



**CITY OF MONTEBELLO
CITY COUNCIL
REGULAR MEETING**

WEDNESDAY, OCTOBER 9, 2024 AT 6:00 PM

**CITY HALL COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA**

CITY COUNCIL

Scarlet Peralta, Mayor
Salvador Melendez, Mayor Pro Tem
Angie M. Jimenez, Councilmember
Georgina Tamayo, Councilmember
David N. Torres, Councilmember

CITY MANAGER
Raul Alvarez

CITY TREASURER
David Matanga

CITY ATTORNEY
Arnold M. Alvarez-Glasman

CITY CLERK
Christopher Jimenez

DEPARTMENT HEADS

Assistant City Manager
Fire Chief
Police Chief
Director of Finance
Director of Human Resources
Director of Planning/Community Development
Director of Public Works
Director of Recreation and Community Services
Director of Transportation

Arlene Salazar
Fernando Pelaez
Paul Espinosa
Michael Solorza
Ramon Figueroa
Joseph Palombi
Cesar Roldan
David Sosnowski
John Soria

NOTICES

This City Council Meeting ("Council") will be held in person and will meet at **City Hall – City Council Chambers, 1600 West Beverly Boulevard, Montebello, California.** The meeting will be live streamed and can be watched on the City's website and YouTube Channel via the following link: <https://www.montebelloca.gov>, and may also be viewed on Spectrum Public Access Channel 3 for all Spectrum cable subscribers.

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act (ADA) any person with a disability who requires special accommodations in order to participate in a meeting should contact the Administration Office at (323) 887-1437 Monday-Thursday from 7:30 a.m.-5:30 p.m. Please call 48 hours prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II 1203). If you require translation services, please contact the City Clerk's office 72 hours before this meeting. **Si necesita servicios de traducción, comuníquese con la Oficina del Secretario Municipal 72 horas antes de esta reunión.** 如果您需要翻译服务, 请在会议前 72 小时联系市书记员办公室.

RULES OF DECORUM:

Pursuant to Section 54957.95 of the Government Code, the presiding member of the legislative body conducting a meeting, or their designee, is authorized to remove, or cause the removal of, an individual for disrupting the meeting. Any such removal will be preceded by a warning to the disruptive individual by the presiding member of the legislative body or their designee that the individual's behavior is disrupting the meeting and that the individual's failure to promptly cease their disruptive behavior may result in their removal.

PUBLIC COMMENTS:

In-Person: For those interested in participating during the Public Comment period(s) or public testimony period for Public Hearings of the City Council meetings, you may address the City Council ***in person only the day of the meeting.*** Speakers will be required to fill out a speaker card provided at the door and submit it to City Clerk staff prior to each Public Comment announcement period. Staff will number and call each speaker card in the order received. ***Closed Session begins at 6:00 p.m. and Regular Session begins immediately thereafter; if there is no Closed Session, Regular Session will begin at 6:00 p.m.***

AGENDA MATERIALS: The agenda and/or agenda packet are available for public inspection at City's website at: [Agendas, Minutes, and Videos](#),

IN CONSIDERATION OF OTHERS, PLEASE TURN OFF, OR MUTE, ALL CELL PHONES AND PAGERS
THANK YOU FOR YOUR COOPERATION

OPENING CEREMONIES

CALL TO ORDER - 6:00 P.M.

ROLL CALL

ANNOUNCEMENT OF CLOSED SESSION ITEMS

PUBLIC COMMENTS ON CLOSED SESSION ITEMS

At this time, the public may submit a speaker card to the City Clerk staff for Closed Session items, prior to the beginning of this statement. Speakers will be called in the order received. Please be aware that the maximum time allotted for members of the public to speak on Closed Session items shall not exceed three (3) minutes per person. 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 Mayor and City Council.

CLOSED SESSION

The City Attorney shall provide a briefing on the item listed for Closed Session as follows:

1. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Government Code Section 54956.9(d)(1)

Tucker-Schuyler v. City of Montebello

Worker's Compensation Case No. MNTA1323

REGULAR SESSION - IMMEDIATELY FOLLOWING CLOSED SESSION

CLOSED SESSION REPORT

INVOCATION

PLEDGE OF ALLEGIANCE

CORRECTIONS TO THE AGENDA - CITY MANAGER

CEREMONIAL ITEMS/PRESENTATIONS

2. **CITIZEN OF THE MONTH - CATHERINE RIOS**
3. **PROCLAMATION FOR CODE ENFORCEMENT OFFICERS' APPRECIATION WEEK**
4. **PROCLAMATION FOR BREAST CANCER AWARENESS MONTH**
5. **PROCLAMATION FOR BULLYING PREVENTION MONTH**
6. **PROCLAMATION FOR DOMESTIC VIOLENCE AWARENESS MONTH**
7. **PROCLAMATION FOR DOWN SYNDROME AWARENESS MONTH**

PUBLIC COMMENTS ON NON-AGENDA ITEMS (30 MINUTES)

At this time, the public may submit speaker card(s) to the City Clerk staff, for both agenda and non-agenda items, prior to the beginning of this statement; Public Hearing items do not require a speaker card.

The City Council will address non-agenda items during this section and speakers will be called in the order received. Those persons not accommodated during this 30-minute period will have an opportunity to speak under "Public Comments – Continued", after all scheduled matters have been considered. **Public Hearing, Regular Business and/or Consent**

Calendar items will be addressed at the time that matter of business is heard, in the order received.

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 Mayor and City Council.

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

REGULAR BUSINESS - NONE

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine. Any items a member wishes to discuss, including any items the public submitted speaker cards for, 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.

8. APPROVE RECEIPT OF A GRANT AWARD FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY FISCAL YEAR 2023 ASSISTANCE TO FIREFIGHTERS GRANT PROGRAM AND APPROPRIATE FUNDS IN FISCAL YEAR 2024-25

RECOMMENDATION: It is recommended that the City Council:

1. Approve appropriation of \$281,818 awarded to the City by the Federal Emergency Management Agency (FEMA), Fiscal Year 2023 Assistance to Firefighters Grant (AFG) Program; and,
2. Amend the Fiscal Year 2024-25 budget by increasing appropriations by \$281,818 in Account No. 265-85-857-6010.10 (Grants, Fire, Assistance to Firefighters Grant, Machinery and Equipment [expenditures]) and \$281,818 in Account No. 265-99-4198.20 (Grants, Miscellaneous Grants, Assistance to Firefighter Grant Program [revenue]); and,
3. Amend the Fiscal Year 2024-25 budget by increasing appropriations by \$28,182 Account No. 100-85-860-6010.60 (Fire, Fire Suppression, Personal Protective Equipment) to meet the ten percent (10%) matching requirements of the grant; and,
4. Take such additional, related action that may be desirable.

9. ADOPT CONSTRUCTION SPECIFICATIONS FOR THE ANNUAL STREET RESURFACING - GRIND AND OVERLAY PROJECT (CP 913) AND AUTHORIZATION TO PROCEED WITH BID ADVERTISEMENT

RECOMMENDATION: It is recommended that the City Council:

1. Adopt construction specifications for the annual Street Resurfacing - Grind and Overlay Project (CP 913); and,
2. Authorize staff to proceed with bid advertisement for construction; and,
3. Approve Environmental Assessment pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption under the California Environmental Quality Act (CEQA); and,
4. Take such additional, related action that may be desirable.

10. APPROVAL OF CALIFORNIA OFFICE OF TRAFFIC SAFETY (OTS) SELECTIVE TRAFFIC ENFORCEMENT PROGRAM (STEP) GRANT FUNDS UTILIZATION

RECOMMENDATION: It is recommended that the City Council:

1. Approve the use of grant funding awarded by the California Office of Traffic and Safety (OTS) through the Selective Traffic Enforcement Program (STEP), Grant number PT25182, in the amount of \$150,000; and
2. Amend the Fiscal Year 2024-25 budget and increase appropriations by \$150,000 in Account No. 265-8013-800-5010.10, 6000.20 and 6020, Grants, OTS-STEP Grant, PT25182 FY 2024-25 (Overtime, Supplies and Travel and Meetings); and,

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

11. SECOND READING AND ADOPTION OF ORDINANCE NO. 2479 AMENDING CHAPTER 8.40 OF THE CITY OF MONTEBELLO MUNICIPAL CODE REGARDING REGISTRATION AND MAINTENANCE OF VACANT AND ABANDONED COMMERCIAL, INDUSTRIAL, AND RESIDENTIAL PROPERTIES

RECOMMENDATION: It is recommended that the City Council:

1. Waive Second Reading and Adopt Ordinance No. 2479 amending Montebello Municipal Code (“MMC”) Chapter 8.40, establishing new regulations regarding the registration and maintenance of vacant and abandoned commercial, industrial, and residential properties; and
2. Determine and find that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3), the “Common Sense” exemption, and is not considered a “project” under CEQA Guidelines Section 15378 as there is no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment; and
3. Take such additional, related, action that may be desirable.

12. APPROVE ISSUING REQUEST FOR PROPOSALS NO. 25-03 FOR VEHICLE BODY REPAIR AND PAINTING SERVICES

RECOMMENDATION: It is recommended that the City Council:

1. Approve issuing Request for Proposals (RFP) No. 25-03 for Citywide Vehicle Body Repair and Painting Services; and
2. Take such additional, related, action that may be desirable.

13. APPROVE PROFESSIONAL SERVICES AGREEMENT NO. 4229 WITH CLEAN ENERGY TO PROVIDE MAINTENANCE AND SUPPORT SERVICES FOR THE CITY'S COMPRESSED NATURAL GAS STATION

RECOMMENDATION: It is recommended that the City Council:

1. Approve Professional Services Agreement No. 4229 with Clean Energy for a three-year (3-year) term to provide maintenance and support services for Montebello Bus Lines’ (MBL) compressed natural gas (CNG) station, for a total not-to-exceed amount of six hundred thousand dollars (\$600,000) or \$200,000 annually; and
2. Authorize the City Manager and/or his designee to execute the agreement on behalf of the City; and
3. Take such additional, related, action that may be desirable.

14. APPROVE PURCHASE OF TWO MONITOR/DEFIBRILLATORS FROM ZOLL MEDICAL CORPORATION TO EQUIP FIRE DEPARTMENT SQUAD 55

RECOMMENDATION: It is recommended that the City Council:

1. Approve the purchase of two (2) Monitor/Defibrillators, related medical equipment, and an extended warranty from Zoll Medical Corporation to Equip Fire Department Squad 55; and,
2. Amend the Fiscal Year 2024-25 budget by increasing appropriations by \$110,000 in Account No. 100-85-860-6000.50 (General Fund, Fire Department, Fire Suppression, Supplies-Medical); and,
3. Take such additional, related action that may be desirable.

15. APPROVE PROFESSIONAL SERVICES AGREEMENT NO. 4228 WITH ADMINSURE FOR WORKERS' COMPENSATION THIRD-PARTY ADMINISTRATION SERVICES

RECOMMENDATION: It is recommended that the City Council:

1. Approve Professional Services Agreement No. 4228 with AdminSure Inc. in the amount that shall not exceed \$880,798 over the initial three (3) year term of the agreement; and
2. Take such additional, related action(s) that may be desirable.

16. **SIDE LETTERS OF AGREEMENT TO THE MEMORANDA OF UNDERSTANDING (MOU) BETWEEN THE CITY OF MONTEBELLO AND THE FOLLOWING EMPLOYEE BARGAINING UNITS: MONTEBELLO CITY EMPLOYEES' ASSOCIATION; INTERNATIONAL ASSOCIATION OF SHEET METAL, AIR, RAIL AND TRANSPORTATION WORKERS – TRANSPORTATION DIVISION; MONTEBELLO MID-MANAGEMENT ASSOCIATION; MONTEBELLO SUPERVISORS' ASSOCIATION; MONTEBELLO MANAGEMENT PROFESSIONALS' ASSOCIATION; MONTEBELLO POLICE MANAGEMENT ASSOCIATION; MONTEBELLO FIREFIGHTERS' ASSOCIATION; MONTEBELLO FIRE MANAGEMENT ASSOCIATION; AND MONTEBELLO EXECUTIVE MANAGEMENT ASSOCIATION**

RECOMMENDATION: It is recommended that the City Council:

1. Authorize the City Manager to execute side letters of agreement to the Memoranda of Understanding ("MOU") between the City of Montebello and each of the following employee bargaining units: Montebello City Employees' Association ("MCEA"); International Association of Sheet Metal, Air, Rail and Transportation Workers – Transportation Division ("SMART-TD"); Montebello Mid-Managers' Association ("MMMA"); Montebello Supervisors' Association ("MSA"); Montebello Management Professionals' Association ("MMPA"); Montebello Police Management Association ("MPMA"); Montebello Firefighters' Association ("MFA"); Montebello Fire Management Association ("MFMA"); and Montebello Executive Management Association ("MEMA") modifying City healthcare benefits contribution amounts; and
2. Take such additional, related action that may be desirable.

17. **SIDE LETTER OF AGREEMENT TO THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY OF MONTEBELLO AND THE MONTEBELLO FIREFIGHTERS' ASSOCIATION**

RECOMMENDATION: It is recommended that the City Council:

1. Authorize the City Manager to execute a side letter of agreement to the Memorandum of Understanding (MOU) between the City of Montebello and the Montebello Firefighters' Association (MFA) for the period of January 1, 2022 through June 30, 2025, modifying Article II, Section B of the MOU; and
2. Take such additional, related action that may be desirable.

18. **APPROVAL OF MINUTES: SEPTEMBER 11, 2024, CITY COUNCIL MEETING**

RECOMMENDATION: It is recommended that the City Council:

1. Approve said Minutes as is.

19. **PAYMENT OF BILLS: ADOPT RESOLUTION NO. 24-76 APPROVING THE CITY WARRANT REGISTER OF DEMANDS DATED OCTOBER 09, 2024**

RECOMMENDATION: It is recommended that the City Council:

1. Adopt Resolution No. 24-76 approving the Warrant Register dated October 09, 2024.

PUBLIC COMMENTS - CONTINUED

AB 1234 TRAVEL REPORTS

Members will provide a brief report on meetings attended at the expense of the local agency as required by Government Code Section 53232.3(d).

COUNCIL/AGENCY ORALS

Announcements and requests for future agenda items.

- **David N. Torres, Councilmember**
- **Salvador Melendez, Mayor Pro Tem**
- **Angie M. Jimenez, Councilmember**

- Georgina Tamayo, Councilmember
- Scarlet Peralta, Mayor

CLOSED SESSION - CONTINUED

ADJOURNMENT

The City of Montebello will adjourn to the next **Regular Meeting on October 23, 2024, at 6:00 p.m.**, which can be live-streamed at <https://www.montebellocal.gov> (Click on Live Stream).

I, Kimberly Guillen, Senior Deputy City Clerk for the City of Montebello, hereby certify that a copy of this agenda has been posted on or before **Sunday, October 6, 2024, no later than 6:00 p.m.**



Kimberly Guillen, Senior Deputy City Clerk

EXHIBIT - CITY OF MONTEBELLO FORECASTED AGENDA

Please note, the attached exhibit is a draft version that is to be used for reference purposes only; agenda items, information, and dates are subject to change. The exhibit will be placed at the end of the Agenda Packet.

- **CITY OF MONTEBELLO FORECASTED AGENDA**



ITEM # 8

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Fernando Pelaez, Fire Chief
Angelica Palmeros, Deputy Director

**SUBJECT: APPROVE RECEIPT OF A GRANT AWARD FROM THE FEDERAL
EMERGENCY MANAGEMENT AGENCY FISCAL YEAR 2023
ASSISTANCE TO FIREFIGHTERS GRANT PROGRAM AND
APPROPRIATE FUNDS IN FISCAL YEAR 2024-25**

DATE: October 9, 2024

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve appropriation of \$281,818 awarded to the City by the Federal Emergency Management Agency (FEMA), Fiscal Year 2023 Assistance to Firefighters Grant (AFG) Program; and,
2. Amend the Fiscal Year 2024-25 budget by increasing appropriations by \$281,818 in Account No. 265-85-857-6010.10 (Grants, Fire, Assistance to Firefighters Grant, Machinery and Equipment [expenditures]) and \$281,818 in Account No. 265-99-4198.20 (Grants, Miscellaneous Grants, Assistance to Firefighter Grant Program [revenue]); and,
3. Amend the Fiscal Year 2024-25 budget by increasing appropriations by \$28,182 Account No. 100-85-860-6010.60 (Fire, Fire Suppression, Personal Protective Equipment) to meet the ten percent (10%) matching requirements of the grant; and,
4. Take such additional, related action that may be desirable.

FISCAL IMPACT:

The City of Montebello was awarded \$281,818 through the Fiscal Year 2023 Assistance to Firefighters Grant (AFG) Program (Attachment A). As a condition of this funding opportunity, the City is required to contribute non-Federal funds equal to or greater than

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

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ten percent (10%) of the Federal funds awarded, or \$28,182, for a total approved project budget of \$310,000.

This grant will be used to purchase thirty-two (32) Self-Contained Breathing Apparatus (SCBA) units for the use by firefighters. Accepting the grant award also requires amending the FY 2024-25 budget by increasing appropriations by \$281,818 in Account No. 265-85-857-6010.10 (Grants, Fire, Assistance to Firefighters Grant, Machinery and Equipment [expenditures]) and \$218,818 in Account No. 265-99-4198.20 (Grants, Miscellaneous Grants, Assistance to Firefighter Grant Program [revenue]). The recommended action also requires amending the Fiscal Year 2024-25 budget by increasing appropriations by \$28,182 in Account No. 100-85-860-6010.60 (Fire, Fire Suppression, Personal Protective Equipment) to meet the ten percent matching requirements of the grant.

BACKGROUND/DISCUSSION:

The City of Montebello was recently awarded \$281,818 in grant funding to purchase thirty-two (32) additional Self-Contained Breathing Apparatus (SCBA) units. SCBAs are used by Firefighters in non-breathable atmospheres where the oxygen content is low. This equipment allows Firefighters to carry out life and property saving duties when responding to fires or other hazardous calls.

This funding opportunity became available through the Department of Homeland Security's Fiscal Year 2023 Assistance to Firefighters Grant (Attachment A). As a condition of this funding opportunity, the City is required to contribute non-Federal funds equal to or greater than ten percent of the Federal funds awarded, or \$28,182 for a total project budget of \$310,000.

Many accessories and components also need to be purchased with the SCBA units to ensure functionality and the ability to fit all Fire Department personnel. Staff has received a quotation from LN Curtis in the amount of \$372,773 to purchase 32 SCBA units and the required components (Attachment C). LN Curtis is a sole source vendor for the brand MSA, and staff is able to utilize Sourcwell contract pricing through this vendor (Attachment D). Staff is seeking approval to accept this grant funding and allocate the funding to be used to purchase the additional SCBAs.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

The City of Montebello has been awarded \$281,818 in grant funding from the Department of Homeland Security's Fiscal Year 2023 Assistance to Firefighters Grant (AFG) Program

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

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to purchase thirty-two additional Self-Contained Breathing Apparatus (SCBA) units. Staff is recommending acceptance of this grant award and amending the Fiscal Year 2024-25 budget by increasing appropriations by \$218,818 in Account No. 265-85-857-6010.10 (Grants, Fire, Assistance to Firefighters Grant, Machinery and Equipment [expenditures]) and \$218,818 in Account No. 265-99-4198.20 (Grants, Miscellaneous Grants, Assistance to Firefighter Grant Program [revenue]). Additionally, staff is requesting to amend the Fiscal Year 2024-25 budget by increasing appropriations by \$28,182 in Account No. 100-85-860-6010.60 (Fire, Fire Suppression, Personal Protective Equipment) to meet the matching requirements of the grant.

ATTACHMENT(S)

1. Attachment A - FY 2023 ASSISTANCE TO FIREFIGHTERS GRANT AWARD LETTER
2. Attachment B - Staff Report Requesting Approval to Submit the FEMA AFG 2023 Grant Application
3. Attachment C - LN Curtis Quote
4. Attachment D - Sole Source LN Curtis

Award Letter

U.S. Department of Homeland Security
Washington, D.C. 20472

Effective date: 08/26/2024



Angelica Palmeros
CITY OF MONTEBELLO
1600 WEST BEVERLY BLVD. FINANCE DEPARTMENT
MONTEBELLO, CA 90640

EMW-2023-FG-01097

Dear Angelica Palmeros,

Congratulations on behalf of the Department of Homeland Security. Your application submitted for the Fiscal Year (FY) 2023 Assistance to Firefighters Grant (FG) Grant funding opportunity has been approved in the amount of \$281,818.18 in Federal funding. As a condition of this grant, you are required to contribute non-Federal funds equal to or greater than 10.0% of the Federal funds awarded, or \$28,181.82 for a total approved budget of \$310,000.00. Please see the FY 2023 FG Notice of Funding Opportunity for information on how to meet this cost share requirement.

Before you request and receive any of the Federal funds awarded to you, you must establish acceptance of the award through the FEMA Grants Outcomes (FEMA GO) system. By accepting this award, you acknowledge that the terms of the following documents are incorporated into the terms of your award:

- Summary Award Memo - included in this document
- Agreement Articles - included in this document
- Obligating Document - included in this document
- 2023 FG Notice of Funding Opportunity (NOFO) - incorporated by reference

Please make sure you read, understand, and maintain a copy of these documents in your official file for this award.

Sincerely,

A handwritten signature in blue ink, appearing to read "P. Williams", is written over a horizontal line.

PAMELA WILLIAMS
Assistant Administrator, Grant Programs

Summary Award Memo

Program: Fiscal Year 2023 Assistance to Firefighters Grant
Recipient: CITY OF MONTEBELLO
UEI-EFT: J8RSDMN5KCQ7
DUNS number: 066677386
Award number: EMW-2023-FG-01097

Summary description of award

The purpose of the Assistance to Firefighters Grant program is to protect the health and safety of the public and firefighting personnel against fire and fire-related hazards. After careful consideration, FEMA has determined that the recipient's project or projects submitted as part of the recipient's application and detailed in the project narrative as well as the request details section of the application - including budget information - was consistent with the Assistance to Firefighters Grant Program's purpose and was worthy of award.

Except as otherwise approved as noted in this award, the information you provided in your application for Fiscal Year (FY) 2023 Assistance to Firefighters Grant funding is incorporated into the terms and conditions of this award. This includes any documents submitted as part of the application.

Amount awarded table

The amount of the award is detailed in the attached Obligating Document for Award.

The following are the budgeted estimates for object classes for this award (including Federal share plus your cost share, if applicable):

Object Class	Total
Personnel	\$0.00
Fringe benefits	\$0.00
Travel	\$0.00
Equipment	\$310,000.00
Supplies	\$0.00
Contractual	\$0.00
Construction	\$0.00
Other	\$0.00
Indirect charges	\$0.00
Federal	\$281,818.18
Non-federal	\$28,181.82
Total	\$310,000.00
Program Income	\$0.00

Approved scope of work

After review of your application, FEMA has approved the below scope of work. Justifications are provided for any differences between the scope of work in the original application and the approved scope of work under this award. You must submit scope or budget revision requests for FEMA's prior approval, via an amendment request, as appropriate per 2 C.F.R. § 200.308 and the FY2023 FG NOFO.

Approved request details:

Personal Protective Equipment (PPE)

SCBA: SCBA Unit includes: Harness/Backpack, Face Piece and 2 cylinders

DESCRIPTION

Wearable devices which provide breathable air in environments with oxygen deficiencies, smoke, hazardous gasses, and other airborne contaminants that could be dangerous and life-threatening to breathe. The AFG considers a full SCBA unit to include a face piece, a harness/backpack and two cylinders.

	QUANTITY	UNIT PRICE	TOTAL	BUDGET CLASS
Cost 1	31	\$10,000.00	\$310,000.00	Equipment

CHANGE FROM APPLICATION

Quantity from **40** to **31**

Unit price from **\$10,862.00** to **\$10,000.00**

JUSTIFICATION

The award reflects a reduction from the amount requested in the application. Cost requested for SCBA units exceeds the average price range calculated from market research and prior awards for the same item.

Grant writer fee

Grant writer fee

Ineligible

DESCRIPTION

Grant research and writing services provided by Blais & Associates Grant Services & Software; services employed to develop the MFD's application with direction and information provided by the Department.

QUANTITY	UNIT PRICE	TOTAL
1	\$1,500.00	\$1,500.00

BUDGET CLASS

Contractual

CHANGE FROM APPLICATION

Item marked ineligible

JUSTIFICATION

The award reflects a reduction of the grant writers fee amount requested in the application. This reduction is because the fee was not paid as outlined in the FY23 AFG NOFO, and as a result the grant writer fee has been deemed ineligible and the grant reduced accordingly.

Agreement Articles

Program: Fiscal Year 2023 Assistance to Firefighters Grant

Recipient: CITY OF MONTEBELLO

UEI-EFT: J8RSDMN5KCQ7

DUNS number: 066677386

Award number: EMW-2023-FG-01097

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Article 1**Assurances, Administrative Requirements, Cost Principles, Representations, and Certifications**

I. Recipients must complete either the Office of Management and Budget (OMB) Standard Form 424B Assurances – Non- Construction Programs, or OMB Standard Form 424D Assurances – Construction Programs, as applicable. Certain assurances in these documents may not be applicable to your program and the DHS financial assistance office (DHS FAO) may require applicants to certify additional assurances. Applicants are required to fill out the assurances as instructed by the federal awarding agency.

Article 2**General Acknowledgements and Assurances**

Recipients are required to follow the applicable provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in effect as of the federal award date and located at 2 C.F.R. Part 200 and adopted by DHS at 2 C.F.R. § 3002.10. All recipients and subrecipients must acknowledge and agree to provide DHS access to records, accounts, documents, information, facilities, and staff pursuant to 2 C.F.R. § 200.337. I. Recipients must cooperate with any DHS compliance reviews or compliance investigations. II. Recipients must give DHS access to examine and copy records, accounts, and other documents and sources of information related to the federal financial assistance award and permit access to facilities and personnel. III. Recipients must submit timely, complete, and accurate reports to the appropriate DHS officials and maintain appropriate backup documentation to support the reports. IV. Recipients must comply with all other special reporting, data collection, and evaluation requirements required by law, federal regulation, Notice of Funding Opportunity, federal award specific terms and conditions, and/or federal awarding agency program guidance. V. Recipients must complete the DHS Civil Rights Evaluation Tool within thirty (30) days of receiving the Notice of Award for the first award under which this term applies. Recipients of multiple federal awards from DHS should only submit one completed tool for their organization, not per federal award. After the initial submission, recipients are required to complete the tool once every two (2) years if they have an active federal award, not every time a federal award is made. Recipients must submit the completed tool, including supporting materials, to CivilRightsEvaluation@hq.dhs.gov. This tool clarifies the civil rights obligations and related reporting requirements contained in these DHS Standard Terms and Conditions. Subrecipients are not required to complete and submit this tool to DHS. The evaluation tool can be found at <https://www.dhs.gov/publication/dhs-civil-rights-evaluation-tool>. DHS Civil Rights Evaluation Tool | Homeland Security. The DHS Office for Civil Rights and Civil Liberties will consider, in its discretion, granting an extension to the 30-day deadline if the recipient identifies steps and a timeline for completing the tool. Recipients must request extensions by emailing the request to CivilRightsEvaluation@hq.dhs.gov prior to expiration of the 30-day deadline.

- Article 3 Acknowledgement of Federal Funding from DHS**
Recipients must acknowledge their use of federal award funding when issuing statements, press releases, requests for proposal, bid invitations, and other documents describing projects or programs funded in whole or in part with federal award funds.
- Article 4 Activities Conducted Abroad**
Recipients must coordinate with appropriate government authorities when performing project activities outside the United States obtain all appropriate licenses, permits, or approvals.
- Article 5 Age Discrimination Act of 1975**
Recipients must comply with the requirements of the Age Discrimination Act of 1975, Pub. L. No. 94-135 (codified as amended at 42 U.S.C. § 6101 et seq.), which prohibits discrimination on the basis of age in any program or activity receiving federal financial assistance.
- Article 6 Americans with Disabilities Act of 1990**
Recipients must comply with the requirements of Titles I, II, and III of the Americans with Disabilities Act, Pub. L. No. 101-336 (1990) (codified as amended at 42 U.S.C. §§ 12101– 12213), which prohibits recipients from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities.
- Article 7 Best Practices for Collection and Use of Personally Identifiable Information**
Recipients who collect personally identifiable information (PII) as part of carrying out the scope of work under a federal award are required to have a publicly available privacy policy that describes standards on the usage and maintenance of the PII they collect. DHS defines PII as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. Recipients may also find the DHS Privacy Impact Assessments: Privacy Guidance and Privacy Template as useful resources respectively.
- Article 8 Civil Rights Act of 1964 – Title VI**
Recipients must comply with the requirements of Title VI of the Civil Rights Act of 1964, Pub. L. No. 88-352 (codified as amended at 42 U.S.C. § 2000d et seq.), which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. DHS implementing regulations for the Act are found at 6 C.F.R. Part 21. Recipients of an award from the Federal Emergency Management Agency (FEMA) must also comply with FEMA's implementing regulations at 44 C.F.R. Part 7.

Article 9**Civil Rights Act of 1968**

Recipients must comply with Title VIII of the Civil Rights Act of 1968, Pub. L. No. 90-284 (codified as amended at 42 U.S.C. § 3601 et seq.) which prohibits recipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex, as implemented by the U.S. Department of Housing and Urban Development at 24 C.F.R. Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units—i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators)—be designed and constructed with certain accessible features. (See 24 C.F.R. Part 100, Subpart D.)

Article 10**Copyright**

Recipients must affix the applicable copyright notices of 17 U.S.C. §§ 401 or 402 to any work first produced under federal awards and also include an acknowledgement that the work was produced under a federal award (including the federal award number and federal awarding agency). As detailed in 2 C.F.R. § 200.315, a federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use the work for federal purposes and to authorize others to do so.

Article 11**Debarment and Suspension**

Recipients must comply with the non-procurement debarment and suspension regulations implementing Executive Orders (E.O.) 12549 and 12689 set forth at 2 C.F.R. Part 180 as implemented by DHS at 2 C.F.R. Part 3000. These regulations prohibit recipients from entering into covered transactions (such as subawards and contracts) with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities.

Article 12**Drug-Free Workplace Regulations**

Recipients must comply with drug-free workplace requirements in Subpart B (or Subpart C, if the recipient is an individual) of 2 C.F.R. Part 3001, which adopts the Government-wide implementation (2 C.F.R. Part 182) of the Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 8101-8106).

Article 13**Duplicative Costs**

Recipients are prohibited from charging any cost to this federal award that will be included as a cost or used to meet cost sharing or matching requirements of any other federal award in either the current or a prior budget period. (See 2 C.F.R. § 200.403(f)). However, recipients may shift costs that are allowable under two or more federal awards where otherwise permitted by federal statutes, regulations, or the federal financial assistance award terms and conditions.

- Article 14 Education Amendments of 1972 (Equal Opportunity in Education Act) – Title IX**
Recipients must comply with the requirements of Title IX of the Education Amendments of 1972, Pub. L. No. 92-318 (codified as amended at 20 U.S.C. § 1681 et seq.), which provide that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving federal financial assistance. DHS implementing regulations are codified at 6 C.F.R. Part 17. Recipients of an award from the Federal Emergency Management Agency (FEMA) must also comply with FEMA's implementing regulations at 44 C.F.R. Part 19.
- Article 15 E.O. 14074 – Advancing Effective, Accountable Policing and Criminal Justice Practices to Enhance Public Trust and Public Safety**
Recipient State, Tribal, local, or territorial law enforcement agencies must comply with the requirements of section 12(c) of E.O. 14074. Recipient State, Tribal, local, or territorial law enforcement agencies are also encouraged to adopt and enforce policies consistent with E.O. 14074 to support safe and effective policing.
- Article 16 Energy Policy and Conservation Act**
Recipients must comply with the requirements of the Energy Policy and Conservation Act, Pub. L. No. 94-163 (1975) (codified as amended at 42 U.S.C. § 6201 et seq.), which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.
- Article 17 False Claims Act and Program Fraud Civil Remedies**
Recipients must comply with the requirements of the False Claims Act, 31 U.S.C. §§ 3729- 3733, which prohibit the submission of false or fraudulent claims for payment to the Federal Government. (See 31 U.S.C. §§ 3801-3812, which details the administrative remedies for false claims and statements made.)
- Article 18 Federal Debt Status**
All recipients are required to be non-delinquent in their repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. (See OMB Circular A-129.)
- Article 19 Federal Leadership on Reducing Text Messaging while Driving**
Recipients are encouraged to adopt and enforce policies that ban text messaging while driving recipient-owned, recipient-rented, or privately owned vehicles when on official government business or when performing any work for or on behalf of the Federal Government. Recipients are also encouraged to conduct the initiatives of the type described in Section 3(a) of E.O. 13513.

- Article 20 Fly America Act of 1974**
Recipients must comply with Preference for U.S. Flag Air Carriers (a list of certified air carriers can be found at: [Certificated Air Carriers List | US Department of Transportation, https://www.transportation.gov/policy/aviation-policy/certificated-air-carriers-list](https://www.transportation.gov/policy/aviation-policy/certificated-air-carriers-list)) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974, 49 U.S.C. § 40118, and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B-138942.
- Article 21 Hotel and Motel Fire Safety Act of 1990**
Recipients must ensure that all conference, meeting, convention, or training space funded entirely or in part by federal award funds complies with the fire prevention and control guidelines of Section 6 of the Hotel and Motel Fire Safety Act of 1990, 15 U.S.C. § 2225a.
- Article 22 John S. McCain National Defense Authorization Act of Fiscal Year 2019**
Recipients, subrecipients, and their contractors and subcontractors are subject to the prohibitions described in section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232 (2018) and 2 C.F.R. §§ 200.216, 200.327, 200.471, and Appendix II to 2 C.F.R. Part 200. The statute – as it applies to DHS recipients, subrecipients, and their contractors and subcontractors – prohibits obligating or expending federal award funds on certain telecommunications and video surveillance products and contracting with certain entities for national security reasons.
- Article 23 Limited English Proficiency (Civil Rights Act of 1964, Title VI)**
Recipients must comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.) prohibition against discrimination on the basis of national origin, which requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services. For additional assistance and information regarding language access obligations, please refer to the DHS Recipient Guidance: <https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited> and additional resources on <http://www.lep.gov>.

Article 24 Lobbying Prohibitions

Recipients must comply with 31 U.S.C. § 1352 and 6 C.F.R. Part 9, which provide that none of the funds provided under a federal award may be expended by the recipient to pay any person to influence, or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any federal action related to a federal award or contract, including any extension, continuation, renewal, amendment, or modification. Per 6 C.F.R. Part 9, recipients must file a lobbying certification form as described in Appendix A to 6 C.F.R. Part 9 or available on Grants.gov as the Grants.gov Lobbying Form and file a lobbying disclosure form as described in Appendix B to 6 C.F.R. Part 9 or available on Grants.gov as the Disclosure of Lobbying Activities (SF-LLL).

Article 25 National Environmental Policy Act

Recipients must comply with the requirements of the National Environmental Policy Act of 1969, Pub. L. No. 91-190 (1970) (codified as amended at 42 U.S.C. § 4321 et seq.) (NEPA) and the Council on Environmental Quality (CEQ) Regulations for Implementing the Procedural Provisions of NEPA, which require recipients to use all practicable means within their authority, and consistent with other essential considerations of national policy, to create and maintain conditions under which people and nature can exist in productive harmony and fulfill the social, economic, and other needs of present and future generations of Americans.

Article 26 Nondiscrimination in Matters Pertaining to Faith-Based Organizations

It is DHS policy to ensure the equal treatment of faith-based organizations in social service programs administered or supported by DHS or its component agencies, enabling those organizations to participate in providing important social services to beneficiaries. Recipients must comply with the equal treatment policies and requirements contained in 6 C.F.R. Part 19 and other applicable statutes, regulations, and guidance governing the participations of faith-based organizations in individual DHS programs.

Article 27 Non-Supplanting Requirement

Recipients of federal awards under programs that prohibit supplanting by law must ensure that federal funds supplement but do not supplant non-federal funds that, in the absence of such federal funds, would otherwise have been made available for the same purpose.

- Article 28 Notice of Funding Opportunity Requirements**
All the instructions, guidance, limitations, scope of work, and other conditions set forth in the Notice of Funding Opportunity (NOFO) for this federal award are incorporated by reference. All recipients must comply with any such requirements set forth in the NOFO. If a condition of the NOFO is inconsistent with these terms and conditions and any such terms of the Award, the condition in the NOFO shall be invalid to the extent of the inconsistency. The remainder of that condition and all other conditions set forth in the NOFO shall remain in effect.
- Article 29 Patents and Intellectual Property Rights**
Recipients are subject to the Bayh-Dole Act, 35 U.S.C. § 200 et seq. and applicable regulations governing inventions and patents, including the regulations issued by the Department of Commerce at 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms under Government Awards, Contracts, and Cooperative Agreements) and the standard patent rights clause set forth at 37 C.F.R. § 401.14.
- Article 30 Procurement of Recovered Materials**
States, political subdivisions of states, and their contractors must comply with Section 6002 of the Solid Waste Disposal Act, Pub. L. No. 89-272 (1965) (codified as amended by the Resource Conservation and Recovery Act at 42 U.S.C. § 6962) and 2 C.F.R. § 200.323. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.
- Article 31 Rehabilitation Act of 1973**
Recipients must comply with the requirements of Section 504 of the Rehabilitation Act of 1973, Pub. L. No. 93-112 (codified as amended at 29 U.S.C. § 794), which provides that no otherwise qualified handicapped individuals in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.
- Article 32 Reporting of Matters Related to Recipient Integrity and Performance**
If the total value of any currently active grants, cooperative agreements, and procurement contracts from all federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of the federal award, then the recipient must comply with the requirements set forth in the government-wide Award Term and Condition for Recipient Integrity and Performance Matters located at 2 C.F.R. Part 200, Appendix XII, the full text of which is incorporated by reference.

Article 33 Reporting Subawards and Executive Compensation

For federal awards that equal or exceed \$30,000, recipients are required to comply with the requirements set forth in the government-wide award term on Reporting Subawards and Executive Compensation set forth at 2 C.F.R. Part 170, Appendix A, the full text of which is incorporated by reference.

Article 34**Required Use of American Iron, Steel, Manufactured Products, and Construction Materials**

Recipients of an award of Federal financial assistance from a program for infrastructure are hereby notified that none of the funds provided under this award may be used for a project for infrastructure unless: (1) all iron and steel used in the project are produced in the United States—this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States; (2) all manufactured products used in the project are produced in the United States—this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and (3) all construction materials are manufactured in the United States—this means that all manufacturing processes for the construction material occurred in the United States. The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project. **Waivers** When necessary, recipients may apply for, and the agency may grant, a waiver from these requirements. The agency should notify the recipient for information on the process for requesting a waiver from these requirements. (a) When the Federal agency has determined that one of the following exceptions applies, the awarding official may waive the application of the domestic content procurement preference in any case in which the agency determines that: (1) applying the domestic content procurement preference would be inconsistent with the public interest; (2) the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or (3) the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent. A request to waive the application of the domestic content procurement preference must be in writing. The agency will provide instructions on the format, contents, and supporting materials required for any waiver request. Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by the Made in America Office. There may be instances where an award qualifies, in whole or in part, for an existing waiver described at “Buy America” Preference in FEMA Financial Assistance Programs for Infrastructure | FEMA.gov. **Definitions** The definitions applicable to this term are set forth at 2 C.F.R. § 184.3, the full text of which is incorporated by reference.

- Article 35 SAFECOM**
Recipients receiving federal financial assistance awards made under programs that provide emergency communication equipment and its related activities must comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications. The SAFECOM Guidance is updated annually and can be found at Funding and Sustainment | CISA.
- Article 36 Terrorist Financing**
Recipients must comply with E.O. 13224 and applicable statutory prohibitions on transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. Recipients are legally responsible for ensuring compliance with the E.O. and laws.
- Article 37 Trafficking Victims Protection Act of 2000 (TVPA)**
Recipients must comply with the requirements of the government-wide financial assistance award term which implements Trafficking Victims Protection Act of 2000, Pub. L. No. 106-386, § 106 (codified as amended at 22 U.S.C. § 7104). The award term is located at 2 C.F.R. § 175.15, the full text of which is incorporated by reference.
- Article 38 Universal Identifier and System of Award Management**
Recipients are required to comply with the requirements set forth in the government-wide financial assistance award term regarding the System for Award Management and Universal Identifier Requirements located at 2 C.F.R. Part 25, Appendix A, the full text of which is incorporated reference.
- Article 39 USA PATRIOT Act of 2001**
Recipients must comply with requirements of Section 817 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), which amends 18 U.S.C. §§ 175-175c.
- Article 40 Use of DHS Seal, Logo and Flags**
Recipients must obtain written permission from DHS prior to using the DHS seals, logos, crests, or reproductions of flags, or likenesses of DHS agency officials. This includes use of DHS component (e.g., FEMA, CISA, etc.) seals, logos, crests, or reproductions of flags, or likenesses of component officials.
- Article 41 Whistleblower Protection Act**
Recipients must comply with the statutory requirements for whistleblower protections at 10 U.S.C § 470141 U.S.C. § 4712.

Article 42**Environmental Planning and Historic Preservation (EHP) Review**

DHS/FEMA funded activities that may require an Environmental Planning and Historic Preservation (EHP) review are subject to the FEMA EHP review process. This review does not address all federal, state, and local requirements. Acceptance of federal funding requires the recipient to comply with all federal, state and local laws. DHS/FEMA is required to consider the potential impacts to natural and cultural resources of all projects funded by DHS/FEMA grant funds, through its EHP review process, as mandated by: the National Environmental Policy Act; National Historic Preservation Act of 1966, as amended; National Flood Insurance Program regulations; and any other applicable laws and executive orders. General guidance for FEMA's EHP process is available on the DHS/FEMA Website at:

<https://www.fema.gov/grants/guidance-tools/environmental-historic>. Specific applicant guidance on how to submit information for EHP review depends on the individual grant program and applicants should contact their grant Program Officer to be put into contact with EHP staff responsible for assisting their specific grant program. The EHP review process must be completed before funds are released to carry out the proposed project; otherwise, DHS/FEMA may not be able to fund the project due to noncompliance with EHP laws, executive orders, regulations, and policies. If ground disturbing activities occur during construction, applicant will monitor ground disturbance, and if any potential archaeological resources are discovered the applicant will immediately cease work in that area and notify the pass-through entity, if applicable, and DHS/FEMA.

Article 43**Applicability of DHS Standard Terms and Conditions to Tribes**

The DHS Standard Terms and Conditions are a restatement of general requirements imposed upon recipients and flow down to sub-recipients as a matter of law, regulation, or executive order. If the requirement does not apply to Indian tribes or there is a federal law or regulation exempting its application to Indian tribes, then the acceptance by Tribes of, or acquiescence to, DHS Standard Terms and Conditions does not change or alter its inapplicability to an Indian tribe. The execution of grant documents is not intended to change, alter, amend, or impose additional liability or responsibility upon the Tribe where it does not already exist.

Article 44**Acceptance of Post Award Changes**

In the event FEMA determines that an error in the award package has been made, or if an administrative change must be made to the award package, recipients will be notified of the change in writing. Once the notification has been made, any subsequent requests for funds will indicate recipient acceptance of the changes to the award. Please call FEMA Grant Management Operations at (866) 927-5646 or via e-mail to: ASK-GMD@fema.dhs.gov if you have any questions.

- Article 45 Disposition of Equipment Acquired Under the Federal Award**
For purposes of original or replacement equipment acquired under this award by a non-state recipient or non-state sub-recipients, when that equipment is no longer needed for the original project or program or for other activities currently or previously supported by a federal awarding agency, you must request instructions from FEMA to make proper disposition of the equipment pursuant to 2 C.F.R. section 200.313. State recipients and state sub-recipients must follow the disposition requirements in accordance with state laws and procedures.
- Article 46 Prior Approval for Modification of Approved Budget**
Before making any change to the FEMA approved budget for this award, you must request prior written approval from FEMA where required by 2 C.F.R. section 200.308. For purposes of non-construction projects, FEMA is utilizing its discretion to impose an additional restriction under 2 C.F.R. section 200.308(f) regarding the transfer of funds among direct cost categories, programs, functions, or activities. Therefore, for awards with an approved budget where the federal share is greater than the simplified acquisition threshold (currently \$250,000), you may not transfer funds among direct cost categories, programs, functions, or activities without prior written approval from FEMA where the cumulative amount of such transfers exceeds or is expected to exceed ten percent (10%) of the total budget FEMA last approved. For purposes of awards that support both construction and non-construction work, FEMA is utilizing its discretion under 2 C.F.R. section 200.308(h)(5) to require the recipient to obtain prior written approval from FEMA before making any fund or budget transfers between the two types of work. You must report any deviations from your FEMA approved budget in the first Federal Financial Report (SF-425) you submit following any budget deviation, regardless of whether the budget deviation requires prior written approval.
- Article 47 Indirect Cost Rate**
2 C.F.R. section 200.211(b)(15) requires the terms of the award to include the indirect cost rate for the federal award. If applicable, the indirect cost rate for this award is stated in the budget documents or other materials approved by FEMA and included in the award file.
- Article 48 Award Performance Goals**
FEMA will measure the recipient's performance of the grant by comparing the number of items requested in its application, the numbers acquired (ordered, paid, and received) within the period of performance. In order to measure performance, FEMA may request information throughout the period of performance. In its final performance report submitted at closeout, the recipient is required to report on the recipients compliance with the applicable industry, local, state and national standards described in the NOFO.

Obligating document

1. Agreement No. EMW-2023-FG-01097	2. Amendment No. N/A	3. Recipient No. 956000746	4. Type of Action AWARD	5. Control No. WX03513N2024T		
6. Recipient Name and Address CITY OF MONTEBELLO 312 S GREENWOOD AVE MONTEBELLO, CA 90640		7. Issuing FEMA Office and Address Grant Programs Directorate 500 C Street, S.W. Washington DC, 20528-7000 1-866-927-5646		8. Payment Office and Address FEMA, Financial Services Branch 500 C Street, S.W., Room 723 Washington DC, 20742		
9. Name of Recipient Project Officer Angelica Palmeros		9a. Phone No. 3237705966	10. Name of FEMA Project Coordinator Assistance to Firefighters Grant Program		10a. Phone No. 1-866-274-0960	
11. Effective Date of This Action 08/26/2024	12. Method of Payment OTHER - FEMA GO	13. Assistance Arrangement COST SHARING		14. Performance Period 09/02/2024 to 09/01/2026 Budget Period 09/02/2024 to 09/01/2026		
15. Description of Action a. (Indicate funding data for awards or financial changes)						
Program Name Abbreviation	Assistance Listings No.	Accounting Data(ACCS Code)	Prior Total Award	Amount Awarded This Action + or (-)	Current Total Award	Cumulative Non-Federal Commitment
FG	97.044	2024-F3-GB01 - P410-xxxx-4101-D	\$0.00	\$281,818.18	\$281,818.18	\$28,181.82
Totals			\$0.00	\$281,818.18	\$281,818.18	\$28,181.82
b. To describe changes other than funding data or financial changes, attach schedule and check here: N/A						
16. FOR NON-DISASTER PROGRAMS: RECIPIENT IS REQUIRED TO SIGN AND RETURN THREE (3) COPIES OF THIS DOCUMENT TO FEMA (See Block 7 for address) This field is not applicable for digitally signed grant agreements						

17. RECIPIENT SIGNATORY OFFICIAL (Name and Title)	DATE
18. FEMA SIGNATORY OFFICIAL (Name and Title)	DATE
PAMELA WILLIAMS, Assistant Administrator, Grant Programs	08/26/2024



ITEM # 13

Approve
Passed

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Fernando Pelaez, Fire Chief

SUBJECT: APPROVE SUBMISSION OF AN APPLICATION TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) GRANT PROGRAMS DIRECTORATE (GPD) FISCAL YEAR 2023 ASSISTANCE TO FIREFIGHTER GRANT PROGRAM (AFG)

DATE: January 24, 2024

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve submission of a grant application to the Federal Emergency Management Agency (FEMA) Grant Programs Directorate (GPD) Fiscal Year 2023 Assistance to Firefighters Grant (AFG) Grant; and
2. Take such additional, related, action that may be desirable.

FISCAL IMPACT:

The Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA) Fiscal Year 2023 Assistance to Firefighters Grant (AFG) Program will open a funding opportunity early this year to submit a competitive grant application. Depending on the scope of the project, the City funds are for an approximately one (1) year project. If a grant is awarded and once the amount is determined, staff will return to the City Council with a request to appropriate the funds. The City was successful in receiving an AFG award in 2022 for \$183,000 that was utilized for preparing a comprehensive risk assessment.

BACKGROUND/DISCUSSION:

The Fiscal Year 2023 Assistance to Firefighters Grant (AFG) Program is one of three grant programs that constitute the Department of Homeland Security (DHS) Federal Emergency Management Agency's (FEMA's) focus on enhancing the safety and well-being of the public and firefighters. Since 2001, AFG has helped firefighters and other first responders obtain critically needed equipment, protective gear, emergency vehicles,

CITY COUNCIL AGENDA REPORT - MEETING OF JANUARY 24, 2024

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training and other resources necessary for protecting the public and emergency personnel from fire and related hazards. The AFG Program provides financial assistance directly to eligible fire departments, nonaffiliated emergency medical service (EMS) organizations, and State Fire Training Academies (SFTAs) for critical training and equipment. As of September 20, 2023, FEMA has made 1,708 awards totaling \$324 million in grant funding to provide critically needed resources that equip and train emergency personnel to recognized standards, enhance operational efficiencies, foster interoperability, and support community resilience.

In 2022, the City of Montebello Fire Department submitted a grant proposal for the Assistance to Firefighters Grant (AFG) Program and was awarded a total of \$183,848 for Fiscal Year 2022-23. This funding provided the ability to conduct for the first time in the Department's history the Fire Department Standards of Cover and Comprehensive Risk Assessment (March 2023). The City's grant proposal under this new round of funding would seek funding for Self-Contained Breathing Apparatus, required fire equipment, and vehicle acquisition. The additional funding would provide much-needed operational infrastructure to support the Fire Department's overall strategic goals in delivering services to the community.

ENVIRONMENTAL:

This item is not subject to the California Environmental Quality Act (CEQA) under the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, sections: 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment); 15060(c)(3) (the activity is not a project as defined in Section 15378); and 15061(b)(3), because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Because there is no possibility that this item may have a significant adverse effect on the environment, the item is exempt from CEQA.

ANALYSIS:

N/A

SUMMARY:

That the City Council approve submission of a grant proposal application for the Federal Emergency Management Agency (FEMA), Fiscal Year 2023 Assistance to Firefighters Grant (AFG) Program.

ATTACHMENT(S)

None

Ph: 323-780-0254
 TF: 866-557-0254
 Fax: 714-522-5001
lasales@lncurtis.com
 UEI#: DDLSADSWN7U7



Pacific South Division
 15523 Carmenita Road
 Santa Fe Springs, CA 90670
www.LNCurtis.com

Quotation

CUSTOMER:	SHIP TO:	QUOTATION NO.	ISSUED DATE	EXPIRATION DATE
Montebello City Fire Department 1600 West Beverly Boulevard Montebello CA 90640	Montebello Fire Station 55 600 North Montebello Boulevard Montebello CA 90640	303339	05/28/2024	10/31/2024
		SALESPERSON	CUSTOMER SERVICE REP	
		Tracy Rabe trabe@lncurtis.com 909-679-7062	Tyler Dennison tdennison@lncurtis.com 385-414-1492	

REQUISITION NO.	REQUESTING PARTY	CUSTOMER NO.	TERMS	OFFER CLASS
	Matt Beveridge	C34608	Net 30	SW-SCBA
F.O.B.	SHIP VIA	DELIVERY REQ. BY		
SP	Standard Shipping			

SPECIAL INSTRUCTIONS

Pricing per Sourcewell SCBA Contract Number 011824

NOTES & DISCLAIMERS

Thank you for this opportunity to quote. We are pleased to offer requested items below. If you have any questions, need additional information, or would like to place an order, please contact your Customer Service Rep as noted above.

