AGENDA
MEETINGS OF THE HOUSING SUCCESSOR, SUCCESSOR AGENCY, AND CITY COUNCIL

TUESDAY, MARCH 3, 2026
AT 5:00 P.M.

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

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

CITY MANAGER
René Bobadilla, P.E.

CITY ATTORNEY
Rick Olivarez

CITY STAFF

Assistant City Manager	Nicholas Razo
Interim Fire Chief	Michael Kozicki
Police Chief	Aviv Bar
Director of Community Development	Cuong Nguyen
Director of Finance	Julio Morales
Director of Parks & Recreation	Gus Hernandez
Director of Police and Community Services	Arlene Salazar
Director of Public Works	James Enriquez
City Clerk	Maribel Garcia

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 LABOR NEGOTIATORS: One Matter
   (Pursuant to California Government Code Section 54957.6)
   Agency Designated Representatives: City Manager
   Employee organizations: Santa Fe Springs City Employees' Association and Santa Fe Springs Management and Confidential Employees' Association

CLOSED SESSION REPORT

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

INVOCATION

PLEDGE OF ALLEGIANCE

PRESENTATIONS-NONE

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

2. **OPERATING COVENANT AGREEMENT WITH THE OLIVE BANQUET INC FOR PROPERTY LOCATED AT 11900 TELEGRAPH ROAD (THE OLIVE RESTOBAR AND BANQUET HALL) (COMMUNITY DEVELOPMENT)**
   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. Approve and authorize the City Manager to execute an Operating Covenant Agreement ("Agreement") with The Olive Banquet Inc. to provide a conditional $3,000,000 grant supporting The Olive RestoBar restaurant and banquet hall, subject to continuous operation, job creation and retention, and compliance with the Agreement's terms and conditions; and
4. Take such additional, related action that may be desirable.

OLD BUSINESS – NONE

REGULAR BUSINESS – 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.

HOUSING SUCCESSOR

3. MINUTES OF THE FEBRUARY 3, 2026 HOUSING SUCCESSOR MEETINGS (CITY CLERK)

It is recommended that the Housing Successor:

1. Approve the minutes as submitted.

SUCCESSOR AGENCY

4. MINUTES OF THE FEBRUARY 3, 2026 HOUSING SUCCESSOR MEETINGS (CITY CLERK)

It is recommended that the Successor Agency:

1. Approve the minutes as submitted.

CITY COUNCIL

5. MINUTES OF THE FEBRUARY 3, 2026 CITY COUNCIL MEETINGS (CITY CLERK)

It is recommended that the City Council:

1. Approve the minutes as submitted.

6. RESIDENTIAL STREET IMPROVEMENT 2025-2026 – AUTHORIZATION TO ADVERTISE FOR CONSTRUCTION BIDS (PUBLIC WORKS)

It is recommended that the City Council:

1. Approve adding the Residential Street Improvement 2025-2026 project to the Capital Improvement Program; and
2. Approve the Plans and Specifications for the subject project; and
3. Appropriate Local Return Funds in the following dollar amounts: SB1 $969,061, Gas Tax $538,061, Measure R $151,812, Measure M $339,956; and

4. Appropriate $4,401,110 from the Capital Improvement Reserve Fund to the Residential Street Improvement 2025-2026 project; and
5. Authorize the City Engineer to advertise for construction bids; and
6. Authorize the City Clerk to file a Notice of Exemption for the subject project with the Los Angeles Registrar-Recorder; and
7. Take such additional, related action that may be desirable.

7. WATER FEATURE MAINTENANCE SERVICES AGREEMENT WITH PAYLESS POOL SERVICES – FIRST AMENDMENT (PUBLIC WORKS)

It is recommended that the City Council:

1. Approve the First Amendment to the agreement with Payless Pool Services for water feature maintenance services exercising the first one-year extension; and
2. Authorize the City Manager to execute the First Amendment; and
3. Take such additional, related, action that may be desirable.

8. COMMERCIAL STREET IMPROVEMENTS FOR DINARD AVENUE, MARYTON AVENUE, MARQUARDT AVENUE, PARK STREET, & PIKE STREET (PUBLIC WORKS)

It is recommended that the City Council:

1. Award a construction contract to Onyx Paving Company, Inc. of Yorba Linda, California in the amount of $2,142,000 for the construction of the Commercial Street Improvements for Dinard Avenue, Maryton Avenue, Marquardt Avenue, Park Street and Pike Street; and
2. Authorize the City Manager to execute the agreement; and
3. Take such additional, related action that may be desirable.

9. RESIDENTIAL STREET LIGHTING SYSTEM UPGRADE PROJECT – AWARD OF CONTRACT (PUBLIC WORKS)

It is recommended that the City Council:

1. Award a construction contract to DBX, Inc., in the amount of $5,968,766 for the Residential Street Lighting Upgrade Project, and
2. Authorize the City Manager to execute the agreement; and
3. Take such additional, related, action that may be desirable.

10. STREET LIGHTING DISCTRICT NO. 1 – ADOPTION OF RESOLUTION NO. 10000 (PUBLIC WORKS)

It is recommended that the City Council:

1. Adopt Resolution No. 10000, ordering the preparation of the Engineer's Report for Fiscal Year 2026/27 in conjunction with the annual levy of assessments for Street Lighting District No. 1; and
2. Take such additional, related, action that may be desirable.

11. CATCH BASIN RETROFIT AGREEMENT – LOS ANGELES COUNTY FLOOD CONTROL DISTRICT (PUBLIC WORKS)

It is recommended that the City Council:

1. Approve the Catch Basin Retrofit Agreement with the Los Angeles County Flood Control District; and
2. Authorize the City Manager to execute the Agreement; and
3. Take such additional, related, action that may be desirable.

12. CITYWIDE BRANDING IMPLEMENTATION – PHASE I APPROPRIATION REQUEST (POLICE & COMMUNITY SERVICES)

It is recommended that the City Council:

1. Approve a Phase I budget Approve a Phase I budget appropriation in the amount of $800,000 to support the initial citywide implementation of the City's new brand identity and visual system; and
2. Authorize the establishment of a Citywide Branding Account to allocate funds; and
3. Appropriate a total of $650,000 for street related branding; 20% ($130,000) in the General Fund Public Works Streets Account 10432001 and 80% ($520,000) in Measure SFS Funds; and
4. Appropriate $150,000 in the General Fund to the Citywide Branding Account; and
5. Take such additional, related, action that may be desirable.

13. GUS VELASCO NEIGHBORHOOD CENTER AMENITY ENHANCEMENTS (POLICE & COMMUNITY SERVICES)

It is recommended that the City Council:

1. Authorize an allocation in the amount of $208,000 to implement facility, security, and programmatic enhancements at the Gus Velasco Neighborhood Center (GVNC) to increase safety, improve operational efficiency, and expand multi-generational community use; and
2. Authorize the City Manager to execute any and all agreements, contracts for professional and contracted services, purchase orders, and related documents necessary to procure equipment, furnishings, materials, supplies, and services required for the implementation of the Gus Velasco Neighborhood Center (GVNC) Amenity Enhancements; and
3. Take such additional, related, action that may be desirable.

14. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS AUTHORIZING JOINT APPLICATION TO AND PARTICIPATION IN THE HOMEKEY+ PROGRAM (COMMUNITY DEVELOPMENT)

It is recommended that the City Council:

1. Adopt Resolution No. 10001 to authorize submission of a joint application ("Joint Application") to the California Department of Housing and Community Development for Homekey+ grant funds in an amount not to exceed $21,193,478; and

2. Authorize the City Manager, or designee, to execute the Joint Application, the Standard Agreement (if awarded) in an amount not to exceed $21,193,478, and all ancillary documents required to secure and administer the grant funds; and
3. Direct staff to undertake all actions necessary to implement the Homekey+ award, if received, and to return to the City Council with any future agreements, appropriations, or project-related approvals as required; and
4. Take such additional, related action that may be desirable.

15. AWARD OF CONTRACTS – ON-CALL PETROLEUM ENGINEERING SERVICES (RFQUAL NO. 26-2) (COMMUNITY DEVELOPMENT)

It is recommended that the City Council:

1. Adopt Resolution No. 10002 awarding Professional Services Agreements to Cornerstone Engineering, Inc. and PR Field Services, Inc., and authorizing the City Manager, or designee, to enter into and execute the Professional Services Agreements with Cornerstone Engineering, Inc. and PR Field Services, Inc.; and
2. Take such additional, related action that may be desirable.

16. INTRODUCTION AND FIRST READING OF ORINANCE NO. 1168 – AMENDING SECTIONS 93.20 THROUGH 93.99 (FIREWORKS) OF CHAPTER 93 (FIRE PREVENTION AND PROTECTION) OF TITLE IX (GENERAL REGULATIONS) OF THE SANTA FE SPRINGS MUNICIPAL CODE TO SUPPORT AN EFFECTIVE PERMIT APPLICATION PROCEDURE AND SAFE OPERATION OF FIREWORKS STANDS (FIRE)

It is recommended that the City Council:

1. Find and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3); and
2. Introduce by title only and waive further reading of Ordinance No.1168: An Ordinance amending Sections 93.20 through 93.99 (Fireworks) of Chapter 93 (Fire Prevention and Protection) of Title IX (General Regulations) of the Santa Fe Springs Municipal Code ("SFSMC") to support an effective permit application procedure and safe operation of fireworks stands; and
3. Take such additional, related, action that may be desirable.

17. JULY 1, 2024 - JUNE 30, 2027, MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SANTA FE SPRINGS AND THE SANTA FE SPRINGS EXECUTIVE MANAGEMENT ASSOCIATION AND THE SANTA FE SPRINGS FIREFIGHTERS ASSOCIATION (HUMAN RESOURCES)

It is recommended that the City Council:

1. Approve the updated July 1, 2024 – June 30, 2027, Memorandum of Understanding between the City of Santa Fe Springs and the Santa Fe Springs Executive Management Association.
2. Approve the updated July 1, 2024 – June 30, 2027, Memorandum of Understanding between the City of Santa Fe Springs and the Santa Fe Springs Firefighters Association.

18. APPROVE PROFESSIONAL SERVICES AGREEMENT WITH IBE DIGITAL TO UPGRADE AND MODERNIZE THE CITY'S PHONE AND DATA SERVICES (FINANCE)

It is recommended that the City Council:

1. Authorize the City Manager to execute a five (5) year Professional Services Agreement with IBE Digital and corresponding service providers to upgrade and modernize the City's phone system and data services in the amount of $2,350,000; and
2. Authorize Finance Department to add additional IT Support Personnel not-to-exceed $200,000 for FY26-27; and
3. Take such additional, related, action that may be desirable.

APPOINTMENTS TO BOARDS, COMMITTEES, AND COMMISSIONS

COUNCIL COMMENTS/AB1234 COUNCIL CONFERENCE REPORTING

Councilmember announcements; requests for future agenda items; conference/meeting 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, Maribel Garcia, 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.

UNDER SEPARATE COVER – AGENDA ITEM NO. 2

2. OPERATING COVENANT AGREEMENT WITH THE OLIVE BANQUET INC FOR PROPERTY LOCATED AT 11900 TELEGRAPH ROAD (THE OLIVE RESTOBAR AND BANQUET HALL) (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) Approve and authorize the City Manager to execute an Operating Covenant Agreement ("Agreement") with The Olive Banquet Inc. to provide a conditional $3,000,000 grant supporting The Olive RestoBar restaurant and banquet hall, subject to continuous operation, job creation and retention, and compliance with the Agreement's terms and conditions; and

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

FOR ITEM NO. 3, PLEASE SEE ITEM NO. 5

FOR ITEM NO. 4, PLEASE SEE ITEM NO. 5

ITEM # 5

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

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

BY: Maribel Garcia, City Clerk

SUBJECT: **MINUTES OF THE FEBRUARY 3, 2026 CITY COUNCIL MEETINGS**

DATE: March 3, 2026

RECOMMENDATION:

It is recommended that the City Council:

1. Approve the minutes as submitted.

FISCAL IMPACT

N/A

BACKGROUND

Staff have prepared minutes for the following meeting:

- Council Meeting of February 3, 2026

ANALYSIS

N/A

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

N/A

ATTACHMENT(S):

A. February 3, 2026 Meeting Minutes

Approved:

SANTA FE SPRINGS

MINUTES OF THE MEETINGS OF THE CITY COUNCIL

CALL TO ORDER
Mayor Zamora called the meeting to order at 5:00 p.m.

ROLL CALL
Members present: Councilmembers/Directors: Rounds, Mora, Martin, Mayor Pro Tem/Vice Chair Rodriguez, and Mayor/Chair Zamora

Members absent: None

PUBLIC COMMENTS ON CLOSED SESSION ITEMS – None

1. **CLOSED SESSION**
   CONFERENCE WITH LEGAL ANTICIPATED LITIGATION: One Matter
   (Pursuant to California Government Code Sections 54956.9(d)(2) and 54569(e)(1)

Mayor Zamora recessed the meetings at 5:02 p.m.

Mayor Zamora reconvened the meetings at 6:03 p.m.

CLOSED SESSION REPORT
City Attorney, Rick Olivarez provided the following closed session report: Direction was given to staff, and no reportable action was taken.

INVOCATION
Pastor Ray Loo led the invocation.

PLEDGE OF ALLEGIANCE
The Youth Leadership Committee led the pledge of allegiance.

CHANGES TO AGENDA – None

PUBLIC COMMENTS ON NON-AGENDA ITEMS – None

STAFF COMMUNICATIONS ON ITEMS OF INTEREST
Director of Parks and Recreation, Gus Hernandez promoted the President's Day Carnival.

PUBLIC HEARING

2. **PUBLIC HEARING FOR FIRST READING OF ORDINANCE NO. 1166 AMENDING SECTIONS 155.175.2 (USES) AND 155.637 (MINI-WAREHOUSES) WITHIN TITLE 15 (LAND USE), CHAPTER 155 (ZONING), OF THE SANTA FE SPRINGS MUNICIPAL CODE AND DETERMINING THAT THE PROJECT IS EXEMPT FROM 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 proposed Zoning Code Amendment is consistent with the goals, policies, and programs of the City's General Plan; and
4. Find and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3); and
5. Introduce by title only and waive further reading of Ordinance No. 1162: An Ordinance of the City of Santa Fe Springs Municipal Code relating to mini-warehouses in the Mixed-Used Transit-Oriented Development (MU-TOD) zone; and
6. Take such additional, related action that may be desirable.

Public Hearing opened at 6:09 p.m.

No. of Speakers: None

Public Hearing closed at 6:10 p.m.

It was moved by Councilmember Rounds and seconded by Councilmember Martin, to find and determine that the proposed Zoning Code Amendment is consistent with the goals, policies, and programs of the City's General Plan; and find and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3); and introduce by title only and waive further reading of Ordinance No. 1162: An Ordinance of the City of Santa Fe Springs Municipal Code relating to mini-warehouses in the Mixed-Used Transit-Oriented Development (MU-TOD) zone; and take such additional, related action that may be desirable, by the following vote:

Ayes:	Rounds, Mora, Martin, Rodriguez, Zamora
Noes:	None
Absent:	None
Recuse:	None

OLD BUSINESS – NONE

REGULAR BUSINESS – 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.

HOUSING SUCCESSOR

3. MINUTES OF THE JANUARY 13, 2026 HOUSING SUCCESSOR MEETINGS (CITY CLERK)
RECOMMENDATION: It is recommended that the Housing Successor:

1. Approve the minutes as submitted.

SUCCESSOR AGENCY

4. MINUTES OF THE JANUARY 13, 2026 SUCCESSOR AGENCY MEETINGS (CITY CLERK)
RECOMMENDATION: It is recommended that the Successor Agency:

1. Approve the minutes as submitted.

CITY COUNCIL

5. MINUTES OF THE JANUARY 13, 2026 CITY COUNCIL MEETINGS (CITY CLERK)
RECOMMENDATION: It is recommended that the City Council:

1. Approve the minutes as submitted.

6. RESOLUTION NO. 9999 – WEED ABATEMENT (CITY CLERK)
RECOMMENDATION: It is recommended that the City Council:

1. Adopt Resolution No. 9999 declaring weeds a public nuisance, declaring the intention to remove them, and setting Tuesday, February 17, 2026 as the date for Public Hearing.

7. RESIDENTIAL CONCRETE IMPROVEMENT 2025–2026 – AWARD OF CONTRACT (PUBLIC WORKS)
RECOMMENDATION: It is recommended that the City Council:

1. Award a construction contract to C J Concrete Construction, Inc. of Santa Fe Springs, California in the amount of $158,150 for the construction of the Residential Concrete Improvement 2025-2026 project and authorize the City Manager to execute the agreement; and
2. Take such additional, related action that may be desirable.

8. LANDSCAPE MAINTENANCE SERVICES – AWARD OF CONTRACT (PUBLIC WORKS)
RECOMMENDATION: It is recommended that the City Council:

1. Accept the proposal from Merchants Landscape Services, Inc. in response to RFB No. 26-1 for Landscape Maintenance Services; and
2. Award a contract to Merchants Landscape Services, Inc. from Santa Ana, California for Landscape Maintenance Services in the annual amount not to exceed $1,329,633; and
3. Authorize the City Manager to execute the agreement with Merchants Landscape Services, Inc., and
4. Amend the Fiscal Year 2025-26 Adopted Budget with an appropriation of $106,211 from the General Fund; and
5. Take such additional, related, action that may be desirable

9. APPROVAL OF THREE OPERATING AGREEMENTS WITH CLEAR CHANNEL OUTDOOR, LLC FOR POSTER BILLBOARD CONVERSION (COMMUNITY DEVELOPMENT)
RECOMMENDATION: It is recommended that the City Council:

1. Adopt Resolution No. 9998, approving three (3) Operating Agreements between the City of Santa Fe Springs and Clear Channel Outdoor, LLC, allowing Clear Channel Outdoor, LLC to convert five existing static poster billboard faces to electronic poster billboards; and
2. Take such additional, related action that may be desirable.

It was moved by Councilmember Rounds, seconded by Councilmember Martin, to approve the consent calendar, by the following vote:

Ayes: Rounds, Mora, Martin, Rodriguez, Zamora
Noes: None
Absent: None
Recuse: None

APPOINTMENTS TO BOARDS, COMMITTEES, AND COMMISSIONS - None

COUNCIL COMMENTS/AB1234 COUNCIL CONFERENCE REPORTING
Councilmember Rounds thanked residents and staff regarding the additional storage facility. He expressed optimism for 2026 and commended staff for their work on the Rose Parade float.

Councilmember Mora reported attending the City's Open House. He noted he was unable to attend Quartermania but shared that his son participated. He expressed that he is looking forward to 2026.

Councilmember Martin reported that she did not attend any conferences and was unable to attend Quartermania.

Mayor Pro Tem Rodriguez reported attending Quartermania and thanked all those involved in the event.

Mayor Zamora thanked the Police Chief and stated that Quartermania was a great success. He also thanked the community for their support and participation.

ADJOURNMENT
Mayor Zamora adjourned the meeting at 6:25 p.m.

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: **RESIDENTIAL STREET IMPROVEMENT 2025-2026 – AUTHORIZATION TO ADVERTISE FOR CONSTRUCTION BIDS**

DATE: March 3, 2026

RECOMMENDATION

It is recommended that the City Council:

1. Approve adding the Residential Street Improvement 2025-2026 project to the Capital Improvement Program; and

2. Approve the Plans and Specifications for the subject project; and

3. Appropriate Local Return Funds in the following dollar amounts: SB1 $969,061, Gas Tax $538,061, Measure R $151,812, Measure M $339,956; and

4. Appropriate $4,401,110 from the Capital Improvement Reserve Fund to the Residential Street Improvement 2025-2026 project; and

5. Authorize the City Engineer to advertise for construction bids; and

6. Authorize the City Clerk to file a Notice of Exemption for the subject project with the Los Angeles Registrar-Recorder; and

7. Take such additional, related action that may be desirable.

FISCAL IMPACT

The proposed Residential Street Improvements 2025-2026 Project is a new CIP Project and staff is recommending adding the project to the Capital Improvement Program. The City has accrued an aggregate total of $1,998,890 in local return funds from SB1, Gas Tax, Measure R and Measure M sources that can be used to improve roadways and pedestrian paths of travel. Moreover, staff is recommending an appropriation in the amount of $4,401,110 from the Capital Improvement Reserve

Fund to the Residential Street Improvement 2025-2026 Project. The total cost estimate for the project is $6,400,000 which includes construction, engineering, design, inspection, and contingency. The project may require additional appropriations at the time of the Award of Contract based on the actual low bid received.

The total project cost breakdown is as follows:

ITEM		ESTIMATED AMOUNT
Construction	$	5,550,000
Design	$	50,000
Engineering	$	100,000
Inspection	$	100,000
Contingency	$	600,000
Total Project Cost	$	6,400,000

PROJECT FUNDING		AMOUNT
Gas Tax	$	538,061
Measure R	$	151,812
Measure M	$	339,956
SB1	$	969,061 969,061
Capital Improvement Reserve Fund (Recommended)	$	4,401,110
Total Project Funding	$	6,400,000

BACKGROUND

The proposed Residential Street Improvements 2025-2026 Project locations shown on Attachment A have been evaluated by staff. The scope of work consists of grinding the existing street pavement and placing new asphalt concrete overlays, replacing damaged driveway ramps, curb and gutter, cross gutters, ADA curb ramps, sidewalks, and replacing traffic control devices.

The project plans & specifications are complete, and the Public Works Department is ready to advertise for construction bids for this project, upon City Council approval. A copy of the project plans and specifications will be on file with the City Clerk.

ANALYSIS

N/A

ENVIRONMENTAL

Pursuant to the guidelines of the California Environmental Quality Act (CEQA), the Residential Street Improvements 2025-2026 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 (existing highways and streets are included examples).

DISCUSSION

The completion of the Residential Street Improvements 2025-2026 project will renew the service life of the existing street pavement and hardscape. The project will also help reduce maintenance repair costs.

SUMMARY/NEXT STEPS

Upon approval of the City Council of the recommended action, City staff will advertise the project and await the construction bid opening.

ATTACHMENT(S):

A. Site Plan

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

_____

City Clerk, Maribel Garcia

ATTACHMENT A

RESIDENTIAL STREET IMPROVEMENT 25-26 SITE PLAN

Street Limit of Work

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: **WATER FEATURE MAINTENANCE SERVICES AGREEMENT WITH PAYLESS POOL SERVICES – FIRST AMENDMENT**

DATE: March 3, 2026

RECOMMENDATION

It is recommended that the City Council:

1. Approve the First Amendment to the agreement with Payless Pool Services for water feature maintenance services exercising the first one-year extension; and

2. Authorize the City Manager to execute the First Amendment; and

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

FISCAL IMPACT

Payless Pool Services will continue to provide water feature maintenance services to 23 water features at no change to the contract amount (monthly rate of $7,675), which is in the approved Public Works Budget for Fiscal Year 2025-26.

BACKGROUND

On February 22, 2018, the City Council approved an agreement with Payless Pool Services for the maintenance of the city's water features, which primarily consist of fountains throughout the city. The agreement expired on February 23, 2023.

A Request for Proposals (RFP) for this service was published in May 2022. As a result of the RFP, the City Council approved a new agreement with Payless Pool Services at their meeting on September 6, 2022 (Attachment A). The agreement had an effective date of February 23, 2023, and was for an initial term of 3 years with two optional one-year extensions. The initial term is scheduled to expire on February 23, 2026. Payless Pool Services continues to provide effective, responsive, and high-quality services. Payless Pool Services holds the necessary certification from the Los Angeles County Department of Health, required to provide this type of service. Staff recommends that the City Council approve the first one-year extension, to February 23, 2027.

ANALYSIS

N/A

ENVIRONMENTAL

Maintenance of the City's Water Features is required for the safety and welfare of the residents, as well as the preservation of these city assets.

DISCUSSION

N/A

SUMMARY/NEXT STEPS

Upon the approval of the recommended actions by the City Council, staff will coordinate the execution of the First Amendment and ensure uninterrupted servicing of the city's water feature.

ATTACHMENT(S):

A. Water Feature Maintenance Services Agreement
B. First Amendment

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

_____
City Clerk, Maribel Garcia

CITY OF SANTA FE SPRINGS
WATER FEATURE MAINTENANCE SERVICES AGREEMENT
WITH
PAYLESS POOL SERVICES

This Water Feature Maintenance Services Agreement ("Agreement") is made and entered as of September 6, 2022, ("Effective Date"), by and between the City of Santa Fe Springs, a California municipal corporation ("City") and Ron Ladoski, a sole proprietorship doing business as Payless Pool Services ("Contractor"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. TERM

This Agreement shall commence on February 23, 2023, and shall remain and continue in effect for a period of three years, unless sooner terminated pursuant to the provisions of this Agreement. The City, at its discretion, may extend the term of Agreement for up to two one-year periods upon written notice to Contractor.

2. SERVICES

Contractor shall perform the services described and set forth in Exhibit A ("Services") incorporated herein by this reference.

3. PERFORMANCE

Contractor shall at all times faithfully, competently and to the best of Contractor's ability, experience, and talent, perform all tasks described herein. Contractor shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Contractor under this Agreement.

4. CITY MANAGEMENT

The Public Works Director or designee shall represent the City in all matters pertaining to the administration of this Agreement.

5. PAYMENT

A. The City agrees to pay Contractor monthly, in accordance with the fee schedule set forth in Exhibit B, attached hereto and incorporated herein by this reference. This amount shall not exceed $7,500 monthly, excepting extra work and emergency call-out services as set forth in Exhibit B.

B. Contractor shall not be compensated for any services 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 designee. Contractor shall be compensated for any additional services in the amounts and in the manner as agreed to in writing by the City and Contractor at the time the City's written authorization is given to Contractor for the performance of said services.

C. Contractor will submit invoices monthly for actual Services performed. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Contractor's Services or fees, it shall give written notice to Contractor within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice.

6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

A. The City may at any time, for any reason, without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon Contractor at least ten (10) days' prior written notice. Upon receipt of said notice, Contractor shall immediately cease all Services under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement, such suspension or termination shall not make void or invalidate the remainder of this Agreement.

B. In the event this Agreement is terminated pursuant to this section, the City shall pay to Contractor the actual value of the Services performed up to the time of termination, unless the City disputes any of the Services performed or fees. Upon termination of the Agreement pursuant to this section, Contractor will submit an invoice to the City pursuant to Section 5.

7. DEFAULT OF CONTRACTOR

If the City determines that Contractor is in default in the performance of any of the terms or conditions of this Agreement, the City shall serve Contractor a written notice of the default. Contractor shall have seven (7) days after service of said notice to cure the default. In the event that Contractor fails to cure the default within such period of time or fails to present the City with a written plan for the diligent cure of default if such default cannot be cured within seven days, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement. The City shall also have the right to offset against the amount of any fees due to Contractor any costs incurred by the City as a result of Contractor's default.

8. OWNERSHIP OF DOCUMENTS

A. Contractor shall maintain complete and accurate records with respect to tasks, costs, expenses, receipts, and other such information required by the City that relate to the performance of Services under this Agreement.

Contractor shall maintain adequate records of Services provided in sufficient detail to permit an evaluation of Services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Contractor shall provide free access to the representatives of the City or its designees at reasonable times to such books and records; shall give the City the right to examine and audit said books and records; shall permit the City to make transcripts or copies therefrom as necessary; and shall allow inspection of all Services, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

B. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the Services shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of Contractor. With respect to computer files, Contractor shall make available to the City, at the Contractor's office and upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Contractor hereby grants to the City all right, title, and interest, including any copyright, in and to the documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared by Contractor in the course of providing the Services under this Agreement.

9. INDEMNIFICATION AND DEFENSE

A. Indemnity.

To the fullest extent permitted by law, Contractor shall indemnify and hold harmless the City and any and all of its officials, officers, employees, agents, and/or volunteers ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorney's fees and costs, caused in whole or in part by the acts, errors, or omissions of Contractor, its officers, agents, employees, or subcontractors (or any agency or individual that Contractor shall bear the legal liability thereof) in the performance of Services under this Agreement.

B. Duty to Defend.

In the event the City, its officials, officers, employees, agents, and/or volunteers are made a party to any claim, action, lawsuit, or other adversarial proceeding ("Action") arising from the performance of the Services under this Agreement, whether or not Contractor is named in such

Action, and upon demand by the City, Contractor shall defend the City at Contractor's sole cost, or at the City's option, to reimburse the City for its costs of defense, including reasonable attorney's fees and costs incurred in the defense.

C. Payment by the City for Services is not a condition precedent to enforcement of this section. Contractor's duty to defend, indemnify, and hold harmless the City shall not extend to the City's sole or active negligence. In the event of any dispute between Contractor and the City as to whether liability arises from the sole or active negligence of the City or its officials, officers, employees, agents, and/or volunteers, Contractor will be obligated to pay for the City's defense until such time as a final judgment has been entered adjudicating the City as solely or actively negligent. Contractor will not be entitled in the absence of such a determination to any reimbursement of defense costs including, but not limited to, attorney's fees, expert fees and costs of litigation.

10. INSURANCE

Contractor shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached hereto and made a part of this Agreement.

11. INDEPENDENT CONTRACTOR

A. Contractor is and shall at all times remain as to the City a wholly independent Contractor and/or independent contractor. The personnel performing the services under this Agreement on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Neither the City nor any of its officers, employees, or agents shall have control over the conduct of Contractor or any of Contractor's officers, employees, or agents, except as set forth in this Agreement. Contractor shall not at any time or in any manner represent that Contractor or any of Contractor's officers, employees, or agents are in any manner officers, employees, or agents of the City. Contractor shall not incur or have the power to incur any debt, obligation, or liability whatever against the City, or bind the City in any manner.

B. No employee benefits shall be available to Contractor in connection with the performance of this Agreement. Except for the fees paid to Contractor as provided in the Agreement, the City shall not pay salaries, wages, or other compensation to Contractor for performing services hereunder for the City. The City shall not be liable for compensation or indemnification to Contractor for injury or sickness arising out of performing services hereunder. Contractor shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability

Insurance Compensation, Unemployment Compensation, and other payroll deductions for Contractor and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Contractor shall indemnify and hold the City harmless from any and all taxes, assessments, penalties, and interest asserted against the City by reason of the independent contractor relationship created by this Agreement. Contractor further agrees to indemnify and hold the City harmless from any failure of Contractor to comply with the applicable worker's compensation laws. The City shall have the right to offset against the amount of any fees due to Contractor under this Agreement as a result of Contractor's failure to promptly pay to the City any reimbursement or indemnification arising under this paragraph.

C. In the event that Contractor or any employee, agent, or subcontractor of Contractor providing Services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Contractor shall indemnify, defend, and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the City.

D. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the City, including but not limited to eligibility to enroll in PERS as an employee of the City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

12. LEGAL RESPONSIBILITIES

Contractor shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of Services pursuant to this Agreement. Contractor shall at all times observe and comply with all such laws and regulations. The City and its officials, officers, employees, and agents, shall not be liable at law or in equity occasioned by failure of Contractor to comply with this Section.

13. UNDUE INFLUENCE

Contractor declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential

financial arrangement, or financial inducement. No officer or employee of the City has or will receive compensation, directly or indirectly, from Contractor, or from any officer, employee or agent of Contractor, in connection with this Agreement or any Services to be conducted as a result of this Agreement. Violation of this section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

14. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of the City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Services during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any Agreement or sub-agreement, or the proceeds thereof, for Services to be performed under this Agreement.

15. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

A. All information gained by Contractor in performance of this Agreement shall be considered confidential and shall not be released by Contractor without the City's prior written authorization, unless the information is clearly public. Contractor, its officers, employees, agents, or subcontractors, 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 Contractor gives the City notice of such court order or subpoena.

B. Contractor shall promptly notify the City should Contractor, its officers, employees, agents, and/or subcontractors 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 the City, unless the City is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless Contractor is prohibited by law from informing the City of such Discovery. The City retains the right, but has no obligation, to represent Contractor 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 Contractor in such proceeding, Contractor agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Contractor. 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.

16. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mail by the United States Postal Service, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To the City:
City of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Attention: Director of Public Works

COURTESY COPY TO:
City of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Attention: Finance Director

To Contractor:
Payless Pool Service
11642 Telegraph Road
Santa Fe Springs, CA 90670
Attention: Ron G. Laskodi

17. ASSIGNMENT

Contractor shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City. Before retaining or contracting with any subcontractor for any services under this Agreement, Contractor shall provide the City with the identity of the proposed subcontractor, a copy of the proposed written contract between Contractor and such subcontractor which shall include and indemnity provision similar to the one provided herein and identifying the City as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subcontractor carries insurance at least equal to that required by this Agreement or obtain a written waiver from the City for such insurance.

18. LICENSES

At all times during the term of this Agreement, Contractor shall have in full force and effect all licenses required of it by law for the performance of the Services described in this Agreement.

19. GOVERNING LAW

The City and Contractor 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.

20. 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.

21. AMENDMENTS

Any amendments to this Agreement must be in writing and executed by the parties hereto, or their respective successors and assigns, in order to be valid.

22. NON-EXCLUSIVE AGREEMENT

Contractor acknowledges that the City may enter into agreements with other Contractors 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.

23. 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.

24. 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.

25. 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.

26. 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.

27. 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.

28. AUTHORITY TO EXECUTE THIS AGREEMENT

The persons executing this Agreement on behalf of the parties warrants 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.

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

Annette Rodriguez, Mayor

CONTRACTOR

Ron Laskodi

ATTEST:

Janet Martinez, City Clerk

APPROVED AS TO FORM:

Ivy M. Tsai, City Attorney

Attachments:	Exhibit A	Scope of Services
	Exhibit B	Fee Schedule
	Exhibit C	Insurance Requirements

EXHIBIT A

SCOPE OF SERVICES

The Scope of Services consists of Standard Services for routine weekly cleaning and maintenance of the City's water features and Special Provisions that are specific to certain water features. All work necessary to perform the cleaning and maintenance services shall be performed in a manner acceptable to the City.

A. STANDARD SERVICES

Weekly Maintenance Services:

1. Inspection of overall system operations, including mechanical, electrical, water and chemical components.

2. Inspection and performance of water analysis, maintenance of proper water levels and water quality.

3. Cleaning of water features to include but not be limited to:

    a. Cleaning of baskets, skimmers

    b. Cleaning of pump intakes

    c. Skimming of water surfaces

    d. Brushing and scrubbing of walls and rocks

    e. Vacuuming of water features

    f. Removal of all accumulated trash and debris

    g. Cleaning of vault or equipment room and leaving area in a clean and professional manner

    h. Backwashing of sand filters as needed

    i. Cleaning and replacing of cartridge filters as needed

    j. Checking the pH of the water

    k. Adding chlorine to the chlorinator for algae and mosquito control

4. Submittal of weekly maintenance reports to the City Municipal Services Yard.

5. Maintaining and monitoring of all timer controllers to City-furnished schedule and making necessary adjustments for "Daylight Savings Time".

6. Documentation of recommended repairs in writing, as noted on maintenance reports.

B. SPECIAL SERVICES

1. Access to the fountains listed below require Confined Space Entry:

   a. Veteran's Fountain

   b. East Entry Fountain

   c. West Entry Fountain

   d. Villages Fountain

2. All confined space entries will comply with Cal-OSHA standards.

3. Complete water changes at all fountains shall be performed quarterly with proper documentation being forwarded to the Municipal Services Yard.

4. Annual cleaning of the pond at Heritage Park Native American Exhibit shall be performed and shall include removal of any loose rocks during cleaning and checking for cracks in the surface material. At the conclusion of cleaning, rocks shall be placed back into the pond. Pond shall also be filled at that time.

5. Performance of one additional cleaning per week at both the Clarke Estate Entry Fountain and Reflection Pool each Saturday beginning in early March and concluding at the end of November each year. The Saturday water feature cleaning shall be completed before 10:00 a.m. and is in addition to regular weekday cleaning.

6. Repairs are not a part of routine weekly maintenance and will be made at an additional cost to the City.

C. WATER FEATURE NAMES AND LOCATIONS

	Water Feature	Location
1.	Veterans Fountain	11710 Telegraph Road
2.	East Entry Fountain	Telegraph Road and Laurel Avenue
3.	Neighborhood Center, Front	9255 Pioneer Boulevard
4.	Heritage Park, Native Amer. Exhibit	12100 Mora Drive
5.	Heritage Park, Formal Garden	12100 Mora Drive
6.	Heritage Park, Reservoir	12100 Mora Drive
7.	Heritage Park, Tank House	12100 Mora Drive
8.	Heritage Park Abalone Fountain	12100 Mora Drive
9.	Heritage Park, Conservatory	12100 Mora Drive
10.	Sculpture Garden, Reflection Pond	10405 Norwalk Boulevard
11.	Sculpture Garden, Geyser Fountain	10405 Norwalk Boulevard
12.	Sculpture Garden, Founders Plaza	10405 Norwalk Boulevard

13. Food Court Fountain, North	12215 Telegraph Road
14. Food Court Fountain, South	12215 Telegraph Road
15. Heritage Drive, Step Fountain	Telegraph Road and Heritage Drive
16. Heritage Drive, Fountain-North	Heritage Drive and Slusher
17. Heritage Drive, Fountain-South	Heritage Drive and Slusher
18. Heritage Drive, Fountain	Heritage Drive and Mora Drive
19. Clarke Estate, Entry Fountain	10211 Pioneer Boulevard
20. Clarke Estate, Reflection Pool	10211 Pioneer Boulevard
21. West Entry Fountain	Telegraph Road and Cedardale
22. Villages Fountain	Southwest Corner Telegraph Road and Bloomfield

D. **WORK SCHEDULES.** All work must be accomplished within the hours approved by the City. The City reserves the right to revise schedules, adjust days and hours of the work, as necessary.

E. **CONTRACTOR'S EMPLOYEES**

The Contractor shall provide employees with uniforms meeting City approval that have the Contractor's company name and the employee's first name clearly displayed on the shirt or a Contractor's name badge. All uniforms worn by the Contractor's employees shall be of the same color, material and style. Tee shirts may be worn in certain situations with City approval. The Contractor shall submit to the City representative a list of all employees who are authorized to work within the limits of the City. The Contractor shall employ legally documented residents and shall make every reasonable effort to confirm legal resident status prior to assignment to the City. Failure to comply with this provision shall be grounds for termination of the Agreement, should an award be made.

F. **EMERGENCY RESPONSE**

The Contractor shall have the ability to provide personnel after normal work hours when an emergency maintenance condition or cleaning service issue may occur. Such work will be performed for additional compensation, unless the emergency cleaning service condition is created as a result of the Contractor's negligence. The Contractor shall respond within one (1) hour of notification by a City representative.

G. **DISPOSAL OF DEBRIS**

The Contractor shall promptly dispose of all debris accumulated as a result of maintenance and cleaning services. Disposal of debris shall be performed at no additional cost to the City and shall be considered to be included as part of the Contractor's services.

H. MODIFICATIONS TO THE SCOPE OF WORK

The City reserves the right to delete one or more water feature locations at any time during the term of the Agreement should the services at that water feature location(s) no longer be required.

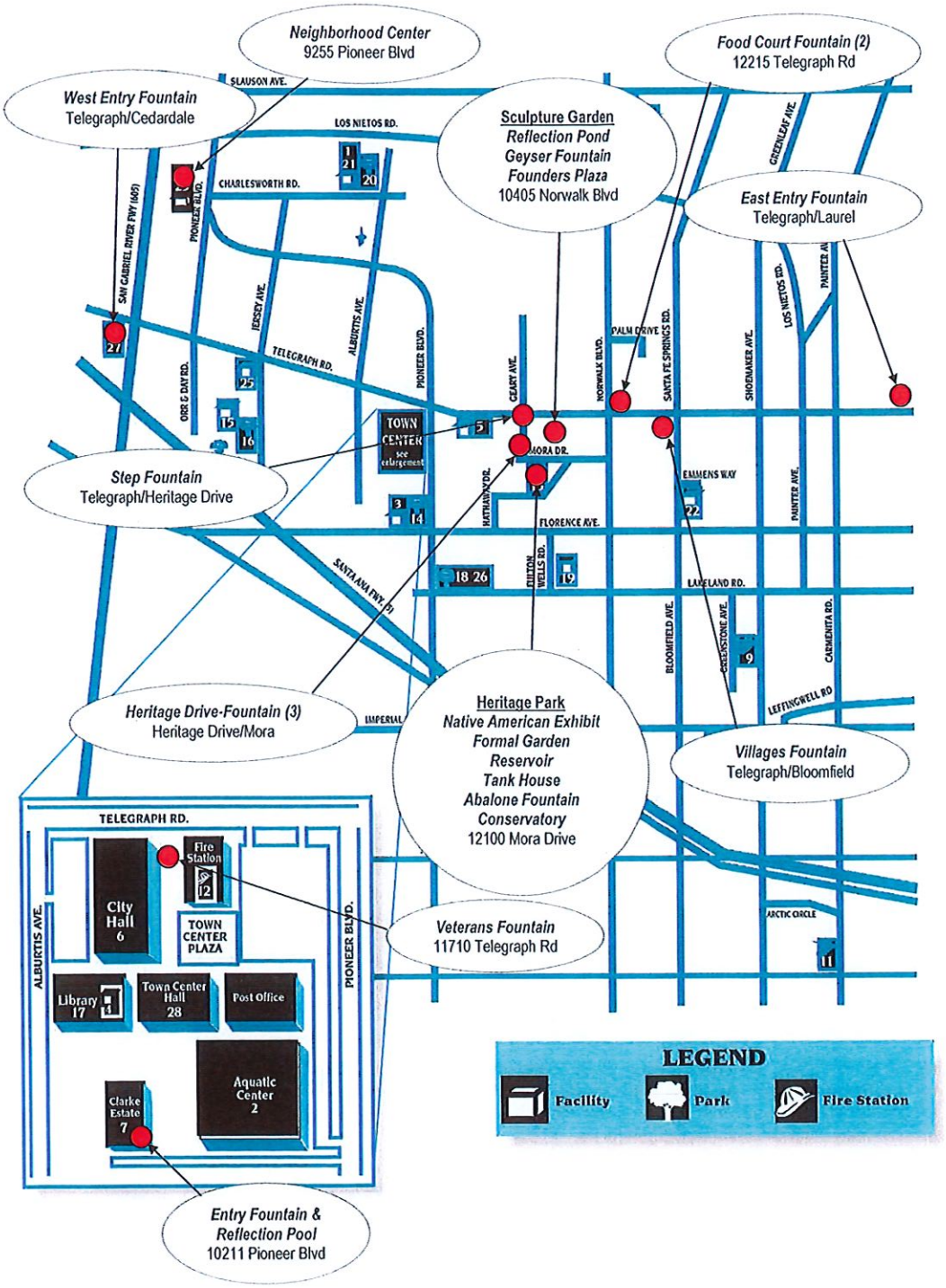


EXHIBIT B

FEE SCHEDULE

	Water Feature		Monthly Fee
1.	Veterans Fountain	$	575.00
2.	East Entry Fountain	$	600.00
3.	Gus Velasco Neighborhood Center Fountain	$	275.00
4.	Heritage Park-Native American Exhibit	$	1,000.00
5.	Heritage Park-Formal Garden	$	150.00
6.	Heritage Park-Reservoir	$	275.00
7.	Heritage Park-Tank House	$	150.00
8.	Heritage Park-Abalone Fountain	$	150.00
9.	Heritage Park-Conservatory	$	150.00
10.	Sculpture Garden-Reflection Pond	$	600.00
11.	Sculpture Garden-Geyser Fountain	$	200.00
12.	Sculpture Garden-Founders Plaza Fountain	$	150.00
13.	Food Court Fountain-North	$	225.00
14.	Food Court Fountain-South	$	225.00
15.	Heritage Drive-Step Fountain	$	200.00
16.	Heritage Drive-Fountain North	$	175.00
17.	Heritage Drive-Fountain South	$	175.00
18.	Heritage Drive Fountain	$	175.00
19.	Clarke Estate-Entry Fountain	$	250.00
20.	Clarke Estate Reflection Pool	$	700.00
21.	West Entry Fountain	$	600.00
22.	Villages Fountain	$	500.00
	Total Monthly Fees:	$	7,500.00
	Total Annually (Total monthly fees x 12 months):	$	90,000.00

Extra Work and Emergency Call-Out Services

Employee: John Francis

Rate: $95.00 per hour, inclusive of all costs for equipment, supplies, and materials.

EXHIBIT C

INSURANCE REQUIREMENTS

Without limiting Contractor's indemnification of the City, and prior to commencement of Services, Contractor 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 the Contractor 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 Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

General liability insurance. Contractor shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than $1,000,000 per occurrence, $2,000,000 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. Contractor shall maintain automobile 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 $1,000,000 combined single limit for each accident.

Workers' compensation insurance. Contractor shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least $1,000,000 per accident for bodily injury or disease).

Contractor 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.

Other provisions or requirements

Proof of insurance. Contractor 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. Contractor 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 Contractor, or Contractor's agents, representatives, employees or subcontractors.

Primary/noncontributing. Coverage provided by Contractor 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 Contractor or the City will withhold amounts sufficient to pay premium from Contractor 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 VII (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 Contractor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against the City, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

Enforcement of Agreement provisions (non estoppel). Contractor acknowledges and agrees that any actual or alleged failure on the part of the City to inform Contractor 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. Contractor 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 Contractor'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. Contractor agrees to ensure that its subcontractors, and any other party involved with the Services who is brought onto or involved in the Services by Contractor, provide the same minimum insurance coverage and endorsements required of Contractor. Contractor 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. Contractor agrees that upon request, all agreements with contractors, subcontractors, and others engaged in the Services will be submitted to the City 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 Contractor ninety (90) days advance written notice of such change. If such change results in substantial additional cost to Contractor, the City and Contractor may renegotiate Contractor'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. Contractor shall give the City prompt and timely notice of claims made or suits instituted that arise out of or result from Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Contractor 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.

FIRST AMENDMENT
TO
CITY OF SANTA FE SPRINGS
WATER FEATURE MAINTENANCE SERVICES AGREEMENT
WITH
PAYLESS POOL SERVICES

This First Amendment to Water Feature Maintenance Services Agreement ("First Amendment") is made and entered into this 3rd day of March 2026 ("Effective Date"), by and between the City of Santa Fe Springs, a California municipal corporation ("City") and Ron Ladoski, a sole proprietorship doing business as Payless Pool Services ("Contractor"). For purposes of this First Amendment, the capitalized term "Parties" shall be a collective reference to both City and Contractor.

RECITALS

WHEREAS, on September 6, 2022, City and Contractor entered into the Water Feature Maintenance Services Agreement for Contractor to provide water feature maintenance services to City ("Agreement") effective February 23, 2023;

WHEREAS, the term of the Agreement expires on February 23, 2026, and the Parties desire to amend the Agreement to extend the Agreement by an additional one-year period (the "Extension"), to February 23, 2027, and to include that the City pay Contractor Ninety-Two Thousand One Hundred Dollars ($92,100.00) for work completed during the Extension.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

1. The Recitals, and the terms defined therein, are true and correct and are hereby incorporated into and made a part of this First Amendment.

2. Section 1 of the Agreement is hereby amended as follows:

This Agreement shall commence on February 23, 2023, and shall remain and continue in effect **until February 23, 2027**~~for a period of three years~~, unless sooner terminated pursuant to the provisions of this Agreement. The City, at its discretion, may extend the term of Agreement for up to **one**~~two~~ one-year period~~s~~ upon written notice to Contractor.

3. Section 5 of the Agreement is amended to add Subsection D. as follows:

D. The total compensation to Contractor for the work completed between February 23, 2026 to February 23, 2027 shall not exceed Ninety-Two Thousand One Hundred Dollars ($92,100.00).

4. Except as amended herein, all terms, conditions, and provisions of the

Agreement shall remain in full force and effect, and this First Amendment, together with the Agreement and all previous amendments, shall constitute the entire, complete, final, and exclusive expression of the Parties with respect to the matters addressed in both documents.

5. In the event of any conflict or inconsistency between the provisions of this First Amendment and the provisions of the Agreement, the provisions of this First Amendment shall control, but only in so far as such provisions conflict with the Agreement and no further.

6. If any portion of this First Amendment is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

7. This First Amendment 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, shall 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, shall be in the Central District of California located in the City of Los Angeles, California.

8. The individuals executing this First Amendment and the instruments referenced herein on behalf of Contractor each represent and warrant that they have the legal power, right and actual authority to bind Contractor to the terms and conditions hereof and thereof.

9. This Agreement may be executed simultaneously and, in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

[*SIGNATURES ON NEXT PAGE*]

IN WITNESS WHEREOF, the Parties hereto have caused this Fourth Amendment to be executed on the day and year first appearing above.

CITY OF SANTA FE SPRINGS

_____
René Bobadilla, P.E.

Date: _____

PAYLESS POOL SERVICES

_____
Ron Laskodi, Owner

Date: _____

ATTEST:

_____
Maribel Garcia, City Clerk

_____

APPROVED AS TO FORM:

_____
Rick Olivarez, City Attorney

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: **COMMERCIAL STREET IMPROVEMENTS FOR DINARD AVENUE, MARYTON AVENUE, MARQUARDT AVENUE, PARK STREET & PIKE STREET – AWARD OF CONTRACT**

DATE: March 3, 2026

RECOMMENDATION

It is recommended that the City Council:

1. Award a construction contract to Onyx Paving Company, Inc. of Yorba Linda, California in the amount of $2,142,000 for the construction of the Commercial Street Improvements for Dinard Avenue, Maryton Avenue, Marquardt Avenue, Park Street and Pike Street; and
2. Authorize the City Manager to execute the agreement; and
3. Take such additional, related action that may be desirable.

FISCAL IMPACT

The subject project is part of the Measure SFS – Phase 1 Street Improvement Program funded by the 2025 Special Parcel Tax Revenue Bonds (Measure SFS).

The Total Project Budget was estimated at $3,860,000. With the low bid received, the Total Project Budget is reduced to $2,930,000. The savings of $930,000 will be made available for other Measure SFS Phase 1 projects.

The project cost breakdown is as follows:

Street Improvements (Dinard Ave., Maryton Ave., Marquardt Ave., Park St. Pike St.)

Item:	Estimated Project Costs	
Construction	$	2,142,000
Design	$	267,000
Engineering	$	100,000
Inspection	$	100,000
Contingency	$	321,000
Total Estimated Project Cost:	**$**	**2,930,000**

BACKGROUND

The subject project is located on Dinard Avenue (from Maryton Avenue to Rosecrans Avenue), Maryton Avenue (from Dinard Avenue to Rosecrans Avenue), Marquardt Avenue (from Imperial Highway to 625 ft south), Park Street (Both cul-de-sacs east and west of Shoemaker Avenue), and Pike Street (Both cul-de-sacs east and west of Norwalk Blvd). Attachment B shows a map of the street improvement project segments and limits. All seven project segments consist of grinding the top 5 inches of existing asphalt and placement of 2 inches of fiber-reinforced asphalt concrete pavement over 3 inches of asphalt concrete base. Other improvements include removal and replacement of damaged curb & gutter, sidewalks, curb ramps, parkway drains, and driveways, as needed.

The proposed new paving sections will eliminate potholes, support heavy repetitive loads generated by trucks/vehicles, increase pavement service life, and allow for a smooth riding roadway.

ANALYSIS

On November 5, 2025, the City Council authorized the advertisement for construction bids for the subject project. The solicitation for construction bids was advertised on November 13, 2025, in accordance with the California Public Uniform Construction Cost Accounting Commission guidelines for formal bidding.

A total of seven bids were received on January 22, 2026. City staff reviewed the proposals and determined that all bid proposals complied with the project specifications. The apparent low bidder for the project was Onyx Paving Company, Inc. of Yorba Linda, CA with a bid totaling $2,142,000. The tabulated bid results are as follows:

	Company Name	Audited Bid	Formal Bid Submitted
1.	Onyx Paving Company, Inc.	$2,142,000.00	$2,142,000.00
2.	R.J. Noble Company	$2,254,872.00	$2,254,872.00
3.	Hardy & Harper, Inc.	$2,360,000.00	$2,360,000.00
4.	All American Asphalt	$2,457,917.00	$2,457,917.00

5.	Van Engineering Inc.	$2,748,285.00	$2,748,285.00
6.	LCR Earthwork & Engineering Corp.	$2,844,030.00	$2,844,030.00
7.	Toro Enterprises, Inc.	$3,058,330.10	$3,058,330.10

The bid proposal submitted by Onyx Paving Company, Inc., in the amount of $2,142,000, is approximately 27% below the Engineer's Estimate of $2,950,000 and is acceptable.

The Department of Public Works has reviewed the bids and determined the bid submitted by Onyx Paving Company, Inc. to be responsive and responsible.

ENVIRONMENTAL

Pursuant to the guidelines of the California Environmental Quality Act (CEQA), the Commercial Street Improvements for Dinard Avenue, Maryton Avenue, Marquardt Avenue, Park Street and Pike Street 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 (existing highways and streets are included examples).

DISCUSSION

These street improvements will improve the structural condition of the existing street segments, enhance traffic operations, and reduce future maintenance costs.

SUMMARY/NEXT STEPS

Upon City Council's approval of the recommended actions, City staff will coordinate with the Contractor on the delivery of the project.

ATTACHMENT(S):

A. Contract Agreement
B. Location Map (Maryton Ave, Marquardt Ave, Park St, and Pike St.)

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

_____
City Clerk, Maribel Garcia

AGREEMENT FOR CONSTRUCTION
COMMERCIAL STREET IMPROVEMENT FOR
DINARD AVENUE – MARYTON AVENUE– MARQUARDT AVENUE
PARK STREET & PIKE STREET
CONTRACTOR'S NAME

This Agreement for Construction ("Agreement") is entered into on this 3rd day of March 2026, by and between the CITY OF SANTA FE SPRINGS, a California municipal corporation ("City") and Onyx Paving Company, Inc., 22707 La Palma Avenue, Yorba Linda, CA 92887, State Contractor's License No. 630360 ("Contractor"). Hereinafter, the City and the Contractor may be referred to collectively as the "Parties." The Parties mutually agree as follows: Contractor shall furnish all labor, equipment and materials for, and perform the work of COMMERCIAL STREET IMPROVEMENT FOR DINARD AVENUE, MARYTON AVENUE, MARQUARDT AVENUE, PARK STREET AND PIKE STREET which is covered in the Contractor's Bid Proposal (the "Work), in accordance with the provisions and requirements in the Contract Documents as defined by this Agreement.

ARTICLE 1 – CONTRACT DOCUMENTS

1.1 **Definitions.** The meanings of all capitalized terms used herein and in the Contract Documents and not otherwise defined in this document shall be the same as those definitions set forth in the General and Standard Specifications and Special Provisions.

1.2 **Contract Documents.** The "Contract Documents," except for Modifications issued after execution of this Agreement, consist of the following documents, all of which are either attached hereto as exhibits or are incorporated herein by this reference, are intended to be correlative and constitute Contractor's performance obligations:

a. Permits from the City's Building, Planning, and Public Works Departments and similar Governmental Approvals for the Work required by applicable law.

b. Change Orders and other Modifications issued after execution of the Agreement.

c. This Agreement, as signed by the Parties, including the following exhibit, and Certificates of Insurance and Additional insured endorsements for Contractor:

Exhibit "A" – Workers Compensation Certification
Exhibit "B" – Performance and Payment Bonds
Exhibit "C" – Claims Procedure

d. Addenda with later Addenda having priority over earlier Addenda issued in connection with the Notice Inviting Bids, as follows:

Addendum No. 1, issued 01/07/2026, 1 page.

Addendum No. 2, issued 01/14/2026, 1 page.

e. Contractors Bid Proposal, for the above-referenced Bid No. CB No. 2025-04 (comprised of Notice Inviting Bids, Instructions to Bidders and attachments, Bid Schedule of Prices, List of Subcontractors, Proposal, Signature

Certification/Authorization, Bid Guaranty, and where applicable, Contractor Qualification Statement and/or Subcontractor Qualification Statement.

f. Special Provisions, General Specifications and Standard Specifications.

g. City and other agency's Standard Drawings.

h. All documents, maps, texts and items referred to in the foregoing documents.

1.3 **Interpretation**. In the event of any conflict between any of the Contract Documents, the document highest in the order of precedent shall control. The order of precedent shall be the same as that set forth in the 2018 Edition of the Standard Specifications for Public Works Construction, unless otherwise revised in the Special Provisions.

1.4 **Entire Agreement.** This Agreement together with all other Contract Documents represents the entire and integrated agreement between City and Contractor and supersedes any prior written or oral agreements between them concerning the subject matter contained in the Contract Documents. There are no representations, agreements, arrangements or understandings, oral or written, between the Parties hereto, relating to the subject matter contained in the Contract Documents, which are not fully expressed herein.

ARTICLE 2 - SERVICES OF CONTRACTOR

2.1 **Scope of Services.** In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the Contract Documents, which services may be referred to herein as the "Services" or "Work" hereunder. As a material inducement to the City entering into this Agreement, Contractor represents and warrants that Contractor is a provider of first class work and services and Contractor is experienced in performing the work and services contemplated herein and, in light of such status and experience, Contractor covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be of good quality, fit for the purpose intended. Further, Contractor represents that it is knowledgeable and experienced in constructing improvements that are compliant with all applicable accessibility requirements and warrants that all work performed under this agreement will comply with all applicable accessibility requirements.

2.2 **Compliance with Law.** All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental having jurisdiction in effect at the time service is rendered, including but not limited to, all applicable accessibility requirements.

2.3 **Licenses, Permits, Fees and Assessments.** Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement, including registration with the Department of Industrial Relations of the State of California as required by Labor Code Section 1725.5 before commencing performance under this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City against any such fees,

assessments, taxes penalties or interest levied, assessed or imposed against City hereunder. Contractor shall be responsible for all subcontractors' compliance with this Section 2.3.

2.4 **Familiarity with Work.** By executing this Contract, Contractor warrants that Contractor (a) has thoroughly investigated and considered the scope of services to be performed, including the requirement that the facilities being constructed must comply with all applicable accessibility requirements, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should Contractor discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the City of such fact and shall not proceed except at Contractor's risk until written instructions are received from the City.

2.5 **Standard of Performance.** Contractor, its subcontractors and their employees, in the performance of Contractor's work under this Agreement shall be responsible for exercising the degree of skill and care required by customarily accepted good professional practices and procedures used in the Contractor's field. Any costs for failure to meet the foregoing standard or to correct otherwise defective work that requires re-performance of the work, shall be borne in total by the Contractor and not by the City. The failure of a project to achieve the performance goals and objectives stated in this Agreement is not a basis for requesting re-performance unless the work conducted by Contractor and/or its subcontractors is deemed by the City to have failed the foregoing standard of performance.

In the event Contractor fails to perform in accordance with the above standard:

2.51. Contractor will re-perform, at its own expense, any task which was not performed to the reasonable satisfaction of City. Any work re-performed pursuant to this paragraph shall be completed within the time limitations originally set forth for the specific task involved. Contractor shall work any overtime required to meet the deadline for the task at no additional cost to the City;

2.5.2. The City shall provide a new schedule for the re-performance of any task pursuant to this paragraph in the event that re-performance of a task within the original time limitations is not feasible; and

2.5.3. The City shall have the option to direct Contractor not to re-perform any task which was not performed to the reasonable satisfaction of the City Manager pursuant to application of subsections 1 and 2 above. In the event the City directs Contractor not to re-perform a task, the City shall negotiate a reasonable settlement for satisfactory work performed. No previous payment shall be considered a waiver of the City's right to reimbursement.

Nothing contained in this section is intended to limit any of the rights or remedies which the City may have under law.

2.6 **Care of Work.** Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

2.7 **Further Responsibilities of Parties.** Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other. Contractor shall require all subcontractors to comply with the provisions of this Agreement.

2.8 **Trenches or Excavations.** Pursuant to California Public Contract Code Section 7104, in the event the work included in this Agreement requires excavations more than four (4) feet in depth, the following shall apply:

a. Contractor shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) Subsurface or latent physical conditions at the site different from those indicated; or (3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the contract.

b. City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in Contractor's cost of, or the time required for, performance of any part of the work shall issue a change order per Section 3.4 of this Agreement.

c. That, in the event that a dispute arises between City and Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in Contractor's cost of, or time required for, performance of any part of the work, Contractor shall not be excused from any scheduled completion date provided for by the contract, but shall proceed with all work to be performed under the contract. Contractor shall retain any and all rights provided either by contract or by law, which pertain to the resolution of disputes and protests between the contracting parties.

2.9 **Utility Relocation.** City is responsible for removal, relocation, or protection of existing main or trunk line utilities to the extent such utilities were not identified in the invitation for bids or specifications. City shall reimburse contractor for any costs incurred in locating, repairing damage not caused by contractor and removing or relocating such unidentified utility facilities, including equipment idled during such work. Contractor shall not be assessed liquidated damages for delay arising from the removal or relocation of such unidentified utility facilities.

ARTICLE 3 – CONTRACT PRICE AND PAYMENT

3.1 **Contract Price.** City shall pay Contractor the Contract Price of Two Million One Hundred Forty-Two Thousand Dollars ($2,142,000.00) which includes all California sales or use tax and County and City taxes, in consideration for the Contractor's full, complete and timely performance of all of the Work required by the Contract Documents. The Contract Price includes any Alternative/Additive Bid Items which were awarded with the Contract.

Contractors agree to allocate the use tax derived from contracts or subcontracts of $5 million or more directly to the job site location by obtaining a sub-permit of the Contractor's seller's permit for the jobsite and allocating the local tax to the jobsite address on the appropriate schedule of the applicable sales tax returns. Contractor shall provide City with proof of such filing prior to City's issuance of the Notice to Proceed.

3.2 **Substitution of Securities.** In accordance with Section 22300 of the California Public Contract Code, Contractor may substitute securities for any monies withheld by the City to ensure performance of the Contract. Such substitution shall be made at the request and expense of Contractor. Securities equivalent to the amount withheld may be deposited with the City or with a state or federally chartered bank as escrow agent. Securities eligible for substitution shall include those listed in Section 16430 of the Government Code, bank or saving and loan certificates of deposit, interest bearing demand deposit accounts, standby letters of credit, or any other security mutually agreed to by Contractor and City.

3.3 **Changes to the Contract Price.** Contractor shall not be compensated for any extra materials used or time expended over and above the Contract Price, unless prior written approval for the same has been granted by the City.

3.4 **Additional Services.** City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written change order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Contract Sum as set forth in Section 3.1, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation of twenty-five percent (25%) or less of the Contract Sum, or in the time to perform of one hundred eighty (180) days or less may be approved by the Contract Officer. Any increases, taken either separately or cumulatively, that result in the Contract Sum exceeding $50,000 must be approved by the City Council. It is expressly understood by Contractor that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be costlier or time consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation, therefore.

3.5 **Payment Procedures.**

3.5.1 Progress Payments. All progress payments shall be made in accordance with Public Contract Code § 20104.50, as follows:

a. The City shall make any progress payment within 30 days after receipt of an undisputed and properly submitted payment request. If the City fails to make any progress payment within 30 days after receipt of an undisputed and properly submitted payment request from a contractor on a construction contract the City shall pay interest to the Contractor equivalent to the legal rate set forth in subdivision (a) of § 685.010 of the Code of Civil Procedure.

b. Upon receipt of a payment request, the City shall act in accordance with both of the following:

(1) Each payment request shall be reviewed by the City as soon as practicable after receipt for the purpose of determining that the payment request is a proper payment request.

(2) Any payment request determined not to be a proper payment request suitable for payment shall be returned to the Contractor as soon as practicable, but not later than seven (7) days, after receipt. A request returned pursuant to this section shall be accompanied by a document setting forth in writing the reasons why the payment request is not proper.

c. The number of days available to the City to make a payment without incurring interest pursuant to §20104.50 of the Public Contract Code shall be reduced by the number of days by which the City exceeds the seven-day return requirement set forth in paragraph (2) of subdivision (b) above.

d. A "progress payment" includes all payments due contractors, except that portion of the final payment designated by the contract as retention earnings.

e. A payment request shall be considered properly executed if funds are available for payment of the payment request, and payment is not delayed due to an audit inquiry by the financial officer of the local agency.

3.5.2 Retention. Within sixty (60) calendar days after City accepts final completion of the Work, City shall pay Contractor the amounts City deducted and retained from Contractor's progress payments, except such sums which are required by applicable law or authorized by the Contract to be further retained. In the event of a dispute between City and Contractor concerning the amount of final payment due, the City may withhold from final payment, including Liquidated Damages provided forth in the Contract Documents, together with an amount not to exceed 150% of the disputed amounts.

ARTICLE 4 – TIME FOR PERFORMANCE

4.1 **Date of Commencement/Notice to Proceed.** The date of commencement of the Work shall be established in a written Notice to Proceed issued by the City. The City will not issue a Notice to Proceed to the Contractor until this Agreement, bonds and insurance documents have been executed by all parties and approved by the City.

4.2 **Contract Time.** Contractor shall perform the Work in a diligent manner and shall complete all of the Work of the Contract, excluding any Plant Establishment, if applicable, within FIFTY-FIVE (55) calendar days after the date specified to Contractor in the Notice to Proceed issued by then City.

ARTICLE 5 – LIQUIDATED DAMAGES AND INCENTIVE BONUS

5.1 **Amounts of Liquidated Damages.** Failure of Contractor to complete the Work within the time allowed will result in damages being sustained by City. Such damages are, and will continue to be, impracticable and extremely difficult to determine. For each consecutive calendar day in excess of the time specified for the completion of Work, as adjusted in accordance with the Standard Specifications, Contractor shall pay to City, or have withheld from monies due Contractor, the sum of Two Thousand Dollars ($2,000). Execution of this Agreement shall constitute agreement by City and Contractor that said sum is the minimum value of the costs and actual damage caused by the failure of Contractor to complete the Work within the allotted time. Such sum is liquidated damages and shall not be construed as a penalty, and may be deducted from payments due Contractor if such delay occurs.

ARTICLE 6 – CLAIMS AND DISPUTES

6.1 **Claims Procedures.** Contractor shall comply with the claims procedure set forth in Public Contract Code Section 9204, a summary of which is attached to this agreement as **Exhibit "C."**

6.2 **Government Code Claims Procedures.** Contractor further acknowledges that notwithstanding Contractor's compliance with the claims procedures set forth herein, Contractor must also comply with the claims procedures set forth in Government Code sections 900 et seq. prior to filing a lawsuit against the City for any such claim. Failure to submit a Government Code claim or comply with the claims provision contained herein shall bar Contractor from bringing and maintaining a valid lawsuit against the City.

6.3 **Cooperation and Notification.** In the event any claim or action is brought against City relating to Contractor's performance or services rendered under this Agreement, Contractor shall render any reasonable assistance and cooperation which City might require. The City shall provide notification to Contractor within ten (10) business days upon receipt of any third party claim relating to this Agreement.

ARTICLE 7 – LOCAL BUSINESS LICENSE, TAXES AND FEES

7.1 **Business Tax Certificate and Governmental Approvals.** As a condition of the Contract, Contractor and all subcontractors shall, during the term of this Agreement, secure and annually renew business tax certificates pursuant to Chapter 35.070, et seq. of the Santa Fe Springs Municipal Code to operate in the City, and shall also secure and maintain at all times during performance of the Work, any other licenses, fees, permits or similar Governmental Approvals required by Applicable law.

7.2 **Offsets.** Contractor acknowledges and agrees that with respect to any business tax or penalties thereon, utility charges, invoiced fee or other debt which is owed, or which becomes owed, by Contractor to City, City reserves the right to withhold and offset said amounts from any payments, refunds or reimbursements owed by City to Contractor under the Contract. Notice of such withholding and offset shall promptly be given to Contractor by City in writing. In the event of a dispute as to the amount owed or whether such amount is owed to City, City will hold such disputed amount until either the appropriate appeal process has been completed or until the dispute has been resolved.

ARTICLE 8 – BONDS

8.1 **Performance and Payment Bonds.** Prior to City's execution of this Agreement, Contractor shall furnish to the City two (2) duly executed surety bonds using the forms included within the Bidding Requirements, one (1) as security for the faithful performance of the Contract and one (1) as security for the payment of all persons performing labor and furnishing materials in connection with the Contract. Both bonds shall be in the amount of one hundred percent (100%) of the Contract Price and shall be subscribed by an Admitted Surety Insurer which is authorized to transact surety insurance business in the State of California with a policy holder's rating of A- or higher and a Financial Class of VII or larger. Should any bond or surety become insufficient, Contractor shall furnish City a new bond within ten (10) days after receiving notice from City. No payments will be due or paid under the Contract until any and all bond deficiencies have been remedied. Contractor, by execution of this Agreement acknowledges that the bonds are not Contract Documents, but are separate obligations.

ARTICLE 9 – WORKERS' COMPENSATION INSURANCE

9.1 **Workers' Compensation Insurance Certificate.** By executing this Agreement, Contractor certifies that Contractor is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation or to undertake self-insurance before commencing any of the Work. Contractor shall comply with Labor Code Section 1861 by signing and filing the workers' compensation certification attached hereto as Exhibit "A" and incorporated herein by reference.

9.2 **Evidence of Coverage.** Prior to the City's execution of this agreement, Contractor shall file with the City either 1) a certificate of insurance or self-insurance evidencing that such insurance is in effect, or that Contractor is self-insured for such coverage; or 2) a certified statement that Contractor has no employees, and acknowledging that if Contractor does employ any person,

the necessary certificate of insurance will immediately be filed with City. Any Certificate filed with the City shall provide that City shall be given ten (10) days prior written notice before modification or cancellation thereof.

9.3 **Carrier Rating.** Contractor's workers' compensation insurance carrier shall be authorized to transact insurance business in the State of California with a policy holder's rating of A- or higher and a Financial Class of VII or larger.

9.4 **Subcontractor Worker's Compensation Insurance.** Contractor shall require each of its Subcontractors to obtain and maintain for the duration of this Agreement, complete workers' compensation insurance, meeting or exceeding the coverage's and amounts that California law requires.

ARTICLE 10 – CONTRACTOR'S LIABILITY INSURANCE

10.1 **Minimum Scope**. Prior to City's execution of this Agreement and Contractor's commencement of Work, Contractor shall secure, submit proof of and shall thereafter maintain without interruption, until completion of and acceptance by the City of the Work, such commercial general and automobile liability insurance as shall protect Contractor, its Subcontractors and the Additional Insured's from any and all claims for damages for personal injury, including accidental death, as well as any and all claims for property damage which may arise from or which may concern operations under the Contract, whether such operations be by or on behalf of Contractor, any subcontractor or anyone directly or indirectly employed by, connected with or acting for or on behalf of any of them.

10.2 **Carrier Ratings**. All liability insurance shall be issued by an insurance company or companies authorized to transact liability insurance business in the State of California with a policy holder's rating of A- or higher and a Financial Class of VII or larger.

10.3 **Minimum Limits**. Contractor shall maintain minimum limits of insurance as follows:

10.3.1 Commercial General Liability: Contractor's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than $1,000,000 per occurrence, an aggregate limit for products/completed operations in the amount not less than $2,000,000.

10.3.2 Automobile Liability Insurance: Contractor's automobile liability policy shall cover both bodily injury and property damage in an amount not less than $1,000,000 per occurrence and an aggregate limit of not less than $1,000,000. All of Contractor's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with Contractor's performance of this Agreement, which vehicles shall include, but are not limited to, Contractor owned vehicles, Contractor leased vehicles, Contractor's employee vehicles, non-Contractor-owned vehicles and hired vehicles.

10.3.3 Builder's Risk Insurance. Unless otherwise set forth in the special provisions, during the term of this contract, Contractor shall maintain in force, at its own expense, Builder's Risk insurance on all risks of direct physical loss basis, excluding damage caused by an act of God, pursuant to California Public Contract Code § 7105, for an amount equal to the full completed value of the covered structure or replacement value of alterations or additions. The policy shall include as loss payee, the City of Santa Fe Springs, the Contractor, and its sub-contractors as their interest may appear. The City shall not be responsible for the theft of any materials, equipment in the possession and control of Contractor.

10.3.4 Umbrella or excess liability insurance. Contractor shall obtain and maintain an umbrella or excess liability insurance policy 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 provide that the policy will respond in the event that any primary insurance that would otherwise have applied proves to be uncollectable in whole or in part for any reason; have the same effective dates as the primary policies; pay on behalf of the insureds and not reimbursement; the policies shall "follow form" to the underlying primary policies; and the insureds, including the additional insureds shall be the same as the primary policies.

10.4 **Notice of Cancellation and Renewals**. The policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to City by certified or registered mail (this obligation may be satisfied in the alternative by requiring such notice to be provided by Contractor's insurance broker and set forth on its Certificate of Insurance provided to City). Contractor agrees that upon receipt of any notice of cancellation or alteration of the policies, Contractor shall procure within five (5) days, other policies of insurance similar in all respects to the policy or policies to be cancelled or altered. Contractor shall furnish to the City copies of any endorsements that are subsequently issued amending coverage or limits within fourteen (14) days of the amendment.

10.5 **All Coverage's**. The insurance policy or policies shall also comply with the following provisions:

a. Policies shall include premises/operations, products completed operations, independent contractors, owners and contractors' protection, explosion, collapse, underground hazard, broad form contractual, personal injury with employment exclusion deleted, and broad form property damage.

b. The policy shall be endorsed to waive any right of subrogation against the City and its subcontractors, employees, officers, agents and directors for work performed under this Agreement.

c. If policies are written on a claims made basis, the certificate should so specify and the policy must continue in force for **ten (10) years** after completion of the Project. The retroactive date of the coverage must also be listed.

d. The policy shall specify that the insurance provided by Contractor will be considered primary and not contributory to any other insurance available to the City of Santa Fe Springs. Contractor shall provide Form No. CG 20010413 to City.

e. All policies of insurance shall name the City as an Additional Insured and shall contain the following language: "Solely with respect to work done by and on behalf of the name insured for the City of Santa Fe Springs, it is agreed that the City of Santa Fe Springs, and its officers, officials, employees and agents are added as additional insureds under this policy."

f. Coverage provided by Contractor 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.

10.6 **Certificates of Insurance, Additional Insured Endorsements and Deductibles**. Prior to execution of the Agreement, and thereafter upon City's request, Contractor shall furnish City with original certificates of insurance and additional insured endorsements setting forth evidence of all insurance coverage required by this Article. Each certificate and endorsement is to be signed by a person authorized by that insurer to bind coverage on its behalf.

10.7 **Contractor's Failure to Provide Required Insurance.** Failure to maintain required insurance at all times shall constitute a default and material breach. In such event, Contractor shall immediately notify City and cease all performance under this Contract until further directed by the City. In the absence of satisfactory insurance coverage, City may, at its discretion and sole option: (a) procure insurance with collection rights for premiums, attorneys' fees and costs against Contractor by way of set-off or recoupment from sums due Contractor; (b) immediately terminate or suspend Contractor's performance of the Contract; (c) pay Contractor's premiums for renewal of Contractor's coverage; or (d) self-insure the risk, with all damages and costs incurred, by judgment, settlement or otherwise, including attorneys' fees and costs, being collectible from Contractor, by way of set-off or recoupment from any sums due Contractor. Upon demand, Contractor shall repay City for all sums that City paid to obtain, renew, reinstate or replace the insurance, or City may offset the cost against any monies that the City may owe Contractor.

10.8 **Verification of Coverage.** City shall have the right to obtain complete and certified copies of Contractor's and Subcontractors' insurance policies (including, but not limited to, the declarations page, form list and riders), endorsements or certificates required under the Contractor Documents, upon request (including, but not limited to, the declarations page, form list and riders).

10.9 **Reassessment of Insurance Requirements.** At any time during the duration of this Contract, the City may require that Contractor obtain, pay for, and maintain more or less insurance depending on the City's assessment of any one or more of the following factors: (1) the City's risk of liability or exposure arising out of, or in any way connected with, Contractor's services under this Contract; (2) the nature or number of accidents, claims, or lawsuits arising out of, or in any way connected with, Contractor's services under this Contract; or (3) the availability, or affordability, or both, of increased liability insurance coverage.

10.10 **Contractor's Insurance for Other Losses.** The Contractor and its Subcontractors of every tier shall assume full responsibility for all loss or damage from any cause whatsoever to any tools, Contractor's (or Subcontractors') employee owned tools, machinery, equipment, or motor vehicles owned or rented by the Contractor, or the Contractor's agents, suppliers or Subcontractors as well as to any temporary structures, scaffolding and protective fences.

10.11 **No Limitation.** Contractor's maintenance of insurance as required by the Contract Documents shall not be construed to limit the liability of the Contractor or its Subcontractors of any tier to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

10.12 **Subcontractors' Insurance.** The Contractor shall include in all subcontracts a requirement that the Subcontractors of every tier shall obtain and maintain, at a minimum, all insurance required by Articles 9 and 19 of this Agreement except that the limits of liability and deductibles shall be in amounts determined by the Contractor, based on the degree of hazardous exposure according to the Work performed by each Subcontractor and the size of each subcontract.

Contractor shall ensure that any professional engineer retained on its behalf to provide supplemental plans and engineering calculations required in conjunction with the Work, maintains professional liability insurance during the entire term of this Agreement. Such insurance shall be in the minimum amount of $1,000,000 to protect City from claims resulting from the engineer(s) activities. This minimum amount of coverage shall not constitute any limitation or cap on Contractor's indemnification obligations set forth herein.

The City reserves the right to request certificates of insurance from the Contractor for each Subcontractor. The Contractor acknowledges that regardless of insurance obtained by its Subcontractors, the Contractor will be responsible to the City for any and all acts of its Subcontractors.

ARTICLE 11 - INDEMNITY/DUTY TO DEFEND

11.1 **Indemnity.** Except as to the sole negligence, active negligence or willful misconduct of the City, Contractor assumes liability for and agrees, at Contractor's sole cost and expense, to promptly and fully indemnify and hold the City, its City Council, and all of its respective officials, officers, directors, employees, managers, commission members, representatives, agents, council members, ("Indemnitees"), harmless from and against any and all loss, damage, claims, allegations, actions, suits, arbitrations, administrative proceedings, regulatory proceedings, or other legal proceedings, causes of action, demands, costs, judgments, liens, stop notices, penalties, damages, losses, anticipated losses of revenue, expenses (including, but not limited to, any fees of accountants, attorneys, experts or other professionals, or investigation expenses), costs, including attorneys' fees, or losses of any kind or nature whatsoever, whether actual, threatened or alleged, arising out of, resulting from or is in any way (either directly or indirectly) related to, or is in any manner connected with, the performance of Work, the Project, activities, operations or duties of Contractor, or anyone employed by or working under Contractor, and from all claims by anyone employed by or working under Contractor for services rendered to Contractor in the performance of this Agreement ("Indemnity Claims"), notwithstanding that the City may have benefited from their services. This indemnification provision shall apply to any acts or omissions, willful

misconduct or negligent conduct, whether active or passive, on the part of Contractor or of anyone employed by or working under Contractor.

The parties expressly agree that any payment, attorneys' fees, costs or expense that the City incurs or makes to or on behalf of an injured employee under the City's self-administered workers' compensation is included as a loss, expense or cost for the purposes of this Section, and that this Section shall survive the expiration or early termination of the Agreement.

11.2 **Duty to Defend.** Contractor agrees, at its sole cost and expense, to promptly defend the Indemnitees from all Indemnity Claims. The duty of the Contractor to indemnify and hold harmless the Indemnitees includes the separate and independent duty to defend the Indemnitees, which duty arises immediately upon receipt by Contractor of the tender of any Indemnity Claim from an Indemnitee. The Contractor's obligation to defend the Indemnitees shall be at Contractor's sole expense, and not be excused because of Contractor's inability to evaluate liability or because the Contractor evaluates liability and determines that the Contractor is not liable. This duty to defend shall apply whether or not an Indemnity Claim has merit or is meritless, or which involves claims or allegations that any or all of the Indemnitees were actively, passively or concurrently negligent, or which otherwise assert that the Indemnitees are responsible, in whole or in part, for any Indemnity Claim. Contractor agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to the City.

11.3 **Subcontractor Requirements.** In addition to the requirements set forth hereinabove, Contractor shall ensure, by written subcontract agreement, that each of Contractor's Subcontractors of every tier shall protect, defend, indemnify and hold harmless the Indemnitees with respect to Indemnity Claims arising out of, in connection with, or in any way related to each such Subcontractors' Work on the Project in the same manner in which Contractor is required to protect, defend, indemnify and hold the Indemnitees harmless. In the event Contractor fails to obtain such defense and indemnity obligations from others as required herein, Contractor agrees to be fully responsible to the Indemnitees according to the terms of this Article.

11.4 **No Limitation or Waiver of Rights.** Contractor's obligations under this Article are in addition to any other rights or remedies which the Indemnitees may have under the law or under the Contract Documents. Contractor's indemnification and defense obligations set forth in this Article are separate and independent from the insurance provisions set forth in the Agreement and do not limit, in any way, the applicability, scope, or obligations set forth in such insurance provisions. The purchase of insurance by the Contractor with respect to the obligations required herein shall in no event be construed as fulfillment or discharge of such obligations. City approval of the Insurance contracts required by this Agreement does not in any way relieve the Contractor from liability under this section. In any and all claims against the Indemnitees by any employee of the Contractor, any Subcontractor, any supplier of the Contractor or Subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the obligations under this Article shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any Subcontractor or any supplier of either of them, under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts. Failure of the City to monitor compliance

with these requirements imposes no additional obligations on the City and will in no way act as a waiver of any rights hereunder.

11.5 **Withholding to Secure Obligations.** In the event an Indemnity Claim arises prior to final payment to Contractor, the City may, in its sole discretion, reserve, retain or apply any monies due Contractor for the purpose of resolving such Indemnity Claims; provided, however, the City may release such funds if the Contractor provides the City with reasonable assurances of protection of the Indemnitees' interests. The City shall, in its sole discretion, determine whether such assurances are reasonable.

11.6 **Limitations.** Notwithstanding the above provisions of section 11.1 and 11.2, Contractor shall not be liable for the defense or indemnification of the City for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the City.

11.7 **Survival of Indemnity Obligations.** Contractor's obligations under this Article are binding on Contractor's and its Subcontractors' successors, heirs and assigns and shall survive the completion of the Work or termination of the Contractor's performance of the Work.

ARTICLE 12 – PREVAILING WAGES

12.1 **Public Work Project.** This Project is a public work as defined in California Labor Code Section 1720. By executing this Agreement, Contractor certifies that neither it, nor any of its subcontractors are ineligible under Labor Code Section 1777.1 or Section 1777.7 from bidding on, entering into a contract for, or performing the Work. Contractor and all Subcontractors of any tier are required to pay all workers employed in the execution of the Work not less than the general prevailing wage rates of per diem wages and overtime and holiday wages determined by the Director of the Department of Industrial Relations ("DIR") under Section 1720 et seq. of the California Labor Code. The Director's determination of prevailing rates are on file with the City and are available on-line at www.dir.ca.gov/dlsr/DPreWageDetermination.htm and are referred to and made a part hereof; the wage rates therein ascertained, determined and specified are referred to and made a part hereof as though fully set forth herein.

12.2 **California Labor Code.** Contractor is aware of and stipulates that Contractor will also comply with the following sections of the California Labor Code:

a. Section, 1771, Contractor and any subcontractors shall pay not less than the general prevailing rate per diem wages.

b. Section 1775, Contractor and any subcontractor will forfeit to City as a penalty up to $200 for each calendar day, or portion of a day, for each worker paid less than the applicable prevailing wage rate, in addition to paying each worker the difference between the applicable wage rate and the amount actually paid.

c. Contractor and its subcontractors must maintain certified payroll records in compliance with Labor Code sections 1776 and 1812, and all implementing regulations promulgated by the DIR. For each payroll record, Contractor and its subcontractors must certify under penalty of perjury that the information in the

record is true and correct, and that it has complied with the requirements of Labor Code sections 1771, 1811, and 1815. Contractor must electronically submit certified payroll records to the Labor Commissioner as required under California law and regulations.

d. Section 1777.5 prescribes the terms and conditions for employing registered apprentices.

e. Section 1810, eight hours of labor constitutes a legal day's work.

f. Section 1813, Contractor will forfeit to the City as a penalty the sum of $25 for each day during which a worker employed by Contractor or any subcontractor is required or permitted to work more than eight hours during any one calendar day, or more than 40 hours per calendar week, unless such workers are paid overtime wages under Labor Code section 1815.

g. Sections 1725.5 and 1771.1 requires all general contractors and subcontractors to be registered with DIR.

h. Contractor must also post all job site notices required by laws or regulations pursuant to Labor Code section 1771.4.

ARTICLE 13 – MISCELLANEOUS

13.1 **Non-Discrimination.** Except as provided in Section 12940 of the California Government Code, during Contractor's performance of the Agreement, Contractor shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, gender, gender identity, genetic information, gender expression, sex or sexual orientation, military and veteran status, in the selection and retention of employees and subcontractors and the procurement of materials and equipment. Contractor shall also comply with the requirements of the Americans with Disabilities Act in the performance of the Agreement.

13.2 **Notice.** Whenever any provision of the Contract Documents requires the giving of written notice, including notices, bills, invoices or other documents required or permitted under this Agreement, service shall be sufficient if sent by one party to the other by overnight courier, or by registered, certified or United States first class mail, postage prepaid and addressed as follows:

City	**Contractor**
City of Santa Fe Springs	Onyx Paving Company, Inc.
Attn: James Enriquez, PE	Attn: Corey R. Kirschner, CEO
11710 Telegraph Road	22707 La Palma Avenue
Santa Fe Springs, CA 90670	Yorba Linda, CA 92887

13.3 **Conflict of Interest.** The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement. Contractor and its officers, employees, associates and subcontractors, if any, will comply with all conflict of interest statutes of the State of California applicable to Contractor's services under this agreement,

including, but not limited to, the Political Reform Act (Government Code Sections 81000, et seq.) and Government Code Section 1090. During the term of this Agreement, Contractor and its officers, employees, associates and subcontractor shall not, without the prior written approval of the City Representative, perform work for another person or entity for whom Contractor is not currently performing work that would require Contractor or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

13.4 **Waiver.** No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

13.5 **Rights and Remedies.** Rights and Remedies are cumulative except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

13.6 **Legal Action.** In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

13.7 **Disputes.** In the event either party fails to perform its obligations hereunder, the nondefaulting party shall provide the defaulting party written notice of such default. The defaulting party shall have ten (10) days to cure the default; provided that, if the default is not reasonably susceptible to being cured within said ten (10) day period, the defaulting party shall have a reasonable time to cure the default, not to exceed a maximum of thirty (30) days, so long as the defaulting party commences to cure such default within ten (10) days of service of such notice and diligently prosecutes the cure to completion; provided further that if the default is an immediate danger to the health, safety and general welfare, the defaulting party shall take such immediate action as may be necessary. Notwithstanding the foregoing, the nondefaulting party may, in its sole and absolute discretion, grant a longer cure period. Should the defaulting party fail to cure the default within the time period provided in this Section, the nondefaulting party shall have the right, in addition to any other rights the nondefaulting party may have at law or in equity, to terminate this Agreement. Compliance with the provisions of this Section 13.7 shall be a condition precedent to bringing any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured.

13.8 **Termination for Default of Contractor.** If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, Contractor shall vacate any City owned property which Contractor is permitted to occupy hereunder and City may, after compliance with the provisions of Section 13.7, take over the work and prosecute the same to completion by contract

or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Contractor for the purpose of setoff or partial payment of the amounts owed the City as previously stated.

13.9 **Force Majeure.** The time period(s) specified in the Scope of Services for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually 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 Contractor shall within ten (10) days of the commencement of such delay notify the City in writing of the causes for the delay. The City 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 such delay is justified. The City's determination shall be final and conclusive upon the parties to this Agreement.

13.10 **City's Right to Access and Audit Contractor's Project Documents.**

a. If the Contractor submits a claim to the City for additional compensation, the City shall have the right, as a condition to considering the claim, and as a basis for evaluation of the claim, and until the claim has been settled, to audit the Contractor's books to the extent they are relevant. This right shall include the right to examine books, records, documents, and other evidence and accounting procedures and practices, sufficient to discover and verify all direct and indirect costs of whatever nature claimed to have been incurred or anticipated to be incurred and for which the claim has been submitted. The right to audit shall include the right to inspect the Contractor's plant, or such parts thereof, as may be or have been engaged in the performance of the Work. The Contractor further agrees that the right to audit encompasses all subcontracts and is binding upon Subcontractors. The rights to examine and inspect herein provided for shall be exercisable through such representatives as the City deems desirable during the Contractor's normal business hours at the office of the Contractor. The Contractor shall make available to the City for auditing, all relevant accounting records and documents, and other financial data, and upon request, shall submit true copies of requested records to the City.

b. The City and/or its authorized auditors or representatives, (including the California State Auditor if so requested by the City pursuant to Government Code § 8546.7) shall have access to and the right to examine, audit, excerpt, transcribe, and reproduce any of the Contractor's records for a period of at least three (3) years after termination of the Agreement and/or Final Payment. Such records include without limitation, journals, ledgers, records of accounts payable and receivable, profit and loss statements, bank statements, invoices, receipts, subcontracts, agreements, notes, correspondence, memoranda, and any documents generated and received in Contractor's performance of this Contract. Upon written notice by the City, Contractor shall promptly make all such records available to City and/or its authorized auditors or representatives and cooperate with the City and its authorized auditors or representatives in examining, auditing, excerpting, transcribing and reproducing the records.

13.11 **Unfair Business Practices Claims.** In entering into a public works contract or a subcontract to supply goods, services or materials pursuant to a public works contract, the contractor or subcontractor offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body renders final payment to the contractor without further acknowledgment by the parties. (Sec. 7103.5, California Public Contract Code).

13.12 **Venue.** Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in the Superior Court in Los Angeles County, State of California.

13.13 **Prohibition Against Assignment.** The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the City to enter into this Agreement. Neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty-five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of City.

