory in conjunction with this process to ensure the continued availability of adequate site capacity to meet its RHNA allocation.

7. Accessory Dwelling Units (ADUs)	Pursue several strategies to promote ADU production, which include: 1) prepare pre-approved ADU design templates, available at no charge to applicants; 2) promote development of ADUs by providing written information at the City's planning counter and on the City's website; 3) monitor ADU permit applications and approvals through the Housing Element Annual Progress Report process and identify and implement additional incentives or other strategies, as appropriate; and 4) establish an ADU "amnesty" program to allow existing unpermitted units to comply with code standards without penalty, helping to preserve accessory units. Produce 125 ADUs during the planning period.	Implement ADU production strategies within two years of Housing Element adoption; annual monitoring thereafter.	In 2024, the City entitled 15 ADUs, issued permits for 17 ADUs, and issued COOs for 4 ADUs. The city website was updated to include information about ADU laws taking effect in 2024.
8. Healthy and Sustainable Living Environment	Encourage and facilitate energy conservation and building design strategies to help residents minimize energy-related expenses and impacts from transportation corridors and industrial uses.	Update energy conservation information available one year after adoption of the Housing Element, and ongoing thereafter.	The City website provides information on the California Green Building Code, along with links to a number of websites for sustainability tips and resources, including information about recycling, proper disposal of electronic waste, and energy and water conservation rebates.
9. Section 8 Rental Assistance Program	Continue participation in program administered by the Los Angeles County Development Authority (LACDA). Promote the use of the Section 8 Program with the goal of maintaining at least the current level of assistance (219 voucher holders)	Continue to promote the Section 8 Program to residents and property owners through dissemination of brochures at public counters, providing information on the City's website, and referring residents and property owners to the LACDA. Discuss program with landlords in conjunction with possible annual rental inspections.	The City does not administer its own Section 8 Program, but instead, the City provides a description of the Section 8 Program on its website, along with a link to the program on the LACDA website with program application information.
10. Preservation of Assisted Rental Housing	Monitor at-risk properties; as necessary, pursue alternative funding for rent subsidies and provide tenant education. Conserve 34 units of low-income housing.	Contact owners/operators annually and ongoing	Santa Fe Springs contained one project at risk of conversion to market rate during the 2021-2029 planning period: Villa Verde (34 units). On June 15, 2022, the Villa Verde project received an award of private activity bond allocation from the California Debt Limit Allocation Committee, enabling the Villa Verde Housing Partners to preserve the affordability of the project for an additional 55 years. As a result, this project's affordability was extended from 2022 to 2077 and is no longer at-risk of conversion to market rate.
11. Zoning Code Revisions	Undertake multiple Zoning Code revisions required to create adequate zoning capacity to achieve the City's RHNA allocation of 925 units.	Establish new mixed-use zones and R-3 zone regulations in parallel with Housing Element adoption; adopt other amendments within two years of Housing Element adoption	The new mixed use zones and R-3 zone regulations were establshed in conjunction with the initial adoption of the 2021-2029 Housing Element in February 2022. The mixed use and R-3 development standards were adopted into the Zoning Code on September 5, 2023. The nonconforming provisions were comprehensively updated and adopted on August 20, 2024.
12. Density Bonus	Promote the use of density bonus incentives and provide technical assistance to developers in utilizing density bonus for maximize feasibility and meet local housing needs. Amend the existing density bonus ordinance to become fully compliant with Government Code §65915.	Amend ordinance within two years of Housing Element adoption; ongoing promotion of density incentives thereafter.	The City last amended its ordinance in 2017 for consistency with changes in State density bonus law, effective January 1, 2017. The City intends to further update the ordinance to become fully compliant with more recent changes in the State density bonus law.
13. CEQA Exemptions for Infill Projects	Continue to utilize CEQA categorical exemptions where appropriate, on a case-by-case basis.	2021-2029	No categorical exemptions were used for residential infill projects during 2024 because all housing projects were processed ministerially.
14. Objective Design Standards	Adopt objective design standards to ensure that the City can provide local guidance on design and standards for by-right projects as allowed by State law.	Adopt standards within two years of Housing Element adoption.	Objective Development Standards for the Medium Density Residential, High Density, Mixed Use and Mixed Use TOD zones were formulated and presented to the Planning Commission and City Council on September 5, 2023.
15. Inclusionary Housing Ordinance	Adopt an inclusionary housing ordinance requiring residential rental housing developments to include a specified percentage of affordable units as a condition of development.	Within three years of Housing Element adoption.	The drafting, supporting economic feasibility analysis, and adoption of the ordinance will be completed within three years of adopting the final Housing Element.
16. Affirmatively Furthering Fair Housing (AFFH)	Promote and affirmatively further fair housing opportunities and promote housing for all persons, including those protected by the California Fair Employment and Housing Act and any other State and federal fair housing and planning laws.	The Housing Element identifies 12 AFFH Actions to be carried out over the 2021-2029 planning period to address fair housing issues and the contributing factors .	Execution of the AFFH actions/strategies identified in the Housing Element has commenced and will continue over the course of the planning period. Brochures about fair housing services provided in Santa Fe Springs through the Housing Rights Center are provided at City Hall.

17. Social Service Programs for Special Needs Groups	**Maintain proactive social service programs; augment services as directed by the Social Services and Senior Citizen Advisory Committees.**	**2021-2029**	**The City maintains active social services programs for its residents, mainly through its Community Services Department.**
18. Housing Opportunities for Persons Living with Disabilities	**Coordinate with East Los Angeles Regional Center (ELARC) to publicize info on resources for housing and services. Pursue State and Federal funds available for supportive housing and services in conjunction with future affordable housing projects, and apply for funds at least once during planning period.**	**2021-2029**	**The City has placed links on its website to the following resources for housing and services for persons with disabilities: East Los Angeles Regional Center; A Community of Friends; and Corporation for Supportive Housing.**
19. Residential Rental Inspection Program	**Revisit the Residential Rental Inspection program put on hold during the COVID-19 pandemic and determine whether the program should be continued. Evaluate its effectiveness on achieving goals of improving housing conditions and whether the program is applied fairly and equitably.**	**Within two years of Housing Element adoption.**	**The City's Fire & Rescue Department has begun the process to bring back the Residential Rental Inspection Program, which helps substandard housing to be brought into code compliance. The program is expected to return in 2025-2026.**
20. State-owned Surplus Properties and City-owned Property	**Seek housing developers for State-owned sites in Santa Fe Springs expected to be declared surplus properties available for sale. Facilitate housing development on City-owned sites, particularly those identified to accommodate the lower-income RHNA allocation.**	**2024 - initiate pursuit of State-owned (Caltrans and CHP) sites and City-owned sites; 2025-2026 - implementation of well abandonment; 2026-2028 - issue request for proposal to solicit housing developer**	**In 2023, the City pursued grants to assist with funding the costs to characterize the contamination on four city-owned sites. A Phase I Draft report has been completed, and a Phase II report is currently in process.**
21. Water and Sewer Service Providers	**Submit the final adopted Housing Element to the City of Santa Fe Springs water and sewer service providers—including internal City departments—in accordance with Government Code Section 65589.7 and coordinate with relevant contacts regarding their review and input. Adopt required procedures to grant priority for the provision of water and sewer services to proposed developments that include units affordable to lower-income households as required by Government Code 65589.7**	**Submit the final adopted Housing Element to City of Santa Fe Springs water and sewer service providers within 30 days of adoption of Housing Element; adopt procedures for grantng priority to lower-income households for water and sewer services within three years final Housing Element adoption.**	**The final adopted Housing Element to the City of Santa Fe Springs water and sewer service providers and the Community Development Department is working with the Public Works Department to ensure required procedures in accordance with Government Code Section 65589.7 are in place.**
22. Fair Housing Services	**Promote Fair Housing programs through advertisement in the City newsletter, and through program brochures placed at public locations.**	**2021-2029**	**Brochures about fair housing services provided in Santa Fe Springs through the Housing Rights Center are provided at City Hall. In addition, the City provides links to the following fair housing resources on its website: California Department of Fair Employment and Housing; Los Angeles County Housing Resource Center; The Housing Rights Center; Neighborhood Legal Services of Los Angeles County; and Inner City Law Center.**
23. Mid-Cycle Review	**The City will conduct a mid-cycle review and at that time, apply new housing laws effective at that time, including AB 2339, which includes revising zoning standards to accommodate emergency shelters.**	**2025 to 2026**	**Actions will be carried out in 2025-2026.**

Jurisdiction	Santa Fe Springs	**NOTE: This table must contain an invenory of ALL surplus/excess lands the reporting jurisdiction owns**	Note: "+" indicates an optional field Cells in grey contain auto-calculation formulas
Reporting Period	2024 (Jan. 1 - Dec. 31)		

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

For Los Angeles County jurisdictions, please format the APN's as follows:9999-999-999

Table H
Locally Owned Surplus Sites

Parcel Identifier				Designation	Size	Notes
1	2	3	4	5	6	7
APN	**Street Address/Intersection**	**Existing Use**	**Number of Units**	**Surplus Designation**	**Parcel Size (in acres)**	**Notes**
Summary Row: Start Data Entry Below						
8011-011-906, 8011-011-907 and 8011-011-912)	10934 Laurel Avenue	Vacant	18	Surplus Land	0.75	City intends to transfer the site to Habitat for Humanity for the construction of 18 for-sale condominiums for low-come households.
8011018900-8011018906, 8011019911	Telegraph Road Corridor	Vacant	179	Surplus Land	9.5	Site preparation/clean-up will be costly and time consuming due to eight active and 17 abandoned oil wells on the property.

Jurisdiction	Santa Fe Springs	
Reporting Year	2024	(Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT
Local Early Action Planning (LEAP) Reporting
(CCR Title 25 §6202)

Please update the status of the proposed uses listed in the entity's application for funding and the corresponding impact on housing within the region or jurisdiction, as applicable, categorized based on the eligible uses specified in Section 50515.02 or 50515.03, as applicable.

Total Award Amount	$ 65,000.00	*Total award amount is auto-populated based on amounts entered in rows 15-26.*

Task	$ Amount Awarded	$ Cumulative Reimbursement Requested	Task Status	Other Funding	Notes
Project mangement and staff/consultant meetings related to Housing Element and Zoning Amendment	$15,000.00	$0.00	Completed	Other	Project was part of much larger General Plan and Zoning Ordinance Update with estimated cost of over $1M. In addition to LEAP grant, funding included SB2 grant ($160,000), SB1 grant ($330,000), and General Fund.
Draft Guiding Pricipals and Housing Policies	$5,000.00	$0.00	Completed	Other	
Needs Assessment/Constraints/Resources	$8,000.00	$0.00	Completed	Other	
Screencheck/Public Draft Housing Element/Zoning Amendments	$19,000.00	$0.00	Completed	Other	
Final Housing Element/Zoning Amendments	$13,000.00	$0.00	Completed	Other	
HCD Certification meetings/process/changes	$4,350.00	$0.00	Completed	Other	Certified by HCD on October 28, 2024
Gateway Cities COG Housing Technical Sevices	$650.00	$0.00	Completed	Other	Contributed to hiring of regional housing planner.

ITEM # 16

CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Maricela Balderas, Director of Community Services

SUBJECT: **CALIFORNIA STATE LIBRARY GRANT AWARD FOR LUNCH AT THE LIBRARY PROGRAM**

DATE: March 18, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Approve and authorize the Director of Community Services to execute the agreement for *California State Library Grant Award for the Lunch At The Library Program at the Santa Fe Springs City Library*; and

2) Approve the recognition of $8,800 in grant funds awarded by the California State Library and authorize the deposit of these funds into the Library & Cultural Services Administration's State Grants/Subventions revenue account (No. 10105699-442000); and

3) Approve an increase in expense authority by $8,800 in the Library & Cultural Services Activity (No. 10105699) as outlined in the Fiscal Impact section to allow for the expenditure of the grant funds; and

4) Take such additional, related, action that may be desirable.

FISCAL IMPACT

The California State Library (CA Library) has awarded the Santa Fe Springs City Library (SFS Library) a total of $8,800 in grant funds. These funds will be recorded in the Library & Cultural Services Administration’s State Grants/Subventions revenue account (No. 10105699-442000). and $8,800 added into the Books & Subscriptions Account (No. 1015699-522000). This grant requires no matching funds, and has no impact to the General Fund.

BACKGROUND

The Library Services and Technology Act (LSTA) is a federal library grant program that was signed into being by the President of the United States on October 1, 1996. The LSTA allocates annual library funding to all 50 states using a population-based formula. In the state of California, the CA Library is then responsible for administering LSTA funds to local libraries through various competitive grant opportunities and awards.

SFS Library staff have diligently applied for CA Library grants, and on January 15, 2025, the City was notified that the Lunch At The Library grant had been awarded to the SFS Library to support programs and resources for the community.

ANALYSIS

Through the CA Library awarded grant, the SFS Library will be able to provide resources to the community that may not have been feasible otherwise. This helps the SFS Library offer a wider range of up-to-date and diverse resources for library patrons.

Specifically, the Lunch At The Library grant provides funds for SFS Library staff to purchase free Reading Is Fundamental books for children participating in the Lunch in the Parks program administered by the Parks & Recreation Department during the summer. Using these funds, staff will purchase a variety of books, at all reading levels, and distribute them at the lunch sites.

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

Upon approval of the Community Services Director to execute the grant agreements, SFS Library staff will submit all necessary documentation to the CA Library to ensure that the monetary award is received in a timely manner.

ATTACHMENT(S):

A. Grant Award Agreement

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

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CALIFORNIA STATE LIBRARY

January 15, 2025

Deborah Raia, Library Services Manager
Santa Fe Springs City Library
11700 Telegraph Rd.
Santa Fe Springs, CA 90670

Dear Deborah Raia,

We are pleased to approve the grant application for your Lunch at the Library Summer 2025 project for a total of $8,800 in state grant funds. Santa Fe Springs City Library will receive $8,800 of the award upon execution and approval of the grant agreement, certification, and claim forms.

In Process

Hard copies of this correspondence will not follow. Keep the entirety of the correspondence for your files and consider these award materials your original documents.

This grant is governed by the attached Grant Agreement and Certification of Compliance, which includes the project period, reporting requirements, and payment schedule. The approved budget and application can be found in our grant management system, AmpliFund. Login to AmpliFund here: www.gotomygrants.com

Please sign the claim and certification forms at the back of your award packet using the DocuSign system. Should you have any questions regarding the use of DocuSign please contact your grant monitor. Upon receipt of a completed claim form that is free of errors or inaccurate information, the State Library processes it for routing to the Office of the State Controller which ultimately issues the check. The total time for the claim form to be processed, routed, payment issued, and mailed can be up to eight weeks, but is often a shorter timeframe. If you still have not received payment after eight weeks, please contact your grant monitor.

The Grant Monitor assigned to your project is Robyn McCreight. She is available to assist you throughout the year and can be reached via email at robyn.mccreight@library.ca.gov. Please stay in touch with your Grant Monitor throughout the award period. Read the enclosed award packet thoroughly and contact your Grant Monitor if you have any questions.

Best wishes for a successful project.

Respectfully yours,

Signed by:
BDA50981C41C416...

2/6/2025

Greg Lucas
California State Librarian

Library – Courts Building
P.O. Box 942837
Sacramento, CA 94237-0001

916-323-9759
csl-adm@library.ca.gov
www.library.ca.gov

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THE BASICS – YOUR GRANT AWARD

The following provides all the basic information about your grant and managing your grant.

Award #:	LATL24-70A
Library/Organization:	Santa Fe Springs City Library
Project Title:	Lunch at the Library Summer 2025
Award Amount:	$8,800
Start Date:	February 1, 2025
End Date:	January 31, 2026
Please understand that it can take from six to eight weeks before grant funds are delivered. If you have not received your payment after eight weeks, please contact your grant monitor.	

REPORTING

Lunch at the Library 2025 participants are required to provide financial and narrative reports as outlined in the grant terms and conditions: May 30, 2025, August 30, 2025, September 10, 2025, and November 30, 2025. Final financial and narrative reports by February 28, 2026; and updates upon request. Reports will be submitted to the grant management system here: www.gotomygrants.com

PAYMENTS

Please note this clarification regarding payments. Grant payments will be made based on the payment schedule laid out in the Grant Term and Award Documentation. See item 41 in the Terms and Conditions to view the payment schedule for your grant.

In Process

CONTACT

We want your project to be successful. Please work with your grant monitor and project consultant in implementing your project:

Grant Monitor:	Robyn McCreight
Monitor Phone Number:	916-603-6716
Monitor Email Address:	Robyn.mccreight@library.ca.gov
Project Consultant	Kaela Villalobos
Consultant Email Address	kaela.villalobos@library.ca.gov

Cc:
Olga Gonzalez
Kaela Villalobos
Robyn McCreight
California State Library Fiscal Office

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STATE-FUNDED GRANTS AWARD AGREEMENT AND CERTIFICATE OF COMPLIANCE

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CALIFORNIA STATE LIBRARY

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In Process

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CALIFORNIA STATE LIBRARY

PROJECT SUMMARY

AWARD AGREEMENT BETWEEN THE STATE LIBRARY and Santa Fe Springs City Library for the Lunch at the Library Summer 2025 project.

AWARD AGREEMENT NUMBER LATL24-70A

This Award Agreement ("Agreement") is entered into on February 1, 2025 by and between the California State Library ("State Library") and Santa Fe Springs City Library, ("Grantee").

In Process

This Award Agreement pertains to Grantee's State-funded Lunch at the Library Summer 2025 project.

The Library Development Services Bureau ("LDS") of the State Library administers state and federal funds in the form of awards.

The Grantee was selected by the State Library to receive state grant funds in the amount of $8,800 through the process adopted by the State Library in administering such grants.

The State Library and the Grantee, for the consideration and under the conditions hereinafter set forth in the Grant Agreement, agree as follows:

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PROCEDURES and REQUIREMENTS

A. Term of the Agreement

The Grant term begins on the date of execution of the Agreement by both parties, until January 31, 2026. If completion of the project occurs prior to the end of the grant period this will be the end date of the term of this agreement. Grant eligible program expenditures may begin no earlier than the start date. The project period ends on January 31, 2026. and all eligible program costs must be incurred by this date.

In Process

B. Scope of Work

1. Grantee agrees to perform all activities specifically identified in the Grantee's application and submitted to the State Library in response to the Lunch at the Library Summer 2025 opportunity.
2. The following activities and deliverables to be performed by the Grantee include, but are not limited to the following:
   - Maintain and keep records of expenditures related to the grant that are consistent with Generally Acceptable Accounting Practices (GAAP).
   - Make financial records available to the State Library upon request.
   - Work with the State Library staff to assure that funds are disbursed in compliance with the purpose of the grant.
   - Prepare and submit required narrative and financial reports.
   - Procure equipment, and other supplies as needed for the project.
   - Issue contracts for services, personnel, and consultants as needed for the project.
   - If applicable, make payments for services, including for hours worked and travel reimbursements, to consultants and contractors.
   - Oversee the implementation of project activities.

C. Budget Detail

The State Library shall provide the Grantee funding for the expenses incurred in performing the Scope of Work and activities specified in the Grantee's application. The

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Grantee shall request the distribution of grant funding consistent with its proposal and the budget worksheet that was included with the application. Under no circumstances shall payments exceed the total grant amount identified in this Agreement.

D. Narrative and Financial Reports

1. The Grantee shall be responsible for submission of interim and final narrative and financial reports on the progress and activities of the project, to the California State Library, using the sample report documents provided by the California State Library.

2. All the reports must be current, include all required sections and documents, and must be approved by the Grant Monitor before any payment request can be processed. Failure to comply with the specified reporting requirements may be considered a breach of this Agreement and result in the termination of the Agreement or rejection of the payment request and/or forfeiture by the Grantee of claims for costs incurred that might otherwise have been eligible for grant funding. Any problems or delays must be reported immediately to the Grant Monitor. The financial reports shall reflect the expenditures made by the Grantee under the Agreement and may be incorporated into the same reporting structure as the narrative reports.

3. The reports shall be submitted by the following dates:

Reporting Period	Report	Due Date
February 2025 – April 2025	1st Financial Report Due and 1st Project Progress Narrative Report Due	May 30, 2025
May 2025 – July 2025	2nd Financial and 2nd Project Progress Narrative Report Due	August 30, 2025
Summer 2025	Lunch at the Library Annual Outputs Survey and Lunch at the Library Outcome Surveys (Reporting on all outputs and outcomes thus far)	September 10, 2025
August 2025 – October 2025	3rd Financial Report Due	November 30, 2025
November 2025 – January 2026	Final Financial Report, Expenditure Detail Report and Final Program Narrative Report Due	February 28, 2026

4. Failure to submit timely reports with the appropriate documentation by the due date may result in rejection of the payment request and/or forfeiture by the

In Process

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Grantee of claims for costs incurred that might otherwise have been eligible for grant funding.

5. The Grantee agrees to maintain records and supporting documentation pertaining to the performance of this grant, subject to possible audit for a minimum of five (5) years after final payment date or grant term end date, whichever is later. Please refer to Exhibit A, Terms and Conditions for more information.

6. In addition to the foregoing, the Grantee shall submit to the State Library such periodic reports, updates, documents and any information as deem necessary by the State Library to monitor compliance and/or perform program evaluation. Any requested data or information shall be submitted in electronic format on a form specified by the State Library.

E. Claim Form and Payment

In Process

1. The California State Library shall provide the Grantee payment as outlined in the payment schedule only if all requirements for claiming the funds as outline in this document have been met, and only for those activities and costs specified in the approved award application.

2. The Grantee shall complete, sign, and submit Certification of Compliance form (Exhibit B) and the Financial Claim form (included in your award packet), to the California State Library within 14 days of receiving this award packet. These forms will be issued, signed, and submitted using the online signature and agreement platform, DocuSign, unless DocuSign is unallowable or inconsistent with practices and policies of the local jurisdiction. If the use of DocuSign is not acceptable to your organization, please contact your grant monitor regarding alternate options.

3. Any of the sums appearing under the categories in the approved budget may be adjusted with prior authorization from the California State Library Grant Monitor. This would be to increase the allotment with the understanding that there will be corresponding decreases in the other allotments so that the total amount paid by the California State Library to the Grantee under this Agreement shall not exceed the awarded amount, which shall be expended/encumbered during the grant period.

4. If the payment amount made by the California State Library exceeds the actual expenses incurred during the term of this Agreement, as reflected in the financial reports to be filed by the Grantee, the Grantee shall immediately refund the excess payment amount to the California State Library.

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5. The Award payments will only be made to the Grantee. It is the Grantee's responsibility to pay all contractors and subcontractors for purchased goods and services.

6. The Final Payment of 10% (if applicable) will be withheld and retained by the California State Library until all conditions agreed upon in this Agreement, including submission and grant monitor approval of the interim and final narrative and financial reports, have been satisfied.

7. Prompt Payment Clause
   The California State Library will make payments to the Grantee in accordance with the Prompt Payment Clause under Government Code, section 927, *et. seq*. The Grantee may typically expect payment within 45 days from the date a grant payment request is properly submitted and approved by the Grant Monitor.

8. Budget Contingency Clause
   a. It is mutually agreed that if the Budget Act of the current fiscal year or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall no longer be in full force and effect. In this event, the California State Library shall have no liability to pay any funds whatsoever to the Grantee or to furnish any other considerations under this Agreement and the Grantee shall not be obligated to perform any provisions of this Agreement.
   b. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this Program, the California State Library shall have the option to either cancel this Agreement with no liability occurring to itself or offer an Agreement amendment to the Grantee to reflect the reduced amount.

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EXHIBIT A: TERMS and CONDITIONS

1. Accessibility: The State is responsible for ensuring that public websites are accessible to both the general public and state employees, including persons with disabilities. Grantee shall assist the State in meeting its responsibility. Therefore, all project materials generated by state funded programs must meet the California Accessibility Standards. Additionally all project materials designed, developed, and maintained shall be in compliance with the California Government Code, sections 7405 and 11135, and the current Web Content Accessibility Guidelines, as published by the Web Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success criteria.

   However, if for some reason project material is not generated to be in compliance to meet these standards, please still submit it to the State Library. When submitting the material make sure to note that the material is not accessible by including "NOT ACCESSIBLE" in the file name.

   The California State Library reserves the right to post project materials to its website that are in compliance with these standards.

2. Acknowledgment: The State of California and the California State Library shall be acknowledged in all promotional materials and publications related to the Lunch at the Library Summer 2025 project.

   a. Grant award recipients must ensure that the State of California receives full credit as the source of funds and that the California State Library, likewise, is acknowledged as the administrator.
   b. Publications and information releases about the project must credit the State of California. An appropriate statement for a publication or project press release is:

      "This [publication/project] was supported in whole or in part by funding provided by the State of California, administered by the California State Library."

      Grantees must include the above statement in any publications, vehicle wraps, and promotional materials, including websites. If space is limited the State Library logo and the following shortened acknowledgement statement is acceptable:

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"Funding provided by the State of California."

c. This credit line on products of a project, such as materials, is important to foster support from the public, and state funding sources.
d. California State Library Logo: Use of the California State Library logo, which can be downloaded on the California State Library website, is required on any publication, vehicle wrap, or promotional material along with the above statement(s).
e. Photo Documentation: Digital photos are a great way to document the happenings of your project. It is recommended that you use a photo release form when taking photos of the public. You may use your library's photo release form, or contact your grant monitor for the State Library's form.

3. Agency: In the performance of this Agreement the Grantee and its agents and employees shall act in an independent capacity and not as officers, employees or agents of the California State Library. The Grantee is solely responsible for all activities supported by the grant. Nothing in this Agreement creates a partnership, agency, joint venture, employment, or any other type of relationship between the parties. The Grantee shall not represent itself as an agent of the California State Library for any purpose, and has no authority to bind the State Library in any manner whatsoever.

4. Amendment: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties, and approved as required. No oral understanding or agreement not incorporated into this Agreement is binding on any of the parties. This Agreement may be amended, modified or augmented by mutual consent of the parties, subject to the requirements and restrictions of this paragraph.

5. Applicable law: The laws of the State of California shall govern all proceedings concerning the validity and operation of this Agreement and the performance of the obligations imposed upon the parties hereunder. The parties hereby waive any right to any other venue. The place where the Agreement is entered into and place where the obligation is incurred is Sacramento County, California.

6. Assignment, Successors, and Assigns: The Grantee may not assign this Agreement or delegate its performance to any third-party person or entity, either in whole or in part, without the California State Library's prior written consent. The provisions of this Agreement shall be binding upon and inure to the benefit of the California State Library, the Grantee, and their respective successors and assigns.

7. Audit and Records Access: The Grantee agrees that the California State Library, the Department of General Services, the State Auditor, or their designated representatives shall have the right to review, audit, inspect and copy any records and supporting documentation pertaining to the performance of this Agreement. The Grantee agrees to maintain such records for possible audit for

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a minimum of five (5) years after the final payment, or grant term end date, whichever is later, unless a longer period of records retention is stipulated, or until completion of any action and resolution of all issues which may arise as a result of any litigation, dispute, or audit, whichever is later. The Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Grantee agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement.

Examples of audit documentation may include, but not limited to, competitive bids, grant amendments, if any, relating to the budget or work plan, copies of any agreements with contractors or subcontractors if utilized, expenditure ledger, payroll register entries, time sheets, personnel expenditure summary form, travel expense log, paid warrants, contracts and change orders, samples of items and materials developed with grant funds, invoices and/or cancelled checks.

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8. Authorized Representative: Grantee and the California State Library mutually represent that their authorized representatives have the requisite legal authority to sign on their organization's behalf.

9. Communication: All communications from either party, including an interim check-in at any time during the grant term, shall be directed to the respective grant manager or representative of the California State Library or Grantee. For this purpose, the following contact information is provided below:

Santa Fe Springs City Library
Deborah Raia
11700 Telegraph Rd.
Santa Fe Springs, CA 90670
deborahraia@santafesprings.org
562-868-7738

California State Library
Robyn McCreight
900 N Street
Sacramento, CA 95814
Robyn.mccreight@library.ca.gov
916-603-6716

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1. Confidentiality: Grantee will maintain as confidential any material it receives or produces that is marked Confidential or is inherently confidential or is protected by privilege. Grantee agrees to alert the State Library to this status in advance, and State Library agrees to maintain this status in conformity with the Public Records Act.

2. Contractor and Subcontractors: Nothing contained in this Grant Agreement or otherwise shall create any contractual relation between the State and any contractor or subcontractors, and no contract or subcontract shall relieve the Grantee of his or her responsibilities and obligations hereunder. The Grantee agrees to be as fully responsible to the State for the acts and omissions of its contractors, subcontractors, volunteers, student interns and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Grantee. The Grantee's obligation to pay its contractors and subcontractors is an independent obligation from the State's obligation to make payments to the Grantee. As a result, the State shall have no obligation to pay or to enforce the payment of any monies to any contractor or subcontractor.

3. Copyright: Grantee owns and retains titles to any copyrights or copyrightable material from any original works that it creates within the scope of this Agreement in accordance with the federal Copyright Act. (17 U.S.C. 101, *et seq.*) Grantee is responsible for obtaining any necessary licenses, permissions, releases or authorizations to use text, images, or other materials owned, copyrighted, or trademarked by third parties and for extending such licenses, permissions, releases, or authorizations to the California State Library pursuant to this section. Also, the California State Library may upload, post or transmit copyrighted material produced or purchased with grant funds on a California State Library website for public access and viewing.

4. Discharge of Grant Obligations: The Grantee's obligations under this Agreement shall be deemed discharged only upon acceptance of the final report by California State Library. If the Grantee is a non-profit entity, the Grantee's Board of Directors shall accept and certify as accurate the final report prior to its submission to California State Library.

5. Dispute Resolution: In the event of a dispute, Grantee will discuss the problem informally with the Grant Monitor. If unresolved, the Grantee shall file a written "Notice of Dispute" with the State Library Grant Monitor within ten (10) days of discovery of the problem. Within ten (10) days of receipt, the Grant Monitor shall meet with the Grantee for purposes of resolving the dispute. Any dispute arising under the terms of this Agreement which is not disposed of within a reasonable period of time, the Grantee may bring it to the attention of the State Librarian or the designated representative. The decision of the State Librarian or designated representative shall be final.

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Unless otherwise instructed by the Grant Monitor, the Grantee shall continue with its responsibilities under this Agreement during any dispute.

6. Drug-free Workplace: The Grantee certifies under penalty of perjury under the laws of California, that the Grantee will comply with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 *et. seq*.) and will provide a drug-free workplace by taking the following actions:

   a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
   b. Establish a Drug-Free Awareness Program to inform employees about all of the following:
      1) The dangers of drug abuse in the workplace.
      2) The Grantee's policy of maintaining a drug-free workplace;
      3) Any available counseling, rehabilitation and employee assistance programs.
      4) Penalties that may be imposed upon employees for drug abuse violations.
   c. Require that every employee who works on the Agreement will:
      1) Receive a copy of the Grantee's drug-free workplace policy statement.
      2) Agrees to abide by the terms of the Grantee's statement as a condition of employment on the Agreement.

   Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and grantee may be ineligible for award of any future state agreements if the California State Library determines that the grantee has made a false certification or violated the certification by failing to carry out the requirements as noted above.

7. Effectiveness of Agreement: This Agreement is of no force or effect until signed by both parties.

8. Entire Agreement: This Agreement supersedes all prior agreements, oral or written, made with respect to the subject hereof and, together with all attachments hereto, contains the entire agreement of the parties.

9. Exclusive Agreement: This is the entire Agreement between the California State Library and Grantee.

10. Executive Order N-6-22-Russia Sanctions: The Grantee shall comply with Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate grant agreements with, and to refrain from entering any new grant agreements with, individuals or entities that are

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determined to be a target of Economic Sanctions. Accordingly, should the State determine Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Grantee advance written notice of such termination, allowing Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

11. Extension: The State Librarian or designee may extend the final deadline for good cause. The Grantee's request for an extension of the grant period must be made in writing and received by the California State Library at least 30 days prior to the final deadline.

12. Failure to Perform: The grant being utilized by the Grantee is to benefit the Lunch at the Library Summer 2025 project. If the Grant Monitor determines the Grantee has not complied with this Agreement, the Grantee may forfeit the right to reimbursement of any grant funds not already paid by the California State Library, including, but not limited to, the ten percent (10%) withhold.

13. Federal and State Taxes: The State Library shall not:

    a. Withhold Federal Insurance Contributions Act (FICA) payments from Grantee's payments or make FICA payments on the Grantee's behalf; or
    b. Make Federal or State unemployment insurance contributions on Grantee's behalf; or
    c. Withhold Federal or State income taxes from Grantee's payments

    Grantee shall pay all taxes required on payments made under this Agreement including applicable income taxes and FICA.

14. Force Majeure: Neither the California State Library nor the Grantee, its contractors, vendors, or subcontractors, if any, shall be responsible hereunder for any delay, default, or nonperformance of this Agreement, to the extent that such delay, default, or nonperformance is caused by an act of God, weather, accident, labor strike, fire, explosion, riot, war, rebellion, sabotage, flood, or other contingencies unforeseen by the California State Library or the Grantee, its contractors, vendors, or subcontractors, and beyond the reasonable control of such party.

15. Forfeit of Grant Funds and Repayment of Funds Improperly Expended: If grant funds are not expended, or have not been expended, in accordance with this Agreement, the State Librarian or designee, at his or her sole discretion, may take appropriate action under this Agreement, at law or in equity, including requiring the Grantee to forfeit the unexpended portion of the grant funds, including, but not limited to, the ten percent (10%) withhold, and/or to repay to the California State Library any funds improperly expended.

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16. Fringe Benefit Ineligibility: Grantee agrees that neither the Grantee nor its employees and contract personnel are eligible to participate in any employee pension, health benefit, vacation pay, sick pay or other fringe benefit plan of the State of California or the State Library.

17. Generally Accepted Accounting Principles: The Grantee is required to use Generally Accepted Accounting Principles in documenting all grant expenditures.

18. Grant Monitor: The Grant Monitor's responsibilities include monitoring grant progress, and reviewing and approving Grant Payment Requests and other documents delivered to the California State Library pursuant to this Agreement. The Grant Monitor may monitor Grantee performance to ensure Grantee expends grant funds appropriately and in a manner consistent with the terms and conditions contained herein. The Grant Monitor does not have the authority to approve any deviation from or revision to the Terms and Conditions (Exhibit A) or the Procedures and Requirements unless such authority is expressly stated in the Procedures and Requirements.

19. Grantee: the government or legal entity to which a grant is awarded and which is accountable to the California State Library for the use of the funds provided.

    a. The grantee will make reports to the State Librarian in such form and containing such information as may be required to ensure the proper used of funds consistent with the grantee's application and award agreement. The grantee will keep such records and afford such access as the California State Library may find necessary to assure the correctness and verification of such reports.

20. Grantee Accountability: The Grantee is ultimately responsible and accountable for the manner in which the grant funds are utilized and accounted for and the way the grant is administered, even if the Grantee has contracted with another organization, public or private, to administer or operate its grant program. In the event an audit should determine that grant funds are owed to the California State Library, the Grantee is responsible for repayment of the funds to the California State Library.

21. Grantee Funds: It is mutually agreed that the Grantee is responsible for furnishing funds beyond the grant award that may be necessary to complete the project.

22. Independent Action: Grantee reserves the right to fulfill its obligations under this Agreement in an independent manner, at any location and at any time within the agreed-upon timeline. Grantee's employees or contract personnel shall perform all services required by this Agreement, but their time need not be devoted solely to fulfilling obligations under this Agreement. Grantee shall furnish all equipment and materials used to meet its obligations, and complete the Project. The State Library shall not provide

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any personnel or other resources beyond the grant award, and is not required to provide training in connection with this Agreement.

23. Indemnification: Grantee agrees to indemnify, defend and save harmless the State of California, the California State Library and its officers, employees, and agents, from any and all claims, losses, and liabilities accruing or resulting to any and all contractors, subcontractors, suppliers, laborers and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Grantee in the performance of this Agreement.

24. License to Use: The California State Library reserves a fully paid-up, royalty-free, nonexclusive, sub-licensable and irrevocable license to reproduce, publish, prepare derivative works, distribute or otherwise use, and to authorize third parties to use, any material received or maintained by Grantee in connection with this Agreement. This includes intellectual property, with or without third-party rights. All such usages will be for public library and State governmental purposes:

    a. The copyright in any work developed under this grant, sub-grant, or contract under this grant or sub-grant; and
    b. Any rights of copyright to which a Grantee, sub-grantee, or a contractor purchases ownership with grant support.

25. Limitation of Expenditure: Expenditure for all projects must conform to the grantee's approved budget and with applicable State laws and regulations. The total amount paid by the California State Library to the Grantee under this agreement shall not exceed $8,800 and shall be expended/encumbered in the designated award period.

    During the award period, the grantee may find that the awarded budget may need to be modified. Budget changes, requests for additional funds, or requests for reductions in award funding must be discussed with the assigned State Library Grant Monitor and a Grant Award Modification may be required to be submitted according to the instructions. Approval is by the State Librarian or their designee. Adjustments should be reported on the next financial report. Any adjustments in approved budgets must be documented and documentation retained in project accounts.

26. Lobbying: Grantee confirms that the grant funds will not be used for the purposes of lobbying or otherwise attempting to influence legislation, as those purposes are defined by the U.S. Internal Revenue Code of 1986.

27. Non-Discrimination Clause: During this grant period, the Grantee and the Grantee's contractors, and subcontractors shall not unlawfully discriminate,

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harass, or allow harassment against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, age, sexual orientation, or military and veteran status. Grantee shall insure that the evaluation and treatment of contractors, employees and applicants for employment are free from such discrimination and harassment.

Additionally, Grantee, contractors, and subcontractors, if applicable, shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 *et seq*.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 *et seq*.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§ 11135-11139.5), and the regulations or standards adopted by the California State Library to implement such article.

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Grantee shall permit access by representatives of the Department of Civil Rights and the California State Library upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or the California State Library shall require ascertaining compliance with this clause. Grantee, and its contractors, and subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2, §11105.) Grantee shall include the non-discrimination and compliance provisions of this clause in all contracts and subcontracts to perform work under the Agreement.

28. Notices: All notices and other communications in connection with this Agreement shall be in writing, and shall be considered delivered as follows:

    a. Electronic Mail (E-mail): When sent by e-mail to the last e-mail address of the recipient known to the party giving notice. Notice is effective upon transmission.
    b. DocuSign (e-signature platform): When sent via DocuSign a notification will be sent to the last e-mail address of the recipient known to the party giving notice. Notice is effective upon transmission.
    c. Grants Management System: When sent via / uploaded to the California State Library's Grants Management System a notification will be sent to the last e-mail address of the recipient known to the party giving notice. Notice is effective upon transmission.
    d. Personally: When delivered personally to the recipient's physical address as stated in this Agreement.

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e. U.S. Mail: Five days after being deposited in the U.S. Mail, postage prepaid, and addressed to recipient's address as stated in this Agreement.

29. Order of Precedence: The performance of this Agreement shall be conducted in accordance with the Terms and Conditions, Procedures and Requirements, Certificate of Compliance, Project Summary, Activities Timeline, and Budget, of this Agreement, or other combination of exhibits specified on the Grant Agreement Coversheet attached hereto (collectively referred to as "Terms"). Grantee's California State Library-approved Application (Grantee's Application) is hereby incorporated herein by this reference. In the event of conflict or inconsistency between the articles, exhibits, attachments, specifications or provisions that constitute this Agreement, the following order of precedence shall apply:

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a. Grant Agreement Coversheet and any Amendments thereto
b. Terms and Conditions
c. Procedures and Requirements
d. Certificate of Compliance
e. Project Summary
f. Grantee's Application (including Budget and Activities Timeline)
g. All other attachments hereto, including any that are incorporated by reference.

30. Payment:

a. The approved Budget, if applicable, is attached hereto and incorporated herein by this reference and states the maximum amount of allowable costs for each of the tasks identified in the Project Summary and Activity Timeline included in the project application. California State Library shall provide funding to the Grantee for only the work and tasks specified in the Grantee's Application at only those costs specified in the Budget and incurred in the term of the Agreement.
b. The Grantee shall carry out the work described in the Work Plan or in the Grantee's Application in accordance with the approved Budget and shall obtain the Grant Monitor's written approval of any changes or modifications to the Work Plan, approved project as described in the Grantee's Application, or the approved Budget prior to performing the changed work or incurring the changed cost. If the Grantee fails to obtain such prior written approval, the State Librarian or designee, at his or her sole discretion, may refuse to provide funds to pay for such work or costs.
c. The Grantee shall request funds in accordance with the funding schedule included in this agreement.

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d. Ten percent (10%) will be withheld from the Payment Request (if applicable) and paid at the end of the grant term, when all reports and conditions stipulated in this Agreement have been satisfactorily completed. Failure by the grantee to satisfactorily complete all reports and conditions stipulated in this Agreement may result in forfeiture of any such funds withheld.
e. Lodgings, Meals and Incidentals: Grantee's eligible costs are limited to the amounts authorized in the California State Administrative Manual (contact the Grant Monitor for more information).
f. Payment will be made only to the Grantee.
g. Reimbursable expenses shall not be incurred unless and until the grantee receives a Notice to Proceed as described in the Procedures and Requirements.

31. Personal Jurisdiction: The Grantee consents to personal jurisdiction in the State of California for all proceedings concerning the validity and operation of this Agreement and the performance of the obligations imposed upon the parties. Native American Tribal grantees expressly waive tribal sovereign immunity as a defense to any and all proceedings concerning the validity and operation of this Agreement and the performance of the obligations imposed upon the parties.

32. Personnel Costs: Any personnel expenditures to be paid for with grant funds must be computed based on actual time spent on grant-related activities and on the actual salary or equivalent hourly wage the employee is paid for their regular job duties, including a proportionate share of any benefits to which the employee is entitled.

33. Pledge: This Agreement shall not be interpreted to create any pledge or any commitment by the State Library to make any other or further grants or contributions to Grantee, or any other person or entity in connection with the Project. It is mutually agreed that Grantee is responsible for furnishing funds beyond the grant award that may be necessary to complete outcomes or deliverables.

34. Privacy Protection: Both parties agree to protect the confidentiality of any non-public, personal information that may be contained in materials received or produced in connection with this Agreement, as required by Civil Code, section 1798, *et. seq*.

35. Prohibited Use: The expenditure under this program shall not be used to supplant Grantee efforts in other grant programs provided by the California State Library.

36. Public Records Act: Material maintained or used by the California State Library is considered "public record" under the Public Records Act (PRA) at

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Government Code, sections 6250, *et. seq*. This includes the Interim and Final reports, and any other written communications between the parties. Grantee agrees to ensure that all content contained in its written reports are appropriate for publication. Said material, along with all other reports, documentation and data collected during the term of the Agreement, will be subject to disclosure unless it qualifies for exemption under the PRA in whole or in part. Grantee agrees to alert the State Library as to a basis for exemption, if any exists.

37. Publicity Obligations: Grantee will notify the State Library of any promotional materials or publications resulting from the grant no later than five (5) days in advance of distribution, whether they are print, film, electronic, or in any other format or medium. Copies of all promotional materials will be provided to the State Library. Grantee will acknowledge the State Library's support as noted above. Grantee agrees that the State Library may include information about this grant and its outcomes in its own annual reports, with specific reference to Grantee, and may distribute such information to third parties.

38. Records: Communications, grant related documents, data, original receipts, and invoices must be maintained by Grantee and shall be made available to the State Library upon request. Grantee agrees to maintain adequate grant program records and adequate financial records consistent with generally accepted accounting practices, and to retain all records for at least five (5) years after the end-of-term. The State Library may monitor or conduct an onsite evaluation of Grantee's operation to ensure compliance with this Agreement, with reasonable advance notice.

39. Reduction of Waste: In the performance of this Agreement, Grantee shall take all reasonable steps to ensure that materials purchased or utilized in the course of the project are not wasted. Steps should include, but not be limited to: the use of used, reusable, or recyclable products; discretion in the amount of materials used; alternatives to disposal of materials consumed; and the practice of other waste reduction measures where feasible and appropriate.

40. Reimbursement Limitations: Under no circumstances shall the Grantee seek reimbursement pursuant to this Agreement for a cost or activity that has been or will be paid for through another funding source. The Grantee shall not seek reimbursement for any costs used to meet cost sharing or matching requirements of any other California State Library funded program.

41. Reports and Claims: It is the responsibility of the grantee make the required reports and claims to the California State Library.

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a. The grantee shall be responsible for submitting to the State Library Narrative Reports detailing progress and activities. The reports are due on the dates specified in the reporting schedule detailed in the Procedures and Requirements section.
b. The grantee shall be responsible for submitting to the State Library Financial Reports reflecting grantee expenditure activity. The reports are due on the dates specified in the reporting schedule detailed in the Procedures and Requirements section.
c. To obtain payment hereunder the grantee shall submit authorized claims provided by the State Library for that purpose, on each of the following mentioned dates for payment, and the California State Library agrees to reimburse the Library as soon thereafter as State fiscal procedures will permit.
d. The final 10% of the grant award (if applicable) is payable only upon approval of all final reports and receipt of claim form. Failure to provide timely reports is a serious breach of an award recipient's administrative duty under the award.
e. Payment will be provided to cover the expenditures incurred by the grantee for the project in the following manner:
    - $8,800 upon execution of the agreement and submission of claim by the grantee organization.
    - If applicable, final payment will be made upon approval of all final reports and receipt of claim form in the amount of $ 0.

42. Self-Dealing and Arm's Length Transactions: All expenditures for which reimbursement pursuant to this Agreement is sought shall be the result of arm's-length transactions and not the result of, or motivated by, self-dealing on the part of the Grantee or any employee or agent of the Grantee. For purposes of this provision, "arm's-length transactions" are those in which both parties are on equal footing and fair market forces are at play, such as when multiple vendors are invited to compete for an entity's business and the entity chooses the lowest of the resulting bids. "Self-dealing" is involved where an individual or entity is obligated to act as a trustee or fiduciary, as when handling public funds, and chooses to act in a manner that will benefit the individual or entity, directly or indirectly, to the detriment of, and in conflict with, the public purpose for which all grant monies are to be expended.

43. Severability: If any part of this Agreement is found to be unlawful or unenforceable, such provisions will be voided and severed from this Agreement, but the remainder of the provisions in the Agreement will remain in full force and effect.

44. Site Visits: The Grantee shall allow the California State Library to access and conduct site visits, with reasonable notice, at which grant funds are

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expended and related work being performed at any time during the performance of the work and for up to ninety (90) days after completion of the work, or until all issues related to the grant project have been resolved. A site visit may include, but not be limited to, monitoring the use of grant funds, provide technical assistance when needed, and to visit the State funded project.

45. Termination: The Agreement shall be subject to termination by the State Librarian or designee upon notice to the Grantee at least thirty (30) days prior to the effective date of termination. In the event this agreement is terminated, the Grantee shall deliver to the State Librarian copies of all reports, accounting, data, and materials prepared up to the date of termination. The State Librarian shall determine and pay the Grantee for necessary and appropriate expenditures and obligations up to the date of termination which have not been covered by prior installments previously paid to the Grantee. Upon such termination, the unused portion of the grant award must be returned to the California State Library within 45 days. If funding has been advanced to the Grantee, any unobligated balances, as determined by the State Librarian, shall be returned to the State Library within 45 days of the notice of termination.

46. Timeline: Time is of the essence to this Agreement. It is mutually agreed between the parties that the grant application and the timeline included therein are part of the Agreement.

47. Unused Funds: At the end-of-term Grantee agrees to return any unexpended or unaccounted for funds to the State Library, or to submit a written request for an extension of the grant period. Funds will be considered unexpended or unaccounted if they were: (1) not used for their intended purpose, or (2) used inconsistent with the terms of this Agreement.

    Funds will also be considered unaccounted for, and must be returned, if the proposal outcomes or deliverables are materially incomplete by the end-of-term or earlier termination, as determined by the State Library in its sole discretion.

48. Waiver of Rights: California State Library shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by California State Library. No delay or omission on the part of California State Library in exercising any rights shall operate as a waiver of such right or any other right. A waiver by California State Library of a provision of this Agreement shall not prejudice or constitute a waiver of California State Library's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by California State Library, nor any course of dealing between California State

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Library and Grantee, shall constitute a waiver of any of California State Library's rights or of any of grantee's obligations as to any future transactions. Whenever the consent of California State Library is required under this Agreement, the granting of such consent by California State Library in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of California State Library.

49. Work Products: Grantee shall provide California State Library with copies of all final products identified in the Work Plan and Application. Grantee shall also provide the State Library with copies of all public education and advertising material produced pursuant to this Agreement.

50. Worker's Compensation: The State of California will not provide Workers' Compensation insurance for Grantee or Grantee's employees or contract personnel. If Grantee hires employees to perform services required by this Agreement, Grantee shall provide Workers' Compensation insurance for them. The Grantee is aware of Labor Code Section 3700, which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the Labor Code, and the Grantee agrees to comply with such provisions before commencing the performance of the work of this Agreement.

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EXHIBIT B: CERTIFICATION of COMPLIANCE FORM

1. AUTHORIZED REPRESENTATIVE: I certify that the authorized representative named below is the legally designated representative of the Grantee for this Grant Agreement and project and is authorized to receive and expend funds in order to administer this grant program.
2. I certify that all information provided to the California State Library for review in association with this award is correct and complete to the best of my knowledge, and as the authorized representative of the Grantee, I commit to the conditions of this award, and I have the legal authority to do so.
3. I certify that any or all other participants or contractors in the grant program have agreed to the terms of the application/grant award and have entered into an agreement(s) concerning the final disposition of equipment, facilities, and materials purchased for this program from the funds awarded for the activities and services described in the attached, as approved and/or as amended in the application by the California State Librarian.
4. The authorized representative, on behalf of the Grantee, certifies that the Grantee will comply with all applicable requirements of State and Federal laws, regulations, and policies governing this program, to include the requirements listed below in this Certification of Compliance Form.
5. The authorized representative, on behalf of the Grantee, hereby certifies to the California State Library, for an award of funds in the amount of $8,800. This award will provide library services as set forth in the Project Application as approved and/or as amended by the California State Librarian.
6. STATEMENT OF COMPLIANCE: Grantee has, unless exempted, complied with the non-discrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 11102).
7. DRUG-FREE WORKPLACE REQUIREMENTS: Grantee will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:
   a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
   b. Establish a Drug-Free Awareness Program to inform employees about:
      1) the dangers of drug abuse in the workplace;

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2) the person's or organization's policy of maintaining a drug-free workplace;
3) any available counseling, rehabilitation and employee assistance programs; and,
4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

1) receive a copy of the company's drug-free workplace policy statement; and,
2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Grantee may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Grantee has made false certification or violated the certification by failing to carry out the requirements as noted above. (Gov. Code § 8350 *et. seq*.)

8. CONFLICT OF INTEREST: Grantee needs to be aware of the following provisions regarding current or former state employees. If Grantee has any questions on the status of any person rendering services or involved with the Agreement, the California State Library must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code § 10410):

a. No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest, and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
b. No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code § 10411):

a. For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
b. For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

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If Grantee violates any provisions of above paragraphs, such action by Grantee shall render this Agreement void. (Pub. Contract Code § 10420).

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code § 10430 (e)).

9. LABOR CODE/WORKERS' COMPENSATION: Grantee needs to be aaware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Grantee affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code § 3700).

10. AMERICANS WITH DISABILITIES ACT: Grantee assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 *et. seq*.)

11. RESOLUTION: For awards totaling $350,000 or more, a county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

12. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all Grantees that are not another state agency or other governmental entity.

13. DRUG FREE WORKPLACE:
    a. Continue to provide a drug-free workplace by complying with the requirements in 2 C.F.R. part 3186 (Requirements for Drug-Free Workplace (Financial Assistance)). In particular, the recipient must comply with drug- free workplace requirements in subpart B of 2 C.F.R. part 3186, which adopts the Government-wide implementation (2 C.F.R. part 182) of sections 5152-5158 of the Drug-Free Workplace Act of 1988 (P. L. 100-690, Title V, Subtitle D; 41 U.S.C. §§ 701-707).
    b. This includes but is not limited to: making a good faith effort, on a continuing basis, to maintain a drug-free workplace; publishing a drug-free workplace statement; establishing a drug-free awareness program for the employees; taking actions concerning employees who are convicted of violating drug statutes in the workplace.