Safety Warning Notice: Products offered, sold, or invoiced herewith may have an applicable Safety Data Sheet (SDS) as prepared by the manufacturer of the product. The SDS is provided with the product. In addition, manufacturer's safety and/or warning notices, instructions and information relating to the proper use and care of the product is provided with the product. All applicable SDS, safety and/or warning notices, instructions and other information provided with the product should be thoroughly read, reviewed, and understood prior to handling, distributing, using, reselling, or servicing any and all products provided by Curtis. Materials utilized to clean, repair, maintain and/or service your owned equipment, as well as Curtis owned equipment, may contain per-and polyfluoroalkyl substances (PFAS) to meet national standards or original equipment manufacturer specifications. For other important product notices and warnings, or to request an SDS, product specifications, manufacturer's safety notices, instructions and/or warning notices, please contact Curtis or visit <https://www.lncurtis.com/product-notices-warnings>

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LN	QTY	UNIT	PART NUMBER	DESCRIPTION	PL	UNIT PRICE	TOTAL PRICE
1	32	EA	A- G1FS-444MD2C2 LCR MSA	4500PSIg G1 Fire Service SCBA; * CGA Quick Connect Remote Connection * Serviceable Tunnel with Chest Strap * Metal Band Cradle Type * Adjustable Swiveling Solid Buckle * Solid Cover Regulator Type, Left Shoulder (As Worn) * Continuous Regulator Hose Type * ExtendAire II Emergency Breathing Support * Left Chest (As Worn) Speaker Module * Pass Telemetry Right Shoulder (As Worn) * Rechargeable Battery Type WARNING: This product contains PFAS to reduce the risk of parts sticking or becoming inoperable. AG1FS444MD2C2LCR -Quick Connect Fitting -Serviceable Tunnel Harness w/ Chest Strap -Adjustable swiveling lumbar with solid buckle -PASS Right Shoulder w/ Telemetry -Rechargeable Battery -ExtendAir II	SFR	\$8,007.00	\$256,224.00
2	30	EA	G1 CYLINDER CUSTOM	Cylinder , As Below 10175708 MSA 45Min 4500# G1 SCBA Low Profile Cylinder, With Air, With Quick Connect Remote Connection Add "MTB" to cylinders in red lettering on luminescent white band Add 1" green identifier band on valve end		\$1,240.00	\$37,200.00

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LN	QTY	UNIT	PART NUMBER	DESCRIPTION	PL	UNIT PRICE	TOTAL PRICE
3	22	EA	10156459 MSA	Medium G1 Facepiece With Medium Nosecup, Includes: * 4-Point Adjustable Cloth Head Harness * Fixed Push-To-Connect Regulator Connection * Ato Number: A-G1Fp-Fm1M401 WARNING: This product contains PFAS to reduce the risk of parts sticking or becoming inoperable.	SFR	\$375.00	\$8,250.00
4	8	EA	G1 CYLINDER CUSTOM	Cylinder , As Below 10176707 MSA 30Min 4500# G1 SCBA Cylinder, With Air, With Quick Connect Remote Connection 30Min 4500# G1 SCBA Cylinder, With Air, With Quick Connect Remote Connection Add "MTB" to cylinders in red lettering on luminescent white band Add 1" green identifier band on valve end		\$1,155.00	\$9,240.00
5	3	EA	G1 CYLINDER CUSTOM	Cylinder , As Below 10175710 MSA 60Min 4500# G1 SCBA Cylinder, With Air, With Quick Connect Remote Connection Add "MTB" to cylinders in red lettering on luminescent white band Add 1" green identifier band on valve end		\$1,600.00	\$4,800.00
6	3	EA	10206313 MSA	Uebss 2018 Edition G1 Rit Extendaire II System, 4500#, Medium Facepiece, Regulator, 6Ft Quick-Fill Hose, Urc, Quick-Connect WARNING: This product contains PFAS to reduce the risk of parts sticking or becoming inoperable.	SFR	\$5,421.47	\$16,264.41

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 Santa Fe Springs, CA 90670
www.LNCurtis.com

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	PL	UNIT PRICE	TOTAL PRICE
7	3	EA	RBL303 TRUE NORTH	Red L-3 Lite Speed Rit Bag	SFR	\$305.96	\$917.88
8	10	EA	10156458 MSA	Small G1 Facepiece With Small Nosecup, Includes: * 4-Point Adjustable Cloth Head Harness * Fixed Push-To-Connect Regulator Connection * Ato Number: A-G1FP-FS1S401 WARNING: This product contains PFAS to reduce the risk of parts sticking or becoming inoperable.	OM	\$522.00	\$5,220.00
9	30	EA	G1 CYLINDER CUSTOM	Cylinder , As Below 10175708 MSA 45Min 4500# G1 SCBA Low Profile Cylinder, With Air, With Quick Connect Remote Connection Add "MTB" to cylinders in red lettering on luminescent white band Add 1" green identifier band on valve end		\$0.00	\$0.00

Small Business
 CAGE Code: 5E720
 SIC Code: 5099
 Federal Tax ID: 94-1214350
 UEI #DDLSADSWN7U7

This pricing remains firm until 10/31/2024. Contact us for updated pricing after this date.

Due to market volatility and supply shortages, we recommend contacting your local L.N. Curtis and sons office prior to placing your order to confirm pricing and availability. This excludes our GSA Contract and other Fixed Price Contracts which are governed by contract-specific prices, terms, and conditions.

Subtotal	\$338,116.29
Estimated Tax Total	\$34,656.92
Transportation*	\$0.00
*(to be added when order ships)	
Total	\$372,773.21

[View Terms of Sale and Return Policy](#)



SOLE SOURCE DECLARATION

I, THE UNDERSIGNED, DO HEREBY CERTIFY to the best of my knowledge, after analyzing pertinent information available to us at this time, the item(s)/service(s) listed below can only be furnished by the following vendor due to the following justification(s):

Item/Service MSA SCBA Units

Vendor LN Curtis

Address 15523 Carmenita Road

City, State Santa Fe Springs, CA 90670

Justification: *Refer to Back Page of this Form for Accepted Justification and Indicate the Exception Claimed Below, Provide Additional Information as Needed*

The Fire Department solely uses the MSA SCBA Units to standardize operations, which also matches what surrounding agencies uses for interoperability reasons. LN Curtis is a sole source vendor for MSA SCBA Units.

I declare under penalty of perjury that the foregoing is true and correct.

(Insert Department Director Name)

Signature

Angelica Palmeros
Deputy Director

10/1/24
Date



ITEM # 9

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Cesar Roldan, Director of Public Works

SUBJECT: ADOPT CONSTRUCTION SPECIFICATIONS FOR THE ANNUAL STREET RESURFACING - GRIND AND OVERLAY PROJECT (CP 913) AND AUTHORIZATION TO PROCEED WITH BID ADVERTISEMENT

DATE: October 9, 2024

RECOMMENDATIONS:

It is recommended that the City Council:

1. Adopt construction specifications for the annual Street Resurfacing - Grind and Overlay Project (CP 913); and,
2. Authorize staff to proceed with bid advertisement for construction; and,
3. Approve Environmental Assessment pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption under the California Environmental Quality Act (CEQA); and,
4. Take such additional, related action that may be desirable.

FISCAL IMPACT:

Approval of this action will allow staff to proceed with the bidding for construction contracts related to the Annual Street Resurfacing -- Grind and Overlay capital improvement project (CP 913). After staff evaluates all bids, a recommendation will be made at a future City Council meeting to award a contract and include a well-defined structured budget. The Fiscal Year 2024-25 adopted budget includes funding from multiple Local Return Fund sources for this and related street and road repair/maintenance projects.

BACKGROUND/DISCUSSION:

This capital improvement project (CP 913) aims to resurface various streets included in

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

Page 2 of 4

Resolution No. 23-54 (Senate Bill 1 / Road Repair and Maintenance Act project adoption) and those included in the Paving the Way streets program. The following are the streets and their respective limits which will be included in this project:

	STREET	FROM	TO
1	N. 4TH ST	W. LINCOLN AVE	W. AVENIDA DE LA MERCED
2	EDWIN ALDRIN CIR	N. 4TH ST	END
3	N. TAYLOR AVE	W. LINCOLN AVE	EL CAMINO DR.
4	EL CAMINO DR	TAYLOR AVE	END
5	CUESTA WAY	TAYLOR AVE	ALDEA DR
6	ALDEA DR	TAYLOR AVE	EL CAMINO DR
7	MAPLE AVE	LINCOLN AVE	ALDEA DR
8	SOLANA CIRCLE	END	ALDEA DR
9	RIO DEL SOL AVE	END	AGAJANIAN WAY
10	RANCHO DR	LINCOLN AVE	SAN ANGELO AVE
11	RIO DEL SOL AVE	SAN ANGELO AVE	AGAJANIAN WAY
12	AVENIDA DEL LA MERCED	SAN ANGELO AVE	LINCOLN AVE
13	FINDLAY AVE	BARR AVE	VIA CAMPO
14	FINDLAY AVE	VIA SAN DELARRO	BEVERLY BLVD
15	DEWAR AVE	KEENAN ST	SIMMONS AVE
16	FRANKEL AVE	S. MONTEBELLO BL	END
17	MAXWELL ST	FRANKEL AVE	GARY AVE
18	GARY AVE	MAXWELL ST	SPRUCE ST
19	SPRUCE ST	DATE ST	FRANKEL AVE
20	OAKWOOD ST	CAROB WAY	BLUFF RD
21	S. 4TH ST	OAKWOOD ST	ELM ST
22	CAROB WAY	ELM ST	DATE ST
23	ELM ST	CAROB WAT	BLUFF RD
24	S. 4TH ST	ELM ST	SYCAMORE ST
25	SPRUCE ST	OAKWOOD ST	ELM ST
26	ADELITA ST	LEXINGTON AVE	CONCORD AVE
27	BRADSHAWE AVE	DEWAR AVE	BEVERLY BLVD

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

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28	VIA SAN DELARRO	GARFIELD AVE	FINDLAY AVE
29	N. HAY ST	BEVERLY BLVD	LINCOLN AVE
30	MAPLE AVE	VICTORIA AVE	LINCOLN AVE
31	RAYWOOD AVE	FORBES AVE	LINCOLN AVE
32	VIA SAN CARLO	VIA SAN CLEMENTE	VIA SAN DELARRO
33	S. PARK AVE	COLEGROVE AVE	END

The final construction specifications are completed in accordance with applicable engineering standard specifications and are consistent with the City's procurement and purchasing manual. The City Council is required to approve and adopt construction documents and authorize the bid request for all public projects. The bid advertisement is consistent with Public Contract Code sections 20161 and 20162, which mandates California public works projects to be competitively bid. This action is also consistent with Montebello Municipal Code 3.20.110 - Bidding procedure prescribed.

With City Council's approval, staff will advertise the project for bid in a local newspaper of general circulation and submit the Notice Inviting Bid (NIB) to PlanetBids. The following tentative schedule has been identified for the bid process:

Tasks	Timeline
Bidding Period	October 10, 2024 – November 6, 2024
Questions or Request for Information	October 28, 2024 at 12:00 PM
Bid Opening	November 6, 2024 at 11:00 AM
Tentative Award of Contract	December 11, 2024 City Council Meeting
Commence Construction	January 2025
Complete Construction	May 2025
Close out Project	June 2025

ENVIRONMENTAL:

The proposed project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption (Existing Facilities). The project results in minor alterations to existing public facilities involving no significant expansion of the existing use. The project is not anticipated to have any significant impacts in regard to traffic, noise, air quality, or water quality. There are adequate utilities and public services to serve the project (Attachment B).

ANALYSIS:

N/A

SUMMARY:

Staff recommends the City Council adopt construction specifications for the annual Street Resurfacing - Grind and Overlay Project (CP 913); and authorize staff to proceed with bid advertisement for construction; and, approve Environmental Assessment pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption under the California Environmental Quality Act (CEQA). Staff will return at a future City Council meeting to award the construction contract and recommend budget amendments if needed.

ATTACHMENT(S)

1. Attachment A - FY 2023-24 SB 1 Annual Year 1 Street Improvement Project – CP 913 Contract Specifications
2. Attachment B - CEQA NOE



**CITY OF MONTEBELLO
CALIFORNIA**

**CONTRACT DOCUMENTS
SPECIFICATIONS**

FOR

FY 2023-24 SB1 AND ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT

C.P. No. 913

**SCARLET PERALTA – MAYOR
SALVADOR MELENDEZ – MAYOR PRO TEM
ANGIE M. JIMENEZ – COUNCILMEMBER
GEORGINA TAMAYO – COUNCIL MEMBER
DAVID N. TORRES – COUNCILMEMBER**

**RAUL ALVAREZ – CITY MANAGER
CESAR ROLDAN - PUBLIC WORKS DIRECTOR**

PREPARED BY:

**Nam Tran
Assistant Engineer**

1600 W Beverly Blvd
Montebello, CA 90640
Tel: 323-887-1200 ext. 1473

Project Subject to a Project Labor Agreement No. 4202

**Bid Opening (Electronic Bid through PlanetBids)
Wednesday, November 6, 2024 at 11:00 AM**

Engineer's Estimate: \$2.6 million

FY 2023-24 SB1 AND ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT

C.P. No. 913

IN THE CITY OF MONTEBELLO

BID SCHEDULE

- | | | |
|--|---|--|
| • Bidding Period | - | October 10, 2024 – November 6, 2024 |
| • Questions or Request for Information | - | October 28, 2024 at 12:00 PM |
| • Bid Opening | - | November 6, 2024 at 11:00 AM |
| • Tentative Award of Contract | - | December 11, 2024 City Council Meeting |
| • Commence Construction | - | January 2025 |
| • Complete Construction | - | May 2025 |
| • Close out Project | - | June 2025 |

Bid proposals will be received via PlanetBids
(<https://www.montebelloca.gov/cms/One.aspx?portalId=58756&pageId=61544>) until 11:00
A.M. on November 6, 2024.



These Specifications have been prepared
under the direction of:

 9/25/24
Kev Tcharhouthian
City Engineer



**CITY OF MONTEBELLO
CALIFORNIA**

TO PROSPECTIVE BIDDERS:

The City of Montebello invites you to become a prospective bidder on one of its public projects. It is the City's intention to provide you with thorough and complete information regarding this project and to present an accurate description of the necessary work so that you may successfully bid and construct the project.

Submittal of your bid assumes that you have made a thorough and complete investigation of the project site and that you have discovered no apparent discrepancies between the scope of work set forth in the plans and specifications and the actual field conditions.

If there are any questions regarding this project, please contact the City Engineer's office at (323) 887-1200, ext. 462.

Cesar Roldan
Director of Public Works

FY 2023-24 SB1 AND ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT

C.P. No. 913

IN THE CITY OF MONTEBELLO

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NOTICE INVITING SEALED BIDS

FOR

FY 2023-24 SB1 AND ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT

C.P. No. 913

IN THE CITY OF MONTEBELLO

PUBLIC NOTICE IS HEREBY GIVEN that the City of Montebello as AGENCY, invites bids for the above stated project and will receive such bids **Bid proposals will be received via PlanetBids (<https://www.montebellocal.gov/cms/One.aspx?portalId=58756&pageId=61544>) until 11:00 A.M. on November 6, 2024.**

SCOPE OF WORK: The work to be performed or executed under these specifications consists of furnishing all materials, equipment, tools, labor, and incidentals as required by the contract documents to construct the above stated project. The general items of work include a street pavement grind and overlay, and other miscellaneous appurtenant work indicated in the contract documents.

It is the intent of this contract to have the contractor perform the “Project”, and other appurtenances in accordance with the 2021 Standard Plans for Public Works Construction (SPPWC), and 2021 Standard Specifications for Public Works Construction “Greenbook.”

CONTRACT DOCUMENTS:

Copies of the contract documents and specifications are available through PlanetBids.

In order to be on the Planholder List for this project, each bidder must submit a Bidders Information Sheet through PlanetBids. Bids will not be accepted unless the bidder is on the Planholder List. All questions from plan holders must be sent through PlanetBids.

Questions: All questions related to this project shall be submitted electronically and received no later than 12:00 p.m. on October 28, 2024, prior to the opening of bids.

PREVAILING WAGE:

Pursuant to Section 1770, et seq., of the California Labor Code, the Contractor shall pay the general prevailing rate of per diem wages as determined by the Director of the Department of Industrial Relations of the State of California for the locality where the work is to be performed. A copy of said wage rates is available on-line at: B-2 www.dir.ca.gov/dlsr/DPreWageDetermination.htm. The Contractor and any subcontractors shall pay not less than said specified rates and shall post a copy of said wage rates at the project site.

LABOR COMPLIANCE:

To comply with SB 854, beginning January 1, 2015 the following applies:

1. No contractor or subcontractor may be listed on a bid proposal for public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations (DIR) pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
2. No contractor or subcontractor may be awarded a contract for public works on a public works project awarded on or after April 1, 2015, unless registered with the DIR.
3. The project is subject to compliance monitoring and enforcement by the DIR.
4. Require the prime contractor to post job site notices prescribed by regulation (regulation not created yet) or the City must post the notices itself.

The Contractor shall fill in the Department of Industrial Relations (DIR) Contractor Registration Number Form provided in the Contract Specifications submit it with the sealed Bid.

The AGENCY hereby affirmatively ensures that minority business enterprises will be afforded full opportunity to submit bids in response to this notice and will not be discriminated against on the basis of race, color, national origin, ancestry, sex, marital status or religion in any consideration leading to the award of contract.

In entering into a public works contract, or subcontract, to supply goods, services, or materials pursuant to a public works contract, the Contractor, or the Subcontractors, 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. Section 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public work contract or the subcontract. This assignment shall be made and become effective as the time the awarding body tenders final payment to the Contractor, without further acknowledgement by the parties.

Bids must be prepared on the approved Proposal forms in conformance with the "Instructions to Bidders" and submitted in a sealed envelope plainly marked on the outside. The bid must be accompanied by certified or cashier's check, or bidder's bond, made payable to the AGENCY for an amount no less than ten percent of the amount bid.

Bidders must hold a valid California Class A Contractor's License.

No bid will be accepted from a Contractor who has not been licensed in accordance with provisions of the Business and Professions Code. The successful Contractor and his subcontractors will be required to possess business licenses from the City.

The AGENCY will deduct **five percent (5%)** retention from all progress payments as specified in Section 9-3.2 of these Specifications. The Contractor may substitute an escrow holder surety of equal value to the retention and the Contractor shall be beneficial owner of the surety and shall receive any interest thereon.

The AGENCY reserves the right to reject any or all bids, to waive any irregularity and to take all bids, under advisement for a period of sixty (60) days.

Project is subject to Agreement No. 4202 between the City of Montebello and Los Angeles/ Orange Counties Building and Construction Trades Council and the Signatory Craft Councils and Unions, also known as the Project Labor Agreement (PLA).

The contract period for this project is **Seventy-Five (75) working days** from the effective date of the Notice-to-Proceed to be issued by the City.

BY ORDER OF: The City of Montebello, California

Kimberly Guillen, Senior Deputy City Clerk

INSTRUCTIONS TO BIDDERS
FOR
FY 2023-24 SB1 AND ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT
C.P. No. 913
IN THE CITY OF MONTEBELLO
GENERAL INFORMATION

ELECTRONIC proposals, including all documents required to be submitted with the bid, will be received at the office of the Montebello City Clerk of said City until the date and time specified in the legal notice or addendum to the project documents, whichever occurs latest, for the construction of work described in the project documents or said legal notice. The ELECTRONIC Bid(s) will be evaluated and posted on PlanetBids, where they can be viewed publicly shortly after the bid closes.

ONLY ELECTRONIC PROPOSALS ARE ACCEPTED.

In addition to the “ELECTRONIC” uploading of Proposal Documents described in the ‘INVITATION TO BIDDERS’, the fully executed **original Bid Bond** shall be delivered to the Montebello City Clerk on or before the actual bid opening day and time.

This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

No contractor or subcontractor may be listed on a bid proposal for a Public Works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

No contractor or subcontractor may be awarded a contract for public work on a Public Works Project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5.

PROPOSAL FORMS

Bids shall be submitted directly through PlanetBids (<https://www.montebelloca.gov/cms/One.aspx?portalId=58756&pageId=61544>) and contractors must use the Proposal forms provided by the AGENCY (contained within these contract specifications). All information requested therein must be clearly and legibly set forth in the manner and form indicated. The AGENCY will not consider any proposal not meeting these requirements.

PROPOSAL GUARANTEE

Proposals must be accompanied by a proposal guarantee consisting of a certified or cashier’s check or bid bond payable to the AGENCY in the amount not less than ten percent of the total amount bid. Any proposal not accompanied by such a guarantee will not be considered. If a bidder to

whom a contract is awarded fails or refuses to execute the contract documents or furnish the required insurance policies and bonds as set forth in those documents, the proposal guarantee shall be forfeited to the AGENCY. The proposal guarantees of all bidders will be held until the successful bidder has properly executed all contract documents.

DELIVERY OF PROPOSAL

Electronic Bids shall ~~Bids shall be submitted electronically at <https://www.cityofmontebello.com/rfp-bids/bid-opportunities.html>~~ by 11:00 A.M. on November 6, 2024. It is the bidder's responsibility to ensure the bids have been successfully submitted thru PlanetBids. Bidders can contact the AGENCY'S Purchasing Officials for confirmation. Late proposals will not be considered.

WITHDRAWAL OF PROPOSALS

A proposal may be withdrawn by a written request signed by the bidder. Such requests must be delivered to the AGENCY's designated official prior to the bid-opening hour stipulated in the Notice Inviting Sealed Bids. Proposals may not be withdrawn after said hour without forfeiture of the proposal guarantee. The withdrawal of the proposal will not prejudice the right of the bidder to submit a new proposal, providing there is time to do so.

IRREGULAR PROPOSALS

Unauthorized conditions, limitations, or provisions attached to a proposal will render it irregular and may cause its rejection. The completed proposal forms shall be without interlineations, alterations, or erasures. Alternative proposals will not be considered unless specifically requested. No oral, telegraphic, telephonic, facsimile or electronic proposal, modification or withdrawal will be considered.

TAXES

No mention shall be made in the proposal of Sales Tax, Use Tax, or any other tax, as all amounts contained in the bid will be deemed and held to include any such taxes, which may be applicable.

DISQUALIFICATION OF BIDDERS

In the event that any bidder acting as a prime contractor has an interest in more than one proposal, all such proposals will be rejected, and the bidder will be disqualified. This restriction does not apply to subcontractors or suppliers who may submit quotations to more than one bidder, and while doing so, may also submit a formal proposal as a prime contractor. No proposal will be accepted from a bidder who has not been licensed in accordance with the provisions of the State Business and Professions Code.

DISCREPANCIES AND MISUNDERSTANDINGS

Bidders must satisfy themselves by personal examination of the work site, Plans, Specifications, and other contract documents and by any other means as they may believe necessary, as to the

actual physical conditions, requirements and difficulties under which the work must be performed. No bidder shall at any time after submission of a proposal make any claim or assertion that there was any misunderstanding or lack of information regarding the nature or amount of work necessary for the satisfactory completion of the job. Any errors, omissions, or discrepancies found in the Plans, Specifications, or other contract documents shall be called to the attention of the AGENCY and clarified prior to the submission of proposals.

EQUIVALENT MATERIALS

Although the bidder may believe that by use of a different material than that specified on/in the plans and specifications, a lower cost project/bid may result. The bidder is to bid the project on the basis of using the material(s) as named keeping in mind that all materials named herein by manufacturer is not to prohibit the bidder considering using in his bid what he considers to be an equal material except where the AGENCY has designated a sole product. Once the bids have been opened the successful Contractor may discuss with the AGENCY the use of another product; which may result in a determination by the AGENCY that the other product is equal and possibly that by the AGENCY allowing the use of the Contractor proposed equal that a change in the contract amount may result.

LEGAL RESPONSIBILITIES

All proposals must be submitted, filed, made, and executed in accordance with State and Federal laws relating to bids for contracts of this nature whether the same or expressly referred to herein or not. Any bidder submitting a proposal shall by such action thereby agree to each and all of the terms, conditions, provisions, and requirements set forth, contemplated, and referred to in the Plans, Specifications, and other contract documents, and to full compliance therewith.

AWARD OF CONTRACT

The award of contract, if made, will be to the lowest responsible bidder as determined solely by the AGENCY. Additionally, the AGENCY reserves the right to accept or reject any or all proposals, to waive any irregularity, and to make an award as may best serve the interests of the AGENCY.

SURETY BOND PERIOD

Surety Faithful Performance Bond shall be maintained for one (1) year after completion of project construction.

PROJECT LABOR AGREEMENT

Project is subject to Agreement No. 4202 between the City of Montebello and Los Angeles/ Orange Counties Building and Construction Trades Council and the Signatory Craft Councils and Unions, also known as the Project Labor Agreement (PLA). Attachment A - Letter of Assent and Attachment C - Craft Request Form must be submitted with the package.

PROPOSAL
FOR
FY 2023-24 SB1 AND ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT
C.P. No. 913
IN THE CITY OF MONTEBELLO

TO THE CITY OF MONTEBELLO, as AGENCY

In accordance with AGENCY's Notice Inviting Sealed Bids, the undersigned BIDDER hereby proposes to furnish all materials, equipment, tools, labor, and incidentals required for the above stated project as set forth in the Plans, Specifications, and contract documents therefor and to perform all work in the manner and time prescribed therein.

BIDDER declares that this proposal is based upon careful examination of the work site, Plans, Specifications, Instruction to Bidders, and all other contract documents. If this proposal is accepted for award, BIDDER agrees to enter into a contract with AGENCY at the unit and/or lump sum prices set forth in the following Bid Schedule. BIDDER understands that failure to enter into a contract in the manner and time prescribed will result in forfeiture to AGENCY of the guarantee accompanying this proposal. This bid may not be withdrawn within a period of sixty (60) days after the date of its proper opening by the City.

BIDDER understands that a bid is required for the entire work and that the estimated quantities set forth in the Bid Schedule are solely for the purpose of comparing bids, and that final compensation under the contract will be based upon the actual quantities of work satisfactorily completed. THE AGENCY RESERVES THE RIGHT TO INCREASE OR DECREASE THE AMOUNT OF ANY QUANTITY SHOWN AND TO DELETE ANY ITEM FROM THE CONTRACT. It is agreed that the unit and/or lump sum prices bid include all appurtenant expenses, taxes, royalties, and fees. In the case of discrepancies in the amounts bid, unit prices shall govern over extended amounts, and words shall govern over figures.

If awarded the Contract, the undersigned further agrees that in the event of the BIDDER's default in executing the required contract and filing the necessary bonds and insurance certificates within ten working days after the date of the AGENCY's notice of award of contract to the BIDDER, the proceeds of the security accompanying this bid shall become the property of the AGENCY and this bid and the acceptance hereof may, at the AGENCY'S option, be considered null and void.

The foregoing quantities are approximate only, being given as a basis for the comparison of bids, and the City does not expressly or by implication agree that the actual amount of work will correspond therewith, but reserves the right to increase or decrease the amount of any class or portion of the work or to omit portions of the work as may be deemed necessary or advisable by the engineer. All bids will be compared on the basis of the Engineer's estimated quantities of work to be performed.

The contractor's attention is directed to both sec. 3-2.2.2 "Increases of more than 25 percent" and sec. 3-2.2.2 "Decreases of more than 25 percent" of the Standard Specifications which have been eliminated and are replaced by the following:

No adjustments for any unit bid price for any quantity that will vary by more than 25% will be allowed.

The bidder agrees that in case of not executing the required contract with necessary bonds within ten (10) days, not including Sundays, after having received notice that the contract is ready for signature, the proceeds of the check or bond accompanying his/her bid shall become the property of the City of Montebello.

The bidder also certifies that the bid is a balanced bid. In accordance with section 7028.15 of the California Business and Professions Code, the undersigned certifies under penalty of perjury that the foregoing is true and correct.

BID PROPOSAL
FOR

FY 2023-24 SB1 AND ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT

C.P. No. 913

IN THE CITY OF MONTEBELLO

The undersigned declares that he has carefully examined the location of the proposed work, that he has examined the specifications and read the accompanying instructions to bidders, and hereby proposes to do all the work in accordance with said specifications for the amounts set forth below:

Construct improvements as reiterated above, located in the City of Montebello, California, in accordance with the specifications for the unit price set forth in the following items:

BASE BID SCHEDULE:

ITEM NO.	DESCRIPTION	EST. QTY.	UNIT	UNIT PRICE	EXTENDED AMOUNT
1	Mobilization/Demobilization	1	LS	\$	\$
2	Traffic Control plans per MUTCD, no parking signs, construction signs, etc.	1	LS	\$	\$
3	Implementation of BMPs	1	LS	\$	\$
4	Remove (Grind) AC Pavement to uniform depth. Full Street Width. Depth of 2"	1,004,980	SF	\$	\$
5	Construct 2" AC Overlay. C2 PG 64-10.	14,000	TON	\$	\$
6	Construction Survey center line ties & Monument Restoration	1	LS	\$	\$
7	Replace all traffic loops with same upon completion of paving operations	1	LS	\$	\$
8	Replace all Traffic Striping, Markings, Curb Painting including thermoplastic	1	LS	\$	\$
9	Remove and replace cross gutter 8" to 12" with spandrel to curb return including curb as directed by City	5,000	SF	\$	\$
10	Remove and replace with same, all traffic calming speed humps, including pavement markings	6	EA	\$	\$
11	Remove 6" of existing pavement and compact subgrade and install 2" class 2 aggregate base and 4" AC C2 pavement-Digout/deep patch item as directed by the City	30,000	SF	\$	\$

ITEM NO.	DESCRIPTION	EST. QTY.	UNIT	UNIT PRICE	EXTENDED AMOUNT
12	Install Public Improvement Project Signs as indicated in these specifications	1	EA	\$	\$
13	Adjust Existing sewer /storm drain Manhole Cover to Finished Grade	67	EA	\$	\$
14	Adjust Existing water valve cover to Finished Grade	132	EA	\$	\$
15	Adjust Existing Utility Cover to Finished Grade	17	EA	\$	\$
16	Unclassified excavation	1,500	CY	\$	\$
	TOTAL AMOUNT BASE BID SCHEDULE IN FIGURES				\$

TOTAL AMOUNT BASE BID IN WORDS _____

 _____ Dollars

 Bidder's Signature Title

 Company Name

**Contact will be awarded to the most responsive and lowest responsible bidder based on the amount contained in the "TOTAL AMOUNT BASE BID SCHEDULE." This Bid Alternative Schedule will only be utilized if bid alternative work is directed by the City for the portion of the parking lots.*

TOTAL AMOUNT BID ALTERNATE IN WORDS _____

 _____ Dollars

 Bidder's Signature Title

 Company Name

DESIGNATION OF SUBCONTRACTORS

California Public Contract Code 6109

The City of Montebello cannot permit a contractor or subcontractor who is ineligible to bid or work on, or be awarded, a public works project pursuant to Section 1777.1 or 1777.7 of the Labor Code to bid on, be awarded, or perform work as a subcontractor on, a public works project.

In compliance with the Subletting and Subcontracting Fair Practices Act (Chapter 2, commencing at Section 4100, Division 5, Title 1 of the California Public Contract Code) and any amendments thereof, each bidder shall set forth below: (a) the name and location of the place of business of each subcontractor who will perform work or labor or render service to the prime contractor in or about the construction of the work or improvement to be performed under this contract in an amount in excess of one-half of one percent of the prime contractor's total bid, and (b) the portion of the work which will be done by each subcontractor under this act. The prime contractor shall list only one subcontractor for each such portion as is defined by the prime contractor in this bid.

If a prime contractor fails to specify a subcontractor or if a prime contractor specifies more than one subcontractor for the same portion of work to be performed under the contract in excess of one-half of one percent of the prime contractor's total bid, the prime contractor shall be deemed to have agreed that he/she is fully qualified and will perform that portion themselves.

No prime contractor whose bid is accepted shall (a) substitute any subcontractor, (b) permit any subcontract to be voluntarily assigned or transferred or allow it to be performed by anyone other than the original subcontractor listed in the original bid, or (c) subcontract any portion of the work in excess of one-half of one percent of the prime contractor's total bid as to which his/her original bid did not designate a subcontractor, except as authorized in the Subletting and Subcontracting Fair Practices Act. Subletting or subcontracting of any portion of the work in excess of one-half of one percent of the prime contractor's total bid as to which no subcontractor was designated in the original bid shall only be permitted in cases of public emergency or necessity, and then only after a finding reduced to writing as a public record of the authority awarding this contract setting forth the facts constituting the emergency or necessity.

California Public Contract Code 7104

Contractor shall, in any activity involving trenching more than four feet deep, notify the Engineer of hazardous materials, subsurface or latent physical site conditions different from those indicated and any unusual site conditions. Contractor shall, in contracts exceeding \$25,000, provide detailed plans for trenches or excavations of five feet or more in depth. Cal. Lab. Code § 6705.

DESIGNATION OF SUBCONTRACTORS

BIDDER proposes to subcontract certain portions of the work, which are in excess of one-half of one percent of the bid, and to procure materials and equipment from suppliers and vendors as follows:

[illegible]

Prior to award of contract, Contractor shall submit a list of suppliers and vendors, in writing, to the Public Works Director.

REFERENCES

The following are the names, addresses, and telephone numbers for three public agencies for which BIDDER has performed similar work within the past two years:

1. _____
Name and Address of Agency

Name and telephone number of person familiar with project

Contract amount Type of work Date completed
2. _____
Name and Address of Agency

Name and telephone number of person familiar with project

Contract amount Type of work Date completed
3. _____
Name and Address of Agency

Name and telephone number of person familiar with project

Contract amount Type of work Date completed

The following are the names, addresses, and telephone numbers of all brokers and sureties from whom BIDDER intends to procure insurance and bonds:

EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

BIDDER certifies that in all previous contracts or subcontractors, all reports which may have been due under the requirements of any AGENCY, State, or Federal equal employment opportunity orders have been satisfactorily filed, and that no such reports are currently outstanding.

AFFIRMATIVE ACTION CERTIFICATION

BIDDER certifies that affirmative action has been taken to seek out and consider minority business enterprises for those portions of the work to be subcontracted, and that such affirmative actions have been fully documented, that said documentation is open to inspection, and that said affirmative action will remain in effect for the life of any contract awarded thereunder. Furthermore, BIDDER certifies that affirmative action will be taken to meet all equal employment opportunity requirements of the contract documents.

NON-COLLUSION AFFIDAVIT

BIDDER declares that the only persons or parties interested in this proposal as principals are those named herein; that no officer, agent, or employee of the AGENCY is personally interested, directly or indirectly, in this proposal; that this proposal is made without connection to any other individual, firm, or corporation making a bid for the same work and that this proposal is in all respects fair and without collusion or fraud.

BIDDER'S INFORMATION

BIDDER certifies that the following information is true and correct:

Bidder's Name _____

Business Address: _____

Telephone _____

State Contractor's License No. and Class: _____

Original Date Issued _____ Expiration Date _____

The following are the names, titles, addresses, and phone numbers of all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest in this proposal:

The date of any voluntary or involuntary bankruptcy judgments against any principal having an interest in this proposal is as follows:

All current and prior DBA's, alias, and/or fictitious business names for any principal having an interest in this proposal are as follows:

IN WITNESS WHEREOF, BIDDER executes and submits this proposal with the names, title, hands, and seals of all forenamed principals this _____ day of _____, 20__.

BIDDER _____

The undersigned declares under penalty of perjury under the laws of the State of California that the representations made hereto are true and correct.

Signature of Contractor's Representative

Printed Name

Title

Subscribed and sworn to this _____ day of _____, 20__.

NOTARY PUBLIC _____

Note: The standard printed bid bond form of any bonding company acceptable to the City of Montebello may be used in lieu of the following approved sample bond form, provided the security stipulations protecting the City of Montebello are not in any way reduced by use of the surety company's printed standard form.

PROPOSAL GUARANTEE
BID BOND

FOR
FY 2023-24 SB 1 ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT

C.P. No. 913

IN THE CITY OF MONTEBELLO

KNOW ALL MEN BY THESE PRESENTS that _____,
_____, as BIDDER, and _____,
_____, as SURETY, are held and firmly
bound unto the City of Montebello, as AGENCY, in the penal sum of _____
_____ dollars (\$ _____), which is ten percent of the
total amount bid by BIDDER to AGENCY for the above stated project, for the payment of which
sum, BIDDER and SURETY agree to be bound, jointly and severally, firmly be these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas BIDDER is about to
submit a bid to AGENCY for the above stated project, if said bid is rejected, or if said bid is
accepted and a contract is awarded and entered into by BIDDER in the manner and time specified,
then this obligation shall be null and void, otherwise it shall remain in full force and effect in favor
of AGENCY.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals, this
_____ day of _____, 20____.

BIDDER* _____

SURETY* _____

Subscribed and sworn to this _____ day of _____, 20____.

NOTARY PUBLIC _____

*Provide BIDDER/SURETY name, address and telephone number and the name, title, address
and telephone number of authorized representative.

BIDDER'S VIOLATION OF LAW/SAFETY QUESTIONNAIRE
FOR
FY 2023-24 SB 1 ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT
C.P. No. 913
IN THE CITY OF MONTEBELLO

In accordance with Government Code Section 14310.5, the BIDDER shall complete, under penalty of perjury, the following questionnaire.

QUESTIONNAIRE

Has the Bidder, any officer of the bidder or any employee of the Bidder who has a proprietary interest in the Bidder ever been disqualified, removed or otherwise prevented from bidding on or completing a Federal, State or local government project because of a violation of law or a safety regulation?

Yes_____

No_____

If the answer is yes, explain the circumstances in the space provided.

Note: The following is to be used in case cash, a cashier's check or a certified check accompanies the proposal.

PROPOSAL GUARANTEE
CASH, CASHIER'S CHECK, OR CERTIFIED CHECK

FOR

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IN THE CITY OF MONTEBELLO

Accompanying this proposal is a certified check, a cashier's check, or bidder's bond payable to the order of the City of Montebello, or cash in the amount of _____

Dollars
(\$ _____). The proceeds of the same shall become the property of said City if, in case this proposal shall be accepted by said City through the City Council, the undersigned shall fail to execute a contract, with and furnish the insurance and bonds required by the City of Montebello within the specified time; otherwise, the same is to be returned to the undersigned as set forth in the Instructions to Bidders.

Bidder

ATTACHMENT A – LETTER OF ASSENT

To be signed by all contractors awarded work covered by the Project Labor Agreement prior to commencing work.

[Contractor's Letterhead]

City of Montebello

1234 address

City, state, zip code

Attn: _____

Re: Project Labor Agreement - Letter of Assent

To whom it may concern:

This is to confirm that [name of company] agrees to be party to and bound by the City of Montebello Project Labor Agreement effective January 1, 2024, as such Agreement may, from time to time, be amended by the negotiating parties or interpreted pursuant to its terms. Such obligation to be a party and bound by this Agreement shall extend to all work covered by the agreement undertaken by this Company on the project and this Company shall require all of its contractors and subcontractors of whatever tier to be similarly bound for all work within the scope of the Agreement by signing and furnishing to you an identical letter of assent prior to their commencement of work.

Sincerely.

[Name of Construction Company]

By: [_____] Name and Title of Authorized Executive

Contractor's State License No: _____

Project Name: _____

[Copies of this letter must be submitted to the City and to the Council.]

ATTACHMENT C

CITY OF MONTEBELLO CRAFT REQUEST FORM

TO THE CONTRACTOR: Please complete this form to the applicable union to request craft workers that fulfill the hiring requirements for this project. After submitting your request, please call the Local to verify receipt and substantiate their capacity to furnish workers as specified below. Please keep copies for your records.

The City of Montebello Project Labor Agreement establishes a goal that 30% of all of the labor and craft positions shall be from Veterans and individuals who have successfully completed the Building Trades Multi-Craft Core Curriculum Pre-Apprenticeship Program, regardless of where they reside, and qualified area residents residing: first, in those first tier zip codes which overlap the area covered by the City, as reflected on the list of U.S. Postal Service zip codes attached hereto as "Attachment B", second, within a (15) mile radius from City Hall, as reflected on the list of U.S. Postal Service zip codes attached hereto as Attachment "B," and third, within the remainder of the County of Los Angeles. For dispatch purposes, employees described herein shall be referred to as "Local Residents."

TO THE UNION: Please complete the "Union Use Only" section on the next page and return this form to the requesting Contractor. Be sure to retain a copy of this form for your records.

CONTRACTOR USE ONLY

To: Union Local # _____ **Fax#** () _____ **Date:** _____
Cc: Project Labor Coordinator
From: Company: _____ **Issued By:** _____
Contact Phone: () _____ Contact Fax: () _____

PLEASE PROVIDE THE FOLLOWING UNION CRAFT WORKERS.

Craft Classification (i.e., plumber, painter, etc.)	Journeyman or Apprentice	Local Resident or General Dispatch	Number of workers needed	Report Date	Report Time
TOTAL WORKERS REQUESTED = _____					

Please have worker(s) report to the following work address indicated below:

Project Name: _____ **Site:** _____ **Address:** _____
Report to: _____ **On-site Tel:** _____ **On-site Fax:** _____
Comment or Special Instructions: _____

UNION USE ONLY

Date dispatch request received:
Dispatch received by:
Classification of worker requested:
Classification of worker dispatched:

WORKER REFERRED

Name:		
Date worker was dispatched:		
Is the worker referred a: (check all that apply)		
JOURNEYMAN	Yes _____	No _____
APPRENTICE	Yes _____	No _____
LOCAL RESIDENT	Yes _____	No _____
GENERAL DISPATCH FROM OUT OF WORK LIST	Yes _____	No _____

[This form is not intended to replace a Local Union's Dispatch or Referral Form
normally given to the employee when being dispatched to the jobsite.]

CONTRACT AGREEMENT

FOR

FY 2023-24 SB 1 ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT

C.P. No. 913

IN THE CITY OF MONTEBELLO

This Contract Agreement is made and entered into for the above stated project this _____ day of _____, 20____. BY AND BETWEEN the City of Montebello, as AGENCY, and _____ as CONTRACTOR. WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I

The contract documents for the aforesaid project shall consist of the Notice Inviting Sealed Bids, Instructions to Bidders, Proposal, General Specifications, Standard Specifications, Special Provisions, Plans, and all referenced specifications, details, standard drawings, and appendices, together with this Contract Agreement and all required bonds, insurance certificates, permits, notices, and affidavits; and also including any and all addenda or supplemental agreements clarifying, or extending the work contemplated as may be required to insure its completion in acceptable manner. All of the provisions of said contract documents are made a part hereof as though fully set forth herein.

ARTICLE II

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and perform all work required for the above stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

ARTICLE III

CONTRACTOR agrees to receive and accept the unit or lump sum prices set forth in the Proposal as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV

AGENCY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work and fulfill the obligations according to the terms and conditions herein contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the contract documents.

ARTICLE V

CONTRACTOR acknowledges the provisions of the State Labor Code requiring every employer to be insured against liability for worker's compensation, or to undertake self-insurance in accordance with the provisions of that code, and certifies compliance with such provisions.

ARTICLE VI

CONTRACTOR agrees to indemnify, defend and hold harmless AGENCY and all of its officers and agents from any claims, demand, or causes of action, including related expenses, attorney's fees, and costs, based on, arising out of, or in any way related to the work undertaken by CONTRACTOR hereunder

ARTICLE VII

CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Contract Agreement represent all individuals, firm members, partners, joint venturers, and/or corporate officers having principal interest herein.

ARTICLE VIII

CONTRACTOR shall take and assume all responsibility for the work. CONTRACTOR shall bear all losses and damages directly or indirectly resulting to him, to the City, or to others on account of the performance under this contract, or the character of the work, accidents or any other causes whatsoever.

CONTRACTOR shall assume the defense and indemnify and save harmless the City, its officers, employees and Engineer from all claims, loss, damage, injury and liability of every kind, nature and description, directly or indirectly arising from performance of this contract or work, regardless of responsibility for negligence; from any and all claims, loss, damage, injury, and liability, howsoever the same may be caused, resulting directly or indirectly from the nature of the work covered by this contract, or CONTRACTOR's performance thereunder, regardless of responsibility for negligence.

ARTICLE IX

STATE LABOR CODE. Contractor agrees to abide by the provisions of the State Labor Code, and to comply with the prevailing rates of wages and apprenticeship employment standards established by the State Director of Industrial Relations and /or the requirements of the federal government and applicable federal wage rates.

The total contract price of this agreement is \$ _____ based on estimated quantities given on the Base Bid Sheet.

ARTICLE X

The contract period for this project is **seventy-five (75) working days**, to begin from the effective date of the Notice-to-Proceed issued by the City.

ARTICLE XI (PREVAILING WAGES)

(a) Contractor agrees to comply with the provisions of California Labor Code Section 1773.8, which requires the payment of travel and subsistence payments to each worker needed to execute the work to the extent required by law.

(b) Contractor agrees to comply with the provisions of California Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the Agency, forfeit no more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for the work or craft in which the worker is employed for any public work done under the contract by Contractor or by a subcontractor.

(c) Contractor agrees to comply with the provisions of California Labor Code Section 1776 which requires Contractor and each subcontractor to (i) keep accurate payroll records, (ii) certify and make such payroll records available for inspection as provided by Section 1776, and (iii) inform the Agency of the location of the records. The Contractor is responsible for compliance with Section 1776 by itself and all of its subcontractors.

(d) Contractor agrees to comply with the provisions of California Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that the Contractor is responsible for compliance with Section 1777.5 by itself and all of its subcontractors.

(e) Contractor agrees to comply with the provisions of California Labor Code Section 1813 concerning penalties for workers who work excess hours without approval of the City. The Contractor shall, as a penalty to the Agency, forfeit twenty-five dollar (\$25) for each worker employed in the execution of the contract by the Contractor or by any subcontractor for each calendar day or portion thereof during which such worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Division, 2, Part 7, Chapter 1, Article 3 of the California Labor Code. The Contractor may, with the approval of the Public Works Director, use his employees to carry out work on the project beyond the normal eight (8) hour workday and on Saturdays, Sundays and Holidays provided the employees are paid at the following hourly rates:

For Daytime Work

- Weekdays (Monday through Fridays) after eight (8) hours daily and not to exceed twelve (12) hours daily total per day and not exceeding forty-eight (48) hours work in a seven (7) day period week at one and one-half (1.5) times the prevailing hourly wage for the initial eight (8) hours of regular work time for the time worked after the initial eight (8) hours regular time.
- Saturdays, Sundays and Holidays for time worked after forty (40) hours of regular work time in a seven (7) day period week at the rate of two (2.0) times the prevailing hourly wage for the initial eight (8) hours of regular weekday work time and not to exceed a total of forty-eight (48) hours of work within the seven (7) day work week period.

(f) California Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:

“I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker’s compensation or under self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract.”

Liquidated Damages: The liquidated damages value is hereby amended to be \$500.00 per day.

ARTICLE XII (PROMPT PAYMENT)

Prompt Progress Payment to Subcontractors

Attention is directed to Section 7108.5 of the California Business and Professions Code, which requires a prime contractor or subcontractor to pay any subcontractor not later than 10 days of receipt of each progress payment, unless otherwise agreed to in writing. In addition, Federal Regulation (49 CFR 26.29) requires a prime contractor or subcontractor to pay a subcontractor no later than 30 days of receipt of each payment, unless any delay or postponement of payment among the parties takes place only for good cause and with the prior written approval of the agency. Section 7108.5 of the California Business and Professions Code also contains enforcement actions and penalties.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Contract Agreement to be executed in triplicate by setting hereunto their names, titles, hands, and seals this _____ day of _____, 20_____.

CONTRACTOR: _____

(Title)

Contractor’s License No. _____

AGENCY Business License No. _____

Federal Tax Identification No.: _____

Subscribed and sworn to this _____ day of _____, 20_____.

NOTARY PUBLIC _____

AGENCY: _____

Raul Alvarez, City Manager of the City of Montebello

ATTESTED: _____

Christopher Jimenez, City Clerk, City Clerk of the City of Montebello

Date _____

FAITHFUL PERFORMANCE BOND

FOR

FY 2023-24 SB 1 ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT

C.P. No. 913

IN THE CITY OF MONTEBELLO

KNOW ALL MEN BY THESE PRESENTS that _____
_____ as CONTRACTOR and
_____, as SURETY, are held and
firmly bound unto the City of Montebello, as AGENCY, in the penal sum of
_____ dollars
(\$ _____), which is one-hundred percent (100%) of the total contract amount for the above
stated project, for the payment of which sum, CONTRACTOR and SURETY agree to be bound, jointly
and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas CONTRACTOR has been
awarded and is about to enter into the annexed Contract Agreement with AGENCY for the above stated
project, if CONTRACTOR faithfully performs and fulfills all obligations under the contract documents
in the manner and time specified therein, then this obligation shall be null and void, otherwise it shall
remain in full force and effect in favor of AGENCY; provided that any alterations in the obligations or
time for completion made pursuant to the terms of the contract documents shall not in any way release
either CONTRACTOR or SURETY, and notice of such alterations is hereby waived by SURETY.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this _____
day of _____, 20____.

CONTRACTOR* _____

SURETY* _____

Subscribed and sworn to this _____ day of _____, 20_____.

NOTARY PUBLIC _____

* Provide CONTRACTOR/SURETY name, address and telephone number and the name, title, address
and telephone number of authorized representative.

MATERIAL AND LABOR BOND
FOR
FY 2023-24 SB 1 ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT
C.P. No. 913
IN THE CITY OF MONTEBELLO

KNOW ALL MEN BY THESE PRESENTS that _____,
_____, as CONTRACTOR,
and _____, as SURETY, are
held and firmly bound unto the City of Montebello, as AGENCY, in the penal sum of
_____ dollars
(\$ _____), which is fifty percent (50%) of the total contract amount for the above stated
project, for payment of which sum, CONTRACTOR and SURETY agree to be bound, jointly and
severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas CONTRACTOR has
been awarded and is about to enter into the annexed Contract Agreement with AGENCY for the
above stated project, if CONTRACTOR or any subcontractor fails to pay for any labor or material
of any kind used in the performance of the work to be done under said contract, or fails to submit
amounts due under the State Unemployment Insurance Act with respect to said labor, SURETY
will pay for the same in an amount not exceeding the sum set forth above, which amount shall
inure to the benefit of all persons entitled to file claims under the State Code of Civil Procedures;
provided that any alteration made pursuant to the terms of the contract documents shall not in any
way release either CONTRACTOR or SURETY, and notice of said alterations is hereby waived
by SURETY.

IN WITNESS WHEREOF the parties have set their names, titles, hands, and seals this _____
day of _____, 20_____.

CONTRACTOR* _____

SURETY* _____

Subscribed and sworn to this _____ day of _____, 20_____.

NOTARY PUBLIC _____

* Provide CONTRACTOR/SURETY name, address and telephone number and the name, title,
address and telephone number of authorized representative.

GENERAL SPECIFICATIONS
FOR
FY 2023-24 SB 1 ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT
C.P. No. 913
IN THE CITY OF MONTEBELLO

SCOPE OF WORK

The work to be done consists of furnishing all materials, equipment, tools, labor, and incidentals to perform the work shown in the Plans, Specifications, and contract documents. The general items of work include removal of existing concrete improvement reconstruction including replacing traffic striping, markers, pavement markings and curb painting.

LOCATION OF WORK

The general locations and limits of the work are as follows:

1. CITYWIDE

TIME FOR COMPLETION

The contract period for this project is **Seventy-five (75) working days** from the effective date of the Notice-to-Proceed to be issued by the City.

NOTIFICATION

The Contractor shall notify the City of Montebello and the owners of all utilities and substructures not less than 48 hours (2 working days) prior to starting construction. The following list of names and telephone numbers is intended for the convenience of the Contractor and is not guaranteed to be complete or correct:

CITY OF MONTEBELLO DEPT OF PUBLIC WORKS	(323) 887-1200, Ext. 1473
Attention: Mr. Nam Tran	ntran@montebellocala.gov

AT&T	(626) 318-9039
Attention: Mr. Marco Macias	

CALIFORNIA WATER SERVICE	(323) 823-5287
Attention: Mr. Ralph Felix	rfelix@calwater.com

CENTRAL BASIN MUNICIPAL WATER DISTRICT	(323) 201-5500
Attention: Mr. Kevin P. Hunt	

CHARTER COMMUNICATION	(626) 807-3263
Attention: Mr. Rodney Graf	Rodney.graf@charter.com

LOS ANGELES COUNTY DEPT. OF PUBLIC WORKS Attention: Mr. Mahdad Derakhshani	(626) 458-7136 mderakas@dpw.lacounty.gov
LOS ANGELES COUNTY SANITATION DISTRICT Attention: Ms. Christine Gurga	(562) 908-4288 ext. 1205 engineeringcounter@lacs.d.org
METROPOLITAN WATER DISTRICT Attention: Mr. Ken Chung	(213) 217-7670 kchung@mw.dh2o.com
MONTEBELLO LAND & WATER Attention: Mr. Brett Ommen	(323) 722-8654 brett@mtblw.com
SAN GABRIEL VALLEY WATER CO. Attention: Mr. Paul Garavito	(909) 201-7349
SOUTH MONTEBELLO IRRIGATION DISTRICT Attention: Mr. Jordan Betencourt	(323) 721-4735 j.betencourt@pacbell.com
SOUTHERN CALIFORNIA EDISON North of Lincoln Av Attention: Ms. Regina Gonzales	(323) 720-5298
SOUTHERN CALIFORNIA EDISON North of Lincoln Ave. & Large Projects Attention: Ms. Elda Alatorre	(323) 720-5214
SOUTHERN CALIFORNIA EDISON South of Lincoln Ave. Attention: Ms. Lissette Alvarez	(310) 608-5005 Lissette.Alvarez@sce.com
THE GAS COMPANY Attention: Mr. Cesar Arroyo	(310) 605-4105 carroyo@semprautilities.com
CRIMSON PIPELINE Attention: Mr. Ryan Lassus	(310) 669-4002 (310) 669-4024
CHEVRON Attention: Mr. Dave Zerler	(310) 669-4014
CITY POLICE AND FIRE DEPARTMENT	Police: (323) 887-1313 Fire: (323) 887-4510
UNDERGROUND SERVICE ALERT	(800) 422-4133 Tel (909) 808-8101 Fax
TRASH COLLECTORS – ATHENS DISPOSAL	(626) 336-6100
STREET SWEEPING – NATIONWIDE	(562) 860-0604
MONTEBELLO UNIFIED SCHOOL DISTRICT	(323) 887-7900

EMERGENCY INFORMATION

The names, addresses and telephone numbers of the Contractor and subcontractors, or their representatives, shall be filed with the Engineer and the City Police Department prior to beginning work.

STANDARD SPECIFICATIONS

The Standard Specifications and Standard Plans of the AGENCY are contained in the Latest Edition, including the current 2016 Supplement, of the Standard Specifications for Public Works Construction (SSPWC) and 2021 Standard Plans for Public Works Construction (SPPWC). Copies of these Standard Specifications and Plans are available from the publisher, Building News, Incorporated, 1612 South Clementine Street, Anaheim, CA 92802, telephone (714) 517-0970.

The AGENCY also uses the Standard Specifications and plans of the State of California Department of Transportation (Caltrans) which Standard Specifications and Plans are available from Caltrans District 7, Los Angeles or Caltrans Office in Sacramento.

The Standard Specifications set forth above will control the general provisions, construction materials, and construction methods for this contract except as amended by the Plans, Special Provisions, or other contract documents. The following Special Provisions are supplementary and in addition to the provisions of the Standard Specifications unless otherwise noted and the section numbers of the Special Provisions coincide with those of the said Standard Specifications. Only those sections requiring elaboration, amendment, specifying of options, or additions are called out.

SPECIAL PROVISIONS
FOR
FY 2023-24 SB 1 ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT
C.P. No. 913
IN THE CITY OF MONTEBELLO
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SPECIAL PROVISIONS
PART 1 – GENERAL PROVISIONS

FOR

FY 2023-24 SB 1 ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT

C.P. No. 913

IN THE CITY OF MONTEBELLO

The work required to be performed for the completion of the Project shall be performed in accordance with the Standard Specifications for Public Works Construction (SSPWC), latest Edition (hereinafter referred to as the "General Provisions"), in so far as the same applies to the Project, the Standard Plans and the Contract Documents.

For purposes of this Project, the following General Provisions are amended, as follows:

SECTION 1 – TERMS, DEFINITIONS, ABBREVIATIONS AND SYMBOLS

The following additions/modifications are hereby made to Subsection 1-2 of the Standard Specifications:

1-2 DEFINITIONS

AGENCY:	City of Montebello
Board:	City Council of the City of Montebello
Caltrans:	State of California, Department of Transportation
County:	County of Los Angeles
Engineer:	The Public Works Director of the City of Montebello or his authorized representative
Federal:	United States of America
Contractor:	The word Contractor means the Contractor as defined herein or his authorized representative.