13.14 **Independent Contractor.** Neither the City nor any of its employees shall have any control over the manner, mode or means by which Contractor, its subcontractors, agents or employees, performs the services required herein, except as otherwise set forth herein. The City shall have no voice in the selection, discharge, supervision or control of Contractor's employees, subcontractors, servants, representatives or agents, or in fixing their number, compensation or hours of service. Contractor shall perform all services required herein as an independent contractor of the City and shall remain at all times as to the City a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its subcontractors, agents or employees are agents or employees of the City. The City shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venture or a member of any joint enterprise with Contractor.

13.15 **No Estoppel or Waiver by City.** No action or failure to act by the City shall constitute a waiver of any right or duty afforded City under this Agreement, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically provided in this Agreement or as may be otherwise agreed in writing. The waiver by the City of any breach or violation of any term, covenant or condition of this Agreement or of any provision, ordinance, or law shall not be deemed to be a waiver of any other term, covenant, condition, ordinance, or law or of any subsequent breach or violation of the same or of any other term, covenant, condition, ordinance, or law. The subsequent payment of any monies or fee by

the City which may become due hereunder shall not be deemed to be a waiver of any preceding breach or violation by Contractor or any term, covenant, condition of this Agreement or of any applicable law or ordinance.

13.16 **Signature Authority.** The individuals executing this Agreement and the instruments referenced herein on behalf of Contractor each represent and warrant that they have the legal power, right and actual authority to bind Contractor to the terms and conditions hereof and thereof.

13.17 **Severability.** Each provision, term, condition, covenant and/or restriction, in whole and in part, in this Agreement shall be considered severable. In the event any provision, term, condition, covenant and/or restriction, in whole and/or in part, in this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant and/or restriction of this Agreement and the remainder of the Agreement shall continue in full force and effect.

[Signatures on following page.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the day and year first above written.

CITY OF SANTA FE SPRINGS

By: _____
René Bobadilla, City Manager

Attest: _____
Maribel Garcia, City Clerk

APPROVED AS TO FORM

By: _____
Rick Olivares, City Attorney

ONYX PAVING COMPANY, INC.

By: _____
Corey R. Kirschner

_____
CEO

By: _____
Name

_____
Title

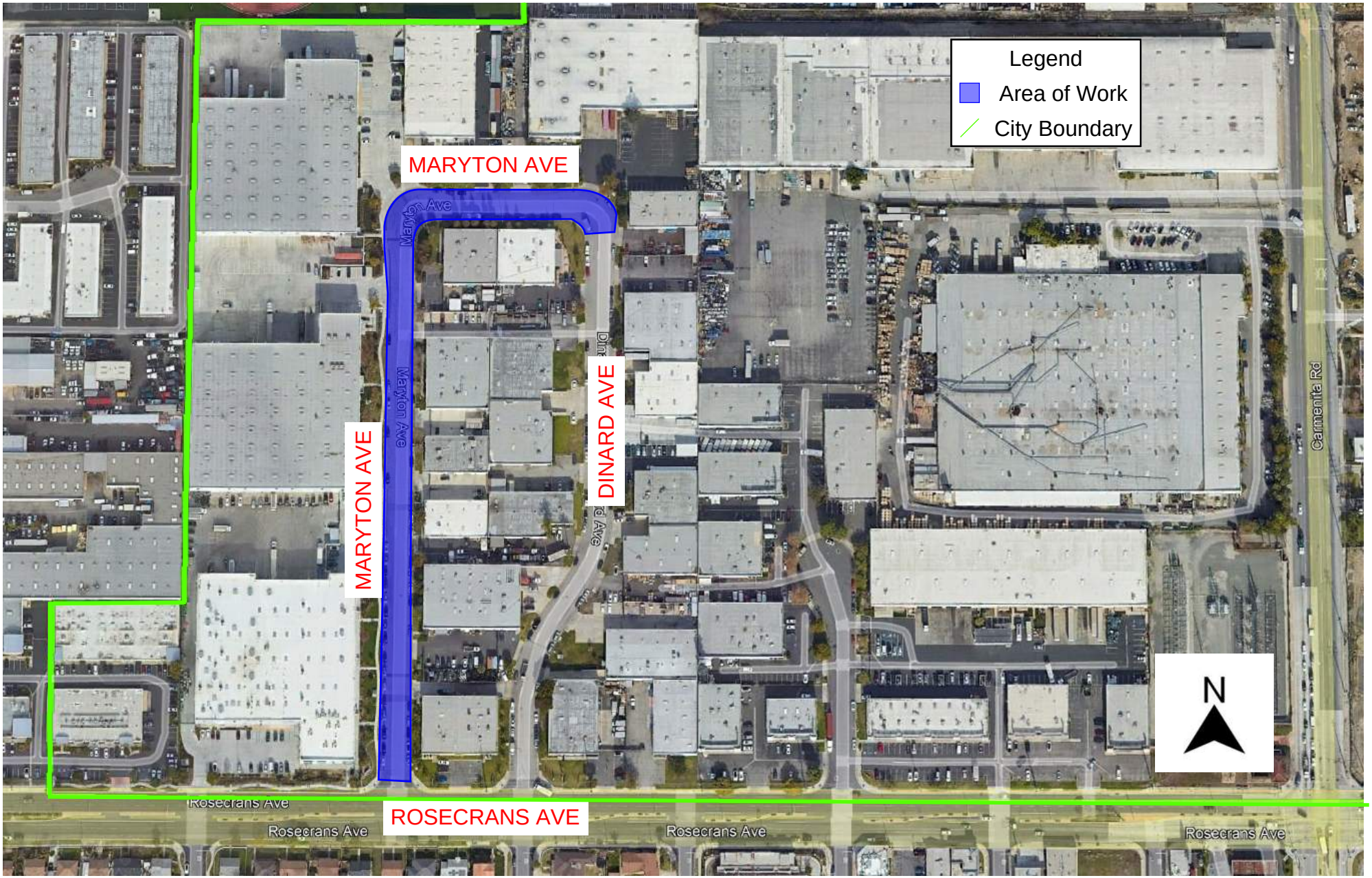
ATTACHMENT B

PROJECT SITE MAPS

DINARD AVE (MARYTON AVE TO ROSECRANS AVE)

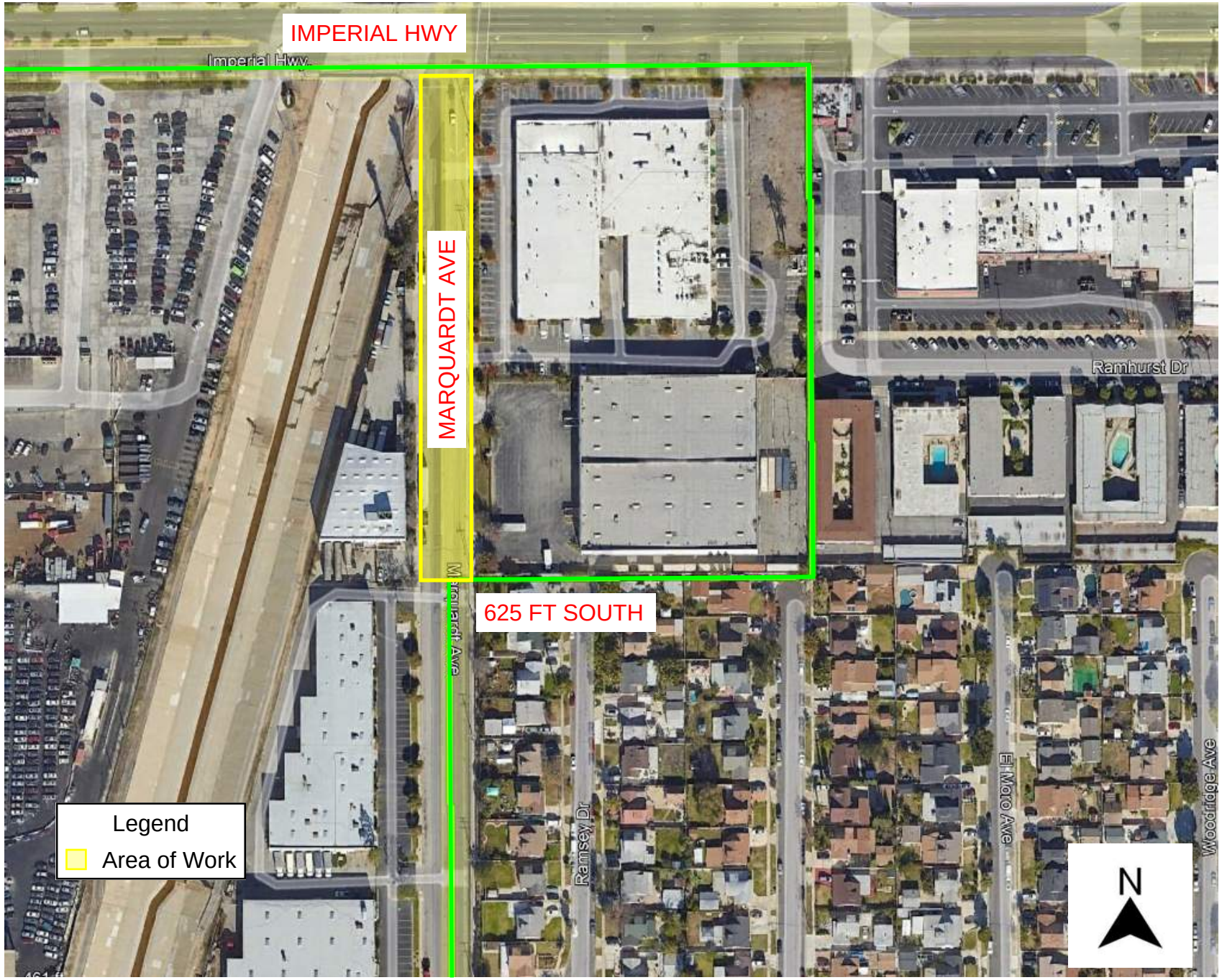
ATTACHMENT B

MARYTON AVE (DINARD AVE TO ROSECRANS AVE)



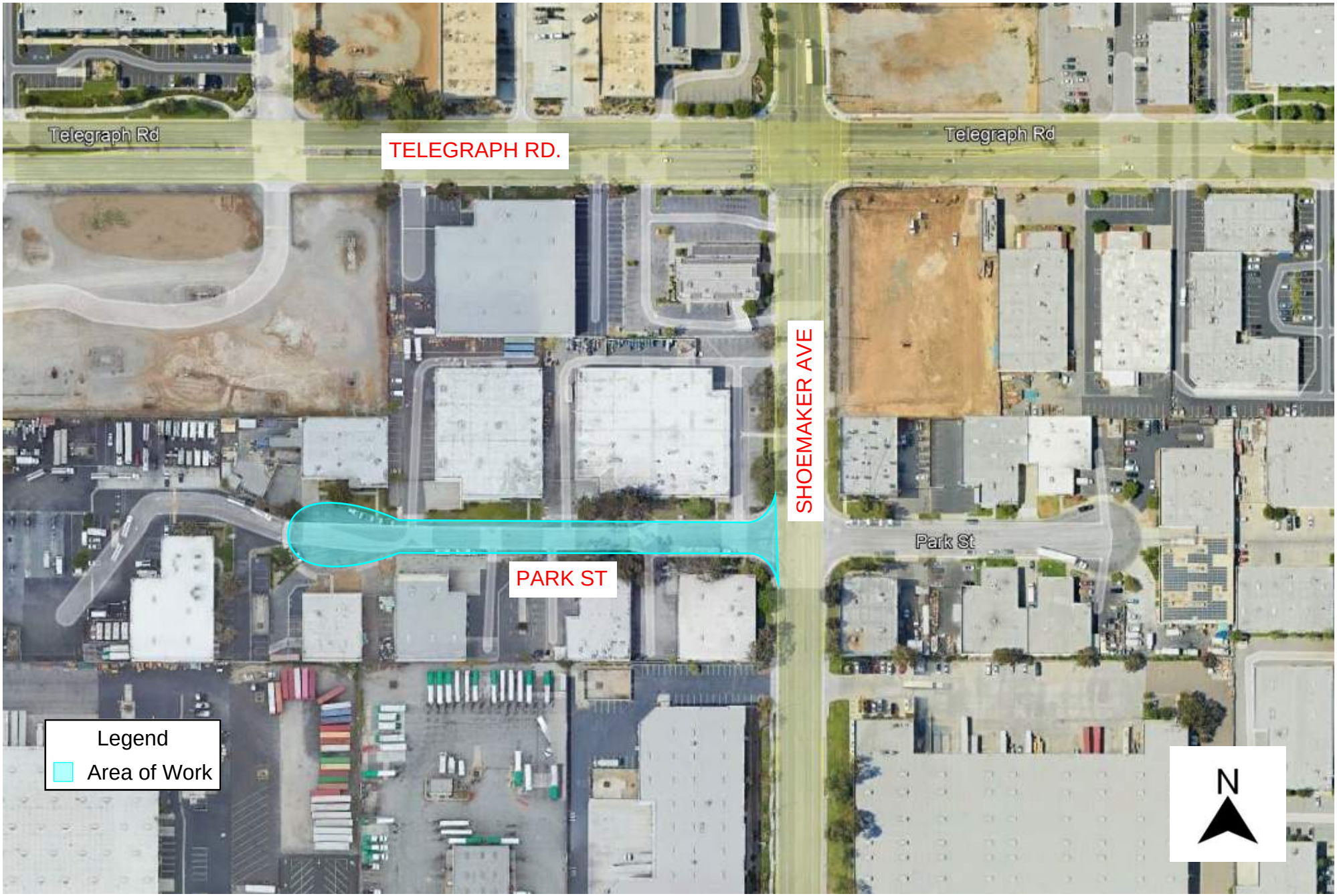
ATTACHMENT B

MARQUARDT AVE (IMPERIAL HWY TO 625FT SOUTH)



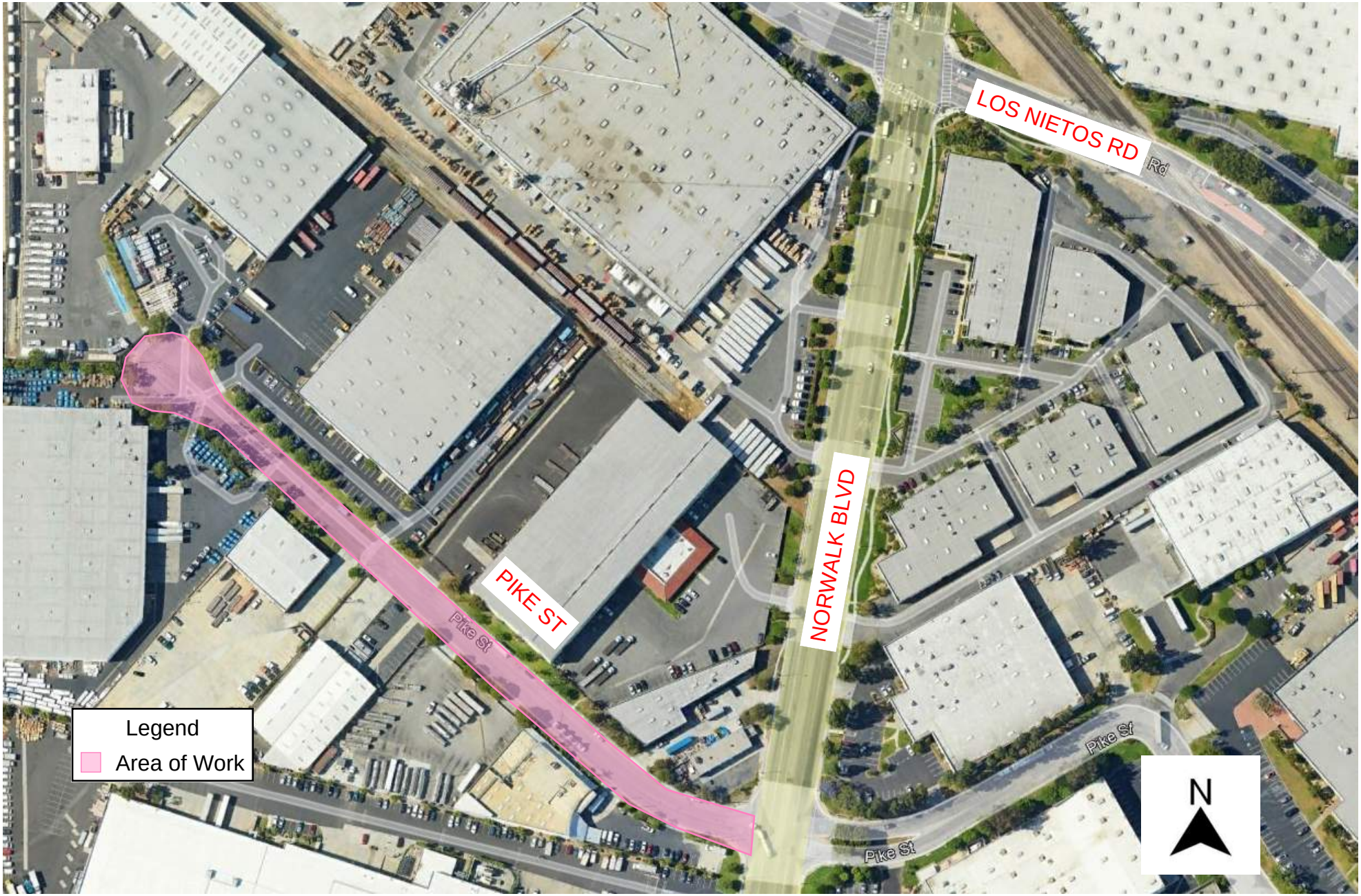
ATTACHMENT B

PARK ST (SHOEMAKER AVE TO WEST CUL-DE-SAC)



ATTACHMENT B

PIKE ST (NORWALK BLVD TO WEST CUL DE SAC)



ATTACHMENT B

PARK ST (SHOEMAKER AVE TO EAST CUL-DE-SAC)

ATTACHMENT B

PIKE ST (NORWALK BLVD TO EAST CUL-DE-SAC)

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: **RESIDENTIAL STREET LIGHTING SYSTEM UPGRADE PROJECT – AWARD OF CONTRACT**

DATE: March 3, 2026

RECOMMENDATION

It is recommended that the City Council:

1. Award a construction contract to DBX, Inc., in the amount of $5,968,766 for the Residential Street Lighting Upgrade Project; and

2. Authorize the City Manager to execute the agreement; and

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

FISCAL IMPACT

The Residential Street Lighting System Upgrade project is an approved CIP Project. The project was originally funded by the Capital Improvement Reserve Fund in the amount of $3,600,000. To date, $1,200,000 of that original budget has been expended for installation of lighting system conduits as a part of a residential street improvement project completed last fiscal year.

On December 2, 2025, the Council authorized advertisement for construction bids and appropriated an additional amount of $4,375,000 ($3,451,850 Capital Improvement Reserve Fund, $923,150 Measure SFS Fund) for the project, resulting in a total project funding of $7,975,000. No additional appropriation is recommended at this time.

The total project cost and funding sources are as follows:

PROJECT COST		ESTIMATED AMOUNT
Construction		
Street Lighting System Upgrade (Recommended)	$	5,968,766
Completed Conduit Installation (FY 24/25)	$	1,200,000
Design	$	294,650
Engineering	$	50,000
Inspection	$	75,000
Contingency	$	386,584
TOTAL COST:	**$**	**7,975,000**

PROJECT FUNDING		AMOUNT
Capital Improvement Reserve Fund	$	7,051,850
Measure SFS Fund	$	923,150
TOTAL FUNDING:	**$**	**7,975,000**

BACKGROUND

The scope of the project includes conversion of the City's last remaining streetlighting serial circuits to multiple circuits, installation of new electrical service enclosures, installation and relocation of street light poles, and installation of new LED luminaires. The project is divided into 4 residential areas and 2 commercial areas. For each area, the project will provide a more robust and reliable street lighting system with enhanced lighting utilizing LED fixtures.

ANALYSIS

On December 2, 2025, the City Council authorized the advertisement for construction bids for the subject project. The solicitation for construction bids was advertised on December 10, 2025, in accordance with the California Public Contract Code.

A total of 4 Bids were received on January 15, 2026. The tabulated bid results are as follows:

Company Name	Audited Bid	Publicly Read Bid Amount
1. Comet Electric, Inc.	$3,890,000.00	$3,890,000.00
2. DBX, Inc.	$5,968,766.00	$5,968,766.00
3. Herman Weiseker Power, Inc.	$6,784,760.35	$6,784,760.35
4. High Light Electric, Inc..	$7,757,777.00	$7,757,777.00

Subsequently, on February 2, 2026, Comet Electric, Inc. submitted a letter of bid retraction due to mathematical errors in its bid submittal. Staff audited the subject bid proposal and concurred with Comet Electric's analysis and bid withdrawal.

Staff reviewed the remaining three proposals and determined that the proposals complied with the project specifications. The apparent low bidder for the project is DBX, Inc., of Temecula, CA with a

bid totaling $5,968,766. The bid is approximately 5% more than the Engineer's Estimate of $5,678,300 and is acceptable.

The Department of Public Works has reviewed the bids and determined the low bid submitted by DBX, Inc. to be responsive and responsible.

ENVIRONMENTAL

N/A

DISCUSSION

The project will provide a more robust and reliable street lighting system in the project areas and, therefore, provide safer environments and reduce future maintenance needs.

SUMMARY/NEXT STEPS

Upon approval of the City Council of the recommended actions, City staff will coordinate with the Contractor on the delivery of the project.

ATTACHMENT(S):

A. Street Lighting Location Map
B. Contract Agreement

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

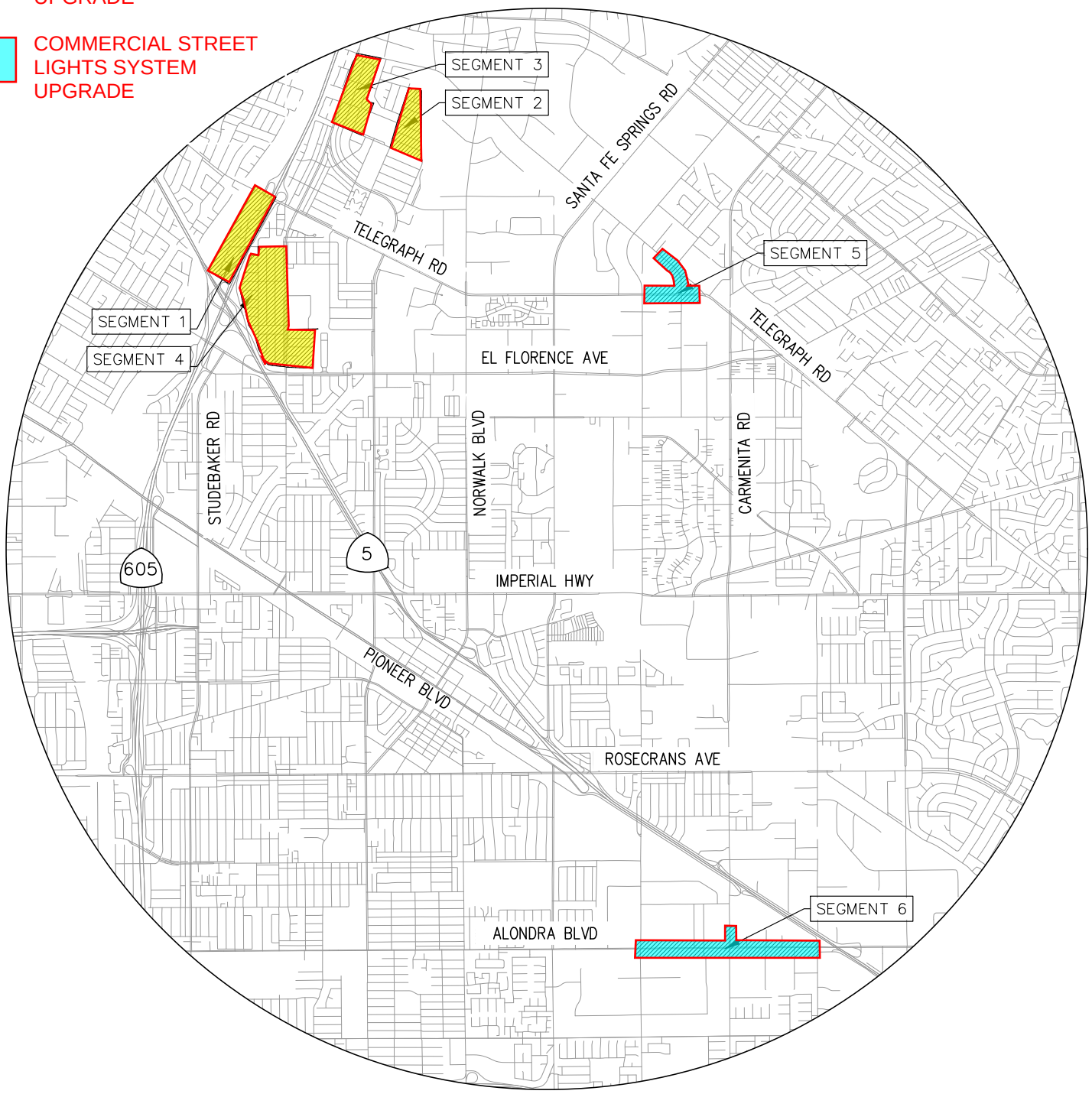
DIRECTION GIVEN: ☐

_____
City Clerk, Maribel Garcia

ATTACHMENT A - STREET LIGHTING LOCATION MAP

RESIDENTIAL STREET LIGHTS SYSTEM UPGRADE

COMMERCIAL STREET LIGHTS SYSTEM UPGRADE



AGREEMENT FOR CONSTRUCTION
RESIDENTIAL STREET LIGHT SYSTEM UPGRADE
CONTRACTOR'S NAME

This Agreement for Construction ("Agreement") is entered into on March 3, 2026, by and between the CITY OF SANTA FE SPRINGS, a California municipal corporation ("City") and [DBX, Inc. 42024 Avenida Alvarado, Suite A, Temecula, CA 92590], State Contractor's License No. 240547, ("Contractor"). Hereinafter, the City and the Contractor may be referred to collectively as the "Parties." The Parties mutually agree as follows: Contractor shall furnish all labor, equipment and materials for, and perform the work of 2025 - CONVERSION OF SERIES STREET LIGHT CIRCUITS TO MULTIPLE CIRCUITS which is covered in the Contractor's Bid Proposal (the "Work), in accordance with the provisions and requirements in the Contract Documents as defined by this Agreement.

ARTICLE 1 – CONTRACT DOCUMENTS

1.1 **Definitions.** The meanings of all capitalized terms used herein and in the Contract Documents and not otherwise defined in this document shall be the same as those definitions set forth in the General and Standard Specifications and Special Provisions.

1.2 **Contract Documents.** The "Contract Documents," except for Modifications issued after execution of this Agreement, consist of the following documents, all of which are either attached hereto as exhibits or are incorporated herein by this reference, are intended to be correlative and constitute Contractor's performance obligations:

a. Permits from the City's Building, Planning, and Public Works Departments and similar Governmental Approvals for the Work required by applicable law.

b. Change Orders and other Modifications issued after execution of the Agreement.

c. This Agreement, as signed by the Parties, including the following exhibit, and Certificates of Insurance and Additional insured endorsements for Contractor:

Exhibit "A" – Workers Compensation Certification
Exhibit "B" – Performance and Payment Bonds
Exhibit "C" – Claims Procedure

d. Addenda with later Addenda having priority over earlier Addenda issued in connection with the Notice Inviting Bids, as follows:

Addendum No. 1, issued January 8, 2026, 1 page.

e. Contractors Bid Proposal, for the above-referenced Bid No.: 2025-11 (comprised of Notice Inviting Bids, Instructions to Bidders and attachments, Bid Schedule of Prices, List of Subcontractors, Proposal, Signature Certification/Authorization, Bid Guaranty, and where applicable, Contractor Qualification Statement and/or Subcontractor Qualification Statement.

f. Special Provisions, General Specifications and Standard Specifications.

g. City and other agency's Standard Drawings.

h. All documents, maps, texts and items referred to in the foregoing documents.

1.3 **Interpretation**. In the event of any conflict between any of the Contract Documents, the document highest in the order of precedent shall control. The order of precedent shall be the same as that set forth in the 2018 Edition of the Standard Specifications for Public Works Construction, unless otherwise revised in the Special Provisions.

1.4 **Entire Agreement.** This Agreement together with all other Contract Documents represents the entire and integrated agreement between City and Contractor and supersedes any prior written or oral agreements between them concerning the subject matter contained in the Contract Documents. There are no representations, agreements, arrangements or understandings, oral or written, between the Parties hereto, relating to the subject matter contained in the Contract Documents, which are not fully expressed herein.

ARTICLE 2 - SERVICES OF CONTRACTOR

2.1 **Scope of Services.** In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the Contract Documents, which services may be referred to herein as the "Services" or "Work" hereunder. As a material inducement to the City entering into this Agreement, Contractor represents and warrants that Contractor is a provider of first class work and services and Contractor is experienced in performing the work and services contemplated herein and, in light of such status and experience, Contractor covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be of good quality, fit for the purpose intended. Further, Contractor represents that it is knowledgeable and experienced in constructing improvements that are compliant with all applicable accessibility requirements and warrants that all work performed under this agreement will comply with all applicable accessibility requirements.

2.2 **Compliance with Law.** All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental having jurisdiction in effect at the time service is rendered, including but not limited to, all applicable accessibility requirements.

2.3 **Licenses, Permits, Fees and Assessments.** Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement, including registration with the Department of Industrial Relations of the State of California as required by Labor Code Section 1725.5 before commencing performance under this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City against any such fees, assessments, taxes penalties or interest levied, assessed or imposed against City hereunder. Contractor shall be responsible for all subcontractors' compliance with this Section 2.3.

2.4 **Familiarity with Work.** By executing this Contract, Contractor warrants that Contractor (a) has thoroughly investigated and considered the scope of services to be performed, including the requirement that the facilities being constructed must comply with all applicable accessibility requirements, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should Contractor discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the City of such fact and shall not proceed except at Contractor's risk until written instructions are received from the City.

2.5 **Standard of Performance.** Contractor, its subcontractors and their employees, in the performance of Contractor's work under this Agreement shall be responsible for exercising the degree of skill and care required by customarily accepted good professional practices and procedures used in the Contractor's field. Any costs for failure to meet the foregoing standard or to correct otherwise defective work that requires re-performance of the work, shall be borne in total by the Contractor and not by the City. The failure of a project to achieve the performance goals and objectives stated in this Agreement is not a basis for requesting re-performance unless the work conducted by Contractor and/or its subcontractors is deemed by the City to have failed the foregoing standard of performance.

In the event Contractor fails to perform in accordance with the above standard:

2.51. Contractor will re-perform, at its own expense, any task which was not performed to the reasonable satisfaction of City. Any work re-performed pursuant to this paragraph shall be completed within the time limitations originally set forth for the specific task involved. Contractor shall work any overtime required to meet the deadline for the task at no additional cost to the City;

2.5.2. The City shall provide a new schedule for the re-performance of any task pursuant to this paragraph in the event that re-performance of a task within the original time limitations is not feasible; and

2.5.3. The City shall have the option to direct Contractor not to re-perform any task which was not performed to the reasonable satisfaction of the City Manager pursuant to application of subsections 1 and 2 above. In the event the City directs Contractor not to re-perform a task, the City shall negotiate a reasonable settlement for satisfactory work performed. No previous payment shall be considered a waiver of the City's right to reimbursement.

Nothing contained in this section is intended to limit any of the rights or remedies which the City may have under law.

2.6 **Care of Work.** Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be

responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

2.7 **Further Responsibilities of Parties.** Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other. Contractor shall require all subcontractors to comply with the provisions of this Agreement.

2.8 **Trenches or Excavations.** Pursuant to California Public Contract Code Section 7104, in the event the work included in this Agreement requires excavations more than four (4) feet in depth, the following shall apply:

a. Contractor shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) Subsurface or latent physical conditions at the site different from those indicated; or (3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the contract.

b. City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in Contractor's cost of, or the time required for, performance of any part of the work shall issue a change order per Section 3.4 of this Agreement.

c. That, in the event that a dispute arises between City and Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in Contractor's cost of, or time required for, performance of any part of the work, Contractor shall not be excused from any scheduled completion date provided for by the contract, but shall proceed with all work to be performed under the contract. Contractor shall retain any and all rights provided either by contract or by law, which pertain to the resolution of disputes and protests between the contracting parties.

2.9 **Utility Relocation.** City is responsible for removal, relocation, or protection of existing main or trunk line utilities to the extent such utilities were not identified in the invitation for bids or specifications. City shall reimburse contractor for any costs incurred in locating, repairing damage not caused by contractor and removing or relocating such unidentified utility facilities, including equipment idled during such work. Contractor shall not be assessed liquidated damages for delay arising from the removal or relocation of such unidentified utility facilities.

ARTICLE 3 – CONTRACT PRICE AND PAYMENT

3.1 **Contract Price.** City shall pay Contractor the Contract Price of Five Million Nine Hundred Sixty-Eight Thousand Seven Hundred Sixty-Six Dollars and no cents. ($5,968,766.00) which includes all California sales or use tax and County and City taxes, in consideration for the Contractor's full, complete and timely performance of all of the Work required by the Contract Documents. The Contract Price includes any Alternative/Additive Bid Items which were awarded with the Contract.

Contractors agree to allocate the use tax derived from contracts or subcontracts of $5 million or more directly to the job site location by obtaining a sub-permit of the Contractor's seller's permit for the jobsite and allocating the local tax to the jobsite address on the appropriate schedule of the applicable sales tax returns. Contractor shall provide City with proof of such filing prior to City's issuance of the Notice to Proceed.

3.2 **Substitution of Securities.** In accordance with Section 22300 of the California Public Contract Code, Contractor may substitute securities for any monies withheld by the City to ensure performance of the Contract. Such substitution shall be made at the request and expense of Contractor. Securities equivalent to the amount withheld may be deposited with the City or with a state or federally chartered bank as escrow agent. Securities eligible for substitution shall include those listed in Section 16430 of the Government Code, bank or saving and loan certificates of deposit, interest bearing demand deposit accounts, standby letters of credit, or any other security mutually agreed to by Contractor and City.

3.3 **Changes to the Contract Price.** Contractor shall not be compensated for any extra materials used or time expended over and above the Contract Price, unless prior written approval for the same has been granted by the City.

3.4 **Additional Services.** City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written change order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Contract Sum as set forth in Section 3.1, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation of twenty-five percent (25%) or less of the Contract Sum, or in the time to perform of one hundred eighty (180) days or less may be approved by the Contract Officer. Any increases, taken either separately or cumulatively, that result in the Contract Sum exceeding $50,000 must be approved by the City Council. It is expressly understood by Contractor that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be costlier or time consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation therefore.

3.5 **Payment Procedures.**

3.5.1 Progress Payments. All progress payments shall be made in accordance with Public Contract Code § 20104.50, as follows:

a. The City shall make any progress payment within 30 days after receipt of an undisputed and properly submitted payment request. If the City fails to make any progress payment within 30 days after receipt of an undisputed and properly submitted payment request from a contractor on a construction contract the City shall pay interest to the Contractor equivalent to the legal rate set forth in subdivision (a) of § 685.010 of the Code of Civil Procedure.

b. Upon receipt of a payment request, the City shall act in accordance with both of the following:

(1) Each payment request shall be reviewed by the City as soon as practicable after receipt for the purpose of determining that the payment request is a proper payment request.

(2) Any payment request determined not to be a proper payment request suitable for payment shall be returned to the Contractor as soon as practicable, but not later than seven (7) days, after receipt. A request returned pursuant to this section shall be accompanied by a document setting forth in writing the reasons why the payment request is not proper.

c. The number of days available to the City to make a payment without incurring interest pursuant to §20104.50 of the Public Contract Code shall be reduced by the number of days by which the City exceeds the seven-day return requirement set forth in paragraph (2) of subdivision (b) above.

d. A "progress payment" includes all payments due contractors, except that portion of the final payment designated by the contract as retention earnings.

e. A payment request shall be considered properly executed if funds are available for payment of the payment request, and payment is not delayed due to an audit inquiry by the financial officer of the local agency.

3.5.2 Retention. Within sixty (60) calendar days after City accepts final completion of the Work, City shall pay Contractor the amounts City deducted and retained from Contractor's progress payments, except such sums which are required by applicable law or authorized by the Contract to be further retained. In the event of a dispute between City and Contractor concerning the amount of final payment due, the City may withhold from final payment, including Liquidated Damages provided forth in the Contract Documents, together with an amount not to exceed 150% of the disputed amounts.

ARTICLE 4 – TIME FOR PERFORMANCE

4.1 **Date of Commencement/Notice to Proceed.** The date of commencement of the Work shall be established in a written Notice to Proceed issued by the City. The City will not issue a Notice to Proceed to the Contractor until this Agreement, bonds and insurance documents have been executed by all parties and approved by the City.

4.2 **Contract Time.** Contractor shall perform the Work in a diligent manner and shall complete all of the Work of the Contract, excluding any Plant Establishment, if applicable, within two hundred (200) working days after the date specified to Contractor in the Notice to Proceed issued by then City.

ARTICLE 5 – LIQUIDATED DAMAGES AND INCENTIVE BONUS

5.1 **Amounts of Liquidated Damages.** Failure of Contractor to complete the Work within the time allowed will result in damages being sustained by City. Such damages are, and will continue to be, impracticable and extremely difficult to determine. For each consecutive working day in excess of the time specified for the completion of Work, as adjusted in accordance with the Standard Specifications, Contractor shall pay to City, or have withheld from monies due Contractor, the sum of Four Thousand Dollars ($4,000). Execution of this Agreement shall constitute agreement by City and Contractor that said sum is the minimum value of the costs and actual damage caused by the failure of Contractor to complete the Work within the allotted time. Such sum is liquidated damages and shall not be construed as a penalty, and may be deducted from payments due Contractor if such delay occurs.

ARTICLE 6 – CLAIMS AND DISPUTES

6.1 **Claims Procedures.** Contractor shall comply with the claims procedure set forth in Public Contract Code Section 9204, a summary of which is attached to this agreement as **Exhibit "C."**

6.2 **Government Code Claims Procedures.** Contractor further acknowledges that notwithstanding Contractor's compliance with the claims procedures set forth herein, Contractor must also comply with the claims procedures set forth in Government Code sections 900 et seq. prior to filing a lawsuit against the City for any such claim. Failure to submit a Government Code claim or comply with the claims provision contained herein shall bar Contractor from bringing and maintaining a valid lawsuit against the City.

6.3 **Cooperation and Notification.** In the event any claim or action is brought against City relating to Contractor's performance or services rendered under this Agreement, Contractor shall render any reasonable assistance and cooperation which City might require. The City shall provide notification to Contractor within ten (10) business days upon receipt of any third party claim relating to this Agreement.

ARTICLE 7 – LOCAL BUSINESS LICENSE, TAXES AND FEES

7.1 **Business Tax Certificate and Governmental Approvals.** As a condition of the Contract, Contractor and all subcontractors shall, during the term of this Agreement, secure and annually renew business tax certificates pursuant to Chapter 35.070, et seq. of the Santa Fe Springs Municipal Code to operate in the City, and shall also secure and maintain at all times during performance of the Work, any other licenses, fees, permits or similar Governmental Approvals required by Applicable law.

7.2 **Offsets.** Contractor acknowledges and agrees that with respect to any business tax or penalties thereon, utility charges, invoiced fee or other debt which is owed, or which becomes owed, by Contractor to City, City reserves the right to withhold and offset said amounts from any payments, refunds or reimbursements owed by City to Contractor under the Contract. Notice of such withholding and offset shall promptly be given to Contractor by City in writing. In the event of a dispute as to the amount owed or whether such amount is owed to City, City will hold such disputed amount until either the appropriate appeal process has been completed or until the dispute has been resolved.

ARTICLE 8 – BONDS

8.1 **Performance and Payment Bonds.** Prior to City's execution of this Agreement, Contractor shall furnish to the City two (2) duly executed surety bonds using the forms included within the Bidding Requirements, one (1) as security for the faithful performance of the Contract and one (1) as security for the payment of all persons performing labor and furnishing materials in connection with the Contract. Both bonds shall be in the amount of one hundred percent (100%) of the Contract Price and shall be subscribed by an Admitted Surety Insurer which is authorized to transact surety insurance business in the State of California with a policy holder's rating of A- or higher and a Financial Class of VII or larger. Should any bond or surety become insufficient, Contractor shall furnish City a new bond within ten (10) days after receiving notice from City. No payments will be due or paid under the Contract until any and all bond deficiencies have been remedied. Contractor, by execution of this Agreement acknowledges that the bonds are not Contract Documents, but are separate obligations.

ARTICLE 9 – WORKERS' COMPENSATION INSURANCE

9.1 **Workers' Compensation Insurance Certificate.** By executing this Agreement, Contractor certifies that Contractor is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation or to undertake self-insurance before commencing any of the Work. Contractor shall comply with Labor Code Section 1861 by signing and filing the workers' compensation certification attached hereto as Exhibit "A" and incorporated herein by reference.

9.2 **Evidence of Coverage.** Prior to the City's execution of this agreement, Contractor shall file with the City either 1) a certificate of insurance or self-insurance evidencing that such insurance is in effect, or that Contractor is self-insured for such coverage; or 2) a certified statement that Contractor has no employees, and acknowledging that if Contractor does employ any person,

the necessary certificate of insurance will immediately be filed with City. Any Certificate filed with the City shall provide that City shall be given ten (10) days prior written notice before modification or cancellation thereof.

9.3 **Carrier Rating.** Contractor's workers' compensation insurance carrier shall be authorized to transact insurance business in the State of California with a policy holder's rating of A- or higher and a Financial Class of VII or larger.

9.4 **Subcontractor Worker's Compensation Insurance.** Contractor shall require each of its Subcontractors to obtain and maintain for the duration of this Agreement, complete workers' compensation insurance, meeting or exceeding the coverage's and amounts that California law requires.

ARTICLE 10 – CONTRACTOR'S LIABILITY INSURANCE

10.1 **Minimum Scope**. Prior to City's execution of this Agreement and Contractor's commencement of Work, Contractor shall secure, submit proof of and shall thereafter maintain without interruption, until completion of and acceptance by the City of the Work, such commercial general and automobile liability insurance as shall protect Contractor, its Subcontractors and the Additional Insured's from any and all claims for damages for personal injury, including accidental death, as well as any and all claims for property damage which may arise from or which may concern operations under the Contract, whether such operations be by or on behalf of Contractor, any subcontractor or anyone directly or indirectly employed by, connected with or acting for or on behalf of any of them.

10.2 **Carrier Ratings**. All liability insurance shall be issued by an insurance company or companies authorized to transact liability insurance business in the State of California with a policy holder's rating of A- or higher and a Financial Class of VII or larger.

10.3 **Minimum Limits**. Contractor shall maintain minimum limits of insurance as follows:

10.3.1 Commercial General Liability: Contractor's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than $1,000,000 per occurrence, an aggregate limit for products/completed operations in the amount not less than $2,000,000.

10.3.2 Automobile Liability Insurance: Contractor's automobile liability policy shall cover both bodily injury and property damage in an amount not less than $1,000,000 per occurrence and an aggregate limit of not less than $1,000,000. All of Contractor's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with Contractor's performance of this Agreement, which vehicles shall include, but are not limited to, Contractor owned vehicles, Contractor leased vehicles, Contractor's employee vehicles, non-Contractor-owned vehicles and hired vehicles.

10.3.3 Builder's Risk Insurance. Unless otherwise set forth in the special provisions, during the term of this contract, Contractor shall maintain in force, at its own expense, Builder's Risk insurance on all risks of direct physical loss basis, excluding damage caused by an act of God, pursuant to California Public Contract Code § 7105, for an amount equal to the full completed value of the covered structure or replacement value of alterations or additions. The policy shall include as loss payee, the City of Santa Fe Springs, the Contractor, and its sub-contractors as their interest may appear. The City shall not be responsible for the theft of any materials, equipment in the possession and control of Contractor.

10.3.4 Umbrella or excess liability insurance. Contractor shall obtain and maintain an umbrella or excess liability insurance policy 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 provide that the policy will respond in the event that any primary insurance that would otherwise have applied proves to be uncollectable in whole or in part for any reason; have the same effective dates as the primary policies; pay on behalf of the insureds and not reimbursement; the policies shall "follow form" to the underlying primary policies; and the insureds, including the additional insureds shall be the same as the primary policies.

10.4 **Notice of Cancellation and Renewals**. The policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to City by certified or registered mail (this obligation may be satisfied in the alternative by requiring such notice to be provided by Contractor's insurance broker and set forth on its Certificate of Insurance provided to City). Contractor agrees that upon receipt of any notice of cancellation or alteration of the policies, Contractor shall procure within five (5) days, other policies of insurance similar in all respects to the policy or policies to be cancelled or altered. Contractor shall furnish to the City copies of any endorsements that are subsequently issued amending coverage or limits within fourteen (14) days of the amendment.

10.5 **All Coverage's**. The insurance policy or policies shall also comply with the following provisions:

a. Policies shall include premises/operations, products completed operations, independent contractors, owners and contractors' protection, explosion, collapse, underground hazard, broad form contractual, personal injury with employment exclusion deleted, and broad form property damage.

b. The policy shall be endorsed to waive any right of subrogation against the City and its subcontractors, employees, officers, agents and directors for work performed under this Agreement.

c. If policies are written on a claims made basis, the certificate should so specify and the policy must continue in force for **ten (10) years** after completion of the Project. The retroactive date of the coverage must also be listed.

d. The policy shall specify that the insurance provided by Contractor will be considered primary and not contributory to any other insurance available to the City of Santa Fe Springs. Contractor shall provide Form No. CG 20010413 to City.

e. All policies of insurance shall name the City as an Additional Insured and shall contain the following language: "Solely with respect to work done by and on behalf of the name insured for the City of Santa Fe Springs, it is agreed that the City of Santa Fe Springs, and its officers, officials, employees and agents are added as additional insureds under this policy."

f. Coverage provided by Contractor 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.

10.6 **Certificates of Insurance, Additional Insured Endorsements and Deductibles**. Prior to execution of the Agreement, and thereafter upon City's request, Contractor shall furnish City with original certificates of insurance and additional insured endorsements setting forth evidence of all insurance coverage required by this Article. Each certificate and endorsement is to be signed by a person authorized by that insurer to bind coverage on its behalf.

10.7 **Contractor's Failure to Provide Required Insurance.** Failure to maintain required insurance at all times shall constitute a default and material breach. In such event, Contractor shall immediately notify City and cease all performance under this Contract until further directed by the City. In the absence of satisfactory insurance coverage, City may, at its discretion and sole option: (a) procure insurance with collection rights for premiums, attorneys' fees and costs against Contractor by way of set-off or recoupment from sums due Contractor; (b) immediately terminate or suspend Contractor's performance of the Contract; (c) pay Contractor's premiums for renewal of Contractor's coverage; or (d) self-insure the risk, with all damages and costs incurred, by judgment, settlement or otherwise, including attorneys' fees and costs, being collectible from Contractor, by way of set-off or recoupment from any sums due Contractor. Upon demand, Contractor shall repay City for all sums that City paid to obtain, renew, reinstate or replace the insurance, or City may offset the cost against any monies that the City may owe Contractor.

10.8 **Verification of Coverage.** City shall have the right to obtain complete and certified copies of Contractor's and Subcontractors' insurance policies (including, but not limited to, the declarations page, form list and riders), endorsements or certificates required under the Contractor Documents, upon request (including, but not limited to, the declarations page, form list and riders).

10.9 **Reassessment of Insurance Requirements.** At any time during the duration of this Contract, the City may require that Contractor obtain, pay for, and maintain more or less insurance depending on the City's assessment of any one or more of the following factors: (1) the City's risk of liability or exposure arising out of, or in any way connected with, Contractor's services under this Contract; (2) the nature or number of accidents, claims, or lawsuits arising out of, or in any way connected with, Contractor's services under this Contract; or (3) the availability, or affordability, or both, of increased liability insurance coverage.

10.10 **Contractor's Insurance for Other Losses.** The Contractor and its Subcontractors of every tier shall assume full responsibility for all loss or damage from any cause whatsoever to any tools, Contractor's (or Subcontractors') employee owned tools, machinery, equipment, or motor vehicles owned or rented by the Contractor, or the Contractor's agents, suppliers or Subcontractors as well as to any temporary structures, scaffolding and protective fences.

10.11 **No Limitation.** Contractor's maintenance of insurance as required by the Contract Documents shall not be construed to limit the liability of the Contractor or its Subcontractors of any tier to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

10.12 **Subcontractors' Insurance.** The Contractor shall include in all subcontracts a requirement that the Subcontractors of every tier shall obtain and maintain, at a minimum, all insurance required by Articles 9 and 19 of this Agreement except that the limits of liability and deductibles shall be in amounts determined by the Contractor, based on the degree of hazardous exposure according to the Work performed by each Subcontractor and the size of each subcontract.

Contractor shall ensure that any professional engineer retained on its behalf to provide supplemental plans and engineering calculations required in conjunction with the Work, maintains professional liability insurance during the entire term of this Agreement. Such insurance shall be in the minimum amount of $1,000,000 to protect City from claims resulting from the engineer(s) activities. This minimum amount of coverage shall not constitute any limitation or cap on Contractor's indemnification obligations set forth herein.

The City reserves the right to request certificates of insurance from the Contractor for each Subcontractor. The Contractor acknowledges that regardless of insurance obtained by its Subcontractors, the Contractor will be responsible to the City for any and all acts of its Subcontractors.

ARTICLE 11 - INDEMNITY/DUTY TO DEFEND

11.1 **Indemnity.** Except as to the sole negligence, active negligence or willful misconduct of the City, Contractor assumes liability for and agrees, at Contractor's sole cost and expense, to promptly and fully indemnify and hold the City, its City Council, and all of its respective officials, officers, directors, employees, managers, commission members, representatives, agents, council members, ("Indemnitees"), harmless from and against any and all loss, damage, claims, allegations, actions, suits, arbitrations, administrative proceedings, regulatory proceedings, or other legal proceedings, causes of action, demands, costs, judgments, liens, stop notices, penalties, damages, losses, anticipated losses of revenue, expenses (including, but not limited to, any fees of accountants, attorneys, experts or other professionals, or investigation expenses), costs, including attorneys' fees, or losses of any kind or nature whatsoever, whether actual, threatened or alleged, arising out of, resulting from or is in any way (either directly or indirectly) related to, or is in any manner connected with, the performance of Work, the Project, activities, operations or duties of Contractor, or anyone employed by or working under Contractor, and from all claims by anyone employed by or working under Contractor for services rendered to Contractor in the performance of this Agreement ("Indemnity Claims"), notwithstanding that the City may have benefited from their services. This indemnification provision shall apply to any acts or omissions, willful

misconduct or negligent conduct, whether active or passive, on the part of Contractor or of anyone employed by or working under Contractor.

The parties expressly agree that any payment, attorneys' fees, costs or expense that the City incurs or makes to or on behalf of an injured employee under the City's self-administered workers' compensation is included as a loss, expense or cost for the purposes of this Section, and that this Section shall survive the expiration or early termination of the Agreement.

11.2 **Duty to Defend.** Contractor agrees, at its sole cost and expense, to promptly defend the Indemnitees from all Indemnity Claims. The duty of the Contractor to indemnify and hold harmless the Indemnitees includes the separate and independent duty to defend the Indemnitees, which duty arises immediately upon receipt by Contractor of the tender of any Indemnity Claim from an Indemnitee. The Contractor's obligation to defend the Indemnitees shall be at Contractor's sole expense, and not be excused because of Contractor's inability to evaluate liability or because the Contractor evaluates liability and determines that the Contractor is not liable. This duty to defend shall apply whether or not an Indemnity Claim has merit or is meritless, or which involves claims or allegations that any or all of the Indemnitees were actively, passively or concurrently negligent, or which otherwise assert that the Indemnitees are responsible, in whole or in part, for any Indemnity Claim. Contractor agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to the City.

11.3 **Subcontractor Requirements.** In addition to the requirements set forth hereinabove, Contractor shall ensure, by written subcontract agreement, that each of Contractor's Subcontractors of every tier shall protect, defend, indemnify and hold harmless the Indemnitees with respect to Indemnity Claims arising out of, in connection with, or in any way related to each such Subcontractors' Work on the Project in the same manner in which Contractor is required to protect, defend, indemnify and hold the Indemnitees harmless. In the event Contractor fails to obtain such defense and indemnity obligations from others as required herein, Contractor agrees to be fully responsible to the Indemnitees according to the terms of this Article.

11.4 **No Limitation or Waiver of Rights.** Contractor's obligations under this Article are in addition to any other rights or remedies which the Indemnitees may have under the law or under the Contract Documents. Contractor's indemnification and defense obligations set forth in this Article are separate and independent from the insurance provisions set forth in the Agreement and do not limit, in any way, the applicability, scope, or obligations set forth in such insurance provisions. The purchase of insurance by the Contractor with respect to the obligations required herein shall in no event be construed as fulfillment or discharge of such obligations. City approval of the Insurance contracts required by this Agreement does not in any way relieve the Contractor from liability under this section. In any and all claims against the Indemnitees by any employee of the Contractor, any Subcontractor, any supplier of the Contractor or Subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the obligations under this Article shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any Subcontractor or any supplier of either of them, under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts. Failure of the City to monitor compliance

with these requirements imposes no additional obligations on the City and will in no way act as a waiver of any rights hereunder.

11.5 **Withholding to Secure Obligations.** In the event an Indemnity Claim arises prior to final payment to Contractor, the City may, in its sole discretion, reserve, retain or apply any monies due Contractor for the purpose of resolving such Indemnity Claims; provided, however, the City may release such funds if the Contractor provides the City with reasonable assurances of protection of the Indemnitees' interests. The City shall, in its sole discretion, determine whether such assurances are reasonable.

11.6 **Limitations.** Notwithstanding the above provisions of section 11.1 and 11.2, Contractor shall not be liable for the defense or indemnification of the City for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the City.

11.7 **Survival of Indemnity Obligations.** Contractor's obligations under this Article are binding on Contractor's and its Subcontractors' successors, heirs and assigns and shall survive the completion of the Work or termination of the Contractor's performance of the Work.

ARTICLE 12 – PREVAILING WAGES

12.1 **Public Work Project.** This Project is a public work as defined in California Labor Code Section 1720. By executing this Agreement, Contractor certifies that neither it, nor any of its subcontractors are ineligible under Labor Code Section 1777.1 or Section 1777.7 from bidding on, entering into a contract for, or performing the Work. Contractor and all Subcontractors of any tier are required to pay all workers employed in the execution of the Work not less than the general prevailing wage rates of per diem wages and overtime and holiday wages determined by the Director of the Department of Industrial Relations ("DIR") under Section 1720 et seq. of the California Labor Code. The Director's determination of prevailing rates are on file with the City and are available on-line at www.dir.ca.gov/dlsr/DPreWageDetermination.htm and are referred to and made a part hereof; the wage rates therein ascertained, determined and specified are referred to and made a part hereof as though fully set forth herein.

12.2 **California Labor Code.** Contractor is aware of and stipulates that Contractor will also comply with the following sections of the California Labor Code:

a. Section, 1771, Contractor and any subcontractors shall pay not less than the general prevailing rate per diem wages.

b. Section 1775, Contractor and any subcontractor will forfeit to City as a penalty up to $200 for each calendar day, or portion of a day, for each worker paid less than the applicable prevailing wage rate, in addition to paying each worker the difference between the applicable wage rate and the amount actually paid.

c. Contractor and its subcontractors must maintain certified payroll records in compliance with Labor Code sections 1776 and 1812, and all implementing regulations promulgated by the DIR. For each payroll record, Contractor and its subcontractors must certify under penalty of perjury that the information in the

record is true and correct, and that it has complied with the requirements of Labor Code sections 1771, 1811, and 1815. Contractor must electronically submit certified payroll records to the Labor Commissioner as required under California law and regulations.

d. Section 1777.5 prescribes the terms and conditions for employing registered apprentices.

e. Section 1810, eight hours of labor constitutes a legal day's work.

f. Section 1813, Contractor will forfeit to the City as a penalty the sum of $25 for each day during which a worker employed by Contractor or any subcontractor is required or permitted to work more than eight hours during any one calendar day, or more than 40 hours per calendar week, unless such workers are paid overtime wages under Labor Code section 1815.

g. Sections 1725.5 and 1771.1 requires all general contractors and subcontractors to be registered with DIR.

h. Contractor must also post all job site notices required by laws or regulations pursuant to Labor Code section 1771.4.

ARTICLE 13 – MISCELLANEOUS

13.1 **Non-Discrimination.** Except as provided in Section 12940 of the California Government Code, during Contractor's performance of the Agreement, Contractor shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, gender, gender identity, genetic information, gender expression, sex or sexual orientation, military and veteran status, in the selection and retention of employees and subcontractors and the procurement of materials and equipment. Contractor shall also comply with the requirements of the Americans with Disabilities Act in the performance of the Agreement.

13.2 **Notice.** Whenever any provision of the Contract Documents requires the giving of written notice, including notices, bills, invoices or other documents required or permitted under this Agreement, service shall be sufficient if sent by one party to the other by overnight courier, or by registered, certified or United States first class mail, postage prepaid and addressed as follows:

City	**Contractor**
City of Santa Fe Springs	DBX, Inc.
Attn: James Enriquez, PE	Attn: James C. Perry, President/Secretary/Treasurer
11710 Telegraph Road	42024 Avenida Alvarado, Suite A
Santa Fe Springs, CA 90670	Temecula, CA 92590

13.3 **Conflict of Interest.** The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement. Contractor and its officers, employees, associates and subcontractors, if any, will comply with all conflict of interest statutes of the State of California applicable to Contractor's services under this agreement,

including, but not limited to, the Political Reform Act (Government Code Sections 81000, et seq.) and Government Code Section 1090. During the term of this Agreement, Contractor and its officers, employees, associates and subcontractor shall not, without the prior written approval of the City Representative, perform work for another person or entity for whom Contractor is not currently performing work that would require Contractor or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

13.4 **Waiver.** No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

13.5 **Rights and Remedies.** Rights and Remedies are cumulative except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

13.6 **Legal Action.** In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

13.7 **Disputes.** In the event either party fails to perform its obligations hereunder, the nondefaulting party shall provide the defaulting party written notice of such default. The defaulting party shall have ten (10) days to cure the default; provided that, if the default is not reasonably susceptible to being cured within said ten (10) day period, the defaulting party shall have a reasonable time to cure the default, not to exceed a maximum of thirty (30) days, so long as the defaulting party commences to cure such default within ten (10) days of service of such notice and diligently prosecutes the cure to completion; provided further that if the default is an immediate danger to the health, safety and general welfare, the defaulting party shall take such immediate action as may be necessary. Notwithstanding the foregoing, the nondefaulting party may, in its sole and absolute discretion, grant a longer cure period. Should the defaulting party fail to cure the default within the time period provided in this Section, the nondefaulting party shall have the right, in addition to any other rights the nondefaulting party may have at law or in equity, to terminate this Agreement. Compliance with the provisions of this Section 13.7 shall be a condition precedent to bringing any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured.

13.8 **Termination for Default of Contractor.** If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, Contractor shall vacate any City owned property which Contractor is permitted to occupy hereunder and City may, after compliance with the provisions of Section 13.7, take over the work and prosecute the same to completion by contract

or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Contractor for the purpose of setoff or partial payment of the amounts owed the City as previously stated.

13.9 **Force Majeure.** The time period(s) specified in the Scope of Services for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually 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 Contractor shall within ten (10) days of the commencement of such delay notify the City in writing of the causes for the delay. The City 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 such delay is justified. The City's determination shall be final and conclusive upon the parties to this Agreement.

13.10 **City's Right to Access and Audit Contractor's Project Documents.**

a. If the Contractor submits a claim to the City for additional compensation, the City shall have the right, as a condition to considering the claim, and as a basis for evaluation of the claim, and until the claim has been settled, to audit the Contractor's books to the extent they are relevant. This right shall include the right to examine books, records, documents, and other evidence and accounting procedures and practices, sufficient to discover and verify all direct and indirect costs of whatever nature claimed to have been incurred or anticipated to be incurred and for which the claim has been submitted. The right to audit shall include the right to inspect the Contractor's plant, or such parts thereof, as may be or have been engaged in the performance of the Work. The Contractor further agrees that the right to audit encompasses all subcontracts and is binding upon Subcontractors. The rights to examine and inspect herein provided for shall be exercisable through such representatives as the City deems desirable during the Contractor's normal business hours at the office of the Contractor. The Contractor shall make available to the City for auditing, all relevant accounting records and documents, and other financial data, and upon request, shall submit true copies of requested records to the City.

b. The City and/or its authorized auditors or representatives, (including the California State Auditor if so requested by the City pursuant to Government Code § 8546.7) shall have access to and the right to examine, audit, excerpt, transcribe, and reproduce any of the Contractor's records for a period of at least three (3) years after termination of the Agreement and/or Final Payment. Such records include without limitation, journals, ledgers, records of accounts payable and receivable, profit and loss statements, bank statements, invoices, receipts, subcontracts, agreements, notes, correspondence, memoranda, and any documents generated and received in Contractor's performance of this Contract. Upon written notice by the City, Contractor shall promptly make all such records available to City and/or its authorized auditors or representatives and cooperate with the City and its authorized auditors or representatives in examining, auditing, excerpting, transcribing and reproducing the records.

13.11 **Unfair Business Practices Claims.** In entering into a public works contract or a subcontract to supply goods, services or materials pursuant to a public works contract, the contractor or subcontractor offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body renders final payment to the contractor without further acknowledgment by the parties. (Sec. 7103.5, California Public Contract Code).

13.12 **Venue.** Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in the Superior Court in Los Angeles County, State of California.

13.13 **Prohibition Against Assignment.** The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the City to enter into this Agreement. Neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty-five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of City.

13.14 **Independent Contractor.** Neither the City nor any of its employees shall have any control over the manner, mode or means by which Contractor, its subcontractors, agents or employees, performs the services required herein, except as otherwise set forth herein. The City shall have no voice in the selection, discharge, supervision or control of Contractor's employees, subcontractors, servants, representatives or agents, or in fixing their number, compensation or hours of service. Contractor shall perform all services required herein as an independent contractor of the City and shall remain at all times as to the City a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its subcontractors, agents or employees are agents or employees of the City. The City shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venture or a member of any joint enterprise with Contractor.

13.15 **No Estoppel or Waiver by City.** No action or failure to act by the City shall constitute a waiver of any right or duty afforded City under this Agreement, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically provided in this Agreement or as may be otherwise agreed in writing. The waiver by the City of any breach or violation of any term, covenant or condition of this Agreement or of any provision, ordinance, or law shall not be deemed to be a waiver of any other term, covenant, condition, ordinance, or law or of any subsequent breach or violation of the same or of any other term, covenant, condition, ordinance, or law. The subsequent payment of any monies or fee by

the City which may become due hereunder shall not be deemed to be a waiver of any preceding breach or violation by Contractor or any term, covenant, condition of this Agreement or of any applicable law or ordinance.

13.16 **Signature Authority.** The individuals executing this Agreement and the instruments referenced herein on behalf of Contractor each represent and warrant that they have the legal power, right and actual authority to bind Contractor to the terms and conditions hereof and thereof.

13.17 **Severability.** Each provision, term, condition, covenant and/or restriction, in whole and in part, in this Agreement shall be considered severable. In the event any provision, term, condition, covenant and/or restriction, in whole and/or in part, in this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant and/or restriction of this Agreement and the remainder of the Agreement shall continue in full force and effect.

[Signatures on following page.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the day and year first above written.

CITY OF SANTA FE SPRINGS

By: _____
René Bobadilla, City Manager

Attest: _____
Fernando Muñoz, City Clerk

APPROVED AS TO FORM

By: _____
Rick Olivares, City Attorney

DBX, INC.

By: _____
James C. Perry

_____
President/Treasurer/Secretary

By: _____
Name

_____
Title

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: **STREET LIGHTING DISTRICT NO. 1 – ADOPTION OF RESOLUTION NO. 10000**

DATE: March 3, 2026

RECOMMENDATION

It is recommended that the City Council:

1. Adopt Resolution No. 10000, ordering the preparation of the Engineer's Report for Fiscal Year 2026/27 in conjunction with the annual levy of assessments for Street Lighting District No. 1; and

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

FISCAL IMPACT

Lighting District No. 1 includes a mechanism to provide funding on an annual basis for ongoing streetlight maintenance and repair. This funding is from assessment revenue generated by property owners within the District (through a parcel charge collected on the annual property tax bill).

BACKGROUND

The City of Santa Fe Springs formed Lighting District No. 1 on May 26, 1982, according to the provisions of the Landscaping and Lighting Act of 1972. The Lighting District is responsible for overseeing the operations, maintenance, installation and construction of city-owned streetlights.

ANALYSIS

In order to levy the assessments against the properties located within the Lighting District on an annual basis, it is necessary for the City to prepare an Engineer's Report for the Lighting District. The documents that meet the legal requirements are outlined in Chapter 3 of the Landscaping and Lighting Act of 1972, as contained in the Streets and Highways Code. The Engineer's Report outlines the Lighting District structure, the improvements, and the proposed assessments to be levied in connection with the benefits the properties will receive from the maintenance and servicing of the District improvements for the fiscal year. Approval of Resolution No.10000, orders the preparation of the Engineer's Report for the annual update of the Lighting District.

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

Upon approval by the City Council of the recommended actions, City staff will start the annual assessment district update process.

ATTACHMENT(S):

A. Resolution No. 10000
B. Boundary Map

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

_____

City Clerk, Maribel Garcia

ATTACHMENT A
APPROVED:
ITEM NO.:

RESOLUTION NO. 10000

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS, CALIFORNIA ORDERING THE PREPARATION OF THE ENGINEER'S REPORT FOR FISCAL YEAR 2026/27 IN CONJUNCTION WITH THE ANNUAL UPDATE FOR STREET LIGHTING DISTRICT NO. 1

WHEREAS, the City Council of the City of Santa Fe Springs, California, desires to initiate proceedings for the annual levy of assessments for a street lighting district pursuant to the terms and provisions of the "Landscaping and Lighting Act of 1972," being Division 15, Part 2 of the Streets and Highways Code of the State of California, in what is known and designated as

CITY OF SANTA FE SPRINGS
LIGHTING DISTRICT NO. 1

(Hereinafter referred to as the "District"); and,

WHEREAS, these proceedings for the annual levy of assessments shall relate to the fiscal year commencing July 1, 2026 and ending June 30, 2027; and,

WHEREAS, there has been submitted to this City Council, for its consideration at this time, a map showing the boundaries of the area affected by the levy of the assessment for the above referenced fiscal year, said map further showing and describing in general the works of improvement proposed to be maintained in said District, and description being sufficient to identify the works of improvement and the areas proposed to be assessed for said maintenance thereof; and

WHEREAS, the provisions of said Division 15, Part 2 require a written "Report" consisting of the following:

1. Plans and specifications of the area of the work improvement to be maintained; and

2. An estimate of the costs for maintaining the improvements for the above referenced fiscal year; and

3. A diagram of the area proposed to be assessed; and

4. An assessment of the estimated costs for maintenance work for said fiscal year.

NOW, THEREFORE, BE IT RESOLVED that the CITY OF SANTA FE SPRINGS hereby:

1. That the above recitals are true and correct.

2. That a map entitled "City of Santa Fe Springs Lighting District No. 1 Annual Levy" as submitted to this City Council, showing the boundaries of the proposed area to

be assessed and showing the work of improvement to be maintained, and a copy is on file in the Office of the City Clerk and open to public inspection. The proposed parcels and properties within said area are those to be assessed to pay certain costs and expenses for said maintenance work.

3. That the proposed maintenance work within the area proposed to be assessed shall be for certain street lighting improvements, as said maintenance work is set forth in the "Report" to be presented to this City Council for consideration.

4. That the City Engineer, James Enriquez, is hereby ordered to prepare and file with this City Council, a "Report" relating to said annual assessment and levy in accordance with the provisions of Article IV, commencing with Section 22565 of Chapter 1 of the Streets and Highways Code of the State of California.

5. That, upon completion, said "Report" shall be filed with the City Clerk who shall then submit the same to this City Council for its consideration pursuant to section 22623 and 22624 of said Streets and Highways Code.

6. That the City Clerk shall certify to the adoption of this resolution.

APPROVED and ADOPTED this 3rd day of March 2026.

I, the undersigned, hereby certify that the foregoing Resolution No. 10000 was duly adopted by the City of Santa Fe Springs City Council following a roll call vote:

AYES:

NOES:

ABSENT:

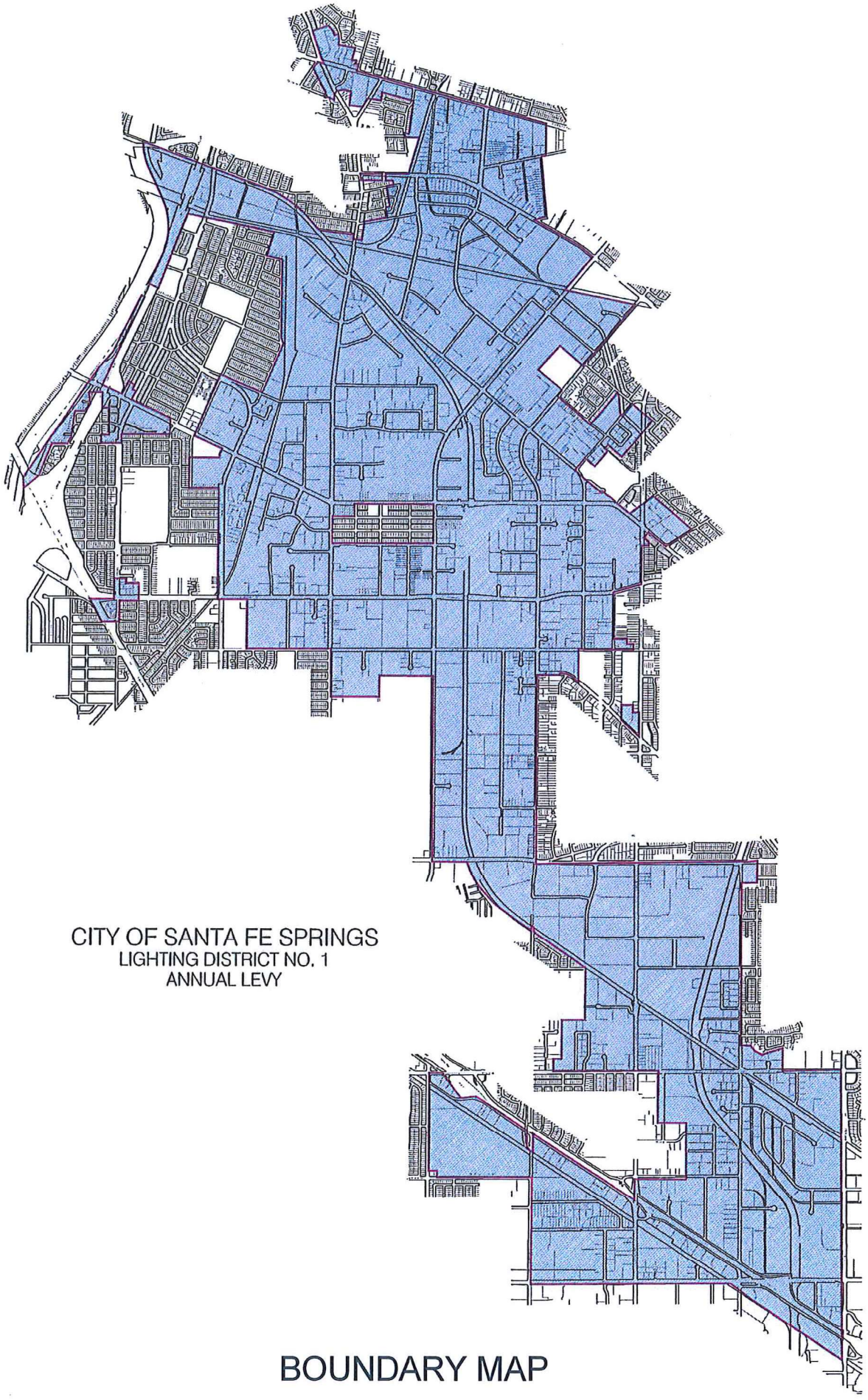
ABSTAIN:

_____
Joe Angel Zamora, Mayor

ATTEST:

_____ _____
Maribel Garcia, City Clerk Date

ATTACHMENT B



CITY OF SANTA FE SPRINGS
LIGHTING DISTRICT NO. 1
ANNUAL LEVY

BOUNDARY MAP

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 RETROFIT AGREEMENT – LOS ANGELES COUNTY FLOOD CONTROL DISTRICT**

DATE: March 3, 2026

RECOMMENDATION

It is recommended that the City Council:

1. Approve the Catch Basin Retrofit Agreement with the Los Angeles County Flood Control District; and

2. Authorize the City Manager to execute the Agreement; and

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

FISCAL IMPACT

The cost for the construction of the retrofit of the existing County-owned catch basins is included in the construction contract awarded by the City Council on March 18, 2025 to G2 Construction, Inc. and is funded with Measure W funds received from the County.

The Agreement also requires the County to pay the city an estimated amount of $23.75 per year per catch basin for the annual removal of trash accumulated in the catch basins. There are approximately 280 county-owned catch basins within the city for a total annual payment of $6,650 to be received by the city.

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.

The installation of Full Capture System devices in storm drain catch basins is a requirement of the city's NPDES permit in order to removal trash from storm runoff. The city is responsible for all catch basins within the city, including catch basins owned by the County. There are approximately 700 catch basins within the city and 280 of them are owned by the County.

The City Council awarded a construction contract to G2 Construction, Inc. on March 18, 2025. G2 has completed all of the city-owned catch basin retrofits. A permit from the LA County Flood Control District is required to retrofit the county-owned catch basins. Execution of the subject agreement is a requirement for the permit. Once the permit is issued, G2 will complete the retrofit of the 280 county-owned catch basins.

ANALYSIS

The City Attorney has reviewed the subject Agreement and approved as to form.

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

The recommended Agreement defines the terms and conditions for both the city and County with respect to the city's installation of trash excluder devices on county-owned catch basins within the city. It also defines the city's responsibilities to maintain and replace and/or remove the devices and also provides the annual payment by the County to the city for the removal of trash that accumulates in the catch basin as a result of the installation of the screening devices.

SUMMARY/NEXT STEPS

Upon approval of the recommended actions by City Council, staff will execute the Agreement and coordinate the completion of the construction project.

ATTACHMENT(S):

A. Catch Basin Retrofit Agreement

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

_____

City Clerk, Maribel Garcia

AGREEMENT NO. _____

AGREEMENT
(Option 2)

This AGREEMENT is entered into by and between the LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, a body corporate and politic (hereinafter referred to as the LACFCD), and the City of Santa Fe Springs, California, a municipal corporation (hereinafter referred to as CITY).

RECITALS

WHEREAS, State Water Resources Control Board has promulgated water-quality regulations, including a Statewide Trash Amendment, applicable to cities located in the San Gabriel River Watershed; and

WHEREAS, CITY desires to achieve compliance with the Statewide Trash Amendment by installing TRASH EXCLUDERS (as hereafter defined) within catch basins owned by the LACFCD, located within CITY streets; and

WHEREAS, CITY will administer the procurement and installation of said TRASH EXCLUDERS. Once installed, the purpose of this agreement is to ensure that the City maintains the TRASH EXCLUDERS installed on catch basins owned by the LACFCD;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the LACFCD and CITY hereto mutually agree as follows:

(1) DEFINITION:

a. TRASH EXCLUDER, as referred to in this AGREEMENT, shall mean any device, which partially blocks the opening or outlet of a catch basin to prevent trash from entering the storm drain system, including Automatic Retractable Screen devices (ARS) and Connector Pipe Screen devices (CPS).

(2) CITY AGREES AS FOLLOWS:

a. CITY shall prepare a list of locations and other information for the TRASH EXCLUDERS that CITY proposes to install on LACFCD catch basins, in a form prescribed by the LACFCD. Once completed by the CITY, the list shall be attached hereto as Exhibit A, and be incorporated herein as if set forth in full.

b. CITY shall apply for and obtain a permit from the LACFCD for the installation of the TRASH EXCLUDERS identified on Exhibit A.

c. Upon completion of the installation of the TRASH EXCLUDERS in accordance with the terms and conditions of the permit from the LACFCD, CITY shall provide to the LACFCD an updated Exhibit A as necessary, to reflect any differences between the proposed and the as-built conditions. Once approved by the LACFCD, the updated Exhibit A shall replace and supersede the prior Exhibit A.

d. CITY shall inspect all catch basins fitted with TRASH EXCLUDERS. If, during an inspection, CITY discovers damage to any catch basin other than damage to the TRASH EXCLUDER, CITY shall report said damage to the LACFCD within 14 calendar days from the date of the inspection.

e. CITY shall maintain all TRASH EXCLUDERS so as to function properly during storm events and so as not to prevent storm flows from entering the catch basin. CITY shall promptly repair or replace damaged TRASH EXCLUDERS.

f. CITY shall remove all trash and debris from each catch basin fitted with a TRASH EXCLUDER at least once each year. CITY shall stencil the appropriate month and year of cleanout on each catch basin.

g. CITY shall be authorized to remove the existing manhole covers as required to access the inside of the catch basins fitted with TRASH EXCLUDERS and shall reinstall the manhole covers wherever the catch basins are left unattended. If screws or bolts are damaged while removing the manhole covers, CITY shall replace the screws or bolts. CITY shall thoroughly clean all debris from the manhole frame and cover before reinstallation of the cover.

h. During storm events, CITY shall conduct a reasonable number of patrols of areas in which any TRASH EXCLUDERS have been installed to verify that all TRASH EXCLUDERS are functioning properly, and, if identified by CITY, shall relieve any instances of plugging of any catch basin fitted with a TRASH EXCLUDER.

i. CITY shall indemnify, defend, and hold the LACFCD and the County of Los Angeles, and their agents, officers, and employees, harmless from and against any and all claims, demands, liability, damages or costs arising from the breach by CITY of any obligation under this Agreement, or from the installation, operation or maintenance of any TRASH EXCLUDER.

j. Nothing in this AGREEMENT shall be construed as transferring liability or responsibility to the CITY for the LACFCD's obligations under the applicable NPDES Permit, or transferring liability or responsibility to the LACFCD for the CITY's obligations under the applicable NPDES Permit.

k. CITY shall include the LACFCD within the protection of any indemnification clause contained in any ancillary contract relating to the maintenance of the TRASH EXCLUDERS.

(3) LACFCD AGREES AS FOLLOWS:

a. CITY is authorized to operate and maintain the TRASH EXCLUDERS on LACFCD-owned catch basins identified in Exhibit A.

b. LACFCD shall pay CITY the amount of $15.25 in 2012 dollars, adjusted annually according to the Consumer Price Index for all urban consumers in the Anaheim, Los Angeles, and Riverside areas, as published by the U.S. Government Bureau of Labor Statistics, per year, for each catch basin identified in Exhibit A. This amount represents the annual amount the LACFCD would otherwise have had to incur for removing trash and debris from the catch basins identified in Exhibit A, had CITY not installed TRASH EXCLUDERS in those catch basins.

(4) IT IS MUTUALLY UNDERSTOOD AND AGREED AS FOLLOWS:

a. The TRASH EXCLUDERS are the property of CITY. The LACFCD shall retain ownership of the catch basins, exclusive of the TRASH EXCLUDERS. City's agreement to maintain the TRASH EXCLUDERS in the catch basins does not include any obligations to maintain any portion of the LACFCD's stormdrain system downstream of the catch basins.

b. CITY may, from time to time, with the consent of the LACFCD, install additional TRASH EXCLUDERS on or remove existing TRASH EXCLUDERS from LACFCD-owned catch basins. Prior to installing any new TRASH EXCLUDER or removing any existing TRASH EXCLUDER, CITY shall apply for and obtain a permit from the LACFCD for the installation or removal. Upon completion of the installation or removal in accordance with the terms and conditions of the permit, CITY shall provide to the LACFCD an updated Exhibit A to reflect the additional or removed TRASH EXCLUDERS. Once approved by the LACFCD, the updated Exhibit A shall replace and supersede the prior Exhibit A.

c. Termination

(i) CITY may request the LACFCD to perform the inspection and maintenance of the TRASH EXCLUDERS, or any of them, on CITY's behalf. If the LACFCD, in its sole discretion, determines to do so, the parties shall enter into a new agreement providing for said inspection and maintenance by the LACFCD, on CITY's behalf.

Upon the execution of the new agreement by both CITY and the LACFCD, this AGREEMENT shall be deemed terminated.

(ii) CITY may unilaterally terminate this AGREEMENT without cause, in CITY'S sole discretion, at any time, by giving a thirty (30)-day prior written notice to the LACFCD. In the event this AGREEMENT is terminated, pursuant to this Section (4)b.(ii), the LACFCD may, in its sole discretion, provide CITY with a written notice to remove the TRASH EXCLUDERS or any of them, and restore the affected catch basin(s) to a condition similar to that which existed prior to installation of the TRASH EXCLUDERS. If the LACFCD provides CITY with such a notice, CITY shall complete all work required to comply with the notice within ninety (90) days. If CITY fails to do so, the LACFCD may, in its sole discretion, complete said work at CITY'S expense.

(iii) If CITY fails to comply with any of the terms or conditions of this AGREEMENT, the LACFCD may, in its sole discretion, terminate this AGREEMENT and provide CITY with a written notice to remove the TRASH EXCLUDERS, or any of them, and restore the catch basin(s) to a condition similar to or better than that which existed prior to installation of the TRASH EXCLUDERS. If the LACFCD provides CITY with such a notice, CITY shall complete all work required to comply with the notice within ninety (90) days. If CITY fails to do so, the LACFCD may, in its sole discretion, complete said work at CITY'S expense.

(iv) If the LACFCD removes any TRASH EXCLUDER pursuant to Sections (4)c.(ii) or (4)c.(iii), the LACFCD shall submit a billing invoice to CITY indicating the costs and expenses incurred by the LACFCD in connection with the removal of the TRASH EXCLUDER, specifically including any work required to restore the affected catch basin to a condition similar to or better than that which existed prior to installation of the TRASH EXCLUDER, and CITY shall reimburse the LACFCD all such costs and expenses within thirty (30) days of the billing invoice.

d. The LACFCD is not responsible for assisting CITY with any regulatory compliance activities related to the operation or maintenance of the TRASH EXCLUDERS including, for example, conducting monitoring, weighing of trash, and reporting amounts of trash collected from inside catch basins where TRASH EXCLUDERS have been installed.

e. Requests for Service coming to the LACFCD to clean any catch basin identified in Exhibit "A" will be forwarded to CITY for their prompt handling, action, and closure.

f. The LACFCD may remove any TRASH EXCLUDER, if the LACFCD determines, in its reasonable discretion, that removal of the TRASH EXCLUDER is necessary to prevent or mitigate flooding of any public or private property. LACFCD shall notify CITY of removal as soon as possible upon identification of a potential flooding issue and preferably before removal if feasible. CITY expressly releases the LACFCD from, and waives, all claims for any damages, loss, costs, or expenses resulting from the LACFCD'S removal of any TRASH EXCLUDER pursuant to this section. In such case, CITY may thereafter reinstall the TRASH EXCLUDER only after first consulting with the LACFCD with regards to the reasons for the removal. If CITY thereafter chooses to reinstall the TRASH EXCLUDER, it must do so at its sole expense.

g. This AGREEMENT may be modified only by the mutual written consent of both parties.

h. This AGREEMENT contains the complete and final understanding of the parties in connection with the subject matter herein and shall supersede any and all previous contemporaneous oral or written agreements between the parties regarding said subject matter.

i. The provisions of this AGREEMENT shall be interpreted and enforced pursuant to the laws of the State of California.

j. Any correspondence, communication, or contact concerning this AGREEMENT, shall be directed to the following:

CITY OF SANTA FE SPRINGS:Attn:
Director of Public Works
Santa Fe Springs City Hall
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Telephone: (562) 868-0511

With Copy to:
Olivarez Madruga Law Organization, LLP
500 S. Grand Avenue, 12th Floor
Los Angeles, CA 90071
Attn: Paloma McEvoy, Assistant City Attorney
Telephone: (213) 744-0099

Los Angeles County Flood Control District
Los Angeles County Public Works
Stormwater Planning Division, 11th Floor
900 South Fremont Avenue

Alhambra, CA 91803-1331
Attention: Assistant Deputy Director
Phone No.: (626) 458-4300
Fax: (626) 458-1526
For emergencies, contact 626-458-HELP (4337)

The parties hereto have caused this AGREEMENT to be duly executed by their respective duly authorized officers on the dates indicated below.

LOS ANGELES COUNTY FLOOD CONTROL DISTRICT,
a body corporate and politic

By _____

Date: _____
Chief Engineer

City of Santa Fe Springs

By _____ Date: _____
René Bobadilla, City Manager

APPROVED AS TO FORM:

By _____
Rick Olivarez, City Attorney

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 & Community Services

SUBJECT: **CITYWIDE BRANDING IMPLEMENTATION – PHASE I APPROPRIATION REQUEST**

DATE: March 3, 2026

RECOMMENDATION

It is recommended that the City Council:

1. Approve a Phase I budget appropriation in the amount of $800,000 to support the initial citywide implementation of the City's new brand identity and visual system; and

2. Authorize the establishment of a Citywide Branding Account to allocate funds; and

3. Appropriate a total of $650,000 for street related branding; 20% ($130,000) in the General Fund Public Works Streets Account 10432001 and 80% ($520,000) in Measure SFS Funds; and

4. Appropriate $150,000 in the General Fund to the Citywide Branding Account; and

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

FISCAL IMPACT

The total anticipated cost to implement Phase I of the Citywide Branding Initiative is $800,000. This funding will support the initial rollout of the City's new brand identity and visual system, including high-visibility street-related branding, facility enhancements, fleet applications, and civic materials designed to ensure consistent and cohesive citywide implementation.

Of the total amount:

- $650,000 is designated for street-related branding improvements. This allocation will be funded with 20% ($130,000) from the General Fund – Public Works Streets Account 10432001 and 80% ($520,000) from Measure SFS Funds, reflecting the capital nature of improvements such as approximately 1,100 street name sign blades, 180 illuminated and reflective arterial signage, and related infrastructure enhancements that provide long-term community benefit.

- $150,000 will be appropriated from the General Fund to establish a new Citywide Branding Account, which will support non-street branding elements including facility treatments, branded materials, and other implementation components as reflected below:

Category	Description / Items Included	Total Cost
Uniforms – Citywide Order	T-Shirts (FT: 1 each / PT: 2 each); Polo – Black (1 per staff); Polo – Grey (1 per staff)	$38,000
Canopies	General Use; Volunteer Events	$6,000
Tablecloths	8’ Black (6); 8’ White (6)	$1,800
Feather Flags	Branded Flags in City Colors (Grey, Light Blue, Dark Blue)	$1,500
Promotional Items (Examples – final items TBD)	Tote Bags (Black); Acrylic Cup w/ Straw; Industrial Key Chain; Cooling Towel; Lanyards; Mug; Carabiner Charging Cable	$10,300
Entry Door Wraps	GVNC; City Hall; Library; TCH	$18,500
Podium Signs	GVNC; City Hall; TCH	$900
Online Store Merchandise (Startup Inventory)	T-Shirt; Hoodie; Canvas Bag; Plushy; Water Bottle; Mug	$9,000
Street Banners	72” x 30” Light Pole Banners (50)	$10,000
Large Signage	City Hall Exterior Signage; City Hall Lobby Treatment; Digital Reader Board Signage	$24,000
Vehicle Branding	DAR Cutaway Wraps; Vehicle Magnets	$12,000
TCH Plaza	Stage Wrap	$18,000
TOTAL – PHASE I		**$150,000**

The proposed funding structure aligns appropriate revenue sources with eligible expenditures and reflects the infrastructure-focused nature of the majority of Phase I improvements. Expenditures will be phased based on production and installation timelines. No significant ongoing operational impacts are anticipated beyond routine maintenance and replacement as needed.

BACKGROUND

In December 2025, the City unveiled its new brand identity centered on the themes of Forward and Community, unified under the message “Springs Forward.” The updated visual system modernizes the City’s appearance while reinforcing civic pride, consistency, and professionalism across all departments.

With the brand now established, the City is entering the physical implementation stage. A phased rollout ensures that high-visibility and infrastructure-based applications are prioritized first, creating immediate and measurable public impact while maintaining fiscal responsibility.

ANALYSIS

Phase I focuses on highly visible citywide applications that reinforce the new identity across facilities, public spaces, streets, and mobile assets. This includes branded civic event materials such as canopies, tablecloths, flags, street banners, and stage wraps at Town Center Hall Plaza. Window decals, podium signage, promotional giveaways, uniforms, and pop-up merchandise materials will ensure consistency at public meetings, community events, and outreach initiatives.

Facility enhancements will include City Hall lobby brand treatments, updated flyer display systems, exterior logo installation at City Hall, logo installation on the reader board near the Fire Station, and facility wraps at the Gus Velasco Neighborhood Center. These improvements create immediate visual alignment at key civic locations and reinforce a unified municipal presence.

Fleet visibility will also be enhanced through Dial-A-Ride bus and van wraps, with staff evaluating the potential use of fleet magnets for other City vehicles where operationally appropriate. Increasing brand visibility across City vehicles extends the City's presence into neighborhoods and regional corridors.

A significant portion of Phase I includes infrastructure-based improvements through a comprehensive street name branding program. This includes the production and installation of approximately 1,100 street blade signs for residential and commercial streets with updated hardware, as well as approximately 180 overhead illuminated and reflective street name signs for arterial corridors. These upgrades not only support the City's visual identity but also enhance public safety, visibility, and long-term durability. Because these elements constitute infrastructure improvements with multi-year lifespan value, they align with Measure SFS funding priorities.