14. ACCESSIBILITY: The organization receiving this award, as listed in the certification section below, and all program staff, will ensure all project materials will meet California accessibility standards.

15. NON-DISCRIMINATION: The organization receiving this award, as listed in the certification section below, and all program staff, agree to comply with all California non-discrimination laws.

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16. ACKNOWLEDGEMENT: The organization receiving this award, as listed in the certification section below, and all program staff, agree to comply with California State Library acknowledgement requirements.

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Certification

ORGANIZATION	
Name:	Address *(official and complete)*:
PROJECT COORDINATOR	
Name:	
Email:	Phone:
GRANTTEE AUTHORIZED REPRESENTATIVE	
Name: Deborah Raia	Title:
Email: deborahraia@santafesprings.org	Phone:
Signature:	Date:

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Authorized Representative Signature

ORGANIZATION	
Name:	Address *(official and complete)*:
AUTHORIZED REPRESENTATIVE	
Signature:	Date:
Printed Name of Person Signing: Deborah Raia	Title:
STATE OF CALIFORNIA	
Agency Name: California State Library	Address: 900 N Street, Sacramento, CA 95814
Signature: Signed by: BDAF0B81C41C416...	Date: 2/6/2025
Printed Name of Person Signing: Greg Lucas	Title: California State Librarian

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CALIFORNIA STATE LIBRARY

April 25, 2022

RE: Contractor and Grantee Compliance with Economic Sanctions Imposed in Response to Russia's Actions in Ukraine

Dear Grantee,

You are receiving this notification because you currently have an active grant through the California State Library.

In Process

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (EO) regarding sanctions in response to Russian aggression in Ukraine. The EO is located at https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf.

The EO directs all agencies and departments that are subject to the Governor's authority to take certain immediate steps, including notifying all contractors and grantees of their obligations to comply with existing economic sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law.

This correspondence serves as a notice under the EO that as a contractor or grantee, compliance with the economic sanctions imposed in response to Russia's actions in Ukraine is required, including with respect to, but not limited to, the federal executive orders identified in the EO and the sanctions identified on the U.S. Department of the Treasury website (https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions). Failure to comply may result in the termination of contracts or grants, as applicable.

Please note that for any agreements or grants valued at $5 million or more, a separate notification will be sent outlining additional requirements specified under the EO.

Annly Roman
California State Library
900 N Street
Sacramento, CA 95814

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LUNCH AT THE LIBRARY PROGRAM
FINANCIAL CLAIM
1st PAYMENT

Grant Award #:	LATL24-70A	**Date:**	
Invoice #:	LATL24-70A-01	**PO #:**	7855
Payee Name:	Santa Fe Springs City Library (Legal name of authorized agency to receive, disburse and account for funds*)		
Complete Address:	Street Address, City, State, Zip Code (Warrant will be mailed to this address)		
Amount Claimed:	$8,800 (Payable Upon Execution of Agreement)	**Type of Payment:**	☒ PROGRESS
Grantee Name:	Santa Fe Springs City Library (Name on Award Letter and Agreement)		☐ FINAL ☐ IN FULL
Project Title:	Lunch at the Library Program		☐ AUGMENT
	For Period From: upon execution to end of grant period		

In Process

CERTIFICATION

I hereby certify under penalty of perjury: that I am the duly authorized representative of the claimant herein; that this claim is in all respects true, correct and in accordance with law and the terms of the agreement; and that payment has not previously been received for the amount claimed herein.

By

_____
(Signature of the Authorized Representative)

Deborah Raia

_____ _____
(Print Name) (Title)

*Legal payee name must match the payee's federal tax return. Warrant will be made payable to payee name. Payee discrepancies in name and/or address may cause delay in payment. If you need to change payee name and/or address, please contact Fiscal Services at stategrants.fiscal@library.ca.gov.

State of California, State Library Fiscal Office

ENY: 2024
PURCHASING AUTHORITY NUMBER: CSL-6120
COA: 5432000
FAIN: LS or N/A

ITEM NO: 6120-140-0001, Chapter 22, Statutes of 2024
REPORTING STRUCTURE: 61202000
PROGRAM #: 5312

By _____ Date _____

(State Library Representative)

Print Form Reset Form
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PAYEE DATA RECORD

(Required when receiving payment from the State of California in lieu of IRS W-9 or W-7)
STD 204 (Rev. 03/2021)

Section 1 – Payee Information

NAME (This is required. Do not leave this line blank. Must match the payee's federal tax return)

BUSINESS NAME, DBA NAME or DISREGARDED SINGLE MEMBER LLC NAME (If different from above)

MAILING ADDRESS (number, street, apt. or suite no.) (See instructions on Page 2)

CITY, STATE, ZIP CODE	E-MAIL ADDRESS

Section 2 – Entity Type

Check one (1) box only that matches the entity type of the Payee listed in Section 1 above. (See instructions on page 2)

- ☐ **SOLE PROPRIETOR / INDIVIDUAL**
- ☐ **SINGLE MEMBER LLC** *Disregarded Entity owned by an individual*
- ☐ **PARTNERSHIP**
- ☐ **ESTATE OR TRUST**

CORPORATION (see instructions on page 2)

- ☐ **MEDICAL** *(e.g., dentistry, chiropractic, etc.)*
- ☐ **LEGAL** *(e.g., attorney services)*
- ☐ **EXEMPT** *(e.g., nonprofit)*
- ☐ **ALL OTHERS**

Section 3 – Tax Identification Number

Enter your Tax Identification Number (TIN) in the appropriate box. The TIN must **match** the name given in Section 1 of this form. Do not provide more than one (1) TIN. The TIN is a 9-digit number. **Note:** Payment will not be processed without a TIN.

- For **Individuals**, enter SSN.
- If you are a **Resident Alien**, and you do not have and are not eligible to get an SSN, enter your ITIN.
- Grantor Trusts (such as a Revocable Living Trust while the grantors are alive) may not have a separate FEIN. Those trusts must enter the individual grantor's SSN.
- For **Sole Proprietor or Single Member LLC (disregarded entity), in which the sole member is an individual**, enter SSN (ITIN if applicable) or FEIN (FTB prefers SSN).
- For **Single Member LLC (disregarded entity), in which the sole member is a business entity**, enter the owner entity's FEIN. Do not use the disregarded entity's FEIN.
- For all other entities including LLC that is taxed as a corporation or partnership, estates/trusts (with FEINs), enter the entity's FEIN.

Social Security Number (SSN) or Individual Tax Identification Number (ITIN)

___ ___ ___ -___ ___ - ___ ___ ___ ___

OR

Federal Employer Identification Number (FEIN)

___ ___ - ___ ___ ___ ___ ___ ___ ___

In Process

Section 4 – Payee Residency Status (See instructions)

☐ **CALIFORNIA RESIDENT** – Qualified to do business in California or maintains a permanent place of business in California.

☐ **CALIFORNIA NONRESIDENT** – Payments to nonresidents for services may be subject to state income tax withholding.

☐ No services performed in California

☐ Copy of Franchise Tax Board waiver of state withholding is attached.

Section 5 – Certification

I hereby certify under penalty of perjury that the information provided on this document is true and correct. Should my residency status change, I will promptly notify the state agency below.

NAME OF AUTHORIZED PAYEE REPRESENTATIVE	TITLE	E-MAIL ADDRESS

SIGNATURE	DATE	TELEPHONE *(include area code)*

Section 6 – Paying State Agency

Please return completed form to:

STATE AGENCY/DEPARTMENT OFFICE	UNIT/SECTION
CA State Library	Accounting

MAILING ADDRESS	FAX	TELEPHONE *(include area code)*
900 N Street		916-603-7157

CITY	STATE	ZIP CODE	E-MAIL ADDRESS
Sacramento	CA	95814	accounting@library.ca.gov

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PAYEE DATA RECORD

(Required when receiving payment from the State of California in lieu of IRS W-9 or W-7)
STD 204 (Rev. 03/2021)

GENERAL INSTRUCTIONS

Type or print the information on the Payee Data Record, STD 204 form. Sign, date, and return to the state agency/department office address shown in Section 6. Prompt return of this fully completed form will prevent delays when processing payments.

Information provided in this form will be used by California state agencies/departments to prepare Information Returns (Form1099).
NOTE: Completion of this form is optional for Government entities, i.e. federal, state, local, and special districts.

A completed Payee Data Record, STD 204 form, is required for all payees (non-governmental entities or individuals) entering into a transaction that may lead to a payment from the state. Each state agency requires a completed, signed, and dated STD 204 on file; therefore, it is possible for you to receive this form from multiple state agencies with which you do business.

Payees who do not wish to complete the STD 204 may elect not to do business with the state. If the payee does not complete the STD 204 and the required payee data is not otherwise provided, payment may be reduced for federal and state backup withholding. Amounts reported on Information Returns (Form 1099) are in accordance with the Internal Revenue Code (IRC) and the California Revenue and Taxation Code (R&TC).

Section 1 – Payee Information

Name – Enter the name that appears on the payee's federal tax return. The name provided shall be the tax liable party and is subject to IRS TIN matching (when applicable).

- Sole Proprietor/Individual/Revocable Trusts – enter the name shown on your federal tax return.
- Single Member Limited Liability Companies (LLCs) that is disregarded as an entity separate from its owner for federal tax purposes - enter the name of the individual or business entity that is tax liable for the business in section 1. Enter the DBA, LLC name, trade, or fictitious name under Business Name.
- Note: for the State of California tax purposes, a Single Member LLC is not disregarded from its owner, even if they may be disregarded at the Federal level.
- Partnerships, Estates/Trusts, or Corporations – enter the entity name as shown on the entity's federal tax return. The name provided in Section 1 must match to the TIN provided in section 3. Enter any DBA, trade, or fictitious business names under Business Name.

Business Name – Enter the business name, DBA name, trade or fictitious name, or disregarded LLC name.
Mailing Address – The mailing address is the address where the payee will receive information returns. Use form STD 205, Payee Data Record Supplement to provide a remittance address if different from the mailing address for information returns, or make subsequent changes to the remittance address.

Section 2 – Entity Type

If the Payee in Section 1 is a(n)…	THEN Select the Box for…
Individual ● Sole Proprietorship ● Grantor (Revocable Living) Trust disregarded for federal tax purposes	Sole Proprietor/Individual
Limited Liability Company (LLC) owned by an individual and is disregarded for federal tax purposes	Single Member LLC-owned by an individual
Partnerships ● Limited Liability Partnerships (LLP) ● and, LLC treated as a Partnership	Partnerships
Estate ● Trust (other than disregarded Grantor Trust)	Estate or Trust
Corporation that is medical in nature (e.g., medical and healthcare services, physician care, nursery care, dentistry, etc. ● LLC that is to be taxed like a Corporation and is medical in nature	Corporation-Medical
Corporation that is legal in nature (e.g., services of attorneys, arbitrators, notary publics involving legal or law related matters, etc.) ● LLC that is to be taxed like a Corporation and is legal in nature	Corporation-Legal
Corporation that qualifies for an Exempt status, including 501(c) 3 and domestic non-profit corporations.	Corporation-Exempt
Corporation that does not meet the qualifications of any of the other corporation types listed above ● LLC that is to be taxed as a Corporation and does not meet any of the other corporation types listed above	Corporation-All Other

Section 3 – Tax Identification Number

The State of California requires that all parties entering into business transactions that may lead to payment(s) from the state provide their Taxpayer Identification Number (TIN). The TIN is required by R&TC sections 18646 and 18661 to facilitate tax compliance enforcement activities and preparation of Form 1099 and other information returns as required by the IRC section 6109(a) and R&TC section 18662 and its regulations.

Section 4 – Payee Residency Status

Are you a California resident or nonresident?

- A corporation will be defined as a "resident" if it has a permanent place of business in California or is qualified through the Secretary of State to do business in California.
- A partnership is considered a resident partnership if it has a permanent place of business in California.
- An estate is a resident if the decedent was a California resident at time of death.
- A trust is a resident if at least one trustee is a California resident.
  - For individuals and sole proprietors, the term "resident" includes every individual who is in California for other than a temporary or transitory purpose and any individual domiciled in California who is absent for a temporary or transitory purpose. Generally, an individual who comes to California for a purpose that will extend over a long or indefinite period will be considered a resident. However, an individual who comes to perform a particular contract of short duration will be considered a nonresident.

For information on Nonresident Withholding, contact the Franchise Tax Board at the numbers listed below:

Withholding Services and Compliance Section: 1-888-792-4900 E-mail address: wscs.gen@ftb.ca.gov
For hearing impaired with TDD, call: 1-800-822-6268 Website: www.ftb.ca.gov

Section 5 – Certification

Provide the name, title, email address, signature, and telephone number of individual completing this form and date completed. In the event that a SSN or ITIN is provided, the individual identified as the tax liable party must certify the form. Note: the signee may differ from the tax liable party in this situation if the signee can provide a power of attorney documented for the individual.

Section 6 – Paying State Agency

This section must be completed by the state agency/department requesting the STD 204.

Privacy Statement

Section 7(b) of the Privacy Act of 1974 (Public Law 93-579) requires that any federal, state, or local governmental agency, which requests an individual to disclose their social security account number, shall inform that individual whether that disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it. It is mandatory to furnish the information requested. Federal law requires that payment for which the requested information is not provided is subject to federal backup withholding and state law imposes noncompliance penalties of up to $20,000. You have the right to access records containing your personal information, such as your SSN. To exercise that right, please contact the business services unit or the accounts payable unit of the state agency(ies) with which you transact that business.

All questions should be referred to the requesting state agency listed on the bottom front of this form.

ITEM # 17

CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Arlene Salazar, Director of Police Services

SUBJECT: **AUTHORIZE THE TWO-YEAR LEASE OF 11 ADDITIONAL FLOCK SAFETY FIXED AUTOMATED LICENSE PLATE READER (ALPR) CAMERAS**

DATE: March 18, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Authorize the Director of Police Services to enter into a two-year lease agreement with Flock Group Inc. for 11 additional fixed Automated License Plate Reader (ALPR) cameras in an amount not-to-exceed $67,650 over two years; and

2) Approve the use of existing funds within the FY24/25 adopted budget, Contract Patrol-Miscellaneous Equipment Replacement account 10102215-523030 to fund year-one expenses of the two-year lease; and

3) Take such additional, related, action that may be desirable.

FISCAL IMPACT

No additional funds are being requested at this time. The Department will reallocate existing funds within the Contract Patrol-Miscellaneous Equipment Replacement account in the amount of $34,650 to pay for year-one expenses of the two- year lease. Existing funds were originally appropriated as part of the FY 24/25 budget process to provide funding for costs associated with leasing and or purchase of “portable” Flock ALPR cameras and a portable surveillance trailer. However, after further assessment and consideration, the department has concluded that existing funds will be best utilized to expand our deployment of ALPR cameras by adding an additional 11 fixed ALPR Citywide to cover gaps in surveillance coverage. An appropriation will be necessary to cover the cost of year-two of the lease and will be included as part of the Police Services FY 25/26 budget.

BACKGROUND

On December 7, 2021, the City Council approved a one-year lease agreement with Flock Group, Inc. for the deployment of twenty fixed Automated License Plate Reader (ALPR) cameras throughout the City. On January 24, 2023, the City Council approved the deployment of ten additional ALPR cameras to the existing deployment bringing the deployment to thirty ALPR cameras.

Subsequently, at the November 21, 2023 City Council meeting, the City Council approved the Director of Police Services to enter into a five-year lease agreement, in a final form approved by the City Attorney's office, with Flock Group Inc., locking in the existing yearly per camera rate of $2,500 for the duration of the contract. The Master Services Agreement was executed on November 30, 2023. At this time, no changes to the Master Services Agreement will occur, an "Additional Services Agreement", adding 11 additional fixed Flock Safety ALPR cameras for a two-year term will be executed upon City Council approval. This ALPR camera expansion would bring our deployment total to 41 fixed ALPR cameras installed throughout the City.

ANALYSIS

Since implementation, ALPR cameras have been instrumental in deterring crime and aiding Whittier Police Department Detectives and field patrol personnel in investigation efforts to recover stolen vehicles/property, identify suspects, apprehend criminals and solve numerous criminal cases. In addition, they have served as an officer safety tool as ALPR cameras provide real-time alerts and enhance surveillance capabilities in critical areas where officers cannot always be physically present. ALPR cameras function by scanning vehicle license plates, comparing plate information to state stolen and wanted vehicles databases, and when a match is made, dispatch and officers are instantly alerted. Overall, the City's investment in this crime fighting technology has helped improve efficiency, officer and community safety, led to the apprehension of criminals and recovery of stolen property, weapons and drugs. Expanding our ALPR camera deployment will continue to be a cost-effective and invaluable tool to maximize investigative capabilities, manage resources and provide a significant return on investment, while maintaining public safety.

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

Upon approval, the Director of Police Services will execute a two-year "Additional Services" lease agreement with Flock Group, Inc. for 11 additional fixed ALPR cameras in an amount not-to-exceed $67,650. Year-one agreement costs will include the annual lease of 11 cameras at the rate of $3,000 per camera, and a one-time implementation fee in the amount of $1,650. Year-two agreement costs will include the annual lease of 11 cameras at the rate of $3,000 per camera, and the associated cost of $33,000 will be included as part of FY25/26 Police Services budget.

ATTACHMENT(S):

A. Flock Group, Inc. 2023 Master Services Agreement
B. Flock Group, Inc. 2025 "Additional Services Agreement"

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

ATTACHMENT A

Flock Safety + CA - City of Santa Fe Springs

Flock Group Inc.
1170 Howell Mill Rd, Suite 210
Atlanta, GA 30318

MAIN CONTACT:
Libby Landers
libby.landers@flocksafety.com
404-777-4113

flock safety

Company Overview

At Flock Safety, technology unites law enforcement and the communities they serve to eliminate crime and shape a safer future, together. We created the first public safety operating system to enable neighborhoods, schools, businesses, and law enforcement to work together to collect visual, audio, and situational evidence across an entire city to solve and prevent crime.

Our connected platform, comprised of License Plate Recognition (LPR), live video, audio detection, and a suite of integrations (AVL, CAD & more), alerts law enforcement when an incident occurs and turns unbiased data into objective answers that increase case clearance, maximize resources, and reduce crime -- all without compromising transparency or human privacy.

Join thousands of agencies reducing crime with Flock Safety's public safety operating system

200 0+	120	1B+	<60 %*
communities with private- public partnerships	incident alerts / minute	1B+ vehicles detected / month	<60% local crime reduction in Flock cities

*According to a 2019 study conducted by Cobb County Police Department

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Introduction

Layer Intelligence to Solve More Crime

The pathway to a safer future looks different for every community. As such, this proposal presents a combination of products that specifically addresses your public safety needs, geographical layout, sworn officer count, and budget. These components make up your custom public safety operating system, a connected device network and software platform designed to transform real-time data into a panoramic view of your jurisdiction and help you zero in on the leads that solve more cases, prevent future crimes, and foster trust in the communities you serve.

Software Platform

Flock Safety's out-of-box software platform collects and makes sense of visual, audio, and situational evidence across your entire network of devices.

Out-of-Box Software Features	

Simplified Search	Get a complete view of all activity tied to one vehicle in your network of privately and publicly owned cameras. The user-friendly search experience allows officers to filter hours of footage in seconds based on time, location, and detailed vehicle criteria using patented Vehicle Fingerprint ™ technology. Search filters include:
	• Vehicle make
	• Body type
	• Color
	• License plates
	  ○ Partial tags
	  ○ Missing tags
	  ○ Temporary tags
	  ○ State recognition
	• Decals
	• Bumper stickers
	• Back racks
	• Top racks

National and Local Sharing	Access 1B+ additional plate reads each month without purchasing more cameras. Solve cross-jurisdiction crimes by opting into Flock Safety's sharing networks, including one-to- one, national, and statewide search networks. Users can also receive alerts from several external LPR databases: *California* *SVS FDLE* *FL Expired* *Licenses FL* *Expired Tags* *FL Sanctioned* *Drivers FL Sex* *Offenders Georgia* *DOR* *IL SOS* *Illinois* *Leads* *NCIC* *NCMEC Amber* *Alert REJIS* *CCIC* *FBI*
Real-time Alerts	Receive SMS, email, and in-app notifications for custom Hot Lists, NCIC wanted lists, AMBER alerts, Silver alerts, Vehicle Fingerprint matches, and more.
Interactive ESRI Map	View your AVL, CAD, traffic, and LPR alerts alongside live on- scene video from a single interactive map for a birdseye view of activity in your jurisdiction.
Vehicle Location Analysis	Visualize sequential Hot List alerts and the direction of travel to guide officers to find suspect vehicles faster.

Out-of-Box Software Features (Continued)	
Transparency Portal	Establish community trust with a public-facing dashboard that shares policies, usage, and public safety outcomes related to your policing technology.
Insights Dashboard	Access at-a-glance reporting to easily prove ROI, discover crime and traffic patterns and prioritize changes to your public safety strategy by using data to determine the most significant impact.
Native MDT Application	Download FlockOS to your MDTs to ensure officers never miss a Hot List alert while out on patrol.
Hot List Attachments	Attach relevant information to Custom Hot List alerts. Give simple, digestible context to Dispatchers and Patrol Officers responding to Hot List alerts so they can act confidently and drive better outcomes. When you create a custom Hot List Alert, add case notes, photos, reports, and other relevant case information.
Single Sign On (SSO)	Increase your login speed and information security with Okta or Azure Single Sign On (SSO). Quickly access critical information you need to do your job by eliminating the need for password resets and steps in the log-in process.

License Plate Recognition		
The Flock Safety Falcon® LPR camera uses Vehicle Fingerprint™ technology to transform hours of footage into actionable evidence, even when a license plate isn't visible, and sends Hot List alerts to law enforcement users when a suspect vehicle is detected. The Falcon has fixed and location-flexible deployment options with 30% more accurate reads than leading LPR.* *Results from the 2019 side-by-side comparison test conducted by LA County Sheriff's Department		
Flock Safety Falcon® LPR Camera	**Flock Safety Falcon® Flex**	**Flock Safety Falcon® LR**
Fixed, infrastructure-free LPR camera designed for permanent placement. √ 1 Standard LPR Camera √ Unlimited LTE data service + Flock OS platform licenses √ 1 DOT breakaway pole √ Dual solar panels √ Permitting, installation, and ongoing maintenance	Location-flexible LPR camera designed for fast, easy self-installation, which is ideal for your ever-changing investigative needs. √ 1 LPR Camera √ Unlimited LTE data service + software licenses √ 1 portable mount with varying-sized band clamps √ 1 Charger for internal battery √ 1 hardshell carrying case	Long-range, high-speed LPR camera that captures license plates and Vehicle Fingerprint data for increasing investigative leads on high-volume roadways like highways and interstates. √ 1 Long-Rage LPR Camera √ Computing device in protective poly case √ AC Power √ Permitting, installation, and ongoing maintenance

Your Flock Safety Team	
Flock Safety is more than a technology vendor; we are a partner in your mission to build a safer future. We work with thousands of law enforcement agencies across the US to build stronger, safer communities that celebrate the hard work of those who serve and protect. We don't disappear after contracts are signed; we pride ourselves on becoming an extension of your hard-working team as part of our subscription service.	
Implementation	Meet with a Solutions Consultant (former LEO) to build a deployment plan based on your needs. Our Permitting Team and Installation Technicians will work to get your device network approved, installed, and activated.
User Training + Support	Your designated Customer Success Manager will help train your power users and ensure you maximize the platform, while our customer support team will assist with needs as they arise.
Maintenance	We proactively monitor the health of your device network. If we detect that a device is offline, a full-time technician will service your device for no extra charge. *Note: Ongoing maintenance does not apply to Falcon Flex devices.*
Public Relations	Government Affairs Get support educating your stakeholders, including city councils and other governing bodies. Media Relations Share crimes solved in the local media with the help of our Public Relations team.

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flock safety

EXHIBIT A
ORDER FORM

Customer:	CA - City of Santa Fe Springs	Initial Term:	60 Months
Legal Entity Name:	CA - City of Santa Fe Springs	Renewal Term:	24 Months
Accounts Payable Email:	dinotorres@santafesprings.org	Payment Terms:	Net 30
Address:	11710 Telegraph Rd Santa Fe Springs, California 90670	Billing Frequency:	Annual Plan - First Year Invoiced at Signing.
		Retention Period:	30 Days

Hardware and Software Products
Annual recurring amounts over subscription term

Item	Cost	Quantity	Total
Flock Safety Platform			$75,000.00
Flock Safety Flock OS			
FlockOS™	Included	1	Included
Flock Safety LPR Products			
Flock Safety Falcon®	Included	30	Included

Professional Services and One Time Purchases

Item	Cost	Quantity	Total
One Time Fees			

Subtotal Year 1:	$75,000.00
Annual Recurring Subtotal:	$75,000.00
Discounts:	$75,000.00
Estimated Tax:	$0.00
Contract Total:	$375,000.00

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Billing Schedule

Billing Schedule	Amount (USD)
Year 1	
At Contract Signing	$75,000.00
Annual Recurring after Year 1	$75,000.00
Contract Total	$375,000.00

*Tax not included

Discounts

Discounts Applied	Amount (USD)
Flock Safety Platform	$75,000.00
Flock Safety Add-ons	$0.00
Flock Safety Professional Services	$0.00

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Product and Services Description

Flock Safety Platform Items	Product Description	Terms
Flock Safety Falcon ®	An infrastructure-free license plate reader camera that utilizes Vehicle Fingerprint® technology to capture vehicular attributes.	The Term shall commence upon first installation and validation of Flock Hardware.

One-Time Fees	Service Description
Installation on existing infrastructure	One-time Professional Services engagement. Includes site & safety assessment, camera setup & testing, and shipping & handling in accordance with the Flock Safety Advanced Implementation Service Brief.
Professional Services - Standard Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.
Professional Services - Advanced Implementation Fee	One-time Professional Services engagement. Includes site & safety assessment, camera setup & testing, and shipping & handling in accordance with the Flock Safety Advanced Implementation Service Brief.

FlockOS Features & Description

Package: Essentials

FlockOS Features	Description
Community Cameras (Full Access)	Access to all privately owned Flock devices within your jurisdiction that have been shared with you.
Unlimited Users	Unlimited users for FlockOS
State Network (LP Lookup Only)	Allows agencies to look up license plates on all cameras opted in to the statewide Flock network.
Nationwide Network (LP Lookup Only)	Allows agencies to look up license plates on all cameras opted in to the nationwide Flock network.
Direct Share - Surrounding Jurisdiction (Full Access)	Access to all Flock devices owned by law enforcement that have been directly shared with you. Have ability to search by vehicle fingerprint, receive hot list alerts, and view devices on the map.
Time & Location Based Search	Search full, partial, and temporary plates by time at particular device locations
License Plate Lookup	Look up specific license plate location history captured on Flock devices
Vehicle Fingerprint Search	Search footage using Vehicle Fingerprint™ technology. Access vehicle type, make, color, license plate state, missing / covered plates, and other unique features like bumper stickers, decals, and roof racks.
Flock Insights/Analytics page	Reporting tool to help administrators manage their LPR program with device performance data, user and network audits, plate read reports, hot list alert reports, event logs, and outcome reports.
ESRI Based Map Interface	Flock Safety's maps are powered by ESRI, which offers the ability for 3D visualization, viewing of floor plans, and layering of external GIS data, such as City infrastructure (i.e., public facilities, transit systems, utilities), Boundary mapping (i.e., precincts, county lines, beat maps), and Interior floor plans (i.e., hospitals, corporate campuses, universities)
Real-Time NCIC Alerts on Flock ALPR Cameras	Alert sent when a vehicle entered into the NCIC crime database passes by a Flock camera
Unlimited Custom Hot Lists	Ability to add a suspect's license plate to a custom list and get alerted when it passes by a Flock camera

By executing this Order Form, Customer represents and warrants that it has read and agrees to all of the terms and conditions contained in the Master Services Agreement attached. The Parties have executed this Agreement as of the dates set forth below.

FLOCK GROUP, INC.

By: DocuSigned by: Mark Smith AC5C931454C24F3...

Name: Mark Smith

Title: General Counsel

Date: 11/30/2023

Customer: CA - City of Santa Fe Springs

By:

Name: Dino Torres

Title: DIRECTOR OF POLICE SERVICES

Date: 11/30/23

PO Number: N/A

Master Services Agreement

This Master Services Agreement (this "***Agreement***") is entered into by and between Flock Group, Inc. with a place of business at 1170 Howell Mill Road NW Suite 210, Atlanta, GA 30318 ("***Flock***") and the entity identified in the signature block ("***Customer***") (each a "***Party***," and together, the "***Parties***") on this the 31 day of October 2023. This Agreement is effective on the date of mutual execution ("***Effective Date***"). Parties will sign an Order Form ("***Order Form***") which will describe the Flock Services to be performed and the period for performance, attached hereto as **Exhibit A**. The Parties agree as follows:

RECITALS

WHEREAS, Flock offers a software and hardware situational awareness solution through Flock's technology platform that upon detection is capable of capturing audio, video, image, and recording data and provide notifications to Customer ("***Notifications***");

WHEREAS, Customer desires access to the Flock Services (defined below) on existing devices, provided by Customer, or Flock provided Flock Hardware (as defined below) in order to create, view, search and archive Footage and receive Notifications, via the Flock Services;

WHEREAS, Customer shall have access to the Footage in Flock Services. Pursuant to Flock's standard Retention Period (defined below) Flock deletes all Footage on a rolling thirty (30) day basis, except as otherwise stated on the ***Order Form***. Customer shall be responsible for extracting, downloading and archiving Footage from the Flock Services on its own storage devices; and

AGREEMENT

NOW, THEREFORE, Flock and Customer agree that this Agreement, and any Order Form, purchase orders, statements of work, product addenda, or the like, attached hereto as

exhibits and incorporated by reference, constitute the complete and exclusive statement of the Agreement of the Parties with respect to the subject matter of this Agreement, and replace and supersede all prior agreements, term sheets, purchase orders, correspondence, oral or written communications and negotiations by and between the Parties.

1. DEFINITIONS

Certain capitalized terms, not otherwise defined herein, have the meanings set forth or cross-referenced in this Section 1.

1. "***Anonymized Data***" means Customer Data permanently stripped of identifying details and any potential personally identifiable information, by commercially available standards which irreversibly alters data in such a way that a data subject (i.e., individual person or entity) can no longer be identified directly or indirectly.

2. "***Authorized End User(s)***" means any individual employees, agents, or contractors of Customer accessing or using the Services, under the rights granted to Customer pursuant to this Agreement.

3. "***Customer Data***" means the data, media and content provided by Customer through the Services. For the avoidance of doubt, the Customer Data will include the Footage.

1.4. "***Customer Hardware***" means the third-party camera owned or provided by Customer and any other physical elements that interact with the Embedded Software and the Web Interface to provide the Services.

5. "***Embedded Software***" means the Flock proprietary software and/or firmware integrated with or installed on the Flock Hardware or Customer Hardware.

6. "***Flock Hardware***" means the Flock device(s), which may include the pole, clamps, solar panel, installation components, and any other physical elements that interact with the Embedded Software and the Web Interface, to provide the Flock Services as specifically set forth in the applicable product addenda.

7. "***Flock IP***" means the Services, the Embedded Software, and any intellectual property or proprietary information therein or otherwise provided to Customer and/or its Authorized End Users. Flock IP does not include Footage (as defined below).

8. "***Flock Network End User(s)***" means any user of the Flock Services that Customer authorizes access to or receives data from, pursuant to the licenses granted herein.

9. "***Flock Services***" means the provision of Flock's software and hardware situational awareness solution, via the Web Interface, for automatic license plate detection, alerts, audio detection, searching image records, video and sharing Footage.

10. "***Footage***" means still images, video, audio and other data captured by the Flock Hardware or Customer Hardware in the course of and provided via the Flock Services.

11. "***Hotlist(s)***" means a digital file containing alphanumeric license plate related information pertaining to vehicles of interest, which may include stolen vehicles, stolen vehicle license plates, vehicles owned or associated with wanted or missing person(s), vehicles suspected of being involved with criminal or terrorist activities, and other legitimate law enforcement purposes. Hotlist also includes, but is not limited to, national data (i.e., NCIC) for similar categories, license plates associated with AMBER Alerts or Missing Persons/Vulnerable Adult Alerts, and includes manually entered license plate information associated with crimes that have occurred in any local jurisdiction.

12. "***Installation Services***" means the services provided by Flock for installation of Flock Services.

13. "***Retention Period***" means the time period that the Customer Data is stored within the cloud storage, as specified in the product addenda.

14. "***Vehicle Fingerprint™***" means the unique vehicular attributes captured through Services such as: type, make, color, state registration, missing/covered plates, bumper stickers, decals, roof racks, and bike racks.

15. "***Web Interface***" means the website(s) or application(s) through which Customer and its Authorized End Users can access the Services.

2. SERVICES AND SUPPORT

1. **Provision of Access.** Flock hereby grants to Customer a non-exclusive, non-transferable right to access the features and functions of the Flock Services via the Web Interface during the Term, solely for the Authorized End Users. The Footage will be available for Authorized End Users to access and download via the Web Interface for the data retention time defined on the Order Form ("***Retention Period***"). Authorized End Users will be required to sign up for an account and select a password and username ("***User ID***"). Customer shall be responsible for all acts and omissions of Authorized End Users, and any act or omission by an Authorized End User which, including any acts or omissions of authorized End user which would constitute a breach of this agreement if undertaken by customer. Customer shall undertake reasonable efforts to make all Authorized End Users aware of all applicable provisions of this Agreement and shall cause Authorized End Users to comply with such provisions. Flock may use the services of one or more third parties to deliver any part of the Flock Services, (such as using a third party to host the Web Interface for cloud storage or a cell phone provider for wireless cellular coverage).

2. **Embedded Software License.** Flock grants Customer a limited, non-exclusive, non-transferable, non-sublicensable (except to the Authorized End Users), revocable right to use the Embedded Software as it pertains to Flock Services, solely as necessary for Customer to use the Flock Services.

3. **Support Services.** Flock shall monitor the Flock Services, and any applicable device health, in order to improve performance and functionality. Flock will use commercially reasonable efforts to respond to requests for support within seventy-two (72) hours. Flock will provide Customer with reasonable technical and on-site support and maintenance services in-person, via phone or by email at support@flocksafety.com (such services collectively referred to as ***"Support Services"***).

4. **Upgrades to Platform.** Flock may make any upgrades to system or platform that it deems necessary or useful to (i) maintain or enhance the quality or delivery of Flock's products or services to its agencies, the competitive strength of, or market for, Flock's products or services, such platform or system's cost efficiency or performance, or (ii) to comply with applicable law. Parties understand that such upgrades are necessary from time to time and will not diminish the quality of the services or materially change any terms or conditions within this Agreement.

5. **Service Interruption.** Services may be interrupted in the event that: (a) Flock's provision of the Services to Customer or any Authorized End User is prohibited by applicable law; (b) any third-party services required for Services are interrupted; (c) if Flock reasonably believe Services are being used for malicious, unlawful, or otherwise unauthorized use; (d) there is a threat or attack on any of the Flock IP by a third party; or (e) scheduled or emergency maintenance ("***Service Interruption***"). Flock will make commercially reasonable efforts to provide written notice of any Service Interruption to Customer, to provide updates, and to resume providing access to Flock Services as soon as reasonably possible after the event giving rise to the Service Interruption is cured. Flock will have no liability for any damage, liabilities, losses (including any loss of data or profits), or any other consequences that Customer or any Authorized End User may incur as a result of a Service Interruption. To the extent that the Service Interruption is not caused by Customer's direct actions or by the actions of parties associated with the Customer, the time will be tolled by the duration of the Service Interruption (for any continuous suspension lasting at least one full day). For example, in the event of a Service Interruption lasting five (5) continuous days, Customer will receive a credit for five (5) free days at the end of the Term.

6. **Service Suspension.** Flock may temporarily suspend Customer's and any Authorized End User's access to any portion or all of the Flock IP or Flock Service if (a) there is a threat or attack on any of the Flock IP by Customer; (b) Customer's or any Authorized End User's use of the Flock IP disrupts or poses a security risk to the Flock IP or any other customer or vendor of Flock; (c) Customer or any Authorized End User is/are using the Flock IP for fraudulent or illegal activities; (d) Customer has violated any term of this provision, including, but not limited to, utilizing Flock Services for anything other than the Permitted Purpose; or (e) any unauthorized access to Flock Services through Customer's account ("***Service Suspension***"). Customer shall not be entitled to any remedy for the Service Suspension period, including any reimbursement, tolling, or credit. If the Service Suspension was not caused by Customer, the Term will be tolled by the duration of the Service Suspension.

7. **Hazardous Conditions.** Flock Services do not contemplate hazardous materials, or other hazardous conditions, including, without limit, asbestos, lead, toxic or flammable substances. In the event any such hazardous materials are discovered in the designated locations in which Flock is to perform services under this Agreement, Flock shall have the right to cease work immediately.

3. CUSTOMER OBLIGATIONS

1. **Customer Obligations.** Flock will assist Customer Authorized End Users in the creation of a User ID. Authorized End Users agree to provide Flock with accurate, complete, and updated registration information. Authorized End Users may not select as their User ID, a name that they do not have the right to use, or any other name with the intent of impersonation. Customer and Authorized End Users may not transfer their account to anyone else without prior written permission of Flock. Authorized End Users shall not share their account username or password information and must protect the security of the username and password. Unless otherwise stated and defined in this Agreement, Customer shall not designate Authorized End Users for persons who are not officers, employees, or agents of Customer. Authorized End Users shall only use Customer-issued email addresses for the creation of their User ID. Customer is responsible for any Authorized End User activity associated with its account. Customer shall ensure that Customer provides Flock with up to date contact information at all times during the Term of this agreement. Customer shall be responsible for obtaining and maintaining any equipment and ancillary services needed to connect to, access or otherwise use the Flock Services. Customer shall (at its own expense) provide Flock with reasonable access and use of Customer facilities and Customer personnel in order to enable Flock to perform Services (such obligations of Customer are collectively defined as ***"Customer Obligations"***).

2. **Customer Representations and Warranties.** Customer represents, covenants, and warrants that Customer shall use Flock Services only in compliance with this Agreement and all applicable laws and regulations, including but not limited to any laws relating to the recording or sharing of data, video, photo, or audio content.

4. DATA USE AND LICENSING

1. **Customer Data.** As between Flock and Customer, all right, title and interest in the Customer Data, belong to and are retained solely by Customer. Customer hereby grants to Flock a limited, non-exclusive, royalty-free, irrevocable, worldwide license to use the Customer Data and perform all acts as may be necessary for Flock to provide the Flock Services to Customer. Flock does not own and shall not sell Customer Data.

2. **Customer Generated Data.** Flock may provide Customer with the opportunity to post, upload, display, publish, distribute, transmit, broadcast, or otherwise make available, messages,

text, illustrations, files, images, graphics, photos, comments, sounds, music, videos, information, content, ratings, reviews, data, questions, suggestions, or other information or materials produced by Customer (***"Customer Generated Data"***). Customer shall retain whatever legally cognizable right, title, and interest in Customer Generated Data. Customer understands and acknowledges that Flock has no obligation to monitor or enforce Customer's intellectual property rights of Customer Generated Data. Customer grants Flock a non-exclusive, irrevocable, worldwide, royalty-free, license to use the Customer Generated Data for the purpose of providing Flock Services. Flock does not own and shall not sell Customer Generated Data.

3. **Anonymized Data.** Flock shall have the right to collect, analyze, and anonymize Customer Data and Customer Generated Data to the extent such anonymization renders the data non-identifiable to create Anonymized Data to use and perform the Services and related systems and technologies, including the training of machine learning algorithms. Customer hereby grants Flock a non-exclusive, worldwide, perpetual, royalty-free right to use and distribute such Anonymized Data to improve and enhance the Services and for other development, diagnostic and corrective purposes, and other Flock offerings. Parties understand that the aforementioned license is required for continuity of Services. Flock does not own and shall not sell Anonymized Data.

5. CONFIDENTIALITY; DISCLOSURES

1. **Confidentiality.** To the extent required by any applicable public records requests, each Party (the "***Receiving Party***") understands that the other Party (the "***Disclosing Party***") has disclosed or may disclose business, technical or financial information relating to the Disclosing Party's business (hereinafter referred to as "***Proprietary Information***" of the Disclosing Party). Proprietary Information of Flock includes non-public information regarding features, functionality and performance of the Services. Proprietary Information of Customer includes non-public data provided by Customer to Flock or collected by Flock via Flock Services, which includes but is not limited to geolocation information and environmental data collected by sensors. The Receiving Party agrees: (i) to take the same security precautions to protect against disclosure or unauthorized use of such Proprietary Information that the Party takes with its own proprietary information, but in no event less than commercially reasonable precautions, and (ii) not to use (except in performance of the Services or as otherwise permitted herein) or divulge to any third person any

such Proprietary Information. The Disclosing Party agrees that the foregoing shall not apply with respect to any information that the Receiving Party can document (a) is or becomes generally available to the public; or (b) was in its possession or known by it prior to receipt from the Disclosing Party; or (c) was rightfully disclosed to it without restriction by a third party; or (d) was independently developed without use of any Proprietary Information of the Disclosing Party. Nothing in this Agreement will prevent the Receiving Party from disclosing the Proprietary Information pursuant to any judicial or governmental order, provided that the Receiving Party gives the Disclosing Party reasonable prior notice of such disclosure to contest such order. At the termination of this Agreement, all Proprietary Information will be returned to the Disclosing Party, destroyed or erased (if recorded on an erasable storage medium), together with any copies thereof, when no longer needed for the purposes above, or upon request from the Disclosing Party, and in any case upon termination of the Agreement. Notwithstanding any termination, all confidentiality obligations of Proprietary Information that is trade secret shall continue in perpetuity or until such information is no longer trade secret.

2. **Usage Restrictions on Flock IP.** Flock and its licensors retain all right, title and interest in and to the Flock IP and its components, and Customer acknowledges that it neither owns nor acquires any additional rights in and to the foregoing not expressly granted by this Agreement. Customer further acknowledges that Flock retains the right to use the foregoing for any purpose in Flock's sole discretion. Customer and Authorized End Users shall not: (i) copy or duplicate any of the Flock IP; (ii) decompile, disassemble, reverse engineer, or otherwise attempt to obtain or perceive the source code from which any software component of any of the Flock IP is compiled or interpreted, or apply any other process or procedure to derive the source code of any software included in the Flock IP; (iii) attempt to modify, alter, tamper with or repair any of the Flock IP, or attempt to create any derivative product from any of the foregoing; (iv) interfere or attempt to interfere in any manner with the functionality or proper working of any of the Flock IP; (v) remove, obscure, or alter any notice of any intellectual property or proprietary right appearing on or contained within the Flock Services or Flock IP; (vi) use the Flock Services for anything other than the Permitted Purpose; or (vii) assign, sublicense, sell, resell, lease, rent, or otherwise transfer, convey, pledge as security, or otherwise encumber, Customer's rights. There are no implied rights.

3. **Disclosure of Footage.** Subject to and during the Retention Period, Flock may access, use, preserve and/or disclose the Footage to law enforcement authorities, government officials, and/or third parties, if legally required to do so or if Flock has a good faith belief that such access, use, preservation or disclosure is reasonably necessary to comply with a legal process, enforce this Agreement, or detect, prevent or otherwise address security, privacy, fraud or technical issues, or emergency situations.

6. PAYMENT OF FEES

1. **Billing and Payment of Fees**. Customer shall pay the fees set forth in the applicable Order Form based on the billing structure and payment terms as indicated in the Order Form. If Customer believes that Flock has billed Customer incorrectly, Customer must contact Flock no later than thirty (30) days after the closing date on the first invoice in which the error or problem appeared to receive an adjustment or credit. Customer acknowledges and agrees that a failure to contact Flock within this period will serve as a waiver of any claim. If any undisputed fee is more than thirty (30) days overdue, Flock may, without limiting its other rights and remedies, suspend delivery of its service until such undisputed invoice is paid in full. Flock shall provide at least thirty (30) days' prior written notice to Customer of the payment delinquency before exercising any suspension right.

2. **Notice of Changes to Fees.** Flock reserves the right to change the fees for subsequent Renewal Terms by providing sixty (60) days' notice (which may be sent by email) prior to the end of the Initial Term or Renewal Term (as applicable).

3. **Late Fees.** If payment is not issued to Flock by the due date of the invoice, an interest penalty of 1.0% of any unpaid amount may be added for each month or fraction thereafter, until final payment is made.

4. **Taxes.** Customer is responsible for all taxes, levies, or duties, excluding only taxes based on Flock's net income, imposed by taxing authorities associated with the order. If Flock has the legal obligation to pay or collect taxes, including amount subsequently assessed by a taxing authority, for which Customer is responsible, the appropriate amount shall be invoice to and paid by Customer unless Customer provides Flock a legally sufficient tax exemption certificate and Flock shall not charge customer any taxes from which it is exempt. If any deduction or

withholding is required by law, Customer shall notify Flock and shall pay Flock any additional amounts necessary to ensure that the net amount that Flock receives, after any deduction and withholding, equals the amount Flock would have received if no deduction or withholding had been required.

7. TERM AND TERMINATION

1. **Term.** The initial term of this Agreement shall be for the period of time set forth on the Order Form (the "***Term***"). Following the Term, unless otherwise indicated on the Order Form, this Agreement will automatically renew for successive renewal terms of the greater of one year or the length set forth on the Order Form (each, a "***Renewal Term***") unless either Party gives the other Party notice of non-renewal at least thirty (30) days prior to the end of the then-current term.
2. **Termination.** Upon termination or expiration of this Agreement, Flock will remove any applicable Flock Hardware at a commercially reasonable time period. In the event of any material breach of this Agreement, the non-breaching Party may terminate this Agreement prior to the end of the Term by giving thirty (30) days prior written notice to the breaching Party; provided, however, that this Agreement will not terminate if the breaching Party has cured the breach prior to the expiration of such thirty (30) day period ("***Cure Period***"). Either Party may terminate this Agreement (i) upon the institution by or against the other Party of insolvency, receivership or bankruptcy proceedings, (ii) upon the other Party's making an assignment for the benefit of creditors, or (iii) upon the other Party's dissolution or ceasing to do business. In the event of a material breach by Flock, and Flock is unable to cure within the ***Cure Period***, Flock will refund Customer a pro-rata portion of the pre-paid fees for Services not received due to such termination.
3. **Survival.** The following Sections will survive termination: 1, 3, 5, 6, 7, 8.3, 8.4, 9, 11.1 and 11.6.

8. REMEDY FOR DEFECT; WARRANTY AND DISCLAIMER

1. **Manufacturer Defect.** Upon a malfunction or failure of Flock Hardware or Embedded Software (a "***Defect***"), Customer must notify Flock's technical support team. In the event of a Defect, Flock shall make a commercially reasonable attempt to repair or replace the defective Flock Hardware at no additional cost to the Customer. Flock reserves the right, in its sole discretion, to repair or replace such Defect, provided that Flock shall conduct inspection or testing within a commercially reasonable time, but no longer than seven (7) business days after Customer gives notice to Flock.

2. **Replacements.** In the event that Flock Hardware is lost, stolen, or damaged, Customer may request a replacement of Flock Hardware at a fee according to the reinstall fee schedule (https://www.flocksafety.com/reinstall-fee-schedule). In the event that Customer chooses not to replace lost, damaged, or stolen Flock Hardware, Customer understands and agrees that (1) Flock Services will be materially affected, and (2) that Flock shall have no liability to Customer regarding such affected Flock Services, nor shall Customer receive a refund for the lost, damaged, or stolen Flock Hardware.

3. **Warranty.** Flock shall use reasonable efforts consistent with prevailing industry standards to maintain the Services in a manner which minimizes errors and interruptions in the Services and shall perform the Installation Services in a professional and workmanlike manner. Services may be temporarily unavailable for scheduled maintenance or for unscheduled emergency maintenance, either by Flock or by third-party providers, or because of other causes beyond Flock's reasonable control, but Flock shall use reasonable efforts to provide advance notice in writing or by e-mail of any scheduled service disruption.

4. **Disclaimer.** THE REMEDY DESCRIBED IN SECTION 8.1 ABOVE IS CUSTOMER'S SOLE REMEDY, AND FLOCK'S SOLE LIABILITY, WITH RESPECT TO DEFECTS. FLOCK DOES NOT WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE; NOR DOES IT MAKE ANY WARRANTY AS TO THE RESULTS THAT MAY BE OBTAINED FROM USE OF THE SERVICES. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION, THE SERVICES ARE PROVIDED "AS IS" AND FLOCK DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A

PARTICULAR PURPOSE AND NON-INFRINGEMENT. THIS DISCLAIMER ONLY APPLIES TO THE EXTENT ALLOWED BY THE GOVERNING LAW OF THE STATE MENTIONED IN SECTION 11.6.

5. **Insurance.** Flock will maintain commercial general liability policies as stated in Exhibit B.

6. **Force Majeure.** Parties are not responsible or liable for any delays or failures in performance from any cause beyond their control, including, but not limited to acts of God, changes to law or regulations, embargoes, war, terrorist acts, pandemics (including the spread of variants), issues of national security, acts or omissions of third-party technology providers, riots, fires, earthquakes, floods, power blackouts, strikes, supply chain shortages of equipment or supplies, financial institution crisis, weather conditions or acts of hackers, internet service providers or any other third party acts or omissions.

9. LIMITATION OF LIABILITY; INDEMNITY

1. **Limitation of Liability.** NOTWITHSTANDING ANYTHING TO THE CONTRARY, FLOCK, ITS OFFICERS, AFFILIATES, REPRESENTATIVES, CONTRACTORS AND EMPLOYEES SHALL NOT BE RESPONSIBLE OR LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY, OR OTHER THEORY: (A) FOR LOSS OF REVENUE, BUSINESS OR BUSINESS INTERRUPTION; (B) INCOMPLETE, CORRUPT, OR INACCURATE DATA; (C) COST OF PROCUREMENT OF SUBSTITUTE GOODS, SERVICES OR TECHNOLOGY; (D) FOR ANY INDIRECT, EXEMPLARY, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES; (E) FOR ANY MATTER BEYOND FLOCK'S ACTUAL KNOWLEDGE OR REASONABLE CONTROL INCLUDING REPEAT CRIMINAL ACTIVITY OR INABILITY TO CAPTURE FOOTAGE; OR (F) FOR ANY AMOUNTS THAT, TOGETHER WITH AMOUNTS ASSOCIATED WITH ALL OTHER CLAIMS, EXCEED THE FEES PAID AND/ OR PAYABLE BY CUSTOMER TO FLOCK FOR THE SERVICES UNDER THIS AGREEMENT IN THE TWELVE (12) MONTHS PRIOR TO THE ACT OR OMISSION THAT GAVE RISE TO THE LIABILITY, IN EACH CASE, WHETHER OR NOT FLOCK HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS LIMITATION OF

LIABILITY OF SECTION ONLY APPLIES TO THE EXTENT ALLOWED BY THE GOVERNING LAW OF THE STATE REFERENCED IN SECTION 10.6. NOTWITHSTANDING ANYTHING TO THE CONTRARY, THE FOREGOING LIMITATIONS OF LIABILITY SHALL NOT APPLY (I) IN THE EVENT OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, OR (II) INDEMNIFICATION OBLIGATIONS.

2. **Responsibility.** Each Party to this Agreement shall assume the responsibility and liability for the acts and omissions of its own employees, officers, or agents, in connection with the performance of their official duties under this Agreement. Each Party to this Agreement shall be liable for the torts of its own officers, agents, or employees.

3. **Flock Indemnity.** Flock shall indemnify and hold harmless Customer, its agents and employees, from liability of any kind, including claims, costs (including defense) and expenses, on account of: (i) any copyrighted material, patented or unpatented invention, articles, device or appliance manufactured or used in the performance of this Agreement; or (ii) any damage or injury to property or person directly caused by Flock's installation of Flock Hardware, except for where such damage or injury was caused solely by the negligence of the Customer or its agents, officers or employees.