SECTION 2 – SCOPE AND CONTROL OF THE WORK

2-1 AWARD AND EXECUTION OF CONTRACT

Subsection 2-1 of the Standard Specifications is hereby replaced with the following:

Within ten working days after the date of the AGENCY's notice of award, the Contractor shall execute and return the following contract documents to the AGENCY:

- Contract Agreement
- Faithful Performance Bond
- Material and Labor Bond
- Public Liability and Property Damage Insurance Certificate
- Worker's Compensation Insurance Certificate
- Project Schedule

Failure to comply with these requirements will constitute non-responsiveness on the part of the Contractor and will result in annulment of the award by the Agency and forfeiture of the Proposal Guarantee by the Contractor.

The Contract Agreement shall not be considered binding upon the AGENCY until executed by the authorized AGENCY official.

A corporation to which an award is made may be required, before the Contract Agreement is executed by the AGENCY, to furnish evidence of its corporate existence, of its right to enter into contracts in the State of California, and of the authority of its officers to sign contracts and bonds for the corporation.

2-3 SUBCONTRACTS

The whole paragraph of Subsection 2-3.2 of the Standard Specifications is hereby deleted and replaced with the following:

The Contractor shall perform or provide, with its own organization, contract labor, materials, and equipment amounting to at least 50 percent of the Contract Price. The contract labor performed or provided by the Contractor shall amount to at least 25 percent of the total contract labor for the Contract. Contract labor shall exclude the Contractor's superintendent. Any designated "Specialty Items" may be performed by subcontract and the amount of any such "Specialty Items" so performed may be deducted from the Contract Price before computing the amount of contract labor, materials, and equipment required to be performed or provided by the Contractor with its own organization. Where an entire item is subcontracted, the value of contract labor, materials, and equipment subcontracted will be based on the estimated percentage of the Contract Unit or Lump Sum Price, determined from information submitted by the Contractor, subject to approval by the Engineer.

The Contractor with the bid package shall submit a list of all subcontractors intended to perform work on the project. This list shall include the name and location of the place of business of each subcontractor who will perform work or labor or render service to the prime contractor in or about the construction of the work or improvement, or a subcontractor licensed by the State of California who, under subcontract to the prime contractor, specially fabricates and installs a portion of the work or improvement according to detailed drawings contained in the plans and specifications, in an amount in excess of one-half of one percent of the prime contractors total bid. The prime contractor shall provide a description by bid item number or otherwise fully designate the portion of work to be performed by each subcontractor.

2-4 CONTRACT BONDS

The second sentence of the fourth paragraph of Subsection 2-4 of the Standard Specifications is hereby deleted and replaced with the following: The Faithful Performance Bond (Warranty Bond) shall remain in force until one (1) year of recordation of the Notice of Completion. The Material and Labor Bond shall remain in force until thirty-five days after the date of recordation of the Notice of Completion.

The second and third sentences of the third paragraph of Subsection 2-4 of the Standard Specifications are hereby deleted and replaced with the following: The "Payment Bond" (Material and Labor Bond) shall be for not less than 50 percent of the contract price, to satisfy claims of material suppliers and of mechanics and laborers employed by it on the work. The Payment Bond shall remain in effect until thirty-five days after the date of recordation of the Notice of Completion.

2-5 PLANS AND SPECIFICATIONS

2-5.1 General.

The following is added to the General Specifications:

The Contractor shall maintain a control set of Plans and Specifications on the project site at all times. All final locations determined in the field, and any deviations from the Plans and Specifications, shall be marked in red on this control set to show the as-built conditions. Upon completion of all work, the Contractor shall return the control set to the Engineer. Final payment will not be made until this requirement is met.

2-9 SURVEYING

2-9.1 Permanent Survey Markers.

The following is added after the first paragraph of this subsection of the Standard Specifications:

The Contractor shall reset disturbed monuments and provide a Corner Record Survey filed with the County Surveyor and Public Works Director. Corner Record Surveys shall be completed by a Land Surveyor licensed in the State of California to practice surveying.

2-9.2 Surveying Services.

This subsection of the Standard Specifications is hereby deleted and replaced with the following:

The Contractor will furnish a Surveyor as needed for layout of the work and the resetting of monuments.

SECTION 4 - CONTROL OF MATERIALS

4-1 MATERIALS AND WORKMANSHIP

4-1.1 General

The following is hereby added to this subsection of the Standard Specification:

The Contractor and all subcontractors, suppliers, and vendors, shall guarantee that the entire work will meet all requirements of this contract as to the quality of materials, equipment, and workmanship. The Contractor, at no cost to the AGENCY, shall make any repairs or replacements made necessary by defects in materials, equipment, or workmanship that become evident within one (1) years after the date of recordation of the Notice of Completion. Within this one-year period, the Contractor shall also restore to full compliance with requirements of this contract any portion of the work which is found to not meet those requirements. The Contractor shall hold the AGENCY harmless from claims of any kind arising from damages due to said defects or noncompliance. The Contractor shall make all repairs, replacements, and restorations within thirty (30) days after the date of the Public Works Director's written notice.

4-1.6 Trade Names or Equals

The first and second paragraphs of this subsection of the Standard Specifications are hereby replaced with the following:

Although the bidder may believe that by use of a different material than that specified on/in the plans and specifications, a lower cost project/bid may result. The bidder is to bid the project on the basis of using the material(s) as named keeping in mind that all materials named herein by manufacturer is not to prohibit the bidder considering using in his bid what he consider to be an equal material except where the City has designated a sole product. Once the bids have been opened the successful Contractor may discuss with the City the use of another product; which may result in a determination by the City that the other product is equal and possibly that by the City allowing the use of the Contractor proposed equal that a change in the contract amount may result.

SECTION 5 – UTILITIES

5-1 LOCATION

The following is hereby added to this subsection of the Standard Specifications:

The location and existence of any underground utility or substructure was obtained from a search of available records. No guarantee is made or implied that the information is complete or accurate. It shall be the Contractor's responsibility alone to determine the exact location of underground utilities or substructures of every nature and to protect them from damage. The Contractor shall excavate and expose all high risk underground facilities. The Contractor shall notify the owners of all known utilities and substructures as set forth in the Specifications.

SECTION 6 – PROSECUTION, PROGRESS, AND ACCEPTANCE OF WORK

6-1 CONSTRUCTION SCHEDULE AND COMMENCEMENT OF WORK

The following is hereby added to this subsection of the Standard Specifications:

The Contractor's proposed Construction Schedule shall be submitted to the Engineer within ten working days after the date of the Agency's execution of the Contract Agreement. The schedule shall be supported by written statements from each supplier of materials or equipment indicating that all orders have been placed and acknowledged, and setting forth the dates that each item will be delivered.

Prior to issuing the Notice to Proceed, the Engineer will schedule a preconstruction meeting with the Contractor to review the proposed Construction Schedule and delivery dates, arrange utility coordination, discuss construction methods, and clarify inspection procedures.

The Contractor shall submit periodic Progress Reports to the Engineer by the last day of each month. The Report shall include an updated Construction Schedule. Any deviations from the original schedule shall be explained. Progress payments will be withheld pending receipt of any outstanding reports.

6-7 TIME OF COMPLETION

6-7.1 General

This subsection of the Standard Specifications shall be replaced by the following:

The contract period for this project is **Seventy-five (75) working days**. To begin from the effective date of the Notice-to-Proceed issued by the City.

6-7.2 Working Day.

The following is hereby added to this subsection of the Standard Specifications:

The Contractor's activities shall be confined to the hours between 8:00 a.m. and 4:30 p.m., Monday through Friday, excluding holidays, for daytime work and to the hours between 8:00 p.m. starting Monday and 5:00 a.m. ending Saturday, excluding holidays, for nighttime work. Deviation from these hours will not be permitted without the prior consent of the Engineer, except in emergencies involving immediate hazard to persons or property. In the event of either a requested or emergency deviation, inspection service fees will be charged against the Contractor. The service fees will be calculated at overtime rates including benefits, overhead, and travel time. The service fees will be deducted from any amounts due the Contractor. Should the Contractor choose nighttime work, any and all lighting and traffic control, as needed, shall be provided by the Contractor.

6-9 LIQUIDATED DAMAGES

The liquidated damages value is hereby amended to be \$1,000.00 per day.

SECTION 7 – RESPONSIBILITIES OF THE CONTRACTOR

7-1 CONTRACTOR’S EQUIPMENT AND FACILITIES.

The following is hereby added to this subsection of the Standard Specifications:

7-1.4 A noise level limit of 86 dba at the distance of fifty feet shall apply to all construction equipment on or related to the job whether owned by the Contractor or not. The use of excessively loud warning signals shall be avoided except in those cases required for the protection of personnel.

7-1.5 All noise producing project equipment and vehicles using internal combustion engines shall be equipped with mufflers, and air inlet silencers where appropriate, in good operating condition that meet or exceed original factory specifications. Mobile or fixed “package” equipment (e.g. arc-welders, air compressors) shall be equipped with shrouds and noise control features that are readily available for that type of equipment.

7-1.6 All mobile or fixed noise producing equipment used on the project, which is regulated for noise output by a local, state, or federal agency, shall comply with such regulation while in the course of project activity.

7-1.7 Electrically powered equipment instead of pneumatic or internal combustion powered equipment shall be used, where feasible.

7-1.8 Material stockpiles and mobile equipment staging, parking, and maintenance areas shall be located as far as practical from residences.

7-1.9 The hours of conventional construction activities shall be restricted to the periods and days permitted by the local noise or other applicable ordinance. In accordance with the City of Montebello Noise Ordinance, these activities include (but are not limited to) construction, noisy maintenance activities, all spoils and material transport, demolition, and grading and are prohibited between the hours of 4:00 p.m. and 8:00 a.m. on weekdays (Monday through Friday), Saturday and Sundays, and legal holidays, except in cases of emergency as determined and approved in writing by the Public Works Director.

7-1.10 The use of noise producing signals, including horns, whistles, alarms, and bells shall be for safety warning purposes only.

7-1.11 No project related public address, paging, two-way radio, or music system shall be audible at any adjacent residence.

7-1.12 The on-site construction supervisor shall have the responsibility and authority to receive and resolve noise complaints. An appeal process to the City shall be established prior to construction commencement that will allow for resolution of noise problems that cannot be immediately solved by the site supervisor.

7-1.13 The Contractor shall develop a project noise control plan, which shall be approved and implemented prior to commencement of any construction activity.

7-1.14 Noise control features and plans shall be reviewed and approved by a noise control engineering professional.

7-1.15 Contract incentives may be offered to the construction contractor to minimize or eliminate noise complaints resulting from project activities.

7-1.16 The erection of temporary sound wall barriers shall be considered where project activity is unavoidably close to residences.

7-1.17 Caltrans Standard Specifications (Sections 7 and 42) and Standard Special Provisions (that provide limits on construction noise levels) shall be applied and enforced by the City on the project Contractor.

7-1.18 Arrange noisiest operations together in the construction program to avoid continuing periods of annoyance.

7-1.19 If practical, implement project noise abatement features prior to construction.

7-2 LABOR

7-2.2 Laws. The following is hereby added to this subsection of the Standard Specifications:

The Contractor, and all subcontractors, suppliers and vendors, shall comply with all AGENCY, State and Federal orders regarding affirmative action to ensure equal employment opportunities and fair employment practices. Failure to file any report due under said orders will result in suspension of periodic progress payments. The Contractor shall ensure unlimited access to the job site for all equal employment opportunity compliance officers. In accordance with the labor Code, as provided in Section 1773 et seq., the City has on file in the City Clerk's office the latest prevailing rates as established by the Director of Industrial Relations of the State of California. The Contractor shall not pay less than these rates.

7-3 LIABILITY INSURANCE

The liability insurance coverage values are hereby amended to be:

A combined single limit policy with aggregate limits in the amount of \$2,000,000 will be considered equivalent to the required minimum limits. A pro forma copy of the policy(s) shall be submitted to the City. A certificate of endorsement naming the City and its Agents as additional insured identifying the coverage limits, dates of coverage insurance provided, and project number is required. **See Sample Certificate of Liability Insurance and Additional Endorsement Page in Attachment E.**

7-5 PERMITS.

The text of Subsection 7-5 of the Standard Specifications is hereby deleted and replaced with the following:

Prior to the start of any work, the Contractor shall take out the applicable AGENCY permits and make arrangements for AGENCY inspections. The AGENCY will issue the permits at no charge to the Contractor. The Contractor and all subcontractors shall each obtain an AGENCY business license and shall be licensed in accordance with the State Business and Professions Code. The Contractor shall also obtain any and all other permits, licenses, inspections, certificates, or authorizations required by any governing body or entity.

The Contractor shall pay all costs incurred by the permit requirements.

7-9 PROTECTION AND RESTORATION OF EXISTING IMPROVEMENTS.

The second paragraph of Subsection 7-9 of the Standard Specifications is hereby deleted and replaced with the following:

The Contractor shall relocate, repair, replace or re-establish all existing improvements within the project limits which are not designated for removal (e.g., curbs, sidewalks, driveways, fences, walls, sprinkler systems, signs, utility installations, pavements, structures, etc.) which are damaged or removed as a result of the operations or as required by the Plans and Specifications.

The City and Contractor shall conduct a walk through at all project locations and document the condition of the improvements (curb and gutter, cross gutters, driveways...and all indicated in the above paragraph), and any damage to these existing improvements shall be repaired by the Contractor, to the satisfaction of the City, and at Contractor's expense. Upon project completion the Contractor and the City Inspector shall conduct a walkthrough of the streets paved, and inspect the condition of all existing concrete works and other improvements adjacent to the streets pavements slated for rehabilitation.

Where existing traffic striping, pavement markings, and curb markings are damaged or their reflectivity reduced by the Contractor's operations, such striping or markings shall also be considered as existing improvements, and the Contractor shall repaint or replace such improvements. Contractor shall also be responsible to clean all existing striping on all streets used by Contractor's equipment, specially truck tire tracking of bituminous materials

Reallocations, repairs, replacements or re-establishments shall be at least equal to the existing improvements and shall match such improvements in finish and dimensions unless otherwise specified.

The last paragraph of Subsection 7-9 of the Standard Specifications is hereby deleted and replaced with the following:

All costs to the Contractor for protecting, removing, restoring, relocating, repairing, replacing, or re-establishing existing improvements shall be included in the bid.

7-10 PUBLIC CONVENIENCE AND SAFETY.

The subsection 7-10.1 of the Standard Specifications is hereby deleted and replaced with the following:

7-10.1 Traffic and Access.

The Contractor shall notify the occupants of all affected properties in writing at least forty-eight hours (2 working days) prior to any temporary obstruction of access. Vehicular access to the property line shall be maintained except as required for construction for a reasonable period of time. No overnight closure of any driveway will be allowed except as permitted by the City Engineer.

During the installation of the asphalt pavement, the contractor can close the street to work but the street may not be allowed to remain closed overnight except as permitted by the City Engineer. The Contractor must submit a traffic control plan to the City and obtain approval

of same in writing from the Public Works Director. The Contractor shall maintain at least one lane of traffic in each direction at all times during construction. The plan shall be prepared per latest edition of California Manual on Traffic Control Devices (CA-MUTCD).

Under situations of sidewalk closure to pedestrians, the Contractor shall post advance notice on barricades to direct pedestrian to use the sidewalk on the opposite side of the street or the Contractor may elect to provide continuous K-rail in the curb lane to allow pedestrians to walk in the curb lane behind the K-rail. Any and all devices such as plates, barricades, K-rails and notices shall be continuously maintained for pedestrian and vehicle safety. No curb lanes shall be closed during non-working days of the week. Appropriate advance warning signs shall be continuously maintained as needed during the project. All such devices, warning signs and interruptions of normal vehicle lanes, parking lanes and pedestrian walkways shall be shown on the Traffic Control Plan for advance approval by the Agency.

Clearances from traffic lanes shall be five feet to the edge of any excavation and two feet to the face of any curb, pole, barricade, delineator, or other vertical obstruction.

Clearances from traffic lanes shall be five feet to the edge of any excavation and two feet to the face of any curb, pole, barricade, delineator, or other vertical obstruction.

Any striped roadway shall be delineated by the Contractor with temporary raised reflective markers when it is to be left un-striped overnight.

7-10.3.1 Street Closures, Detours, Barricades.

This subsection is added to section 7-10.3 of the Standard Specifications:

Street closures will not be allowed except as specifically permitted by the Engineer.

At the Pre-Construction meeting, the Contractor shall submit to the Engineer a detailed written plan for traffic control and construction sequencing for the project. The plan shall include drawings as necessary to clearly outline how traffic flow and pedestrian walkways will be handled during the course of construction and where detour and advance notice signs will be posted.

Traffic lane transitions shall not be sharper than a taper of thirty to one.

Temporary traffic channelization shall be accomplished with barricades, K-rail sections or delineators. Temporary striping will not be allowed unless specifically permitted by the Engineer. The Contractor shall prepare any plans that may be required for temporary striping to the satisfaction of the Engineer. In no event will temporary striping be allowed to remain on finish pavement surfaces.

In no case shall traffic be diverted from the existing traveled way without prior approval of the Public Works Director.

The contractor shall include in his Traffic Control Plan use of lighted message boards to notify traffic of project and any changes in vehicle or pedestrian travel routes.

If the Contractor shall fail to provide and install any of the signs or traffic control devices ordered by the Engineer, the Engineer may either stop the work or cause such signs or traffic control devices to be placed by others and charge the cost therefor against the Contractor, and deduct same from the next progress payment

7-10.6 Protection of the Public

Subsection 7-10.6 is hereby added to Section 7 of the Standard Specifications as follows:

It is part of the service required of the Contractor to make whatever provisions are necessary to protect the public. The Contractor shall use foresight and shall take such steps and precautions as its operations warrant to protect the public from danger, loss of life or loss of property, which would result from interruption or contamination of public water supply, interruption of other public services, or from the failure of partly completed work or partially removed facilities. Unusual conditions may arise on the work, which will require that immediate and unusual provisions be made to protect the public from danger or loss, or damage to life and property, due directly or indirectly to prosecution of work under this contract.

Whenever, in the opinion of the Engineer, an emergency exists against which the Contractor has not taken sufficient precaution for the public safety, protection of utilities and protection of adjacent structures or property, which may be damaged by the Contractor's operations and when, in the opinion of the Engineer, immediate action shall be considered necessary in order to protect the public or property due to the Contractor's operations under this contract, the Engineer will order the Contractor to provide a remedy for the unsafe condition. If the Contractor fails to act on the situation within a reasonable time period, the Engineer may provide suitable protection to said interests by causing such work to be done and material to be furnished as, in the opinion of the Engineer may seem reasonable and necessary.

The cost and expense of said labor and material, together with the cost and expense of such repairs as are deemed necessary, shall be borne by the Contractor. All expenses incurred by the AGENCY for emergency repairs will be deducted from the progress payments and the final payment due to the Contractor. However, if the AGENCY does not take such remedial measures, the Contractor is not relieved of the full responsibility for public safety.

SECTION 8 – FACILITIES FOR AGENCY PERSONNEL

The following is hereby added to this subsection of the Standard Specifications:

No field offices for AGENCY personnel will be required, however, the AGENCY personnel shall have the right to enter upon the project at all times and shall be admitted to the offices of the Contractor for the project in the City if so provided by the Contractor for his own personnel.

SECTION 9 – MEASUREMENT AND PAYMENT

9-3 PAYMENT

9-3.2 Partial and Final Payment.

The text of Subsection 9-3.2 of the Standard Specifications is hereby deleted and replaced with the following:

The closure date for the purpose of making partial progress payments will be on or about the twenty-fifth (25th) day of each month. The Contractor shall prepare the approximate measurement of the work performed through the closure date and submit it to the AGENCY for approval along with an updated construction schedule.

When the work is complete, the Engineer will determine the final quantities of the work performed and prepare the final progress payment.

Payments are commonly authorized and made within forty-five days following the last day of the month submitted. However, payments will be withheld pending receipt of any outstanding reports required by the contract documents. In addition, the final progress payment will not be released until the Contractor returns the control set of Plans and Specifications showing the as-built conditions and any other required documents.

A full five percent (5%) retention will be deducted from all progress payments. The final retention will be authorized for final payment forty-five (45) days after the date of recordation of the Notice of Completion.

The Contractor, however, may receive interest on the retention for the length of construction, or receive the retention itself as long as the retention is substituted with escrow holder surety of equal value.

At the request and expense of the Contractor, surety equivalent to the retention may be deposited with the State Treasurer or a State or Federally chartered bank as the escrow agent, who shall pay such surety to the Contractor upon satisfactory completion of the contract.

Sureties eligible for investment shall include those listed in Section 16430 of the State Government Code or bank or savings and loan certificates of deposit.

Any escrow agreement entered into shall contain the following provisions:

- (a) The amount of surety to be deposited;
- (b) The terms and conditions of conversion to cash in case of default of the Contractor; and
- (c) The termination of the escrow upon completion of the contract.

9.3.3 Delivered Materials.

This subsection of the Standard Specifications is hereby replaced in its entirety by the following:

Materials and equipment delivered but not incorporated into the work will not be included in the estimate for progress partial payment.

SECTION 10 – CITY STANDARDS, STANDARD PLANS AND DRAWINGS

Section 10 is hereby added to the Standard Specifications as follows:

All public improvements, construction and dedications required and described in this manual shall conform to the standards and specifications of the City. Standards, Standard Plans and Drawings of the following agencies are used by the City of Montebello and are part of the City's standards. Where there is ambiguity or conflict between standards over which standard shall apply, the Public Works Director shall determine what shall apply, and his determination shall be final. All construction is subject to the approval of the Public Works Director.

Standard Plans – Standard Plans for Public Works Construction, SPPWC, “Latest Edition and Supplement”.

Los Angeles County Public Works Department – Grey Book and all plans except those modified or replaced by City Standards.

Los Angeles County Flood Control District - Applicable storm drains.

Sanitation Districts of Los Angeles County - Applicable sewer and manholes.

State of California – California Department of Transportation (Caltrans) Standard Specifications and Standard Plans - Pavement markings and traffic loops.

City Standards - All applicable standard plans.

Standard Specifications - The latest edition of, and applicable amendments to, the “Standard Specifications for Public Works Construction (SSPWC).”

California Manual on Uniform Traffic Control Devices (CA-MUTCD), “Latest Edition”.

SPECIAL PROVISIONS
PART 2 – BID ITEM DESCRIPTIONS

FOR
FY 2023-24 SB 1 ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT

C.P. No. 913

IN THE CITY OF MONTEBELLO

All Bid Items shall be in accordance with the Standard Specifications for Public Works Construction (SSPWC), including supplements, State of California Department of Transportation (Caltrans) Standard Specifications, Latest Edition, and the Special Provisions and General Conditions of these specifications.

Base Bid items

Bid Item No. 1 Mobilization/Demobilization

Mobilization shall conform to the provisions of Sections 9-3.4 of the Standard Specifications.

Mobilization and demobilization shall consist of preparatory work and operations including, but not limited to, those necessary for the movement of personnel, equipment, materials, and incidentals to and from the project site necessary for work on the project and for all other work and operations which must be performed or costs incurred including bonds, insurance, and financing prior to beginning work on the various contract items on the project site. Mobilization shall also include the time, materials, and labor to move the necessary construction equipment to and from the site, supervisory time on the job by the Contractor's personnel to keep the construction site in a safe condition, and all other related work as required at all times and for all non-working days during the construction period. The Contractor is responsible for securing an adequate storage site for equipment and materials. Demobilization includes removal of all equipment and materials from the site, clean up and restoration of the work site at the end of project. Mobilization shall also include pressure washing of all USA markings, clearing and grubbing operations preceding and post construction consisting of removing all natural and artificial objectionable materials from the Right-of-Way in construction areas, road approaches and material sites. Clearing and grubbing shall conform to the provision of section 300-1 of the standard specifications.

Payment for Mobilization/Demobilization shall be paid for at the price bid as a **Lump Sum (LS)** and shall be considered full compensation for mobilization and demobilization from the job site and no additional compensation will be allowed, therefore.

Bid Item No. 2 - Traffic Control

Traffic Control, Traffic Control plan, construction signing and traffic maintenance shall comply with the provisions of Subsection 7-10 of the Standard Specification, Subsection 56-2 of the

Caltrans Standard Specifications, and the current requirements set forth in the “Manual of Traffic Controls for Construction and Maintenance Work Zones” published by the Department of Transportation, State of California, and California Manual on Uniform Traffic Control Devices (CA-MUTCD), Latest Edition, by the Federal Highway Administration and California, the traffic control plans and these Special Provisions.

The Contractor shall maintain the following clearances from the edge of traffic lanes:

- 1) 5 feet to any excavation,
- 2) 2 feet to curbs or temporary concrete barriers,
- 3) 10 feet to poles and other obstructions on uncurbed roadways.

If determined by the Engineer that it is necessary to decrease these minimum distances to allow for the prosecution of the work, the Contractor shall provide all protective devices required by the Engineer to adequately protect the public.

PUBLIC CONVENIENCE

Within ten (10) working days after the date of the City’s execution of the Contract Agreement the Contractor shall submit a proposed Construction Schedule for approval. Based on the approved project schedule, the Contractor shall notify residents and businesses of the proposed work and post temporary “NO PARKING” signs at no cost to the City. Signs shall be posted at all intersections, and on each side of the street a maximum of 200 feet between signs. Signs may not be attached to existing poles, street lights standards or trees. All signs must be posted on delineators or stakes provided by the Contractor. The “NO PARKING” signs shall be in place not less than seventy two (72) hours prior to performing the work; therefore a request for changes in the schedule requiring additional posting shall be submitted by the Contractor for approval by the Engineer at least seventy-two (72) hours prior to grinding and paving the street. All conflicting parking signage shall be covered. If Contractor delays to start the work, then all NO PARKING SIGNS shall be revised to reflect the exact date the Contractor will begin work on a specific street, 72 hours prior to beginning of work.

Due to the nature of this project involving major inconvenience to residents and businesses, a good Public Relations Program is mandatory and evidence of satisfactory past performance in this area will be required.

The Contractor is to distribute two (2) “Public Notice” to each residence and business affected by the project. The first notice shall be distributed ten (10) calendar days prior to the start of any work. The second notice shall be distributed at least seventy two (72) hours prior to the start of work on a specific section of the street. A sample copy of the notice must be approved by the City. Said notice shall be attached to a red information hanger provided by the Contractor and hung on the gate or front door knob. The Contractor shall also coordinate with the bus services to ensure the safe operation of buses and access to bus stops in the construction area. Notices shall be in English and Spanish languages.

The Contractor shall also coordinate with the street sweeping, trash disposal, Montebello Bus Lines and postal services agencies to ensure the safe operation of their vehicle and access in the construction area.

All complaints received by the City associated with the construction project alleging damage to private property and vehicles shall be responded to by the Contractor within twenty-four (24) hours (one working day) of notification. Failure to comply with this provision may result in a penalty of One Hundred dollars (\$100.00) per occurrence.

All trucks, which the Contractor proposes to use, that exceed the legal load limit when loaded will be required to have overweight permits issued by the City. The Contractor shall be responsible for adequate barricading of the work area and controlling of traffic in the vicinity of the project as specified in Subsection 7-10 of the General Provisions.

PROTECTION OF WORK AND PUBLIC

The Contractor shall take all necessary measures to protect work and prevent accidents during any and all phases of the work. The Contractor shall repair all damaged pavement as a result of vandalism (i.e., vehicle tracks, footprints, graffiti, etc.) If deemed necessary by the City, the Contractor shall repair the defective area in accordance with these special provisions.

EQUIPMENT PARKING AND CONSTRUCTION BY-PRODUCT STORAGE

Contractor shall not park any construction equipment on the streets to be overlaid. Also Contractor shall not store construction byproducts on the streets to be overlaid.

CONSTRUCTION SIGNING

Construction signing shall consist of furnishing, installing, maintaining and removing construction signs and barricades as required by the "California Manual on Uniform Traffic Control Devices", CA-MUTCD. The traffic control system shall be installed on a road prior to starting work for that road and shall not be removed until all work has been completed on that road. Existing speed limit signs, which conflict with the work zone speed limit, shall be covered during the entire construction period.

TRAFFIC MAINTENANCE

The Contractor shall be responsible for handling vehicular and pedestrian traffic in accordance with Subsection 7-10 of the Standard Specifications and these Special Provisions.

The Contractor shall prepare all necessary traffic control plans and submit to the City for approval at the pre-construction meeting. The traffic control plans shall be prepared by a California Licensed Traffic Engineer and shall show:

1. Notification Signs. A notification sign for each street section shall be posted 10 days before to beginning of any work on that street section. The sign shall be constructed to the standard shown in the back of the specification

2. Existing and temporary lane lines.
3. Dimensions of the work zone and street improvements.
4. Advance warning signs.
5. Delineators
6. Lighting, for nighttime work.

The plans shall be submitted to the City at the preconstruction meeting prior to commencing work and shall incorporate a complete and separate plan for each stage of construction proposed by the Contractor. This plan shall indicate the sequence of lanes or portions of lanes being closed for each phase. The traffic control plans shall indicate the travel plan for each phase of construction. The traffic control plans shall state:

1. That the plan will conform to “California Manual on Uniform Traffic Control Devices”, CA-MUTCD.
2. Emergency contact person and phone number.
3. Minimum lane widths and minimum clearance to obstructions.

The traffic control plan shall be approved by the City of Montebello prior to beginning any removals.

The Contractor shall cooperate with the City of Montebello relative to handling traffic through all work areas and shall make his own arrangements relative to keeping the working area clear of parked vehicles and maintaining clear access to driveways.

The Contractor shall furnish and install construction notification signs as shown on traffic control plans and as specified by the City of Montebello.

The Contractor shall provide for controlled pedestrian crossings through the work. Crossings shall provide pedestrians a means of passing over or through the work without tracking tack coat or hot asphalt concrete or P.C.C. work or endangering pedestrian safety. All temporary pedestrian crossings shall be in compliance with the latest Americans with Disabilities Act design standards and supplements.

At intersections, if a cross road needs to be temporarily closed when work is in progress through the intersection and the anticipated traffic delay is more than five (5) minutes, a detour sign shall be installed on the cross street and shall include the installation of advance signing displaying the anticipated delay time. The signing of the detour route shall be approved by the Engineer prior to installation of the detour and closure of the road.

The Contractor shall provide for one lane of travel in each direction at all times unless approved by the Engineer. When two-way traffic is restricted to one lane in each direction, and when applying paving past intersecting roads, traffic shall be controlled as required by the “California Manual on Uniform Traffic Control Devices”, CA-MUTCD. A pilot car and driver will be required at various locations if control by flaggers and/or control devices proves deficient in the opinion of the Engineer. In no case shall the Contractor provide less than one (1) lane of travel in each direction through the construction zone including cross-streets.

Contractor's equipment and personal vehicles of the Contractor's employees shall not be parked on the traveled way at any time. Overnight parking of construction equipment shall be confined to an approved storage site selected by the Contractor and approved by the City.

TEMPORARY GUIDE MARKERS

Temporary guide markers shall be portable Caltrans Standard Specifications approved delineators. Only one type of temporary guide marker shall be used on any road at any one time.

Temporary guide markers shall be placed adjacent to the edge of all vertical lips or excavations that exceed 3/4 inches. If the temporary guide markers are damaged, or are not in an up-right position, from any cause, said markers should immediately be replaced or restored to their original locations, in an upright position by the Contractor.

PORTABLE DELINEATORS

The vertical portion of the portable delineators shall be brilliant orange or predominantly orange in color. The posts shall be not less than 100 square inches, measured through the vertical axis of the delineator, normal to the roadway. The minimum height shall be thirty-seven (37) inches above the traveled way.

Two 4-inch nominal width reflective bands shall be mounted a minimum of 1 ½ inches apart and at a height on the post so that one reflective band will be between 2.5 feet and 3 feet above the roadway surface.

Reflective bands shall be flexible vinyl plastic, either white or yellow, and shall have not less than the following dry reflective values at a 0.2 degree divergence angle, expressed in units of candlepower per foot-candle per square foot. The wet reflective values shall not be less than ninety percent (90%) of the dry values.

<u>Dry Reflective Value</u>			
<u>Angle of Incidence</u>	<u>4°</u>	<u>5°</u>	<u>30°</u>
White	250	165	50
Yellow	10	110	50

All tests for reflective values shall be performed in accordance with California Test Method No. 642.

The portable delineators shall be spaced as necessary for proper delineation; however, in no case shall the spacing between portable delineators exceed thirty (30) feet on tangents or twenty (20) feet on curves.

FLUORESCENT TRAFFIC CONES

Provide lighted flashers and lighting for night time. Traffic cones shall be fluorescent new or reconditioned and of good commercial quality, flexible material suitable for the purpose intended. The outer section of the portion above the base of the cone shall be highly pigmented fluorescent orange polyvinyl compound. The overall height of the cone shall be anchored in a manner such that the traffic cone will remain in an upright position. Lighted flashers and lighting shall be provided additionally for nighttime.

The fluorescent traffic cones shall be spaced as necessary for proper delineation; however, in no case shall the spacing between fluorescent cones exceed thirty (30) feet on tangents or twenty (20) feet on curves.

STRIPING

Temporary striping and marking for traffic control shall conform to Section 310-5.6.5 of the Standard Specifications. Temporary striping and marking which has no further use shall be removed by wet sandblasting, and all sand used in sandblasting shall be removed without delay as the sandblasting operation progresses.

RESTRICTIONS ON CLOSURE OF STREETS AND TRAFFIC LANES

The Contractor shall conduct all operations so as to provide access to the adjoining properties and have no greater length or quantity of work under construction that can be properly prosecuted with a minimum of inconvenience to the public.

The Contractor shall construct temporary A.C. ramps or equal to provide safe and drivable access to residents and business properties daily.

The Contractor shall coordinate all shipments and deliveries to businesses. If steel plates are required, they shall be provided by the Contractor at no additional cost to the City.

The Contractor shall be responsible for furnishing, placing and maintaining barricades and lights as necessary to protect the public from danger due to the work being done.

Payment for Traffic Control shall be paid for at the price bid as a **Lump Sum (LS)** and shall be considered full compensation for traffic control throughout the project site and no additional compensation will be allowed, therefore.

Bid Item No. 3 – Implementation of BMPs

Best Management Practices (BMP), erosion damage clean-up, and removal of debris from the project site, NPDES requirements, or removal of soil and other materials deposited on public streets by construction traffic. Best Management Practices (BMP) shall be defined as any program, technology, process, citing criteria, operating method, measure, or device, which controls, prevents, removes, or reduces pollution. The Contractor shall obtain and refer to the California Storm Water Best Management Practice Handbooks, Volume 3, Construction BMP Handbook and

the Los Angeles County Department of Public Works Best Management Practices Handbook for Construction Activities.

Los Angeles County Department of Public Works
Cashier's Office
900 South Fremont Avenue
Alhambra, CA 91803
Telephone: 626-458-6959

The Contractor shall have a minimum of two readily accessible copies of each publication on the Contract site at all times plus any copies of applicable environmental mitigation plans.

Additional BMPs may be required as a result of a change in actual field conditions, contractor activities, or construction operation. When more than one BMP is listed under each specific BMP category, the Contractor shall select the appropriate and necessary number of BMPs within each category in order to achieve the BMP objective.

BMPs for Contractor activities shall be continuously implemented throughout the year and project time period. BMPs for erosion control and sedimentation shall be implemented during the period from October 15 to April 15, and whenever the National Weather Service Predicts rain within 24 hours. BMPs for erosion control and sedimentation shall also be implemented prior to the commencement of any Contractor activity or construction operation, which may produce run-off, and whenever run-off from other sources may occur.

The Agency (City), as a permittee thereto, is subject to enforcement actions by the State Water Resources Control Board, Environmental Protection Agency, and private citizens. The City will pass through to the Contractor any penalty assessed by these entities for each calendar day that the Contractor has not fully implemented the BMPs specified for the Contract and/or is otherwise in noncompliance with these provisions. In addition, the City will deduct, from the final payment due the Contractor, the total amount of any fines levied on the City, plus legal and staff costs, as a result of the Contractor's lack of compliance with these provisions and/or less than complete implementation of the specified BMPs.

Payment for Implementation of BMPs shall be paid for at the price bid as a **Lump Sum (LS)** and shall be considered full compensation for the temporary installation of best management material and use of equipment to install products at the job site and no additional compensation will be allowed, therefore.

Bid Item No. 4 – Remove (Grind) Existing Asphalt Concrete (AC Pavement) to Uniform depth. Full Street Width Depth of 2-inches

Cold milling shall conform to the provisions of Section 302-1 of the Standard Specifications for Public Works Construction. The Contractor shall cold mill existing asphalt concrete (AC) pavement to a depth of 2" required for the placement of new pavement as shown on the plans and as directed in the field by the Engineer. All work shall be completed in accordance with lines and grades, and typical cross-sections shown on the drawings. Any extra cold milling beyond the shown limits shall be at the Contractor's expense.

All existing asphalt concrete (AC) pavement to join new construction shall be sawcut in a straight line. Contractor shall exercise due caution to avoid any damage to existing improvements, protecting in-place of existing water mains, sewers, storm drains, meters, valve covers, wall, fences, curbs, fire hydrants, telephone and power poles, and other existing structures.

It is the Contractor's responsibility to perform whatever additional exploration is necessary to avoid causing any damage to the existing utilities under the work area. Any damage done by the Contractor shall be repaired or replace as called out in Section 7-9 of the Standard Specifications for Public Works Construction at the Contractor's expense.

This work shall consist of cutting existing asphalt concrete (AC) pavement to facilitate its removal. Any saw cutting shall be accomplished by the use of a power-driven saw to provide a clean, straight break without loosening, cracking, or damaging adjoining asphalt or concrete. A clean sawcut edge shall be maintained until surface course AC is constructed. Under this item, the use of a grinder will not be allowed in lieu of power-driven saw.

During the cold milling operation, the Contractor shall remove all loosened materials from milled areas, haul away and dispose of them at a legal site as specified in Sub-section 300-1.3 of Standard Specifications for Public Works Construction and submit evidence of the proper disposal to the City of Montebello. The Contractor shall abate dust nuisance by cleaning, sweeping, and sprinkling with recycled water (if available) or other means as necessary.

Any petromat found during grinding shall be removed by scraping and by burning it with a torch.

The Contractor shall be responsible to assume the cost of removing, hauling, recycling and any other incidental of any petromat/engineering fabric found during grinding operation and no adjustment on the Bid price shall be made.

The Contractor shall exercise extreme care while grinding existing pavement as not to damage existing pavement.

Also, The Contractor shall remove all asphalt residuals along existing gutter.

Payment for Cold Milling of Existing Asphalt Concrete (AC) Pavement shall be paid for at the price bid per **Square Foot (SF)** and shall be considered full compensation for furnishing labor, materials, equipment, saw cutting, removals, hauling and disposal of asphalt concrete materials excavated or grinded, grade for the base, crack sealing, compaction and no additional compensation will be allowed, therefore.

Bid Item No. 5 – Construct 2" AC Overlay

All work shall conform to Sections 302-5 and 400-4 of the "Standard Specifications for Public Works Construction" and these Special Provisions.

Contractor shall use C2-PG 64-10 for 1" and 2" A.C. overlay.

The Contractor shall use a PG Asphalt Binder.

PG Asphalt binder shall conform to the following requirements:

1. Description

Asphalt shall consist of refined petroleum or a mixture of refined liquid asphalt and refined solid asphalt, prepared from crude petroleum. Asphalt shall be:

- A. Free from residues caused by the artificial distillation of coal, coal tar, or paraffin.
- B. Free from water.
- C. Homogeneous.

2. Materials

A. General

The Contractor shall furnish asphalt in conformance with the State of California Department of Transportation (Caltrans) "Certification Program for Suppliers of Asphalt." Caltrans maintains the program requirements, procedures, and a list of approved suppliers can be obtained from (Caltrans).

The Contractor shall ensure the safe transportation, storage, use, and disposal of asphalt. The Contractor shall prevent the formation of carbonized particles caused by overheating asphalt during manufacturing or construction.

B. Grades

Performance graded (PG) asphalt binder shall be PG 64-10 and conform to the following:

Performance Graded Asphalt Binder

Property	AASHTO Test Method	Specification Grade				
		PG 58-22 ^a	PG 64-10	PG 64-16	PG 64-28	PG 70-10
Original Binder						
Flash Point, Minimum °C	T48	230	230	230	230	230
Solubility, Minimum % ^b	T44	99	99	99	99	99
Viscosity at 135°C, ^c Maximum, Pa's	T316	3.0	3.0	3.0	3.0	3.0
Dynamic Shear, Test Temp. at 10 rad/s, °C Minimum G*/sin(delta), kPa	T315	58 1.00	64 1.00	64 1.00	64 1.00	70 1.00
RTFO Test ^c , Mass Loss, Maximum, %	T240	1.00	1.00	1.00	1.00	1.00

RTFO Test Aged Binder						
Dynamic Shear, Test Temp. at 10 rad/s, °C Minimum $G^*/\sin(\delta)$, kPa	T315	58 2.20	64 2.20	64 2.20	64 2.20	70 2.20
Ductility at 25°C Minimum, cm	T51	75	75	75	75	75
PAV ^f Aging, Temperature, °C	R28	100	100	100	100	100

RTFO Test and PAV Aged Binder						
Dynamic Shear, Test Temp. at 10 rad/s, °C Minimum $G^*\sin(\delta)$, kPa	T315	22 ^d 5000	31 ^d 5000	28 ^d 5000	22 ^d 5000	34 ^d 5000
Creep Stiffness, Test Temperature, °C Maximum S-value, MPa Minimum M-value	T313	-12 300 0.300	0 300 0.300	-6 300 0.300	-18 300 0.300	0 300 0.300

Notes:

- Recommended as asphalt rubber base stock for high mountain and high desert area.
- The Engineer may waive this specification if the supplier is a Quality Supplier as defined by the Caltrans' "Certification Program for Suppliers of Asphalt."
- The Engineer may waive this specification if the supplier certifies the asphalt binder can be adequately pumped and mixed at temperatures meeting applicable safety standards.
- The sample will be tested at 3°C higher if it fails at the specified test temperature. $G^*\sin(\delta)$ shall remain 5000 kPa maximum.
- "RTFO Test" means the asphaltic residue obtained using the Rolling Thin Film Oven Test, AASHTO Test Method T240 or ASTM Designation: D 2827.
- "PAV" means Pressurized Aging Vessel.

C. Sampling

The Contractor's asphalt supplier shall provide a sampling device in the asphalt feed line connecting the plant storage tanks to the asphalt weighing system or spray bar. The sampling device shall be accessible between 600 and 750 mm (30 inches) above the platform. The supplier shall provide a receptacle for flushing the sampling device.

The sampling device shall include a valve:

- With a diameter between 10 and 20 mm.
 - Manufactured in a manner that a one-liter sample may be taken slowly at any time during plant operations.
 - Maintained in good condition.
- The Contractor's supplier shall replace failed valves.

In the presence of the City Engineer, the Contractor's supplier shall take 2 one-liter samples per operating day. Round friction top containers with one-liter capacity for storing samples shall be provided.

D. Applying Asphalt

Unless otherwise specified, the Contractor shall heat and apply asphalt in conformance with the provisions in Caltrans Standard Specifications Section 93, "Liquid Asphalts."

The Contractor shall apply paving asphalt at a temperature between 120°C and 190°C. The City Engineer will determine the exact temperature of paving asphalt.

Subgrade preparation shall conform to Section 301-1 of the Standard Specifications for sections containing no aggregate base. After removal of the existing pavement section to the depths required to place the new AC section, re-compaction of the existing subgrade, if non-AC or non-PC, will be required to 95 percent in conformance with the requirements set forth in Section 301-1.3 of the Standard Specifications for Public Works Construction.

At all locations where new asphalt concrete pavement is joining existing asphalt pavement, the Contractor shall sawcut or cold mill/grind existing pavement to provide straight neat lines and place the new asphalt concrete to form a smooth transition. Payment for saw-cutting/grinding and removing the existing pavement shall be included in a separate Bid Item.

The Contractor shall be responsible for maintaining location of, and access to, all water line gate valves during construction operations.

Initial or breakdown compaction shall consist of a minimum of three roller passes coverage of a layer of asphalt mixture. A pass shall be a movement of a roller in both directions over the same path. Coverage shall be as many passes as are necessary to cover the entire width being paved. Overlap between passes during any coverage made to ensure compaction without displacement of material in accordance with good rolling practice shall be considered a part of the coverage being made and not a part of a subsequent coverage. Each coverage shall be completed before subsequent coverage is started. Pneumatic rollers shall not be used without prior approval of the City Engineer. The top AC layer of each lane, once commenced, shall be placed without interruption.

Within the State Right-of-Way, transporting, spreading and compacting of the AC shall comply with section 39-3.04 of Caltrans Standard Specifications (Latest Edition). The proportion of aggregate, amount of asphalt binder and the required asphalt content shall comply with Caltrans Standard Specifications (Latest Edition). Tack coat applications and requirements shall follow section 39-1.03C(6) of Caltrans Standard Specifications (Latest Edition). Tack coat shall be applied to all vertical surfaces of existing pavement in the surfacing against which additional material is to be placed and to a pavement to be surfaced.

Measurement

The quantities of the asphalt concrete to be paid for will be measured by the actual tonnage (ton) of material and no additional compensation will be allowed therefor. The Contractor shall furnish to the Engineer at the time of delivery of the material on the job site a legible copy of a Licensed Weighmaster's Certificate showing gross, tare, and net weights of each truckload of asphalt concrete mixture.

Payment for Construction of Conventional Asphalt shall be per the unit price bid per **Ton (TON)**, and shall include full compensation for furnishing all labor, materials, tools, equipment, all surface preparation, including crack cleaning and sealing, soil sterilant, tack coating, spreading, grading, compacting, hauling, proper disposing, and incidentals for doing all the work involved complete in place.

Contractor shall insure that asphalt quantities are available from the plant to pave all the street sections slated in this project, and Contractor shall not proceed with grinding operations , unless AC quantities have been secured to be available for immediate placement.

The City will not compensate the Contractor for any additional costs incurred by change or lack of availability of asphalt binders or variation of oil pipes.

Temporary asphalt concrete work where required by the Engineer for traffic control or other purposes shall be considered included in the price bid for Traffic Control and no additional compensation will be allowed.

Bid Item No. 6 – Provide Construction Survey & Monument Restoration

It shall be the responsibility of the Contractor to supply any and all construction surveying and staking required. All surveying shall be performed under the direct supervision of a California Licensed Land Surveyor, or a Civil Engineer duly licensed to perform land surveying.

It is the Contractor's responsibility to Re-establish Survey Monuments and Centerline ties as disturbed in the field and shall conform to Standard Specification for Public Works Construction Section 309 and as modified below. All work done on monuments shall be recorded and copies thereof filed with the City of Montebello Engineer and the County Surveyor. This work will include all reestablishment of all monuments that are disturbed through the course of completing this project, including property tags due to any concrete removal and replacement at sidewalk or curb and gutter.

A corner record survey shall be completed and filed with the County of Los Angeles Surveyor for each survey monument that the Contractor resets. A copy of each corner record shall be provided to the City of Montebello after filing with the County.

Customarily it is not required to conduct construction staking , however Contractor shall retain the services of the Land Surveyor assigned to the project, in the event surveying is required to match existing grades and provide positive drainage, or if reconstruction of cross gutter or any existing concrete work is necessary due to damage as a result of construction equipment used for this project, or as directed by the City.

Construction Staking consists of furnishing transportation, labor, materials, and equipment to provide surveying and field engineering under the direction of a land surveyor or professional engineer licensed in the State of California. Furnish skilled labor, instrument platforms, ladders and such other temporary structures, required lighting for making and maintaining points and lines in connection with the surveys required.

Construction Staking shall conform to the Standard Specification Section 2-9. Work under this Section includes, but is not limited to, the following:

1. Establish and maintain horizontal and vertical control points from City of Montebello-supplied benchmarks and baselines.
2. Establish temporary benchmarks.
3. Layout of all work.
4. Construction staking for earthwork and paving work required on the project.
5. Control, staking, and grade checking for all earthworks.
6. Control for construction of reinforcing steel, concrete work, and structural steel work.
7. Maintain records on reproducible contract drawings (ASCII points file) of as-constructed locations of project components and features during the course of the project.

The City of Montebello reserves the right to check the accuracy of Contractor's survey measurements and calculations. Regardless of whether or not the City of Montebello exercises this right, the requirements for Contractor accuracy and adequacy will not be waived.

Copies of all completion survey notes, and other data shall be furnished to the City of Montebello prior to beginning work that requires their use.

Prior to completion of Project and when requested by the City of Montebello, Contractor shall submit a copy of project drawing and certificate signed by California Registered Land Surveyor or Professional Engineer as applicable, that elevations and locations of Work are in conformance with Contract Documents.

Contractor shall set permanent monuments and file "Record of Survey Map". The contractor shall be responsible to maintain a complete and accurate log of control and survey work as it progresses.

Contractor shall field verify locations of survey control points prior to starting any work on the Project Site. Contractor shall establish and submit to the City of Montebello any temporary control points as necessary due to construction activity. The Contractor shall notify the City of Montebello of any discrepancies discovered and resolve prior to starting any work.

The Contractor shall lay out work from the City of Montebello's established control points, baselines, ranges and gauges and shall be responsible for all measurements in connection therewith. Furnish, at Contractor's expense, all stakes, templates, platforms, equipment, range markers, and labor as may be required in laying out any part of the Work from the points and lines established by the City of Montebello. The Contractor will be held responsible for the execution

of the Work to such lines and grades as may be established or indicated by the City of Montebello. It shall be the responsibility of the Contractor to maintain and preserve all stakes and other marks established by the Surveyor/Engineer retained by the Contractor until authorized to remove them. If such marks are destroyed by the Contractor or through negligence prior to their authorized removal, they may be replaced by the City of Montebello. The expense of replacement will be deducted from any amounts due, or to become due, the Contractor.

Surveying shall conform to methods, procedures, and requirements of the Caltrans Survey Manual. Contractor shall set finish grades at a maximum of 25-ft. intervals for dirt, 25-ft. intervals for rock and at all grade breaks. Contractor shall establish or reestablish baselines and field control points as necessary and provide all basic site engineering to assure accurate locations and elevations for construction. It will be Contractor's responsibility to verify location and elevation of existing structures and utilities as required for new work.

Control datum for survey may be indicated on Contract Drawings. Contractor shall locate and protect, or replace survey control and reference points, preserve permanent reference points during construction and provide record of survey for replacement at record monument. The Contractor shall report to the City of Montebello loss or destruction of any reference point or relocation required because of changes in grades or other reasons and replace dislocated survey control points based on original survey control. There will be no changes without prior written notice to the City of Montebello.

Payment for Construction Survey centerline ties and monuments shall be paid for at the contract unit price per **Lump Sum (LS)** and shall be considered full compensation for furnishing labor, materials, equipment and removal after construction, and no additional compensation will be allowed therefor. Contractor shall submit electronic files of surveys conducted for Progress Payments with each Pay Request.

Bid Item No. 7 – Replace Traffic loops

Contractor to walk the street sections tabulated for overlay and mark and document all locations where traffic loops exist and to be replaced. Contractor to ensure replacement parts are available before proceeding with the removal of the loops.

Payment for replacement of traffic loops and advanced traffic loops shall be paid for at the contract unit price per Lump Sum (LS) and shall be considered full compensation for furnishing labor, materials, equipment and removal after construction, and no additional compensation will be allowed therefor. Contractor shall submit electronic files of surveys conducted for Progress Payments with each Pay Request.

Bid Item No 8- Traffic markings, striping, curb painting (if necessary or as directed by the City)including thermoplastic

Traffic Signing, Striping, Markings, and curb painting as shown on Contract Drawings shall conform to the Standard Specifications of the State of California (latest edition), Department of Transportation, Sections No. 82, 84 and 85 (CALTRANS) and also as modified below.

Traffic stripes, pavement markings of arrows, symbols, numbers and words, shall conform to the California Department of Transportation Standard Specifications; **Section 84-2 Thermoplastic Traffic Stripes and Pavement Markings, latest edition.**

For existing striping or markings shown to be replaced outside of new pavement area and on existing concrete surface, Contractor shall remove by wet sandblasting only all existing striping/legends/markings. Raised dots and markings shall be removed by grinding.

Prior to project grinding and removal work, Contractor shall video all existing markings, painting and pavement devices for use in carrying out this Bid Item.

Raised pavement markers other than blue hydrant markers shall conform to the California Department of Transportation Standard Specifications Section 85, current edition, and shall be of type as called for on the plans.

For all striping and street painted legend, contractor is to use City furnished stencils available at the Public Works Yard.

The Contractor shall furnish the necessary control points for all striping and markings and shall be responsible for the completeness and accuracy thereof to the satisfaction of the City of Montebello.

Painted and raised pavement marker removal shall conform to Section 85 of the Caltrans Standard Specifications, current edition. All residue remaining as a part of the removal operations shall be removed from the site.

Layout shall be approved, in writing, by the Engineer prior to placing Thermoplastic, curb painting and markings.

Thermoplastic Pavement striping and markings are per Caltrans Standard Plans.

Markings, as used in these Specifications, include both lines and miscellaneous markings applied to the pavement surface, painting of red curb and the installation of raised pavement markers. Materials and installation for painted and raised pavement markers shall conform to Section 84 and 85 of Caltrans Standard Specifications, current edition.

The Contractor shall provide cat tracking for the centerline and lane lines the same day, following paving operations. ReflectORIZED "slurry tabs" may be used in lieu of painted cat tracking.

The Contractor shall refresh paint on red, yellow and blue curbs within the limit of the project and also to include all existing striping 100' in each direction on all intersections adjacent to the proposed improvements.

Place Raised Blue Reflective for Fire Hydrant

Two-Way Blue Reflective Fire Hydrant Raised Pavement Markers installation as shown on Contract Drawings are a part of this item and shall conform to the Standard Specification Section 312 Pavement Marker Placement and Removal and shall be in accordance with the Caltrans Traffic Manual Section 6 “Markings” for each fire hydrant.

Payment for Traffic Striping, Markings, and Curb Painting be paid for at the contract unit price per **Lump Sum (LS)** and shall be considered full compensation for furnishing all labor, materials (including adhesives, glass beads, and paint), tools, equipment and incidentals necessary to perform all work, involved in, or appurtenant to the installation of pavement striping, raised reflective pavement markers, painting curbs, blue markers, including removal and installation of traffic signs and posts as indicated, complete in place for the width specified, and pavement markings of arrows, symbols, numbers and words, as required by the Project Specifications and no additional compensation will be allowed. All existing striping 100 feet in each direction on all intersections adjacent to the proposed improvements shall be restriped, remarked and repainted.