Collectively, Phase I establishes a strong visual foundation across Santa Fe Springs and ensures that the City does not operate under mixed branding during this transition period.

Phase II of the Citywide Branding Implementation will focus on the design, fabrication, and installation of new monument signage and comprehensive wayfinding signage throughout the City. This next phase will enhance navigability, reinforce brand consistency across key corridors and

facilities, and further establish a cohesive visual identity communitywide. Funding for Phase II is anticipated to be included as part of the proposed FY 2026–27 Budget for City Council consideration.

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

Approval of this appropriation will allow staff to finalize vendor coordination, confirm production timelines, and begin phased installation of high-priority infrastructure and facility elements. Street signage and arterial improvements will be prioritized to maximize safety and visibility benefits, followed by facility and event-related materials.

Phase I represents the foundational step in implementing the City's new brand across physical assets. Future phases will address remaining departmental materials, legacy conversions, and continued systemwide alignment.

Staff recommends approval of the $800,000 Phase I appropriation to advance citywide implementation of the Santa Fe Springs brand and continue moving the City forward under a unified and modern identity.

ATTACHMENT(S):

A. Phase I Renderings

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

_____
City Clerk, Maribel Garcia

Note: All renderings are for visualization purposes only. Final production may vary.

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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 & Community Services

SUBJECT: **GUS VELASCO NEIGHBORHOOD CENTER AMENITY ENHANCEMENTS**

DATE: March 3, 2026

RECOMMENDATION

It is recommended that the City Council:

1. Authorize an allocation in the amount of $208,000 to implement facility, security, and programmatic enhancements at the Gus Velasco Neighborhood Center (GVNC) to increase safety, improve operational efficiency, and expand multi-generational community use; and
2. Authorize the City Manager to execute any and all agreements, contracts for professional and contracted services, purchase orders, and related documents necessary to procure equipment, furnishings, materials, supplies, and services required for the implementation of the Gus Velasco Neighborhood Center (GVNC) Amenity Enhancements; and
3. Take such additional, related, action that may be desirable.

FISCAL IMPACT

Funding for some of the GVNC Amenity Enhancements Project is included in the Fiscal Year 2025–2026 Community Services Budget. The total project cost is not-to-exceed $252,000, consistent with available and proposed appropriated funds within the Community Services Administration budget.

The most critical components of the project will begin immediately upon City Council approval utilizing existing FY 2025–2026 funds. Staff is requesting authorization of an additional General Fund allocation of $208,000 to the Community Services Administration Account No. 10105199, across various object codes, for the purchase of supplies, equipment, and contracted services necessary to complete implementation. Staff will work with Finance staff to identify appropriate object codes and allocate funding in the total of $208,000. Below is a list of proposed costs by area:

Improvement Category	Amount ($)
Parking Lot Improvements	$9,000
General / Other Improvements (Electrical/Digital Signage)	$25,005
Meeting Room 1 (Passive Recreation Conversion)	$21,390
Meeting Room 2 (New Indoor/Outdoor Fitness Areas)	$95,845
Fitness Room (Boutique Conversion)	$14,400
Hallway Improvements (Coffee Station & Seating)	$12,000
South Lobby Improvements (Partition& Signage)	$1,920
Garden & Entrance Improvements (Pioneer Blvd. Side)	$10,200
Computer Lab (Billiards Room Conversion)	$18,240
Total	**$208,000**

Any remaining minor project needs are anticipated to be negligible and will be incorporated into the Fiscal Year 2026–2027 budget request. The project will be funded through existing General Fund appropriations allocated to Community Services, with no additional impact beyond the requested authorization.

BACKGROUND

The GVNC was originally constructed and dedicated in 1969. At the time it was known simply as the "Neighborhood Center". The Center was renamed in honor of the esteemed City employee, resident, and social services advocate Gustavo Velasco in November 2012 upon completion of a major structural renovation and modernization project.

While the renovation expanded room capacity and improved functionality at the time, the building's configuration and amenities no longer fully meet the evolving needs of the community. Currently, the Center functions primarily as a Senior Center with occasional community rentals and special program use. Evening and weekend activation remains very limited, and several spaces are underutilized or configured inefficiently. This lack of use is evidenced in its annual visitation trend where the GVNC has experienced a steady decline in overall visitation over the past several fiscal years, based upon foot traffic analytics provided through Placer.ai.

Fiscal Year	Total Visitors	Change from Prior Year	% Change
FY 2022–23	41,156	—	—
FY 2023–24	40,702	-454	-1.1%
FY 2024–25	38,046	-2,656	-6.5%
FY 2025–26 (Projected)	35,000	-3,046	-8.0%

ANALYSIS

Recent demographic data from the U.S. Census Bureau's American Community Survey (ACS) 2019–2023 5-Year Estimates show that approximately one-third of Santa Fe Springs residents are age 50 and older, with roughly 16% age 65+. Regional projections from the California Department of Finance and the Southern California Association of Governments (SCAG) indicate that the older adult population across Los Angeles County will continue to grow over the next five years, even as overall population growth remains relatively flat. These trends suggest that demand for senior programming, wellness services, and accessible, engaging community spaces in Santa Fe Springs are expected to increase in the coming years.

At the same time, GVNC visitation has steadily declined over the past several fiscal years, with an overall reduction of approximately 6,156 visitors (about 15%) from FY 2022–23 to the projected FY 2025–26 numbers. This contrast—an aging population alongside declining Center usage—highlights the need to modernize facility amenities, better align programming with current community interests, and more effectively activate underutilized spaces within the Center.

Nationally, senior centers are evolving beyond traditional daytime programming models to become dynamic community hubs serving residents of all ages. Best practices emphasize intergenerational activities, lifelong learning, health and wellness programming, and flexible space design. Modernized facilities often provide structured senior services during peak daytime hours—such as congregate meals, fitness classes, health screenings, and social clubs—while transitioning in the afternoons, evenings, and weekends into multi-purpose spaces that host youth programs, family events, cultural activities, and community meetings.

By adopting this dual-purpose, flexible model, GVNC can increase overall utilization, strengthen intergenerational connections, and ensure the facility remains active and relevant throughout the week. Enhancements such as adaptable furnishings, updated technology infrastructure, and inclusive programming schedules will position the Center as a vibrant community anchor that supports social engagement, wellness, and connection for Santa Fe Springs residents of all ages.

ENVIRONMENTAL

These amenity enhancements do not constitute a capital improvement or structural expansion project and therefore are not subject to environmental review under the California Environmental Quality Act (CEQA). Pursuant to CEQA Guidelines §15301 (Class 1 – Existing Facilities) and §15061(b)(3) (Common Sense Exemption), minor interior alterations, equipment installation, and negligible expansions of use that do not result in a significant environmental impact are categorically exempt. As this proposal focuses on amenity upgrades and operational improvements within an existing facility, CEQA review does not apply.

DISCUSSION

City staff are proactively addressing the steady decline in visitation by enhancing programming, modernization of amenities, and reconfiguring underutilized spaces to better align with current community needs. Programs are being evaluated to ensure they are needed, not duplicative of partner

services, and delivered efficiently with appropriate use of staff time, equipment, and facility space. By aligning program size with room capacity and demand, the City can better activate and maximize every area within the Center.

Rather than pursuing costly structural renovations, staff are proposing targeted amenity enhancements that modernize the facility, improve safety, and optimize existing space without the expense and disruption of major reconstruction. All furnishings and equipment will be selected with future transition planning in mind so they can be transferred to the future Senior Center facility, ensuring long-term fiscal responsibility and continued value of this investment.

Collectively, the proposed enhancements will reposition the GVNC as a more secure, welcoming, and adaptable multi-generational hub. Improvements focus on increasing evening and weekend activation, modernizing recreation spaces, enhancing outdoor usability, improving parking and wayfinding clarity, and strengthening operational efficiency and customer service (Exhibit A).

Key improvements include:

Parking Lot & Exterior Enhancements
Current parking configuration does not include a designated drop-off/pick-up area, resulting in congestion during peak program hours and limiting safe passenger loading and unloading. This condition increases pedestrian and vehicle conflicts, particularly for seniors, individuals with mobility challenges, and families with children.

To address these concerns, proposed parking lot improvements are designed to increase safety, improve circulation, and strengthen enforcement. Enhancements include the creation of a large, clearly marked drop-off/pick-up zone, installation of upgraded LED and safety lighting, ADA accessibility enhancements, updated ADA and parking enforcement signage, Veterans Parking designation, and relocation or removal of outdated signage. Establishing a defined loading and unloading area will significantly improve traffic flow, enhance safety, and create a more accessible and user-friendly arrival experience for all visitors (Exhibit A – pg. 2).

Lobby, Entry, and Hallway Reconfiguration
Currently, the facility operates with two patron entry points, which decreases overall security, creates confusion for visitors, and requires additional staff oversight to monitor both access areas. The proposed reconfiguration will consolidate public access to the south-facing entrance—currently utilized as the “Senior Center” entry—allowing for improved supervision, clearer wayfinding, and more efficient staffing deployment (Exhibit A – pgs. 3 - 4).

Enhancements will include updated digital displays and directional signage, counter panel upgrades, paint touch-ups, and furniture reconfiguration to improve flow, functionality, and overall professionalism of the main entry experience (Exhibit A – pg. 5). In addition, a permanent coffee and water station will be installed in the hallway near the existing roll-up window to the small kitchen area, along with added seating to create a designated socialization space (Exhibit A – pgs. 6 - 8).

Currently, a coffee machine on a cart is wheeled into the lobby for the congregate meal program, making coffee unavailable to visitors during certain periods of the day. Establishing a permanent beverage station will ensure coffee and water remain consistently accessible throughout operational hours, enhance visitor comfort, encourage informal gathering, and allow the mobile coffee cart to remain within the congregate meal area or be utilized elsewhere as needed.

Courtyard & Outdoor Garden Activation

North and south courtyards will be enhanced with café lighting, new planters, refinished seating, and general beautification to encourage increased outdoor use and extended activation throughout operational hours. These improvements will support passive recreation, small group programming, and informal community gatherings (Exhibit A – pgs. 9 – 10).

In addition, the garden area will be renovated through a generous donation from a private company to install cement pads in designated locations to accommodate outdoor chess and card tables. The new cement improvements will also address existing uneven decomposed granite pathways, improving accessibility and safety. A new gate will be installed along the east side of the complex to provide direct access between the GVNC and the garden during all hours the facility is open. Currently, the garden is only accessible with staff assistance and is primarily utilized for a two-hour gardening class each Monday. By creating open access to the garden, patrons will have additional opportunities for passive recreation and outdoor engagement throughout the week. (Exhibit A – pgs. 11 - 12).

Billiards and Passive Recreation Addition

Several rooms will be repurposed to better support multi-generational programming and improve overall space utilization. The current computer room will be converted into a dedicated billiards room with two tables, as usage data indicates that 13 computer stations are not necessary to meet demand (Exhibit A – pg. 13). Six computer stations will be relocated to Meeting Room 1, which will be enhanced as a passive recreation room featuring card tables, a television screen, and flexible seating to support games such as cards, lotería, and other social activities (Exhibit A – pg. 14). The remaining computer stations will be transferred to replace outdated equipment at the Library, maximizing the value of existing assets.

Currently, when the congregate meal program, bingo, or other large programs occupy the Center's two primary rooms, patrons seeking passive recreation have limited options and are often forced to leave or wait outside during inclement weather. The creation of a designated passive recreation space will provide a consistent indoor area for continued socialization, reduce congestion in larger program rooms, and better distribute activity throughout the facility.

Boutique and Pantry Reconfiguration

The current Food Pantry program provides food, clothing, and hygiene items to residents in need. However, the existing pantry space is extremely limited, overcrowded with clothing inventory, and presents potential safety concerns due to unstable shelving and stacked canned goods that could shift during seismic activity.

To improve safety, organization, and service delivery, it is proposed that food storage operations be relocated to the small kitchen area at the GVNC. This reconfiguration will allow patrons to once again "shop" for food items in a more accessible and dignified setting. Improvements to this space will include the addition of a commercial-grade refrigerator to expand refrigerated food capacity, along with upgraded shelving systems to safely and efficiently store both dry and perishable goods.

Clothing inventory will be relocated to the former fitness room to establish a dedicated year-round Boutique space. This enhancement will allow patrons to browse and select clothing items as needed throughout the year, rather than limiting access to seasonal "Spring" or "Back-to-School" boutique events. Creating distinct and visible spaces for both programs will increase accessibility, improve organization, and support residents with dignity and respect (Exhibit A – pg. 15).

The existing pantry room will be repurposed as a small meeting room utilizing furniture previously housed in Meeting Room 1. This new meeting space will provide direct access to the parking lot, allowing community groups—such as Scout troops and similar organizations—to meet without requiring full building access. This configuration will reduce staffing demands while offering convenient loading and unloading access for participants.

Fitness Space Modernization

The current fitness equipment—purchased during the 2012 renovation—is now over 13 years old and well beyond its typical maximum useful life of approximately 5-10 years. The equipment is bulky, outdated, and increasingly prone to mechanical breakdowns, resulting in higher maintenance needs and limited reliability for users. As part of the modernization effort, all new fitness equipment will be purchased to create a safer, more functional, and contemporary wellness environment.

The new equipment will be relocated to Meeting Room 2 to allow for reconfiguration of the primary fitness area and improved layout efficiency. The upgraded fitness space will feature modern, space-efficient equipment better aligned with current wellness trends and user demand (Exhibit A – pg. 16).

In addition, four ADA-accessible outdoor workout stations will be installed along the exterior hallway between Meeting Room 2 and the Ontiveros Room. These outdoor stations will expand access to fitness opportunities, reduce congestion indoors, support fresh-air wellness activities, and provide inclusive equipment options that accommodate users of varying abilities. Together, these improvements will enhance overall capacity, improve reliability, and promote year-round health and wellness programming at the Center (Exhibit A – pgs. 17 - 18).

Miscellaneous & Administrative Improvements

Additional improvements include converting the current north entrance into a staff-only access point, creating a more centralized and efficient administrative area with two new staff workstations.

Currently, staff workstations, a copier, and file storage are located in a narrow hallway in the northeast corner of the GVNC. This configuration is compact, inefficient, and presents a safety concern by partially obstructing ingress and egress pathways. The proposed plan will relocate the copier to the

existing north lobby area and establish a properly configured administrative workspace that improves staff safety, organization, and operational efficiency (Exhibit A – pg. 19).

Minor electrical modifications will also be completed to support new digital signage, display screens, and the relocation of fitness equipment, ensuring adequate power access, safe operation, and proper integration of technology upgrades throughout the facility.

SUMMARY/NEXT STEPS

Approval of this funding request will allow staff to move forward with implementation of the proposed enhanced amenity improvements and ensure the Gus Velasco Neighborhood Center better serves Santa Fe Springs residents both now and in the future.

Staff recommends approval of the proposed funding allocation to proceed with targeted amenity upgrades which prioritizes safety, operational efficiency, space optimization, and modernization while maintaining fiscal responsibility and preserving flexibility for a future Senior Center facility.

Upon City Council approval, staff will finalize procurement of equipment and materials, coordinate minor electrical and site improvements, and phase implementation to minimize disruption to ongoing programs. Improvements will be prioritized based on safety, operational impact, and program activation, with the goal of increasing utilization and repositioning the Center as a more secure, adaptable, and vibrant multi-generational community hub.

ATTACHMENT(S):

A. GVNC Amenity Enhancement Renderings

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

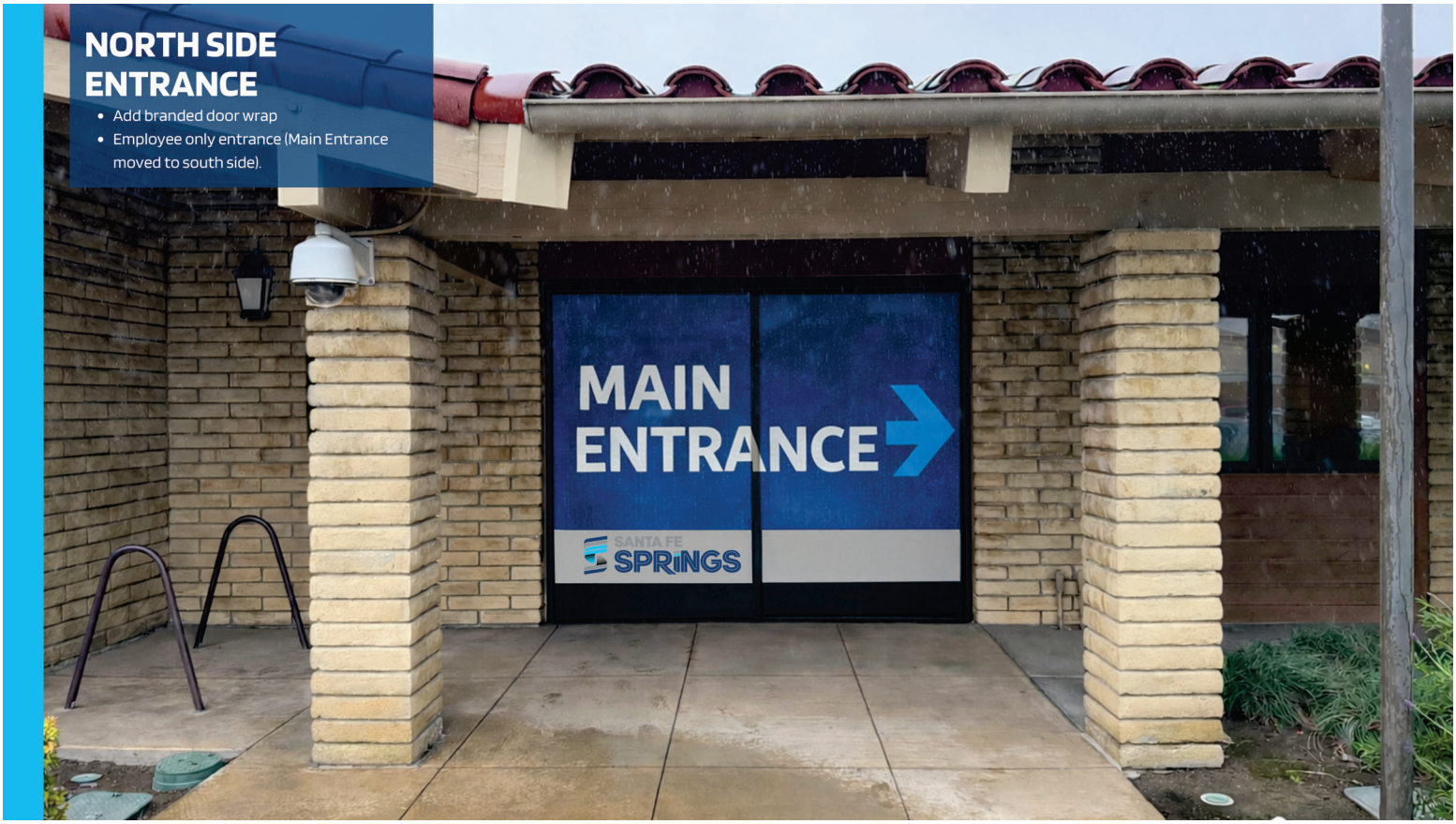
_____
City Clerk, Maribel Garcia

Gus Velasco
Neighborhood Center
Amenity Enhancements
SANTA FE
SPRINGS

Page 1

PARKING LOT
(SOUTH SIDE)
• Add a Loading/Unloading Zone
• Relocate handicap parking stalls
• Add designated Veteran parking
• Designate 2 SASSFA parking at the corner
RESERVED PARKING
SASSFA PARKING ONLY
LOADING
UNLOADING
ZONE
ONLY
VETERAN PARKING ONLY
PARKING ONLY

Page 2


NORTH SIDE ENTRANCE
• Add branded door wrap
• Employee only entrance (Main Entrance moved to south side).
MAIN ENTRANCE
SANTA FE SPRINGS

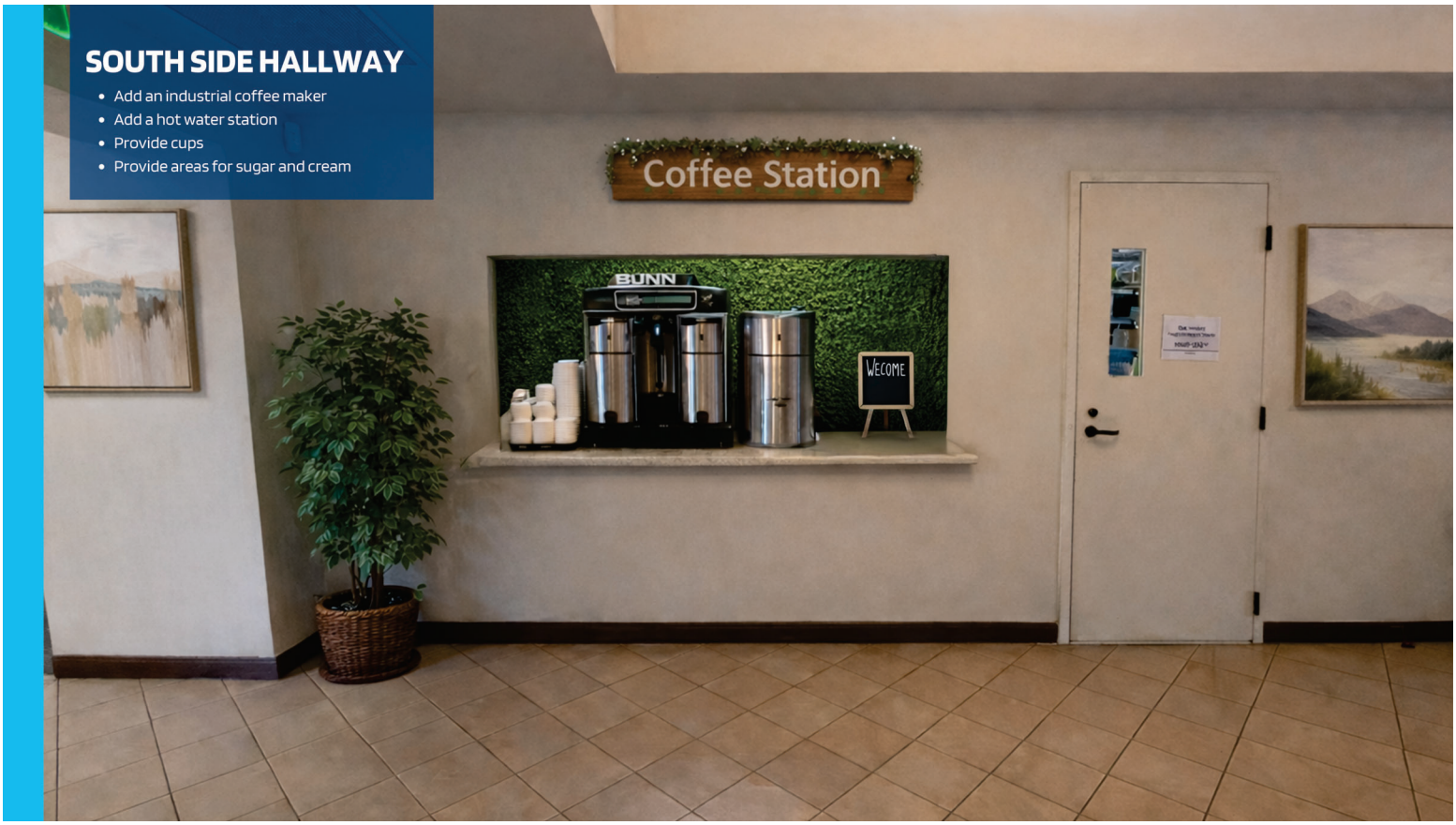
Page 3

FRONT ENTRANCE (FACING MAIN STREET)
• Add victorian style gates
SANTA FE SPRINGS

Page 4

LOBBY AREA
• Add an LED screen to replace the flyer cabinet area.
• Add partition to front desk
SANTA FE SPRINGS
INFORMATION

Page 5


SOUTH SIDE HALLWAY
• Add an industrial coffee maker
• Add a hot water station
• Provide cups
• Provide areas for sugar and cream
Coffee Station
BUNN
WECOME

Page 6

SOUTH SIDE HALLWAY
• Add seating area
EXIT

Page 7

SOUTH SIDE HALLWAY
• Add seating area
STAFF ONLY

Page 8

Page 9

Page 10

Page 11

Page 12

BILLIARDS ROOM

- Add one or two billiard tables to former Computer Room
- Add tables for patrons to sit and play games

PASSIVE RECREATION

- Add computer stations
- Add card tables
- Add television

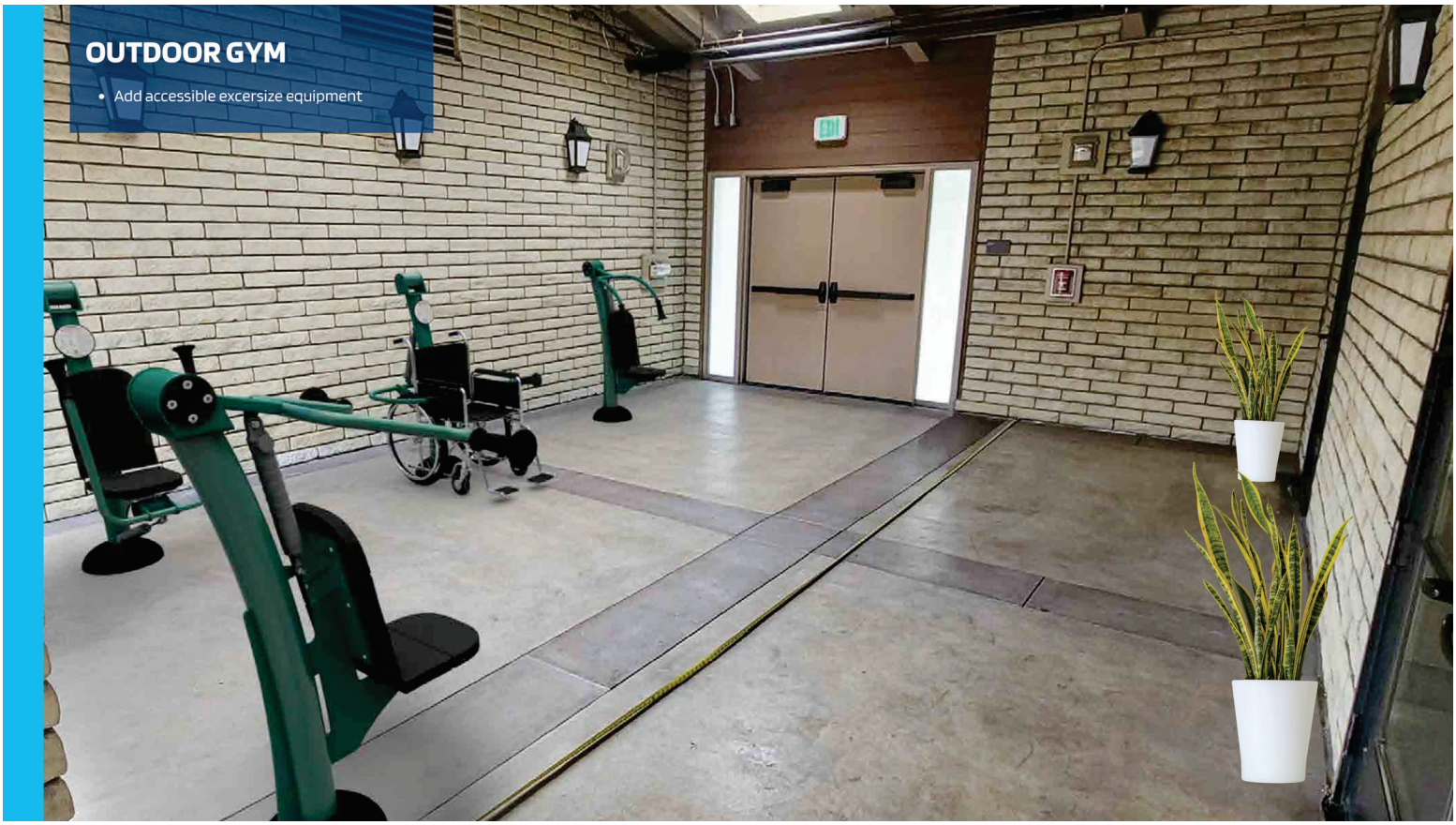
CLOTHING BOUTIQUE AREA

- Make former Fitness Room a permanent Clothing Boutique

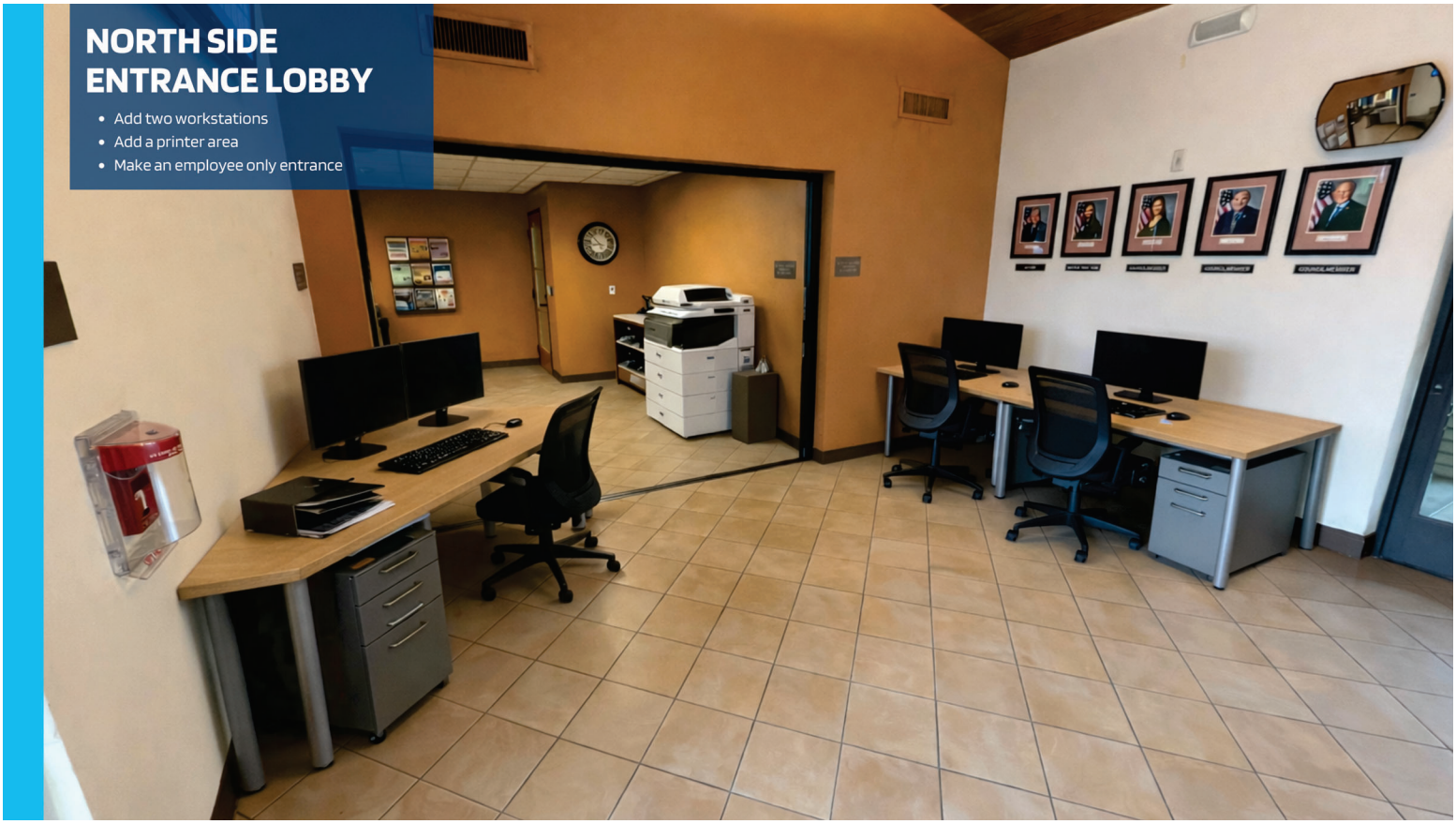
INDOOR GYM

- Purchase and install new exercise euipment in former Meeting Room 2

Page 17



Page 18



Note: All renderings are conceptual and for illustrative purposes only. Final design, materials, and features may vary.

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: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS AUTHORIZING JOINT APPLICATION TO AND PARTICIPATION IN THE HOMEKEY+ PROGRAM**

DATE: March 3, 2026

RECOMMENDATION

It is recommended that the City Council:

1. Adopt Resolution No. 10001 to authorize submission of a joint application ("Joint Application") to the California Department of Housing and Community Development for Homekey+ grant funds in an amount not to exceed $21,193,478; and
2. Authorize the City Manager, or designee, to execute the Joint Application, the Standard Agreement (if awarded) in an amount not to exceed $21,193,478, and all ancillary documents required to secure and administer the grant funds; and
3. Direct staff to undertake all actions necessary to implement the Homekey+ award, if received, and to return to the City Council with any future agreements, appropriations, or project-related approvals as required; and
4. Take such additional, related action that may be desirable.

FISCAL IMPACT

Approval of the resolution does not commit the City's General Fund to a direct financial obligation at this time. The Joint Application requests Homekey+ grant funding in an amount not to exceed $21,193,478. If awarded, the City would enter into a Standard Agreement with HCD in an amount not to exceed $21,193,478, inclusive of eligible project and related costs as defined by the program guidelines.

Any awarded funds would be restricted to allowable expenditures and activities identified in the Standard Agreement and incorporated Joint Application. City staff will ensure compliance with all grant requirements, reporting obligations, and timelines. Any future fiscal commitments, if required, would be brought before the City Council for separate consideration.

BACKGROUND

HOMEKEY+ PROGRAM

On November 26, 2024, the California Department of Housing and Community Development (HCD) released a Notice of Funding Availability (NOFA) for the Homekey+ Program, pursuant to Health and Safety Code Sections 50675.1.3 and 50675.1.5, Welfare and Institutions Code Sections 14184.402 and 5891.5, and related State budget acts supporting the Homeless Housing, Assistance and Prevention (HHAP) Program. The Homekey+ Program provides grant funding to local public entities to develop permanent supportive housing and other housing interventions for individuals experiencing or at risk of homelessness, including those with behavioral health needs.

The City of Santa Fe Springs proposes to submit a Joint Application with Affordable Living for the Aging, Primestor Development, LLC, and Santa Fe Springs Village, LP for Homekey+ funds in an amount not to exceed $21,193,478. If awarded, the City would enter into a Standard Agreement with HCD in an amount not to exceed $21,193,478 and execute all required program documents. Approval of the proposed resolution authorizes the City to participate as a joint applicant and to execute all necessary agreements and related documents required to secure and administer the grant funding.

APPROVED HOUSING PROJECT

Between July 2022 and October 2025, the developer, Primestor Development, LLC, advanced a proposed housing development project located in the City of Santa Fe Springs at a portion of the larger 11330-11350 E. Washington Blvd. property located at 8023 Broadway Avenue (the “Property”) through multiple design iterations pursuant to the State’s streamlined ministerial review process under Senate Bill 35 (SB 35). Through this process, the developer submitted and received approval for successive refinements to the site plan, architectural elevations, and unit mix in compliance with objective development standards and applicable State housing law. The streamlined review provided for ministerial approval without discretionary review, consistent with SB 35 requirements.

The currently approved design consists of 88 total Single-Room Occupancy (SRO) residential units, including 87 income-restricted SRO units and one on-site manager unit. The SRO configuration is intended to efficiently deliver permanent supportive housing opportunities while maximizing affordability and service integration. Of the total units, 42 SRO units will be reserved for homeless veterans, and 45 SRO units will be reserved for homeless and chronically homeless seniors aged 55 and older. The development is structured to provide permanent supportive housing consistent with State housing policy objectives and funding priorities associated with the Homekey+ Program and related homelessness programs.

ANALYSIS

The Homekey+ Program provides a competitive funding opportunity for local jurisdictions to expand permanent supportive housing and address homelessness, including individuals with behavioral health needs. Participation as a joint applicant allows the City to leverage State resources to support housing development without requiring an immediate commitment of local General Fund dollars. The proposed resolution is administrative in nature and authorizes the submission of the Joint Application and execution of required grant documents if awarded. Approval positions the City to compete for up to $21,193,478 in grant funding while maintaining flexibility to review and approve any subsequent project-level agreements or financial commitments at a later date.

ENVIRONMENTAL

The Joint Application and acceptance of grant funds by the City does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") (Pub. Res. Code § 21000 et seq.) and as defined by CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.) Section 15378(b)(4). The underlying housing development was previously ministerially approved pursuant to Government Code Section 65913.4 ("SB 35") to provide 88 housing units at the Property, and was not subject to environmental review pursuant to CEQA pursuant to CEQA Guidelines Section 15268. The application and acceptance of grant funds does not commit the City to any discretionary action or any new or additional development, construction, or physical change to the environment. The acceptance of Homekey+ funds does not alter, expand, or modify the previously approved ministerial housing development project. Therefore, because the underlying project was ministerially approved and exempt from CEQA pursuant to CEQA Guidelines Section 15268, and the acceptance of grant funds is not a "project" under CEQA Guidelines Section 15378(b0(4), no further action is required under CEQA.

If the proposed housing development proceeds following a funding award, appropriate environmental review under CEQA will be conducted at the time specific project entitlements or approvals are requested.

DISCUSSION

The Joint Application reflects a collaborative partnership between the City and experienced development and housing entities to pursue State funding administered by the California Department of Housing and Community Development. If awarded, the Homekey+ funds would support the development of housing consistent with State program objectives and local efforts to address homelessness and supportive housing needs.

SUMMARY/NEXT STEPS

Staff recommends that the City Council adopt the resolution authorizing submission of a Homekey+ Program Joint Application and execution of related agreements if funds are awarded. Upon Council approval, staff will coordinate with the co-applicants to finalize and submit the Joint Application to HCD in accordance with the NOFA requirements.

If the Project is selected for funding, staff will return to the City Council, as necessary, for any subsequent Project approvals, agreements, or environmental determinations required to implement the development.

ATTACHMENT(S):

A. Resolution No. 10001

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

_____
City Clerk, Maribel Garcia

APPROVED:
ITEM NO.:

RESOLUTION NO. 10001

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS AUTHORIZING JOINT APPLICATION TO AND PARTICIPATION IN THE HOMEKEY+ PROGRAM

WHEREAS, the Department of Housing and Community Development ("HCD") has issued a Notice of Funding Availability, dated November 26, 2024 ("NOFA"), for the Homekey+ Program ("Homekey+" or "Program"). HCD has issued the NOFA for Homekey+ grant funds pursuant to Health and Safety Code Section 50675.1.3 (Assem. Bill No. 140 (2021-2022 Reg. Sess.), § 20.); Health and Safety Code Section 50675.1.5 (Assem. Bill No. 531 (2023-2024 Reg. Sess.); Section 14184.402 of the Welfare and Institutions Code; Section 5891.5 of the Welfare and Institutions Code; and Round 5 and 6 of the Homeless Housing, Assistance and Prevention (HHAP) grant program. (Assem. Bill No. 129 (Chapter 40, Statutes 2023) and Assem. Bill No. 166 (Chapter 48, Statutes 2024), respectively

WHEREAS, CITY OF SANTA FE SPRINGS ("Applicant") desires to jointly apply for Homekey+ grant funds with Affordable Living for the Aging (Co-App1), Primestor Development, LLC (Co-App2), and Santa Fe Springs Village, LP (Co-App3). Therefore, Applicant is joining Affordable Living for the Aging (Co-App1), Primestor Development, LLC (Co-App2), and Santa Fe Springs Village, LP (Co-App3) in the submittal of an application for Homekey+ funds ("Application") to HCD for review and consideration.

WHEREAS, HCD is authorized to administer Homekey+ pursuant to the Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code. Homekey+ funding allocations are subject to the terms and conditions of the NOFA, the Application, the HCD-approved STD 213, Standard Agreement ("Standard Agreement"), and all other legal requirements of the Homekey+ Program.

NOW, THEREFORE, BE IT RESOLVED that:

1. CITY OF SANTA FE SPRINGS is hereby authorized and directed to submit a joint Application to HCD in response to the NOFA, and to jointly apply for Homekey+ grant funds in a total amount not to exceed $21,193,478.

2. If the Application is approved, CITY OF SANTA FE SPRINGS is hereby authorized and directed to enter into, execute, and deliver a Standard Agreement in a total amount not to exceed $21,193,478, any and all other documents required or deemed necessary or appropriate to secure the Homekey+ funds from HCD and to participate in the Homekey+ Program, and all amendments thereto (collectively, the "Homekey+ Documents").

3. CITY OF SANTA FE SPRINGS acknowledges and agrees that it shall be subject to the terms and conditions specified in the Standard Agreement, and that the NOFA

and Application will be incorporated in the Standard Agreement by reference and made a part thereof. Any and all activities, expenditures, information, and timelines represented in the Application are enforceable through the Standard Agreement. Funds are to be used for the allowable expenditures and activities identified in the Standard Agreement.

4. René Bobadilla, City Manager, or his or her designee, is authorized to execute the Application and the Homekey+ Documents on behalf of CITY OF SANTA FE SPRINGS for participation in the Homekey+ Program.

APPROVED and ADOPTED this **3rd** day of **March**, **2026,** by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Joe Angel Zamora, Mayor

ATTEST:

_____
Maribel Garcia, City Clerk

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: **AWARD OF CONTRACTS – ON-CALL PETROLEUM ENGINEERING SERVICES (RFQUAL NO. 26-2)**

DATE: March 3, 2026

RECOMMENDATION

It is recommended that the City Council:

1. Adopt Resolution No. 10002 awarding Professional Services Agreements to Cornerstone Engineering, Inc. and PR Field Services, Inc., and authorizing the City Manager, or designee, to enter into and execute the Professional Services Agreements with Cornerstone Engineering, Inc. and PR Field Services, Inc.; and
2. Take such additional, related action that may be desirable.

FISCAL IMPACT

The proposed agreements will be on an as-needed, task order basis, with compensation based on approved hourly rates and negotiated scopes of work. Each proposal included a time and materials fee schedule, which was evaluated for reasonableness in the evaluation criteria.

Funding for petroleum engineering services will be allocated from the appropriate funds and accounts associated with oil well abandonment, environmental remediation, regulatory compliance, and related capital or operating projects, as applicable. There is no guarantee of a minimum amount of work. Expenditures will be incurred only upon issuance of City-approved work orders.

BACKGROUND

On December 4, 2025, the City of Santa Fe Springs ("City") issued Request for Qualifications (RFQual) No. 26-2 seeking qualified firms to provide on-call petroleum engineering services. The RFQual was issued and administered in accordance with the City's procurement policies and made available through the City's PlanetBids portal.

The purpose of the RFQual was to establish a list of pre-qualified firms capable of providing technical petroleum engineering services on an as-needed basis. Services include, but are not limited to:

- Reservoir engineering studies and reserves evaluation;
- Drilling, completion, and production engineering;
- Well integrity assessments and abandonment planning;
- Regulatory compliance support (including CalGEM and other applicable agencies);
- Bid support and contractor selection assistance;
- Construction oversight and quality assurance during well abandonment;
- Health, safety, and environmental (HSE) review; and
- Preparation of regulatory closure documentation.

The City received three Statements of Qualifications (SOQs) by the January 15, 2026 deadline. An evaluation panel reviewed and scored the submittals in accordance with the criteria outlined in the RFQual.

ANALYSIS

Proposals were evaluated by a review panel in accordance with the criteria established in RFQual No. 26-2, including: (1) Adherence to Scope of Work (30 points); (2) Proposed Approach and Work Plan (30 points); (3) Experience of Proposer and Project Personnel (20 points); and (4) Proposed Fees (20 points), for a total possible score of 100 points.
Following individual scoring and panel consensus, the firms were ranked as follows:

- Cornerstone Engineering, Inc. – 87 points
- PR Field Services, Inc. – 87 points
- Viswa/V-TIC – 40 points

The top-ranked firms demonstrated strong technical expertise in petroleum engineering, extensive experience with CalGEM regulatory compliance, well abandonment planning, and construction oversight, as well as competitive and reasonable fee schedules. Based on the evaluation results and qualitative review of the Statements of Qualifications, staff recommends establishing agreements with Cornerstone Engineering, Inc. and PR Field Services, Inc.

Establishing a pre-qualified on-call list provides the City with flexibility to assign work based on expertise, availability, and project-specific requirements. Task orders will be negotiated individually, allowing the City to control scope, schedule, and cost.

The agreements will be structured as professional services agreements with no guaranteed minimum compensation and will require compliance with the City's insurance, indemnification, and federal funding provisions, if applicable. The RFQual requires each selected firm to execute a Professional Services Agreement, attached in substantial form to the RFQual and included herein as Attachment C.

ENVIRONMENTAL

The approval of on-call professional services agreements for petroleum engineering services is not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section

15378, as it constitutes an administrative action that does not have the potential for resulting in a direct or reasonably foreseeable indirect physical change in the environment.

Future site-specific projects, including well abandonment or remediation activities, will undergo appropriate environmental review in accordance with CEQA prior to implementation.

DISCUSSION

The City is responsible for oversight of oil and gas wells that require ongoing technical evaluation, regulatory compliance, and, in certain cases, abandonment and closure.

Given the technical complexity and regulatory oversight associated with petroleum engineering and well abandonment activities, retaining qualified on-call engineering support is critical to:

- Ensuring compliance with California Geologic Energy Management Division (CalGEM) standards and other regulatory requirements;
- Protecting groundwater, soil, and air quality;
- Mitigating potential environmental and public safety risks;
- Providing defensible cost estimates and oversight of abandonment contractors; and
- Maintaining transparency with stakeholders and regulatory agencies.

Utilizing multiple firms reduces project delivery risk, enhances technical capacity, and provides competitive cost control when negotiating task-specific scopes of work.

SUMMARY/NEXT STEPS

Approval of the recommended action will:

- Establish a list of qualified petroleum engineering consultants;
- Enable the City to promptly issue task orders for well evaluations, abandonment planning, regulatory reporting, and related services; and
- Support the City's ongoing compliance, environmental protection, and risk management objectives.

Upon City Council approval, staff will:

1. Finalize and execute Professional Services Agreements with the selected firms;
2. Develop and issue task orders for priority well evaluations and abandonment projects; and
3. Return to City Council as necessary for additional appropriations or project-specific approvals.

ATTACHMENT(S):

A. Statement of Qualifications for Cornerstone Engineering, Inc.
B. Statement of Qualifications for PR Field Services, Inc.
C. Sample Professional Services Agreement
D. Resolution No. 10002

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

_____

City Clerk, Maribel Garcia

CORNERSTONE
ENGINEERS • ADVISORS
Bringing Solutions and Light

Honey Rock
ENGINEERS • ADVISORS
DRILL • DEVELOP • DECOMMISSION

Submittal of Qualifications for On-Call Petroleum Engineering Services Request for Qualifications No. 26 – 2

January 15, 2026

Cornerstone Engineering, Inc.

5509 Young Street
Bakersfield, CA 93311
(661) 325-9474
Shawn Kerns
Email: skerns@cornerstoneng.com
Phone: 661-623-7268

www.cornerstoneeng.com

City of Santa Fe Springs – Community Development
Attn: Cuong Nguyen, Director
11710 Telegraph Road
Santa Fe Springs, CA 90670

January 15, 2026

Subject: ***Proposal to Provide On-Call Petroleum Engineering Services***

Dear Mr. Nguyen:

Cornerstone Engineering, Inc. ("Cornerstone") is pleased to submit this Statement of Qualifications (SOQ) in response to the City of Santa Fe Springs' Request for Qualifications No. 26-2 for On-Call Petroleum Engineering Services (RFQual). We appreciate the opportunity to be considered and respectfully submit our qualifications for inclusion in the City's pool of on-call professional petroleum engineering consultants.

"The City of Santa Fe Springs is a great place to live, work and play" reflects a community shaped by a long history of industry, innovation, and stewardship. That history, particularly the City's role as one of Southern California's significant historic oil-producing communities, aligns closely with Cornerstone's experience supporting public agencies and private entities managing legacy petroleum assets in modern urban environments. Cornerstone would be honored to serve as the City's trusted, independent petroleum engineering advisor.

Cornerstone is an experienced petroleum engineering and advisory firm that has supported public agencies and asset owners across California in addressing complex technical, regulatory, and safety challenges associated with oil and gas infrastructure. Our work focuses on providing defensible engineering guidance, regulatory compliance support, and practical solutions for legacy wells subject to evolving regulatory requirements and public scrutiny.

In addition to petroleum engineering services, Cornerstone brings complementary experience evaluating post-abandonment land use and reuse alternatives for former oilfield properties. This includes coordination with land development, environmental remediation, and infrastructure planning efforts. This broader perspective allows Cornerstone to support the City not only in safely retiring legacy wells, but also in considering future opportunities aligned with community goals, redevelopment priorities, and long-term economic vitality.

Understanding of the City and Scope of Services

Cornerstone understands that the City of Santa Fe Springs has a long and significant history of oil and gas development and now faces the complex responsibility of managing legacy petroleum assets within a highly developed urban environment. Many of these assets were drilled and operated under historical regulatory frameworks that differ substantially from current standards, requiring careful technical evaluation, regulatory coordination, and defensible engineering judgment.

The City seeks qualified petroleum engineering professionals to provide independent, on-call technical support on an as-needed basis. These services include petroleum engineering analysis, well integrity evaluation, regulatory compliance support, abandonment planning and oversight, contractor

procurement assistance, construction observation, health and safety review, reporting, and regulatory close-out documentation. Cornerstone understands these services must support the City's obligations related to public safety, environmental protection, fiscal responsibility, regulatory compliance, and long-term land use considerations.

Summary of Key Elements of the Statement of Qualifications

Cornerstone is an independent petroleum engineering and advisory firm with experience supporting public agencies and asset owners throughout California on projects involving legacy oil and gas infrastructure. The attached SOQ highlights the following key qualifications relevant to the City of Santa Fe Springs:

- Licensed Professional Engineers with experience in reservoir engineering, production engineering, well integrity assessment, and regulatory-compliant well abandonment planning;
- Demonstrated experience supporting projects subject to California Geologic Energy Management Division (CalGEM) requirements, Air Quality Management District (AQMD) regulations, and applicable local ordinances;
- Proven capability evaluating legacy wells with incomplete or inconsistent historical records and developing risk-based, defensible engineering recommendations;
- Experience supporting contractor procurement, bid review, and construction oversight in urban and constrained environments;
- A structured, step-by-step approach to on-call services emphasizing regulatory alignment, quality assurance/quality control, responsiveness, and clear documentation;
- Complementary experience considering post-abandonment land use and reuse alternatives for former oilfield properties.

Cornerstone's role is to serve as a trusted, independent technical advisor, providing objective engineering guidance and practical solutions that support informed City decision-making and withstand regulatory and public scrutiny.

Office Location and Contact Information

On-call petroleum engineering services for the City of Santa Fe Springs will be managed from Cornerstone's primary office located at:

Cornerstone Engineering, Inc.
5509 Young Street
Bakersfield, California 93311
Telephone: (661) 325-9474

Cornerstone recognizes the value of in-person collaboration and site visits and is available to support the City on site as requested.

Fee Validity

Cornerstone stipulates that the fees and hourly rates presented in the attached Statement of Qualifications shall remain valid for a minimum period of one (1) year from the date an agreement is executed with the City of Santa Fe Springs.

Authorization and Closing

Cornerstone is committed to providing responsive, high-quality professional services that support the City's regulatory, operational, and community responsibilities. We would welcome the opportunity to serve the City of Santa Fe Springs as an on-call petroleum engineering consultant and trusted technical partner.

The undersigned is authorized to bind Cornerstone Engineering, Inc. Please do not hesitate to contact us should you have any questions or require additional information. We appreciate your consideration.

Sincerely,

Shawn Kerns
Managing Partner – Advisory Services
Cornerstone Engineering, Inc.
Email: skerns@cornerstoneeng.com
Phone: 661-623-7268

Alex Vigil
Managing Partner – Asset Retirement
Honey Rock Engineering, LLC.
Email: alex.vigil@honeyrockeng.com
Phone: 303-549-4809

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Appendix Attachments

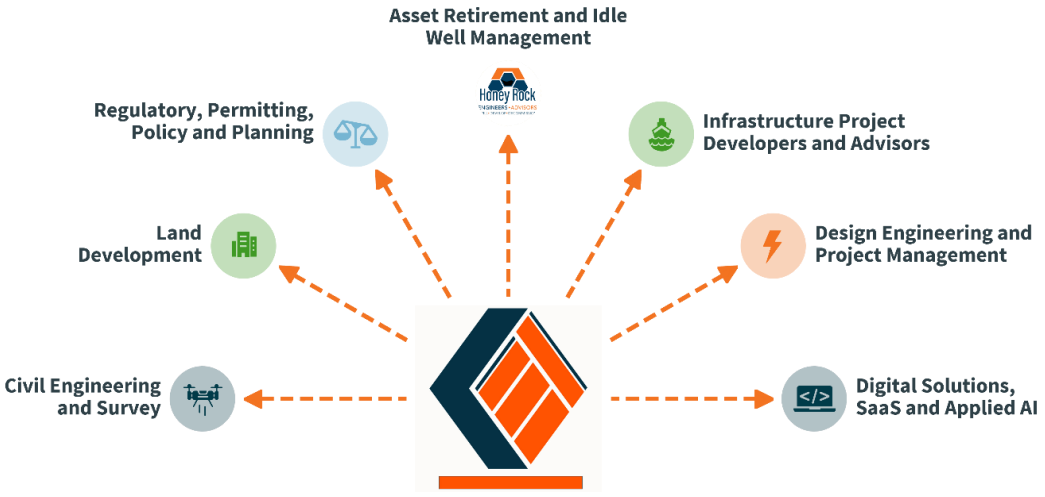
A. Resumes
B. Fee Schedule
C. WBE & Small Business Certifications

Section 1 – Firm Background and Integrated Scope of Work

Cornerstone is a California based team and has been an integral part of the business community since the 1970s. We are proud to rank among the larger engineering and surveying firms serving California today. Our team offers top-tier petroleum engineers and regulatory experts along with land development resources to support the City of Santa Fe Springs' diverse oilfield projects over the coming years.

Cornerstone is organized as a Certified Woman Owned Business and Small Business Enterprise - **See Appendix C,** with Christine Halley, PE, as Managing Partner. She is joined by Kent Halley, Alan Whitten, PE, LS, Eric Dhanens, Shawn Kerns, Rolf Scherer, and Derrill Whitten, PE, LS as partners. We have an unmatched passion to see our region succeed through innovation and collaboration with our partners and with the stakeholders we're fortunate to call our friends and clients.

We are comprised of more than 80 professionals including our affiliate, Honey Rock Engineers & Advisors, LLC, ("Honey Rock"). With Cornerstone as the prime consultant, Honey Rock is our oilfield asset retirement arm specializing in petroleum engineering services and dedicated to delivering quality and cost-effective engineering design and solutions for well plug and abandonment, facilities decommissioning, and soil remediation in California's challenging regulatory environment. Together, we honor your mission to improve quality of community life. Our goal is to collaborate closely with your city's leadership and serve as a valued resource in managing regulatory compliance and technical guidance, well abandonment procedures, bid processes, construction oversight and quality assurance, HSE considerations, reporting, and supporting community engagement.



Cornerstone understands the Scope of Work outlined in Section IV of the City's RFQual and is qualified to provide on-call petroleum engineering and technical advisory services. As an independent technical advisor that does not perform drilling, workover, or abandonment construction, Cornerstone provides objective evaluations of reservoir performance, well integrity, abandonment methods, and contractor proposals consistent with the City's oversight role. Cornerstone has experience with California Geologic Energy Management Division (CalGEM) requirements and related environmental and safety regulations, as well as legacy oil and gas assets in urban and environmentally constrained settings. Services are delivered through a structured project management approach aligned with the City's work-order-based process to ensure regulatory compliance, technical consistency, and quality control.

Task Initiation and Data Review

For each work order, Cornerstone begins by coordinating with City staff to clearly define objectives, scope, schedule, regulatory context, and available information. This initial step establishes a common understanding of the assignment and provides the foundation for efficient execution, regulatory alignment, and risk management.

Task Coordination and Alignment

Task initiation activities may include:

- Confirmation of the City's objectives, priorities, and desired outcomes;
- Clarification of scope, schedule, and level of effort;
- Identification of applicable federal, state, and local regulatory requirements, including CalGEM and other relevant agencies;
- Establishment of communication protocols and coordination needs.

Data Collection and Review

As part of task initiation, Cornerstone collects and reviews available information, which may include:

- Well files, drilling logs, and completion records;
- Production histories and inspection reports;
- Prior engineering studies, abandonment plans, and regulatory correspondence;
- Identification of data gaps, uncertainties, or inconsistencies affecting the assignment.

This structured initiation process enables Cornerstone and the City to align expectations, identify potential risks early, and proceed efficiently with subsequent engineering, regulatory, or oversight activities.

Reservoir, Production, and Technical Evaluation

Cornerstone will provide petroleum engineering analysis to support the City's evaluation, planning, and decision-making needs related to legacy and active oil and gas assets. Analyses are tailored to the specific objectives of each work order and are performed in accordance with industry standards and regulatory expectations.

Engineering Analyses and Evaluations

Petroleum engineering analysis services may include:

- Reservoir engineering studies, including volumetric analysis, material balance, decline curve analysis, and simulation modeling;
- Production engineering review and performance evaluation to assess well or field behavior;
- Drilling, completion, and production design review or optimization, as applicable to the assignment;
- Reserves estimation and classification in accordance with recognized industry standards (e.g., SPE-PRMS);
- Economic evaluations, forecasting, and sensitivity analyses to support technical and financial decision-making.

Analytical results are documented clearly and presented in a manner suitable for City review, regulatory coordination, and long-term record retention.

Regulatory Compliance and Technical Guidance

Regulatory compliance services may include:

- Review of applicable federal, state, and local regulations governing oil and gas activities;
- Evaluation of California Geologic Energy Management Division (CalGEM) standards, Air Quality Management District (AQMD) requirements, and applicable City ordinances;
- Identification of regulatory expectations related to abandonment design, testing, documentation, and oversight.

Technical Guidance and Advisory Support

Cornerstone provides written technical guidance and advisory support to assist the City with regulatory compliance, which may include:

- Preparation of engineering guidance addressing regulatory requirements and best practices;

- Advisory support related to environmental regulations governing groundwater protection, soil remediation, and air quality controls;
- Coordination of regulatory considerations with engineering analyses, abandonment planning, and reporting.

Regulatory guidance is documented clearly and integrated into project records to support City decision-making, regulatory coordination, and long-term compliance.

Well File Review and Integrity Assessment

Cornerstone conducts detailed well file and data reviews to assess well integrity, regulatory status, and risk, with particular focus on legacy wells that may have incomplete, inconsistent, or fragmented historical records. This review supports informed decision-making, prioritization, and development of appropriate remediation or abandonment strategies.

Well File and Data Review

Well file review and analysis may include:

- Review of historical drilling logs, completion reports, production records, and inspection data;
- Evaluation of prior remedial actions, workovers, or partial plugging activities;
- Identification of data gaps or uncertainties affecting integrity or regulatory compliance.

Well Integrity Evaluation

Integrity assessments may include:

- Evaluation of casing configurations and casing condition;
- Review of cement records, cement bond logs, and other available integrity data;
- Assessment of prior plugging or abandonment operations, if applicable;
- Identification of potential pathways for gas or fluid migration.

Risk Identification and Prioritization

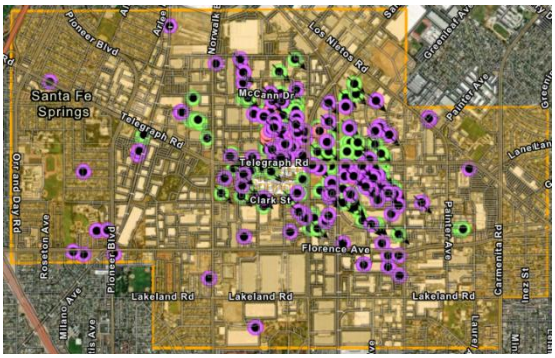
Based on available data, Cornerstone identifies and evaluates wells presenting elevated risk, which may include:

- Environmental risks, including groundwater or surface exposure;
- Public safety risks associated with gas migration or structural conditions;

- Regulatory risks related to incomplete documentation or non-conformance with current standards.

Cornerstone works with the City to prioritize wells requiring further investigation, remediation, or abandonment based on risk, regulatory drivers, and City objectives.

Legacy Well Context – City of Santa Fe Springs



Cornerstone recognizes the complexity of managing legacy wells in the City of Santa Fe Springs, which has a long history of oil and gas development. Publicly available CalGEM WellSTAR data indicates that there are hundreds of active and idle wells in existence operated by multiple operators, with more than a thousand wells previously plugged and abandoned. Many of these wells were drilled and/or abandoned under regulatory standards that differ significantly from current requirements. A high-level review of recently abandoned wells indicates average depths of 3000-5000 ft with multiple casing strings and historical perforations. These wells are a good representation of the deep, multi-string legacy construction practices for wells that are now aging and/or have compromised casing integrity with frequent obstructions and unstable fill challenges that must be addressed within the abandonment procedures and program.

Abandonment Planning and Cost Development

For wells identified for plug and abandonment, Cornerstone prepares well-specific plug and abandonment procedures and programs to support regulatory approval, safe execution, and long-term protection of public health, safety, and the environment.

Abandonment Program Development

Abandonment planning services may include:

- Development of recommended casing cut and removal depths and methods;
- Design of cement plug placement intervals, volumes, and cement types appropriate to well conditions;
- Specification of pressure testing and verification protocols;
- Preparation of engineering wellbore diagrams and schematics illustrating proposed abandonment methods;
- Development of well-specific abandonment cost estimates (AFEs) to support City budgeting and contractor procurement.

Programs are written to be clear, conservative, and practical, minimizing ambiguity during construction and facilitating regulatory review. Cornerstone has experience designing and permitting plug and abandonment programs with CalGEM for wells across California, including legacy wells with incomplete records and complex subsurface conditions. This experience informs our approach to anticipating regulatory expectations, addressing data gaps, and preparing abandonment programs that support efficient approval and execution.

Legacy Wells and Land Use Considerations

Cornerstone recognizes that improper or incomplete abandonment can create long-term regulatory and land use constraints. Our abandonment planning approach considers not only immediate regulatory compliance, but also the importance of achieving a final well condition that supports future land use, redevelopment, or site reuse opportunities consistent with City objectives. These considerations are critical to reduce risk and avoid future development implications.

Bid and Contractor Support

Cornerstone provides technical advisory support to assist the City during contractor procurement and selection for plug and abandonment and related petroleum engineering work. These services are intended to support informed decision-making, regulatory compliance, and cost-effective execution, while preserving the City's sole authority over procurement and award decisions.

Scope of Services

Procurement and selection support services may include:

- Assisting the City with preparation of technical specifications and bid documents, including requests for proposals or similar procurement materials;
- Reviewing contractor proposals for technical completeness, constructability, and alignment with applicable regulatory requirements;
- Evaluating proposed costs and schedules for general reasonableness and feasibility based on industry practices and project conditions;
- Providing written technical observations and recommendations to support the City's evaluation and selection process.

Role Clarification

Cornerstone's role is advisory in nature. The firm does not participate in procurement decision-making, does not negotiate contracts on behalf of the City, and does not assume responsibility for contractor pricing, means and methods, or performance. All procurement decisions, contractor selection, and contract administration remain the sole responsibility of the City.

Construction Oversight and Quality Assurance

During plug and abandonment operations, Cornerstone, in coordination with the City and the selected abandonment contractor, will provide engineering and execution oversight services as requested, either on-site or remotely. Cornerstone's oversight role is advisory and observational in nature and is intended to support the City's oversight, coordination, and decision-making responsibilities.

Cornerstone's experience with plug and abandonment projects demonstrates that regular field observation and communication are critical to identifying constructability, regulatory, or sequencing issues early—before they impact schedule, cost, or regulatory compliance. As abandonment work progresses, Cornerstone may also identify opportunities to improve efficiency and coordination, which can result in positive schedule and cost outcomes for the City.

Oversight Activities

Engineering oversight activities may include:

- Field inspections, including inspection of exposed wells prior to construction;
- Verification of casing removal, cement placement, and plug installation activities;
- Witnessing mechanical integrity tests, pressure tests, and logging operations, as requested;
- Documentation of daily activities and preparation of engineering observations;
- Engineering sign-off at defined project milestones.

Well Site Manager Support (Optional)

To support oversight activities, Cornerstone can provide Well Site Manager support services on a time-and-materials basis through our trusted subconsultant Miocene Engineering . These services are intended to assist the City during plug and abandonment operations and do not include direction or control of contractor work.

Well Site Manager support may include:

- On-site presence during plug and abandonment operations to observe activities and support City oversight;
- Serving as a liaison between City representatives, regulatory agencies, and the abandonment contractor;
- Monitoring activities for general conformance with the approved plug and abandonment program, schedule, and plans provided by the City;
- Identifying and promptly communicating observed issues, risks, or deviations to City representatives;
- Providing input and recommendations to the City regarding progress, sequencing, and coordination, as requested;
- Supporting daily coordination meetings, toolbox talks, and operational briefings as a City representative;
- Preparing daily activity reports, logs, and field observations;
- Escalating observed safety concerns, regulatory issues, or unexpected field conditions to the City in a timely manner;
- Supporting the City's review of contractor documentation (e.g., daily reports and time logs) for informational purposes only.

Explicit Exclusions and Limitations

Cornerstone's role is strictly limited to engineering observation and advisory support. Specifically:

- Cornerstone will not direct, supervise, or control the abandonment contractor or its personnel;
- Cornerstone will not dictate or approve construction means, methods, procedures, or sequencing;
- Cornerstone will not assume responsibility for contractor performance, safety programs, or regulatory compliance;
- Cornerstone does not provide construction management, contractor supervision, or safety oversight services;
- Cornerstone does not perform abandonment operations, environmental remediation, hazardous materials handling, or well control services.

All operational decisions, abandonment methods, sequencing changes, and execution remain the sole responsibility of the City and the abandonment contractor.

Authority and Decision-Making

Cornerstone & subconsultant personnel are authorized to observe, document, report, recommend, and escalate issues to the City. Final decisions regarding abandonment operations, work stoppages, and changes to the abandonment program are made by the City or the abandonment contractor.

In the event of an immediate safety concern, Cornerstone personnel may request a temporary pause in work for safety reasons and will promptly notify the City.

Health, Safety, and Environmental Review

Cornerstone provides health, safety, and environmental (HSE) review services focused on protecting workers, the surrounding community, and the environment during petroleum engineering and well abandonment activities. Our approach emphasizes proactive risk identification, regulatory alignment, and clear technical guidance appropriate for public-agency oversight.

Worker and Community Safety

Cornerstone advises the City on industry best practices for worker and public safety during abandonment operations, particularly in urban or constrained environments. Services may include:

- Review of proposed work methods, site controls, and sequencing;
- Identification of potential worker or public safety concerns;
- Recommendation of appropriate mitigation measures to reduce safety risks;
- Advisory support consistent with the City's role as an oversight authority rather than a construction contractor.

Air, Noise, and Vibration Controls

Cornerstone reviews proposed monitoring and control measures to assess consistency with regulatory requirements and best practices, including:

- Review of air monitoring plans and emissions control measures;

- Evaluation of noise and vibration control approaches;
- Advisory input on adequacy of controls to minimize impacts to nearby residents, businesses, and public infrastructure.

Environmental Risk Mitigation

Cornerstone evaluates potential environmental risks associated with abandonment activities and provides advisory support, which may include:

- Identification of potential risks related to gas releases, fluid migration, or accidental spills;
- Review of proposed mitigation and response measures;
- Recommendations to reduce the likelihood and consequences of unintended releases;
- Advisory input related to groundwater protection and air quality compliance.

Documentation and Coordination

HSE-related observations and recommendations are documented and coordinated with City staff and other technical reviews. This may include:

- Integration of HSE observations into engineering oversight and reporting;
- Preparation of clear, defensible documentation to support City decision-making;
- Coordination with regulatory and technical requirements as part of the project record.

Reporting, Documentation, and Close-Out

Cornerstone prepares clear, complete, and defensible reporting and documentation for all petroleum engineering and well abandonment assignments in alignment with regulatory expectations. We recognize that final reports and closure records serve not only as regulatory submittals, but also as permanent public records supporting City oversight, audits, and long-term asset management.

Final Abandonment Reports

Cornerstone prepares final abandonment reports suitable for submission to the California Geologic Energy Management Division (CalGEM) and other applicable regulatory agencies. Reports are prepared in accordance with current regulatory standards and document the approved abandonment procedures, field execution, testing, and verification activities, including any field-approved modifications. Our reporting approach is intended to minimize regulatory comments and support timely project close-out.

Comprehensive Closure Packages

For each abandoned well, Cornerstone provides the City with a complete closure package organized for long-term record retention. Closure packages typically include:

- Plugging records documenting plug depths, materials, volumes, and placement methods;
- Cement tickets and test results verifying compliance with approved designs;
- Final site maps, well schematics, and as-built drawings reflecting abandonment conditions;
- Engineer's certification of compliance executed by a licensed Professional Engineer.

Quality Control and Record Management

All reports and closure packages undergo internal quality assurance and quality control review prior to submission. Documentation is prepared to be clear, traceable, and defensible, and is provided in electronic formats suitable for regulatory submission and City archiving. Cornerstone coordinates closely with City staff to confirm documentation requirements and submission protocols.

Community and Stakeholder Support

Cornerstone can provide community and stakeholder support services to assist the City in communicating technical aspects of well abandonment and related activities in a clear, accurate, and accessible manner as requested. These services are intended to support transparency, public understanding, and informed dialogue, particularly in urban settings where community interest and concern may be elevated.

Public Meeting Support

Community support services may include:

- Attendance at public meetings, workshops, or briefings to explain technical aspects of well abandonment activities;
- Participation in City-led presentations or discussions as a technical resource;
- Clear explanation of abandonment methods, sequencing, and oversight processes in non-technical terms appropriate for public audiences.

Plain-Language Materials

Cornerstone can assist the City with preparation of plain-language informational materials, which may include:

- Summaries of abandonment methods and procedures;
- Descriptions of safety measures and oversight practices;
- Explanations of environmental protections related to groundwater, air quality, and site conditions;
- Visual aids or simplified diagrams to support public understanding, as requested.

Community and stakeholder support activities are coordinated with City staff to ensure consistency with City messaging and policies.

Section 2 – Key Personnel & Staffing

Cornerstone is pleased to present the following individuals that will be available to support the City's projects. Their qualifications are expressed in our key team members' biographies. **See Appendix A** for full resumes.

Alex Vigil – Managing Partner / Program Manager Honey Rock Engineers & Advisors LLC and Lead Consultant Representative

As Managing Partner and Program Manager at Honey Rock Engineers & Advisors LLC, Alex Vigil brings over 14 years of oil and gas industry experience with a focus on regulatory compliance and asset retirement obligations. He is a degreed petroleum engineer from Colorado School of Mines with expertise in data-driven decision-making and project management. Alex managed abandonment operations valued at more than $3 billion for one of the states "top 3" producers and supports dozens of land developers in assessing the integrity of legacy wells plus advising on abandonment strategy for California producers. His extensive subsurface operations background and real work field experience supervising rig operations is a standout.

Christine Halley, RCE – Cornerstone Managing Partner

Managing Partner Christine Halley brings four decades of regulatory/permitting strategy, civil engineering, and program management to Cornerstone's clients. A Penn State graduate (BSCE '81), she assists in project management, public interface, regulatory agency interface, strategizing on CEQA compliance, and water resource engineering. She oversees utility upgrades and roadway / parking lot design services for Kern Community College District as well as large industrial land development. She is a sought-after consultant on matters of California energy policy and has proven herself to be an adept communicator of technical settings to a variety of audiences, including elected officials, agency representatives, and the public.

Shawn M. Kerns, PE – Managing Partner & Senior Petroleum Engineering Advisor

Shawn Kerns offers 30+ years of leadership in California's oil and gas industry. As former COO of the state's largest operator, he managed $2B annual capital programs, 8,000 wells, and 750MM barrels of reserves across major basins. His expertise spans drilling, workovers, facilities, reservoir engineering, regulatory compliance, and corporate finance. Shawn has led complex joint ventures with Chevron and municipal partners, served as Vice Chair of WSPA and board member of CIPA, and chaired SPE's local chapter. He is highly experienced in M&A and financing, securing $1.7B in capital and structuring award-winning transactions. Shawn brings proven capability in strategic planning, regulatory navigation, and technical oversight for high-profile projects.

Eric Dhanens –Partner & EVP of Energy and Infrastructure Advisor

Eric Dhanens combines deep oil and gas operations experience with leadership in emerging energy technologies. He has managed upstream assets producing 1,500 barrels per day and 40MW of cogeneration and solar power, while now driving decarbonization projects such as Kern County's first carbon-free steam facility and a $70M multi-technology power initiative. His expertise spans drilling, facilities, and reservoir engineering as well as hydrogen, carbon capture, and energy storage. Eric serves as "owner's engineer" for large-scale power and asset retirement projects, advises regional energy strategy through B3K and California Renewable Energy Laboratory, and is recognized for aligning infrastructure with California's transition to low-carbon energy.

Alan Whitten RCE, PLS – Partner & Chief Civil Engineer

Alan Whitten brings over 25 years of civil engineering experience with a strong background in infrastructure planning for oilfield and industrial projects. As Chief Civil Engineer at Cornerstone, he has led design and oversight for large-scale water systems, floodplain modeling, and utility infrastructure supporting energy and petroleum operations. Alan's expertise includes site development, drainage systems, and regulatory coordination for projects in urban and environmentally sensitive areas. His prior leadership roles with the U.S. Air Force involved managing $90M annual engineering programs and complex facility planning across 470 square miles, demonstrating his ability to deliver technically sound solutions under stringent compliance requirements. Licensed Professional Civil Engineer and Land Surveyor in California, Alan provides strategic and practical guidance for projects involving legacy oilfield assets and urban redevelopment.

Neil Ferrier – Honey Rock Director of Asset Retirement & Risk Management

As director of asset retirement, Neil Ferrier brings over 23 years of experience in the oil & gas sector. Neil is a proven leader in managing asset retirement programs including well plug & abandonment, facilities decommissioning, and environmental remediation for large onshore portfolios (Chevron Upstream California). He has led the development and implementation of strategies to satisfy complex regulatory requirements, and lead land development end-state vision planning for current and former oil and gas assets. With a background in mechanical engineering, he has extensive project management & engineering design experience for small capital / large capital surface facility projects.

Kari Hochstatter, PG – Regulatory & Subsurface Manager/Senior Geologist

Kari Hochstatter has 15+ years of experience in oilfield development and regulatory compliance, specializing in California's Underground Injection Control (UIC) program. She leads Cornerstone's subsurface and regulatory projects, including aquifer exemptions and CEQA studies, and has worked across major California basins. Kari's expertise includes reservoir modeling, injection strategy, and navigating CalGEM and Water Board requirements. A licensed Professional Geologist in California and Wyoming, she provides practical, defensible solutions for oilfield operations and asset retirement projects.

Omur Orhan – Honey Rock Chief Planner & Strategic Evaluation Advisor

Omur Orhan has 20+ years of experience in reservoir engineering, economic modeling, and strategic planning for oil and gas projects. He has managed investment portfolios over $100M, optimized heavy oil and shale reservoirs, and developed depletion plans and reserves estimates. Omur specializes in cost management, scenario planning, and decision analysis, supporting drilling, development, and decarbonization strategies. His prior roles at Aera Energy and Occidental Petroleum included leading cross-functional teams and advising senior management on high-impact projects. With advanced degrees from Stanford and Cornell, Omur delivers data-driven insights for complex petroleum and asset retirement initiatives.

James Conners II, PE – Honey Rock Senior Petroleum Engineer

Senior Petroleum Engineer, Jim Conners, Professional Engineer, brings more than 40 years of experience in drilling, completion, and production. Known for delivering innovative subsurface solutions, he has held pivotal roles at Occidental Petroleum, Aera Energy LLC, and Conners Engineering, Inc. James excels in project management, contract negotiation, process analysis, and mentoring, ensuring efficient and compliant operations. A thought leader, he has published technical papers and holds memberships in the Society of Petroleum Engineers and the American Association of Drilling Engineers. Active in his community, he serves as Clerk of Session at First Presbyterian Church in Bakersfield, is Past Moderator of the Presbytery of the Pacific Southwest, and a Boy Scouts of America board member.

David Pickens, PE – Honey Rock Well Engineering Specialist

Senior Licensed petroleum engineer, Dave Pickens, brings drilling, completions, operations, and workover experience on onshore and offshore fields. Operations experience includes waterflood and thermal recovery surveillance and offshore drilling and completion design. As engineering supervisor, managed operations, and drilling engineering staff, assisted with annual production forecasts and capital budgets, and prepared quarterly and annual reports of performance versus key indicators.

Andrew Swint – Honey Rock Senior Drilling & P&A Operations Engineer

Andrew Swint brings 23 years of oil and gas experience, including 13 years as a drilling engineer and team leader. He has designed and executed over 6,500 wells across multiple basins and developed detailed abandonment programs for both onshore and offshore California wells. Andrew's expertise spans drilling, completions, and plug-and-abandonment operations, with a strong focus on regulatory compliance and safety. His background includes senior roles at Aera Energy and Baker Hughes, where he managed complex drilling programs, optimized well designs, and led technical teams. A graduate of Colorado School of Mines, Andrew provides practical, field-tested solutions for drilling and asset retirement projects.

Patricia Newquist – Senior Planner

Patricia Newquist has 25+ years of experience in land use planning, permitting, and regulatory compliance for complex development projects, including energy and oilfield-related sites. She specializes in entitlements, CEQA/NEPA compliance, and coordination with agencies for industrial and infrastructure projects. Patricia has supported planning for renewable energy and oilfield redevelopment, ensuring regulatory alignment and stakeholder engagement. Her expertise in navigating California's permitting process makes her a key resource for projects involving legacy petroleum assets.

Subconsultants

Alan E. White, PE – Miocene Owner & Operator

Alan E. White is the owner and operator of Miocene, Inc., an engineering and operating services firm headquartered in Bakersfield, California. With over 40 years of experience in petroleum engineering, Alan specializes in drilling, completions, production operations, reservoir engineering, and regulatory compliance. He is a licensed Professional Petroleum Engineer in California (P1747) and Arizona (80661). Alan previously served as CEO of ERG Operating Company, where he managed operations producing over 2,000 barrels of oil per day and led major permitting and environmental compliance initiatives. His career includes executive roles at Occidental Oil and Gas Company and extensive work across U.S. oil fields, South America, and the Middle East.

When necessary, Cornerstone will engage Miocene Engineering as an on-site representative to provide Well Site Management support during plug and abandonment operations. Miocene's role will include observing field activities, verifying conformance with approved abandonment programs, and serving as a liaison between project stakeholders, regulatory agencies, and contractors—ensuring quality assurance and timely communication throughout the project.

Section 3 – Relevant Experience and Expertise

Cornerstone brings extensive experience providing petroleum engineering services for public agencies and asset owners managing legacy oil and gas infrastructure. The firm's experience includes assignments

involving reservoir and production engineering, well integrity evaluation, regulatory compliance support, abandonment planning, contractor oversight, and preparation of regulatory-ready documentation.

Cornerstone's project experience demonstrates the firm's ability to deliver technically sound, defensible work products on projects subject to regulatory review, public scrutiny, and evolving requirements. Cornerstone's project team includes licensed petroleum engineers, project managers, technical specialists, and regulatory planning specialists who routinely support California public agencies. Our staff is experienced in navigating state and regional regulatory requirements, working within public-sector procurement and reporting processes, and coordinating with City Councils, Public Works departments, and community stakeholders. The team structure is designed to provide responsive on-call support: a designated Project Manager oversees day-to-day coordination, senior engineers lead discipline-specific tasks, and technical staff provide drafting, plan review, field support, and documentation.

Representative Project Experience with References

This set of representative clients varies in size and operational scale showcasing the core engineering and technical services Cornerstone provides that are directly aligned with the needs of the City. What this means to Santa Fe Springs is that Cornerstone offers a well-rounded, experienced team to confidently advise the City on professional petroleum matters to better service its citizens.

Project: Brea 265 Oilfield Decommissioning
Client: Sycamore Development Partners, LLC
Location: Brea Olinda
Date: March 2025-Current

Client Contact: Tobi Odumosu
Title: Chief Operating Officer
Email: tobi.odumosu@ikavenergy.com
Phone: 518-479-9886

The Brea 265 Project is a large-scale initiative to transform a historic 265-acre oil field into land ready for urban redevelopment. This multi-year effort includes abandoning over 200 legacy wells, managing idle well compliance, implementing a comprehensive Remedial Action Plan (RAP), and conducting extensive soil remediation to meet strict environmental and regulatory standards. The work requires close coordination with both CalGEM and the City of Brea, ensuring that all well abandonment, remediation, and grading activities satisfy the permitting, reporting, and performance requirements of each agency. The redevelopment is being executed in collaboration with state regulators and private developers, with grading for the first phase of residential construction scheduled for early 2026.

Cornerstone and Honey Rock have been instrumental in delivering engineering, permitting, and execution support, as well as full project management for this $75MM+ program. Their responsibilities include running competitive RFP processes to secure qualified vendors, overseeing multiple rig operations and surface remediation crews, and ensuring adherence to aggressive timelines and regulatory compliance across both CalGEM and City of Brea standards. Through proactive planning and problem-solving, the team has successfully addressed challenges such as re-abandonment of turn-of-the-century wells and complex soil remediation requirements. The project remains on track for budget and delivery milestones, positioning the site for successful redevelopment.

Project: Idle Well Asset Retirement Program
Client: California Resources Corporation (CRC)
Location: Statewide
Date: 2020-2022

Client Contact: Anibal Araya
Title: VP of Operations
Email: anibal.araya@crc.com
Phone: 661-304-9185

The CRC Idle Well Asset Program was a large-scale initiative designed to address California's stringent idle well regulations and reduce long-term environmental and financial liabilities. The program encompassed the development and execution of a comprehensive Asset Retirement Program (ARP) to manage over $3 billion in Asset Retirement Obligations (AROs) and decommission more than 20,000 idle wells across diverse operating environments, including urban areas such as Brea, Richfield, and Beverly Hills. A critical component of the effort involved securing CalGEM's first non-routine variances under new regulatory guidance, enabling the safe abandonment of complex intercept wells and de-risking high-profile sites.

Honey Rock team members provided strategic leadership and technical execution throughout the program. Their responsibilities included designing and implementing a robust prioritization system to balance regulatory compliance with cost efficiency, streamlining workflows, and deploying data-driven tools for scheduling, permitting, and environmental reporting. By leveraging these solutions, the team overcame challenges posed by the sheer scale of the program and the complexity of urban abandonment projects. The outcome was a significant reduction in AROs over $100 million, while bringing all wells into compliance, completing work on time and under budget, and mitigating long-term risks for the client.

Project: State Abandonment Project
Client: California Legacy Well Services
Location: Kern County
Date: 2024-Current

Client Contact: Sean McNally
Title: President
Email: sean@clwsvc.com
Phone: 661-809-5507

The State Abandonment Project is a California-funded program focused on plugging and remediating orphaned and idle wells across Kern County to reduce environmental risks such as methane emissions and groundwater contamination. These efforts support CalGEM's statewide mandate to address thousands of legacy wells and restore sites to safe, compliant conditions. The program spans multiple fields and requires strict adherence to regulatory standards, prevailing wage requirements, and environmental reporting.

Cornerstone and Honey Rock serve as the designated engineering partner and CalGEM agent, delivering turnkey services that include permitting, well abandonment, and surface remediation. The team manages complex field operations, implements prioritization systems, and leverages data-driven tools to optimize scheduling and compliance. Through these solutions, the project has successfully plugged multiple orphan wells and restored sites within budget and timeline, advancing California's goals for environmental stewardship and public safety.

Additional Representative Experience

Class VI/Carbon Management Projects

Cornerstone & Honey Rock have supported multiple Class VI well site management and carbon storage projects across California, Wyoming, and Nebraska for major operators, DOE, and midstream clients. These projects include corrective action planning, PE-stamped engineering designs, and regulatory compliance for Class VI wells, addressing complex abandonment scenarios, intercept planning, and exotic completion and cementing designs. This work ensures safe, efficient operations for carbon sequestration initiatives currently in progress, advancing long-term decarbonization and regulatory objectives.

Offshore Abandonment Engineering Support

Provided engineering support for offshore abandonment activities on platforms in the Santa Barbara Channel for clients including DCOR, ExxonMobil, and ConocoPhillips. The scope includes planning and design review for complex, high-risk operations, addressing unique challenges such as exotic well configurations and stringent regulatory requirements. Well remediation has been completed on one platform, with planning and engineering phases underway for additional sites to ensure safe, compliant abandonment aligned with California's environmental and operational standards.

Facilities Demolition & Remediation

Provided oversight and engineering support for facilities demolition and soil remediation across multiple sites, including Bandini, Rancho San Francisco, Elk Hills, Cat Canyon, and Kern County ponds. The work involved managing full-field closures and coordinating multi-agency consent agreements with DOE and DTSC to ensure regulatory compliance and environmental restoration. These efforts addressed complex remediation challenges while aligning with state and federal standards for safe site decommissioning.

Project tools, models, methods

Cornerstone and Honey Rock apply proven suite of engineering, analysis, and project management tools to ensure high-quality technical work and consistent project execution. Our teams rely on established, industry-standard software platforms across multiple disciplines to support accurate, efficient, and defensible project outcomes. The core categories and tools we utilize include:

Microsoft Ecosystem

- **Microsoft 365 Suite**
  - Outlook
  - Word
  - Excel
  - PowerPoint
  - Teams
  - OneDrive / SharePoint
- **Microsoft Planner** – Task management & team coordination
- **Microsoft Project** – Project scheduling, critical path, and cost tracking
- **Microsoft Forms** – Data capture (RFQs, surveys, contractor prequalification)

Reservoir & Production Engineering

- **Petrel (SLB)** – Geological modeling, reservoir characterization
- **PROSPER (SLB)** – Well performance and nodal analysis
- **GAP (SLB)** – Integrated production system modeling
- **ValNav** – Economic evaluation, valuation, and financial modeling

Engineering Design & Drafting

- **CAD Software (AutoCAD or equivalent)** – Well designs, layouts, exhibits, and construction drawings

Data Analysis & Reporting

- **Microsoft Excel** – Engineering calculations, cost estimates, economic models, and regulatory reporting

Section 5 – Fee Schedules

Cornerstone and Honey Rock proposes to perform the services described herein as time and material (T&M) with the proposed fee schedule –**See Appendix B**. This proposed fee schedule will be valid for a minimum of one year . T&M is appropriate to enable flexibility based on scope and schedule expectations for on-call work. The fee schedule outlines key positions and billing rates proposed. Please note that on-site representation will be subject to travel & reimbursable expenses.

Section 6 – Legal & Compliance

Cornerstone and Honey Rock confirm that there are no pending litigation matters, regulatory investigations, or known conflicts of interest at this time. Both organizations maintain strict adherence to applicable laws and compliance standards to ensure transparency and integrity in all operations.

Section 7 – Proposal Exceptions

Cornerstone and Honey Rock has reviewed the RFQual Scope of Services, conditions, requirements, and the professional services agreement. At this time, Cornerstone does not identify any exceptions or changes that need to be made. Cornerstone acknowledges the stated terms and requirements as presented in the RFQual documentation.

Section 8 – Conflicts of Interest

Cornerstone and Honey Rock affirm that there are no financial, business, or other relationships with the City that could influence or impact the selection process. Both organizations operate with full transparency and integrity, ensuring compliance with all ethical standards.

Closing

Cornerstone and Honey Rock appreciates the opportunity to submit our qualifications and is committed to delivering responsive, high-quality petroleum engineering services that align with the City of Santa Fe Springs' regulatory, operational, and community objectives. Our team stands ready to provide independent, defensible technical guidance and practical solutions that support informed decision-making and long-term stewardship of the City's legacy petroleum assets. We look forward to the possibility of partnering with the City and contributing to its vision of safety, sustainability, and progress.

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Honey Rock ENGINEERS • ADVISORS
DRILL • DEVELOP • DECOMMISSION

Appendix A
Resumes

Drill | Develop | Decommission

Alex Vigil
Honey Rock- President/ Program Manager

PROFESSIONAL SUMMARY: 14 years of Oil and Gas Manager/professional experience, with a diverse and balanced skill sets of process improvement, engineering, regulatory, project management, IT/analytics, employee development, asset retirement obligations, and document control to steward collaboration and execution of these components across complex business environments. Understanding of the importance of value prioritization and how that is managed with multiple deadlines. Focused approach on value and process excellence. Engineering experience in all facets of the oil and gas industry including drilling, production, completions, geology, facilities, and reservoir engineering. Regulatory expertise and compliance manager. Data driven decision maker that is entrepreneurial minded with technical communication skills.

EDUCATION:

Colorado School of Mines, B.S. Petroleum Engineering, 2012

PROFESSIONAL HISTORY:

Honey Rock Engineers and Advisors, Bakersfield, CA

A Cornerstone Entity

3/2023 – Present – As President/ Program Manager, Mr. Vigil develops strategic partnerships to deploy California's best and only regulatory consulting, business/process optimization, liability strategy, and execution branch focused on Idle wells and asset retirement obligation. His company is dedicated to being the state's best and brightest team knowledgeable and executable for CalGEM compliance, strategic planning, and liability reduction. Reducing pain point of operators and allowing them to focus on development and production opportunities. With the Cornerstone partnership his staff has access to Cornerstone's full regulatory expertise, geologist, and engineers to bring to clients the strategic advantage of a well rounded idle well management and liability reduction partnership.