10. INSTALLATION SERVICES AND OBLIGATIONS

1. **Ownership of Hardware**. Flock Hardware is owned and shall remain the exclusive property of Flock. Title to any Flock Hardware shall not pass to Customer upon execution of this Agreement, except as otherwise specifically set forth in this Agreement. Except as otherwise expressly stated in this Agreement, Customer is not permitted to remove, reposition, re-install, tamper with, alter, adjust or otherwise take possession or control of Flock Hardware. Customer agrees and understands that in the event Customer is found to engage in any of the foregoing restricted actions, all warranties herein shall be null and void, and this Agreement shall be subject to immediate termination for material breach by Customer. Customer shall not perform any acts which would interfere with the retention of title of the Flock Hardware by Flock. Should Customer default on any payment of the Flock Services, Flock may remove Flock Hardware at

Flock's discretion. Such removal, if made by Flock, shall not be deemed a waiver of Flock's rights to any damages Flock may sustain as a result of Customer's default and Flock shall have the right to enforce any other legal remedy or right.

2. **Deployment Plan**. Flock shall advise Customer on the location and positioning of the Flock Hardware for optimal product functionality, as conditions and locations allow. Flock will collaborate with Customer to design the strategic geographic mapping of the location(s) and implementation of Flock Hardware to create a deployment plan ("***Deployment Plan***"). In the event that Flock determines that Flock Hardware will not achieve optimal functionality at a designated location, Flock shall have final discretion to veto a specific location, and will provide alternative options to Customer.

3. **Changes to Deployment Plan.** After installation of Flock Hardware, any subsequent requested changes to the Deployment Plan, including, but not limited to, relocating, re-positioning, adjusting of the mounting, removing foliage, replacement, changes to heights of poles will incur a fee according to the reinstall fee schedule located at (https://www.flocksafety.com/reinstall-fee-schedule). Customer will receive prior notice and confirm approval of any such fees.

4. **Customer Installation Obligations**. Customer is responsible for any applicable supplementary cost as described in the Customer Implementation Guide, attached hereto as Exhibit C ("***Customer Obligations***"). Customer represents and warrants that it has, or shall lawfully obtain, all necessary right title and authority and hereby authorizes Flock to install the Flock Hardware at the designated locations and to make any necessary inspections or maintenance in connection with such installation.

5. **Flock's Obligations**. Installation of any Flock Hardware shall be installed in a professional manner within a commercially reasonable time from the Effective Date of this Agreement. Upon removal of Flock Hardware, Flock shall restore the location to its original condition, ordinary wear and tear excepted. Flock will continue to monitor the performance of Flock Hardware for the length of the Term. Flock may use a subcontractor or third party to perform certain obligations under this agreement, provided that Flock's use of such subcontractor or third party shall not release Flock from any duty or liability to fulfill Flock's obligations under this Agreement.

11. MISCELLANEOUS

1. **Compliance With Laws.** Parties shall comply with all applicable local, state and federal laws, regulations, policies and ordinances and their associated record retention schedules, including responding to any subpoena request(s).

2. **Severability.** If any provision of this Agreement is found to be unenforceable or invalid, that provision will be limited or eliminated to the minimum extent necessary so that this Agreement will otherwise remain in full force and effect.

3. **Assignment.** This Agreement is not assignable, transferable or sublicensable by either Party, without prior consent. Notwithstanding the foregoing, either Party may assign this Agreement, without the other Party's consent, (i) to any parent, subsidiary, or affiliate entity, or (ii) to any purchaser of all or substantially all of such Party's assets or to any successor by way of merger, consolidation or similar transaction.

4. **Entire Agreement.** This Agreement, together with the Order Form(s), the reinstall fee schedule (https://www.flocksafety.com/reinstall-fee-schedule), and any attached exhibits are the complete and exclusive statement of the mutual understanding of the Parties and supersedes and cancels all previous or contemporaneous negotiations, discussions or agreements, whether written and oral , communications and other understandings relating to the subject matter of this Agreement, and that all waivers and modifications must be in a writing signed by both Parties, except as otherwise provided herein. None of Customer's purchase orders, authorizations or similar documents will alter the terms of this Agreement, and any such conflicting terms are expressly rejected. Any mutually agreed upon future purchase order is subject to these legal terms and does not alter the rights and obligations under this Agreement, except that future purchase orders may outline additional products, services, quantities and billing terms to be mutually accepted by Parties. In the event of any conflict of terms found in this Agreement or any other terms and conditions, the terms of this Agreement shall prevail. Customer agrees that Customer's purchase is neither contingent upon the delivery of any future functionality or features nor dependent upon any oral or written comments made by Flock with respect to future functionality or feature.

5. **Relationship.** No agency, partnership, joint venture, or employment is created as a result of this Agreement and Parties do not have any authority of any kind to bind each other in any respect whatsoever. Flock shall at all times be and act as an independent contractor to Customer.

Flock Safety + CA - City of Santa Fe Springs

Flock Group Inc.
1170 Howell Mill Rd, Suite 210
Atlanta, GA 30318

MAIN CONTACT:
Jake Sherman
jake.sherman@flocksafety.com
8187467444

flock safety

ORDER FORM

This order form ("**Order Form**") hereby incorporates and includes the terms of the previously executed agreement (the "**Terms**") which describe and set forth the general legal terms governing the relationship (collectively, the "**Agreement**"). The Terms contain, among other things, warranty disclaimers, liability limitations and use limitations.

This additional services Agreement will be effective when this Order Form is executed by both Parties (the "**Effective Date**")

Customer:	CA - City of Santa Fe Springs	Initial Term:	24 Months
Legal Entity Name:	CA - City of Santa Fe Springs	Renewal Term:	24 Months
Accounts Payable Email:	michellenorwood@santafesprings.gov	Payment Terms:	Net 30
Address:	11710 Telegraph Rd Santa Fe Springs, California 90670	Billing Frequency:	Annual Plan - First Year Invoiced at Signing.
		Retention Period:	30 Days

Hardware and Software Products

Annual recurring amounts over subscription term

Item	Cost	Quantity	Total
Flock Safety Platform			**$33,000.00**
Flock Safety LPR Products			
Flock Safety LPR, fka Falcon	Included	11	Included

Professional Services and One Time Purchases

Item	Cost	Quantity	Total
One Time Fees			
Flock Safety Professional Services			
Professional Services - Existing Infrastructure Implementation Fee	$150.00	11	$1,650.00

Subtotal Year 1:	$34,650.00
Annual Recurring Subtotal:	$33,000.00
Estimated Tax:	$0.00
Contract Total:	$67,650.00

*Taxes shown above are provided as an estimate. Actual taxes are the responsibility of the Customer. This Agreement will automatically renew for successive renewal terms of the greater of one year or the length set forth on the Order Form (each, a "**Renewal Term**") unless either Party gives the other Party notice of non-renewal at least thirty (30) days prior to the end of the then-current term.*

The Term for Flock Hardware shall commence upon first installation and validation, except that the Term for any Flock Hardware that requires self-installation shall commence upon execution of the Agreement. In the event a Customer purchases more than one type of Flock Hardware, the earliest Term start date shall control. In the event a Customer purchases software only, the Term shall commence upon execution of the Agreement.

Billing Schedule

Billing Schedule	Amount (USD)
Year 1	
At Contract Signing	$34,650.00
Annual Recurring after Year 1	$33,000.00
Contract Total	$67,650.00

*Tax not included

Product and Services Description

Flock Safety Platform Items	Product Description
Flock Safety LPR, fka Falcon	Law enforcement grade infrastructure-free (solar power + LTE) license plate recognition camera with Vehicle Fingerprint ™ technology (proprietary machine learning software) and real-time alerts for unlimited users.
Professional Services - Existing Infrastructure Implementation Fee	One-time Professional Services engagement. Includes site and safety assessment of existing vertical infrastructure location, camera setup and testing, and shipping and handling in accordance with the Flock Safety Standard Implementation Service Brief.

By executing this Order Form, Customer represents and warrants that it has read and agrees to all of the terms and conditions contained in the previously executed agreement.

The Parties have executed this Agreement as of the dates set forth below.

FLOCK GROUP, INC.	**Customer: CA - City of Santa Fe Springs**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____
	PO Number: _____

ITEM # 18

CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: James Enriquez, P.E., Director of Public Works / City Engineer

SUBJECT: **CATCH BASIN INSERT INSTALLATION PROJECT – AWARD OF CONTRACT TO G2 CONSTRUCTION, INC.**

DATE: March 18, 2025

RECOMMENDATION:

It is recommended that the City Council:

1) Award a cooperative purchase contract to G2 Construction, Inc. of Santa Ana, CA in the amount of $1,471,830 for the installation of trash and debris capture devices in approximately 700 storm drain catch basins located in the City of Santa Fe Springs in accordance with Santa Fe Springs Municipal Code §34.18; and

2) Authorize the City Manager to execute the agreement with G2 Construction, Inc.; and

3) Appropriate $1,471,830 of Measure W funds earmarked for trash and debris capture device installation; and

4) Take such additional, related, action that may be desirable.

FISCAL IMPACT

The installation of Full Capture System devices in storm drain catch basins is a requirement of the City's NPDES permit and an eligible project under Measure W guidelines and will be paid for using Measure W funds (24284240) with no impact to the general fund. Staff identified the purchase and installation of the trash and debris capture devices as part of the 2024-25 SCW Municipal Program Annual Plan.

BACKGROUND

[In an effort to mitigate the growing trash pollution in California's waterways, on April 7, 2015 the State Water Resources Control Board adopted the Trash Provisions of the Water Quality Control Plan for Inland Surface Waters, Enclosed Bays, and Estuaries of California. The Trash Provisions require MS4 Permit holders to install, operate, and maintain full capture systems in catch basins located in Priority Land Uses. As an MS4 permit holder, the City of Santa Fe Springs is required to comply with the Trash Amendments. Santa Fe Springs is committed to a storm water management program that protects water quality, increases local water supplies and protects public health. The installation of the proposed full capture devices will drastically reduce the trash and debris currently entering the storm drain system and comply with the California Water Board's requirements to install certified Full Capture System devices to protect storm water quality.

ANALYSIS

N/A

ENVIRONMENTAL

Pursuant to the guidelines of the California Environmental Quality Act (CEQA), the Catch Basin Insert Installation project is categorically exempt under Class 1(c) for existing facilities. Under CEQA, a project is exempt if the scope of work is limited to the repair, maintenance, and minor alterations of an existing facility.

DISCUSSION

Approval of the contract will allow the City to utilize the competitive pricing available through an existing master cooperative agreement. In January 2020, the County of Orange solicited bids for trash and debris capture devices. The County of Orange received prequalified contractors that submitted bid prices for various size catch basin trash and debris capture devices. One of the prequalified contractors is G2 Construction, Inc., which entered into Master Agreement No. MA-080-20011478 (Attachment B) with the County of Orange for the fabrication and installation of the devices. The agreement includes a clause for cooperative agreements, extending the provisions and pricing to other local government agencies wishing to procure and install trash and debris capture devices. Many local cities have utilized the master agreement to install these devices in their storm drain catch basins. Cooperative purchasing is authorized by Santa Fe Springs Municipal Code §34.18.

The Contractor provided the City a proposal for staff review (Exhibit A of Attachment A). The proposed scope of work consists of the purchase and installation of trash and debris devices for 700 catch basins located in the City. Although the Los Angeles County Flood Control District owns approximately 280 of these catch basins, the regulations stipulate

that the City is responsible for installing the devices because they are located within the City boundary.

SUMMARY/NEXT STEPS

Upon approval of the recommended actions by the City Council, staff will coordinate the installation of the catch basin inserts with the Contractor.

ATTACHMENTS:

A. Contract Agreement
B. OCPW Master Agreement MA-080-20011478

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

2025
COOPERATIVE CONTRACT SERVICES AGREEMENT
(Contractor: G2 Construction, Inc.)
(Trash and Debris Capture Services)

THIS COOPERATIVE CONTRACT SERVICES AGREEMENT (hereinafter, "Agreement") is made and entered into as of this 18th day of March, 2025 ("Effective Date"), by and between the CITY OF SANTA FE SPRINGS, a municipal corporation (hereinafter, "CITY") and G2 CONSTRUCTION, INC. (hereinafter, "CONTRACTOR"). For the purposes of this Agreement, CITY and CONTRACTOR may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to CITY or CONTRACTOR interchangeably.

RECITALS

WHEREAS, CITY is a municipal corporation organized under the laws of the State of California, with power to contract for services necessary to achieve its purpose; and

WHEREAS, CITY requires the services of an outside independent contractor to provide all labor, materials and supervision required to install trash and debris capture devices throughout the CITY; and

WHEREAS, Section 34.18(B)(1)-(3) of the Santa Fe Springs Municipal Code exempts certain purchases from the CITY's regular purchasing procedures where such purchases qualify as cooperative or piggyback purchase wherein the CITY may procure supplies, equipment and services on unit pricing terms that are equal to or better than pricing obtain by another public agency or non-profit using their own competitive contract awarding procedures; and

WHEREAS, CONTRACTOR was awarded a contract for Trash and Debris Capture Services by the County of Orange, Public Works Department (the "County"), after CONTRACTOR submitted a bid in response to the County's formal competitive bidding process; and

WHEREAS, CONTRACTOR and County entered into a Master Agreement No. MA-080-20011478, dated March 20, 2020, for the trash and debris capture devices, which includes a clause of cooperative agreements extending the provisions and pricing to other California local or state government agencies wishing to procure trash and debris capture devices; and

WHEREAS, CONTRACTOR warrants and represents itself as possessing the necessary experience, skills and qualifications to provide the services required by CITY and to ensure that all work is performed in a professional manner and the final product is of a high quality; and

WHEREAS, CONTRACTOR warrants and represents that it has the necessary staff to deliver the services within the time frame herein specified and is fully qualified to perform those services within the specified time frame in accordance with the highest standards of

CONTRACTOR'S profession; and

WHEREAS, the execution of this Agreement was approved by the Santa Fe Springs City Council in accordance at its Regular Meeting of March 18, 2025 under Agenda Item No. _____.

NOW THEREFORE, in consideration of these recitals and the mutual covenants contained herein, the Parties agree as follows:

1.0 TERMS OF AGREEMENT

1.1 This AGREEMENT shall have a term commencing as of the Effective Date and shall expire automatically upon the 1st anniversary of the Effective Date (hereinafter, the "Term"). Nothing in this Section shall operate to prohibit or otherwise restrict the CITY's ability to terminate this AGREEMENT at any time for convenience or for cause as provided herein.

1.2 This AGREEMENT is a firm, fixed-price contract for all labor and materials including, but not limited to, document scanning, indexing, and conversion from paper to digital format. All tasks to be performed are to be completed, or this AGREEMENT is otherwise terminated. Prices shall remain firm upon execution of this AGREEMENT. The foregoing notwithstanding, in no event may CONTRACTOR's total compensation exceed the aggregate sum of ONE MILLION FOUR HUNDRED, SEVENTY-ONE THOUSAND, EIGHT HUNDRED AND THIRTY DOLLARS $1,471,830.00), unless otherwise amended by mutal written agreement of the Parties in the form of a written amendment to this Agreement.

1.3 Time is of the essence in the performance of all obligations under this AGREEMENT. The work shall commence upon mutual consent of the Parties subsequent the CITY'S issuance of a written Notice to Proceed. CONSULTANT shall perform the various tasks identified in, and within the timeframes set forth in, the Scope of Services, and shall complete all of the work in accordance with the schedule and timeline established by the Parties. Failure to meet the schedule contained in this AGREEMENT is a default by the CONTRACTOR.

1.4 CONTRACTOR shall, without additional compensation, correct or revise any services performed pursuant to this AGREEMENT that do not meet the specifications and/or professional standards required of the CONTRACTOR.

2.0 SCOPE OF SERVICES (EXHIBIT A)

2.1 CONTRACTOR shall provide CITY with the services and documents described in EXHIBIT A, which is attached hereto and incorporated herein by this reference as though fully set forth at length and is hereinafter referred to as the "SERVICES."

2.2 The general manner in which the CONTRACTOR shall render the SERVICES is set forth in EXHIBIT A. While CITY is, in general, concerned with the manner in which the SERVICES are rendered, under this AGREEMENT, as represented by CONTRACTOR, it is not concerned with, nor shall it direct, the specific means and methods of operations on the part of CONTRACTOR in the performance of its SERVICES under this AGREEMENT.

CONTRACTOR shall provide all labor, materials, equipment, tools and services required by and shall perform all work described in this AGREEMENT.

3.0 COMPENSATION AND PAYMENT PROCEDURES.

3.1 CONTRACTOR shall perform all the SERVICES in accordance with the schedule of rates and charges established under EXHIBIT A.

3.2 Section 3.1, above notwithstanding, in no event may CONTRACTOR's total compensation exceed the aggregate sum of ONE MILLION FOUR HUNDRED, SEVENTY-ONE THOUSAND, EIGHT HUNDRED AND THIRTY DOLLARS ($1,471,830.00), unless approved by the City Council of the City of Santa Fe Springs and memorialized in the form of a written amendment to this AGREEMENT.

3.3 Following the completion of each calendar month, CONTRACTOR shall submit to CITY an itemized invoice indicating the SERVICE performed in the recently concluded calendar month. The invoice shall identify all services and tasks performed during the recently concluded calendar month and the corresponding subtotal for the same as well as all equipment costs and other charges. If the amount of CONTRACTOR's compensation includes hours worked by CONTRACTOR's personnel, the invoice shall indicate the number of hours worked in connection with the specific service or task requested, the persons responsible for performing the SERVICES, the rate of compensation at which such SERVICES were performed, the subtotal for each task and service performed and a grand total for all services performed. Within thirty (30) calendar days of receipt of each invoice, CITY shall notify CONTRACTOR in writing of any disputed amounts included in the invoice. Within forty-five (45) calendar days of receipt of each invoice, CITY shall pay all undisputed amounts included on the invoice. CITY shall not withhold applicable taxes or other authorized deductions from payments made to CONTRACTOR.

3.4 CONTRACTOR shall comply with all applicable Federal, State and local laws pertaining to the subject matter hereof or in any way regulating the activities undertaken by CONTRACTOR or any subcontractor hereunder.

4.0 CHANGES TO SCOPE OF WORK

CONTRACTOR shall not perform work in excess of the SERVICES without the prior written approval of the Contract Officer. All requests for extra work shall be by written change order submitted to the Contract Officer prior to the commencement of such work.

5.0 SUBCONTRACTING

5.1 Subcontracting is prohibited under this Agreement, without the express written consent of the CITY.

6.0 ENTIRE AGREEMENT

6.1 This AGREEMENT, the incorporated EXHIBITs and all Applicable Terms & Conditions of County's Master Agreement MA-080-20011478, dated as of March 20, 2020, set forth the

entire understanding of the Parties with respect to the subject matters herein. If there are any conflicts or inconsistencies as between the provisions of the incorporated EXHIBITs and the provisions of this AGREEMENT, the provisions of this AGREEMENT shall govern and control. If there are any conflicts or inconsistencies as between the provisions of this AGREEMENT and its EXHIBITs and the provisions of the applicableTerms & Conditions for MA-080-20011478, dated as of March 20, 2020 (the "Master Agreement Terms"), the provisions of the Master Agreement Terms shall govern and control. There are no other understandings, terms or other agreements expressed or implied, oral or written, except as set forth herein. No change, alteration, or modification of the terms or conditions of this AGREEMENT, and no verbal understanding of the Parties, their officers, officials, agents, representatives, contractors, subcontractors or employees shall be valid unless agreed to in writing by both Parties.

7.0 TERMINATION OF AGREEMENT

7.1 In the event of CONTRACTOR'S failure to prosecute, deliver, or perform the SERVICES, CITY may terminate this AGREEMENT immediately by notifying CONTRACTOR by certified mail of said termination. Thereupon, CONTRACTOR shall cease work and, within two (2) working days, place all work in progress in a safe and protected condition. The City Manager of CITY shall make a determination of the percentage of work that CONTRACTOR performed that is usable and of worth to CITY. Based upon that finding, CITY shall determine any final payment due to CONTRACTOR. For purposes of this Agreement, the term "working day" means those days of each week, excluding Saturday and Sunday or any national holiday.

7.2 This AGREEMENT may be terminated by the CITY, without cause, upon the giving of fifteen (15) days' written notice to the CONTRACTOR. Prior to the fifteenth (15th) day following the giving of the notice, the CONTRACTOR shall assemble the completed work product to date, and put the same in order for proper filing and closing, and deliver said product to the CITY. The CONTRACTOR shall be entitled to just and equitable compensation for any satisfactory work completed. The CONTRACT OFFICER and CONTRACTOR shall endeavor to agree upon a percentage complete of the contracted work if fees are fixed, or an agreed dollar sum based on services performed if hourly, and terms of payment for services and reimbursable expenses. CONTRACTOR hereby expressly waives any and all claims for damages or compensation arising under this AGREEMENT except as set forth herein.

8.0 [RESERVED – NO TEXT]

9.0 COVENANT AGAINST CONTINGENT FEES

9.1 CONTRACTOR represents and warrants that it has not employed or retained any company or person, other than a bona fide employee working for CONTRACTOR, to solicit or secure this AGREEMENT, and that CONTRACTOR has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon, or resulting from, the award or making of this AGREEMENT. For breach or violation of this representation and warranty, CITY shall have the right to terminate this AGREEMENT without liability or, at CITY'S sole discretion, to deduct from the AGREEMENT

price or consideration, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

10.0 STATUS OF CONTRACTOR

10.1 CONTRACTOR shall perform the SERVICES in a manner of CONTRACTOR'S own choice, as an independent CONTRACTOR and in pursuit of CONTRACTOR'S independent calling, and not as an employee of CITY. CONTRACTOR shall be under control of CITY only as to the result to be accomplished and the personnel assigned to the project. However, CONTRACTOR shall confer with CITY prior to implementing any changes proposed to the SERVICES. Neither CONTRACTOR nor CONTRACTOR'S employees shall be entitled in any manner to any employment benefits, including but not limited to, employer paid payroll taxes, Social Security, retirement benefits, health benefits, or any other benefits, as a result of this AGREEMENT. It is the intent of the Parties that neither CONTRACTOR nor its employees are to be considered employees of CITY, whether "common law" or otherwise, and CONTRACTOR shall indemnify, defend and hold CITY harmless from any such obligations on the part of its officers, employees, representatives and agents.

11.0 ASSIGNMENT OF CONTRACT

11.1 This AGREEMENT and any portion thereof shall not be assigned or transferred, nor shall any of the CONTRACTOR's duties be delegated or sub-contracted, without the express written consent of the CITY.

12.0 INDEMNITY – HOLD HARMLESS

12.1 To the fullest extent permitted by law, CONTRACTOR agrees that CITY and its elected and appointed boards, officials, officers, agents, employees, representatives and volunteers (individually and collectively, "CITY Indemnitees") shall have no liability to CONTRACTOR or any other person for, and CONTRACTOR shall indemnify, defend and hold harmless CITY Indemnitees from and against, any and all liabilities, claims, demands, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses, including reasonable attorneys' fees and disbursements, (collectively "Claims") that arise out of, pertain to, or relate to this AGREEMENT or any act or omission of CONTRACTOR or its officers, directors, representatives, employees, agents or subcontractors (collectively "CONTRACTOR'S PERSONNEL") in connection with this AGREEMENT, including, but not limited to, performance of or failure to perform the SERVICES.

12.2 CONTRACTOR's obligation herein does not extend to liability for damages for death or bodily injury to persons, injury to property, or other loss, damage or expense arising from the sole negligence or willful misconduct by the CITY or its elected and appointed boards, officials, officers, agents, employees, representatives or volunteers.

12.3 CONTRACTOR shall provide a defense (with counsel acceptable to CITY) to the CITY's Indemnitees, or at the CITY's sole option, reimburse the CITY's Indemnitees for all costs, attorneys' fees, expenses and liabilities (including judgment or portion thereof) incurred with

respect to any litigation in which the CONTRACTOR is obligated to indemnify, defend and hold harmless the CITY pursuant to this AGREEMENT.

12.4 **PERS Eligibility Indemnification**. In the event that any of CONTRACTOR's PERSONNEL is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS of the CITY, CONTRACTOR shall indemnify, defend (with counsel acceptable to CITY), and hold harmless CITY for the payment of any employer and employee contributions for PERS benefits on behalf of CONTRACTOR's PERSONNEL as well as for payment of any penalties and interest on such contributions which would otherwise be the responsibility of the CITY.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, CONTRACTOR's PERSONNEL providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation and benefit including but not limited to eligibility to enroll in PERS as an employee of CITY and entitlement to any contributions to be paid by CITY for employer contributions and/or employee contributions for PERS benefits.

12.5 **Limitation of CITY Liability.** The payment made to CONTRACTOR pursuant to this contract shall be the full and complete compensation to which CONTRACTOR and CONTRACTOR's PERSONNEL are entitled for performance of any work under this contract. Neither CONTRACTOR nor CONTRACTOR's PERSONNEL are entitled to any salary or wages, or retirement, health, leave or other fringe benefits applicable to employees of the CITY. The CITY will not make any federal or state tax withholdings on behalf of CONTRACTOR. The CITY shall not be required to pay any workers' compensation insurance on behalf of CONTRACTOR.

12.6 **Indemnification for Employee Payments.** CONTRACTOR agrees to defend (with counsel acceptable to CITY), and indemnify and hold harmless the CITY for and against any obligation, claim, suit or demand for tax, retirement contribution including any contribution to the Public Employees Retirement System (PERS), social security, salary or wages, overtime payment, or workers' compensation payment which the CITY may be required to make on behalf of CONTRACTOR or CONTRACTOR's PERSONNEL for work done under this AGREEMENT.

12.7 The provisions of this Section 12 shall not be limited by any provision of insurance coverage that the CONTRACTOR may have in effect, or may be required to obtain and maintain, during the term of this AGREEMENT. The provisions of this Section 12 shall survive expiration or termination of this AGREEMENT.

12.8 CITY shall timely notify the CONTRACTOR of the receipt of any third-party claim, relating to the AGREEMENT, and the CITY shall be entitled to recover its reasonable costs incurred in providing the notification.

12.6 **Responsibility For Equipment**. Notwithstanding anything in this AGREEMENT to the contrary, CITY shall not be responsible nor held liable for any damage whatsoever, including, but not limited to persons or property, resulting from or arising out of the use, misuse or failure of any

equipment used by CONTRACTOR or any of its agents, employees or subcontractors, even if such equipment has been furnished, rented or loaned to CONTRACTOR by CITY. Any and all equipment furnished, rented or loaned to CONTRACTOR by CITY is provided on an "as is" basis. CITY MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING ITS EQUIPMENT, AND HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. The acceptance or use of any CITY equipment by CONTRACTOR or its agents, employees, or subcontractors shall be with all faults and shall be construed to mean that CONTRACTOR accepts full responsibility for and agrees to defend, indemnify and hold harmless CITY from and against any and all claims for any damage whatsoever resulting from the use, misuse or failure of such equipment. CONTRACTOR HEREBY RELEASES, WAIVES, DISCHARGES AND CONVENANTS NOT TO SUE CITY FOR ANY AND ALL LIABILITY FROM ANY AND ALL CLAIMS RELATING TO ANY CITY EQUIPMENT.

13.0 INSURANCE

13.1 CONTRACTOR shall procure and maintain for the duration of this AGREEMENT insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the SERVICES and the results of that work by CONTRACTOR'S PERSONNEL. Insurance shall be placed with insurers with a current A.M. Best's rating of no less than "A" and "VII" unless otherwise approved in writing by the CITY's Risk Manager.

13.2 CONTRACTOR shall obtain, and during the term of this AGREEMENT shall maintain, policies of general liability, automobile liability, contractual liability and property damage insurance from an insurance company or companies authorized to be in business in the State of California, in an insurable amount of not less than one million dollars ($1,000,000) per occurrence and two million dollars ($2,000,000) aggregate or the limits specified below, whichever are greater. The insurance policies shall provide that the policies shall remain in full force during the full term of this AGREEMENT and shall not be canceled, terminated, or allowed to expire or not be renewed without thirty (30) days prior written notice to CITY from the insurance company, and shall contain a blanket waiver of subrogation. Statements that the carrier "will endeavor" and "failure to mail such notice shall impose no obligation or liability upon the company, its agents or representatives," will not be acceptable on insurance certificates. Maintenance of specified insurance coverage is a material element of this AGREEMENT.

13.3 **Types and Amounts Required**. CONTRACTOR shall maintain, at minimum, the following insurance coverage for the duration of this AGREEMENT:

13.3.1 **Commercial General Liability (CGL)**. CONTRACTOR shall maintain CGL Insurance written on an ISO Occurrence form or equivalent providing coverage at least as broad as CG 00 01 which shall cover liability arising from any and all personal injury or property damage, including ongoing and completed operations, in the amount no less than $2,000,000.00 per occurrence and subject to an annual aggregate of $4,000,000.00. If limits apply separately to this project (CG 25 03 or 25 04) the general aggregate limit shall not apply. There shall be no

endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability. All defense costs shall be outside the limits of the policy. If CONTRACTOR maintains higher limits than the limits shown above, the CITY shall be entitled to coverage for the higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the CITY. Any excess or umbrella policies being used to meet the required limits of insurance will be evaluated separately and must meet the same qualifications as the CONTRACTOR's primary policy.

13.3.2 **Commercial Automobile Liability**. CONTRACTOR shall maintain Commercial Automobile Liability Insurance for all of the CONTRACTOR's automobiles, including owned, hired and non-owned automobiles, automobile insurance written on an ISO form CA 00 01 12 90 or a later version of this form or an equivalent form providing coverage at least as broad for bodily injury and property damage for a combined single limit of no less than $1,000,000.00 per occurrence. Insurance certificate shall reflect coverage for any automobile (any auto).

13.3.3 **Workers' Compensation**. CONTRACTOR shall maintain Worker's Compensation insurance for all of CONTRACTOR's PERSONNEL who are subject to this AGREEMENT and to the extent required by applicable state or federal law, a Workers' Compensation policy providing at minimum $1,000,000.00 employers' liability coverage. The CONTRACTOR shall provide an endorsement that the insurer waives the right of subrogation against the CITY and its respective elected officials, officers, employees, agents and representatives.

13.4 The CITY and its officers, officials, employees, agents, representatives and volunteers shall be named as additional insureds on the required liability policies with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. The CITY's additional insured status must be reflected on additional insured endorsement form (20 10 1185 or 20 10 1001 and 20 37 1001), which shall be submitted to the CITY.

13.5 All policies shall contain a provision stating that the CONTRACTOR'S policies are primary insurance and that insurance (including self-retention) of the CITY or any named insured shall not be called upon to contribute to any loss, as reflected in an endorsement at least as broad as CG 20 01 04 13, which shall be submitted to the CITY. This provision shall apply regardless of any language of the policy maintained by the CONTRACTOR during the term of this AGREEMENT.

13.6 Before CONTRACTOR shall employ any person or persons in the performance of the AGREEMENT, CONTRACTOR shall procure a policy of Workers' Compensation Insurance as required by the Labor Code of the State of California or shall obtain a certificate of self-insurance from the Department of Industrial Relations.

13.7 Prior to commencement of work under this AGREEMENT, CONTRACTOR shall furnish to the CONTRACT OFFICER proof of the insurance required in this section. Failure by the CONTRACT OFFICER to object to the contents of the certificate and/or policy endorsement or

the absence of same shall not be deemed a waiver of any and all rights held by the CITY. Failure on the part of CONTRACTOR to procure or maintain in full force the required insurance shall constitute a material breach of contract under which the CITY may exercise any rights it has in law or equity including, but not limited to, terminating this AGREEMENT pursuant to Paragraph 7.1 above.

13.8 The CITY reserves the right to review the insurance requirements of this section during the effective period of the AGREEMENT and to modify insurance coverages and their limits when deemed necessary and prudent by CITY's Risk Manager based upon economic conditions, recommendation of professional insurance advisors, changes in statutory law, court decisions or other relevant factors. The CONTRACTOR agrees to make any reasonable request for the deletion, revision, or modification of particular insurance policy terms, conditions, limitations, or exclusions (except where those policy provisions are established by law, or are established by regulations that are binding upon either party to the contract, or are binding upon the underwriter to the contract). Upon request by CITY, CONTRACTOR shall exercise reasonable efforts to accomplish such changes in policy coverages and shall pay the cost thereof.

13.9 Any deductibles or self-insured retentions are the responsibility of CONTRACTOR and must be declared to and approved by the CITY. At the CITY's option, the CONTRACTOR shall demonstrate financial capability for payment of such deductibles or self-insured retentions.

13.10 CONTRACTOR hereby grants to CITY a waiver of any right to subrogation that any insurer of said CONTRACTOR may acquire against the CITY by virtue of the payment of any loss under such insurance. This provision applies regardless of whether or not the CITY has requested or received a waiver of subrogation endorsement from the insurer.

14.0 DISPUTES

14.1 If a dispute should arise regarding the performance of this AGREEMENT, the following procedures shall be used to address the dispute:

a. If the dispute is not resolved informally, then, within five (5) working days thereafter, the CONTRACTOR shall prepare a written position statement containing the party's full position and a recommended method of resolution and shall deliver the position statement to the CONTRACT OFFICER.

b. Within ten working (10) days of receipt of the position statement, the CONTRACT OFFICER shall prepare a response statement containing the CITY's full position and a recommended method of resolution and shall deliver the response statement to the CONTRACTOR.

c. After the exchange of statements, if the dispute is not resolved within ten working (10) days, the CONTRACTOR and the CONTRACT OFFICER shall deliver the statements to the City Manager who shall make a determination within ten working (10) days.

14.2 If the dispute remains unresolved for ten working (10) days following the City Manager's determination, and the parties have exhausted the procedures of this section, the parties may then seek resolution by mediation or such other remedies available to them by law or in equity.

15.0 NOTICES

15.1 Any notices to be given under this AGREEMENT, or otherwise, shall be served by certified mail.

15.2 For the purposes hereof, unless otherwise provided in writing by the Parties hereto, the address of the Parties and the proper person to receive any notice on each Party's behalf is:

For CITY:

City of Santa Fe Springs
Department of Public Works
ATTN: James Enriques, P.E.
11300 Greenstone Avenue
Santa Fe Springs, CA 90670
Phone: (562) 944-9713

For CONTRACTOR:

G2 Construction, Inc.
Eric H. Taylor, Vice President
1352 E. Borchard Ave.
Santa Ana, CA 92705
Phone: (714) 679-2550

15.4 CONTRACTOR represents and warrants that its employer's identification number is 33-0615733.

16.0 CONTRACTOR'S CERTIFICATION OF AWARENESS OF IMMIGRATION REFORM AND CONTROL ACT OF 1986

16.1 CONTRACTOR certifies that CONTRACTOR is aware of the requirements of the Immigration Reform and Control Act of 1986 (8 USC §§ 1101-1525) and has complied and will comply with these requirements including, but not limited to, verifying the eligibility for employment of all agents, employees, subcontractors and consultants before they perform any SERVICES under this AGREEMENT.

17.0 GENERAL PROVISIONS

17.1 **Accounting Records.** CONTRACTOR shall keep records of the direct reimbursable expenses pertaining to the SERVICES and the records of all accounts between the CONTRACTOR and any subcontractors. CONTRACTOR shall keep such records on a generally recognized accounting basis. These records shall be made available to the Contract Officer, or the Contract Officer's authorized representative, at mutually convenient times, for a period of three (3) years from the completion of the SERVICES.

17.2 **Contract Officer.** The Director of Public Works shall serve as the CITY's "Contract Officer" for this AGREEMENT and has the authority to direct the CONTRACTOR, approve actions, request changes, and approve additional services within her/his authority. Any obligation of the CITY shall be the responsibility of the Contract Officer. Excepting the provisions pertaining to dispute resolution, no other person shall have any authority under this AGREEMENT unless specifically delegated in writing.

17.3 **Governing Law.** This AGREEMENT and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this AGREEMENT shall be held exclusively in a state court in the County of San Diego. CONTRACTOR hereby irrevocably consents to service outside the State of California and to the personal jurisdiction of and exclusive venue in the state and federal courts in the County of San Diego, California and waives any objection to such jurisdiction or venue. CONTRACTOR hereby waives the right to remove any action from San Diego County as is otherwise permitted by California Code of Civil Procedure Section 394.

17.4 **Business Certificate.** CONTRACTOR and its subcontractors, if any, are required to obtain and maintain a City Business Certificate during the duration of this AGREEMENT.

17.5 **Compliance with Law.** The CONTRACTOR shall be responsible for complying and ensuring its subcontractors comply with all local, state, and federal laws, rules, regulations, orders, policies, protocols and guidance, whether or not said laws are expressly stated or referred to herein, including, but not limited to complying with COVID-19 sanitation protocols, health orders and guidance.

17.6 **[RESERVED – NO TEXT]**

17.7 **Responsibility for Others.** CONTRACTOR shall be responsible to the CITY for its services and the services of its subcontractors. CONTRACTOR shall not be responsible for the acts or omissions of other parties engaged by the CITY nor for their construction means, methods, techniques, sequences, or procedures, or their health and safety precautions and programs.

17.8. **Drafting Ambiguities**. The Parties agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this AGREEMENT, and the decision of whether or not to seek advice of counsel with respect to this AGREEMENT is a decision that is the sole responsibility of each Party. This AGREEMENT shall not be construed in favor of or against either Party by reason of the extent to which each Party participated in the drafting of the AGREEMENT.

17.9. **Conflicts between Terms**. If an apparent conflict or inconsistency exists between the main body of this AGREEMENT and the EXHIBITs, the main body of this AGREEMENT shall control. If a conflict exists between an applicable federal, state, or local law, rule, regulation, order, or code and this AGREEMENT, the law, rule, regulation, order, or code shall control. Varying degrees of stringency among the main body of this AGREEMENT, the Exhibits, and laws, rules, regulations, orders, or codes are not deemed conflicts, and the most stringent requirement shall control. Each Party shall notify the other immediately upon the identification of any apparent conflict or inconsistency concerning this AGREEMENT and shall cooperate in good faith to resolve the same.

17.10 **Non-Discrimination**. CONTRACTOR shall not discriminate against any employee or applicant for employment because of sex, race, color, age, religion, ancestry, national origin, disability, military or veteran status, medical condition, genetic information, gender expression, marital status, or sexual orientation. CONTRACTOR shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their sex, race, color, age, religion, ancestry, national origin, disability, military or veteran status, medical condition, genetic information, gender expression, marital status, or sexual orientation and shall make reasonable accommodation to qualified individuals with disabilities or medical conditions. 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. CONTRACTOR agrees to post in conspicuous places available to employees and applicants for employment any notices provided by CITY setting forth the provisions of this non-discrimination clause.

17.7 **Rights Cumulative.** All rights, options, and remedies of the CITY contained in this AGREEMENT shall be construed and held to be cumulative, and no one of the same shall be exclusive of any other, and the CITY shall have the right to pursue any one of all of such remedies or any other remedy or relief that may be provided by law or in equity, whether or not stated in this AGREEMENT.

17.8 **Waiver.** No waiver by either Party of a breach by the other Party of any of the terms, covenants, or conditions of this AGREEMENT shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant or condition herein contained. No waiver of any default of either Party hereunder shall be implied from any omission by the other Party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect default other than as specified in said waiver.

17.9 **Third Parties.** No provision contained in the AGREEMENT shall create or give to third parties any claim or right of action against the CITY or CONTRACTOR or their respective officers, directors, officials, employees, representatives, contractors, subcontractors or agents.

17.10 **Survival.** The provisions of the AGREEMENT that by their nature survive termination or final completion of the AGREEMENT, including all warranties, indemnities, payment obligations, and the CITY's right to audit CONTRACTOR's books and records, shall remain in full force and effect after final completion or any termination of the AGREEMENT.

17.11 **Severability.** In the event that any part of this AGREEMENT is found to be illegal or unenforceable under the law as it is now or hereafter in effect, either Party will be excused from performance of such portion or portions of this AGREEMENT as shall be found to be illegal or unenforceable without affecting the remaining provisions of this AGREEMENT.

17.12 **Exhibits Incorporated.** All EXHIBITs/Exhibits referenced in this AGREEMENT are incorporated into the AGREEMENT by this reference.

[SIGNATURES CONTINUED ON NEXT PAGE]

18. SIGNATURES

18.1 Each signatory and Party hereto hereby warrants and represents to the other Party that it has legal authority and capacity and direction from its principal to enter into this AGREEMENT, and that all resolutions or other actions have been taken so as to enable it to enter into this AGREEMENT.

CITY:

By: _____
Rene Bobadilla
City Manager

Date: _____

CONTRACTOR:

By: _____
John R. Alvarado
President

Date: _____

APPROVAL AS TO CONTENT:

_____ _____
James Enriquez, P.E. Date
Director of Public Works

APPROVAL AS TO FORM:

_____ _____
Rick Olivarez, City Attorney Date

EXHIBIT A

CONTRACTOR'S PROPOSAL

CONSTRUCTION, INC.

CA Lic. #801253 – A, C8, C60

1352 E. Borchard Ave.
Santa Ana, CA 92705

February 6, 2025

James Enriquez, P.E.
Director of Public Works
City of Sante Fe Springs
11710 Telegraph Rd.
Santa Fe Springs, CA 90670

Mr. Enriquez:

G2 Construction (G2) is pleased to offer this proposal to the City of Santa Fe Springs to install our patented CPS-Mod™ storm drain screens in approximately 700 catch basins (CBs) throughout the City. As requested by Ms. Sarina Morales-Choate, this proposal targets both City-owned and LACFCD-owned CBs with an estimated 60/40 split and includes optional services to support the City's storm water quality program. The City has an aggressive timeline to have the work performed and G2 is prepared to meet your can schedule.

G2 will perform field reviews and measurements of each CB, and then custom design, fabricate, and install G2's CPS-Mod™ stainless steel screen that filters stormwater to 5mm. Our devices are certified by the California Water Board as *Full Capture Systems*, and this project will make Sante Fe Springs installed CBs fully compliant with the State's Trash Amendment regulations.

Of the 700 project locations about 420 are City-owned CBs and 280 are LA County Flood Control District (LACFCD)-owned CBs. G2 can begin installation of City-owned CBs within two months of an agreement. LACFCD requires the City to apply for and receive a their flood control permit. This application typically takes the County 5 to 10 months to process and issue the permit, and this requires the project be split into two phases.

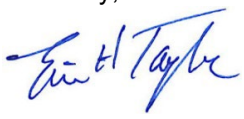
Phase 1 can begin in March of 2025 for installations in City-owned CBs, and Phase 2 can begin after the LACFCD permit is issued.

G2 has significant experience working with LACFCD permitted projects and will assist the City with this process if desired. G2 has successfully completed over 100 similar CPS-Mod projects for municipalities in Southern California and installed over 30,000 of our proprietary CB devices.

Our proposal's pricing matches G2's master purchase agreement with Orange County Public Works and guarantees our lowest available prices. The City is welcome to piggyback on this agreement. Over a dozen municipalities have piggybacked on this agreement.

If you have any questions or feedback, then please do not hesitate to contact me. I look forward to the opportunity of working with you and the City's team.

Sincerely,



Eric H. Taylor, *LEED AP BD+C, PMP*
VP, Projects & Business Dev
G2 Construction, Inc.
714.679.2550 *www.g2construction.com*

CONSTRUCTION, INC.

Proposal For

CITY of SANTE FE SPRINGS

Catch Basin Insert Installation Project

CPS-Mod™ *Full-Capture Systems*

Installed in Catch Basins throughout the City

February 6, 2025

Prepared For:

James Enriquez, P.E.
Director of Public Works
City of Sante Fe Springs
11710 Telegraph Rd.
Santa Fe Springs, CA 90670

Prepared By:
Eric H. Taylor
G2 Construction, Inc.
714.679.2550
etaylor@g2construction.com

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CONSTRUCTION, INC.

Lic. #801253 - A, C8, C60
1352 E. Borchard Ave.
Santa Ana, CA 92705
714.748.4242

PROPOSAL for CITY of SANTE FE SPRINGS

G2 CPS-Mod™ *Full-Capture System* Project

Installation of 700 Catch Basin Screens for Stormwater Quality Protection

(Good for 90 Days)

Customer: **City of Sante Fe Springs**

To: **James Enriquez, P.E.**
Director of Public Works
11710 Telegraph Rd.
Santa Fe Springs, CA 90670

Project: **Catch Basin Insert Installation Project**

Contact: Sarina Morales-Choate
Civil Engineering Assistant
(562) 868-0511 ex. 3619
<SarinaMorales-Choate@santafesprings.org>

Prepared: 2/6/2025
Proposal #: 250206-SFE

Eric H. Taylor

By: Eric H. Taylor
G2 Construction, Inc.
714.679.2550
etaylor@G2Construction.com

PROPOSAL OVERVIEW

G2 Construction, Inc. (G2) proposes installing our patented CPS-Mod™ certified *Full Capture System* (FCS) connector pipe screens in up to 700 storm drain catch basins (CBs) located within the City of Sante Fe Springs. G2's CPS-Mod™ devices will capture all trash and debris larger than 5mm that flows into the CBs during storm events. This project will dramatically reduce the trash and debris entering the stormwater system and the downstream bodies of water, and also meet the California Water Board's requirements to install certified *Full Capture System* devices to protect stormwater quality.

The 700 CBs for installation are owned primarily by the CITY (est. 60% or 420 locations), and also by LACFCD (est. 280 locations). The installation requirements for City and County locations are similar, but have some differences. The County requires that the City obtain a Flood Control Permit prior to performing installations, and this lengthens the time before staring the project. This proposal has 2 Phases because of this.

The City may spread the work in this proposal over two years, FY24/25 and FY25/26.

This proposal also includes Optional Services for storm water work such as: (1) Installation of *No Dumping Drains to Ocean* markers and/or stencils, (2) Repair of damaged catch basins, as needed, (3) GPS inventory of locations, and other related services.

G2 proposes 2 separate Phases for CPS-Mod insert installation:

PHASE 1 has two components, A. and B., that will be performed concurrently. Phase 1.A will install G2's CPS-Mod devices in approximately 420 City-owned CBs. Phase 1.B will collect the required data from approximately 280 LA County-owned CBs in Sante Fe Springs. Details of this work is described below.

PHASE 2 will install G2's CPS-Mod devices in up to 280 Los Angeles County Flood Control District (LACFCD)-owned CBs in Sante Fe Springs. Prior to Phase 2, the City must receive a Flood Control Permit from LA County to retrofit these CBs. The Phase 1.B work is required by the County to apply for the Permit. The County takes 5 to 10 months to process the permit application from the City. The County permit requirement will necessarily delay the start of G2's Phase 2 installations by 5 to 10 months after starting Phase 1. Details of this work are described below.

The majority of CBs in Sante Fe Springs are on busy streets, including the key north-south arterials of Pioneer Blvd, Norwalk Blvd, Sante Fe Springs Rd / Bloomfield Ave, Shoemaker Ave, and Carmenita Rd. that do not have parking for work vehicles. Similar conditions exist on the busy east-west arterials of Slauson Ave, Sorenson Ave, Los Nietos Rd, Telegraph Rd, Florence Ave, Imperial Highway, Rosecrans Ave, and Alondra Blvd.

G2 will provide both additional resources to reduce the need for lane closures, and also provide lane closure traffic control when necessary. This costs are included in this proposal.

The project's pricing matches and piggybacks on G2's existing Master Purchase Agreement with Orange County Public Works MA-080-20011478. The MA guarantees the City the lowest available pricing.

If the City chooses to require project bonds (not required by the Master Agreement), then a bond will be purchased for Phase 1 and a second bond purchased prior to Phase 2.

WORK DESCRIPTION & PRICING : PHASE 1

DESCRIPTION

PHASE 1.A - Install CPS-Mod in CITY-Owned Catch Basins. G2 will field review and measure 420 catch basins (CBs) owned by the City on the City's target list. G2 will fabricate and install G2 CPS-Mod™ certified *Full Capture Systems (FCS)* in all of these CBs suitable for receiving a device. This proposal includes all required aspects of the work: cleaning the CBs prior to install, traffic control where needed, post-install cleanup, and a photo of each installed device. G2 pays Prevailing Wage rates to all installation personnel, and will submit certified payroll to the DIR. The cost of optional project bonds is included, and these costs will be removed if the City chooses not to require bonds. The project's pricing will match and piggyback on G2's existing Master Purchase Agreement with Orange County Public Works MA-080-20011478, and guarantee the lowest available pricing.

PHASE 1.B - Collect Field Measurements from LACFCD-Owned Catch Basins. G2 will field review and measure about 280 CBs located in the City of Sante Fe Springs that are owned by LACFCD. It also includes preparing the required "Exhibit A" document required to apply for the LA County Flood Control Permit; and assist the City in obtaining the Permit. Note, the County requires fees from applicant cities that are not included in G2's proposal.

PRICING PHASE 1.A

PHASE 1.A - Install CPS-Mod in CITY-Owned Catch Basins.

Fabricate and install 420 CPS-Mod™ *FULL CAPTURE SYSTEMS* and perform technical install (prevailing wage). Devices made of 304 stainless steel with 5mm perforations.

Item	Description	Qty	Price*	Unit	Sub-Total
1.0	CPS-Mod™ Full Capture System Devices. Field measurements, design, fabrication, & installation.	420		/CPS-Mod	$609,589
	Based on these estimated quantities:				
	1.1 CPS-Mod - Up to 6.0 sqft filtration	151	$1,241	/CPS-Mod	
	1.2 CPS-Mod - 6.1 to 9.0 sqft filtration	177	$1,408	/CPS-Mod	
	1.3 CPS-Mod - 9.1 to 11.0 sqft filtration	92	$1,636	/CPS-Mod	
	1.4 Extra Bracing for CPS-Mod (for inbound pipes & discharge pipes 30" or larger)	70	$321	/CPS-Mod	
2.1	Catch Basin Cleaning prior to installs.	420	$50	/CB	$21,000
2.2	Catch Basin Prep Work (if required; removing excess CB concrete or old devices; opening of frozen manholes; etc.)	63	$175	/CB	$11,025
2.3	Traffic Control days (installation & field measurement)	20	$2,427	/Day	$48,540
2.4	Staff Gauge Painting (only required for LACFCD CBs)	0	$71	/CB	$0
2.5	Set Screws for manhole covers. (only required for LACFCD)	0	$4	/ss	$0
2.6	Photo of installed device.	420	Free	/ CPS-Mod	$0
2.7	Provide project management for installation .		Free for City CBs		$0
2.8	Bonds (if required)				$17,800

* Pricing based on MA-080-20011478.
Volume discount 500 devices.

PHASE 1.A Sub-Total: $707,954

NOTES & CONDITIONS (Phase 1) :

A Quantities are estimated for CPS-Mod sizes, bracing, and CB prep work. Actual quantities will depend on field conditions.

B See Attached highlighted MA Agreement for products and services included.

C CPS-Mod design to meet State Waterboard requirements.

D Customized drawings not included.

E G2 installers paid Prevailing Wage; certified payroll to DIR.

F CB cleaning prior to install performed by sub-contractor.

G G2 to provide WATCH traffic control where needed. Prices do not include detailed traffic control plans. Most TC will be installers dropped-off at the CB for install.

H Some locations may not be installable. Field conditions and to determine.

I Payment NET 30 Days.

PRICING PHASE 1.B

PHASE 1.B - Collect Field Measurements from LACFCD-Owned Catch Basins

	Item	Description	Qty	Price	Unit	Sub-Total
*	3.1	Field Review & Measurements (Locating CBs & Recording Data). Enter and format data for Application.	280	$56	/CB	$15,680
*	3.2	LA County Flood Control Permit "Exhibit A" Preparation (CB#, Street Name, Storm Drain Lines, Data & formatting) for City submittal to LACFCD.	280	$56	/CB	$15,680

*	3.3	Project Management to assist the City with submitting and obtaining the County's Flood Control Permit.	45	$120	/HR	$5,400
	3.4	Bonds (if required)				$980

* = Requirement specific to LA County Flood Control Permit

Note: LACFCD charges permit fees directly to City. Not included in this proposal

PHASE 1.B Sub-Total: $37,740

PHASE 1.A & 1.B TOTAL $745,694

WORK DESCRIPTION & PRICING : PHASE 2

PHASE 2 - Install CPS-Mod in LA COUNTY-Owned Catch Basins after the County's flood control permit is issued. G2 will fabricate and install 280 G2 CPS-Mod™ certified *Full Capture Systems* in 280 LACFCD Owned catch basins; and generate the County required reports. This proposal includes all required aspects of the work: cleaning the CBs prior to install, traffic control where needed, post-install cleanup, and a photo of each installed device. G2 pays Prevailing Wage rates to all installation personnel, and will submit certified payroll to the DIR. The cost of optional project bonds is included, and these costs will be removed if the City chooses not to require bonds. The project's pricing matches and piggybacks on G2's existing Master Purchase Agreement with Orange County Public Works MA-080-20011478, and guarantee the lowest available pricing.