Bid Item No 9- Remove and replace cross gutter and spandrel

This item is for the removal and replacement of cross gutter and spandrel per City Standards, **only as requested by the City** and not for replacing cross gutter required due to damage during construction, Contractor is responsible to pay for the replacement of cross gutters damaged by the action of Contractor. This item includes the cost for services by a geotechnical laboratory to certify subgrade compaction to City standards.

Payment for removal and replacement of cross gutters and spandrels (PCC) shall be paid for at the price bid per **Square Foot (SF)** and shall be considered full compensation for furnishing labor, materials, equipment, saw cutting, removals, hauling and disposal of PCC materials excavated or grinded, graded, compacted and repoured, and no additional compensation will be allowed, therefore.

Bid Item No 10-Remove and replace traffic calming speed bumps/humps

Contractor shall walk through project sites, along with City Inspector and document locations of all traffic calming speed bumps/humps. These items must be reconstructed at the exact locations and spacing, and dimensions and per specifications, as they were prior to start of project.

Payment for removal and replacement of traffic calming speed bumps/humps shall be per **Each (EA)**, and shall include full compensation for furnishing all labor, materials, tools, equipment, all surface preparation, including crack cleaning and sealing, soil sterilant, tack coating, spreading, grading, compacting, hauling, proper disposing, and incidentals for doing all the work involved complete in place.

Bid Item No 11- Pavement Digouts-Deep Patching

This item will rehabilitate the pavement at all locations within a grind and overlay street , where the pavement has extensive cracking , which are not typical of the rest of the street. These are localized deep patching required to bring all those deteriorated pavement areas and subgrades to

acceptable standards to receive an overlay. Contractor and City Inspector shall walk the street sections of this project and mark all the Dig-out areas, and document the square footage at each location and submit them to City Engineer for approval. Photographs must be taken of all these areas.

Contractor shall remove existing pavement thickness, aggregate base, and subgrade up to a thickness of 6". Contractor shall then compact the subgrade and install 2" aggregate base and 2" AC pavement, and ultimately total of 4" AC over the 2" aggregate base. Contractor shall retain the services of a reputable geotechnical laboratory to certify in writing the compaction which shall be 95% relative compaction.

Bid Item No. 12 – Install Public Improvement Project Sign

The Contractor shall supply, erect, and maintain public improvement project signs for the duration of construction according to the specifications set forth below. A scaled layout of the sign shall be submitted to the City of Montebello for approval prior to fabrication. The sign is illustrated in Appendix "D".

Size: 4 feet by 4 feet with a 7 feet clearance above ground level.

Materials: 3/4-inch (exterior type) plywood (C-C EXT-DFPA grade).

Support: 4-inch by 4-inch by 10 feet posts.

Mounting: Frame shall be constructed using 2 inches by 6 inches by 8 feet skids centered on each post and a 2 inch by 4 inches by 5 feet 6 inches 45-degree brace for each skid and 2 inches by 6 inches cross-strut between the bottom of the posts all of bolted construction. Plywood panel shall be mounted using 3/8 inch by 5 inches carriage bolts at 16 inches maximum on center.

Paint: Panel Face: Three coats outdoor enamel (sprayed) Panel Rear and Frame: Two coats outdoor enamel (sprayed).

Color: Stark white background and blue lettering.

Lettering: Silkscreen enamels, Helvetica medium.

Covering: 1/4-inch clear plastic.

Location: The signs shall be placed at each end of the street that work is being constructed on. If various locations of work are included, the signs will be moved by the Contractor per the City's schedule.

Duration: The signs shall be placed a minimum of one week prior to start of work.

Disposition: After the Notice of Completion is issued, the sign shall become the property of the City, and the Contractor shall deliver the sign to the Public Works Facility at no expense to the City.

Payment for Installation of Public Improvement Project Sign shall be based on **Each (EA)** Unit Price basis and shall include full compensation for all labor materials, tools, equipment, and for doing all work involved, including delivery of the sign to the Public Works Facility at the end of the project.

Bid Item No. 13, 14, and 15 – Adjust Existing Storm Drain/Sewer/Utility Manhole/Vault Frames and water valve covers to Finished Grade

This Bid Item shall include all labor, equipment, and materials to adjust existing sewer/storm drain/utility manhole/vault frames and covers within the project limits to match finished grade if required. The work shall be performed in accordance with the provisions of Subsection 301-1.6 and Subsection 302-5.8 of the Standard Specifications for Public Works Construction and per Standard Plans for Public Works Construction.

All existing covers that can be lowered and raised shall be lowered **prior** to cold milling/removal and adjusted to finished grade by the Contractor or by the Utility Owner for the Contractor. For utility frames and covers under the jurisdiction of Verizon, AT&T, Edison, Los Angeles County Flood Control District, Los Angeles County Sanitation Districts, and County Sewer Maintenance Districts, the Contractor shall contact these organizations to arrange for adjustment of their respective facilities a **minimum of four (4) working days prior** to cold milling/paving operations in accordance with **Section 301-1.6** of the Standard Specifications.

The adjustment of existing manholes/vaults to finished grade shall be performed after finish paving. The removal or addition of grade rings shall be required to facilitate adjustment. Frame and covers shall be thoroughly cleaned and reset to finished grade by cutting pavement one foot outside the limits of the frame and cover. Said cut shall be neat and uniform.

Payment for Adjustment Storm Drain/Sewer/Utility Manhole/Vault Frames and Covers to Finished Grade shall be paid for at the contract unit price per **Each (EA)** and shall be considered full compensation for labor and furnishing and placing all forms, materials, construction and expansion joints, curing compounds and equipment to complete the construction is considered as included in the price paid, and no additional compensation will be allowed therefor. Where the manhole frame and cover is performed by the utility owner, no compensation will be made to Contractor.

Bid Item No 16- Unclassified excavation

CITY OF MONTEBELLO
YEAR 1 -2024-2025
2" GRIND AND OVERLAY
IMPORTANT INSTRUCTIONS TO BIDDERS/CONTRACTORS

1. ALL PROSPECTIVE BIDDERS MUST WALK AND SITE VISIT ALL STREET SECTIONS LISTED IN THIS PROJECT AND FAMILIARIZE WITH THE EXISTING CONDITIONS ON THE GROUND, AND SUBMIT THEIR BIDS BASED ON THE EXISTING CONDITIONS ON THE GROUND. ALL BIDDERS WILL HAVE TO SIGN A STATEMENT WITH THEIR BIDS THAT THEY HAVE CONDUCTED A SITE VISIT TO ALL STREETS PART OF THIS PROJECT.
2. CONTRACTOR SHALL APPLY WEED KILLER, ENVIRONMENTALLY APPROVED BY THE STATE ON ALL EXISTING PAVEMENT CRACKS EXHIBITING WEED GROWTH
3. EXISTING BRICK PAVERS ADJACENT TO PAVEMENT TO BE OVERLAID MUST BE PROTECTED IN PLACE, AND CONTRACTOR SHALL BE RESPONSIBLE FOR REPLACING THEM WITH NEW IN THE EVENT THEY ARE DAMAGED DUE THE ACTION OF THE CONTRACTOR.
4. CONTRACTOR SHALL NOTIFY THE CITY IMMEDIATELY OF THE PRESENCE OF LOW BRANCHES AND TREES WHICH MAY INTERFERE WITH THE OPERATIONS OF THE CONTRACTOR'S EQUIPMENT, THE CITY WILL THEN TRIM THOSE TREES AND BRANCHES PRIOR TO CONTRACTOR STARTING THE WORK.
5. CONTRACTOR SHALL PAVE THE STREET SECTIONS TO JOIN CROSS GUTTERS, EXISTING PAVEMENT AND PAVE TO THE CURB RETURN OF ALL ADJACENT CROSS STREETS WHERE NO CROSS GUTTER EXISTS AND HAS NOT BEEN PREVIOUSLY PAVED.
6. THERE WILL NOT BE A PRE-BID MEETING
7. BEFORE PROCEEDING WITH THE PAVING OPERATIONS THE CONTRACTOR SHALL WALK THE STREETS WITH CITY UTILITY, WATER AND SEWER AND OTHER UTILITY REPRESENTATIVES TO LOCATE ALL WATER, SEWER, STORM DRAIN UTILITY COVERS. WATER MAIN COVERS MUST NOT BE PAVED OVER BY CONTRACTOR, SINCE THAT WILL PREVENT CITY CREWS FROM FINDING AND TURNING OFF WATER VALVES IN THE CASE OF A WATER LEAK OR FIRE HYDRANT BREAK. SAME SHALL APPLY TO GAS MAINS VALVES AND OTHER CRITICAL UTILITIES. UPON COMPLETION OF THE PAVING OPERATIONS, THE CONTRACTOR SHALL COORDINATE WITH UTILITIES THAT ALL VALVE AND UTILITY COVERS HAVE BEEN RAISED TO GRADE PER CITY AND UTILITY COMPANIES STANDARDS
8. CONTRACTOR SHALL SURVEY ALL STREET SECTIONS AND LOCATE ALL STREET MONUMENTS AND CENTERLINE TIES AND PROVIDE A LIST TO THE CITY. ALL THESE MONUMENTS SHALL BE RESET AND RE-ESTABLISHED BY A CA REGISTERED LAND SURVEYOR HIRED BY THE CONTRACTOR.
9. BEFORE PROCEEDING WITH THE PAVING OPERATIONS THE CONTRACTOR ACCOMPANIED BY THE CITY INSPECTOR, SHALL CONDUCT A WALK THROUGH OF ALL STREET SECTIONS LISTED IN THIS PROJECT, AND SHALL IDENTIFY AND MARK ALL LOCATIONS OF TRAFFIC LOOPS, SPEED HUMPS, THERMOPLASTIC PAVEMENT APPLICATIONS, AND CENTERLINE MONUMENTS AND COMPILE AND TABULATE THOSE RESULTS AND SUBMIT THEM TO THE PUBLIC WORKS DIRECTOR.

10. ALL PROSPECTIVE BIDDERS SHALL MEASURE ALL STREET SECTIONS AND SHALL NOTIFY THE CITY IMMEDIATELY UPON DISCOVERING MAJOR QUANTITY DISCREPANCIES.
11. CONTRACTOR TO REPLACE ALL SPEED HUMPS ON STREETS TO BE PAVED WITH EXACTLY THE SAME TYPE, LOCATION AND SPACING OF SPEED HUMPS
12. CONTRACTOR TO REPLACE THERMOPLASTIC PAVEMENT MARKINGS DISTURBED EVEN PARTIALLY BY THE PAVING OPERATIONS
13. CONTRACTOR TO REPLACE ALL TRAFFIC LOOPS WITH SAME. CONTRACTOR MUST HAVE THE REPLACEMENT MATERIALS FOR A TRAFFIC LOOP BEFORE PROCEEDING WITH THEIR REMOVAL.
14. CONTRACTOR TO EXERCISE EXTREME CARE DURING THE GRINDING OPERATIONS TO NOT DISTURB THE EXISTING PAVEMENT. CONTRACTOR SHALL BE RESPONSIBLE FOR DAMAGE TO THE EXISTING PAVEMENT UNDERLYING THE GRINDING THICKNESS.

ALL EXISTING STRIPING, WITHIN THE PROJECT LIMITS AND ON ADJACENT STREETS AND SAME FOR THERMOPLASTIC TREATMENTS PARTIALLY OR TOTALLY DAMAGED OR AFFECTED BY PAVING OPERATIONS SHALL BE RESTRIPEDED AND REINSTALLED FULLY AT NO COST TO THE CITY, THIS IS SPECIALLY TRUE AT INTERSECTIONS WHERE STRIPING FOR CROSSWALKS IS DAMAGED BY PAVING OPERATIONS FOR AREAS OF THE CROSSWALK NOT IN PROJECT LIMITS BUT ADJACENT.

Unclassified Excavation: Excavate to subgrade elevations regardless of the character of surface and subsurface conditions encountered. Unclassified excavated materials may include rock, soil materials, and obstructions. No changes in the Contract Sum or the Contract Time will be authorized for rock excavation or removal of obstructions. If excavated materials intended for fill and backfill include unsatisfactory soil materials and rock, replace with satisfactory soil materials.

Payment will be at the contract unit price per cubic yard of Unclassified Excavation as defined above and shall be considered full compensation for labor and furnishing and placing all materials, compaction, construction and curing compounds and equipment to complete the construction is considered as included in the price paid, and no additional compensation will be allowed therefor.

APPENDIX “A”

LIST OF STANDARD PLANS

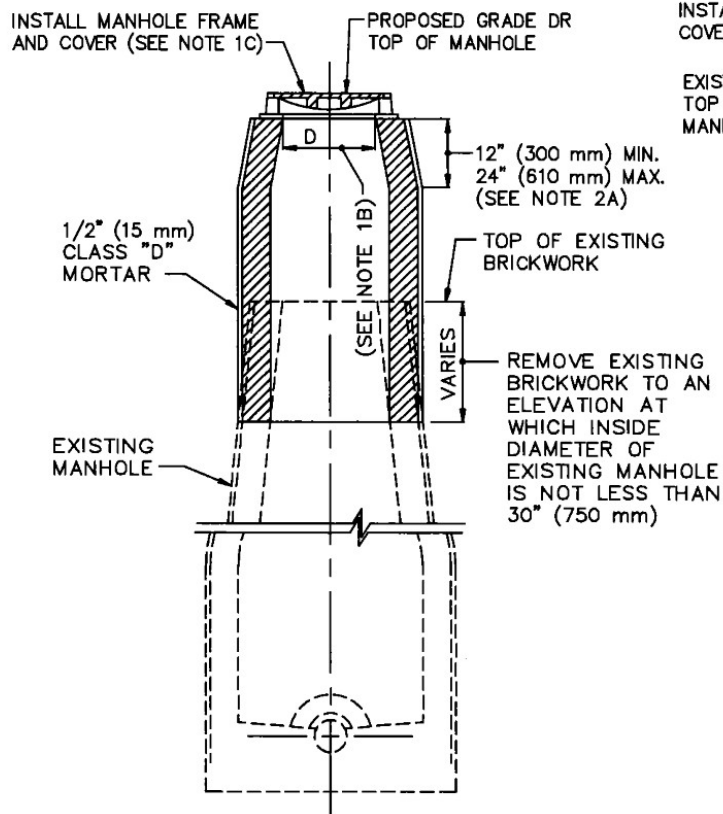
CITY OF MONTEBELLO

FY 2023-24 SB1 AND ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT

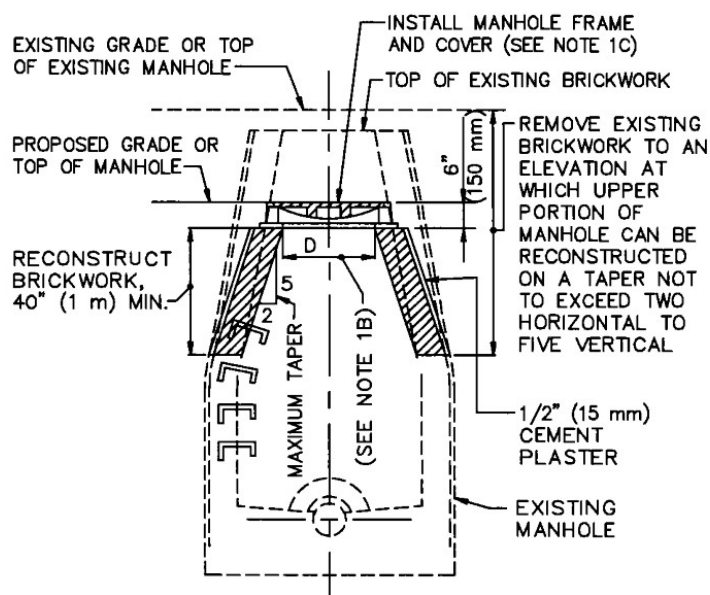
C.P. No. 913

LIST OF STANDARD PLANS

<u>Plan No.</u>	<u>Description</u>
<u>Standard Plans for Public Works Construction:</u>	
SPPWC 205-2	Sewer Manhole Adjustment
SPPWC 206-2	Manhole Raising Rings
<u>CALTRANS:</u>	
A20A, A20B and A20D	Pavement Markers and Traffic Lines
A24A, A24C, A24D, A24E, A24F and A24G	Pavement Markings, Arrows, Words, Symbols, Numerals, Limits & Crosswalk Lines

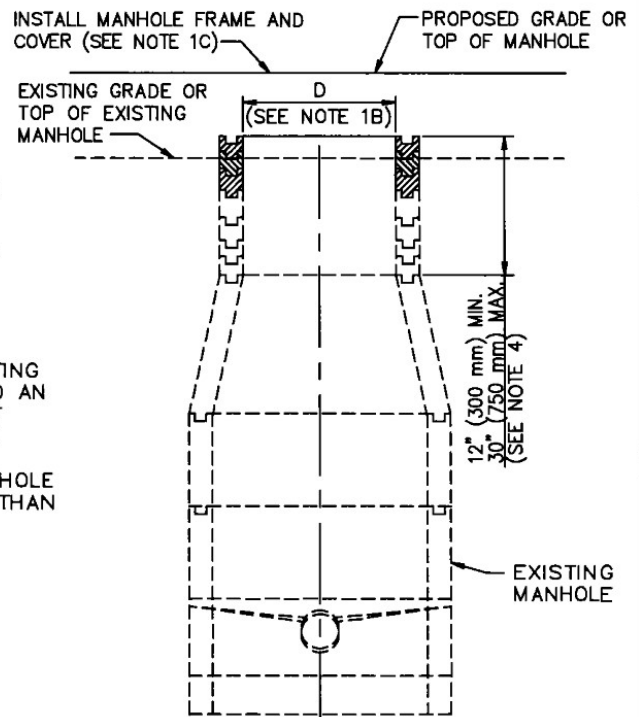


RAISING EXISTING BRICK MANHOLES

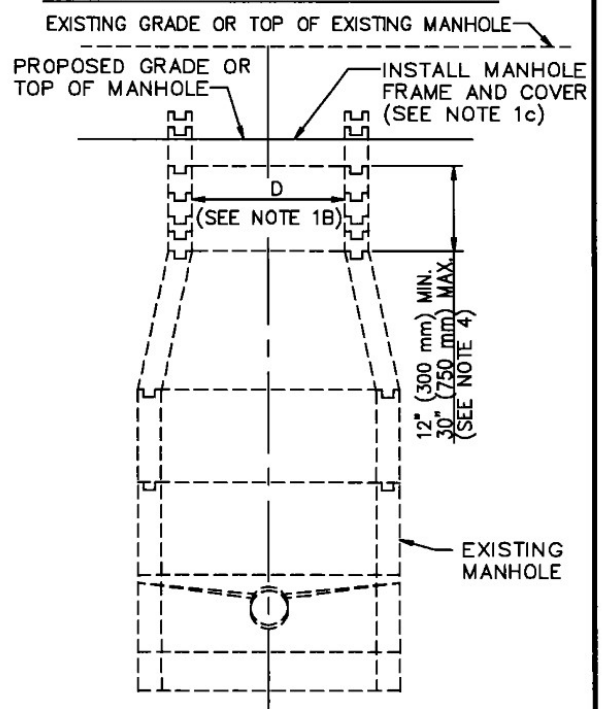


LOWERING EXISTING BRICK MANHOLES

BRICK MANHOLES



RAISING EXISTING PRECAST CONCRETE SEWER MANHOLES



LOWERING EXISTING PRECAST CONCRETE SEWER MANHOLES

PRECAST CONCRETE SEWER MANHOLES

STANDARD PLANS FOR PUBLIC WORKS CONSTRUCTION

PROMULGATED BY THE
PUBLIC WORKS STANDARD, INC.
GREENBOOK COMMITTEE
1984
REV. 1996, 2009

SEWER MANHOLE ADJUSTMENT

USE WITH STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION

STANDARD PLAN

205-2

SHEET 1 OF 3

NOTES:

1. GENERAL

- A. EXCEPT AS INDICATED HEREON OR ON THE PLANS, MANHOLES SHALL CONFORM TO: SPPWC 200, PRECAST CONCRETE SEWER MANHOLE AND SPPWC 203, BRICK SEWER MANHOLE.
- B. DIMENSION "D" SHALL BE THE SAME AS THE SIZE OF MANHOLE FRAME AND COVER TO BE USED.
- C. THE CONTRACTOR MAY REUSE THE EXISTING MANHOLE FRAME AND COVER, UNLESS DAMAGED DURING THE WORK OR WHEN OTHERWISE SHOWN IN THE CONTRACT DOCUMENTS. ITEMS DAMAGED BY THE CONTRACTOR SHALL BE REPLACED WITH IDENTICAL NEW ITEMS AT NO EXPENSE TO THE AGENCY.
- D. EXISTING STEPS LOCATED WITHIN REMOVAL LIMITS SHALL BE REPLACED. WHEN REMOVAL OF EXISTING STEPS BEYOND THE MANHOLE REMOVAL LIMITS IS SHOWN ON THE PLANS, THE STEPS SHALL BE REMOVED TO A DEPTH OF 2" (50 mm) BEYOND THE INSIDE FACE OF THE BRICK MANHOLE AND THE HOLES SHALL BE FILLED WITH CLASS "D" MORTAR.

2. RAISING EXISTING BRICK MANHOLES

- A. BRICK MANHOLES TO BE RAISED LESS THAN 1' (300 mm) MAY BE EXTEND VERTICALLY, PROVIDED THAT AT A DEPTH OF 2 1/2' (750 mm) BELOW THE TOP OF THE MANHOLE AT ITS NEW ELEVATION, THE INSIDE DIAMETER OF THE MANHOLE IS 30" (750 mm) OR GREATER.
- B. BRICK MANHOLES TO BE RAISED LESS THAN 3 1/2" (90 mm) MAY BE RAISED BY APPLYING CLASS "D" MORTAR TO THE TOP OF THE EXISTING BRICKWORK. IF THE BRICK MANHOLE IS TO BE RAISED 3 1/2" (90 mm) OR MORE, A NEW COURSE OR COURSES OF BRICKWORK SHALL BE PLACED ON TOP OF THE EXISTING BRICKWORK.

3. LOWERING EXISTING BRICK MANHOLES

- A. WHERE A BRICK MANHOLE IS TO BE LOWERED LESS THAN 1' (300 mm), THE FRAME MAY BE RESET ON THE EXISTING BRICKWORK AND THE 40" (1 m) MINIMUM BRICKWORK RECONSTRUCTION OMITTED, PROVIDED THAT THE BASE OF THE FRAME DOES NOT OVERHANG THE BRICKWORK ON THE INSIDE SURFACE OF THE MANHOLE MORE THAN AN AVERAGE OF 1 1/2" (35 mm) IN ANY QUADRANT NOR MORE THAN 2" (50 mm) AT ANY POINT.

4. RAISING EXISTING PRECAST CONCRETE SEWER MANHOLES

- A. PRECAST CONCRETE MANHOLES TO BE RAISED LESS THAN 3" (75 mm) MAY BE RAISED BY APPLYING CLASS "D" MORTAR TO THE TOP OF THE EXISTING MANHOLE, PROVIDED THE TOTAL HEIGHT OF MORTAR, EXISTING AND NEWLY APPLIED, DOES NOT EXCEED 3" (75 mm).
- B. WHERE THE PRECAST CONCRETE MANHOLE IS TO BE RAISED 3" (75 mm) OR MORE, OR WHERE THE TOTAL HEIGHT OF MORTAR, EXISTING AND NEWLY APPLIED, WOULD EXCEED 3" (75 mm), GRADE RINGS SHALL BE UTILIZED. CLASS "D" MORTAR MAY BE USED FOR FINAL ADJUSTMENT, BUT NOT MORE THAN 3" (75 mm) IN HEIGHT. WHERE RAISING THE MANHOLE WOULD RESULT IN THE UPPER SEGMENT OF THE SHAFT BEING MORE THAN 30" (750 mm) IN HEIGHT, REMOVE THE REDUCER AND THE UPPER SEGMENT OF THE SHAFT, INSTALL ADDITIONAL RINGS OR PIPE TO THE LOWER SEGMENT OF THE SHAFT, AND REINSTALL THE REDUCER AND GRADE RINGS AS REQUIRED.

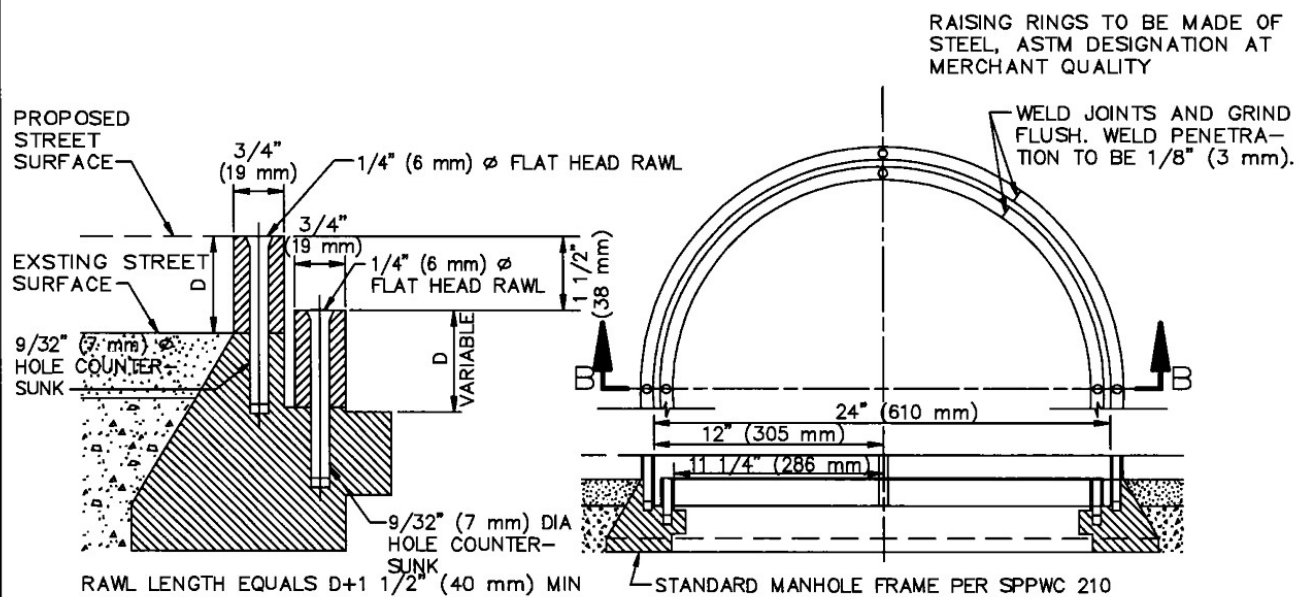
STANDARD PLANS FOR PUBLIC WORKS CONSTRUCTION

SEWER MANHOLE ADJUSTMENT

STANDARD PLAN

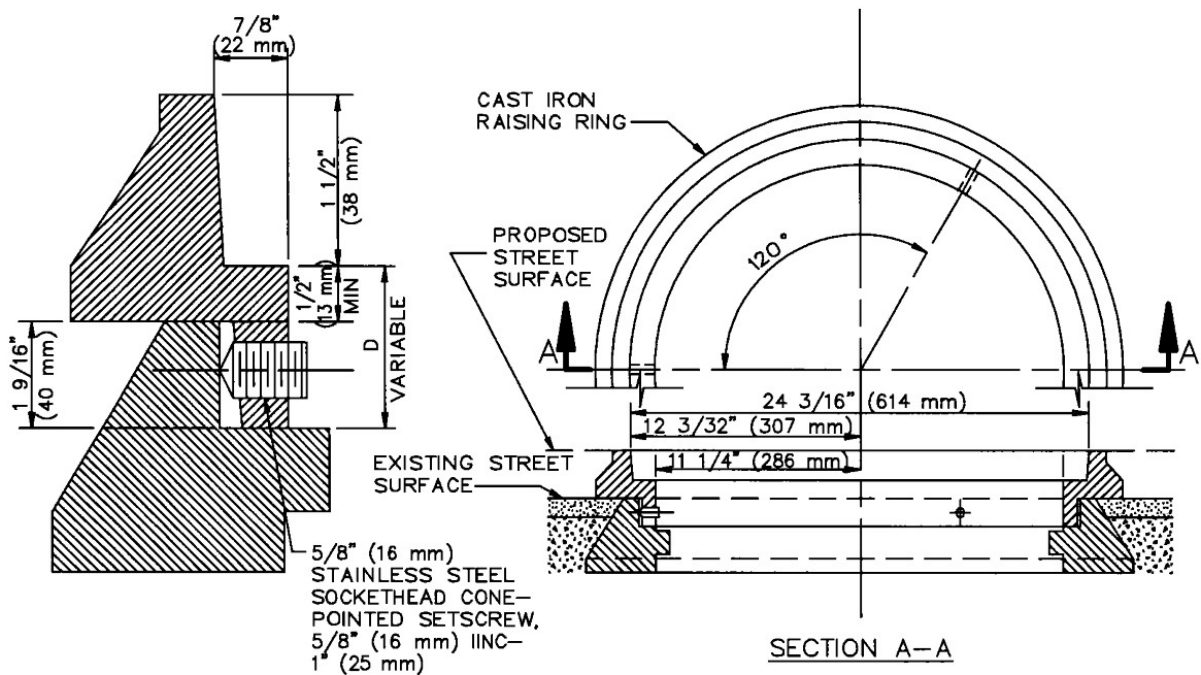
205-2

SHEET 2 OF 3



SECTION B-B

STEEL RAISING RINGS



CAST IRON RAISING RINGS

STANDARD PLANS FOR PUBLIC WORKS CONSTRUCTION

PROMULGATED BY THE
PUBLIC WORKS STANDARDS INC.
GREENBOOK COMMITTEE
1984
REV. 1996, 2009

MANHOLE RAISING RINGS

USE WITH STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION

STANDARD PLAN

206-2

SHEET 1 OF 2

NOTES:

1. MACHINE SEATS FROM CAST IRON RINGS.
2. THE CAST IRON USED SHALL CONFORM TO SSPWC 206-3.
3. THE METAL RAISING RINGS MAY BE USED IN LIEU OF THE REGULAR METHOD OF ADJUSTMENT UTILIZING MORTAR OR BRICK AND MORTAR UNDER THE FOLLOWING CONDITIONS.
 - A. ONLY ONE ADJUSTMENT WITH RAISING RINGS WILL BE ALLOWED ON ANY MANHOLE.
 - B. MAXIMUM "D" SHALL BE 3" (75 mm).

STANDARD PLANS FOR PUBLIC WORKS CONSTRUCTION

MANHOLE RAISING RINGS

STANDARD PLAN

206-2

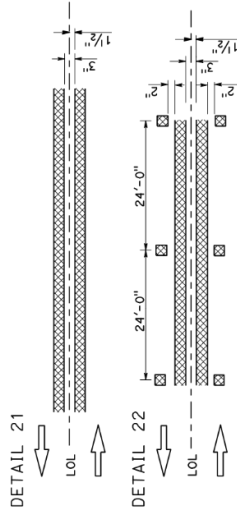
SHEET 2 OF 2

2018 STANDARD PLAN A20A

DIST COUNTY ROUTE PROJECT TOTAL PROJECT SHEETS

Alfonso Perez
REGISTERED CIVIL ENGINEER
No. 06402
May 31, 2018
PLANS APPROVAL DATE
THE STATE OF CALIFORNIA OR ITS OFFICERS
DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF THESE
COPIES OF THIS PLAN SHEET.

NO PASSING ZONES-TWO DIRECTION

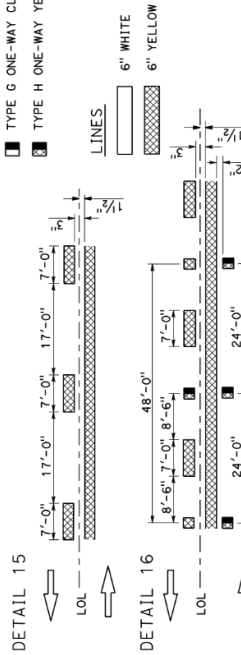


DETAIL 23 DELETED

LEGEND

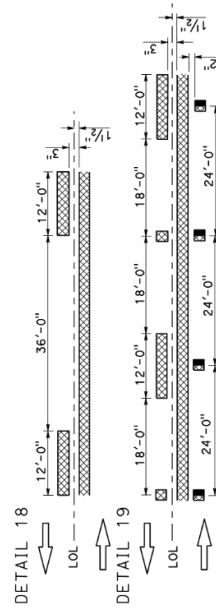
- MARKERS
- TYPE C RED-CLEAR RETROREFLECTIVE
 - TYPE D TWO-WAY YELLOW RETROREFLECTIVE
 - TYPE G ONE-WAY CLEAR RETROREFLECTIVE
 - TYPE H ONE-WAY YELLOW RETROREFLECTIVE

NO PASSING ZONES-ONE DIRECTION



DETAIL 17 DELETED

DETAIL 17 DELETED

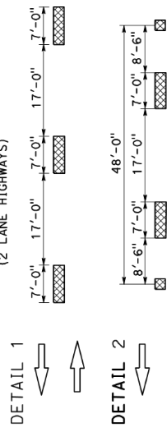


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DETAIL 20 DELETED

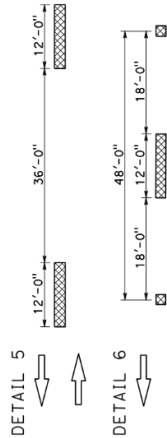
NOTE:
FOR FREEWAY APPLICATION ONLY

CENTERLINES (2 LANE HIGHWAYS)



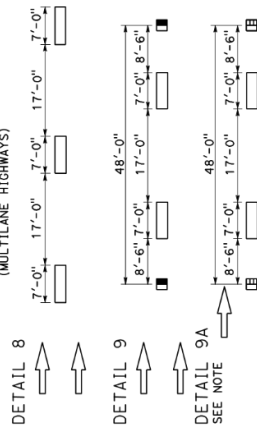
DETAIL 3 DELETED

DETAIL 4 DELETED

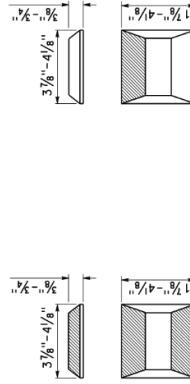


DETAIL 7 DELETED

LANELINES (MULTILANE HIGHWAYS)



DETAIL 10 DELETED



TYPE C AND TYPE D TYPE G AND TYPE H

RETROREFLECTIVE FACE

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION PAVEMENT MARKERS AND TRAFFIC LINES TYPICAL DETAILS

A20A

DIST COUNTY ROUTE SHEET NO. TOTAL PROJECT SHEETS

REGISTERED CIVIL ENGINEER

Nov 31, 2018

APPROVED FOR THE STATE OF CALIFORNIA

DATE OF THIS PLAN SHEET

INTERSECTION TREATMENTS

LEGEND

MARKERS

TYPE D TWO-WAY YELLOW RETROREFLECTIVE

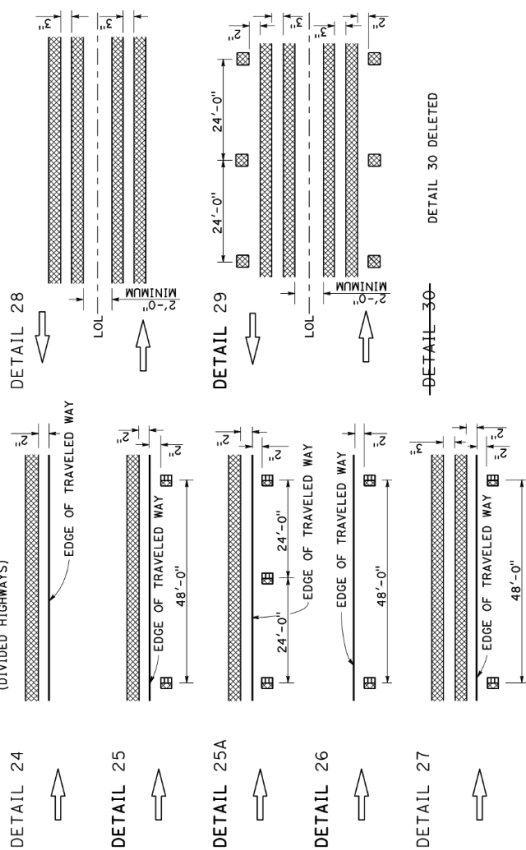
TYPE H ONE-WAY YELLOW RETROREFLECTIVE

TYPE RY RED-YELLOW RETROREFLECTIVE

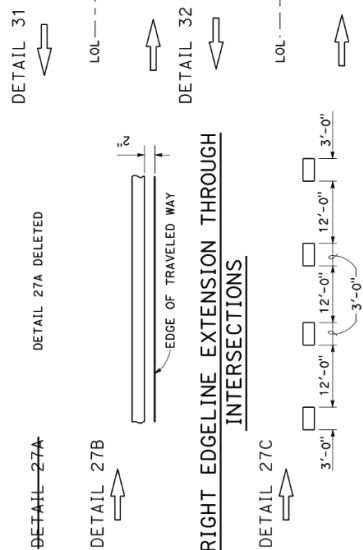
6" WHITE

6" YELLOW

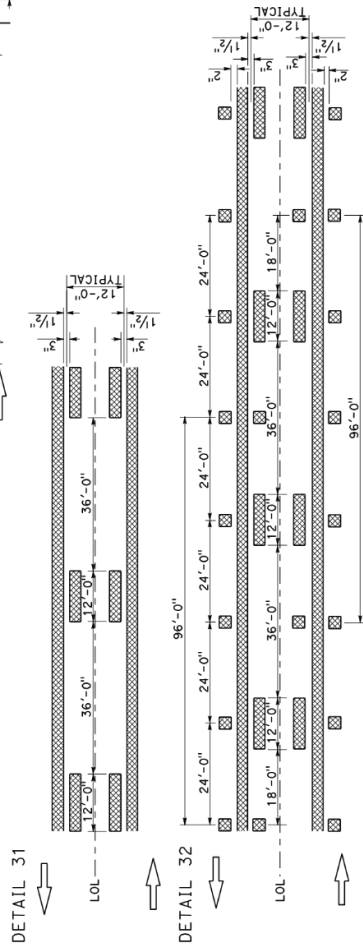
MEDIAN ISLANDS



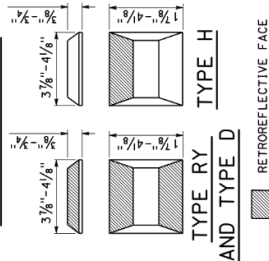
RIGHT EDGELINES



TWO-WAY LEFT TURN LANES



MARKER DETAILS

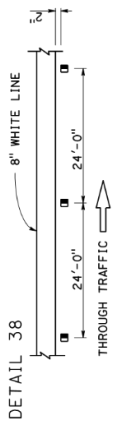


PAVEMENT MARKERS AND TRAFFIC LINES TYPICAL DETAILS

A20B

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

CHANNELIZING LINE



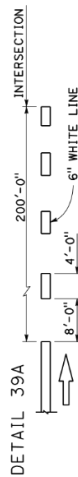
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BIKE LANE LINE

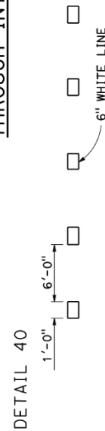


INTERSECTION LINE

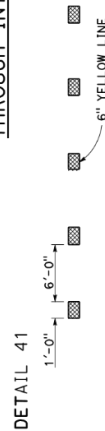
BIKE LANE



LANE LINE EXTENSIONS THROUGH INTERSECTIONS



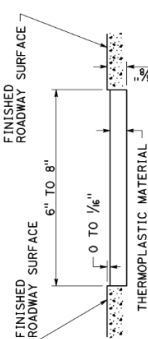
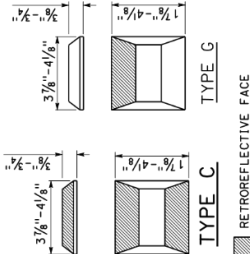
CENTER LINE EXTENSIONS THROUGH INTERSECTIONS



LEGEND MARKERS

- TYPE C RED-CLEAR RETROREFLECTIVE
- TYPE G ONE-WAY CLEAR RETROREFLECTIVE
- 6 inch YELLOW LINE

MARKER DETAILS



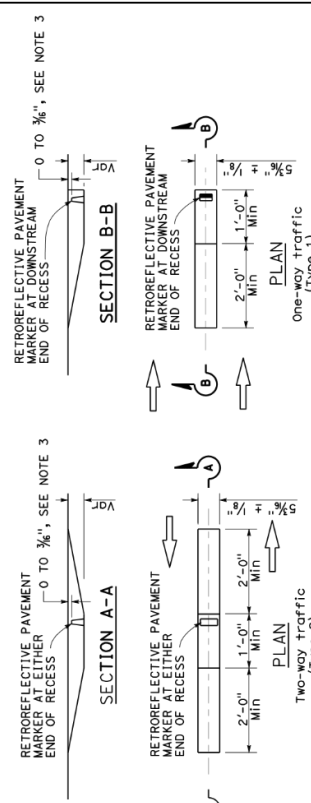
DETAIL FOR RECESSED THERMOPLASTIC TRAFFIC STRIPE

- RECESSED THERMOPLASTIC NOTES
- A. See typical traffic line details for pavement marking patterns.
- B. The top of the thermoplastic installed in recessed pavement shall be 0 to 1/16 inch below the pavement surface.

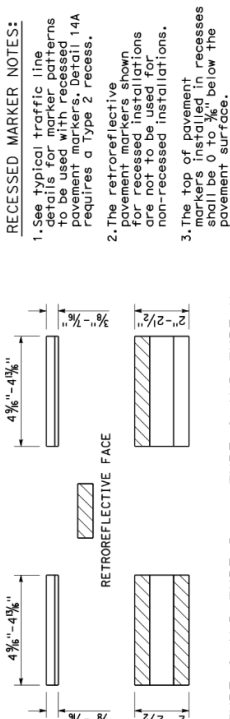
DETAIL 40A DELETED

DETAIL 41A DELETED

DIST COUNTY ROUTE



RECESS DETAIL FOR RETROREFLECTIVE PAVEMENT MARKER



TYPE C AND TYPE D TYPE G AND TYPE H
See Notes 1 and 2.

RETROREFLECTIVE PAVEMENT MARKER FOR RECESSED INSTALLATION

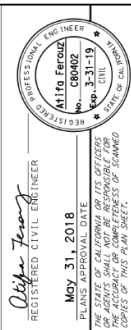
- RECESSED MARKER NOTES:
- 1. See typical traffic line details for marker patterns to be used with recessed pavement marker. Detail 14A requires a type 2 recess.
- 2. The retroreflective pavement markers shown are not to be used for non-recessed installations.
- 3. The top of pavement markers installed in recesses shall be 0 to 1/16 inch below the pavement surface.

STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION PAVEMENT MARKERS AND TRAFFIC LINES TYPICAL DETAILS

A20D

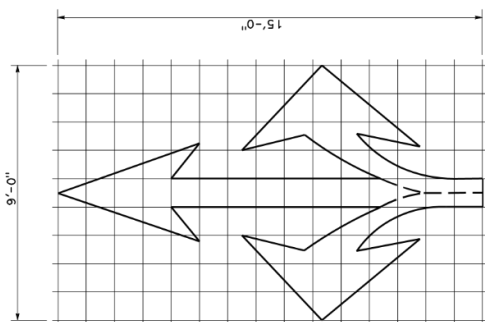
2018 STANDARD PLAN A24A

DIST COUNTY ROUTE POST MILE SHEET TOTAL
PROJECT TOTAL SHEETS



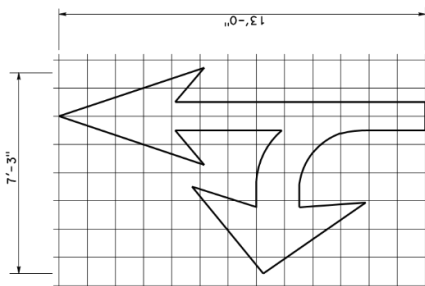
Atilla Ferizli
REGISTERED CIVIL ENGINEER

May 31, 2018
PLANS APPROVAL DATE
THE STATE OF CALIFORNIA OR ITS OFFICERS
OR AGENTS SHALL NOT BE RESPONSIBLE FOR
OR AGENTS SHALL NOT BE RESPONSIBLE FOR
COPIES OF THIS PLAN SHEET.



TYPE VIII ARROW

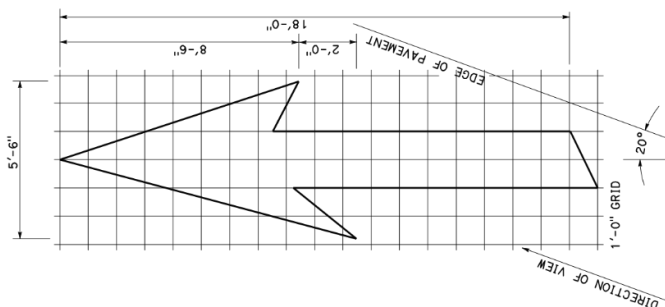
A=36 ft±2



TYPE VII (L) ARROW

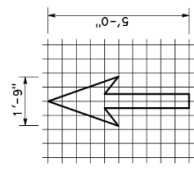
A=27 ft±2

(For Type III (R) arrow,
use mirror image)



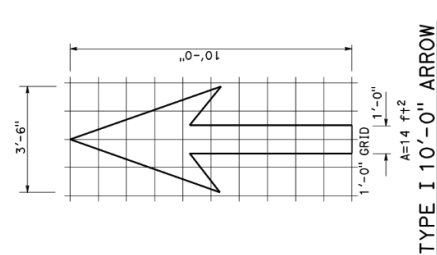
TYPE VI ARROW

Right lane drop arrow
(For left lane,
use mirror image)



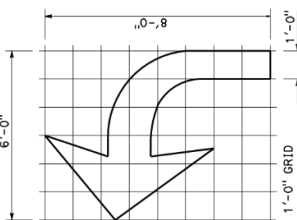
A=3.5 ft±2

BIKE LANE ARROW



TYPE I 10'-0" ARROW

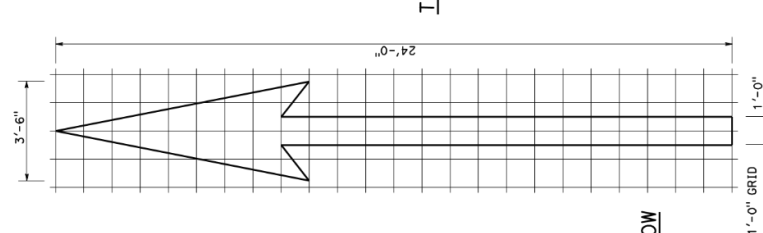
A=14 ft±2



TYPE IV (L) ARROW

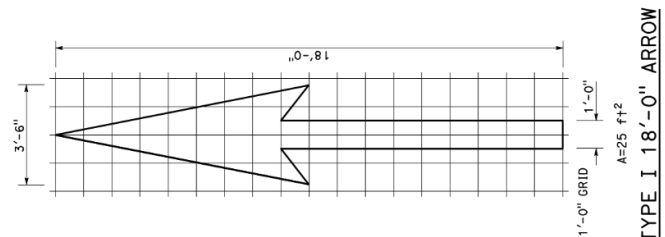
A=15 ft±2

(For Type II (R) arrow,
use mirror image)



TYPE I 24'-0" ARROW

A=31 ft±2



TYPE I 18'-0" ARROW

A=25 ft±2

NOTE:
Minor variations in dimensions
may be accepted by the Engineer.

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
**PAVEMENT MARKINGS
ARROWS**

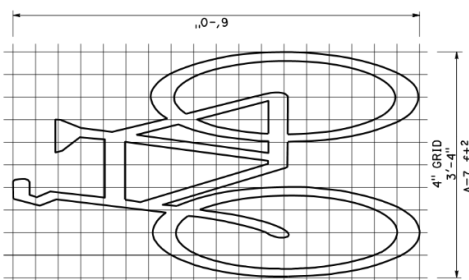
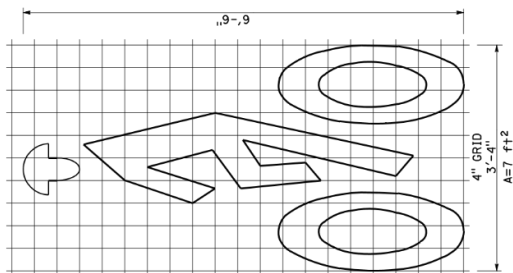
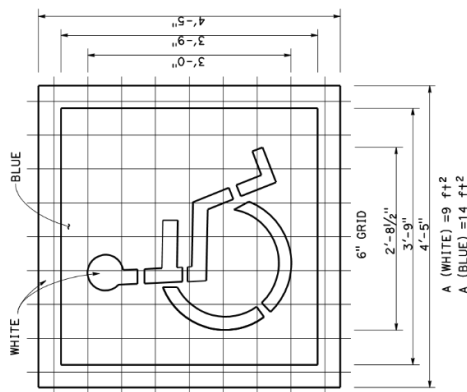
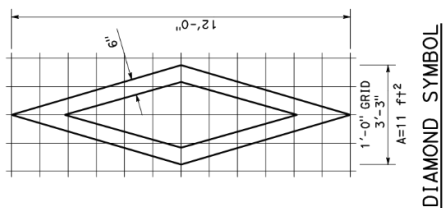
A24A

2018 STANDARD PLAN A24C

DIST COUNTY ROUTE POST MILE SHEET TOTAL PROJECT NO. SHEETS

Alfred Perez
REGISTERED CIVIL ENGINEER
No. 000402
Exp. 3-31-19
STATE OF CALIFORNIA
PLANS APPROVAL DATE
MAY 31, 2018
THE STATE OF CALIFORNIA OR ITS OFFICERS
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ANY ERRORS OR OMISSIONS IN THE
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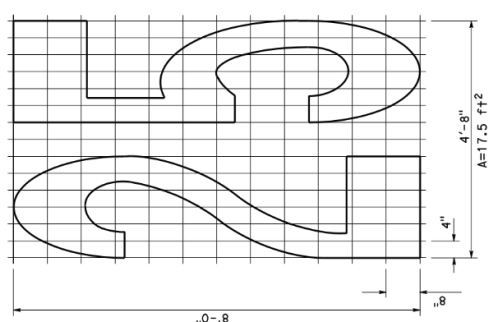
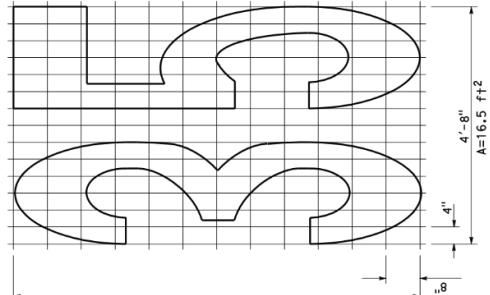
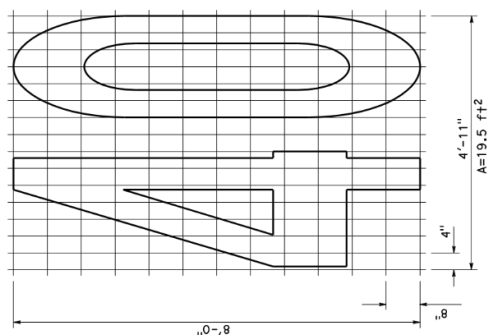
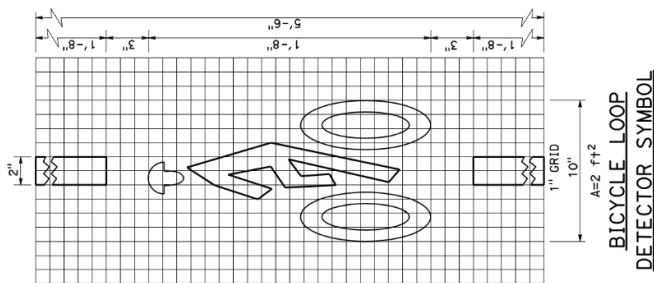
NOTE:
Minor variations in dimensions may be accepted by the Engineer.



INTERNATIONAL SYMBOL
OF ACCESSIBILITY (ISA) MARKING

BIKE LANE SYMBOL
WITH PERSON

BIKE LANE SYMBOL
WITHOUT PERSON



SHARED ROADWAY BICYCLE MARKING

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
**PAVEMENT MARKINGS
SYMBOLS AND NUMERALS**

A 24C

2018 STANDARD PLAN A24D

DIST COUNTY ROUTE POST MILES SHEET TOTAL PROJECT TOTAL SHEETS

Atifa Feroz
REGISTERED CIVIL ENGINEER
May 31, 2018
PLANS APPROVAL DATE
No. C66402
Exp. 3-31-19
THE STATE OF CALIFORNIA OR ITS OFFICIALS
OR AGENTS SHALL NOT BE RESPONSIBLE FOR
THE ACCURACY OR COMPLETENESS OF ANY
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RUNAWAY VEHICLES YIELD SLOW WAIT

A=43 f+t2

A=42 f+t2

A=24 f+t2

A=23 f+t2

A=19 f+t2

SCHOOL AHEAD TURN HERE XING

A=35 f+t2

A=31 f+t2

A=24 f+t2

A=26 f+t2

A=21 f+t2

SIGNAL LEFT RIGHT STOP PED

A=32 f+t2

A=19 f+t2

A=26 f+t2

A=22 f+t2

A=18 f+t2

COMPACT BIKE LANE

A=10 f+t2

A=5 f+t2

A=6 f+t2

A=6 f+t2

NOTES:

1. If a message consists of more than one word, it must read "up", i.e., the first word must be nearest the driver.
2. The space between words must be at least four times the height of the characters for low speed roads, but not more than ten times the height of the characters. The space may be reduced appropriately where there is limited space because of local conditions.
3. Minor variations in dimensions may be accepted by the Engineer.
4. Portions of a letter, number or symbol may be separated by connecting segments not to exceed 2" in width.