California Resources Corporation

12/2021 – 3/2023 – PMO Manager Regulatory Compliance, Asset Retirement, and Document Control. As the Project Management Office Leader, Mr. Vigil managed a team of business professional/Project managers/engineers/data scientists responsible for companywide regulatory compliance reporting and over $2 billion of asset retirement obligation. Project management/execution planning included $65-100 MM annual spend and 15,000+ assets. Executed executive management task of building from the ground up PMO Department and recruiting individuals with skill sets needed to maximize value and reduce the risk of regulatory violations through the development of the regulatory and ARO PMO office and organizational controls. Team aided in the reduction of ARO NPV by over (+$100 MM) from 2020-2022 during time as PMO leader. Developed ARO process and SOX financial controls for 10K audit ARO values. Developed control process/reporting that provided executive management and board of directors with regulatory risk and metrics to action on. Refined CalGEM permitting/Well submission, NOV tracking, Production injection reporting, UIC compliance processes and workflows to bring company back into compliance across a variety of non-compliant fronts. Carbon Capture ARO related strategy integration/execution planning and financial reporting for JV and Non-JV activity.

6/2021 – 12/2021 – In the role of Strategic Analytics Technical Project Leader, during a ½ year BK Re-Org, Mr. Vigil served as the Agile Project manager and team lead for developing regulatory reporting workflow and business toolsets. He managed a team of 6 to create automated regulatory reports that were overdue by more than 2 years

because of complex data and system integration issues. The team brought the company into compliance while developing a sustainable business process in less than 6 months. Developed methodology that saved over $1 million annually in state assessment fees.

1/2020 – 6/2021 – As the Drilling and Production Process Excellence Team Lead for the Technology and Innovation department, Mr. Vigil had a focused approach on tactical lean process excellence with 10 direct reports. Aided subsurface teams in the optimization of process and efficiency scoping. Identified efficiency gaps and worked with managers to develop controls for reducing inefficiency. Developed MOC process for field shut in safety controls. Established portfolio capture process for CRC exploration prospect evaluation and ranking. Aided in project scoping and vendor selection for drilling analytics packages. Developed and reported on subsurface capital KPI metrics. Streamlined Production outlooking processes for improvement in business planning and financial outlooks. Created sustainable workflow and toolsets for identifying, reviewing, and actioning against future Idle wells. Annual savings of $2 million.

12/2014 – 1/2020 – As Senior Technical Engineer, Mr. Vigil had Production Operations, Completions, and Reservoir Engineering roles across multiple basins, play types, and wellsite management. Engineer and project manager of capital execution of over $150 MM from well work and drilling related projects. Real-world experience supervising and managing up to 5 rigs at one time. Recipient of multiple company innovation awards. Key team member responsible for planning and executing a 3-year 30 well joint venture drilling program. 3+ DPI delivered with challenged natural gas prices. Exploration engineering responsible for the safety and design of complex high pressure natural gas wells. Exploration completion technical expert during JV discussion related to farm out completions in California assets. Production engineering across a variety of basin and reservoir types.

Occidental Petroleum Corporation

12/2012 – 12/2014 – As the Staff Technical Engineer, Mr. Vigil took on Production Operations/facility engineering roles for an over-pressured dry gas basin. Provided nodal analysis for basin-wide compression optimization. Received an award from former CEO of Oxy for contribution to operation expense reduction effort. Streamline operations focused on lowing gathering system pressure to increase production/reserves while reducing rental fleet compression and utilizing idle company-owned machines. This resulted in a multi-million-dollar savings.

Venoco

5/2011 – 12/2012 (Purchase date by Oxy) – In the role of Petroleum Field Engineer, Mr. Vigil was the Wellsite manager and operations engineer for well work activity.

SELECTED EXPERIENCE AND PROJECTS:

- **Project Management** – Capital workovers/completions, mechanical integrity, compression optimization, Agile reporting development, Lean operational excellence, business planning.
- **Process Excellence** – Collaboration, RACI development, Lean, workflow optimizations, process documentation, KPI development, and data quality.
- **Operations** – Production rig, Coil tubing, pressure pumping, cementing, wireline, abandonment, well testing, wellhead design, sand control, well control, perforating, flowback, artificial lift design, compression.
- **Reservoir and Business Development** – Reserves, exploration, EOR, JV packages, rate/pressure transient analysis.
- **Field Operations** – Mechanical integrity, wellsite management, stimulation supervision, Risk Evaluation.

OTHER ACTIVITY:

President/Co-Founder, Orlie's Shoe Drive 501©3, team has raised funds and distributed over 3500 pairs of shoes to kids in need, 2018-present.

Valley Baptist Board of Directors

Four-year NCAA Student Athlete, 2008-2012. Team Caption and Rocky Mountain Athletic Conference 1st team all-Conference

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Christine M. Halley, P.E.
Managing Partner/ Regulatory and Permitting Strategist

PROFESSIONAL SUMMARY:

Ms. Halley's four decades of experience in oilfield regulatory compliance, utility management, water resource planning, and public works administration offer a fertile ground of resources for companies and clients looking to build or grow their business in Kern County. Having been a leading in voice in economic advocacy groups like B3K and CIPA, she has a strong grasp of both the larger issues and operational particulars facing entrepreneurs.

LICENSE HISTORY:

- Licensed Professional Civil Engineer
  California,
  RCE 42090
  West Virginia,
  PE 27303

EDUCATION:

- Pennsylvania State University, B.S. Civil Engineering
  1981

PROFESSIONAL HISTORY:

Cornerstone Engineering, Inc, Bakersfield, CA

6/2020 – Present – Mrs. Halley brings decades of civil engineering, program management, and regulatory/permitting strategy to our clients. She manages Cornerstone's permitting and entitlement service set and holds expertise in California's Underground Injection Control program. Recent assignments include leading CEQA and entitlement efforts on the Majestic Gateway Project, which was the largest undeveloped parcel of land in the City of Bakersfield at the time. Additionally, she helped design the permit matrix and project description to support the CEQA process for NLC Energy's Biomass Facility in Western Kern, a major hurdle in bringing more reliable, renewable energy to the region. In addition to these banner projects, she is active in site screening for carbon sequestration and carbon parks, regulatory compliance assessment in support of a multi billion dollar energy investment, identifying options for carbon management for both upstream and downstream oil entities, and performing conduit analyses for potential carbon sequestration zones.

Sentinel Peak Resources, Bakersfield, CA

2016 – 2020 – Director of EH&S and Regulatory Affairs for this 30,000 barrels per day California oil and gas producer. Managed a team of 13. Interacted with state, regional, and local regulators on matters affecting operations. Represented the company on the California Independent Petroleum Association's executive board. Directly engaged in the *No on Measure G* campaign in San Luis Obispo County, successfully keeping the Arroyo Grande Oil Field in operation.

TJ Cross Engineers, Inc. – A Parsons Company, Bakersfield, CA

2004 – 2016 – As Water & Utility Consultant, worked as consultant to County of San Luis Obispo and to the City of El Paso de Robles in securing supplemental water resources and public works administration.

San Luis Obispo County, San Luis Obispo, CA

2000 – 2004 – As Utilities Division Manager, managed of a team of 32 operators, engineers, and technicians in the operation of numerous water and sewer systems serving the unincorporated areas of the County.

Various Engineering Assignments, Newport Beach and San Luis Obispo, CA

1986 – 2000 – As Senior Engineer then Branch Manager for municipal engineering consulting firms, and later Operations Manager for a mid-size water utility, Mrs. Halley took on increasing responsibilities in the planning, design, construction, and operation of utility services.

SELECTED EXPERIENCE AND PROJECTS:

- **Land Development** – Principal-in-Charge for securing entitlements for 1 million sq ft industrial project in City of Bakersfield. Project manager for site investigative reports for >1,000 acre candidate industrial / residential developments in Kern County. Provide infrastructure cost opinions for large scale industrial complexes in Shafter and unincorporated area of Kern County. Advised landowners with >500 acre holdings on optional land uses such as renewable energy facilities and fueling stations. Authors Water Supply Assessments for variety of land development projects throughout Central California. Manages entitlement phase and secures CEQA determinations for commercial and residential projects.
- **Underground Injection Control** – Oversees a group of approximately 8 geologists and technicians in support of oil and gas operators' UIC compliance. Assembles applications for new/expanded projects as well as project-by-project reviews. Conducts conduit analyses for nominated carbon sequestration zones and manages well bore diagramming for a variety of injection projects.
- **Carbon Management** – Analyzes means of lowering the carbon intensity of oil production, refining, and other industrial processes and frames such undertakings in economic and regulatory terms. Assessed programmatic carbon management options for both a mid-sized oil producer and for a multi billion dollar energy investor. Lead author on response to technical public comments for California's first carbon sequestration project. Design team member for cutting edge "carbon-free steam generation" suitable for generating industrial scale quantities of process steam without the need for electrical battery storage.
- **Program and Project Management**
  - Utilities Division Manager for San Luis Obispo County from 2000 to 2004. Managed $14 million annual budget with staff of 32. Responsible for communications with numerous advisory committees.
  - Nacimiento Water Project engineering support and project manager from 1991 to 2010. Primary staff person in development of $180 million water resource project to pipe water 45 mi. from Lake Nacimiento to San Luis Obispo City including CEQA determination, right-of-way acquisition, and PG&E service planning interface.
  - Public works support to the City of Paso Robles, California, for more than a decade. Spokesperson for City of Paso Robles City Manager's Office on water resource and solid waste management matters. Chairwoman of Paso Robles Groundwater Basin Management Subcommittee, interacting with public agencies, regulators, and the public. Worked closely with City legal counsel.
  - Permit specialist for $100+ million oil field expansion and dewatering project in San Luis Obispo County. Oversaw permit applications and compliance and interfacing with PG&E service planning.
- **Permitting** – Key team member in securing timely permits from CalGEM, State Water Board, Air Pollution Control Districts, and federal EPA in support of oilfield operations, and from the Water Board and DSOD in support of water districts. Routinely participates in CEQA and other permit support.
- **Water Resources** – Managed basin studies and safe yield investigations for regional water supplies. Performed technical and economic feasibility studies for surface water, groundwater, reclaimed water, and desalinated ocean water projects. Proceeded with design and construction phase support for supplemental water projects for communities and oil producers.
- **Capital Improvement Program Development** – Developed prioritized capital improvement programs for more than 20 utilities including phasing of capital improvements to match proposed revenue scenarios. Worked with finance teams to develop proposed rate structures. Interfaced with public interest groups to communicate the need for the improvements and possible ramifications of failure to fund.

Christine M Halley, PE (cont'd)

- **Utility Operations** – Supervised field operations staff for 5-1/2 years. Developed short- and long-term work plans, assessed safety needs, and maintained inventory for operations of a half-dozen medium sized utilities. Supervised Teamsters Union shop and worked with employee representatives to revise field worker job specifications.

Frequent interface with legal counsel on permitting and regulatory agency interface

Executive Board Member, California Independent Petroleum Association

B3K Prosperity Leadership Council Member, 2021 to 2023.

Board Member, Stockdale Annex Mutual Water Company, 2018-2020; Water Company Engineer 2020-current

Member, American Society of Civil Engineers, Los Angeles Section; ASCE San Luis Obispo Branch Board Member in the 1990's and 2000's

California Polytechnic University, San Luis Obispo, Civil & Environmental Engineering Advisory Board Member in the 1990's and 2000's; Co-instructor in Professional Engineering Practices Course and Public Works Administration Course

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Shawn M. Kerns, PE

Managing Partner of Advisory Services

Shawn M. Kerns is seasoned oil and gas executive with over 30 years of technical and managerial expertise in California's energy sector. As COO of the state's largest oil operator, valued at over $5 billion in enterprise value, Shawn managed strategy, operations, and P&L for more than 70% of California's oil and gas fields across the Sacramento, San Joaquin, Ventura, and LA Basins. Oversaw annual capital budgets up to $2 billion, led a team of over 800 subsurface, geology, reservoir, drilling, and field operations personnel, and directed the corporate reserves function for 8,000 wells and 750 million barrels of reserves, including SEC reporting and audit support.

Hands-on experience spans drilling, workovers, facilities, operations, reservoir engineering, marketing, and corporate finance. Successfully navigated complex joint venture partnerships with Chevron, the City of Long Beach, and private equity firms, serving as the primary C-suite liaison for contracts and operations. Represented the company as Vice Chair of the Western States Petroleum Association (WSPA), board member of the California Independent Petroleum Association (CIPA), and past Chair of the local Society of Petroleum Engineers (SPE) chapter, with deep knowledge of California regulatory policies and advocacy.

Expert in M&A and corporate finance, having served as EVP of Corporate Development and M&A, evaluating over 400 transactions post-spin-off from Occidental Petroleum (Oxy), negotiating and closing 10 agreements to secure $1.7 billion in third-party capital. Developed a multi-pronged strategy securing $750 million in financing for the Elk Hills Power Plant, leading to Chevron's exit and full operational control, earning the Platts S&P 500 2018 Deal of the Year award. Collaborated with the CFO on three debt refinancings and six amendments to a $6.5 billion credit agreement; prepared technical materials and participated in a global roadshow with 145 investor meetings for the Oxy spin-off. Sourced and negotiated three drilling joint ventures raising $550 million, resulting in over 100 million barrels of booked reserves. Provided strategic and technical support during corporate restructuring amid the COVID-19 pandemic, redesigned the post-bankruptcy organizational model adopted by the new board, and led acquisition strategies for targets including AERA, Berry, and Sentinel Peak. Onboarded and coached eight board directors on California operations, regulations, and emerging carbon business opportunities.

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Eric Dhanens
Partner / EVP – Energy and Land Advisor

PROFESSIONAL SUMMARY:

Formally educated in engineering and business with experience in operations and strategy, Mr. Dhanens adds an organized and well-rounded perspective to the implementation of energy and infrastructure projects. He often sits in as Program Manager for clients, helping navigate decarbonization and various new energy development projects. He is a sought-after speaker on the subject of carbon management especially in Central California where production, transport, and use of new energy commodities is growing.

Prior to joining Cornerstone, Mr. Dhanens worked as an Asset Manager and Energy Development Lead for Grade Water & Power. He led an operations team over a ~1,500 bopd asset in the Kern River Oilfield and over 40MW of power generation via cogeneration and solar PV, helping transition to new ownership as well as to develop new resources in power, water, and oil reserves. Prior to that, Eric worked as an operations, facilities, production, and reservoir engineer with a focus on development of new resources.

EDUCATION:

- University of Minnesota, Twin Cities, Bachelor of Chemical Engineering – Chemistry and Physics Minor
- University of Colorado at Denver, Master of Science in Global Energy Management
- Executive MBA UCLA, 2022

PROFESSIONAL HISTORY:

Cornerstone Engineering, Bakersfield, CA

04/2021 – Current – **E.V.P. Energy and Land Advisor**. Eric holds lead role in strategic planning and program management over new energy projects, including vetting alternative energy approaches for large energy producers and users including oil and gas producers, renewable energy and hydrogen developers, agricultural processing plants, water banking operations, warehousing and commercial/residential land developments. The scope of services ranges from power generation, hydrogen production and utilization, carbon capture and infrastructure, and zero-carbon energy storage, for example.

Eric is the primary author of B3K's Advanced Energy Leadership Advisory Council Workplan, framing an actionable work plan to support local energy businesses and entrepreuners. He is owner's engineer for Kern County's first carbon-free industrial steam generation project due to come on-line in 2025 as well as project manager for $70mm multi-technology power project to be operational also in 2025.

Bakersfield Christian High School sought to put in place a STEM program to expose students with the many facets of pursuing a technical career. Eric Dhanens provided the program outline and continues to this day arranging event curriculum and field trips to provide a compelling look into technical careers.

Eric Dhanens (cont'd)

Eric also supports development of initiatives with coalitions within the region to foster growth such as B3K's energy and advanced manufacturing workgroups, California Renewable Energy Laboratory advisory board, advisory member to RAND's scenario modeling and strategic planning, and instruction with local community college and university.

Grade Water and Power

03/2019 – 03/2021 - Asset Manager and Business Development **-** Managed > $150mm in energy assets: Kern River oilfield (~1,500 bopd), 20MW cogeneration plant, and 23MW solar plant. Strategy and business development for energy side of business. evaluating upstream oil assets, developing power projects, and evaluating new energy technologies such as CO2 capture/storage, H2 capture and sale, and storage.

Berry Petroleum, Bakersfield, CA

12/2016 – 03/2019 - Reservoir Engineering and Management - Engineering Lead for Northwest San Joaquin Basin team, managing depletion plans, performing offset reservoir analysis for business development, leading the technical reviews, budget process, and reserves auditing.

Linn Energy, Bakersfield, CA

06/2011 – 04/2016 - Facilities and Production Engineering - Lead engineer on casing vapor recovery, steam drive systems, and steam generation projects. Organized scopes of work, design bases, and led design from PFD to P&IDs and IFC drawings.

SELECTED EXPERIENCE AND PROJECTS:

- **Microgrid Power Project Management, 2023-2025**
  Due to lack of utility power for large processing facility, team developed plan to self-generate. Ran process to select developer to participate and engineer and install a two-phased solution with linear generators, batteries, solar PV and CHP turbines. Eric went on to lead contract negotiations with third party legal, proposal and invoice review, construction oversight, financing and investment tax credit advising.
- **Hydrogen Production and Mobility Feasibility, 2024**
  Eric is leading Cornerstone's feasibility study for hydrogen production in Kern County using RNG through a traditional SMR approach. Study includes analysis of regulatory setting, land development changes, process and mechanical engineering, as well as economic evaluation.
- **Carbon Capture Technology Feasibility, 2024**
  The Energy and Carbon Team developed a basis of design for capture of CO2 from natural gas fired cogeneration, high-graded technologies, solicited responses, and provided full analysis to client. Project is continuing to Pre-FEED phase with Cornerstone Engineering as the Owner's Engineer
- **Multi-billion Dollar Acquisition Diligence, 2021-2023**
  Eric and managing partner, Christine Halley, were regulatory / policy advisors to transaction in Kern County from confidential buyers outside of California. Analyzed facts of California's multi-layered regulatory and policy trends ranging from day-to-day operational impacts to production risks of policies that may lie ahead.
- **Three Acquisition Diligence Projects, 2022-2024**
  Performed three analyses (with two difference clients) from reserve evaluation, production trending including decline analysis, return-to-production candidates based on well file analysis, and ground-up lease operating statements. One closed and two others are pending as of early 2024.
- **Carbon Capture and Sequestration Studies, 2020-2023**
  In partnership with reservoir analytics engineering company, performed capture-to-sequestration economic study, reservoir analysis and injectivity, surface facilities, transportation logistics, and capture technology and costs. Developed GIS mapping tool with emissions sources identified and organized. Early stage scoping for $150+mm carbon capture and sequestration project – facilitating preliminary funding and development planning, including technical, regulatory due diligence and commercial agreements.

Eric Dhanens (cont'd)

- **Carbon Management Engineering Project Study, 2021**
  Our client desired to reduce their Cap-and-Trade liability and evaluate projects that generate LCFS credits. We performed a study comparing biomass conversion, carbon capture, cogeneration, solar energy, and hydrogen projects.
- **Strategic Business Planning Report, 2021**
  Developed interdependent financial modeling for both traditional oil and gas investments and new energy projects. Analysis compared cash flows, fluid volumes, carbon credits, and economics. Ultimately led to investment in first solar steam plant in Kern County that recently went into operation.
- **Energy Growth Strategy for Grade Water and Power, 2020**
  Initiated, wrote, and implemented a set of guidelines and criteria to screen investment opportunities for the energy side of Grade 6, e.g. risk/return profile and types of risk and energy projects. Included multiple years of notes and input from senior management.
- **Poso Creek Solar Field (23MWdc), 2019-2020**
  Acquired solar asset prior to construction – oversaw developer, including weekly meetings and multiple site visits per week. Included contractor disputes, review, and approval of construction per drawings, decisions regarding changes to drawings, testing and PTO from PG&E, and final permitting.
- **Power Generation Solutions, 2019-2020**
  E&B Natural Resources – evaluated multiple scenarios for power optimization including new generators (turbines and recips) of various sizes, moving existing cogen unit, additional solar power, and 7-mile 12kV line to reach site on secondary connection. San Joaquin Refinery – evaluated smaller cogen turbine. Project was viable, but not to be built by third party and sold via PPA.
- **Reserve Analysis and Steam Injection Rates, 2019-2020**
  Built process for analyzing performance at Kern River Holdings (in Kern River Oilfield) using volumetrics and recovery factors (ultimate recoveries), empirical production trends and decline rates, and empirical temperature observation wells. Managed steam injection rates over two year period using modified Nuemann process by injecting high early in the life considering heat losses to under- and over-burden then aggressively reducing steam.
- **Application of Vogel Steam Model to North Midway Heavy Oil Field, 2018**
  Implemented first application of Vogel steam model to Berry Petroleum at North Midway which posited that production rates were uncorrelated to steam injection rates after a steam chest was formed (assuming chest did not reduce or collapse) which led to severe reduction in steam rates versus plan, lower SORs, and more economic operations.

OTHER ACTIVITY:

21st Century Energy Center, Kern Community College District - Instructor, Jan 2024 - Current
Instructor, introduction to clean energy careers and personal finance for KCCD certificate program.

Kern Leadership Alliance, Oct 2021 – June 2022
Drove the Business Mountain program within KLA's framework dedicated to empowering Kern County's youth to create a more prosperous and sustainable County. Organized resources and initiating partnerships in developing a "Center of Excellence" that will be used to support existing programs.

B3K Energy and Advanced Manufacturing Workgroup Member, 2021 – Current

AADE Board Member, Aug 2020 - Current
Joined AADE Board to help raise dollars for scholarships in the energy industry and coordinate technical meetings.

Kern Council of Governments, Jan 2018 - Current
Member of Advisory Committee, making recommendations based on analysis of the KCOG staff. The goal is to reduce greenhouse gas emissions associated with transportation by planning infrastructure needs for Kern County over 24 years by integrating the 11 incorporated cities' zoning plans and traffic patterns.

Workforce Mentoring – Kern Economic Development Foundation, Dec 2017 - Current
Coach and mentor high school students in energy principles and careers via monthly discussions on resumes, colleges, project evaluation and analysis.

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Claude 'Alan' Whitten, PE, PLS
Chief Civil Engineer

PROFESSIONAL SUMMARY: Mr. Whitten has more than 25 years' experience in civil engineering projects, and municipal project oversight. Responsibilities have included surveys, client / government / utility liaison, management of civil engineering projects, water system design, drainage system design, public hearing representation, subdivision, and parcel map design.

LICENSE HISTORY:

- Licensed Professional Civil Engineer California #63332
- Licensed Professional Land Survey California #9750

EDUCATION:

- California State University Fresno: Bachelor of Science
- Major: Civil Engineering 1998
- Oregon State University Major: Civil Engineering 1993
- Graduated from the Air Force Civilian Acculturation Leadership Training (CALT) at the Officers Training School, Maxwell AFB, class 13-02

PROFESSIONAL HISTORY:

Cornerstone Engineering, Inc, Bakersfield CA

02/2017 – Present - Chief Civil Engineer - Oversee general Civil Engineering design work and is the lead engineer on many complex civil design projects, including. design of a 475-acre-foot water storage reservoir for Kern Tulare Water District. Lead engineer for infrastructure planning for large industrial, commercial, and residential developments in Kern County. Offsite improvement responsible engineer for Majestic Gateway industrial project in City of Bakersfield. Civil engineer of record for City of Delano floodplain modeling effort. Planning and design lead for 6-mile water transmission pipeline for Kern Tulare Water District. Lead Engineer for the multi-discipline team on a campus-wide Utility Assessment for Porterville College. Lead Civil Engineer on numerous projects for the Kern Community College District, ranging from parking lots to the new track and field facility at Bakersfield College. Preliminary planning and budget estimates for the new Valley Water pipeline, including evaluating multiple options. Instrumental in setting up drone program for Cornerstone, and planning and executing complex aerial surveying missions.

The United States Air Force

06/2008 – 02/2017 – **Chief of Engineering Division, 412th CEG/CEN Civic Engineering Group** – For Edwards AFB California led a diverse team of 37 Engineers and technicians in the planning and execution of the annual $90M sustainment, restoration, and modernization budget as well as MILCON. And customer-funded projects. As division Chief, made project acquisition and executive decisions for the project execution team. Guided project programming and planning team in crafting future years' projects. Set goals and objectives for the Energy Management team regarding base energy resiliency. He also advised test programs in facility-related matters and available execution methods.

Head of Project Planning 412th CEG/CENP For Edwards AFB California. I was responsible for one of the largest bases in the Air Force Material Command, with over 470 square miles of base and range facilities, over 400 real property buildings with over 7 million square feet of space, and an annual maintenance budget of $100m per year. Edwards is home to one of the premier flight test organizations in the Air Force (the 412th Test Wing), the Air Force Test Pilot School, and the Air Force Research Lab (AFRL). I was responsible for the planning and approval of all real property projects for the installation, as well as all day-to-day operations of the base planning activities (CENPL), and the actives of the Energy conservation team (CENPE). At Joint Base San Antonio, responsible for project planning and programming for an annual Sustainment and Maintenance budget of $185m for over 35M square feet in 3,650 facilities within a 45,000-acre footprint, to include 560 miles of utility infrastructure at 11 geographically separated units, while serving over 200 tenant units at one of the largest joint bases in the DoD. Responsible for planning and securing Operations and Maintenance budget (O&M), through the Air Force Comprehensive Asset Management program (AFCAMP). Responsible for planning and securing Sustained and Repair funding (SRM). Planned and executed the shutdown of the YAL-1 of the Airborne Laser Test Bed project at Edwards AFB. Planned and secured approval for bed down of Army MQ-1C Sky Warrior program at North Base, including full hangar renovations, infrastructure upgrades, and permission for Temporary Facilities at Edwards AFB. Planned and secured approval for relocation of the 461st Flight Test Squadron (the F-35 Joint Operation test team) at Edwards AFB. Planned and secured approval for relocation of the 411th Flight Test Squadron (the F-22 combined test force) at Edwards AFB. Worked with various programs that required Secret level security clearance. I am familiar with the requirements of the construction of secured testing labs and working areas (SCIF) and working with secured program offices. Maintained Base MILCON programs.

Cornerstone Engineering Bakersfield, California

05/2004 – 06/2008 - Supervising Engineer - As a Supervising Engineering at Cornerstone Engineering, oversaw the work of small teams of engineers and technicians. The team was responsible for the cradle to grave development of construction and land development projects. Project types worked on included: FEMA flood studies, hydrology and storm drainage system design, hydraulics and water system design, Irrigation water transmission pipeline planning and design, commercial and residential site planning and design, grading and street designs, project entitlements.

FIELD OF SPECIAL COMPETENCE

- Project Management
- Word Perfect and Excel Flood Plain Modeling and FEMA map revisions
- AutoCAD Design Software
- architectural / Mechanical Drafting
- Hydraulics/Hydrology

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Neil Ferrier
Mechanical Engineer

PROFESSIONAL SUMMARY: Experienced project manager and engineer with over 20 years expertise in the oil & gas sector. Proven leader in managing asset retirement obligations and complex projects. Skilled in leading project teams, developing long-term strategic goals and business plans, and delivering major capital projects. Contributes by developing and implementing effective asset strategies and ensuring the successful fulfillment of project obligations.

EDUCATION:

California State University, Fresno
B.S. Mechanical Engineering, 2002

PROFESSIONAL HISTORY:

Honey Rock Engineers and Advisors, Bakersfield, CA

A Cornerstone Entity

2025 – Present –

Chevron Asset Retirement Program Manager

2022 – Present – Mr. Ferrier led well plug and abandonment, facilities decommissioning, and environmental site remediation for a large oil and gas portfolio. Managed an annual budget of over $150 million, delivering projects on schedule and within 2% of budget. Delivered idle well management state regulatory plans saving millions in idle well fees through efficient planning and scheduling of well abandonments. Developed long-term asset strategies and final land use workflows. Delivered site remediation activities achieving regulatory closure. Championed budget and metric tracking processes and tools, improving decision making and efficiency. Initiated cost efficiency programs resulting in over $5 million in annual savings.

Senior Facilities Engineer / Advisor

2018 – 2022 – Led development of annual facilities engineering business plans and efficiency improvement programs (200 projects with a budget of greater than $200 million). Provided design technical reviews and mentored junior project engineers. Facilitated cross functional stakeholders to develop asset level strategies combining development & operational plans delivering $11 million annual savings. Consulted on domestic and international water treatment and steam generation projects.

Facilities Engineer Supervisor / Major Capital Projects Manager

2009 – 2018 – Successfully delivered design through startup of a $117 million wastewater treatment facility project, enhancing production via efficient water disposal. Led major capital and asset integrity projects through design, execution and startup. Supervised engineering teams to deliver projects with $100 million annual budget, achieving significant production growth.

Facilities Engineer (small and large capital projects)

2002 – 2008 – Mr. Ferrier designed and executed projects in heavy oil steam generation, processing facilities, and water treatment, enabling production growth.

OTHER ACTIVITY:

2018 – Present Kern High School Education Foundation board member

2018 – 2019 Project Lead the Way Consultant

2012 – 2016 Chevron College Recruiting Team Lead

CORNERSTONE
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Kari Hochstatter, PG
Manager of Regulatory and Subsurface/ Senior Geologist

PROFESSIONAL SUMMARY:

Enthusiastic and versatile geologist and project manager with over fifteen years of oilfield development, regulatory, and laboratory experience. Proficient in Underground Injection Control regulations, Mrs. Hochstatter leads Cornerstone's injection projects through the state's intricate regulatory network. She is an energetic and efficient problem solver with the tenacity required to see projects through to completion.

LICENSE HISTORY:

Licensed Professional Geologist
California, #9948
Wyoming, PG-4265

EDUCATION:

California State University Bakersfield, MS in Petroleum Geology

University of California Santa Barbara, BS Geological Sciences

PROFESSIONAL HISTORY:

Cornerstone Engineering, Inc, Bakersfield, CA
10/2021 – Present – Senior Geologist. Consulting geologist for regulatory and oilfield projects. Provides professional geologist oversight for regulatory projects such as Underground Injection Control (UIC), Aquifer Exemptions (AE), and CEQA initial studies. Oversee Cornerstone's subsurface and UIC compliance projects. Provide strategy and advice for regulatory projects and oilfield development. Routinely authors responses to state regulator questions regarding proposed underground injection matters and is a proven master of UIC regulations. Has worked projects throughout California including the Sacramento, Salinas, Santa Maria, San Joaquin, and Los Angeles Basins. She is a persistent advocate for clients navigating the California regulatory environment, maintaining good relationships with regulators at CalGEM and the Regional Water Quality Control Boards.

Berry Corporation, Bakersfield, CA
2017 –2021 – Geologist. Development geologist for diatomite, and sandstone reservoirs in southern San Joaquin Basin. Interpreted and correlated subsurface geology using all available data: open hole logs, cased hole logs, whole core, sidewall core, mud logs, production data, historical data. Used interpreted correlations, maps, pore fluid saturations to generate 2D and 3D geologic models. Identified new well targets based on interpreted structure, rock and fluid properties. Identified zones of hydrocarbon for production, air filled sands for disposal, fresh water for protection, and barriers for isolation. Compiled documentation and ensured compliance with current EPA, CalGEM and Water Board regulations for new UICs, UIC reviews, and AORs. Provided and presented maps cross sections, type logs, average rock properties and geologic evaluations to executive management for budget, reserves, and other corporate planning decisions. Provided geologic appraisal for new acquisitions. Planned and executed horizonal wells in areas of high existing well density and high structural complexity. On site geologic support and supervision during drilling of high-profile wells and coring.

LINN Energy, Bakersfield, CA
2014 – 2017 –Geology Technician. Managed geologic data for North Midway-Sunset Diatomite Asset Team. Provided geologic analysis of well and production data. Major contributor towards perforation interval selection on new wells and recompletions. Contributed to development decisions. Completely revised field wide stratigraphic interpretations. Created a 3D geologic model of the Tulare Formation; adding reserves to the company.

PTS Laboratories, Santa Fe Springs CA
2009 – 2014: Staff Geologist, Lead. Lead Technician in the Environmental and Enhanced Oil Recovery Laboratories. Project leader for oilfield services (routine core analysis and special core analysis). Developed procedure for helium porosimetry, dramatically improving laboratory efficiency. Routinely performed water chemical and steam floods, relative permeability core description, permeability to air and other fluids, fluid properties, capillary pressure, grain size analysis, wet chemistry, core photography, and core gamma logging. Trained technicians and developed standard operating procedures. Laboratory Safety Officer and chair of the committee that significantly revised and implemented the facility Health Safety and Environment Manual.

CONTINUING EDUCATION AND COMMUNITY INVOLVEMENT

- Rose and Associates Uncertainty and Risk Assessment in Reservoir Appraisal and Development, Advanced (December 2020)
- SCA Applied Subsurface Geological Mapping (October 2019)
- Kingdom Geological Interpretation (March 2019).
- Kingdom Advanced Mapping Techniques (March 2019).
- Rose and Associates Mitigating Bias, Blindness, and Illusion in E&P Decision Making (December 2018)
- Petroleum Geology and Geochemistry (August 2018).
- CSULB MARS Project (Monterey and Related Sediments) Consortium and Field Trip (July 2018)
- Rose and Associates Uncertainty and Risk Assessment in Reservoir Appraisal and Development (May 2018).
- Applied Geostatistics for Reservoir Characterization (February 2018)
- CSULB MARS Project (Monterey and Related Sediments) Field Trip (November 2017)
- Petrel Property Modeling (September 2017)
- Enhanced Heavy Oil Recovery (June 2016)
- Fundamentals for Petrel (September 2014)
- Petrel Geology (September 2014)
- SPE Cross-Generational Skills Workshop (March 2013)
- Member of the American Association of Petroleum Geologists
- Member of the Geological Society of America
- President (2025-2026) of the San Joaquin Geological Society
- Program Co-Chair for the PSAAPG/SPE Joint Conference in Spring of 2026
- Volunteer and Mentor for the Kern Economic Development Foundation Workforce Mentoring program at Independence High School

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Omar Orhan

Honey Rock – Chief Planner / Strategic Evaluation Advisor

SUMMARY PROFESSIONAL:

A seasoned professional in cost management, project controls, and strategic planning. With over 20 years of industry experience, he specializes in developing robust forecasting models, streamlining budgets, and driving data-driven decisions to optimize project outcomes. As Chief Planner and Cost Management Controls, Ormur partners with multidisciplinary teams to ensure efficient resource allocation and alignment with organizational goals. He is adept at mentoring emerging professionals, leveraging deterministic and probabilistic economic analysis, and delivering high-level insights to senior leadership. Ormur holds a Master's degree from Stanford University and a Bachelor's degree from Cornell University. His academic background, combined with extensive hands-on experience, positions him as a reliable advisor committed to delivering sustainable value and operational excellence.

EDUCATION:

- Stanford University, MSc, Management Science and Engineering ,2001
- Cornell University, BS, Operations Research and Industrial Engineering, 1999

CORE COMPETENCIES:

- Expert at Investment Analysis and Building Economic Models in Excel
- Scenario Planning and Sensitivity Analysis
- Deterministic and Probabilistic Economic Analysis
- Data-Driven Decision Analysis
- Identifying, Framing, and Solving Problems
- Leading Multi-Disciplinary Teams
- Reservoir Management of Conventional Heavy Oil and Unconventional Shale Reservoirs
- Reservoir Development Planning and Optimization
- Reserves Estimating
- Excellent Written and Verbal Communication and Presentation Skills
- Strong Work Ethic and Quick Learner

PROFESSIONAL HISTORY:

Honey Rock Engineers and Advisors, Bakersfield, CA

A Cornerstone Entity

2025 – Present – Orhan Omur joins Honey Rock as a Chief Planner / Strategic Evaluation Advisor, bringing over 20 years of expertise in economic modeling, strategic planning, and reservoir management.

Aera Energy LLC, Bakersfield, CA

2013 – 2024 – Sr Staff Reservoir Engineer/Investment Decision Analyst

- Managed a portfolio of investment projects, ranking them based on key economic indicators such as IRR, and generating and evaluating operating plan scenarios.
- Developed and analyzed multiple short- and long-term business plan scenarios, including capital, operating expenses, production, and cash flow forecasts to support strategic decision-making.
- Led cross-functional investment decision analysis studies with teams of 5-10 members, impacting $10-100M+ in areas such as reservoir maturation strategies (collaboration with geologists, reservoir engineers, facilities engineers), field depletion plans, facilities consolidation, and decarbonization initiatives.
- Advised senior management on strategic decisions by framing complex problems, identifying critical uncertainties and assumptions, generating a range of scenarios, and delivering data-driven insights and recommendations.
- Built advanced economic models for both deterministic and probabilistic analysis to assess investment scenarios.
- Visualized data using tools such as Tornado diagrams, cumulative probability distribution curves, and traditional time-series charts to convey insights clearly.
- Managed extensive cost and production data to develop accurate ranges for economic model inputs.
- Conducted scenario and sensitivity analyses using the economic models I developed to evaluate the commercial viability of various investment options.
- Delivered the in-house "Economics for Investment Decisions" course for 4 years, sharing expertise in financial modeling and decision analysis.
- Mentored early-career engineers and analysts in economic modeling and investment decision principles, fostering their professional growth.

Occidental Petroleum, Bakersfield, CA

2012 – 2013 – Reservoir Engineering Advisor

- Planned and executed development plans for the Antelope Shale reservoir (tight unconventional reservoir), generating production forecasts and economic analyses.
- Estimated and reported reserves in compliance with SEC guidelines.
- Conducted field and well-level surveillance to identify intervention opportunities.

Occidental Petroleum, Houston, TX

2010 – 2012 – Planning Engineer

- Prepared and analyzed annual and 5-year business plans for executive presentations.
- Assisted with reserve reporting and capital post-audit processes.

Aera Energy, Bakersfield, CA

2009 – 2010- Senior Reservoir Engineer

- Executed recovery process strategy in a heavy oil reservoir, optimizing injector/producer performance.
- Led surveillance meetings to maximize pattern performance and identify drilling opportunities.

Aera Energy, Bakersfield, CA

2006 – 2009 – Exploitation Reservoir Engineer

- Evaluated idle or sub-optimized oil fields in the company portfolio.
- Worked closely with geologists to build fundamental knowledge of reservoir characteristics and uncertainties.
- Assessed production performance using analogs and analytical reservoir models.
- Collaborated with geologists and decision analysts to identify and evaluate development scenarios.
- Reported development and depletion plan recommendations to management.

Aera Energy, Bakersfield, CA

2001 – 2006 – Portfolio Modeler/Decision Analyst

- Facilitated multi-disciplinary strategy studies using decision analysis techniques.
- Maintained asset portfolio and built decision models for new projects.
- Received mentorship and training from a Strategic Decisions Group consultant.

PROFESSIONAL AFFILIATIONS:

- Society of Decision Professionals, 2023-Present

SOFTWARE:

- Expert at using Excel and PowerPoint
- Working knowledge of Access, PEEP, Mosaic, Spotfire

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James Conners II PE
Honey Rock- Senior Petroleum Engineer, PE

PROFESSIONAL SUMMARY:

A highly experienced Petroleum Engineer with over 20 years in the oil and gas industry, specializing in drilling, completion, and production operations. Extensive expertise in project management, contract negotiation, and process analysis, with a strong background in engineering leadership and personnel development. Proven ability to implement innovative solutions in subsurface operations, ensuring efficiency, safety, and regulatory compliance.

EDUCATION:

New Mexico Institute if Mining and Technology, B.S. Petroleum Engineering

Registered Professional Petroleum Engineer in California (P1589)

PROFESSIONAL HISTORY:

Honey Rock Engineers and Advisors, Bakersfield, CA

A Cornerstone Entity

2025 – Present – A highly experienced Petroleum Engineer with over 20 years in drilling, completion, and production operations, specializing in project management, process analysis, and engineering leadership. Currently in the recruiting process to join Honey Rock.

Aera Energy LLC

2005 - 2022

- Subsurface Drilling and Production Operations Mentor Engineer
- Project Manager, Open Well Project
- Senior Staff Drilling Engineer

Conners Engineering, Inc.

2000 – Present

- Drilling and Production Engineering Consultant (USA & International)

Occidental Petroleum

1978 – 2000

- Senior Drilling Engineer Advisor (International)
- Project Coordinator - Lufeng (China) Project
- Regional Petroleum Engineer (California & Alaska)
- Division Drilling Engineer/Manager (Western USA)

Chaparral Petroleum Inc

Atlantic Richfield Company

OTHER ACTIVITY:

- Member, Society of Petroleum Engineers
- Member, American Association of Drilling Engineers
- Presented and published three technical papers. SPE 8223 "Clear Brine Drill-in Fluid", GRC Mil-Temp, API "Lost Circulation".
- Clerk of Session, First Presbyterian Church, Bakersfield; current.
- Past Moderator, Presbytery of the Pacific Southwest, Evangelical Presbyterian Church; current.
- VP Special Projects, District Chairman, and Board Member, Southern Sierra Council, BSA; current.

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David Pickens

Honey Rock – Senior Petroleum Engineer PE (SME P&A & Drilling and Operations Engineer)

SUMMARY PROFESSIONAL:

Senior petroleum engineer with drilling, completions, operations, and workover experience on onshore and offshore fields. Operations experience includes waterflood and thermal recovery surveillance and offshore drilling and completion design. As engineering supervisor, managed operations, and drilling engineering staff, assisted with annual production forecasts and capital budgets, and prepared quarterly and annual reports of performance versus key indicators.

LICENSE HISTORY:

- Licensed Professional Engineer California, P1568

EDUCATION:

- University of Southern California, M.S. Petroleum Engineering, 2009
- West Virgina University, B.S. Petroleum Engineering, 1982

PROFESSIONAL HISTORY:

Honey Rock Engineers and Advisors, Bakersfield, CA

A Cornerstone Entity

2024 – Present – In the interview/onboarding process with the Honey Rock team to fill a Petroleum Engineer PE (SME P&A & Drilling and Operations Engineer) role.

Berry Corporation

2019 – 2024 As the acting Drilling Operations Manager, I oversaw a significant $96 million capital drilling and sidetrack program spanning the San Joaquin Valley in California and the Uinta Basin in Utah. My responsibilities include supervising a technical team composed of two senior drilling engineers, an engineering technician, a drilling superintendent, and two drilling specialists. I was tasked with preparing the annual budget for submission to executive management and conducting quarterly performance reviews to compare budget and AFE estimates against field estimates and invoiced costs. Additionally, I collaborate with the regulatory team to prepare necessary documents for new well permits from CalGem and job cards from Kern County for CEQA variance. My utmost priority is to ensure that drilling operations are executed safely and in full compliance with all environmental regulations.

California Resources Corporation/ Oxy (2024 – 2002)

2018 – 2019 – Acted as Senior Drilling Engineer for California Resources Corporation's exploration program for the San Joaquin Valley and the Buena Vista Nose development program. Duties include preparation of well cost estimates, casing, wellhead, cementing, and drilling fluid design, and the preparation of drilling procedures and regulatory permits to CalGem and BLM.

2015 – 2018 – As the Lead Operations Engineer, my role involved reviewing and approving remedial well procedures for all workover operations and completions of oil wells in the San Joaquin Valley, as well as gas wells in the Sacramento Basin. I offered technical input and recommendations to ensure that these procedures are not only safe but also cost-effective. It's crucial to maintain compliance with California's current regulatory requirements concerning well abandonments, water injection (UIC), well stimulation (SB4), and idle well monitoring. Additionally, I prioritized the personal development of my direct reports through training and mentoring initiatives.

2013 – 2015 - As the Drilling Engineering Supervisor, I was responsible for reviewing and approving drilling

procedures, well cost estimates, hazard risk analyses, and technical details essential for successful drilling operations. I assigned the engineering staff to projects, ensuring that there was an appropriate dedicated manpower for each endeavor. I established standard practices and policies that engineers utilize for new drills, working closely with engineers, superintendents, and asset teams to guarantee that all projects are executed safely and efficiently. Additionally, I assisted in establishing metrics to assess department performance, identifying both strengths and weaknesses, and setting goals for improvement, by providing necessary data for review with senior management. Moreover, I oversaw the assignment of service company contract responsibilities to engineers and ensured strict compliance with standards throughout the process.

2012 – 2013 – In my role as Senior Drilling Engineer Advisor, I took charge of preparing drilling procedures, cost estimates, and risk assessments for a variety of wells, including exploratory and development projects, for Vintage Production in California. These projects encompassed deep gas wells in the Sacramento Valley, as well as horizontal and unconventional shale resource plays in formations such as the Monterey and Kreyenhagen shale. Additionally, I served as the lead drilling engineer for a significant managed pressure drilling project undertaken by Vintage, showcasing my expertise and leadership in navigating complex drilling operations.

2007 – 2012 - As Senior Operations Engineer Advisor, I focused on identifying and preparing capital and expense projects for workovers, specifically targeting low permeability sandstone and Monterey shale producers, as well as injection wells. This involved creating comprehensive cost estimates, procedures, and justifications. Additionally, I played a key role in preparing completion procedures for designated areas within the asset development team, with the primary aim of reducing overall capital expenditures. Collaboration was integral to my role, as I worked closely with geoscience, reservoir, operations, and other technical professionals to identify and implement workovers and development plans. In line with mentorship responsibilities, I provided guidance and support to newly hired operations and completion engineers assigned to the asset development team. Furthermore, I was actively involved in overseeing the completion and hydraulic fracturing of recently drilled low-permeability tight gas exploration wells, ensuring their successful execution.

Nuevo Energy Company/ Torch Operating Company

1996 - 2002 – In my role as Lead Drilling Engineer/District Engineer, I provided supervision to operation engineers and an engineering technician within the drilling, completion, and workover group. A significant aspect of my responsibilities involved preparing procedures and overseeing the drilling of medium-radius directional gas wells situated offshore California. Moreover, I was tasked with preparing procedures and AFEs for the drilling and completion of development wells across various projects, including the Midway-Sunset, Cymric Diatomite, and South Belridge thermal recovery initiatives, as well as deep exploratory wells in the San Joaquin Valley. Additionally, I played a pivotal role in the preparation and implementation of the yearly capital budget for the California district, ensuring efficient allocation of resources. Furthermore, I supervised the purchasing coordinator for the district and contributed to the evaluation of bid proposals and contractor performance, further optimizing operational efficiency and effectiveness.

Bechtel Petroleum Operations, Inc.

1992 – 1996 – As a Drilling Engineer, my primary responsibility was to oversee on-site operations for drilling and workovers within the Elk Hills field. These workovers encompassed a range of activities, including acid stimulation and hydraulic fracturing treatments, re-completions, production logging, and artificial lift conversions, ensuring the efficient and effective functioning of operations. Additionally, I played a pivotal role in the preparation of AFEs drilling procedures, and directional plans specifically tailored for horizontal medium and short-radius directional wells, contributing to the strategic planning and execution of drilling operations in the field.

Berry Petroleum Company

1990 – 1992 – In my role as a Drilling/Production Engineer, I took charge of preparing AFEs and drilling procedures tailored for cyclic steam wells, focusing on operations within the South Midway-Sunset heavy oil properties and the

Piceance Basin in western Colorado. A key aspect of my responsibilities involved recommending and developing written procedures aimed at reducing operating costs while simultaneously boosting production levels. Additionally, I played a crucial role in identifying and recommending suitable candidates for cyclic steam operations, ensuring optimal reservoir management strategies. Moreover, I contributed to the preparation of capital budgets and production forecasts, facilitating strategic planning and decision-making processes within the organization.

Lufkin Industries, Inc.

1986 – 1990 – As an Engineer, my focus centered on evaluating rod pumping systems to enhance lift performance through the analysis of dynamometer data. Utilizing this data, I recommended the most suitable pumping unit geometry, motor size, and rod specifications to align with specific customer requirements, ensuring optimal functionality and efficiency of the systems in question. By leveraging my expertise in this area, I aimed to provide tailored solutions that met and exceeded the expectations of our clients, ultimately contributing to improved operational outcomes.

Shell Oil Company

1982 – 1986 – As a Production Engineer, I undertook a comprehensive review and analysis of well production performance, focusing on the Ventura and Arroyo Grande fields, with a keen eye towards identifying stimulation opportunities aimed at augmenting production levels. Additionally, I supervised acid stimulation operations on injectors, prioritizing enhancements in injectivity and profile control to optimize reservoir management strategies. Furthermore, I conducted evaluations of various lift systems, including rod pump, gas lift, and submersible lift systems, to recommend operational changes geared towards minimizing lift costs while maintaining or improving production efficiency. Through these efforts, I aimed to contribute to the sustained productivity and profitability of the operations within these fields.

PROFESSIONAL AFFILIATIONS:

- Society of Petroleum Engineers
- American Association of Drilling Engineers
- American Petroleum Institute

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Andrew Swint

Honey Rock - Senior Drilling and P&A Operations Engineer

PROFESSIONAL SUMMARY:

Graduate of Colorado School of Mines with twenty-three consecutive years in the oil and gas industry. Thirteen years as a drilling engineer, which includes three years as Team Lead. Designed, planned, and executed over 6500 wells across seven different fields. Ten years in the pumping service designing, planning, and executing various pumping jobs across the western United States, from Alaska to Mexico.

EDUCATION:

Colorado School of Mines, B.S. Chemical Engineering, 2001

PROFESSIONAL HISTORY:

Honey Rock Engineers and Advisors, Bakersfield, CA

A Cornerstone Entity

2024 – Present – Senior Drilling and P&A Operations Engineer

Mr. Swint joins Honey Rock Consulting as a Senior Drilling and P&A (Plug and Abandonment) Operations Engineer. With his extensive expertise and years of experience in drilling engineering, Mr. Swint brings valuable skills and knowledge to the team. His leadership and technical proficiency will play a key role in driving successful project execution and innovation within the company's operations.

- Developed and implemented multiple detailed abandonment programs for offshore California including diverse procedures such as section mills, perforate washing and cementing, and casing removals
- Managed and directed planning for new wells in CA – including providing technical and operational experience for optimized planning
- Led creation and oversight of abandonment programs for onshore CA wells, supervising technical teams and resolving complex technical inquiries
- Collaborated closely with regulatory bodies (CalGEM) to communicate and incorporate abandonment requirements for continuous improvement
- Created standardized abandonment program templates incorporating regulatory (BSEE) compliance and custom VBA programming for rapid adaptability.
- Provided technical consulting during vendor visits, ensuring safety, efficiency, and compliance
- Managed and coordinated Request for Proposal (RFP) processes for wellsite management and drilling operations, ensuring vendor selection aligned with safety and quality standards
- Managed project timelines and directed technicians to ensure timely completion of project, overcoming staffing and vendor challenges.
- Mentored and trained junior engineers and technicians, fostering team development and enabling company expansion into new operational areas

Aera Energy, Bakersfield, CA

2011 – 2024 – Drilling Engineer

- Designed vertical, horizontal, thermal, and sidetrack wells across Aera's seven fields.
    - Well depths ranged from 250' to 13,000'
    - Well types ranged from exploitation, water flood, steam flood, steam cycle, water disposal, and CO2
    - Completions included perforations, hydraulic fractures, pre-perforated liner, and gravel packs
    - Sidetracks included reviewing well history and setting abandonment requirements
- Forecasted, purchased, and managed long lead items for drilling projects
- Created procedures and cost estimates for drilling and remediation activities
- Led and supported permitting activities
    - Led teams to submit drilling permits
    - Supported Techs, giving direction through submission process
- Provided engineering support to drilling operations
    - On-call for rig support with ability to make corrective processes for quick redirection and completion
- Monitored daily reports and provided corrections to drilling data errors and corrected well records
- Responsible for drilling purchases and related invoices
    - Purchased needed equipment for company as well as specific well needs
    - Worked with Procurement as an authorized representative to add and adjust contracts
    - Authorized to approve vendor invoices
- Created and monitored drilling KPI data
- Created and reviewed drilling lookback reports
- Performed root cause failure analysis
    - Presented findings to management and preformed corrective actions
- Led and worked with drilling team to evergreen and improve drilling practices and procedures
- Evaluated new technology as it applied to Aera
    - Technologies included frac sleeves, cement designs, casing heads, redesigned well heads, casing threads, etc.
- Led and supported new process as well as process improvements across Aera departments
- Worked with suppliers to improve processes and procedures
    - Companies included Golden State Drilling, Kenai Drilling, Sperry Drilling, Scientific Drilling, Weatherford, Halliburton cementing, and many others
- Mentored drilling engineers, technicians, and interns Team Lead for Drilling Technical department
- Managed drilling workload for drilling engineers, drilling consultants, and drilling technicians
- Developed and executed Drilling department business plan Assisted Aera in preparing annual capital forecast

- Reported company-wide, yearly cost/time estimates to management for decision making

Baker Hughes (BJ Services), Bakersfield, CA

2006– 2011 – Region Engineer

- Worked with clients and sales personnel to determine appropriate customer needs
- Designed cement, hydraulic fracture, acid, and sand control pumping jobs
    - Fields ranged from Alaska and California to Mexico
    - Varied well types including gas, oil, injectors, disposal and geothermal wells
- Provided technical consultation to clients
    - Clients included Aera Energy, Oxy, CRC, Berry Petroleum, Conoco Phillips, Seneca, and more
- Prepared job recommendations
- Performed job economic analysis
- Provided support to operations
    - Communicated well parameters, outlined fluid needs, prepared fluid testing, etc.
- Directed lab on required fluid tests and parameters
- Worked with lab and region office to improve processes
- Mentored engineers new to the company
- Continued technical training with BJ and PetroSkills
    - Trainings included hydraulic fracturing, acidizing, cementing, coil tubing, etc
- Coauthored SPE paper 114220-MS
    - Utilizing Organosilane With Hydraulic Fracturing Treatments To Minimize Fines Migration Into the Proppant Pack — A Field Application

BJ Services, Bakersfield, CA & Odessa, TX

2001 – 2006 – District Engineer

- Worked as field engineer in West Texas, Southern New Mexico, Colorado, California, Alaska, and Wyoming
- Worked in customer's office as a technical representative
- Provided technical consultation to customers on location
- Provided engineering support to operations
- Gathered and analyzed data on hydraulic fractures, cement, and acid pumping jobs
- Preformed and monitored quality control of water and fluids
- Created job reports for customers and internal documentation
- Participated in technical training with BJ and PetroSkills
    - Hydraulic fracturing, acidizing, cementing, coil tubing, etc.

SELECTED EXPERIENCE:

- Lean Process Improvement training for workplace productivity

- Six Sigma training for statistical adjustments to company production
- Decision Quality training to equip trainees to make high caliber decisions over complex situations
- Real-time lab experience in brick- and-mortar as well as in the field
- Technical writing training for report formatting
- Proficient in Landmark EDM Applications, ArcGIS Pro, Excel (VBA programing,) Word, MS Access, PowerPoint, Visio, Share Point, SAP, and Aera utilized internal software operations.
- In 2016, represented Aera as they partnered with JD Rush and Mitsubishi (MetalOne) to test and evaluate new gas tight thermal threads inside a mechanical lab in Aberdeen, Scotland

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Patricia Newquist
Senior Planner/ Project Manager

PROFESSIONAL SUMMARY:

Extensive experience in planning, zoning, environmental and land use matters. Coordination of projects involving land use approvals and entitlement processes. Specializing in land planning and subdivisions within a civil engineering and land surveying environment. Excels at effective negotiation and client advocacy. Represents client projects at director's hearings, planning commission, city council meetings and board of supervisor's hearings. Twenty plus years of experience as acting Safety Director including supervision of company safety program. Creation and implementation of Injury and Illness Prevention Program per CalOSHA guidelines.

EDUCATION:

- Cal State Fresno Extension, Urban & Regional Planning Certificate program 2008
- UCLA Extension, Certificate in Working in Contemporary Native Nations 2006
- UCLA Extension, Urban Planning Design, Managing EIR's, CEQA & NEPA Compliance, and Subdivision Map Act 2004-2006
- College of the Sequoias A.S. Business- 1986

PROFESSIONAL HISTORY:

Cornerstone Engineering, Inc., Bakersfield, CA

May 2021 – Present - Mrs. Newquist joins the Cornerstone land development and permitting group in support of our client's proposed projects throughout the state.

McIntosh & Associates, Bakersfield, CA

July 1992 – April 2021 – Extensive experience in planning, zoning, environmental and land use matters. Coordination of projects involving land use approvals and entitlement processes: general plan amendments, zone changes, annexations, conditional use permits, site plans, precise development plans, tentative parcel and tract maps through final map recordation, and specific plans. Specializing in Land Planning and Subdivisions within a Civil Engineering and Land Surveying environment. Coordination with outside consultants concerning various technical studies for Environmental Impact Reports. Mitigation monitoring and annual reporting. Working directly with clients and building relationships with local and state representatives while processing and coordinating projects through various city, county, and state agencies. Excelling at effective negotiation and client advocacy. Acting as supervisor and consultant to/with engineering, surveying, and design staff. Representing client projects at director's hearings, planning commission, city council meetings and board of supervisor's hearings. Twenty plus years of experience as acting Safety Director including supervision of company safety program. Creation and implementation of Injury and Illness Prevention Program (IIPP) per CalOSHA guidelines. Discussion leader for quarterly office safety meetings and preparation of safety meeting material for bi-weekly field safety discussion

leaders. Responsible for maintenance of all safety records including OSHA Form 300 Log and Form 300a. Development of RAVS documentation from systems setup to monthly and quarterly records updates on ISNetworld and PEC portals for client-based, company compliance. Oversaw Workers Compensation claims and reporting.

Warren Pechin & Associates, Bakersfield, CA

July 1991 – July 1992 – General support for an architectural firm including work for a joint venture (Klassen-Pechin) developing standards and specifications for local High School Development projects.

DeVaney Farming

1989 – 1991 – Management of office staff and daily communications with owners and field supervisors running a multi-faceted farming operation. Work included bookkeeping for five farming operations, payroll, accounts payable and year end reporting.

SELECTED EXPERIENCE AND PROJECTS:

RESIDENTIAL PROJECTS

- **West Ming Specific Plan –** Castle & Cooke California, Inc., Bakersfield, CA – Planner / Project Manager involved with coordination of consultants and technical studies for CEQA mitigated environmental impact report, including mitigation monitoring and annual reporting of Village A improvements for Highgate Communities at Seven Oaks. Preparation of tentative maps and final maps for approximately 430 acres and ten residential tracts with an elementary school and several community parks and recreational centers. Master Planned Community includes one tract dedicated to active adults 55 and older. Multiple Specific Plan Amendments (SPA) for inclusion of roundabouts, clock tower and bell tower. The latest SPA included the development of a 6+ acre Linear Park with Dog Park amenities.

- **Seven Oaks Estates and Seven Oaks at Grand Island** – Castle & Cooke California, Inc., Bakersfield, CA – Planning and preparation of tentative maps and final maps for approximately 250 acres surrounding a Championship golf course (including a 9-hole extension) designed by world-renowned architect Robert Muir Graves.

- **Brimhall Communities** – Castle & Cooke California, Inc., Bakersfield, CA – Planning and preparation of tentative maps and final maps for approximately 158 acres with seven residential tracts.

- **Brighton Communities** – Castle & Cooke California, Inc., Bakersfield, CA – Planning and preparation of a unique residential development including a tract dedicated to active adults 55 and over. Processed tentative maps and final maps for six residential tracts located off Stockdale Hwy between Jewetta Avenue and Allen Road.

- **Old River Ranch** – ORR Development, LLC, Bakersfield, CA – Planner / Project Manager including development of Old River Ranch Specific Plan 228 acres. Phase 1 include four residential tracts including private and public parks utilizing the Old River Ranch Parks and Trails Plan. Recent approvals include a Planned Unit Development (PUD), Park Agreement, set-up of HOA and coordination with attorneys in review and exhibits for CC&R's. Processing and approval of substantial conformance maps, and final maps. Including mitigation monitoring annual reports.

- **Heritage Ranch Specific Plan** – Franmar, Shafter, CA – Planner / Project Manager for an Amendment to the Specific Plan including recordation of a phased map for finance purposes.

- **Panama Lane & Old River Road** – Nicholson-Combs, Bakersfield, CA – Planner / Project Manager involving multiple approvals. A Planned Commercial Development (PCD) for an 18 acre commercial shopping center including a deviation from development standards to allow standard combined sidewalk and landscape based on vesting of the tentative parcel map. Separate GPA/ZC and Site Plan Review for a Duplex Development on

18 acres north of the commercial site. GPA/ZC included a split vote at Planning Commission, a neighborhood outreach meeting, and approval at City Council on Appeal.

- **Numerous Vesting Tentative Tracts and Parcel Maps for Various Developer's –** Bakersfield and Kern County, - Planner / Project Manager for entitlements and processing of tentative maps through final map recordation that included properties within various city and county jurisdictions. Developer's and Home Builder's include: John Balfanz Homes, Summit Capital Ventures, Inc., DR Horton CA3, Western Pacific Housing, K. Hovnanian, Lennar Homes, RGF, Panama Lane Properties, LLC, Jeremy Willer Construction, Urban Land Advisors, MG3 Partners, Kern Land Partners, Berkshire Partners, LLC, Black Ops, LLC, Encanto Gardens, City in the Hills, Workman Brothers, Nicholson-Combs, KSA Homes, Oriole Homes, Towery Homes, and Snow Road Partners.

COMMERCIAL AND INDUSTRIAL PROJECTS

- **The Outlets at Tejon** – Joint Venture Development of Tejon Ranch Co. and The Rockefeller Group (TRRC) – Lebec, CA - Planner / Project Manager for a 365,206 square foot center located on a 59+ acre site is part of Tejon Ranch, residing along Interstate 5, just north of the Grapevine, one of California's most traveled highways. The Outlets is home to more than 70 premier retailers. Provided assistance with entitlements including tentative parcel map and final mapping, Precise Development Plans and Modifications, Lot Line Adjustments, and various easements.

- **Tejon Industrial Complex** – Tejon Ranch, Lebec, CA – Planner / Project Manager included various land planning and entitlement processes to develop the approximately 200 acre industrial complex. This included review of the Draft Administrative EIR for the project along with various other technical studies. Work also included Precise Development and Modification approvals, Tentative map and final map recordation's and, Lot Line Adjustments through the county.

- **Amazon** – for private developer and GrayCor Construction, Kern County, CA – Planning and entitlements including a Precise Development Plan and Lot Line Adjustment for a 640,000 square foot fulfillment center located on Merle Haggard Drive and Wings Way north of Meadows Field Airport.

- **Shops at River Walk** – Castle & Cooke Commercial, Inc., Bakersfield, CA – Planner / Project Manager for a Planned Commercial Development (PCD) with 49 acres office park and shopping center set along the Kern River and adjacent to the The Park at River Walk, one of the premier parks in Bakersfield. The center was planned to have approximately 500,000 square feet of office, retail, and restaurant space. The center is anchored by a 140,000 square foot Target and includes several top restaurants and retail shops. Work also included tentative map and final map, and parcel map waivers to separate the various building pads.

- **Riverlakes Galleria** – DCM Assets Management, LLC, Bakersfield, CA – Planner / Project Manager for a retail shopping center on approximately 21.5 acres including 150,000 square feet of commercial use located in northwest Bakersfield. Center includes 30 retail shops, gas station, and fast-food stores. A Walmart Neighborhood Market is the anchor. Work included entitlements, site plan review, tentative parcel map and final mapping.

- **The Marketplace Shopping Center** – Castle & Cooke Commercial, Inc., and Westar Associates, Bakersfield, CA – Planner /Project Manager for design and development of the 30 acre shopping center. Work included GPA/ZC entitlements and tentative parcel map through final map recordation.

- **Gosford Village** – Castle & Cooke Commercial, Inc., Bakersfield, CA – Planner / Project Manager for an 80 acre retail shopping center with 680.000 square feet of commercial retail including 220,000 square foot Walmart Super Center anchor and a 130,000 square foot Sam's Club. Center also includes various retail shops, a bank, and restaurants including both sit down and drive-thru options. Work included entitlements, tentative and final map recordation including various minor lot line adjustments to meet user demands.

- **Silver Wings Industrial Complex –** Silver Wings Real Estate, LLC, Kern County, CA – Planner / Project Manager for a 110.5 acre industrial center containing 47 parcels on Merle Haggard Drive. Entitlements and ongoing Precise Development modifications for projects including incorporation of a roundabout and design build projects of which HADCO Metal Trading was the first. Many other end users are currently under design and construction.

MEDICAL AND INSTITUTIONAL PROJECTS

- **Bakersfield Memorial Hospital –** Radian Design Group, Inc., Bakersfield, CA – Planner / Project Manager for a pediatric pavilion for ER care.

- **Dignity Health** Dr. Hans Einstein Main Hospital Entrance and Parking Design, Bakersfield, CA – Planner / Project Manager including a Comprehensive Sign Plan and permit approval.

- **Adventist Health (Formerly San Joaquin Community Hospital) Imaging Center and Medical Offices,** Bakersfield, CA – Various entitlements and Parcel Merger including street vacations for the development site.

- **Mercy Southwest** – Dignity Health and Cunningham Group Architects, Bakersfield, CA – Planner / Project Manager Conditional Use Permit and Site Plan Review for a new medical center facility including a helipad.

- **Valley Children's Hospital Clinic – Bakersfield, CA** – Planner / Project Manager for Lot Line Adjustment and Site Plan Review, including shared access and parking easements.

WIND ENERGY & ALTERNATIVE ENERGY PROJECTS

- **Wind Turbine Project** – Turbine locations include Windstar, Windswept, Mesa – Western Wind Energy, Tehachapi, CA – Assisted with site development including GPA/ZC, permits, and access easements.

- **Wind Turbine Project** – Prepare grading plan and pads including roads for (53) Turbine locations for the Windstar project – PMT, Inc., Tehachapi, CA – Assisted with site plan and access easements.

AFFILIATIONS:

American Planning Association

California Land Surveyors Association

Word for Word Ministries, Inc.
Secretary/Treasurer
2012 – Present

Greater Bakersfield Chamber of Commerce
Leadership Bakersfield Class of 2008
Team Advisor 2009-2011
Advisory Council 2011-2017
Chair 2016

Kern Leadership Alliance
Board of Directors 2014-Present

Garden Pathways
Mentor 2003-2007

AYSO – Region 73
Board of Directors 1992-1995
Registrar

ALAN E. WHITE, PE

661.301.4327 | alan.white@miocene-engr.com
Bakersfield, CA

Current Executive Leadership

PRINCIPAL ENGINEER AND CFO, Miocene, Inc., Bakersfield, CA—2015 to Present
Website: miocene-engr.com CSLB A General Engineering 1059256
Launched oil/gas consultancy delivering top-tier engineering insights to drilling, completion, workover, abandonment/re-abandonment, and project management in oil and gas.

- Engineer and Project Manager for two complex sidetrack and re-intercept two wells in the Los Angeles Basin. The purpose of the work was re-abandon previously abandoned oil wells that were posing a hazard for future re-development of the properties.
- Designed running tools and served as Project Manager for a seismometer and strain meter installation in Mammoth Mountain Geothermal Field for International Scientific Drilling Program, USGS, Scripts Institute, Sandia National Labs, Duke University, and Carnage Mellon University. The project set a world record for the deepest installation of strain meters and seismometers in the world.
- Repeated project for San Andreas Fault Observatory at Depth (SAFOD) to monitor downhole micro earthquakes and fault movement on the San Andreas Fault in Parkfield, California.
- Drilled six 9,000' wells in Mountain View Field and completed two wells in 2019 -2022. Completed three 12,000' Rio Viejo Field wells for Grapevine Energy in 2017 – 2020, Kern County, California.
- Drilled two horizontal sidetracks with a connection wishbone for 5E Advanced Materials In situ Boron mine in 2025, Barstow California.
- Numerous well abandonment, re-abandonment, and facility demolition projects in California and Colorado in support of oil and gas operators and real estate development companies.

CHIEF EXECUTIVE OFFICER, ERG Operating Company, LLC., Bakersfield, CA—2016 to 2019
ERG's Chapter 11 bankruptcy plan was approved in 2015 and Mr. White was appointed the CEO by the Bankruptcy Trustee on behalf of Beal Bank and managed all aspects of the operations including investments to increase production and to market the assets for disposition. ERG's operations produced over 2.000 barrels of oil per day and were focused in the Cat Canyon and Casmalia Oil Fields, Santa Barbara County, California. Mr. White managed environmental compliance along with numerous California regulatory permitting efforts including the field wide Cat Canyon Aquifer Exemption and the Land Use Planning permitting process for the West Cat Canyon Revitalization Project and Foxen Pipeline Project. ERG successfully closed a sales transaction in June of 2019 and Alan completed the transition to the new buyer at the end of July 2019.

OPERATIONAL ADVISOR, Opportune LLP., Bakersfield, CA—2019 to 2020
Mr. White served as an operational advisor to the bank group lead by JP Morgan for the bankruptcy planning and filing by California Resources Company. Alan's extensive knowledge of CRC's assets was instrumental in ground truthing the operational plans presented to the bank group. This knowledge was gained by Alan as the Operations Manager for Oxy Elk Hills for five years and his role as President and General Manager of Oxy Vintage California.

OPERATIONAL RESTRUCTURING ADVISOR, E&B Natural Resources Management Corporation, Bakersfield, CA—2020 to current
Mr. White is currently serving as an operational restricting advisor to E&B under a forbearance agreement with E&B lenders. The major elements of the role included: an operational controls assessment, a review of operating cost, an operating cost reduction plan, a plan of development, internal engineering report support, plan of development, and business plan. The operational controls review identified gaps in the operating cost and capital cost management systems. Miocene has completed the installation of operational controls and has developed value of work tracking and estimating systems and Key Performance Indicator dashboard for operational and financials metrics.

Oil & Gas Career in Brief

DIRECTOR OF MIDDLE EAST MAJOR PROJECTS, Occidental International Oil & Gas Company, Abu Dhabi & Region-Wide—2013 to 2015
Built 1 billion CF/day sour gas plant, leading 40,000 staff to exceed expectations in complex geographical, logistical, and cultural conditions.

PRESIDENT & GENERAL MANAGER, Vintage Production California LLC (a division of Oxy), Bakersfield, CA—2012
Drove $500M turnaround in 12 months. Led all BU assets—across Northern CA, San Joaquin Valley, Sacramento Valley, Ventura Basins.

OPERATIONS MANAGER, Vintage Production California LLC (a division of Oxy), Bakersfield, CA—2011 - 2012
Sparked accountable, high-performance culture in new division created by 10 acquisitions, cutting cost and raising efficiency for 125 properties.

OPERATIONS MANAGER, OXY ELK HILLS, Occidental Oil & Gas Company, Bakersfield, CA—2007 to 2011
Held full P&L for $1B Elk Hills, leading 400 FTEs, 3K contractors. Cut per-barrel cost 30%; built $200M gas plant; added 20 years' water disposal.

RESERVOIR MANAGEMENT TEAM LEADER, OXY ELK HILLS, Occidental Oil & Gas Company, Bakersfield, CA—2006 to 2007
Led non-unit properties intended to offset Elk Hills. Expanded production despite aging equipment, exceeding expectations while cutting costs.

OPERATIONS ENGINEERING TEAM LEADER, OXY ELK HILLS, Occidental Oil & Gas Company, Bakersfield, CA—2005 to 2006
Completed 500 new wells and ~1,000 interventions annually by motivating engineering team to apply innovation and creative problem solving.

SENIOR OPERATIONS ENGINEERING ADVISOR, OXY ELK HILLS, Occidental Oil & Gas Company, Bakersfield, CA—2003 to 2005
Created new well design offering Occidental enhanced production at ~25% the average cost of then-current well designs.

Education & Board Appointments

B.S., Petroleum Engineering—Louisiana Tech University, Ruston, LA • Registered Professional Petroleum Engineer (CA): P01747

Registered Professional Engineer, Petroleum P1747, California Department of Consumer Affairs, Petroleum 80661, Arizona Board of Technical Registration

Chair of the Production Committee, Western States Petroleum Association, 2009–2011, Committee Member, 2006–2011

Board Member, California Natural Gas Producers Association, California Independent Petroleum Foundation, 2011–2012

Board of Directors, San Joaquin Valley Section, American Petroleum Institute, 2005–2007

Member, Society of Petroleum Engineers, San Joaquin Valley Section • **Member**, American Association of Drilling Engineers

EXECUTIVE LEADERSHIP

PRINCIPAL ENGINEER AND CFO, Miocene, Inc.—Bakersfield, CA 2015 to Present

Petroleum Engineering; provides drilling, completion, workovers, abandonment/re-abandonment and lease operations statewide.

STARTUPS • BUSINESS DEVELOPMENT • THOUGHT LEADERSHIP • RECRUITMENT, TRAINING & MENTORING • OPERATIONS • CONTRACTOR MANAGEMENT

Collaborate with leading oil/gas engineer Jack Cook to service clients with major drilling, completing, and workover challenges. Recruit and lead teams with extensive engineering thought leadership and operational experience throughout urban, agricultural, mountain, and sensitive environmental habitats statewide.

Head all aspects of business development in challenging market—recruiting six ongoing clients and portfolio of one-time projects. Provide strategic leadership in production engineering, enhanced oil recovery (EOR), lease operations and operational engineering, and regulatory permitting.

Develop team of recognized, reliable experts, including Jack Cook. Champion integrity and transparency in era of remarkable engineering and market challenges.

PERSONNEL WITH HANDS-ON EXPERIENCE AT: Monterey & Antelope Shales • Cat Canyon • Elk Hills • Asphalto/Railroad Gap • Buena Vista • Monument Junction • North Shafter • Rose • South Belridge • Other Projects Throughout Santa Barbara/Kerns **Stevens Sandstone Reservoirs**: Landslide • Rio Viejo• Paloma • Yowlumne • Buena Vista • Elk Hills • All Dry Gas Basins Across Northern California

- **At Oxy Elk Hills and Oxy Vintage lead a team that demolished oil and gas facilities at Rincon, San Miguelito, Pacoma, Cat Canyon, Elk Hills, and Buena Vista**
- **Successful well abandonment and re-abandonment projects in Los Angeles Basin, Ventura, San Joaquin Valley, and Northern California. Current project is located near Santa Cruz and includes 12 wells and four production facilities.**
- **Seconded engineer for Bolthouse Properties on Seven Oaks Business Park and Belcourt at Seven Oaks business and residential development over existing oilfield with wells requiring re-abandonment.**
- **Provide complex engineering and project management support to Southern California Gas and PG&E gas storage projects in California**.
- **Manage/supervise subcontracted workforce** selected and developed to meet specific operating challenges.

Director of Middle East Major Projects, Occidental International Oil & Gas—Abu Dhabi, UAE & Region-Wide 2012 to 2015

Founded 1920, $12.6B Occidental has $43.7B in total assets and produces 680,000 BOE daily, making it #364 on Forbes' Global 2000.

INTERNATIONAL BUSINESS • INTERCULTURAL COMMUNICATION • LARGE CAPITAL PROJECTS • PROJECT & PROGRAM MANAGEMENT • INFLUENCING

Provided executive oversight and strategic consulting for major capital projects and business units. Recruited by general manager, Oxy Elk Hills, to build 1 billion CF/day sour gas plant under tough desert conditions. Managed, motivated, and led 40,000 personnel while serving as visionary and architect for a tremendously complex feat—heading logistics of a landmark Oxy project requiring the build-out of UAE's first commercial railroad. Contributed culture-savvy leadership to projects in Oman and Qatar.

- **Managed drilling and completion for HTHP, high H2S gas wells (30% H2S) in the Al Hosn gas project. Overall oversight of construction of sour gas plant to process gas and produce 20 metric tons per day of palletized Sulphur.**
- **Used cultural insight to maintain motivation of local workforce despite laws prohibiting disciplinary measures**. Provided collaborative, respectful leadership—gathering data from local experts and asking incisive questions while crafting strategy.

President & General Manager, Vintage Production California LLC (a division of Oxy)—Bakersfield, CA 2012

Occidental division leading all drilling and production for Northern California, San Joaquin Valley, Sacramento Valley, and Ventura.

OPERATIONAL TURNAROUNDS • PROCESS IMPROVEMENT • COST REDUCTION • STRATEGIC PLANNING • BUSINESS DEVELOPMENT • TEAM LEADERSHIP

Promoted to lead turnaround of BU losing $250M annually—achieving $500M turnaround within 12 months. Following successful BU re-launch, invited to head the entire organization, providing full strategic and operational leadership for all related oil/gas assets.

- **Lead project to demolish**
- **Improved ROI on underutilized assets** through acquisitions, in-house oil recovery, and projects on existing properties.

EXECUTIVE LEADERSHIP, CONTINUED

Operations Manager, Vintage Production California LLC (a division of Oxy)—Bakersfield, CA 2011 to 2012

PROCESS IMPROVEMENT • POLICY & PROCEDURE DEVELOPMENT • PERFORMANCE MANAGEMENT • COST REDUCTION • ENGINEERING INNOVATION

Provided day-to-day leadership for new business unit handling all California operations outside Elk Hill and Los Angeles. Developed common processes, procedures, and culture for division created through 10 acquisitions—modeling Oxy's business ethos across 125 properties with over 3,000 wells. Drove cultural unification by starting in the field with staff who'd seen no leaders face-to-face in years.

- **Improved efficiency, production, and safety** by developing site-specific operator playbooks for each team to consult.
- **Reduced cost across the board** by introducing cost control systems and formalizing asset development management.
- **Incentivized performance through friendly competition**, meeting each field operator to establish ambitious goals.
- **Overcame immense environmental challenges** in wetlands, mountain range, new Pacific Ocean Coastal Zone wells, and more.

Operations Manager, Oxy Elk Hills, Occidental Oil & Gas (in 2011: Vintage Production), Bakersfield, CA 2007 to 2011

Elk Hills Oil Field, discovered 1911, is the 5th-largest oil field in California and its #1 natural gas field, with 700B cubic feet in reserve.

STRATEGIC PLANNING • OPERATIONS MANAGEMENT • LARGE CAPITAL PROJECTS • ORGANIZATIONAL CULTURE • COST REDUCTION • ENGINEERING

Held full P&L for $1B asset, heading operations as report to general manager and president. Led all drilling, completion, workovers, daily production and facility engineering—including 400 FTEs, 3,000 contractors. Maximized production of complex site with multiple reservoir types sharing infrastructure: A situation demanding fresh perspective to align personnel structure with executive vision.

- **Reduced operating costs 30% to ~$14/barrel** by re-engineering field management structure, integrating rival groups, and eliminating silos. Raised managers' morale across the board and eliminated rivalries with common objectives and rewards.
- **Built and launched $200M gas plant on time and under budget**—ensuring commercial viability of 100K BOE/day and 400M cubic feet of gas/day by reducing CO2 and nitrogen levels to meet utility specifications.
- **Added 20 years of water disposal capacity** by creating and permitting disposal project, ending ad-hoc shallow disposal.

Reservoir Management Team Leader, Oxy Elk Hills, Occidental Oil & Gas—Bakersfield, CA 2006 to 2007

TEAM LEADERSHIP • RESERVOIR ENGINEERING • DRILLING STRATEGY • ENHANCED OIL RECOVERY (EOR) • COST REDUCTION • PRODUCTION GROWTH

Appointed as team leader for non-unit properties to offset Elk Hills asset. Led reservoir engineering, geological surveys, FCC reserve reporting, and strategy/planning for new drilling locations and enhanced recovery projects. Exceeded expectations with an older well.

- **Increased production beyond executive expectations** through effective geological planning and well engineering.
- **Reduced costs significantly** by capturing economies of scale, integrating new offset properties into existing assets.

Operations Engineering Team Leader, Oxy Elk Hills, Occidental Oil & Gas—Bakersfield, CA 2005 to 2006

TEAM LEADERSHIP • PROCESS IMPROVEMENT • ENGINEERING • TRAINING & MENTORING • PERFORMANCE MANAGEMENT • PROJECT MANAGEMENT

Supported five reservoir management teams—the only engineer to work with more than one—as operations engineering expert. Led staff supervising all rig operations in the field, effectively managing competing priorities of multiple stakeholders while inspiring engineers to bring greater creativity and innovation to bear on challenges. Instituted thorough program reviews to demonstrate to team members that their work was valued and had impact, helping them become more alert to improvement opportunities.

- **Cultivated multiple engineers to leadership roles,** freeing them from "rut" by training them on new tools and techniques.
- **Completed ~500 new wells and ~1,000 interventions per year, impacting five teams—99%+ of work meeting estimates**.

EARLY CAREER HIGHLIGHTS

Sr. Ops Engineering Advisor, Oxy Elk Hills, Occidental Oil & Gas (2003–2005): Created new well design offering greater productivity at 25% usual cost.

Drilling & Production Mgr., DCOR (2000–2003): Learned fundamental cost control principles from CEO of small, independent firm.

Drilling & Production Mgr., Buena Vista Development Co. (1998–1999): As founding partnership for the firm broke down, gained skills in evaluating the operational and personnel potential of underutilized assets and planning productivity from acquiring side.

CORNERSTONE
ENGINEERS • ADVISORS
Bringing Solutions and Light

Honey Rock
ENGINEERS • ADVISORS
DRILL • DEVELOP • DECOMMISSION

Appendix B
Rate Sheet

Revision: 8/21/2025

Approvals: Initial Initial

Honey Rock ENGINEERS • ADVISORS DRILL • DEVELOP • DECOMMISSION

CORNERSTONE ENGINEERS • ADVISORS Bringing Solutions and Light

City of Santa Fe Springs

Hourly Rate Schedule - Effective August 2025

Craft	Resource Type	Hourly Rate
Engineering	*Note: Note: CA-Licensed Mechanical, Process, Civil, and other disciplines on staff*	
	Principal Regulatory & Permitting Strategist	$295
	Principal Energy and Land Advisor	$221
	Energy and Land Advisor	$205
	Principal Engineer/Chief Engineer	$208
	Subject Matter Expert (SME)	$230 to $325
	Program Manager / Asset Retirement	$250
	Senior P&A Operations Engineer	$210
	Senior Drilling Operations Engineer	$215
	Production Engineer 1 / 2 / 3	$125 / $165 / $195
	Bonding and Planning Advisor SME	$235
	Asset Retirement Surface Remediation SME	$235
	Engineer 1 / 2 / 3	$116 / $140 / $167
	Project Engineer 1 / 2 / 3	$116 / $140 / $167
	Engineer 4 PE	$198
	Structural Engineer SE	$208
Geologists, Reservoir, and Petroleum Engineers	*Note: CA-Licensed Petroleum Engineers / PG's on Staff*	
	Staff Geologist / Staff Geologist PG	$152 / $177
	Senior Geologist / Senior Geologist PG	$198 / $226
	Senior Geology Advisor	$236
	Reservoir Engineer / Petroleum Engineer PE	$240 to $303
	Complex Abandonment Specialist (re-entry)	$315
Well Site Operations Supervision		
	Well Site Manager 1 / 2 / 3	$105 / $115 / $120
	Drill Site Manager	$132
Project Support		
	Planner 1 / Planner 2	$116 / $152
	Chief Planner	$206
	Idel Well Coordinator 1 / 2 / 3	$116 / $152 / $172
	Project Specialist 1 / 2 / 3	$116 / $152 / $172
	Project Manager 1 / 2 / 3	$146 / $163 / $188
	Chief Project Manager	$206
	Engineering Tech 1 / 2 / 3	$83 / $95 / $119
	Construction Rep 1 / 2 / 3	$116 / $146 / $167
	Project Controls Analyst 1 / 2	$113 / $132
	Project Controls Lead	$156

Revision: 8/21/2025
Approvals:

City of Santa Fe Springs

Hourly Rate Schedule - Effective August 2025

Craft	Resource Type	Hourly Rate	
Design and Drafting *Note: AVEVA, PDMS, Plant 3D, CADWorx, AutoCAD, Civil 3D*			
	Designer 1 / 2 / 3	$112 / $130 / $142	
	Design Team Lead	$163	
	Drafter 1 / 2 / 3	$83 / $91 / $111	
Reimbursable Expenses			
	Truck	$15	per hour
	Design Software (AutoCAD and other)	$10	per hour
	(ETAP)	$20	per hour
	(CAESAR II)	$45	per hour
	3D Design Software (CADWorx, Civil 3D, etc.)	$12	per hour
	Geologic Interpretation Software (Petra)	$30	per hour
	Well Data Set Integration	$390	LS
	Well Bore Diagramming Software (WellShadow)	$13	per hour
	H_2S Monitor	$11	per day
	4-Gas Portable Monitor	$37	per day
	Per Diem - Well Site & Drilling Manager (outside Kern Co.)	$250	per day

The above is for straight time only and in the case of overtime, the rate charged will be 1.5 times the hourly rates shown with Sundays and holidays at 3 times the hourly rates shown.

Reimbursable items (blueprints, mailings, etc.) are charged at cost times 1.1
Subconsultant fees are charged at cost times 1.15
Mileage is billed at current IRS reimbursement rate - **$0.70**

Appendix C

WBE & Small Business Certifications

SUPPLIER CLEARINGHOUSE

CERTIFICATE OF ELIGIBILITY

CERTIFICATION EXPIRATION DATE: **July 13, 2026**

The Supplier Clearinghouse for the Utility Supplier Diversity Program of the California Public Utilities Commission hereby certifies that it has audited and verified the eligibility of:

Cornerstone Engineering Inc.

Women Business Enterprise (WBE)

pursuant to Commission General Order 156, and the terms and conditions stipulated in the Verification Application Package. This Certificate shall be valid only with the Clearinghouse seal affixed hereto.

Eligibility must be maintained at all times, and renewed within 30 days of any changes in ownership or control. Failure to comply may result in a denial of eligibility. The Clearinghouse may reconsider certification if it is determined that such status was obtained by false, misleading or incorrect information. Decertification may occur if any verification criterion under which eligibility was awarded later becomes invalid due to Commission ruling. The Clearinghouse may request additional information or conduct on- site visits during the term of verification to verify eligibility.

This certification is valid only for the period that the above firm remains eligible as determined by the Clearinghouse. Utility companies may direct inquiries concerning this Certificate to the Clearinghouse at (800) 359-7998.

VON: 20000699 ***DETERMINATION DATE: July 13, 2023***

Printed on: 2/21/2025 10:21:31 AM

To verify most current certification status go to: https://www.caleprocure.ca.gov

DGS
CALIFORNIA DEPARTMENT OF
GENERAL SERVICES

Office of Small Business & DVBE Services

Certification ID: 38587

Legal Business Name:
CORNERSTONE ENGINEERING INC

Doing Business As (DBA) Name 1:

Doing Business As (DBA) Name 2:

Address:
5509 Young St.
BAKERSFIELD
CA 93311

Email Address:
info@cornerstoneeng.com

Business Web Page:
www.cornerstoneeng.com

Business Phone Number:
661/325-9474

Business Fax Number:
661/322-0129

Business Types:
Service

Certification Type	Status	From	To
SB	Approved	02/21/2025	02/28/2027

Stay informed! KEEP YOUR CERTIFICATION PROFILE UPDATED!
-LOG IN at CaleProcure.CA.GOV

Questions?
Email: OSDSHELP@DGS.CA.GOV
Call OSDS Main Number: 916-375-4940
707 3rd Street, 1-400, West Sacramento, CA 95605

PR Field Services, Inc.
P.O. Box 1778
Tehachapi, CA 93581

January 14, 2026

City of Santa Fe Springs – Community Development Department
11710 Telegraph Road
Santa Fe Springs, CA 90670
Attn: Cuong Nguyen, Director

Re: Statement of Qualifications – RFQual 26-2, On-Call Petroleum Engineering Services

Dear Mr. Nguyen:

PR Field Services, Inc. (PRFS) is pleased to submit this Statement of Qualifications (SOQ) in response to **RFQ 26-2: On-Call Petroleum Engineering Services**, issued December 4, 2025. We appreciate the opportunity to continue supporting the City, where PRFS is currently providing on-call petroleum engineering services under an existing agreement dated November 26, 2025.

Our team is fully committed to maintaining the high level of technical excellence, responsiveness, and regulatory rigor required for Santa Fe Springs' petroleum-related oversight and project needs.

Understanding of the City and Scope of Services
PRFS understands that the City seeks a technically strong, highly responsive consultant capable of providing **professional petroleum engineering, environmental, geological, and regulatory services** related to:

- Well abandonment and re-abandonment engineering;
- Evaluation of legacy wells within urban redevelopment settings;
- CalGEM-compliant technical review, permitting, and documentation;
- Reservoir, production, integrity, and risk assessments;
- Planning, cost estimating, construction oversight, and multi-agency coordination.

Our firm has extensive experience delivering these exact services for Santa Fe Springs and throughout California, including large-scale redevelopment projects, complex well adjustments, risk evaluations, and comprehensive abandonment management. With more than four decades of senior-level engineering leadership and a fully integrated subsurface team, PRFS is exceptionally well-positioned to support the City's ongoing and future petroleum-related assignments.

Summary of Key Elements of the SOQ

The accompanying SOQ highlights:

- **A proven team** with direct experience in Santa Fe Springs, including petroleum engineers, environmental engineers, and subsurface geologists from Numeric Solutions, LLC.
- **Hundreds of successful P&A operations**, including complex well adjustments, multi-well programs, regulatory coordination, and oversight of facilities removal.
- **Specialized expertise** in CalGEM WellSTAR permitting, environmental review, methane assessment, geologic modeling, UIC permitting, risk evaluation, and redevelopment support.
- **A demonstrated history of managing simultaneous operations**, high-visibility projects, and stakeholder coordination across agencies, operators, developers, and regulatory bodies.
- **A comprehensive fee schedule** that reflects competitive, market-appropriate hourly rates for technical and professional services.

Primary Office for Managing On-Call Services
All on-call petroleum engineering services for the City will be managed from:

PR Field Services, Inc.
P.O. Box 1778
Tehachapi, CA 93581
(Additional supporting team offices, including Numeric Solutions in Ventura, are described in the SOQ.)

Stipulation of Rate Validity
PRFS affirms that all hourly rates and fees presented in this SOQ will remain valid for **a minimum of one (1) year** from the date an agreement is executed with the City, in accordance with RFQ 26-2 requirements.