Prior to Phase 2, the City must receive a Flood Control Permit from LA County to retrofit these CBs. The Phase 1.B work is required by the County to apply for the Permit. The County takes 5 to 10 months to process the permit application from the City, and will necessarily delay the start of Phase 2.

Because the time delay between Phase 1 and 2 is beyond G2's control, if the City requires Project Bonds for Phase 2, then G2 will obtain them after the LA County permit is issued. City's Phase 2 Notice to Proceed may be conditional on G2 obtaining bond.

PRICING PHASE 2

PHASE 2 - Install CPS-Mod in COUNTY-Owned Catch Basins.

Fabricate and install 280 CPS-Mod™ *FULL CAPTURE SYSTEMS* and perform technical install (prevailing wage). Devices made of 304 stainless steel with 5mm perforations.

Item	Description	Qty*	Price	Unit	Sub-Total
4.0	CPS-Mod™ Full Capture System Devices. Field measurements, design, fabrication, & installation.	280		/CPS-Mod	$400,497
	Based on these estimated quantities:				
4.1	CPS-Mod - Up to 6.0 sqft filtration	101	$1,241	/CPS-Mod	
4.2	CPS-Mod - 6.1 to 9.0 sqft filtration	117	$1,408	/CPS-Mod	
4.3	CPS-Mod - 9.1 to 11.0 sqft filtration	62	$1,636	/CPS-Mod	
4.4	Extra Bracing for CPS-Mod (for inbound pipes & discharge pipes 30" or larger)	28	$321	/CPS-Mod	
5.1	Catch Basin Cleaning prior to installs.	280	$50	/CB	$14,000
5.2	Catch Basin Prep Work (if required; removing excess CB concrete or old devices; opening of frozen manholes; etc.)	42	$175	/CB	$7,350

5.3	Traffic Control days (installation & field measurement)	7	$2,427	/Day	$16,989
5.4	Staff Gauge Painting (required by LA County)	280	$71	/CB	$19,880
5.5	Set Screws for manhole covers (required by LA County).	30	$4	/ss	$120
5.6	Photo of installed device.	280	Free	/ CPS-Mod	$0
5.7	Provide project management for installation .	45	$120	/HR	$5,400
5.8	Bonds (if required)				$11,900

* Pricing based on MA-080-20011478.
Volume discount 500 devices.

PHASE 2 Sub-Total: $476,136

NOTES & CONDITIONS (Phase 2) :

A	Quantities are estimated for CPS-Mod sizes, bracing, and CB prep work. Actual quantities will depend of field conditions.
B	See Attached highlighted MA Agreement for products and services included.
C	CPS-Mod design to meet LA County and State Waterboard requirements.
D	Customized drawings not included.
E	G2 installers paid Prevailing Wage; certified payroll to DIR.
F	CB cleaning prior to install performed by sub-contractor.
G	G2 to provide WATCH traffic control where needed. Prices do not include detailed traffic control plans. Most TC will be installers dropped-off at the CB for install.
H	Some locations may not be installable. Field conditions and LA County to determine.
I	Payment NET 30 Days.
J	G2 to provide project management for installation and LA County Construction division; develop and submit required County Reports required by Permit.
K	**Quote does not include LA County permit fees or inspection fees.** LA County requires this of the City (Permittee).
L	**If City requires Project Bonds for Phase 2, then G2 will obtain after the LA County permit is issued.** City's Phase 2 Notice to Proceed may be conditional on G2 obtaining bond.

PHASE 2 TOTAL: $476,136

OPTIONAL SERVICES - (Billed on Time & Materials based on City's Specifications)

1. Installation of No Dumping Drains to Ocean markers and/or stencils.
2. Repair of damaged catch basins, as needed.
3. GPS inventory of locations.
4. Other related services.

OPTIONAL SERVICES TOTAL (NOT TO EXCEED): $250,000

PROPOSAL TOTAL
Phase 1 & 2, and Optional Services (NOT TO EXCEED) : $1,471,830

DocuSign Envelope ID: DCA2CF3D-555D-4553-B506-8785B6DBD25E

CONTRACT MA-080-20011478
WITH
G2 CONSTRUCTION, INC.
FOR
TRASH AND DEBRIS CAPTURE DEVICES

THIS CONTRACT MA-080-20011478 for Trash and Debris Capture Devices ("Contract") is made and entered into as of the date fully executed by and between the County of Orange, a political subdivision of the State of California; ("County") and G2 Construction, Inc., with a place of business at 1352 E. Boarchard Ave., Santa Ana, CA 92705 ("Contractor"), with a County and Contractor sometimes individually referred to as "Party" or collectively as "Parties".

ATTACHMENTS

THIS CONTRACT is comprised of this document and the following Attachments, which are attached hereto and incorporated by reference into this Contract:

Attachment A – Scope of Work

Attachment B – Contractor Pricing

RECITALS

WHEREAS, Contractor and County are entering into this Contract for Trash and Debris Capture Devices ; and,

WHEREAS, County solicited Contract for Trash and Debris Capture Devices as set forth herein, and Contractor represented that it is qualified to provide Trash and Debris Capture Devices to the County as further set forth here; and,

WHEREAS, Contractor agrees to provide Trash and Debris Capture Devices to the County as further set forth in the Scope of Work, attached hereto as Attachment A; and,

WHEREAS, County agrees to pay Contractor based on the schedule of hourly rates set forth in Payment/Compensation, attached hereto as Attachment B; and,

WHEREAS, the County Board of Supervisors has authorized the Procurement Officer or designee to enter into a Contract for Trash and Debris Capture Services with the Contractor; and,

NOW, THEREFORE, the Parties mutually agree as follows:

DEFINITIONS

DPA shall mean the Deputy Purchasing Agent assigned to this Contract.

ARTICLES

General Terms and Conditions:

A. **Governing Law and Venue**: This Contract has been negotiated and executed in the state of California and shall be governed by and construed under the laws of the state of California. In the

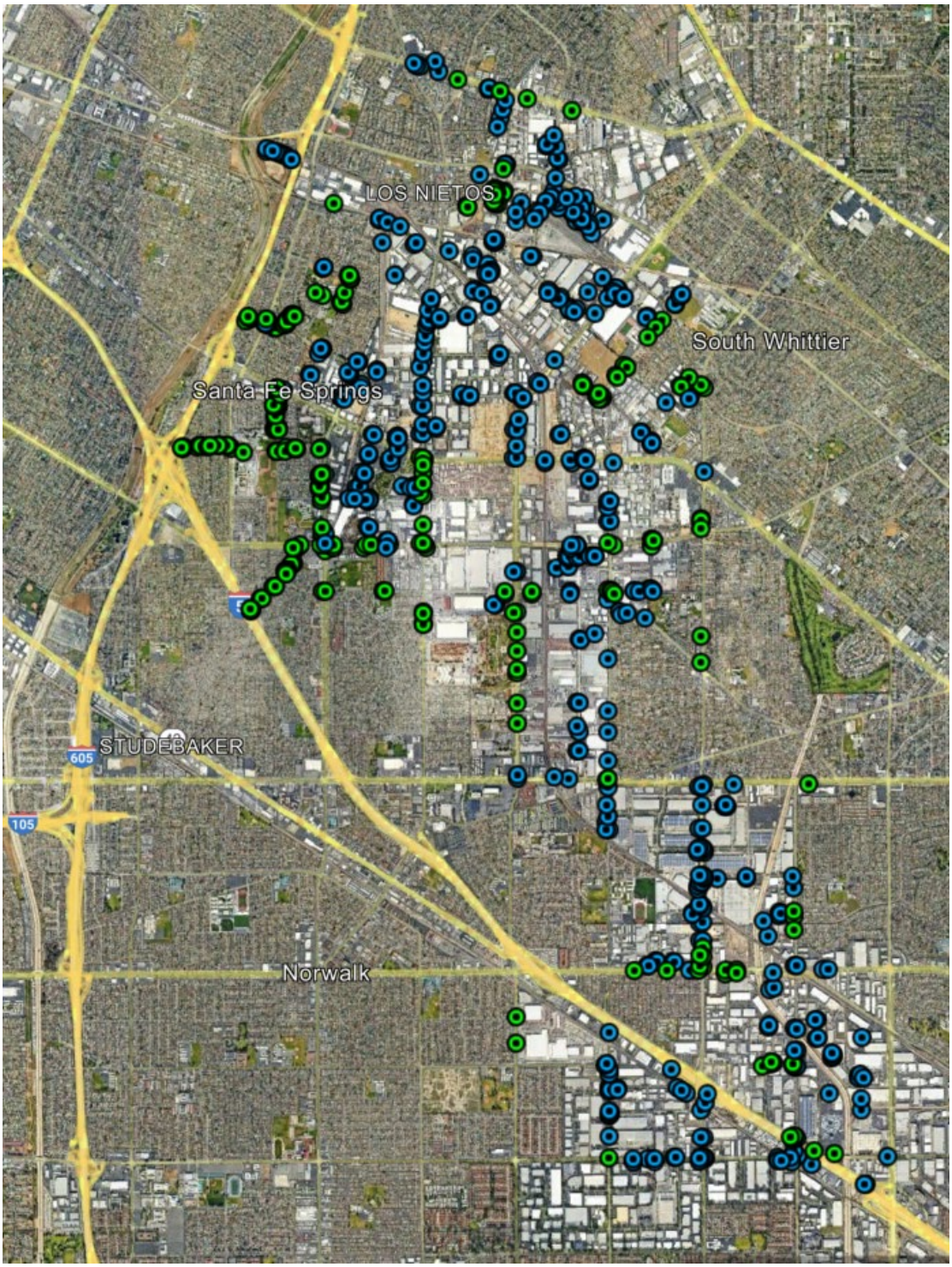
CITY of SANTE FE SPRINGS

700 Catch Basin Installation Project

CPS-Mod™ Full-Capture System Devices

PHASE 1 – CITY CBs &

PHASE 2 – LACFCD CBs

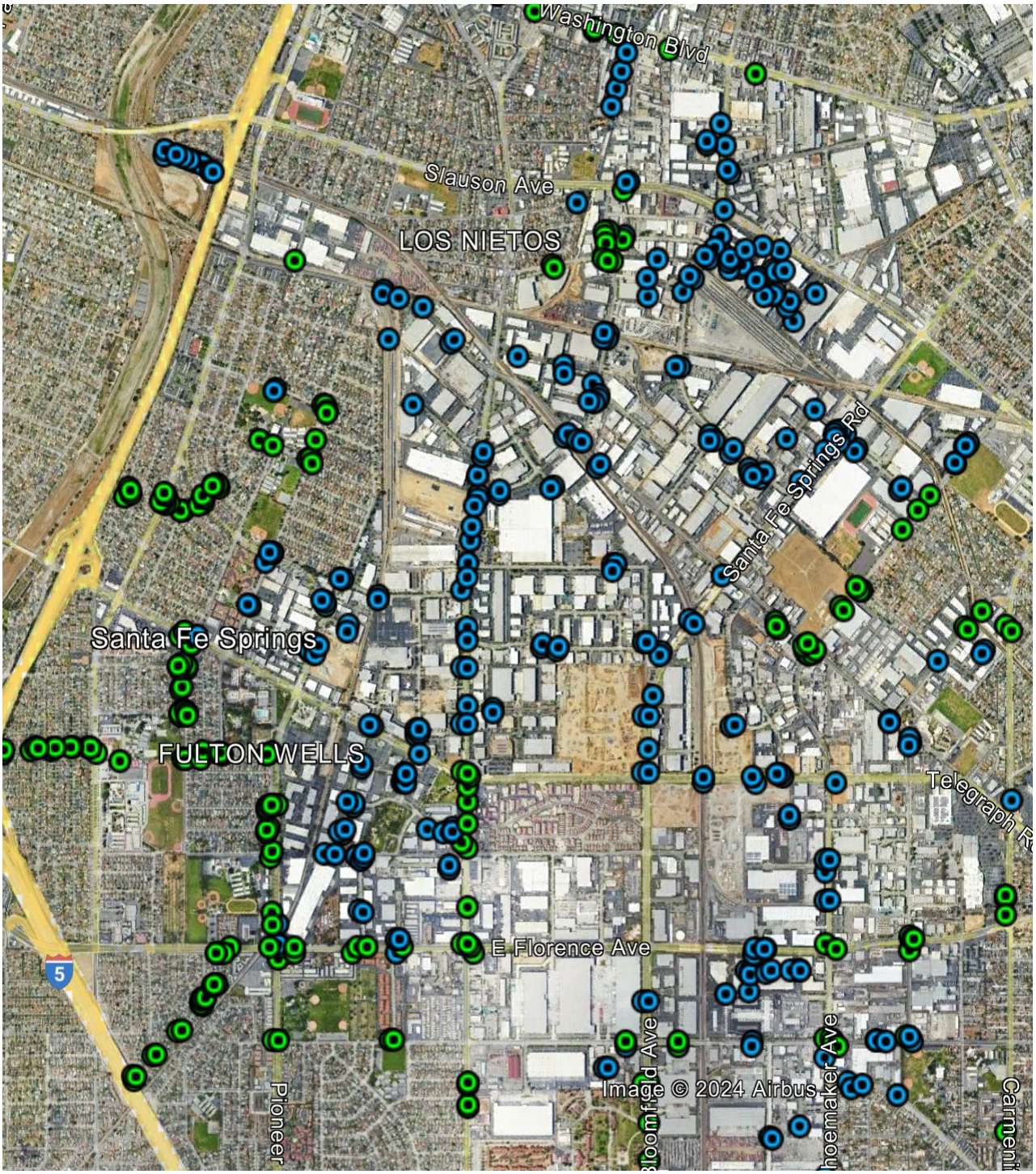


CITY of SANTE FE SPRINGS

CPS-Mod™ Full-Capture Device Installs

PHASE 1 – CITY CBs & **PHASE 2 – LACFCD CBs**

NORTHERN AREA

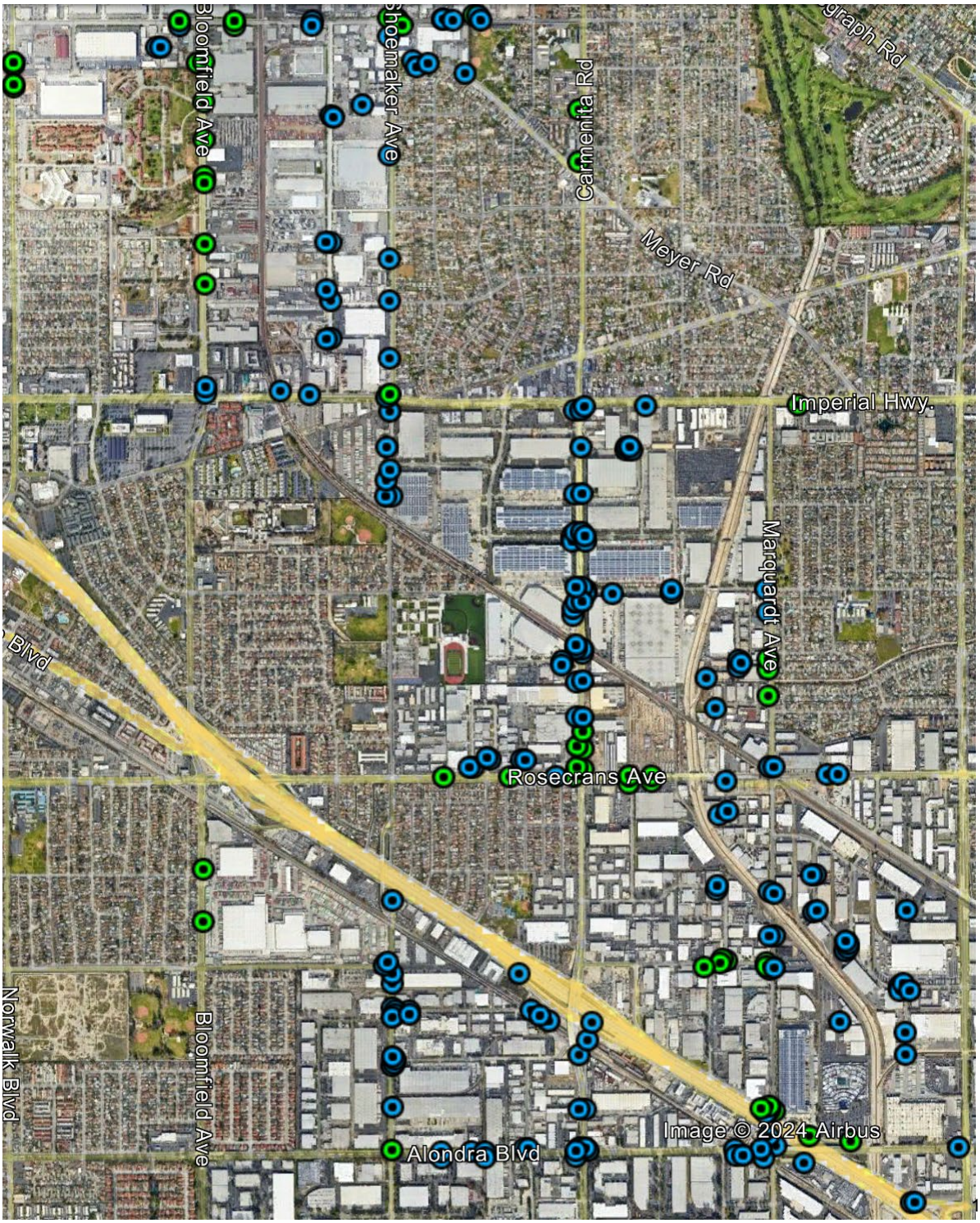


CITY of SANTE FE SPRINGS

CPS-Mod™ Full-Capture Device Installs

PHASE 1 – CITY CBs & **PHASE 2 – LACFCD CBs**

SOUTHERN AREA



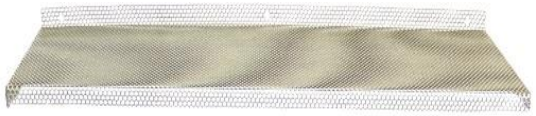
Device Information
& Drawings

CPS-Mod™

Patented

CPS Modular Series

CA State Water Board Certified - *FULL CAPTURE SYSTEM*



G2 CPS-Mod™ Full-Capture 5mm perforated screens with patented modular design for easy installation inside catch basins. Approved by the California State Water Board, LACDPW, OCPW, OCTA, SF Bay RWQCB & agencies everywhere. The **CPS-Mod™** prevents trash, pollutants, and debris from entering waterways through the catch basin outlet pipe.

- Made from 304 Stainless Steel for extended life.
- Sized to meet or exceed 1-year, 1-hour storm.
- Modular to easily fit all catch basin types.
- Custom designed and fabricated to each catch basin to ensure compliance of no gaps > 5mm in size.
- Professionally installed by G2 or a trained & certified installer.
- Quick Release Removable *(optional)*
- Mosquito & Vector Abatement Deflector *(where required)*

Recommended with G2's ARS CamLock Series™

CPS-Mod™

Patented

CPS Modular Series

FULL CAPTURE SYSTEM Certified by

California State Water Board & Regional Water Quality Control Boards

G2 CPS-Mod™ Connector Pipe Screen

Function:

- Captures all pollutants 5mm and larger that enter the catch basin.
- Pollutants prevented from exiting the catch basin:
  - Primary: plastics (food containers, bags, bottles, straws); trash (paper, cigarette butts, cans); vegetative debris (leaves, branches, landscaping); other all other objects.
  - Secondary: pollutants absorbed by or attached to the Primary pollutants. Including from vehicles (hydrocarbons, fluids, copper, cadmium, zinc, tires, etc.), pathogens / bacteria, pesticides, nutrients, organic compounds, sediment toxicity, etc.

Design, Flexibility, & Approval:

- Custom designed and fabricated for each catch basin and its unique features.
- Fits any standard catch basin with discharge pipe on front, back, or side wall.
- Approved by State Waterboard, Los Angeles County DPW, City of LA, Orange County DPW, OCTA, San Francisco Bay Area Water Resource Board, and agencies everywhere.

Material & Fabrication:

- Made of 304 stainless steel; 14 gauge with 5mm holes.
- *"Made in California, USA"*

Value:

- Low initial capital investment relative to other storm water quality BMPs. Lower long-term and total lifetime costs vs. any water quality BMP or taking no action.
- Requires no replacement filters or parts.
- G2's CPS-Mod™ in combination with the G2's ARS-CL™ creates the most effective BMP system and greatest value.

Public Outreach:

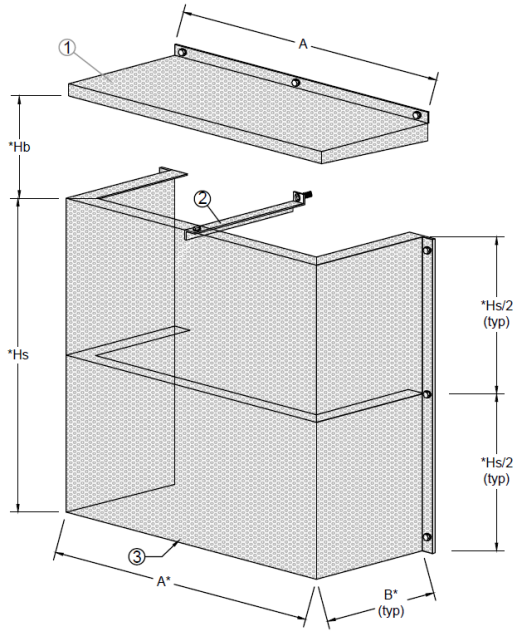
- Residents aware of the CPS-Mod™ installed in their local catch basin perceive it to be an environmental benefit and demonstrates an environmentally conscious community.

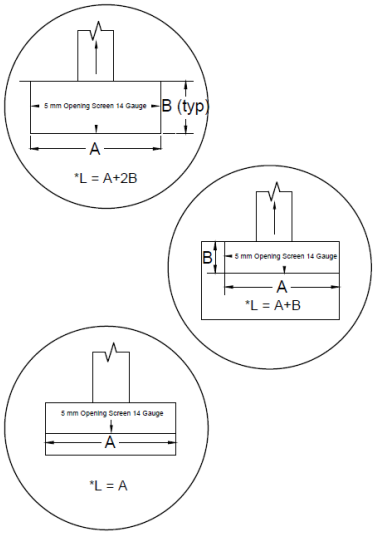
Recommended with **G2's ARS CamLock Series™** screens, for the most complete full capture system.

CPS-Mod™

Patented

CPS Modular Series *FULL CAPTURE SYSTEM*

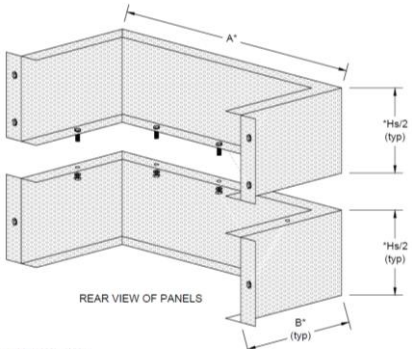




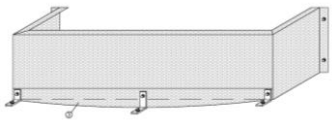
NOTES:

① TOP DEFLECTOR, AS NEEDED

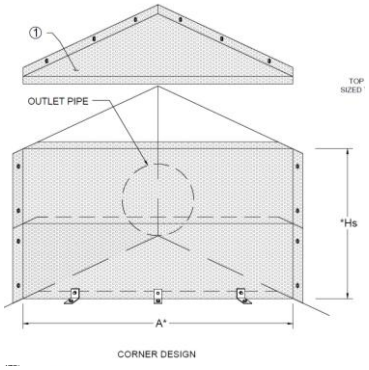
② SUPPORT BRACKET WHEN A ≥ 48".



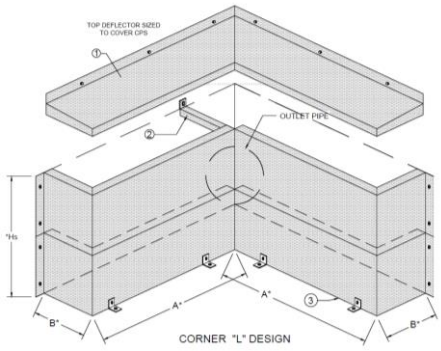
REAR VIEW OF PANELS



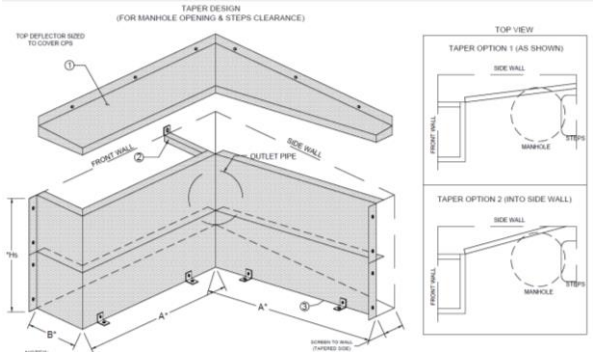
BRACKET & MOUNTING DETAILS



CORNER DESIGN



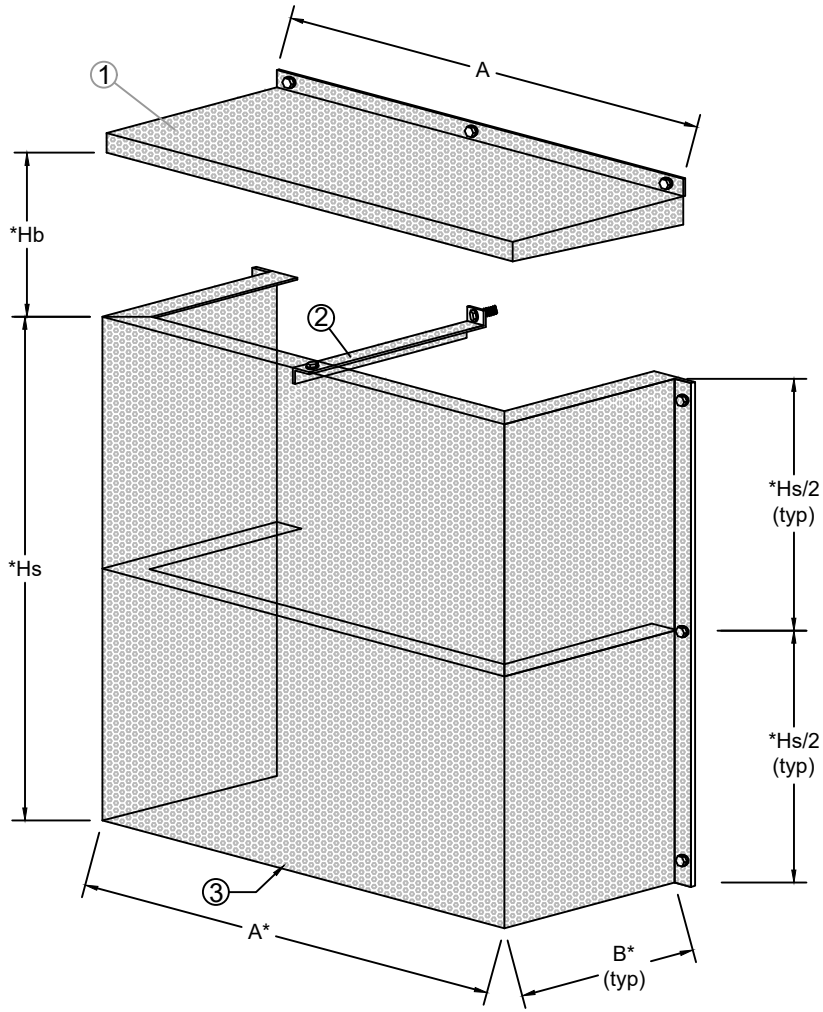
CORNER "L" DESIGN

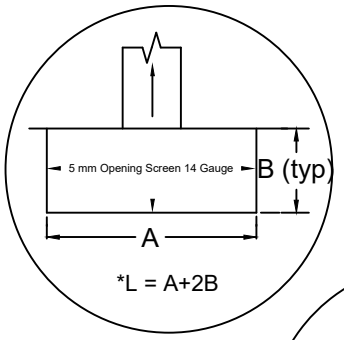


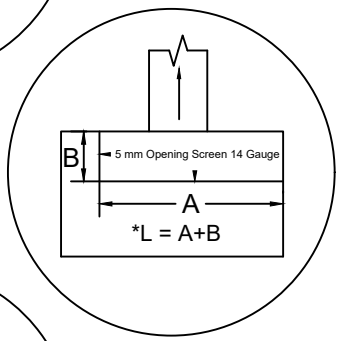
Manufactured and Installed Exclusively by:
G2 Construction, Inc.
Office (714) 748- 4242
info@g2construction.com
CA Lic. # 801253 A, C-8, C-60
1352 E. Borchard Avenue
Santa Ana, CA 92705

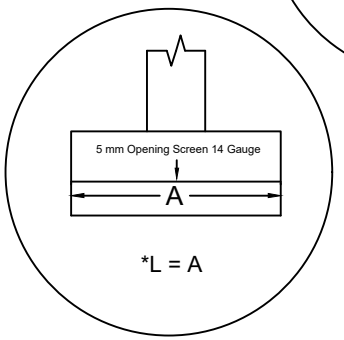
G2 Construction, Inc.
Connector Pipe Screen (CPS)
Full Capture Model: G2 CPS - Modular

Patented









NOTES:

① TOP DEFLECTOR, AS NEEDED

② SUPPORT BRACKET WHEN A $\geq$ 48".

③ BOTTOM TRIM SIZED TO FIT, AS NEEDED, SEE SHEET #3.

Screen made of 304 Stainless Steel
14 gauge, with 5 mm openings.

NOT TO SCALE

State Water Resources Control Board

Certified Trash Full Capture Systems Available to the Public
(Updated November 30, 2023)

CERTIFIED FULL CAPTURE SYSTEM LIST OF TRASH TREATMENT CONTROL DEVICES

Owner / Website	Full Capture System Trash Device Brand Name	Date Application Certified or Fact Sheet Updated	Date Vector Control Accessibility Verified
G2 Construction, Inc. Internet site (http://www.g2construction.com/products/)	G2 CPS-Mod™ and Removable CPS Mod™ Screen	G2-1 G2-1R 06/26/19	03/15/19
G2 Construction, Inc. Internet site (http://www.g2construction.com/products/)	G2 GITS™ Grated Inlet Trash Screen	APPLICATION 18 06/26/19	04/10/19

CONSTRUCTION, INC.

Device Filtered Flow Rate Calculation

What are the filtered flow rates for G2 Construction devices, and how are they determined?

G2 Construction (G2) reports filtered flow rates based on hydrology modeling and testing with water flows.

Our design team applies the same formula used by the Los Angeles County Department of Public Works (LACDPW) to calculate filtered CFS (cubic feet per second) in their *TECHNICAL REPORT on Connector Pipe Screen Design and Full Capture TMDL Compliance* (April 2007). This technical report was submitted and approved by the *Los Angeles Regional Water Quality Control Board.*

CPS-Mod ™ CFS Formula: $Q_{screen} = cA_{screen}\sqrt{2gh}$

Where:

Qscreen= Max CFS filtered thru screen.

c = Coeficent of the screen orifice for friction & turbulence.

A = Area of the screen.

g = Gravity.

h = Differential head of upstream vs. downstream side of screen.

Using this formula, G2 calculates the filtered CFS for different designs, and with different assumptions. Catch basin discharge pipes are designed and sized to transport the area's stormwater from the catch basin. G2 designs each CPS-Mod™ based on the size and location of the discharge pipe, and size and configuration of the catch basin.

In addition to modeling filtered CFS with formulas, G2 has tested our devices with flowing water. Results found that actual flowing water CFS rates were 90-95% of the modeled formulas.

However, G2 realizes there are many factors that can reduce filtration rates not included in the formulas. We take a conservative approach by applying a size factor that calculates filtration rates for a smaller device that estimated, typically 85%. This provides a safety factor.

G2 knows there are real world variables that will reduce flow rates, and screen blockage is the most common issue. For that reason, G2 designs assume that a percentage of the screen will be blocked with trash or debris, and our designs typically assume between 10-30% of the screen cannot pass water. This directly reduces the assumed filtration rates.

Each of G2's ARS-CL™ screens varies in curb opening width between 3.5' to 5', and is designed to unlock and open when 4" of water pools in front of the catch basin. The same formula is used to determine device filtered flow rates. Similarly, our designed filtered flow rates for the closed ARS-CL™ screen assumes there is some screen blockage. LACDPW has performed hydrology tests on the ARS-CL™ at the San Gabriel dam test facility and has approved the design.

Device Filtered Flow Rate Testing with Water

G2's devices have been testing using flowing water to simulate real-world conditions. Attached is a report of filtration testing performed on the patented CPS-Mod™. This test and the results were included in G2's application to the State Waterboard that resulted in the certification of G2's CPS-Mod™ and GITS™ devices as *Full Capture Systems*.

FILTERED FLOW RATE TESTING

Device Tested: G2 Construction – CPS-Mod™

Filtered Flowrate (CFS) Testing for G2 CPS-Mod™

Summary: Lab testing of G2-1 CPS-Mod™ was performed to determine filtered flow rates (CFS) in a simulated in-house catch basin system. Results showed that an average sized G2 CPS (7.0 sqft screen) will filter more than 10 CFS of water when clean. This filtered flow rate exceeds the peak flowrate of the one-year, one-hour storm event for most catch basins with discharge pipe less than 24". Results also showed that when 25% of the screen is blocked it will continue to filter at least 8 CFS.

The primary limitation of the testing was due to limited supply of water (900 gallons), which was recycled during testing. For all tests the G2-1 CPS successfully filtered all water flows without overflowing the screen. If higher CFS flow rates were available during testing, then higher maximum filtered flow rates would have resulted.

Methodology: G2 built an in-house water flow system with three chambers:

1. Water Source Chamber holds up to 120 cubic feet of water (900 gallons).
2. Test Chamber is a simulated catch basin where the tested CPS was installed.
3. Recycle Tank collects tested water (120 cubic ft; 900 gal), where it is pumped back up to the source chamber.

Test Chamber Dimensions:

Catch Basin (Test Chamber)	
CB (SPPWC) Type:	300-
Width:	3.50 ft
Front to Back:	3.16 ft
V-Depth:	3.50 ft
Discharge Pipe:	2.00 ft. in diam

Tested G2-1 CPS-Mod™ device:

Test G2 CPS Dimensions	
Height:	1.88 ft
Length Total Screen:	4.00 ft
Length (Front, side 1):	2.00 ft
Length (Side 2):	1.00 ft
Length (Side 3):	1.00 ft
Fitting Loss:	-0.50 ft
Total Area of Screen:	7.00 sqft

This CPS was tested under two scenarios:

1. 0% screen blockage.
2. 25% blockage. The bottom 25% of the screen was tightly covered with impermeable plastic barrier.

For each test, up to 120 cubic feet flowed from the water source chamber, into the test chamber and through the CPS.

Test Results:

Tests	Tested Max Flow Rate	CPS Filtered Flow	1-Year, 1-Hour Storm
1. CPS: 0% Blockage	12.9 CFS	100%	Yes
2. CPS: 0% Blockage	13.6 CFS	100%	Yes
3. CPS: 25% Blockage	10.6 CFS	100%	Yes

In all test scenarios, the G2 CPS filtered 100% of the water without water rising and overflowing the screen.

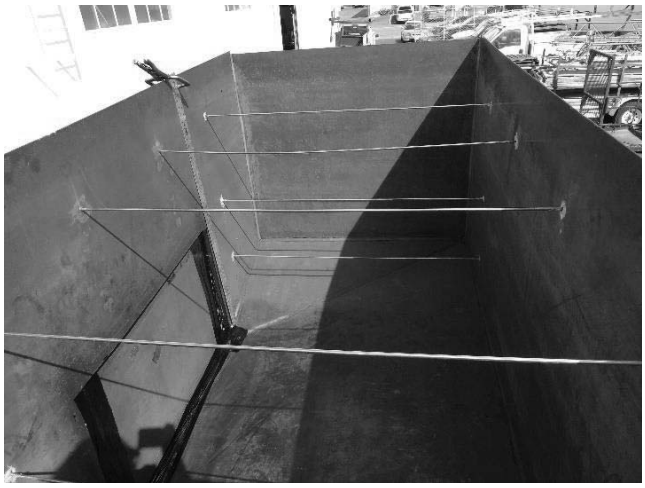
Analysis: The CPS could have filtered more water, if it was available, without overflowing. The tested G2 CPS had a filtered flowrate that exceeded 1.5 CFS per square foot of screen.

Conclusion: Testing showed that G2's CPS of average size (7 sqft screen) filters water in excess of 10 CFS. This rate exceeds the full capture requirements of most catch basins with a discharge pipe diameter less than 24". The primary limitation of this test was the inability to supply higher water volumes and flow rates. Further testing is recommended.

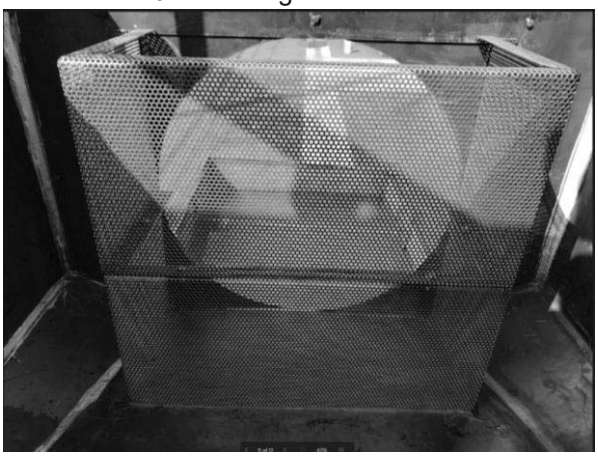
Photos of CFS Tests

G2 CFS Tester (3 chamber system)

Water Source Chamber (120 CF / 900 Gallons)



Scenario 1: 0% Blockage of Screen

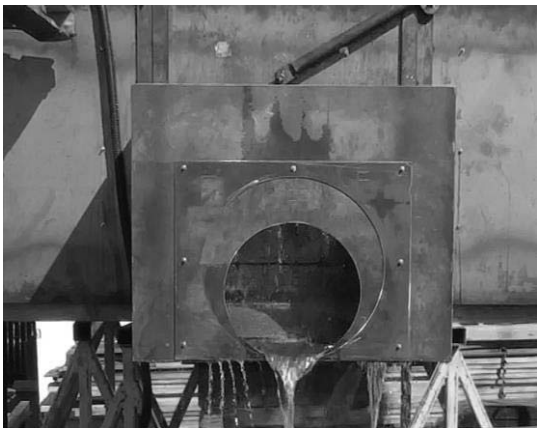


Scenario 2: 25% Blocked with plastic

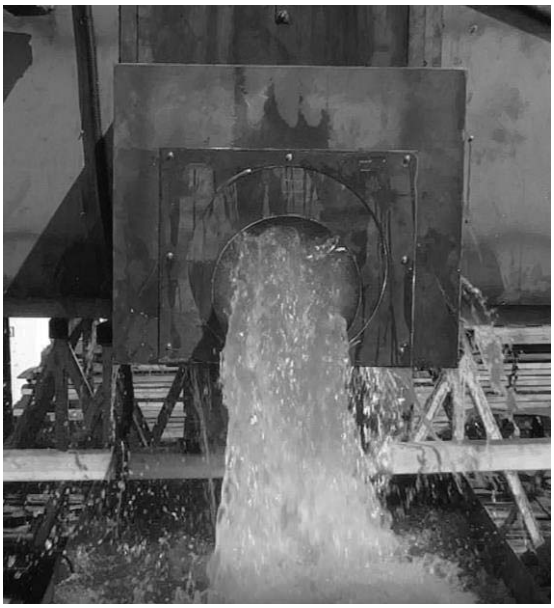
Before Test

Test Chamber

Discharge Pipe



During Test



VENDOR & INSTALLER CREDENTIALS

CREDENTIALS & QUALIFICATIONS

Background & Experience

G2 Construction started operations in Los Angeles County in 2001 with strong foundations in welding, concrete construction, shop fabrication, and field work. The company began designing, fabricating, and installing catch basin curb opening automatic retractable screens (ARS) and full-capture connector pipe screens (CPS) and other stormwater protection devices for Los Angeles County Department of Public Works (LACDPW) and southern California municipalities in 2002.

Since then, G2 has fabricated and installed tens of thousands of approved catch basin inserts and screen covers on hundreds of stormwater projects in the Los Angeles and Orange County area. G2 offers complete solutions by performing project evaluation and consultation on stormwater devices and then designing, fabricating, and installing highly effective devices to meet and exceed specifications.

G2's General Credentials

- Los Angeles County Dept. of Public Works & City of Los Angeles Bureau of Sanitation approved products: CPS-Mod™ & ARS-CL™

- Orange County Public Works (OCPW) and OCTA M2 Environmental Cleanup Program approved storm water quality devices:
    - CPS-Mod™ patented Full Capture System approved by State Waterboard.
    - GITS™ grated inlet trash screen Full Capture System approved by State Waterboard.
    - ARS-CL™ patented automatic retractable screen.

- OCPW ranks G2 Construction as their #1 stormwater device provider (2020 RFP & 2014 RFP). Awarded Master Purchase Agreements covering 2015 - 2025.

- Association of Bay Area Governments (ABAG) Approved products (all)

- California Contractor Licenses: A (General Contractor), C-8 (Concrete), C60 (Welding)
- Disadvantaged Business Entity (DBE) certified. [see Attached]
- Minority Business Entity (MBE) certified. [see Attached]
- Small Business Entity (SBE) certified.

G2's Technical Expertise

G2 Construction is at the forefront of the stormwater device industry. G2 has designed and fabricated the most advanced stormwater protection devices to solve the needs of public agencies and private developers. Our advanced methodologies for fabrication and installation have made G2 the industry leader in providing custom-fitted stainless steel catch basin inserts and curb opening screen covers.

G2 has developed a high degree of technical expertise by incorporating all phases (evaluation, consulting, design, fabrication, installation, reporting) of stormwater projects, and learning from hundreds of installed projects over the years. We have become extremely familiar with all the procedures required for success.

Our depth of knowledge and technical experience has been the result of solving many dozens of challenges and constraints of projects over two decades. This includes, among many others, solving for all the various catch basin types and sizes and conditions that we face in the field.

We've learned something new from most projects and most clients. Our experiences with cities in Orange County and throughout southern California have been very good for many years. Because many cities have developed an advanced knowledge of the industry and recognize quality and value, it makes G2's work more effective, efficient, and valuable.

Fortunately, G2's strong culture for project management helps us to organize projects effectively and manage diverse teams. This has enabled G2 to have a 100% rate of success for completing projects and within budget.

G2 provides its technical expertise and installation services throughout California and focuses on the Orange County and Los Angeles County regions.

Letters of Reference

G2's customers provide additional insights into our qualifications. Attached are a few letters of our customer letters of recommendation.

The City of Bellflower
Families. Businesses. Futures.
16600 Civic Center Drive, Bellflower, CA 90706
Tel 562.804.1424 Fax 562.925.8660 www.bellflower.org

February 4, 2025

Subject: Letter of Recommendation for G2 Construction

To Whom It May Concern:

On behalf of the City of Bellflower, I am pleased to provide a letter of recommendation for G2 Construction for the Trash and Debris Capture Device RFP.

The City of Bellflower has worked with G2 Construction on several projects in the city, including catch basin installs in 2016 and again in 2024 where G2 equipped 412 city and county-owned catch basins with CPS devices with ARS curb-opening screens.

In particular, the 2024 project included work on county-owned catch basins which required an extensive permitting process to obtain the necessary LACDPW Flood Control Permits followed by field work with the County inspection team. G2 performed these functions seamlessly due to their extensive experience and work history with County staff.

G2 Construction is highly skilled in handling both large and small projects and provides crucial support to the city as we strive to maintain our stormwater compliance obligations. I have found their staff to be professional and reliable, which makes them one of the better contractors the city works with.

Please feel free to contact me at (562) 804-1424, ext. 2259 if you have any additional questions.

Regards,

Len Gorecki
Assistant City Manager/ Director of Public Works
City of Bellflower

February 6, 2025

Orange County Public Works
Procurement Services
601 North Ross Street
Santa Ana, CA 92701

SUBJECT: G2 Construction, Inc. – Letter of Recommendation

To Whom It May Concern:

The City of Lakewood contracted with G2 Construction on three (3) projects to install State Water Board certified CPS-Mod connector pipe screens and GITS grated inlet trash screens. G2 successfully installed their products in 2016, 2018, and 2023 as part of the City's Full-Capture Catch Basin Insert Program to the satisfaction of the City. G2's personnel have been very capable, and both projects installed as scheduled.

Our experience with G2 has been very positive, and I can recommend their products and services. Their team has been very professional and responsive to our needs, and they were quick to provide field evaluations of our catch basins and recommendations for our project. Some of the City's catch basins were unique and G2 was able to manufacture customized CPS-Mod devices that allowed us to meet regulations and the City's water quality objectives.

Please feel free to contact me if you have any additional questions.

Sincerely,

Ms. Konya Vivanti
Environmental Programs Manager
City of Lakewood
5050 Clark Avenue
Lakewood CA, 90712

(562) 866-9771 ext. 2507
kvivanti@lakewoodcity.org

CITY OF LA MIRADA
DEDICATED TO SERVICE

13700 La Mirada Boulevard
La Mirada, California 90638
P.O. Box 828
La Mirada, California 90637-0828
Phone: (562) 943-0131 Fax: (562) 943-3666
www.cityoflamirada.org

February 4, 2025

Subject: Recommendation Letter for G2 Construction, Inc.

To Whom It May Concern:

The City of La Mirada contracted with G2 Construction in 2024 to install over 400 CPS-Mod *Full Capture Systems* in our storm water catch basins. G2 has a good reputation with public works colleagues in neighboring cities for years of quality work and successfully navigating LACDPW's flood control permit requirements.

G2 fabricated and installed CPS in City-owned CBs in Spring of 2024. They also installed their *Full Capture* GITS grated inlet trash screen in a drop-inlet. Throughout the project they communicated their schedule and progress clearly to the City and our Willdan inspectors, and completed installations ahead of schedule and below the contracted budget amount.

Simultaneously, G2 collected the field measurements and data for County-owned CBs required for LA County's flood control permit. G2 acted as the City's Agent to submit and manage the process with the County to obtain this permit.

G2 then installed CPS devices in County-owned locations in January 2025 while coordinating with the County's inspectors, Willdan's inspectors, and me. They also installed their ARS-CL curb opening screen at one location. G2's many years of experience with the County's permit division and inspectors made our project go very smoothly.

The company has been professional and reliable in their interactions with the City. I am pleased to offer this letter of recommendation for G2 Construction.

If you have any questions, please feel free to contact me via email or my office.

Sincerely,

CITY OF LA MIRADA

Mark Rounds
Senior Administrative Analyst
La Mirada Public Works
15515 Phoebe Avenue
La Mirada, CA 90638
(562) 902-2334 mrounds@cityoflamirada.org

John Lewis, Esq. Mayor | Ed Eng, EdD, Mayor Pro Tem | Steve De Ruse, D. Min. Councilmember | Anthony A. Otero, DPPD Councilmember | Jeff Boynton City Manager

CITY OF LAGUNA HILLS

Feb. 3, 2025

Orange County Public Works
Procurement Services
601 North Ross Street
Santa Ana, CA 92701

SUBJECT: City of Laguna Hills – Letter of Recommendation for G2 Construction, Inc.
TRASH AND DEBRIS CAPTURE DEVICES – RFP# 080-2736403-WH

To Whom It May Concern:

The City of Laguna Hills has contracted with G2 Construction (G2) since 2007 to design, fabricate, and install their ARS-CL and CPS-Mod trash and debris screens throughout the City. Between 2012 - 2024, G2 installed 11 annual City projects that won OCTA Environmental Cleanup Program's Project X grant funds. They have installed over 2,000 ARS screens and 370 CPS devices in our catch basins.

The City continues to select G2 Construction because their devices successfully prevent trash, debris, and vegetation from entering our storm drain system and watershed. The City plans to work with G2 again this year to install our Phase XII OCTA grant.

For each project G2 has provided a simple end-to-end solution that includes field evaluations and measurements of catch basins, custom design and fabrication of their devices, installation, photos, support documentation, and warranty. G2's work has always been on schedule, on budget, and performed without any problems.

G2 has also assisted the City with an inventory of catch basin devices, and provided information critical to our Project X applications.

I am pleased to offer this letter of recommendation for G2 Construction. The City finds their trash and debris devices to be very effective and of good value, and their installation work to be of high quality. The company has been very professional and dependable in their interactions with the City. We look forward to working with G2 Construction on future projects.

You may contact me with any questions at james@lagunahillsca.gov or 949/707-2655.

Sincerely,

Joe Ames, P.E., T.E.
Public Works Director/City Engineer

City of Seal Beach

CITY HALL 211 EIGHTH STREET
SEAL BEACH, CALIFORNIA 90740
(562) 431-2527 • www.sealbeachca.gov

October 23, 2024

Orange County Public Works
Procurement Services
601 N. Ross Street
Santa Ana, CA 92701

SUBJECT: TRASH AND DEBRIS CAPTURE DEVICES – REQUEST FOR PROPOSAL
City of Seal Beach – Recommendation Letter

To Whom It May Concern:

This letter of recommendation is in response to Orange County Public Works' Trash and Debris Capture Devices RFP. In my current capacity as the City of Seal Beach's Public Works Director, I have had the pleasure of working with G2 Construction, Inc. (G2) for the installation of multiple capture devices. OCPW's master agreement in partnership with OCTA's Environmental Cleanup Program has allowed many local agencies mitigate transportation-related pollutants. Through this, G2 has provided a seamless approach to successful project delivery, which I have no reservations recommending. The following is a recent list of services performed under my purview:

- 2023 Seal Beach CPS -Mod (170 systems) + ARS (48 screens)
- 2020 Seal Beach CPS-Mod (53 systems) + ARS (95 screens)
- 2019 Seal Beach CPS-Mod (55 systems) + ARS (127 screens)

Should you have any questions regarding G2's performance, please feel free to reach out at (562) 431-2527, x1322 or ilee@sealbeachca.gov.

Sincerely,

Iris Lee
Director of Public Works

City of Mission Viejo

Public Works Department

Bob Ruesch
Mayor

Wendy Bucknum
Mayor Pro Tem

Brian Goodell
Councilmember

Trish Kelley
Councilmember

Cynthia Vasquez
Councilmember

January 17, 2025

Subject: **G2 Construction**

To Whom It May Concern:

G2 Construction has consistently provided quality services for the City of Mission Viejo since 2014 when it first installed Trash and Debris Capture Devices in Mission Viejo's catch basins. Since then, the City has contracted with G2 every year to install more G2 devices and will again in 2025.

G2 provides the Full Capture System CPS devices and ARS curb-opening screens the City prefers to prevent pollutants and debris from entering its storm drain systems. G2 is a full-service entity providing everything from field evaluations to custom device design, device fabrication, and installation. G2 is also instrumental in assisting the City with grant funding applications and the preparation of grant reimbursement requests.

G2 Construction is professional, experienced, expedient and reliable. Work is always performed quickly and efficiently and within budget.

They are a pleasure to work with and the City looks forward to many more projects with G2 Construction.

Regards,

MARK CHAGNON
City Of Mission Viejo
Director Of Public Works

CITY OF FULLERTON

Public Works Department – Engineering Division

November 7, 2024

RE: Orange County Transportation Authority Measure M2 Environmental Cleanup Tier 1 Grant Program Fiscal Year 2024-2025
City of Fullerton - Letter of Recommendation

The City of Fullerton (City) has worked with G2 Construction Inc (G2) on every Orange County Transportation Authority Measure M2 Environmental Cleanup Tier 1 Grant the City has applied to since 2014. As the City's primary contractor for installing the full capture trash and debris devices, G2 has installed approximately 495 full capture trash and debris devices to date within the City.