WORD MARKINGS									
ITEM	f+t2	ITEM	f+t2	ITEM	f+t2	ITEM	f+t2		
XING	21	YIELD	24	BIKE	5	PED	18		
AHEAD	31	SCHOOL	35	SLOW	23	COMPACT	10		
WAIT	19	SIGNAL	32	STOP	22	RUNAWAY	43		
LANE	6	TURN	24	LEFT	19	VEHICLES	42		
RIGHT	26	HERE	26						

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
PAVEMENT MARKINGS
WORDS

A24D

Atiba Terang
REGISTERED CIVIL ENGINEER

May 31, 2018

THE STATE OF CALIFORNIA OR ITS OFFICERS
OR AGENTS SHALL NOT BE RESPONSIBLE FOR
THE ACCURACY OR COMPLETENESS OF SCANNED
COPIES OF THIS PLAN SHEET.



A=27 f+2

WORD MARKINGS			
ITEM	f+2	ITEM	f+2
LANE	24	NO	14
POOL	23	BIKE	21
CAR	17	BUS	20
CLEAR	27	ONLY	22
KEEP	24	FWY	16

1. If a message consists of more than one word, it must read "UP", i.e., the first word must be nearest the driver.
2. The space between words must be at least four times the height of the characters for low speed roads, but not more than ten times the height of the characters for high speed roads, and must be appropriate where there is limited space because of local conditions.
3. Minor variations in dimensions may be accepted by the Engineer.
4. Portions of a letter, number or symbol may be separated by connecting segments not to exceed 2" in width.
5. The words "NO PARKING" pavement marking is to be used for parking facilities. For typical locations or markings, see Standard Plans A50A and A90B.
6. The words "NO PARKING" shall be painted in white letters no less than 1"-6" high on a contrasting background and located so that it is visible to traffic enforcement officials.

1'-0" WHITE LINE

LIMIT LINE (STOP LINE)

WHITE SERIES OF ISOSCELES TRIANGLES

1'-0" 2'-0" 3'-0"

YIELD LINE

$$A=2 \quad f+2$$

See Notes 6 and 7

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

**PAVEMENT MARKINGS
WORDS, LIMIT AND YIELD LINES**

A24E

DIST COUNTY ROUTE DIST MILE TOTAL PROJECT SHEET NO. SHEETS

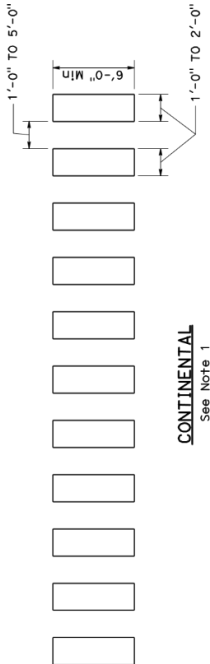


REGISTERED CIVIL ENGINEER

PLANS APPROVAL DATE
May 31, 2018
THE STATE OF CALIFORNIA OR ITS OFFICERS
OR AGENTS SHALL NOT BE RESPONSIBLE FOR
THE ACCURACY OR COMPLETENESS OF EXAMINED
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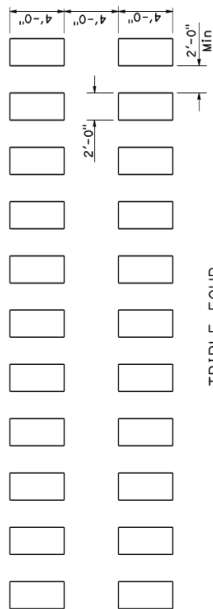
NOTES:

1. Spaces between markings must be placed in wheel tracks of each lane.
2. Spacings not to exceed 2.5 times width of longitudinal line.
3. All crosswalk markings must be white except those near schools must be yellow.



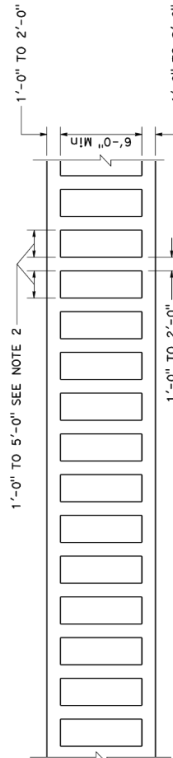
CONTINENTAL

See Note 1

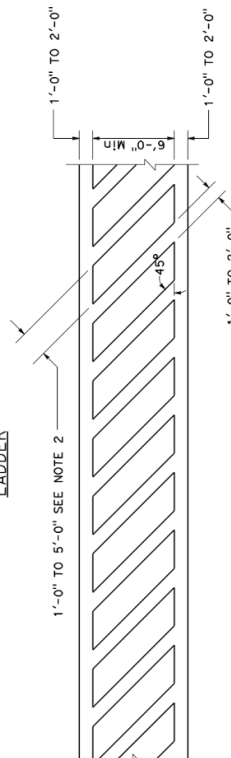


TRIPLE FOUR

See Note 1

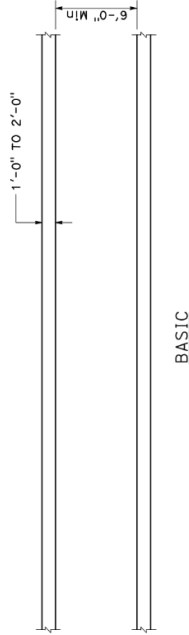


LADDER



DIAGONAL

HIGHER VISIBILITY CROSSWALKS



BASIC

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
**PAVEMENT MARKINGS
CROSSWALKS**

A24F

APPENDIX “B”

DEPARTMENT OF INDUSTRIAL RELATIONS (DIR) CONTRACTOR REGISTRATION NUMBER FORM

Department of Industrial Relations (DIR)

Contractor Registration Number

Beginning July 1, 2014, contractors must register with the Department of Industrial Relations (DIR) before bidding on public works contracts in California. For more information, please refer to this section of the Department of Industrial Relations Website: <http://www.dir.ca.gov/Public-Works/PublicWorks.html>.

Per this requirement, provide the following information:

Contractor Name

Contractor Department of Industrial Relations Registration Number:

Expiration Date of Registration Number

*(THIS FORM MUST BE SUBMITTED WITH THE SEALED BID) *

APPENDIX “C”

MAP OF IMPROVEMENTS

STREET IMPROVEMENTS GENERAL NOTES:

1. "NO PARKING" SIGNS SHALL BE UPDATED DAILY OR SOONER AS NECESSARY, TO ACCURATELY INFORM RESIDENTS OF IMPENDING CONSTRUCTION.

2. ALL SIDE STREETS LEADING TO A STREET SECTION SLATED FOR REHABILITATION SHALL BE POSTED "ROAD CLOSED TO THROUGH TRAFFIC" ONE BLOCK AWAY OF THE CONSTRUCTION ZONE.

3. CONTRACTOR TO CLEAN ALL BITUMINOUS AND DELETERIOUS MATERIALS DEPOSITED ON ALL ADJACENT STREETS NOT PART OF THE PROJECT AS A RESULT OF OPERATIONS RELATED TO THE PROJECT.

4. CONTRACTOR SHALL DO ALL WORK INDICATED IN THE PROJECT SHEETS INCORPORATED IN THESE SPECIFICATIONS, EVEN IF THE DESCRIBED WORK IS NOT INCLUDED IN THE BID QUANTITIES.

5. LOCATION OF EXISTING STRIPING TO BE SURVEYED AND MARKED BY THE CONTRACTOR ACCOMPANIED BY THE CITY INSPECTOR PRIOR TO THE START OF CONSTRUCTION, AND ALL STRIPING TO BE PAINTED (TWO COATS) TO MATCH EXISTING STRIPING PRIOR TO THE COMPLETION AND ACCEPTANCE OF CONSTRUCTION.

6. LOCATION OF ALL MANHOLE, WATER VALVE, UTILITY COVERS TO BE MARKED BY THE CONTRACTOR PRIOR TO CONSTRUCTION.

7. ON CERTAIN STREETS WHERE GUTTER IS NOT VISIBLE, EXISTING AC PAVEMENT MAY HAVE BEEN OVERLAID OVER THE EXISTING GUTTER. CONTRACTOR SHALL EXERCISE EXTREME CARE NOT TO DAMAGE THE UNDERLYING GUTTER DURING COLD PLANNING. IF THE EXISTING GUTTER IS IN BAD SHAPE THEN CONTRACTOR SHALL PAVE OVER THE GUTTER. IF HOWEVER, THE GUTTER IS IN GOOD CONDITION, THE CONTRACTOR SHOULD ATTEMPT TO PAVE TO THE GUTTER EDGE.

8. ON STREETS WITH MACADAM, THE CONTRACTOR SHALL EXERCISE EXTREME CARE NOT TO OVERLY DISTURB THE EXISTING PAVEMENT.

9. THE CONTRACTOR SHALL NOT EXCEED THE OVERLAY THICKNESSES SPECIFIED IN THE PLANS AND SPECIFICATIONS.

10. CONTRACTOR SHALL PROVIDE ALL CONSTRUCTION SURVEYING, AND REPLACEMENT OF EXISTING MONUMENTATION NECESSARY TO COMPLETE THE WORK.

11. ALL STRIPING AND THERMOPLASTIC TREATMENTS PARTIALLY OR TOTALLY DAMAGED OR AFFECTED BY PAVING OPERATIONS SHALL BE RESTRIPED AND REINSTALLED NEW AT NO COST TO CITY AND SHALL BE INCLUDED IN THE BID UNIT PRICES.

12. PRIOR TO CONSTRUCTION, CONTRACTOR ACCOMPANIED BY THE CITY INSPECTOR SHALL WALK ALL STREET SECTIONS INCLUDED IN THIS PROJECT AND ASCERTAIN THE EXISTING CONDITION OF ALL CROSS GUTTERS, CONCRETE IMPROVEMENT LIKE RAMPS, CURB AND GUTTER, AND PREPARE A REPORT, AGREED TO BY THE CITY INSPECTOR, OF ALL EXISTING CONDITION OF THE ADJACENT CONCRETE IMPROVEMENTS WHERE THE NEW AC PAVEMENT WILL JOIN.

13. PRIOR TO SUBMITTING A BID, CONTRACTOR TO MEASURE, OR CHECK ALL MEASUREMENTS SHOWN IN THE BID PACKAGE AND IMMEDIATELY CONTACT THE CITY IF ANY MAJOR DISCREPANCIES ARE FOUND IN THE QUANTITIES SHOWN IN THE BID PACKAGE.

14. RESTRICT ACTIVITES TO EXCLUDE PERIODS OF RAINFALL OR PREDICTED RAINFALL UNLESS REQUIRED BY EMERGENCY CONDITIONS.

15. INSTALL SAND BAGS OR GRAVEL BAGS AND FILTER FABRIC AT ALL SUSCEPTIBLE STORM DRAIN INLETS.

16. PREVENT THE DISCHARGE OF RELEASE AGENTS INCLUDING SOYBEAN OIL, OR DIESEL TO THE STORM WATER DRAINAGE SYSTEM OR RECEIVING WATERS.

17. MINIMIZE NON STORM WATER RUN OFF DURING CONSTRUCTION.

18. CLEAN EQUIPMENT OVER ABSORBENT PADS, DRIP PANS, PLASTIC SHEETING OR OTHER MATERIAL TO CAPTURE ALL SPILLAGE AND DISPOSE OF PROPERLY.

19. COVER LOADS WITH TARP BEFORE HAUL-OFF TO A STORAGE SITE, AND DO NOT OVERLOAD TRUCKS.

20. MINIMIZE AIRBORNE DUST BY USING WATER SPRAY.

21. PROTECT STOCKPILES WITH A COVER OR SEDIMENT BARRIERS DURING A RAIN.
22. THE EXISTENCE AND LOCATION OF ANY UNDERGROUND UTILITY OR SUBSTRUCTURE SHOWN ON THESE PLANS WERE OBTAINED BY A SEARCH OF AVAILABLE RECORDS AND FIELD INSPECTION. NO CERTIFICATION IS MADE AS TO THE ACCURACY OR THOROUGHNESS OF THESE RECORDS. APPROVAL OF THESE PLANS BY THE CITY OF MONTEBELLO DOES NOT CONSTITUTE A REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF LOCATION OF THE EXISTENCE OR NONEXISTENCE OF ANY UNDERGROUND UTILITY OR SUBSTRUCTURE WITHIN THE LIMITS OF THE PROJECT. THE CONTRACTOR IS REQUIRED TO TAKE DUE PRECAUTIONARY MEASURES TO PROTECT ANY EXISTING UTILITIES OR STRUCTURES LOCATED AT THE WORK SITE. IT IS THE CONTRACTOR'S REponsibility TO CONTACT UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA, DIG ALERT 811 TWO(2) WORKING DAYS IN ADVANCE OF ANY EXCAVATION FOR THE MARK OUT LOCATION OF UTILITES AND NOTIFICATION OF COMMENCEMENT OF WORK. FOR ANY QUESTIONS REGARDING THE MARK OUT OF UNDERGROUND UTILITIES THE CONTRACTOR SHOULD CONTACT THE RESPECTIVE UTILITY COMPANY/OWNER/OPERATOR.

23. CONSTRUCTION CONTRACTOR AGREES THAT IN ACCORDANCE WITH GENERALLY ACCEPTED CONSTRUCTION PRACTICES, CONSTRUCTION CONTRACTOR WILL BE REQUIRED TO ASSUME SOLE AND COMPLETE RESPONSIBILITY FOR JOB SITE CONDITION DURING THE COURSE OF CONSTRUCTION OF THE PROJECT, INCLUDING SAFETY OF ALL PERSONS AND PROPERTY; THAT THIS REQUIREMENT SHALL BE MADE TO APPLY CONTINUOUSLY AND NOT TO BE LIMITED TO NORMAL WORKING HOURS AND CONSTRUCTION CONTRACTOR FURTHER AGREES TO DEFEND, INDEMNIFY AND HOLD DESIGN PROFESSIONAL HARMLESS FROM ANY AND ALL LIABILITY, REAL OR ALLEGED, IN CONNECTION WITH THE PERFORMANCE OF WORK ON THIS PROJECT, EXCEPTING LIABILITY ARISING FROM THE SOLE NEGLIGENCE OF DESIGN PROFESSIONAL.

24. ALL WORK SHALL CONFORM TO THE LATEST EDITION AND SUPPLEMENT OF STANDARD SPECIFICATIONS FOR PUBLIC WORKS CONSTRUCTION (SSPWC), THE STANDARD PLANS FOR PUBLIC WORKS CONSTRUCTION (SPPWC), CALTRANS STANDARD PLANS AND SPECIFICATIONS DATED 2023.

25. ALL UTILITY BOXES SUCH AS WATER METER, GAS, EDISON AND OTHERS ARE TO BE LEVELED TO FINISHED SURFACE WITH APPROVAL OF UTILITY.

26. THE CONTRACTOR SHALL PROVIDE CONSTRUCTION SURVEY PER BID ITEM IF IT IS DEEMED NECESSARY BY THE CITY ENGINEER.

TRAFFIC SIGNING AND STRIPING GENERAL NOTES:

1. TRAFFIC STRIPING, PAVEMENT LEGENDS AND RAISED PAVEMENT MARKERS SHALL BE INSTALLED IN ACCORDANCE WITH THE LATEST VERSION OF THE CALIFORNIA MUTCD AND THE CALTRANS STANDARD PLANS AND SPECIFICATIONS SECTIONS 84 AND 85, 2023.

2. REFLECTORIZE ALL TRAFFIC STRIPES, PAVEMENT LEGENDS AND MARKINGS SHALL MATCH CITY STENCILS. ALL DETAILS REFER TO CALTRANS STANDARD PLANS A20A THROUGH A20D AND A24A THROUGH A24F.

3. ALL STRIPING AND PAVEMENT MARKINGS SHALL BE THERMOPLASTIC PER CITY SPECIFICATIONS. SKIP LINES SHALL BE APPLIED BY EXTRUSION METHOD ONLY.

4. ALL CONFLICTING LINES, MARKINGS AND RAISED PAVEMENT MARKERS SHALL BE REMOVED BY WET SANDBLASTING OR OTHER METHOD APPROVED BY THE ENGINEER.

5. THE CONTRACTOR SHALL OBTAIN APPROVAL FROM THE ENGINEER FOR "CAT-TRACKING" PRIOR TO FINAL INSTALLATION OF STRIPING AND PAVEMENT LEGENDS.

6. ALL REMOVED SIGNS AND POSTS IN GOOD CONDITION SHALL BE SALVAGED AND DELIVERED TO THE CITY YARD.

7. ALL SIGNS SHALL BE NEW (OTHER THAN THOSE SHOWN TO BE RELOCATED). ALL NEW AND RELOCATED SIGNS SHALL BE MOUNTED ON NEW POSTS WITH NEW HARDWARE. SIGNS DESIGNATED FOR INSTALLATION ON EXISTING STREET LIGHT POLES SHALL BE MOUNTED WITH NEW HARDWARE.

8. TRAFFIC SIGN DIMENSIONS, COLORS, AND LETTERING SHALL CONFORM TO THE LATEST CALIFORNIA MUTCD SPECIFICATIONS. SIGN CODES SHOWN HEREON ARE TO CONFORM TO CALIFORNIA MUTCD SPECIFICATIONS. TRAFFIC SIGN SIZE SHALL BE STANDARD UNLESS OTHERWISE SHOWN ON THE PLANS. ALL SIGNS SHALL BE REFLECTORIZED.

9. NEW SIGN POSTS SHALL BE 12 GAUGE GALVANIZED STEEL PERFORATED 4-SIDED, EASY ERECT BREAKAWAY BASE, "UNI-STRUCT" OR APPROVED EQUAL, PER CITY STANDARD. SIGNS SHALL BE MOUNTED ON STREET LIGH POLES WHENEVER FEASIBLE.

10. IT SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR TO BE FAMILIARIZED WITH THE JOB SITE AND THE LOCATOIN OF ALL UNDERGROUND FACILITIES.

- CITY OF MONTEBELLO
YEAR 1 -2024-2025
2" GRIND AND OVERLAY

IMPORTANT INSTRUCTIONS TO BIDDERS/CONTRACTORS

1. ALL PROSPECTIVE BIDDERS MUST WALK AND SITE VISIT ALL STREET SECTIONS LISTED IN THIS PROJECT AND FAMILIARIZE WITH THE EXISITING CONDITIONS ON THE GROUND, AND SUBMIT THEIR BIDS BASED ON THE EXISITING CONDITIONS ON THE GROUND.ALL BIDDERS WILL HAVE TO SIGN A STATEMENT WITH THEIR BIDS THAT THEY HAVE CONDUCTED A SITE VISIT TO ALL STREETS PART OF THIS PROJECT.

2. CONTRACTOR SHALL APPLY WEED KILLER, ENVIRONMENTALLY APPROVED BY THE STATE ON ALL EXISITING PAVEMENT CRACKS EXHIBITING WEED GROWTH

3. EXISITING BRICK PAVERS ADJACENT TO PAVEMENT TO BE OVERLAID MUST BE PROTECTED IN PLACE, AND CONTRACTOR SHALL BE RESPONSIBLE FOR REPLACING THEM WITH NEW IN THE EVENT THEY ARE DAMAGED DUE THE ACTION OF THE CONTRACTOR.

4. CONTRACTOR SHALL NOTIFY THE CITY IMMEDIATELY OF THE PRESENCE OF LOW BRANCHES AND TREES WHICH MAY INTERFERE WITH THE OPERATIONS OF THE CONTRACTOR'S EQUIPMENT, THE CITY WILL THEN TRIM THOSE TREES AND BRANCHES PRIOR TO CONTRACTOR STARTING THE WORK.

5. CONTRACTOR SHALL PAVE THE STREET SECTIONS TO MATCH CROSS GUTTERS,EXISITING PAVEMENT AND PAVE TO THE CURB RETURN OF ALL ADJACENT CROSS STREETS WHERE NO CROSS GUTTER EXISTS.

6. THERE WILL NOT BE A PRE-BID MEETING

7. BEFORE PROCEEDING WITH THE PAVING OPERATIONS THE CONTRACTOR SHALL WALK THE STREETS WITH CITY UTILITY , WATER AND SEWER AND OTHER UTILITY REPRESENTATIVES TO LOCATE ALL WATER, SEWER , STORM DRAIN UTILITY COVERS. WATER MAIN COVERS MUST NOT BE PAVED OVER BY CONTRACTOR, SINCE THAT WILL PREVENT CITY CREWS FROM FINDING AND TURNING OFF WATER VALVES IN THE CASE OF A WATER LEAK OR FIRE HYDRANT BREAK. SAME SHALL APPLY TO GAS MAINS VALVES AND OTHER CRITICAL UTILITIES. UPON COMPLETION OF THE PAVING OPERATIONS , THE CONTRACTOR SHALL COORDINATE WITH UTILITIES THAT ALL VALVE AND UTILITY COVERS HAVE BEEN RAISED TO GRADE PER CITY AND UTILITY COMPANIES STANDARDS

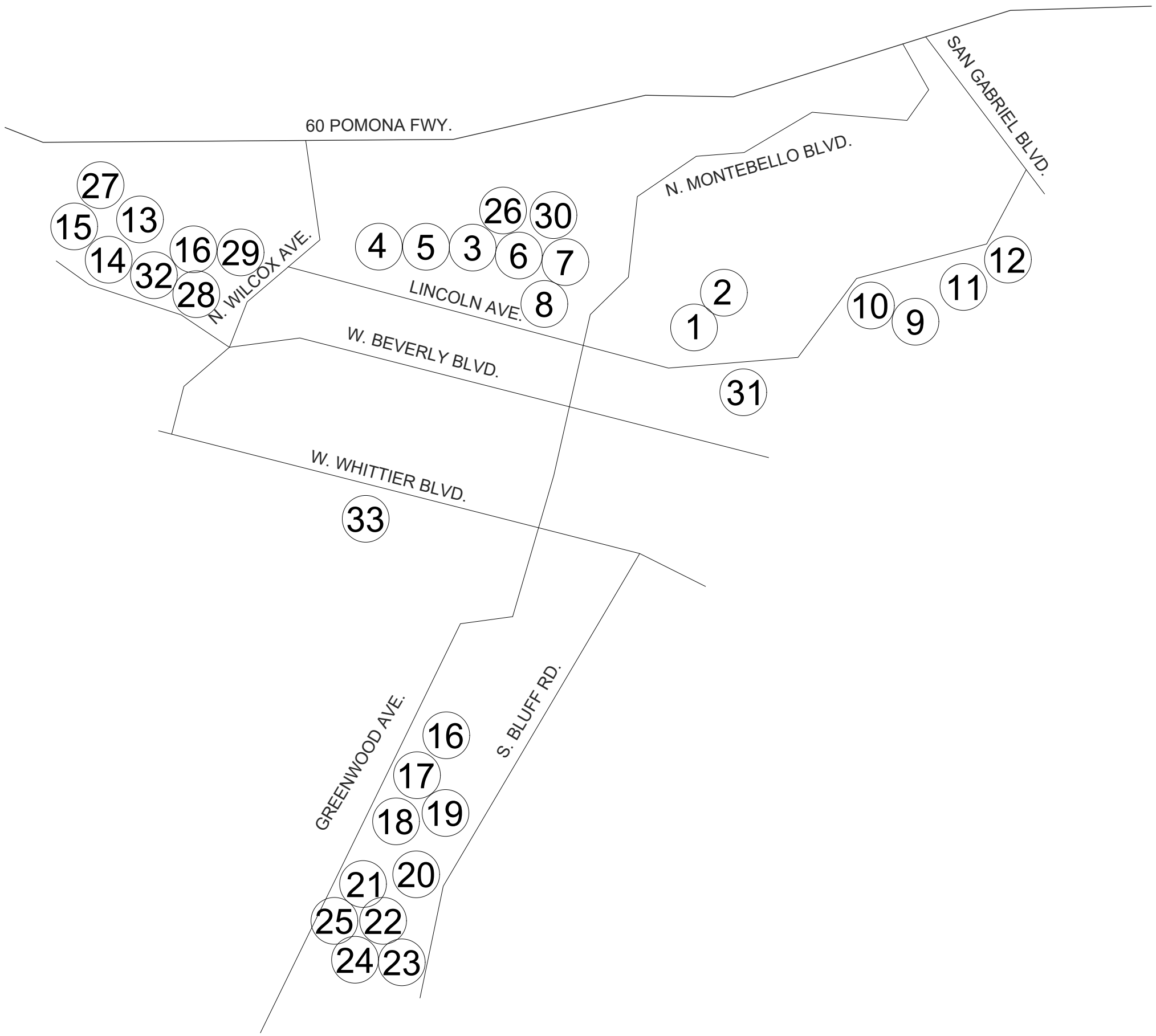
8. CONTRACTOR SHALL SURVEY ALL STREET SECTIONS AND LOCATE ALL STREET MONUMENTS AND CENTERLINE TIES, AND PROVIDE A LIST TO THE CITY . ALL THESE MONUMENTS SHALL BE RESET AND RE-ESTABLISHED BY A CA REGISTERED LAND SURVEYOR HIRED BY THE CONTRACTOR.

9. ALL PROSPECTIVE BIDDERS SHALL MEASURE ALL STREET SECTIONS AND SHALL NOTIFY THE CITY IMMEDIATELY UPON DISCOVERING MAJOR QUANTITY DISCREPANCIES.

10. CONTRACTOR TO REPLACE ALL SPEED HUMPS ON STREETS TO BE PAVED WITH EXACTLY THE SAME TYPE , LOCATION AND SPACING OF SPEED HUMPS

11. CONTRACTOR TO REPLACE THERMOPLASTIC PAVEMENT MARKINGS DISTURBED EVEN PARTIALLY BY THE PAVING OPERATIONS

12. CONTRACTOR TO REPLACE ALL TRAFFIC LOOPS WITH SAME. CONTRACTOR MUST HAVE THE REPLACEMENT MATERIALS FOR A TRAFFIC LOOP BEFORE PROCEEDING WITH THEIR REMOVAL.

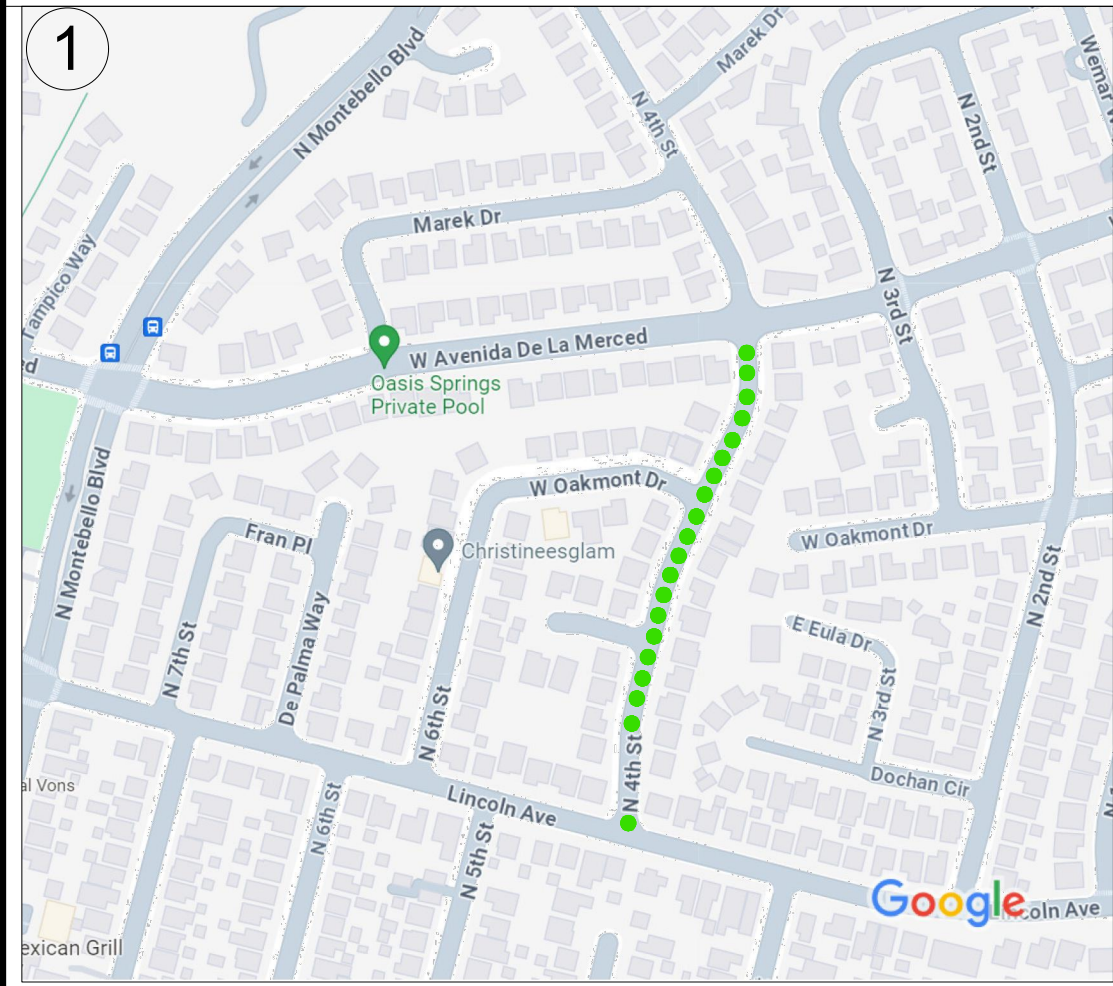


VICINITY MAP
N.T.S.

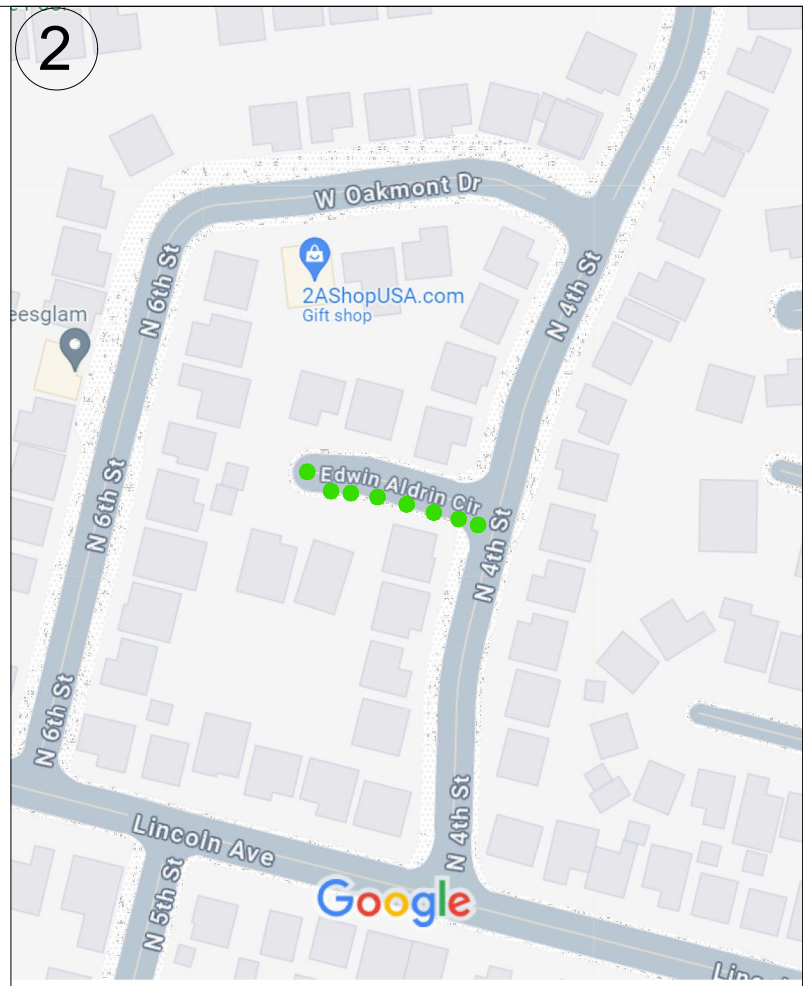
	STREET	FROM	TO
1	N. 4TH ST.	W. LINCOLN AVE.	W. AVENIDA DE LA MERCED
2	EDWIN ALDRIN CIR.	N. 4TH ST.	END
3	N. TAYLOR AVE.	W. LINCOLN AVE.	EL CAMINO DR.
4	EL CAMINO DR.	TAYLOR AVE.	END
5	CUESTA WAY	TAYLOR AVE.	ALDEA DR.
6	ALDEA	TAYLOR AVE.	EL CAMINO DR.
7	MAPLE	LINCOLN	ALDEA DR.
8	SOLANA CIRCLE	END	ALDEA DR.
9	RIO DEL SOL AVE.	END	AGHAJANIAN
10	RANCHO DR.	LINCOLN	SAN ANGELO
11	RIO DEL SOL	SAN ANGELO	AGHAJANIAN
12	AVENIDA DEL LA MERCED	SAN ANGELO	LINCOLN
13	FINDLAY AVE.	BARR AVE.	VIA CAMPO
14	FINDLAY AVE.	VIA SAN DELARRO	BEVERLY
15	DEWAR	KEENAN	SIMMONS
16	FRANKEL AVE.	S. MONTEBELLO BLVD	END
17	MAXWELL	FRANKEL	GARY
18	GARY	MAXWELL	SPRUCE
19	SPRUCE	DATE	FRANKEL
20	OAKWOOD	CAROB	BLUFF
21	S. 4TH ST.	OAKWOOD	ELM ST.
22	CAROB	ELM	DATE
23	ELM	CAROB	BLUFF
24	S. 4TH ST.	ELM ST.	SYCAMORE ST.
25	SPRUCE	OAKWOOD	ELM
26	ADELITA	LEXINGTON	CONCORD
27	BRADSHAWE	DEWAR	BEVERLY
28	VIA SAN DELARRO	GARFIELD	FINDLAY
29	N. HAY ST.	BEVERLY	LINCOLN
30	MAPLE	VICTORIA	LINCOLN
31	RAYWOOD	FORBES	LINCOLN
32	VIA SAN CARLO	VIA SAN CLEMENTE	VIA SAN DELARRO
33	S. PARK	COLEGROVE	END

CITY OF MONTEBELLO

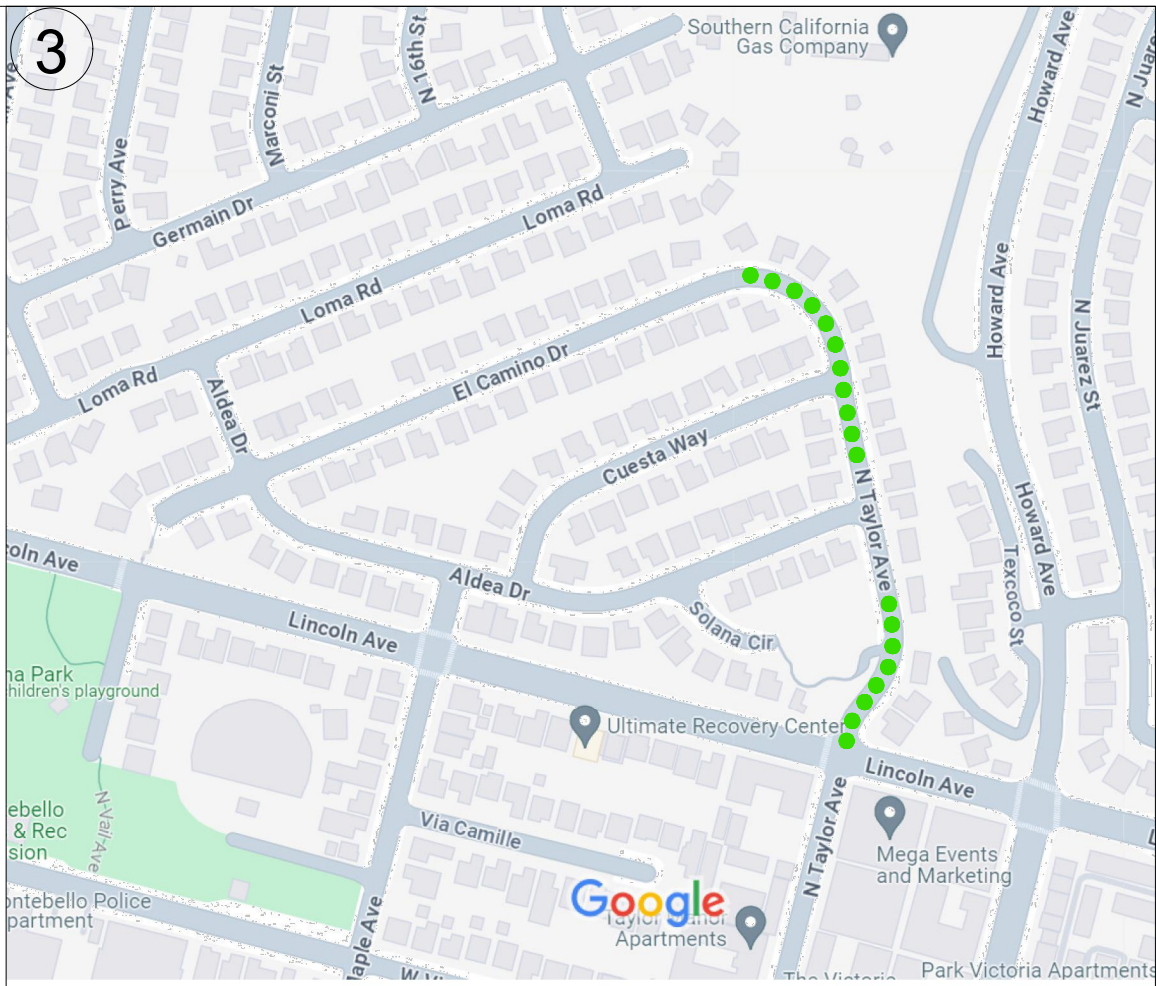
YEAR 1 2024-2025
2" GRIND AND OVERLAY



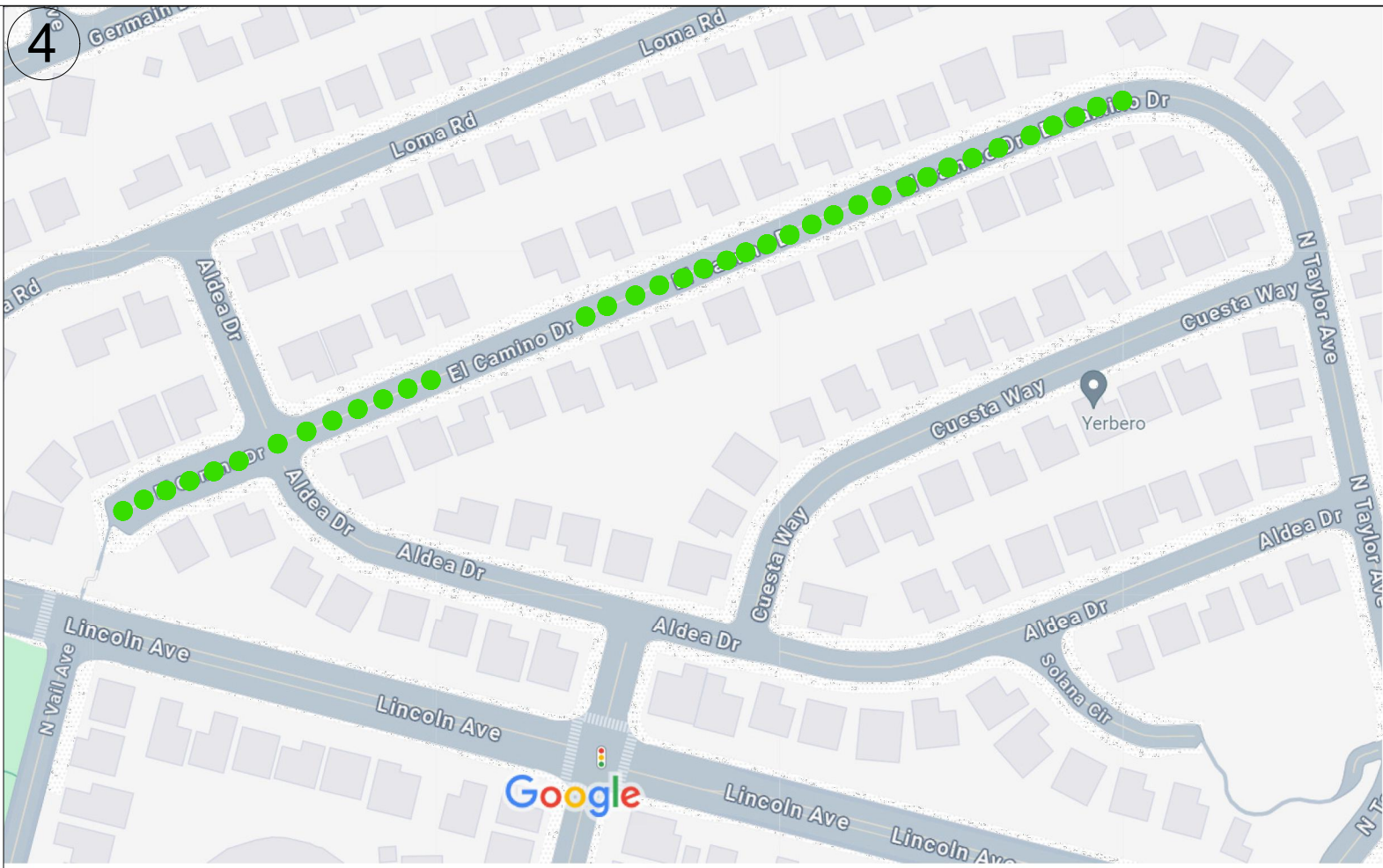
STREET	FROM	TO
N. 4TH ST.	W. LINCOLN AVE.	W. AVENIDA DE LA MERCED



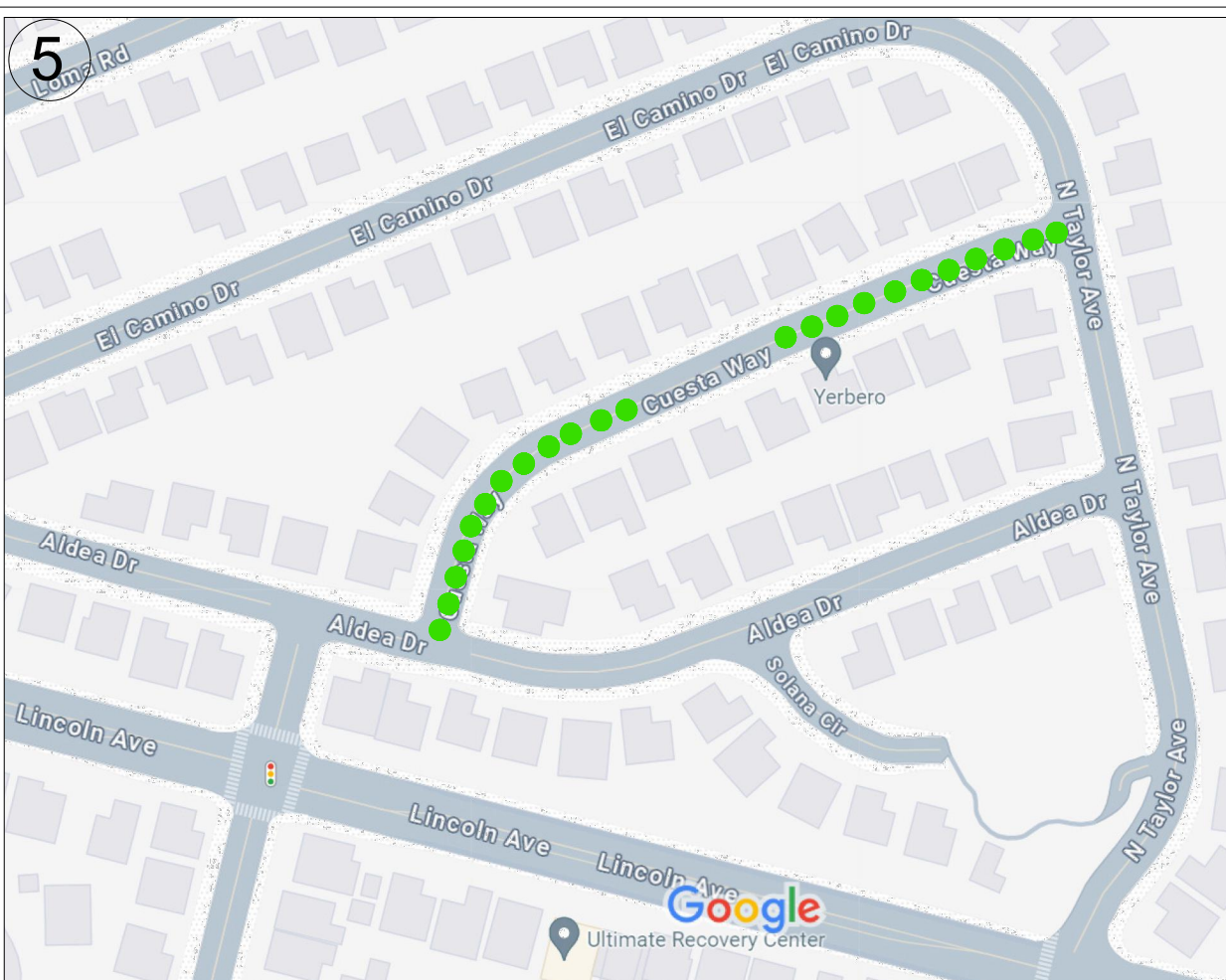
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EDWIN ALDRIN CIR.	N. 4TH ST.	END



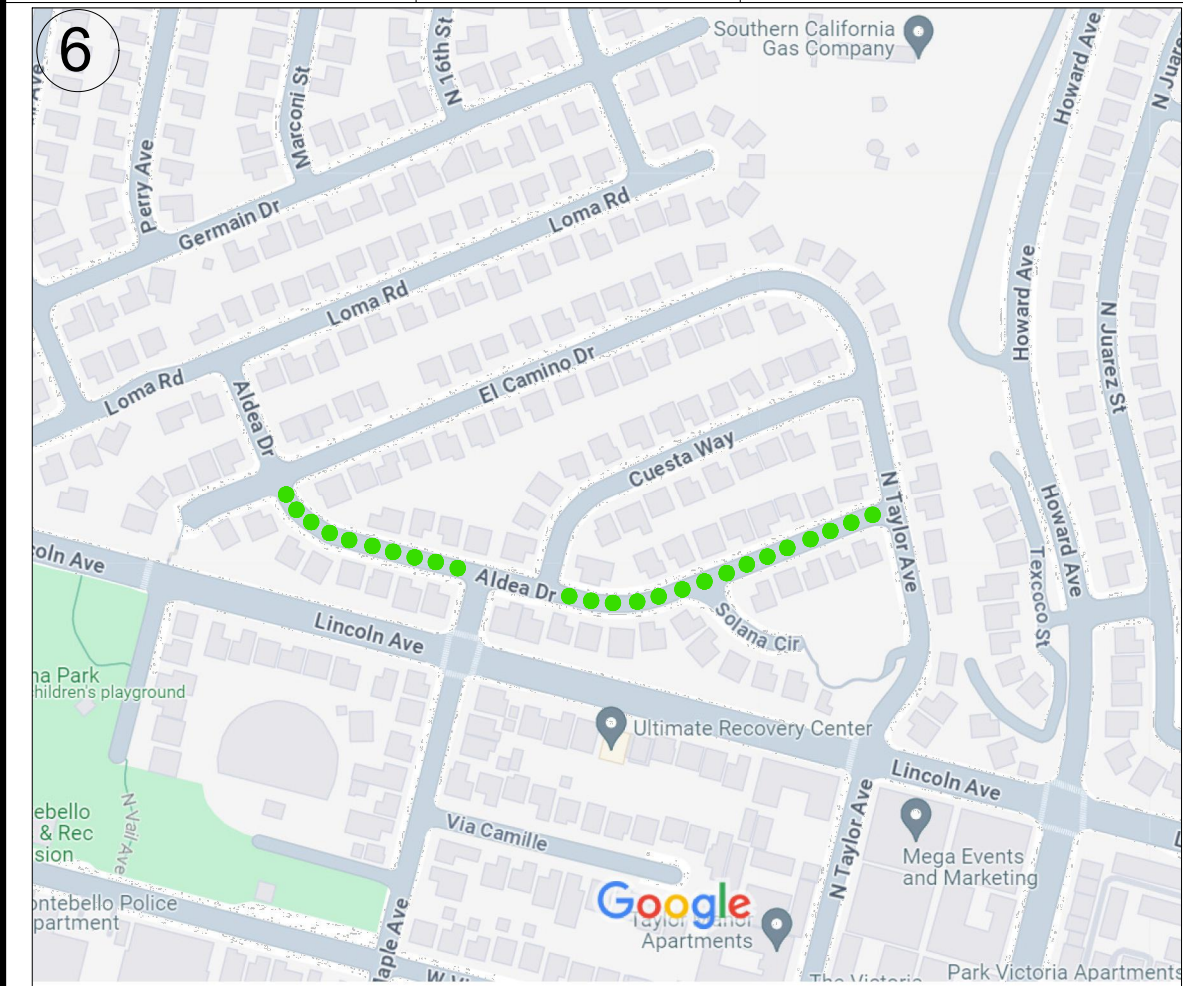
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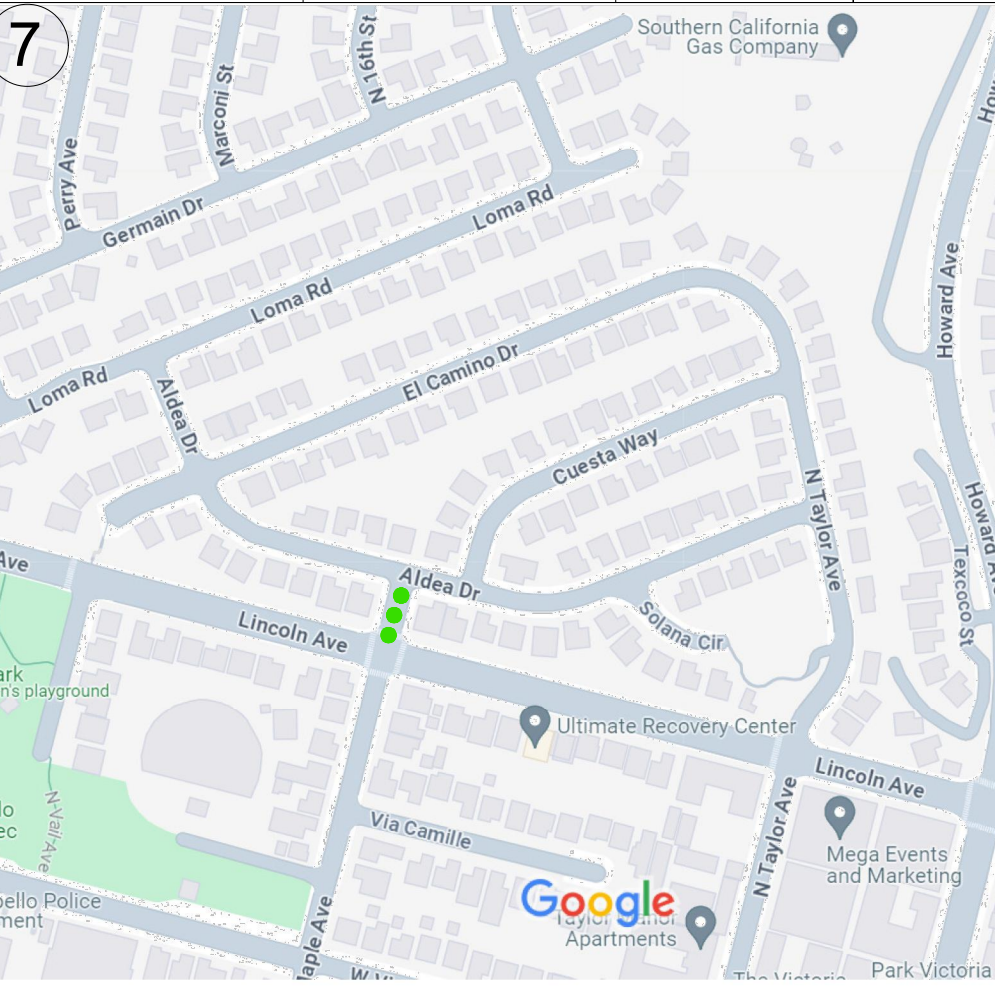
STREET	FROM	TO
EL CAMINO DR.	TAYLOR AVE.	END



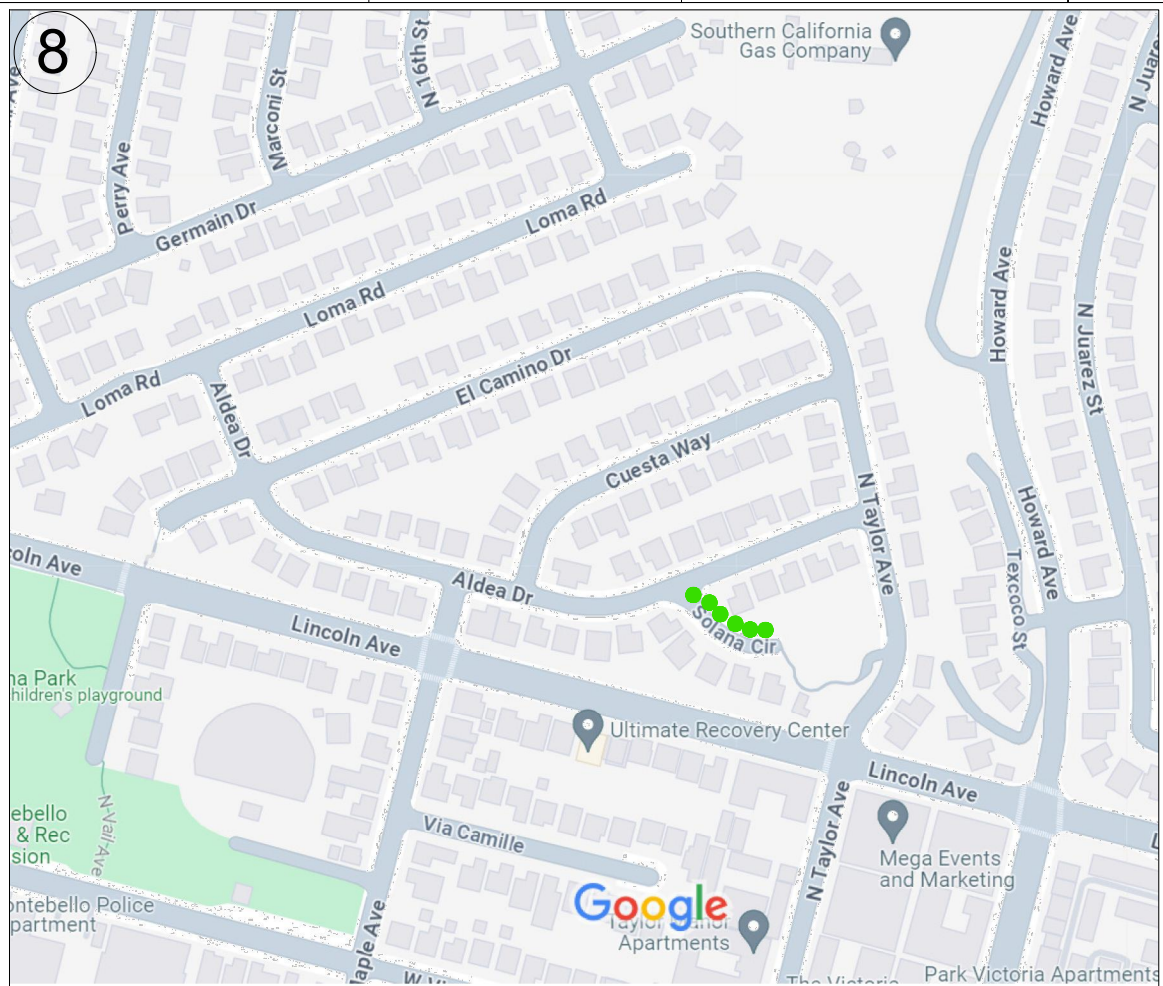
STREET	FROM	TO
CUESTA WAY	TAYLOR AVE.	ALDEA DR.