Authorization
This proposal and all statements contained herein are submitted with full authority. As President of PR Field Services, Inc., I am authorized to bind the firm.

Please feel free to contact me directly with any questions or requests for clarification. PRFS values its strong working relationship with the City of Santa Fe Springs and appreciates the opportunity to continue providing professional petroleum engineering services that support community safety, regulatory compliance, and thoughtful redevelopment.

Sincerely,

Steven F. Coombs
President

Statement of Qualifications for City of Santa Fe Springs

On-Call Petroleum Engineering Services

RFQ No. 26-2

Prepared for:

City of Santa Fe Springs
Community Development
11710 Telegraph Road
Santa Fe Springs, CA 90670
Attn: Cuong Nguyen, Director
Contact Phone: (562) 868 - 0511
Contact E-Mail: cuongnguyen@santafesprings.gov

Prepared by:

PR Field Services, Inc.
P.O. Box 1778
Tehachapi, CA 93581

January 14, 2026

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SECTION 1 Introduction

PR Field Services, Inc. (PRFS) is pleased to submit our Statement of Qualifications (SOQ) in response to the *Request for Qualifications for On-Call Petroleum Engineering Services (RFQ 26-2)* ("RFQ") dated December 4, 2025. PRFS is currently contracted to the City of Santa Fe Springs (CSFS) providing on-call petroleum engineering services under a contract dated November 26, 2025. This RFQ response represents PRFS desire to continue their relationship with CSFS and continue to provide engineering and geotechnical related services.

We understand that CSFS is seeking a contractor to provide professional engineering, environmental, and other services related to petroleum engineering and plugging and abandonment of existing or previously plugged and abandoned wells within the city limits of Santa Fe Springs. PRFS has assembled an Offeror Team that is exceptionally well-suited to support CSFS on this contract based on:

- Our team's extensive experience in performing the requested services at oil fields in California (including in Santa Fe Springs).
- Our team will be led by personnel with significant and demonstrated experience in each of the key contract roles and includes a strong bench to support them.
- Our team's history of working together on similar projects will streamline coordination and execution of the scope of work.

The remainder of this SOQ is organized as follows to provide the requested information:

- Section 2 discusses our team's background and identifies key team members and personnel;
- Section 3 presents our Teams key personnel and roles;
- Section 4 discusses our Teams relevant experience and presents some key project work examples;
- Section 5 presents the completed RFQ 26-2 references;
- Section 6 presents our fee schedule;
- Section 7 presents the requested legal & compliances information;
- Section 8 presents proposed contract exceptions.

SECTION 2 Company Background and Offeror Team

2.1 Company Background and History

PRFS provides well abandonment engineering and well services to third party operators in California. The company is headed by Steve Coombs, a seasoned petroleum engineer and recognized expert in Petroleum Engineering and well P&A.

Additional information about PRFS can be found at: www.prllca.com

2.2 Offeror Team

PRFS is joined in this RFQ submittal by Numeric Solutions, LLC as a sub-consultant to provide expert subsurface geological analysis.

PRFS is tasked to provide engineering, planning and project management services. PRFS was founded in 2008 to provide engineering, project management and project execution to the oil and gas industry in California. PRFS specializes in all aspects of oil and gas well decommissioning. With expertise based on more than 18 years of domestic and international experience, which provides a substantial benefit to clients who profit from this depth of knowledge when related to engineering, planning, cost estimating and actual project execution.

Numeric Solutions is included in our Offeror Team as a sub-consultant to provide subsurface geological expertise to assist with interpretation of the geologic sequence penetrated by a well, such as the Base of Fresh Water and or hydrocarbon bearing zones. In addition, Numeric are recognized experts in evaluation of under ground injection projects, such as water floods or water disposal wells common in the oil and gas industry. Numeric are experts in industry standard software such as Eclipse, CMG and Petrel.

Additional information about Numeric can be found at: www.numericsolutions.com

SECTION 3 Key Personnel and Roles

The Offeror Team has been selected specifically to meet the needs of CSFS RFQ based on prior technical and operations experience. The following presents the proposed key project staff, their roles, and a brief overview of their experience and qualifications:

Steven F. Coombs – Engineering Manager
President, PR Field Services, Inc.

Steve Coombs is a seasoned petroleum engineer and executive with more than four decades of experience spanning well abandonment, decommissioning, drilling, production operations, and offshore/onshore project management. He holds a B.S. in Petroleum Engineering from the Colorado School of Mines and is an active member of the Society of Petroleum Engineers. As President of PR Field Services, Inc. since 2008, he has led engineering, planning, permitting, cost estimation, and full-service well intervention and abandonment projects throughout California, including large-scale redevelopment efforts, complex offshore and surf-zone operations, and multi-year P&A programs

involving hundreds of legacy wells. His work extends across environmentally sensitive locations, urban redevelopment areas, and high-visibility coastal sites, demonstrating deep technical capability and strong regulatory and stakeholder coordination skills.

Since 2002, Steve has also served as a partner with Reverse Engineering Services, Ltd., contributing engineering expertise to global offshore decommissioning studies in regions including Australia, Southeast Asia, Africa, Europe, and the Americas. His contributions have included strategic decommissioning planning, well P&A engineering, cost estimation, training programs, and probabilistic modeling for major operators and national oil companies.

Beyond consulting, Steve owns and operates Patriot Resources, LLC, and previously served as EVP of Pacific Operators Offshore, where he managed environmental affairs, engineering, and development programs for offshore platforms in the Carpinteria field. His earlier roles include founding an engineering services firm and serving as a senior petroleum engineer for Petro-Lewis Corporation, giving him a balanced foundation in field operations, asset development, business leadership, and regulatory compliance. Mr. Coombs full resume can be found in Appendix A.

Stanley Brown – P.E. Petroleum Engineer

Senior Petroleum Engineer, PR Field Services, Inc.

Stanley Brown, PE, is a highly experienced Petroleum Engineer with over five decades of industry expertise, including 48 years directly in petroleum engineering. As a California-licensed Professional Engineer and long-standing member of the Society of Petroleum Engineers, he brings extensive skill in production, reservoir, property evaluation, drilling, and operations engineering across dozens of California fields and multiple U.S. states. His background includes advanced wellwork planning, reservoir analysis, waterflood optimization, enhanced recovery evaluation, artificial lift design, regulatory compliance, and technical reporting. He has also developed innovative stimulation techniques, conducted economic evaluations, mentored engineers, and served as an expert witness.

Throughout his career, Stan has held senior engineering roles at major operators—including Champlin Petroleum, ARGO Petroleum, Seneca Resources, and Hunter Resources—where he led production engineering programs, managed field operations, and implemented projects that significantly increased oil production. Since 1991, he has provided consulting services serving an extensive client base of independent producers, attorneys, and energy companies. His work spans reservoir studies, property valuations, workover planning, UIC project data preparation, regulatory documentation, and field development support. He holds an M.S. in Petroleum Engineering from USC and a B.A. in Astronomy (Physics minor) from UCLA, supplemented by decades of advanced industry training and published technical work. Mr. Brown's full resume can be found in Appendix A.

Gwen Tellegen – Senior Environmental Engineer

PR Field Services, Inc.

Gwen Tellegen is a California Professional Engineer (PE-Civil) with degrees in geology, biology and environmental/civil engineering. Gwen has more than 30 years of experience in the management of oilfield redevelopment and oil well abandonment programs. This work has included extensive

regulatory interface with CalGEM and local agencies overseeing redevelopment work, such as the Cities of Long Beach, City of Santa Fe Springs, Los Angeles and Carson, as well as Los Angeles, Santa Barbara and Orange Counties. This work has involved the review and preparation of Construction Site Well Review (CSWR) plans, oilfield title research to identify well owners and orphan wells as well as environmental assessment, remediation; and restoration. Her work conducted on behalf of oil operators and developers has resulted in the successful redevelopment of more than two dozen oilfield properties into residential communities, commercial centers and industrial warehouses throughout California.

Gwen's experience also includes methane assessment as well as the design, review, construction and inspection of methane-mitigation systems (MMS) and vapor mitigation systems (VIMS). Ms. Tellegen has successfully located more than a dozen "lost" previously abandoned oil wells using GIS technology coupled with historic maps, photographs, and written descriptions. In many cases, past attempts to locate these wells by others had failed.

In addition, Ms. Tellegen has extensive oilfield decommissioning experience, managing all phases of these projects. This work has included the evaluation of oilfield redevelopment properties and the review of assessment work and plans prepared by other consultants for the City of Santa Fe Springs contracted through their legal counsel. Gwen has also managed the oversight of the abandonment or re-abandonment of more than 100 oil and gas production wells, removal of pipelines and closure of storage facilities, as well as remediating crude oil impacts to soils, natural gas condensate impacts to soil vapor and groundwater. She has obtained agency closure for oilfield sites impacted with hydrocarbons, solvents, polychlorinated biphenyls (PCBs), polynuclear aromatic hydrocarbons (PNAs), mercury, arsenic, asbestos, and naturally occurring radioactive materials (NORM) from agencies including the Los Angeles Regional Water Quality Control Board, the Department of Toxic Substance Control, LA and Orange Counties. Ms. Tellegen's full resume can be found in Appendix A.

Danielle Werking – Petroleum Engineer
Project Engineer, PR Field Services, Inc.

With nearly 10 years of industry experience, Ms. Werking has become a valuable member of a diverse geo-technical team with development of well P&A programs, cost estimating and all aspects of permitting to support a continuous program of California well abandonment projects supporting multiple clients in a wide variety of geographic locations and settings.

Her expertise includes deep knowledge of the CalGEM WellSTAR program to support and mentor new clients not otherwise proficient in WellSTAR, construction of well profiles for NOI submittals, including working closely with CalGEM representatives to resolve more challenging wells with multiple sidetracks where the database lacks the historic wellbore sequencing, and submittal of NOI and subsequent tracking of NOI progress. Ms. Working's data oversight experience includes all data gathering and conditioning to perform post-work submissions to CalGEM via WellSTAR and progress tracking of close out letters. She has additional expertise in CalGEM well bonding requirements and work with operators to establish well level bonding where needed, and close out of bonds and completion of the well P&A process.

John Harris – Senior Geologist
President, Numeric Solutions, LLC

John H. Harris is a seasoned geoscientist with approximately 25 years of domestic and international experience in petroleum exploration, reservoir characterization, geological modeling, regulatory compliance, asset evaluation, and risk management. He is recognized as an industry expert in the hydrocarbon basins of coastal California and has served as an expert witness in matters involving operational risk, regulatory assessments, asset valuation, and abandonment planning. His technical background includes extensive work with geological and reservoir modeling platforms such as Petrel, Gocad, and RMS, along with deep experience in reserves estimation, acquisitions and divestments, and development planning for major E&P companies.

As President of Numeric Solutions LLC since 2000, Harris has overseen a multidisciplinary consulting firm delivering geoscience, engineering, and regulatory services for complex subsurface projects spanning oil and gas depletion planning, EOR studies, well abandonment, remediation, and production-risk mitigation. His client history includes Aera Energy, California Resources Corporation, Statoil, Southern California Gas Company, Venoco, OXY/Vintage, Plains Exploration and Production, academic institutions, and regulatory bodies. His early career at Texaco further strengthened his grounding in reservoir development and enhanced-recovery technologies. Harris holds an M.S. in Geology from the University of Michigan and a B.S. in Geology from the University of New Hampshire, and he maintains active memberships in multiple professional societies including AAPG, GSA, SPE, and the Association for Computing Machinery. Mr. Harris full resume can be found in Appendix A.

Eric White – Senior Geologist
Vice President, Numeric Solutions, LLC

Eric B. White is a California-licensed Professional Geologist with over 13 years of experience at Numeric Solutions, where he specializes in geologic interpretation, reservoir and groundwater modeling, geodatabase management, reserve estimation, and technical analysis for oil and gas and water-resource projects. His work spans major and independent energy companies, municipal water agencies, law firms, and financial institutions, and includes building Petrel-based geocellular models, conducting seismic interpretation, performing reserve and liability assessments, supporting UIC permitting, and delivering technical expertise in both development planning and environmental risk analysis. He has managed complex, multi-disciplinary projects involving geologists, geophysicists, engineers, and regulatory specialists.

Eric's background is supported by strong academic and research credentials, including an M.S. in Geological Science from UC Santa Barbara and a B.S. in Environmental Science from Union College, both completed with high honors. His research experience covers paleoclimate reconstruction, geochemical sediment analysis, and structural protein modeling using cryo-electron microscopy, while his teaching experience includes multiple university-level Earth Science and Environmental Studies

courses. He is active in professional organizations, notably the Coast Geological Society, where he has held leadership roles including President. His technical toolkit includes Petrel, ArcGIS, PHDWin, @RISK, DrillingInfo, and Power BI, complementing his strong analytical and field experience across diverse geologic settings. Mr. White's full resume can be found in Appendix A.

SECTION 4 Experience & Qualifications

This section highlights our team's relevant experience in providing services required on projects of similar scope and complexity.

4.1 Past Performance and Record of Successful Completion of Similar Work

As requested in the RFQ, we have presented a few brief summaries of project examples that demonstrate our experience and ability to successfully deliver on projects involving all aspects of Petroleum engineering and geo-science related tasks.

Taken together, the project examples demonstrate our extensive experience in executing and managing projects related to the workscopes proposed in the RFQ. Our team has successfully plugged and abandoned (P&A'd) hundreds of wells in southern California, including in Santa Fe Springs. Our project experience our team's physical decommissioning services (i.e., rigs, wireline, cementing, perforating, waste transport, facilities demolition, site restoration, environmental remediation, etc.), but also examples of our team's project engineering, planning, permitting and overall project management experience as follows:

- PRFS' project management experience.
- PRFS' ability to execute concurrent complex projects with simultaneous operations, subcontractors, and stakeholders.
- Our team's proficiency in managing and performing demolition activities.

4.2 Highlighted Project Profiles

This section provides some detail on two key projects to further illustrate our team's ability to successfully manage and execute complex projects with simultaneous operations, subcontractors, and stakeholders.

Highlighted Project #1: Multi-Well Abandonment & Facilities Removal, Richfield Field, Orange Co., CA

Client: Bridgemark Corporation / Bridgemark Liquidation Trust / Toll Brothers

Offeror Team Members Involved: PR Field Services, Inc., Numeric Solutions, LLC, Raptor Wireline, and TMG Transportation

Agencies Involved: CalGEM, City of Placentia and the County of Orange

Relevant Services: Well abandonments & re-abandonment, project management, facilities removal, lease restoration

Project Scope:

Figure 1 – Well flowlines removed from site

This project involved the abandonment of 10 wells and re-abandonment of two wells to facilitate redevelopment of the land for high density residential housing. PRFS served as the project manager for the well abandonment services under Numeric Solutions, LLC (Numeric), which was the court appointed bankruptcy trustee responsible for hiring and supervising the work. The project required close coordination with various regulatory oversight agencies (including CalGEM), the property developer and the developer team of vendors and consultants including the grading contractor, civil engineers, environmental contractor. The scope of work involved planning, permitting and oversight of job execution including both well P&A and facilities removal (see Figure 1).

This project required close coordination with Toll Brothers' land development team due to simultaneous operations to remove redundant oil and gas facilities and perform other lease restoration tasks concurrent with facilities re-alignment to allow the existing oil and gas operator to continue to operate a portion of the oil field (i.e., outside of the land redevelopment footprint).

Highlighted Project #2: Former Castaic Oil Field Redevelopment - The Newhall Land and Farming Company, Los Angeles County, California

Client: The Newhall Land and Farming Company (NLF)

Team Members Involved: PR Field Services, Inc. and Numeric Solutions, LLC

Agencies Involved: CalGEM, Los Angeles County Fire – Site Mitigation Unit, Los Angeles County Regional Planning Commission, Los Angeles County Building and Safety

Relevant Services: Well abandonments (both elevation adjustments and re-abandonments), Phase I/II environmental site assessment, remediation, property transaction support, methane support, coordination with multiple regulatory agencies, environmental planning and permitting.

Project Scope:

Figure 2 – Well prepared for lowering

This project required close coordination between PRFS, as the well re-abandonment lead and a team responsible for the environmental planning, permitting, and site assessment/remediation aspects of the project. Additionally, PRFS worked closely with Numeric, who provided geological and geo-technical support

including development of a subsurface 3D geological model representing aquifer and hydrocarbon reservoir structure and stratigraphy used to inform engineering decisions for planning and operations.

Well Plugging and Abandonment: The scope of work involved engineering, planning and permitting the re-abandonment of 45 wells that had been previously abandoned by Exxon in the early 1990s. The NLF land redevelopment project involved significant grade changes which required most wells be either raised or lowered to match final grade (see Figure 2). These well adjustments had to be made concurrent with the grading operations. For example, wells were raised or lowered as much as 100' as hills were cut, and valleys filled, with over 30 million cubic yards of soil ultimately moved as part of the project. For wells being raised, both the surface casing and production casing were raised in sections (as much as 40') at a time. Innovative techniques were developed to secure casing strings in-place with one lift and weld in-place. Once a well was raised to final elevation, cementing operations filled the added casing sections. For well lowering, innovative hot tapping techniques were developed to ensure the casing was safe to cut, and a toppling technique was employed to remove cut casing sections that did not require personnel be near the well during the operation.

Of the 45 wells included in this project, approximately 50% were lowered and 50% were raised. In addition, eight wells were re-entered and re-abandoned to address various deficiencies. PRFS provided project management, engineering, permitting and rigs, crews, and cementing equipment to perform the abandonment work. Project management required close coordination with CalGEM, the contractor managing the environmental aspect of the project, the project civil engineers, the surveying team, the grading team, and the project developer.

SECTION 5 References

Please see completed "RFQ 26-2 Attachment A" attached herein as Exhibit B.

SECTION 6 List of Services and Fee Schedule

A list of services that PRFS can provide under a proposed contract with CSFS is listed as follows:

- Review and evaluation of well abandonment / re-abandonment proposals submitted to the City by oil operators or property developers.
- Review of current status well conditions in the context of CalGEM and City of Santa Fe Springs well abandonment standards.
- Well abandonment engineering / cost estimation for City owned property.
- Perform risk / hazard analysis of previously abandoned oil wells to evaluate health and safety risks.
- Review of historical aerial photos topo maps to evaluate well locations and historical environmental conditions.
- Perform onsite geophysical / magnetic surveys to assist with well location (3rd party sub-contractors may be required).
- Perform well leak detection (3rd party sub-contractors may be required).

- As requested, review well files for evidence of potential environmental / methane impacts related to drilling and historical well operations.

Hourly Rates:

Sr. Petroleum Engineer and Well Abandonment Engineer- $250/hr

Sr. Environmental Engineer / Scientist - $250/hr

Project Engineer - $185/hr

Sr. Geologist - $250/hr

Administrative - $65/hr

SECTION 7 Legal and Compliance

PR Field Services, Inc. and their individual team member as well as sub-Consultant, Numeric Solutions, LLC have worked for various clients on projects within the City of Santa Fe Springs. If PRFS is the successful party under this RFQ, which results in a contract with the city of Santa Fe Springs, they commit to not taking on any new work that would conflict with their role as On-call Petroleum Engineer with the CSFS.

PRFS nor their sub-consultant, Numeric, have no outstanding litigation or ongoing regulatory matters.

SECTION 8 Proposed Exceptions

PRFS proposes to use the form of the existing contract dated November 26, 2025 that is currently in place with the City of Santa Fe Springs.

Appendix A Resumes of Key Individuals

Steven Coombs

Detailed Résumé

Professional Qualifications
BSc in Petroleum Engineering, Colorado School of Mines, Golden, CO
Member of Society of Petroleum Engineers

WORK EXPERIENCE.

2008-Present
President, PR Field Services, Inc.

Steve is President of PR Field Services, Inc., a California based service company that performs engineering, planning, permitting, cost estimating and project management services as well as intervention and well abandonment services (rigs, equipment and crews) to the oil and gas industry both onshore and offshore California. A list of some of the more notable projects are listed as follows:

- 2025 – Well P&A engineering and planning study of large greenfield real estate redevelopment projects in Los Angeles County involving 180 previously plugged and abandoned wells.
- 2025 – Engineering, planning and execution of cementing services for re-abandonment of two leaking wells in surf zone, Summerland beach, CA
- 2024 – 21 well P&A program in Midway Sunset field. Project management, permitting & planning.
- 2024 – present – location of (excavation, survey, leak testing) of 34 previously abandonded wells in Sacramento delta area and re-abandonment planning and engineering for wells not abandoned to current standards to make way for brownfield land re-use project.

- 2022 – 2024 - Bridgemark Corp – Project management, engineering, permitting and planning for 12 well plug and abandonment project in Richfield Field.

- 2021- 2023 – 8 wells over two programs which included engineering, permitting, project management and field well P&A services in Cat Canyon Field.

- 2021 – Present – Project management and well P&A services for a 15 well P&A program in Ventura and Los Angeles counties.

- 2023 – Management of 4 greenfield real estate redevelopment projects in LA Basin including permitting, planning and execution of three well re-abandonment in the Santa Fe Springs field.

- 2018 – 2021, Driltek (as general contractor to State of California) – Well abandonment services (specifically cementing) of 25 onshore and 53 offshore (Rincon Island) wells. The work was completed in January, 2021.

- 2020, Huntington Beach land owner – Provided rig, pumps and cementing services for re-abandonment of two wells in Huntington Beach to pave the way for real estate development of a town lot where the wells were located.

- 2019 - Exxon-Mobil – Provided rigs, cementing services and equipment for, abandonment of two wells located on piers in Goleta beach (State Lease 421). Highly sensitive work with high public awareness, multi-agency / jurisdiction approvals and oversight on Santa Barbara area beaches.

- 2018 – Present - Ongoing project involving re-abandonment of 45 wells to make way for housing development project in California. Work ongoing through 2024.

- 2016-2017 – Pacific Operators – Designed, constructed and deployed offshore cementing equipment to platforms Hogan and Houchin offshore CA in Carpinteria field and performed cementing operations for abandonment of offshore wells (> 50 plugs set).

2002-Present
Partner, Reverse Engineering Services, Ltd.

Reverse Engineering Services, Ltd (RESL) specialises in the decommissioning and deconstruction of redundant facilities. The company has also been active in the design of deepwater oil & gas riser and mooring systems, installation, removal and reuse of offshore installations, advanced computer modelling of non-linear dynamic events and environmental engineering and instrumentation. The locations of the platforms considered include the North Sea, the Aegean Sea, the Pacific, SE Asia, US, Japan Gulf of Mexico, offshore Canada and Brazil.

Steve has worked with Reverse Engineering Services alongside Dr. Brian Twomey on a number of offshore decommissioning studies over the past 21 years. Steve brings both a petroleum engineering perspective which include reserve exploitation and development, workover planning and execution, well abandonment planning and execution, drilling, etc, and an offshore operator perspective to the firm.

Mr. Coombs has specific onshore & offshore facilities, well abandonment, workover and drilling experience, program design and execution experience in multiple geographic locations. A summary of some of the recent and more notable engineering, design and cost estimating studies and recent experience (2009-present) is summarized as follows:

- 2025 INPEX – Review of JVP provided Class IV Well P&A cost estimate for 36 non-operated wells in Bayu Undan Field, Timor Leste.

- 2025 – ANP (Timor Leste oil and gas regulator) – Review of operators proposal for well suspension campaign, Bayu Undan Field, Timor Leste.
- 2023 – AGNP (Angola Oil and Gas Regulator) – Review and assessment of leaking onshore well in nature preserve
- 2023 – Santos – Assessment of 900 well P&A and facilities decommissioning project with total liability > $4 Billion located in Class A environmental preserve in Western Australia
- 2023 - INPEX – Class V Well P&A cost estimate based on UK Oil and Gas standards for 24 subsea wells in Ichthys Field offshore Australia.
- 2023 – INPEX – Review of JVP provided Class V Well P&A cost estimate for 25 non-operated subsea wells in Coniston Van Gogh field.
- 2023 – PEMEX – Offshore site inspection and assessment of fire destroyed platform in Cantrell Field, offshore Gulf of Mexico.
- 2022 – Petroleum Agency of South Africa (PASA). Study of legacy wells drilled in Karoo basin and development of Onshore Technical guideline for well abandonment.

- 2021 – Petronas (national oil company of Malaysia) – presented 5 day decommissioning training course to engineering staff of Petronas.

- 2020 - Oil Search, LTD (OSL)– Updated Decommissioning ARO Estimate for Papau New Guinea assets with total liability of > $475MM, 60% of which was well P&A liability.

- 2019 – Occidental Petroleum – Assessment of Anadarko GOM deep water decommissioning liabilities in support of Occidentals acquisition of Anadarko Petroleum.

- 2019 Conoco Phillips, Australia – Comparative Analysis and Risk Assessment of P&A of COPA Bayu Undan assets applying two different regulatory standards and P&A guidelines.

- 2018 – PEMEX – Decommission study of AKAL-N Complex in Cantarell field. Well P&A training to PEMEX engineers.

- 2018 – Ministry of Energy (Government of Thailand). Development of well P&A standards and Decommissioning Management System. Taught course on Well P&A to Ministry of Energy staff.

- 2018 - Oil Search, LTD – Class IV Decommissioning engineering study and well P&A study for onshore wells and facilities in Papau New Guinea.

- 2017 – Oil Search, LTD – Class V Decommissioning engineering study for onshore facilities in Papau New Guinea.

- 2017 – Enquest, UK - Strategic study with 40 deliverables covering data collection & data quality analysis, data base design, gap analysis and forward work programme for 49 platform/subsea wells.

- 2017 – Genel Energy, Kurdistan - Decommissioning study covering the onshore Taq Taq field. The scope of work included preparing cost estimates for well P&A of 26 wells & associated onshore processing facilities.

- 2016 – SPE, Kuala Lumpur, Malaysia. Presented two day Decommissioning Training course to attendees in Kuala Lumpur.

- 2016 – New Zealand Environmental Protection Authority (NZ-EPA). Presented two day training course to EPA staff in Wellington NZ.

- 2016 - Quadrant HJV well P&A study - Conventional well P&A using jack up rig (base case). Developed alternative rigless approach using liftboat (cost estimate and methodology). Developed risk register to guide analysis of candidate wells for alternative approach.

- 2016 – Shell - Development of Global Decommissioning Strategy. Detailed content is confidential but includes strategic implications of the BPEOA on decommissioning.

- 2016 – Encana – Offshore Canada - Work included preparation of reports covering: Peer review of clients existing well P&A plan and cost estimate, RESL developed cost estimate based on peer review results and strategic planning involving mothballing, P&A execution timing.

- 2015-2016 – Exxon-Mobil - Global Portfolio Assessment and Benchmarking Study. Review of global portfolio and associated liability estimates. Focused on comparative benchmarking of offshore fixed facilities – jackets, topsides etc. with data from >50 historical projects in North Sea, GoM, and SE Asia using the 25 year RESL internal work history database of completed global decommissioning projects.

- 2015 - Total E&P Indonesia: AACE Class 4 Decommissioning Engineering, Planning and Deterministic and Probabilistic Cost Estimation for BK Field

- 2014-2016 – PetroSA, South Africa – Class V study for offshore platform, sub-sea installation and wells.
    - Subsurface: P&A engineering, planning, deterministic & Probabilistic cost estimation of P&A for 131 Legacy wells, 19 Platform wells & 81 subsea wells.
    - Law & Regulation: Optimizing the Decommissioning Guidelines for PetroSA & South Africa
    - Transfer of Decom Knowhow: Training South African Personnel.

- 2014-2015 - Conoco Phillips, Australia - Independent Assessment of ConocoPhillips' Bayu Undan Well Portfolio.

- The field includes 23 platform wells located on a central gathering platform and a small normally unmanned wellhead platform. Also included in the scope were 6 suspended exploration wells and 2 subsea producers.

- 2013 - BP Norge: Preparation of the decommissioning documentation and permitting (Engineering, cost estimate & HSE) for submission to the Norwegian authorities for the HOD project. 2013

- 2012-2013 – Woodside Petroleum, Australia - Decommissioning Strategic Study for a Generic Set of Australian Onshore & Offshore Oil & Gas Assets including an AACE Class 5 cost estimate. This work includes 6 onshore facilities, loading docks, large LNG and LPG facilities onshore, 1 medium and 4 large steel jacket facilities, 5 FPSO´s, extensive complex subsea facilities, pipelines etc.

- 2012-2013 - Hess Oil & Gas SE Asia - Class 4 Decommissioning Engineering Study and Cost Estimate all company assets located in SE Asia. Facilities in the 5 fields included (2 operated and 3 non-operated by Hess): 51 offshore platforms, 3 turret mounted FPSP´s, multiple subsea manifolds. 42 pipelines (over 1,870 km total), 617 offshore wells, 4 gas well pads & 1 water well pad onshore & 9 onshore oil wells, 114 buildings, 14 large gas & LNG tanks, 4 processing facilities, 1 terminal and 4 camps.

- 2012 – Marathon Oil – UK North Sea - Class 4 decommissioning & cost estimation of study for the Brae B platform.

- 2010 – Halliburton – North Sea - Decommissioning study of 24 BP SNS platforms BP North Sea: The objective was to develop decommissioning business strategy, contracting strategy, liability, planning and cost estimation. This cost estimation study on covers 54 platforms, subsea systems (7 systems), well P&A (90 wells), over 80 subsea pipelines, and onshore pipelines (over 400 miles in total), gas receiving facilities and treating etc.

- 2010 – Pacific Operators Offshore – Offshore California - Developed and assisted in managing the bidding process for the decommissioning & disposal of 2 company owned platforms & onshore facilities and infrastructure (including well P&A).

- 2009 – Pacific Energy Resources – Offshore California - Beta Field Decommissioning Study of 3 offshore platforms and onshore facility.

Further Mr. Coombs has been a practitioner of Monte Carlo modelling since the mid 1990's and has generated a number of extensive and complex probabilistic models to support both the decommissioning engineering efforts as well as petroleum engineering related topics.

2006-Present
President, Patriot Resources, LLC

Steve is President and owner of Patriot Resources, LLC, a California independent that owns and operates several small onshore oilfields in California. The company is active in reserve development and exploitation of their asset base in California.

1991-2002
EVP, Pacific Operators Offshore, LLC.

Steve served as an Executive Vice President and Engineering Manager of Pacific Operators Offshore, LLC, a California independent that owns and operates two offshore platforms in the Carpinteria field, Santa Barbara channel. Steve identified the offshore platforms as an acquisition target and after their successful purchase from the prior owners, he joined the company. During his tenure with Pacific Operators Steve managed environmental affairs, engineering, business development and was active in day-to-day management of the company. This included design and implementation of multiple offshore drilling programs that involved abandonment of existing wells and drilling of new wells. Steve remains a member of the board of directors.

1985-1991
Principal, Enhanced Production Operations, Inc.

Steve co-founded the company which specialized in petroleum engineering and oil and gas operations management. Steve was responsible for all engineering and business development efforts for the company. He coordinated all environmental permitting, all outside engineering consulting work and direct in-house project development efforts. His efforts ranged from overseeing drilling and well workover operations to reserve exploitation and reserve studies.

1981-1985
Sr. Petroleum Engineer, Petro-Lewis Corporation

Employed as a petroleum engineer with Petro-Lewis Corporation in their Rocky Mountain region, Gulf Coast Region, and Western Region, with major emphasis on production engineering and property valuation. The responsibilities in each region consisted of proposing and supervising recompletions and workovers, evaluating proposed drilling prospects from reservoir, production, and economic viewpoints, and maintaining operations on secondary and tertiary recovery projects.

R E S U M E

Stanley Wells Brown, PE P-1733 (CA)
Consulting Petroleum Engineer
Stan W. Brown Engineering, Inc.

1018 Westridge Dr, Ventura, CA 93003
Cell: (805) 701-6051
e-mail: stanbrown14@gmail.com
swbengr@roadrunner.com
linkedin/in/stan-wells-brown

PROFESSIONAL / MEMBERSHIP:

Professional Engineer P-1733 registered in the State of California, Petroleum Engineering. Member, Society of Petroleum Engineers (25 Year Club). 51 years industry experience.

DETAILS OF PETROLEUM ENGINEERING EXPERIENCE: (48 years) (* current activity)

Production Engineering:
Surveillance of well performance, cause-effect analysis.* Conception, screening and prioritization of potential investment wellwork projects.* Detailed planning of workover programs, job coordination and/or supervision, and evaluation of results: Primary and squeeze cementing.* Logging and perforating (wireline/tubing-conveyed).* Profile and/or production improvement by acid or other chemical/mechanical means; and thief zone control/shutoff.* Sand fracturing. Installation of liners and gravel-packing.* Casing repair*. Running of multiple-completion liner and tubing assemblies. Conversion to injection/production.* Cyclic steaming. Abandonments / re-abandonments.* Sacramento gas well workovers. Artificial lift design, optimization and monitoring*. Analysis and evaluation for reduction of pulling cost / frequency and lifting cost.* Preparation of NOI's, well histories, wellbore diagrams, annotated logs.* Research and testing of new engineering concepts and techniques.* Budget preparation and work prioritization.* Well abandonment / re-abandonment safety certification reporting to city government.*

Reservoir Engineering:
Analysis of reservoir characteristics, well performance, recovery and profitability.* Mapping and contouring of engineering, geological and performance parameters.* Waterflood project planning and optimization (injection/withdrawal studies by area/zone, injection profile analysis/control, cumulative injection profiling, injection well performance analysis, other metrics, chemical tracer work and analysis. Preparation of UIC Project Data.* Recommendations for recompletions, development wells, horizontal laterals or changes in well or pattern configuration.* Open and cased hole log interpretation and saturation, OOIP and recovery calculations.* Evaluation for adaptability to enhanced recovery methods. Injector step-rate testing.* End-of-field life transition waterflood changes*. Horizontal wells or laterals planning. Steaming project planning (cyclic, SAG-D), analysis of cyclic steaming. Chemical EOR (CEOR) planning and testing. Analysis of pressure transient surveys.* Technical report writing.* Geographix geologic mapping and cross-section modules. Development of productivity correlations in sand-fracturing.

Property Evaluation:
Reserves determination and reporting (projection and volumetric).* Property acquisition / divestiture economic analyses and due diligence. Review of international fields pertaining to acquisition or property development potential. Expert witness testimony.

Operations:
Permitting and reporting to various regulatory agencies, mainly CalGEM.* Coordination, surveillance and/or direct supervision of ongoing workover projects and daily production operations in the field. * Routine pulling cost minimization practices.* Operations streamlining to reduce lifting cost.* Electrical usage reduction* / cogen planning. Collaboration with engineers, geologists, managers, accountants, field supervisors, field operators, service/equipment companies and chemical companies.* Preparation / signoff of SPCC Plans*, Operations Manual, SAFE Charts, offshore safety systems analysis. Training / mentoring of engineers. Waterflood facility and source water well pumping design. Surface facility redesign.

Drilling Engineering: Detailed planning, programming and costing of new wells, redrills, drilling and lateral drilling projects. NOI, History preparation. Project coordination and review.

FIELDS WORKED: (* denotes currently active) (number of years worked)

L.A. / Org. Co.	Ventura Co.	Kern Co. / N. Calif.	Santa Maria (7)
Wilmington (10+)	Sespe* (10+)	Rosedale (2)	Cat Canyon
Richfield (17+)	Ojai* (8+)	Edison (2)	Gato Ridge
Inglewood (2+)	Hopper Cyn. (10)	Mountain View	Orcutt
Potrero	Oxnard (2)	McDonald Anticline	Los Alamos
Rosecrans (4)	Holser Cyn.(10)	W. Bellevue	Santa Maria Vly
Placerita (1)	Rincon Offshore (5)	Poso Creek (1)	Casmalia
Castaic Hills (3)	Shiells Canyon	Belridge (2)	
Hasley Cyn. (3)	South Mountain	S. Kern	Out of State
Tapia (7)	Santa Clara Ave (10)	Sacramento Gas	Wyoming (2)
East LA / Bandini (24)	Bardsdale (2)	Monroe Swell (9)	Louisiana
Dominguez (1)	Eureka Cyn. (7)	McCool Ranch (9)	
Las Cienegas (7)	Ramona* (3)		
Torrance* (21)	Saticoy (1)		
Brea Olinda (6)			
Long Beach (10)			
Santa Fe Springs* (1)			
Sansinena (5)			
Orcutt			
Seal Beach (3)			
W. Newport			

EDUCATION:

1977	Master of Science in Petroleum Engineering University of Southern California, Los Angeles
1971	Bachelor of Arts in Astronomy (minor in Physics) University of California at Los Angeles

OTHER TRAINING:

Current	Reading of SPE and other relevant papers
1997	Horizontal wells for thermal recovery (GravDrain / Butler, in-house)
1995	Professional Engineering Exam Review Course (Winrock Engineering)
1990	Horizontal Drilling / Completions (S.P.E., Halliburton)
1988	Frac Stimulation Design Workshop (Halliburton)
1984	Cementing seminars (Dowell, B.J.)
1981	Acoustical Well Sounding seminar (P.E.S.)
1980	Field Experience – Operated mainland waste water treatment / water injection plants and operated wells for 4 months (Wilmington Field, 300 MBWIPD)
1979	Pumping Well Analysis School (NABLA)
1979	Dynamometers seminar (DELTA-X)
1978	Drilling seminar (U.S.C.)
1977	Completion and Production Operations School (OGCI)
1977	Waterflooding seminar (U.S.C.)
1977	Field Experience - Pumper and Gauger (1 month)
1975	Basic Language Programming seminar
1974	Petroleum Engineering Review (U.S.C.)

PUBLICATIONS:

World Oil July 2004 - “Water Control Becomes Attractive to L.A. Basin Operators” – co-author.

CAREER HISTORY:

1/12 - **STAN W. BROWN ENGINEERING, INC. (SWBEI)**
President, Consulting Petroleum Engineer *
Production and reservoir engineering, regulatory compliance, reserves and property valuations, operations and some drilling for Southern California oil producers (ref. Engineering Experience)

3/91 – 12/11 **Consulting Petroleum Engineer (**self-employed) (same experience as SWBEI)

8/89 – 3/91 **HUNTER RESOURCES**, Santa Barbara, California
Production Engineer / Superintendent
Responsible to Vice President for all aspects of production and reservoir engineering and the supervision of all field operations and 4 lease operators. (50 wells in the Edison, Mountain View, Sespe, Bardsdale, Cat Canyon and Los Alamos fields.) Planned and implemented cyclic steaming and development drilling in the Edison Field which increased production from 250 to 1,300 BOPD.

7/87 – 8/89 **SENECA RESOURCES CORPORATION (Nat'l Fuel Gas)**, Santa Paula, Calif.
Chief Production Engineer
Responsible for all production and operations engineering for the most productive 70 wells in the Sespe Field. Planned and supervised completions, hydraulic sand frac treatments and remedial workovers. Experimented with several advanced fracturing techniques to improve productivity. Developed empirical productivity correlations and equations, determining the important parameters (natural and induced) in hydraulic fracture treatments. Participated in company middle-management meetings. Trained junior engineers.

3/81 – 7/87 **ARGO PETROLEUM CORPORATION**, Santa Paula, California
Senior Production Engineer
Responsible for all reservoir and production engineering for the Ojai, Hopper Canyon, Holser, Sespe and Rosedale fields. Conceptualized and supervised well completions and remedial work (cementing; tubing-conveyed perforating; and sand-fracturing with oil, alternative fluid and foam). Planned and analyzed pressure transient testing of new wells. Managed computerization of production accounting system. Supervised some Sacramento gas well workovers.

12/71 – 3/81 **CHAMPLIN PETROLEUM COMPANY (UPRC)**, Wilmington, California
Senior Production Engineer (1/80 – 3/81)
Responsible for all of the production and operations engineering for Fault Block I area in the Wilmington Field (70 wells) being developed for waterflooding at the time, and for the training of junior engineers.

Production Engineer (12/74 – 1/80)
Planning and supervision of remedial and stimulation workovers and for water injection profile maintenance, for entire Wilmington Field operation in Fault Blocks I, II, III and IV. Developed computer program for analysis of water injection subsand cumulative and current injection volumes. Ran and analyzed pressure transient surveys. Innovated with the development of coiled tubing acid stimulation and foamed acid stimulation techniques. Ran and gravel packed many of the first inner liners for sand control. Field operator work for 3 months.

Production Accounting Clerk B (12/71 – 12/74)
Accounted for oil and gas production, sales and water injection volumes by well and field. Noted well problems and interfaced with engineers and field foremen.

PARTIAL LISTING OF CONSULTING CLIENTS: (3/91 to Present; * denotes currently active)

- **Anterra (also Anadime)**, Oxnard (2 yrs – Oxnard, Belridge)
- **Asioco Inc**, Los Angeles (4 yrs – Rosecrans)
- **Bentley-Simonson, Inc**., Ventura (5 yrs - Oxnard, Las Cienegas, East Los Angeles, Bandini, Ojai, Saticoy, Sansinena)
- *** Brea Canon Oil Co., Inc**., Harbor City (21 yrs - Torrance, Brea)
- **Bridgemark Corporation**, Tustin (10 yrs – Richfield, Olive, some Wyoming & Texas)
- **Bright and Brown, Attorneys at Law**, Glendale (Cat Canyon)
- **California Oil Independents, Inc.**, San Clemente (9 yrs- Monroe Swell, McCool Ranch)
- *** CalNRG LLC**, Ventura
- **Caltico**, Placerita (1 yr – Placerita)
- *** C-Base Corp**., Northridge (4 yrs – Ramona)
- *** Chemassist, LLC**, Fillmore (5 yrs – Sespe, S. Mountain)
- **Concordia Resources, Inc**., Sac'to (17 yrs -Santa Clara Ave, Chaffee Cyn, Sac'to gas)
- **DCOR**, Ventura (reserves for offshore fields)
- *** E&B Natural Resources**, Bakersfield (1 yr, San Vicente, Packard, Torrance)
- **Fortune Petroleum Corporation,** Agoura Hills (5 yrs - Hopper Cyn., Holser Cyn., Shiells Cyn., McDonald Anticline, Sespe, Oxnard)
- **Four Teams Oil Prod. & Expl. Inc**., Carson (24 yrs - Wilmington, Bandini)
- **Geo Petroleum, Inc**., Yorba Linda (2 yrs - Oxnard, Rosecrans)
- **Greka (HVI Cat Canyon)**, Santa Maria (1 yr – Richfield, Santa Maria same as Saba)
- **Hathaway LLC**, Bakersfield (Edison)
- *** InterAct PMTI**, Ventura (Orcutt)
- **Linford Law**, Bakersfield (Huntington Beach)
- **Linn Western Operating Inc**., Brea (2 yrs - Brea)
- *** Numeric Solutions LLC, Ventura** (1 yr – Cat Canyon, W. Newport)
- *** Ojai Oil Co**., Camarillo (9 yrs - Ojai)
- **Petrominerals Corporation**, San Clemente (3 yrs - Hasley Cyn., Castaic Hills, Tapia, Rincon Onshore, Gato Ridge, Santa Maria Valley)
- **Plains Exploration and Production Co**., LA (2 yrs - Las Cienegas, Saticoy, Inglewood)
- **Power Run Oil, LLC** (4 yrs – Torrance)
- **Rincon Island Ltd. Partnership / Windsor Energy U.S.**, Ventura (5 yr-Rincon Offshore)
- **Saba Petroleum Inc.,** Santa Maria (7 yrs - Richfield, South Mountain, Ojai, Cat Canyon, Gato Ridge, Santa Maria Valley, Casmalia, N. Orcutt, N. Belridge; and for acquisition - Canfield Ranch, China heavy oil & Venezuela light oil)
- **Sentinel Peak Resources**, Inglewood (Las Cienegas)
- **Signal Hill Petroleum Inc.,** Signal Hill (10 yrs - Long Beach, Seal Beach)
- **Synergy Oil and Gas LLC (also LCW)**, Seal Beach (3 yrs – Seal Beach)
- **TEG Oil and Gas USA, Inc. (also ITG Energy),** Ventura (7 yrs - Tapia, Eureka Cyn.)
- **Thompson Oil Co., Santa Paula** (1 yr – Ramona, Del Valle)
- **THUMS Long Beach Co**., Long Beach (1 yr – Wilmington Offshore).
- **United Energy**, Ventura (1 yr – Poso Creek)
- *** Various Others**– planning & coordination of workovers, abandonments and re-abandonments. UIC project data preparation, well NOI and History preparation, property valuations, due diligence, reserves reporting, professional engineering reports, professional signoffs (31 yrs)

Gwen Tellegen, PE

Education

M.S., Biology, University of Southern California,1990

M.S., Environmental Engineering, University of Southern California, 1989

B.S., Biology/Geology, University of Rochester, 1985

Registrations

Professional Civil Engineer, CA No. 58670

Highlights

Over 30 years of experience in oilfield decommissioning oversight, oilwell abandonment, remediation and redevelopment projects including:

- Historic oilfield research for environmental and downhole oil well concerns
- Redevelopment Cost and Schedule Estimates including scope and costs for remediation of soil, soil vapor and groundwater impacts as well as downhole well abandonment costs
- Oilfield title research to identify well owners and orphan wells
- Oilfield environmental assessment
- Oilfield Remediation using soils management/dig and haul, on-site bioremediation and soil vapor extraction
- Successful Brownfield redevelopment completion with more than 25 closure letters issued by State of California regulatory agencies such as the DTSC, RWQCB and County of Los Angeles.

Extensive oilfield decommissioning experience, managing all phases of projects

Design and implementation of methane mitigation systems for industrial, residential, commercial, and other sites located in areas of historic oil production

Air quality monitoring, risk assessment, permitting, compliance, and emissions trading

Experience Summary

Gwen Tellegen is a California Professional Engineer (PE-Civil) with more than 30 years of experience in oilfield redevelopment, well abandonment and oilfield decommissioning oversight leading to the successful Brownfield redevelopment of oilfield properties for commercial, industrial and residential uses. . This work has included extensive regulatory interface with CalGEM and local agencies overseeing redevelopment work, such as the Cities of Long Beach, Los Angeles and Carson, as well as Los Angeles, Santa Barbara and Orange Counties. Ms, Tellegen has managed oilfield title research to identify well owners and orphan wells, environmental assessment and remediation. Gwen has obtained more than 15 No Further Action Letters from regulatory agencies in the Western United States specifically for former oilfields. Clients have included public agencies and municipalities (such as the Port of Los Angeles, County of Los Angeles and the California Public Utilities Commission), school districts, land developers and home builders, construction companies, and oil production companies (and oil industry groups.

Working closely with staff at the California Department of Conservation Geology and Energy Management Division's (CalGEM), Ms. Tellegen has permitting oil and gas well abandonments for idle and previously abandoned oil wells. During the work, Gwen managed detailed oilfield title research, including determining ownership histories for the wellbore, mineral rights, surface rights and easements. In some cases, a successor major oil interest was identified as a responsible party, in others no successor interests were found resulting in a CalGEM formal determination of orphan status enabled developers to obtain well ownership to allow for abandonment and property redevelopment.

Gwen has successfully located more than a dozen "lost" previously abandoned oil wells using GIS technology coupled with historic maps, photographs and written descriptions uncovered in California Division of Oil, Gas, and Geothermal Resources (DOGGR) files. In many cases, past attempts to locate these wells by others had failed.

In addition, Ms. Tellegen has extensive oilfield decommissioning experience, managing all phases of these projects. This work has included oversight of the abandonment or re-abandonment of more than 100 oil and gas production wells, removal of pipelines and closure of storage facilities, as well as remediating crude oil impacts to soils, natural gas condensate impacts to soil vapor and groundwater. She has obtained agency closure for oilfield sites impacted with hydrocarbons, solvents, polychlorinated biphenyls (PCBs), polynuclear aromatic hydrocarbons (PNAs), mercury, arsenic, asbestos, and naturally occurring radioactive materials (NORM). As a part of oilfield redevelopment work, Gwen has developed site specific clean up goals for oilfield sites using Human Health Risk Assessment and groundwater leachability studies, which were accepted by the state and local oversight agencies. These closures have including phased partial site closures to allow for expedited phased redevelopment or sales of properties.

Gwen is expert in reviewing oilfield compliance files to looking for potential impacts to soil, soil vapor and groundwater during oilfield assessment. Ms. Tellegen has developed focused environmental assessment programs using innovative research methods to pinpoint historic oilfield, used to prepare Remedial Action Plans (RAPs) approved by various state agencies. These RAPs have been implemented in cost-effective manners including Site re-use or burial of lightly impacted soils or by obtaining Waste Discharge Permits from the agencies allowing for the successful bioremediation of more than 350,000 cubic yards of hydrocarbon impacted soils, which was reused on-site in both residential and commercial developments.

Ms. Tellegen has led environmental due diligence programs related to the acquisition of oilfield properties including Phase I and Phase II investigations as well as preparing environmental remediation cost estimates. She has conducted environmental compliance audits and subsurface investigations of oilfields throughout California, including leases in the oilfields of Santa Maria, Los Angeles, Dominguez Hills, Torrance, Signal Hill, Belridge, Lost Hills, Elk Hills, Brea, Olinda, Tonner Canyon, Inglewood, Long Beach and Wilmington.

Ms. Tellegen has designed and implemented methane mitigation systems for industrial, residential, commercial site and schools located in areas of historic oil production and been the engineer of record for the long-term monitoring of a school site. Gwen has assisted in the preparation of deed restrictions for properties with abandoned wells that continued to have methane leakage, even after proper abandonment

Project Experience

Former Dominguez Oilfield, Carson, California **-** On this 100-acre former oil and natural gas production facility, Ms. Tellegen directed the environmental assessment activities beginning with a preacquisition Phase I/Phase II assessment of the site. Ms. Tellegen performed a detailed site assessment and supervised the preparation of a Remedial Action Plan, which called for excavation and bioremediation of hydrocarbon impacted soils. This included preparing environmental budgets and timelines for all aspects of the remediation and managing various consultants, including labs, drillers, and earthmoving contractors. She also contributed to an Environmental Impact Report and testified at public hearings and neighborhood meetings for the site's development. Ms. Tellegen managed site remedial activities, including asbestos abatement, radioactive pipe removal and disposal, as well as well abandonment, pipeline removal, and tank

farm decommissioning activities. To allow for expedited development of the site, agency closures were requested in a phased manner. As a result, nine Regional Water Quality Control Board closure letters covering more than 100 acres of the property were successfully obtained. This has allowed for the development of more than 500 homes and an industrial center in the area. She has negotiated final terms and language for the No Further Action Letters and deed restrictions for future use of areas of the property.

Lost Oil Well Location, Title Research, Transfer to Developer and Permitting for Abandonment, Whittier, California - Ms. Tellegen used historic well records and topographic maps to ascertain the location of a previously abandoned and buried oil well on a site slated for residential redevelopment. From statements in the well record and using geolocated historic topographic maps it was determined that the well had been buried beneath 20 feet of fill. Focused deep soil trenching and geophysical survey work was utilized to find the well, which was cut off at 22 feet below the existing ground surface. Once the well was located, Ms. Tellegen assisted the developer in identifying the major oil company successor interest which agreed to transfer the well to allow for its re-abandonment to current standards. Ms. Tellegen then managed the well transfer and bonding process and the permitting of the re-abandonment, including the submittal of the required downhole abandonment plan, environmental impact review, and spill plan preparation.

UCB and Dominion Oil Leases, Santa Maria, California - Ms. Tellegen provided technical litigation support for a Phase I ESA followed by several rounds of subsurface investigation of this oilfield owned by a large trust. The landowner was pursuing the former oil and gas production operators to have them clean up the property to original condition. Subsurface investigation activities included collecting soil sampling using backhoe and advancing borings to collect shallow groundwater and soil samples. This work identified former oilfield production sump areas as well as pipeline and wellhead releases of crude oil. Ms. Tellegen mapped and quantified areas of soil and groundwater impact and provided cost estimates for their remediation. The scope of work for this project included detailed records review at the California Division of Oil, Gas, and Geothermal Resources (DOGGR) and the Santa Barbara County Petroleum Office, site reconnaissance, and map and figure preparation. As a result of this work, the former operators undertook cleanup of the identified issues.

Due Diligence Environmental Investigation of Eight Major Oilfields, Los Angeles and Santa Barbara Counties, California - Ms. Tellegen managed an expedited due diligence environmental investigation of eight major oilfields in located in the Cities of Los Angeles, Inglewood, Montebello, and in Santa Barbara County for a confidential Oil Production and Exploration Client. Phase I and Phase II Site Assessments were conducted and remediation cost estimates were prepared within 45 days. Ms. Tellegen presented of the technical basis for the remediation costs which allowed for the timely completion of the purchase of the assets.

Former Oilfield, Newhall, California - Ms. Tellegen acted as "Remediation Umpire" for $120 Million dollar settlement between a major oil and gas production company and a large land and farming company. She directed the enforcement of provisions of the settlement agreement, including the oversight of excavation, sampling, and mapping activities. Attended weekly meetings between the parties in which site activities, disagreements on the settlement agreement and analytical data were discussed and resolved.

Location of Previously Abandoned Oilwell & Methane Assessment, Carson, California - Ms. Tellegen managed the successful location of a previously abandoned oil well on a parcel being redeveloped for commercial use in Carson, California. Efforts undertaken by the previous consultant had failed to find the oilwell, which

was holding up redevelopment plan approval. The abandoned well casing location was narrowed using GIS Mapping of historical features found on aerial photographs, topographic and oilfield maps. Then subsurface investigation was conducted in this small area using an excavator and geophysical testing methods. The former wellhead was found more than 15 feet below ground surface, and a methane assessment was performed. Ms. Tellegen was able to negotiate with CalGEM to allow for no re-abandonment because the well was not found to be leaking methane and was not located below the planned buildings' footprints.

Western States Petroleum Association (WSPA), Sacramento, California – Ms. Tellegen assisted Western States Petroleum Association in developing suggested criteria and procedures for groundwater monitoring required for Well Stimulus Treatments under the newly enacted SB-4. This work involved extensive research into fracking and acid stimulus operations being conducted throughout California's oilfields, including existing procedures, permitting, and reporting requirements. In addition, the relationship between groundwater basins and oil production zones were examined to determine different scenarios for monitoring. Research into potential conduits for frac fluid was also conducted to show that very few real vertical conduits exist and require consideration. She presented findings to the group and to the SWRCB as well as to larger groups of stakeholders during the regulatory development process.

Assessment and Remediation Cost Estimate of Five Oilfields, Huntington Beach, California - Ms. Tellegen managed expedited Phase I and Phase II Site Assessments and prepared remediation and regulatory compliance cost estimates for five oilfields owned by an Estate located in Huntington Beach, California. The Estate required the completion of an expedited evaluation of the financial liabilities associated with environmental contamination/compliance as well as oil well abandonment liabilities. Gwen managed the expedited assessment of more than 50 parcels of land and assisted the Estate's Petroleum Engineer with researching oilfield and well histories for the preparation of a remediation and abandonment cost estimate. This work was completed in less than 60 days.

Oil and Natural Gas Production Facility, Kazakhstan - Ms. Tellegen performed international waste audit and treatability study for a major oil production facility in Kazakhstan. This work involved a site visit, interviews of site personnel, reviewed oily waste handling procedures and evaluated treatment and recycling options for oily sands, drilling muds, and hydrocarbon-impacted soils.

Contact

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SUMMARY

- John's ~25 years of professional experience with Numeric Solutions, LLC (Numeric) focusing on oil and gas Exploration and Production (E&P), carbon capture and storage (CCS), and groundwater projects primarily in California as well as across the US and internationally. His specialties include petroleum geology, reservoir characterization/modeling, regulatory and compliance topics, technical and financial asset evaluation, as well as risk management and mitigation.
- Recognized industry expert in geoscience and has served as expert witness for risk management and planning and oil and gas operations, regulatory and compliance assessment, valuations and asset transactions.
- Major world-wide oil and gas E&P Company experience**:** petroleum geology, project development, regulatory and compliance, geological modeling and reservoir simulation (Petrel, Gocad and RMS), reserves and resource estimation, asset evaluation, expert witness services and testimony and acquisitions and divestments advisor.
- Numeric has overseen over fifty CA Class II UIC project reviews. Beginning in 2022, Numeric's focus turned to Class VI UIC permitting efforts for proposed CCS projects across the country – including California, Texas, Louisiana, New Mexico and Wyoming. Numeric's team of interdisciplinary experts including geoscientists, engineers, geomechanics, financial and regulatory experts, performing site characterization and feasibility studies, generating plume models, and authoring Class VI UIC applications for the EPA and states with Class VI Primacy.

PROFESSIONAL EXPERIENCE

Numeric Solutions LLC. 6/2000-Present
President
Management of geoscience, engineering and regulatory professional consulting firm with overall responsibility for business and technical operations. Numeric Solutions (Numeric) was founded to provide geological, engineering and regulatory services focused on challenging subsurface projects that included: oil and gas field depletion planning, Enhanced Oil Recovery (EOR) studies and recommendations, well drilling, abandonment, and remediation and hydrocarbon production risk management. Over the last 20 years, Numeric has grown from a California oil and gas-only consulting firm to an organization with national and international clients in the energy, decarbonization, water, agricultural and real estate industries. Major clients and engagements include:

- **Elevation Midstream**. 2023 – Present: Geologic static model development and reservoir simulation for planned CCS project in Texas.

- **Milestone Environmental Services**. 2023 – Present: Geologic static model development and reservoir simulation for planned CCS projects in Texas and Louisiana. Authoring of AoR and Corrective Action Plan for EPA Class VI application.

- **Tallgrass Energy**. 2022 – Present: Geologic feasibility, site characterization, and EPA (Region 6) Class VI application authorship for proposed CCS facilities in New Mexico and Wyoming.

- **Bridgemark Corporation.** 2019 – Present: Expert witness for matters including asset valuation and divestment, oil and gas well and facilities abandonment and remediation.

- **Pacific Coast Energy Company (PCEC).** 2019 – Present: Advisor on the merger of Newbridge Resources and PCEC. Asset valuation, Asset Retirement Obligation (ARO) modeling. Regulatory and compliance expert related to abandonment and remediation of properties in Santa Barbara and Los Angeles counties.

- **Southern California Gas Company.** 2016 – Present: Underground Gas Storage (UGS) risk management of Southern California Assets. Facilitate the planning and execution of well abandonment with local and state regulatory agencies.

- **California Resources Corporation.** 2018-Present: Assist with Underground Injection Control (UIC) permitting in the San Joaquin basin.

- **Aera Energy LLC.**, 2005-2016: Geological consulting to exploration and development teams in Ventura and San Joaquin Basins.

- **Statoil Gulf Services LLC.** 2013-2014: Responsible for geological modeling and uncertainty analysis for Statoil oil and gas assets in the Gulf of Mexico and Williston Basin of North Dakota and Montana.

- **Venoco Inc.**, 2001-2012: Geological interpretation for onshore and offshore assets. Operations/development geologist for West Montalvo asset 2008-2010 in Ventura County, CA.

- **OXY/Vintage Production California LLC.,** 2006-2013: Geological evaluation for newly acquired Ventura Basin properties. Responsibilities included: 3D model development, reserves estimation, behind pipe pay/RTP selection, exploration prospect evaluation.

- **Dynamic Graphics Inc.**, 2006-Present: Domain expert in Energy sector for small technical software company. Specific roles included: consulting, model development, assistance with custom software development and sales in China, South America and the Middle East.

- **Plains Exploration and Production Inc.**, 2000-2004: Numerical reservoir characterization and simulation for company-operated California petroleum assets.

University of California Santa Barbara 2000 - 2005
Consulting Earth Scientist / Software Developer

- Lead geoscientist and software developer for online mapping systems and spatial databases used to store ecological data collected in the western US. Consulted on GIS and spatial statistics projects.

Texaco Inc. 1997 – 2000
Geoscientist

- Various positions in Texas and California ranging from development geologist for Kern River and Midway Sunset oil fields (California) to positions responsible for the application of emerging technologies to enhanced oil recovery practices in Texas and California.

EDUCATION

- M.S. Geology – University of Michigan 1996
- B.S. Geology – University of New Hampshire 1993

PUBLICATIONS

- "A Re-Look at Borehole Images: What Are We Missing?" Jon Schwalbach, Tom Hauge, John Harris, and Eric White, Search and Discovery Article #42380 (2019) Posted July 1, 2019

- "3D Structural Analysis of the Ventura Avenue Anticline, California: Reinterpretation of a Classic Contractional Anticline Using Modern 3D Methods", *AAPG Program & Abstracts*, May 2010.

- "4-D Reservoir Thermography and Possible Implications for the Prediction of Reservoir Conditions," *AAPG Program & Abstracts*, May 1999.

- BLASH vs GF Theory in Mining Investment. *Society of Economic Geologists Newsletter*, no. 26, July 1996 pp. 23-4.

- Draft report, "Aliso Canyon Gas Storage Facility Geologic and Geomechanical Study," *Southern California Gas Company,* March 2019.

- "Fault Delineation in Oil Based Mud at West Montalvo Field Using A 3-D Resistivity Tool", *AAPG Program & Abstracts*, May 2010.

- "Geological Modeling Challenges and Applications: San Miguelito Oil Field, Ventura, California", *AAPG Program and Abstracts*, April 2012.

- "Geomodeling Compute Frameworks," *AAPG Program & Abstracts*, May 2004.

- "Impact of 4D Geostatistical Modeling on Heat Management Practices: Midway-Sunset Oil Field, CA," *AAPG Program & Abstracts*, May 2000.

- "Paleostress in Cratonic North America: Implications for Deformation of Continental Interiors," *Science*, August 1997.

- "Relative timing of calcite twinning strain and fold-thrust belt development; Hudson Valley fold-thrust belt, New York, U.S.A.," *Journal of Structural Geology*, May 1998.

PROFESSIONAL AFFILIATIONS

- American Association of Petroleum Geologists
- Association for Computing Machinery
- Geological Society of America
- International Association for Mathematical Geology
- Society of Petroleum Engineers

ERIC B. WHITE, PG

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PROFESSIONAL SUMMARY

Eric White, Vice President at Numeric Solutions LLC, brings over twelve years of expertise in oil and gas exploration, production, asset evaluation, and legacy oil field redevelopment, with a strong focus on California's petroleum basins. His work encompasses geologic interpretation, reservoir modeling, data analysis, reserve estimation, Underground Injection Control (UIC) permitting, and abandoned well risk evaluation to support surface development. Eric has led and supported technical reviews of oil and gas assets and legacy fields, providing defensible, regulator-ready assessments to inform development feasibility and risk reduction across California, the broader United States, and internationally.

Eric has provided technical and strategic advisory services to major and independent oil and gas companies, private equity firms, real estate developers, financial institutions, municipalities, and legal entities. His contributions include geocellular modeling for reservoir simulation, asset valuation for acquisitions and divestitures, reserve and risk analysis, regulatory compliance support, and evaluation of plugged and abandoned wells in urban and redevelopment settings. He has extensive experience supporting CalGEM and local agency requirements for development within legacy oil fields, including evaluating existing well conditions and preparing and certifying technical reports assessing whether those conditions sufficiently mitigate subsurface risk to allow surface development on or near legacy wellbores.

Since 2019, Eric has managed and authored numerous California Class II UIC project reviews and multiple Class VI permit applications for the EPA or primacy states, highlighting his comprehensive understanding of complex regulatory frameworks. As a leader, he oversees a multidisciplinary team of geoscientists, engineers, and regulatory specialists. Eric is a licensed Professional Geologist in California and Wyoming.

PROFESSIONAL EXPERIENCE

Numeric Solutions LLC, Ventura, CA *Aug 2013 – Present*
Vice President, Geologist
Select clients and project experience at Numeric Solutions (sorted alphabetically):

- **Aera Energy, LLC**: Static geocellular model development for a San Joaquin basin asset.
- **Ardmore Energy**: Seismic interpretation and prospect generation for offshore North Sea asset.
- **B. E. Conway Energy, Inc**: Conduit analysis study supporting Aquifer Exemption efforts in the Cat Canyon Oilfield; UIC permitting support.
- **B. Riley Financial, Inc:** Conducted an independent asset valuation to support legal proceedings involving an insolvent oil and gas company, providing technical and financial insights to strengthen the client's case.
- **Brea Cañon Oil:** Geologic database and model development for large waterflood UIC project review in Los Angeles County.
- **Bridge Energy**: Developed detailed field-wide geologic model of a large Los Angeles Basin Oilfield for use in development planning and CO_2 sequestration feasibility and permitting studies.
- **Bridgemark Corp:** A&D marketing services for sale of ~$10 MM oil & gas asset in Orange County.
- **California Natural Resources Group**: A&D support for large (>$70 MM) acquisition in Ventura County; UIC permitting support.
- **City of Newport Beach**: UIC project review for onshore/offshore asset; development and abandonment planning.
- **Driltek, Inc**: Geologic, hydrologic, and petrophysical model development to assist in the abandonment process of an offshore Ventura County oil and gas field.
- **E&B Natural Resources:** Large waterflood UIC project review in Los Angeles County.
- **Elevation Midstream, LLC**: Geologic static model development and reservoir simulation for planned CCS project in Texas.
- **FivePoint Holdings, LLC**: Independent hazard and risk analysis study associated with residential development of abandoned oil and gas field in Los Angeles County, CA.

- **Geoscience Support Services, Inc**: Conceptual and lithologic geologic model development for large Los Angeles, Riverside, and San Bernardino County, CA groundwater basins for use in a unified groundwater model.
- **Globe Oil Exploration**: Prospect generation, well planning, permitting, and operational support for the development of Santa Barbara County assets. UIC permitting for water disposal project.
- **Griffin Resources**: Third-party reserve report of Kern County assets, including a study of liabilities associated with asset retirement obligations.
- **HKN Energy, Ltd**: Third-party technical review for potential asset acquisitions of San Joaquin basin oilfields.
- **HVI Cat Canyon**: Underground Injection Control permitting support for Santa Barbara and Orange County assets.
- **Kern County Operator:** Underground Injection Control permitting support for multiple thermal projects (cyclic/steam flood) in the Midway-Sunset Field.
- **Locke Lord LLP**: Technical support and reserve evaluation for lawsuit associated with Orange County asset.
- **Louisiana CCS Operator**: Prepared and authored multiple sections of two Class VI UIC permit applications, including the financial assurance and well construction components.
- **Milestone Carbon, LLC**: Geologic static model development and reservoir simulation for multiple planned CCS projects in Texas and Louisiana. Authoring of *AoR and Corrective Action Plan* for two EPA Class VI applications now administratively complete with the EPA.
- **Mirada Petroleum**: Permitted an extension of an existing exempt aquifer for use as an oilfield wastewater injection zone.
- **Morgan, Lewis, & Bockius**: Technical expert representing Southern California Gas Company resulting from the 2015 Aliso Canyon blowout event.
- **Multiple Los Angeles & Orange County Real Estate Developers**: Evaluation of legacy oil and gas wells supporting urban redevelopment projects, including regulatory coordination and development of qualitative and semi-quantitative risk categorization frameworks to inform redevelopment planning, prioritization, and regulatory decision-making.
- **Newhall Land and Farming**: Third-party geologic site assessment for a large municipal wastewater disposal project. Determined the risk to potential future resource development in the area as well as identified injection zone targets and depths.
- **Patriot Resources**: Multiple CalGEM Class II UIC project-by-project reviews for water disposal and gas injection pressure maintenance projects.
- **Permian Basin Mineral Owner**: Provided technical divestment advisory services on the sale of a large (>$50 MM) mineral parcel in the heart of the Permian Basin, TX.
- **PR Field Services, Inc**: Multiple geologic evaluations for abandonment efforts in the Los Angeles basin.
- **Santa Maria Energy, LLC**: Geologic interpretation, modeling, and reserve estimation for Santa Maria Basin assets.
- **Sempra Energy:** Reserve report development for enhanced oil recovery asset in the Ventura Basin.
- **SMG Oil, LLC**: Underground Injection Control permitting for Ventura County asset.
- **Southern California Gas Company**: Provided technical services including Petrel training and geologic interpretation/modeling for Ventura Basin asset; UIC permitting lead for water flood/disposal projects in multiple Los Angeles County fields; Geologic studies to assist in proper abandonment of wells in two Los Angeles County gas storage facilities.
- **Staatsolie Maatschappij Suriname N.V**: Provided third-party review of proposed polymer flood of Tambaredjo Field.
- **Stantec**: Worked with a multi-disciplinary consulting group serving a large municipal water department. This multi-faceted project assisted the municipality with remediation and groundwater resource management in two large groundwater basins. Field observations, well logs, and geophysical data were analyzed and interpreted for the development of a conceptual geologic model focused on the hydrostratigraphy of the basins. This was followed by the construction of a 3D geocellular model in Petrel for use in a numeric groundwater simulation.
- **Statoil Gulf Services, LLC**: Geologic modeling in Petrel and uncertainty analysis for Gulf of Mexico and Williston Basin assets.
- **Tallgrass Energy, Inc.**: Geologic feasibility, site characterization, and Class VI application authorship for planned CCS hubs in New Mexico and Nebraska, and an approved multi-well Class VI geologic storage project in Wyoming.

- **Team Operating, LLC**: UIC permitting for Cat Canyon field asset; Waste Pile Management Facility technical evaluation and report for Regional Water Board.
- **Texican Energy Corporation**: Geologic prospect evaluations for asset acquisitions throughout California and the USA. Development planning and completion design for Santa Maria Basin assets focusing on Monterey Formation mapping and characterization. Reserve estimation and cash flow modeling for large asset acquisitions and fundraising.
- **Toll Brothers, Inc**: Board of Directors member for a wind-down company, providing technical oversight for abandonment and remediation of former oil and gas assets prior to real estate development.
- **Ventura County Operator**: Development of static reservoir models in Petrel utilized for reservoir simulation for multiple offshore oilfields in the Santa Barbara Channel; Directional geo-steering support for offshore lateral development program.
- **West Energy Operating**: Development (recompletions and drilling) support for Kern, Ventura, and Los Angeles County assets. Class II UIC permitting for large Los Angeles basin waterflood project and two Ventura basin water disposal projects.

California Resources Corporation, Bakersfield, CA *Mar 2019 – Apr 2020*
Geologist – Permitting Support

- Provided general geologic support and led Underground Injection Control permitting efforts for oilfields in southern Kern County, CA.

PROFESSIONAL LICENSES / CERTIFICATIONS

California Professional Geologist, #9675 *Jan 2019 – Present*
Wyoming Professional Geologist, #4303 *May 2023 – Present*

EDUCATION

MS **University of California, Santa Barbara**: Geological Science *2011 – 2014*

BS **Union College**, Schenectady, NY: Environmental Science *Jun 2010*
Minor in Biology

PUBLICATIONS

Harris, H. H., and White, E. B. (2015): Revitalization of Santa Maria Basin Oil Fields. AAPG Program & Abstracts.

PROFESSIONAL AFFILIATIONS

American Association of Petroleum Geologists, Member *2011 – Present*

Coast Geological Society

Secretary	*Aug 2015 – Aug 2017*
Vice President	*Aug 2017 – Jul 2018*
President	*Aug 2018 – Jul 2020*
Past-President	*Aug 2020 – July 2021*

COMPUTING / ANALYTICAL SKILLS

Software	General: MS Office Products, Adobe Acrobat Specialty: Petrel, Geographix, ArcGIS, tNavigator, OPMFlow, PHDWin, @RISK, Crystal Ball, DrillingInfo, Power BI, Well Shadow

Appendix B RFQ References

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"

RFQual 26 - 2
On-Call Petroleum Engineering Services
ATTACHMENT A – References
(COMPLETE AND RETURN WITH YOUR PROPOSAL)

Entity Name The Newhall Land and Farming, LLC

Entity Address 25124 Springfield Ct., Suite 300, Valencia, CA 93105

Name of Contact/Phone Number Matt Carpenter, 661-255-4259

Email of Contact matt.carpenter@fivepoint.com

Project Title/Dollar Amount Mission Village well re-abandonment / >$2 million

Date of Project 2018-present

Project Description Well adjustment and abandonment for Mission Village housing project, Santa Clarita, CA

Entity Name Westervelt Ecological Services, LLC

Entity Address 3636 American River Drive, Suite 120, Sacramento, CA 95864

Name of Contact/Phone Number Mike Lozano, 916-646-3644

Email of Contact mlozano@westervelt.com

Project Title/Dollar Amount Evaluation of previously P&A'd wells in LET/>$200,000

Date of Project 2024-2025

Project Description Evaluation P&A'd wells in Little Eggbert Tract in preparation for State of CA DWR flood control project

Entity Name ENGEO Incorporated

Entity Address 2633 Camino Ramon, Suite 250, San Ramon, CA 94583

Name of Contact/Phone Number Shawn Munger, 916-580-6535

Email of Contact smunger@engeo.com

Project Title/Dollar Amount Evaluation of previously P&A'd wells for Forever CA Project / >$50,000

Date of Project 2025-present

Project Description Evaluation of previously P&A'd wells in a larged planned community area

CITY OF SANTA FE SPRINGS
PROFESSIONAL SERVICES AGREEMENT
WITH
_____

This Professional Services Agreement ("Agreement") is made and effective as of November 12, 2024 ("Effective Date"), by and between the City of Santa Fe Springs, a California municipal corporation, ("City") and _____ ("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 _____ (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 _____ under Agenda Item No. _____;

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 _____ ("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

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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 _____ Dollars ($_____) per fiscal year (July 1st – June 30th) 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

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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 _____, City Manager (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

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Consultant hereby designates _____, [Title], 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

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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,

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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: _____.

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

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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.

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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

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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

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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 (vi) 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

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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

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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

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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

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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:
_____
_____
_____
Attention:

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.

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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.

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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

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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]

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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: _____

CONSULTANT

_____

Name: _____

Title: _____

Date: _____

ATTEST:

_____

Fernando Munoz, Deputy City Clerk

CONSULTANT

_____

Name: _____

Title: _____

Date: _____

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

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EXHIBIT A

CITY'S REQUEST FOR PROPOSALS

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EXHIBIT B

CONSULTANT'S PROPOSAL

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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.

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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,

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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.

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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.

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APPROVED:
ITEM NO.:

RESOLUTION NO. 10002

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS AWARDING PROFESSIONAL SERVICES AGREEMENTS TO CORNERSTONE ENGINEERING, INC. AND PR FIELD SERVICES, INC. AND AUTHORIZING THE CITY MANAGER TO EXECUTE PROFESSIONAL SERVICES AGREEMENTS WITH CORNERSTONE ENGINEERING, INC. AND PR FIELD SERVICES, INC.

WHEREAS, the City of Santa Fe Springs ("City") anticipates the need for on-call petroleum engineering services;

WHEREAS, on December 4, 2025, the City issued Request for Qualifications No. 26-2 ("RFQual") seeking qualified firms to provide on-call petroleum engineering services;

WHEREAS, the City received three timely Statement of Qualifications ("SOQs") which were reviewed and scored by an evaluation panel in accordance with the specifications outlined in the RFQual;

WHEREAS, the RFQual provides that City staff will present to the City Council the ratings assigned to each SOQ by the evaluation panel, together with Staff's recommendations, and that the ultimate award of professional services agreements shall be made in City Council's discretion;

WHEREAS, the RFQual allows for the award of professional services agreements to multiple firms;

WHEREAS, the RFQual requires each selected firm to enter into a professional services agreement, attached to the RFQual in substantial form ("Professional Services Agreement"), with final terms subject to City Council approval;

WHEREAS, the RFQual and Professional Services Agreement provide for services to be performed on a project-by-project basis pursuant to a request from the City;

WHEREAS, at the March 3, 2026 City Council Meeting, City staff presented the ratings assigned to each SOQ by the evaluation committee, and recommended the award of Professional Services Agreements to Cornerstone Engineering, Inc. and PR Field Services, Inc.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Fe Springs hereby awards Professional Services Agreements for on-call petroleum engineering services to Cornerstone Engineering, Inc. and PR Field Services, Inc. and authorizes the City Manager to enter into and execute Professional Services Agreements for on-call petroleum engineering services with Cornerstone Engineering, Inc. and PR Field Services, Inc.

APPROVED:
ITEM NO.:

APPROVED and ADOPTED this **3rd** day of **March**, **2026** by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Joe Angel Zamora, Mayor

ATTEST:

_____
Maribel Garcia, City Clerk

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

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

BY: Michael Kozicki, Interim Fire Chief

SUBJECT: **INTRODUCTION AND FIRST READING OF ORDINANCE NO. 1168 – AMENDING SECTIONS 93.20 THROUGH 93.99 (FIREWORKS) OF CHAPTER 93 (FIRE PREVENTION AND PROTECTION) OF TITLE IX (GENERAL REGULATIONS) OF THE SANTA FE SPRINGS MUNICIPAL CODE TO SUPPORT AN EFFECTIVE PERMIT APPLICATION PROCEDURE AND SAFE OPERATION OF FIREWORKS STANDS**

DATE: March 3, 2026

RECOMMENDATION

It is recommended that the City Council:

1. Find and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3); and
2. Introduce by title only and waive further reading of Ordinance No.1168: An Ordinance amending Sections 93.20 through 93.99 (Fireworks) of Chapter 93 (Fire Prevention and Protection) of Title IX (General Regulations) of the Santa Fe Springs Municipal Code ("SFSMC") to support an effective permit application procedure and safe operation of fireworks stands; and
3. Take such additional, related, action that may be desirable.

FISCAL IMPACT

There is no fiscal impact associated with adoption of this Ordinance.

BACKGROUND

The City Council and City staff are committed to ensuring an efficient application and permitting process for the sale of safe and sane fireworks.

Sections 93.20 through 93.99 of the SFSMC, governs the application process and regulations for the sale of safe and sane fireworks within City limits. Historically, the start of fireworks sales is on June 30th of each year. In 2025, applicants were permitted to begin fireworks sales on June 28th. Additionally, City staff conducted research on the construction standards of a fireworks stand that would provide adequate safety to the general public and first responders.

Ordinance No. 1168 modernizes the City's procedure for the review of applications and issuance of permits for the sale of safe and sane fireworks, as well as clarifying the acceptable construction standards of a fireworks stand, and updating associated penalties.

The proposed ordinance also repeals SFSMC Section 93.32, which provides that in the event of a conflict, Sections 93.20 through 93.99 prevail over Sections 93.01 through 93.09.

ANALYSIS

The proposed ordinance modernizes the City's administrative procedures for handling applications and permit issuance for the sale of safe and sane fireworks. These updates outline a clear process for the application and issuance of a permit and describe the minimum construction standards of a fireworks stand necessary for safe operations. Key updates include:

- Permitting fireworks sales to begin on June 28th of each year.
- Regulating fireworks sales to end on July 4th of each year.
- Requiring all applicants to submit applications and associated documents to Community Development Department. Required documents include the following:
    - The location of the fireworks stand along with written permission from the property owner and lessee;
    - Proof of public liability and property damage insurance;
    - A copy of the applicant's state fire marshal permit;
    - The organization's name, its principal place of business, and names of its principals or officers;
    - A detailed statement of organization's actual expenses for the past two years;
    - The organization's current organizational roster;
    - A financial report showing gross and net proceeds from prior fireworks sales; and
    - The applicant must also agree in writing to comply with all permit terms and provide any additional information requested.
- Requiring applicants to always have an adult on site with the fireworks both during and after business hours.
- Clarifying construction standards of a fireworks stand by referencing NFPA 1124, *Code for the Manufacture, Transportation, and Storage of Fireworks and Pyrotechnic Articles*.
- Detailing that a violation of Sections 93.20 through 93.99 is punishable under the administrative citations provisions of SFSMC Chapter 11, instead of the penalties set forth in the Fire Code.
- Repealing Section 93.32, which provides that in the event of a conflict, Sections 93.20 through 93.99 prevail over Sections 93.01 through 93.09.

ENVIRONMENTAL

Pursuant to the California Environmental Quality Act ("CEQA") (Pub. Res. Code § 21000 et seq.) and CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.) this project is categorically exempt pursuant to CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption). The adoption of this

Ordinance does not approve development or construction, and therefore there are no foreseeable direct or indirect impacts to the environment, therefore, no further action is required under CEQA.

DISCUSSION

N/A

SUMMARY/NEXT STEPS

Staff recommends that the City Council approve and adopt Ordinance No. 1168, effectuating the proposed amendments to the 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. 1168

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

_____

City Clerk, Maribel Garcia

ORDINANCE NO. 1168

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS, CALIFORNIA AMENDING SECTIONS 93.20 THROUGH 93.99 (FIREWORKS) OF CHAPTER 93 (FIRE PREVENTION AND PROTECTION) OF TITLE IX (GENERAL REGULATIONS) OF THE SANTA FE SPRINGS MUNICIPAL CODE TO SUPPORT AN EFFECTIVE PERMIT APPLICATION PROCEDURE AND SAFE OPERATION OF FIREWORKS STANDS

WHEREAS, the City of Santa Fe Springs ("City") is committed to ensuring an efficient application and permitting process for the sale of safe and sane fireworks within the City; and

WHEREAS, Santa Fe Springs Municipal Code ("SFSMC") Sections 93.20 through 93.99 govern the application and permitting process for the sale of safe and sane fireworks; and

WHEREAS, City staff conducted research to modernize the City's application and permitting process for the sale of safe and sane fireworks; and

WHEREAS, City staff recommends amending SFSMC Sections 93.20 through 93.99 to alter the sales period for safe and sane fireworks, remove the prescriptive all-metal booth construction requirement, eliminate the lottery selection process, and clarify that administrative actions may be performed by the City Manager or his designee, amongst other changes; and

WHEREAS, the City's Economic Development Element of the General Plan sets out policies to encourage economic development, inclusive of Policy ED-5.1 (Local Business Partnerships) which encourages the continued coordination to formulate economic development efforts with local organizations; and

WHEREAS, the adoption of Ordinance No. 1168 will provide local non-profit organizations the ability to engage in fundraising efforts and in turn provide further services to the local community; and

WHEREAS, the adoption of this Ordinance would not result in construction or development, but merely make minor adjustments to the permitted dates of sale for fireworks, clarify the applicable regulations and penalties the adoption of the ordinance in clarifying in nature and would therefore not result in any foreseeable direct or indirect impacts to the environment.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY FIND, DETERMINE, ORDER AND ORDAIN AS FOLLOWS:

SECTION 1. The Recitals set forth above are true and correct and incorporated, in full, into this Ordinance.

SECTION 2. Sections 93.20 through 93.99 (Fireworks) of Chapter 93 (Fire Prevention and Protection) or Title IX (General Regulations) is hereby amended as to read 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):

§ 93.20 - TIME FOR SALE AND DISCHARGE.

Safe and sane fireworks, as defined by Section 12529 of the Health and Safety Code of the State of California, may be sold and discharged within the City of Santa Fe Springs during the period beginning at ~~12:01 P.M.~~ twelve noon on June ~~30~~ 28, ending at ~~12:00 A~~ 11:59 P.M. on July ~~5~~4 each year, pursuant to the provisions of this subchapter, and not otherwise.

§ 93.21 - SALE OF PERMIT REQUIRED.

Except as provided herein, no person shall offer for sale or sell at retail any fireworks of any kind in said city without having first applied for and received a permit therefor.

§ 93.22 - APPLICATION FOR A PERMIT.

The City shall open the application period for permits for the sale of safe and sane fireworks on the first Monday of April each year. All applications for a permit to sell fireworks shall:

(A) Be made in writing, addressed to the City Manager~~'s Office~~ or his designee, Attention: Fireworks.

(B) Be filed with the City Manager or his designee by the date designated by the city in the year for which the permit is requested.

(C) Set forth the proposed location of the fireworks stand applied for. The stands ~~must~~ may only be located on private property located in the C-1, C-4, M-1, M-2, and PF Zones, and the written permission of the owner of record ~~and lessee~~ to use the subject property for the sale of safe and sane fireworks, if ~~any~~ the applicant is not the property owner, must accompany the application.

(D) Be accompanied by an assurance that if the permit is issued to applicant, applicant shall, at the time of receipt of said permit, deliver to the City Manager or his designee of said city $250,000/$500,000 public liability and $150,000 property damage insurance certificates designating the city as an additional insured thereunder, and a copy of the requisite permit from the State Fire Marshal. Said insurance certificates shall provide for 30 days' advance written notice to the city of any cancellation or reduction in coverage.

(E) Include a statement that the applicant agrees to comply strictly with the terms of

any permit granted to it and furnish any additional information upon request of the City Manager or his designee.

(F) State the name and location of the principal place of business of the organization making the application, together with the names of the principals or officers thereof.

(G) Submit a detailed statement of actual expenses for the past two years.

(H) Submit a copy of the organization's current roster. Affiliated organizations must submit an official roster from national/state/county/city/ chapter, i.e., Rotary, Soroptimist, etc.

(I) Submit a financial report to the city that identifies the amount of money your organization received (gross and net) from the fireworks sales.

(J) Applicant shall sign an agreement certifying that they have completed the City's mandatory training program.

(~~J~~K) Contain such other information as may be required by the City Manager or his designee.

§ 93.23 - PREREQUISITES TO ISSUANCE OF PERMIT.

The following qualifications must be met by each applicant for a permit issued hereunder:

(A) No permit shall be issued to any organization except a nonprofit corporation or association with a bonafide membership of at least 20 members or more (excluding advisors, etc.) in the city, organized primarily for veteran, patriotic, welfare, civic betterment, religious or charitable purposes, which organization has its principal and permanent meeting place, focus of activities, office or place of worship within the city, and which organization shall have been organized and existing in the city for a minimum period of five years continuously immediately preceding the filing of an application for a permit under these sections governing the sale of fireworks. Notwithstanding anything to the contrary contained in this chapter, no organization whose activities are not primarily oriented toward the city shall be eligible for a permit issued under this chapter. The decision of the City Council with respect to such orientation shall be final. ~~In addition, no organization without at least 40 percent of its membership being composed of residents of the city shall be eligible for a permit issued under this chapter.~~

(B) No organization may receive more than one permit for fireworks sale during any one calendar year. One permit may be issued to two or more qualifying applicants as a joint venture. In any given year, an organization may not operate a stand in more than one jurisdiction. Except as hereinafter provided, the maximum number of permits which may be issued pursuant to this chapter during any one calendar year shall be

~~11~~ 12.

(C) Four of the ~~11~~ 12 stands in Santa Fe Springs are designated to the following organizations:

(1) Santa Fe Springs High School programs. Any organization affiliated with Santa Fe Springs High School must work with the school's coordinator to be a participant and recipient of the benefits of sales at a fireworks stand.

(2) St. Paul High School programs. Any organization affiliated with St. Paul High School must work with the school's coordinator to be a participant and recipient of the benefits of sales at a fireworks stand.

(3) Little Lake City School District school programs. Any organization affiliated with the Little Lake City School District must work with the district's coordinator to be a participant and recipient of the benefits of sales at a fireworks stand.

(4) St. Pius X school programs. Any organization affiliated with St. Pius X must work with the school's coordinator to be a participant and recipient of the benefits of the sales at a fireworks stand.

(5) The high school stands will be located at their respective high schools. The stand for the Little Lake City School District shall be located at the district office. The stand for St. Pius X school programs shall be located on the school/church grounds.

(6) Stands designated under this section must complete and submit an application and adhere to all requirements set forth in § 93.24.

(D) Additional permits may be granted by the City Council, in its sole and absolute discretion, if the Council shall find that additional sites are available for fireworks stands and that it would be in the public interest to grant such additional permits. Additional sites shall not be allowed if they would add to an undue concentration of fireworks stands within the city.

(E) Should the number of qualified applicants exceed the number of permits to be granted by the City Council in any year, then the selection of the permittees from among such qualified organizations shall be determined by a lottery conducted by the City Manager or his designee. Such lottery shall be publicly conducted and each qualified applicant shall be notified in writing at least five days in advance as to the time and place of such lottery. Such lottery will be restricted to qualified applicants who did not receive a permit under this chapter in the previous two years. Should the number of such applicants be less than the number of permits to be issued, the lottery will be held among those qualified applicants which did receive a permit in prior years for such additional permits. An organization representative must be present at the time of the lottery.

(F) The City Council shall deny any fireworks stand permit if it finds that the public peace, health and safety is or would be jeopardized by the issuance thereof. The decision of the City Council shall, in all cases, be final and conclusive.

§ 93.24 - OPERATION OF STAND — REGULATIONS.

Any permitted fireworks stand shall be operated in accordance with the following terms, conditions, rules and regulations:

(A) No person other than the permittee organization shall operate the fireworks stand for which the permit is issued.

(B) No person other than the individuals who are officers or members or immediate relatives of members of the permittee organization shall participate in or operate the fireworks stand. No person under the age of 18 years shall engage in the operation of the fireworks stand nor shall fireworks be sold to any person under the age of 18. ~~16.~~

(C) No person shall be paid any compensation for selling or otherwise participating in the sale of fireworks at any fireworks stand. Net proceeds of the sale of fireworks under a permit issued pursuant to this subchapter shall be expended solely for charitable purposes within the city before the end of the fiscal year. Only volunteer help shall be allowed in selling fireworks. Adequate financing records on expenses and receipts shall be maintained in such a way that they can be audited. The permittee shall acknowledge that the city has a right to audit these records. In addition, the permittee shall have a valid and current certificate for tax exemption as provided in Article 3 of Chapter 4 of Part 9 of Division 2 of the California Revenue and Taxation Code.

(D) No fireworks stand shall be located within 25 feet of any other building or structure or ten feet from any trailer or vehicle, or within 100 feet of any gasoline service station pump island or property on which is stored any flammable liquid nor less than 20 feet from the curb line.

(E) A fireworks stand need not comply with the provisions of the City's Building Code; provided, however, that all such stands shall be erected under the supervision and subject to the approval of the Building ~~Department~~ Division of the city, which shall require that any fireworks stand shall be constructed ~~in a manner~~ in accordance with the current standards described in NFPA 1124, which will reasonably insure the safety of the attendants and patrons thereof. ~~, e.g., stands shall be of metal construction, built with a solid roof, rear wall and ends~~. For purposes of this subsection, fireworks stands shall be considered consumer fireworks retail sales facilities, including consumer fireworks retail sales stands, as regulated by NFPA 1124. The stand and any additions to it shall comply with non-combustible construction and material limitations, safeguards, and other requirements of NFPA 1124 ~~guidelines~~. The display shelf shall

have a panel of unbreakable glass, ~~or~~ wire glass, or wire mesh, ~~glass or~~ including one-quarter (1/4) inch mesh screen wire between the public and the display of fireworks.