Over the years, G2 has far exceeded the City's expectation and proven to be professional and masters of their craft. With each project, G2 continues to provide great service including detailed field reviews, photos and supporting documentation, and continuous communication. Each project is completed on time and within budget.

Furthermore, I am impressed with the service G2 provides and I am pleased to recommend G2 Construction, Inc. The City is looking forward to working with G2 on next year's Catch Basin Connector Pipe Screen Project.

Feel free reach out to me for any questions by phone 714-738-6886 or by email Melissa.Rendon@cityoffullerton.com.

Sincerely,

Melissa Rendon, P.E.
Civil Engineer
City of Fullerton
Public Works Engineering Department

City of BUENA PARK

Department of Public Works

DATE: January 30, 2025

TO: Orange County Public Works

FROM: Joe Hunt, Senior Management Analyst

SUBJECT: Reference for G2 Construction

The City of Buena Park has worked with G2 Construction since 2015 to install CPS, ARS, and GITS devices on storm drains throughout the City's public right-of-way. The City has maintained a good working relationship with G2 Construction during that time and our projects have been completed on time and at maximum value to the City. I can recommend G2 Construction for future projects with your or other organizations based on our experiences. We have completed 4 projects with G2 Construction, resulting in over 1,500 screens installed.

Sincerely,

Joe Hunt, Senior Management Analyst

jhunt@buenapark.com

6650 Beach Blvd

Buena Park, CA 90622

(714)562-3685

Culver CITY
PUBLIC WORKS DEPARTMENT
9770 Culver Boulevard, Culver City, California 90232

(310) 253-5600

FAX (310) 253-5626

Charles D. Herbertson, P.E., LS
Public Works Director and
City Engineer

Damian Skinner
Environmental Programs and
Operations Manager

April 21, 2015

Subject: Letter of Recommendation for G2 Construction, Inc.

Culver City entered into a contract with C2 Construction, Inc. (G2) in May 2014 to install Automatic Retractable Screens (ARS) and Connector Pipe Screens (CPS). Our experience with G2 began after a previous contractor ceased business operations during an earlier contract. G2 came highly recommended through several County and City sources. We rebid the project and G2 was the lowest bid.

The LACFCD Permit process was significantly simplified due to G2's ARS and CPS devices being pre-approved by the LACFCD. Also and perhaps more importantly, G2 is respected by LACFCD permit staff as a competent and responsible contractor. This reputation benefitted the project tremendously. During the water test process, the ARS pass rate was so high that the County reduced the number of tests required. This saved us time and money.

The administrative efficiency of G2 was also appreciated. Communication was frequent and installation data was ample. Submittal of final permit and grant reports was facilitated by G2's effective data organization.

G2's forces were deployed throughout the City in quiet neighborhoods and in some intense urban traffic congestion. They were careful to perform the work during hours that would mitigate traffic impacts and inconvenience to residents. There were no complaints received from any party during their work.

Ultimately G2 installed 394 ARS devices and 329 CPS devices for Culver City. This project was key to the City achieving Trash TMDL compliance. We were very pleased with the performance of G2 Construction, Inc. and recommend them without hesitation.

If there are any questions you may have, please contact me at (310) 291-2425.

Yours truly,

Steve Finton P.E.
Senior Civil Engineer

CITY OF SIMI VALLEY

Home of The Ronald Reagan Presidential Library

February 10, 2020

Subject: Letter of Reference
G2 Construction Inc.

To whom it may concern:

I am pleased to provide this Letter of Reference for G2 Construction, Inc. G2 Construction was awarded contracts with the City of Simi Valley for the fabrication and installation of Connector Pipe Screens (CPS) in storm drain catch basins throughout the city in fiscal year 2014/15, 2015/16, and 2016/17.

My experience with G2 Construction has been very positive. The company has been very professional and easy to work with. The quality of their work has always been excellent, they are very responsive to our needs, and deliver on their promises. Even though our projects have been smaller scale projects, I feel that we were given the same attention that would have been given to larger projects. I have been able to count of them to effectively and efficiently complete the projects within the timelines specified.

If you have any questions, please feel free to contact me at 805-583-6424 or email kallen@simivalley.org.

Sincerely,

Kay Allen
Environmental Compliance Program Coordinator/Stormwater

City of Simi Valley
Public Works
500 West Los Angeles Ave
Simi Valley CA 93065

City of West Hollywood
California 1984

CITY OF WEST HOLLYWOOD

CITY HALL
8300 SANTA MONICA BLVD.
WEST HOLLYWOOD, CA
90069-6216
TEL: (323) 848-6375
FAX: (323) 848-6564

DEPARTMENT OF PUBLIC WORKS

September 11, 2014

Subject: Letter of Recommendation

To Whom It May Concern:

This letter is written to express the City of West Hollywood's complete satisfaction with the services provided by G-2 Construction. Since 2004, G-2 Construction has installed about 75 storm drain catch basin debris screen devices citywide. They have also provided contract work to enhance the catch basin grates with stainless steel strips to comply with the new bicycle requirements, installed or repaired damaged protection bars, and maintained broken excluders. They successfully completed several projects in our city in a professional manner, within the scheduled time, with good quality of service, and for a very reasonable price. Because of the quality of their work and attention to detail, we have never had complaints or claims from the community regarding G-2 Construction's performance.

We intend to continue our business with G-2 Construction on upcoming City projects and highly recommended G-2 Construction to your company.

If you have any questions please call me at 323-848-6338

Sincerely,

Mila A. Sologub

Mila Sologub, EIT
Assistant Civil Engineer

Mayor
Neeki Moatazedi

Mayor Pro Tem
Mike James

Council Members
Dwight Robinson
Mark Tettemer
Scott Voigts

City Manager
Debra DeBruhl Rose

February 25, 2020

Re: Letter of Recommendation for G2 Construction, Inc.

On behalf of the City of Lake Forest, I am pleased to provide a letter of recommendation for G2 Construction for the Trash and Debris Capture Device RFP.

G2 has been the City's installer of stormwater trash capture devices for more than six years and has installed more than 800 devices across the City, including the automatic retractable screen ("ARS") and connector pipe screen ("CPS") units. During that time, G2's service and products have exceeded expectations and as a result they have been designated as a sole source provider to the City of Lake Forest for catch basin debris capture devices.

G2's construction management is excellent, and any issues that arise are addressed in a timely manner. All the annual installation phases of the project have been completed on time and within budget. In the limited instances where installed devices have required maintenance or repair, G2 has responded promptly to completely address the City's needs. G2's capture devices have been critical to the City's compliance with the NPDES MS4 permit and we have found the ARS and CPS units to be very effective in preventing trash and debris from entering the storm sewer system.

G2 is among the City's best contractors to work with and I wish to recommend them for consideration.

Sincerely,

Jonathan Poole

Jonathan Poole
Management Analyst
(949)461-3498

DRUG USE IS LIFE ABUSE

City of Thousand Oaks

Public Works Department

2100 Thousand Oaks Boulevard • Thousand Oaks, CA 91362
Phone 805/449.2400 • Fax 805/449.2475 • www.toaks.org

February 12, 2020

RE: Letter of Recommendation

To Whom It May Concern:

This letter of recommendation for G2 Construction (G2) is based on their 2019 installation for the City's CATCH BASIN CPS AND INLET SCREEN IMPROVEMENT – MI 2565 project. G2 Construction was awarded the contract to manufacture and install their State Waterboard certified CPS-Mod and custom designed Curb-Opening Fixed Screen devices.

G2 Construction installed their devices in over 100 catch basins and their work was performed professionally, quickly, and with good quality. Throughout the project their personnel effectively communicated their schedule, project status, and solutions to issues. Their field manager coordinated very well with our inspector and Municipal Service Center staff. In addition, G2 provided quick response to answer our questions and concerns.

G2 Construction also provided photos of each installed device once completed. Both the CPS-Mod and Curb Screen devices have been very effective.

With our recent experience with G2 Construction, the City of Thousand Oaks recommends their products and services. Feel free to contact me if you have any questions.

Sincerely,

Gareth J. Madrid

Gareth J. Madrid
City of Thousand Oaks
805.449.2469
gmadrid@toaks.org

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

CALIFORNIA UNIFIED CERTIFICATION PROGRAM

March 28, 2024

CUCP# 41740
Metro File #6371

MR. JOHN ALVARADO
G2 Construction, Inc.
1352 East Borchard Ave
Santa Ana, CA 92705-4413

Subject: Disadvantaged Business Enterprise Certification

Dear MR. JOHN ALVARADO:

We are pleased to advise you that after careful review of your application and supporting documentation, the Los Angeles County Metropolitan Transportation Authority (Metro) has determined that your firm meets the eligibility standards to be certified as a Disadvantaged Business Enterprise (DBE) as required under the U.S. Department of Transportation (U.S. DOT) Regulation 49 CFR Part 26, as amended. This certification will be recognized by all of the U.S. DOT recipients in California. Your firm will be listed in the California Unified Certification Program (CUCP) database of certified DBEs under the following specific area(s) of expertise that you have identified on the NAICS codes form of the application package:

NAICS 331491: NONFERROUS METAL (EXCEPT COPPER AND ALUMINUM) ROLLING, DRAWING, AND EXTRUDING
NAICS 237310: HIGHWAY, STREET, AND BRIDGE CONSTRUCTION
NAICS 332313: PLATE WORK MANUFACTURING

Your DBE certification applies only for the above code(s). You may review your firms information in the CUCP DBE database which can be accessed at the CUCP website at https://californiaucp.dbesystem.com. Any additions and revisions must be submitted to Metro for review and approval.

In order to ensure your continuing DBE status, you are required to submit an annual update along with supporting documentation. If no changes are noted, then your DBE status remains current. If there are changes, Metro will review to determine continued DBE eligibility. Please note, your DBE status remains in effect unless Metro notifies you otherwise.

Also, should any changes occur that could affect your certification status prior to receipt of the annual update, such as changes in your firm's name, business/mailing address, ownership, management or control, or failure to meet the applicable business size standards or personal net worth standard, please notify Metro immediately. Failure to submit forms and/or change of information will be deemed a failure to cooperate under Section 26.109 of the Regulations.

Metro reserves the right to withdraw this certification if at any time it is determined that it was knowingly obtained by false, misleading, or incorrect information. Your DBE certification is subject to review at any time. The firm thereby consents to the examination of its books, records and documents by Metro.

Congratulations, and thank you for your interest in the DBE program. Should you have any questions, please contact us at (213) 922-2600. For information on Metro contracting opportunities, please visit our website at www.metro.net/connect.

Sincerely,

Ramon Ortiz
Director, Certification & Economic Development

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

March 28, 2024 **Metro File #6371**

MR. JOHN ALVARADO
G2 Construction, Inc.
1352 East Borchard Ave
Santa Ana, CA 92705-4413

Subject: Small Business Enterprise Certification

Dear MR. JOHN ALVARADO:

We are pleased to advise you that after careful review of your application and supporting documentation, the Los Angeles County Metropolitan Transportation Authority (Metro) has determined that your firm meets the eligibility standards to be certified as a Small Business Enterprise (SBE) as required under Metro's SBE Program. Your firm will be listed in Metro's SBE database of certified SBEs under the following specific areas of expertise:

NAICS 331491: NONFERROUS METAL (EXCEPT COPPER AND ALUMINUM) ROLLING, DRAWING, AND EXTRUDING
NAICS 237310: HIGHWAY, STREET, AND BRIDGE CONSTRUCTION
NAICS 332313: PLATE WORK MANUFACTURING

Your SBE certification is valid for five years from the date of this letter and applies only for the above NAICS code(s). Any additions and revisions must be submitted to Metro for review and approval.

In order to ensure your continuing SBE status, you are required to submit an annual update along with supporting documentation. If no changes are noted, then your SBE status remains current. If there are changes, Metro will review to determine continued SBE eligibility. Please note, your SBE status remains in effect unless Metro notifies you otherwise.

After the five-year certification period, your entire file will be reviewed in order to ascertain continued SBE certification status. You will be notified of the pending SBE status review and any documentation updates necessary prior to the expiration date.

Also, should any changes occur that could affect your certification status prior to receipt of the annual update application, such as changes in your firm's name, business/mailing address, ownership, management or control, or failure to meet the applicable business size standards or personal net worth standard, please notify Metro immediately.

Metro reserves the right to withdraw this certification if at any time it is determined that it was knowingly obtained by false, misleading, or incorrect information. Your SBE certification is subject to review at any time. The firm thereby consents to the examination of its books, records, and documents by Metro.

Congratulations, and thank you for your interest in Metro's SBE Program. Should you have any questions, please contact us at (213) 922-2600. For information on Metro contracting opportunities, please visit our website at www.metro.net/connect.

Sincerely,

Ramon Ortiz
Director, Certification & Economic Development

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CONTRACT MA-080-20011478
WITH
G2 CONSTRUCTION, INC.
FOR
TRASH AND DEBRIS CAPTURE DEVICES

THIS CONTRACT MA-080-20011478 for Trash and Debris Capture Devices ("Contract") is made and entered into as of the date fully executed by and between the County of Orange, a political subdivision of the State of California; ("County") and G2 Construction, Inc., with a place of business at 1352 E. Boarchard Ave., Santa Ana, CA 92705 ("Contractor"), with a County and Contractor sometimes individually referred to as "Party" or collectively as "Parties".

ATTACHMENTS

THIS CONTRACT is comprised of this document and the following Attachments, which are attached hereto and incorporated by reference into this Contract:

Attachment A – Scope of Work

Attachment B – Contractor Pricing

RECITALS

WHEREAS, Contractor and County are entering into this Contract for Trash and Debris Capture Devices ; and,

WHEREAS, County solicited Contract for Trash and Debris Capture Devices as set forth herein, and Contractor represented that it is qualified to provide Trash and Debris Capture Devices to the County as further set forth here; and,

WHEREAS, Contractor agrees to provide Trash and Debris Capture Devices to the County as further set forth in the Scope of Work, attached hereto as Attachment A; and,

WHEREAS, County agrees to pay Contractor based on the schedule of hourly rates set forth in Payment/Compensation, attached hereto as Attachment B; and,

WHEREAS, the County Board of Supervisors has authorized the Procurement Officer or designee to enter into a Contract for Trash and Debris Capture Services with the Contractor; and,

NOW, THEREFORE, the Parties mutually agree as follows:

DEFINITIONS

DPA shall mean the Deputy Purchasing Agent assigned to this Contract.

ARTICLES

General Terms and Conditions:

A. **Governing Law and Venue**: This Contract has been negotiated and executed in the state of California and shall be governed by and construed under the laws of the state of California. In the

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event of any legal action to enforce or interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the parties specifically agree to waive any and all rights to request that an action be transferred for adjudication to another county.

B. **Entire Contract:** This Contract contains the entire Contract between the parties with respect to the matters herein, and there are no restrictions, promises, warranties or undertakings other than those set forth herein or referred to herein. No exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing. Electronic acceptance of any additional terms, conditions or supplemental Contracts by any County employee or agent, including but not limited to installers of software, shall not be valid or binding on County unless accepted in writing by County's Procurement Officer or designee.

C. **Amendments:** No alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the parties; no oral understanding or agreement not incorporated herein shall be binding on either of the parties; and no exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing.

D. **Taxes:** Unless otherwise provided herein or by law, price quoted does not include California state sales or use tax. Out-of-state Contractors shall indicate California Board of Equalization permit number and sales permit number on invoices, if California sales tax is added and collectable. If no permit numbers are shown, sales tax will be deducted from payment. The Auditor-Controller will then pay use tax directly to the State of California in lieu of payment of sales tax to the Contractor.

E. **Delivery:** Time of delivery of goods or services is of the essence in this Contract. County reserves the right to refuse any goods or services and to cancel all or any part of the goods not conforming to applicable specifications, drawings, samples or descriptions or services that do not conform to the prescribed statement of work. Acceptance of any part of the order for goods shall not bind County to accept future shipments nor deprive it of the right to return goods already accepted at Contractor's expense. Over shipments and under shipments of goods shall be only as agreed to in writing by County. Delivery shall not be deemed to be complete until all goods or services have actually been received and accepted in writing by County.

F. **Acceptance Payment:** Unless otherwise agreed to in writing by County; 1) acceptance shall not be deemed complete unless in writing and until all the goods/services have actually been received, inspected, and tested to the satisfaction of County, and 2) payment shall be made in arrears after satisfactory acceptance.

G. **Warranty:** Contractor expressly warrants that the goods covered by this Contract are 1) free of liens or encumbrances, 2) merchantable and good for the ordinary purposes for which they are used, and 3) fit for the particular purpose for which they are intended. Acceptance of this order shall constitute an agreement upon Contractor's part to indemnify, defend and hold County and its indemnities as identified in **article "Z"** below, and as more fully described in **article "Z**," harmless from liability, loss, damage and expense, including reasonable counsel fees, incurred or sustained by County by reason of the failure of the goods/services to conform to such warranties, faulty work performance, negligent or unlawful acts, and non-compliance with any applicable state or federal codes, ordinances, orders, or statutes, including the Occupational Safety and Health Act (OSHA) and the California Industrial Safety Act. Such remedies shall be in addition to any other remedies provided by law.

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H. **Patent/Copyright Materials/Proprietary Infringement:** Unless otherwise expressly provided in this Contract, Contractor shall be solely responsible for clearing the right to use any patented or copyrighted materials in the performance of this Contract. Contractor warrants that any software as modified through services provided hereunder will not infringe upon or violate any patent, proprietary right, or trade secret right of any third party. Contractor agrees that, in accordance with the more specific requirement contained in **article "Z"** below, it shall indemnify, defend and hold County and County Indemnitees harmless from any and all such claims and be responsible for payment of all costs, damages, penalties and expenses related to or arising from such claim(s), including, costs and expenses but not including attorney's fees.

I. **Assignment:** The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the parties. Furthermore, neither the performance of this Contract nor any portion thereof may be assigned by Contractor without the express written consent of County. Any attempt by Contractor to assign the performance or any portion thereof of this Contract without the express written consent of County shall be invalid and shall constitute a breach of this Contract.

J. **Non-Discrimination:** In the performance of this Contract, Contractor agrees that it will comply with the requirements of Section 1735 of the California Labor Code and not engage nor permit any subcontractors to engage in discrimination in employment of persons because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons. Contractor acknowledges that a violation of this provision shall subject Contractor to penalties pursuant to Section 1741 of the California Labor Code.

K. **Termination:** In addition to any other remedies or rights it may have by law, County has the right to immediately terminate this Contract without penalty for cause or after 30 days' written notice without cause, unless otherwise specified. Cause shall be defined as any material breach of contract, any misrepresentation or fraud on the part of the Contractor. Exercise by County of its right to terminate the Contract shall relieve County of all further obligation.

L. **Consent to Breach Not Waiver:** No term or provision of this Contract shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.

M. **Independent Contractor:** Contractor shall be considered an independent contractor and neither Contractor, its employees, nor anyone working under Contractor shall be considered an agent or an employee of County. Neither Contractor, its employees nor anyone working under Contractor shall qualify for workers' compensation or other fringe benefits of any kind through County.

N. **Performance Warranty:** Contractor shall warrant all work under this Contract, taking necessary steps and precautions to perform the work to County's satisfaction. Contractor shall be responsible for the professional quality, technical assurance, timely completion and coordination of all documentation and other goods/services furnished by the Contractor under this Contract. Contractor shall perform all work diligently, carefully, and in a good and workmanlike manner; shall furnish all necessary labor, supervision, machinery, equipment, materials, and supplies, shall at its sole expense obtain and maintain all permits and licenses required by public authorities, including those of County required in its governmental capacity, in connection with performance

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of the work. If permitted to subcontract, Contractor shall be fully responsible for all work performed by subcontractors.

O. **Bonds:**

Payment and Performance Bonds:

A payment bond and performance is required for a public works contract involving expenditure in excess of twenty-five thousand dollars ($25,000) and no work can be commenced prior to both bonds being approved the County.

The Contractor shall furnish, at time of signing the Contract, one surety bond which shall protect the laborers and material men and shall be for $60,000, in accordance with *Section 9554 of the Civil Code*, and one surety bond in the amount of $60,000, guaranteeing the faithful performance of the Contract. If at any time the value of the total task orders is expected to exceed $60,000, the Contractor shall furnish, in a manner acceptable to the County, evidence that the Contractor is bonded to the expected total value of outstanding task orders for both the faithful performance and laborers and material men bonds. Contractor shall not be entitled to, nor shall County authorize, task orders when the total outstanding value of the task orders under this contract exceeds the bond values for which the County is an obligee. Said bonds to be approved by the office of the County Counsel and the County Executive Office of Orange County. Such bonds shall be the forms provided in these specifications and issued and executed by an admitted surety insurer (authorized to transact surety insurance in California). (e.g., if the bonds are issued through a surplus line broker, both the surplus line broker and the insurer with whom he is doing business for purposes of this project must be licensed in California to issue such bonds.)

The faithful performance bond shall be issued by a Surety company with a minimum insurance rating of A- (Secure Best's Rating) and VIII (Financial Size Category) as determined by the most current edition of the Best's Key Rating Guide/Property-Casualty/United States or ambest.com. The Surety Company must also be authorized to write in California by the Department of the Treasury, and must be listed on the most current edition of the Department of Treasury's Listing of Approved Securities.

If any surety upon any bond furnished in connection with this Contract becomes unacceptable to the County, or if any such surety fails to furnish reports as to his financial condition from time to time as requested by OC Public Works, the Contractor shall promptly furnish such additional security as may be required by OC Public Works or the Board of Supervisors from time to time to protect the interests of the County and of persons supplying labor or materials in the prosecution of the Work contemplated by this Contract.

If the County increases the total Contract amount the Contractor is to provide a new bond for the new total Contract amount or a bond for the difference.

Execution of the Agreement and Notice to Proceed: County will not execute the Agreement or issue a Notice to Proceed with the work until Bidder has submitted and County has approved Bidder's Faithful Performance and Labor and Material Payment Bonds, proof of insurance, and initial job progress schedule. All such submittals must be received by County within 10 calendar days of award of the Contract. Any claims by Contractor for adjustments in time and/or cost for delays in issuing the Notice to Proceed due to Contractor's failure to deliver bonds, insurance, and initial job progress schedule acceptable to County will not be considered.

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P. **Insurance Requirements:**

Prior to the provision of services under this Contract, the Contractor agrees to purchase all required insurance at Contractor's expense, including all endorsements required herein, necessary to satisfy the County that the insurance provisions of this Contract have been complied with. Contractor agrees to keep such insurance coverage, Certificates of Insurance, and endorsements on deposit with the County during the entire term of this Contract. In addition, all subcontractors performing work on behalf of Contractor pursuant to this Contract shall obtain insurance subject to the same terms and conditions as set forth herein for Contractor.

Contractor shall ensure that all subcontractors performing work on behalf of Contractor pursuant to this Contract shall be covered under Contractor's insurance as an Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for Contractor. Contractor shall not allow subcontractors to work if subcontractors have less than the level of coverage required by County from Contractor under this Contract. It is the obligation of Contractor to provide notice of the insurance requirements to every subcontractor and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of insurance must be maintained by Contractor through the entirety of this Contract for inspection by County representative(s) at any reasonable time.

All self-insured retentions (SIRs) shall be clearly stated on the Certificate of Insurance. Any self-insured retention (SIR) in an amount in excess of Fifty Thousand Dollars ($50,000) shall specifically be approved by the County's Risk Manager, or designee, upon review of Contractor's current audited financial report. If Contractor's SIR is approved, Contractor, in addition to, and without limitation of, any other indemnity provision(s) in this Contract, agrees to all of the following:

1) In addition to the duty to indemnify and hold the County harmless against any and all liability, claim, demand or suit resulting from Contractor's, its agents, employee's or subcontractor's performance of this Contract, Contractor shall defend the County at its sole cost and expense with counsel approved by Board of Supervisors against same; and
2) Contractor's duty to defend, as stated above, shall be absolute and irrespective of any duty to indemnify or hold harmless; and
3) The provisions of California Civil Code Section 2860 shall apply to any and all actions to which the duty to defend stated above applies, and the Contractor's SIR provision shall be interpreted as though the Contractor was an insurer and the County was the insured.

If the Contractor fails to maintain insurance acceptable to the County for the full term of this Contract, the County may terminate this Contract.

Qualified Insurer

The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com).** It is preferred, but not mandatory, that the insurer be licensed to do business in the state of California (California Admitted Carrier).

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If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

The policy or policies of insurance maintained by the Contractor shall provide the minimum limits and coverage as set forth below:

Coverage	**Minimum Limits**
Commercial General Liability	$1,000,000 per occurrence $2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	$1,000,000 per occurrence
Workers Compensation	Statutory
Employers Liability Insurance	$1,000,000 per occurrence
Professional Liability Insurance or per occurrence	$1,000,000 per claims made

Required Coverage Forms

The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 0012, CA 00 20, or a substitute form providing coverage at least as broad.

Required Endorsements

The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance:

1) An Additional Insured endorsement using ISO form CG 20 26 04 13or a form at least as broad naming the ***County of Orange its elected and appointed officials, officers, agents and employees*** as Additional Insureds, or provide blanket coverage, which will state ***AS REQUIRED BY WRITTEN CONTRACT.***

2) A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at least as broad evidencing that the Contractor's insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing.

The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the ***County of Orange, its elected and appointed officials, officers, agents and employees*** or provide blanket coverage, which will state ***AS REQUIRED BY WRITTEN CONTRACT.***

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All insurance policies required by this Contract shall waive all rights of subrogation against the County of Orange, its elected and appointed officials, officers, agents and employees when acting within the scope of their appointment or employment.

Contractor shall notify County in writing within thirty (30) days of any policy cancellation and ten (10) days for non-payment of premium and provide a copy of the cancellation notice to County. Failure to provide written notice of cancellation may constitute a material breach of the Contract, upon which the County may suspend or terminate this Contract.

The Commercial General Liability policy shall contain a severability of interests clause also known as a "separation of insureds" clause (standard in the ISO CG 0001 policy).

Insurance certificates should be forwarded to the agency/department address listed on the solicitation.

If the Contractor fails to provide the insurance certificates and endorsements within seven (7) days of notification by CEO/Procurement or the agency/department procurement division, award may be made to the next qualified vendor.

County expressly retains the right to require Contractor to increase or decrease insurance of any of the above insurance types throughout the term of this Contract. Any increase or decrease in insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect County.

County shall notify Contractor in writing of changes in the insurance requirements. If Contractor does not deposit copies of acceptable Certificates of Insurance and endorsements with County incorporating such changes within thirty (30) days of receipt of such notice, this Contract may be in breach without further notice to Contractor, and County shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this Contract, nor act in any way to reduce the policy coverage and limits available from the insurer.

Q. **Changes:** Contractor shall make no changes in the work or perform any additional work without the County's specific written approval.

R. **Force Majeure:** Contractor shall not be assessed with liquidated damages or unsatisfactory performance penalties during any delay beyond the time named for the performance of this Contract caused by any act of God, war, civil disorder, employment strike or other cause beyond its reasonable control, provided Contractor gives written notice of the cause of the delay to County within 36 hours of the start of the delay and Contractor avails himself of any available remedies.

S. **Confidentiality:** Contractor agrees to maintain the confidentiality of all County and County-related records and information pursuant to all statutory laws relating to privacy and confidentiality that currently exist or exist at any time during the term of this Contract. All such records and information shall be considered confidential and kept confidential by Contractor and Contractor's staff, agents and employees.

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T. **Compliance with Laws:** Contractor represents and warrants that services to be provided under this Contract shall fully comply, at Contractor's expense, with all standards, laws, statutes, restrictions, ordinances, requirements, and regulations (collectively "laws"), including, but not limited to those issued by County in its governmental capacity and all other laws applicable to the services at the time services are provided to and accepted by County. Contractor acknowledges that County is relying on Contractor to ensure such compliance, and pursuant to the requirements of **article "Z"** below, Contractor agrees that it shall defend, indemnify and hold County and County INDEMNITEES harmless from all liability, damages, costs and expenses arising from or related to a violation of such laws.

U. **Freight:** Prior to the County's express acceptance of delivery of products. Contractor assumes full responsibility for all transportation, transportation scheduling, packing, handling, insurance, and other services associated with delivery of all products deemed necessary under this Contract.

V. **Severability:** If any term, covenant, condition or provision of this Contract is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

W. **Attorney Fees:** In any action or proceeding to enforce or interpret any provision of this Contract, each party shall bear their own attorney's fees, costs and expenses.

X. **Interpretation:** This Contract has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Contract. In addition, each party had been represented by experienced and knowledgeable independent legal counsel of their own choosing or has knowingly declined to seek such counsel despite being encouraged and given the opportunity to do so. Each party further acknowledges that they have not been influenced to any extent whatsoever in executing this Contract by any other party hereto or by any person representing them, or both. Accordingly, any rule or law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Contract against the party that has drafted it is not applicable and is waived. The provisions of this Contract shall be interpreted in a reasonable manner to effect the purpose of the parties and this Contract.

Y. **Employee Eligibility Verification:** The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirement set forth in Federal statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal or State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by the law. The Contractor shall indemnify, defend with counsel approved in writing by County, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

Z. **Indemnification:** Contractor agrees to indemnify, defend with counsel approved in writing by County, and hold County, its elected and appointed officials, officers, employees, agents and those special districts and agencies which County's Board of Supervisors acts as the governing Board

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("County Indemnitees") harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the services, products or other performance provided by Contractor pursuant to this Contract. If judgment is entered against Contractor and County by a court of competent jurisdiction because of the concurrent active negligence of County or County Indemnitees, Contractor and County agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.

AA. **Audits/Inspections:** Contractor agrees to permit the County's Auditor-Controller or the Auditor-Controller's authorized representative (including auditors from a private auditing company hired by the County) access during normal working hours to all books, accounts, records, reports, files, financial records, supporting documentation, including payroll and accounts payable/receivable records, and other papers or property of Contractor for the purpose of auditing or inspecting any aspect of performance under this Contract. The inspection and/or audit will be confined to those matters connected with the performance of the Contract including, but not limited to, the costs of administering the Contract. The County will provide reasonable notice of such an audit or inspection.

The County reserves the right to audit and verify the Contractor's records before final payment is made.

Contractor agrees to maintain such records for possible audit for a minimum of three years after final payment, unless a longer period of records retention is stipulated under this Contract or by law. Contractor agrees to allow interviews of any employees or others who might reasonably have information related to such records. Further, Contractor agrees to include a similar right to the County to audit records and interview staff of any subcontractor related to performance of this Contract.

Should the Contractor cease to exist as a legal entity, the Contractor's records pertaining to this Contract shall be forwarded to the County's project manager.

BB. **Contingency of Funds:** Contractor acknowledges that funding or portions of funding for this Contract may be contingent upon state budget approval; receipt of funds from, and/or obligation of funds by, the state of California to County; and inclusion of sufficient funding for the services hereunder in the budget approved by County's Board of Supervisors for each fiscal year covered by this Contract. If such approval, funding or appropriations are not forthcoming, or are otherwise limited, County may immediately terminate or modify this Contract without penalty.

CC. **Expenditure Limit:** The Contractor shall notify the County of Orange assigned Deputy Purchasing Agent in writing when the expenditures against the Contract reach 75 percent of the dollar limit on the Contract. The County will not be responsible for any expenditure overruns and will not pay for work exceeding the dollar limit on the Contract unless a change order to cover those costs has been issued.

DD. **Subcontracting:** No performance of this Contract or any portion thereof may be subcontracted by the Contractor without the express written consent of the County. Any attempt by the Contractor to subcontract any performance of this Contract without the express written consent of the County shall be invalid and shall constitute a breach of this Contract.

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In the event that the Contractor is authorized by the County to subcontract, this Contract shall take precedence over the terms of the Contract between Contractor and subcontractor and shall incorporate by reference the terms of this Contract. The County shall look to the Contractor for performance and indemnification and not deal directly with any subcontractor. All work performed by a subcontractor.

Additional Terms and Conditions:

1. **Scope of Contract:** This Contract specifies the contractual terms and conditions by which the County will procure Trash and Debris Capture Devices from Contractor as further detailed in the Scope of Work, identified and incorporated herein by this reference as "Attachment A".

2. **Term of Contract:** The initial term of this Contract shall be effective upon execution of all necessary signatures and shall continue for five (5) years from that date, unless otherwise terminated as provided herein.

3. **Adjustments – Scope of Work:** No adjustments made to the Scope of Work will be authorized without prior written approval of the County assigned Deputy Purchasing Agent.

4. **Breach of Contract:** The failure of the Contractor to comply with any of the provisions, covenants or conditions of this Contract shall be a material breach of this Contract. In such event the County may, and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:

   a) Terminate the Contract immediately, pursuant to Section K herein;

   b) Afford the Contractor written notice of the breach and ten (10) calendar days or such shorter time that may be specified in this Contract within which to cure the breach;

   c) Discontinue payment to the Contactor for and during the period in which the Contractor is in breach; and

   d) Offset against any monies billed by the Contractor but yet unpaid by the County those monies disallowed pursuant to the above.

5. **Civil Rights:** Contractor attests that services provided shall be in accordance with the provisions of Title VI and Title VII of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975 as amended; Title II of the Americans with Disabilities Act of 1990, and other applicable State and federal laws and regulations prohibiting discrimination on the basis of race, color, national origin, ethnic group identification, age, religion, marital status, sex or disability.

6. **Conflict of Interest – Contractor's Personnel:** The Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the best interests of the County. This obligation shall apply to the Contractor; the Contractor's employees, agents, and subcontractors associated with accomplishing work and services hereunder. The Contractor's efforts shall include, but not be limited to establishing precautions to prevent its employees, agents, and subcontractors from providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to influence or appear to influence County staff or elected officers from acting in the best interests of the County.

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7. **Conflict of Interest – County Personnel:** The County of Orange Board of Supervisors policy prohibits its employees from engaging in activities involving a conflict of interest. The Contractor shall not, during the period of this Contract, employ any County employee for any purpose.

8. **Contractor's Project Manager and Key Personnel:** Contractor shall appoint a Project Manager to direct the Contractor's efforts in fulfilling Contractor's obligations under this Contract. This Project Manager shall be subject to approval by the County and shall not be changed without the written consent of the County's Project Manager, which consent shall not be unreasonably withheld.

   The Contractor's Project Manager shall be assigned to this project for the duration of the Contract and shall diligently pursue all work and services to meet the project time lines. The County's Project Manager shall have the right to require the removal and replacement of the Contractor's Project Manager from providing services to the County under this Contract. The County's Project manager shall notify the Contractor in writing of such action. The Contractor shall accomplish the removal within five (5) business days after written notice by the County's Project Manager. The County's Project Manager shall review and approve the appointment of the replacement for the Contractor's Project Manager. The County is not required to provide any additional information, reason or rationale in the event it The County is not required to provide any additional information, reason or rationale in the event it requires the removal of Contractor's Project Manager from providing further services under the Contract.

9. **Contractor's Expense:** The Contractor will be responsible for all costs related to photo copying, telephone communications, fax communications, and parking while on County sites during the performance of work and services under this Contract. The County will not provide free parking for any service in the County Civic Center.

10. **Contractor Personnel – Uniform/Badges/Identification:** The Contractor warrants that all persons employed to provide service under this Contract have satisfactory past work records indicating their ability to accept the kind of responsibility under this Contract.

    All Contractor's employees shall be required to wear uniforms, badges, or other means of identification which are to be furnished by the Contractor and must be work at all times while working on County property. The assigned Deputy Purchasing Agent must be notified in writing, within seven (7) days of notification of award of Contract of the uniform and/or badges and/or other identification to be worn by employees prior to beginning work and notified in writing seven (7) days prior to any changes in this procedure.

11. **Contractor's Records:** The Contractor shall keep true and accurate accounts, records, books and data which shall correctly reflect the business transacted by the Contractor in accordance with generally accepted accounting principles. These records shall be stored in Orange County for a period of three (3) years after final payment is received from the County. Storage of records in another county will require written approval from the County of Orange assigned Deputy Purchasing Agent.

12. **Conditions Affecting Work:** The Contractor shall be responsible for taking all steps reasonably necessary to ascertain the nature and location of the work to be performed under this Contract and to know the general conditions which can affect the work or the cost thereof. Any failure by the Contractor to do so will not relieve Contractor from responsibility for successfully performing the

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work without additional cost to the County. The County assumes no responsibility for any understanding or representations concerning the nature, location(s) or general conditions made by any of its officers or agents prior to the execution of this Contract, unless such understanding or representations by the County are expressly stated in the Contract.

13. **Contractor Personnel – Reference Checks:** The Contractor warrants that all persons employed to provide service under this Contract have satisfactory past work records indicating their ability to adequately perform the work under this Contract. Contractor's employees assigned to this project must meet character standards as demonstrated by background investigation and reference checks, coordinated by the agency/department issuing this Contract.

14. **Conditions Affecting Work:** The Contractor shall be responsible for taking all steps reasonably necessary to ascertain the nature and location of the work to be performed under this Contract and to know the general conditions which can affect the work or the cost thereof. Any failure by the Contractor to do so will not relieve Contractor from responsibility for successfully performing the work without additional cost to the County. The County assumes no responsibility for any understanding or representations concerning the nature, location(s) or general conditions made by any of its officers or agents prior to the execution of this Contract, unless such understanding or representations by the County are expressly stated in the Contract.

15. **Regional Cooperative Agreement:** Regional Cooperative Agreements (RCA) awarded by the County of Orange are intended to be used as cooperative agreements against which individual subordinate contracts may be executed by participating County departments and non-County public entities during the effective dates outlined herein. The RCA terms, conditions, and pricing shall be extended to all subordinate contracts issued in accordance with the RCA. Subordinate contracts shall be in full force and effect through their agreed upon termination date, unless otherwise terminated by the agency/department. County departments and non-County public entities shall issue subordinate contracts in their own names and be solely responsible for all payment requirements. Contractor shall ensure that all subordinate contracts with non-County public agencies contain an indemnification clause in which the non-County agency indemnifies and holds harmless the County of Orange from all claims, demand actions, or causes of actions of every kind arising out of, or in any way connected with the use of County issued cooperative agreements. Failure to meet this requirement shall be considered a material breach of this RCA and grounds for immediate contract termination. The cooperative entities are responsible for obtaining all certificates of insurance and bonds required. The Contractor is responsible for providing each cooperative entity a copy of the Contract upon request by the cooperative entity. The County of Orange makes no guarantee of usage by other users of this Contract.

    Contactor and participating non-County entities shall ensure adherence to all applicable public project competitive bidding and public works prevailing wage statutes, as required by law, for installation work.

    The Contractor shall be required to maintain a list of the cooperative entities using this Contract. The list shall report dollar volumes spent annually and shall be provided on an annual basis to the County, at the County's request.

16. **Breach of Contract:** The failure of the Contractor to comply with any of the provisions, covenants, or conditions of this Contract shall be a material breach of this Contract. In such event the County may, and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:

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a. Afford the contractor written notice of the breach and ten calendar days or such shorter time that may be specified in this contract within which to cure the breach;
b. Discontinue payment to the contactor for and during the period in which the contractor is in breach; and
c. Offset against any monies billed by the contractor but yet unpaid by the County those monies disallowed pursuant to the above.

17. **Data – Title To:** All materials, documents, data or information obtained from the County data files or any County medium furnished to the Contractor in the performance of this Contract will at all times remain the property of the County. Such data or information may not be used or copied for direct or indirect use by the Contractor after completion or termination of this Contract without the express written consent of the County. All materials, documents, data or information, including copies, must be returned to the County at the end of this Contract.

18. **Default – Reprocurement Costs:** In case of Contract breach by Contractor, resulting in termination by the County, the County may procure the goods and/or services from other sources. If the cost for those goods and/or services is higher than under the terms of the existing Contract, Contractor will be responsible for paying the County the difference between the Contract cost and the price paid, and the County may deduct this cost from any unpaid balance due the Contractor. The price paid by the County shall be the prevailing market price at the time such purchase is made. This is in addition to any other remedies available under this Contract and under law.

19. **Disputes – Contract:**

A. The parties shall deal in good faith and attempt to resolve potential disputes informally. If the dispute concerning a question of fact arising under the terms of this Contract is not disposed of in a reasonable period of time by the Contractor's Project Manager and the County's Project Manager, as specified in Article 22. "Notices," such matter shall be brought to the attention of the County Deputy Purchasing Agent by way of the following process:

1. The Contractor shall submit to the agency/department assigned Deputy Purchasing Agent a written demand for a final decision regarding the disposition of any dispute between the parties arising under, related to, or involving this Contract, unless the County, on its own initiative, has already rendered such a final decision.

2. The Contractor's written demand shall be fully supported by factual information, and, if such demand involves a cost adjustment to the Contract, the Contractor shall include with the demand a written statement signed by a senior official indicating that the demand is made in good faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects the Contract adjustment for which the Contractor believes the County is liable.

B. Pending the final resolution of any dispute arising under, related to, or involving this Contract, the Contractor agrees to diligently proceed with the performance of this Contract, including the delivery of goods and/or provision of services. The Contractor's failure to diligently proceed shall be considered a material breach of this Contract.

Any final decision of the County shall be expressly identified as such, shall be in writing, and shall be signed by the County Deputy Purchasing Agent or his designee. If the County fails to render a decision within 90 days after receipt of the Contractor's demand, it shall be deemed a final decision

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adverse to the Contractor's contentions. Nothing in this section shall be construed as affecting the County's right to terminate the Contract for cause or termination for convenience as stated in section K herein.

20. **Drug-Free Workplace:** The Contractor hereby certifies compliance with Government Code Section 8355 in matters relating to providing a drug-free workplace. The Contractor will:

    1. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a)(1).

    2. Establish a drug-free awareness program as required by Government Code Section 8355(a)(2) to inform employees about all of the following:

        a. The dangers of drug abuse in the workplace;

        b. The organization's policy of maintaining a drug-free workplace;

        c. Any available counseling, rehabilitation and employee assistance programs; and

        d. Penalties that may be imposed upon employees for drug abuse violations.

    3. Provide as required by Government Code Section 8355(a)(3) that every employee who works under this Contract:

        a. Will receive a copy of the company's drug-free policy statement; and

        b. Will agree to abide by the terms of the company's statement as a condition of employment under this Contract.

    Failure to comply with these requirements may result in suspension of payments under the Contract or termination of the Contract or both, and the Contractor may be ineligible for award of any future County contracts if the County determines that any of the following has occurred:

    1. The Contractor has made false certification, or

    2. The Contractor violates the certification by failing to carry out the requirements as noted above.

21. **EDD Independent Contractor Reporting Requirements:** Effective January 1, 2001, the County of Orange is required to file in accordance with subdivision (a) of Section 6041A of the Internal Revenue Code for services received from a "service provider" to whom the County pays $600 or more or with whom the County enters into a contract for $600 or more within a single calendar year. The purpose of this reporting requirement is to increase child support collection by helping to locate parents who are delinquent in their child support obligations.

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The term "service provider" is defined in California Unemployment Insurance Code Section 1088.8, sub article B.2 as "an individual who is not an employee of the service recipient for California purposes and who received compensation or executes a contract for services performed for that service recipient within or without the state." The term is further defined by the California Employment Development Department to refer specifically to independent Contractors. An independent Contractor is defined as "an individual who is not an employee of the ... government entity for California purposes and who receives compensation or executes a contract for services performed for that ... government entity either in or outside of California."

The reporting requirement does not apply to corporations, general partnerships, limited liability partnerships, and limited liability companies.

Additional information on this reporting requirement can be found at the California Employment Development Department web site located at
http://www.edd.ca.gov/Employer_Services.htm

22. **Errors and Omissions:** All reports, files and other documents prepared and submitted by Contractor shall be complete and shall be carefully checked by the professional(s) identified by Contractor as project manager and key personnel attached hereto, prior to submission to the County. Contractor agrees that County review is discretionary and Contractor shall not assume that the County will discover errors and/or omissions. If the County discovers any errors or omissions prior to approving Contractor's reports, files and other written documents, the reports, files or documents will be returned to Contractor for correction. Should the County or others discover errors or omissions in the reports, files or other written documents submitted by the Contractor after County approval thereof, County approval of Contractor's reports, files or documents shall not be used as a defense by Contractor in any action between the County and Contractor, and the reports, files or documents will be returned to Contractor for correction.

23. **Equal Employment Opportunity:** The Contractor shall comply with U.S. Executive Order 11246 entitled, "Equal Employment Opportunity" as amended by Executive Order 11375 and as supplemented in Department of Labor regulations (41 CFR, Part 60) and applicable state of California regulations as may now exist or be amended in the future. The Contractor shall not discriminate against any employee or applicant for employment on the basis of race, color, national origin, ancestry, religion, sex, marital status, political affiliation or physical or mental condition.

Regarding handicapped persons, the Contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to provide equal opportunity to handicapped persons in employment or in advancement in employment or otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicaps in all employment practices such as the following: employment, upgrading, promotions, transfers, recruitments, advertising, layoffs, terminations, rate of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor agrees to comply with the provisions of Sections 503 and 504 of the Rehabilitation Act of 1973, as amended, pertaining to prohibition of discrimination against qualified handicapped persons in all programs and/or activities as detailed in regulations signed by the Secretary of the Department of Health and Human Services effective June 3, 1977, and found in the Federal Register, Volume 42, No. 68 dated May 4, 1977, as may now exist or be amended in the future.

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Regarding Americans with disabilities, Contractor agrees to comply with applicable provisions of Title 1 of the Americans with Disabilities Act enacted in 1990 as may now exist or be amended in the future.

24. **News/Information Release:** The Contractor agrees that it will not issue any news releases in connection with either the award of this Contract or any subsequent amendment of or effort under this Contract without first obtaining review and written approval of said news releases from the County through the County's Project Manager.

25. **Notices:** Any and all notices, requests demands and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing with a copy provided to the assigned Deputy Purchasing Agent (DPA), except through the course of the parties' project managers' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four (4) calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated herein or such other address as the parties hereto may designate by written notice from time to time in the manner aforesaid.

Contractor:
G2 Construction Inc.
Attn: Eric H. Taylor
1352 E. Boarchard Ave.
Santa Ana, CA 92705
Phone: 714-679-2550
Email: etaylor@g2construction.com

County's Project Manager:
OC Public Works/OC Environmental Services
Attn: Grant Sharp
2301 N. Glassell Street
Orange, CA 92865
Phone: 714-955-0633
Email: grant.sharp@ocpw.ocgov.com

cc:
OC Public Works/Procurement Services
Attn: Nicholas Murray, County DPA
Santa Ana, CA 92701
Phone: 714-667-<TBA>
Email: nicholas.murray@ocpw.ocgov.com

26. **Precedence:** The Contract documents consist of this Contract and its exhibits and attachments. In the event of a conflict between or among the Contract documents, the order of precedence shall be the provisions of the main body of this Contract, i.e., those provisions set forth in the recitals and articles of this Contract, and then the exhibits and attachments.

27. **Termination – Orderly:** After receipt of a termination notice from the County of Orange, the Contractor may submit to the County a termination claim, if applicable. Such claim shall be submitted promptly, but in no event later than 60 days from the effective date of the termination, unless one or more extensions in writing are granted by the County upon written request of the

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Contractor. Upon termination County agrees to pay the Contractor for all services performed prior to termination which meet the requirements of the Contract, provided, however, that such compensation combined with previously paid compensation shall not exceed the total compensation set forth in the Contract. Upon termination or other expiration of this Contract, each party shall promptly return to the other party all papers, materials, and other properties of the other held by each for purposes of performance of the Contract.

28. **Usage:** No guarantee is given by the County to the Contractor regarding usage of this Contract. Usage figures, if provided, are approximations. The Contractor agrees to supply services and/or commodities requested, as needed by the County of Orange, at rates/prices listed in the Contract, regardless of quantity requested.

29. **Usage Reports:** The Contractor shall submit usage reports on an annual basis to the assigned Deputy Purchasing Agent of the County of Orange user agency/department. The usage report shall be in a format specified by the user agency/department and shall be submitted 90 days prior to the expiration date of the contract term, or any subsequent renewal term, if applicable.

30. **Prevailing Wage: (Labor Code §1773):** Pursuant to the provisions of Section 1773 of the Labor Code of the state of California, the contractor shall comply with the general prevailing rates of per diem wages and the general prevailing rates for holiday and overtime wages in this locality for each craft, classification, or type of worker needed to execute this contract. The rates are available from the Director of the Department of Industrial Relations at the following website: http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm. The contractor shall post a copy of such wage rates at the job site and shall pay the adopted prevailing wage rates. The Contractor shall comply with the provisions of Sections 1775 and 1813 of the Labor Code.

31. **Payroll Records**: Contractor and any Subcontractor(s) shall comply with the requirements of Labor Code Section 1776. Such compliance includes the obligation to furnish the records specified in Section 1776 directly to the Labor Commissioner in an electronic format, or other format as specified by the Commissioner, in the manner provided by Labor Code Section 1771.4.

    The requirements of Labor Code Section 1776 provide in part:

    i. Contractor and any Subcontractor(s) performing any portion of the work under this Contract shall keep an accurate record, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by Contractor or any Subcontractor(s) in connection with the work.

    ii. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:

        (A) The information contained in the payroll record is true and correct.

        (B) The employer has complied with the requirements of Labor Code Sections 1771, 1811, and 1815 for any work performed by his or her employees in connection with the Contract.

    iii. The payroll records shall be certified and shall be available for inspection at the principal office of Contractor on the basis set forth in Labor Code Section 1776.

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iv. Contractor shall inform County of the location of the payroll records, including the street address, city and county, and shall, within five working days, provide a notice of any change of location and address of the records.

v. Pursuant to Labor Code Section 1776, Contractor and any Subcontractor(s) shall have 10 days in which to provide a certified copy of the payroll records subsequent to receipt of a written notice requesting the records described herein. In the event that Contractor or any Subcontractor fails to comply within the 10-day period, he or she shall, as a penalty to County forfeit $100, or a higher amount as provided by Section 1776, for each calendar day, or portion thereof, for each worker to whom the noncompliance pertains, until strict compliance is effectuated. Contractor acknowledges that, without limitation as to other remedies of enforcement available to County, upon the request of the Division of Apprenticeship Standards or the Division of Labor Standards Enforcement of the California Department of Industrial Relations, such penalties shall be withheld from progress payments then due Contractor. Contractor is not subject to a penalty assessment pursuant to this section due to the failure of a Subcontractor to comply with this section.

Contractor and any Subcontractor(s) shall comply with the provisions of Labor Code Sections 1771 et seq., and shall pay workers employed on the Contract not less than the general prevailing rates of per diem wages and holiday and overtime wages as determined by the Director of Industrial Relations. Contractor shall post a copy of these wage rates at the job site for each craft, classification, or type of worker needed in the performance of this Contract, as well as any additional job site notices required by Labor Code Section 1771.4(b). Copies of these rates are on file at the principal office of County's representative, or may be obtained from the State Office, Department of Industrial Relations ("DIR") or from the DIR's website at www.dir.ca.gov. If the Contract is federally funded, Contractor and any Subcontractor(s) shall not pay less than the higher of these rates or the rates determined by the United States Department of Labor.

Prevailing Wage and DIR Requirement:

Awarding agencies are not required to submit the notice of contract award through DIR's PWC-100 system on projects that fall within the small project exemption. The small project exemption applies for all public works projects that do not exceed:

- $25,000 for new construction, alteration, installation, demolition or repair
- $15,000 for maintenance

If the project meets or exceeds these amounts, the County and the Contractor are required to register the project with the California Department of Industrial Relations.

https://www.dir.ca.gov/Public-Works/PublicWorks.html

33. **Apprenticeship requirements: The Contractor shall comply with Section 230.1(A), California** Code of Regulations as required by the Department of Industrial Relations, Division of

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Apprenticeship Standards by submitting DAS Form to the Joint Apprenticeship Committee of the craft or trade in the area of the site.

34. **Registration of Contractors:** All contractors and subcontractors must comply with the requirements of Labor Code Section 1771.1(a), pertaining to registration of contractors pursuant to Section 1725.5. Bids cannot be accepted from unregistered contractors except as provided in Section 1771.1. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. After award of the contract, Contractor and each Subcontractor shall furnish electronic payroll records directly to the Labor Commissioner in the manner specified in Labor Code Section 1771.4.