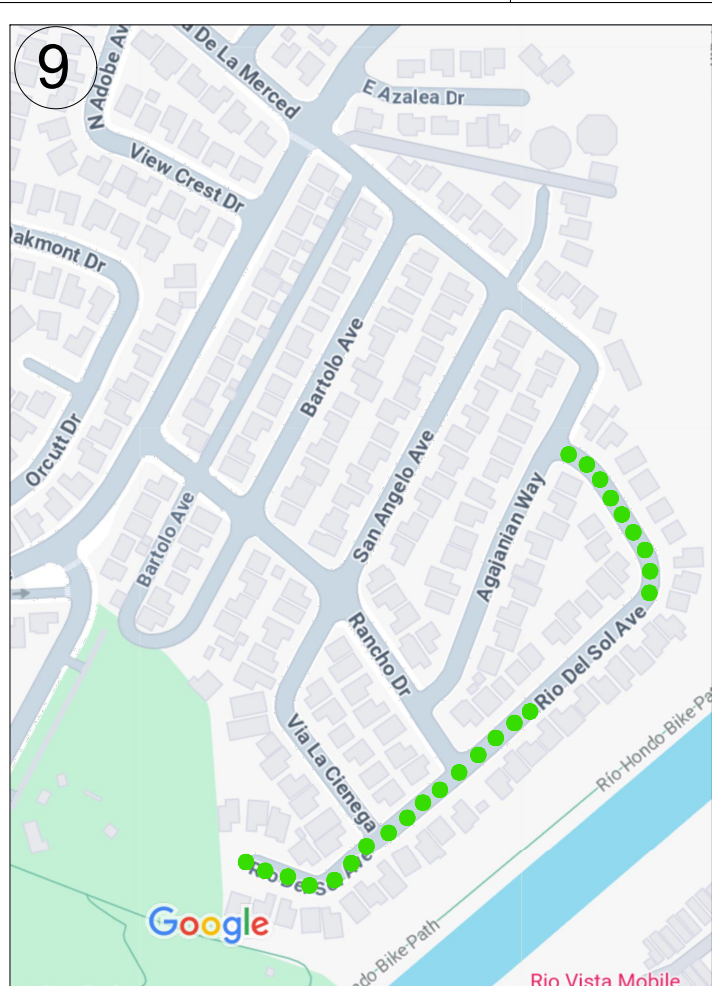
STREET	FROM	TO
ALDEA	TAYLOR	EL CAMINO



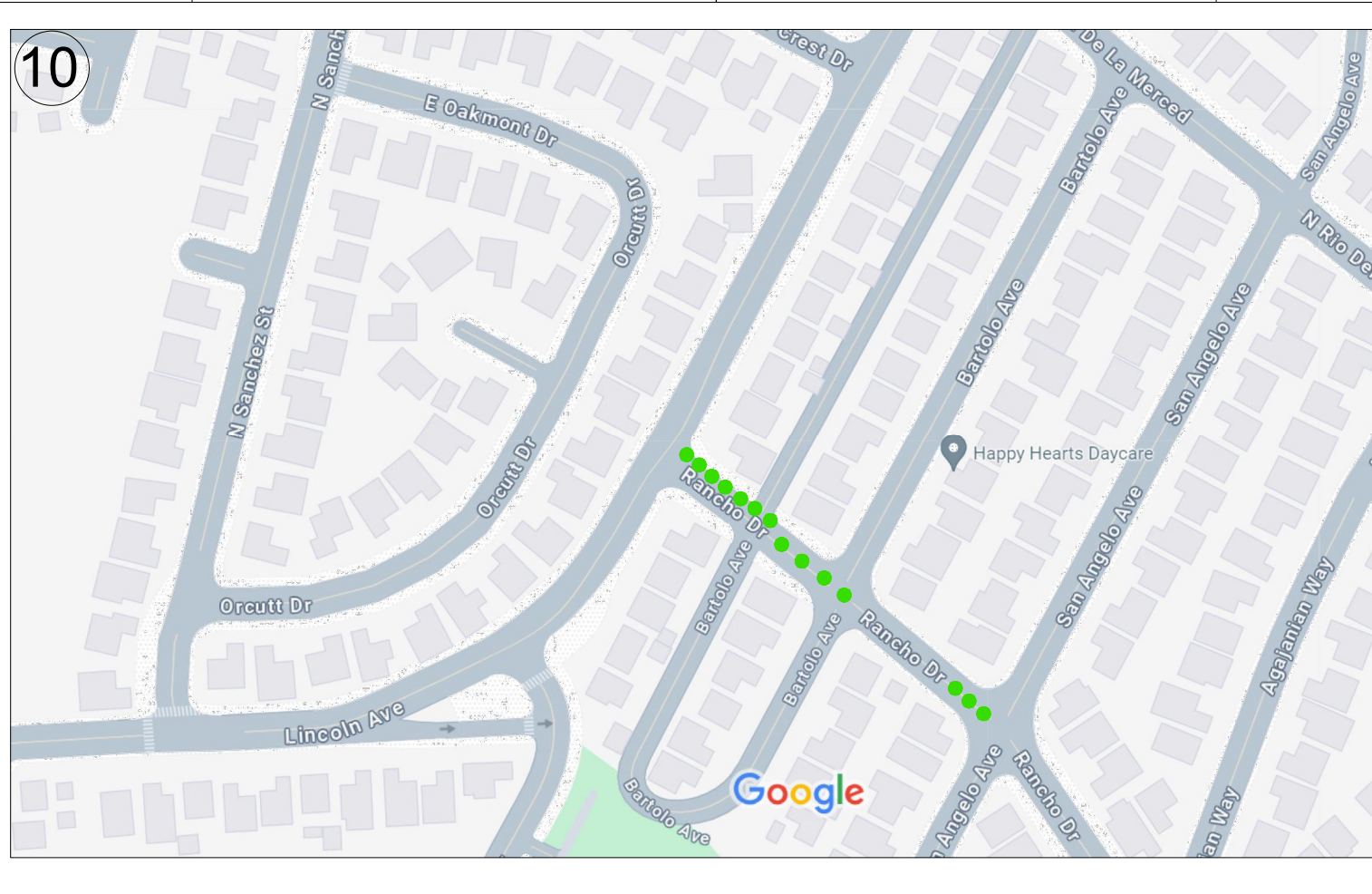
STREET	FROM	TO
MAPLE	LINCOLN	ALDEA DR.



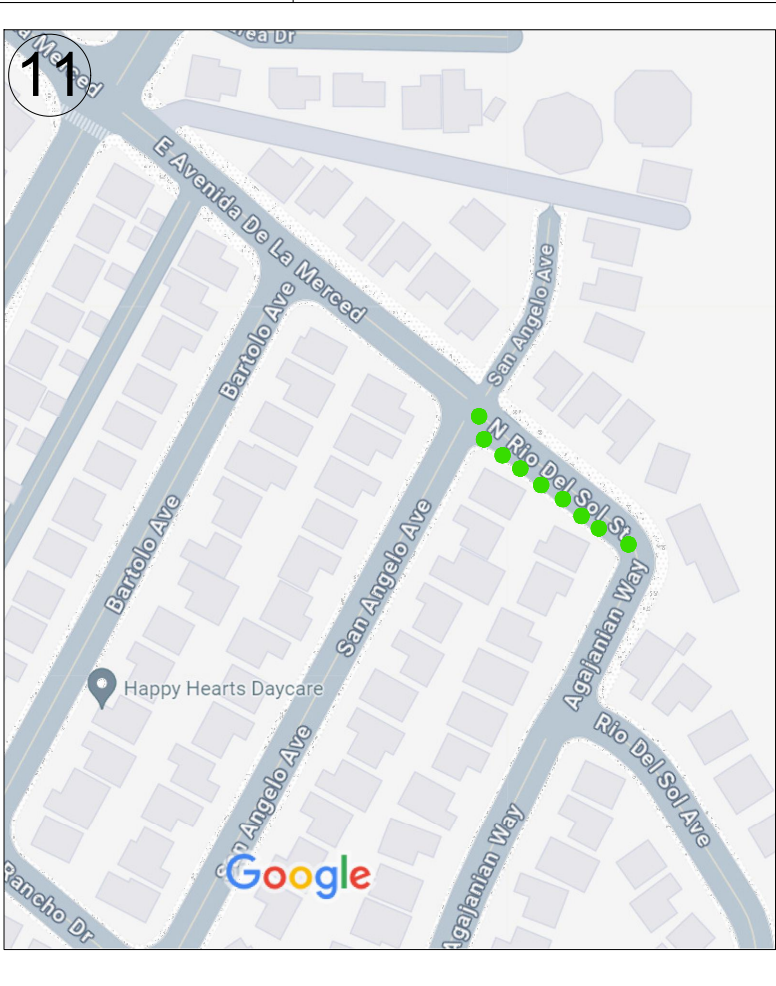
STREET	FROM	TO
SOLANA CIRCLE	END	ALDEA DR.



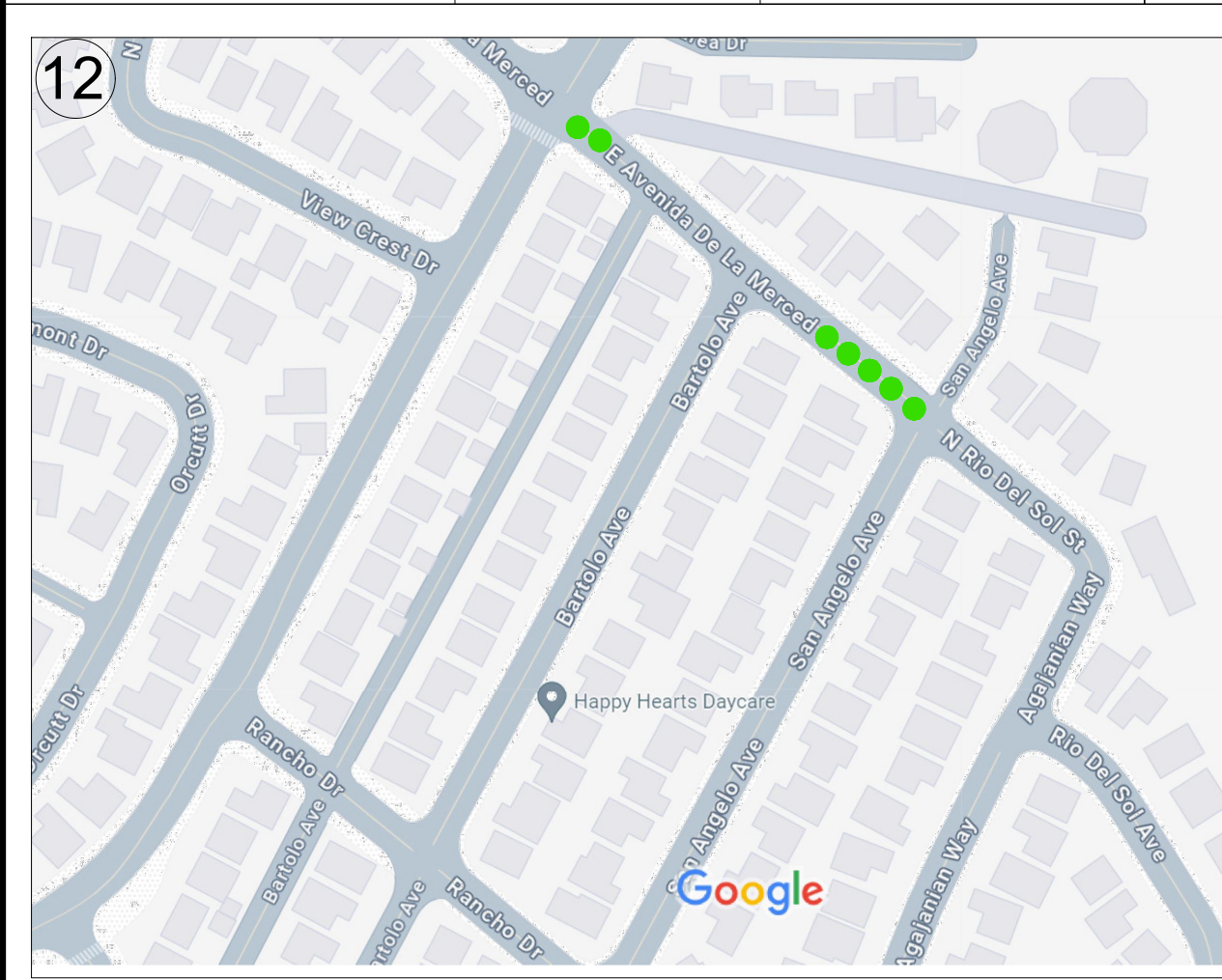
STREET	FROM	TO
RIO DEL SOL	END	AGHAJANIAN



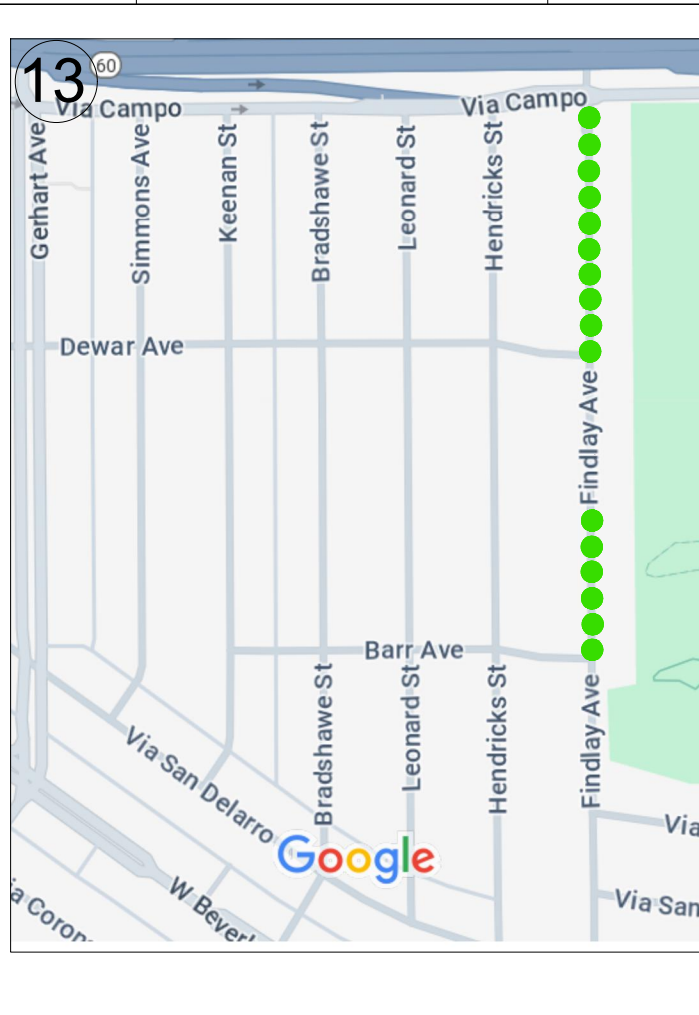
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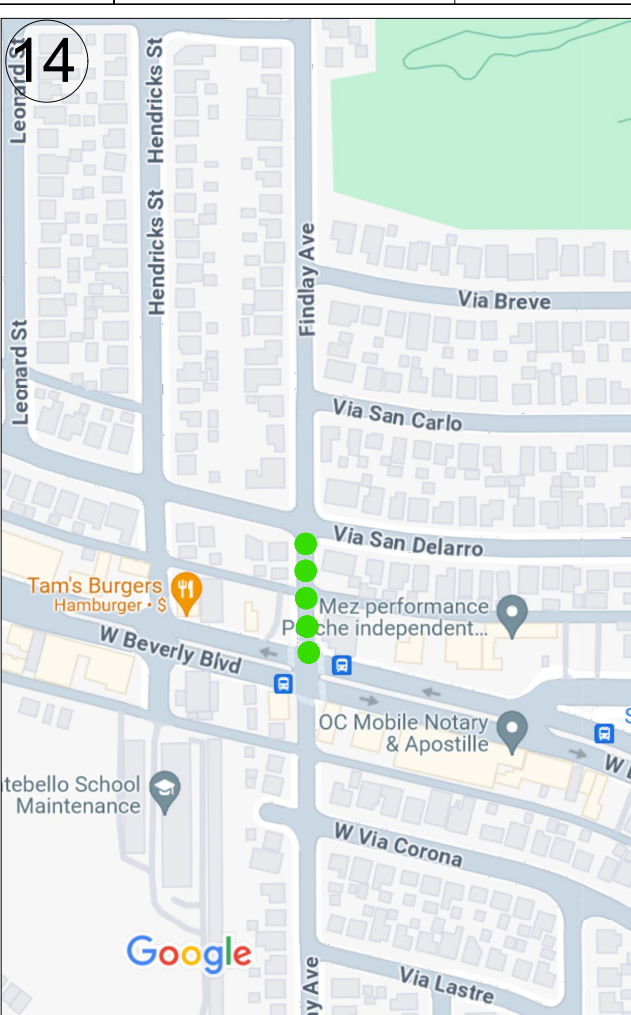
STREET	FROM	TO
RIO DEL SOL	SAN ANGELO	AGHAJANIAN



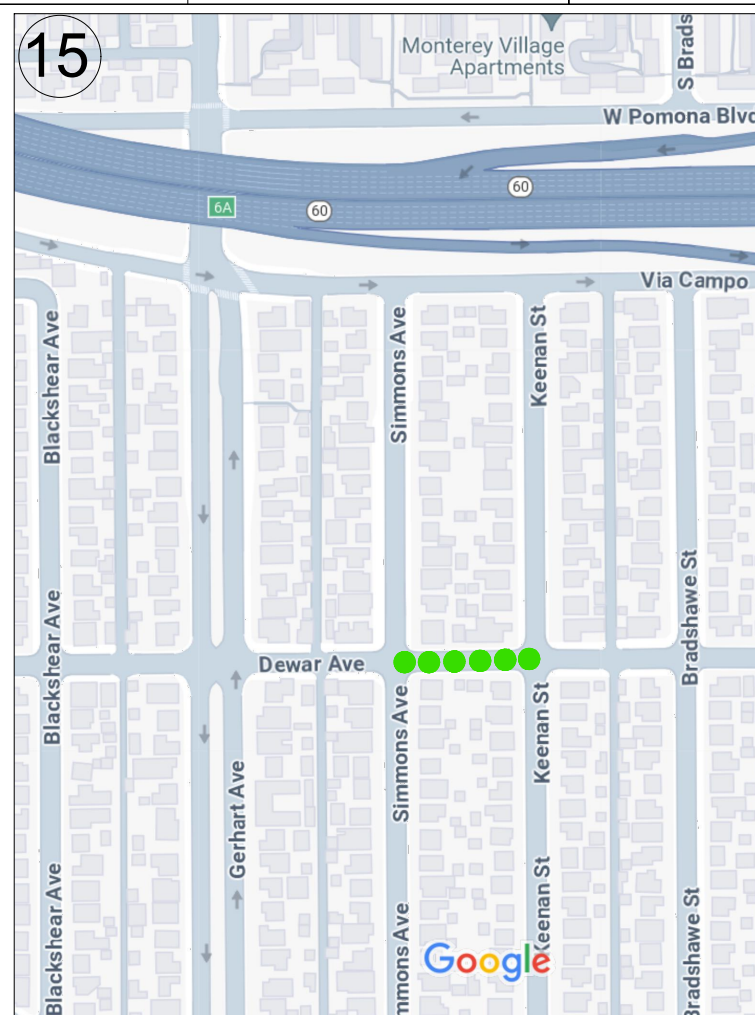
STREET	FROM	TO
AVENIDA DEL LA MERCED	SAN ANGELO	LINCOLN



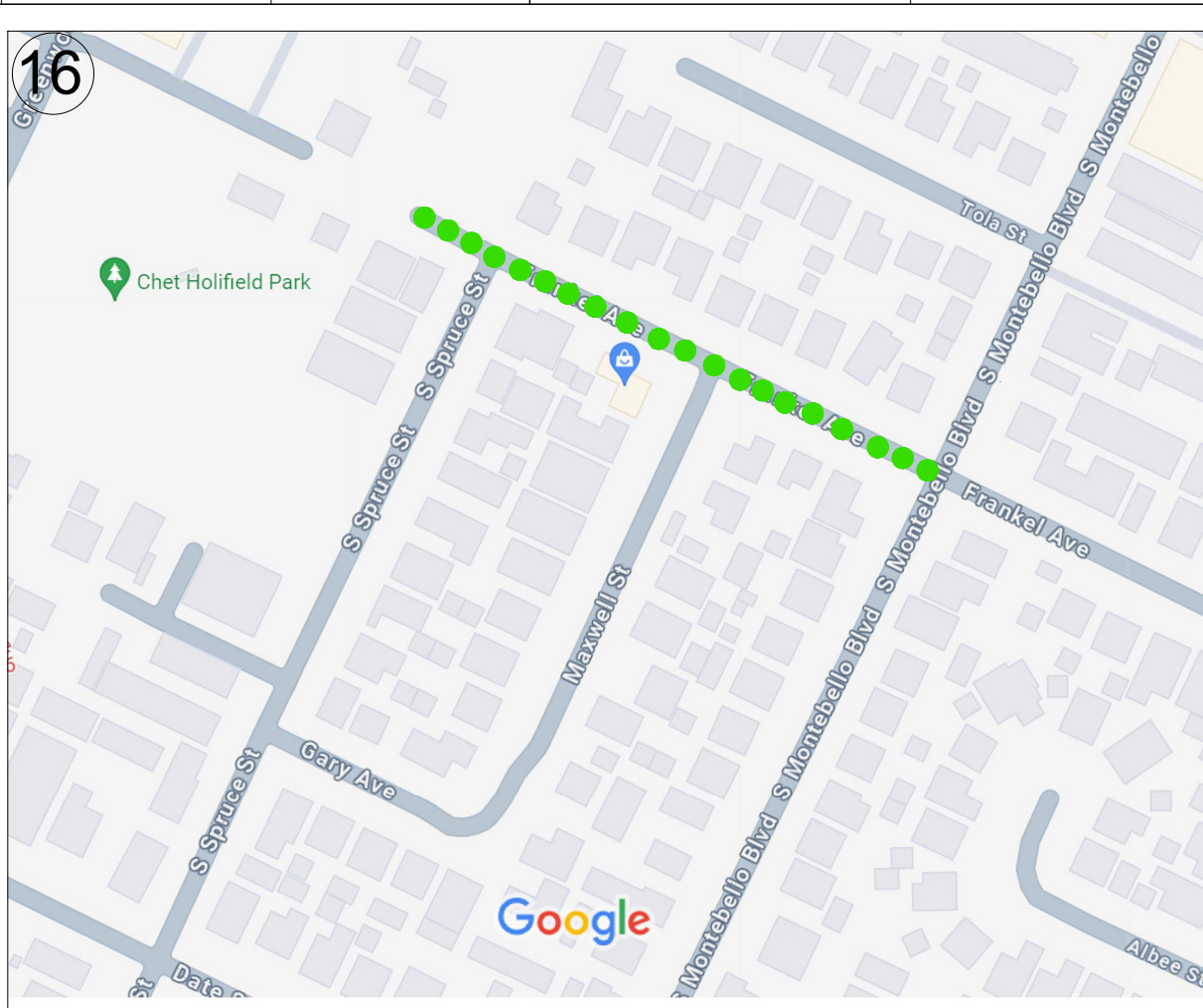
STREET	FROM	TO
FINDLAY AVE.	BARR AVE.	VIA CAMPO



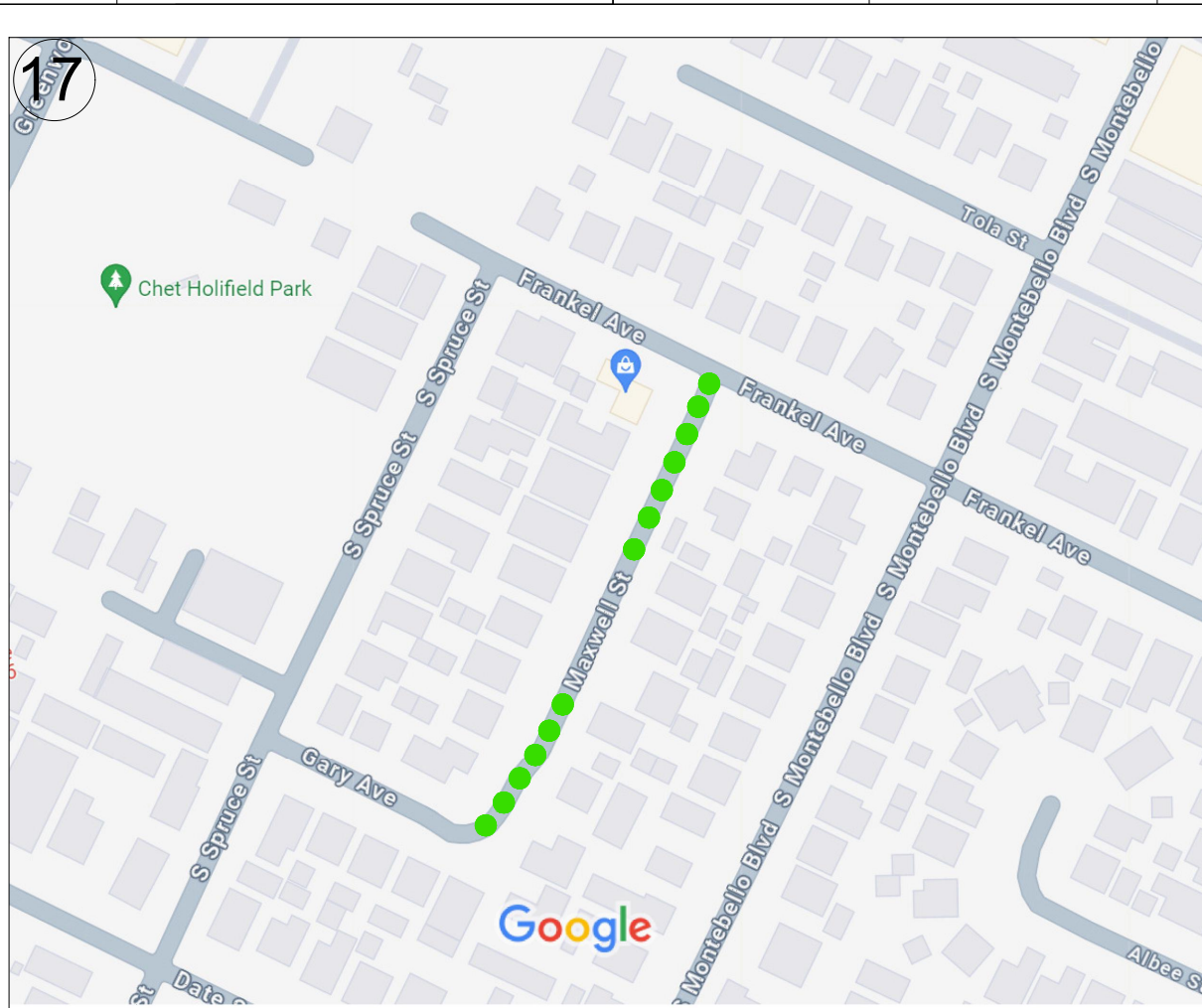
STREET	FROM	TO
FINDLAY AVE.	VIA SAN DELARRO	BEVERLY



STREET	FROM	TO
DEWAR	KEENAN	SIMMONS



STREET	FROM	TO
FRANKEL AVE.	S. MONTEBELLO BLVD	END



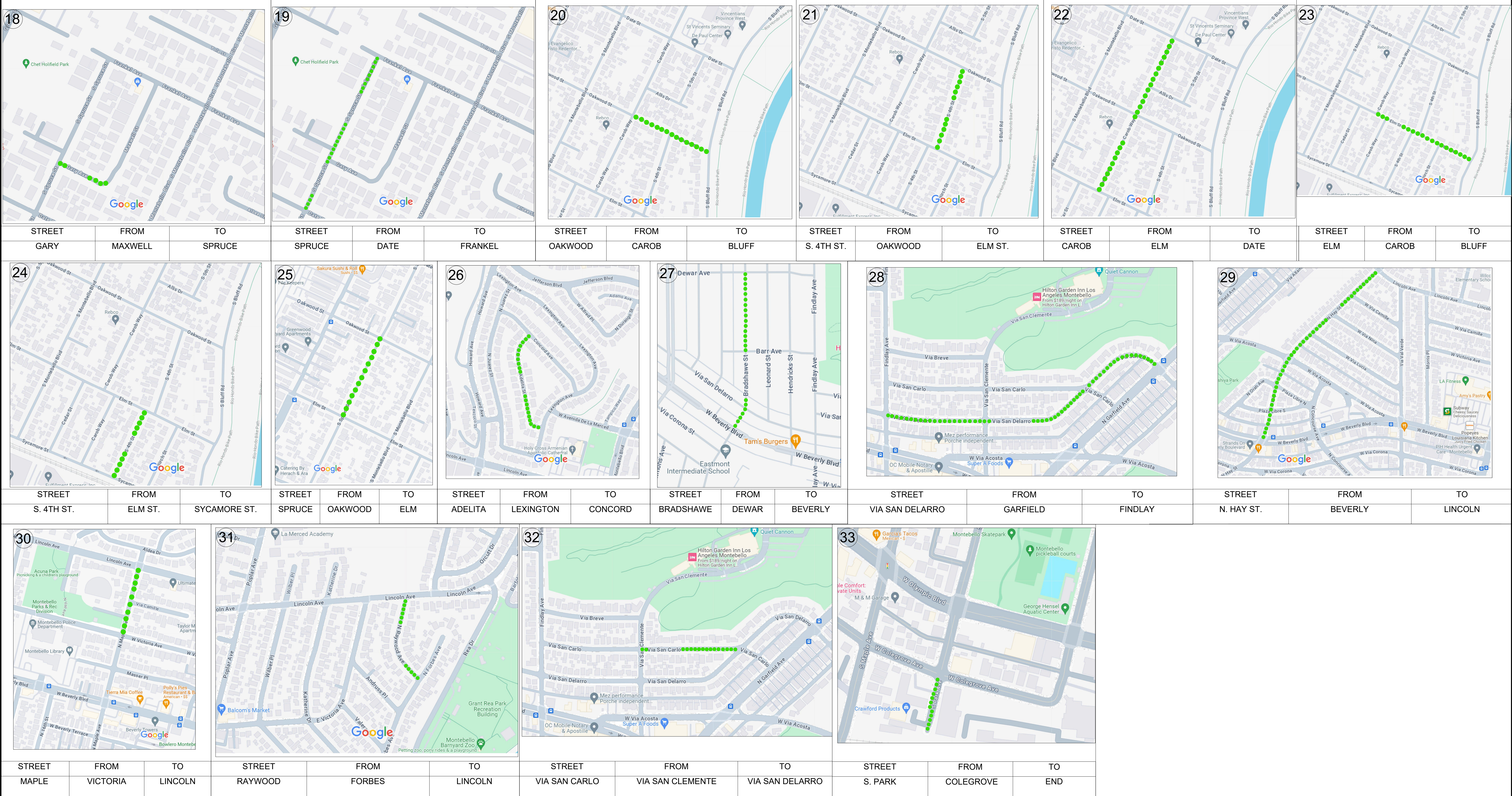
STREET	FROM	TO
MAXWELL	FRANKEL	GARY

LEGEND

●●● 2" GRIND AND OVERLAY

CITY OF MONTEBELLO

YEAR 1 2024-2025
2" GRIND AND OVERLAY



LEGEND

●●● 2" GRIND AND OVERLAY

CITY OF MONTEBELLO

YEAR 1 2024-2025
2" GRIND AND OVERLAY

APPENDIX “D”

SAMPLE PROJECT SIGN

FY 2023-24 SB1 AND ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT

CP No. 913

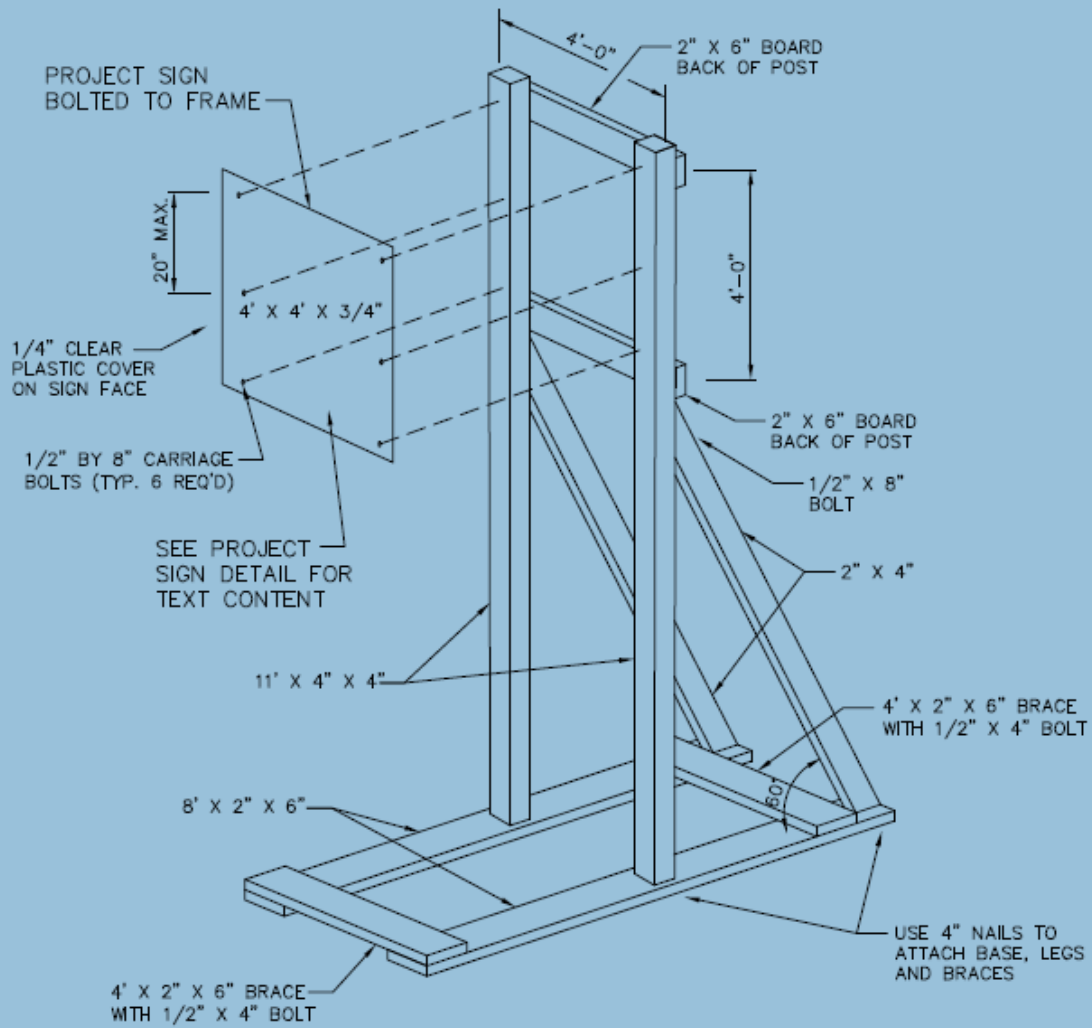


PUBLIC IMPROVEMENT PROJECT SIGN



NOTES:

- Sign Size: 4 feet X 4 feet
- Sign Material: Anti-graffiti, Diamond Grade
- Sign Color: Blue, Accent 1, 60% Lighter
- Lettering Color: Blue
- Border Color: Dark Blue



PUBLIC IMPROVEMENT SIGN **MOUNTING FRAME** NO SCALE

APPENDIX “E”

**SAMPLE CERTIFICATE OF LIABILITY INSURANCE AND
ADDITIONAL ENDORSEMENT PAGE**

FY 2023-24 SB1 AND ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT

CP No. 913



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8/6/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME:	
	PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS:	
INSURED	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A : CONTINENTAL CAS CO	20443
	INSURER B : AMERICAN CAS CO OF READING PA	20427
	INSURER C : UNDERWRITERS AT LLOYDS LONDON	15792
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL INSURED	SUBROGATION	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	☒ COMMERCIAL GENERAL LIABILITY	Y	Y	5088122556	01/24/2024	01/24/2025	EACH OCCURRENCE \$ 2,000,000	
	☐ CLAIMS-MADE ☒ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000	
							MED EXP (Any one person) \$ 10,000	
							PERSONAL & ADV INJURY \$ 2,000,000	
							GENERAL AGGREGATE \$ 4,000,000	
							PRODUCTS - COMP/OP AGG \$ 4,000,000	
							GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PROJECT ☐ LOC OTHER:	
A	AUTOMOBILE LIABILITY			5088122556	01/24/2024	01/24/2025	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000	
	☐ ANY AUTO		BODILY INJURY (Per person) \$					
	☐ OWNED AUTOS ONLY	☐ SCHEDULED AUTOS	BODILY INJURY (Per accident) \$					
	☒ HIRED AUTOS ONLY	☒ NON-OWNED AUTOS ONLY	PROPERTY DAMAGE (Per accident) \$					
	☐ AUTOS ONLY						\$	
	UMBRELLA LIAB						EACH OCCURRENCE \$	
	EXCESS LIAB						AGGREGATE \$	
	DED RETENTION \$						\$	
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	N/A		4024427034	01/26/2024	01/26/2025	PER STATUTE OTHER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						E.L. EACH ACCIDENT \$ 1,000,000	
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000	
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000	
C	Media, Tech, Data & Network Liability			WG00006469AB	09/29/2023	09/29/2024	Per Claim \$2,000,000	
			Aggregate \$2,000,000					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CITY OF MONTEBELLO its officers, employees, agents and volunteers as additional insured per form SB146932G
ATTACHED

CERTIFICATE HOLDER

CANCELLATION

City of Montebello Attn: Risk Management 1600 West Beverly Boulevard Montebello CA 90640	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Rick Powell
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BLANKET ADDITIONAL INSURED AND LIABILITY EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS LIABILITY COVERAGE FORM
BUSINESSOWNERS COMMON POLICY CONDITIONS

TABLE OF CONTENTS	
I.	Blanket Additional Insured Provisions
A.	Additional Insured – Blanket Vendors
B.	Miscellaneous Additional Insureds
C.	Additional Provisions Pertinent to Additional Insured Coverage
1.a.	Primary – Noncontributory provision
1.b.	Definition of "written contract"
2.	Additional Insured – Extended Coverage
II.	Liability Extension Coverages
A.	Bodily Injury – Expanded Definition
B.	Broad Knowledge of Occurrence
C.	Estates, Legal Representatives and Spouses
D.	Fellow Employee First Aid
E.	Legal Liability – Damage to Premises
F.	Personal and Advertising Injury – Discrimination or Humiliation
G.	Personal and Advertising Injury – Broadened Eviction
H.	Waiver of Subrogation – Blanket

I. BLANKET ADDITIONAL INSURED PROVISIONS**A. ADDITIONAL INSURED – BLANKET VENDORS**

Who Is An Insured is amended to include as an additional insured any person or organization (referred to below as vendor) with whom you agreed under a "**written contract**" to provide insurance, but only with respect to "**bodily injury**" or "**property damage**" arising out of "**your products**" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

1. The insurance afforded the vendor does not apply to:
 - a. "**Bodily injury**" or "**property damage**" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - b. Any express warranty unauthorized by you;
 - c. Any physical or chemical change in the product made intentionally by the vendor;
 - d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
 - g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

- h. **"Bodily injury" or "property damage"** arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
- (1) The exceptions contained in Subparagraphs **d.** or **f.**; or
 - (2) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
2. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.
3. This provision **2.** does not apply to any vendor included as an insured by an endorsement issued by us and made a part of this Policy.
4. This provision **2.** does not apply if **"bodily injury" or "property damage"** included within the **"products-completed operations hazard"** is excluded either by the provisions of the Policy or by endorsement.

B. MISCELLANEOUS ADDITIONAL INSURED

1. **Who Is An Insured** is amended to include as an insured any person or organization (called additional insured) described in paragraphs **3.a.** through **3.j.** below whom you are required to add as an additional insured on this policy under a **"written contract."**
2. However, subject always to the terms and conditions of this policy, including the limits of insurance, we will not provide the additional insured with:
- a. A higher limit of insurance than required by such **"written contract;"**
 - b. Coverage broader than required by such **"written contract"** and in no event greater than that described by the applicable paragraph a. through k. below; or
 - c. Coverage for **"bodily injury" or "property damage"** included within the **"products-completed operations hazard."** But this paragraph **c.** does not apply to the extent coverage for such liability is provided by paragraph **3.j.** below.

Any coverage granted by this endorsement shall apply only to the extent permitted by law.

3. Only the following persons or organizations can qualify as additional insureds under this endorsement:

a. Controlling Interest

Any persons or organizations with a controlling interest in you but only with respect to their liability arising out of:

- (1) such person or organization's financial control of you; or
- (2) Premises such person or organization owns, maintains or controls while you lease or occupy these premises;

provided that the coverage granted to such additional insureds does not apply to structural alterations, new construction or demolition operations performed by or for such additional insured.

b. Co-owner of Insured Premises

A co-owner of a premises co-owned by you and covered under this insurance but only with respect to the co-owners liability for **"bodily injury," "property damage"** or **"personal and advertising injury"** as co-owner of such premises.

c. Grantor of Franchise

Any person or organization that has granted a franchise to you, but only with respect to such person or organization's liability for **"bodily injury," "property damage,"** or **"personal and advertising injury"** as grantor of a franchise to you.

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d. Lessor of Equipment

Any person or organization from whom you lease equipment, but only with respect to liability for **"bodily injury," "property damage" or "personal and advertising injury"** caused in whole or in part by your maintenance, operation or use of such equipment, provided that the **"occurrence"** giving rise to such **"bodily injury" or "property damage"** or the offense giving rise to such **"personal and advertising injury"** takes place prior to the termination of such lease.

e. Lessor of Land

Any person or organization from whom you lease land, but only with respect to liability for **"bodily injury," "property damage" or "personal and advertising injury"** arising out of the ownership, maintenance or use of that specific part of the land leased to you, provided that the **"occurrence"** giving rise to such **"bodily injury" or "property damage"** or the offense giving rise to such **"personal and advertising injury,"** takes place prior to the termination of such lease. The insurance hereby afforded to the additional insured does not apply to structural alterations, new construction or demolition operations performed by, on behalf of or for such additional insured.

f. Lessor of Premises

An owner or lessor of premises leased to you, or such owner or lessor's real estate manager, but only with respect to liability for **"bodily injury," "property damage" or "personal and advertising injury"** arising out of the ownership, maintenance or use of such part of the premises leased to you, and provided that the **"occurrence"** giving rise to such **"bodily injury" or "property damage"** or the offense giving rise to such **"personal and advertising injury,"** takes place prior to the termination of such lease. The insurance hereby afforded to the additional insured does not apply to structural alterations, new construction or demolition operations performed by, on behalf of or for such additional insured.

g. Mortgagee, Assignee or Receiver

A mortgagee, assignee or receiver of premises but only with respect to such mortgagee, assignee, or receiver's liability for **"bodily injury," "property damage" or "personal and advertising injury"** arising out of the ownership, maintenance, or use of a premises by you. This insurance does not apply to structural alterations, new construction or demolition operations performed by, on behalf of or for such additional insured.

h. State or Political Subdivisions

A state or government agency or subdivision or political subdivision that has issued a permit or authorization, but only with respect to such government agency or subdivision or political subdivision's liability for **"bodily injury," "property damage" or "personal and advertising injury"** arising out of:

- (1) The following hazards in connection with premises you own, rent, or control and to which this insurance applies:
 - (a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistaway openings, sidewalk vaults, street banners, or decorations and similar exposures; or
 - (b) The construction, erection, or removal of elevators; or
 - (c) The ownership, maintenance or use of any elevators covered by this insurance; or
- (2) The permitted or authorized operations performed by you or on your behalf. But the coverage granted by this paragraph does not apply to:
 - (a) **"Bodily injury," "property damage" or "personal and advertising injury"** arising out of operations performed for the state or government agency or subdivision or political subdivision; or
 - (b) **"Bodily injury" or "property damage"** included within the **"products-completed operations hazard."**

With respect to this provision's requirement that additional insured status must be requested under a **"written contract,"** we will treat as a **"written contract"** any governmental permit that requires you to add the governmental entity as an additional insured.

i. Trade Show Event Lessor

With respect to your participation in a trade show event as an exhibitor, presenter or displayer, any person or organization whom you are required to include as an additional insured, but only with respect to such person or organization's liability for **"bodily injury," "property damage,"** or **"personal and advertising injury"** caused by:

- a. Your acts or omissions; or
- b. Acts or omissions of those acting on your behalf;

in the performance of your ongoing operations at the trade show premises during the trade show event.

j. Other Person or Organization

Any person or organization who is not an additional insured under paragraphs **a.** through **i.** above. Such additional insured is an insured solely for **"bodily injury," "property damage"** or **"personal and advertising injury"** for which such additional insured is liable because of your acts or omissions.

The coverage granted by this paragraph does not apply to any person or organization:

- (1) For **"bodily injury," "property damage,"** or **"personal and advertising injury"** arising out of the rendering or failure to render any professional services;
- (2) For **"bodily injury"** or **"property damage"** included in the **"products-completed operations hazard."** But this provision (2) does not apply to such **"bodily injury"** or **"property damage"** if:
 - (a) It is entirely due to your negligence and specifically results from your work for the additional insured which is the subject to the **"written contract"**; and
 - (b) The **"written contract"** requires you to make the person or organization an additional insured for such **"bodily injury"** or **"property damage"**; or
- (3) Who is afforded additional insured coverage under another endorsement attached to this policy.

C. ADDITIONAL PROVISIONS PERTINENT TO ADDITIONAL INSURED COVERAGE

- 1. With respect only to additional insured coverage provided under paragraphs **A.** and **B.** above:
 - a. The **BUSINESSOWNERS COMMON POLICY CONDITIONS** are amended to add the following to the Condition entitled **Other Insurance**:

This insurance is excess of all other insurance available to an additional insured whether primary, excess, contingent or on any other basis. However, if a **"written contract"** requires that this insurance be either primary or primary and noncontributing, then this insurance will be primary and non-contributory relative solely to insurance on which the additional insured is a named insured.
 - b. Under **Liability and Medical Expense Definitions**, the following definition is added:

"Written contract" means a written contract or agreement that requires you to make a person or organization an additional insured on this policy, provided the contract or agreement:

 - (1) Is currently in effect or becomes effective during the term of this policy; and
 - (2) Was executed prior to:
 - (a) The **"bodily injury"** or **"property damage,"** or
 - (b) The offense that caused the **"personal and advertising injury"**;for which the additional insured seeks coverage.
- 2. With respect to any additional insured added by this endorsement or by any other endorsement attached to this Coverage Part, the section entitled **Who Is An Insured** is amended to make the following natural persons insureds.

If the additional insured is:

 - a. An individual, then his or her spouse is an insured;

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- b. A partnership or joint venture, then its partners, members and their spouses are insureds;
- c. A limited liability company, then its members and managers are insureds;
- d. An organization other than a partnership, joint venture or limited liability company, then its executive officers, directors and shareholders are insureds; or
- e. Any type of entity, then its employees are insureds;

but only with respect to locations and operations covered by the additional insured endorsement's provisions, and only with respect to their respective roles within their organizations. Furthermore, employees of additional insureds are not insureds with respect to liability arising out of:

- (1) **"Bodily injury"** or **"personal and advertising injury"** to any fellow employee or to any natural person listed in paragraphs a. through d. above;
- (2) **"Property damage"** to property owned, occupied or used by their employer or by any fellow employee; or
- (3) Providing or failing to provide professional health care services.

II. LIABILITY EXTENSION COVERAGES

It is understood and agreed that this endorsement amends the **Businessowners Liability Coverage Form**. If any other endorsement attached to this policy amends any provision also amended by this endorsement, then that other endorsement controls with respect to such provision, and the changes made by this endorsement to such provision do not apply.

A. Bodily injury – Expanded Definition

Under **Liability and Medical Expenses Definitions**, the definition of **"Bodily injury"** is deleted and replaced by the following:

"Bodily injury" means physical injury, sickness or disease sustained by a person, including death, humiliation, shock, mental anguish or mental injury by that person at any time which results as a consequence of the physical injury, sickness or disease.

B. Broad Knowledge of Occurrence

Under **Businessowners Liability Conditions**, the Condition entitled **Duties In The Event of Occurrence, Offense, Claim or Suit** is amended to add the following:

Paragraphs a. and b. above apply to you or to any additional insured only when such **"occurrence,"** offense, claim or **"suit"** is known to:

- (1) You or any additional insured that is an individual;
- (2) Any partner, if you or an additional insured is a partnership;
- (3) Any manager, if you or an additional insured is a limited liability company;
- (4) Any **"executive officer"** or insurance manager, if you or an additional insured is a corporation;
- (5) Any trustee, if you or an additional insured is a trust; or
- (6) Any elected or appointed official, if you or an additional insured is a political subdivision or public entity.

This paragraph applies separately to you and any additional insured.

C. Estates, Legal Representatives and Spouses

The estates, heirs, legal representatives and spouses of any natural person insured shall also be insured under this policy; provided, however, coverage is afforded to such estates, heirs, legal representatives and spouses only for claims arising solely out of their capacity as such and, in the case of a spouse, where such claim seeks damages from marital common property, jointly held property, or property transferred from such natural person insured to such spouse. No coverage is provided for any act, error or omission of an estate, heir, legal representative or spouse outside the scope of such person's capacity as such, provided however that the spouse of a natural person Named Insured and the spouses of members or partners of joint venture or partnership Named Insureds are insureds with respect to such spouses' acts, errors or omissions in the conduct of the Named Insured's business.

D. Fellow Employee First Aid Coverage

In the section entitled **Who Is An Insured**, paragraph **2.a.1.** is amended to add the following:

The limitations described in subparagraphs **2.a.1.(a), (b) and (c)** do not apply to your "**employees**" for "**bodily injury**" that results from providing cardiopulmonary resuscitation or other first aid services to a co-"**employee**" or "**volunteer worker**" that becomes necessary while your "**employee**" is performing duties in the conduct of your business. Your "**employees**" are hereby insureds for such services. But the insured status conferred by this provision does not apply to "**employees**" whose duties in your business are to provide professional health care services or health examinations.

E. Legal Liability – Damage To Premises

1. Under **B. Exclusions, 1. Applicable to Business Liability Coverage**, Exclusion **k. Damage To Property**, is replaced by the following:

k. Damage To Property

"**Property damage**" to:

1. Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
2. Premises you sell, give away or abandon, if the "**property damage**" arises out of any part of those premises;
3. Property loaned to you;
4. Personal property in the care, custody or control of the insured;
5. That particular part of any real property on which you or any contractors or subcontractors working directly or indirectly in your behalf are performing operations, if the "**property damage**" arises out of those operations; or
6. That particular part of any property that must be restored, repaired or replaced because "**your work**" was incorrectly performed on it.

Paragraph **2** of this exclusion does not apply if the premises are "**your work**" and were never occupied, rented or held for rental by you.

Paragraphs **1, 3, and 4**, of this exclusion do not apply to "**property damage**" (other than damage by fire or explosion) to premises:

- (1) rented to you;
- (2) temporarily occupied by you with the permission of the owner, or
- (3) to the contents of premises rented to you for a period of 7 or fewer consecutive days.

A separate limit of insurance applies to Damage To Premises Rented To You as described in Section D – Liability and Medical Expenses Limits of Insurance.

Paragraphs **3, 4, 5, and 6** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph **6** of this exclusion does not apply to "**property damage**" included in the "**products-completed operations hazard**."

2. Under **B. Exclusions, 1. Applicable to Business Liability Coverage**, the following paragraph is added, and replaces the similar paragraph, if any, beneath paragraph **(14)** of the exclusion entitled **Personal and Advertising Injury**:

Exclusions **c, d, e, f, g, h, i, k, l, m, n, and o**, do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner or to the contents of premises rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to this coverage as described in **Section D. Liability And Medical Expenses Limits Of Insurance**.

3. The first Paragraph under item **5. Damage To Premises Rented To You Limit** of the section entitled **Liability And Medical Expenses Limits Of Insurance** is replaced by the following:

The most we will pay under Business Liability for damages because of **"property damage"** to any one premises, while rented to you or temporarily occupied by you with the permission of the owner, including contents of such premises rented to you for a period of 7 or fewer consecutive days, is the Damage to Premises Rented to You Limit. The Damage to Premises Rented to You Limit is the greater of:

- a. \$1,000,000; or
- b. The Damage to Premises Rented to You Limit shown in the Declarations.

F. Personal and Advertising Injury – Discrimination or Humiliation

1. Under **Liability and Medical Expenses Definitions**, the definition of **"personal and advertising injury"** is amended to add the following:

- h. Discrimination or humiliation that results in injury to the feelings or reputation of a natural person, but only if such discrimination or humiliation is:

(1) Not done intentionally by or at the direction of:

- (a) The insured; or
- (b) Any **"executive officer,"** director, stockholder, partner, member or manager (if you are a limited liability company) of the insured; and

(2) Not directly or indirectly related to the employment, prospective employment, past employment or termination of employment of any person or person by any insured.