(F) No fireworks stand shall have a floor area in excess of 260 square feet.

(G) Each fireworks stand shall have at least two usable and unencumbered exits. In no case shall the distance between any two exits exceed 32 feet.

(H) Fireworks stands shall be provided with not less than two fire extinguishers of the type and size approved by the Fire Chief.

(I) Fireworks stands shall be located not less than 100 feet apart.

(J) All weeds and combustible material and debris shall be cleared from the location of any fireworks stand for a distance of at least 25 feet surrounding such stand.

(K) All trash resulting from the operation of such stand must be removed on a daily basis. Organizations receiving fireworks permits must arrange for temporary trash receptacles to be placed near the fireworks stand. All trash and other debris resulting from the fireworks stand and its operation must be placed in the trash receptacle.

(L) “No Smoking” signs prohibiting smoking within 25 feet of the fireworks stand and of a size and character to be designated by the Fire Chief shall be prominently displayed on the exterior of each fireworks stand.

(M) Each stand shall comply with the Electrical Code which requires a 120-volt electrical receptacle suitable for wet locations with ground fault circuit interruption protection. Generators are not an acceptable source of electricity unless approved by the City Inspector.

(N) ~~Each fireworks stand shall have an adult person in charge thereof, who shall be within 50 feet of the stand at all times when it contains any fireworks.~~ Each fireworks stand shall be under the continuous supervision of an individual that is 18 years or older who shall remain within 50 feet of the stand at all times when the stand contains fireworks, including during non-business hours from close of business until reopening the following day.

~~(O) Each organization shall send a minimum of three adults to a mandatory training session. These individuals shall be designated as the primarily responsible parties for the operation of the stand. Notification of training session date and time will be sent two weeks prior to training.~~

(~~P~~O) Organization representatives must post a copy of this subchapter in the fireworks stand along with a signed copy of the inspection check list and valid permit prior to opening the stand for business.

(~~Q~~P) All unsold fireworks and accompanying litter at any fireworks stand shall be removed from the stand and from the city by 5:00 P.M. on July 5 of each calendar year.

(~~R~~Q) Each fireworks stand shall be removed from its temporary location not later than 12:00 midnight on July 7, and all accompanying litter or debris shall be cleared and removed from such location by such time and date.

(~~S~~R) Firework companies working with legal organizations must ensure the prompt delivery and pick-up of firework stands.

(S~~T~~) Organizations must adhere to the city's regulations signage which is described in §§ 155.515 through 155.536.

(T~~U~~) Such other regulations as the City Manager may ~~establish~~ impose for the purpose of protecting the public health, safety or welfare.

§ 93.25 - TEMPORARY SALES TAX PERMIT REQUIRED.

Permitted organizations selling fireworks shall obtain a temporary sales tax permit from the regional office of the California Department of Tax and Fee Administration.~~State Board of Equilization~~

§ 93.26 - DISPLAY OF LICENSE AND SALES TAX PERMIT.

The permit to sell fireworks, a copy of this subchapter and the temporary sales tax permit shall be displayed in a prominent place in the fireworks stand.

§ 93.27 - PROHIBITIONS ON DISCHARGE.

It shall be unlawful for any person to ignite, explode, project or otherwise fire or use, any fireworks or permit the ignition, explosion or projection thereof, upon or over or onto the property of another without his or her consent, or to ignite, explode, project or otherwise fire or make use of, any fireworks within ten feet of any residence, dwelling or other structure used as a place of habitation by human beings.

§ 93.28 - DANGEROUS FIREWORKS PROHIBITED.

No person shall sell, offer to sell, trade, discharge or have in his or her possession within the city any fireworks other than safe and sane fireworks as defined in this subchapter.

§ 93.29 - PUBLIC DISPLAY.

No person except the city or its duly authorized agents, employees or contractors,

shall conduct a “public display” of fireworks within the city at any time. A “public display” is one to which the general public is invited, either expressly or implied, or one which is in fact attended by more than ten persons.

§ 93.30 - SMOKING NEAR STANDS.

No person shall smoke within 25 feet of a fireworks stand. No person shall light, cause to be lighted or permit to be lighted any fireworks or other combustible material within 25 feet of any fireworks stand.

§ 93.31 - SEIZURE BY THE FIRE CHIEF.

The Fire Chief is hereby authorized and granted the right to seize, take, remove and store at the expense of the owner any fireworks offered for sale, stored, held or displayed in violation of the provisions of this subchapter.

~~**§ 93.32 - CONFLICTING PROVISIONS.**~~

~~The provisions of this Chapter shall prevail over any conflicting provisions of §§ 93.01 through 93.09 of this chapter.~~

§ 93.99 - PENALTY.

In lieu of the penalties and punishments provided for the Fire Code, violation of the provisions of this chapter shall be punishable as provided in ~~§ 1-9~~ Chapter 11 (Administrative Citations) of this Code.

~~Editor's note — This section has been reproduced verbatim from the ordinance. § 1-9 referred to above does not appear anywhere in this code. Any inquiries concerning this section should be addressed to the City Clerk or the office of the Fire Chief.~~

SECTION 3. CEQA. Pursuant to the California Environmental Quality Act (“CEQA”) (Pub. Res. Code § 21000 et seq.) and CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.) this project is categorically exempt pursuant to CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption). The adoption of this Ordinance does not approve development or construction, and therefore there are no foreseeable direct or indirect impacts to the environment, therefore, no further action is required under CEQA.

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 3rd day of March 2026.

_____
Joe Angel Zamora, Mayor

ATTEST:

_____
Maribel Garcia, City Clerk

APPROVED AS TO FORM:

_____
Rick R. Olivarez, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss

I, MARIBEL GARCIA, 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 3rd day of March 2026 and was carried by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Maribel Garcia, City Clerk

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

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

BY: Elizabeth Ortega, Human Resources Manager

SUBJECT: **JULY 1, 2024 - JUNE 30, 2027, MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SANTA FE SPRINGS AND THE SANTA FE SPRINGS EXECUTIVE MANAGEMENT ASSOCIATION AND THE SANTA FE SPRINGS FIREFIGHTERS ASSOCIATION**

DATE: March 3, 2026

RECOMMENDATION

It is recommended that the City Council:

1. Approve the updated July 1, 2024 – June 30, 2027, Memorandum of Understanding between the City of Santa Fe Springs and the Santa Fe Springs Executive Management Association
2. Approve the updated July 1, 2024 – June 30, 2027, Memorandum of Understanding between the City of Santa Fe Springs and the Santa Fe Springs Firefighters Association

FISCAL IMPACT

N/A

BACKGROUND

The California Public Employees' Retirement System (CalPERS) has identified language in the existing Memorandum of Understanding (MOU) for the City of Santa Fe Springs Executive Management Association and the City of Santa Fe Springs Firefighters Association that requires updating to ensure compliance with current CalPERS standards. The updated language in the MOUs will bring these items into full compliance. The updates will not change any current benefits or have any additional financial impact.

ANALYSIS

N/A

ENVIRONMENTAL

N/A

DISCUSSION

City staff consulted with representatives from CalPERS and received guidance on recommended MOU revisions necessary to meet CalPERS standards. These updates have been communicated to the affected bargaining groups and are intended to provide greater clarity and ensure ongoing compliance with CalPERS requirements.

SUMMARY/NEXT STEPS

Staff recommends that the City Council approve the updated July 1, 2024 – June 30, 2027, MOUs.

Upon approval, the Human Resources Office will ensure that the required actions are completed.

ATTACHMENT(S):

A. July 1, 2024 – June 30, 2027, Memorandum of Understanding between The City of Santa Fe Springs and The Santa Fe Springs Executive Management Association.
B. July 1, 2024 – June 30, 2027, Memorandum of Understanding between The City of Santa Fe Springs and The Santa Fe Springs Firefighters Association.

ITEM STATUS:

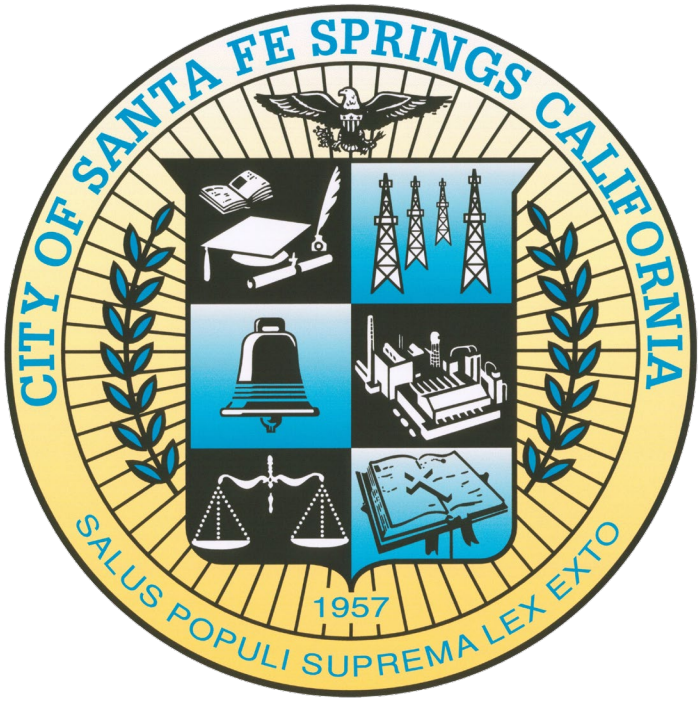
APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

_____
City Clerk, Maribel Garcia



MEMORANDUM OF UNDERSTANDING

between the

CITY OF SANTA FE SPRINGS

and the

SANTA FE SPRINGS EXECUTIVE MANAGEMENT ASSOCIATION

July 1, 2024 - June 30, 2027

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PREAMBLE

Pursuant to Government Code Section 3500 *et seq.,* representatives of the City of Santa Fe Springs ("City") have met and conferred in good faith with representatives of the **Santa Fe Springs Executive Management Association** and have reached an agreement to recommend that the City Council take the actions identified in this comprehensive Memorandum of Understanding (hereafter either "Memorandum," "MOU" or "Agreement"). Upon ratification of this Comprehensive MOU by a majority vote of the bargaining unit membership as well as adoption by the City Council, all terms and conditions set forth herein shall become binding. Except as otherwise modified herein, existing wages, hours, and other terms and conditions for employment shall remain in full force and effect.

ARTICLE I – IMPLEMENTATION

SECTION A - TERM

Period Covered: July 1, 2024 through June 30, 2027

SECTION B - RECOGNITION

The **Santa Fe Springs Executive Management Association (SFSEMA)**, is the exclusive representative of the executive managers, who are "at-will" employees, in a bargaining unit for the purpose of meeting and conferring over wages, hours, and terms and conditions of employment. However, the entering into this MOU does not confer a property right and/or any rights that are not provided by law or specifically enumerated in this agreement.

SECTION C - PROVISIONS Of LAW AND SEVERABILITY CLAUSE

Except as modified herein, all relevant federal, state, and local laws apply. Should any provisions of this MOU be found to be in violation of any law, rule or regulation, the remaining provisions will remain in full force and effect for the duration of this MOU.

SECTION D - PROFESSIONAL COMMITMENT

International City/County Management Association Code of Ethics:

1. The Parties acknowledge that the Executive Management employees are committed to the ideals of the International City/County Management Association ("ICMA"). The Parties mutually desire that the Executive Management employees are subject to and comply with the ICMA Code of Ethics. The City and the City Council agree that neither the City Council nor any of its members will give the Executive Management employees any order, direction, or request that would require the Executive Management employees to violate the ICMA Code of Ethics.

City Council Commitments:

1. The City Council sets policy for the governance and administration of the City, and it implements its policies through the City Manager.
2. Except for the purpose of inquiry, the City Council and its members shall deal with all subordinate City employees and officers solely through the City Manager or the City

Manager's designee, and neither the City Council nor any member thereof shall give orders to any subordinate of the City Manager, either publicly or privately.

3. Except for the purpose of inquiry, the City Council and its members shall deal with all contractors and consultants solely through the City Manager or the City Manager's designee, and neither the City Council nor any member thereof shall give orders to any contracted third party of the City, either publicly or privately.
4. The City Council agrees none of its individual members will order the appointment or removal of any person to any office or employment under the supervision and control of the City Manager.
5. The City Council agrees to proactively create and maintain a respectful, safe, and comfortable workplace, free of harassment, retaliation, or discrimination, where individual differences are welcomed and valued.
6. The City Council agrees that any criticism of a City staff member, including the City Manager, shall not be done publicly through any communication medium, both virtually and physically, but shall be done privately through the City Manager.
7. The City Council agrees that all communication, both written and oral, with the City Manager and all subordinate employees shall be done with respect and dignity to promote an environment of civility and professionalism.
8. Neither the City Council nor any of its members shall interfere with the execution of the powers and duties of the City Manager. The City Manager shall take orders and instructions from the City Council in accordance with the Santa Fe Springs Municipal Code § 31.10.

SECTION E - INCORPORATION OF CITY CODE, RULES, AND POLICIES

This MOU memorializes changes in terms and conditions for members of the Executive Management bargaining unit as well as modifications of certain existing City codes, rules, and policies.

Incorporation of City code, rules, and policies have been adopted during *"Meet and Confer"* sessions and shall be considered adopted by reference in this MOU.

Unless the parties mutually and voluntarily agree to do so, neither party shall be obligated to negotiate over matters covered by, or within the scope of, this Agreement, during the term of this Agreement.

SECTION F - FULL UNDERSTANDING, MODIFICATION AND WAIVER

It is the purpose of this MOU to promote and provide for harmonious relations, cooperation, and understanding between Management and the employees covered by this Memorandum; to provide an orderly and equitable means of resolving any misunderstandings or differences which may arise under this Memorandum; and to set forth the understanding of the parties reached as a result of good faith negotiations regarding wages, hours and other terms and conditions of employment covered by this Memorandum. This Memorandum of Understanding memorializes the terms and conditions for members of the bargaining unit as well as modifications of other existing City rules and policies. All other City rules, policies, and regulations shall be considered incorporated, by reference, in this MOU. Unless the parties mutually and voluntarily agree to do so, neither may be obligated to negotiate over matters covered by this Agreement or over other matters within the scope during the term of this Agreement.

ARTICLE II – COMPENSATION

SECTION A – COMPENSATION PLAN

Executive Management employees will be paid on a bi-weekly basis. Payroll checks will be made available to employees on the Thursday following the completion of each bi-weekly period. In the event that a payday falls on a holiday, payroll checks may be made available on the first day preceding the holiday. Direct deposit is also available to all employees. The City will directly deposit the payroll check into the employee's savings or checking account.

SECTION B – WAGES

The City and the Executive Management Association agree that each classification represented by this Agreement shall receive the following Cost of Living Adjustments (COLA):

1. 3% COLA, effective the pay period that includes July 1, 2024
2. 3% COLA, effective the pay period that includes July 1, 2025
3. 2% COLA, effective first pay period that includes July 1, 2026

SECTION C - SALARY RANGES

Salary Matrix - Positions covered under this MOU shall be placed on the new salary range (Steps) as follows:

1. Members covered under this MOU will be placed at the appropriate Step, within the salary range at the time of City Council approval of this MOU without being less than their current rate of pay.

a. Effective the pay period that includes July 1, 2024, the new 10-step pay range from the compensation study will go into effect.

* See the City Salary Schedule

2. Members will be eligible for a step increase annually on their work anniversary.

a. The City Manager may place the employee at any step in the range based on the Executive Management employee's skills, experience, knowledge, and/or combination of abilities.

b. The City Manager reserves the right to increase an employee's salary by one (1) step, two (2) steps or beyond within the adopted salary range based on their performance evaluation.

c. Should other employee groups receive cost of living salary adjustments during the effective term of the MOU, then the Executive Management employees shall also receive the average of the adjustments across all groups at the time they become effective

d. Members shall be eligible for an annual, non-base pay building, non-PERSable merit-based incentive pay stipend if the member is at the maximum step of the salary range. The incentive is performance-based and under the sole discretion of the City Manager. Directors can receive up to four thousand ($4,000) dollars and will be paid on the employee's anniversary date of each year for which the member qualifies. The Assistant City Manager can receive up to six thousand ($6,000) dollars and will be paid on the employee's anniversary date of each year for which they qualify.

SECTION D - LONGEVITY COMPENSATION

Executive Management employees are entitled to the following longevity increments based solely on years of service with the City or in a specified job classification: 2% of base salary after completing 9 years of service (10th year of service), and additional 2% of base salary after completing 14 years of service (15th year of service), an additional 3% of base salary after completing 19 years of service (20th year of service), an additional 2% base salary after completing 24 years of service (25th year of service), for a total cumulative rate of 9% base salary after completing the 24th year of service with the City or in the specified job classification.

For purposes of reporting longevity pay for pension purposes, only years of service with the City or in a specified job classification shall be included. Any prior public service with another public agency or employer shall not be included in longevity pay reportable to CalPERS.

Any prior service with another public agency or employer, while creditable for determining eligibility for longevity compensation under this Section, shall be payable, but not to be included in the amount of longevity compensation reported to CalPERS as pensionable compensation.

SECTION E - DEFERRED COMPENSATION

The City's deferred compensation program is designed to provide employees with a supplemental retirement savings plan. It is established and regulated according to Internal Revenue Service (IRS) guidelines and is known as an IRS 457(b) Plan. It is a tax deferral program in which an employee may elect to defer compensation up to the amount permitted by the IRS for any particular calendar year and thereby realize an immediate tax benefit. The money is invested and available to the employee with interest after retirement. IRS "catch-up" provisions are also available under this plan.

The City matches contributions by full-time employees to the City's Deferred Compensation Plan at a rate of *1:1 up to a maximum of 3%. MissionSquare Retirement is the record-keeper and third-party administrator of the 457(b) plan and 401(a) Plan. Employee matching is contributed towards 401(a) plan. *Ratio: City: Employee.

Specifics concerning program application and investment options change periodically. The most current information can be obtained from the Human Resources Office.

SECTION F – MANAGEMENT INCENTIVE PAY

The City Manager may approve a 5 1⁄2% Management Incentive payment to the rate of base pay to recognize excellence in performance. Continuance of pay is reviewed annually and is measured against predetermined goals and objectives.

SECTION G – EDUCATION INCENTIVE PAY

1. Master's Degree (MA/S)– Employees who have received a Master's Degree from an accredited university, shall receive 5% of their regular base pay.

2. Certified Public Accountant - Employees certified as public accountants (CPA) shall receive 5.5% of their regular base pay. Employees shall immediately notify their supervisor if they have lost their certification for any reason.

3. Certified Professional Engineer (PE) – Employees certified as a professional engineer (PE) shall receive 5.5% of their regular base pay. Employees shall immediately notify their supervisor if they have lost their certification for any reason.

SECTION H - TECHNOLOGY STIPEND

Executive Management employees shall receive a monthly technology stipend of one hundred and fifty ($150.00) dollars only if the employee does not accept a City provided cellular phone.

SECTION I - AUTO ALLOWANCE

Executive Management employees shall receive a monthly auto allowance of five hundred ($500.00) dollars in-lieu of a City-provided vehicle.

SECTION J - BILINGUAL PAY

Bilingual pay may be paid to employees where the need to speak in another language is deemed useful by the City. To receive compensation, employees must pass a testing process as determined by the Human Resources Office. Compensation for Spanish currently is granted at the level needed for the position and as designated:

Level 1	Ability to speak and understand (basic)	$100 per month	Oral test every two (2) years
Level 2	Ability to speak and understand (fluently)	$175 per month	Oral test every four (4) years
Level 3	Ability to speak, understand, read, and write (fluently)	$250 per month	Oral and written test every four (4) years

Bilingual pay will be paid for the following additional languages – Chinese, Tagalog, Vietnamese and Korean.

SECTION K - SEVERANCE PAY

An Executive Management employee whose position is abolished or vacated by a reduction in workload or lack of funds, or by mutual consent for convenience by the City Manager, or who is involuntarily removed from their position without cause will receive, upon termination, severance pay. Within thirty (30) days of the Executive Management employee's removal, the City shall pay a lump sum amount of six (6) months of the employee's base salary. Executive Managers who are terminated with cause shall not be entitled to any severance.

The Executive Management employee can only be terminated without cause by a permanent City Manager. That is, an individual serving in the role of “Acting” or “Interim” or serving in any capacity other than a permanently appointed city manager shall not have the authority to terminate the executive management employee without cause.

If the Executive Management Employee is terminated without cause within sixty (60) days prior to or following any City Council election, the employee shall be entitled to additional severance pay of three (3) months in addition to the severance pay described above. Such severance pay described in this section shall be paid in a single, lump-sum payment.

The displaced Employee shall also receive paid health, dental and vision insurance (at the Employee's current coverage) or shall continue to receive the amount of the Health Insurance Cash-Out the displaced Employee was receiving at the time of separation. The amount of paid health/dental/vision insurance coverage or Health Insurance Cash Out shall be equal to the length of the severance pay that was granted under this section.

In consideration of receipt of the severance pay and benefits described in this section, the terminated Executive Management Employee will be required to sign a separation agreement provided by the City Attorney.

ARTICLE III- MEDICAL, DENTAL, VISION & ADDITIONAL INSURANCES

SECTION A - MEDICAL INSURANCE

The City contracts with the California Public Employees' Retirement System (CalPERS). An employee, spouses, registered domestic partners, and dependents are eligible for this benefit. A dependent may remain on the plan until age 26. If a dependent is qualified as disabled, the dependent may remain on the plan past their 26th birthday pending the approval from CalPERS Health Benefits Division.

An open enrollment period is held annually in the fall to permit employees to change plans and add/delete dependents.

The City's medical contribution cap will be adjusted January 1, 2025; January 1, 2026; January 1, 2027;, to match the Kaiser (Region 3 rates for Los Angeles County).

The City contribution to medical premiums effective January 2024 is $2,250.07 *(2024 Kaiser Region 3 / Fam Coverage)*

Health Insurance Cash-Out:

1. Requirements for an Executive Management employee to receive employer contributions that may be cashed out: Pursuant to the Affordable Care Act (ACA) Employer Mandate "affordability" determination, an eligible opt-out arrangement requires the following in order for employees who opt out of employer-provided health coverage to receive cash in lieu:
    a. Employee must provide reasonable evidence that the employee and each member of the employee's expected tax family (i.e. individuals for whom the employee expects to claim a personal exemption deduction) has or will have the minimum essential coverage (other than coverage in the individual market, whether or not obtained through Covered California) during the period of coverage to which the opt-out arrangement applies;
    b. Employee must provide proof of coverage by completing the Health Insurance Waiver Form.
    c. Employee must provide proof of coverage every plan year, by completing a new Health Insurance Waiver Form to which the eligible opt-out arrangement applies; and

d. The opt-out payment cannot be made if the City knows or has reason to know that the employee or any other member of the employee's expected tax family does not have or will have the alternative minimum essential coverage.

2. Upon proof of coverage of insurance, the employee may opt out of City-provided insurance coverage. In such a case, the Executive Management employee with an "opt-out" arrangement with the City shall receive the monthly cash equivalent of eighty percent (80%) of the CalPERS Kaiser Los Angeles Region 3 monthly premium. All opt-out arrangements shall be consistent with the employee's eligibility for contributions based upon the size of the employee's household.

SECTION B - DENTAL INSURANCE

The City contracts with Delta Dental Insurance. The City offers two options: Delta Care and Delta Premiere. The City pays the full premium for employees and eligible dependents in an HMO (Delta Care) Plan. An open enrollment period is held annually to permit employees to change plans and add/delete dependents. Employees who elect to receive Delta Dental PPO coverage shall contribute fifty dollars ($50) per month towards the monthly premium. A dependent may remain on the plan until age 26. Retired full-time employees may continue dental coverage for themselves, their spouses, and eligible dependents, with the entire cost borne by the retiree.

SECTION C - VISION PLAN

The City has a vision care plan for full-time employees, spouses, registered domestic partners and dependents up to the age of 26, consistent with the Affordable Care Act (ACA). There is a $20 deductible for eye examinations and no deductible for frames, lenses, contact lenses, or vision therapy. The employee reimbursement cap is $450 per fiscal year; the spouse, registered domestic partner and other dependents are capped at $400 per person per fiscal year. Employees and eligible dependents may choose laser surgery in lieu of receiving an annual reimbursement for four years. Employees are eligible for $1,400 reimbursement for laser surgery and eligible dependents are eligible for $1,200 reimbursement. If the employee retires or resigns during the four-year reimbursement period, the employee is responsible for reimbursing the City the prorated difference for him/herself and dependents. Prior to receiving the funds, the employee must enter into an agreement that the employee will reimburse the City, in full, within 90 days of separation if the employee has not fully reimbursed the City by the date of the employee's separation.

SECTION D - LIFE INSURANCE

Executive Management employees shall be provided Basic Life and Accidental Death & Dismemberment Insurance under a group policy. The basic amount specified in the group contract is $150,000.

Executive Management employees may elect additional life insurance and authorize payroll deduction for any premium costs related to policy coverage in excess of the basic amount (including dependent coverage).

SECTION E - LONG-TERM DISABILITY INSURANCE

The City pays the premium cost for each full-time employee to receive long-term disability insurance. This plan is administered by Standard Insurance. Executive Management employees are eligible at the time of employment. The premium is paid in full by the City. There is a 60-day elimination period for this insurance. If your claim is accepted, you will be paid two-thirds of your monthly salary up to 24 months. Sick leave, Workers' Compensation, and PERS payments are integrated into this amount. If the employee dies during a period for which the benefits are payable, three (3) additional months of payment will be

paid to the designated beneficiary. A copy of the actual plan description is on file in the Human Resources office.

The City does not pay into the State Disability system. This plan is used in lieu of State Disability.

ARTICLE IV – LEAVE ACCRUALS

SECTION A - VACATION LEAVE ACCRUAL

Accrual: Employees covered under this MOU shall accrue vacation leave in the amounts listed below. Vacation hours shall be accrued based on continuous years of service

Initial vacation accrual is based on the employees date of hire. If an employee is hired before the 15th of the month, the employee will begin accruing hours; If an employee is hired on the 16th through the end of the month, the employee will not accrue vacation leave.

CONTINOUS YEARS OF SERVICE (MONTHS)	ACCRUAL PER MONTH
0 – 1 years	6.64 hours
1 – 2 years	7.52 hours
2 – 3 years	8.32 hours
3 – 4 years	9.20 hours
4 – 5 years	10.00 hours
5 – 6 years	10.32 hours
6 – 7 years	10.64 hours
7 – 8 years	11.04 hours
8 – 9 years	11.36 hours
9 – 10 years	11.68 hours
10 – 11 years	12.00 hours
11 – 12 years	12.32 hours
12 – 13 years	12.64 hours
13 – 14 years	12.96 hours
14 – 15+ years	13.28 hours
20+ years	14.0 hours

The City Manager may authorize leave accrual effective on the incumbent's total, prior years of service with other public agencies.

Executive management employees may accumulate 320 vacation hours in their vacation bank.

Executive Management employees that exceed their maximum vacation cap as of June 30, will be cashed out for any time in excess of 320 hours. The City shall cash out hours above the maximum vacation cap on the first full pay period in July.

Executive Management employees who have extenuating circumstances can request the maximum accrual cap be temporarily lifted due to an anticipated parenthood leave, extended medical leave, or similar situation. The request to receive a temporary reprieve from the vacation accrual cap without cash out may only be granted by the City Manager.

Accrued vacation leave will be paid out at separation from the City at the employee's current base rate of pay including all PERSable pay incentives.

Annual Vacation Leave Cash-Out: Employees shall have the option of converting accrued Vacation Leave to cash on an hour-for-hour basis subject to the following:

1. To cash out Vacation Leave hours, an employee must make an irrevocable election on or before December 31st of each calendar year in order to receive cash for Vacation Leave hours in the following calendar year.
2. The accrued Vacation Leave hours cash out will only be given to those employees who have made the affirmative election on or before the deadline by completing a form provided by the Finance Department.
3. A maximum of one hundred and sixty (160) vacation hours may be cashed out per year. However, an employee must retain a minimum balance of 40 hours in their vacation bank at the time of cash-out.
4. Employees will receive the cash out once per year, on the regular pay date, during the first full pay period in July.
5. Employees may choose to convert up to one hundred and sixty (160) hours of Vacation Leave to a defined contribution plan at the maximum contribution limit amount set by the IRS.
6. Vacation Leave shall be paid out at the member's current base rate of pay including all PERSable pay incentives.

SECTION B - SICK LEAVE ACCRUAL

Accrual and Cap: Employees covered under this MOU shall accrue sick leave and shall have maximum sick leave accrual cap in the amounts listed below.

ACCRUAL PER MONTH	ANNUAL ACCRUAL	ACCRUAL CAP
8.00 hours	96 hours	960 hours

Executive Management employees shall be compensated annually in November for one-half of their accumulated sick leave in excess of 960 hours. The remaining excess leave shall be accumulated in an individual retirement credit account.

Sick leave may be utilized for:

1. Personal illness or injury of the employee;

2. Authorized emergency leave; Serious illness or injury of the employee's spouse, state registered domestic partner, or child, parents, siblings, grandparents, any of which that reside in the unit employee's residence (in accordance with Labor Code § 233);
3. Where an employee which is a victim of domestic violence, sexual assault, or stalking, for the purposes described in Labor Code § 230(c) and 230.1(a);
4. Cases of quarantine;
5. Where exposure to contagious diseases would endanger the health of other employees.

Sick leave-related rules:

1. Sick leave may be taken in increments of one-half (1/2) hour or more.
2. Sick leave may not be used for disapproved vacation leave.
3. For absences of over three (3) days, a medical certificate from a qualified physician may be required.
4. In order to receive compensation while absent on sick leave, except in an emergency or due to extenuating circumstances, the employee shall provide notice, at least one (1) hour prior to employee's scheduled shift/start time. In an emergency, the employee shall report as soon as the situation reasonably allows.

Sick leave cash-out options at separation:

1. Sick Leave Cash-Out
   a. Upon separation of employment, the City will pay out any unused sick leave hours in any and all of the employee's sick leave banks at 25% of the employee's current hourly pay.
2. Sick Leave Conversion to Service Credit
   a. Executive Management employees who accumulate excess sick leave in an individual retirement credit account in excess of 960 hours may use the balance in the account, along with other accumulated sick leave, to be applied to the Retirement "Sick Leave Credit" benefit upon the employee's retirement.
3. Sick Leave Cash-Out
   a. The City will pay out the Executive Management employees unused sick leave banks at 25% of the employee's current base hourly rate of pay.

During the period of this MOU, the City agrees to look into ways to maximize the unused sick leave contributions, possibly through a 401(a) plan.

SECTION C - HOLIDAY BANK

City observed holidays:

1. New Year's Day - January 1st
2. Martin Luther King Jr. Day - Third Monday in January
3. Lincoln's Birthday - Second Monday in February
4. Presidents Day - Third Monday in February
5. Cesar Chavez Birthday - March 31
6. Memorial Day - Last Monday in May
7. Juneteenth - June 19th
8. Independence Day - July 4th
9. Labor Day - First Monday in September
10. Veteran's Day - November 11th

11. Thanksgiving Day - Fourth Thursday in November
12. Day after Thanksgiving - Fourth Friday in November
13. Day before Christmas - December 24
14. Christmas Day - December 25th

- Every day appointed by the President or Governor as a holiday

Observation of holidays:

1. Designated holidays falling on a Monday through Thursday shall be observed by the City on the actual date of the designated holiday.
2. Designated holidays falling on a Friday, Saturday, or Sunday those hours will be banked to each employee's holiday bank for use upon request and approval or cashed out during the second (2nd) pay period in January if unused.
3. In the event an employee is allowed time off in conjunction with the holiday, the employee shall select the appropriate account to be debited which may include holiday, vacation, sick, in order to receive full compensation for actual hours not worked on a holiday.

Employees separating from the City:

1. Executive Management employees who leave City employment shall be paid a pro-rated amount of unused holiday time.
    a. If an employee terminates employment prior to the holiday(s) on which time would have been earned, those credited hours will be reimbursed to the City on the employee's final paycheck.
    b. If an employee terminates employment after the holiday(s) on which time has been earned, the unused hours shall be paid by the City on the employee's final paycheck.
    c. If the employee has exhausted their holiday bank, then the equivalent hours will be taken from existing accruals, excluding sick leave.

SECTION D - EXECUTIVE LEAVE

Executive Management members will receive eighty (80) hours of Executive Leave in the first full pay period of each fiscal year. As of June 30 of each year, all unused Executive Leave will be paid out to the employee at their current base rate of pay, including all PERSable pay incentives.

SECTION E - BEREAVEMENT LEAVE

Executive Management employees are entitled to a maximum absence of five (5) days, three (3) paid days and two (2) unpaid days, for bereavement purposes in the event of the death of a member of the immediate family. An employee may take additional leave for bereavement purposes by charging the time off to sick leave. Such leave shall be granted up to the employee's accumulated sick leave balance with the approval of the City Manager or his designee.

Immediate family is defined as father, mother, brother, sister, son, daughter, spouse, registered domestic partner, grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, step-mother, step-father, step-sister, step-brother, step-child, and step-grandchild. Executive Management employees will be allowed bereavement leave to care for a minor child (under 18 years old), in the employee's sole custody, to a funeral service if the parent of the child who is not defined as a member of the employee's immediate family (e.g. such as an ex-spouse) passes away

SECTION F - JURY DUTY

Leave of absence with pay shall be granted to a maximum of fifteen (15) working days to an employee who serves on a jury. In such cases, the employee shall be paid their regular salary or their normal hours of work scheduled. Employees on call for jury duty are expected to report for work. Jury and witness fees the employee may receive from court service shall be remitted to the City. Mileage reimbursement will be kept by the employee. On a case-by-case basis, the City Manager may extend said leave of absence with pay for jury duty.

SECTION G - LEAVE DEDUCTIONS

Executive Management employees shall not be deducted leave time (either sick, vacation, flexible, or executive leave as appropriate) for absences from work for periods of less than two hours. Under extenuating circumstances, the City Manager shall have the authority to approve absences of up to four hours without requiring a charge against an employee's leave bank.

ARTICLE V - RETIREMENT

SECTION A - CalPERS RETIREMENT TIERS

The City offers a defined retirement benefit plan through the California Public Employees' Retirement System ("CalPERS"). There are three (3) tiers of the retirement benefit plan depending on the date of hire and/or status as a "new member", as defined by the Government Code, which defines the employee contribution/cost sharing as follows:

1. **Retirement Tier 1:** For employees hired prior to November 19, 2012 (Classic Members, Tier 1), the City shall provide the CalPERS 2.7% @ 55 retirement formula.

   The City shall continue to provide CalPERS Classic Members with retirement benefits in accordance with the existing contract with CalPERS, and all amendments to the contract including:

   a. Retirement Benefit Formula - 2.7% @ age 55 Formula for Local Miscellaneous Members (Government Code § 21354.5).
   b. To be eligible for service retirement, you must be at least age 50 and have a minimum of five years of CalPERS-credited service.
   c. Employee Cost Share - The employee's eight percent (8%) portion of the retirement cost is paid fully by the City as "Employer Paid Member Contribution" (EPMC). The value of the EPMC is reported as special EPMC compensation (Government Code § 20516).
   d. Employee Contribution – Full-time employees contribute eight percent (8%) of their salary (cost share) on a pre-tax basis to offset the City's cost in providing enhanced retirement benefits (Government Code § 20516(f)). If there are any changes that legally require the cost-sharing to terminate, any percentage of cost sharing shall be applied towards the Employer Paid Member Contribution (EPMC).
   e. Death Benefits - Pre-Retirement Death Benefits to continue after marriage of survivor (Government Code § 21551).
   f. 1959 Survivor Benefit Level 4 – provides a monthly benefit for eligible survivor(s) who are not covered by social security (Government Code § 21574).
   g. Additional Service Credit of 2 years for Local Miscellaneous Members (Government Code § 20903).
   h. Military Service Credit as Public Service (Government Code Section 21024).

i. Unused Sick Leave Credit – Unused sick leave will be converted to service credit at the rate of .004 year of service for each day of sick leave, provided there are less than 120 days between the member's separation date and retirement date (Government Code § 20965).
j. Final Compensation - The average full-time monthly pay rate for the highest 12 consecutive month period (Government Code § 20042). If service is coordinated with Social Security, the member is subject to the $133.33 reduction in final compensation.
k. 2% Annual Cost of Living Allowance Increase (Government Code Section 21329).
l. Death Benefit (Retired) - Upon the death of a retiree, a one-time lump sum payment of $500 will be made to the retiree's survivor (Government Code § 21620).
m. Prior Service Credit (Government Code § 20055). Service credit payment by payroll deduction is pre-tax.

2. Retirement Tier 2: For employees hired between November 19, 2012 and December 31, 2012, the City shall provide the CalPERS 2.0% @ 55 retirement formula.

The City shall continue to provide CalPERS Tier 2 Members with retirement benefits in accordance with the existing contract with CalPERS, and all amendments to the contract including:

a. Retirement Benefit Formula - 2.0% @ age 55 Formula for Local Miscellaneous Members (Government Code § 21354.5).
b. To be eligible for service retirement, you must be at least age 50 and have a minimum of five years of CalPERS-credited service.
c. Employee Contribution – Full-time employees pay seven percent (7%) member contribution.
d. Death Benefits - Pre-Retirement Death Benefits to continue after marriage of survivor (Government Code § 21551).
e. 1959 Survivor Benefit Level 4 – provides a monthly benefit for eligible survivor(s) who are not covered by social security (Government Code § 21574).
f. Additional Service Credit of 2 years for Local Miscellaneous Members (Government Code § 20903).
g. Military Service Credit as Public Service (Government Code Section 21024).
h. Unused Sick Leave Credit – Unused sick leave will be converted to service credit at the rate of .004 year of service for each day of sick leave, provided there are less than 120 days between the member's separation date and retirement date (Government Code § 20965).
i. Final Compensation - The average annual compensation earnable by the member during the 36-month period of employment (Government Code § 20037). If service is coordinated with Social Security, member is subject to the $133.33 reduction in final compensation.
j. 2% Annual Cost of Living Allowance Increase (Government Code Section 21329).
k. Death Benefit (Retired) - Upon the death of a retiree, a one-time lump sum payment of $500 will be made to the retiree's survivor (Government Code § 21620).
l. Prior Service Credit (Government Code § 20055). Service credit payment by payroll deduction is pre-tax.

3. Retirement - PEPRA: For employees hired on or after January 1, 2013 and meeting the definition of "New Member" set forth in Government Code § 7522.02(c), shall be eligible for the retirement plan pursuant to California Public Employees' Pension Reform Act of 2013

(PEPRA).

The City shall provide Cal PERS Members with retirement benefits in accordance with PEPRA, including:

a. Retirement Benefit Formula – 2% @ age 62 Formula for Local Miscellaneous Members (Government Code § 7522.20).
b. To be eligible for service retirement, you must be at least age 52 and have a minimum of five years of CalPERS-credited service.
c. Employee Contribution – Full-time employees pay the member contribution of fifty percent (50%) of normal cost as determined by CalPERS.
d. Death Benefits - Pre-Retirement Death Benefits to continue after marriage of survivor (Government Code § 21551).
e. 1959 Survivor Benefit Level 4 – provides a monthly benefit for eligible survivor(s) who are not covered by social security (Government Code § 21574).
f. Additional Service Credit of 2 years for Local Miscellaneous Members (Government Code § 20903).
g. Military Service Credit as Public Service (Government Code Section 21024).
h. Unused Sick Leave Credit – Unused sick leave will be converted to service credit at the rate of .004 year of service for each day of sick leave, provided there are less than 120 days between the member's separation date and retirement date (Government Code § 20965).
i. Final Compensation – The highest average annual compensation earnable by the member during the consecutive 36-month period of employment (Government Code § 20037).
j. 2% Annual Cost of Living Allowance Increase (Government Code Section 21329).
k. Death Benefit (Retired) - Upon the death of a retiree, a one-time lump sum payment of $500 will be made to the retiree's survivor (Government Code § 21620).
l. Prior Service Credit (Government Code § 20055). Service credit payment by payroll deduction is pre-tax.

ARTICLE VI- POST RETIREMENT BENEFIT

SECTION A - RETIREE MEDICAL BENEFITS

An employee who is vested in CalPERS and retires from the City is eligible for coverage through the CalPERS Retirement Plan.

The City contribution to medical premiums for retirees, effective January 2024 is $2,250.07 *(2024 Kaiser Region 3 / Fam Coverage)*

All full-time members commencing the month following one full month of retirement and continuing through the period prescribed by law, receive the minimum employer health premium contribution as prescribed by Government Code § 22892 of the Public Employees' Medical and Hospital Care Act (PEMHCA). The retiree may remain enrolled in an eligible health benefit plan in order for the City to be obligated to pay the prescribed premium. If the employee provides the City with a qualified "opt- out" based upon the existence of qualifying insurance coverage, the employee may elect to receive the monthly cash equivalent of eighty percent (80%) of the CalPERS Kaiser Los Angeles Region 3 monthly

premium. All opt-out arrangements shall be consistent with the employee's eligibility for contributions based upon the size of the employee's household.

ARTICLE VII - MISCELLANEOUS PROVISIONS

SECTION A - PHYSICAL EXAMINATIONS

Executive Management Employees shall annually receive a City-paid comprehensive physical medical examination from Scripps Center for Executive Health, or comparable service provider as authorized by the City Manager. The City shall pay the cost of the "Whole Person Examination" and shall cover the cost of lodging for one night on a reimbursement basis upon presentation of appropriate document and receipts.

SECTION B - TUITION REIMBURSEMENT

Executive Management employees shall be eligible for tuition advancement or reimbursement of pre-approved education or professional development expenses up to the maximum of $4,000 per fiscal year. Eligible fees include tuition and textbooks. All other fees are subject to approval by the City. School supplies are not reimbursable. The employee must complete the course(s) listed on the tuition reimbursement agreement with a passing grade of "C" or better or pass/fail. The employee must remain employed with the City after completion of the course for a period of one year, or refund to the City the full amount reimbursed for the course(s). Prior to receiving the funds, the employee must enter into an agreement with the City that the employee will reimburse the City in full within 90 days of separation if the employee's employment is terminated before the end of the one-year period.

SECTION C - PERSONAL COMPUTER PURCHASE PLAN

Executive Management employees are eligible to purchase a personal computer or digital camera in conjunction with a computer; peripheral equipment and software through an interest free loan of City funds. Only one computer loan is allowed at a time. Repayment is guaranteed through bi-weekly payroll deductions. The employee agrees that the computer equipment is for their own or their immediate family's use only. The minimum loan amount is $500 and the maximum loan amount is $3,000. Prior to receiving the funds, the employee must enter into an agreement that the employee will reimburse the City, in full, within 90 days of separation if the employee has not fully reimbursed the City by the date of the employee's separation.

SECTION D - SECTION 125 PROGRAM

Executive Management employees are eligible for an Internal Revenue Section 125 program which allows employees to allocate specified amounts of monthly pre-tax salary or wages for the reimbursement of medical care expenses or dependent care expenses or both.

SECTION E - MANAGEMENT RIGHTS

Nothing in this agreement shall be construed to prohibit the City from exercising all management rights and prerogatives except those expressly waived in this agreement. The City has all rights to manage the City, including the establishing of rules, directives, and orders except those expressly waived by this agreement. It is recognized that, except as expressly provided in this agreement, the City shall retain whatever rights and authority are necessary for it to operate and direct affairs of the City in all of its various aspects, including but not limited to the right to direct the working forces; to plan, direct and control operations and services of the City; to determine the methods, means, organization, and number of personnel by which such operations and services are to be conducted; to assign and transfer

employees; to schedule working hours and to assign overtime; to determine whether goods or services should be made or purchased; to hire, promote, suspend, discipline, or discharge in compliance with employment law; to make and enforce.

SECTION F - AVOIDANCE OF INEQUITIES

The City Manager shall possess the authority to promote equity and equality, directly and indirectly, to reduce instances of poverty. The authority of the City Manager shall encompass but not limited: to adjustment of the distribution of unequal and/or unjust resources and opportunities among employees of City of Santa Fe Springs, to treat people uniquely by public policy to compensate for different circumstances, to adjust pay increases wherein inequity is present, to boost social cohesion and reduce political conflict.

SECTION G - SHARED AGREEMENT CLAUSE

Nothing in this Agreement shall limit the Parties' ability to mutually agree, in writing, to implement different terms than those provided in this Agreement.

ARTICLE VIII - RATIFICATION AND EXECUTION

This MOU shall be effective only upon ratification by the Association and adoption by the City Council. Subject to the foregoing, this MOU is hereby executed by the authorized representatives of the City and the Association.

_____

Arlene Salazar **Date**
Santa Fe Springs Executive Management Association

_____

Joe Angel Zamora **Date**
Mayor

APPENDIX

JOB TITLES
Assistant City Manager
Director of Community Development
Director of Community Services
Director of Economic Development
Director of Finance
Director of Parks and Recreation
Director of Police Services
Director of Public Works/City Engineer

MEMORANDUM OF UNDERSTANDING

between the

CITY OF SANTA FE SPRINGS

and the

SANTA FE SPRINGS FIREFIGHTERS ASSOCIATION, Inc.
AFL-CIO Local 3507

July 1, 2024– June 30, 2027

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Preamble

It is the purpose of this Memorandum of Understanding (hereinafter referred to as the "MOU") to promote and provide for harmonious relations, cooperation, and understanding between the City and its representatives and the local fire employees covered under this MOU and to set forth the agreement of the parties reached as a result of good faith negotiations regarding wages, hours and other terms and conditions of employment of the employees covered under this MOU, which agreement the parties intend jointly to submit and recommend for City Council approval and implementation.

Article I.
Recognition and Rights

Section 1. Representation and Duration

This MOU is between the City of Santa Fe Springs (City or Employer) and the Santa Fe Springs Firemen's Association, Inc. affiliated with the International Association of Firefighters and recognized therewith as Santa Fe Springs Firefighters Union Local 3507 (hereinafter referred to as the Association) representing Fire Safety Unit, Environmental and Chief Officers Unit/Fire Management (Fire Chief & Battalion Chiefs)

The term of this MOU agreement shall be effective July 1, 2024 through June 30, 2027, and for the duration of any agreed upon extension.

Section 2. Recognition

Pursuant to the provisions of City Council Resolution No. 3005, the City recognizes the Association as the exclusive bargaining representative with regards to the meet and confer process relating to wages, hours, and other terms and conditions of employment contained in this MOU. The job titles represented by the Association are those identified in Appendix A. The City shall recognize its obligations under this MOU, the Meyers-Milias-Brown Act, Government Code Section 3500, et.seq.

Section 3. Release Time

During periods of formal labor negotiations between the Association and City, Association negotiation team members who are on-duty shall be taken out of a response mode to the extent possible. Association Board members will be granted reasonable time-off without loss of pay but for not more than two consecutive 24-hour shifts at any one time, and limited to not more than five Board members at any one time, to attend but not exclusively limited to legislative and employer-employee relations conferences. Approval by the Fire Chief and City Manager for release time requests of this nature beyond two meetings per year is needed. The Association will use its best-faith efforts to keep the frequency and number of members attending to a reasonable level. The Association will always work with department management to ensure that the release time requested is properly scheduled to avoid undue hardship to the operations of the department. All expenses associated with such release time will be borne by the Association unless otherwise permitted by the City**.** *(PPPM 6-1.3, 05-06 MOU)*

Section 4. Labor Relations Committee

A Labor Relations Committee composed of two City representatives, two Association representatives and the Fire Chief or their designee may meet at a mutually agreed upon frequency to discuss workplace issues regarding wages, hours and working conditions, or special projects related to those areas. When beneficial, the committee may consult with outside individuals with specific knowledge on the topic of discussion. (PPPM 7-9.)

Section 5. Bulletin Board Space

The Association will be permitted to maintain at each station and in an area accessible for all represented employees adequate bulletin board space suitable for the display of Association business.

Section 6. Employee Orientation/Employee Information

Pursuant to Government Code §3358 and in compliance therewith, the City will notify the Association's President in writing or via email regarding all new hires at least ten (10) days prior to the employee's orientation unless there is an urgent need that was not reasonably foreseeable. Within the earlier of thirty (30) days after the date of hire or by the first pay period of the month following the hire of each newly hired employee, the City will provide the Association President with the new employee's name, job title, department, work location, work email, and work phone numbers. No other information from the City is being requested by the Association even though the Association may be entitled to such additional information under law. The Association reserves the right to request more frequent represented employee information as required.

The new hire will receive a copy of the MOU with his/her new employee orientation packet. The Association shall be permitted one (1) hour for each orientation session to privately talk to new bargaining unit members to explain the rights and benefits under the MOU.

The City will provide the Association President a quarterly list of all employees in the represented bargaining unit, including the employee's name, job title, department, work location, work email, and work phone number.

Section 7. Association Dues Deduction

The City shall deduct from each paycheck of unit employees the regular [periodic] membership dues, initiation fees, and general assessments, as well as payment of any other membership benefit program sponsored by the Association. Such deductions shall be made only when the Association member's earning for a pay period are sufficient after other legally required deductions are made. The Association hereby certifies that it has and shall maintain all such deduction authorizations signed by the individual from whose salary or wages the deduction is to be made and shall not be required to provide a copy of an individual authorization to the City unless a dispute arises about the existence or terms of the authorization. The Association membership dues shall be deducted each pay period in accordance with City procedures and provisions of applicable law from the salary of each employee whose name is provided by the Association.

The City shall remit the total amount of deductions to the Association within thirty (30) days of the date of the deduction. Any changes in the Association dues must be given to the City a minimum of fifteen (15) days prior to change to accommodate changes to payroll.

The Association shall indemnify the City from any claims relating to the City's compliance with this Dues Deduction provision, except for any claims arising from City's own negligence.

Article II.
Management Rights

Section 1. General Provision

The exclusive rights of the City include, but are not limited to, the right to determine the mission of its constituent departments, divisions, or commissions and boards; set standards of service and municipal fees and charges; determine the procedures and standards of selection for employment, assignment, transfer, and promotions; direct its employees; take disciplinary actions; relieve its employees from duty for legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means, and personnel by which governmental operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; exercise complete control and discretion over its organization and the technology of performing its work. The City is in no way precluded from seeking alternative ways of providing fire service if the City Council deems it is in the City's best interest to do so including, but not limited to, entry into the Los Angeles County Fire Protection District, consolidation with one or more municipal fire departments, and the possible closure of or combination of one or more fire stations.

The parties recognize that there are existing ordinances, resolutions, and policies relating to benefits and other conditions of employment and the same are not affected by this Agreement except as provided herein. The City agrees not to reduce or abridge the level of supplemental benefits currently available to all safety employees during the term of this Agreement without mutual consent.

The parties hereto recognize that the City shall and will retain the exclusive right to manage and direct the performance of City services and work force performing such services. The City and Association agree that nothing in this Memorandum of Understanding shall in any way abridge, restrict or modify the rights and prerogatives of the City as set forth in Section 6 of Resolution No. 3005 of the Santa Fe Springs City Council and such section is hereby incorporated by this reference and made part hereof as though set forth in full. *(Resolution No. 3005, PPPM 7-1 and 7-2)*

Section 2. Disciplinary Action and Employment Separations

An employee may be suspended, demoted, or dismissed whenever the employee's work or conduct so warrants. Any such action shall be in accordance with the procedures as set forth in the Personnel Resolution. Whenever employee performance falls below the required level or when an employee's

conduct falls under one of the causes for action listed in the Personnel Resolution, the supervisor shall inform the employee promptly and specifically of such lapses. If appropriate and justified, following a discussion of the matter, a reasonable time for improvement or correction may be allowed before any further disciplinary action is initiated. In situations where oral warning has not resulted in the correction of the condition or where more severe initial action is warranted, a written reprimand shall be sent to the employee and a copy placed in the employee's personnel file. When other forms of disciplinary action have proved ineffective, or where the seriousness of the offense or condition warrants, the Fire Chief may reduce pay, transfer, demote or dismiss the employee for any cause listed in the Personnel Resolution No. 5969. *(Res. #5969, XI.1; PPPM 5-13.1, PPPM 11-3.1)*

Suspensions - In those cases where one or more written reprimands have not proven to be effective, or in those cases where the seriousness of the events or conditions warrant it, an employee not on a 24 hour shift schedule may be suspended without pay by the Fire Chief for each offense for any cause listed in the Personnel Resolution. A safety employee on a 24 hour shift schedule may be suspended without pay by the Fire Chief for each offense for any cause listed in the Personnel Resolution. *(Res. #5969, XI.1; PPPM 5-13.1, PPPM 11-3.1)*

Section 3. Re-Opener

If state or federal law is adopted or documented evidence indicates a significant change in the City's financial conditions which adversely affects the City's capability to meet the terms of this agreement, any part or the total agreement can be open to the meet and confer process during the term of this agreement.

Section 4. Waiver

Except as provided herein, the Association hereby expressly waives any right to request any improvements or changes in salaries, benefits or other terms and conditions of employment for the employees represented by the Association which would take effect prior to July 1, 2020, and the City of Santa Fe Springs, through its representatives, shall not be required to meet and confer as to any such request.

Article III.
Work Period, Hours and Staffing

Section 1. Work Period - 24 Hour Shift Schedule

The work period for Firefighters, Engineers and Captains on a 24 hour shift schedule shall be 24 consecutive 24 hour days commencing at 7:31 a.m. on the first day and ending at 7:30 a.m. on the 24th day. Safety employees not on a 24 hour shift schedule will work a seven day work cycle, commencing on Monday at 12:01 a.m. and ending the following Sunday at midnight. *(Res. # 5969, IX.1; 87-88, 88-89, 92-93, 01-02 MOU; PPPM 6-1.1)*

Section 2. Work Period - Not on 24 Hour Shift Schedule

The traditional work period is a seven day work cycle beginning on Monday at 12:01 a.m. and ending on the following Sunday at midnight. Upon the authorization of the Fire Chief, employees may work a traditional 5/40, 4/10 or 9/80 work period. For employees working the alternative work schedule known as the 9/80, each such employee's work week shall begin and end four hours into the eight hour work day which the employee works in alternating weeks. Regularly scheduled hours within the 7 day work period shall be comprised of 40 hours. *(Res. # 5969, IX.1 and IX.2; 87-88, 88-89, 92-93, 04-05 MOU; PPPM 6-1.1)*

Section 3. Work Schedule – Suppression Employees

The work schedule for fire suppression employees will be a 48/96 work schedule whereby each employee will work two consecutive 24 hour shifts, or 48 straight hours, followed by four consecutive 24 hour days, or 96 hours, off from work. No employee shall work more than 120 consecutive hours without consent from the Fire Chief. Strike team deployment is exempt from this provision. Any employee who works 120 consecutive hours shall be required to take off at least 24 consecutive hours before being allowed to return to work. The Fire Chief and/or Assistant Fire Chief reserves the prerogative to determine, at their discretion, whether an employee has become so fatigued or otherwise unable to perform the functions of their job. If it is determined that an employee has become so fatigued or unable to perform their duties, the Chief shall have the prerogative to relieve the employee from further duty and send them home on unpaid status. The employee may use accrued and unused vacation or flexible leave to cover the remaining portion of the scheduled shift if qualified relief is available to work.

Section 4. Suppression Staffing

The minimum level of staffing will be 15 fire personnel per shift. This will consist of one Battalion Chief, four Captains, four Engineers, two Firefighter/Paramedics and four Firefighters per shift.

Section 5. Station and Shift Transfer and Bid System

The following Station and Shift Transfer and Bid System will remain in effect during the term of this MOU. If problems occur during the term of the MOU, the City and the Association will meet to look at alternative approaches to resolve those problems. If the problems cannot be worked out to the satisfaction of both parties, the City will revert back to its previously effective Transfer and Rotation programs at the discretion of the Fire Chief.

Transfers may be initiated in two ways:

- Employee Requested
- Department Initiated

Employee Requested Transfers

A. Open Position Transfer:

- When a station and shift assignment has been vacated by annual bids, promotion, termination, retirement or severance of employment, it may be filled through the open position transfer process.
- Notice of vacancies shall be posted on Fire Department bulletin boards and department e-mail.
- Any employee desiring to fill a vacant position must submit a written request to the Administrative Battalion Chief within seven (7) calendar days of posting of the vacancy.
- If more than one employee requests to be transferred to an open position, consecutive seniority in current rank shall be the determining factor.
- The transfer request will be approved or denied, in writing, within fourteen (14) calendar days of posting of the vacancy.
- An employee desiring a transfer to a vacant position that has been vacated for an extended period of time will submit their request to the Administrative Battalion Chief and follow the above procedures in filling the vacancy.
- If a position becomes available for an unknown extended period of time, an employee may temporarily request to transfer to the open position. When the employee creating the vacancy returns to his original assignment, the employee that moved to the temporary vacancy will return to any open available position. This employee will not have the option of returning to his original assignment prior to the temporary transfer if it has already been filled by another employee.
- The Fire Chief shall have the prerogative to either grant or deny a request for transfer.

B. Mutual Agreement Transfers:

- Employees of equal rank may request to switch or exchange their current assignments between themselves.
- Requests for transfers shall be submitted, in writing, through chain of command to the Administrative Battalion Chief.
- The Fire Chief shall have the prerogative to either grant or deny the request. The request, approved or denied, shall be returned to the employee within fourteen (14) calendar days of receipt of the request.

C. Annual Station and Shift Transfer and Bids:

The bidding process of the Station and Shift Transfer and Bid System will take place annually. Bidding will commence the Monday following the Thanksgiving holiday. Station and shift selection shall be open for bid according to the following:

- All classifications shall have the option of bidding for transfer to be effective in January of each year. The Captains will bid first followed by Engineers and then Firefighters. The most senior member of that rank will have first bid.
- The Fire Chief shall have the prerogative to approve or deny such requests. The approval or denial of a request for transfer shall not be subject to the grievance or appeal process.

- Upon the conclusion of the annual selection process, the senior Firefighter/Paramedic for each shift may select a remaining open position for the shift's third Firefighter/ Paramedic to rotate to when not assigned to Station Four. Truck 811 is not an open selection for the Firefighter/Paramedic position.

Department-Initiated Transfers: The Department reserves the right to initiate transfer of personnel to meet the needs of the organization, taking into consideration concerns of employees. The decision to transfer, or the denial of a request to transfer, pursuant to all types of transfers mentioned herein shall not be subject to the grievance procedure or appeal process.

Section 6. Modified Duty

If the industrial medical provider recommends modified duty on the same date an injury occurs, and with approval from the Fire Chief, the employee will report to Headquarters and work the remainder of the day, until 5:00 p.m., in a modified duty capacity. If the following day is the employee's regularly scheduled shift, the employee will report to Headquarters and work 8:00 a.m. – 5:00 p.m. in a modified duty capacity. If the industrial medical provider continues to recommend modified duty that would include the employee's next work segment, the employee will be required to report to Headquarters and work the modified duty schedule, beginning with the employee's normally scheduled next shift and continuing on a Monday through Friday, 8:00 a.m. to 5:00 p.m. A request to work a 4/10 work schedule or another schedule (including a 24 hour shift) to be approved by the Fire Chief at their sole discretion until the industrial medical provider returns the employee to regular duty. Safety employees shall not be assigned to another department unless both City and employee concur. For non-shift light duty assignments, seven days written notice of duties and restrictions shall be provided the employee. *(PPPM 5-10.1 and 5-10.2)*

The same process shall be used to schedule modified duty for employees whose medical status change, according to the industrial medical provider, regardless of the date of the injury. If the industrial medical provider recommends a change in status, such as from "unable to return to duty" to "able to return to modified duty," and, after approval from the Fire Chief and confirmation that modified duty is available, the employee will report to headquarters on his/her regularly scheduled shift, and work 8:00 a.m. to 5:00 p.m. If, the following day will be the employee's regularly scheduled shift, the employee will report to headquarters and work 8:00 a.m. to 5:00 p.m. in a modified duty capacity. If the industrial medical provider continues to recommend modified duty that would include the employee's next work segment, the employee is required to report to headquarters and work the modified duty schedule, beginning with the employee's normally scheduled next shift and continuing on a Monday thru Friday, 8:00 a.m. to 5:00 p.m. schedule, a 4/10 work schedule or another schedule (including a 24 hour shift) to be determined by the Fire Chief at his sole discretion until the industrial medical provider returns the employee to regular duty.

Article IV.
Wages and Compensation

Section 1. Pay Plan

All employees will be paid on a bi-weekly basis. Payroll checks will be made available to employees

on the Thursday following the completion of each bi-weekly period. In the event that a payday falls on a holiday, payroll checks may be made available on the first day preceding the holiday. Direct deposit is also available to all employees. The City will directly deposit the payroll check into the employee's savings or checking account. Funds are normally available on Friday morning. *(Res. #5969, IV.13, PPPM 2-1.1)*

Section 2. Wages

The City and the Firefighters Association agree that each classification represented by this Agreement shall receive the following Cost of Living Adjustments (COLA), with the pay schedule referenced in Appendix A.

1. Effective the pay period that includes July 1, 2024, a three percent (3%) cost of living adjustment (COLA).
2. Effective the pay period that includes July 1, 2025, a three percent (3%) cost of living adjustment (COLA).
3. Effective the pay period that includes July 1, 2026, a two percent (2%) cost of living adjustment (COLA).

Section 3. Implementation of the Classification & Compensation Study

1. Effective the pay period that includes July 1, 2024, the new 10-step pay range from the compensation study will go into effect.
2. At that time, bargaining unit members will be placed on the step within the new 10 step pay range that is closest to, but not equal or lower than, their current rate of base pay.
3. Effective the pay period that includes July 1, 2024, and after bargaining unit employees have been placed upon their new step in the 10-step pay range, the entire pay range will increase by a 3% COLA and employees' base salaries will be adjusted accordingly.
4. Based on a satisfactory performance evaluation, bargaining unit employees will be eligible to advance to the next step within the 10-step pay range, on their anniversary/promotion date.

Merit Salary Adjustment: Upon certification by the Fire Chief that the employee's performance has been satisfactory or above, an employee receiving less than the maximum rate of base pay within the assigned range for the above classifications may be given a merit salary adjustment upon approval by the City Manager. A full time employee is eligible for this merit upon completion of 6 months services each in Steps 1 and in Step 2 and 1 year service each in Steps 3 through 10 4.

Upon recommendation of the Fire Chief, the City Manager may appoint probationary Firefighters above Step 1 if they exceed minimum qualification requirements (education and experience) at time of appointment.

Fair Labor Standard Act (FLSA) special compensation included in base pay will be used in calculating other special compensation items.

Section 4. Educational Pay

The following education pay items have been verified to enhance fire staff's ability to do their job, and the certificate, degree, or coursework and the City has established a program or system to evaluate and approve acceptable courses.

1. Fire Safety Unit & Chief Officer's Unit (Non-Environmental)

   A. Employees who have received an Environmental Certificate or Bachelor's Degree from an accredited university, or completion of Chief Fire Officer coursework, shall receive an additional 3.01% of base pay.

   B. Employees who have met any two (2) of the following three criteria shall receive an additional 3.10 of base pay on top of the 3.01% above:
      a. Environmental Certificate from an accredited university
      b. Bachelor's Degree from an accredited university
      c. Completion of Chief Fire Officer coursework

2. Chief Officer's Unit

   A. Master's Degree Incentive:
   Employees in the Fire Management Unit who have a Master's Degree from an accredited university, shall receive a 5% incentive. This incentive is a stand-alone benefit and replaces the Bachelor Degree incentive.

3. Urban Search and Rescue (US&R) Stipend

   The City shall pay $300 per month to safety employees who complete the four required core US&R courses which are Rescue Systems I and II, Confined Space Rescue and Trench Rescue. *(95-96, 05-06 MOU, PPPM 2-2.4h)*

Section 5. Special Assignment Pay

1. Urban Search and Rescue Program Coordinator Stipend

The Fire Chief may assign one suppression staff member as Urban Search and Rescue Program Coordinator with a stipend of $200 per month.

2. Hazardous Materials Specialist Stipend

An employee qualified and certified as a Hazardous Materials Specialist will be eligible for a $250/month stipend. When the State of California sets standards required to maintain the Hazardous Materials Specialist certification, the employee will need to meet the recertification standards to continue to be eligible for the stipend. *(94-95, 95-96, 97-98, 05-06 MOU, PPPM 2-2.5a)*

Effective 07/01/07, the City moved the Hazardous Materials Specialist Stipend of $250 per month as part of base salary. The Hazardous Materials Specialist Certificate requirement will be a condition of continued employment for all represented positions within 24 months of employment. The extension of the 24 month period will be at the sole discretion of the Fire Chief. (MOU 2007-10)

3. Hazardous Materials Program Coordinator Stipend

The Fire Chief may assign one suppression staff member as Hazardous Material Program Coordinator with a stipend of $200 per month.

4. Bilingual

Bilingual pay will be paid to employees where the need to speak in another language is deemed useful by the City. To receive compensation, employees must pass a testing process as determined by the Human Resources Office. Compensation for Spanish, Chinese, Tagalog, Vietnamese and Korean is granted at the level needed for the position and as designated:

		Full-Time	Tests
Level 1	ability to speak and understand basic language	$100/month	Oral test every 2 years
Level 2	ability to speak and understand language fluently	$175/month	Oral test every 4 years
Level 3	ability to speak, understand, read, write and translate language fluently	$250/month	Oral and written test every 4 years

5. Self Contained Breathing Apparatus (SCBA) Testing and Maintenance

The City shall pay $200 per month to one safety employee with an SCBA Coordinator Certificate and $100 per month to one safety employee with an SCBA Technician Certificate. The Fire Chief shall designate the two employees who will receive this compensation. *(CC Minutes 3-28-96, PPPM 2-2.5h)*

6. Administrative Captain

The City shall pay $100 per month to three (3) Captains assigned by the Fire Chief to an administrative detail. The detail is limited to three individuals currently holding the rank of Captain and who are presently or have previously been on a Battalion Chief promotional eligibility list. This requirement may be waived at the Fire Chief's discretion. Payment will be made only during the Captain's tenure as an Administrative Captain. In order to maximize the training potential provided in this assignment, the Fire Chief may rotate or reassign Captains at the Chief's sole discretion. At no time will more than three Captains serve in this capacity simultaneously. *(DRP memo 3-29-96, PPPM 2-2.5j)*

7. Emergency Medical Services Coordinator

The Fire Chief may assign one Emergency Medical Services (EMS) Coordinator who will receive an EMS Coordinator stipend of $300 per month. *(04-05 MOU)*

8. Underground Storage Tank UST Inspections

The City shall pay $250 stipend per month to three (3) fire safety employees assigned to the Environmental Protection Division who obtain, maintain and utilize UST Inspection certification in the scope of their employment.

9. Fire Investigator

The City shall pay $250 per month to three (3) fire safety unit employees assigned by the Fire Chief as a Fire Investigator. Training and education requirements shall be established by the Fire Chief, subject to City Manager approval, to ensure that those receiving the stipend either meet the current California State Fire Marshal Requirements for Fire Investigator or are actively working towards meeting such requirements.

Section 6. Incentive Pay

1. Paramedic Pay Rate

Fire Safety personnel in classifications other than Firefighter/Paramedic Trainee and Firefighter/Paramedic who possess and maintain a current, valid State of California Paramedic license issued by the California Emergency Medical Services Authority (EMSA), and maintain accreditation with the applicable local EMS agency, shall be eligible to receive Paramedic Incentive Pay in the amount of four hundred twenty-five dollars ($425) per month.

Employees receiving the paramedic stipend shall be expected to utilize their paramedic skills as operationally required, including but not limited to assignments to the Paramedic Assessment Unit. Failure to maintain a valid California Paramedic license and required local accreditation, including Los Angeles County Paramedic accreditation, shall result in immediate termination of the paramedic stipend.

A Firefighter who has independently obtained and maintained a valid California Paramedic license at their own time and expense may, at the sole discretion of the City, be appointed to the classification of Firefighter/Paramedic Trainee.

Receipt of paramedic incentive pay or stipend shall not alter an employee's classification unless formally appointed by the City.

2. Acting Pay - Time Exchanges

An employee working in an acting position will receive credit for acting pay when time exchanges occur with a qualified relief. If the time exchange is with someone not qualified, the employee will not receive acting pay, and another qualified relief person will move into the acting position. Time exchanges shall not cause additional acting pay. When a time exchange occurs out of rank with someone who is not qualified to act in that position on a voluntary basis, a qualified relief shall move into the acting position without receiving acting pay. It is understood that, in order to maintain a flexible time exchange policy, anyone who does not wish to work in an acting position without compensation because of time exchanges will notify their Battalion Chief and the Firefighter's Association. *(1980-81 MOU, PPPM 2-2.2c)*

3. Excellence in Performance Pay

The City Manager may approve a 5 ½% incentive payment to the rate of base pay to recognize excellence in performance. Continuance of pay is reviewed annually and is measured against predetermined goals and objectives. *(PPPM 2-2.3)*

4. Longevity Pay

Fire personnel whose benefits are governed by the Santa Fe Springs Firefighters Association are entitled to the following longevity increments calculated on base salary and solely on years of service with the City or in a specified job classification:

Longevity Steps	Environmental Unit	Fire Safety Unit and Chief Officers Unit
Step 1 @ 5 years	3.00%	3.18%
Step 2 @ 8 years	6.00%	6.37%
Step 3 @ 12 years	9.18%	9.74%
Step 4 @ 16 years	12.36%	13.11%
Step 5 @ 19 years	15.73%	16.69%
Step 6 @ 22 years	19.10%	20.26%
Step 7 @ 25 years	22.67%	24.05%

5. Temporary Pay

Temporary appointments will result in a one-step pay increase for the appointee. During the

period of the appointment, the appointee will receive all other pay and benefits for which the employee would be entitled in the permanent classification. No merit step increases will be granted in the range for the temporary appointment. However, if a permanent employee receives a temporary appointment to a higher classification, e.g., permanent firefighter to temporary engineer, the employee is entitled to any step increases or supplemental benefits to which they would have been entitled in their previous classification, or to which regular appointees would otherwise be entitled. *(PPPM2-2.13)*

6. Standby Compensation

Environmental Unit employees required to be available on Standby for emergency service on any day that is a regularly scheduled day off for that employee (not because of any leave other than Holiday leave) will be paid $70.00 for each day they are required to be on standby. Employee must be available for immediate response to a telephone call or a page and must report to the incident within one (1) hour. Employees who are on standby and who are called back to duty shall receive standby pay and call back pay. *(80-81, 99-00, 05-07 MOU, PPPM 2-2.10a)*

Section 7. Overtime Compensation

When necessary to perform essential work, the Fire Chief may require safety employees to work at any time other than during their regular working hours until such work is accomplished. Payment of overtime shall be paid at a rate of one and one half (1 1/2) the rate of pay in accordance with the Fair Labor Standards Act and shall apply to the positions of Captain, Fire Engineer, Firefighter/Paramedic and Firefighter. The maximum number of hours worked per work period paid at the regular rate shall be 182 hours. Sick leave shall be deducted from all hours worked in excess of 182 before overtime is paid for those hours. An employee may, with Department Head approval, take time off in lieu of overtime pay if it is taken in the same work period the overtime is earned. For example, if an employee works 12 hours overtime in any 24 day cycle, the employee may take 12 hours off before the end of the 24 day cycle. *(77-80, 80-81, 81-82, 82-83, 87-88 MOU, PPPM 2-2.9b)*

The Fire Chief and Fire Battalion Chiefs are considered exempt from the overtime provisions of the Fair Labor Standards Act. Only Battalion Chiefs who perform overtime while on duty in a suppression capacity are eligible to receive overtime compensation, which will be paid at straight time. Overtime will not be paid for any time worked by a Battalion Chief in excess of his normal schedule to attend meetings, training or travel time. (PPPM 2-2.9c). The Fire Chief is not eligible for overtime.

The parties agree to reopen the MOU during the term in order to address wage and special compensation CalPERS reporting issues which should be corrected in accordance with recommendations received from CalPERS. The corrections needed concern the reporting of base pay in the approved salary schedule separately from FLSA special compensation as part of the base for calculating other percentage-based incentives.

Section 8. Time Exchanges

In compliance with the Fair Labor Standards Act (FLSA), the trading of work time between employees shall be permitted under the following conditions:

- Traded time worked shall not be counted as additional hours worked per each 28 day work period.
- Traded time is done voluntarily by the participating safety employees.
- Traded time may be for any shift of an employee's regular work schedule.
- Traded time must be traded back within 12 months of its occurrence.
- Traded time must be approved by a superior officer as provided in the Fire Department's Rules and Regulations.
- Any additional procedures as set forth in the Fire Department's Rules and Regulations. *(PPPM 6-11)*

Section 9. Call Back Compensation

Employees called back to work shall receive a minimum of four (4) hours pay. If a second call back of the same employee occurs within the four (4) hours of the first call back, additional call back pay is not allowed. If the second call back occurs after four hours have elapsed since the first call back, it shall be treated as a new incident and the employee shall receive a minimum of four (4) hours pay. After three (3) hours of call back, all hours, including the first three (3) hours, will be paid at time and one-half (1 ½). Scheduled work, even though not during normal working hours, shall not qualify for call back pay. *(PPPM 2-2.11)*

Section 10. Deferred Compensation Program

The City's deferred compensation program is designed to provide employees with a supplemental retirement savings plan. It is established and regulated according to Internal Revenue Service (IRS) guidelines and is known as an IRS 457(b) Plan. It is a tax deferral program in which an employee may elect to defer compensation up to the amount permitted by the IRS for any particular calendar year and thereby realize an immediate tax benefit. The money is invested and available to the employee with interest after retirement. IRS "catch-up" provisions are also available under this plan.

The City will amend the eligibility provision of the current 401(a) plan ("the plan") to allow Association employees ("employees") to participate. As directed by the City, the Plan is and will be record-kept and administered by a third-party according to the Internal Revenue Service (IRS) guidelines. The City will match employee contributions at a rate of 1:1up to a maximum of 3% of eligible compensation. The City's match to the Plan will be contributed on behalf of the employee on a biweekly basis as soon as administratively feasible. As the Plan Sponsor and Administrator, the City has the authority by law to change record-keepers and investment options at any time.

Section 11. Cost of Living Data

The parties will use the March to March Consumer Price Index issued by the Department of Labor, Bureau of Labor Statistics for the Los Angeles-Long Beach-Anaheim area for purposes of cost of

living analysis.

Article V.
Retirement Benefits

California Public Employee's Retirement System (CalPERS) Coverage. All full-time employees covered by this MOU shall participate in the CalPERS retirement plan.

Section 1. For Fire Safety, Environmental and Chief Officer's Unit employees hired prior to November 19, 2012 (Classic Members/Tier 1), the City shall provide the CalPERS 3% @ age 50 retirement formula.

The City shall continue to provide CalPERS Classic Members with retirement benefits in accordance with the existing contract with CalPERS, and all amendments to the contract, including:

1. Retirement Benefit Formula – 3% @ age 50 Formula for Local Safety Member (Government Code Section 21362.2).
2. To be eligible for service retirement, you must be at least age 50 and have a minimum of five years of CalPERS – credited service.
3. Employee Cost Share – The employee's nine percent (9%) portion of the retirement cost is paid fully by the City as "Employer Paid Member Contribution" (EPMC).
4. Employee Contribution – Full-Time employees contribute nine (9%) of their salary (cost share) on a pre-tax basis to offset the City's cost in providing enhanced retirement benefits (Government Code Section 20516(f)). If there are any changes that legally require the cost sharing to terminate, any percentage of cost sharing shall be applied towards the Employer Paid Member Contribution (EPMC).
5. Pre-Retirement Death Benefit Option 2W - Eligible spouse or registered domestic partner will receive a monthly allowance equal to the amount the member would have received if member had retired under a service retirement on the date of member's death and elected Option 2W. The benefit is payable to eligible spouse or domestic partner until death. Upon the death of your spouse or domestic partner the benefit will continue to your natural or adopted unmarried children under age 18 who have never been married (Government Code 21548).
6. Pre-Retirement Death Benefits to continue after marriage of survivor (Government Code Section 21551).
7. 1959 Survivor Benefit Level 4 – provides a monthly benefit for eligible survivor(s) who are not covered by social security (Government Code Section 21574).
8. Death Benefit (Retired) – Upon the death of a retiree, a one-time lump sum payment of $500 will be made to the retiree's survivor (Government Code Section 21620).
9. Post Retirement Survivor Allowance (Government Code Section 21624/21626).
10. Post Retirement Survivor Allowance to continue after remarriage (Government Code Section (21635).
11. Additional Service Credit of 2 years for Local Member (Government Code Section 20903).
12. Military Service Credit as a Public Service (Government Code Section 21024).
13. Military/Relocation Credit – Public Service Credit for Peace Corps, AmeriCorps VISTA, or

AmeriCorps Service (Government Code Section 21023.5).
14. Military Service Credit for Retired Persons (Government Code Section 21027).
15. Unused Sick Leave Credit – Unused sick leave will be converted to service credit at the rate of .004 year of service for each day of sick leave, provided there are less than 120 days between the member's separation date and retirement date (Government Code Section 20965).
16. Final Compensation – The average full-time monthly pay rate for the highest 12 consecutive month period (Government Code Section 20042). If service is coordinated with Social Security, member is subject to the $133.33 reduction in final compensation.
17. 2% Annual Cost of Living Allowance Increase (Government Code Section 21329).
18. Prior Service Credit (Government Code Section 20055). Service credit payment by payroll deduction is pre-tax.
19. Public Service Credit for Periods of Layoff (Government Code Section 21022).

Section 2. <u>For Fire Safety, Environmental and Chief Officer's Unit employees hired between November 19, 2012 and December 31, 2012, or those that meet the CalPERS definition of Classic Members (Tier 2), the City shall provide the CalPERS 3% @ age 55 retirement formula.</u>

The City shall continue to provide CalPERS Classic Members Tier 2 with retirement benefits in accordance with the existing contract with CalPERS, and all amendments to the contract, including:

1. Retirement Benefit Formula – 3% @ age 55 Formula for Local Safety Member (Government Code Section 21363.1).
2. To be eligible for service retirement, you must be at least age 50 and have a minimum of five years of CalPERS – credited service.
3. Employee Contribution – Full-time employees contribute nine (9%) of their salary on a pre-tax basis.
4. Pre-Retirement Death Benefit Option 2W - Eligible spouse or registered domestic partner will receive a monthly allowance equal to the amount the member would have received if member had retired under a service retirement on the date of member's death and elected Option 2W. The benefit is payable to eligible spouse or domestic partner until death. Upon the death of your spouse or domestic partner the benefit will continue to your natural or adopted unmarried children under age 18 who have never been married (Government Code 21548).
5. Pre-Retirement Death Benefits to continue after marriage of survivor (Government Code Section 21551).
6. 1959 Survivor Benefit Level 4 – provides a monthly benefit for eligible survivor(s) who are not covered by social security (Government Code Section 21574).
7. Death Benefit (Retired) – Upon the death of a retiree, a one-time lump sum payment of $500 will be made to the retiree's survivor (Government Code Section 21620).
8. Post Retirement Survivor Allowance (Government Code Section 21624/21626).
9. Post Retirement Survivor Allowance to continue after remarriage (Government Code Section (21635).
10. Additional Service Credit of 2 years for Local Member (Government Code Section 20903).

11. Military Service Credit as a Public Service (Government Code Section 21024).
12. Military/Relocation Credit – Public Service Credit for Peace Corps, AmeriCorps VISTA, or AmeriCorps Service (Government Code Section 21023.5).
13. Military Service Credit for Retired Persons (Government Code Section 21027).
14. Unused Sick Leave Credit – Unused sick leave will be converted to service credit at the rate of .004 year of service for each day of sick leave, provided there are less than 120 days between the member's separation date and retirement date (Government Code Section 20965).
15. Final Compensation – The average full-time monthly pay rate for the highest 36 consecutive month period (Government Code Section 20037). If service is coordinated with Social Security, member is subject to the $133.33 reduction in final compensation.
16. 2% Annual Cost of Living Allowance Increase (Government Code Section 21329).
17. Prior Service Credit (Government Code Section 20055). Service credit payment by payroll deduction is pre-tax.
18. Public Service Credit for Periods of Layoff (Government Code Section 21022).

Section 3. <u>For Fire Safety, Environmental and Chief Officer's Unit employees hired on or after January 1, 2013, and meet the CalPERS definition of "New Member" set forth in Government Code 7522.02©, shall be eligible for the retirement plan pursuant to California Public Employees' Reform Act of 2013 (PEPRA).</u>

The City shall provide CalPERS Members with retirement benefits in accordance with PEPRA, including:

1. Retirement Benefit Formula – 2.7% @ age 57 Formula for Local Safety Member (Government Code Section 7522.25(d)).
2. To be eligible for service retirement, you must be at least age 50 and have a minimum of five years of CalPERS – credited service.
3. Employee Contribution – Full-time employees pay the member contribution of fifty percent (50%) of normal cost as determined by CalPERS.
4. Pre-Retirement Death Benefit Option 2W - Eligible spouse or registered domestic partner will receive a monthly allowance equal to the amount the member would have received if member had retired under a service retirement on the date of member's death and elected Option 2W. The benefit is payable to eligible spouse or domestic partner until death. Upon the death of your spouse or domestic partner the benefit will continue to your natural or adopted unmarried children under age 18 who have never been married (Government Code 21548).
5. Pre-Retirement Death Benefits to continue after marriage of survivor (Government Code Section 21551).
6. 1959 Survivor Benefit Level 4 – provides a monthly benefit for eligible survivor(s) who are not covered by social security (Government Code Section 21574).
7. Death Benefit (Retired) – Upon the death of a retiree, a one-time lump sum payment of $500 will be made to the retiree's survivor (Government Code Section 21620).
8. Post Retirement Survivor Allowance (Government Code Section 21624/21626).
9. Post Retirement Survivor Allowance to continue after remarriage (Government Code Section (21635).

10. Additional Service Credit of 2 years for Local Member (Government Code Section 20903).
11. Military Service Credit as a Public Service (Government Code Section 21024).
12. Military/Relocation Credit – Public Service Credit for Peace Corps, AmeriCorps VISTA, or AmeriCorps Service (Government Code Section 21023.5).
13. Military Service Credit for Retired Persons (Government Code Section 21027).
14. Unused Sick Leave Credit – Unused sick leave will be converted to service credit at the rate of .004 year of service for each day of sick leave, provided there are less than 120 days between the member's separation date and retirement date (Government Code Section 20965).
15. Final Compensation – The average full-time monthly pay rate for the highest 36 consecutive month period (Government Code Section 20037). If service is coordinated with Social Security, member is subject to the $133.33 reduction in final compensation.
16. 2% Annual Cost of Living Allowance Increase (Government Code Section 21329).
17. Prior Service Credit (Government Code Section 20055). Service credit payment by payroll deduction is pre-tax.
18. Public Service Credit for Periods of Layoff (Government Code Section 21022).

Section 4. For Environmental Unit employees hired on or after July 1, 2020 with active CalPERS membership established prior to January 1, 2013, the City shall provide CalPERS Second Level Miscellaneous 2% @ age 55 retirement formula.

1. Retirement Benefit Formula - 2% @ age 55 Formula for Local Miscellaneous Members (Government Code Section 21354.5).
2. Employee Cost Sharing – Employees Sharing Additional Cost (Government Code 21354.5)
3. 2% Annual Cost-of-Living Allowance Increase (Government Code 21329)
4. Additional Service Credit 2 Years – Local Member (Government Code 20903)
5. Final Compensation 1 Year (Government Code 20042)
6. Military Service Credit as Public Service (Government Code 21024)
7. Prior Service (Government Code 20055)
8. Unused Sick Leave Credit – Local Member (Government Code 20965)
9. Pre-Retirement Death Benefits to Continue After Remarriage of Survivor (Government Code 21551)
10. $500 Retired Death Benefit (Government Code 21620)
11. 1959 Survivor Benefit Level 4 (Government Code 21574)

Section 5. For Environmental Unit employees hired on or after July 1, 2020, and meet the CalPERS definition of "New Member" set forth in Government Code 7522.02©, shall be eligible for the retirement plan pursuant to California Public Employees' Reform Act of 2013 (PEPRA).

The City shall provide CalPERS New Members Miscellaneous PEPRA, including:

1. Retirement Benefit Formula – 2% @ age 62 Formula for Miscellaneous/Industrial Member (Government Code Section 7522.20.
2. 2% Annual Cost-of-Living Allowance Increase (Government Code 21329)
3. Additional Service Credit 2 Years – Local Member (Government Code 20903)

4. Final Compensation 3 Years (Government Code 20037)
5. Military Service Credit as Public Service (Government Code 21024)
6. Prior Service (Government Code 20055)
7. Unused Sick Leave Credit – Local Member (Government Code 20965)
8. Pre-Retirement Death Benefits to Continue After Remarriage of Survivor (Government Code 21551)
9. $500 Retired Death Benefit (Government Code 21620)
10. 1959 Survivor Benefit Level 4 (Government Code 21574)

Section 6. Sick Leave Cash Out and Sick Leave Credit

Employees not on a 24 hour shift schedule shall be compensated annually in November for one-half of their accumulated sick leave in excess of 960 hours. Safety employees on a shift schedule shall be compensated annually in November for one-half of their accumulated sick leave in excess of 1,440 hours. The remaining excess leave shall be accumulated in an individual retirement credit account. The balance in the account, along with other accumulated sick leave, shall be applied to the Retirement "Sick Leave Credit" benefit upon the employee's retirement for those who are eligible to receive this optional benefit. *(PPPM 5-11.2)*

During the period of this MOU, the City agrees to look into ways to maximize the unused sick leave contributions, possibly through a 401(a) plan. Section 7. Sick Leave Cash Out at Retirement

Effective July 1, 2007, upon normal service retirement of any association member who reaches the CalPERS 90% cap, the City will pay out any unused sick leave hours in any and all of the employee's sick leave banks at 25% of the employee's current hourly pay.

In the event of an employee's death resulting from injuries sustained in the line of duty, the City will pay out any unused hours in any and all of the employee's sick leave banks at 100% of the employee's hourly pay to the designated surviving beneficiary.

Article VI.
Health and Other Insurance Benefits

Section 1. Health Insurance

Full-Time Employees: The City contracts with the Public Employees' Retirement System (PERS) for employee, spouse, registered domestic partner, and dependent health insurance benefits. An open enrollment period is held annually in the fall to permit employees to change plans and add/delete dependents.

Medical Insurance Cap:
Effective January 1, 2024, the City's maximum contribution for medical insurance will be capped at $2,371.00 per month.

The medical cap for full-time employees will be adjusted January 1, 2025; January 1, 2026; January

1, 2027 to match the CalPERS-PORAC (Region 3 rates for Los Angeles County)

Retiree Medical:

An employee who is vested in CalPERS and retires from the City under the SFS Firefighters Association is eligible for medical coverage through the CalPERS Retirement Plan.

The City Contribution to medical premiums for retirees, effective January 1, 2024 is $2,371.00 per month.

The City will assume the financial responsibility for Peace Officer Research Association of California (PORAC) membership dues for both active employees and eligible retirees. *(91-92, 01-02, 05-07 MOU; PPPM 2-3.1a)*

Medical Insurance Opt-Out:

Requirements for a full-time employee to receive employer contributions that may be cashed out: Pursuant to the Affordable Care Act (ACA) Employer Mandate "affordability" determination, an eligible opt-out arrangement requires the following in order for employees who opt-out of employer-provided health coverage to receive cash in lieu:

a. Employee must provide reasonable evidence that the employee and each member of the employee's expected tax family (i.e. individuals for whom the employee expects to claim a personal exemption deduction) has or will have the minimum essential coverage (other than coverage in the individual market, whether or not obtained through Covered California) during the period of coverage to which the opt-out arrangement applies;
b. Employee must provide proof of coverage by completing the Health Insurance Waiver Form.
c. Employee must provide proof of coverage every plan year, by completing a new Health Insurance Waiver Form to which the eligible opt-out arrangement applies; and
d. The opt-out payment cannot be made if the City knows or has reason to know that the employee or any other member of the employee's expected tax family does not have or will have the alternative minimum essential coverage.

- Full-time employees qualified to waive/opt-out of coverage shall receive 80% of the monthly CalPERS-PORAC (LA Region 3) rate, as follows. Based on eligibility. The amount will be paid to the employee as taxable earnings. The 80% medical opt-out will also be adjusted based on revised medical rates.

FULL-TIME EMPLOYEES		
COVERAGE TYPE	**2024 MONTHLY RATE**	**80% OF MONTHLY RATE**
SINGLE PARTY	$926.00	$740.80
TWO PARTY	$1,863.00	$1,490.40
FAMILY	$2,371.00	$1,896.80

Section 2. Dental Insurance

The City Contracts with Delta Dental to provide dental benefits to all full-time employees and eligible dependents. An open enrollment period is held annually in May to permit employees to change plans and add/delete dependents. Retired full-time safety employees may continue dental coverage for self and spouse and eligible with entire cost borne by the retiree *(78-80, 80-81, 82-83, 83-84, 94-95, 97-98, 01-02, 05-07 MOU; PPPM 2-3.2)*

The City offers Delta Care and Delta Premiere options. Employees who elect enrollment in the Delta Premier plan will contribute $50 per month towards the dental insurance premium. Employees who elect enrollment in Delta Care pay no contribution toward dental insurance premium.