35. **Change of Ownership/Name, Litigation Status, Conflicts with County Interests:** Contractor agrees that if there is a change or transfer in ownership of Contractor's business prior to completion of this Contract, the new owners shall be required under the terms of sale or other instruments of transfer to assume Contractor's duties and obligations contained in this Contract, and complete them to the satisfaction of the County. County reserves the right to immediately terminate the Contract in the event the County determines that the assignee is not qualified or is otherwise unacceptable to the County for the provision of services under the Contract. Contractor has the duty to notify the County in writing of any change in the Contractor's status with respect to name changes that do not require an assignment of the Contract. The Contractor is also obligated to notify the County in writing of any potential conflicts of interest between Contractor and County that may arise prior to or during the period of Contract performance. While Contractor will be required to provide this information without prompting from the County any time there is a change in Contractor's name, or conflict of interest, Contractor must also provide an update to the County of its status in these areas whenever requested by the County. The Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with County interests. In addition to the Contractor, this obligation shall apply to the Contractor's employees, agents, and subcontractors associated with the provision of goods and services provided under this Contract. The Contractor's efforts shall include, but not be limited to establishing rules and procedures preventing its employees, agents, and subcontractors from providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to influence or appear to influence County staff or elected officers in the performance of their dutie

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Signature Page

IN WITNESS WHEREOF, the Parties hereto have executed this Contract on the date following their respective signatures.

G2 CONSTRUCTION, INC.*

Signature	Name	Title	Date
John R. Alvarado	John R. Alvarado	President	3/26/2020
Lydia G. Alvarado	Lydia G. Alvarado	Treasurer	3/26/2020

COUNTY OF ORANGE, A political subdivision of the State of California
COUNTY AUTHORIZED SIGNATURE:

Signature	Name	Title	Date
	Nicholas Murray	DPA	06/03/2020

APPROVED AS TO FORM:
County Counsel

By Mark Sanchez Mark Sanchez
Deputy

Date 3/26/2020

* If the contracting party is a corporation, (2) two signatures are required: one (1) signature by the Chairman of the Board, the President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer. The signature of one person alone is sufficient to bind a corporation, as long as he or she holds corporate offices in each of the two categories described above. For County purposes, proof of such dual office holding will be satisfied by having the individual sign the instrument twice, each time indicating his or her office that qualifies under the above described provision. In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution demonstrating the legal authority of the signee to bind the corporation.

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ATTACHMENT A
SCOPE OF WORK

I. BACKGROUND

The Orange County Transportation Authority's (OCTA) Environmental Cleanup Program (ECP) provides a two percent allocation of annual gross Measure M2 (M2) revenues to improve overall water quality in Orange County from transportation-related pollution. The ECP competitive funds can be used to implement water quality improvement projects addressing pollutants originating from or conveyed through transportation systems. These funds will assist Orange County cities and the County of Orange in meeting federal Clean Water Act standards for urban runoff through the purchase and installation of recognized structural best management practices (BMPs). Third parties such as public water and wastewater agencies, environmental advocacy organizations, and homeowners associations may also nominate projects through a municipality that is willing and able to take responsibility for carrying out and maintaining the project.

II. DESCRIPTION OF PROJECT

In concert with the M2 Grant Program, this Scope of Work is designed to assemble a panel of Contractors to achieve economies of scale on a list of fixed unit prices for the purchase and installation of equipment and devices designed to remove litter, debris, and other water quality pollutants, herein referred to as "Stormwater Treatment Devices." Selected Contractors will be part of a Master Agreement between the County of Orange and OCTA that will allow municipalities to select from a listing of Contractors to provide, supply, fabricate, construct, deliver, and install Stormwater Treatment Devices. Agencies wishing to use the Master Agreement may purchase BMPs with M2 grant monies or any other funding source.

Accordingly, the goal of this RFP is to establish a Master Agreement that achieves strategic savings that would benefit the County and OCTA to act as the purchasing and contract administrators for M2 grant-eligible entities. *Proposals that do not provide a discounted price that offer economies of scale that are more than standard bulk pricing/installation listing will not be considered.* Proposals will not be accepted solely for equipment purchases or installations. Awarded ECP entities are not obligated to utilize the selected Contractors. Rather, this process is intended to provide a mechanism for reduced rates for equipment and its installation for Orange County municipalities, including those implementing projects with M2 funding. In addition, if a local agency is a party to this Master Agreement, a separate agreement, city council resolution, or other protocol may be necessary with the selected Contractor(s). The eligible qualifications are discussed below.

Each selected Contractor will be under contract with the County of Orange's OC Public Works Department and OCTA, but will take primary direction from local agency. Contractor's will directly invoice and be paid by the local agency.

III. ELIGIBILITY QUALIFICATIONS

Stormwater Treatment Devices must be capable of handling flows from a design storm of 0.2-inches/hour.

The hydrologic method to be used to calculate the flow associated with LID and water quality design storm flow is:

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$F_{required} = C \times I \times A$

Where $F_{required}$ = Flow capacity (cubic feet/sec); C = runoff coefficient (ranges from 0 to 1); I = 0.2 inches/hour; and A = tributary area (acres).

Treatment devices should also be able to operate in a hydraulic surcharge condition (defined as a condition that exceeds the design discharge) without releasing stored pollutants to the receiving water. Stormwater Treatment Devices which meet this definition and would be eligible for consideration are:

A. Hydrodynamic Separation and Gross Solids Removal Devices

Hydrodynamic separators are flow-through structures with a settling or separation unit to remove sediments and other pollutants and are widely used in stormwater treatment. No outside power source is required, because the energy of the flowing water allows the sediments to efficiently separate. Depending on the type of unit, this separation may be by means of centrifugal force or indirect filtration.

Gross Solids Removal Devices (either linear radial or inclined screen) are structural best management practices designed to remove trash, vegetative material, and other particles of relatively large, gross size from stormwater runoff.

B. Catch Basin Inserts

Catch basin inserts are designed to remove oil and grease, trash, debris, and sediment and improve the efficiency of catch basins. Some inserts are designed to drop directly into existing catch basins, while others may require retrofit construction. Several varieties of catch basin inserts exist for filtering runoff.

C. Automatic Retractable Screens

Automatic retractable screens are mounted inside a storm drain inlet and are designed to remain closed to capture debris during the dry season. During storm events, the screens retract, allowing heavy flows to enter the storm drain.

D. Cartridge Filter-type Control Devices

Cartridge filter–type controls typically consist of a series of vertical filters contained in a vault or catch basin that provide treatment through filtration and sedimentation.

E. Biological Treatment Devices

Bioretention devices include raingardens, swales, and filter strips; all use plants and substrate to detain and filter stormwater to reduce excessive runoff from roads and paved surfaces, and provide opportunities for enhancing natural landscape and biodiversity elements in the urban environment.

F. In-line Trash and Debris Capture Devices (Trash Booms and Trash Nets)

Trash booms and nets are designed to assist in the control, containment and recovery of floating trash, debris, timber, urban waste or aquatic plants. Typically built as floating structures, these devices are designed to control pollution along the surface of the water.

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IV. REQUIREMENTS

- The devices shall be ready for shipment, delivery and/or installation within two months of receipt of orders.

- Warranty on parts and labor shall be for a minimum of 10 years.

V. EQUIPMENT DESIGN AND SPECIFICATIONS REPORT

All proposals shall include information pertaining to the proposed stormwater treatment device, including, but not limited to: product description, design, engineering, siting, operation, and maintenance. The following information should be summarized in an Equipment Design and Specification Report (Report) for each proposed device in the given order as listed below. *A submittal that does not address all aspects of the following evaluation criteria and/or cannot be readily located within the Report will be deemed incomplete. Please provide a basis for all estimated values.*

A. Description/Design/Engineering

- Describe how the equipment meets the intent of the OCTA Tier 1 Environmental Cleanup Program.

- A detailed description of the equipment and design elements, inclusive of sizing and geometry (include diagrams or CAD files).

- Materials used to construct the equipment (i.e., stainless steel, grade, plastic, etc.).
- Flow or range of flows for which equipment is rated (in cubic feet per second).

- Estimated design life of the equipment.

B. Performance Effectiveness

- Performance effectiveness in reducing trash, litter, debris and other transportation related pollutants (percent reduction) and associated transportation related water quality impacts (include independent analyses if any).

- Trash capture (meeting the definition of "full capture system") and storage capacity of the equipment (if applicable).

- Overflow or bypass flow capacity of the equipment when full of trash and overflowing (i.e., storage capacity of the equipment when the one-year, one hour storm is no longer fully filtered) (if applicable).

- Maximum overflow or bypass flow capacity of the device (i.e., 10-year storm event) (if applicable).

- Device performance effectiveness in terms of pounds of trash removed per total project cost (see section V., F.)

C. Siting, Operation, and Maintenance

- Description of Contractor's installation process including consultation and review of device locations with municipal staff, traffic control during installation, and estimated time required to install each device.

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- Description of the site-specific measurements and other information a municipality must provide the Contractor for determining the appropriate size and configuration of the device for that location (i.e. Eligible entities will need to determine how to select the right device for their desired location).

- A discussion of any regulatory permits that may be required for installation.

- Maintenance requirements (describe in detail how the device must be maintained and the approximate amount of time required for cleaning or maintenance. In addition, discuss whether the device has design capabilities for easy removal for cleaning or maintenance).

- Estimated life cycle costs for maintenance.

- Durability against external factors, such as street sweeping, car parking, etc.

- Availability of replacement parts and life expectancy.

- Warranty coverage and duration.

- Aesthetics and safety.
- Any key factors that makes the device unique among other products.

D. Contractor's Installation Background

- Ability of Contractor to have staff and/or subcontractor(s) to manufacture device and provide installation to eligible entities within Orange County.

- Experience, background, training, and number of staff and/or subcontractor(s) who will fabricate and/or install device.

E. Operating Locations, References, and Certifications

- A minimum of three locations, inclusive of address or nearest intersection, and photos of device in operation within southern California, preferably Orange County.

- References from three public agencies. (See Appendix A for Contractor's Reference Forms)

- Certifications obtained from public agencies and/or Regional Water Quality Control Boards.

VI. PROJECT MANAGEMENT, COORDINATION, AND ADMINISTRATION

A kick-off meeting with selected Contractors and the County and OCTA shall be held to discuss the contractual terms of the Master Agreement. This will establish management, coordination, and administration protocols, and address other issues, as necessary, to ensure that the contractual terms are met. The Contractor's Project Manager shall communicate and coordinate in a timely manner all work and progress with the County's Purchasing and Contract Services Manager and OCTA's ECP Manager.

A monthly progress report detailing the stormwater treatment device purchases and installation per local agency shall be prepared by the Contractor's Project Manager and submitted to the County's Purchasing and Contract Services Manager and OCTA's ECP Manager.

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Progress reports shall include the ongoing status of work, significant accomplishments, problems encountered and anticipated with potential solutions, and work planned for the next month (by task and responsible person). In addition, the Contractor will be responsible for developing a Tier 1 Program spreadsheet to capture information from awarded ECP entities. The database will contain the following:

- Name of Entity
- Contact Name
- Contact Phone Number
- Contact E-mail Address
- Date of Installation
- Device inventory number, name, and type
- Size/capacity of device
- Location of installations
- Best estimate of catchment area
- Anticipated number of installations within the next month

The monthly progress report shall be received no later than the tenth (10th) calendar day of the month.

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ATTACHMENT B
CONTRACTORS PRICING

A. COMPENSATION

The Respondent agrees to accept the specified compensation as set forth in the final negotiated contract as full payment for performing all services and furnishing all staffing and materials required, for any reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until acceptance, for risks connected with the services, and for performance by the Respondent of all its duties and obligations hereunder. The Respondent shall only be compensated as set forth herein for work performed in accordance with the Scope of Work. **The County shall have no obligation to pay any sum in excess of the Fixed Prices and Total Contract Amount specified herein unless authorized by amendment in accordance with** *(see Model Contract)* **Articles C and P of the County Contract Terms and Conditions, which may require approval by the County Board of Supervisors.**

B. PRICING

Contractor guarantees that pricing is based on best information from Attachment A, "Scope of Work". There are four areas for which pricing information needs to satisfy :

1. Estimated average cost of design and engineering for each type of equipment or device.
2. Estimated unit cost of equipment fabrication or cost of pre-fabricated device.
3. Estimated average cost of device installation, including labor and equipment (include separate line item for each type of device).
4. Estimated average annual life cycle cost of operation and maintenance for each type of device.

Device Type	Design and Engineering Cost	Unit Cost of Equipment Fabrication	Average Cost of Device Installation	Annual Operation and Maintenance Cost	Total Cost
CPS-Mod	$60	$419	$270	$25	$774
GITS	$94	$723	$121	$25	$963
ARS-CL	$57	$510	$142	$25	$733

*****Note: All installation is "optional work" and may not be required/utilized from the Contractor, as the County may only purchase the trash devices and have a third-party licensed contractor install them at the cost of the third party. The Public Contract Code force account limits still apply.*****

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PRICING

Product 1 of 3

CPS-Mod™ patented Modular Design
Offered With or Without Installation

Water Board Certified Full Trash Capture Device

PRODUCT SIZES	CPS-Mod™ Models	Unit	1-2 Devices	3-5 Devices	Orange County Volume Discounts 6-20 Devices	21-100 Devices	101-500 Devices	501+ Devices
18" Discharge Pipe (with up to 6.0 SQFT of stainless steel screen & deflector, if needed)	Mod18x36-2s Mod18x42-2s Mod18x48-3s Mod18x38-1s Mod18x41-2s	Device & Install	$1,376	$1,237	$980	$749	$724	$700
		Device Only	$865	$798	$614	$479	$466	$452
24" Discharge Pipe (with up to 9.0 SQFT of stainless steel screen & deflector, if needed)	Mod24x50-2s Mod24x38-3s Mod24x38-1s Mod24x41-2sT	Device & Install	$1,697	$1,442	$1,118	$889	$821	$795
		Device Only	$1,186	$1,003	$752	$608	$562	$547
30" Discharge Pipe (with up to 11.0 SQFT of Stainless Steel Screen & deflector, if needed)	Mod24x62-2s Mod24x62-3s Mod24x62-4s Mod24x59-2sT Mod30x50-2s	Device & Install	$1,939	$1,647	$1,271	$1,002	$954	$906
		Device Only	$1,427	$1,208	$906	$732	$695	$659
Larger & Custom	MOD-Custom		custom					

Price shown per Device. Shipping costs additional. Bond costs additional.
Combo-Discount ($50) when new CPS-Mod and ARS-CL installed in same catch basin

	Product Code	Unit	1-2 Units	3-5 Units	6-20 Units	21-100 Units	101-500 Units	501+ Units
PRODUCT OPTIONS			Additional Cost per Unit					
Larger Size Stainless Steel Screen	SCREEN1	SQFT SS Screen	$60	$50	$45	$43	$41	$39
Mosquito Abatement Deflector	MAD-CPS-Mod	Deflector	$142	$136	$128	$122	$116	$110
Removable System	REM-CPS-Mod	CPS-Mod™	$226	$214	$204	$192	$184	$174
Hemmed Top for smoother edges	HEM-CPS-Mod	CPS-Mod™	$80	$80	$80	$60	$60	$50
Extra Bracing (eg. inbound pipes)	XBRC-CPS-Mod	CPS-Mod™	$300	$300	$263	$188	$156	$156
INSTALLATION OF PRODUCT								
PROJECT BONDS (If Required)	BONDS	Project Cost	4.0%	4.0%	4.0%	4.0%	3.5%	3.0%
Install Travel (In Orange County)	OC	Project Loc.	FREE	FREE	FREE	FREE	FREE	FREE
Catch Basin Cleaning	CB Clean	1 CB	$250	$200	$100	$50	$45	$42
Staff Gauge Painting	STAFFGAUGE	CB	$200	$160	$80	$70	$62	$60
Traffic Control during installation	TC-1Day	7 Hours	$1,867	$1,867	$1,733	$1,733	$1,733	$1,690
Training Contractor	TRAIN1	1 Day	$5,000	$5,000	$5,000	$5,000	$4,500	$4,000
Install Support	Support1Hr	1 Hour	$120	$114	$108	$103	$98	$93
FIELD SERVICES								
Product Maintenance Inspections		Device	$250	$200	$100	$50	$50	$35
Locating catch basins and inlets.		CB	$200	$200	$150	$75	$50	$40
Collecting Lat. / Long. of CBs		CB	$200	$200	$150	$75	$50	$40
PROFESSIONAL SERVICES								
Custom Product Design		Hourly	$150	$150	$150	$150	$150	$150
Custom Drawings - Product		Device	$300	$263	$225	$225	$225	$188
Project Management		Hourly	$125	$125	$115	$100	$100	$100

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PRICING

Product 2 of 3

GITS™ Grated Inlet Trash Screen *Water Board Certified Full Trash Capture Device*

With or Without Installation

PRODUCT SIZES	GITS™ Models	Unit	1-2 Devices	3-5 Devices	Orange County Volume Discounts: 6-20 Devices	21-100 Devices	101-500 Devices	501+ Devices
Rectangular Grate 24"x 24" (or less)	GITS-24x24	Device & Install	$1,645	$1,413	$1,055	$938	$866	$783
		Device Only	$1,438	$1,220	$897	$817	$751	$680
Rectangular Grate 40"x 24" (or less)	GITS-40x24	Device & Install	$1,833	$1,547	$1,165	$1,037	$962	$866
		Device Only	$1,581	$1,312	$972	$890	$822	$740
Round 26" Diameter Grate (or less)	GITS-26R	Device & Install	$1,731	$1,428	$1,078	$950	$867	$783
		Device Only	$1,524	$1,235	$920	$829	$752	$680
Round 39" Diameter Grate (or less)	GITS-39R	Device & Install	$2,283	$2,007	$1,563	$1,422	$1,304	$1,175
		Device Only	$2,013	$1,755	$1,357	$1,264	$1,154	$1,040
Larger and Custom	GITS-Custom		custom	custom	custom	custom	custom	custom

Price shown per Device. Shipping costs additional. Bond costs additional.

	Product Code	Unit	1-2 Units	3-5 Units	6-20 Units	21-100 Units	101-500 Units	501+ Units
PRODUCT OPTIONS								
Vector Control Port	VECT	SQFT SS Screen	$189	$162	$135	$128	$122	$115
Inlet Steps - Custom Design	STEPS	GITS™	$353	$302	$252	$239	$227	$214
Custom Drawings - Product	DRAW	GITS™ Drawing	$300	$263	$225	$225	$225	$188
FILTRATION OPTIONS								
Hydrocarbon Polypropylene Filter (18"x24"x3")	HCPF-PIL	Filter	$38	$36	$31	$28	$27	$25
Others Available		Deflector	varies	varies	varies	varies	varies	varies
INSTALLATION OF PRODUCT								
PROJECT BONDS (If Required)	BONDS	Project Cost	4.0%	4.0%	4.0%	4.0%	3.5%	3.0%
Install Travel (In OC)	OC	Project Loc.	FREE	FREE	FREE	FREE	FREE	FREE
Inlet Cleaning prior to installation	CB Clean	1 CB	$250	$200	$100	$50	$45	$42
Traffic Control during installation.	TC-1Day	6 Hours	$1,867	$1,867	$1,733	$1,733	$1,733	$1,690
Install Support	Support1Hr	1 Hour	$120	$114	$108	$103	$98	$93

SEE PRICING for Field Services & Professional Services on CPS-Mod Pricing Sheet

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PRICING

Product 3 of 3

ARS-CL™ Patented CamLock Automatic Retractable Screen
With Installation

SIZE: Catch Basin Width (ft)	Unique Screens per CB	ARS-CL™ Model	Unit	1-2 Catch Basins (CBs)	3-5 CBs	Orange County Volume Discounts 6-20 CBs	21-100 CBs	101-500 CBs	501+ CBs
up to 3'	1	ARS-CL-03	CB	$1,155	$1,010	$866	$598	$574	$550
3.1 - 5'	1	ARS-CL-05	CB	$1,324	$1,155	$985	$781	$742	$703
5.1' - 7'	2	ARS-CL-07	CB	$2,151	$1,868	$1,585	$1,245	$1,183	$1,121
7.1 - 10'	2	ARS-CL-10	CB	$2,304	$1,992	$1,681	$1,432	$1,360	$1,289
7.1 - 10' x	3	ARS-CL-10x	CB	$2,904	$2,500	$2,202	$1,855	$1,762	$1,670
10.1 - 14'	3	ARS-CL-14	CB	$2,972	$2,547	$2,229	$1,953	$1,855	$1,757
10.1 - 14' x	4	ARS-CL-14x	CB	$3,547	$3,025	$2,504	$2,295	$2,180	$2,065
14.1 - 16'	4	ARS-CL-16	CB	$3,624	$3,075	$2,778	$2,525	$2,399	$2,273
16.1 - 21'	5	ARS-CL-21	CB	$4,392	$3,706	$3,322	$3,157	$2,999	$2,841
16.1 - 21' x	6	ARS-CL-21x	CB	$4,751	$3,984	$3,709	$3,525	$3,348	$3,172
21.1 - 28'	6	ARS-CL-28	CB	$4,839	$4,194	$3,904	$3,710	$3,525	$3,339
21.1 - 28' x	8	ARS-CL-28x	CB	$5,925	$5,312	$4,945	$4,495	$4,270	$4,046

Price shown per Catch Basin (CB). Bonds costs not included. Traffic control additional.
Note: Models with "x" indicates the CB has an extra support bolt.

	Unit	1-2 Units	3-5 Units	6-20 Units	21-100 Units	101-500 Units	501+ Units
PRODUCT OPTIONS		Additional Cost per Unit					
Bolt-In Connections (Not Welded)	CB	Add 15%					
Fixed Screen Option	CB	Subtract 15%					
INSTALLATION OF PRODUCT							
CONTRACT BONDS (If Req'd)	Project Cost	4.0%	4.0%	4.0%	4.0%	3.5%	3.0%
Install Travel (In OC)	Project Loc.	FREE	FREE	FREE	FREE	FREE	FREE
Traffic Control during install.	6 Hours	$1,867	$1,867	$1,733	$1,733	$1,733	$1,690
Catch basin top deck repair.		varies					

SEE PRICING for Field Services & Professional Services on CPS-Mod Pricing Sheet

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C. **PRICING INCREASES/DECREASES**

No price increases will be permitted during the first year of the Contract. The County requires documented proof of cost increases on Contracts prior to any price adjustment. A minimum of one hundred eighty (180) days advance notice in writing is required to secure such adjustment. No retroactive price adjustments will be considered. The County may enforce, adjust, negotiate, or cancel escalating price Contracts or take any other action it deems appropriate, as it sees fit. The net dollar amount of profit will remain company during the period of the Contract. Adjustments increasing the Contractor's profit will not be allowed.

A. **FIRM DISCOUNT AND PRICING STRUCTURE**

Contractor guarantees that prices quoted are equal to or less than prices quoted to any other local, State or Federal government entity for services of equal or lesser scope. Contractor agrees that no price increases shall be passed along to the County during the term of this Contract not otherwise specified and provided for within this Contract.

D. **CONTRACTOR'S EXPENSE:**

The Contractor will be responsible for all administrative costs including but not limited to photo copying, telephone communications and fax communications while on County sites during the performance of work and services under this Contract.

B. **PAYMENT TERMS – PAYMENT IN ARREARS**

Invoices are to be submitted in arrears to the user agency/department to the ship-to address, unless otherwise directed in this Contract. Contractor shall reference Contract number on invoice. Payment will be net 30 days after receipt of an invoice in a format acceptable to the County of Orange and verified and approved by the agency/department and subject to routine processing requirements. The responsibility for providing an acceptable invoice rests with the Contractor.

Billing shall cover services and/or goods not previously invoiced. The Contractor shall reimburse the County of Orange for any monies paid to the Contractor for goods or services not provided or when goods or services do not meet the Contract requirements.
Payments made by the County shall not preclude the right of the County from thereafter disputing any items or services involved or billed under this Contract and shall not be construed as acceptance of any part of the goods or services.

C. **TAXPAYER ID NUMBER**

The Contractor shall include its taxpayer ID number on all invoices submitted to the County for payment to ensure compliance with IRS requirements and to expedite payment processing.

G. **INVOICING INSTRUCTIONS:**

The Contractor shall submit invoices to County on Contractor's letterhead. Each invoice shall have a unique number and shall include the following information:

1. Contractor's name and address
2. Contractor's remittance address, if different from (1), above
3. Name of County agency/department/contact person
4. Delivery/service address

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5. Contract number
6. Service Date
7. Description of Services
8. Detailed description of commodity transition with unit price, discounted price and totals.
9. Detailed description of total labor hours and charges by employee/location/date/time
10. Total
11. Taxpayer ID number

Invoices and support documentation are to be forwarded to:

OC Public Works/Procurement Services
Attn: Accounts/Payables
PO Box 4048
Santa Ana, CA 92702-4048
Email: accountspayables@ocpw.ocgov.com

Contractor has the option of receiving payment directly to their bank account via an Electronic Fund Transfer (EFT) process in lieu of a check payment. Payment made via EFT will also receive Electronic Remittance Advice with the payment details via email. An email address will need to be provided to the County via an EFT Authorization Form. To request a form, please contact the DPA.

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AMENDMENT NO.1
FOR
TRASH AND DEBRIS CAPTURE DEVICES

This AMENDMENT is made and entered into as of the date fully executed by and between the County of Orange, a political subdivision of the State of California ("County") and G2 Construction, Inc., with a place of business at 1352 E. Boarchard Ave., Santa Ana, CA 92705 ("Contractor"), with County and Contractor sometimes individually referred to as "Party" or collectively referred to as "Parties".

RECITALS

WHEREAS, County and Contractor entered into Contract MA-080-20011478 for Trash and Debris Capture Devices, effective June 3, 2020 through June 2, 2025 ("Contract"); and,

WHEREAS, the Parties now desire to amend the Pricing Clause of the Contract effective October 5, 2021; and,

NOW THEREFORE, the Parties agree as follows:

AMENDMENT TO CONTRACT ARTICLES

1. Attachment B, Section B, shall be amended to read in its entirety as follows:

PRICING

Product 1 of 3

CPS-Mod™ patented **Modular Design** ***Water Board Certified Full Trash Capture System***

Offered With or Without Installation

PRODUCT SIZES	Unit	1-2 Devices	Orange County Volume Discounts 3-5 Devices	6-20 Devices	21-100 Devices	101-500 Devices	501+ Devices
Up to 6.0 SQFT of stainless steel screen & deflector, if needed. 18" CB discharge pipe max.	Device & Install	$2,359	$2,120	$1,680	$1,284	$1,241	$1,199
	Device Only	$1,623	$1,499	$1,154	$899	$874	$849
Up to 9.0 SQFT of stainless steel screen & deflector, if needed. 24" CB discharge pipe max.	Device & Install	$2,910	$2,472	$1,916	$1,524	$1,408	$1,362
	Device Only	$2,226	$1,884	$1,413	$1,142	$1,056	$1,028
Up to 11.0 SQFT of stainless steel screen & deflector, if needed. 30" CB discharge pipe max.	Device & Install	$3,324	$2,822	$2,180	$1,718	$1,636	$1,554
	Device Only	$2,680	$2,268	$1,701	$1,375	$1,306	$1,237
CPS-Mod Mini* - **Up to 4.5 SQFT screen**. *Customer to verify *FCS*.	Device & Install	$1,887	$1,696	$1,344	$1,027	$993	$960

Larger & Custom devices are custom priced.
Price shown per Device. Shipping costs and taxes on non-installed devices are additional. Bond costs additional.
Combo-Discount ($50) when new CPS-Mod™ and ARS-CL™ installed in same catch basin on same project.

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	Unit	1-2 Units	3-5 Units	6-20 Units	21-100 Units	101-500 Units	501+ Units
PRODUCT OPTIONS		*Additional Cost per Unit*					
Larger Size Stainless Steel Screen	SQFT SS Screen	$135	$113	$113	$113	$113	$113
Mosquito Abatement Deflector	Deflector	$320	$306	$288	$275	$261	$248
Removable System	CPS-Mod™	$387	$367	$350	$329	$315	$298
Hemmed Top for smoother edges	CPS-Mod™	$137	$137	$137	$103	$103	$86
Extra Bracing (eg. inbound pipes)	CPS-Mod™	$514	$514	$450	$321	$268	$268
INSTALLATION OF PRODUCT							
PROJECT BONDS (If Required)	Project Cost	4.0%	4.0%	4.0%	4.0%	3.5%	3.0%
Install Travel (In Orange County)	Project Loc.	FREE	FREE	FREE	FREE	FREE	FREE
Catch Basin (CB) Cleaning	1 CB	$280	$224	$112	$56	$50	$47
Staff Gauge Painting	CB	$230	$184	$92	$81	$71	$69
Traffic Control during installation	6 Hours	$2,613	$2,613	$2,427	$2,427	$2,427	$2,427
Training Contractor	1 Day	$5,600	$5,600	$5,600	$5,600	$5,040	$4,480
Remote Support (phone or online)	1 Hour	$138	$131	$125	$118	$112	$107
FIELD SERVICES							
Product Maintenance Inspections	Device	$280	$224	$168	$84	$56	$56
Locating CBs and inlets.	CB	$224	$224	$168	$84	$56	$56
CB Field Review/ measurement.	CB	$224	$224	$168	$84	$56	$56
Collecting Lat. / Long. of CBs	CB	$224	$224	$168	$84	$56	$56
PROFESSIONAL SERVICES							
Custom Product Design	Hourly	$250	$168	$168	$168	$168	$168
Custom Drawings - Product	Device	$336	$294	$252	$252	$252	$210
Project Management	Hourly	$150	$150	$138	$120	$120	$120

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PRICING

Product 2 of 3

GITS™ Grated Inlet Trash Screen

Water Board Certified Full Trash Capture System

With or Without Installation

PRODUCT SIZES	GITS™ Models	Unit	1-2 Devices	*Orange County Volume Discounts* 3-5 Devices	6-20 Devices	21-100 Devices	101-500 Devices	501+ Devices
Rectangular Grate 24"x 24" (or less)	GITS-24x24	Device & Install	$2,909	$2,499	$2,299	$2,149	$1,999	$1,899
		Device Only	$2,699	$2,290	$2,090	$1,940	$1,790	$1,690
Rectangular Grate 40"x 24" (or less)	GITS-40x24	Device & Install	$3,243	$2,736	$2,536	$2,386	$2,236	$2,136
		Device Only	$2,969	$2,463	$2,263	$2,113	$1,963	$1,863
Round 26" Diameter Grate (or less)	GITS-26R	Device & Install	$3,061	$2,526	$2,326	$2,176	$2,026	$1,926
		Device Only	$2,861	$2,319	$2,119	$1,969	$1,819	$1,719
Round 39" Diameter Grate (or less)	GITS-39R	Device & Install	$4,037	$3,549	$3,449	$3,349	$3,249	$3,149
		Device Only	$3,779	$3,295	$3,195	$3,095	$2,995	$2,895
Larger and Custom	GITS-Custom		custom	custom	custom	custom	custom	custom
GITS LoPRO* - 5" Depth Design. *Customer to verify *FCS*.	Up to 30% discount on select models.							

Price shown per Device. Shipping costs and taxes on non-installed devices are additional. Bond costs additional.

PRODUCT OPTIONS	Product Code	Unit	1-2 Devices	3-5 Devices	6-20 Devices	21-100 Devices	101-500 Devices	501+ Devices
			Additional Cost per Unit					
Vector Control Port	VECT	SQFT SS Screen	$334	$287	$239	$239	$239	$239
Inlet Steps - Custom Design	STEPS	GITS™	$624	$535	$446	$423	$401	$379
Custom Drawings - Product	DRAW	GITS™ Drawing	$335	$293	$251	$251	$251	$209
FILTRATION OPTIONS								
Hydrocarbon Polypropylene Filter (18"x24"x3")	HCPF-PIL	Filter	$71	$68	$58	$53	$50	$47
Others Available		Deflector	varies	varies	varies	varies	varies	varies
INSTALLATION OF PRODUCT								
PROJECT BONDS	BONDS	Project Cost	4.0%	4.0%	4.0%	4.0%	3.5%	3.0%
Install Travel (In OC)	OC	Project Loc.	FREE	FREE	FREE	FREE	FREE	FREE
Inlet Cleaning prior to installation	CB Clean	1 CB	$279	$223	$112	$56	$50	$47
Traffic Control during installation.	TC-1Day	6 Hours	$2,613	$2,613	$2,427	$2,427	$2,427	$2,427
Remote Support (phone or online)	Support1 Hr	1 Hour	$138	$131	$125	$118	$112	$107

SEE PRICING for Field Services & Professional Services on CPS-Mod™ Pricing Sheet

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PRICING

Product 3 of 3

ARS-CL™ Patented CamLock Automatic Retractable Screen

With Installation

SIZE: Catch Basin Width (ft)	Unique Screens per CB	ARS-CL™ Model	Unit	1-2 Catch Basins (CBs)	Orange County Volume Discounts 3-5 CBs	6-20 CBs	21-100 CBs	101-500 CBs	501+ CBs
up to 3'	1	ARS-CL-03	CB	$2,121	$1,856	$1,591	$1,098	$1,054	$1,010
3.1 - 5'	1	ARS-CL-05	CB	$2,433	$2,121	$1,809	$1,435	$1,363	$1,291
5.1' - 7'	2	ARS-CL-07	CB	$3,950	$3,430	$2,911	$2,516	$2,390	$2,264
7.1 - 10'	2	ARS-CL-10	CB	$4,231	$3,842	$3,242	$2,762	$2,623	$2,485
7.1 - 10' x	3	ARS-CL-10x	CB	$5,066	$4,592	$4,044	$3,407	$3,237	$3,066
10.1 - 14'	3	ARS-CL-14	CB	$5,458	$4,678	$4,093	$3,586	$3,407	$3,228
10.1 - 14' x	4	ARS-CL-14x	CB	$6,514	$5,556	$4,828	$4,426	$4,204	$3,983
14.1 - 16'	4	ARS-CL-16	CB	$6,655	$5,647	$5,102	$4,638	$4,407	$4,175
16.1 - 21'	5	ARS-CL-21	CB	$8,067	$6,806	$6,101	$5,798	$5,508	$5,218
16.1 - 21' x	6	ARS-CL-21x	CB	$8,725	$7,318	$6,811	$6,473	$6,150	$5,826
21.1 - 28'	6	ARS-CL-28	CB	$8,888	$7,703	$7,170	$6,814	$6,473	$6,133
21.1 - 28' x	8	ARS-CL-28x	CB	$10,883	$9,757	$9,082	$8,256	$7,843	$7,430
28.1 - 35' x	10	ARS-CL-35x	CB	$12,683	$11,557	$10,882	$10,056	$9,643	$9,230

Price shown per Catch Basin (CB). Bonds costs not included. Traffic control additional.
Note: Models with "x" indicates the CB has an extra support bolt.

	Unit	1-2 Units	3-5 Units	6-20 Units	21-100 Units	101-500 Units	501+ Units
PRODUCT OPTIONS		*Additional Cost per Unit*					
Bolt-In Connections (Not Welded)	CB	Add 15%					
Fixed Screen Option	CB	Subtract 15%					
INSTALLATION OF PRODUCT							
CONTRACT BONDS (If Req'd)	Project Cost	4.0%	4.0%	4.0%	4.0%	3.5%	3.0%
Install Travel (In OC)	Project Loc.	FREE	FREE	FREE	FREE	FREE	FREE
Traffic Control during install.	6 Hours	$2,613	$2,613	$2,427	$2,427	$2,427	$2,427
Catch basin top deck repair.		varies					

SEE PRICING for Field Services & Professional Services on CPS-Mod™ Pricing Sheet

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2. All other terms and conditions in this Contract shall remain unchanged and with full force and effect.

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IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on the date first above written.

G2 CONSTRUCTION, INC.*

By:	John R. Alvarado	By:	Lydia G. Alvarado
Print Name:	John R. Alvarado	Print Name:	Lydia G. Alvarado
Title:	President	Title:	Treasurer
	Corporate Officer		Corporate Officer
Date:	10/6/2021	Date:	10/6/2021

COUNTY OF ORANGE, a political subdivision of the State of California

By:	Nicholas Murray
Print Name:	Nicholas Murray
Title:	Deputy Purchasing Agent
Date:	10/7/2021

* If the contracting party is a corporation, (2) two signatures are required: one (1) signature by the Chairman of the Board, the President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer. The signature of one person alone is sufficient to bind a corporation, as long as he or she holds corporate offices in each of the two categories described above. For County purposes, proof of such dual office holding will be satisfied by having the individual sign the instrument twice, each time indicating his or her office that qualifies under the above described provision. In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution demonstrating the legal authority of the signator to bind the corporation.

ITEM # 19

CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: James Enriquez, P.E., Director of Public Works / City Engineer

SUBJECT: **ON-CALL PROFESSIONAL ENGINEERING SERVICES – AUTHORIZATION TO ADVERTISE REQUEST FOR PROPOSALS**

DATE: March 18, 2025

RECOMMENDATION:

It is recommended that the City Council:

1) Authorize the City Engineer to Advertise a Request for Proposals to Provide On-Call Professional Engineering Services; and

2) Approve Amendment No. 1 to the On-Call Professional Engineering Services Contract Agreements with Southstar Engineering and Consulting, Inc.; JMDiaz, Inc.; NV5, Inc.; and RMA International Landscape Architecture providing a 1-year term extension and revising the expiration date to April 6, 2026; and

3) Authorize the City Manager to execute the amendment with each of the consultant firms; and

4) Take such additional, related, action that may be desirable.

FISCAL IMPACT

Funding for On-Call Professional Engineering services is included in the approved Public Works Department budget and in the various funding sources that fund capital improvement and transportation projects. No additional appropriation is required as a result of the recommended actions since the services provided by these firms is paid from approved project budgets.

BACKGROUND

At the April 6, 2021, meeting, the City Council approved an award of contract with 21 engineering firms to provide on-call engineering services for various disciplines. The term for the Professional Services Agreement was four (4) years and will expire on April 6, 2025. At this time, staff is requesting City Council authorization to advertise a Request for Proposals (RFP) to provide Engineering services on an as-needed basis to establish a new bench list of on-call firms. The proposed term for the Professional Services Agreement will be four (4) years. With one (1) additional one-year terms.

Additionally, staff is recommending extending the On-Call Professional Engineering Services Contract Agreements with the following four firms on the current bench list: 1) Southstar Engineering and Consulting, Inc.; 2) JMDiaz, Inc.; 3) NV5, Inc.; and 4) RMA International Landscape Architecture. These agreements are set to expire on April 6, 2025 per the original agreement. These firms are currently working on task orders that are not complete and the extension will allow the completion of the active task orders without disrupting ongoing project schedules. The extension also allows time for the RFP process to be completed establishing a new bench list of firms.

ANALYSIS

N/A

ENVIRONMENTAL

N/A

DISCUSSION

The On-Call Professional Engineering services RFP is intended for multiple consultants to submit proposals providing a broad range of professional engineering services. These services will augment Public Works/ Engineering Division staff by assisting with project engineering, architectural and landscape design, construction management and inspections, and project management and administration required to implement the approved Capital Improvement Program.

SUMMARY/NEXT STEPS

Upon the approval of the recommended actions by the City Council, staff will advertise the On-Call Professional Engineering Services RFP and return at a later date with recommendations for contract awards to the selected firms.

ATTACHMENTS:

A. On-Call Professional Engineering Services RFP
B. Amendment Number 1 (Southstar)
C. Amendment Number 1 (JMDiaz)
D. Amendment Number 1 (NV5)
E. Amendment Number 1 (RMA)

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

REQUEST FOR PROPOSALS

ON-CALL PROFESSIONAL ENGINEERING SERVICES

The City of Santa Fe Springs (AGENCY) is requesting Request for Proposals (RFP) from qualified Engineering firms (Consultant) to provide On-Call Professional Engineering Services for various disciplines including civil engineering, structural engineering, mechanical engineering, water engineering, (hydraulic and water process engineering), electrical and controls engineering, architectural design, landscape design, traffic engineering, surveying and mapping Services. A single consultant is not expected to be able to provide all the services and disciplines previously mentioned. Firms interested in one or more services are encouraged to submit a proposal.

Consultant will provide a broad range of professional engineering services in support of and in close coordination with the Public Works/Engineering Division staff. These services will be provided on an as-needed basis through a Request for Quote for each specific project.

It is the intent of the AGENCY to enter into a Professional Services Agreement with the Consultant for these services. The term of the Professional Services Agreement will be four (4) years.

The AGENCY invites RFP from professional Engineering firms and will receive such proposals electronically ONLY thru PlanetBids at https://pbsystem.planetbids.com/portal/65093/portal-home **by no later than , at 2 PM PDT on Tuesday, April 22, 2025. The bid results will be available for viewing on PlanetBids shortly after the closing date.**

The AGENCY reserves the right to reject any or all RFP, to waive any irregularity in any RFP received, and to be the sole judge of the merits of the RFP received, and to take all RFP under advisement for a period of 60 days. The AGENCY will enter into a Professional Services Agreement with Consultant whose RFP best meet the requirements of the Scope of Work as determined by the AGENCY. The RFP submitted by the selected Consultant shall be incorporated as part of the respective Professional Services Agreement.

All questions regarding this bid must be submitted in writing via the City's PlanetBids Portal. To submit questions regarding this bid, please visit the City's PlanetBids, locate the associated solicitation, and click the "Q&A" tab. Responses to questions will be posted in an Addendum shortly after the period for receiving questions has passed.

ATTACHMENT A

CITY OF SANTA FE SPRINGS

ON-CALL PROFESSIONAL ENGINEERING SERVICES REQUEST FOR PROPOSALS

Deadline for Submission: **April 22, 2025 – 3:00 PM**

DEPARTMENT OF PUBLIC WORKS

INQUIRIES REGARDING THIS PROJECT MAY BE DIRECTED TO:

James Enriquez, P.E.,
Director of Public Works / City Engineer
11710 Telegraph Road
Santa Fe Springs, CA 90670
Phone: (562) 868-0511
jamesenriquez@santafesprings.gov

INSTRUCTIONS REQUEST FOR PROPOSALS

1. PROPOSED SCHEDULE

DESCRIPTION	DATE/TIME
Request for RFP Released	Monday, March 25, 2025
Deadline to Submit Questions	Tuesday, April 15, 2025 – 2:00 PM
Deadline to Receive RFP	Tuesday, April 22, 2025 – 2:00 PM

The AGENCY reserves the right to modify any element of the timeline should that become necessary.

2. PRE-SUBMITTAL MEETING

No Pre-Submittal Meeting has been scheduled for this project.

3. SUBMISSION OF RFP

All Consultants for this solicitation must register on PlanetBids at https://vendors.planetbids.com/portal/65093/portal-home**.** Only those Consultants registered for this solicitation through the City's website will receive automatic notifications when any update to this solicitation is made. The City does not have an obligation to notify any Consultant other than through the PlanetBids notification system. To be considered, the City must receive the RFP electronically ONLY thru PlanetBids at https://vendors.planetbids.com/portal/65093/portal-home by no later than , **at 2 PM PDT on Tuesday, April 22, 2025.**

RFP and amendments to the RFP, received after the date and time specified above will not be accepted.

4. DISSEMINATION OF REQUEST FOR PROPOSALS (RFP) INFORMATION

From time to time, the AGENCY may issue responses to requests for clarifications, questions, comments, and addenda to this RFP, or other material related to this solicitation. **By submitting an RFP, Consultant is deemed to have knowledge and notice of all information pertaining to this RFP.**

5. ADDENDA TO THE RFP

Any change(s) to the requirements of this RFP initiated by the AGENCY will be made via PlanetBids at the link above. Addenda issued pertaining to this RFP shall be incorporated into and made a part of the terms and conditions of any resulting Agreement. The AGENCY will not be bound to any modifications to, or deviations from the requirements set forth in this RFP unless they have been documented by addenda to this RFP.

6. QUESTIONS AND REQUESTS FOR CLARIFICATIONS

All questions and requests for clarification regarding this RFP must be submitted via the City's PlanetBids Portal by **no later than by 3:00 p.m. on Tuesday April 15, 2025.** To submit questions regarding this RFP, please visit the City's PlanetBids, locate the

associated solicitation, and click the "Q&A" tab. Responses to questions will be posted in an Addendum shortly after the period for receiving questions has passed. **Requests for clarifications, questions and comments received after 3:00 p.m. on Tuesday April 15, 2021, will not be responded to.**

The AGENCY, in its sole discretion, will respond to requests for clarifications, questions and comments

7. COST OF RFP PREPARATION

Any party responding to this RFP shall do so at their own risk and cost. The AGENCY shall not, under any circumstances, be liable for any pre-contractual expenses incurred by any Consultant who elects to submit an RFP in response to this RFP or by any Consultant that is selected for Professional Services Agreement. Pre-Agreement expenses are defined as expenses incurred by Consultants in:

- Preparing an RFP and related information in response to this RFP;
- Submitting an RFP to the AGENCY;
- Negotiations with the AGENCY on any matter related to this RFP;
- Costs associated with interviews, meetings, travel or presentations; or
- Any and all other expenses incurred by a Consultant prior to the date of award, if any, of a Professional Services Agreement

The AGENCY will provide only the staff assistance and documentation specifically referred to herein and will not be responsible for any other cost or obligation of any kind, which may be incurred by the Consultant.

8. CONFLICT OF INTEREST

By responding to this RFP, each Consultant represents to the best of its knowledge that:

- Neither Consultant, nor any of its affiliates, proposed subconsultants, and associated staff, have communicated with any member of the AGENCY since the release of this RFP on any matter related to this RFP except to the extent specified in this RFP;
- Neither Consultant, nor any of its affiliates, proposed subconsultants and associated staff, has obtained or used any information regarding this RFP and the proposed Scope of Work that has not been generally available to all Consultants, and
- No conflict of interest exists under any applicable statute or regulation or as a result of any past or current contractual relationship with the AGENCY;
- Neither Consultant, nor any of its affiliates, proposed subconsultants, or associated staff, have any financial interest in any property that will be affected by any of the potential Agency projects.

9. KEY PERSONNEL

It is imperative that key personnel proposed to provide services have the background, experience and qualifications to properly undertake all necessary services for the successful completion of the Scope of Work. The Consultant must identify all proposed key personnel in its Proposal.

The AGENCY reserves the right to approve all key personnel individually for any and all projects authorized by the AGENCY as a result of this solicitation. After a Professional Services Agreement has been executed, Consultant may not replace any key staff without written approval from the AGENCY. The AGENCY must approve replacement staff before a substitute person is assigned to a project. The AGENCY reserves the right to require the Consultant to replace a staff person assigned to the contract should the AGENCY consider replacement to be for the good of the project. Replacement staff will be subject to the AGENCY's approval prior to assignment by Consultant.

10. BASIS FOR AWARD OF CONTRACT

The AGENCY intends to select the Consultant on the basis of demonstrated competence and professional qualifications in accordance with applicable State and Federal regulations. To that end, a Professional Services Agreement will be awarded to the Consultant whose RFP best meet the requirements of the Scope of Work as determined by the AGENCY. The RFP submitted by Consultant shall be incorporated as part of the respective Professional Services Agreement. City reserves the right to select more than one firm to provide On-call Professional Engineering Services. The City anticipates awarding multiple consultants an award of contract.

11. TERM OF AGREEMENT

It is the AGENCY's intent to enter into a Professional Services Agreement (sample attached to this RFP) with the selected Consultant for a four (4) year term with an optional one (1) year term.

The AGENCY will compensate the Consultant for actual hours worked by assigned personnel on a monthly basis. For each approved project quote, the consultant will provide an invoice clearly documenting the services performed each day and the number of hours worked. Compensation will be based on the Schedule of Hourly rates.

12. REQUIRED FORMAT FOR PROPOSALS

The AGENCY is requiring all proposals submitted in response to this RFP to follow a specific format. The Proposal, including the Appendices, shall not exceed thirty (30) pages in length, utilizing 8.5" x 11" pages with one-inch margins. As an exception, 11" x 17" pages may be used to display organizational charts. Font size shall not be smaller than 12 point for text or eight (8) point for graphics.

Consultants are required to prepare their written proposals in accordance with the instructions outlined below. Deviations from these instructions may be construed as non-responsive and may be cause for disqualification. Emphasis should be placed on accuracy,

completeness, and clarity of content.

The written proposal should be organized as described below. Each section of the written proposal should contain the title of that section, with the response following the title. The following are the required titles with a brief statement as to that section's desired content:

A. **Letter of Offer**

The Letter of Offer shall be addressed to James Enriquez, Director of Public Works / City Engineer, City of Santa Fe Springs, and at a minimum, must contain the following:

- Identification of Consulting firm or individual, including name, address and telephone number.
- Name, title, address, and telephone number of Contact Person.
- Federal Tax ID or Social Security No. for firm or individual.
- A statement to the effect that the Proposal shall remain valid for a period of not less than 90 calendar days from the date of submittal.
- Identification of all proposed sub-consultants or subcontractors, including legal name of the company, address and contact person.
- Acknowledgement that Consultant is obligated by all addenda to this RFP.
- Signature of a person authorized to bind Consulting firm to the terms of the RFP.
- Signed statement attesting that all information submitted with the Proposal is true and correct.

B. **Qualifications of the Firm**

This section of the Proposal shall explain the ability of the Consultant to satisfactorily perform the Scope of Work. More specifically, in this section, the Consultant shall:

- Provide a profile of the Consultant including the types of services offered; the year founded; form of organization (corporate, partnership, sole proprietorship); number, size and location of offices; number of employees.
- Provide a detailed description of Consultant's financial condition, including any conditions (e.g., bankruptcy, pending litigation, outstanding claims more than twenty-five thousand dollars ($25,000) for or against the firm; planned office closures or mergers that may impede Consultant's ability to provide on-call engineering and professional consulting services.
- Provide a list of previous projects in which the Consultant and subconsultants have worked together. The list should clearly identify the previous projects and include a summary of the roles and responsibilities of each party.
- Provide information on the strength and stability of the Consultant; current staffing capability and availability; current workload; and proven record of

meeting schedules on similar types of projects.

C. **Proposed Staffing**

This section should identify key personnel to be assigned and their qualifications and experience. The Proposal should include brief resumes, not more than two (2) pages per individual.

A statement that key personnel will be available to the extent proposed for the duration of the Professional Services Agreement and an acknowledgement that no person assigned to a project shall be removed or replaced without the prior written concurrence of the AGENCY.

D. **Consultants and/or Sub-consultants**

The AGENCY desires to enter into a Professional Services Agreement with a Consultant that will be responsible for all work, products, and services. There is to be no assignment of any aspect of assigned projects without the prior written authorization of the AGENCY. If the Consultant plans on using subcontractors, then company profile, name, address, and telephone for all subcontractors providing support during the term of the Professional Service Agreement is required. Define the responsibilities and give a description of services to be provided by subcontractors. Describe the Consultant's business and reporting relationship with any subcontractors. Include references and resumes for all third-party Firms in the RFP. The AGENCY has the right to accept or reject any changes made to the proposed project team members, including the use of subcontractors.

E. **Work Approach**

This section of the Proposal shall include a narrative that addresses the Scope of Work and demonstrates that Consultant understands the Scope of Work. More specifically, the RFP should include the Consultant's general approach for providing the services specified in the Scope of Work. The work approach shall be of sufficient detail to demonstrate Consultant's ability to accomplish the on-call Engineering services requests by AGENCY.

F. **Client References**

List the three (3) most recent similar clients (including name, address, contact person, and phone number). For each client provide a description of projects completed and their location. The AGENCY is most interested in California municipality clients and may randomly select agencies to contact from the list as part of the evaluation process.

G. **Rights to Materials**

All responses, inquiries, and correspondence relating to this RFP and all reports, charts, displays, schedules, exhibits, and other documentation produced by the Consultant that are submitted as part of the RFP and not withdrawn shall, upon

receipt by AGENCY, become property of AGENCY.

H. **Schedule of Hourly Rates**

The RFP shall include a Schedule of Hourly Rates that identifies the job titles of all personnel to be assigned to the AGENCY projects. Hourly rates will reflect all costs for office overhead, including direct and indirect costs. The Schedule of Hourly Rates shall remain fixed for the term of the Professional Services Agreement.