2. Under **B. Exclusions, 1. Applicable to Business Liability Coverage**, the exclusion entitled **Personal and Advertising Injury** is amended to add the following additional exclusions:

(15) Discrimination Relating to Room, Dwelling or Premises

Caused by discrimination directly or indirectly related to the sale, rental, lease or sub-lease or prospective sale, rental, lease or sub-lease of any room, dwelling or premises by or at the direction of any insured.

(16) Employment Related Discrimination

Discrimination or humiliation directly or indirectly related to the employment, prospective employment, past employment or termination of employment of any person by any insured.

(17) Fines or Penalties

Fines or penalties levied or imposed by a governmental entity because of discrimination.

3. This provision (**Personal and Advertising Injury – Discrimination or Humiliation**) does not apply if **Personal and Advertising Injury** Liability is excluded either by the provisions of the Policy or by endorsement.

G. Personal and Advertising Injury - Broadened Eviction

Under **Liability and Medical Expenses Definitions**, the definition of **"Personal and advertising injury"** is amended to delete Paragraph c. and replace it with the following:

- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room dwelling or premises that a person or organization occupies committed by or on behalf of its owner, landlord or lessor.

H. Waiver of Subrogation – Blanket

We waive any right of recovery we may have against:

- a. Any person or organization with whom you have a written contract that requires such a waiver.

All other terms and conditions of the Policy remain unchanged.

APPENDIX “F”

PROJECT LABOR AGREEMENT

FY 2023-24 SB1 AND ANNUAL YEAR 1 STREET IMPROVEMENT PROJECT

CP No. 913

**AGREEMENT NO. 4202 – LOS ANGELES/ORANGE
COUNTIES BUILDING AND CONSTRUCTION
TRADES COUNCIL AND THE SIGNATORY CRAFT
COUNCILS AND UNIONS**



Los Angeles / Orange Counties Building and Construction Trades Council

Affiliated with the Building & Construction Trades Dept., AFL-CIO

1626 Beverly Boulevard
Los Angeles, CA 90026-5784
Phone (213) 483-4222
(714) 827-6791
Fax (213) 483-4419



May 1, 2024

City of Montebello
Attn: Kimberly Guillen,
Administration Department
1600 W. Beverly Blvd.
Montebello, CA 90640

Re: Project Labor Agreement between the City of Montebello and the Los Angeles/Orange Counties
Building and Trades Council

Dear Ms. Guillen,

Enclosed you will find signed fully executed Project Labor Agreement between the City of Montebello and
the Los Angeles/Orange Counties Building and Trades Council.

If you should have any questions, please call me at the Council office.

Sincerely,

Alejandra Gallardo
Administrative Assistant

EM: ag/OPEIU#537/afl-cio

PROJECT LABOR AGREEMENT
BY AND BETWEEN
THE CITY OF MONTEBELLO
AND
LOS ANGELES/ORANGE COUNTIES
BUILDING AND CONSTRUCTION TRADES COUNCIL
AND THE SIGNATORY CRAFT COUNCILS AND UNIONS

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CITY OF MONTEBELLO PROJECT LABOR AGREEMENT

This Project Labor Agreement ("Agreement") is entered into by and between the City of Montebello and its successors or assigns, ("City"), the Los Angeles/Orange Counties Building and Construction Trades Council ("Council"), and the signatory Craft Councils and Local Unions signing this Agreement (collectively, the "Union" or "Unions"). This Agreement establishes the labor relations Policies and Procedures for the City and for the craft employees represented by the Unions engaged in the City's Improvement Projects as more fully described below. The City, Council and Unions are hereinafter referred to herein, as the context may require, as "Party" or "Parties."

It is understood by the Parties to this Agreement that if this Agreement is acceptable to the City, it will become the policy of the City for the Project Work to be contracted exclusively to Contractors who agree to execute and be bound by the terms of this Agreement, directly or through the Letter of Assent (a form of which is attached as "Attachment A"), and to require each of its subcontractors, of whatever tier, to become bound. The City shall include, directly or by incorporation by reference, the requirements of this Agreement in the advertisement of and/or specifications for each and every applicable contract for Project Work to be awarded by the City.

ARTICLE I **DEFINITIONS**

Section 1.1 "Agreement" means this Project Labor Agreement.

Section 1.2 "Apprentice" means those employees indentured and participating in a Joint Labor/Management Apprenticeship Program approved by the State of California, Department of Industrial Relations, Division of Apprenticeship Standards.

Section 1.3 "Construction Contract" and "Construction Contracts" means any contract entered into by the City as defined by Section 2.2.

Section 1.4 "Contractor" means any individual firm, partnership or corporation, or combination thereof, including joint ventures, which is an independent business enterprise and which has entered into a Construction Contract with the City or any of its contractors or any of the City's or contractor's subcontractors of any tier, with respect to the construction of any part of a Project under contract terms and conditions approved by the City and which incorporate this Agreement.

Section 1.5 "City" means the City of Montebello.

Section 1.6 "Joint Labor/Management Apprenticeship Program" as used in this Agreement means a joint Union and Contractor administered apprenticeship program certified by the State of California, Department of Industrial Relations, Division of Apprenticeship Standards.

Section 1.7 "Letter of Assent" means the document that each Contractor (of any tier) must sign and submit to the City before beginning any Project Work, which formally binds such

Contractor(s) to adherence to all the forms, requirements, and conditions of this Agreement in the form attached hereto as Attachment A.

Section 1.8 “Master Labor Agreements” or “MLA” as used in this Agreement means the local collective bargaining agreements of the signatory Unions having jurisdiction over the Project Work and which have signed this Agreement.

Section 1.9 "Project," "City Project" or “Project Work” means the construction work to be performed on City property or within easements secured by the City consisting of the construction of public projects, pursuant to a Construction Contract entered into by the City, as more fully described in Article 2, below, excluding those listed under Section 2.5 below.

Section 1.10 “Local small business enterprise” means that which is organized for profit; has a place of business in the US with a main office in Los Angeles County in the past 12 months; operates primarily within the US or makes significant contributions to the US economy through payment of taxes or use of American products, materials or labor; is independently owned and operated and is not dominant in its field on a national basis; has 15 or fewer employees and an average annual gross receipts of \$10 million or less for the last 3 years.

Section 1.11 “Subscription Agreement” means the contract between a Contractor and a Union’s Labor/Management Trust Fund(s) that allows the Contractor to make the appropriate fringe benefit contributions in accordance with the terms of a Master Labor Agreement.

Section 1.12 The use of masculine or feminine gender or titles in this Agreement should be construed as including both genders and not as gender limitations unless the Agreement clearly requires a different construction. Further, the use of Article titles and/or Section headings are for information only and carry no legal significance.

ARTICLE 2

SCOPE OF THE AGREEMENT

Section 2.1 General This Agreement shall apply and is limited to all of the City’s Project Work, as specified in Section 2.2 of this Article, performed by those Contractor(s) of whatever tier that have contracts awarded for such work, for the development of the City’s facilities which, jointly, constitute the Project, and have been designated by the City for construction or rehabilitation, unless specifically excluded in the definition of a Project.

Section 2.2 Specific The work covered by this Agreement is defined and limited to:

(a) All construction, abatement, demolition, renovation, rehabilitation, upgrade and improvement work and new construction work pursuant to prime multi-trade contracts that exceed \$500,000 and all subcontracts arising from these prime contracts; and

(b) All prime specialty contracts that exceed the Uniform Public Construction Cost Accounting Act (UPCCA) formal bidding threshold of \$200,000 and all subcontracts arising from these specialty contracts. In the event of an amendment to the UPCCA resulting in an increase of the formal bidding threshold established within the law, this subsection (b) shall reflect the same;

(c) Work covered by this Agreement shall also include projects built by, with or for the City where the City has a "Proprietary Interest" in a project. For the purposes of this Article, Proprietary Interest means: Where the City owns all or part of the project site or project to be developed, has an investment in the project site or project to be developed that exceeds two-million dollars, will receive income and/or tax increments from the project that exceeds two-million dollars, provides for financing of the project, or arranges for grants to supplement project financing.

(d) It is understood by the Parties that the City may at any time, and at its sole discretion, add additional projects under this Agreement not set forth in subsections (a) and (b), above.

Section 2.3 Bundling of Contracts The Parties understand that, to the maximum extent feasible, and consistent with goals of the City to (i) utilize this Agreement as the labor relations policy for its construction and rehabilitation program and (ii) fully utilize the services of local small business enterprises for such construction and rehabilitation work:

(a) The City, in its sole discretion, will seek to group (or "bundle") for bidding, contracts not meeting the thresholds of Section 2.2 (a) or (b) above. (Small contracts for like types of work, scheduled to be undertaken at the same facility or on the same project site, and within the same timeframe, will be considered for such bundling, consistent with economies of scale, and the purposes of this Agreement); and

(b) Project Work will not be split, divided, or otherwise separated for contract award purposes to avoid application of this Agreement.

Section 2.4 This Agreement shall not apply to any work of any Contractor other than that on Project Work specifically covered by this Agreement.

Section 2.5 Exclusions Items specifically excluded from the Scope of this Agreement include the following:

(a) Work of non-manual employees, including but not limited to: superintendents; supervisors; staff engineers; time keepers; mail carriers; clerks; office workers; messengers; guards; safety personnel; emergency medical and first aid technicians; and other professional, engineering, administrative, supervisory and management employees;

(b) Equipment and machinery owned or controlled and operated by the City;

(c) All off-site manufacture and handling of materials, equipment, or machinery; provided, however, that lay down or storage areas for equipment or material and manufacturing (prefabrication) sites, dedicated solely to the Project or Project Work, and the movement of materials or goods between locations on a Project site are within the scope of this Agreement;

(d) All employees of the City, Project Labor Coordinator, design teams (including, but not limited to architects engineers and master planners), or any other consultants for the City (including, but not limited to, project managers and construction managers and their employees

where not engaged in Project Work) and their sub-consultants, and other employees of professional service organizations, not performing manual labor within the scope of this Agreement; provided, however, that it is understood and agreed that Surveyors, Building/Construction Inspectors and Field Soils and Materials Testers (collectively "Inspectors") are covered crafts under the PLA. (This inclusion applies to the scope of work defined in the State of California Wage Determination for said Crafts. This shall also specifically include such work where it is referred to by utilization of such terms as "quality control" or "quality assurance." Every Inspector performing under the Wage classification of a Surveyor, Building/Construction Inspector and Field Soils and Material Testers under a professional services agreement or a construction contract shall be bound to all applicable requirements of the PLA.) Covered Work as defined by this Agreement shall be performed pursuant to the terms and conditions of this Agreement regardless of the manner in which the work was awarded;

(e) Any work performed on or near or leading to or into a site of work covered by this Agreement and undertaken by state, county, City or other governmental bodies, or their Contractors; or by public utilities, or their Contractors; and/or by the City or its Contractors (for work for which is not within the scope of this Agreement);

(f) Off-site maintenance of leased equipment and on-site supervision of such work;

(g) It is recognized that certain materials, equipment, and systems of a highly technical and specialized nature will have to be installed at the Project. The nature of the materials, equipment, and systems, together with requirements of manufacturer's or vendor's warranty, may dictate that it be prefabricated, pre-piped, and/or pre-wired and that it be installed under the supervision and direction of Owner's and/or manufacturer's personnel. The Unions agree to install such material, equipment, and systems without incident;

(h) Non-construction support services contracted by the City, Project Labor Coordinator, or Contractor in connection with this Project;

(i) Off-site laboratory work for testing;

(j) All hauling from and delivery to the Project and deliveries of all materials required to complete the Project, except that the hauling/delivery of soil, sand, gravel, aggregate, rocks, concrete, asphalt, excavation materials, fill material and construction debris shall be covered by this Agreement;

(k) Work on the Project performed as a result of a threat to life, limb or property or other emergency or circumstances requiring immediate action outside of the Contractor's control;

(l) Any projects to take place on the following parcels relating to the golf course area: 5267-010-908, 5267-010-907, 5267-006-901, 5267-006-900, 5267-009-901, 5267-007-900, 5267-007-901, 5267-009-900, 5267-009-902, and 5267-009-904 (see Attachment E for Parcel Map), except for projects approved under the Park Master Plan for the golf course parcels identified herein that satisfy the thresholds set forth in Section 2.2 of this Agreement that are to take place on the parcels listed herein. The Park Master Plan for the golf course parcels

identified herein is a document intended to be approved, evaluated, and considered by the City Council at a future date; and

(m) Grant funded collaborations/ formula funded projects that conflict with this agreement; and projects that have been let out for bids before the execution of this Agreement.

Section 2.6 Awarding of Contracts

(a) The City and/or the Contractors, as appropriate, have the absolute right to award contracts or subcontracts on this Project to any Contractor notwithstanding the existence or non-existence of any agreements between such Contractor and any Union parties, provided only that such Contractor is willing, ready and able to execute and comply with this Project Labor Agreement should such Contractor be awarded work covered by this Agreement.

(b) It is agreed that all Contractors and subcontractors of whatever tier, who have been awarded contracts for work covered by this Agreement, shall be required to accept and be bound to the terms and conditions of this Project Labor Agreement, and shall evidence their acceptance by the execution of the Letter of Assent as set forth in Attachment A hereto, prior to the commencement of work. At the time that any Contractor enters into a subcontract with any subcontractor of any tier providing for the performance on the construction contract, the Contractor shall provide a copy of this Agreement to said subcontractor and shall require the subcontractor, as a part of accepting the award of a construction subcontract, to agree in writing in the form of a Letter of Assent to be bound by each and every provision of this Agreement prior to the commencement of work on the Project. No Contractor or subcontractor shall commence Project Work without having first provided a copy of the Letter of Assent as executed by it to the Project Labor Coordinator and to the Council forty-eight (48) hours before the commencement of Project Work, or within forty-eight (48) hours after the award of Project Work to that Contractor (or subcontractor), whichever occurs later.

(c) The City agrees that to the extent permitted by law and consistent with the economy and efficiency of construction and operation, it will use its best efforts to purchase materials, equipment and supplies which will not create labor strife. Under all circumstances, however, the City shall retain the absolute right to select the lowest reliable and responsible bidder for the award of contracts on all projects.

Section 2.7 Coverage Exception

(a) This Agreement shall not apply if the City receives funding or assistance from any Federal, State, local or other public entity for the Construction Contract if a requirement, condition or other term of receiving that funding or assistance, at the time of the awarding of the contract, is that the City not require, bidders, contractors, subcontractors or other persons or entities to enter into an agreement with one or more labor organizations or enter into an agreement that contains any of the terms set forth herein. The City agrees that it will make every effort to establish the enforcement of this Agreement with any governmental agency or granting authority.

Section 2.8 Master Labor Agreements

(a) The provisions of this Agreement, including the MLAs, (which are the local Master Labor Agreements of the signatory Unions having jurisdiction over the work on the Project, as such may be changed from time-to-time and which are incorporated herein by reference) shall apply to the work covered by this Agreement, notwithstanding the provisions of any other local, area and/or national agreement which may conflict with or differ from the terms of this Agreement. However, such does not apply to work performed under the National Cooling Tower Agreement, the National Stack Agreement, the National Transit Division Agreement (NTD), or within the jurisdiction of the International Union of Elevator Constructors and all instrument calibration and loop checking work performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Systems Technicians, except that Articles dealing with Work Stoppages and Lock-Outs, Work Assignments and Jurisdictional Disputes, and Settlement of Grievances and Disputes shall apply to such work. It is specifically agreed that no later agreement shall be deemed to have precedence over this Agreement unless signed by all Parties signatory hereto who are then currently employed or represented at the Project. Where a subject covered by the provisions of this Agreement is also covered by a MLA, the provisions of this Agreement shall apply. Where a subject is covered by a provision of a MLA and not covered by this Agreement, the provisions of the MLA shall prevail. Any dispute as to the applicable source between this Agreement and any MLA for determining the wages, hours of working conditions of employees on this Project shall be resolved under the procedures established in Article 10.

(b) It is understood that this Agreement, together with the referenced MLA's, constitutes a self-contained, stand-alone agreement and by virtue of having become bound to this Project Labor Agreement, the Contractor will not be obligated to sign any other local, area or national collective bargaining agreement as a condition of performing work within the scope of this Agreement (provided, however, that the Contractor may be required to sign a uniformly applied, non-discriminatory Participation Agreement at the request of the trustees or administrator of a trust fund established pursuant to Section 302 of the Labor Management Relations Act, and to which such Contractor is bound to make contributions under this Agreement, provided that such Participation Agreement does not purport to bind the Contractor beyond the terms and conditions of this Agreement and/or expand its obligation to make contributions pursuant thereto). It shall be the responsibility of the prime Contractor to have each of its subcontractors sign the documents described herein, with the appropriate Craft Union prior to the subcontractor beginning work on covered Projects.

Section 2.9 Workers' Compensation Carve-out The Parties recognize the potential which the Project Work may provide for the implementation of a cost-effective workers' compensation system, as permitted by revised California Labor Code Section 3201.5, and it is understood that the City is in an ongoing review of the value of such a program. Should the City request, the Union parties agree to meet and negotiate in good faith with representatives of the City for the development, and subsequent implementation, of an effective program involving improved and revised dispute resolution and medical care procedures for the delivery of workers' compensation benefits and medical coverage as permitted by the California Labor Code.

Section 2.10 Binding Signatories Only This Agreement shall only be binding on the signatory Parties hereto, and shall not apply to the parents, affiliates, subsidiaries, or other ventures of any such Party.

Section 2.11 Other City Work This Agreement shall be limited to the construction work within the Scope of this Agreement including, specifically, site preparation and related demolition work, and new construction and major rehabilitation work for new or existing facilities referenced in Section 2.2 and subject to the work thresholds set forth in Section 2.2 above. Nothing contained herein shall be interpreted to prohibit, restrict, or interfere with the performance of any other operation, work or function not covered by this Agreement, which may be performed by City Employees or contracted for by the City for its own account, on its property or in and around a Project site.

Section 2.12 Separate Liability It is understood that the liability of the Contractor(s) and the liability of the separate Unions under this Agreement shall be several and not joint. The Unions agree that this Agreement does not have the effect of creating any joint employment status between or among the City and/or any Contractor.

Section 2.13 Completed Project Work As areas of covered work are accepted by the City, this Agreement shall have no further force or effect on such items or areas except where the Contractor is directed by the City or its representatives to engage in repairs, modification, check-out and/or warranties functions required by its contract(s) with the City.

ARTICLE 3 **UNION RECOGNITION AND EMPLOYMENT**

Section 3.1 Recognition The Contractor recognizes the Council and the signatory local Unions as the exclusive bargaining representative for the employees engaged in Project Work. Contractors further recognize that the Unions shall be the primary source of all craft labor employed on City Projects. In the event that a Contractor has its own core workforce, said Contractor shall follow the procedures outlined below.

Section 3.2 Contractor Selection of Employees The Contractor shall have the right to determine the competency of all employees, the number of employees required, the duties of such employees within their craft jurisdiction, and shall have the sole responsibility for selecting employees to be laid off, unless expressly limited or required by a specific provision of this Agreement or an MLA. The Contractor shall also have the right to reject any applicant referred by a Union for any reason, subject to any required reporting pay; provided, however, that such right is exercised in good faith and not for the purpose of avoiding the Contractor's commitment to employ qualified workers through the procedures endorsed in this Agreement.

Section 3.3 Referral Procedures

(a) For signatory Unions now having a job referral system contained in a MLA, the Contractor agrees to comply with such system and it shall be used exclusively by such Contractor, except as modified by this Agreement. Such job referral system will be operated in a nondiscriminatory manner and in full compliance with federal, state, and local laws and regulations which require equal employment opportunities and non-discrimination. All of the

foregoing hiring procedures, including related practices affecting apprenticeship, shall be operated so as to consider the goals of the City to encourage employment of City residents and utilization of small local business enterprises on the Project, and to facilitate the ability of all Contractors to meet their employment needs.

(b) The local Unions will exert their best efforts to recruit and refer sufficient numbers of skilled craft workers to fulfill the labor requirements of the Contractor, including specific employment obligations to which the Contractor may be legally and/or contractually obligated; and to refer apprentices as requested to develop a larger, skilled workforce. The local Unions will work with their affiliated regional and national unions, to identify and refer competent craft persons as needed for Project Work, and to identify and hire individuals, particularly residents of the City, for entrance into joint labor/management apprenticeship programs, or to participate in other identified programs and procedures to assist individuals in qualifying and becoming eligible for such apprenticeship programs, all maintained to increase the available supply of skilled craft personnel for Project Work and future construction of maintenance work to be undertaken by the City.

(c) The Union shall not knowingly refer an employee currently employed by a Contractor on a covered Project to any other Contractor.

Section 3.4 Non-Discrimination in Referral, Employment, and Contracting The Unions and the Contractors agree that they will not discriminate against any employee or applicant for employment in hiring and dispatching on the basis of race, color, religion, sex, gender, national origin, age, membership in a labor organization, sexual orientation, political affiliation, marital status, or disability. Further, it is recognized that the City has certain policies, programs, and goals for the utilization of local small business enterprises. The Parties shall jointly endeavor to assure that these commitments are fully met, and that any provisions of this Agreement which may appear to interfere with local small business enterprises successfully bidding for work within the scope of this Agreement shall be carefully reviewed, and adjustments made as may be appropriate and agreed upon among the Parties, to ensure full compliance with the spirit and letter of the City's policies and commitment to its goals for the significant utilization of local small businesses as direct Contractors or suppliers for Project Work.

Section 3.5 Employment of Local Residents

(a) The Unions and Employers agree that, to the extent allowed by law, and as long as they possess the requisite skills and qualifications, the Unions will exert their best efforts to refer and/or recruit sufficient numbers of skilled craft "Local Residents" as defined herein, to fulfill the requirements of the Employers. In recognition of the fact that the communities surrounding Project Work will be impacted by the construction of the Project Work, the parties agree to support the hiring of workers from the residents of these surrounding areas. Towards that end, the Parties hereby establish a goal that 30% of all construction labor hours worked on the Project shall be from Veterans and individuals who have successfully completed the Building Trades Multi-Craft Core Curriculum Pre-Apprenticeship Program, regardless of where they reside, and qualified area residents residing: first, in those first tier zip codes which overlap the area covered by the City, as reflected on the list of U.S. Postal Service zip codes attached hereto as "Attachment B", second, within a (15) mile radius from City Hall, as reflected on the list of U.S. Postal Service zip codes attached hereto as Attachment "B," and third, within the remainder

of the County of Los Angeles. For dispatch purposes, employees described in this Section 3.5 (a) shall be referred to as "Local Residents."

(b) A goal of 30% of the total work hours performed on the Project shall be from Local Residents.

Section 3.6 To facilitate the dispatch of area residents, veterans and individuals who have successfully completed the Building Trades Multi-Craft Core Curriculum Pre-Apprenticeship Program, all Contractors will be required to utilize the Craft Employee Request Form whenever they are requesting the referral of any employee from a Union referral list for any Covered Project, a sample of which is attached as Attachment C. When area residents, veterans, and individuals who have successfully completed the Building Trades Multi-Craft Core Curriculum Pre-Apprenticeship Program are requested by the Employers, the Unions will refer such workers regardless of their place in the Unions' hiring halls' list and normal referral procedures.

Section 3.7 Helmets to Hardhats The Employers and the Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction industry. The employers and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the Parties. For purposes of this Agreement the term "Eligible Veteran" shall have the same meaning as the term "veteran" as defined under Title 5, Section 2108(1) of the United States Code as the same may be amended or re-codified from time to time. It shall be the responsibility of each qualified City resident to provide the Unions with proof of his/her status as an Eligible Veteran.

The Unions and Employers agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on this Project and of apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Unions will give credit to such veterans for bona fide, provable past experience.

Section 3.8 Core Employees

(a) Contractors which are not independently signatory to a Master Labor Agreement may employ, as needed, first, a member of his core workforce, then an employee through a referral from the appropriate Union hiring hall, then a second core employee, then a second employee through the referral system, and so on until a maximum of five (5) core employees are employed, thereafter, all additional employees in the affected trade or craft shall be requisitioned from the craft hiring hall in accordance with Section 3.3. In the laying off of employees, the number of core employees shall not exceed one-half plus one of the workforce for an employer with 10 or fewer employees, assuming the remaining employees are qualified to undertake the work available. This provision applies only to Contractors which are not independently signatory to a Master Labor Agreement and is not intended to limit the transfer provisions of the MLA of any trade. As part of this process, and in order to facilitate the contract administration procedures, as well as appropriate fringe benefit fund coverage, all Contractors shall require their core employees and any other persons employed other than through the Union referral process,

to register with the appropriate Union hiring hall, if any, prior to their first day of employment at a project site.

(b) The core work force is comprised of those employees whose names appeared on the Contractor's active payroll for sixty (60) of the one hundred (100) working days immediately before award of Project Work to the Contractor; who have worked at least two-thousand (2,000) hours in the construction craft in which they are employed, during the prior four (4) years; who possess any license required by state or federal law for the Project Work to be performed; and who have the ability to safely perform the basic functions of the applicable trade.

(c) Prior to each Contractor performing any work on the Project, each Contractor shall provide a list of his core employees to the Council. Failure to do so will prohibit the Contractor from using any core employees. Upon request by any Party to this Agreement, the Contractor hiring any core employee shall provide satisfactory proof (i.e., payroll records, quarterly tax records, driver's license, voter registration, postal address, and such other documentation) evidencing the core employee's qualification as a core employee to the Council.

(d) Hours worked by residents of states other than California shall not be included in the calculation of total hours of Project Work for purposes of the percentage requirements set forth above.

Section 3.9 Time for Referral If any Union's registration and referral system does not fulfill the requirements for specific classifications requested by any Contractor within forty-eight (48) hours (excluding Saturdays, Sundays, and holidays), that Contractor may use employment sources other than the Union registration and referral services and may employ applicants meeting such standards from any other available source. The Contractors shall inform the Union of any applicants hired from other sources within forty-eight (48) hours of such applicant being hired, and such applicants shall register with the appropriate hiring hall, if any, prior to their first day of employment at a project site.

Section 3.10 Lack of Referral Procedure If a signatory local Union does not have a job referral system as set forth in Section 3.3 above, the Contractors shall give the Union equal opportunity to refer applicants. The Contractors shall notify the Union of employees so hired, as set forth in Section 3.5.

Section 3.11 Union Membership Employees are not required to become or remain union members or pay dues or fees as a condition of performing Covered Work under this Agreement. Employers shall make and transmit all deductions for union dues, fees, and assessments that have been authorized by employees in writing in accordance with the applicable Master Agreement. Nothing in this Section 3.11 is intended to supersede independent requirements of applicable Master Agreements as to those Employers otherwise signatory to such Master Agreements and as to the employees of those Employers who are performing Covered Work.

Section 3.12 Individual Seniority Except as provided in Section 4.3, individual seniority shall not be recognized or applied to employees working on the Project; provided, however, that group and/or classification seniority in a Union's MLA as of the effective date of this Agreement shall be recognized for purposes of layoffs.

Section 3.13 Foremen The selection and number of craft foreman and/or general foreman shall be the responsibility of the Contractor. All foremen shall take orders exclusively from the designated Contractor representatives. Craft foreman shall be designated as working foreman at the request of the Contractors.

ARTICLE 4 **UNION ACCESS AND STEWARDS**

Section 4.1 Access to Project Sites Authorized representatives of the Union shall have access to Project Work, provided that they do not interfere with the work of employees and further provided that such representatives fully comply with posted visitor, security, and safety rules.

Section 4.2 Stewards

(a) Each signatory local Union shall have the right to dispatch a working journeyman as a steward for each shift and shall notify the Contractor in writing of the identity of the designated steward or stewards prior to the assumption of such person's duties as steward. Such designated steward or stewards shall not exercise any supervisory functions. There will be no non-working stewards. Stewards will receive the regular rate of pay for their respective crafts.

(b) In addition to his/her work as an employee, the steward should have the right to receive, but not to solicit, complaints or grievances and to discuss and assist in the adjustment of the same with the employee's appropriate supervisor. Each steward should be concerned only with the employees of the steward's Contractor and, if applicable, subcontractor(s), and not with the employees of any other Contractor. A Contractor will not discriminate against the steward in the proper performance of his/her Union duties.

(c) When a Contractor has multiple, non-contiguous work locations at one site, the Contractor may request, and the Union shall appoint such additional working stewards as the Contractor requests to provide independent coverage of one or more such locations. In such cases, a steward may not service more than one work location without the approval of the Contractor.

(d) The stewards shall not have the right to determine when overtime shall be worked or who shall work overtime.

Section 4.3 Steward Layoff/Discharge The Contractor agrees to notify the appropriate Union twenty-four (24) hours before the layoff of a steward, except in the case of disciplinary discharge for just cause. If the steward is protected against such layoff by the provisions of the applicable MLA, such provisions shall be recognized when the steward possesses the necessary qualifications to perform the remaining work. In any case in which the steward is discharged or disciplined for just cause, the appropriate Union will be notified immediately by the Contractor, and such discharge or discipline shall not become final (subject to any later filed grievance) until twenty-four (24) hours after such notice have been given.

Section 4.4 Employees on Non-Project Work On work where the personnel of the City may be working in close proximity to the construction activities covered by this Agreement, the

Union agrees that the Union representatives, stewards, and individual workers will not interfere with the City personnel, or with personnel employed by the any other employer not a Party to this Agreement.

ARTICLE 5

WAGES AND BENEFITS

Section 5.1 Wages All employees covered by this Agreement shall be classified in accordance with work performed and paid by the Contractors the hourly wage rates for those classifications in compliance with the applicable prevailing wage rate determination established pursuant to applicable law. If a prevailing rate increases under law, the Contractor shall pay that rate as of its effective date under the law. Notwithstanding any other provision in this Agreement, Contractors directly signatory to one or more of the MLAs are required to pay all of the wages set forth in those MLAs without reference to the forgoing.

Section 5.2 Benefits

(a) Contractors shall pay contributions to the established employee benefit funds in the amounts designated in the appropriate MLA and make all employee-authorized deductions in the amounts designated in the appropriate MLA, however, such contributions shall not exceed the contribution amounts set forth in the applicable prevailing wage determination. Notwithstanding any other provision in this Agreement, Contractors directly signatory to one or more of the MLA are required to make all contributions set forth in those MLA without reference to the foregoing. Bona fide jointly-trusteed benefit plans or authorized employee deduction programs established or negotiated under the applicable MLA or by the Parties to this Agreement during the life of this Agreement may be added.

(b) The Contractor adopts and agrees to be bound by the written terms of the applicable, legally established, trust agreement(s) specifying the detailed basis on which payments are to be made into, and benefits paid out of, such trust funds for its employees. The Contractor authorizes the Parties to such trust funds to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the Contractor.

(c) Each Contractor and subcontractor is required to maintain records evidencing that it has paid all benefit contributions due and owing to the appropriate Trust(s) prior to the receipt of its final payment and/or retention. Further, a Union shall work with any prime Contractor or subcontractor who is delinquent in payments to assure that proper benefit contributions are made. In the event of failure of a prime Contractor or subcontractor to timely make the delinquent payments, a Union may request that the City or the prime Contractor withhold payments otherwise due such Contractor, until such contributions have been made or otherwise guaranteed.

Section 5.3 Wage Premiums Wage premiums, including but not limited to pay based on height of work, hazard pay, scaffold pay, and special skills shall not be applicable to work under this Agreement, except to the extent provided for in any applicable prevailing wage determination.

Section 5.4 Compliance with Prevailing Wage Laws The Parties agree that the City shall monitor the compliance by all Contractors and subcontractors with all applicable federal and

state prevailing wage laws and regulations, and that such monitoring shall include Contractors engaged in what would otherwise be Project Work but for the exceptions to Agreement coverage in Article 2, Section 2.2. All complaints regarding possible prevailing wage violations shall be referred to the City for processing, investigation, and resolution, and if not resolved within thirty calendar days, may be referred by any party to the state labor commissioner.

ARTICLE 6

WORK STOPPAGES AND LOCK-OUTS

Section 6.1 No Work Stoppages or Disruptive Activity The Council and the Unions signatory hereto agree that neither they, and each of them, nor their respective officers or agents or representatives, shall incite or encourage, condone or participate in any strike, walk-out, slow-down, picketing, observing picket lines or other activity of any nature or kind whatsoever, for any cause or dispute whatsoever with respect to or any way related to Project Work, or which interferes with or otherwise disrupts, Project Work, or with respect to or related to the City or Contractors or subcontractors, including, but not limited to, economic strikes, unfair labor practice strikes, safety strikes, sympathy strikes and jurisdictional strikes whether or not the underlying dispute is arbitrable. Any such actions by the Council, or Unions, or their members, agents, representatives, or the employees they represent shall constitute a violation of this Agreement. The Council and the Union shall take all steps necessary to obtain compliance with this Article and neither should be held liable for conduct for which it is not responsible.

Section 6.2 Employee Violations The Contractor may discharge any employee violating Section 6.1 above and any such employee will not be eligible for rehire under this Agreement.

Section 6.3 Standing to Enforce The City or any Contractor affected by an alleged violation of Section 6.1 shall have standing and the right to enforce the obligations established therein.

Section 6.4 Expiration of the MLA's If the MLA, or any local, regional, and other applicable collective bargaining agreements expire during the term of the Project, the Union(s) agree that there shall be no work disruption of any kind as described in Section 6.1 above as a result of the expiration of any such agreement(s) having application on this Project and/or failure of the involved Parties to that agreement to reach a new contract. Terms and conditions of employment established and set at the time of bid shall remain established and set. Otherwise to the extent that such agreement does expire and the Parties to that agreement have failed to reach concurrence on a new contract, work will continue on the Project on one of the following two (2) options, both of which will be offered by the Unions involved to the Contractors affected:

(a) Each of the Unions with a contract expiring must offer to continue working on the Project under interim agreements that retain all the terms of the expiring contract, except that the Unions involved in such expiring contract may each propose wage rates and employer contribution rates to employee benefit funds under the prior contract different from what those wage rates and employer contributions rates were under the expiring contracts. The terms of the Union's interim agreement offered to Contractors will be no less favorable than the terms offered by the Union to any other employer or group of employers covering the same type of construction work in Los Angeles County.

(b) Each of the Unions with a contract expiring must offer to continue working on the Project under all the terms of the expiring contract, including the wage rates and employer contribution rates to the employee benefit funds, if the Contractor affected by that expiring contract agrees to the following retroactive provisions: if a new MLA, local, regional or other applicable labor agreement for the industry having application at the Project is ratified and signed during the term of this Agreement and if such new labor agreement provides for retroactive wage increases, then each affected Contractor shall pay to its employees who performed work covered by this Agreement at the Project during the hiatus between the effective dates of such expired and new labor agreements, an amount equal to any such retroactive wage increase established by such new labor agreement, retroactive to whatever date is provided by the new labor agreement for such increase to go into effect, for each employee's hours worked on the Project during the retroactive period. All Parties agree that such affected Contractors shall be solely responsible for any retroactive payment to its employees.

(c) Some Contractors may elect to continue to work on the Project under the terms of the interim agreement option offered under paragraph (a) above and other Contractors may elect to continue to work on the Project under the retroactivity option offered under paragraph (b) above. To decide between the two options, Contractors will be given one week after the particular labor agreement has expired or one week after the Union has personally delivered to the Contractors in writing its specific offer of terms of the interim agreement pursuant to paragraph (a) above, whichever is the later date. If the Contractor fails to timely select one of the two options, the Contractor shall be deemed to have selected option (b).

Section 6.5 No Lockouts Contractors shall not cause, incite, encourage, condone, or participate in any lock-out of employees with respect to Project Work during the term of this Agreement. The term "lock-out" refers only to a Contractor's exclusion of employees in order to secure collective bargaining advantage, and does not refer to the discharge, termination or layoff of employees by the Contractor for any reason in the exercise of rights pursuant to any provision of this Agreement, or any other agreement, nor does "lock-out" include the City's decision to stop, suspend or discontinue any Project Work or any portion thereof for any reason.

Section 6.6 Best Efforts to End Violations

(a) If a Contractor contends that there is any violation of this Article or Section 7.3, it shall notify, in writing, the Executive Secretary of the Council, the Senior Executive of the involved Union(s) and the City. The Executive Secretary and the leadership of the involved Union(s) will immediately instruct, order, and use their best efforts to cause the cessation of any violation of the relevant Article.

(b) If the Union contends that any Contractor has violated this Article, it will notify that the Contractor and the City, setting forth the facts which the Union contends violate the Agreement, at least twenty-four (24) hours prior to invoking the procedures of Section 6.8. The City shall promptly order the involved Contractor(s) to cease any violation of the Article.

Section 6.7 Withholding of services for failure to pay wages and fringe benefits

Notwithstanding any provision of this Agreement to the contrary, it shall not be a violation of this Agreement for any Union to withhold the services of its members (but not the right to picket) from a particular Contractor who:

(a) fails to timely pay its weekly payroll; or

(b) fails to make timely payments to the Union's Joint Labor/Management Trust Funds in accordance with the provisions of the applicable MLA. Prior to withholding its members' services for the Contractor's failure to make timely payments to the Union's Joint Labor/Management Trust Funds, the Union shall give at least ten (10) days (unless a lesser period of time is provided in the Union's MLA, but in no event less than forty-eight (48) hours) written notice of such failure to pay by registered or certified mail, return receipt requested, and by facsimile transmission to the involved Contractor and to the City. Union will meet within the ten (10) day period to attempt to resolve the dispute.

(c) Upon the payment of the delinquent Contractor of all monies due and then owing for wages and/or fringe benefit contributions, the Union shall direct its members to return to work and the Contractor shall return all such members back to work.

Section 6.8 Expedited Enforcement Procedure Any party, including the City, which the Parties agree is a Party to the Agreement for purposes of this Article and an intended beneficiary of this Article, may institute the following procedures, in lieu of or in addition to any other action at law or equity, when a breach of Section 6.1 or 6.5, above, or Section 7.3 is alleged.

(a) The Party invoking this procedure shall notify Najeeb Khoury who has been selected by the negotiating Parties, and whom the Parties agree shall be the permanent arbitrator under this procedure. If the permanent arbitrator is unavailable at any time, the party invoking this procedure shall notify one of the alternates selected by the Parties, as set forth under section 9.2, Step 3 (a), in that order on an alternating basis. Expenses incurred in arbitration shall be borne equally by the Parties involved in the arbitration and the decision of the arbitrator shall be final and binding on the Parties, provided, however, that the arbitrator shall not have the authority to alter or amend or add to or delete from the provisions of this Agreement in any way. Notice to the arbitrator shall be by the most expeditious means available, with notices to the Parties alleged to be in violation, and to the Council if it is a Union alleged to be in violation. For purposes of this Article, written notice may be given by telegram, facsimile, hand delivery or overnight mail and will be deemed effective upon receipt.

(b) Upon receipt of said notice, the arbitrator named above or his/her alternate shall sit and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists, but not sooner than twenty-four (24) hours after notice has been dispatched to the Executive Secretary and the Senior Official(s) as required by Section 6.6, as above.

(c) The arbitrator shall notify the Parties of the place and time chosen for this hearing. Said hearing shall be completed in one session, which, with appropriate recesses at the arbitrator's discretion, shall not exceed 24 hours unless otherwise agreed upon by all Parties. A failure of any Party or Parties to attend said hearings shall not delay the hearing of evidence or the issuance of any award by the arbitrator.

(d) The sole issue at the hearing shall be whether or not a violation of Sections 6.1 or 6.5, above, or Section 7.3 has in fact occurred. The arbitrator shall have no authority to consider any matter in justification, explanation, or mitigation of such violation or to award damages, (except for damages as set forth in 6.8 below) which issue is reserved for court proceedings, if

any. The award shall be issued in writing within three (3) hours after the close of the hearing and may be issued without an opinion. If any Party desires a written opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the Award. The arbitrator may order cessation of the violation of the Article and other appropriate relief, and such award shall be served on all Parties by hand or registered mail upon issuance.

(e) Such award shall be final and binding on all Parties and may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to herein above in the following manner. Written notice of the filing of such enforcement proceedings shall be given to the other Party. In any judicial proceeding to obtain a temporary order enforcing the arbitrator's award as issued under Section 6.7(d) of this Article, all Parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any Party's right to participate in a hearing for a final order of enforcement. The court's order or orders enforcing the arbitrator's award shall be served on all Parties by hand or by delivery to their address as shown on this Agreement (for a Union), as shown on their business contract for work under this Agreement (for a Contractor) and to the representing Union (for an employee), by certified mail by the Party or Parties first alleging the violation.

(f) Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure or which interfere with compliance hereto are hereby waived by the Parties to whom they accrue.

(g) The fees and expenses of the arbitrator shall be equally divided between the Party or Parties initiating this procedure and the respondent Party or Parties.

ARTICLE 7

WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES

Section 7.1 Assignment of Work The assignment of Covered Work will be solely the responsibility of the Employer performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the "Plan") or any successor Plan.

Section 7.2 The Plan All jurisdictional disputes on this Project between or among the building and construction trades Unions and the Employers parties to this Agreement, shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding, and conclusive on the Employers and Unions parties to this Agreement.

(a) If a dispute arising under this Article involves the Western States Regional Council of Carpenters or any of its subordinate bodies, an Arbitrator shall be chosen by the procedures specified in Article V, Section 5, of the Plan from a list composed of John Kagel, Robert Hirsch, and Thomas Pagan, and the Arbitrator's hearing on the dispute shall be held at the offices of the Trades Council within 14 days of the selection of the Arbitrator. All other procedures shall be as specified in the Plan.

Section 7.3 No Work Disruption Over Jurisdiction All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and the Employer's assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.

Section 7.4 Pre-Job Conferences As provided in Article 13, each Contractor will conduct a pre-job conference with the appropriate affected Union(s) prior to commencing work. The Council and the Project Labor Coordinator shall be advised in advance of all such conferences and may participate if they wish.

Section 7.5 Resolution of Jurisdictional Disputes If any actual or threatened strike, sympathy strike, work stoppage, slow down, picketing, hand-billing or otherwise advising the public that a labor dispute exists, or interference with the progress of Project Work by reason of a jurisdictional dispute or disputes occurs, the Parties shall exhaust the expedited procedures set forth in the Plan, if such procedures are in the plan then currently in effect, or otherwise as in Article 6 above.

ARTICLE 8

MANAGEMENT RIGHTS

Section 8.1 Contractor and City Rights The Contractors and the City have the sole and exclusive right and authority to oversee and manage construction operations on Project Work, as set forth in this Article, without any limitations unless expressly limited or required by another Article of this Agreement or an MLA. In addition to the following and other rights of the Contractors enumerated in this Agreement, the Contractors expressly reserve their management rights and all the rights conferred upon them by law. The Contractor's rights include, but are not limited to, the right to:

- (a) Plan, direct and control operations of all work;
- (b) Hire, promote, transfer and layoff their own employees, respectively, as deemed appropriate to satisfy work and/or skill requirements;
- (c) Promulgate and require all employees to observe reasonable job rules and security and safety regulations;
- (d) Discharge, suspend or discipline their own employees for just cause;
- (e) Utilize, in accordance with City approval, any work methods, procedures or techniques, and select, use and install any types or kinds of materials, apparatus or equipment, regardless of source of manufacture or construction; assign and schedule work at their discretion; and
- (f) Assign overtime, determine when it will be worked, and the number and identity of employees engaged in such work, subject to such provisions in the applicable MLA(s) requiring such assignments be equalized or otherwise made in a nondiscriminatory manner.

Section 8.2 Specific City Rights In addition to the following and other rights of the City enumerated in this Agreement, the City expressly reserves its management rights and all the rights conferred on it by law. The City's rights (and those of the Contract Administrator on its behalf) include but are not limited to the right to:

- (a) Inspect any construction site or facility to ensure that the Contractor follows the applicable safety and other work requirements;
- (b) Require Contractors to establish a different work week or shift schedule for particular employees as required to meet the operational needs of the Project Work at a particular location;
- (c) At its sole option, terminate, delay and/or suspend any and all portions of the covered work at any time; prohibit some or all work on certain days or during certain hours of the day to accommodate the ongoing operations of the City's Facilities and/or to mitigate the effect of ongoing Project Work on businesses and residents in the neighborhood of the Project site; and/or require such other operational or schedule changes it deems necessary, in its sole judgment, to effectively maintain its primary mission and remain a good neighbor to those in the area of its facilities;
- (d) Approve any work methods, procedures and techniques used by Contractors whether or not these methods, procedures or techniques are part of industry practices or customs; and
- (e) Investigate and process complaints, in the matter set forth in Articles 6 and 9.

Section 8.3 Use of Materials There should be no limitations or restriction by Union upon a Contractor's choice of materials or design, nor, regardless of source or location, upon the full use and utilization, of equipment, machinery, packaging, precast, prefabricated, prefinished, or preassembled materials, tools or other labor saving devices, subject to the application of the State Public Contracts and Labor Codes as required by law in reference to offsite construction. Generally, the onsite installation or application of such items shall be performed by the craft having jurisdiction over such work. The City shall advise all Contractors of, and enforce as appropriate, the off-site application of the prevailing wage law as it affects Project Work.

Section 8.4 Special Equipment, Warranties and Guaranties

- (a) It is recognized that certain materials, equipment, and systems of a highly technical and specialized nature will have to be installed at the Project. The nature of the materials, equipment, and systems, together with requirements of manufacturer's or vendor's warranty, may dictate that it be prefabricated, pre-piped, and/or pre-wired and that it be installed under the supervision and direction of Owner's and/or manufacturer's personnel. The Unions agree to install such material, equipment, and systems without incident;
- (b) The Parties recognize that the Contractor will initiate from time to time the use of new technology, equipment, machinery, tools, and other labor-savings devices and methods of performing Project Work. The Union agrees that they will not restrict the implementation of such devices or work methods. The Unions will accept and will not refuse to handle, install, or work

with any standardized and/or catalogue: parts, assemblies, accessories, prefabricated items, preassembled items, partially assembled items, or materials whatever their source of manufacture or construction.

(c) If any disagreement between the Contractor and the Unions concerning the methods of implementation or installation of any equipment, or device or item, or method of work, arises, or whether a particular part or pre-assembled item is a standardized or catalog part or item, the work will precede as directed by the Contractor and the Parties shall immediately consult over the matter. If the disagreement is not resolved, the affected Union(s) shall have the right to proceed through the procedures set forth in Article 9.

ARTICLE 9

SETTLEMENT OF GRIEVANCES AND DISPUTES

Section 9.1 Cooperation and Harmony on Site

(a) This Agreement is intended to establish and foster continued close cooperation between management and labor. The Council shall assign a representative to this Project for the purpose of assisting the local Unions, and working with the City and the Contractors, to complete the construction of the Project economically, efficiently, continuously and without any interruption, delays or work stoppages.

(b) The Contractors, Unions, and employees collectively and individually, realize the importance to all Parties of maintaining continuous and uninterrupted performance Project Work, and agree to resolve disputes in accordance with the grievance provisions set forth in this Article or, as appropriate, those of Article 6 or 7.

(c) The Unions and/or Council shall oversee the processing of grievances under this Article and Articles 6 and 7, including the scheduling and arrangements of facilities for meetings, selection of the arbitrator from the agreed-upon panel to hear the case, and any other administrative matters necessary to facilitate the timely resolution of any dispute; provided, however, it is the responsibility of the principal parties to any pending grievance to insure the time limits and deadlines are met.

Section 9.2 Processing Grievances Any questions arising out of and during the term of this Agreement involving its interpretation and application, which includes applicable provisions of the MLA's, but not jurisdictional disputes or alleged violations of Section 6.1 and 6.4 and similar provisions, shall be considered a grievance and subject to resolution under the following procedures.

Step 1. Employee Grievances When any employee subject to the provisions of this Agreement feels aggrieved by an alleged violation of this Agreement, the employee shall, through his local Union business representative or, job steward, within ten (10) working days after the occurrence of the violation, give notice to the work site representative of the involved Contractor stating the provision(s) alleged to have been violated. A business representative of the local Union or the job steward and the work site representative of the involved Contractor shall meet and endeavor to resolve the matter within ten (10) working days after timely notice has been given. If they fail to resolve the matter within the prescribed period,

the grieving party may, within ten (10) working days thereafter, pursue Step 2 of this grievance procedure provided the grievance is reduced to writing, setting forth the relevant information, including a short description thereof, the date on which the alleged violation occurred, and the provision(s) of the Agreement alleged to have been violated. Grievances and disputes settled at Step 1 shall be non-precedential except as to the parties directly involved.

Union or Contractor Grievances Should the Union(s) or any Contractor have a dispute with the other Party(ies) and, if after conferring within ten (10) working days after the disputing Party knew or should have known of the facts or occurrence giving rise to the dispute, a settlement is not reached within five (5) working days, the dispute shall be reduced to writing and processed to Step 2 in the same manner as outlined in 1(a) above for the adjustment of an employee complaint.

Step 2. The business manager of the involved local Union or his designee, together with the site representative of the involved Contractor, shall meet within seven (7) working days of the referral of the dispute to this second step to arrive at a satisfactory settlement thereof. If the Parties fail to reach an agreement, the dispute may be appealed in writing in accordance with the provisions of Step 3 within seven (7) calendar days after the initial meeting at Step 2.

Step 3. (a) If the grievance shall have been submitted but not resolved under Step 2, either the Union or Contractor Party may request in writing to the other party to the grievance (with copy (ies) to the other Party (ies)) within seven (7) calendar days after the initial Step 2 meeting, that the grievance be submitted to an arbitrator selected from the agreed upon list below. Those arbitrators are: (1) Edna Francis; (2) Louis Zigman; (3) Fredric Horowitz; (4) Sara Adler; (5) David Weinberg; (6) Najeeb Khoury; and (7) Andrea Dooley. The decision of the arbitrator shall be final and binding on all Parties and the fee and expenses of such arbitrations shall be borne equally by the involved Contractor(s) and the involved Union(s).

(b) Failure of the grieving Party to adhere to the time limits established herein shall render the grievance null and void. The time limits established herein may be extended only by written consent of the Parties involved at the particular step where the extension is agreed upon. The arbitrator shall have the authority to make decisions only on issues presented and shall not have the authority to change, amend, add too, or detract from any of the provisions of this Agreement.

(c) The fees and expenses incurred by the arbitrator, as well as those jointly utilized by the Parties (i.e., conference room, court reporter, etc.) in arbitration, shall be divided equally by the Parties to the arbitration, including Union(s) and Contractor(s) involved.

Section 9.3 Limit on Use of Procedures The procedures contained in this Article shall not be applicable to any alleged violation of Articles 6 or 7, with a single exception that any employee discharged for violation of Section 6.2, or Section 7.3, may resort to the procedures of this Article to determine only if he/she was, in fact, engaged in that violation.

Section 9.4 Notice The City shall be notified by the involved Contractor of all actions at Steps 2 and 3, and further, the City may, in its sole discretion, designate a City staff member to participate fully as a party in all proceedings at such steps.

ARTICLE 10

REGULATORY COMPLIANCE

Section 10.1 Compliance with All Laws The Council and all Unions, Contractors, subcontractors and their employed shall comply with all applicable federal and state laws, ordinances and regulations including, but not limited to, those relating to safety and health, employment, and applications for employment. All employees shall comply with the safety regulations established by the City or the Contractor. Employees must promptly report any injuries or accidents to a supervisor.

Section 10.2 Monitoring Compliance The Parties agree that the City shall require, and that the Council and Unions may monitor, compliance by all Contractors and subcontractors with all federal and state laws regulation that, from time to time may apply to Project Work. It shall be the responsibility of the Council to investigate or monitor compliance with these various laws and regulations. The Council may recommend to the City procedures to encourage and enforce compliance with these laws and regulations.

Section 10.3 Prevailing Wage Compliance The Council or Union shall refer all complaints regarding any potential prevailing wage violation to the City, who shall process, investigate, and resolve such complaints, consistent with Article 5, Section 5.4. The Council or Union, as appropriate, shall be advised in a timely manner with regard to the facts and resolution, if any, of any complaint. It is understood that this Section does not restrict any individual rights as established under the State Labor Code, including the rights of an individual to file a complaint with the State Labor Commissioner.

Section 10.4 Violations of Law Based upon a finding of violation by the City of a federal and state law, and upon notice to the Contractor that it or its subcontractors is in such violation, the City, in the absence of the Contractor or subcontractor remedying such violation, shall take such action as it is permitted by law or contract to encourage that Contractor to come into compliance, including, but not limited to, assessing fines and penalties and/or removing the offending Contractor from Project Work. Additionally, in accordance with the Agreement between the City and the Contractor, the City may cause the Contractor to remove from Project Work any subcontractor who is in violation of state or federal law.

ARTICLE 11

SAFETY AND PROTECTION OF PERSON AND PROPERTY

The Parties adopt the Los Angeles/Orange Counties Building and Construction Trades Council Approved Drug and Alcohol Testing Policy, a copy of which is attached hereto as Attachment D and which shall be the policy and procedure utilized under this Agreement.

ARTICLE 12

APPRENTICES

Section 12.1 Importance of Training The Parties recognize the need to maintain continuing support of the programs designed to develop adequate numbers of competent workers in the construction industry, the obligation to capitalize on the availability of the local work force in the area served by the City, and the opportunities to provide continuing work under the

construction program. To these ends, the Parties will facilitate, encourage, and assist local residents to commence and progress in Labor/Management Apprenticeship and/or training Programs in the construction industry leading to participation in such apprenticeship programs. The City and the Council will work cooperatively to identify, or establish and maintain, effective programs and procedures for persons interested in entering the construction industry and which will help prepare them for the formal joint labor/management apprenticeship programs maintained by the signatory Unions.

Section 12.2 Use of Apprentices

(a) Apprentices used on Projects under this Agreement shall be registered in Joint Labor Management Apprenticeship Programs approved by the State of California. Apprentices may comprise up to thirty percent (30%) of each craft's work force at any time, unless the standards of the applicable joint apprenticeship committee confirmed by the Division of Apprenticeship Standards ("DAS"), establish a lower or higher maximum percentage. Where the standards permit a higher percentage, such percentage shall apply on Project Work. Where the applicable standards establish a lower percentage, the applicable Union will use its best efforts with the Joint Labor Management apprenticeship committee and, if necessary, the DAS to permit up to thirty percent (30%) apprentices on the Project.

(b) The Unions agree to cooperate with the Contractor in furnishing apprentices as requested up to the maximum percentage. The apprentice ratio for each craft shall be in compliance, at a minimum, with the applicable provisions of the Labor Code relating to utilization of apprentices. The City shall encourage such utilization, and, both as to apprentices and the overall supply of experienced workers. The Unions will assure appropriate and maximum utilization of apprentices and the continuing availability of both apprentices and journey persons.