Section 3. Vision Plan

The City has established a vision care plan for full-time employees, spouses, registered domestic partners, and dependents up to age 26, consistent with the Affordable Care Act (ACA). There is a $20 deductible for eye examinations and no deductible for frames, lenses, contact lenses, or vision therapy. The employee reimbursement cap is $450 per fiscal year; the spouse, registered domestic partner and other dependents are capped at $400 per person per fiscal year. Employees and eligible dependents may choose laser surgery in lieu of receiving an annual reimbursement for four years. Employees are eligible for $1,800 reimbursement for laser surgery and eligible dependents are eligible for $1,600 reimbursement. If the employee retires or resigns during the four-year reimbursement period, the employee is responsible for reimbursing the City the prorated difference for him/herself and dependents. *(95-96, 97-98, 01-02, 05-06 MOU; PPPM 2-3.6)*

Section 4. Life Insurance

The City pays the premium cost for each full-time employee to receive a basic level of life insurance under a group policy. Full-time employees are eligible for coverage upon hire. The basic amount specified in the group contract is $50,000 for Fire Safety Unit and Chief Officers Unit/Fire Management; $75,000 for Environmental Unit. Employee members may elect additional life insurance and authorize payroll deduction for any premium costs related to policy coverage in excess of the basic amount (including dependent coverage). Retiree members of the Association may participate in the group policy coverage at their cost. *(89-90 MOU; PPPM 2-3.3b)*

Section 5. Long Term Disability Insurance

The City pays the premium cost for each full-time employee to receive long term disability insurance. This plan is administered by the California Association of Professional Firefighters. Full-time employees are eligible on the first day of the month following the first day of employment. However, the employee must not be off duty for illness or injury on that date. If the employee is off, then the effective date is the first day of the month following the date of return to work. The

maximum monthly benefit is 80% of wages for industrial causes and 80% of wages for non-industrial disability to a maximum of $8,758. The elimination period is 30 calendar days. The benefit period is lifetime for non-industrial disabilities and to age 65 for industrial disabilities. There is a $10,000 death benefit for on or off duty death. The premium is waived after 30 calendar days. A copy of the actual plan description is on file in the Human Resources Office. *(CA Assn. of Professional Firefighters; PPPM 2-3.4b)*

Section 6. Physical Examination

Medical surveillance examinations for safety employees are mandatory and provided each year. The exam will be scheduled during the month of the employee's birth and administered during on-duty hours. The City will assume the cost of the physical commonly called a "Medical Surveillance" examination. For male employees 40 years of age and older, the exam will include a prostate specific antigen (PSA) blood test. For female employees 40 years of age and older the exam may include a Pap Test if the employee requests. If the female employee chooses to have the Pap Test performed by a personal physician and the expense of the examination is not covered through the City's group insurance, the City will reimburse the employee for this test.

A more comprehensive exam called the Lifestyle Plus Physical will also be made available to the employee as an alternative. If the employee selects this option, the exam requirement will be met in this manner:

- The City assumes only $310 of this examination's cost. The employee assumes the balance.
- The exam is scheduled by the Fire Rescue Department and will take place off duty.
- The employee will complete and sign an "Authorization for Payment" form which allows payment in full or through payroll deduction of the fee exceeding $310.
- If the employee is eligible for insurance pick up of $310 of the exam cost, the employee assumes responsibility for completing the insurance form and insurance reimbursement goes directly to the employee. *(Fed. Reg. No. 5144(h); memo between S. Bergeron-Vance & Chief Schnabel; PPPM 12-1.4b)*

Article VII.
Leave Benefits

Section 1. Bereavement Leave

Safety employees not on a 24 hour schedule, are entitled to a maximum absence of three days with pay for bereavement purposes in the event of death of a member of the immediate family. Safety employees on a 24 hour schedule, are entitled to the maximum leave of two 24 hour shifts. An employee may take additional leave for bereavement purposes by charging the time off to sick leave. Such leave shall be granted up to the employee's accumulated sick leave balance with the approval of the Fire Chief. Immediate family is defined as father, mother, brother, sister, son, daughter, spouse, registered domestic partner, grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, step-mother, step-father, step-sister, step-brother,

step-child and step-grandchild. *(Res. #5969, IX.7; 77-78 04-05 MOU; PPPM 6-8)*

Section 2. Family Medical Leave Act (FMLA) and California Family Rights Act (CFRA)

An employee is eligible for FMLA/CFRA leave after 12 months of continuous employment, if he or she has worked at least 1250 hours during the previous 12-month period. FMLA/CFRA leave is unpaid leave. An employee requesting FMLA/CFRA leave may utilize any accumulated leave, except sick leave, for part or all of the leave period, if leave is for a purpose other than the employee's own serious health condition. If the leave is for the employee's own serious health condition, any accumulated sick leave must also be used. Although FMLA leave shall be used for this purpose, CFRA leave shall not be taken for absence due to the employee's pregnancy, childbirth or related condition. Maternity leave is available for the period of the employee's actual disability up to a maximum of four months. CFRA leave may be taken, if the employee is otherwise eligible, for up to 12 weeks, because of the birth of the employee's child. *(Res. #5969, IX.8; PPPM 6-4.3)*

Section 3. Flexible Leave

Safety employees will receive 36 hours of flex leave each fiscal year. As of June 30 of each year, all unused flexible leave up to a maximum of 24 hours shall be carried over to the next fiscal year. Any accrued but unused flexible leave in excess of 24 hours for any employee as of the close of business on June 30 shall be paid to the employee at each employee's then effective hourly rate. *(Res. #5969, IX.4; 76-77, 81-82, 83-84, 90-91, 97-98, 01-04 MOU and Addendum to 01-04 MOU; PPPM 6-5)*

Section 4. Holidays

The following are observed City holidays:

- New Year's Day — January 1
- Dr. Martin Luther King Jr.'s Birthday — Third Monday in January
- Lincoln's Birthday — Second Monday in February
- President's Day — Third Monday in February
- Cesar Chavez's Birthday — March 31
- Memorial Day — Last Monday in May
- Juneteenth National Independence Day — June 19
- Independence Day — July 4
- Labor Day — First Monday in September
- Veteran's Day — November 11
- Thanksgiving Day — Fourth Thursday in November
- Day after Thanksgiving — Fourth Friday in November
- The day before Christmas — December 24
- Christmas Day — December 25
- Every day appointed by the President or Governor as a holiday

When a holiday falls on a Saturday, the preceding Friday shall be observed as the holiday. When a holiday falls on a Sunday, the following Monday shall be observed as the holiday. Safety employees not on a 24 hour shift schedule will be paid for the above holidays. Safety employees on a 24 hour schedule shall accumulate 7.0 shifts per year of vacation leave in lieu of holiday leave. *(Res. #5969, IX.3; 76-77, 83-84, 86-87, 92-93, 97-98, 05-07 MOU; PPPM 6-7.1)*

Section 5. Jury or Witness Duty

Leave of absence with pay shall be granted to a maximum of fifteen (15) working days to an employee who serves on a jury or is called as a witness for cases encountered in the course and scope of his/her employment. The employee shall be paid their regular salary. Employees on call for jury duty are expected to report for work. Jury and witness fees the employee may receive from court service shall be remitted to the City. Mileage reimbursement will be kept by the employee *(Res. #5969, IX.13; 92-93, 01-02 MOU; PPPM 6-10)*. On a case-by-case basis, the City Manager may extend said leave of absence with pay for jury duty. *(11-12 MOU)*

Section 6. Leaves of Absence

Leaves of absence without pay may be granted by the City Manager at his/her sole discretion. A leave of absence shall be granted only to an employee who desires to return to City service and has a satisfactory service record. The City Council must approve leaves of absence involving pay or benefit issues. *(Res. #5969, IX.12; PPPM 6-4.1)*

Section 7. California Kin Care Leave

Employees may use one-half of their annual sick leave accrual (48 hours for employees not on a 24 hour shift schedule, 72 hours for employees on a 24 hour shift schedule) to care for their grandparents, grandchildren, and siblings, as well as children, parents, spouse or domestic partner who is ill. Use of sick leave for this purpose is to be recorded on leave slips and turned in with employee time cards. Notice should be given for appointments seven days in advance. If emergencies arise, an exception can be made to this policy. *(PPPM 6-3.6)*

Section 8. Military Leave

Military leave is granted in accordance with state and federal law. If you are entitled to military leave, you must give the City an opportunity, within the limit of military regulations, to determine when such leave will be taken. Each request for military leave will be referred to the City Attorney for interpretation of such related issues as entitlement to pay, benefits, reinstatement, etc. (See Appendix for Military Leave Policy revised as of 02-09-06) *(Res. #5969, IX.14; PPPM 6-9)*

Section 9. Sick Leave

Sick leave shall not be considered a right, which employees may use at their discretion, but shall be allowed as an employee benefit only in case of actual sickness or disability of the employee which prevents the employee from working. Exceptions are made for cases of pregnancy, childbirth or related conditions, for a doctor's appointment or to care for a sick child in accordance with these

rules and regulations. Up to 32 hours per year of sick leave may be used for doctor's appointments.

Employees are eligible to use accrued sick leave at any time after original appointment subject to the provisions of these rules and regulations. Sick leave shall be accrued while an employee is absent from duty because of injury or illness arising out of and in the course of employment as determined under the provisions of workers' compensation law.

When the City's industrial medical provider notifies Human Resources that an employee has a medical condition(s) requiring further investigation, the employee will charge the time off to sick leave and will then be placed on light duty, if appropriate and available, until released by the medical provider. If said condition is determined to be work-related, the used leave time and additional time for scheduling and undergoing medical testing will be charged to worker's compensation. Medical tests required by a physician to determine the cause of a medical problem will be the employee's responsibility. If the medical condition is then determined to be work related, the costs will be subject to payment through the worker's compensation process.

In order to receive compensation when absent on sick leave, safety employees shall notify the on-duty Headquarters Captain not less than 45 minutes prior to shift change which is 07:30 a.m. When absent for two or more consecutive shifts for a safety employee on a 24 hour shift schedule, the employee may be required, at the City's sole discretion, to obtain and submit a physician's certification of illness. Any safety employee who demonstrates a pattern of sick leave use will be required to present a physician's certification of illness for each shift where illness is reported. Affected employees will be notified of this requirement by department management.

Sick leave with pay for safety employees not on a 24 hour shift schedule shall be accrued at the rate of eight hours for each month of service beginning with probationary appointment. Sick leave will be accrued for safety employees on a 24 hour shift schedule at the rate of 12 hours per month. At the discretion of the Department Head, up to five days of sick leave may be advanced. *(PPPM 6-3.1, 6-3.3, 6-3.3b, 6-3.4, and 6-3.6)*

Section 10. Vacation

Safety employees on a 40 hour work week schedule will accrue vacation leave as follows:

Years of Service	***Annual Rate (hrs)***
0-1	80
1-2	90
2-3	100
3-4	110
4-5	120
5-6	124
6-7	128
7-8	132
8-9	136
9-10	140
10-11	144

11-12 148
12-13 152
13-14 156
14-15+.....160
20+……168

Safety Employees on a 24 hour shift schedule will accrue vacation leave (inclusive of 7.0 hours of holiday leave) as follows:

Years of Service	Shifts per Year	Hours per Year	Hours per Month
0-1	12.000	288	24.00
1-2	12.625	303	25.25
2-3	13.250	318	26.50
3-4	13.875	333	27.75
4-5	14.500	348	29.00
5-6	14.750	354	29.50
6-7	15.000	360	30.00
7-8	15.250	366	30.50
8-9	15.500	372	31.00
9-10	15.750	378	31.50
10-11	16.000	384	32.00
11-12	16.250	390	32.50
12-13	16.500	396	33.00
13-14	16.750	402	33.50
14-15	17.000	408	34.00
15+	17.000	408	34.00
20+	17.333	416	34.67

The following methodology is used regarding the initial accrual of vacation time:

Date hired	1st through 15th	16th through end of month
Month hired	Accrues vacation	Does not accrue vacation
Month terminated	Does not accrue vacation	Accrues vacation

The anniversary month for additional vacation accrual is based on the same time periods. If an employee is hired before the 15th of the month, the anniversary month is the month hired; if hired after the 15th of the month, the anniversary is the month following.

At the discretion of the Department Head, up to five days of vacation may be advanced.

Vacation shall be accrued when an employee is absent from duty because of injury or illness arising out of and in the course and scope of employment as determined under the provisions of the workers' compensation law.

Vacation Selection:

- Vacation selections will begin at the completion of the Station and Shift Bid process that will take place the Monday following the Thanksgiving holiday.
- Each suppression member shall pick a minimum of one segment (two shifts) during the annual vacation selection process. Additional picks can be made at the employee's discretion. Double picks are allowable but then the next round of picks must be skipped.
- All three columns are available at start of picks and remain open. Order-ins will not be made on holidays for third column picks.
- Throughout the year, vacation segments may be chosen in any of the three columns. These requests must be made at least 18 days in advance.
- Inside of 18 days, vacation time will only be granted if qualified relief is available.
- Individual vacation time will be granted based on available vacation hours banked and qualified relief.
- Leave other than vacation time (WC, SP, SL, JD, FM, FL, CU, BR) does not impact the availability of these three columns. Qualified relief must be available to work.
- Battalion Chiefs do not pick on the vacation schedule.
- Suppression employees have 36 hours of flex leave per fiscal year. Suppression employees must use available flex leave/ vacation. Qualified relief must be available to work.

Vacation Maximum Accrual: Non-suppression employees may accumulate 320 vacation hours and suppression 15 shifts or 720 hours in their vacation bank. Once this balance has been reached, the Department of Finance and Administrative Services will advise the employee that they must take the vacation and reduce their balance.

Employees whose vacation balance exceeds the maximum accrual will be given the opportunity to work with their supervisor/department head on a balance reduction plan. Employees who have extenuating circumstances and request the maximum accrual be temporarily lifted due to an anticipated parenthood leave, extended worker's compensation leave or similar situation will notify their supervisor and Human Resources of their special circumstance and be granted a temporary reprieve from vacation accrual enforcement. *(Res. #5969, IX.5; 76-77, 82-83, 86-87 MOU; PPPM 6-2.1,6-2.3, 6-2.4, 6-2.5 and 6-2.6)*

Effective within 30 days up City Council approval of this agreement, the maximum accrual cap is increased to 720 hours for suppression employees. The City shall cash out any hours above the cap for at the dollar value in effect as of June 30, 2021, which is intended to be prior to the COLA raises contained in this agreement. Employees may elect to designate all or a portion of their cash out as deferred compensation (up to the IRS limits). Employees shall be entitled to make an irrevocable election in writing before the cash-out deadline to spread the cash-out payment over the term of the contract to be paid on or before each February 15th at the dollar value in effect as of June 30, 2021, which is intended to be prior to the COLA raises in this agreement. Employees can also elect to

designate all or a portion of the cash-out as deferred compensation (up to the IRS limits). Thereafter, fire suppression personal reaching the cap will be paid out at the base salary rate only for all hours that would normally exceed the cap.

Vacation Cash-Out: A non-suppression employee may cash-out vacation leave hours once per fiscal year, at straight time rates, up to a maximum of 100 hours.. An employee must retain a minimum balance of 40 hours in their vacation bank at the time of cash-out. Suppression employees will be paid out for any hours over the 720 hours cap, however, they may request to cash-out up to 100 hours. The cash-out must be designated in writing by December of the prior calendar year and is irrevocable after being designated.

Reserve Vacation Bank:

Effective within 30 days upon City Council approval of this agreement, the city shall cash-out the Reserve Vacation Bank for all non-suppression employees at the dollar value in effect as of June 30, 2021, which is intended to be prior to the COLA raises contained in this agreement. Employees may elect to designate all or a portion of their cash out as deferred compensation (up to the IRS limits). Thereafter, the Reserve Vacation Bank will be eliminated.

Section 11. Critical Family Leave

The City Manager, at their sole discretion, may authorize whatever amount of paid leave may be necessary for full time and benefited part time employees to care for a child or spouse with a terminal or critical life threatening situation. This action may be taken at the request of the employee with the concurrence of the Fire Chief with full pay and benefits and without loss of seniority. Leave will be exclusive of the employee's vacation, flex and sick leave. Leave balances do not have to be exhausted for the City Manager to authorize critical family leave. This policy is intended to be applied in conjunction with the Federal Family and Medical Leave Act of 1993 and the California Family Rights Act. *(CC 3-14-96, PPPM 6-4.4)*

Section 12. Leave Usage for National Marrow Donor Program (NMDP)

Employees who choose to donate bone marrow through the NMDP will be permitted to take time off and charge the time against any accrued leave, i.e., flexible, sick or vacation leave. *(PPPM 6-12)*

Section 13. Voluntary Vacation and Flexible Leave Time Donation

If an employee who suffers personal medical crisis that requires a prolonged absence from duty that will result in a substantial loss of income to the employee and who have exhausted all available paid leave time, the employee may request assistance from other employees by means of leave time donation. Leave time donation may be in the form of vacation leave, flexible leave or any combination of these two leave types. Sick leave may not be donated. The value of the donated leave will be paid to the recipient employee at the recipient's normal rate of compensation. The amounts paid to the recipient employee under the conditions of this policy are treated as regular income of the recipient under internal revenue Code Section 61. Employee(s) who donate leave do

not incur any income or any deductible expense or loss upon the donation of this leave. The recipient employee will not accrue sick, vacation or flexible leave and will not accrue seniority while receiving this benefit. *(PPPM 6-13)*

Section 14. Family School Leave

In accordance with the California Labor Code, an employee may take up to 40 hours per calendar year, not exceeding 8 hours in any calendar month, to participate in their children's school or license day care facility activities. The employee shall utilize vacation leave, flexible leave, or time off without pay for this purpose. The employee shall give reasonable notice of the planned absence. The City may require the employee to provide documentation from the school or licensed day care facility as proof that they actually participated in the activities on the specified day at a particular time. *(PPPM 6-2.6)*

Article VIII.
Additional Benefits

Section 1. Tuition Reimbursement

All full-time employees shall be eligible for tuition advancement or reimbursement of pre-approved education or professional development expenses up to the maximum of $4,000 per fiscal year. Eligible fees include tuition and textbooks. All other fees are subject to approval by the City. School supplies are not reimbursable. The employee must complete the course(s) listed on the tuition reimbursement agreement with a passing grade of "C" or better or pass/fail. The employee must remain employed with the City after completion of the course for a period of one year, or refund to the City the full amount reimbursed for the course(s). *(Res. #5969, X.3; 1977, 95-96 MOU; PPPM 9-1.2)*

Section 2. Uniform Allowance

Employees in positions or classifications required to wear uniforms during working hours shall receive a uniform allowance not to exceed the following per fiscal year:

• Environmental and Chief Officers Unit - $1,675.00

Qty.	Uniform Type	Frequency
1	Class A Uniform	Time of hire, as needed (adjustments)
5	Shirts (Nomex)	Fiscal Year
3	Pants (Nomex)	Fiscal Year

• Fire Safety Unit - $1,350.00

Qty.	Uniform Type	Frequency
1	Class A Uniform	Time of hire, as needed (adjustments)
3	Shirts (Nomex)	Fiscal Year
3	Pants (Nomex)	Fiscal Year

The allowance will cover the purchase and maintenance of required uniforms that are a ready substitute for personal attire the employee would otherwise have to acquire and maintain. This not to exceed compensation will be reported to CalPERS at the end of each fiscal year in which the items are purchased. The uniform allowance is considered reportable to CalPERS for employees in classic retirement tiers but is not reported for Public Employees' Pension Reform Act (PEPRA) members.

The not to exceed allowance may be reviewed at time of negotiations to address escalating costs.

Section 3. Employee Personal Computer Purchase Plan

Any regular (non-probationary) full-time employee is eligible to purchase a personal computer, or digital camera in conjunction with a computer; peripheral equipment and software through an interest free loan of City funds. Repayment is guaranteed through bi-weekly payroll deductions. The employee agrees that the computer equipment is for their own or their immediate family's use only. The minimum loan amount is $500 and the maximum loan amount is $3,000. Full details for this plan may be found under PPPM 7-8.2. *(CC action of 1-8-98 and 5-10-01; PPPM 7-8.2)*

Section 4. Section 125 Program

The City has implemented an Internal Revenue Section 125 program which allows employees to allocate specified amounts of monthly pre-tax salary or wages for the reimbursement of medical care expenses or dependent care expenses, or both. *(PPPM 2-6)*

Section 5. Employee Assistance Program

The City provides an Employee Assistance Program (EAP) for full-time employees. Employees contact the EAP provider confidentially on an as-needed basis.

Article IX.
Appointments, Promotions and Acting Assignments

Section 1. Appointment – Probationary Status

Non-suppression employees are on probation for a period of six (6) months and suppression employee for a period of 12 months from the date of hire. During the probationary period, employee performance evaluations are required. A probationary employee may be terminated without appeal during the probationary period. The appointment is made to regular status at the end of the probationary period, upon the recommendation of the Fire Chief and the approval of the City Manager. In the event the probationary employee's performance does not qualify for regular status, the City Manager may grant a one-time extension of the probationary period up to the length of the original probationary period. *(Res. #5969, VII.1 and .2; PPPM 5-9.1)*

Section 2. Promotional Appointments

If a Temporary Firefighter, Firefighter, Firefighter/Paramedic, or Fire Engineer is promoted to a higher classification as a result of another employee's separation from employment (resignation, termination, or retirement), and the promoted employee has served in a continuous temporary or conditional appointment, then upon promotion to the vacant position the employee will receive all rights and privileges of rank beginning at the date of their temporary appointment including time granted toward the one year probationary period. When an employee is promoted, the employee shall be entitled to the step in the new range which provides at least a 6% increase. *(04-05 MOU, 2-2.1d)*

The individual standing first on any given closed promotional list should generally be appointed by the Fire Chief. The Fire Chief may recommend and appoint any candidate on the list irrespective of ranking subject to the approval by the City Manager. *(PPPM 5.1)*

Fire Department promotional eligibility lists will be tiered to a maximum of five points per tier, i.e., 90 – 95, 95 – 100, etc. It is within the Fire Chief's discretion to rank the list within tiers prior to any appointments being made from the eligibility list. *(PPPM 4-6.3)*

Section 3. Promotion of Firefighter/Paramedic to Engineer

A Firefighter/Paramedic promoted to Engineer will be placed in the Engineer salary range closest to his Firefighter step plus Paramedic pay differential. He/she will be utilized in the department as an Engineer/Relief Paramedic. Paramedic Proficiency pay will be retained until one of following occurs:

- The employee's salary step(s) increases to the point he/she would not lose pay due to the promotion; or
- The loss of certification due to failure in the recertification process or failure to meet standards established by Los Angeles County.

This section will also apply to those employees promoted from Engineer/Paramedic to Captain. *(80-81 MOU ,PPPM 2-2.4c)*

Section 4. Acting Assignments

All short term vacancies occurring in the Engineer and the Captain classifications may be filled in the following order:

1. Highest on the eligibility list and assigned to the station where the vacancy occurs.

2. Highest on the eligibility list working that shift. This excludes those working overtime.

3. The employee determined "qualified to act" by the Battalion Chief and assigned to the station where the vacancy occurs.

4. The employee determined "qualified to act" by the Battalion Chief and assigned to the shift. *(PPPM 5-4.2)*

Acting Pay

An employee required to work in a higher classification which is vacant due to sick leave, injury leave, vacation, termination, shall receive acting pay of 5 ½% above their current rate of pay. Acting pay will not apply where it would cause an individual to be paid a greater rate than if the employee were promoted to the higher classification. For example, a Firefighter/Paramedic with three 5 ½ % steps of proficiency pay would not be eligible for acting pay when acting as an Engineer as the employee's pay level would then surpass that of an Engineer. A Firefighter/Paramedic when serving in the capacity of acting Captain is eligible to receive acting pay of one full step provided the employee has completed the required number of shifts (10) worked in the higher classification and has completed the Acting Captain certification program required by the Fire Chief. *(1980-81 MOU, PPPM 2-2.2b)*

Section 5. Temporary and Conditional Appointments

To fill the position of a person who is absent and whose return to work is in question, a candidate on the eligibility list for a promotional position shall be appointed to a temporary position in that position. If after six months the disabled member's return is still in question and the appointee has received satisfactory performance evaluations, the appointee will receive a conditional appointment. This appointment entitles the conditional appointee to all privileges of the rank, including time in grade and merit increases from the time the appointee first filled the position on a temporary basis. If a Firefighter, Firefighter/Paramedic, or Fire Engineer is promoted to a higher classification as a result of another employee's separation from employment (resignation, termination, or retirement), and the appointee has served continuously in the appointment then; upon promotion to the vacant position the employee will receive all rights and privileges of rank beginning at the date of their temporary appointment including time granted toward the one year probationary period. *(PPPM 5.1)*

Section 6. Promotions – Educational Requirements

The following are educational requirements for suppression personnel:

Classification	Education	Experience	License/Certification
Engineer	H.S./GED & 12 units in Fire Science	3 years as SFS Firefighter including Temporary	Class B or Firefighter Exempt, EMT-1, EMT-D, CPR
Captain	H.S./GED & 24 units in Fire Science & State Fire Officer Certification or AA/AS Fire Science	5 years as SFS Firefighter (2 of 5 as a Fire Engineer) or 7 years SFS Firefighter & on current Engineer Eligibility List or 10 years SFS Firefighter & past Engineer Eligibility List	Class B or Firefighter Exempt, EMT-1, EMT-D, CPR

The Fire Chief may find occasion to make alterations to these requirements when unusual conditions or extenuating circumstances warrant. Experience credit will not be counted for experience outside of the Santa Fe Springs Fire Department. *(PPPM 5-6.3)*

Section 7. Appointment – Due to Disability

Where an appointment is necessary to fill the position of a person who is absent due to a disability and whose return to work is in question, the following procedures will apply:

- A candidate on the existing eligibility list for that position shall be appointed on a temporary basis. The appointee will receive probationary and quarterly performance evaluations.
- The temporary appointee's appointment will become conditional, if after six months, the disabled member's return to work is still in question and the temporary appointee has received satisfactory quarterly evaluations. This appointment shall entitle the appointee to all privileges of the rank, including time in grade and merit increases from the time the employee first filled the position on a temporary basis.
- Said conditional appointment shall become permanent in the event the disabled employee becomes permanent and stationary and is determined to be unable to return to work, or in the event any other permanent opening for that rank becomes available.
- Demotion of a conditional appointment will occur only when the injured employee returns to work and no permanent appointment opportunity becomes available in the succeeding six months.
- Temporary appointees who have not obtained conditional status are not entitled to retain the appointment or any of the privileges of the rank temporarily being filled.
- If a Firefighter, Firefighter/Paramedic, or Fire Engineer is promoted to a higher classification as a result of another employee's separation from employment (resignation, termination, or retirement), and the promoted employee has served in a continuous temporary and conditional appointment, then upon promotion to the vacant position, the employee will receive all rights and privileges of rank beginning the date of their temporary appointment including time in grade granted toward the one year probationary period. *(PPPM 5-6.4)*

Section 8. Veteran's Preference

Veterans of the Armed Forces of the United States of America will be given preference over other identically qualified applicants on an eligibility list. *(PPPM 4-8 and State Government Code Section 50088)*

Section 9. Eligibility Lists – Certification

The City Manager shall certify lists of candidates who have successfully competed in examinations. The names may be placed on the list in order of their total rating in the examination or may be grouped in a tier based on similar ratings. The list will be certified for a minimum of one year or a maximum of two years. The list may be extended at the discretion of the City Manager. A candidate's

name may be removed from the eligibility list for any of the following reasons:

- Appointment to fill a position for which the examination was given
- Evidence that the candidate no longer meets the qualifications of the position
- Removal by the City Manager after rejection of the candidate for a vacant position by the Fire Chief

Whenever a vacant position is to be filled, the Fire Chief shall consider the candidates and recommend one from the appropriate list to the City Manager unless the Fire Chief rejects in writing all candidates. *(PPPM 4-6.1)*

Article X.
Employment Policies

Section 1. Alcohol and Drugs

It is the policy of the City of Santa Fe Springs that employees shall:

- Not report to work, or be subject to City duty, while under the influence of unlawful drugs, controlled substances or alcohol
- Not possess or ingest alcohol or impairing drugs, including illegal drugs and prescription drugs without prescription, during work hours or while subject to duty, on breaks, during meals periods or at anytime while on City property
- Not directly or through a third party sell or provide drugs or alcohol to any person, including any employee, while either or both employees are on duty or subject to being called to duty
- Not use City property or premises to manufacture, sell or distribute alcohol, unlawful drugs, or controlled substances during work and non-work hours
- Notify their supervisors before beginning work when they are taking legally prescribed medication which could foresee ably interfere with the safe and effective performance of their duties or the operation of City equipment

The use of illegal drugs or controlled substances, on or off the job, by City employees will not be tolerated and is grounds for immediate termination. **(**See Appendix for Alcohol & Drug Abuse Policy revised as of 02-09-06) *(PPPM 7-10)*

Section 2. Electronic Media

The City's Electronic Media policy outlines the use of the City's electronic mail (e-mail) system by all full-time and part-time employees, as well as elected officials, independent contractors, seasonal employees, and any vendors with authorized use of the City computer resources. (See Appendix for Electronic Media Policy revised as of 02-02-06) *(PPPM 7-8.1)*

Section 3. Harassment, Discrimination and Retaliation

In keeping with the City's strong commitment to providing a work environment that is free of

harassment, discrimination and retaliation, the City maintains a strict policy prohibiting harassment, discrimination and retaliation by or against any of its employees, applicants, volunteers, independent contractors, customers, invitees and members of the public. The City prohibits harassment in any form, including verbal, physical, or visual harassment.

The City will not tolerate discrimination or harassment based upon race, color, national origin, ancestry, sex, sexual orientation, disability, medical condition, marital status, age or religion. All employees are to be treated with dignity and respect. Employees who believe they have been discriminated against or harassed by a co-worker, vendor, volunteer or member of the public should report the allegation to their Department Head, the City Manager, or Human Resources. An investigation of the allegations will be conducted immediately, and appropriate disciplinary action will be taken in the event that the allegations are substantiated.

Each employee is personally liable under the Fair Employment and Housing Act (FEHA) for unlawful harassment perpetuated by that employee.

False Claims: An employee who deliberately makes a false claim or charge of unlawful discrimination or harassment will likewise be subject to disciplinary action up to and including termination.

Retaliation: Any retaliation against a person for filing a discrimination or harassment charge or making a discrimination or harassment complaint or a person assisting in a discrimination or harassment investigation is prohibited. An employee found to be retaliating against another employee, volunteer or person in the act of volunteering shall be subject to disciplinary action up to and including termination. (See Appendix for Harassment, Discrimination and Retaliation Policy revised 02-9-06) *(CC Minutes 10-28-97, AB 1856; PPPM 5-13-.5)*

Section 4. Workplace Safety/Security

The City is committed to providing a work environment that is safe, secure and free of intimidation, threats and violence. The City maintains this commitment with a policy of "**zero tolerance**" to acts of violence, and by training its employees to recognize and effectively respond to violent/potential violent behavior in the workplace. All acts of violence or force, either threatened or actual, are prohibited and are met with disciplinary action, up to and including termination and criminal prosecution. (See Appendix for Workplace Safety/Security Policy revised as of 02-22-01) *(PPPM 5-2.7; 5-13.1; 5-13.2; 5-13.3; 7-2; 8-9.1; 8-9.2)*

Section 5. Workplace Safety, Security, Inspection and Access

To ensure a safe work environment, the City reserves the right, based upon reasonable suspicion, to inspect, search and access all property which is brought to or utilized by an employee in the workplace. This property includes, but is not limited to, offices, facilities, vehicles, desks, tool boxes, safes, lockers, files, file cabinets, closets, documents, computer data storage, voice and e-mail, internet use, telephones, electronic data, file and fax transmissions, and audio/video tape recordings. The City reserves the right to conduct searchers described in this policy without notice or consent of the affected employee or that employee's representative. Searches shall be conducted

with the approval of the City Manager or designee, by the employee's supervisor, law enforcement, and Human Resources. *(PPPM 8-9.2)*

Section 6. Tuberculosis (TB) Testing

The State and County require those employees in direct contact with children to be tested for tuberculosis once every four years. Fire suppression personnel are tested annually. *(PPPM 12-1.5)*

Section 7. Blood-borne Pathogens and Hepatitis B Vaccinations

Safety employees who can be "reasonably anticipated" to come in contact with contaminants and potentially infectious materials through the performance of their work are subject to this policy. Safety employees in the following job classifications: Fire Captain, Fire Engineer, Firefighter/Paramedic, Firefighter and Auxiliary Firefighter are deemed to be within the group of employees that may have frequent contact with infectious materials. Employees who may have frequent contact are required to receive the Hepatitis B vaccination series. Vaccinations will be available to the employee within 10 working days of job assignment at no cost to the employee. Employees must sign a declaration form if they choose not to be vaccinated but may later opt to receive the vaccine at no cost. Should booster doses later be recommended, employees will be offered them at no cost to the employee. (*PPPM 12-4)*

Section 8. Additional Employment

Employees must report outside employment to the Fire Chief prior to the start of employment utilizing the City's "Additional Employment" form. The City Manager or Fire Chief may prohibit or restrict additional employment if it would bring discredit or embarrassment to the City, reduce the effectiveness of work as an employee of the City, create a conflict or perceived conflict with the employee's duties of the City or create a potential conflict when an employees' outside employment is related to employment matters of another City employee. Reasonable conditions may be attached to the approval of additional employment. Employees are expected to give priority to City work if called for emergency duty or required to work overtime. *(Res. #5969, XIV; PPPM 10-2)*

Section 9. Gambling

Gambling, or conducting games of chance is not permitted on City premises or on City time or by utilizing City property for on-line gambling. *(Res. #5969, XI.5, PPPM 5-13.1)*

Section 10. Gifts and Gratuities

City employees are prohibited from receiving personal gifts, including gratuities, from citizens, persons, or firms doing business with or being regulated by the City, or likely to do business with or be regulated by the City. *(Res. #5969, XI.5), PPPM 5-13-.1)*

Section 11. Use of City Vehicles

City vehicles shall be used for official business only, and only as authorized. Seat and shoulder belts are to be used at all times. Failure to follow this policy shall result in disciplinary action. Employees must have a valid California driver's license whenever they drive City vehicles or use their own vehicle for City business. *(PPPM 8-6.1 and 8-6.2)*

Section 12. No Smoking in City Vehicles

Smoking is prohibited in City vehicles or while operating City equipment. *(PPPM 8-6.6)*

Section 13. Use of Personal Vehicles

Employees shall be reimbursed for mileage while driving in personal automobiles on City business at the rate approved by the City Council. This is for employees who use their own cars on official City business and who have a current "Automobile Insurance Affidavit" on file in Human Resources. Employees who drive a personal vehicle while on City business must complete an "Automobile Insurance Affidavit". Each employee must identify whether they carry sufficient liability insurance of at least the following:

- $50,000 injury per person
- $100,000 bodily injury each occupant
- $25,000 property damage each occupant **or**
- $100,000 combined single limits

Employees who do not carry automobile insurance or do not have sufficient coverage are not permitted to drive their personal vehicles for City business.

City employees are prohibited from working on personal vehicles on City premises and using City equipment and supplies. Said work can only be done if it is approved in advance by the Fire Chief or his designee. (*PPPM 2-10, 8-6.4 and 8-6.5)*

Section 14. Bids for City Jobs

Employees may submit bids for City jobs. A conflict of interest would not exist so long as the employee was not in a position to determine who would be awarded the contract. *(PPPM 7-5.1)*

Section 15. Political Activities of Employees

No City employee will solicit, either directly or indirectly, political contributions, favors, etc. from other City employees on behalf of any political candidate. No City employee will use their position in the City to benefit any political candidate. No City employee will engage in political activities during working hours or while in uniform at any time. City employees are permitted to exercise their political rights like any other citizen during their off-duty hours when out of uniform. *(PPPM 7-7)*

Article XI.
Working Conditions

Section 1. Injury and Illness Prevention Program

It is both policy and practice of the City of Santa Fe Springs to provide safe and healthful working conditions for all employees. Safety and health considerations must be a part of every operation. It is every employee's responsibility at all levels. It is the intent of the City to comply with all laws. To do this, one must constantly be aware of conditions in all work areas that can create injuries. No employee is required to work at a job he/she knows is not safe or healthful. The detection of hazards by City employees and, in turn, controlling them, is a condition of employment. Supervisors must be informed immediately of any situation beyond the employee's ability or authority to correct.

The personal health and safety of each City employee is of primary importance. Prevention of occupational injuries and illnesses is of such consequences that it will be given precedence over operating productivity, whenever necessary. To the greatest degree possible, management will provide all mechanical and physical safeguards necessary for personal safety and health, in keeping with the highest standards.

Management will maintain a health and safety program conforming to the best practices of municipalities. To be successful, such a program must embody proper attitudes toward injury and illness prevention on the part of supervisors and employees. It also requires cooperation in all safety and health matters not only between supervisor and employee, but also between each employee and his/her co-workers. Only through such a cooperative effort can a safety program in the best interest of all be established and preserved.

The City's objective is a health and safety program that will reduce the number of injuries and illnesses to an absolute minimum. The health and safety program will include:

- Providing mechanical and physical safeguards to the maximum extent possible.
- Conducting health and safety inspections to find, eliminate or control safety and health hazards as well as unsafe working conditions and practices, and to comply fully with the health and safety standards for every job.
- Training all employees in good health and safety practices.
- Providing necessary personal protective equipment and instructions for use and care.
- Developing and enforcing health and safety rules, and requiring that employees cooperate with these rules as a condition of employment.
- Promptly and thoroughly investigating every accident to find out what caused it and correcting the problem so it won't happen again.

The City recognizes that the responsibilities for health and safety are shared:

- The employer accepts responsibility for leadership of the health and safety program, for its effectiveness and improvement, and for providing the safeguards required to ensure safe conditions.

- Supervisors are responsible for ensuring that employees are trained in, and follow safe work practices, and that all operations are performed with the utmost regard for the health and safety of all personnel.
- Employees are responsible for complying with all rules and regulations and for using safe work practices while performing their duties. Employees also have the responsibility of informing their supervisor of hazards and are encouraged to make recommendations for increasing workplace safety. *(PPPM 8-1.2)*

Section 2. Training

Full-time equivalent (FTE) funds received from Rio Hondo Community College or Joint Apprentice Committee (JAC) funds shall be placed into a Fire Department training account. Any unused training funds from these two sources shall be rolled over to the following year's training budget. (*04-05 MOU)*

Article XII.
Layoff and Reductions in Force

Section 1. Layoff and Reductions in Force

Whenever it becomes necessary for one or more employees to be laid off because of lack of work or financial reasons, all non-regular employees in the affected classification shall be laid off before any regular employees and in the following order: emergency, provisional, and temporary. If additional reductions are necessary, regular employees in the affected classifications shall be laid off in reverse order of their seniority. If the person in one of the affected classifications has seniority over someone in a lower classification, the person with seniority may accept a voluntary demotion to a lower classification, if the employee is qualified for the classification. This process may continue until the person in the lowest classification with the least seniority will then be laid off. All employees laid off shall be given written notice of such layoff at least 10 working days prior to the effective date of the layoff. The City may exercise layoff and reductions in force rights unilaterally subject to the meet and confer process on the impact of such rights. *(PPPM 5-12.1 and 5-12.2)*

Section 2. Seniority and Bumping Rights

Full-time seniority shall be defined as regular full-time City service within the affected vertically related classifications, e.g., Firefighter, Engineer, Fire Captain, and Battalion Chief. Regular service time shall include probationary time in the affected classification if regular status has been acquired. Part-time hours accumulated in the City do not have consideration in full-time seniority calculations.

An employee "bumping" into a lower related classification shall occur on the basis of total seniority attained within a series of vertically related classifications. Vertically related classifications carry cumulative seniority downward and not upward. For example, an employee who has five years of seniority as a Captain, five years seniority as an Engineer and five years as a Firefighter (15 years in total) is in a senior position to an Engineer who has five years as a Firefighter and five years as an Engineer (10 years in total). An Engineer that has five years as a Firefighter and fifteen years as an

Engineer (20 years in total), is in a senior position to the 15-Year Captain cited in the example above. Length of qualifying service, not rank, is the determining factor when calculating seniority.

Seniority calculations shall not include time on unpaid leave, time on inactive service, or time during breaks in City service. *(PPPM 5-12.2)*

Section 3. Layoffs – Call-backs

The names of regular and probationary employees laid off shall be placed on a reemployment list for the class of positions involved in the layoff. Persons on the list shall retain eligibility for reappointment for a period of three years from the date the name was first placed on the list. Recall shall be by inverse order, i.e., the most recent person laid off shall be first rehired. Persons reinstated shall return to the same position & step previously held. Persons who are on a reemployment list & have committed an offense while on layoff which would have been cause for termination will not be reinstated. Any person who is refused reinstatement because of the commission of such an offense may appeal such action to the City Manager and to the Personnel Advisory Board. *(PPPM 5-12.3)*

Article XIII.
Appeal and Grievance Rights and Procedures

Section 1. Appeal Process

Any safety employee who has been subject to disciplinary action, excluding written or oral counseling, warning or reprimand, shall be entitled to appeal such action to the Fire Chief, Personnel Advisory Board and the City Manager, in accordance with Personnel Policy Section 11-3.1 (PPPM 11-3.1).

Section 2. Informal Hearing Procedure

The Informal Hearing Procedure, as opposed to the formal procedures, may be used in the City's sole discretion in any of the following circumstances:

1. When there is no disputed issue of material fact, or
2. When there is a disputed issue of material fact, but it is limited to:
    a. A monetary amount of not more than one thousand dollars ($1,000) or
    b. A disciplinary action imposed on an employee that does not involve termination from employment, demotion, or suspension without pay for more than five (5) shifts or five (5) days.

This constitutes the sole Government Code section 11445.30 notice of hearing that states the Department's selection of the informal hearing procedure. Therefore, such notice shall not be repeated in conjunction with each hearing governed by the informal hearing procedure.

The Fire Chief or designee shall be the presiding officer and shall regulate the course of the proceeding. The presiding officer shall permit the parties to offer written or oral comments on the

issues. The presiding officer may limit the use of witnesses, testimony, evidence and argument, and may limit or eliminate the use of pleadings, intervention, discovery, pre-hearing conferences and rebuttal.

The presiding officer may deny use of the informal procedure, or may convert an informal hearing to a formal hearing after an informal hearing is commenced, if it appears to the presiding officer that cross-examination is necessary for proper determination of the matter and that delay, burden or complication due to allowing cross-examination in the informal hearing will be more than minimal.

Pursuant to section 11445.50(b), the Fire Department has determined that cross-examination is not necessary for proper determination of the matters subject to review under the informal hearing procedure. However, the presiding officer may allow cross-examination of witnesses in an informal hearing notwithstanding the City's determination, if it appears to a presiding officer that in the circumstances cross-examination is necessary for proper determination of the matter. (Section 11445.50(b).)

If the presiding officer has reason to believe that material facts are in dispute, the presiding officer may require a party to state the identity of the witnesses or other sources through which the party would propose to present proof if the proceeding were converted to a formal hearing procedure. If disclosure of a fact, allegation or source is privileged or expressly prohibited by a regulation, statute or the federal or state constitution, the presiding officer may require the party to indicate that confidential facts, allegations or sources are involved, but not to disclose the confidential facts, allegations or sources. (Section 11445.60(a).)

If a party has reason to believe that essential facts must be obtained in order to permit an adequate presentation of the case, the party may inform the presiding officer regarding the general nature of the facts and the sources from which the party would propose to obtain the facts if the proceeding were converted to a formal hearing procedure. (Section 11445.60(b).)

Section 3. <u>Formal Hearing Procedure:</u>

The formal appeal shall be conducted in procedural compliance with section 11500 et. seq. Pursuant to section 11512, the City has determined that, in those instances where a formal hearing is required, the City shall continue to hear the case through pre-existing processes (i.e., via the Personnel Advisory Board) with an administrative law judge (ALJ) present during the consideration of the case. (Section 11517(b).) The proceedings governing such an appeal are set forth in detail below.

The following procedure will be followed in the conduct of a formal administrative hearing:

A. Within 10 calendar days of the receipt of a written Notice of Intent to Suspend, Demote or Dismiss, the employee may submit a written response to the disciplinary action to the Fire Chief or designee. The employee shall set forth all the facts necessary to understand the issues involved. The response shall be signed by the employee and shall be submitted to the Fire Chief's office within 10 calendar days. In lieu of a written appeal, the employee may request a (*Skelly*) meeting with the Fire Chief to make his/her response verbally.

B. Within 10 calendar days following the receipt of the employee's response, the Fire Chief or designee will set a date and time for the pre-disciplinary (*Skelly*) meeting.

C. If the response is submitted in writing, the Fire Chief will give consideration to the matter and inform the employee in writing within 20 calendar days, as to whether the intended disciplinary action has been affirmed, revoked or modified.

D. Following conclusion of a pre-disciplinary (*Skelly*) meeting by the Fire Chief or designee, where the resultant punitive action results in the imposition of punitive action within the jurisdiction of this formal hearing process, the City shall serve the employee with a final Notice of Discipline. At a minimum, Notice of Discipline shall include a post card or other form of notice which, when signed by or on behalf of the employee and returned to the City, will acknowledge service of the Notice. The Notice shall also state that the employee's request for a hearing must be received by the City within fifteen (15) calendar days after the Notice is personally served or mailed. (Please refer to section 11505 for what should be included in the Notice of Discipline.)

E. The employee may file an appeal of the disciplinary action to the Personnel Advisory Board (Board) by submitting an appeal to the Human Resources Office within fifteen (15) calendar days of being served with the Notice of Discipline. The appeal shall constitute a request for a hearing, any objection to the factual basis for the discipline, objection to the form of the Notice of Discipline, procedural objection, or any other grounds for defense. (See section 11506 for what should be included in a Notice of Defense by the employee.)

F. Upon receipt of the request from the employee, the Human Resources Office shall set the matter for hearing before the Personnel Advisory Board (Board) as expeditiously as possible and shall give the employee and his representative written notice of the time and place of the hearing.

G. The Board will conduct the hearing(s) as it deems necessary to determine the pertinent facts related to the disciplinary action with the ALJ presiding. (Section 11512.) The ALJ shall rule on the admission and exclusion of evidence and on matters of law. The Board shall exercise all other powers relating to the conduct of the hearing, but may delegate any or all of them to the ALJ. Such hearing(s) will be closed to the public unless the employee requesting the hearing(s) requests in advance that the hearing(s) be open to the public. The employee(s) and Fire Department representative(s) shall have the right to appear before the Board during such hearings and may have counsel present. If either party appears before the Board, both shall be present.

Conduct of Formal Hearing

1. A record of the hearing shall be made and kept by use of a certified shorthand reporter who shall be selected by the City. The per diem fee of the shorthand reporter shall be borne by the City. The costs of transcription shall be borne by the party ordering the transcript.

2. All fees and expenses of the ALJ shall be borne by the City.

3. All fees and expenses related to the securing of a representative and/or legal counsel, witness fees and other expenses attendant to the presentation of evidence, shall be borne by the party at whose direction said expense is incurred.

4. At the time set for the hearing, the Board, with the assistance of the ALJ, shall hear, *de novo*, and consider the evidence presented on behalf of the appointing authority which purportedly constitutes the grounds for the disciplinary action. The employee shall have the right to cross-examine any witness called. Thereafter, the employee shall be given the opportunity to present any competent and relevant evidence and to be represented by an attorney or other person, employed at such employee's expense, in a representative capacity.

5. Proceedings before the Board need not be conducted in strict conformity with the rules of evidence as applied in a court of law, but all parties shall observe the substance of the rules of evidence, to the end that the matter may be fully heard and determined upon reliable evidentiary matter. Hearsay that would be inadmissible in a civil or criminal proceeding cannot in and of itself support a finding by the hearing officer without corroboration. In general, the hearing officer shall admit evidence, including hearsay, which is of such reliability that reasonable persons rely upon it in the conduct of serious matters such as the hearing.

6. The burdens of proof and production of evidence on the charges shall be borne by the Department. The standard of proof shall be by a preponderance of the evidence. The employee will have the burden of proof on any affirmative defenses.

7. The ALJ shall rule on all questions pertaining to procedure, in connection with hearings held before the Board and the administrative law judge, provided that the Board shall retain the right to overrule the ALJ on any determination made by majority vote.

8. No later than ten (10) days prior to the date of commencement of the hearing the parties shall exchange lists of witnesses each intends to call at the hearing, and a list of documents it intends to introduce at the hearing. Copies of such documents shall be attached to the list provided for herein. They shall be served on opposing side on or before the tenth (10th) day prior to commencement of the hearing. Absent a showing of good cause, failure to comply with these requirements shall result in exclusion of witness testimony and/or rejection of exhibits not designated in the submissions. These disclosure requirements do not apply to rebuttal witnesses. Neither party to the proceedings shall issue threats or take other actions reasonably calculated to discourage an identified witness from either testifying or from testifying other than consistent with the witnesses' best recollection and honest belief as to matters within his/her knowledge. However, the act of interviewing a witness shall not in and of itself be deemed violative of this section.

9. The Board and/or the ALJ shall be empowered to issue subpoenas for the production of persons and documents. The Board and/or the ALJ shall designate the subpoena form to be utilized in such case. The California Code of Procedure, Evidence Code and other applicable statutes shall apply to the validity and processing of subpoenas and to the method of service of the same.

H. The Board shall prepare and certify its findings and recommendations in writing and submit them to the City Manager for review. The Secretary of the Board shall give written notice to the employee and the Fire Chief of its determination. A copy of the findings and recommendations shall be provided to the employee.

I. The Board, with the assistance of the ALJ shall recommend to the City Manager to affirm, reverse or modify the decision appealed. The City Manager's decision shall constitute final administrative action by the City.

J. Within 21 calendar days of receiving the Board's written findings and recommendations, the City Manager will issue his/her decision adopting, rejecting or modifying the discipline. The City Manager's decision shall become effective thirty (30) days after delivered or mailed to the employee.

K. Continuances - A party shall apply for any continuance within ten (10) working days following the time the party discovered or reasonably should have discovered the event or occurrence which establishes good cause for the continuance. A continuance may be granted for good cause after the ten (10) working days have elapsed if the party seeking the continuance is not responsible for and has made a good faith effort to prevent the condition or event establishing the good cause. (Section 11524.)

L. Judicial Review - Judicial review of the City Manager's decision shall be sought within the time constraints of California Civil Procedure section 1094.6 (mandating that a petition for peremptory writ of mandate shall be filed not later than the 90th day following the date on which the City Manager's decision is mailed by first-class mail, postage pre-paid, including a copy of the affidavit or certificate of mailing).

Article XIV.
Other Legal Clauses

Section 1. Non-discrimination

The City and the Association agree that they shall not discriminate against any employee because of race, citizenship status, uniformed service member status, religion, color, national origin, ancestry, physical disability, mental disability, medical condition (cancer or genetic characteristics), marital status, sex (including gender and pregnancy), age, sexual orientation (including heterosexuality, homosexuality and bisexuality) or the exercise of rights under the Meyers-Milias-Brown Act. The City and the Association shall reopen any provision of this MOU for the purpose of complying with any final order of a federal or state agency or court of competent jurisdiction requiring a modification

or change in any provision or provisions of this MOU or to be in compliance with federal or state anti-discrimination laws.

Section 2. Severability

Should any provision of this MOU be found to be inoperative, void or invalid by a final decision of a court of competent jurisdiction, all other provisions of the MOU shall remain in full force and effect during the term of this Memorandum of Understanding.

Section 3. Strikes, Work Stoppages and Slowdowns

The City and Association mutually agree that differences shall be resolved without interruption in work. During the terms of this agreement, neither the Association, its officers or agents or any employees will for any reason authorize, condone, encourage or engage in a work slowdown or stoppage, strike or other interference with the work and functions or obligations to the City for the benefit of public safety. *(Resolution No. 3005)*

Section 4. Applicability of Memorandum of Understanding

It is the intent of the parties hereto that the provisions of this MOU shall supersede all prior agreements in prior Memoranda of Understanding or other understandings, oral or written, express or implied, between the parties. This MOU shall govern the entire relationship of the parties and shall be the sole source between all rights which may be asserted hereunder. This MOU is intended to set forth the full statement of wages, hours and other terms and conditions of employment for employees represented by the Association during the term of this MOU. The City's personnel rules, policies and procedures are included in full in City Personnel Resolution No. 5969 and the City Personnel Policy and Procedures Manual (PPPM) and incorporated into the MOU by reference. If a provision in City Resolution No. 5969 or PPPM contradicts the MOU, the MOU governs. The parties agree that during the term of this MOU they shall not seek to negotiate or bargain concerning wages, hours, or other terms and conditions of employment, regardless of whether covered by this MOU or in the negotiations leading thereto irrespective of whether such matters were discussed or were even within the contemplation of the parties hereto during the negotiations leading to this MOU. Regardless of the waiver contained in this paragraph, the parties may, by mutual agreement, and in writing, agree to meet and confer by any matter during the term of this MOU.

Section 5. Acknowledgement

This Memorandum of Understanding also recognizes the continuing efforts of the Santa Fe Springs Firefighters Association in assisting the City of Santa Fe Springs in filling the budget gap caused by the economic recession through concessions in pay and benefits for their represented members.

Section 6. Ratification and Execution

This MOU shall be effective only upon ratification by the Association and adoption by the City Council. Subject to the foregoing, this MOU is hereby executed by the authorized representatives of the City and the Association.

City of Santa Fe Springs	**Santa Fe Springs Firefighters Association**
_____	_____
Joe Angel Zamora, Mayor	R. Michael Palacios, President
_____	_____
Date	Date

APPENDIX

ENVIRONMENTAL JOB TITLES
Fire Marshal
Environmental Program Manager
Deputy Fire Marshal
Fire/Environmental Safety Specialist
Senior Fire/Environmental Safety Inspector
Fire/Environmental Safety Inspector

FIRE SAFETY JOB TITLES
Fire Captain
Fire Engineer
Firefighter/Paramedic
Firefighter/Paramedic Trainee
Firefighter

CHIEF OFFICERS JOB TITLES
Fire Chief
Assistant Fire Chief
Battalion Chief

SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

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

BY: Julio F. Morales, Director of Finance

SUBJECT: **APPROVE PROFESSIONAL SERVICES AGREEMENT WITH IBE DIGITAL TO UPGRADE AND MODERNIZE THE CITY'S PHONE AND DATA SERVICES**

DATE: March 3, 2026

RECOMMENDATION

It is recommended that the City Council:

1. Authorize the City Manager to execute a five (5) year Professional Services Agreement with IBE Digital and corresponding service providers to upgrade and modernize the City's phone system and data services in the amount of $2,350,000; and
2. Authorize Finance Department to add additional IT Support Personnel not-to-exceed $200,000 for FY26-27; and
3. Take such additional, related, action that may be desirable.

FISCAL IMPACT

The City obtains its internet and phone services from a combination of four (4) providers:

• CyberNet (trunk phones for Avaya)	$5,600 per month
• IPOTech Avaya (phone software license)	4,250
• Spectrum/Charter (data services)	16,050
• Frontier (analog phone services) -	13,100
	$39,000 per month

The current monthly annual costs are projected to be $39,000 per month.

IBE's proposal strengthens the City's network and communication infrastructure by deploying a cloud-based VoIP phone system and introducing a fixed-point microwave backup internet connection for added resiliency.

IBE will coordinate and manage these services from the different providers:

• FiberOptic Internet	$11,475 per month
• Back-Up Internet System	6,350
• Phone Service (VOIP)	7,250
• Cybersecurity & Management Services	6,900
• Frontier (analog phone services)	1,275
	$33,250 per month

These monthly annual costs are projected to be $33,250 per month. The City will, however, incur one-time up-front implementation costs of $135,000. The projected $2,350,000 contract costs incorporate monies for contingencies and annual inflationary cost increases.

Due to the elimination of unnecessary analog phone lines, the City can enhance and upgrade its phone and internet services, install a back-up internet delivery system and save approximately $5,750 per month.

Additional IT Staffing Resources - Given the various technology upgrade taking place, the City has been limited in its ability to implement changes (and address day-to-day IT issues) due to limited IT staff. Staff is requesting to add additional IT support staff, either by increasing the Supplemental Support Contract with IBE or by hiring temporary IT staff (or a combination of both).

A portion of the cost increase will be offset by the $5,750 in month savings. The FY 25-26 net staffing costs will not exceed $50,000. The FY 26-27 net budgetary impact will be $125,000. This is not a request to add a full-time position to the City payroll (or equivalent), but rather a request to add needed staff to help manage various IT upgrades taking place over the next year.

BACKGROUND

On November 12, 2024, City Council approved Phase 1 of the initiative to modernize and upgrade the City's IT Infrastructure by authorizing a multi-year agreement with IBE Digital. The contract was comprised of three critical components:

1. IT Infrastructure (servers and software) - $1.0 Million
2. New Workstations - $950,000
3. Cybersecurity Upgrades & Support Services - $2.25 Million

The balance of the contract included project implementation, staff support & contingency. Services related to "Phase 1" were completed during Spring/Summer 2025. The recent upgrades addressed the most critical areas that affected the City's IT infrastructure. However, additional "Phase 2" upgrades are required to modernization the City's phone and data network.

The City currently operates a hybrid VOIP (Voice Over Internet Protocol), which is reliant upon antiquated copper phone lines to provide phone service to its facilities. The City would like to convert to a fiber optic internet and phone service and employ a back-up internet system based on fixed-point microwave technology.

DISCUSSION

The City currently relies on Spectrum ELAN to provide data services across City facilities, with traffic centralized through City Hall. The existing "hub and spoke" configuration leverages a Fortinet FortiGate firewall, which is subject to a single point of failure. If internet service to City Hall is disrupted, all City facilities will be without internet (and not have access to many programs used on a daily basis – such as Tyler Munis).

Moreover, the City utilizes a single cable internet data service provider, Spectrum/Charter. In the past recent months, they have experienced multiple outages, which have impacted productivity. Reliance on a single source and provider of internet data services (i.e., lack of redundancy) has the potential to significantly impact the City's ability to fully operate and assist its citizens in a disaster or key public event.

The existing phone service configuration primarily consists of analog lines, trunks supporting an Avaya IP Office system, and associated annual licensing fees. The existing solution is heavily dependent on on-premises equipment and lacks built-in redundancy, creating potential reliability and resiliency concerns.

To address the City's phone and data service needs, Staff requests authorization to enter into an agreement with IBE Digital to change our internet data provider and to purchase and install a new Voice over IP (VoIP) phone system as well as a backup internet/data system.

Benefits of implementing this project include:

- Enhanced Features: Voicemail-to-email, call forwarding, and mobile integration
- Scalability: Easy addition or removal of lines without hardware changes.
- Improved Customer Service: Advanced call routing and management features
- Data Protection: Automated, redundant backups protect against data loss
- Disaster Recovery: Rapid restoration capabilities minimize downtime
- Improved Regulatory Compliance: data retention and security
- Business Continuity: Ensures operations can continue during system failures

IBE Digital assisted in implementation of Phase I of the City's IT infrastructure program, and consequently developed a very robust understanding of the City's IT needs. City staff would like to proceed with IBE Digital to implement Phase 2.

- IBE is listed as an authorized dealer for the following purchasing cooperatives - Sourcewell, Omnia Partners, and TIPS USA, which have been incorporated into the City's PSA.
- Legal Counsel has reviewed the agreements and determined that items and services had been procured through a public competitive process.

The City Council should authorize an exception to the RFP bidding process pursuant to the municipal code section 34.18B, which will expedite the fulfillment of these critical IT needs while remaining in compliance with local procurement requirements.

ENVIRONMENTAL

N/A

SUMMARY/NEXT STEPS

It is requested that the City Council authorize the City Manager to execute a multi-year agreement with IBE to provide the items and services necessary to upgrade the City's phone and data services. Approving this agreement will ensure Staff have the resources required to provide the community services most efficiently and effectively.

ATTACHMENT(S):

A. PSA IBE – Voice
B. PSA IBE – Data

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

_____
City Clerk, Maribel Garcia

Prepared for:

City of Santa Fe Springs
11710 Telegraph Rd
Santa Fe Springs, CA
90670-3658, United States

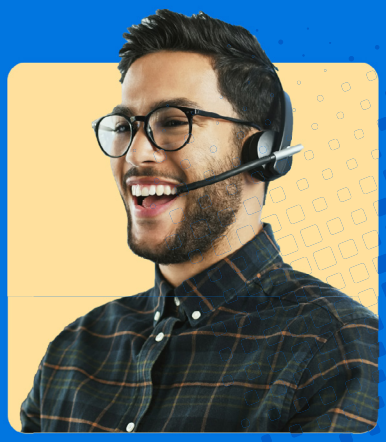
Confidential Service Proposal for Business Cloud Communications Solutions

Provided by:

IBE
sloan@ibedigital.com
562-921-0202
2/3/2026

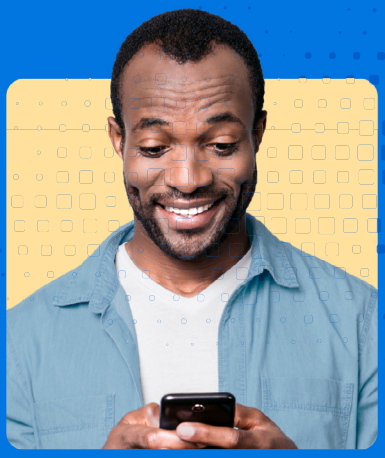
A Leading, Proprietary, AI-Powered Cloud Communication, Collaboration, and Productivity Platform with Advanced Security & Compliance

VOICE



CONTACT CENTER

VIDEO MEETINGS



CHAT/SMS

FILE COLLABORATION

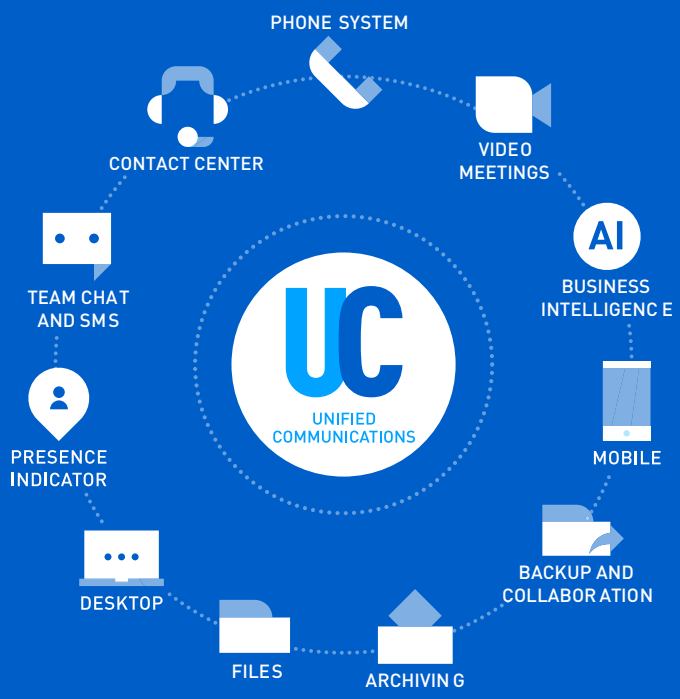
ARCHIVING

1 UNIFIED COMMUNICATIONS (UC) PLATFORM

All Your Business Communications – Integrated, Efficient, and Reliable

Wherever work takes you, a better way to communicate needs to come, too. With our intelligent UC platform, a full office communications suite goes wherever you go.

Our UC platform combines a feature-rich business phone system with video meetings, chat, business texting, contact center, file sharing, and more, with integrated mobile and desktop apps that allow for wherever, whenever communication. And with our UC, they are all available on one integrated, secure, reliable, and easy-to-use platform.



Best-in-Class Business Features:

- **PHONE SYSTEM AND HARDWARE:** Cloud-based phone service offering 100+ enterprise-grade calling features and excellent network call quality and uptime. System configuration and call reporting managed from a single web-based portal with built-in Spam Call Protection. A variety of plug-and-play devices available, pre-configured to cater to your business needs.
- **MOBILE + DESKTOP APPS:** Our UC App transforms smartphones and computers into essential collaboration tools with calls, chats, texting, video meetings, advanced voicemail features, and presence awareness.
- **VIDEO MEETINGS:** Secure 720p HD audio/video meetings from a conference room or remotely with screen sharing, interactive presentation tools, and an intelligent virtual assistant for transcriptions and meeting insights.
- **CHAT + SMS:** Real-time internal chat with direct, private and public channels, as well as convenient SMS communication with customers.
- **AI ASSISTANT:** Increased productivity using Generative AI to access information more easily and help with daily tasks right within the mobile and desktop app.

- **FILE MANAGEMENT:** Seamless file access across devices with user control, real-time backup, quick recovery, and up to 200 GB per user of file storage.
- **TRIPLE SHIELD SECURITY:** Protection for users and data from potential cyber threats with our secure datacenters, certified security team, encryption, password management, and 2FA.

ALL UC & CC LICENSES INCLUDE 30-DAYS ROLLING ARCHIVING RETENTION

Have continual historical access to your company's last 30 days of UC calls, video meetings, texts, chats, SMS, and Contact Center communications free as part of your UC and CC solution https://go.serverdata.net/30-days-free-archiving/

2 ADVANCED CUSTOMER COMMUNICATIONS

Resolving customer needs at scale takes a solution that can help you work intelligently to effectively meet customer expectations.

Our AI-powered customer experience solution helps businesses of all sizes drive more responsive, informed, and engaging customer interactions. Connect with customers across the communication channels they prefer, using our easy-to-use solution for customer care professionals, supervisors, and administrators – anywhere, any time.

Customer Communications Included with our UC Platform:

- **SMART CALL QUEUES:** Send inbound calls to a queue rather than a busy signal. Communicate current wait times and their position in the queue to reduce dropped calls.
- **ADVANCED HUNT GROUPS:** Assign groups of employees to manage inbound calls and set up automated call distribution to quickly connect customers wit h employees
- **REAL-TIME DASHBOARDS:** Track live performance data against your service level agreement (SLA) including total active calls, calls in queue, average hold and handle time
- **CALL MONITORING & REPORTS:** Let managers monitor customer calls, whisper to the employee, and take over a call. Use historical reporting to track employee and call performance.

3 AI-POWERED CUSTOMER INTERACTIONS WITH CONTACT CENTER

We enhance the customer experience at every stage—before, during, and after the interaction—with AI-powered tools that boost responsiveness, personalization, and efficiency.

Before the Interaction

Prepare for success with smart tools that proactively manage engagement and reduce friction.

- **OMNICHANNEL COMMUNICATIONS:** Support voice, webchat, SMS, email, and WhatsApp from one interface.
- **AUTOMATED CUSTOMER OUTREACH:** Deliver proactive notifications and follow-ups via text, email, or voice
- **SELF-SERVICE VOICE & AI CHAT:** Allow customers to resolve requests like hours, balances, and payments without agent involvement.
- **CRM INTEGRATIONS:** Connect to your system of record to inform call routing and personalize interactions.
- **INTELLIGENT CONTACT ROUTING:** Route customers to the right person based on their input and business rules.

During the Interaction

Empower agents and supervisors with AI-driven tools that enhanc e live interactions and optimize outcomes.

- **SINGLE APP FOR ALL COMMUNICATIONS:** Let frontline employees manage customer conversations and team collaboration in one interface.
- **AI AGENT ASSIST:** Real-time transcription, live sentiment analysis, and instant access to business-specific knowledge via a chat-based assistant
- **MICROSOFT TEAMS EMBEDDED SOLUTION:** Seamlessly deliver Contact Center capabilities within the Teams interface.

After the Interaction

Unlock valuable insights and maintain compliance with automated analysis and archival tools.

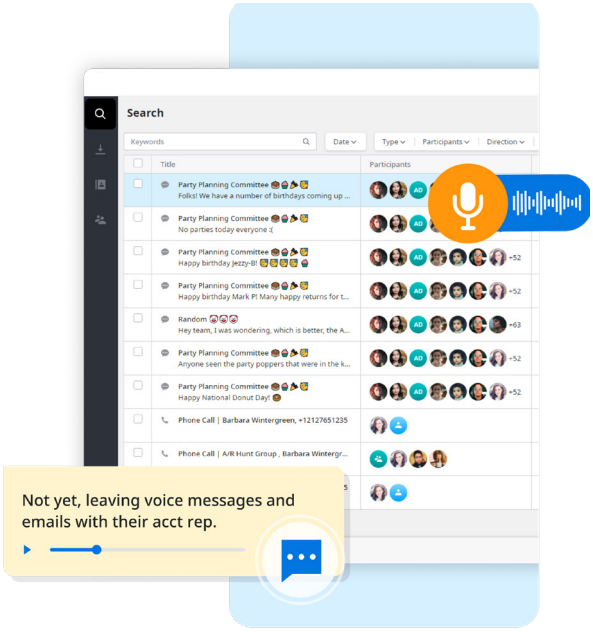
- **AI TRANSCRIPTION & REDACTION:** Post-call automation of transcripts and redaction of sensitive data (PII, PHI, PCI) for compliance.

4 ADD ARCHIVING FOR UC AND CONTACT CENTER

Protect your organization's interactions, and leverage intelligence.

Archiving captures, retains, and provides powerful search across employee and customer chats, phone calls, meetings, voicemails and more, so you can quickly find information when its needed.

Best-in-Class Business Features:



- **AUTOMATED DATA CAPTURE:** Captures and retains call records, voicemails, chats, SMS messages, video meetings, emails and more without administrative or user action.
- **FAST, POWERFUL CONTEXTUAL SEARCH:** Indexes both content and metadata using dozens of properties for fast and easy searching.
- **SEAMLESS INTEGRATION WITH UC AND CC PLATFORMS:** Designed to be deployed in minutes to enable compliant retention of employee and consumer UC and Contact Center communications.
- **RETENTION:** Stores data for as long as the business case requires with retention options ranging up to 10 years.
- **REGULATIONS AND COMPLIANCE:** Supports HIPAA, FINRA, and MiFID II compliance programs with optional WORM tamper-proof media storage to comply with SEC Rule 17a-4.
- **SECURITY:** Securely stores and encrypts data in transit and at rest with multi-factor authentication and role-based access control (manager/personal access) to protect access and limit export to authorized users.
- **EDISCOVERY AND LITIGATION SUPPORT:** Apply legal hold to override retention periods and utilize workflow and export features for all case documents.
- **DATA RESIDENCY:** Complies with US, Canadian, and European geographic data center location requirements.

Prepared for

City of Santa Fe Springs
11710 Telegraph Rd
Santa Fe Springs, CA
90670-3658, United States

Provided by

IBE
sloan@ibedigital.com
562-921-0202

Summary of services

Description	Customer total One-time	Monthly
Services		
Unified Communications Services	$840.00	$5,533.69
Equipment	Free	Free
Shipping	$936.42	
Professional services & other items		
Install Programing and Training	$10,000.00	
TIPS-USA Contract Number 210101		
Subtotal	$11,776.42	$5,533.69
Surcharges & Other fees		$1,436.33
Estimated taxes	$266.43	$275.78
TOTAL	**$12,042.85**	**$7,245.80**
	One-time	Monthly

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Details

Main location 11710 Telegraph Rd, Santa Fe Springs, California 90670-3658

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	80	$18.99		$1,519.20
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	80	Free	Free	Free
Local Number Porting Fee	280	$3.00	$840.00	
Auto Attendant (additional) Greets callers and provides call routing options. For calls forwarded outside of the network, includes 1,000 minutes of outbound local calls per month.	1	$4.99		$4.99
Hunt Group (additional) Delivers calls to defined groups of users with routing rules. All calls forwarded outside of the network are charged per use.	1	$3.99		$3.99
Resource Line (pay per use) Used to enable common area phones such as conference or lobby phones, all outbound calls are charged pay per use.	2	$5.99		$11.98
Fax Line Used to enable fax machines, unlimited outbound local fax calls.	10	$25.25		$252.50
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	80	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$227.03	

Notes:
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• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Taxes & Fees				
Surcharges & Other fees	—	—		$457.24
Estimated taxes	—	—	$266.43	$87.84
Total - Main location			**$1,333.46**	**$2,337.74**

Activity Center 11155 Charlesworth Rd, Santa Fe Springs, California 90670-2852

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	6	$18.99		$113.94
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	6	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	6	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$19.36	
Taxes & Fees				
Surcharges & Other fees	—	—		$29.82
Estimated taxes	—	—		$6.28
Total - Activity Center			**$19.36**	**$150.04**

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Fire Headquarters 11300 Greenstone Ave, Santa Fe Springs, California 90670-4619

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	34	$18.99		$645.66
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	34	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	34	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$105.63	
Taxes & Fees				
Surcharges & Other fees	—	—		$168.98
Estimated taxes	—	—		$28.92
Total - Fire Headquarters			**$105.63**	**$843.56**

Notes:
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• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Firestation 2 8634 Dice Rd, Santa Fe Springs, California 90670-2512

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	3	$18.99		$56.97
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	3	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	3	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$17.66	
Taxes & Fees				
Surcharges & Other fees	—	—		$14.91
Estimated taxes	—	—		$3.86
Total - Firestation 2			**$17.66**	**$75.74**

Notes:
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• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Firestation 3 15517 Carmenita Rd, Santa Fe Springs, California 90670-5609

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	3	$18.99		$56.97
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	3	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	3	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$17.66	
Taxes & Fees				
Surcharges & Other fees	—	—		$14.91
Estimated taxes	—	—		$3.86
Total - Firestation 3			**$17.66**	**$75.74**

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Firestation 4 11736 Telegraph Rd, Santa Fe Springs, California 90670-3658

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	3	$18.99		$56.97
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	3	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	3	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$17.66	
Taxes & Fees				
Surcharges & Other fees	—	—		$14.91
Estimated taxes	—	—		$3.86
Total - Firestation 4			**$17.66**	**$75.74**

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Gus Velasco Neighborhood Center 9255 Pioneer Blvd, Santa Fe Springs, California 90670-2380

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	22	$18.99		$417.78
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	22	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	22	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$59.82	
Taxes & Fees				
Surcharges & Other fees	—	—		$109.34
Estimated taxes	—	—		$19.22
Total - Gus Velasco Neighborhood Center			**$59.82**	**$546.34**

Notes:
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• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Heritage Park 12100 Mora Dr, Santa Fe Springs, California 90670-3759

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	9	$18.99		$170.91
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	9	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	9	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$25.43	
Taxes & Fees				
Surcharges & Other fees	—	—		$44.73
Estimated taxes	—	—		$8.71
Total - Heritage Park			**$25.43**	**$224.35**

Notes:
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• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Municipal Services Yard 12636 Emmens Way, Santa Fe Springs, California 90670-3942

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	32	$18.99		$607.68
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	32	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	32	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$86.52	
Taxes & Fees				
Surcharges & Other fees	—	—		$159.04
Estimated taxes	—	—		$27.30
Total - Municipal Services Yard			**$86.52**	**$794.02**

Notes:
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• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Police Services Center 11576 Telegraph Rd, Santa Fe Springs, California 90670-3110

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	24	$18.99		$455.76
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	24	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	24	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$77.12	
Taxes & Fees				
Surcharges & Other fees	—	—		$119.28
Estimated taxes	—	—		$20.83
Total - Police Services Center			**$77.12**	**$595.87**

Notes:
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• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Town Center Hall 11740 Telegraph Rd, Santa Fe Springs, California 90670-3658

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	15	$18.99		$284.85
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	15	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	15	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$49.29	
Taxes & Fees				
Surcharges & Other fees	—	—		$74.55
Estimated taxes	—	—		$13.56
Total - Town Center Hall			**$49.29**	**$372.96**

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Aquatic Center 10145 Pioneer Blvd, Santa Fe Springs, California 90670-3712

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	5	$18.99		$94.95
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	5	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	5	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$19.04	
Taxes & Fees				
Surcharges & Other fees	—	—		$24.85
Estimated taxes	—	—		$5.48
Total - Aquatic Center			**$19.04**	**$125.28**

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Betty Wilson Center 11641 Florence Ave, Santa Fe Springs, California 90670-4353

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	2	$18.99		$37.98
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	2	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	2	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$17.30	
Taxes & Fees				
Surcharges & Other fees	—	—		$9.94
Estimated taxes	—	—		$3.05
Total - Betty Wilson Center			**$17.30**	**$50.97**

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Clarke Estate 10211 Pioneer Blvd, Santa Fe Springs, California 90670-3714

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	1	$18.99		$18.99
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	1	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	1	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$15.90	
Taxes & Fees				
Surcharges & Other fees	—	—		$4.97
Estimated taxes	—	—		$2.24
Total - Clarke Estate			**$15.90**	**$26.20**

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Lake Center Athletic Park 11641 Florence Ave, Santa Fe Springs, California 90670-4353

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	1	$18.99		$18.99
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	1	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	1	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$15.90	
Taxes & Fees				
Surcharges & Other fees	—	—		$4.97
Estimated taxes	—	—		$2.24
Total - Lake Center Athletic Park			**$15.90**	**$26.20**

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Lakeview Park 11710 Telegraph Rd, Santa Fe Springs, California 90670-3658

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	1	$18.99		$18.99
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	1	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	1	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$15.90	
Taxes & Fees				
Surcharges & Other fees	—	—		$4.97
Estimated taxes	—	—		$2.24
Total - Lakeview Park			**$15.90**	**$26.20**

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Library 11700 Telegraph Rd, Santa Fe Springs, California 90670-3658

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	30	$18.99		$569.70
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	30	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	30	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$83.84	
Taxes & Fees				
Surcharges & Other fees	—	—		$149.10
Estimated taxes	—	—		$25.68
Total - Library			**$83.84**	**$744.48**

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Little Lake Park 11710 Telegraph Rd, Santa Fe Springs, California 90670-3658

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	1	$18.99		$18.99
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	1	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	1	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$15.90	
Taxes & Fees				
Surcharges & Other fees	—	—		$4.97
Estimated taxes	—	—		$2.24
Total - Little Lake Park			**$15.90**	**$26.20**

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Los Nietos Park 11143 Charlesworth Rd, Santa Fe Springs, California 90670-2852

Customer total

Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	3	$18.99		$56.97
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	3	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	3	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$17.66	
Taxes & Fees				
Surcharges & Other fees	—	—		$14.91
Estimated taxes	—	—		$3.86
Total - Los Nietos Park			**$17.66**	**$75.74**

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

SFS Athletic Fields 9720 Pioneer Blvd, Santa Fe Springs, California 90670-3254

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	1	$18.99		$18.99
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	1	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	1	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$15.90	
Taxes & Fees				
Surcharges & Other fees	—	—		$4.97
Estimated taxes	—	—		$2.24
Total - SFS Athletic Fields			**$15.90**	**$26.20**

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

Santa Fe Springs Park 10068 Cedardale Dr, Santa Fe Springs, California 90670-3515

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	1	$18.99		$18.99
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	1	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	1	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$15.90	
Taxes & Fees				
Surcharges & Other fees	—	—		$4.97
Estimated taxes	—	—		$2.24
Total - Santa Fe Springs Park			**$15.90**	**$26.20**

Notes:
• Your first bill may look different than other bills. It may include: (1) one-time fees and prorated charges for new services added during the prior month, (2) full charges for the next month, (3) applicable usage charges, as well as (4) associated taxes and fees.
• Hardware provided on promotion is amortized over a 12-month period. Penalties on hardware for early cancellation of an account are calculated based on the percentage of the term remaining at the time of cancellation.
• Shipping charges may be estimates only and are subject to change. Actual shipping charges will be calculated at the time the order is placed.
• Taxes and fees are based on service address and can differ by address.

INITIAL ORDER FORM

This Initial Order Form is a binding agreement between I Copy, Inc. ("IBE") and MELA Counseling Services Center, Inc, ("Customer" or "You") (together the "Parties"), for the purchase of the Services, licenses, and products listed herein. This Initial Order Form is subject to the terms and conditions specified in the applicable Master Services Agreement ("MSA") between the Parties. Capitalized terms not defined herein shall have the same meanings as set forth in the applicable MSA between the Parties.

Service Provider	
Service Provider	IBE
Address	11266 Monarch St STE B
City, State & Zip Code	Garden Grove, CA 92841
Country	USA

Customer	
Service Provider	City of Santa Fe Springs
Address	11710 E. Telegraph Road
City, State & Zip Code	Santa Fe Springs, CA 90670
Country	USA

Service Commitment Period	
Start Date	Porting Date – TBD
Initial Term	60 Months
Renewal Term	Following the expiration of the Initial Term, this Agreement shall automatically continue on a month-to-month basis unless either Party provides written notice of termination at least thirty (30) days prior to the end of the then-current month.

Payment Schedule	Monthly Payment

Summary of services

Description	Customer total One-time	Monthly
Services		
Unified Communications Services	$840.00	$5,533.69
Equipment	Free	Free
Shipping	$936.42	
Professional services & other items		
Install Programing and Training	$10,000.00	
TIPS-USA Contract Number 210101		
Subtotal	$11,776.42	$5,533.69
Surcharges & Other fees		$1,436.33
Estimated taxes	$266.43	$275.78
TOTAL	**$12,042.85** One-time	**$7,245.80** Monthly

Details

Main location 11710 Telegraph Rd, Santa Fe Springs, California 90670-3658

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	80	$18.99		$1,519.20
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	80	Free	Free	Free
Local Number Porting Fee	280	$3.00	$840.00	
Auto Attendant (additional) Greets callers and provides call routing options. For calls forwarded outside of the network, includes 1,000 minutes of outbound local calls per month.	1	$4.99		$4.99
Hunt Group (additional) Delivers calls to defined groups of users with routing rules. All calls forwarded outside of the network are charged per use.	1	$3.99		$3.99
Resource Line (pay per use) Used to enable common area phones such as conference or lobby phones, all outbound calls are charged pay per use.	2	$5.99		$11.98
Fax Line Used to enable fax machines, unlimited outbound local fax calls.	10	$25.25		$252.50
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	80	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$227.03	

Description	Quantity	Unit price	One-time	Monthly
Taxes & Fees				
Surcharges & Other fees	—	—		$457.24
Estimated taxes	—	—	$266.43	$87.84
Total - Main location			**$1,333.46**	**$2,337.74**

Activity Center 11155 Charlesworth Rd, Santa Fe Springs, California 90670-2852

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	6	$18.99		$113.94
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	6	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	6	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$19.36	
Taxes & Fees				
Surcharges & Other fees	—	—		$29.82
Estimated taxes	—	—		$6.28
Total - Activity Center			**$19.36**	**$150.04**

Fire Headquarters 11300 Greenstone Ave, Santa Fe Springs, California 90670-4619

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	34	$18.99		$645.66
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	34	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	34	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$105.63	
Taxes & Fees				
Surcharges & Other fees	—	—		$168.98
Estimated taxes	—	—		$28.92
Total - Fire Headquarters			**$105.63**	**$843.56**

Firestation 2 8634 Dice Rd, Santa Fe Springs, California 90670-2512

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	3	$18.99		$56.97
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	3	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	3	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$17.66	
Taxes & Fees				
Surcharges & Other fees	—	—		$14.91
Estimated taxes	—	—		$3.86
Total - Firestation 2			**$17.66**	**$75.74**

Firestation 3 15517 Carmenita Rd, Santa Fe Springs, California 90670-5609

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	3	$18.99		$56.97
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	3	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	3	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$17.66	
Taxes & Fees				
Surcharges & Other fees	—	—		$14.91
Estimated taxes	—	—		$3.86
Total - Firestation 3			**$17.66**	**$75.74**

Firestation 4 11736 Telegraph Rd, Santa Fe Springs, California 90670-3658

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	3	$18.99		$56.97
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	3	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	3	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$17.66	
Taxes & Fees				
Surcharges & Other fees	—	—		$14.91
Estimated taxes	—	—		$3.86
Total - Firestation 4			**$17.66**	**$75.74**

Gus Velasco Neighborhood Center 9255 Pioneer Blvd, Santa Fe Springs, California 90670-2380

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	22	$18.99		$417.78
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	22	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	22	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$59.82	
Taxes & Fees				
Surcharges & Other fees	—	—		$109.34
Estimated taxes	—	—		$19.22
Total - Gus Velasco Neighborhood Center			**$59.82**	**$546.34**

Heritage Park 12100 Mora Dr, Santa Fe Springs, California 90670-3759

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	9	$18.99		$170.91
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	9	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	9	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$25.43	
Taxes & Fees				
Surcharges & Other fees	—	—		$44.73
Estimated taxes	—	—		$8.71
Total - Heritage Park			**$25.43**	**$224.35**

Municipal Services Yard 12636 Emmens Way, Santa Fe Springs, California 90670-3942

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	32	$18.99		$607.68
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	32	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	32	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$86.52	
Taxes & Fees				
Surcharges & Other fees	—	—		$159.04
Estimated taxes	—	—		$27.30
Total - Municipal Services Yard			**$86.52**	**$794.02**

Police Services Center 11576 Telegraph Rd, Santa Fe Springs, California 90670-3110

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	24	$18.99		$455.76
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	24	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	24	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$77.12	
Taxes & Fees				
Surcharges & Other fees	—	—		$119.28
Estimated taxes	—	—		$20.83
Total - Police Services Center			**$77.12**	**$595.87**

Town Center Hall 11740 Telegraph Rd, Santa Fe Springs, California 90670-3658

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	15	$18.99		$284.85
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	15	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	15	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$49.29	
Taxes & Fees				
Surcharges & Other fees	—	—		$74.55
Estimated taxes	—	—		$13.56
Total - Town Center Hall			**$49.29**	**$372.96**

Aquatic Center 10145 Pioneer Blvd, Santa Fe Springs, California 90670-3712

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	5	$18.99		$94.95
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	5	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	5	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$19.04	
Taxes & Fees				
Surcharges & Other fees	—	—		$24.85
Estimated taxes	—	—		$5.48
Total - Aquatic Center			**$19.04**	**$125.28**

Betty Wilson Center 11641 Florence Ave, Santa Fe Springs, California 90670-4353

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	2	$18.99		$37.98
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	2	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	2	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$17.30	
Taxes & Fees				
Surcharges & Other fees	—	—		$9.94
Estimated taxes	—	—		$3.05
Total - Betty Wilson Center			**$17.30**	**$50.97**

Clarke Estate 10211 Pioneer Blvd, Santa Fe Springs, California 90670-3714

			Customer total	
Description	Quantity	Unit price	One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	1	$18.99		$18.99
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	1	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	1	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$15.90	
Taxes & Fees				
Surcharges & Other fees	—	—		$4.97
Estimated taxes	—	—		$2.24
Total - Clarke Estate			**$15.90**	**$26.20**

Lake Center Athletic Park 11641 Florence Ave, Santa Fe Springs, California 90670-4353

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	1	$18.99		$18.99
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	1	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	1	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$15.90	
Taxes & Fees				
Surcharges & Other fees	—	—		$4.97
Estimated taxes	—	—		$2.24
Total - Lake Center Athletic Park			**$15.90**	**$26.20**

Lakeview Park 11710 Telegraph Rd, Santa Fe Springs, California 90670-3658

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	1	$18.99		$18.99
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	1	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	1	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$15.90	
Taxes & Fees				
Surcharges & Other fees	—	—		$4.97
Estimated taxes	—	—		$2.24
Total - Lakeview Park			**$15.90**	**$26.20**

Library 11700 Telegraph Rd, Santa Fe Springs, California 90670-3658

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	30	$18.99		$569.70
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	30	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	30	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$83.84	
Taxes & Fees				
Surcharges & Other fees	—	—		$149.10
Estimated taxes	—	—		$25.68
Total - Library			**$83.84**	**$744.48**

Little Lake Park 11710 Telegraph Rd, Santa Fe Springs, California 90670-3658

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	1	$18.99		$18.99
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	1	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	1	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$15.90	
Taxes & Fees				
Surcharges & Other fees	—	—		$4.97
Estimated taxes	—	—		$2.24
Total - Little Lake Park			**$15.90**	**$26.20**

Los Nietos Park 11143 Charlesworth Rd, Santa Fe Springs, California 90670-2852

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	3	$18.99		$56.97
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	3	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	3	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$17.66	
Taxes & Fees				
Surcharges & Other fees	—	—		$14.91
Estimated taxes	—	—		$3.86
Total - Los Nietos Park			**$17.66**	**$75.74**

SFS Athletic Fields 9720 Pioneer Blvd, Santa Fe Springs, California 90670-3254

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	1	$18.99		$18.99
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	1	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	1	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$15.90	
Taxes & Fees				
Surcharges & Other fees	—	—		$4.97
Estimated taxes	—	—		$2.24
Total - SFS Athletic Fields			**$15.90**	**$26.20**

Santa Fe Springs Park 10068 Cedardale Dr, Santa Fe Springs, California 90670-3515

Description	Quantity	Unit price	Customer total One-time	Monthly
Unified Communications Services				
Elevate Pro Includes advanced Cloud PBX with unlimited local and long-distance calling, calls to 33 countries, connection of up to 5 phone devices, including mobile and desktop apps, Chat, SMS/MMS (500 included, overage rates apply), File Sharing (50 GB/user), CRM integrations, AI capabilities, Advanced Hunt Groups and Queuing, Video Meetings (up to 100 participants) and 30-days Archiving.	1	$18.99		$18.99
Archiving: 30 Days Retention For access to 30 days of historical UC data for the lifetime of the account	1	Free	Free	Free
Equipment				
Yealink T44W An IP desk phone with a 2.8-inch color LCD, dual Gigabit Ethernet ports, built-in Wi-Fi and Bluetooth and two USB ports. Includes 8 physical line keys with up to 21 DSS keys.	1	Free	Free	Free
Shipping				
11710 Telegraph Rd, Santa Fe Springs, California 90670-3658	—	—	$15.90	
Taxes & Fees				
Surcharges & Other fees	—	—		$4.97
Estimated taxes	—	—		$2.24
Total - Santa Fe Springs Park			**$15.90**	**$26.20**

IN WITNESS WHEREOF, the Parties have executed this Initial Order Form above through their duly authorized representatives.

City of Santa Fe Springs		**IBE**	
By:	_____	By:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

MASTER SERVICE AGREEMENT

This Master Service Agreement (this "MSA") is entered into between the service provider ("Company") and customer ("You"). This MSA is effective as of the last date of signature below.