13. RFP EVALUATION PROCESS AND CRITERIA

A. GENERAL

The RFP will be evaluated based on the information and qualifications presented, reference checks, and other information, which may be gathered independently. Requests for clarification and/or additional information from any Consultant may be requested at any point in the evaluation process. Pricing (hourly rates) will be an important criterion; however, the AGENCY reserves the right to select a firm that presents the best qualifications, but not necessarily the lowest price.

B. EVALUATION CRITERIA

1. Completeness of RFP.
2. Consultant and key personnel's experience in performing similar work.
3. Consultant and key personnel's record in accomplishing work assignment for projects.
4. Consultant's demonstrated understanding of the Scope of Work.
5. Quality of work previously performed by the firm as verified by reference checks.
6. Relevant project experience.
7. Schedule of Hourly Rates.

C. EVALUATION PROCESS

After evaluating all RFP received, the AGENCY will rank the firms, and the most qualified firms will be invited to an interview, if necessary, with the AGENCY evaluation committee.

D. INTERVIEW

For the interview, if necessary, the Consultant should have available the project manager and key personnel to discuss the following:

1. Major elements of the RFP
2. Description of related experience for Consultant
3. Description of related experience for key personnel

E. FINAL SELECTION

The final selection will be the Consultant which, as determined by the AGENCY, is the most responsive and responsible, meets the AGENCY's requirements in providing On-Call Engineering Services, and is in the AGENCY's best interest. The AGENCY maintains the sole and exclusive right to evaluate the merits of the RFP received.

14. EXCEPTIONS OR ADDITIONS

The RFP shall include a detailed description of all the exceptions to the provisions and conditions of this RFP upon which the Consultant's submittal is contingent and which shall take precedence over this RFP.

15. INSURANCE REQUIREMENTS

Prior to executing a Professional Services Agreement, the Consultant will be required to submit to the City the required insurance certificates.

The Consultant shall indemnify and hold AGENCY and its officers, agents, employees, and assigns harmless from any liability imposed for injury whether arising before or after completion of work hereunder or in any manner directly or indirectly caused, occasioned, or contributed to, or claims to be caused, occasioned, or contributed to, in whole or in part, by reason of any act or omission, including strict liability or negligence of Consultant, or of anyone acting under Consultant's direction or control or on its behalf, in connection with, or incident to, or arising out of the performance of the Professional Services Agreement.

The Consultant selected will be required to maintain the following levels of insurance coverage for the duration of the services provided, as well as any sub-consultants hired by the Consultant:

- Worker's Compensation insurance with statutory limits, and employer's liability insurance with limits not less than $1,000,000 per accident
- Commercial general liability insurance or equivalent form, with a combined single limit of not less than $2,000,000 per occurrence
- Business automobile liability insurance, or equivalent form, with a combined single limit of not less than $1,000,000 per occurrence. Such insurance shall include coverage for owned, hired and non-owned automobiles.
- Professional liability (errors and omissions) insurance, with a combined single limit of not less than $2,000,000 per occurrence.

16. RIGHTS OF THE AGENCY

The AGENCY reserves the right, in its sole discretion and without prior notice, to terminate this RFP; to issue subsequent RFPs; to procure any project-related service by other means;

to modify the Scope of Work; to modify the AGENCY's obligations or selection criteria; or take other actions needed to meet the AGENCY's goals. In addition, the AGENCY reserves the following rights:

- The right to accept or reject any, and all RFP, or any item or part thereof, or to waive any informalities or irregularities in any RFP.
- The right to amend, withdraw or cancel this RFP at any time without prior notice.
- The right to request or obtain additional information about any, and all RFP.
- The right to conduct a back-ground checks of any Consultant. This may include, but is not limited to, contacting individuals and organizations regarding capabilities and experience of the Consultant.
- The right to waive minor discrepancies, informalities and/or irregularities in the RFP or in the requirements for submission of an RFP.
- The right to modify the response requirements for this RFP. This may include a requirement to submit additional information; an extension of the due date for submittals; and modification of any part of this RFP, including timing of RFP decisions and the schedule.
- The right to disqualify any Consultant on the basis of real or perceived conflict of interest that is disclosed or revealed by information available to the AGENCY.
- The right at any time, subject only to restrictions imposed by a written contractual agreement, to terminate negotiations with any Consultant and to negotiate with other Consultants who are deemed qualified.
- Although cost is an important factor in deciding which Consultant will be selected, it is only one of the criteria used to evaluate RFP. The AGENCY reserves the absolute right, in its sole discretion, to award a Professional Services Agreement, if any, which under all the circumstances will best serve the public interest.
- The AGENCY reserves the right to reject any or all RFP or to make no award at all, to determine whether any alternate RFP are equal to the specifications and general requirements, and to accept RFP with minor variations from the RFP and/or conditions. The AGENCY reserves the right to negotiate for a higher level, lower level or additional Scope of Work.

This RFP is not a contract or commitment of any kind by the AGENCY. This RFP does not commit the AGENCY to enter into negotiations with any Consultant and the AGENCY makes no representations that any Professional Services Agreement will be awarded to any Consultant that responds to this RFP. RFP received by the AGENCY are public information and will be made available to any person upon request after the AGENCY has completed the RFP evaluation process. Submitted RFP are not to be copyrighted.

Should a Professional Services Agreement be subsequently entered into between the AGENCY and Consultant, it shall be noted that entering into such an Agreement shall be interpreted, construed, and given effect in all respects according to the laws of the State of California.

Waiver of RFP

RFP may be withdrawn by submitting written notice to the AGENCY's Contact Person at any time prior to the submittal deadline. Upon submission, the RFP and all collateral material shall become the property of the AGENCY.

17. CALIFORNIA PUBLIC RECORDS ACT DISCLOSURES

The Consultant acknowledges that all information submitted in response to this RFP is subject to public inspection under the California Public Records Act unless exempted by law. If the Consultant believes any information submitted should be protected from such disclosure due to its confidential, proprietary nature or other reasons, it must identify such information and the basis for the belief in its disclosure. **Any RFP submitted with a blanket statement or limitation that would prohibit or limit such public inspection shall be considered non-responsive and shall be rejected.** Notwithstanding that disclaimer, it is the intention of the AGENCY to keep all submittals confidential until such time as negotiations are successfully concluded.

SCOPE OF SERVICES

REQUEST FOR PROPOSALS

ON-CALL PROFESSIONAL ENGINEERING SERVICES

Provide a broad range of professional Engineering services in support of and in close coordination with the Public Works/Engineering Division staff. These services will be provided on an as-needed basis through a Request for Quote basis for each specific project.

A. ENGINEERING

Consultant must be well versed in all aspects of design/engineering/surveying and administration including, but not limited to project controls (estimating, cost and schedule), planning, quality assurance/quality control (QA/QC), change control and risk management. Knowledge and understanding of the latest version of American Public Works Association's Green Book, Construction Specification Institute Codes, as well as the standard plans and specifications of Caltrans and the City of Santa Fe Springs.

Consultant shall provide experienced personnel, equipment, and facilities to perform the following tasks:

1. Preparation of plan, specification and estimate (PS&E) packages for capital improvement projects (streets, storm drain, sewer and water).
2. Preparation of various studies and supporting documentation including hydrology and hydraulic analysis.
3. Preparation and review of National Pollutant Discharge Elimination System (NPDES) reports, Water Quality Management Plans (WQMP) and Storm Water Pollution Prevention Plans (SWPPP).
4. Construction support.
5. Provide record drawings.

B. STRUCTURAL ENGINEERING

Consultant must be registered in the State of California as a professional Structural Engineer for work requiring a structural engineer's seal.
Consultant shall provide experienced personnel, equipment, and facilities to perform the following tasks:

1. Assess structural stability and load bearing capacity of existing structures including areas proposed to be modified or used for additional loads.
2. Provide structural design for new structures or modifications of existing structures.

3. Provide alternative structural layouts or options that can be applied to project requirements.
4. Provide technical memorandum on assessments of structures.
5. Provide complex structural analyses using computer programs for complex projects.
6. Provide technical specification for selection of materials and methods.
7. Provide seismic and wind design review of existing structures.
8. Provide detail design of foundation, floor plan, roofing, and framing for operation, maintenance, and office buildings.
9. Participate in critical review and value engineering of structural design completed by other engineering professionals.
10. Prepare construction cost estimates.
11. Provide structural engineering support during construction of projects.
12. Provide record drawings.
13. Provide plan check services when requested.

C. ENGINEERING STAFF AUGMENTATION

Consultant will provide on-call services to augment Engineering Staff with program management activities related to the AGENCY's Capital Improvement Plan (CIP) and include:

1. Perform Plan Check.
2. Prepare Grant Applications.
3. Prepare City Council reports.
4. Consultant contract management.
5. Issue Public Works Permits (Construction, Excavation and Encroachment)
6. Administration of Public Works contracts including:
    a. Prepare and process RFP's, addendums and related documents;
    b. Coordinate vendor solicitations;
    c. Organize pre-bid conferences;
    d. Evaluate proposals;
    e. Perform reference checks and prepare recommendations for contract award; Organize and participate in project progress meetings, including preparation and distribution of minutes;
    f. Coordinate and schedule required inspections, surveys and geotechnical tests;
    g. Monitor and update project schedules;
    h. Obtain all necessary permits;

i. Ensure compliance with project standards and specifications, including California Construction law in labor compliance and Disadvantage Business Enterprise (DBE) requirements;

j. Track project progress, Requests for Information (RFI), submittal reviews,progress payments, change orders, punch lists, warranty issues and contractor claims;

k. Research and prepare final reports to support billings to funding agencies;

l. Maintain detailed project files and prepare project status reports;

m. Review and process consultant, contractor and vendor invoices for payment.

7. Plan Check Development Plans.

   a. Generate conditions

D. CONSTRUCTION MANAGEMENT AND INSPECTION

Consultant shall provide Resident Engineer and Inspection services on CIP projects, including street and highway improvements, building construction and renovation, park improvements, underground construction (water, sewer and storm drain) projects and public works maintenance projects. Consultant shall provide experienced personnel, equipment, and facilities to perform the following tasks:

1. Full-time inspection of construction activities;
2. Prepare daily project documentation (daily report and digital photos);
3. Monitor contractor's daily labor force for compliance with state labor laws;
4. Inspect traffic control procedures (monitor Traffic Control Plan);
5. Conduct progress meetings and prepare meeting minutes;
6. Coordinate with agencies and stakeholders;
7. Monitor project schedule;
8. Verify quantities and assure quality control;
9. Monitor construction project site safety;
10. Maintain complete and accurate project records, including but not limited to:
    a. Monthly progress pay reports;
    b. Extra work reports;
    c. Contract change orders;
    d. Labor and equipment records;
    e. Correspondence records;
    f. Verify Storm Water Pollution Prevention Plan;
    g. Process submittal of RFIs, weekly statement of working days, change orders and progress payments;
    h. Monitor punch lists and as-builts;

i. Ensure that materials and completed work comply with plans, specifications and design;

j. Ensure that maintenance of project records comply with funding agency requirements;

k. Ensure performance of all safety-related activities;

l. Implement security procedures as required by the project;

m. Coordinate survey and material testing;

n. Process control documents, submittals, RFIs, weekly statement of working days, change orders, progress payments, work change directives, daily construction reports;

o. Ensure compliance with MS4 Permit - National Pollutant Discharge Elimination System (NPDES) permit program, and Caltrans encroachment permit requirements, if required;

p. Prepare and process project closeout.

E. PROFESSIONAL ARCHITECTURAL SERVICES

Consultant shall provide a California licensed Architect to provide a full complement of professional architectural services, including but not limited to:

1. Evaluating zoning and related statutory requirements for project sites.

2. Preliminary design services.

3. Preparing preliminary cost estimates.

4. Preparing final design services.

5. Preparation of plans and specifications for construction bidding.

6. Prepare final cost estimate.

7. Assist with bidding process.

8. Assist with construction management, including responding to RFIs.

9. Assist with selection and procurement of furniture, fixtures and equipment as required.

F. LANDSCAPE ARCHITECTURAL DESIGN SERVICES

Consultant shall provide landscape architectural design services, including but not limited to:

1. Landscape and hardscape concept design;

2. Planting and soil preparation specifications;

3. Irrigation design and specifications;

4. Finish grading and surface drainage specifications;

5. Lighting design and fixture selection and location;

6. Cost estimating;

7. Preparation of final plans and specifications for bidding;
8. Construction observation and respond to RFIs.
9. Approve samples of landscaping and related materials.

G. SURVEYING AND MAPPING SERVICES

Services performed under the Survey category may include, but not limited to boundary surveys, road alignment surveys, topographic surveys for design of city road and structure projects, construction surveys for city roads and structure projects, mapping/CAD services, and GIS mapping surveys. Services mays also include preparation of easement documents (dedication, vacation and quitclaim), title record research, centerlines and legal descriptions.

H. WATER ENGINEER

Consultants must be well versed in all aspects of water design/engineering and administration including, but not limited to Project Controls (Estimating, Cost and Schedule), Planning, Quality Assurance/Quality Control (QA/QC), Change Control and Risk Management. The Consultant must have experience with the provision of clean water, disposal of wastewater and sewage, and the prevention of flood damage, in addition to the design of new water main systems, reservoirs, pump stations, water wells and structures that control water resources.

SAMPLE PROFESSIONAL SERVICES AGREEMENT

2025
PROFESSIONAL SERVICES AGREEMENT
(Engagement: On-Call Professional Engineering Services
(Parties: VARIOUS and City of Santa Fe Springs)

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter, "Agreement") is made and entered into this 18th day of March 2025 (hereinafter, the "Effective Date") by and between the CITY OF SANTA FE SPRINGS, a municipal corporation (hereinafter, "CITY") and INSERT CONSULTANT NAME (hereinafter, "CONSULTANT"). For the purposes of this Agreement, CITY and CONSULTANT may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to CITY or CONSULTANT interchangeably, as appropriate.

RECITALS

WHEREAS, CITY requires INSERT THE KIND OF ON-CALL SERVICES REQUIRED; and

WHEREAS, CITY staff has determined that CONSULTANT possesses the experience, skills and training necessary to competently provide such services to CITY; and

[INSERT ADDITIONAL RECITALS AS WARRANTED]

WHEREAS, this Agreement was approved by the ~~City Manager~~ Mayor, pursuant to his/her authority under Section 34.21(B) of the Santa Fe Springs Municipal Code. OR IF OVER $XXXXX: the execution of this Agreement was approved by the Santa Fe Springs City Council at its Regular Meeting of April 6, 2021, under Agenda Item No. 13.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, CITY and CONSULTANT agree as follows:

I.
ENGAGEMENT TERMS

1.1 TERM: This Agreement shall have a term commencing from the Effective Date through MM, DD 202X (hereinafter, the "Term"). OR: This Agreement shall have a term of [NUMBER] (DIGIT)] years, (hereinafter, the "Term"), commencing from the Effective Date. Nothing in this Section shall operate to prohibit or otherwise restrict the CITY's ability to terminate this Agreement at any time for convenience or for cause as provided under Article V (Termination), below. OPTIONAL TERM EXTENSION LANGUAGE: The Term may be extended for XX one-year periods at the option of the CITY, provided that CITY provides CONSULTANT with written notice of CITY's intent to exercise CITY's option to extend the term of the Agreement no less than thirty (30) days prior to the expiration of the Term or any prior extension term. In the event CITY exercises its option to extend this Agreement, all terms, conditions, and provisions of this Agreement shall remain in effect and govern the duties, responsibilities, and liabilities of the parties hereto.

SAMPLE

1.2 SCOPE OF SERVICES:

A. Subject to the terms and conditions of this Agreement, CONSULTANT agrees to provide the services and tasks described in that certain Request for Proposals of CITY entitled "On-Call professional Engineering Services" (hereinafter, "CITY RFP") and the written proposal of CONSULTANT entitled "On-Call Professional Engineering Services" (hereinafter, the "CONSULTANT Proposal"). The CITY RFP and the CONSULTANT Proposal are attached and incorporated hereto as **Exhibit "A"** and **"B"** respectively. The term "Scope of Services" shall be a collective reference to the CITY RFP and the CONSULTANT Proposal. The capitalized term "Services" shall be a collective reference to all the various services and tasks referenced in the Scope of Services. In the event of any conflict or inconsistency between the provisions of the document entitled CITY RFP and the provisions of the document entitled CONSULTANT Proposal, the requirements of the document entitled CITY RFP shall govern and control but only to the extent of the conflict or inconsistency and no further. In the event of any conflict or inconsistency between the provisions of the Scope of Services and the provisions of this Agreement to which the Scope of Services is attached, the provisions of this Agreement shall govern and control.

[ALTERNATIVELY]
IF NO RFP ISSUED: Subject to the terms and conditions of this Agreement, CONSULTANT agrees to provide the services and tasks described in that certain proposal of CONSULTANT entitled "INSERT TITLE OF PROPOSAL" dated INSERT DATE OF PROPOSAL (hereinafter, the "CONSULTANT Proposal") which is attached and incorporated hereto as **Exhibit "A"**. CONSULTANT further agrees to furnish to CITY all labor, materials, tools, supplies, equipment, services, tasks, and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Scope of Services. For the purposes of this Agreement the aforementioned services and tasks set forth in the Scope of Services shall hereinafter be referred to generally by the capitalized term "Services."

1.3 PROSECUTION OF SERVICES:

A. CONSULTANT shall perform the Services contemplated under this Agreement on an on-call, as-needed basis. Nothing in this Agreement shall be construed to grant CONSULTANT the exclusive right to perform any of the types of services or tasks contemplated under this Agreement nor shall anything in this Agreement be construed to entitle CONSULTANT to the receipt of any sums under this Agreement, except to the extent CITY requests the performance of any Services in the manner described below and such Services is in fact performed and completed by CONSULTANT and accepted by CITY. CITY requests for the performance of specific services or tasks contemplated under this Agreement shall be made in the

SAMPLE

form of a written work order(s) issued by the City Representative (each such written request hereinafter referred to as a "Work Order"). Each Work Order shall include the following information:

1. A detailed description of the specific services or tasks requested;
2. The location of where the particular services or tasks are to be performed, if applicable;
3. A not-to-exceed budget for performing the services or tasks;
4. A timeline for completing the requested services or tasks;
5. Any other information CITY deems necessary and relevant to the requested services or tasks; and
6. The signature of the City Representative, confirming that the services or tasks have been authorized by the City Representative.

B. CONSULTANT shall not perform any of the Services contemplated under this Agreement without a written Work Order request from the City Representative, containing the information set forth in Section 1.3(A), above;

C. CONSULTANT shall perform all assigned Services continuously and with due diligence so as to complete all assigned Services by the completion date indicated in each Work Order. CONSULTANT shall cooperate with CITY and in no manner interfere with the work of CITY, its employees or other consultants, contractors, or agents;

D. CONSULTANT shall not claim or be entitled to receive any compensation or damage because of the failure of CONSULTANT, or its subconsultants, to have related services or tasks completed in a timely manner;

E. CONSULTANT shall at all times enforce strict discipline and good order among CONSULTANT's employees; and

F. CONSULTANT, at its sole expense, shall pay all sales, consumer, use or other similar taxes required by law.

1.4 COMPENSATION: CONSULTANT shall perform the Services in accordance with the "INSERT TITLE OF COMPENSATION DOCUMENT" which is attached and incorporated hereto as **Exhibit "C"** (hereinafter, the "COMPENSATION RATE"). The foregoing notwithstanding, CONSULTANT's total compensation for the performance of all Services contemplated under this Agreement, may not exceed the aggregate sum of **INSERT WRITTEN AMOUNT ($ INSERT NUMBER)** (hereinafter, the "Not-to-Exceed Sum") during the Term of this Agreement, unless such added expenditure is first approved by the City Council. [NOTE: Not-to-Exceed Sum maybe defined as Annual, Fiscal Year or Aggregate, depending on the Term(s) involved.] In the event CONSULTANT's charges are projected to exceed the Aggregate Not-to-Exceed Sum prior to the expiration of this Agreement, CITY may suspend CONSULTANT's performance pending CITY approval of any anticipated expenditures in excess of the Aggregate Not-to-

SAMPLE

Exceed Sum or any other CITY approved amendment to the compensation terms of this Agreement.

1.5 PAYMENT OF COMPENSATION: Following the conclusion of each calendar month, CONSULTANT will submit to CITY an itemized invoice indicating the services performed and tasks completed during the recently concluded calendar month, including services and tasks performed and any reimbursable out-of-pocket expenses incurred. If the amount of CONSULTANT's monthly compensation is a function of hours worked by CONSULTANT's personnel, the invoice should indicate the number of hours worked in the recently concluded calendar month, the person(s) responsible for performing the Services, the rate of compensation at which such services and tasks were performed, the subtotal for each task and service performed and a grand total for all services performed. Within thirty (30) calendar days of receipt of each invoice, CITY will notify CONSULTANT in writing of any disputed amounts included in the invoice. Within forty-five (45) calendar days of receipt of each invoice, CITY will pay all undisputed amounts included on the invoice. CITY will not withhold applicable taxes or other authorized deductions from payments made to CONSULTANT.

1.6 ACCOUNTING RECORDS: CONSULTANT will maintain complete and accurate records with respect to all matters covered under this Agreement for a period of three (3) years after the expiration or termination of this Agreement. CITY will have the right to access and examine such records, without charge, during normal business hours. CITY will further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

1.7 ABANDONMENT BY CONSULTANT: In the event CONSULTANT ceases to perform the Services agreed to under this Agreement or otherwise abandons the undertaking contemplated herein prior to the expiration of this Agreement or prior to completion of any or all tasks set forth in the Scope of Services, CONSULTANT will deliver to CITY immediately and without delay, all materials, records, and other work product prepared or obtained by CONSULTANT in the performance of this Agreement. Furthermore, CONSULTANT will only be compensated for the reasonable value of the Services performed up to the time of cessation or abandonment, less a deduction for any damages, costs, or additional expenses which CITY may incur as a result of CONSULTANT's cessation or abandonment.

II.
PERFORMANCE OF AGREEMENT

2.1 CITY'S REPRESENTATIVE: The CITY hereby designates INSERT CITY REPRESENTATIVE (hereinafter, the "City Representative") to act as its representative for the performance of this Agreement. The City Representative or the City Representative's designee will act on behalf of the CITY for all purposes under this Agreement. CONSULTANT will not accept directions or orders from any person other than the City Representative or the City Representative's designee.

SAMPLE

2.2 CONSULTANT REPRESENTATIVE: CONSULTANT hereby designates INSERT CONSULTANT REPRESENTATIVE to act as its representative for the performance of this Agreement (hereinafter, "Consultant Representative"). Consultant Representative will have full authority to represent and act on behalf of the CONSULTANT for all purposes under this Agreement. Consultant Representative or the Consultant Representative's designee will supervise and direct the performance of the Services, using his/her best skill and attention, and will be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all Services under this Agreement. Notice to the Consultant Representative will constitute notice to CONSULTANT.

2.3 COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS: CONSULTANT agrees to work closely with CITY staff in the performance of the Services and this Agreement and will be available to CITY staff and the CITY Representative at all reasonable times. All work prepared by CONSULTANT will be subject to inspection and approval by City Representative or his or her designees.

2.4 STANDARD OF CARE; PERFORMANCE OF EMPLOYEES: CONSULTANT represents, acknowledges, and agrees to the following:

A. CONSULTANT will perform all Services skillfully, consistent with and adhering to its professional standard of care, that is, the degree of care and skill ordinarily exercised by members of the same profession currently practicing at the same time and in the same or similar locality;

B. CONSULTANT shall at all times employ such force, plant, materials, and tools as will be sufficient in the opinion of the CITY to perform the Services within the time limits established, and as provided herein. It is understood and agreed that said tools, equipment, apparatus, facilities, labor, and material shall be furnished and said Services performed and completed as required by the Agreement, and subject to the approval of the CITY's authorized representative.

C. CONSULTANT will perform all Services in a manner reasonably satisfactory to the CITY;

D. CONSULTANT will comply with all applicable federal, state, and local laws and regulations, including the conflict-of-interest provisions of Government Code §1090 and the Political Reform Act (Government Code §§81000 *et seq.*) CONSULTANT shall be liable for all violations of such laws and regulations in connection with CONSULTANT's performance of the Services. If CONSULTANT performs any work knowing it to be contrary to such laws, rules and regulations, CONSULTANT shall be solely responsible for all costs arising therefrom;

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E. CONSULTANT understands the nature and scope of the Services to be performed under this Agreement as well as any and all schedules of performance;

F. All of CONSULTANT's employees and agents possess sufficient skill, knowledge, training, and experience to perform those services and tasks assigned to them by CONSULTANT; and

G. All of CONSULTANT's employees and agents (including, but not limited to, subcontractors and subconsultants) possess all licenses, permits, certificates, qualifications, and approvals of whatever nature that are legally required to perform the tasks and services contemplated under this Agreement and all such licenses, permits, certificates, qualifications, and approvals will be maintained throughout the term of this Agreement and made available to CITY for copying and inspection.

The Parties acknowledge and agree that CONSULTANT will perform, at CONSULTANT's own cost and expense and without any reimbursement from CITY, any services necessary to correct any errors or omissions caused by CONSULTANT's failure to comply with the standard of care set forth under this Section or by any like failure on the part of CONSULTANT's employees, agents, contractors, subcontractors and subconsultants. Such effort by CONSULTANT to correct any errors or omissions will be commenced immediately upon their discovery by either Party and, notwithstanding Section 5.2(B), will be completed within seven (7) calendars days from the date of discovery or such other extended period of time authorized by the City Representative in writing and in her sole and absolute discretion. The Parties acknowledge and agree that CITY's acceptance of any work performed by CONSULTANT or on CONSULTANT's behalf will not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand, and agree that CITY has relied upon the foregoing representations of CONSULTANT, including but not limited to the representation that CONSULTANT possesses the skills, training, knowledge, and experience necessary to perform the Services under the standard of care as articulated under section 2.4(A).

2.5 ASSIGNMENT: The skills, training, knowledge, and experience of CONSULTANT are material to CITY's willingness to enter into this Agreement. Accordingly, CITY has an interest in the qualifications and capabilities of the person(s) who will perform the services and tasks to be undertaken by CONSULTANT or on behalf of CONSULTANT in the performance of this Agreement. In recognition of this interest, CONSULTANT agrees that it will not assign or transfer, either directly or indirectly or by operation of law, this Agreement, or the performance of any of CONSULTANT's duties or obligations under this Agreement, without the prior written consent of the CITY. In the absence of CITY's prior written consent, any attempted assignment or transfer will be ineffective, null and void and will constitute a material breach of this Agreement.

2.6 [IF RELEVANT] SUBSTITUTION OF KEY PERSONNEL**:** CONSULTANT has represented to CITY that certain key personnel will perform and coordinate the

Services under this Agreement. Should one or more of such personnel become unavailable, CONSULTANT may substitute other personnel of at least equal competence upon written approval of CITY. In the event that CITY and CONSULTANT cannot agree as to the substitution of key personnel, CITY shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the CITY, or who are determined by the CITY to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the CONSULTANT at the request of the CITY. The key personnel for performance of this Agreement are as follows: INSERT NAME(S) AND TITLE(S).

2.7 CONTROL AND PAYMENT OF SUBORDINATES; INDEPENDENT CONTRACTOR: The Services will be performed by CONSULTANT or under CONSULTANT's strict supervision. CONSULTANT will determine the means, methods, and details of performing the Services subject to the requirements of this Agreement. CITY retains CONSULTANT on an independent contractor basis and not as an employee. CONSULTANT reserves the right to perform similar or different services for other principals during the term of this Agreement, provided such work does not unduly interfere with CONSULTANT's competent and timely performance of the Services contemplated under this Agreement and provided the performance of such services does not result in the unauthorized disclosure of CITY's confidential or proprietary information. Any additional personnel performing the Services under this Agreement on behalf of CONSULTANT are not employees of CITY and will at all times be under CONSULTANT's exclusive direction and control. CONSULTANT will pay all wages, salaries and other amounts due such personnel and will assume responsibility for all benefits, payroll taxes, Social Security and Medicare payments and the like. CONSULTANT will be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like. Notwithstanding any other CITY, state, or federal policy, rule, regulation, law, or ordinance to the contrary, CONSULTANT and any of its employees, agents, and subcontractors performing the Services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by CITY, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contributions and/or employee contributions for PERS benefits.

2.8 REMOVAL OF EMPLOYEES OR AGENTS: If any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants is determined by the City Representative to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to CONSULTANT, a threat to persons or property, or if any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants fail or refuse to perform the Services in a manner acceptable to the CITY, such officer, employee, agent, contractor,

subcontractor or subconsultant will be promptly removed by CONSULTANT and will not be reassigned to perform any of the Services.

2.9 COMPLIANCE WITH LAWS: CONSULTANT will keep itself informed of and in compliance with all applicable federal, state, or local laws to the extent such laws control or otherwise govern the performance of the Services. CONSULTANT's compliance with applicable laws will include, without limitation, compliance with all applicable Cal/OSHA requirements and applicable regulations of the U.S. Department of Housing and Urbanization.

2.10 NON-DISCRIMINATION: CONSULTANT represents that it is an equal opportunity employer, and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex, or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.

2.11 INDEPENDENT CONTRACTOR STATUS: The Parties acknowledge, understand, and agree that CONSULTANT and all persons retained or employed by CONSULTANT are, and will at all times remain, wholly independent contractors and are not officials, officers, employees, departments, or subdivisions of CITY. CONSULTANT will be solely responsible for the negligent acts and/or omissions of its employees, agents, contractors, subcontractors and subconsultants. CONSULTANT and all persons retained or employed by CONSULTANT will have no authority, express or implied, to bind CITY in any manner, nor to incur any obligation, debt, or liability of any kind on behalf of, or against, CITY, whether by contract or otherwise, unless such authority is expressly conferred to CONSULTANT under this Agreement or is otherwise expressly conferred by CITY in writing.

2.12 [IF RELEVANT] SUSPENSION AND DEBARMENT: CONSULTANT shall certify by signature that CONSULTANT and its principals, as defined in 49 CFR 29.995, and/or affiliates, as defined at 49 CFR 29.905, are not excluded, or disqualified, as defined at 49 CFR 29.940 and 29.945. CONSULTANT may submit proof of non-debarment or suspension by providing a printout or screenshot from the U.S. Government's official website (www.sam.gov) showing CONSULTANT and its principals are not debarred or suspended prior to the execution of this Agreement.

[NOTE TO STAFF: For any contracts paid for with federal funds or any other special funds please consult with the City's contract compliance officer and/or the City attorney to identify any additional specialized compliance provisions required by the funding source.]

III.
INSURANCE

3.1 DUTY TO PROCURE AND MAINTAIN INSURANCE: Before performing any Services contemplated under this Agreement, CONSULTANT will procure and

maintain policies of insurance that meet the requirements and specifications set forth under this Article. CONSULTANT will procure and maintain the following insurance coverage, at its own expense:

A. Commercial General Liability Insurance: CONSULTANT will procure and maintain Commercial General Liability Insurance ("CGL Coverage") as broad as Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001) or its equivalent. Such CGL Coverage will have minimum limits of no less than One Million Dollars ($1,000,000.00) per occurrence and Two Million Dollars ($2,000,000.00) in the general aggregate for bodily injury, personal injury, property damage, operations, products and completed operations, and contractual liability.

B. Automobile Liability Insurance: For any owned, non-owned, or hired vehicles used in connection with the performance of this Agreement, CONSULTANT will procure and maintain Automobile Liability Insurance as broad as Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto). Such Automobile Liability Insurance will have minimum limits of no less than Two Million Dollars ($2,000,000.00) per accident for bodily injury and property damage.

C. Workers' Compensation Insurance/ Employer's Liability Insurance: A policy of workers' compensation insurance in such amount as will fully comply with the laws of the State of California and which will indemnify, insure and provide legal defense for both CONSULTANT and CITY against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by CONSULTANT in the course of carrying out the Services contemplated in this Agreement.

D. Errors & Omissions Insurance: For the full term of this Agreement and for a period of three (3) years thereafter, CONSULTANT will procure and maintain Errors and Omissions Liability Insurance appropriate to CONSULTANT's profession. Such coverage will have minimum limits of no less than Two Million Dollars ($2,000,000.00) per claim.

E. [IF RELEVANT] Cyber Security: Cyber Security coverage to include technology/professional liability insurance, intellectual property infringement, and data protection liability insurance. CONSULTANT shall procure and maintain coverage for cyber liabilities and financial loss resulting or arising from acts, errors, or omissions, in connection with data maintenance, hosting, software development and other information technology services provided under this agreement. Coverage shall include protection for liability arising from: intellectual property infringement arising out of software and/or content (excluding patent infringement and misappropriation of trade secrets); breaches of security; violation or infringement of any right, privacy, breach of federal, state, or foreign security and/or privacy laws or regulations including; data theft, damage, destruction, or corruption, including without limitation, unauthorized access,

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unauthorized use, identity theft, theft of personally identifiable information or confidential corporate information, transmission of a computer virus or other type of malicious code; and participation in a denial of service attack on a third party. The minimum limits shall be three million dollars ($3,000,000) for each and every claim and in the aggregate.

3.2 ADDITIONAL INSURED REQUIREMENTS: The CGL Coverage and the Automobile Liability Insurance will contain an endorsement naming the CITY and CITY's elected and appointed officials, officers, employees, agents, and volunteers as additional insureds.

3.3 REQUIRED CARRIER RATING: All varieties of insurance required under this Agreement will be procured from insurers admitted in the State of California and authorized to issue policies directly to California insureds. Except as otherwise provided elsewhere under this Article, all required insurance will be procured from insurers who, according to the latest edition of the Best's Insurance Guide, have an A.M. Best's rating of no less than A:VII. CITY may also accept policies procured by insurance carriers with a Standard & Poor's rating of no less than BBB according to the latest published edition the Standard & Poor's rating guide. As to Workers' Compensation Insurance/ Employer's Liability Insurance, the CITY Representative is authorized to authorize lower ratings than those set forth in this Section.

3.4 PRIMACY OF CONSULTANT'S INSURANCE: All policies of insurance provided by CONSULTANT will be primary to any coverage available to CITY or CITY's elected or appointed officials, officers, employees, agents, or volunteers. Any insurance or self-insurance maintained by CITY or CITY's elected or appointed officials, officers, employees, agents, or volunteers will be in excess of CONSULTANT's insurance and will not contribute with it.

3.5 WAIVER OF SUBROGATION: All insurance coverage provided pursuant to this Agreement will not prohibit CONSULTANT or CONSULTANT's officers, employees, agents, subcontractors or subconsultants from waiving the right of subrogation prior to a loss. CONSULTANT hereby waives all rights of subrogation against CITY, its officials, officers, employees, agents, and volunteers.

3.6 VERIFICATION OF COVERAGE: CONSULTANT acknowledges, understands, and agrees, that CITY's ability to verify the procurement and maintenance of the insurance required under this Article is a material consideration of this Agreement. Accordingly, CONSULTANT warrants, represents, and agrees that it will furnish CITY with certificates of insurance and endorsements evidencing the coverage required under this Article on ACORD-25 or forms satisfactory to CITY in its sole and absolute discretion. **The certificates of insurance and endorsements for each insurance policy will be signed by a person authorized by that insurer to bind coverage on its behalf and will be on forms provided by the CITY if requested**. Before performing any Services, CONSULTANT shall provide CITY with all certificates of insurance and endorsements referenced herein. Upon CITY's written request, CONSULTANT will also provide CITY with copies of all required insurance policies and endorsements.

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3.7 The insurance coverage requirement set forth under this Article 3 are in addition to any coverage requirements set forth under Section 15 INSERT SECTION (Insurance Coverages) of the CITY RFP [IF APPLICABLE].

3.8 FAILURE TO MAINTAIN COVERAGE: In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced immediately so as to avoid a lapse in the required coverage, CITY has the right but not the duty to obtain the insurance it deems necessary, and any premium paid by CITY will be promptly reimbursed by CONTRACTOR or CITY will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, CITY may cancel this Agreement effective upon notice.

3.9 SPECIAL RISKS OR CIRCUMSTANCES: City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. Any amendment to the insurance requirements of this Article shall be memorialized and approved in the form of a written amendment to this Agreement, signed by the Parties. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver will be void or invalid.

IV.
INDEMNIFICATION

4.1 CITY's elected and appointed officials, officers, employees, agents, and volunteers (hereinafter, the "City Indemnitees") should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the City Indemnitees with the fullest protection possible under the law. CONSULTANT acknowledges that CITY would not enter into this Agreement in the absence of CONSULTANT's commitment to indemnify, defend and protect CITY as set forth herein Notwithstanding the foregoing, to the extent CONSULTANT's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to Claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONSULTANT. CONSULTANT's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the CITY, its officials, officers, employees, agents, or volunteers.

4.2 To the fullest extent permitted by law, CONSULTANT shall indemnify, hold harmless and defend the CITY Indemnitees from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other costs, and fees of litigation) of every nature arising out of or in connection with CONSULTANT's performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss

or damage which is caused by the sole negligence or willful misconduct of the CITY.

4.3 CITY shall have the right to offset against the amount of any compensation due to CONSULTANT under this Agreement, any amount due to CITY from CONSULTANT as a result of CONSULTANT's failure to either pay CITY promptly for any costs associated with CONSULTANT's obligations to indemnify the CITY Indemnitees under this Article or related to CONSULTANT's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

4.4 The obligations of CONSULTANT under this Article will not be limited by the provisions of any workers' compensation act or similar act. CONSULTANT expressly waives its statutory immunity under such statutes or laws as to CITY and CITY's elected and appointed officials, officers, employees, agents, and volunteers.

4.5 CONSULTANT agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Article from each and every subcontractor or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. In the event CONSULTANT fails to obtain such indemnity obligations from others as required herein, CONSULTANT agrees to be fully responsible and indemnify, hold harmless and defend CITY and CITY's elected and appointed officials, officers, employees, agents, and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONSULTANT's subcontractors or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of CITY's choice.

4.6 CITY does not and shall not waive any rights that it may possess against CONSULTANT because of the acceptance by CITY, or the deposit with CITY, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost, or expense.

4.7 This Article and all provisions contained herein (including but not limited to the duty to indemnify, defend, and hold free and harmless) shall survive the termination or normal expiration of this Agreement and is in addition to any other rights or remedies which the CITY may have at law or in equity.

[ALTERNATIVELY]
[ONLY USE IF FOR DESIGN PROFESSIONALS: DELETE HIGHLIGHTED SECTIONS BELOW IF NOT FOR DESIGN PROFESSIONALS] WORK OF CONSULTANT'S DESIGN PROFESSIONALS SERVICES: The duty to indemnify, defend and hold harmless as set forth under this subsection shall apply

to the negligence, recklessness or willful misconduct of any individual who qualifies as a "design professional" within the meaning of subsection (c)(2) of Section 2782.8 of the California Civil Code in so far as such negligence, recklessness or willful misconduct occurs in the performance, work or activities that must be performed by a "design professional." Subject to the limitation of the preceding sentence, to the fullest extent permitted by law, CONSULTANT shall immediately defend and indemnify and hold harmless the CITY Indemnities, defined above, from and against any and all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other costs and fees of litigation) of every nature arising out of the negligence, recklessness, or willful misconduct of CONSULTANT or any of CONSULTANT's officers, employees, servants, agents, contractors, subcontractors or authorized volunteers or any other person or entity involved by, for, or with or on behalf of CONSULTANT in the performance of design professional services under this Agreement. The Parties understand and agree that the duty of CONSULTANT to indemnify, defend and hold harmless pursuant to this subsection includes the duty to defend as set forth in Section 2778 of the California Civil Code. CONTRACTOR's obligation to indemnify applies unless it is finally adjudicated that the liability was caused by the sole active negligence or sole willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an indemnified party, then CONSULTANT's indemnification obligation shall be reduced in proportion to the established comparative liability.

WORK OF ALL OTHER PERSONS/NON-DESIGN PROFESSIONALS: Except as otherwise provided under Section 4.2 of this Article, above, to the fullest extent permitted by law, CONSULTANT shall indemnify, defend and hold harmless the CITY Indemnitees from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other costs and fees of litigation) of every nature to the extent caused by CONSULTANT's negligent performance under this Agreement, including but not limited to the negligent acts, errors or omissions of CONSULTANT or CONSULTANT's officers, employees, agents, servants, contractors, subcontractors or subconsultants or the failure of the same to comply with any of the duties, obligations or standards of care set forth herein. The duty to indemnify, defend and hold harmless under this subsection shall not encompass a duty to indemnity, defend or hold harmless for liability, loss, suit, damage, expense, or cost caused by the negligence or willful misconduct of any or all of the CITY Indemnitees. The duty to indemnify, defend and hold harmless as set forth under this subsection is intended to encompass liabilities, losses, damages, expense, and costs not otherwise subject to subsection 4.2, above.

CITY shall have the right to offset against the amount of any compensation due CONSULTANT under this Agreement any amount due CITY from CONSULTANT as a result of CONSULTANT's failure to pay CITY promptly any indemnification arising under this Article and related to CONSULTANT's failure to either (i) pay taxes on amounts received pursuant to this Agreement, or (ii) comply with applicable workers' compensation laws.

The obligations of CONSULTANT under this Article will not be limited by the

provisions of any workers' compensation act or similar act. CONSULTANT expressly waives its statutory immunity under such statutes or laws as to CITY and CITY's elected and appointed officials, officers, employees, agents and authorized volunteers.

CONSULTANT agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Article from each and every subcontractor or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. In the event CONSULTANT fails to obtain such indemnity obligations from others as required herein, CONSULTANT agrees to be fully responsible and indemnify, hold harmless and defend CITY and CITY's elected and appointed officials, officers, employees, agents and authorized volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONSULTANT's subcontractors or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of CITY's choice.

CITY does not, and shall not, waive any rights that it may possess against CONSULTANT because of the acceptance by CITY, or the deposit with CITY, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost, or expense.

The duties to indemnify, defend and hold harmless as set forth under this Section, shall survive the early termination or normal expiration of this Agreement and shall be in addition to any other rights or remedies which the CITY may have at law or in equity.

V.
TERMINATION

5.1 TERMINATION WITHOUT CAUSE: CITY may immediately terminate this Agreement at any time for convenience and without cause by giving prior written notice of CITY's intent to terminate this Agreement which notice shall specify the effective date of such termination. Upon such termination for convenience, CONSULTANT will be compensated only for those services and tasks which have been performed by CONSULTANT up to the effective date of the termination. CONSULTANT may not terminate this Agreement except for cause as provided under Section 5.2, below. If this Agreement is terminated as provided herein, CITY may require CONSULTANT to provide all finished or unfinished Documents and Data, as defined in section 6.1 below, and other information of any kind prepared by CONSULTANT in connection with the performance of the Services. CONSULTANT will be required to provide such Documents and Data within fifteen (15) calendar days of CITY's written request. No actual or asserted breach of this Agreement on the part of CITY pursuant to Section 5.2, below, will operate to prohibit or otherwise restrict CITY's ability to terminate this Agreement for

convenience as provided under this Section.

5.2 EVENTS OF DEFAULT; BREACH OF AGREEMENT:

A. In the event either Party fails to perform any duty, obligation, service, or task set forth under this Agreement (or fails to timely perform or properly perform any such duty, obligation, service, or task set forth under this Agreement), an event of default (hereinafter, "Event of Default") will occur. For all Events of Default, the Party alleging an Event of Default will give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which will specify: (i) the nature of the Event of Default; (ii) the action required to cure the Event of Default; (iii) a date by which the Event of Default will be cured, which will not be less than the applicable cure period set forth under Sections 5.2B and 5.2C below or if a cure is not reasonably possible within the applicable cure period, to begin such cure and diligently prosecute such cure to completion. The Event of Default will constitute a breach of this Agreement if the defaulting Party fails to cure the Event of Default within the applicable cure period or any extended cure period allowed under this Agreement.

B. CONSULTANT will cure the following Events of Defaults within the following time periods:

i. Within ten (10) business days of CITY's issuance of a Default Notice for any failure of CONSULTANT to timely provide CITY or CITY's employees or agents with any information and/or written reports, documentation, or work product which CONSULTANT is obligated to provide to CITY or CITY's employees or agents under this Agreement. Prior to the expiration of the 10-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 10-day cure period. The foregoing notwithstanding, CITY will be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.i. that exceeds seven (7) calendar days from the end of the initial 10-day cure period; or

ii. Within fourteen (14) calendar days of CITY's issuance of a Default Notice for any other Event of Default under this Agreement. Prior to the expiration of the 14-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 14-day cure period. The foregoing notwithstanding, CITY will be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.ii that exceeds thirty (30) calendar days from the end of the initial 14-day cure period.

In addition to any other failure on the part of CONSULTANT to perform any

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duty, obligation, service or task set forth under this Agreement (or the failure to timely perform or properly perform any such duty, obligation, service or task), an Event of Default on the part of CONSULTANT will include, but will not be limited to the following: (i) CONSULTANT's refusal or failure to perform any of the services or tasks called for under the Scope of Services; (ii) CONSULTANT's failure to fulfill or perform its obligations under this Agreement within the specified time or if no time is specified, within a reasonable time; (iii) CONSULTANT's and/or its employees' disregard or violation of any federal, state, local law, rule, procedure or regulation; (iv) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to CONSULTANT, whether voluntary of involuntary; and/or (v) CITY's discovery that a statement representation or warranty by CONSULTANT relating to this Agreement is false, misleading or erroneous in any material respect.

C. CITY will cure any Event of Default asserted by CONSULTANT within forty-five (45) calendar days of CONSULTANT's issuance of a Default Notice unless the Event of Default cannot reasonably be cured within the 45-day cure period. Prior to the expiration of the 45-day cure period, CITY may submit a written request for additional time to cure the Event of Default upon a showing that CITY has commenced its efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 45-day cure period. The foregoing notwithstanding, an Event of Default dealing with CITY's failure to timely pay any undisputed sums to CONSULTANT as provided under Section 1.5, above, will be cured by CITY within five (5) calendar days from the date of CONSULTANT's Default Notice to CITY.

D. CITY, in its sole and absolute discretion, may also immediately suspend CONSULTANT's performance under this Agreement pending CONSULTANT's cure of any Event of Default by giving CONSULTANT written notice of CITY's intent to suspend CONSULTANT's performance (hereinafter, a "Suspension Notice"). CITY may issue the Suspension Notice at any time upon the occurrence of an Event of Default. Upon such suspension, CONSULTANT will be compensated only for those services and tasks which have been rendered by CONSULTANT to the reasonable satisfaction of CITY up to the effective date of the suspension. No actual or asserted breach of this Agreement on the part of CITY will operate to prohibit or otherwise restrict CITY's ability to suspend this Agreement as provided herein.

E. No waiver of any Event of Default or breach under this Agreement will constitute a waiver of any other or subsequent Event of Default or breach. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.

F. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder will be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or

available by law. In addition to any other remedies available to CITY at law or under this Agreement in the event of any breach of this Agreement, CITY, in its sole and absolute discretion, may also pursue any one or more of the following remedies:

i. Upon written notice to CONSULTANT, the CITY may immediately terminate this Agreement in whole or in part;

ii. Upon written notice to CONSULTANT, the CITY may extend the time of performance;

iii. The CITY may proceed by appropriate court action to enforce the terms of the Agreement to recover damages for CONSULTANT's breach of the Agreement or to terminate the Agreement; or

iv. The CITY may exercise any other available and lawful right or remedy.

CONSULTANT will be liable for all legal fees plus other costs and expenses that CITY incurs upon a breach of this Agreement or in the CITY's exercise of its remedies under this Agreement.

G. In the event CITY is in breach of this Agreement, CONSULTANT's sole remedy will be the suspension or termination of this Agreement and/or the recovery of any unpaid sums lawfully owed to CONSULTANT under this Agreement for completed services and tasks.

5.3 SCOPE OF WAIVER: No waiver of any default or breach under this Agreement will constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty, or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.

5.4 SURVIVING ARTICLES, SECTIONS AND PROVISIONS: The termination of this Agreement pursuant to any provision of this Article or by normal expiration of its term or any extension thereto will not operate to terminate any Article, Section or provision contained herein which provides that it will survive the termination or normal expiration of this Agreement.

VI.
MISCELLANEOUS PROVISIONS

6.1 DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY: All Documents and Data will be and remain the property of CITY without restriction or limitation upon their use or dissemination by CITY. For purposes of this Agreement, the term "Documents and Data" means and includes all reports, analyses, correspondence, plans, designs, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of CONSULTANT in

SAMPLE

the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically. This Agreement creates, at no cost to CITY, a perpetual license for CITY to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual property embodied in all Documents and Data. CONSULTANT will require all subcontractors and subconsultants working on behalf of CONSULTANT in the performance of this Agreement to agree in writing that CITY will be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any subcontractor or subconsultant as applies to Documents and Data prepared by CONSULTANT in the performance of this Agreement.

6.2 CONFIDENTIALITY: All data, documents, discussion, or other information developed or received by CONSULTANT or provided for performance of this Agreement are deemed confidential and will not be disclosed by CONSULTANT without prior written consent by CITY. CITY will grant such consent of disclosure as legally required. Upon request, all CITY data will be returned to CITY upon the termination or expiration of this Agreement. CONSULTANT will not use CITY's name or insignia, photographs, or any publicity pertaining to the Services in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of CITY.

6.3 FALSE CLAIMS ACT: CONSULTANT warrants and represents that neither CONSULTANT nor any person who is an officer of, in a managing position with, or has an ownership interest in CONSULTANT has been determined by a court or tribunal of competent jurisdiction to have violated the False Claims Act, 31 U.S.C., §§3801 *et seq*. and the California False Claims Act, Government Code §§12650 *et seq*.

6.4 NOTICES: All notices permitted or required under this Agreement will be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

CONSULTANT:
INSERT CONSULTANT NAME
INSERT ADDRESS
Attn: CONTACT PERSON
Phone: INSERT PHONE

CITY:
CITY OF SANTA FE SPRINGS
PUBLIC WORKS ENGINEERING
11710 E TELEGRAPH ROAD
PHONE: (562) 868-0511
Attn: JAMES ENRIQUEZ,
DIRECTOR OF PUBLIC WORKS

Such notices will be deemed effective when personally delivered or successfully transmitted by facsimile as evidenced by a fax confirmation slip or when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepaid and addressed to the Party at its applicable address.

6.5 COOPERATION; FURTHER ACTS: The Parties will fully cooperate with one another and will take any additional acts or sign any additional documents as are reasonably necessary, appropriate, or convenient to achieve the purposes of this

SAMPLE

Agreement.

6.6 SUBCONTRACTING: CONSULTANT will not subcontract any of the Services contemplated under this Agreement, except as expressly stated herein, without the prior written approval of CITY. Subcontracts (including without limitation subcontracts with subconsultants), if any, will contain a provision making them subject to all provisions stipulated in this Agreement, including provisions relating to insurance requirements and indemnification.

6.7 CITY'S RIGHT TO EMPLOY OTHER CONSULTANTS: CITY reserves the right to employ other independent contractors in connection with the various projects worked upon by CONSULTANT.

6.8 CONFLICTS OF INTEREST:

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

B. CONSULTANT may serve other clients, but none whose activities within the corporate limits of CITY or whose business, regardless of location, would place CONSULTANT in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code §81000 *et seq.*

C. CONSULTANT shall not employ any official or employee of the CITY during the Term of this Agreement or any extension term. No officer or employee of CITY shall have any financial interest in this Agreement that would violate Government Code §§1090 *et seq.* CONSULTANT warrants and represents that no owner, principal, partner, officer, or employee of CONSULTANT is or has been an official, officer, employee, agent, or appointee of the CITY within the twelve-month period of time immediately preceding the Effective Date. If an owner, principal, partner, officer, employee, agent, or appointee of CONSULTANT was an official, officer, employee, agent, or appointee of the CITY within the twelve-month period immediately preceding the Effective Date, CONSULTANT warrants that any such individuals did not participate in any manner in the forming of this Agreement. CONTRACTOR understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and CONSULTANT will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and CONSULTANT will be required to reimburse

SAMPLE

the CITY for any sums paid to CONSULTANT. CONSULTANT understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code §1090.

6.9 TIME IS OF THE ESSENCE: Time is of the essence for each and every provision of this Agreement.

6.10 GOVERNING LAW AND VENUE: This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, will be in the Los Angeles County Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, will be in the Central District of California located in the City of Los Angeles, California.

6.11 ATTORNEYS' FEES: If either Party commences an action against the other Party, legal, administrative, or otherwise, arising out of or in connection with this Agreement, the prevailing Party in such litigation will be entitled to have and recover from the losing Party reasonable attorneys' fees and all other costs of such action.

6.12 SUCCESSORS AND ASSIGNS: This Agreement will be binding on the successors and assigns of the Parties.

6.13 NO THIRD-PARTY BENEFIT: There are no intended third-party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.

6.14 CONSTRUCTION OF AGREEMENT: This Agreement will not be construed in favor of, or against, either Party but will be construed as if the Parties prepared this Agreement together through a process of negotiation and with the advice of their respective attorneys.

6.15 SEVERABILITY: If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions will continue in full force and effect.

6.16 AMENDMENT; MODIFICATION: No amendment, modification or supplement of this Agreement will be valid or binding unless executed in writing and signed by both Parties, subject to CITY approval. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver will be void and invalid.

6.17 CAPTIONS: The captions of the various articles, sections and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

SAMPLE

6.18 INCONSISTENCIES OR CONFLICTS: In the event of any conflict or inconsistency between the provisions of this Agreement and any of the exhibits attached hereto, the provisions of this Agreement will control.

6.19 ENTIRE AGREEMENT: This Agreement, including all attached exhibits, constitutes the entire, complete, final, and exclusive expression of the Parties with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, which may have been entered into between CITY and CONSULTANT prior to the execution of this Agreement. Any statements, representations, or other agreements, whether oral or written, made by either Party that is not embodied herein will not be valid or binding on the Parties. No amendment, modification or supplement to this Agreement will be valid and binding unless in writing and duly executed by the Parties pursuant to Section 6.16, above.

6.20 FORCE MAJEURE: The completion deadline for any Services assigned to CONSULTANT may be extended in the event of any delays due to unforeseeable causes beyond the control of CONSULTANT and without the fault or negligence of CONSULTANT, including but not limited to severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the CITY. CONSULTANT shall within three (3) calendar days of the commencement of such delay notify the City Representative in writing of the causes of the delay. The CITY Representative shall ascertain the facts and the extent of delay and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the CITY Representative such delay is justified. The City Representative's determination shall be final and conclusive upon the parties to this Agreement. In no event shall CONSULTANT be entitled to recover damages against the CITY for any delay in the performance of this Agreement, however caused, CONSULTANT's sole remedy being extension of the Agreement pursuant to this Section.

6.21 COUNTERPARTS: This Agreement will be executed in three (3) original counterparts each of which will be of equal force and effect. No handwritten or typewritten amendment, modification, or supplement to any one counterpart will be valid or binding unless made to all three counterparts in conformity with Section 6.16, above. One fully executed original counterpart will be delivered to CONSULTANT and the remaining two original counterparts will be retained by CITY.

(SIGNATURES ON NEXT PAGE)

SAMPLE

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first appearing in this Agreement, above.

CITY OF SANTA FE SPRINGS:

By: René Bobadilla, City Manager

Date: _____

APPROVED AS TO FORM:

By: _____
Rick Olivarez, City Attorney,

Date: _____

[CONSULTANT NAME]

By: _____

Name _____

Title: _____

Date:

SAMPLE

ATTACHMENT B

AMENDMENT NUMBER 1 TO PROFESSIONAL SERVICES AGREEMENT WITH SOUTHSTAR ENGINEERING AND CONSULTING, INC.

This Amendment Number 1 ("Amendment") is made and entered into this 18th day of March 2025, by and between the City of Santa Fe Springs ("City") and Southstar Engineering and Consulting, Inc. ("Consultant").

WHEREAS, on April 6, 2021, the City and Contractor entered into an agreement for consultant to provide On-Call Engineering Professional Services to the city ("Agreement"); and

WHEREAS, the Agreement provides for an initial four-year term, terminating on April 6, 2025; and

WHEREAS the parties desire to extend the contract for an additional term of 365-days.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. Pursuant to Section 4.1 of the Agreement, the term of the Agreement is extended through April 6, 2026.

2. Pursuant to Section 2 of the Agreement, the compensation for the work completed during the 365-day extension period shall be per the original agreement.

3. Except as amended herein, all terms, conditions, and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have set their hand by their duly authorized representatives as of the day and year first above written.

CITY OF SANTA FE SPRINGS

_____
Bill Rounds, Mayor

Date: _____

ATTEST:

_____
Fernando Munoz, City Clerk

APPROVED AS TO FORM:

_____
Rick Olivarez, City Attorney

SOUTHSTAR ENGINEERING AND CONSULTING, INC.

_____
Yvette Kirrin, President

Date: _____

SOUTHSTAR ENGINEERING AND CONSULTING, INC.

_____
Yvette Kirrin, Secretary

Date: _____

AMENDMENT NUMBER 1 TO PROFESSIONAL SERVICES AGREEMENT WITH JMDIAZ, INC.

This Amendment Number 1 ("Amendment") is made and entered into this 18th day of March 2025, by and between the City of Santa Fe Springs ("City") and JMDiaz, Inc. ("Consultant").

WHEREAS, on April 6, 2021, the City and Contractor entered into an agreement for consultant to provide On-Call Engineering Professional Services to the city ("Agreement"); and

WHEREAS, the Agreement provides for an initial four-year term, terminating on April 6, 2025; and

WHEREAS the parties desire to extend the contract for an additional term of 365-days.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. Pursuant to Section 4.1 of the Agreement, the term of the Agreement is extended through April 6, 2026.

2. Pursuant to Section 2 of the Agreement, the compensation for the work completed during the 365-day extension period shall be per the original agreement.

3. Except as amended herein, all terms, conditions, and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have set their hand by their duly authorized representatives as of the day and year first above written.

CITY OF SANTA FE SPRINGS

_____
Bill Rounds, Mayor

Date: _____

ATTEST :

_____
Fernando Munoz, City Clerk

APPROVED AS TO FORM:

_____
Rick Olivarez, City Attorney

JMDIAZ, INC.

_____
Juan M. Diaz, P.E., President/CEO

Date: _____

JMDIAZ, INC.

_____
Juan M. Diaz, P.E., Secretary

Date: _____

AMENDMENT NUMBER 1 TO PROFESSIONAL SERVICES AGREEMENT WITH NV5, INC.

This Amendment Number 1 ("Amendment") is made and entered into this 18th day of March 2025, by and between the City of Santa Fe Springs ("City") and NV5, Inc. ("Consultant").

WHEREAS, on April 6, 2021, the City and Contractor entered into an agreement for consultant to provide On-Call Engineering Professional Services to the city ("Agreement"); and

WHEREAS, the Agreement provides for an initial four-year term, terminating on April 6, 2025; and

WHEREAS the parties desire to extend the contract for an additional term of 365-days.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. Pursuant to Section 4.1 of the Agreement, the term of the Agreement is extended through April 6, 2026.

2. Pursuant to Section 2 of the Agreement, the compensation for the work completed during the 365-day extension period shall be per the original agreement.

3. Except as amended herein, all terms, conditions, and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have set their hand by their duly authorized representatives as of the day and year first above written.

CITY OF SANTA FE SPRINGS

_____
Bill Rounds, Mayor
President/ CEO

Date: _____

ATTEST :

_____
Fernando Munoz, City Clerk

APPROVED AS TO FORM:

_____
Rick Olivarez, City Attorney

NV5, INC.

_____
Jeffrey M. Cooper, Vice President

Date: _____

NV5, INC.

_____
Jeffrey M. Cooper, Secretary

Date: _____

AMENDMENT NUMBER 1 TO PROFESSIONAL SERVICES AGREEMENT WITH RMA INTERNATIONAL LANDSCAPE ARCHITECTURE

This Amendment Number 1 ("Amendment") is made and entered into this 18th day of March 2025, by and between the City of Santa Fe Springs ("City") and RMA International Landscape Architecture ("Consultant").

WHEREAS, on April 6, 2021, the City and Contractor entered into an agreement for consultant to provide On-Call Engineering Professional Services to the city ("Agreement"); and

WHEREAS, the Agreement provides for an initial four-year term, terminating on April 6, 2025; and

WHEREAS the parties desire to extend the contract for an additional term of 365-days.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. Pursuant to Section 4.1 of the Agreement, the term of the Agreement is extended through April 6, 2026.

2. Pursuant to Section 2 of the Agreement, the compensation for the work completed during the 365-day extension period shall be per the original agreement.

3. Except as amended herein, all terms, conditions, and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have set their hand by their duly authorized representatives as of the day and year first above written.

CITY OF SANTA FE SPRINGS

_____
Bill Rounds, Mayor

Date: _____

ATTEST :

_____
Fernando Munoz, City Clerk

APPROVED AS TO FORM:

_____
Rick Olivarez, City Attorney

RMA International Landscape Architecture

_____
Robert J. McMahon, Principal in Charge

Date: _____

RMA International Landscape Architecture

_____
Robert J. McMahon, Secretary

Date: _____

ITEM # 20

CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Lana Dich, Director of Finance

SUBJECT: **ADOPTION TO JOINT POWER AUTHORITY (JPA) AGREEMENT MEETING DATE AND REPLACING SUCCESSOR AGENCY WITH HOUSING AUTHORITY IN JPA**

DATE: March 18, 2025

RECOMMENDATION(S):

It is recommended that the City Council and the Governing Board of the Housing Authority:

1) Adopt Resolutions Nos. 9953 & 9955 approving the Amendment to the City of Santa Fe Springs Joint Exercise Powers Agreement.

It is recommended that the Board of Directors of the Santa Fe Springs Public Financing Authority:

2) Adopt Resolution No. 9954 to amend bylaws regarding regular meeting schedule.

FISCAL IMPACT

There is no fiscal impact from the adoption of these resolutions.

BACKGROUND

On August 24, 1989, the City of Santa Fe Springs (the “City”) and the Redevelopment Agency of the City of Santa Fe Springs (as succeeded by the Successor Agency to the Redevelopment Agency of the City of Santa Fe Springs, the “Agency”), entered into a Joint Exercise of Powers Agreement (the “Agreement”) creating the Santa Fe Springs Public Financing Authority (the “Authority”).

The City Council and Governing Board of the Housing Authority are contemplating the following action:

1. The attached Amendment to the Agreement will add the Housing Authority of the City of Santa Fe Springs in place of the Successor Agency.

On January 12, 2006, the Board of Directors (the "Board") of the Authority adopted a revised By-Laws of the Authority that provided for the regular meetings of the Board to be held on the fourth Thursday of each month.

2. The attached Resolution will change the regular meeting dates of the Board of the JPA to the first and third Tuesday of each month, to align with regular City Council meeting dates.

ANALYSIS

The proposed changes have been suggested by the City's bond counsel to facilitate the sale of the upcoming Parcel Tax bonds. Since the Successor Agency will one day be dissolved, it makes sense to replace it with the Housing Authority, since it is expected to exist in perpetuity. Changing the date of the Board meeting to align with City Council dates is for administrative convenience.

ENVIRONMENTAL

N/A

DISCUSSION

The proposed changes are simply administrative in nature and should help to eliminate potential conflicts/issues in the future.

SUMMARY/NEXT STEPS

The Amendment and Resolution should be adopted to eliminate potential conflicts/issues in the future.

ATTACHMENT(S):

A. Amendment to JPA Agreement
B. Resolution No. 9953 - Housing Authority Resolution approving amendment to JPA Agreement Creating the Santa Fe Springs Public Financing Authority
C. Resolution No. 9954 - Sante Fe Springs Public Financing Authority approving amendment to Bylaws

D. Resolution No. 9955 – City Council's Amendment to JPA Agreement Creating the Santa Fe Springs Public Financing Authority

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

AMENDMENT TO JOINT EXERCISE OF POWERS AGREEMENT

SANTA FE SPRINGS PUBLIC FINANCING AUTHORITY

This AMENDMENT TO JOINT EXERCISE OF POWERS AGREEMENT, dated as of March 18, 2025 (this "Amendment"), is made by and among the City of Santa Fe Springs, California (the "City"), the City as successor to the Redevelopment Agency of the city of Santa Fe Springs (the "Successor Agency") and the Housing Authority of the City of Santa Fe Springs (the "Housing Authority"), each duly organized and existing under the laws of the State of California.

RECITALS:

WHEREAS, the City and the Redevelopment Agency of the City of Santa Fe Springs entered into that certain Joint Exercise of Powers Agreement, dated August 24, 1989 (the "Agreement"), for the purpose, among other things, of issuing its bonds to be used to provide financing and refinancing for any purposes which are authorized by law; and

WHEREAS, the City and the Successor Agency desire to amend the Agreement pursuant to Section 8.05 thereof to add the Housing Authority as a party to the Agreement; and

WHEREAS, after the Housing Authority is a member of the Authority hereby, the members desire to remove the Successor Agency as a member;

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained the parties hereto agree as follows:

ARTICLE I

AMENDMENTS

Section 1.01. Amendment to Definitions. Section 1.01 of the Agreement is hereby amended to add the following definition:

"Housing Authority" means the Housing Authority of the City.

ARTICLE II

ADDITION OF HOUSING AUTHORITY OF THE CITY OF SANTA FE SPRINGS

Section 2.01. Addition of Member. The Housing Authority of the City is hereby made a party to the Agreement for all purposes thereof.

ARTICLE III

REMOVAL OF SUCCESSOR AGENCY AS A MEMBER

Section 3.01. Removal of Party. Upon execution by the Housing Authority of this Amendment, the Successor Agency shall be and is hereby removed as a party to the Agreement for all purposes thereof. All references to "Agency" in the Agreement are hereby removed and replaced with "Housing Authority."

ARTICLE IV

MISCELLANEOUS

Section 4.01. Counterparts. This Amendment may be simultaneously executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto, by their officers thereunto duly authorized, have executed and delivered this Amendment, effective as of the day and year first above written.

CITY OF SANTA FE SPRINGS, CALIFORNIA

By: _____
City Manager

CITY OF SANTA FE SPRINGS, CALIFORNIA, as Successor Agency for the Redevelopment Agency of the City of Santa Fe Springs

By: _____
City Manager

HOUSING AUTHORITY OF THE CITY OF SANTA FE SPRINGS

By: _____
City Manager

RESOLUTION NO. 9953

A RESOLUTION OF THE GOVERNING BOARD OF THE HOUSING AUTHORITY OF THE CITY OF SANTA FE SPRINGS APPROVING, AUTHORIZING, AND DIRECTING THE EXECUTION OF AN AMENDMENT TO JOINT EXERCISE OF POWERS AGREEMENT CREATING THE SANTA FE SPRINGS PUBLIC FINANCING AUTHORITY

WHEREAS, the City of Santa Fe Springs (the "City") and the Redevelopment Agency of the City of Santa Fe Springs (the "Agency") entered into that certain Joint Powers Agreement, dated August 24, 1989 (the "Agreement"), establishing the Santa Fe Springs Public Financing Authority (the "Authority") for the purpose, among others, of having the Authority issue its bonds to be used to finance the acquisition, construction and improvement of certain public capital improvements, including road improvements and related infrastructure; and

WHEREAS, the City desires to amend the Agreement to add the Housing Authority of the City of Santa Fe Springs (the "Housing Authority") as a party to the Agreement and remove the Agency as a member;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE HOUSING AUTHORITY OF THE CITY OF SANTA FE SPRINGS AS FOLLOWS:

Section 1. The proposed form of the Amendment to Joint Exercise of Power Agreement as presented to this meeting, is hereby approved. The Chair, Executive Director, and Treasurer, or any of their designees (the "Authorized Officers") are each hereby authorized and directed, for and on behalf of the Housing Authority, to execute, acknowledge and deliver the Amendment to Joint Exercise of Power Agreement, in substantially the form presented to this meeting, with such changes therein as an Authorized Officer may require or approve, with the advice and approval of Bond Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 2. This Resolution shall take effect immediately upon adoption.

PASSED, APPROVED AND ADOPTED by the Governing Board for the Housing Authority of the City of Santa Fe Springs on March 18, 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Chair

ATTEST:

_____
Secretary

RESOLUTION NO. 9954

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA FE SPRINGS PUBLIC FINANCING AUTHORITY ESTABLISHING A REGULAR MEETING SCHEDULE AND PROVIDING FOR OTHER MATTERS RELATED THERETO

WHEREAS, on August 24, 1989, the City of Santa Fe Springs (the "City") and the Redevelopment Agency of the City of Santa Fe Springs (as successed by the Successor Agency to the Redevelopment Agency of the City of Santa Fe Springs, the "Agency"), entered into a Joint Exercise of Powers Agreement (the "Agreement") creating the Santa Fe Springs Public Financing Authority (the "Authority"), pursuant to Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the "Act"); and

WHEREAS, the Agreement is being amended to add the Housing Authority of the City of Santa Fe Springs as a party and remove the Agency as a party; and

WHERAS, on January 12, 2006, the Board of Directors (the "Board") of the Authority adopted a revised By-Laws of the Authority that provided for the regular meetings of the Board to be held on the fourth Thursday of each month, unless either of said days shall be a legal holiday, in which event the regular meeting shall be held at the same time on the preceding Tuesday; and

WHEREAS, the Board desires to amend Section 4 of the By-Laws to provide for the regular meetings of the Board to coincide with the City Council meeting dates, as has been the practice;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, FOUND AND ORDERED by the Board of Directors of Santa Fe Springs Public Financing Authority as follows:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Regular Meeting Schedule. Section 4 of the By-Laws is hereby amended to read as follows:

> "The Board of Directors hereby establishes a regular meeting schedule of the Authority, consisting of the first (1st) and third (3rd) Tuesday of every month at 6:00 p.m., or as soon thereafter as the City of Santa Fe Springs City Council meeting is concluded, for which an agenda is posted at least 72 hours in advance of the meeting (each, a "Regular Meeting), beginning April 1, 2025. In the event there is no scheduled business to conduct, no agenda for the Authority shall be posted and such Regular Meeting shall be automatically canceled thereby."

Section 3. Delegation of Authority. The Chairperson, Vice Chairperson, Executive Director, Treasurer and Secretary, or their respective designees, are, and each of them is, hereby authorized and directed to do any and all things, and to execute and deliver any and all documents which said officers may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution.

Section 4. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED THIS 18th DAY OF March, 2025.

_____
Chairperson

_____
Secretary

I HEREBY CERTIFY that the foregoing Resolution was adopted by a vote of the Board of Directors of Santa Fe Springs Public Financing Authority at its special meeting of April 1st, 2025, by the following vote:

AYES:_____

NOES:_____

ABSTAIN:_____

ABSENT:_____

_____
Secretary

RESOLUTION NO. 9955

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS APPROVING, AUTHORIZING, AND DIRECTING THE EXECUTION OF AN AMENDMENT TO JOINT EXERCISE OF POWERS AGREEMENT CREATING THE SANTA FE SPRINGS PUBLIC FINANCING AUTHORITY

WHEREAS, the City of Santa Fe Springs (the "City") and the Redevelopment Agency of the City of Santa Fe Springs (the "Agency") entered into that certain Joint Powers Agreement, dated August 24, 1989 (the "Agreement"), establishing the Santa Fe Springs Public Financing Authority (the "Authority") for the purpose, among others, of having the Authority issue its bonds to be used to finance the acquisition, construction and improvement of certain public capital improvements, including road improvements and related infrastructure; and

WHEREAS, the City desires to amend the Agreement to add the Housing Authority of the City of Santa Fe Springs as a party to the Agreement and remove the Agency as a member;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS AS FOLLOWS:

Section 1. The proposed form of the Amendment to Joint Exercise of Power Agreement as presented to this meeting, is hereby approved. The Mayor, City Manager, and Finance Director, or any of their designees (the "Authorized Officers") are each hereby authorized and directed, for and on behalf of the City, to execute, acknowledge and deliver the Amendment to Joint Exercise of Power Agreement, in substantially the form presented to this meeting, with such changes therein as an Authorized Officer may require or approve, with the advice and approval of Bond Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 2. This Resolution shall take effect immediately upon adoption.

PASSED, APPROVED AND ADOPTED by the City Council for the City of Santa Fe Springs on March 18, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Mayor

ATTEST:

_____
City Clerk

ITEM # 21

CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Lana Dich, Director of Finance and Administrative Services

SUBJECT: **AUTHORIZE THE PURCHASE OF FIVE (5) POLICE VEHICLES**

DATE: March 18, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Authorize issuing a purchase order to Sunrise Ford to purchase two (2) Ford F-150 police responder vehicles in the amount of $162,908; and

2) Authorize issuing a purchase order to National Auto Fleet Group to purchase two (2) Ford F-150s and one (1) Ford Ranger in the amount of $162,679; and

3) Authorize the City Manager to establish an agreement/purchase order in an amount that shall not exceed $105,000 to acquire the items and services necessary to upfit the vehicles for field use; and

4) Authorize a contingency in the amount of $43,059 for any expenditures related to the purchase; and

5) Authorize a budget transfer from the Equipment Acquisition and Replacement Fund and Police Services – Contract Patrol in the total amount of $473,646 for the items above and services; and

6) Take such additional, related action that may be desirable.

FISCAL IMPACTS

The total cost of this purchase shall not exceed $473,646. This includes $325,587 for five (5) vehicles, $105,000 for items and services to upfit each vehicle, and a contingency in the amount of $43,059. A budget transfer from the Equipment Acquisition and

Replacement Fund is required to ensure sufficient funds are available. Upon completion of the transfer, funds will be available in account codes 10102215 – 523030 (Contract Patrol – misc equipment), 10102220 – 573450 (Public Safety Officer Patrol), and 10102235 – 573450 (Code Enforcement).

To offset the cost, Staff anticipates savings within account code 10102215 – 542050 (Police Services – Contract Patrol). The Fiscal Year 2024 – 25 The budget allocation for the aforementioned account code included a supplemental request to acquire fixed and mobile camera solutions in the amount of $170,000. Recently, Staff reassessed the needs and identified a less costly solution to address community needs equally. As a result, savings of $135,000 is expected and will be used for the vehicle purchases.

BACKGROUND

The City replaces vehicles that have reached the end of their cost-effective, useful life based on age, mileage, and repair history by the vehicle replacement schedule. In addition, this program identifies adjustments to the vehicle fleet as services change in size and scope. A recent assessment has recognized the need to purchase five (5) vehicles for Police Services to replace aging units.

ENVIRONMENTAL

N/A

DISCUSSION

The City contracts with the Whittier Police Department to provide law enforcement services. As part of this agreement, the Department of Police Services is required to facilitate the acquisition of equipment such as vehicles. Some vehicles are approaching the end of their use cycle, which is when they become expensive to repair and maintain and no longer suitable for use.

It is anticipated that recent changes in the global economy will make acquiring some commodities, including vehicles, much more costly in the future. For example, it is anticipated that the recent introduction of tariffs will increase the cost of new vehicles significantly. Early projections from economists estimate that the cost of some vehicles could increase by as much as $12,000 due to the proposed tariffs (Anderson Economic Group). In addition, the supply of new vehicles may be reduced as the auto industry determines how to pivot to ensure the cost of production remains as low as possible.

For this reason, Staff requests that City Council authorize the urgent purchase of two (2) new police sergeant vehicles for the Police Department. Staff is seeking approval to issue a purchase order to Sunrise Ford for $162,908. Staff has been unable to locate comparable vehicles from any other dealer. It has been confirmed that the vehicles are on hand and ready to be shipped upon delivery of a valid purchase order.

As previously mentioned, some of the Police Department's vehicles are approaching the end of their use life cycle. Staff wants to take immediate action to limit the risk of having an insufficient number of functioning vehicles. Furthermore, current market conditions and scarcity create a situation where it would not be beneficial for the City to engage in a lengthy bidding process to risk losing the ability to acquire the vehicles. For these reasons, this purchase is considered a sole source under Santa Fe Springs Municipal Code Section 34.18C, which states:

> *Sole source, where the supplies, equipment, or services are unique and available only from one source, or **where it would be undesirable or impossible for the city to solicit bids**. Sole source procurements may include proprietary items sold directly from the manufacturer, items that have only one distributor authorized to sell in the area, or a specified product determined to be the only acceptable product for the city's needs.*

In addition, the Police Services anticipates enhancing services provided by Department by adding one (1) code enforcement officer, (1) dedicated Public Safety Officer to Homeless Coordination and replace (1) obsolete Public Safety vehicle. The additional Staff will require new vehicles in order to perform their duties. As part of this request, Staff requests authorization to purchase two (2) Ford F-150s and one (1) Ford Ranger in the amount of $162,679. These vehicles are available through a cooperative purchase agreement from Sourcewell/National Auto Fleet Group. The City can use this agreement to procure the vehicles without engaging in the standard bidding process pursuant to Santa Fe Springs Municipal Code Section 34.18B, Purchase By Bidding Required Generally; Exceptions, which states:

> *Purchases of supplies, equipment, and services shall be made pursuant to the procedures set forth in this subchapter, except for the following:*
>
> *Cooperative or piggyback purchasing, which may consist of the following:*
>
> *Cooperative purchasing with other public agencies, and with nonprofit groups or organizations established by public entities, provided that a competitive bidding process is used.*
>
> *Contracts with suppliers who have been awarded contracts by the state or other local agencies for the purchase of supplies, equipment, and services under a competitive bidding process.*
>
> *Purchasing supplies, equipment, or services through bid award lists of others, provided that competitive purchasing procedures similar to those required in the City were employed to create such bid award lists.*

Upon receiving all vehicles, they must be upfitted with the necessary items to ensure they are suitable for field use. This includes but is not limited to, light bars, amplification systems, mobile data computers, and docks, push bars, and decals. In addition to

authorizing the purchase of the vehicles, Staff requests that the City Manager be authorized up to an additional $105,000 to establish an agreement/purchase order with the vehicle upfitter. Staff will identify an upfitter based on the time required to complete the necessary work to prepare the vehicles for field use.

Staff requests a contingency in the amount of $43,059. This contingency, equal to ten (10) percent of the total estimated cost, will be specifically used for any unexpected expenditures associated with the purchase.

SUMMARY

Staff recommends that the City Council authorize the issuance of purchase orders to Sunrise Ford for $162,908 and National Auto Fleet Group for $162,679 for acquiring five (5) vehicles. An additional $105,000 is requested under the City Manager's authority to purchase the items and services necessary to upfit vehicles for field use. A contingency amount of $43,059 is being added for any unexpected expenditures associated with the purchase.

The anticipated total shall not exceed $473,646.

ATTACHMENTS

A. Price Quotes/Invoices – Sunrise Ford
B. Price Quotes – National Auto Fleet Group

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

16005 VALLEY BLVD., FONTANA, CA 92335
FLEET OFFICE (909) 350-3043 FLEET FAX (909) 822-4199

FLEET VEHICLE PURCHASE INVOICE

SOLD TO City Of Santa Fe Springs
11710 Telegraph Rd.
Santa Fe Springs

DATE 03/03/2025

PHONE 562-318-6854

P.O. # PO# Invoice #

YEAR 2024 MAKE Ford MODEL F-150

VIN 1FTFW1P81RKD96287 STOCK NUMBER RKD96287

TERMS:

NET 0 DAYS NET DUE $ $81,453.63

MUST BE RECEIVED NO LATER THAN

DELIVERY RECEIPT:
I ACKNOWLEDGE THE RECEIPT OF THE ABOVE VEHICLE:

SIGNATURE DATE

F-150 Police Responder 4x4 ecoboost-$69,390.00

FORD FLEET #

Paint Bed,front fenders and hood-$4,200.00

RESALE #

AMG battery - N/C

R.S. #

Net Sale Price-$73,590.00

BID #

See Window sticker,Exempt Plates

FLEET MANAGER & NUMBER

MAKE CHECKS PAYABLE TO:
SUNRISE FORD
16005 VALLEY BLVD.
FONTANA, CA 92335

PRICE	$73,590.00
TAX	$7,735.88
LIC. FEE	$42.75
DOC. FEE	$85.00
TOTAL	$81,453.63
LESS TRADE	
LESS DOWN	
NET DUE	$81,453.63

16005 VALLEY BLVD., FONTANA, CA 92335
FLEET OFFICE (909) 350-3043 FLEET FAX (909) 822-4199

FLEET VEHICLE PURCHASE INVOICE

SOLD TO City Of Santa Fe Springs
11710 Telegraph Rd.
Santa Fe Springs

DATE 03/03/2025

PHONE 562-318-6854

P.O. # PO# Invoice #

YEAR 2024 MAKE Ford MODEL F-150

VIN 1FTFW1P89RKD95811 STOCK NUMBER RKD95811

TERMS:

NET 0 DAYS NET DUE $ $81,453.63

MUST BE RECEIVED NO LATER THAN

DELIVERY RECEIPT:
I ACKNOWLEDGE THE RECEIPT OF THE ABOVE VEHICLE:

SIGNATURE DATE

MAKE CHECKS PAYABLE TO:
SUNRISE FORD
16005 VALLEY BLVD.
FONTANA, CA 92335

F-150 Police Responder 4x4 ecoboost-$69,390.00

FORD FLEET #

Paint Bed,front fenders and hood-$4,200.00

RESALE #

AMG battery - N/C

R.S. #

Net Sale Price-$73,590.00

BID #

See Window sticker,Exempt Plates

PRICE	$73,590.00
TAX	$7,735.88
LIC. FEE	$42.75
DOC. FEE	$85.00
TOTAL	$81,453.63
LESS TRADE	
LESS DOWN	
NET DUE	$81,453.63

National Auto Fleet Group
A Division of Chevrolet of Watsonville
490 Auto Center Drive, Watsonville, CA 95076
(855) 289-6572 • (831) 480-8497 Fax
Fleet@NationalAutoFleetGroup.com

3/12/2025
3/12/2025 Re-Configured

Quote ID: **31551 R1**

Order Cut Off Date: **TBA**

Mr Micah Herd
City of Santa Fe Springs

11710 Telegraph Rd
.

Santa Fe Springs, California, 90670

Dear Micah Herd,

National Auto Fleet Group is pleased to quote the following vehicle(s) for your consideration.
One (1) New/Unused (2025 Ford F-150 (W3L) XLT 4WD SuperCrew 6.5' Box 157" WB,) and delivered to your specified location, each for

	One Unit (MSRP)	One Unit	Total % Savings	Total Savings
Contract Price	$57,745.00	$55,016.64	4.725 %	$2,728.36
Tax (10.5000 %)		$5,776.75		
Tire fee		$8.75		
Total		$60,802.14		

- per the attached specifications.

This vehicle(s) is available under the **Sourcewell Contract 091521-NAF** . Please reference this Contract number on all purchase orders to National Auto Fleet Group. Payment terms are Net 20 days after receipt of vehicle.

Thank you in advance for your consideration. Should you have any questions, please do not hesitate to call.

Sincerely,

Jesse Cooper
Account Manager
Email: Fleet@NationalAutoFleetGroup.com
Office: (855) 289-6572
Fax: (831) 480-8497

Quoting Department
Account Manager
Fleet@NationalAutoFleetGroup.com
(855) 289-6572

Purchase Order Instructions & Resources

In order to finalize your purchase please submit this purchase packet to your governing body for a purchase order approval and submit your purchase order in the following way:

Email: Fleet@NationalAutoFleetGroup.com

Fax: (831) 480-8497

Mail: National Auto Fleet Group

490 Auto Center Drive

Watsonville, CA 95076

We will send a courtesy confirmation for your order and a W-9 if needed.

Additional Resources

Learn how to track your vehicle:	**www.NAFGETA.com**
Use the upfitter of your choice:	**www.NAFGpartner.com**
Vehicle Status:	**ETA@NationalAutoFleetGroup.com**
General Inquiries:	**Fleet@NationalAutoFleetGroup.com**

For general questions or assistance please contact our main office at:

1-855-289-6572

Vehicle Configuration Options

TRANSMISSION	
Code	**Description**
44G	Transmission: Electronic 10-Speed Automatic, (STD)
TIRES	
Code	**Description**
___	Tires: 275/65R18 BSW A/T, (STD)
PRIMARY PAINT	
Code	**Description**
YZ	Oxford White
SEAT TYPE	
Code	**Description**
US	Black w/Medium Dark Slate, Cloth 40/Console/40 Front Seats, -inc: 10-way power driver seat w/power lumbar, 8-way power passenger seat w/power lumbar, flow-through console and steering column-mounted shift
AXLE RATIO	
Code	**Description**
XL6	Electronic Locking w/3.73 Axle Ratio
ADDITIONAL EQUIPMENT	
Code	**Description**
53T	Tow/Haul Package, -inc: Integrated Trailer Brake Controller
153	Front License Plate Bracket, -inc: Standard in states where required by law, optional to all others
66C	Paint Protection Film

2025 Fleet/Non-Retail Ford F-150 XLT 4WD SuperCrew 6.5' Box 157" WB

WINDOW STICKER

2025 Ford F-150 XLT 4WD SuperCrew 6.5' Box 157" WB

CODE	MODEL	MSRP
W3L	2025 Ford F-150 XLT 4WD SuperCrew 6.5' Box 157" WB	$53,995.00
	OPTIONS	
44G	Transmission: Electronic 10-Speed Automatic, (STD)	$0.00
___	Tires: 275/65R18 BSW A/T, (STD)	$0.00
YZ	Oxford White	$0.00
US	Black w/Medium Dark Slate, Cloth 40/Console/40 Front Seats, -inc: 10-way power driver seat w/power lumbar, 8-way power passenger seat w/power lumbar, flow-through console and steering column-mounted shift	$0.00
XL6	Electronic Locking w/3.73 Axle Ratio	$570.00
53T	Tow/Haul Package, -inc: Integrated Trailer Brake Controller	$785.00
153	Front License Plate Bracket, -inc: Standard in states where required by law, optional to all others	$0.00
66C	Paint Protection Film	$400.00

Please note selected options override standard equipment

SUBTOTAL	**$55,750.00**
Advert/ Adjustments	$0.00
Manufacturer Destination Charge	$1,995.00
TOTAL PRICE	**$57,745.00**

Est City: 27 (2024) MPG
Est Highway: 34 (2024) MPG
Est Highway Cruising Range: 503.20 mi

Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

Notes

Standard Equipment

MECHANICAL

Engine: 5.0L V8 -inc: auto start-stop technology (STD)
Transmission: Electronic 10-Speed Automatic -inc: SelectShift w/progressive range select and selectable drive modes: normal, ECO, sport, tow/haul, slippery, deep snow/sand and mud/rut (STD)
3.31 Axle Ratio (STD)

EXTERIOR

Tires: 275/65R18 BSW A/T (STD)

WHEELS

Wheels: 18" Chrome-Like PVD

ADDITIONAL EQUIPMENT

50 State Emissions System
Electronic Transfer Case
Part-Time Four-Wheel Drive
70-Amp/Hr 610CCA Maintenance-Free Battery w/Run Down Protection
200 Amp Alternator
Class IV Towing Equipment -inc: Hitch and Trailer Sway Control
Trailer Wiring Harness
2025# Maximum Payload
GVWR: 7,200 lbs Payload Package
HD Shock Absorbers
Front Anti-Roll Bar
Electric Power-Assist Steering
Single Stainless Steel Exhaust
36 Gal. Fuel Tank
Auto Locking Hubs
Double Wishbone Front Suspension w/Coil Springs
Solid Axle Rear Suspension w/Leaf Springs
4-Wheel Disc Brakes w/4-Wheel ABS, Front And Rear Vented Discs, Brake Assist, Hill Hold Control and Electric Parking Brake
Regular Box Style
Steel Spare Wheel
Full-Size Spare Tire Stored Underbody w/Crankdown

Clearcoat Paint
Chrome Rear Step Bumper
Chrome Front Bumper w/Body-Colored Rub Strip/Fascia Accent and 2 Tow Hooks
Black Side Windows Trim
Black Door Handles
Black Power Heated Side Mirrors w/Manual Folding
Fixed Rear Window w/Defroster
Variable Intermittent Wipers
Deep Tinted Glass
Aluminum Panels
Black Grille
Tailgate Rear Cargo Access
Tailgate/Rear Door Lock Included w/Power Door Locks
Integrated Storage
Ford Co-Pilot360 - Autolamp Auto On/Off Reflector Led Low/High Beam Auto High-Beam Daytime Running Lights Preference Setting Headlamps w/Delay-Off
Cargo Lamp w/High Mount Stop Light
Perimeter/Approach Lights
Headlights-Automatic Highbeams
Front Fog Lamps
Cornering Lights
Radio w/Seek-Scan, Clock, Speed Compensated Volume Control, Steering Wheel Controls, Radio Data System and External Memory Control
Radio: AM/FM Stereo w/6 Speakers -inc: auxiliary audio input jack
Fixed Antenna
Cloth 40/20/40 Front Seat -inc: 2-way manual driver/passenger and armrest
Front Seats w/Cloth Back Material and Manual Driver Lumbar
2-Way Driver Seat -inc: Manual Lumbar Support
Passenger Seat
60-40 Folding Split-Bench Front Facing Fold-Up Cushion Rear Seat
Manual Tilt/Telescoping Steering Column
Gauges -inc: Speedometer, Odometer, Voltmeter, Oil Pressure, Engine Coolant Temp, Tachometer, Transmission Fluid Temp, Trip Odometer and Trip Computer
Power Rear Windows
FordPass Connect 5G Mobile Hotspot Internet Access
Front Cupholder
Rear Cupholder
Compass
Remote Keyless Entry w/Integrated Key Transmitter, Illuminated Entry and Panic Button
Cruise Control w/Steering Wheel Controls
Manual Air Conditioning

HVAC -inc: Underseat Ducts
Locking Glove Box
Full Cloth Headliner
Urethane Gear Shifter Material
Interior Trim -inc: Metal-Look Instrument Panel Insert, Cabback Insulator and Chrome/Metal-Look Interior Accents
Day-Night Rearview Mirror
Driver And Passenger Visor Vanity Mirrors
Mini Overhead Console w/Storage and 1 12V DC Power Outlet
Fade-To-Off Interior Lighting
Front And Rear Map Lights
Full Carpet Floor Covering -inc: Carpet Front And Rear Floor Mats
Pickup Cargo Box Lights
Smart Device Remote Engine Start
SYNC 4 w/Enhanced Voice Recognition -inc: 12" LCD capacitive touchscreen w/swipe capability, wireless phone connection, cloud connected, AppLink w/App catalog, 911 Assist, Apple CarPlay and Android Auto compatibility, digital owners manual and conversational voice command recognition
Instrument Panel Bin, Dashboard Storage, Interior Concealed Storage, Driver / Passenger And Rear Door Bins and 2nd Row Underseat Storage
Power 1st Row Windows w/Driver And Passenger 1-Touch Up/Down
Delayed Accessory Power
Power Door Locks w/Autolock Feature
Redundant Digital Speedometer
Trip Computer
Outside Temp Gauge
Digital/Analog Appearance
Manual Adjustable Front Head Restraints and Manual Adjustable Rear Head Restraints
2 Seatback Storage Pockets
Perimeter Alarm
Securilock Anti-Theft Ignition (pats) Immobilizer
Air Filtration
1 12V DC Power Outlet
AdvanceTrac w/Roll Stability Control Electronic Stability Control (ESC) And Roll Stability Control (RSC)
ABS And Driveline Traction Control
Side Impact Beams
Dual Stage Driver And Passenger Seat-Mounted Side Airbags
Rear Parking Sensors
BLIS (Blind Spot Information System) Blind Spot
PCA with AEB and Intersection Assist
Cross-Traffic Alert with Reverse Brake Assist
Lane Keeping Alert Lane Keeping Assist

Lane Keeping Alert Lane Departure Warning
Collision Mitigation-Front
Driver Monitoring-Alert
Evasion Assist
Tire Specific Low Tire Pressure Warning
Dual Stage Driver And Passenger Front Airbags
Airbag Occupancy Sensor
Safety Canopy System Curtain 1st And 2nd Row Airbags
Outboard Front Lap And Shoulder Safety Belts -inc: Rear Center 3 Point, Height Adjusters and Pretensioners
Rear Child Safety Locks
Ford Co-Pilot360 - Reverse Camera Back-Up Camera

National Auto Fleet Group
A Division of Chevrolet of Watsonville
490 Auto Center Drive, Watsonville, CA 95076
(855) 289-6572 • (831) 480-8497 Fax
Fleet@NationalAutoFleetGroup.com

3/10/2025

Quote ID: **39166**

Order Cut Off Date: **TBA**

Micah Herd
City of Santa Fe Springs
Finance

11710 Telegraph Road
Finance Department

Santa Fe Springs, California, 90670

Dear Micah Herd,

National Auto Fleet Group is pleased to quote the following vehicle(s) for your consideration.
One (1) New/Unused (2025 Ford Ranger (R4G) XLT 2WD SuperCrew 5' Box 128.7" WB,) and delivered to your specified location, each for

	One Unit (MSRP)	One Unit	Total % Savings	Total Savings
Contract Price	$38,030.00	$37,163.42	2.279 %	$866.58
Tax (10.5000 %)		$3,902.16		
Tire fee		$8.75		
Total		$41,074.33		

- per the attached specifications.

This vehicle(s) is available under the **Sourcewell Contract 091521-NAF** . Please reference this Contract number on all purchase orders to National Auto Fleet Group. Payment terms are Net 20 days after receipt of vehicle.

Thank you in advance for your consideration. Should you have any questions, please do not hesitate to call.

Sincerely,

Quoting Department
Account Manager
Email: Fleet@NationalAutoFleetGroup.com
Office: (855) 289-6572
Fax: (831) 480-8497

Purchase Order Instructions & Resources

In order to finalize your purchase please submit this purchase packet to your governing body for a purchase order approval and submit your purchase order in the following way:

Email: Fleet@NationalAutoFleetGroup.com

Fax: (831) 480-8497

Mail: National Auto Fleet Group

490 Auto Center Drive

Watsonville, CA 95076

We will send a courtesy confirmation for your order and a W-9 if needed.

Additional Resources

Learn how to track your vehicle:	**www.NAFGETA.com**
Use the upfitter of your choice:	**www.NAFGpartner.com**
Vehicle Status:	**ETA@NationalAutoFleetGroup.com**
General Inquiries:	**Fleet@NationalAutoFleetGroup.com**

For general questions or assistance please contact our main office at:

1-855-289-6572

Vehicle Configuration Options

ENGINE	
Code	**Description**
99H	Engine: 2.3L EcoBoost, (STD)
TRANSMISSION	
Code	**Description**
44T	Transmission: Electronic 10-Speed Automatic, (STD)
WHEELS	
Code	**Description**
64H	Wheels: 17" Gray-Painted Aluminum, (STD)
PRIMARY PAINT	
Code	**Description**
YZ	Oxford White
SEAT TYPE	
Code	**Description**
BH	Ebony, Cloth Front Bucket Seats, -inc: 8-way manual adjustable driver including lumbar, 6-way manual adjustable passenger, driver and passenger manual reclining seats, flow-through console and floor shift
AXLE RATIO	
Code	**Description**
___	3.73 Axle Ratio, (STD)
ADDITIONAL EQUIPMENT	
Code	**Description**
53R	Trailer Tow Package, -inc: towing capability up to TBD lbs and 4-pin/7-pin wiring harness, Class IV Trailer Hitch Receiver
67P	Advanced Towing Package, -inc: Trailer Brake Controller, Trailer Tow Package, towing capability up to TBD lbs and 4-pin/7-pin wiring harness, Class IV Trailer Hitch Receiver, Pro Trailer Backup Assist
153	Front License Plate Bracket, -inc: Standard in states where required by law, optional to all others
___	Equipment Group 300A Standard savings
OPTION PACKAGE	
Code	**Description**
300A	Equipment Group 300A Standard

2025 Fleet/Non-Retail Ford Ranger XLT 2WD SuperCrew 5' Box 128.7" WB

WINDOW STICKER

2025 Ford Ranger XLT 2WD SuperCrew 5' Box 128.7" WB

CODE	MODEL	MSRP
R4G	2025 Ford Ranger XLT 2WD SuperCrew 5' Box 128.7" WB	$36,110.00
	OPTIONS	
99H	Engine: 2.3L EcoBoost, (STD)	$0.00
44T	Transmission: Electronic 10-Speed Automatic, (STD)	$0.00
64H	Wheels: 17" Gray-Painted Aluminum, (STD)	$0.00
YZ	Oxford White	$0.00
BH	Ebony, Cloth Front Bucket Seats, -inc: 8-way manual adjustable driver including lumbar, 6-way manual adjustable passenger, driver and passenger manual reclining seats, flow-through console and floor shift	$0.00
___	3.73 Axle Ratio, (STD)	$0.00
53R	Trailer Tow Package, -inc: towing capability up to TBD lbs and 4-pin/7-pin wiring harness, Class IV Trailer Hitch Receiver	INC
67P	Advanced Towing Package, -inc: Trailer Brake Controller, Trailer Tow Package, towing capability up to TBD lbs and 4-pin/7-pin wiring harness, Class IV Trailer Hitch Receiver, Pro Trailer Backup Assist	$825.00
153	Front License Plate Bracket, -inc: Standard in states where required by law, optional to all others	$0.00
___	Equipment Group 300A Standard savings	($500.00)
300A	Equipment Group 300A Standard	$0.00

Please note selected options override standard equipment

	SUBTOTAL	**$36,435.00**
	Advert/ Adjustments	$0.00
	Manufacturer Destination Charge	$1,595.00
	TOTAL PRICE	**$38,030.00**

Est City: 17 (2024) MPG
Est Highway: 23 (2024) MPG
Est Highway Cruising Range: 598.00 mi

Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

Notes

Standard Equipment

MECHANICAL

Engine: 2.3L EcoBoost -inc: auto start-stop technology (STD)
Transmission: Electronic 10-Speed Automatic -inc: selectable drive modes: normal, ECO, sport, tow/haul and slippery (STD)
3.73 Axle Ratio (STD)

EXTERIOR

Wheels: 17" Gray-Painted Aluminum (STD)

TIRES

Tires: 255/70R17 All-Terrain BSW

ADDITIONAL EQUIPMENT

SULEV Emissions System
Engine Auto Stop-Start Feature
Transmission w/Driver Selectable Mode and SelectShift Sequential Shift Control
Rear-Wheel Drive
70-Amp/Hr 700CCA Maintenance-Free Battery w/Run Down Protection
150 Amp Alternator
Towing Equipment -inc: Trailer Sway Control
Trailer Wiring Harness
1805# Maximum Payload
GVWR: 6,050 lbs
Gas-Pressurized Shock Absorbers
Front Anti-Roll Bar
Electric Power-Assist Speed-Sensing Steering
18 Gal. Fuel Tank
Single Stainless Steel Exhaust
Short And Long Arm Front Suspension w/Coil Springs
Solid Axle Rear Suspension w/Leaf Springs
4-Wheel Disc Brakes w/4-Wheel ABS, Front Vented Discs, Brake Assist, Hill Hold Control and Electric Parking Brake
Regular Box Style
Steel Spare Wheel
Full-Size Spare Tire Stored Underbody w/Crankdown
Clearcoat Paint
Black Rear Step Bumper
Black Front Bumper
Gray Painted Front Fascia & Rear Bumper
Black Wheel Well Trim
Black Side Windows Trim and Black Front Windshield Trim
Black Door Handles
Black Power Side Mirrors w/Power Folding
Sliding Rear Window w/Defroster
Variable Intermittent Wipers
Deep Tinted Glass
Galvanized Steel/Aluminum Panels
Front License Plate Bracket
Sport Box Decal

Gray Painted Center Bar & Grille Surround
Tailgate Rear Cargo Access
Tailgate/Rear Door Lock Included w/Power Door Locks
Cargo Lamp w/High Mount Stop Light
Headlights-Automatic Highbeams
Autolamp Auto On/Off Reflector Led Low/High Beam Auto High-Beam Daytime Running Lights Preference Setting Headlamps w/Delay-Off
Front Fog Lamps
LED Brakelights
Sport Appearance Package
Radio w/Seek-Scan, Clock, Speed Compensated Volume Control and Steering Wheel Controls
Radio: AM/FM Stereo -inc: 6 speakers and A and C USB ports
Streaming Audio
Integrated Roof Antenna
SiriusXM Satellite Radio -inc: a 3-month prepaid subscription, Service is not available in Alaska and Hawaii, SiriusXM audio and data services each require a subscription sold separately, or as a package, by Sirius XM Radio Inc, If you decide to continue service after your trial, the subscription plan you choose will automatically renew thereafter and you will be charged according to your chosen payment method at then-current rates, Fees and taxes apply, To cancel you must call SiriusXM at 1-866-635-2349, See SiriusXM customer agreement for complete terms at www.siriusxm.com, All fees and programming subject to change, Sirius, XM and all related marks and logos are trademarks of Sirius XM Radio Inc
SYNC 4A w/Connected Navigation -inc: connected navigation (1 year trial), enhanced voice recognition communications and entertainment system, 10" touchscreen in center stack w/swipe capability, AppLink, 911 Assist and Apple CarPlay and Android Auto compatibility
2 LCD Monitors In The Front
Driver Seat
Passenger Seat
Full Folding Bench Front Facing Fold-Up Cushion Rear Seat
Manual Tilt/Telescoping Steering Column
Gauges -inc: Speedometer, Odometer, Voltmeter, Oil Pressure, Engine Coolant Temp, Transmission Fluid Temp, Trip Odometer and Trip Computer
Power Rear Windows
Front Cupholder
Rear Cupholder
2 12V DC Power Outlets
Compass
Remote Keyless Entry w/Integrated Key Transmitter, Illuminated Entry and Panic Button
Cruise Control w/Steering Wheel Controls
Voice Activated Manual Air Conditioning
HVAC -inc: Underseat Ducts
Locking Glove Box
Full Cloth Headliner
Interior Trim -inc: Piano Black/Metal-Look Instrument Panel Insert, Cabback Insulator and Chrome Interior Accents
Cloth Door Trim Insert
Leather Gear Shifter Material
Cloth Front Bucket Seats -inc: 8-way manual adjustable driver including lumbar, 6-way manual adjustable passenger, driver and passenger manual reclining seats, flow-through console and floor shift
Day-Night Auto-Dimming Rearview Mirror
Driver And Passenger Visor Vanity Mirrors
Full Floor Console w/Covered Storage, Full Overhead Console w/Storage, 2 12V DC Power Outlets and 2 120V AC Power Outlets
Front And Rear Map Lights
Fade-To-Off Interior Lighting
Full Carpet Floor Covering -inc: Carpet Front And Rear Floor Mats
Pickup Cargo Box Lights
Smart Device Remote Engine Start

Tracker System
FOB Controls -inc: Remote Start
Integrated Navigation System w/Voice Activation
Instrument Panel Bin, Dashboard Storage, Driver / Passenger And Rear Door Bins and 2nd Row Underseat Storage
Power 1st Row Windows w/Driver And Passenger 1-Touch Up/Down
Delayed Accessory Power
Power Door Locks w/Autolock Feature
Driver Information Center
Redundant Digital Speedometer
Trip Computer
Outside Temp Gauge
Digital/Analog Appearance
Manual w/Tilt Front Head Restraints and Manual Adjustable Rear Head Restraints
Rear Center Armrest
Perimeter Alarm
Securilock Anti-Theft Ignition (pats) Immobilizer
2 12V DC Power Outlets and 2 120V AC Power Outlets
AdvanceTrac w/Roll Stability Control Electronic Stability Control (ESC) And Roll Stability Control (RSC)
ABS And Driveline Traction Control
Side Impact Beams
Dual Stage Driver And Passenger Seat-Mounted Side Airbags
Pre-Collision Assist with Automatic Emergency Braking (AEB)
Lane Keeping Alert Lane Keeping Assist
Lane Keeping Alert Lane Departure Warning
Collision Mitigation-Front
Reverse Sensing System Rear Parking Sensors
BLIS with Trailer Tow Coverage Blind Spot
Reverse Brake Assist
Driver Monitoring-Alert
Tire Specific Low Tire Pressure Warning
Dual Stage Driver And Passenger Front Airbags
Safety Canopy System Curtain 1st And 2nd Row Airbags
Airbag Occupancy Sensor
Restricted Driving Mode
Rear Child Safety Locks
Outboard Front Lap And Shoulder Safety Belts -inc: Rear Center 3 Point, Height Adjusters and Pretensioners
Ford Co-Pilot360 - Reverse Camera Back-Up Camera