You are not required to purchase voice services from Company nor from any of its affiliates. If You elect to purchase voice services under this MSA, please be advised of the following: (i) voice services will be provided through Company's affiliate; (ii) Your acceptance of, and agreement to, the terms of this MSA also constitutes your acceptance and acknowledgement of, and agreement to, (A) the important disclosures, notices and disclaimers contained in Attachment 1 to this MSA related to enhanced 911 (E911) calling and service and (B) the terms of the Schedule(s) and related documents provided or made available to You by Company's affiliate; and (iii) the terms and conditions of this MSA will apply to the services you receive from Company's affiliate as well as the terms and conditions in Company's affiliate's Schedules and related documents. If You instead choose to purchase voice services through an unrelated third party, this MSA will not govern the provision of any services provided by such third party, and such third-party-provided voice services are used at Your sole risk and pursuant to the terms and conditions you enter into with such third party.

Any of the following actions constitutes Your agreement, without limitation or qualification, to be bound by, and to comply with, the terms of this Agreement: (i) registering for Service on Company's web page and selecting "I Accept" as part of the registration process, or (ii) ordering Service from Company's personnel and providing them with Your credit card number or other billing information.

You agree to be bound by all of the terms and conditions of (i) this MSA and (ii) the following:

- Company's Privacy Policy (the "Privacy Policy");
- Company's Service Level Agreements for all of Company's Services that may be sold hereunder (each, a "Service Level Agreement" or "SLA");
- Company's Acceptable Use Policy ("AUP"); and
- Company's Schedules (as defined below)
- All of the above referenced documents (i.e., this MSA, the Privacy Policy, the SLAs, the AUP and the Schedules) are collectively referred to as the "Agreement."

Each of the foregoing is expressly incorporated herein by reference and may be amended or updated from time-to-time by Company. Current copies of the MSA, Privacy Policy, SLAs, AUP, and product schedules are located at http://serverdata.net/legal.

DEFINITIONS. For the purposes of this MSA, the following definitions apply:

"Access Information" means information that alone or together with other information, can provide access to any portion of Your Account, including but not limited to, Your Account number, login names, passwords, credit card or other financial information, security questions and their respective answers, and any other similar information. For the avoidance of doubt, Your Access Information will include any similar information for each of Your Users.

"Account" means the account created with Company in connection with this Agreement that relates to Your purchase of and subscription to Services and the use of Services by You and Your Users.

"Administrative User" means any of Your employees, consultants, independent contractors or customers to whom You grant administrative permission to access the Services in accordance with Company's entitlements and procedures and this Agreement (where "administrative permission" includes, but is not limited to, the right to create, modify and delete User accounts, as well as the right to access and modify Your billing information and other functionality available through Company's administrative control panel).

"Applicable Law" means any applicable foreign, federal, state, provincial or other laws, rules, regulations or interpretations of relevant Governmental Authorities or self-regulatory bodies.

"Beta Offerings" means any portion of the Services offered on a "beta" basis, as designated by Company, including but not limited to, products, plans, services, and platforms.

"Data" means all data submitted by Your Users to Company in connection with the Services, including all content, material, IP and similar addresses, recordings, messages, software, Account Information and Account-related settings.

"Governmental Authority**"** means a government, regulatory organization, self-regulatory organization, court of competent jurisdiction or similar body.

"Company Parties**"** means Company's affiliates (including parents and subsidiaries), vendors, licensors and partners, and its officers, employees, agents and representatives.

"PHI**"** means (a) for customers in the United States, Protected Health Information (as such term is defined in the Health Insurance Portability and Accountability Act of 1996 and the rules and regulations promulgated thereunder, as each may be amended from time to time) and (b)for customers in Canada, personal health information (as such term is defined in the applicable federal, state and provincial privacy legislation relating to personal health information and the rules and regulations promulgated thereunder, as each may be amended from time to time) that is individually identifiable health information.

"Schedule(s)" means documents (including the Service-specific product schedules located at http://serverdata.net/legal and the order documentation generated through Company's administrative control panel) that specifically describe the Services used by You under this Agreement, including product descriptions, the currency to be used for billing and payment, pricing, and other terms. Each Schedule shall be deemed a part of and incorporated into this Agreement.

"Services**"** means Company's unified communications, hosting and other services, software and products, as such services, software and products that are offered by Company from time- to-time in its discretion and subscribed to, purchased by, or used by You as set forth in a Schedule; provided, however, that, notwithstanding the foregoing, the term "Services" shall not include Company's web hosting offering, which offering is governed by a separate Web Hosting Service Agreement between You and Company.

"Third-Party Service**"** means any service or product offered by a party that is not Company.

"User**"** means any of Your employees, consultants, independent contractors or other individuals to whom You grant permission to access the Services in accordance with Company's entitlements procedures and this Agreement (including Administrative Users and end users).

"You" and "Your" means the individual or entity on whose behalf this Agreement is accepted.

1. SCOPE; ACCESS; SECURITY.

1.1. Access to Services. Subject to and in accordance with the terms of this Agreement, including any Schedules, Company grants You a non-exclusive, non-sublicensable, nontransferable, non-assignable, revocable license for the term of this Agreement to access and use the Services. Services may only be used by Your Users for internal business purposes only. You agree to comply with the terms and conditions of this Agreement, including any Schedules, and with all applicable Company procedures and policies that further define use of the Services. You acknowledge and agree that the actions of any of Your Users with respect to the Services will be deemed to be actions by You and that any breach by any of Your Users of the terms of this Agreement, including any Schedule, will be deemed to be a breach by You.

1.2. Account Information and Ownership. You acknowledge that Your failure to timely update Your Account information, including authorized Administrative Users, can result in unauthorized personnel having access to Your Account and potentially doing harm to You. Accordingly, You agree to maintain accurate Account information

by providing updates to Company promptly, but no later than three (3) business days, when any of Your Account information requires change, including any relevant Account contact information. Failure by You, for any reason, to respond within three (3) business days to any inquiries made by Company to determine the validity of information provided by You will constitute a material breach of this Agreement. You acknowledge and agree, and expressly consent, that in the event of any dispute regarding access to or legal ownership of any Company account or any portion thereof, including Your Account, Company will resolve such dispute in its sole discretion. In addition, in the event of such a dispute, Company may immediately suspend, alter or terminate any relevant account, including Your Account, or any portion thereof. You will reimburse Company for any legal fees and other fees incurred with respect to any dispute regarding control or ownership of Your Account or Your Data or the same of another Company customer. You acknowledge and agree that (i) the legal owner of all Data on the Account is You (the counterparty to this Agreement) and not any individual User, including any Account contact registered with Company, regardless of any administrative designation (e.g., Administrator, Billing Contact, Owner, etc.); (ii) You will provide Company with any documentation it reasonably requests to establish ownership and rights to Your Account and any related Data; and (iii) any User identified as an Administrative User with respect to Your Account has the authority to bind You to any amendments, modifications or acknowledgements regarding this Agreement or otherwise relating to the Services.

1.3. Account Security and Activity. You acknowledge and agree that You are solely responsible for (i) maintaining the confidentiality and security of Your Access Information, and (ii) all activities that occur in connection with Your Account, whether initiated by You, by others on Your behalf or by any other means. You will notify Company immediately of any unauthorized use of Your Account, Access Information or any other actual or potential breach of security. You acknowledge and agree that Company will not be liable for any loss that You may incur as a result of any party using Your Access Information, either with or without Your knowledge and/or authorization. You further agree that You may be held liable for losses incurred by Company, any Company Party, or another party due to any party using Your Access Information. Company strongly recommends that You keep Your Access Information in a secure location, take precautions to prevent others from accessing it and change it when necessary to maintain its confidentiality and security. **Company specifically disclaims all liability for any activity in Your Account, whether authorized by You or not.**

1.4. Failure of a Line Test. With respect to voice services, if a specific site fails a "VOIP line test" as part of the installation process, and You are unable or unwilling to upgrade the data circuit, router, switch, or faulty component responsible for the failure, Company reserves the right to cancel the order for such site.

2. TERM AND TERMINATION.

2.1. Term. This Agreement shall be effective from Your acceptance of this Agreement (or a previous version of Company's service agreement) and shall continue until the expiration or termination of all Schedules (**"**Agreement Term**"**). When You purchase Services from Company, a Schedule will be created specific to such purchase, setting forth the contract term and other terms and conditions with respect to such purchase. The term of each Schedule ("Schedule Term") shall be an initial term with a duration to be agreed to by You and Company (e.g., one month, one year or some other mutually agreed-upon period) (a "Schedule Initial Term"), followed by renewal periods with a duration to be agreed to by You and Company (a "Schedule Renewal Term"). Termination of this Agreement shall not relieve either party from fulfilling its obligations prior to such termination.

a. Monthly Plan Schedule Term. For a Monthly Plan with Company, the Schedule Initial Term is the period from the date of Your acceptance of the Schedule through the remainder of that calendar month. The Schedule Renewal Term for a Monthly Plan is defined as one (1) calendar month beginning at the end of the Schedule Initial Term and each subsequent calendar month thereafter.

b. Annual Plan Schedule Term. For an Annual Plan with Company, the Schedule Initial Term is the period from the date of Your acceptance of the Schedule through the remainder of that calendar month and continuing through the next twelve (12) calendar months (for example, an Annual Plan that begins April 14th will continue until April 30th of the following year), unless the parties have agreed in writing to a longer term. A Schedule Renewal Term for an Annual Plan is defined as the twelve-month period beginning at the end of the Schedule Initial Term and each subsequent twelve-month period thereafter.

c. Automatic Renewal. Each Schedule will renew automatically at the end of the then-current Schedule Term for a Schedule Renewal Term unless terminated in accordance with this Agreement by either You or Company.

2.2. Termination by You.
a. Monthly Plan. For a Monthly Plan, You may terminate any Schedule for any reason by following the termination procedure located within the Account section of the administrative control panel prior to the beginning of any Schedule Renewal Term. If You terminate a Monthly Plan prior to the end of the then- current Schedule Term, Company will not be required to refund to You any fees already paid, unless otherwise set forth in the applicable Schedule.

b. Annual Plan. For an Annual Plan, You may terminate any Schedule for any reason by following the termination procedure located within the Account section of the administrative control panel at any time. If such a termination is effective prior to the end of the then-current Schedule Term, You will incur a fee that is equal to the lesser of (i) six (6) months of the Minimum Package Fee from the end of the calendar month during which such termination occurs; and (ii) the Minimum Package Fee for the remainder of the then- current Term. The "Minimum Package Fee" is the monthly charge for Your base package excluding any additional items that You have purchased along with such base package. The early termination fee is not a penalty. It is an estimate of liquidated damages suffered by Company as a result of Your early termination of the Services.

c. Refunds/Fees for Termination by You. Fees for non-recurring Services and set up fees will not be refunded. Any fees previously waived, discounts, or rebates applied may be reinstated if You terminate the account during the Schedule Term or if You breach this Agreement, including any Schedule.

2.3. Termination by Company.

a. 15-Day Termination. Company may terminate this Agreement or any Schedule for any reason by providing fifteen (15) calendar days' notice. If Company terminates this Agreement pursuant to this Section 2.3(a), then all Schedules will terminate at the end of the fifteen (15) day notice period. If Company terminates any Schedule pursuant to this Section 2.3(a), then (i) for a Schedule with a Monthly Plan, if the effective termination date occurs prior to the end of the then-current Schedule Term, Company will refund (or refrain from charging You) the pro rata monthly fees for the month in which Services terminate and (ii) for a Schedule with an Annual Plan, Company will refund (or refrain from charging You) the monthly fees for the month in which Services terminate. For Schedules with either a Monthly Plan or an Annual Plan, if Company terminates this Agreement, including any Schedule, pursuant to this Section 2.3(a), Company will not charge You monthly fees for any month following the month in which Company terminates this Agreement, including any Schedule.

b. Immediate Termination. Company may terminate this Agreement, including any Schedule, (or suspend Your Account) immediately and without prior notice for any of the following reasons:

1) Any material breach of this Agreement, including any Schedule, by You, as determined by Company in its sole discretion, including, but not limited to, failure to make any payment when due, violation of the AUP or any other Company policy or procedure applicable to the Services as notified to You from time to time, which remains uncured beyond thirty (30) days' notice by Company; or

2) If Your use of the Services results in, or is the subject of, actual or potential legal action or threatened legal action, against Company or any of its affiliates, vendors, partners, representatives or customers, without

consideration for whether such actual or potential legal action or threatened legal action is eventually determined to be with or without merit.

c. Termination or Suspension of Users. In lieu of terminating or suspending Your entire Account, Company may suspend Your Account or terminate or suspend individual Users.

d. No Refunds; Further Payment Due. If Company terminates this Agreement, including any Schedule, pursuant to Section 2.3(b), (i) Company will not refund to You any paid fees and (ii) You will be liable for any payment that would have been due had You terminated pursuant to Section 2.2.

2.4. Following Termination. Termination will not cancel or waive any fees owed to Company or incurred prior to or upon termination. You agree that Company may charge such unpaid balance to Your Account on file or otherwise bill You for such unpaid balance. Upon termination, You must promptly uninstall all software provided by Company in connection with the Services. All of Your Data will be irrevocably deleted promptly (as soon as fourteen (14) calendar days) following the termination of this Agreement or the applicable Schedule, including but not limited to, databases, contacts, calendars, e-mail, website content, and any Data hosted by Company. It will be solely Your responsibility to secure all necessary Data from Your Account prior to termination. Company will not be responsible or otherwise liable for any loss of Your Data or any damages arising from the deletion of Your Data following termination of the Services.

3. FEES, BILLING, TAXES, CHARGES.

3.1. Fees. The fees initially charged upon ordering any Service will be effective for the applicable Schedule Initial Term and each Schedule Renewal Term, provided, that Company will have the right to increase these fees at any time upon thirty (30) calendar days' notice to You. If You do not agree with such fee increase, You will have the right to terminate the applicable Schedule immediately upon notice received within thirty (30) calendar days of date of notice of the fee increase. All payments made to Company shall be in US Dollars (or any other currency as may be permitted in the applicable Schedule(s)).

3.2. Billing and Payment Arrangements. Company will bill You monthly for all established and recurring fees, and any applicable one-time fees in that month, including but not limited to interest, check paying program fees and returned check fees. Pro rata billing may occur throughout the course of a billing cycle for feature add-ons that You enable on your Account during any given month.

3.3. Payment by Automated Means.
a. You may view and print an invoice for Your Account using the administrative control panel made available to You. On or about the first (1st) day of each month, Company will apply the current monthly charges to Your automated payment method, the relevant information of which You entered on the billing information page in the administrative control panel. Payment by automated means includes any form of automated payment accepted by Company from time- to-time, including credit card, debit card, direct debit or other means.

b. You must provide Company with valid automated payment information as a condition to receive or use the Services. You are responsible for and agree to update Company with any changes to Your billing and/or automated payment information (e.g. new or updated credit card, credit card expiration date or other payment account information). **By providing Company with the automated payment information, You authorize Company to charge Your automated payment account for any amounts arising from or relating to the Services without further authorization from You.** It is Your responsibility to keep Your automated payment information up-to-date. If charges to Your automated payment account fail, Company will email a warning to Your Account billing contacts.

c. If Company is unable to successfully process Your payment by automated means by the seventh (7th) calendar day of the month for which the payment is due, Your payment will be considered late and not paid in full. Company may suspend or terminate Your Account in accordance with Section 2.3(b)(i) for failure to timely pay in full. Late payments are subject to a

late-payment charge of the greater of (i) interest calculated at the lesser of (x) eighteen percent (18%) per year and (y) the maximum amount permitted by law and (ii) twenty-five dollars ($25). Such interest will accrue daily from the due date until the date of actual payment of the overdue amount, whether before or after judgment. You will pay the interest immediately on demand. You will pay all collection costs incurred by Company (including, without limitation, reasonable attorneys' fees).

3.4. Payment by Check.
a. If You apply for and are accepted into Company's check paying program, Company will issue You an invoice within the first five (5) calendar days of each calendar month. Each invoice will include an invoice processing fee of twenty-five dollars ($25). Payment by check must be received by the fifteenth (15th) calendar day of each month. Acceptance into and continued participation in Company's check paying program will be at Company's sole discretion.

b. Should Your check not be honored, a check fee of the lesser of (i) fifty dollars ($50) and (ii) the maximum amount permitted by law, will be charged to Your Account. In addition, Company may require You to pay by cashier's check or money order.

c. If Company does not receive payment by the fifteenth (15th) calendar day of the month for which the payment is due, Your payment will be considered late and not paid in full. Company may suspend or terminate Your Account in accordance with Section 2.3(b)(i) for failure to timely pay in full. Late payments are subject to a late-payment charge of the greater of (i) interest calculated at the lesser of (x) eighteen percent (18%) per year and (y) the maximum amount permitted by law and (ii) twenty-five dollars ($25). Such interest will accrue daily from the due date until the date of actual payment of the overdue amount, whether before or after judgment. You will pay the interest immediately on demand. You will pay all collection costs incurred by Company (including, without limitation, reasonable attorneys' fees).

3.5. Fees for Excess Use. You agree to monitor and maintain Your Accounts within all Company-specified limits and in a manner that does not disrupt the activities of Company and other Company customers and users. If Your usage exceeds the limits for Your Account or may disrupt the activities of other Company customers, You agree that Company may immediately, in its sole discretion, (i) charge You for such excess usage via Your automated payment account, or by invoice if You have been accepted into Company's check paying program, (ii) upgrade You to a plan or increase the limits on Your Account to address this excess usage, and/or (iii) suspend Your Account or terminate Your Account upon notice To You. Usage and associated charges for excess usage will be determined based solely upon Company's collected usage information. Unused monthly allotments will not accrue or carry over from one month to any other month. Upon any upgrade or increase on the limits of Your Account, You will be responsible for the new costs and fees.

3.6. Taxes. In addition to Company's charges, You will be liable for all taxes, governmental fees and assessments related to fees and charges charged to You under this Agreement or otherwise in respect of Your use of the Services. Company will bill you for any sales, usage or other taxes that apply with respect to (i)the Services that You purchase and (ii)the jurisdiction of Your billing address (or, as required, any other relevant business locations).

3.7. Fees for Additional Services. You agree to pay Company's then-current rates and expenses, including the cost of Company's vendors, for any requests related to information retrieval, subpoenas, consulting and advisory services, or similar work.

3.8. Bill Disputes. You will notify Company of any dispute relating to charges billed to Your Account by submitting a Billing Dispute Notification Form (available through Company's customer service) to Company within thirty (30) days of the date the disputed charges appeared on Your Account. The existence of a dispute will not relieve You from paying any and all amounts billed hereunder. You waive all rights to dispute any charges not disputed by written notice as required above.

3.9. Electronic Billing and Documentation. All billing and other documentation regarding the

Services may be provided electronically ("Electronic Documentation"). You acknowledge and agree that You are able to view all Electronic Documentation and consent to receiving Electronic Documentation and decline to receive hard copies of any such materials.

You agree to receive all such communications in the English language.

4. USE OF THE SERVICES.

4.1. Internal Use. You will use the Services for Your own internal business, non-residential and non-personal use. You acknowledge and agree that You will not allow any third party, including Your vendors and service providers, to access or use the Services unless such third party is allowed access for the purpose of providing authorized customer support services or in connection with Your appropriate use of the Services for Your own business purposes.

4.2. Restricted Activities. You will not (i) use any Service for any purpose outside the Service's intended scope, features, and function set, (ii) use any Service for third-party training, (iii) use any Service as an application service provider or service bureau, unless You have entered into a separate written agreement with Company to provide such services, (iv) use any Service for timesharing or rental, (v) use any Service to design software or other materials or services with similar or competitive functionality for any purpose, including distribution to third parties, (vi) except with respect to Your Data, duplicate any portion of the Services or display, distribute, publish, or otherwise disclose any Service; (vii) use any of the Services to interface with any other service or application that is outside the scope of intended use; (viii) decompile, disassemble, or otherwise reverse engineer any portion of the Services; (ix) make any modification or interface to any Service that is not specifically authorized by Company without prior written consent of Company; (x) resell or sublicense any portion of the Services, and any purported resale or sublicense will be void; and (xi) store, maintain, or use on or through the Service any PHI, unless a formal Business Associate Agreement (in a form acceptable to Intermedia in its sole discretion), if required by applicable law, has been executed between Company and You. You may not access the Services for purposes of monitoring their performance, availability, or functionality, or for any other benchmarking or competitive purposes, without Company's prior written consent. You may not, without Company's prior written consent, access the Services if You are a direct competitor of Company.

4.3. Applicable Law. You acknowledge and agree that access and use of the Services may be restricted or limited as a result of Applicable Laws and that You will not use, or allow the use of the Services in contravention of, and will comply with, any Applicable Law. You represent that (i) You and Your Users are not named on any Government Authority list of persons or entities prohibited from receiving exports, and (ii) You will not permit Users to access or use Services in violation of any export embargo, prohibition or restriction. You acknowledge and agree that that it is Your sole responsibility to use the Services in a lawful manner.

5. YOUR DATA; FEEDBACK.

5.1. Submission of Your Data. Any Data You provide to Company in connection with the Services must comply with the AUP. Attempting to place or transmit, or requesting placement or transmission, of Data that does not comply with the AUP will be a material breach of this Agreement. Company may, in its sole discretion, reject or remove Data that You have used or attempted to use with respect to the Services. Any Data used with respect to the Services by or through You will be free of any and all malicious code, including without limitation, disabling devices, drop dead devices, time bombs, trap doors, trojan horses, worms, computer viruses and mechanisms that may disable or negatively impact the Services or Company's servers. You hereby represent and warrant to Company that You have the right to use any patented, copyrighted, trademarked, proprietary or other material in connection with Data that You use, post, or otherwise transfer or transmit with respect to the Services.

5.2. Public Disclosure of Data. You are solely responsible for ensuring that You do not accidentally make any private Data publicly available. Any Data made public may be publicly accessible through the internet and may be crawled and indexed by search engines or other

third parties. By making any Data publicly available on any of the Services You affirm that You have the consent, authorization or permission, as the case may be from every person who may claim any rights in such Data to make such Data available in such manner.

5.3. Data Takedown. By making any Data publicly available in the manner aforementioned, You expressly agree that Company will have the right to block access to or remove such Data made available by You, if Company receives complaints, inquiries or notices concerning any illegality or infringement of rights in such Data. You expressly consent to determination of questions of illegality or infringement of rights in such Data by the agent designated by Company for this purpose.

5.4. Filtering. Company may employ various filtering methods to reduce unwanted content, such as SPAM e-mail, from reaching Your Company Account. You acknowledge and agree that such methods may prevent legitimate content from reaching Your Account and that Company will not be liable therefor.

5.5. Control. Company is not obligated to exercise control over the content of information, including Your Data, passing through Company's network except any controls expressly provided in this Agreement.

5.6. Feedback. Any feedback, suggestions, testimonials, endorsements, information or materials conveyed to Company by You or Your Users in connection with the Services shall be collectively deemed **"**Feedback**."** You agree to grant and hereby grant to Company a non-exclusive, perpetual, irrevocable, royalty free, worldwide license (with the right to grant and authorize sublicenses) to make, have made, use, import, offer for sale, sell, reproduce, distribute, modify, adapt, prepare derivative works of, display, perform, and otherwise exploit such Feedback without restriction.

6. CONFIDENTIALITY AND PRIVACY.

6.1. Confidential Information. "Confidential Information" is all confidential information disclosed by a party (**"**Disclosing Party**"**) to the other party (**"**Receiving Party**"**), whether orally or in writing, that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure. Your Confidential Information will include Your Data. Company's Confidential Information will include the Services (and any portion thereof), the terms and conditions of this Agreement and any Schedules, and all related Service order forms, as well as Company's business and marketing plans, technology and technical information, product plans and designs, and business processes disclosed by Company. Confidential Information will not include any information that (i) is or becomes generally known to the public without breach of any obligation owed to the Disclosing Party, (ii) was known to the Receiving Party prior to its disclosure by the Disclosing Party without breach of any obligation owed to the Disclosing Party, (iii) is received from a third party without breach of any obligation owed to the Disclosing Party, or (iv) was independently developed by the Receiving Party. The Receiving Party may disclose Confidential Information to the extent required to comply with binding orders of governmental entities that have jurisdiction over it; provided however that, to the extent legally permitted by law to do so, the Receiving Party gives the Disclosing Party reasonable written notice to allow the Disclosing Party to seek a protective order or other appropriate remedy and discloses only such Confidential Information as is required by the governmental entity. You acknowledge that Company, and its licensors, retain all intellectual property rights and title, in and to, all of their Confidential Information and/or other proprietary information. This shall include, but not be limited to: products, services, and the ideas, concepts, techniques, inventions, processes, software or works of authorship developed, embodied in, or practiced in connection with the Services provided by Company hereunder.

6.2. Protection of Confidential Information. Except as otherwise permitted by this Agreement or in writing by the Disclosing Party, (i) the Receiving Party will use the same degree of care that it uses to protect the confidentiality of its own confidential information of like kind (but in no event less than reasonable care) not to disclose or use any Confidential Information of the Disclosing Party for any purpose outside the scope of this Agreement, and (ii) the

Receiving Party will limit access to Confidential Information of the Disclosing Party to those of its employees, contractors and agents who need such access for purposes consistent with this Agreement and who are bound by confidentiality obligations at least as protective of Disclosing Party and its Confidential Information as the provisions of this Agreement.

6.3. Use and Disclosure by Company. Notwithstanding the foregoing, Company may use or disclose Your Data (i) as expressly permitted in writing by You, and (ii) as expressly provided in this Agreement, including (a) in accordance with the Privacy Policy (as if such Data were "Information" as defined under the Privacy Policy), and (b) to access Your Data to provide the Services or prevent or address service or technical problems, or at Your request in connection with customer support matters. You expressly consent to the foregoing use and disclosure.

7. BETA OFFERINGS.

The SLAs do not apply to any Beta Offerings. Notwithstanding anything else set forth in this Agreement, Company does not make any representations or warranties regarding any Beta Offering or the integrity of any data stored in connection with any Beta Offering. You are strongly discouraged from using any Beta Offering in connection with sensitive data. Company may, in its sole discretion, change or terminate any Beta Offering without notice and does not represent or warrant the result of any such action. Company may, in Company's sole discretion, convert any Beta Offering to a paid service upon notice to You . To avoid incurring increased charges following such a conversion, You must terminate (i) the individual converted service (if possible) by contacting Company as directed in the conversion notice, or (ii) if You subscribe to no other services under Your Account, the entire Account, pursuant to Section 2 of this MSA.

8. LIMITED WARRANTY; LIMITATION ON LIABILITY; THIRD-PARTY SERVICES.

8.1. Limited Warranty; Limitation on Liability. Company provides the Services and any related products on an "as is" basis, except as otherwise specifically set forth in the applicable SLA.

You expressly agree that use of the Services is at Your sole risk. To the fullest extent permitted by applicable law, Company and the Company Parties expressly disclaim all warranties of any kind, whether express, implied, statutory, or otherwise, oral or written, including, but not limited to the implied warranties of merchantability, fitness for a particular purpose and non-infringement. You hereby agree that the terms of this Agreement, including any Schedule, will not be altered due to custom or usage or due to the parties' course of dealing or course of performance under this Agreement, including any Schedule. Company and Company Parties will not be liable for any direct, indirect, incidental, special, punitive or consequential damages (including but not limited to damages for lost profits, business interruption, loss of programs or information, and the like) in connection with any claim arising under or in connection with this Agreement or the Services provided hereunder, regardless of whether Company or any Company Party has been advised of such damages or their possibility. Some jurisdictions do not permit exclusion or limitation of liability for all types of damages (including the province of Quebec), so the preceding exclusions may not apply to all parties; in such jurisdictions, and only such jurisdictions, the liability is limited to the fullest extent permitted by law. Company will not be liable for any harm that may be caused by Your access to application programming interfaces or the execution or transmission of malicious code or similar occurrences, including without limitation, disabling devices, drop dead devices, time bombs, trap doors, trojan horses, worms, viruses and similar mechanisms. You agree that the total liability of Company and any Company Party and Your sole remedy for any claims (i) regarding the Services for which a remedy is set forth in the applicable SLA is limited to the credits set forth in such SLA; and (ii) regarding the Services, other than those specifically described in clause (i) of this Section 8.1, is limited to the lesser of (a)One Thousand Dollars ($1,000) and (b) the prior one (1) month of Service fees paid under this Agreement by You to Company.

8.2. Other Liability. None of the Company Parties is responsible to You for any warranty provided by Company.

8.3. Third-Party Services. Company may link to or offer Third-Party Services on Company's website or otherwise through the Services. Any purchase, enabling, or engagement of Third-Party Services, including but not limited to implementation, customization, consulting services, and any exchange of Data between You and any Third-Party Service, is solely between You and the applicable Third-Party Service provider and is subject to the terms and conditions of such Third-Party Provider. Company does not warrant, endorse or support Third-Party Services and is not responsible or liable for such Services or any losses or issues that result as Your use of such services. If You purchase, enable or engage any Third-Party Service for use in connection with the Services, You acknowledge that Company may allow providers of those Third-Party Services to access Your Data used in connection with the Services as required for the interoperation of such Third-Party Services with the Services. You represent and warrant that Your use of any Third-Party Service signifies Your independent consent to the access and use of Your Data by the Third-Party Service provider, and that such consent, use, and access is outside of Company's control. Company will not be responsible or liable for any disclosure, modification or deletion of Data resulting from any such access by Third-Party Service providers.

9. OWNERSHIP AND CONTROL.

9.1. No Transfer. Except for rights expressly granted in this Agreement, including any Schedules Company does not transfer any intellectual or other property or proprietary right to You. All right, title, and interest in any Service provided to You, including without limitation any copyright, trade secret and vested or potential trademark and patent rights, is solely the property of Company and its vendors and licensors. As between You and Company, all materials distributed by Company in connection with the Services will at all times remain the property of Company, and upon the request of Company or upon termination of this Agreement or any Schedule, You will promptly return any and all such materials.

9.2. Control. Company will have sole and complete control over, and reserves the right at any time to make changes to, the configuration, appearance, content and functionality of the Services. In addition, Company reserves the right, at any time, without prior notice, to the exercise of its sole discretion to suspend or terminate any Service for the protection of the security and integrity of the Services or other business, technical or financial considerations as determined by Company.

9.3. Feedback License. Company will have a royalty-free, worldwide, transferable, sublicensable, irrevocable, perpetual license to use or incorporate into the Services any suggestions, enhancement requests, recommendations or other feedback provided by You and Your Users to Company or any Company Party.

10. INTELLECTUAL PROPERTY PROTECTION.

Company will, at its own expense, defend or at its option settle, any claim brought against You by a third party on the issue of infringement of any copyright, patent, or trademark of that third party, in each case by the "Company Technology," as defined below in this Section 10; provided that You provide Company with (a) prompt written notice of such claim; (b) control over the defense and settlement of such claim; and (c) proper and full information and assistance to settle and/or defend any such claim. In the event of any claim for which Company may be obligated to defend or settle in accordance with this Section 10, Company may at its sole option and expense, either: (i) procure the right to use the Company Technology as provided herein, (ii) replace the Company Technology with other non-infringing products with equivalent functionality; (iii) suitably modify the Company Technology so that it does not infringe, or (iv) terminate this Agreement. Company assumes no liability for infringement claims arising from: (1) any combination of the Company Technology with products or technology not provided by Company, if the infringement would not have occurred if the Company Technology had not been so combined; (2) any modification of the Company

Technology, in whole or in part, by anyone other than Company, if the infringement would not have occurred but for such modification; (3) use by You of any Company Technology after Company notifies You that continued use may subject You to such claim of infringement; (4) any proprietary or intellectual property rights not expressly identified in this Section 10; or (5) any non-United States proprietary or intellectual property rights. "Company Technology" means the software of Company which is delivered to You in connection with Your use of the Services. This Section 10 sets forth the entire liability and obligations of Company, and Your exclusive remedy, with respect to any actual or alleged infringement of any intellectual property or proprietary right by the Services. The terms of this Section 10 are subject to the limitations of Section 8.

11. HARDWARE, EQUIPMENT, AND SOFTWARE.

Unless purchased from Company or one of its affiliates pursuant to a separate written agreement, You are responsible for and must provide all hardware, software, services and other components necessary to access and use the Services. Company makes no representations, warranties, or assurances that third party hardware, software, services and other components will be compatible with any Service. Company reserves the right to change or upgrade any equipment or software that it uses to provide the Services without notice to You. Company will install security patches, updates, upgrades and service packs ("Updates") as it determines in its sole discretion, and reserves the right, but not the obligation, to roll back any Updates. Updates may change system behavior and functionality and as such may negatively affect the Services used by You. Company cannot foresee nor be responsible or liable for service disruption or changes in functionality or performance due to Updates. Company is not responsible or liable for issues that may arise from incompatibilities between Your Data and use of the Services and any Update or hardware or software change or configuration, regardless of whether discretionary or requested.

12. INDEMNIFICATION.

You agree to defend, indemnify, save, and hold Company and the Company Parties harmless from any and all demands, liabilities, losses, costs, and claims, including reasonable attorneys' fees, asserted against them that may arise or result from Your use of the Services, Your breach of this Agreement (or any Schedule), or Your negligence or willful misconduct.

13. MODIFICATION OF TERMS.

Company may update, amend, modify or supplement the terms and conditions of this Agreement, including any Schedules, any SLAs, the AUP and the Privacy Policy, from time to time by giving You notice. Such changes will take effect immediately. Any such modification may be made without the consent of any third party beneficiaries of this Agreement. You can review the most current version of this Agreement at any time at: (http://www.serverdata.net/legal/). **Your continued use of Your Account or the Services after Company posts a new version of the Agreement will be conclusively deemed to be acceptance by You of any such new version**.

14. MISCELLANEOUS.

14.1. Governing Law; Jurisdiction; Forum; Attorneys' Fees. This Agreement will be governed by and construed in accordance with the laws of the State of California without regard to its conflicts of laws or its principles. Any claim or suit arising out of or relating to this Agreement will be brought exclusively in any court of competent jurisdiction located in Santa Clara County, California. In any action to enforce this Agreement, including, without limitation, any action by Company for the recovery of fees due hereunder, You agree to pay Company's reasonable attorneys' fees and costs in connection with such action if Company prevails in such action. You agree to waive the right to trial by jury with respect to any proceeding related to or arising out of this Agreement.

14.2. Written Communications and Notice. You accept that communication from Company may be electronic. Company may contact You by e-mail or provide You with information by posting notices on Company's website or to Your

Account. You agree to receive all such communications in the English language. You agree to this electronic means of communication and You acknowledge that all contracts, notices, information and other communications that Company provides to You electronically are acceptable and effective as notice. Except as otherwise specified in this Agreement, all notices, permissions and approvals hereunder will be in writing and will be deemed to have been given (i) immediately upon personal delivery, (ii) the second (2nd) business day after mailing, (iii) the second (2nd) business day after sending by confirmed facsimile, or (iv) the first (1st) business day after sending by email or, if from Company to You, online posting. Notices to You shall be written in English and may be addressed by Company to any e-mail address, postal address or facsimile number registered with Company, or through means of online posting through the Services. Notices to Company that are not expressly authorized by administrative control panel under this Agreement shall be written in English and mailed to Company.

14.3. Authority, Age and Capacity. The individual accepting this Agreement on behalf of You represents and warrants that he/she has the authority to bind You to this Agreement. You hereby represent and warrant that each User has reached the older of (i) the age of eighteen (18) and (ii) the age of majority in the User's jurisdiction, and that You are not subject to a limitation on Your ability to enter into this Agreement.

14.4. Severability. If any one or more of the provisions contained herein will, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any of the other provisions of this Agreement, and this Agreement will be construed as if such provision(s) had never been contained herein, provided that such provision(s) will be curtailed, limited, or eliminated only to the extent necessary to remove the invalidity, illegality, or unenforceability.

14.5. Waiver. No waiver by either party of any breach by the other party of any of the provisions of this Agreement will be deemed a waiver of any preceding or succeeding breach of this Agreement. No such waiver will be effective unless it is in writing signed by the parties hereto, and then only to the extent expressly set forth in such writing.

14.6. Remedies. The rights and remedies of the parties hereunder shall not be mutually exclusive, i.e., the exercise of one (1) or more of the provisions hereof shall not preclude the exercise of any other provision hereof. The parties acknowledge, confirm and agree that damages may be inadequate for a breach or a threatened breach of this Agreement and, in the event of a breach or threatened breach of any provision hereof, the respective rights and obligations hereunder shall be enforceable by specific performance, injunction or other equitable remedy. Nothing contained in this Agreement shall limit or affect any rights at law or statute or otherwise for a breach or threatened breach of any provision hereof, it being the intent of this provision to clarify that the respective rights and obligations of the parties shall be enforceable in equity as well as at law or otherwise.

14.7. No Assignment. No benefit or duty of You under this Agreement will, without the consent of Company, be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt to do so will be void. Company may assign this Agreement without Your consent and without notice.

14.8. Fair Interpretation, Headings. This Agreement reflects terms that are mutually agreeable to the parties. This Agreement will be interpreted fairly in accordance with its terms and without any strict construction in favor of or against either party based on draftsmanship of the Agreement or otherwise. The headings and captions used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

14.9. Force Majeure. Except for monetary obligations, neither party shall be liable to the other for failure or delay in the performance of a required obligation hereunder if such inability or delay is caused by reason of Force Majeure Event. "Force Majeure Event" is any cause beyond a party's reasonable control or anticipation, including, without limitation, acts of

war, acts of god, terrorism, earthquake, hurricanes, flood, fire or other casualty, embargo, riot, sabotage, labor shortage or dispute, governmental act, insurrections, epidemics, quarantines, inability to procure materials or transportation facilities, failure of power, restrictive governmental laws or regulations, condemnation, acts of third parties, failure of the Internet or other reason that is beyond a party's reasonable control or anticipation.

14.10. Survival. The preamble, "Definitions" and Sections 2,3,4,5,6,8,9,10,12,13 and 14 of this MSA will survive termination.

14.11. Independent Parties. Notwithstanding anything to the contrary herein, it is acknowledged, confirmed, and agreed that You shall be, and shall be deemed to be, an independent entity for all intents and purposes, including, without limitation, federal taxation. You shall pay all expenses in connection with performing Your obligations hereunder and shall not incur any indebtedness on behalf of Company in connection with such expenses. Neither party shall have or hold itself out as having any right, authority nor agency to act on behalf of the other party in any capacity or in any manner, except as be specifically authorized in this Agreement.

14.12. Entire Agreement; Third Party Beneficiaries. This Agreement, including any Schedules, constitutes the entire agreement for provision of the Services to You and supersedes all other prior agreements and understandings, both written and oral, between You and Company with respect to the Services. You understand and agree that (i) Company and You may include, as the sole third-party beneficiaries of this Agreement, the Company Parties, and (ii) in the event of any breach of this Agreement, including any Schedule, such Company Parties shall have all rights and remedies available to them as if they were parties to this Agreement, including claiming the benefit of Section 8 of this MSA.

14.13. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but which collectively will constitute one and the same instrument.

14.14. Language. The parties confirm that they have requested that this Agreement and all related documents be drafted in English.

Attachment 1
Enhanced 911 Service - Disclosures, Notices and Disclaimers

IMPORTANT: EMERGENCY 911 CALLING INFORMATION

This document provides very important information about emergency 911 calling using the Internet phone service of Company, including as part of Company's Unified Communications and Cloud PBX services. This document also describes the steps that you, as a customer of this service ("You"), should take **to ensure Your safety and the safety of Your employees and visitors**.

Capitalized terms used in this document but not otherwise defined have their respective meanings set forth in the Master Service Agreement between You and Company. **Note that this document is incorporated into the terms of Your Master Service Agreement and creates a legally binding obligation on You.**

Dear Customer:

Emergency 911 Services (including Enhanced 911 or "E911") provided by Company differ from the emergency calling services provided by a traditional telephone company. **These differences may have an adverse impact upon the ability or timeliness of 911 responders to respond to or assist You or others in the event of an emergency.** In addition, due to limitations on technology at the applicable emergency center, the location reported by Company to the public safety dispatcher for Your telephones may not include a user's specific location within a business premise. For this reason, it is important that You carefully follow the instructions below.

As part of the process of subscribing to our voice services, You provide us with the street address, city, and state ("Service Address") where You will be using Your Company voice service. Many of our customers have access to either basic 911 or E911 service depending on their service location.

- If You are a customer located in an area where the applicable emergency center offers **E911 service**, then, when You dial 911, Your telephone number and registered address are sent by Company to the emergency center, where public safety dispatchers have access to this information in order to send help and call You back if necessary.
- However, if You are a customer located in an area where the applicable emergency center only offers **basic 911 service**, then, when You dial 911, the emergency center is not equipped to automatically receive Your telephone number and address, and public safety dispatchers answering the call may not be able to access Your telephone number and/or registered address. Therefore, in this situation, You must be prepared to supply this information on the call. Until You supply the public safety dispatchers with Your phone number and address, the dispatcher may not be able to send help, and they may not be able to call You back if the call is disconnected or dropped.

For the purposes of 911, and to ensure safety of You, Your employees, and Your visitors, You must register with Company the physical location where each user will utilize our service with that phone line. We will register the physical location or Service Address that You provide as part of subscribing to our service. **Please note that it is Your responsibility to confirm the accuracy of Your Service Address upon initial registration, and upon any further changes, additions, or transfers of phone numbers.** You can do this by using Your online account portal. In addition, it is Your obligation to require each user to provide Company with their specific location within Your premises in the event of an emergency. When You move Your device to another location, You must

update Your registered address. It is also Your responsibility to require each user to update Company promptly when such user changes the physical location to which service is provided. If You (or Your users) do not update location information, Your 911 calls may be directed to an emergency center near Your old address (instead of the new location), which may result in 911 responders being delayed in responding, or unable to respond, to the reported emergency. You may register only one 911 location at a time for each phone line. **To be clear, You and Your users must re-register the Service Address with Company each time the Service Address changes**. Please note that this is standard and customary practice for any Internet-based voice service, and it is designed to keep You, Your employees, and Your visitors safe in case of an emergency.

In addition, with Company's Unified Communications service, You have the ability to connect Your voice service to multiple devices and endpoints. Please note the following important service limitations with regard to the use of such devices or endpoints:

- Note that You must register (or instruct Company to register) the correct E911 address for each separate device within the Company portal (e.g., home phone, office phone, etc.).
- **Emergency/911 calls are not supported from Company's Unified Communications mobile application**. Therefore, the Unified Communications mobile application should not be used for E911 emergency calls. If You or Your users need to make an emergency/911 call using a mobile phone, do not use Company's Unified Communications mobile application. Rather, You (or Your user, as applicable) should use the mobile phone's native dialer instead.

Enhanced 911 service over the Internet has several limitations. Such limitations, including those discussed above, may prevent You from making emergency calls and include but are not limited to any of the following:

  - Loss of electrical power
  - Loss of Internet connection for any reason
  - Termination of Your account by your broadband ISP or by Company
  - Defective or misconfigured customer premises equipment or software
  - Network congestion
  - Delays from updating Your registered Service Address
  - Non-voice equipment, such as security systems and medical monitoring equipment
  - Relocating the equipment outside of the United States, which is prohibited by the MSA "Master Service Agreement" and applicable product schedules
  - Simultaneous use of one line with multiple pieces of equipment
  - The failure of the emergency response center to answer Your calls
  - Failures of third parties responsible for routing 911 calls

You should advise all of Your employees, invitees, guests, visitors, and every other person who visits Your facility and/or who may make calls using the service of the limitations described above.

In some cases, emergency calls may not be routed to the designated emergency center in Your area. Rather, an emergency call may be routed to an alternative emergency center that may not have access to any or all of Your registered Service Address information. Consequently, a user should be prepared to provide sufficient information with respect to their physical location to a public safety dispatcher. This method may delay the dispatch of emergency personnel to the user's location. If the emergency call is disconnected for any reason prior to the time the user has provided a location and callback number, emergency personnel will have no way to contact the user or determine the user's identity or location, and the user should immediately redial 911.

It is important that You place the stickers shipped with the phones purchased from Company, or the label (accessible in the document entitled "E911 Notifications" found on

www.serverdata.net/legal under the heading "Unified Communications") for phones You supplied yourself, next to all devices which use the Company service, including all session initiation protocol ("SIP") telephones, analog telephone adapters and telephones attached to an analog telephone adapter having the capability of connecting to our service, as well as all computers having softphone software installed. The sticker or label should be conspicuously located near or on each device so that a caller can easily see it. Failure to situate a sticker or label near or on each device may result in a caller not knowing that he/she may not be able to reach 911 in the event of an emergency.

You acknowledge and agree that if You are not comfortable with the limitations of Company's 911 service, that You should always have an alternative means of accessing emergency service. To ensure that You and Your Users have access to emergency services, You acknowledge and accept that it is Your sole responsibility to purchase, from a third-party separately from Company, traditional wireless or landline telephone service as a backup means of completing emergency calls. If the Service is used in a home office environment, it is not intended to be used for personal, residential, nonbusiness or nonprofessional commercial use. A home office user must provide alternative arrangements for residential emergency calls.

To check Your 911 activation status, log in to Your account or dial support from Your Company phone.

IN WITNESS WHEREOF, the Parties have executed this Master Services Agreement above through their duly authorized representatives.

City of Santa Fe Springs		**I Copy Inc. DBA IBE Digital**	
By:	_____	By:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

PREPARED FOR:	City of Santa Fe Springs
AGENT:	Sandler
DATE PREPARED:	2/4/2026
PREPARED BY:	CB
EXPIRES ON:	3/21/2026
TERM:	36 Months

SERVICE ORDER ADDENDUM

Please see the following pages for details

Proposed Monthly Recurring Charges	Proposed Non-Recurring Charges
$17,879.85	$0.00

Terms and Conditions

1) Terms of Service: By signing this Service Order Addendum ("SOA") with New Horizon Communications Corp. ("NHC"), the Customer agrees to incorporate the SOA, the accompanying Master Service Agreement, any Addendum to the Master Service Agreement, and NHC's online Terms of Service ("TOS") posted at https://nhcgrp.com/terms-of-service. The order of preference for the interpretation of the provisions of each of these documents is set forth in paragraph one of the TOS.
2) The quotes for pricing of services set forth in this SOA is valid for 45 days from the date of this SOA. The prices and charges set forth in this SOA does not include taxes, fees and surcharges (if applicable), any additional equipment, cabling or pre-installation work, added features (including unknown features on assumed services), shipping, optional features, or services that may have been added at the customer's request prior to installation and billing. Fees and surcharges are set forth at https://nhcgrp.com/terms-of-service.
3) An address must be supplied and validated by RBOC/ILEC database. NHC is not responsible for an unvalidated address that doesn't match the location resulting in an inaccurate quote.
4) Distance, Location Site Survey & Buildouts/Cabling: Pricing and install intervals are based on the requested building location and available facilities. Additional costs for build-out and/or cabling may apply with some requested services (for example Broadband, GPON, and Ethernet type services).
5) If the solution is designated as Customer Self Installation, the Customer is solely responsible for completing all on-site installation. NHC will provide remote support as reasonably necessary. Should the Customer request an on-site visit by an NHC technician, all associated costs will be the Customer's responsibility and will be charged in accordance with the rates and terms outlined in the NHC Terms of Service.
6) Confidential and Proprietary: The SOA is provided to the Company listed above and may not be disclosed or forwarded to any other party without the express written consent of NHC.

Please Note:

· Upon completion of the agreed-upon amortization schedule, the amortized Non-Recurring Charges ("NRCs") shall automatically be removed from all future invoicing.

CUSTOMER AUTHORIZATION:

The signatory below represent and warrants his or her authority to execute, deliver and perform this Agreement on behalf of the Company named below. New Horizon shall be entitled to rely on any apparent or implied authority of such sinatory, which shall result in a binding and enforceable agreement between New Horizon and the Company. Installation shall mean the date when NHC tests and turns up your service and we notify you that your service is ready for use.

Agreed to on behalf of Customer by:	Agreed to on behalf of New Horizon Communications by:
Name:	Name:
Title:	Title:
Authorized Signature:	Authorized Signature:
Date:	Date:

PREPARED FOR: City of Santa Fe Springs
AGENT: Sandler
DATE PREPARED: 2/4/2026
QUOTED TERM 36 Months
PREPARED BY: CB
EXPIRES ON: 3/21/2026

SERVICE ORDER ADDENDUM

30
Circuits subject to site survey. Includes estimated construction cost if available at time of quote. Actual construction cost may differ based on post-order site survey
*Circuits include /29 IP block

	MRC	NRC
Totals	$11,475.00	$0.00

									IPCAC2M	IPADRES2M		DATASU2M
LOC NAME	Address	City	State	Zip	Description	Underlying Provider	SKU	Circuit	IP Coordinated Access Charge	IPs	Total MRC	Circuit NRC
SFS Park	10068 CEDARDALE DR	SANTA FE SPRINGS	CA	90670	20M DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$328.00	$58.00	$0.00	$386.00	$0.00
Clarke Estate	10225 JERSEY AVE	SANTA FE SPRINGS	CA	90670	20M DIA	Spectrum-RFQ# 0511681442	IPCT2M148A	$395.00	$70.00	$0.00	$465.00	$0.00
Little Lake Park	10900 PIONEER BLVD	SANTA FE SPRINGS	CA	90670	20M DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$328.00	$58.00	$0.00	$386.00	$0.00
Los Nietos	11143 CHARLESWORTH RD	SANTA FE SPRINGS	CA	90670	20M DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$328.00	$58.00	$0.00	$386.00	$0.00
Los Nietos	11155 CHARLESWORTH RD	SANTA FE SPRINGS	CA	90670	200M DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$547.00	$97.00	$0.00	$644.00	$0.00
FS HQ	11300 GREENSTONE AVE	SANTA FE SPRINGS	CA	90670	1G DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$1,178.00	$208.00	$0.00	$1,386.00	$0.00
PSC	11576 TELEGRAPH RD	SANTA FE SPRINGS	CA	90670	1G DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$826.00	$146.00	$0.00	$972.00	$0.00
Santa Fe Springs	11641 FLORENCE AVE	SANTA FE SPRINGS	CA	90670	200M DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$547.00	$97.00	$0.00	$644.00	$0.00
City Hall	11710 TELEGRAPH RD	SANTA FE SPRINGS	CA	90670	1G DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$826.00	$146.00	$0.00	$972.00	$0.00
FS 4	11736 TELEGRAPH RD	SANTA FE SPRINGS	CA	90670	200M DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$547.00	$97.00	$0.00	$644.00	$0.00
Hertiage Park	12100 MORA DR	SANTA FE SPRINGS	CA	90670	1G DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$826.00	$146.00	$0.00	$972.00	$0.00
MSY	12636 EMMENS WAY	SANTA FE SPRINGS	CA	90670	1G DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$826.00	$146.00	$0.00	$972.00	$0.00
FS 3	15517 CARMENITA RD	SANTA FE SPRINGS	CA	90670	200M DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$547.00	$97.00	$0.00	$644.00	$0.00
FS 1	8634 DICE RD	SANTA FE SPRINGS	CA	90670	200M DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$547.00	$97.00	$0.00	$644.00	$0.00
GVNC	9255 PIONEER BLVD	SANTA FE SPRINGS	CA	90670	1G DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$826.00	$146.00	$0.00	$972.00	$0.00
Santa Fe Springs	9720 PIONEER BLVD	SANTA FE SPRINGS	CA	90670	20M DIA	Frontier-PNUM EIAV007NHZ300897.	IPCT2M050A	$328.00	$58.00	$0.00	$386.00	$0.00

PREPARED FOR: City of Santa Fe Springs
AGENT: Sandler
DATE PREPARED: 2/4/2026
QUOTED TERM 36 Months
PREPARED BY: CB
EXPIRES ON: 3/21/2026

SERVICE ORDER ADDENDUM

	MRC	NRC
Totals	$123.85	$0.00

							5G200FW037	5G100FW037	5GPRM151	5GSTD151	WSTATICIP	U-233-VP	PMBR1FW12	CRW18505GR		WNRC	
LOC NAME	Address	City	State	Zip	Description	Underlying Provider	5G 200Mb	5G 100Mb	Premium 5G Internet Air	Standard 5G Internet Air	Wireless Static IP	Unlimited Data	Peplink MAX BR1 Support	CradlePoint W1850 5G Adapter	Total MRC	Wireless Data Setup Charge	Total NRC
Little Lake Park	10900 PIONEER BLVD	SANTA FE SPRINGS	CA	90670	Standard 5G FWA	AT&T				$99.95	$0.00	$0.00	$18.95	$4.95	$123.85	$0.00	$0.00

PREPARED FOR: City of Santa Fe Springs
AGENT: Sandler
DATE PREPARED: 2/4/2026
QUOTED TERM 36 Months
PREPARED BY: CB
EXPIRES ON: 3/21/2026

SERVICE ORDER ADDENDUM

28
Circuits subject to site survey. Includes estimated construction cost if available at time of quote. Actual construction cost may differ based on post-order site survey
*Circuits include /29 IP block

	MRC	NRC
Totals	$6,281.00	$0.00

									IPCAC2M	IPADRES2M	NHCPMPRGM1		DATASU2M
LOC NAME	Address	City	State	Zip	Description	Underlying Provider	SKU	Circuit	IP Coordinated Access Charge	IPs	Stack Management	Total MRC	Circuit NRC
SFS Park	10068 CEDARDALE DR	SANTA FE SPRINGS	CA	90670	50M/50M Fixed Wireless	GeoLinks	IPCT2M163A	$312.00	$55.00	$34.00		$401.00	$0.00
Los Nietos	11143 CHARLESWORTH RD	SANTA FE SPRINGS	CA	90670	50M/50M Fixed Wireless	GeoLinks	IPCT2M163A	$312.00	$55.00	$34.00		$401.00	$0.00
Los Nietos	11155 CHARLESWORTH RD	SANTA FE SPRINGS	CA	90670	50M/50M Fixed Wireless	GeoLinks	IPCT2M163A	$312.00	$55.00	$34.00		$401.00	$0.00
FS HQ	11300 GREENSTONE AVE	SANTA FE SPRINGS	CA	90670	50M/50M Fixed Wireless	GeoLinks	IPCT2M163A	$312.00	$55.00	$34.00		$401.00	$0.00
PSC	11576 TELEGRAPH RD	SANTA FE SPRINGS	CA	90670	50M/50M Fixed Wireless	GeoLinks	IPCT2M163A	$312.00	$55.00	$34.00		$401.00	$0.00
Santa Fe Springs	11641 FLORENCE AVE	SANTA FE SPRINGS	CA	90670	50M/50M Fixed Wireless	GeoLinks	IPCT2M163A	$312.00	$55.00	$34.00		$401.00	$0.00
City Hall	11710 TELEGRAPH RD	SANTA FE SPRINGS	CA	90670	100M/100M Fixed Wireless	Earthlink-OneRing	IPCT2M153A	$640.00	$113.00	$12.00	$38.00	$803.00	$0.00
FS 4	11736 TELEGRAPH RD	SANTA FE SPRINGS	CA	90670	30M/30M Fixed Wireless	GeoLinks	IPCT2M163A	$218.00	$39.00	$34.00		$291.00	$0.00
Hertiage Park	12100 MORA DR	SANTA FE SPRINGS	CA	90670	20M/20M Fixed Wireless	GeoLinks	IPCT2M163A	$129.00	$23.00	$34.00		$186.00	$0.00
MSY	12636 EMMENS WAY	SANTA FE SPRINGS	CA	90670	50M/50M Fixed Wireless	GeoLinks	IPCT2M163A	$312.00	$55.00	$34.00		$401.00	$0.00
FS 3	15517 CARMENITA RD	SANTA FE SPRINGS	CA	90670	50M/50M Fixed Wireless	Earthlink-OneRing	IPCT2M153A	$581.00	$103.00	$12.00		$696.00	$0.00
FS 1	8634 DICE RD	SANTA FE SPRINGS	CA	90670	50M/50M Fixed Wireless	GeoLinks	IPCT2M163A	$312.00	$55.00	$34.00		$401.00	$0.00
GVNC	9255 PIONEER BLVD	SANTA FE SPRINGS	CA	90670	50M/50M Fixed Wireless	Earthlink-OneRing	IPCT2M153A	$581.00	$103.00	$12.00		$696.00	$0.00
Santa Fe Springs	9720 PIONEER BLVD	SANTA FE SPRINGS	CA	90670	50M/50M Fixed Wireless	GeoLinks	IPCT2M163A	$312.00	$55.00	$34.00		$401.00	$0.00

MASTER SERVICE AGREEMENT

NHC SALES: Max Howell

PARTNER: Sandler

DATE PREPARED: 1/27/2026

Company and Billing Information

Corporate Name:	City of Santa Fe Springs	Main Contact Name:	Julio Morales
Business Name (DBA):	City of Santa Fe Springs	Phone:	562-868-0511
Street Address:	11710 E Telegraph Rd	Email:	juliomorales@santafesprings.gov
City:	Santa Fe Springs	State:	CA
ZIP:	90670	Country:	US

Terms and Conditions

This Master Service Agreement ("MSA") is entered into between New Horizon Communications ("NHC" or "Company") and Corporate Name Company referenced above, further referred to as "Customer". As defined herein, the term "Agreement" refers to this MSA, any Addendum to the MSA ("Addendum"), NHC's standard terms and conditions referred to as the Terms of Service (TOS) available at https://nhcgrp.com/terms-of-service, and all Service Order Addendum(s) ("SOA"). The Agreement is fully binding and enforceable as of the date the SOA is/are signed by both parties (the "Effective Date(s)"). To become effective, this Agreement must be: (1) signed by an authorized Customer representative; (2) signed by an authorized NHC representative; and (3) Customer must enter into a SOA. This Agreement is effective in all electronic or physical forms, which all will be considered original and all constitute the Agreement. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Authorized Representative: By signing the Agreement, you acknowledge you have the authority to enter into the Agreement on the Customer's behalf.

Agreed to on behalf of Customer by:	Agreed to on behalf of NHC by:
Name:	Name:
Title:	Title:
Authorized Signature	Authorized Signature
Date:	Date:

Authorizations

Do not release any of my company information (including my customer service record) to requesting carriers or third-party vendors without prior notification and/or my consent. (initials) _____

I hereby authorize my Agent access to view my New Horizon Communications invoice. (initials) _____

NHC Document: MSA - Master Service Agreement - v12.6.21

Date: 2/3/2025

Principal Consultant: Matt Abshire

Citywide Redundant Internet and SD-WAN Firewall Implementation

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All information enclosed within this document is confidential and may not be disseminated to any party other than the addressee without the express, written consent of IBE Digital

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1. Overview

Background

The City of Santa Fe Springs currently operates a pseudo hub-and-spoke ELAN network connecting 16 ancillary sites to City Hall via fiber. This configuration has experienced multiple outages due to fiber issues, impacting operations across the city's facilities.

To enhance network resilience and minimize downtime, the city intends to deploy a new primary and secondary ISP at each site and implement a basic SD-WAN solution using FortiGate firewalls. This design will allow for automatic failover and load balancing between the primary ISP connection and the secondary ISP, ensuring continuous connectivity.

Design

- Install appropriately sized FortiGate firewalls at each of the 16 sites.
- Configure SD-WAN to utilize both new ISP connections.
- Enable automatic failover and traffic steering based on link health.
- Centralized monitoring and management via FortiManager.

2. Proposed Solution

Phase 1: Planning & Design

- Selection of FortiGate models per site.
- ISP coordination and provisioning.
- Finalization of SD-WAN design and policies.

Phase 2: Procurement & Staging

- Acquire FortiGate devices and necessary licenses.
- Pre-configure firewalls with base SD-WAN settings.
- Test configurations in a lab environment.

Phase 3: Deployment

- Install FortiGate firewalls at each site.
- Connect and test secondary ISP.
- Implement SD-WAN configuration and failover testing.

Phase 4: Optimization & Handoff

- Monitor performance during an initial stabilization period and make reasonable adjustments to SD-WAN policies as required to validate functionality. Ongoing optimization beyond the stabilization period is out of scope and subject to a change order.
- Provide city IT staff basic management and troubleshooting overview.
- Provide documentation and support resources.

Project Closure

- Update the Guidebook with new hardware and/or services.
- Client project sign-off.

Areas Out of Scope / Engagement Restrictions

- Applications/services not explicitly defined in the statement of work.

3. Deliverables Review and Acceptance

Review of Deliverables

Client must review any “Draft” deliverable referenced above and provide any comments or feedback regarding that draft to IBE Digital in writing within 14 days of receipt of the draft by End User. Any comment or feedback not provided to IBE Digital in writing within this time frame will be considered outside the scope of this Project. Any material change to the deliverable must be requested in writing by Client to IBE Digital upon receipt of the initial draft.

Acceptance of Deliverables

Final versions of deliverables are deemed accepted by Client unless expressly rejected by Client in writing, detailing the basis for such rejection, within 14 days of delivery by IBE Digital. Deliverables will be deemed complete when all sites demonstrate successful primary/secondary ISP failover and SD-WAN routing as defined in the approved design.

4. Assumptions

General Project Assumptions

- Change control procedures, including change request submittal and representation, will be managed by Client with input from IBE Digital. Delays in change control requests and approval for production changes could impact project timelines.
- IBE Digital will provide subject matter experts to work on the outlined objectives. IBE Digital resources will work in the Client environment and work with Client to provide services. IBE Digital resources may require privileged security access rights to the production environments and will be responsible for production changes as required to perform outlined work.
- IBE Digital is not responsible for bugs or feature limitations. Developing custom code to address solution limitations and/or managing Fortinet support cases is out of scope.
- Product features or services not documented in this agreement are out of scope unless agreed by both Client and IBE Digital.

Specific Project Assumptions

- All sites have physical space and power available for firewall installation.
- Secondary ISP will be provisioned and active prior to firewall deployment.
- City Hall will remain the central monitoring point unless otherwise specified.
- FortiGate models will be sized based on bandwidth and user count per site.

5. Client Responsibilities

- Client will provide people and/or resources necessary to enable successful completion of this project.
- Client will identify a resource that will act as the primary contact for this project. IBE Digital will communicate project status, system requirements, issues, etc. to this individual.
- Client will provide IBE Digital with remote access accounts to required resources for accessing and supporting the project.
- Client will provide IBE Digital with a reasonably suitable workspace that has network connectivity and phone sets while onsite.
- Client will provide computing resources with access to production and test systems to facilitate the needs of the project.
- Client acknowledges that IBE Digital will require information from Client in order for IBE Digital resources to be fully utilized and to perform the services in the schedule and estimated days outlined herein. Client agrees that it is responsible for ensuring

that IBE Digital is provided with such information in a timely manner to avoid delay or additional costs to Client which may result.

- Coordinate with ISPs for timely provisioning of secondary connections.
- Client will provide access to all sites for installation and testing.
- Client will ensure availability of local IT staff for coordination and support.
- Client will review and approve design and implementation plans.

6. Risks and Dependencies

- Delays in ISP provisioning could impact deployment timelines.
- Incompatibility or performance issues with existing ELAN infrastructure.
- Limited on-site IT resources may affect installation scheduling.
- Configuration errors could lead to temporary network disruptions.

7. Schedule

Estimates are based upon IBE Digital's current understanding of the project scope, the client's readiness and timeline, minimum resource days utilized per month and past experience in executing these types of projects. Both parties acknowledge that aspects beyond IBE Digital's control may affect its ability to do so and that IBE Digital will not be penalized for any reasonable changes to the estimated schedule that may result.

Further, IBE Digital shall bear no liability or otherwise be responsible for delays in the provision of services or any portion thereof occasioned by Client failure to timely complete Client tasks or adhere to Client schedule. Client agrees that delays by Client in completion of tasks and scheduling could result in IBE Digital's inability to utilize resource days as planned, increased resource days required to complete the project and result in additional costs to Client.

8. Change Orders

Any items not specifically addressed by this document will be addressed by a change order process and will be billed the same pricing structure agreed upon and outlined in this Statement of Work. In the event of a change in scope, you will be notified prior to the billing of any additional services.

9. Investment

Investment Breakdown

Service	
Project Services	**$102,375**
Estimated Hours to Complete: 455 Estimated Business Hours: 455 Estimated After Hours: 0 Business Hours Rate: $225 After Hours Rate: $250	
Hardware / Software	**$21,708.88**
Please Refer to Quote 40665 for more detail	
Sales Tax	$2,333.70
Total Project Investment	**$126,417.58**

All prices are exclusive of any applicable sales or use taxes, and shipping costs.

Sourcewell Contract # 112124-KON

10. Terms and Conditions of Service

By executing this Schedule of Services, Client agrees to purchase the services designated above and further agrees that the services shall be subject to the following Terms and Conditions of Service.

1. Fees and Payment: Client agrees to pay all fees specified in this Schedule. Payment terms are net 30 days from date of invoice. Client shall be responsible for all applicable taxes arising from the services. IBE Digital may suspend service if Client has failed to pay any undisputed invoice within fifteen (15) days of the due date. Undisputed invoices not paid by the due date may be subject to a monthly service charge which is the lesser of one and one-half percent (1.5%) per month or the highest rate allowed by law.

2. Limited Warranty: (a) IBE Digital warrants for a period of thirty (30) days following delivery (the "Warranty Period") that all services shall be performed in a professional manner in accordance with generally applicable industry standards. IBE Digital sole liability (and Client's exclusive remedy) for any breach of this warranty shall be for IBE Digital to re-perform any deficient services,or, if IBE Digital is unable to remedy such deficiency within thirty (30) days, to void the invoice for the deficient services. IBE Digital shall have no obligation with respect to a warranty claim: (i) if notified of such claim after the Warranty Period or (ii) if the claim is the result of third-party hardware or software failures, or the actions of Client or a third party. (b) THIS SECTION 2 IS A LIMITED WARRANTY AND SETS FORTH THE ONLY WARRANTIES MADE BY IBE DIGITAL. IBE MAKES NO OTHER WARRANTIES, CONDITIONS OR UNDERTAKINGS, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT. ALL SOFTWARE AND HARDWARE PROVIDED OR INSTALLED BY IBE DIGITAL HEREUNDER ARE SUBJECT EXCLUSIVELY TO THE RESPECTIVE MANUFACTURER'S WARRANTY.

3. COMPENSATION FOR HIRING OTHER PARTY'S EMPLOYEES: During the term of this Schedule and for twelve (12) months thereafter, if either party retains the services (whether as an employee, independent contractor or otherwise) of any employee of the other party (or ex-employee within six (6) months of the employee's termination of employment) who was directly involved in the provision of Services hereunder, the hiring party shall pay to the other party as reasonable compensation for the loss of the employee the sum of One Hundred Thousand Dollars ($100,000).

4. **LIMITATION OF LIABILITY: (A) NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL,OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR INTERRUPTION OF SERVICES, LOSS OF BUSINESS, LOSS OF PROFITS, LOSS OF REVENUE, LOSS OF DATA, OR LOSS OR INCREASED EXPENSE OF USE), WHETHER IN AN ACTION IN CONTRACT, WARRANTY, TORT (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE), OR STRICT LIABILITY, EVEN IF THE PARTIES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH LIABILITIES. IBE DIGITAL SHALL NOT BE RESPONSIBLE FOR PROBLEMS THAT OCCUR AS A RESULT OF THE USE OF ANY THIRD-PARTY SOFTWARE OR HARDWARE. (B). EXCEPT FOR GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, IBE DIGITAL'S AND ITS SUBCONTRACTOR'S TOTAL AGGREGATE LIABILITY TO CLIENT ARISING OUT OF SERVICES PERFORMED UNDER THIS SCHEDULE, REGARDLESS OF THE LEGAL THEORY UPON WHICH SUCH LIABILITY MAY BE BASED, SHALL NOT EXCEED THE TOTAL PAYMENTS MADE BY CLIENT TO IBE DIGITAL FOR THE SERVICES IN QUESTION IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE FIRST OCCURRENCE OF THE EVENT GIVING RISE TO SUCH LIABILITY.**

5. Confidential and Proprietary Information: (a) Each party agrees that all know-how, business, technical and financial information it obtains (as a "Receiving Party") from the disclosing party (as a "Disclosing Party") constitute the confidential property of the Disclosing Party ("Confidential Information"), provided that it is identified as confidential at the time of disclosure or should be reasonably known by the Receiving Party to be Confidential Information due to the nature of the information disclosed and the circumstances surrounding the disclosure. Except as may be necessary to perform its obligations under this Schedule, the Receiving Party will hold in confidence and not use or disclose any of the Disclosing Party's Confidential Information. The Receiving Party's nondisclosure obligation shall not apply to information that: (i) was known to it prior to receipt of the Confidential Information; (ii) is publicly available; (iii) is rightfully obtained by the Receiving Party from a third party; (iv) is independently developed by employees of the Receiving Party; or (v) is required to be disclosed pursuant to a

regulation, law or court order. (b) Any templates, schematics, processes or technical documentation provided by IBE Digital shall be deemed Confidential Information and proprietary information of IBE Digital without any marking or further designation. Client may use such information solely for its own internal business purposes. IBE Digital shall retain all rights to the aforementioned, which shall be returned to IBE Digital upon termination of the applicable Schedule. (c) IBE Digital shall maintain the confidentiality of protected health information in its possession or under its control in accordance with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act.

6. Independent Contractor: IBE Digital and Client shall at all times be independent contractors. There is no relationship of partnership, joint venture, employment, franchise or agency created hereby between the parties. Neither party shall have the power to bind the other or incur obligations on the other party's behalf without the other party's prior written consent.

7. Assignment: This Schedule may not be assigned by either party without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. No consent shall be required where an assignment is made (i) pursuant to a merger or change of control or (ii) to an assignee of all or substantially all of the party's assets. Any purported assignment in violation of this section shall be void.

8. Complete Understanding; Modification: This Schedule, as well as any applicable terms of service posted at www.allcovered.com/terms, shall constitute the full and complete understanding and agreement between Client and IBE Digital and supersedes all prior or contemporaneous negotiations, discussions or agreements, whether written or oral, between the parties regarding the subject matter contained herein. Any waiver, modification or amendment of any provision of this Schedule shall be effective only if in writing and signed by both parties.

9. Waiver and Severability: Waiver or failure by either party to exercise in any respect any right or obligation provided for in this Schedule shall not be deemed a waiver of any further right or obligation hereunder. If any provision of this Schedule is found by a court of competent jurisdiction to be unenforceable for any reason, the remainder of this Schedule shall continue in full force and effect.

10. Force Majeure: Neither party shall be liable to the other for any delay or failure to perform any obligation under this Schedule, except for a failure to pay fees, if the delay or failure is due to unforeseen events which are beyond the reasonable control of such party, such as strikes, blockade, war, terrorism, riots, natural disasters, power outages, and/or refusal of license by the government, insofar as such an event prevents or delays the affected party from fulfilling its obligations and such party is not able to prevent or remove the force majeure at reasonable cost.

11. Counterparts. This Schedule may be executed in any number of counterparts and each fully executed counterpart shall be deemed an original. The parties agree (a) that facsimile or electronic signature shall be accepted as original signatures; and (b) that the Schedule, or any document created pursuant to the Schedule, may be maintained in an electronic document storage and retrieval system, a copy of which shall be considered an original. In any legal proceeding relating to the Schedule, the parties waive their right to raise any defense based on the execution of the Schedule in counterparts or the delivery of such executed counterparts by copy, facsimile, or electronic delivery.

11. Order Summary and Acceptance

By executing this Statement of Work, City of Santa Fe Springs agrees to purchase the services designated above subject to the preceding Terms and Conditions of Service.

_____

City of Santa Fe Springs

Signature:

Name:

Title:

Date:

_____

IBE Digital

Signature:

Name:

Title:

Date:

_____

Date: 2/3/2025

Principal Consultant: Matt Abshire

Schedule of Services – Managed Unified Threat Management (MUTM)

All information enclosed within this document is confidential and may not be disseminated to any party other than the addressee without the express, written consent of IBE Digital

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1. Introduction

As part of the City of Santa Fe Springs' ongoing Information Technology Modernization Project, the City is implementing Citywide redundant internet connectivity, managed firewall security, and supporting cybersecurity services to improve reliability, eliminate single points of failure, and strengthen network security across all facilities.

Under this initiative, Fortinet FortiGate firewalls will be installed at designated City sites. These firewalls will provide network routing and DHCP services and deliver Next Generation Firewall (NGFW) and Unified Threat Management (UTM) security capabilities to inspect, protect, and log network traffic. The overall solution supports secure site-to-site connectivity, automatic failover, and visibility across the City's network environment.

This Scope of Services defines IBE Digital's responsibilities specifically related to the ongoing monitoring, management, support, and reporting of the Fortinet FortiGate firewalls under the Managed Unified Threat Management (MUTM) service. Deployment, installation, and initial configuration of the firewalls are addressed under a separate scope of work. The services described below apply following deployment and acceptance of the firewall infrastructure and are intended to ensure stable operations, consistent security posture, and continued cybersecurity support.

2. Scope of Services

Unified Threat Management

Unified Threat Management (UTM) is a technology that provides multiple layers of security at a single point on the network, leveraging Next Generation Firewall (NGFW) devices. UTM defensive capabilities include web filtering, DNS filtering, antivirus, and VPN support.

The IBE Managed Unified Threat Management (MUTM) service provides centralized UTM management, logging, and reporting on supported Fortinet NGFW devices.

The IBE FortiManager Platform is used to administer the customer's NGFW devices. The Fortinet Single Sign On Agent is optionally installed on all domain controllers to provide additional information in reporting, such as username instead of IP address, and to allow for firewall policies to be targeted at AD users and groups. No additional software or agents are installed on workstations or servers. This service is managed centrally by the IBE MUTM team, enabling consistent implementation and operational standards, while leveraging the IBE Remote Support Center for 24x7 incident triage.

Upon completion of deployment this service includes IBE Advanced Network Device Monitoring service for each FortiGate firewall explicitly enrolled in the IBE Managed UTM Service.

To qualify for this service, the customer must meet these prerequisites:

- Network includes one or more FortiGate firewalls capable of running a version of FortiOS that is compatible with the IBE FortiManager Platform

Customer Responsibilities:

The customer is responsible for:

- Providing broadband internet connection, with adequate circuit bandwidth, obtained through a local Internet Service Provider (ISP)
- Static public IPv4 address(es) on at least one WAN interface on each NGFW, provided by an ISP
- Customer provided firewalls must be eligible and activated with Fortinet support. If support previously lapsed, Fortinet may require additional payment.

Support Availability:

- **Incident and Request:**
  - The IBE Remote Support Center is available 24 hours a day, 7 days a week, to open support requests.
  - Depending on the complexity of the support request, the Remote Support Center may escalate to the IBE MUTM team
  - Standard Support Hours apply for escalations to the IBE MUTM team
  - 24x7 availability applies to triage and incident intake only. Configuration changes and remediation are performed during MUTM Standard Support Hours unless otherwise agreed.
- **Standard Support Hours**
  - Monday thru Friday 8am to 5pm Pacific Time (CT), excluding public holidays observed by IBE
  - Non-critical MUTM incidents, escalated or assigned to the IBE MUTM Team, will be worked to resolution during these MUTM Standard Support hours
  - Predefined maintenance and change windows will be scheduled outside of MUTM Standard Support Hours

Customer Entitlements

List of Entitlements:

1. 24x7 Incident Triage
2. MUTM Configuration

3. MUTM Management
4. MUTM Reporting
5. MUTM Support
6. Fortinet UTP Licensing

Entitlement Breakdowns

24x7 Incident Triage

- **In Scope:**
  - Triage of customer requested MUTM issues or questions
    - Incident creation
    - Customer entitlement verification
    - Basic troubleshooting and remediation
  - Escalation to the MUTM team
- **Out of Scope:**
  - Triage of single user connectivity support requests
  - Triage of endpoint VPN client/app support requests
  - Triage of WAN interface support requests
  - Triage of FortiSwitch or FortiAP support requests
  - Triage of SSL/SSH decryption support requests
- **Service Level:**

  IBE Incident Support Service Levels

  - Service Level Objectives for the IBE Remote Support Center, including response and assignment targets

MUTM Configuration

- **In Scope:**
  - Configuration of the firewall to support the customer's overall network environment as required
  - Internal routing tables and Site-to-Site VPN setup, as well as the firewall policies included therein
  - Advanced features such as Dynamic Routing (OSPF, BGP, etc)
    - The MUTM team will work with the appropriate network engineering team to implement as necessary.
  - End user VPN connectivity configuration
    - Configuration of the FortiGate VPN to allow customer-approved users secure, remote access to their network.
    - Integration of Fortinet-Supported 2FA or supported customer-supplied Authentication for MFA:

        - LDAP
        - RADIUS
        - TACACS+
        - SAML
    - Fortinet Single Sign On Agent (FSSO) Configuration
        - Facilitates authentication of Active Directory Domain users for Firewall and VPN.
        - Enables IP to user mapping which allows for user and group-based policy configuration, as well as per user logging and reporting.
    - Certificate Installation and Configuration
        - Installation of certificates and service configuration as appropriate (certificate procurement excluded)
- **Out of Scope:**
    - Initial configuration of physical or virtual firewall which is performed during an onboarding project
    - SDWAN Configuration/Monitoring (without additional service offering)
    - SSL/SSH Decryption
    - WAN Interface Configuration
    - FortiSwitch and FortiAP Configuration
    - Certificate procurement
- **Service Level:**
    - The MUTM team will address MUTM configuration incidents within MUTM Standard Support Hours based on severity and impact:
        - Critical incident with very high impact
            - Same business day response
            - After hours availability
        - Major incident with significant impact
            - Same business day response
        - Minor incident with low impact
            - Three business day response

MUTM Management

- **In Scope:**
    - Management of enrolled devices utilizing Fortinet's FortiManager platform
    - Management of Security Profiles for services included in the Fortinet "UTP" bundle subscription
        - Web Filtering, DNS Filtering, Antivirus, IDS/IPS, etc.
    - Firewall Policies
        - Policy review, backup, and Best Practice analysis
    - Firmware Management

        - Version tracking for potential vulnerabilities, verification prior to deployment, and updates applied following vendor recommendations
        - Firmware Stability Testing - validated in both virtual and physical environments before deploying to live customer environments.
        - See Appendix B for update schedule and definitions
    - Health, Configuration and Best Practice Reviews
        - See Appendix C for detailed descriptions and schedules
    - Centralized Logging and Storage utilizing Fortinet's FortiAnalyzer solution
        - Extended Log storage capabilities – 90 days for immediate analysis
        - Log archival for 365 days allowing for extended analysis when required
- **Out of Scope:**
    - Management of end user access accounts
    - FortiSwitch and FortiAP management
    - SSL/SSH decryption
    - WAN interface configuration
    - FortiSwitch and FortiAP Management
- **Service Level:**
    - The MUTM team will address MUTM configuration incidents within MUTM Standard Support Hours based on severity and impact:
        - Critical incident with very high impact
            - Same business day response
            - After hours availability
        - Major incident with significant impact
            - Same business day response
        - Minor incident with low impact
            - Three business day response

MUTM REPORTING

- **In Scope:**
    - Standard reporting bundle
        - See Appendix D10 for detailed reports and schedules
    - Schedules can be adjusted to meet customer requirements
    - Example reporting content includes:
        - Web filtering and Traffic Categorization
        - System Events: Administrative logins and changes
        - Security Events: AV, IPS, Policy, etc.
- **Out of Scope:**
    - Report customization is limited to modification of existing parameters in the set of standard reports. (e.g. adjusting the day or time for a report to run.)
- **Service Level:**
    - MUTM reporting delivered on a standard weekly/monthly schedule
        - Frequency and schedule determined during onboarding

MUTM Support

- **In Scope:**
  - Customer support from IBE Fortinet Network Security Expert (NSE) certified engineers
  - Central point of communication and accountability for escalated Fortinet Firewall support
    - Manage escalations to vendor support team as needed for bug fixes or defects
    - Initiate RMA processes when required
  - Support of all in scope items previously defined for these Customer Entitlements:
    - MUTM Configuration
    - MUTM Management
    - MUTM Reporting
- **Out of Scope:**
  - End User Support
    - VPN client installation and support
    - Management of End User Access Accounts
    - Single user connectivity issues
  - WAN Interface Support
  - FortiSwitch and FortiAP Support
  - Issues beyond the firewall (WAN routers, switches, cabling, etc)
  - 24x7 IBE MUTM service support (24x7 Fortinet direct support is included)
  - Onsite Support
- **Service Level:**
  - The MUTM team will coordinate support responses for escalated issues within MUTM Standard Support Hours based on severity and impact:
  - Critical incident with very high impact
    - Same business day response
    - After hours availability
  - Major incident with significant impact
    - Same business day response
  - Minor incident with low impact
    - Three business day response

Fortinet UTP Licensing

- **In Scope:**
  - Necessary licensing for Fortinet support and UTM features to be enabled on small, medium, or large FortiGate firewall models that are contracted for the IBE MUTM service
  - 24x7x365 Fortinet support entitlement
  - Fortinet “UTP Bundle” feature set

- **Out of Scope:**
  - Fortinet UTP licensing for custom FortiGate firewall models
  - Additional add-on options
  - Fortinet SD-WAN Orchestrator License
- **Service Level:**
  - Fortinet UTP licensing renewed annually

3. Schedule of Services

IBE Digital shall provide enterprise-grade Managed Unified Threat Management (MUTM) services for the City of Santa Fe Springs in accordance with this Schedule of Services.

Covered Devices:

- Managed UTM Service – Small UTM Device: 10
- Managed UTM Service – Medium UTM Device: 6

Only FortiGate firewall devices explicitly enrolled under this Schedule are eligible for MUTM services.

Term of Service:

The services described herein shall be provided for an initial term of sixty (60) months, commencing on the effective date set forth in the applicable Order Summary, unless earlier terminated in accordance with the Terms and Conditions of Service or the applicable Master Services Agreement.

Total Monthly Fee of: $6,891

Fees are based on device information provided at signature. Adjustments may occur upon written notice if device counts or classifications change. All prices exclude applicable taxes.

- Additional charges may apply for the recovery of devices from virus infections if Client fails to follow IBE's reasonable security recommendations.

Additional Fee Details:

- Monthly support fee for each additional Managed UTM Service for a small sized UTM device: $358.45
- Monthly support fee for each additional Managed UTM Service for a medium sized UTM device: $551.05
- Beginning on the first anniversary of the contract commencement date and on each anniversary thereafter during the Initial Term and any Renewal Term, the monthly fees set forth in this Schedule shall automatically increase by six percent (6%). Such adjustment reflects increases in labor, licensing, and operational costs and shall not require further approval or amendment to this Schedule.

Client agrees to purchase the additional services designated above subject to the terms and conditions of the existing Schedule of Services

This Schedule is issued pursuant to Sourcewell Contract No. 112124-KON

4. Terms and Conditions of Service

By executing this Schedule of Services, Client agrees to purchase the services designated above and further agrees that the services shall be subject to the following Terms and Conditions of Service.

1. Fees and Payment: Client agrees to pay all fees specified in this Schedule. Payment terms are net 30 days from date of invoice. Client shall be responsible for all applicable taxes arising from the services. IBE Digital may suspend service if Client has failed to pay any undisputed invoice within fifteen (15) days of the due date. Undisputed invoices not paid by the due date may be subject to a monthly service charge which is the lesser of one and one-half percent (1.5%) per month or the highest rate allowed by law.

2. Limited Warranty: (a) IBE Digital warrants for a period of thirty (30) days following delivery (the "Warranty Period") that all services shall be performed in a professional manner in accordance with generally applicable industry standards. IBE Digital sole liability (and Client's exclusive remedy) for any breach of this warranty shall be for IBE Digital to re-perform any deficient services,or, if IBE Digital is unable to remedy such deficiency within thirty (30) days, to void the invoice for the deficient services. IBE Digital shall have no obligation with respect to a warranty claim: (i) if notified of such claim after the Warranty Period or (ii) if the claim is the result of third-party hardware or software failures, or the actions of Client or a third party. (b) THIS SECTION 2 IS A LIMITED WARRANTY AND SETS FORTH THE ONLY WARRANTIES MADE BY IBE DIGITAL. IBE MAKES NO OTHER WARRANTIES, CONDITIONS OR UNDERTAKINGS, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NONINFRINGEMENT. ALL SOFTWARE AND HARDWARE PROVIDED OR INSTALLED BY IBE DIGITAL HEREUNDER ARE SUBJECT EXCLUSIVELY TO THE RESPECTIVE MANUFACTURER'S WARRANTY.

3. COMPENSATION FOR HIRING OTHER PARTY'S EMPLOYEES: During the term of this Schedule and for twelve (12) months thereafter, if either party retains the services (whether as an employee, independent contractor or otherwise) of any employee of the other party (or ex-employee within six (6) months of the employee's termination of employment) who was directly involved in the provision of Services hereunder, the hiring party shall pay to the other party as reasonable compensation for the loss of the employee the sum of One Hundred Thousand Dollars ($100,000).

4. **LIMITATION OF LIABILITY: (A) NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL,OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR INTERRUPTION OF SERVICES, LOSS OF BUSINESS, LOSS OF PROFITS, LOSS OF REVENUE, LOSS OF DATA, OR LOSS OR INCREASED EXPENSE OF USE), WHETHER IN AN ACTION IN CONTRACT, WARRANTY, TORT (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE), OR STRICT LIABILITY, EVEN IF THE PARTIES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH LIABILITIES. IBE DIGITAL SHALL NOT BE RESPONSIBLE FOR PROBLEMS THAT OCCUR AS A RESULT OF THE USE OF ANY THIRD-PARTY SOFTWARE OR HARDWARE. (B). EXCEPT FOR GROSS NEGLIGENCE OR WILLFUL**

MISCONDUCT, IBE DIGITAL'S AND ITS SUBCONTRACTOR'S TOTAL AGGREGATE LIABILITY TO CLIENT ARISING OUT OF SERVICES PERFORMED UNDER THIS SCHEDULE, REGARDLESS OF THE LEGAL THEORY UPON WHICH SUCH LIABILITY MAY BE BASED, SHALL NOT EXCEED THE TOTAL PAYMENTS MADE BY CLIENT TO IBE DIGITAL FOR THE SERVICES IN QUESTION IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE FIRST OCCURRENCE OF THE EVENT GIVING RISE TO SUCH LIABILITY.

5. Confidential and Proprietary Information: (a) Each party agrees that all know-how, business, technical and financial information it obtains (as a "Receiving Party") from the disclosing party (as a "Disclosing Party") constitute the confidential property of the Disclosing Party ("Confidential Information"), provided that it is identified as confidential at the time of disclosure or should be reasonably known by the Receiving Party to be Confidential Information due to the nature of the information disclosed and the circumstances surrounding the disclosure. Except as may be necessary to perform its obligations under this Schedule, the Receiving Party will hold in confidence and not use or disclose any of the Disclosing Party's Confidential Information. The Receiving Party's nondisclosure obligation shall not apply to information that: (i) was known to it prior to receipt of the Confidential Information; (ii) is publicly available; (iii) is rightfully obtained by the Receiving Party from a third party; (iv) is independently developed by employees of the Receiving Party; or (v) is required to be disclosed pursuant to a regulation, law or court order. (b) Any templates, schematics, processes or technical documentation provided by IBE Digital shall be deemed Confidential Information and proprietary information of IBE Digital without any marking or further designation. Client may use such information solely for its own internal business purposes. IBE Digital shall retain all rights to the aforementioned, which shall be returned to IBE Digital upon termination of the applicable Schedule. (c) IBE Digital shall maintain the confidentiality of protected health information in its possession or under its control in accordance with the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act.

6. Independent Contractor: IBE Digital and Client shall at all times be independent contractors. There is no relationship of partnership, joint venture, employment, franchise or agency created hereby between the parties. Neither party shall have the power to bind the other or incur obligations on the other party's behalf without the other party's prior written consent.

7. Assignment: This Schedule may not be assigned by either party without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. No consent shall be required where an assignment is made (i) pursuant to a merger or change of control or (ii) to an assignee of all or substantially all of the party's assets. Any purported assignment in violation of this section shall be void.

8. Complete Understanding; Modification: This Schedule, as well as any applicable terms of service posted by IBE, shall constitute the full and complete understanding and agreement between Client and IBE Digital and supersedes all prior or contemporaneous negotiations, discussions or agreements, whether written or oral, between the parties regarding the subject matter contained herein. Any waiver, modification or amendment of any provision of this Schedule shall be effective only if in writing and signed by both parties.

9. Waiver and Severability: Waiver or failure by either party to exercise in any respect any right or obligation provided for in this Schedule shall not be deemed a waiver of any further right or obligation hereunder. If any provision of this Schedule is found by a court of competent jurisdiction to be unenforceable for any reason, the remainder of this Schedule shall continue in full force and effect.

10. Force Majeure: Neither party shall be liable to the other for any delay or failure to perform any obligation under this Schedule, except for a failure to pay fees, if the delay or failure is due to unforeseen events which are beyond the reasonable control of such party, such as strikes, blockade, war, terrorism, riots, natural disasters, power outages, and/or refusal of license by the government, insofar as such an event prevents or delays the affected party from fulfilling its obligations and such party is not able to prevent or remove the force majeure at reasonable cost.

11. Counterparts. This Schedule may be executed in any number of counterparts and each fully executed counterpart shall be deemed an original. The parties agree (a) that facsimile or electronic signature shall be accepted as original signatures; and (b) that the Schedule, or any document created pursuant to the Schedule, may be maintained in an electronic document storage and retrieval system, a copy of which shall be considered an original. In any legal proceeding relating to the Schedule, the parties waive their right to raise any defense based on the execution of the Schedule in counterparts or the delivery of such executed counterparts by copy, facsimile, or electronic delivery.

12. Term and Renewal: This Schedule of Services shall commence on the effective date set forth in the applicable Order Summary and shall continue for the initial term specified therein. Following the Initial Term, this Schedule shall automatically continue on a month-to-month basis unless either party provides written notice of termination at least thirty (30) days prior to the end of the then-current month.

5. Order Summary and Acceptance

By executing this Statement of Work, City of Santa Fe Springs agrees to purchase the services designated above subject to the preceding Terms and Conditions of Service.

_____

City of Santa Fe Springs

Signature:

Name:

Title:

Date:

_____

IBE Digital

Signature:

Name:

Title:

Date:

_____