(c) The Parties agree that apprentices will not be dispatched to Contractors working under this Agreement unless there is a journeyman working on the project where the apprentice is to be employed who is qualified to assist and oversee the apprentice's progress through the program in which he is participating.

(d) All apprentices shall work under the direct supervision of a journeyman from the trade in which the apprentice is indentured. A journeyman shall be defined as set forth in the California Code of Regulations, Title 8 [apprenticeship] section 205, which defines a journeyman as a person who has either completed an accredited apprenticeship in his or her craft, or has completed the equivalent of an apprenticeship in length and content of work experience and all other requirements in the craft which has workers classified as journeyman in the apprenticeable occupation. Should a question arise as to a journeyman's qualification under this subsection, the Contractor shall provide adequate proof evidencing the worker's qualification as a journeyman to the Council.

ARTICLE 13

PRE-JOB CONFERENCES

Each Primary Contractor which is awarded a Construction Contract by the City for Project Work shall conduct a Pre-Job conference with the appropriate affected Union(s) prior to

commencing work. All Contractors who have been awarded contracts by the Primary Contractor shall attend the Pre-Job conference. The Council and the Project Labor Coordinator shall be advised in advance of all such conferences and may participate if they wish. All work assignments shall be disclosed by the Primary Contractor and all Contractors at the Pre-Job conference in accordance with industry practice. Should there be Project Work that was not previously discussed at the pre-job conference, or additional project work be added, the contractors performing such work will conduct a separate pre-job conference for such newly included work. Should there be any formal jurisdictional dispute raised under Article 8, the Project Labor Coordinator shall be promptly notified. Primary Contractor shall have available at the Pre-Job conference the plans and drawing for the work to be performed on the Project.

ARTICLE 14 **WORK OPPORTUNITIES PROGRAM**

Section 14.1 The Parties to this Agreement support the development of increased numbers of skilled construction workers from among the Area Residents residing within the geographic area serviced by the City, to meet the labor needs of the Project, specifically, and the requirements of the local construction industry generally. Towards that end the Parties agree to cooperate respecting the establishment of a work opportunities program for these Area Residents, the primary goals of which shall be to maximize construction work opportunities for traditionally underrepresented members of the community. In furtherance of the foregoing, the Unions specifically agree to:

a) Encourage the referral and utilization, to the extent permitted by law and hiring hall practices, of qualified Area Residents as journeymen, and apprentices on the Project and entrance into such qualified apprenticeship and training programs as may be operated by signatory Unions; and

b) Assist Area Residents in contacting pre-apprenticeship programs that utilize the Building Trades multi-craft core curriculum (MC3) and the Apprenticeship Training Committees for the crafts and trades they are interested in. The Unions shall assist Area Residents who are seeking Union jobs on the Project and Union membership in assessing their work experience and giving them credit for provable past experience in their relevant craft or trade, including experience gained working for non-union Contractors. The Unions shall put on their rolls qualified bona fide Area Residents for work on this Project; and

c) Support local events and programs designed to recruit and develop adequate numbers of qualified workers in the construction industry.

ARTICLE 15 **SAVINGS AND SEPARABILITY**

Section 15.1 Savings Clause It is not the intention of the City, Contractor, or the Union parties to violate any laws governing the subject matter of this Agreement. The Parties hereto agree that in the event any provision of this Agreement is finally held or determined to be illegal or void as being in contravention of any applicable law or regulation, the remainder of the Agreement shall remain in full force and effect unless the part or parts so found to be void are wholly inseparable from the remaining portions of this Agreement. Further, the Parties agree that

if and when any provision(s) of this Agreement is finally held or determined to be illegal or void by a court of competent jurisdiction, the Parties will promptly enter into negotiations concerning the substantive effect of such decision for the purposes of achieving conformity with the requirements of any applicable laws and the intent of the Parties hereto. If the legality of this Agreement is challenged and any form of injunctive relief is granted by any court, suspending temporarily or permanently the implementation of this Agreement, then the Parties agree that all Project Work that would otherwise be covered by this Agreement should be continued to be bid and constructed without application of this Agreement so that there is no delay or interference with the ongoing planning, bidding and construction of any Project Work.

Section 15.2 Effect of Injunctions or Other Court Orders The Parties recognize the right of the City to withdraw, at its absolute discretion, the utilization of the Agreement as part of any bid specification should a Court of competent jurisdiction issue any order, or any applicable statute which could result, temporarily or permanently in delay of the bidding, awarding and/or construction on the Project. Notwithstanding such an action by the City, or such court order or statutory provision, the Parties agree that the Agreement shall remain in full force and effect on covered Project Work to the maximum extent legally possible.

ARTICLE 16

WAIVER

A waiver of or a failure to assert any provisions of this Agreement by any or all of the Parties hereto shall not constitute a waiver of such provision for the future. Any such waiver shall not constitute a modification of the Agreement or change in the terms and conditions of the Agreement and shall not relieve, excuse or release any of the Parties from any of their rights, duties or obligations hereunder.

ARTICLE 17

AMENDMENTS

The provisions of this Agreement can be renegotiated, supplemented, rescinded, or otherwise altered only by mutual agreement in writing, hereafter signed by the negotiating Parties hereto.

ARTICLE 18

DURATION OF THE AGREEMENT

Section 18.1 Duration

(a) This Agreement shall be effective from January 1, 2024, and shall remain in effect for a period of five (5) years with three one-year renewals upon mutual written agreement of the Parties, unless either Party provides written notice of its intent to terminate, sent no later than sixty (60) days prior to the termination date or successor termination date; provided, however, that this Agreement may be extended by mutual written agreement of the Parties. Any covered Project awarded during the term of this Agreement shall continue to be covered hereunder, until completion of the Project, notwithstanding the expiration date of this Agreement.

(b) This Agreement may be extended by mutual consent of the City and the signatory Unions for such further periods as the Parties shall agree to.

Section 18.2 Turnover and Final Acceptance of Completed Work

(a) Construction of any phase, portion, section, or segment of Project Work shall be deemed complete when such phase, portion, section, or segment has been turned over to the City by the Contractor and the City has accepted such phase, portion, section, or segment. As areas and systems of the Project are inspected and construction-tested and/or approved and accepted by the City or third parties with the approval of the City, the Agreement shall have no further force or effect on such items or areas, except when the Contractor is directed by the City to engage and repairs or modifications required by its contract(s) with the City.

(b) Notice of each final acceptance received by the Contractor will be provided to the Council with the description of what portion, segment, etc. has been accepted. Final acceptance may be subject to a "punch" list, and in such case, the Agreement will continue to apply to each such item on the list until it is completed to the satisfaction of the City and Notice of Completion is issued by the City or its representative to the Contractor. At the request of the Union, complete information describing any "punch" list work, as well as any additional work required of a Contractor at the direction of the City pursuant to (a) above, involving otherwise turned-over and completed facilities which have been accepted by the City, will be available from the Project Labor Coordinator.

IN WITNESS whereof the Parties have caused this Project Labor Agreement to be executed as of the date and year above stated, and to be effective as of January 1, 2024.

CITY OF MONTEBELLO

LOS ANGELES/ORANGE COUNTIES
BUILDING & CONSTRUCTION
TRADES COUNCIL

By: _____

David N. Torres
Mayor

By: _____

Ernesto Medrano
Executive Secretary

LOS ANGELES/ORANGE COUNTIES BUILDING AND CONSTRUCTION
TRADES COUNCIL CRAFT UNIONS AND DISTRICT COUNCILS

Asbestos Heat & Frost Insulators (Local 5)
 Boilermakers (Local 92)
 Bricklayers & Allied Craftworkers (Local 4)
 Cement Masons (Local 600)
 Electricians (Local 11)
 Elevator Constructors (Local 18)
 Guniters Workers (Local 345)
 Iron Workers (Reinforced – Local 416)
 Iron Workers (Structural – Local 433)
 District Council of Laborers
 Laborers (Local 300)
 Laborers (Local 1184)
 Operating Engineers (Local 12)
 Operating Engineers (Local 12)
 Operating Engineers (Local 12)
 Painters & Allied Trades DC 36
 Pipe Trades (Local 250)
 Pipe Trades (Local 345)
 Pipe Trades (Plumbers Local 78)
 Pipe Trades (Sprinkler Fitters Local 709)
 Plasterers (Local 200)
 Plaster Tenders Local (1414)
 Roofers & Waterproofers (Local 36)
 Sheet Metal Workers (Local 105)
 Teamsters (Local 986)
 Western States Regional Council of Carpenters

DocuSigned by:
 Michael Patterson
 SC32310043404...
 DocuSigned by:
 Luis Miramontes
 53A5518E795E48F...
 DocuSigned by:
 Luis Alcala
 6A7AF6518E4E488...
 DocuSigned by:
 Ricardo Gonzalez
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 41A5A54F17401...
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 Tony Garganiga
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 DocuSigned by:
 Ed Leary (Guniters #345)
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 Frankie Jimenez
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 Jon Priado
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 Ernesto Tocco
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 Ben Clayton
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 Ricardo Pina
 8C1447F0F5F48...
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 Jeremy Diaz
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 DocuSigned by:
 Todd Golden
 8080A72031047...
 DocuSigned by:
 Christian Blumgart
 8A4577BDA3143...
 DocuSigned by:
 Jose Sanchez
 80E2A58A7F8A47...
 DocuSigned by:
 Cliff Smith
 E507480D99147F...
 DocuSigned by:
 Steve Rinson
 828A5170A7A41F...
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 Caesar Bonas
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 Josh Kaper
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Asbestos Heat & Frost Insulators (Local 5)
Boilermakers (Local 92)
Bricklayers & Allied Craftworkers (Local 4)
Cement Masons (Local 600)
Electricians (Local 11)
Elevator Constructors (Local 18)
Gunitite Workers (Local 345)
Iron Workers (Reinforced – Local 416)
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District Council of Laborers
Laborers (Local 300)
Laborers (Local 1184)
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Pipe Trades (Sprinkler Fitters Local 709)
Plasterers (Local 200)
Plaster Tenders Local (1414)
Roofers & Waterproofers (Local 36)
Sheet Metal Workers (Local 105)
Teamsters (Local 986)
Western States Regional Council of Carpenters

Ken Hunt
Pres. of (un)

ATTACHMENT A – LETTER OF ASSENT

To be signed by all contractors awarded work covered by the Project Labor Agreement prior to commencing work.

[Contractor's Letterhead]

City of Montebello

1234 address

City, state, zip code

Attn: _____

Re: Project Labor Agreement - Letter of Assent

To whom it may concern:

This is to confirm that [name of company] agrees to be party to and bound by the City of Montebello Project Labor Agreement effective January 1, 2024, as such Agreement may, from time to time, be amended by the negotiating parties or interpreted pursuant to its terms. Such obligation to be a party and bound by this Agreement shall extend to all work covered by the agreement undertaken by this Company on the project and this Company shall require all of its contractors and subcontractors of whatever tier to be similarly bound for all work within the scope of the Agreement by signing and furnishing to you an identical letter of assent prior to their commencement of work.

Sincerely,

[Name of Construction Company]

By: [_____] Name and Title of Authorized Executive

Contractor's State License No: _____

Project Name: _____

[Copies of this letter must be submitted to the City and to the Council.]

ATTACHMENT B
LOCAL RESIDENT ZIP CODES

(TIER 1)

CITY RESIDENTS

[to be supplied by the City]

(TIER 2)

90001	90037	90082
90002	90038	90084
90003	90039	90086
90004	90040	90087
90005	90041	90088
90006	90042	90089
90007	90046	90090
90008	90048	90091
90010	90050	90093
90011	90051	90096
90012	90052	90099
90013	90053	90134
90014	90054	90201
90015	90055	90202
90016	90057	90211
90017	90058	90239
90018	90060	90240
90019	90062	90241
90020	90063	90255
90021	90065	90270
90022	90068	90280
90023	90069	90601
90026	90070	90602
90027	90071	90606
90028	90072	90607
90029	90074	90608
90030	90075	90610
90031	90076	90640
90032	90078	90660
90033	90079	90661
90036	90081	90662

90670	91123	91602
90671	91124	91603
91001	91125	91604
91003	91126	91606
91006	91129	91608
91007	91182	91609
91008	91184	91610
91009	91185	91614
91010	91188	91618
91011	91189	91702
91012	91199	91706
91016	91201	91714
91017	91202	91715
91020	91203	91716
91021	91204	91722
91023	91205	91723
91024	91206	91731
91025	91207	91732
91030	91208	91733
91031	91209	91734
91040	91210	91735
91041	91214	91744
91042	91221	91745
91043	91222	91746
91046	91224	91747
91066	91225	91754
91077	91226	91755
91101	91352	91756
91102	91353	91770
91103	91501	91771
91104	91502	91772
91105	91503	91775
91106	91504	91776
91107	91505	91778
91108	91506	91780
91109	91507	91790
91110	91508	91791
91114	91510	91793
91115	91521	91801
91116	91522	91802
91117	91523	91803
91118	91526	91804
91121	91601	91896

91899

(TIER 3)

THE REMAINING ZIP CODES IN LOS ANGELES COUNTY

ATTACHMENT C

CITY OF MONTEBELLO CRAFT REQUEST FORM

TO THE CONTRACTOR: Please complete this form to the applicable union to request craft workers that fulfill the hiring requirements for this project. After submitting your request, please call the Local to verify receipt and substantiate their capacity to furnish workers as specified below. Please keep copies for your records.

The City of Montebello Project Labor Agreement establishes a goal that 30% of all of the labor and craft positions shall be from Veterans and individuals who have successfully completed the Building Trades Multi-Craft Core Curriculum Pre-Apprenticeship Program, regardless of where they reside, and qualified area residents residing: first, in those first tier zip codes which overlap the area covered by the City, as reflected on the list of U.S. Postal Service zip codes attached hereto as "Attachment B", second, within a (15) mile radius from City Hall, as reflected on the list of U.S. Postal Service zip codes attached hereto as Attachment "B," and third, within the remainder of the County of Los Angeles. For dispatch purposes, employees described herein shall be referred to as "Local Residents."

TO THE UNION: Please complete the "Union Use Only" section on the next page and return this form to the requesting Contractor. Be sure to retain a copy of this form for your records.

CONTRACTOR USE ONLY

To: Union Local # _____ **Fax#** () _____ **Date:** _____
Cc: Project Labor Coordinator
From: Company: _____ **Issued By:** _____
Contact Phone: () _____ Contact Fax: () _____

PLEASE PROVIDE THE FOLLOWING UNION CRAFT WORKERS.

Craft Classification (i.e., plumber, painter, etc.)	Journeyman or Apprentice	Local Resident or General Dispatch	Number of workers needed	Report Date	Report Time
TOTAL WORKERS REQUESTED = _____					

Please have worker(s) report to the following work address indicated below:

Project Name: _____ **Site:** _____ **Address:** _____
Report to: _____ **On-site Tel:** _____ **On-site Fax:** _____
Comment or Special Instructions: _____

UNION USE ONLY

Date dispatch request received:
Dispatch received by:
Classification of worker requested:
Classification of worker dispatched:

WORKER REFERRED

Name:		
Date worker was dispatched:		
Is the worker referred a: (check all that apply)		
JOURNEYMAN	Yes _____	No _____
APPRENTICE	Yes _____	No _____
LOCAL RESIDENT	Yes _____	No _____
GENERAL DISPATCH FROM OUT OF WORK LIST	Yes _____	No _____

[This form is not intended to replace a Local Union's Dispatch or Referral Form
normally given to the employee when being dispatched to the jobsite.]

ATTACHMENT D
LOS ANGELES/ORANGE COUNTIES BUILDING AND
CONSTRUCTION TRADES COUNCIL
APPROVED
DRUG AND ALCOHOL TESTING POLICY

(rev. December 2019)

The Parties recognize the problems which drug and alcohol abuse have created in the construction industry and the need to develop drug and alcohol abuse prevention programs. Accordingly, the Parties agree that in order to enhance the safety of the workplace and to maintain a drug and alcohol-free work environment, individual Employers may require applicants or employees to undergo drug and alcohol testing.

1. It is understood that the use, possession, transfer or sale of illegal drugs, narcotics, or other unlawful substances, as well as being under the influence of alcohol and the possession or consuming alcohol is absolutely prohibited while employees are on the Employer's job premises or while working on any jobsite in connection with work performed under the Project Labor Agreement ("PLA").
2. No Employer may implement a drug testing program which does not conform in all respects to the provisions of this Policy.
3. No Employer may implement drug testing at any jobsite unless written notice is given to the Union setting forth the location of the jobsite, a description of the project under construction, and the name and telephone number of the Project Supervisor. Said notice shall be addressed to the office of each Union signing the PLA. Said notice shall be sent by email or by registered mail before the implementation of drug testing. Failure to give such notice shall make any drug testing engaged in by the Employer a violation of the PLA, and the Employer may not implement any form of drug testing at such jobsite for the following six months.
4. An Employer who elects to implement drug testing pursuant to this Agreement shall require all employees on the Project to be tested. With respect to individuals who become employed on the Project subsequent to the proper implementation of a valid drug testing program, such test shall be administered upon the commencement of employment on the project, whether by referral from a Union Dispatch Office, transfer from another project, or another method. Individuals who were employed on the project prior to the proper implementation of a valid drug testing program may only be subjected to testing for the reasons set forth in paragraphs 5(g)(1) through 5(g)(3) and paragraphs 6(a) through 6(e) of this Policy. Refusal to undergo such testing shall be considered sufficient grounds to deny employment on the project.
5. The following procedure shall apply to all drug testing:
 - a. The Employer may request urine samples only. The applicant or employee

shall not be observed when the urine specimen is given. An applicant or employee, at his or her sole option, shall, upon request, receive a blood test in lieu of a urine test. No employee of the Employer shall draw blood from a bargaining unit employee, touch or handle urine specimens, or in any way become involved in the chain of custody of urine or blood specimens. A Union Business Representative, subject to the approval of the individual applicant or employee, shall be permitted to accompany the applicant or employee to the collection facility to observe the collection, bottling, and sealing of the specimen.

b. An employer may request an applicant to perform an alcohol breathalyzer test, at a certified laboratory only and cutoff levels shall be those mandated by applicable state or federal law.

c. The testing shall be done by a laboratory approved by the Substance Abuse & Mental Health Services Administration (SAMHSA), which is chosen by the Employer and the Union.

d. An initial test shall be performed using the Enzyme Multiplied Immunoassay Technique (EMIT). In the event a question or positive result arises from the initial test, a confirmation test must be utilized before action can be taken against the applicant or employee. The confirmation test will be by Gas Chromatography/Mass Spectrometry (GC/MS). Cutoff levels for both the initial test and confirmation test will be those established by SAMHSA. Should these SAMHSA levels be changed during the course of this Agreement or new testing procedures are approved, then these new regulations will be deemed as part of this existing Agreement. Confirmed positive samples will be retained by the testing laboratory in secured long-term frozen storage for a minimum of one year. Handling and transportation of each sample must be documented through strict chain of custody procedures.

e. In the event of a confirmed positive test result the applicant or employee may request, within forty-eight (48) hours, a sample of his/her specimen from the testing laboratory for purposes of a second test to be performed at a second laboratory, designated by the Union and approved by SAMHSA. The retest must be performed within ten (10) days of the request. Chain of custody for this sample shall be maintained by the Employer between the original testing laboratory and the Union's designated laboratory. Retesting shall be performed at the applicant's or employee's expense. In the event of conflicting test results the Employer may require a third test.

f. If, as a result of the above testing procedure, it is determined that an applicant or employee has tested positive, this shall be considered sufficient grounds to deny the applicant or employee his/her employment on the project.

g. No individual who tests negative for drugs pursuant to the above procedure and becomes employed on the project shall again be subjected to drug testing with the following exceptions:

1. Employees who are involved in industrial accidents resulting in damage to plant, property or equipment or injury to him/her or others may be tested for drug or alcohol

pursuant to the procedures stated hereinabove.

2. The Employer may test employees following thirty (30) days advance written notice to the employee(s) to be tested and to the applicable Union. Notice to the applicable Union shall be as set forth in paragraph 3 above and such testing shall be pursuant to the procedures stated hereinabove.

3. The Employer may test an employee where the Employer has reasonable cause to believe that the employee is impaired from performing his/her job. Reasonable cause shall be defined as being aberrant or unusual behavior, the type of which is a recognized and accepted symptom of impairment (i.e., slurred speech, unusual lack of muscular coordination, etc.). Such behavior must be actually observed by at least two persons, one of whom shall be a supervisor who has been trained to recognize the symptoms of drug abuse or impairment and the other of whom shall be the Job Steward. If the Job Steward is unavailable or there is no Job Steward on the project the other person shall be a member of the applicable Union's bargaining unit. Testing shall be pursuant to the procedures stated hereinabove. Employees who are tested pursuant to the exceptions set forth in this paragraph and who test positive will be removed from the Employer's payroll.

h. Applicants or employees who do not test positive shall be paid for all time lost while undergoing drug testing. Payment shall be at the applicable wage and benefit rates set forth in the applicable Union's Master Labor Agreement. Applicants who have been dispatched from the Union and who are not put to work pending the results of a test will be paid waiting time until such time as they are put to work. It is understood that an applicant must pass the test as a condition of employment. Applicants who are put to work pending the results of a test will be considered probationary employees.

6. The Employers will be allowed to conduct periodic jobsite drug testing on the Project under the following conditions:

a. The entire jobsite must be tested, including any employee or subcontractor's employee who worked on that project three (3) working days before or after the date of the test;

b. Jobsite testing cannot commence sooner than fifteen (15) days after start of the work on the project;

c. Prior to start of periodic testing, a Business Representative will be allowed to conduct an educational period on company time to explain periodic jobsite testing program to affected employees;

d. Testing shall be conducted by a SAMHSA certified laboratory, pursuant to the provisions set forth in paragraph 5 hereinabove.

e. Only two (2) periodic tests may be performed in a twelve (12) month period.

It is understood that the unsafe use of prescribed medication, or where the use of prescribed

medication impairs the employee's ability to perform work, is a basis for the Employer to remove the employee from the jobsite.

Any grievance or dispute which may arise out of the application of this Agreement shall be subject to the grievance and arbitration procedures set forth in the PLA.

7. The establishment or operation of this Policy shall not curtail any right of any employee found in any law, rule or regulation. Should any part of this Agreement be found unlawful by a court of competent jurisdiction or a public agency having jurisdiction over the parties, the remaining portions of the Agreement shall be unaffected, and the parties shall enter negotiations to replace the affected provision.

8. Present employees, if tested positive, shall have the prerogative for rehabilitation program at the employee's expense. When such program has been successfully completed the Employer shall not discriminate in any way against the employee. If work for which the employee is qualified exists, he/she shall be reinstated.

9. The Employer agrees that results of urine and blood tests performed hereunder will be considered medical records held confidential to the extent permitted or required by law. Such records shall not be released to any persons or entities other than designated Employer representatives and the applicable Union. Such release to the applicable Union shall only be allowed upon the signing of a written release and the information contained therein shall not be used to discourage the employment of the individual applicant or employee on any subsequent occasion.

10. Employer shall indemnify and hold the Union harmless against any and all claims, demands, suits, or liabilities that may arise out of the application of this Agreement and/or any program permitted hereunder.

11. Employees who seek voluntary assistance for substance abuse may not be disciplined for seeking such assistance. Requests from employees for such assistance shall remain confidential and shall not be revealed to other employees or management personnel without the employee's consent. Employees enrolled in substance abuse programs will be subject to all Employer rules, regulations and job performance standards with the understanding that an employee enrolled in such a program is receiving treatment for an illness.

12. The parties agree to develop and implement a drug abuse prevention and testing program for all apprentices entering the industry.

13. This Memorandum of Understanding shall constitute the only Agreement in effect between the parties concerning drug and alcohol abuse, prevention and testing. Any modifications thereto must be accomplished pursuant to collective bargaining negotiations between the parties.

APPENDIX A: SPECIMEN REPORTING CRITERIA

Initial Test Analyte	Initial Test Cutoff ¹	Confirmatory Test Analyte	Confirmatory Test Cutoff Concentration
Marijuana metabolites (THCA) ²	50 ng/ml ³	THCA	15 ng/ml
Cocaine metabolite (Benzoylecgonine)	150ng/ml ³	Benzoylecgonine	100 ng/ml
Codeine/ Morphine	2000 ng/ml	Codeine Morphine	2000 ng/ml 2000 ng/ml
Hydrocodone/ Hydromorphone	300 ng/ml	Hydrocodone Hydromorphone	100ng/ml 100ng/ml
Alcohol	0.02%	Ethanol	0.02%
Oxycodone/ Oxymorphone	100 ng/ml	Oxycodone Oxymorphone	100ng/ml 100ng/ml
6-Acetylmorphine	10 ng/ml	6-Acetylmorphine	10 ng/ml
Phencyclidine	25 ng/ml	Phencyclidine	25 ng/ml
Amphetamine/ Methamphetamine	500 ng/ml	Amphetamine Methamphetamine	250ng/ml 250 ng/ml
MDMA ⁴ /MDA ⁵	500 ng/ml	MDMA MDA	250ng/ml 250 ng/ml
Initial Test Analyte	Initial Test Cutoff	Confirmatory Test Analyte	Confirmatory Test Cutoff Concentration

¹ For grouped analytes (i.e., two or more analytes that are in the same drug class and have the same initial test cutoff):

Immunoassay: The test must be calibrated with one analyte from the group identified as the target analyte. The cross-reactivity of the immunoassay to the other analyte(s) within the group must be 80 percent or greater; if not, separate immunoassays must be used for the analytes within the group.

Alternate technology: Either one analyte or all analytes from the group must be used for calibration, depending on the technology. At least one analyte within the group must have a concentration equal to or greater than the initial test cutoff or, alternatively, the sum of the analytes present (i.e., equal to or greater than the laboratory's validated limit of quantification) must be equal to or greater than the initial test cutoff.

² An immunoassay must be calibrated with the target analyte, 9-tetrahydrocannabinol-9- carboxylic acid (THCA).

³ **Alternate technology (THCA and benzoylecgonine):** The confirmatory test cutoff must be used for an alternate technology initial test that is specific for the target analyte (i.e., 15 ng/ml for THCA, 100 ng/ml for benzoylecgonine).

⁴ Methylenedioxymethamphetamine (MDMA)

⁵ Methylenedioxyamphetamine (MDA)

Barbiturates	300 ng/ml	Barbiturates	200 ng/ml
Benzodiazepines	300 ng/ml	Benzodiazepines	300 ng/ml
Methadone	300 ng/ml	Methadone	100 ng/ml
Methaqualone	300 ng/ml	Methaqualone	300 ng/ml
Propoxyphene	300 ng/ml	Propoxyphene	100 ng/ml

TESTING POLICY FOR DRUG ABUSE

It is hereby agreed between the parties hereto that an Employer who has otherwise properly implemented drug testing, as set forth in the Testing Policy for Drug Abuse, shall have the right to offer an applicant or employee a "quick" drug screening test. This "quick" screen test shall consist either of the "ICUP" urine screen or similar test or an oral screen test. The applicant or employee shall have the absolute right to select either of the two "quick" screen tests, or to reject both and request a full drug test.

An applicant or employee who selects one of the "quick" screen tests, and who passes the test, shall be put to work immediately. An applicant or employee who fails the "quick" screen test, or who rejects the "quick" screen tests, shall be tested pursuant to the procedures set forth in the Testing Policy for Drug Abuse. The sample used for the "quick" screen test shall be discarded immediately upon conclusion of the test. An applicant or employee shall not be deprived of any rights granted to them by the Testing Policy for Drug Abuse as a result of any occurrence related to the "quick" screen test.

ATTACHMENT E
Golf Course Parcel Map



Notice of Exemption

ATTACHMENT B

Appendix E

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk

County of: Los Angeles

From: (Public Agency): City of Montebello

1600 W. Beverly Boulevard

Montebello, CA 90640

(Address)

Project Title: FY 2023-24 SB 1 Annual Street Improvement Project – CP 913

Project Applicant: City of Montebello

Project Location - Specific: N. 4TH ST. to W. LINCOLN AVE. to W. AVENIDA DE LA MERCED, EDWIN ALDRIN CIR. to N. 4TH ST to END, N. TAYLOR AVE. to W. LINCOLN AVE. to EL CAMINO DR., EL CAMINO DR. to TAYLOR AVE. to END, CUESTA WAY: TAYLOR AVE. to ALDEA DR., ALDEA DR. to TAYLOR AVE. to EL CAMINO DR., MAPLE AV. to LINCOLN AV. to ALDEA DR., SOLANA CIRCLE: END to ALDEA DR., RIO DEL SOL AVE. to END to AGHAJANIAN, RANCHO DR. to LINCOLN AVE. to SAN ANGELO, RIO DEL SOL: SAN ANGELO to AGHAJANIAN, AVENIDA DEL LA MERCED: SAN ANGELO to LINCOLN, FINDLAY AVE. to BARR AVE. to VIA CAMPO, FINDLAY AVE. to VIA SAN DELARRO to BEVERLY, DEWAR: KEENAN to SIMMONS, FRANKEL AVE. to S. MONTEBELLO BLVD to END, MAXWELL: FRANKEL to GARY, GARY: MAXWELL to SPRUCE, SPRUCE: DATE to FRANKEL, OAKWOOD: CAROB to BLUFF, S. 4TH ST. to OAKWOOD to ELM ST., CAROB: ELM to DATE, ELM: CAROB to BLUFF, S. 4TH ST. to ELM ST. to SYCAMORE ST., SPRUCE: OAKWOOD to ELM, ADELITA: LEXINGTON to CONCORD, BRADSHAW: DEWAR to BEVERLY, VIA SAN DELARRO: GARFIELD to FINDLAY, N. HAY ST. to BEVERLY to LINCOLN, MAPLE: VICTORIA to LINCOLN, RAYWOOD: FORBES to LINCOLN, VIA SAN CARLO: VIA SAN CLEMENTE to VIA SAN DELARRO, S. PARK: COLEGROVE to END

Project Location – City: Montebello

Project Locations – County: Los Angeles

Description of Nature, Purpose and Beneficiaries of Project: Asphalt pavement rehabilitation, street resurface and enhanced American with Disabilities Act (ADA) accessibility path of travel.

Name of Public Agency Approving Project: City of Montebello

Name of Person or Agency Carrying Out Project: Cesar Roldan, Director of Public Works

Exempt Status: **(check one):**

- ☐ Ministerial (Sec. 21080(b)(1); 15268);
- ☐ Declared Emergency (Sec. 21080(b)(3); 15269(a)); Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- ☐ Categorical Exemption. State type and section number: 15301 Class 1
- ☐ Statutory Exemptions. State code number: _____

Reasons why project is exempt: Exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption (Existing Facilities). The project location listed above are street locations that will be resurfaced during the course of this project.

Lead Agency

Contact Person: Cesar Roldan Area Code/Telephone/Extension: 323-887-1462

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? **Yes** No

Signature: Cesar Roldan Date: October 10, 2024 Title: Director of Public Works

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____



ITEM # 10

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Paul Espinosa, Police Chief

**SUBJECT: APPROVAL OF CALIFORNIA OFFICE OF TRAFFIC SAFETY (OTS)
SELECTIVE TRAFFIC ENFORCEMENT PROGRAM (STEP) GRANT
FUNDS UTILIZATION**

DATE: October 9, 2024

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve the use of grant funding awarded by the California Office of Traffic and Safety (OTS) through the Selective Traffic Enforcement Program (STEP), Grant number PT25182, in the amount of \$150,000; and
2. Amend the Fiscal Year 2024-25 budget and increase appropriations by \$150,000 in Account No. 265-8013-800-5010.10, 6000.20 and 6020, Grants, OTS-STEP Grant, PT25182 FY 2024-25 (Overtime, Supplies and Travel and Meetings); and,
3. Take such additional, related, action that may be desirable.

FISCAL IMPACT:

The City of Montebello has been awarded \$150,000 from the State OTS-STEP Grant Program ("Grant"). Although the City must pay upfront costs, all related, authorized, expenditures will be reimbursed by the Grant on a quarterly basis for an amount up to \$150,000. The funds are to be distributed to a specific OTS-STEP account which will reflect the following budget (Account No. 265-8013-800), OTS-STEP, PT25182 FY 2024-25):

1. Personnel Costs – Overtime (5010.10) \$119,700
2. Travel Expenses (6020) \$5,000

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

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3. <u>Supplies (6000.20)</u>	<u>\$25,300</u>
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TOTAL	\$150,000
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The recommended action requires amending the Fiscal Year 2024-25 budget by increasing appropriations by \$150,000 in Account No. 265-8013-800-5010.10, 6000.20 and 6020, Grants, OTS-STEP Grant, PT25182 FY 2024-25 (Overtime, Supplies and Travel and Meetings).

BACKGROUND/DISCUSSION:

On September 23, 2024, the City was awarded an OTS-STEP Grant in the amount of \$150,000. The performance period of the grant is October 1, 2024, to September 30, 2025. Funding from this grant has been approved for traffic operations and other miscellaneous traffic and checkpoint supplies.

The Police Department has primarily focused on reducing alcohol and speed-related collisions. Through the use of educational campaigns that focus on traffic safety topics such as distracted driving and primary collision factors, the Police Department will continue to educate the community on the importance of safe driving practices. The Police Department is currently expanding staff in the traffic unit, adding traffic safety equipment, and expanding training opportunities.

The goal is to use the Grant funds towards the enforcement of traffic laws, educating the public in traffic safety, and providing varied and effective means of reducing fatalities, injuries, and economic losses from collisions. These tasks will be achieved through a focused traffic enforcement plan utilizing operations that are data-driven and that the Police Department has the capacity to complete.

ENVIRONMENTAL:

N/A

ANALYSIS:

Best practice strategies will be implemented to reduce the number of persons killed and injured in crashes involving alcohol/drugs and primary collision factors that are prevalent in the City, including speeding, tailgating, illegal U-turns, and stop sign violations. The funded strategies may include impaired driving enforcement, enforcement operations focusing on primary collision factors, distracted driving, nighttime seat belt enforcement, special enforcement operations encouraging motorcycle safety, enforcement and public awareness in areas with a high number of bicycle and pedestrian collisions, and educational presentations on topics that may include: child passenger safety, occupant protection, and senior driving.

These strategies and campaigns are advertised on the City's website and social media with the goal of capturing the communities' attention to encourage safe driving practices.

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

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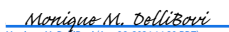
SUMMARY:

The City has been awarded a STEP Grant from OTS in the amount of \$150,000. The Grant award will enable the Police Department to conduct traffic safety and enforcement operations. As a result of the award of these reimbursable grant funds, the Police Department is able to deploy officers and conduct high-visibility traffic campaigns. The support of the OTS-STEP Grant will aid in these goals and expand our efforts.

City Council is being asked to authorize the proposed use of the Grant as further outlined in the attached Grant Agreement (Attachment A) and amend the FY 2024-25 budget by increasing appropriations by \$150,000 in Account No. 265-8013-800-5010.10, 6000.20 and 6020, OTS-STEP, PT25182 FY 2024-25 (Overtime, Supplies and Travel and Meetings). Refer to the table above for the exact dollar allocated to each expense item.

ATTACHMENT(S)

1. Attachment A - STEP OTS Grant FY 2024 2025

1. GRANT TITLE Selective Traffic Enforcement Program (STEP)	
2. NAME OF AGENCY Montebello	3. Grant Period From: 10/01/2024 To: 09/30/2025
4. AGENCY UNIT TO ADMINISTER GRANT Montebello Police Department	
5. GRANT DESCRIPTION Best practice strategies will be conducted to reduce the number of persons killed and injured in crashes involving alcohol and other primary crash factors. The funded strategies may include impaired driving enforcement, enforcement operations focusing on primary crash factors, distracted driving, night-time seat belt enforcement, special enforcement operations encouraging motorcycle safety, enforcement and public awareness in areas with a high number of bicycle and pedestrian crashes, and educational programs. These strategies are designed to earn media attention thus enhancing the overall deterrent effect.	
6. Federal Funds Allocated Under This Agreement Shall Not Exceed: \$150,000.00	
7. TERMS AND CONDITIONS: The parties agree to comply with the terms and conditions of the following which are by this reference made a part of the Agreement: • Schedule A – Problem Statement, Goals and Objectives and Method of Procedure • Schedule B – Detailed Budget Estimate and Sub-Budget Estimate (if applicable) • Schedule B-1 – Budget Narrative and Sub-Budget Narrative (if applicable) • Exhibit A – Certifications and Assurances • Exhibit B* – OTS Grant Program Manual • Exhibit C – Grant Electronic Management System (GEMS) Access *Items shown with an asterisk (*), are hereby incorporated by reference and made a part of this agreement as if attached hereto. These documents can be viewed at the OTS home web page under Grants: www.ots.ca.gov. We, the officials named below, hereby swear under penalty of perjury under the laws of the State of California that we are duly authorized to legally bind the Grant recipient to the above described Grant terms and conditions. IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.	
8. Approval Signatures	
A. GRANT DIRECTOR NAME: Monique Dellibovi TITLE: Grants and Project Administrator EMAIL: mdellibovi@montebelloca.gov PHONE: (323) 887-1243 ADDRESS: 1600 W. Beverly Blvd. Montebello, CA 90640  Monique M. Dellibovi (Aug 26, 2024 14:30 PDT) _____ (Signature) Aug 26, 2024 _____ (Date)	B. AUTHORIZING OFFICIAL ADDRESS: Paul Espinosa Chief of Police pespinosa@cityofmontebello.com (323) 887-1212 1600 W. Beverly Blvd. Montebello, CA 90640  Paul Espinosa (Aug 26, 2024 16:27 PDT) _____ (Signature) Aug 26, 2024 _____ (Date)
C. FISCAL OFFICIAL ADDRESS: Michael Solorza Director of Finance msolorza@cityofmontebello.com (323) 887-1412 1600 W. Beverly Blvd. Montebello, CA 90640  Michael Solorza (Aug 26, 2024 16:22 PDT) _____ (Signature) Aug 26, 2024 _____ (Date)	D. AUTHORIZING OFFICIAL OF OFFICE OF TRAFFIC SAFETY ADDRESS: Barbara Rooney Director barbara.rooney@ots.ca.gov (916) 509-3030 2208 Kausen Drive, Suite 300 Elk Grove, CA 95758  Barbara Rooney _____ (Signature) Sep 23, 2024 _____ (Date)

E. ACCOUNTING OFFICER OF OFFICE OF TRAFFIC SAFETY NAME: Carolyn Vu ADDRESS: 2208 Kausen Drive, Suite 300 Elk Grove, CA 95758	9. SAM INFORMATION SAM #: M8MYZCCFENF8 REGISTERED ADDRESS: 1600 West Beverly Boulevard CITY: Montebello ZIP+4: 90640-3932
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10. PROJECTED EXPENDITURES						
FUND	CFDA	ITEM/APPROPRIATION	F.Y.	CHAPTER	STATUTE	PROJECTED EXPENDITURES
402PT-25.1	20.600	0521-0890-101	2023	12/23	BA/23	\$13,994.00
164AL-25.1	20.608	0521-0890-101	2023	12/23	BA/23	\$18,300.00
402PT-25	20.600	0521-0890-101	2024	22/24	BA/24	\$51,006.00
164AL-25	20.608	0521-0890-101	2024	22/24	BA/24	\$66,700.00
				AGREEMENT TOTAL		\$150,000.00
				AMOUNT ENCUMBERED BY THIS DOCUMENT \$150,000.00		
<i>I CERTIFY upon my own personal knowledge that the budgeted funds for the current budget year are available for the period and purpose of the expenditure stated above.</i>				PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT \$ 0.00		
OTS ACCOUNTING OFFICER'S SIGNATURE  Carolyn Vu (Aug 26, 2024 16:30 PDT)			DATE SIGNED Aug 26, 2024		TOTAL AMOUNT ENCUMBERED TO DATE \$150,000.00	

1. PROBLEM STATEMENT

The City of Montebello Police Department is planning to address and reduce traffic safety concerns in the City of Montebello using a combination of enforcement and education. Using the highest standards and most up-to-date analytics, the enforcement operations will be dedicated to the most prevalent traffic problems. By increasing the visibility of our program goals and distributing educational material on safe driving practices, the department will enhance traffic safety enforcement operations. Through these methods, the department will be successful in curbing Montebello's traffic problems and most importantly reducing the overall number of traffic crashes that cause injuries and fatalities.

The City of Montebello is a bustling and charming community located in Los Angeles County. Traffic volume is heavy throughout the city for several reasons. Montebello covers an area of approximately 8.25 miles and is bordered on the south by the Santa Ana Freeway (I-5) and on the north by the Pomona Freeway (SR-60). Several other freeways are nearby and easily accessible from the area including the Long Beach Freeway 710 and San Gabriel Freeway 605. Montebello is often referred to as a gateway city, with proximity to downtown Los Angeles and its shared borders with several cities including Monterey Park, Pico Rivera, Rosemead, Commerce, and East Los Angeles. The city is primarily residential; however, there is strong growth of commercial property and businesses. Montebello is home to a large shopping mall with heavy traffic that substantially increases during the holiday season. Additionally, there are five private schools, thirty-three schools in the Montebello Unified School District, and several universities in the surrounding area. Montebello is in one of the busiest counties in the country, it is bordered by heavily traveled freeways and is an area by which numerous commuters travel, shop, and reside on a daily basis. All these factors contribute to several traffic problems that the department hopes to mitigate.

The City of Montebello is fortunate to have an active community that is very aware and concerned of traffic trends. Social media has played a large role in creating this open and fluid communication. Through additional data analysis the Police Department has observed a trend emerge, this new trend is being referred to as the "after-hours" trend. The noted crashes tend to be concentrated around the hours of "after-school" and "after-work" commutes. The data demonstrates that between the hours of 12:00 pm- 6:00 pm; nearly 50% of the crashes (208) occurred in 2023. Officers will focus their enforcement hours on these time frames to ensure the greatest impact of enforcement activities.

The City of Montebello is currently seeing a drastic increase in the number of crashes involving speeding. In 2022 the Department noted 17 crashes with a primary crash factor involving speed. In 2023, that number increased to 48, more than doubling. All 48 crashes involving speed resulted in injury. The Department hopes to demonstrate that high visibility traffic enforcement operations will be effective in deterring speeding.

The City of Montebello Police Department has observed that the rate of crashes involving pedestrians and bicyclists has steadily increased. This past year 10% of the total crashes involved a pedestrian or bicyclist and unfortunately this included one fatality involving a pedestrian. These figures represent 45 injured victims; a number that is much too high and unacceptable. The Department will continue to educate all road users on safe road sharing practices through enforcement operations.

The City of Montebello Police Department serves an area where many low-income individuals reside, areas in which families often times aren't able to afford proper helmets and bike safety gear. The Department will host bicycle rodeos, to educate elementary school age bicyclists on several safe riding topics including high visibility, safe riding practices, and safe road sharing practices. Bicycle helmets will be properly fitted and distributed to participants of the rodeos. The Department will distribute and properly fit helmets, distribute high visibility tape for bicycles, and provide bicycle maintenance checks for members of the community at events like National Night Out. The department will use the community events to educate parents and children about bicycle safety as well as use resources like social media to educate drivers about the importance of safely sharing the road with bicyclists.

The Department actively works to survey and implement programs that are either deemed necessary or requested by the community. A program that is very often requested is a Child Car Seat Inspection event. It is important that our Department promote and enforce child passenger safety. Because data on use of car seats is limited, we intend to distribute car seats to our community and provide an opportunity to install them properly. We hope to either have our staff certified or partner with other Child Passenger Safety Technicians. We hope to gather participation data to give us a better understanding of how our communities needs can be addressed.

During 2024, the Montebello Police Department has arrested 53 subjects for Driving Under the Influence, most of these arrests occurred between the hours of 1800 – 0300. Of the 53 arrests 28 of them were involved in traffic crashes, 12 of these crashes involved injuries. Also, of the 53 arrests 1 involved driving under the influence of drugs and 1 arrest was for driving under the influence of alcohol and drugs. Two of these arrests involved additional charges of Neglect of Children for having children in the vehicle while driving under the influence. It is apparent that our arrests occur in the early morning hours when most subjects are on their way home from either a bar or restaurant where they have been drinking. In Montebello we have had an increase in bars and restaurants on our main highway that runs through Downtown Montebello. The increase of bars and restaurants in our city has had an impact on drunk driving and has played a part with increasing our DUI statistics. Addressing these issues through a combination of enforcement, education, and community involvement may help reduce DUI rates and improve overall road safety in Montebello.

An additional area of concern to our department and City is to ensure that the teen drivers of the community are practicing safe driving techniques. We currently have a hypothesis that due to the hours of the crash's occurrence; teen drivers might be more susceptible to being involved in crashes. Our available data shows that drivers between the ages of 18-30 made up 28% of the drivers at fault for crashes in 2022 and 27% in 2023. To help address this concern, the department will partner with local high schools, community colleges, and local universities to offer teen drivers safe driving educational presentations.

Having identified a noticeable trend in the hours of the crashes, it is that much more concerning that our alcohol involved crashes have also increased (18 injured in 2021, 23 in 2022 including one fatality, and 23 in 2023). Additionally, our OTS Crash Rankings also showed our DUI arrests ranking increase from 34 in 2019 to 23 in 2021. This year the department will focus on expanding our social media campaigns to deter impaired driving. It is very apparent that our efforts are more necessary than ever before.

Having the attention and willing participation of the community allows the Police Department to address trends as soon as they are identified. The support of the community lends itself to advocating to the City for necessary infrastructure changes to address and reduce the occurrence of traffic crashes wherever possible by adjusting speed limits, changing and upgrading signs, and improving roadways.

While more data needs to be collected to further analyze the noted trends, the department now has more software and hardware equipment to make this analysis. The recent upgrade of the traffic reporting system through OTS funding, will soon hold multiple years' worth of data that will show additional details. The recent hiring of our Crime/Data Analyst will also assist us with reviewing data and implementation of best practices to direct our enforcement efforts. Additionally, the Department recently assigned two additional officers to our Traffic Unit for a total of 4 full-time officers. These projects and staffing increases demonstrate the departments and City's commitment to the goals set by the Office of Traffic Safety of eliminating crashes and fatalities on the roads.

Montebello Police Department has diligently worked to identify and address traffic problems and concerns in the City of Montebello. The Office of Traffic Safety has allowed our efforts to make dramatic improvements, however, our work is not done. The efforts of this grant are personal goals for our department. Our collaborative efforts will create lasting changes that will reduce traffic injuries and lead to zero fatalities in the City of Montebello and surrounding regions.

2. PERFORMANCE MEASURES

A. Goals:

1. Reduce the number of persons killed in traffic crashes.
2. Reduce the number of persons injured in traffic crashes.
3. Reduce the number of pedestrians killed in traffic crashes.

4. Reduce the number of pedestrians injured in traffic crashes.
5. Reduce the number of bicyclists killed in traffic crashes.
6. Reduce the number of bicyclists injured in traffic crashes.
7. Reduce the number of persons killed in alcohol-involved crashes.
8. Reduce the number of persons injured in alcohol-involved crashes.
9. Reduce the number of persons killed in drug-involved crashes.
10. Reduce the number of persons injured in drug-involved crashes.
11. Reduce the number of persons killed in alcohol/drug combo-involved crashes.
12. Reduce the number of persons injured in alcohol/drug combo-involved crashes.
13. Reduce the number of motorcyclists killed in traffic crashes.
14. Reduce the number of motorcyclists injured in traffic crashes.
15. Reduce hit & run fatal crashes.
16. Reduce hit & run injury crashes.
17. Reduce nighttime (2100 - 0259 hours) fatal crashes.
18. Reduce nighttime (2100 - 0259 hours) injury crashes.

B. Objectives:	Target Number
1. Issue a press release announcing the kick-off of the grant by November 15. The kick-off press releases and media advisories, alerts, and materials must be emailed to the OTS Public Information Officer at pio@ots.ca.gov , and copied to your OTS Coordinator, for approval 7 days prior to the issuance date of the release.	1
2. Participate and report data (as required) in the following campaigns; Quarter 1: National Pedestrian Safety Month, National Walk to School Day, National Teen Driver Safety Week, NHTSA Winter Mobilization; Quarter 3: National Distracted Driving Awareness Month, National Motorcycle Safety Month, National Bicycle Safety Month, National Click it or Ticket Mobilization; Quarter 4: National Speed Prevention Campaigns, NHTSA Summer Mobilization, National Child Passenger Safety Week, and California's Pedestrian Safety Month.	12
3. Develop (by December 31) and/or maintain a "DUI BOLO" program to notify patrol and traffic officers to be on the lookout for identified repeat DUI offenders with a suspended or revoked license as a result of DUI convictions. Updated DUI BOLOs should be distributed to patrol and traffic officers monthly.	12
4. Send law enforcement personnel to the NHTSA Standardized Field Sobriety Testing (SFST) (minimum 16 hours) POST-certified training.	5
5. Send law enforcement personnel to the NHTSA Advanced Roadside Impaired Driving Enforcement (ARIDE) 16 hour POST-certified training.	5
6. Send law enforcement personnel to the Drug Recognition Expert (DRE) training (classroom and field training must be completed).	1
7. Conduct DUI/DL Checkpoints. A minimum of 1 checkpoint should be conducted during the NHTSA Winter Mobilization and 1 during the Summer Mobilization. To enhance the overall deterrent effect and promote high visibility, it is recommended the grantee issue an advance press release and conduct social media activity for each checkpoint. For combination DUI/DL checkpoints, departments should issue press releases that mention DL's will be checked at the DUI/DL checkpoint. Signs for DUI/DL checkpoints should read "DUI/Driver's License Checkpoint Ahead." OTS does not fund or support independent DL checkpoints. Only on an exception basis and with OTS pre-approval will OTS fund checkpoints that begin prior to 1800 hours. When possible, DUI/DL Checkpoint screeners should be DRE- or ARIDE-trained.	3
8. Conduct DUI Saturation Patrol operation(s).	12
9. Conduct Traffic Enforcement operation(s), including but not limited to, primary crash factor violations.	11
10. Conduct highly publicized Distracted Driving enforcement operation(s) targeting drivers using hand held cell phones and texting.	3
11. Conduct highly publicized pedestrian and/or bicycle enforcement operation(s) in areas or during events with a high number of pedestrian and/or bicycle crashes resulting from violations made by pedestrians, bicyclists, and drivers.	6

12. Conduct Traffic Safety educational presentation(s) with an effort to reach community members. Note: Presentation(s) may include topics such as distracted driving, DUI, speed, bicycle and pedestrian safety, seat belts and child passenger safety.	4
13. Send law enforcement personnel to DUI Checkpoint Planning and Management training.	2
14. Conduct specialized enforcement operations focusing specifically on street racing and sideshow activities.	2
15. Utilize the oral fluid drug screening device at roadside to assist with identifying drug use during DUI investigations. Report on the use, accomplishments, or challenges associated with the use of the oral fluid drug screening device.	1
16. Send law enforcement personnel to a POST certified implicit bias training, such as; Implicit Bias and Community Policing, Principles Policing, or Beyond Bias.	4
3. METHOD OF PROCEDURE A. <u>Phase 1 – Program Preparation</u> (1st Quarter of Grant Year) - The department will develop operational plans to implement the “best practice” strategies outlined in the objectives section. - All training needed to implement the program should be conducted in the first quarter. - All grant related purchases needed to implement the program should be made in the first quarter. - In order to develop/maintain the “DUI BOLOs,” research will be conducted to identify the “worst of the worst” repeat DUI offenders with a suspended or revoked license as a result of DUI convictions. The DUI BOLO may include the driver’s name, last known address, DOB, description, current license status, and the number of times suspended or revoked for DUI. DUI BOLOs should be updated and distributed to traffic and patrol officers at least monthly. - Implementation of the STEP grant activities will be accomplished by deploying personnel at high crash locations. - Oral Fluid Drug Screening Devices – The Grantee agrees to ensure all personnel using road-side drug testing equipment, including oral fluid drug screening devices, purchased with grant funds from this Grant Agreement, are trained to recognize alcohol and drug impairment. At a minimum, personnel using these devices should receive Standardized Field Sobriety Testing training. These personnel are also encouraged to attend Advanced Roadside Impaired Driving Enforcement and Drug Recognition Evaluator training. Prior to using these devices, the Grantee agrees to obtain permission from their local prosecutor’s office, establish a policy ensuring appropriate use, and require the staff using these devices to receive appropriate training, which may include training from the manufacturer. This will help ensure the equipment is used appropriately. The Grantee shall advise the State (California Office of Traffic Safety) of any legal challenges or other items of significance that may affect the use or legal acceptance of these devices. Additionally, the State may request additional information about the performance of these devices, including information about their use, accuracy, and feedback from personnel using the devices. <u>Media Requirements:</u> Issue a press release approved by the OTS PIO announcing the kick-off of the grant by November 15, but no sooner than October 1. The kick-off release must be approved by the OTS PIO and only distributed after the grant is fully signed and executed. If you are unable to meet the November 15 deadline to issue a kick-off press release, communicate reasons to your OTS grant coordinator and OTS PIO.	
B. <u>Phase 2 – Program Operations</u> (Throughout Grant Year) - The department will work to create media opportunities throughout the grant period to call attention to the innovative program strategies and outcomes. <u>Media Requirements</u> The following requirements are for all grant-related activities: - Send all media advisories, alerts, videos, graphics, artwork, posters, radio/PSA/video scripts, storyboards, digital and/or print educational materials for grant-related activities to the OTS PIO at pio@ots.ca.gov for approval and copy your OTS grant coordinator. Optimum lead time would	

be 7 days before the scheduled release but at least 3 business days prior to the scheduled release date for review and approval is appreciated.

- Send all Powerpoint presentations, online presentations and trainings for grant-related activities to the OTS PIO at pio@ots.ca.gov for approval and copy your OTS grant coordinator. Certified training courses are EXEMPT from the approval process.
- The OTS PIO is responsible for the approval of the design and content of materials. The agency understands OTS PIO approval is not authorizing approval of budget expenditure or cost. Any cost approvals must come from the OTS grant coordinator.
- Pre-approval is not required when using any OTS-supplied template for media advisories, press releases, social media graphics, videos or posts, or any other OTS-supplied educational material. However, copy the OTS PIO at pio@ots.ca.gov and your OTS grant coordinator when any material is distributed to the media and public, such as a press release, educational material, or link to social media post. The OTS-supplied kick-off press release templates and any kickoff press releases are an exception to this policy and require prior approval before distribution to the media and public.
- If an OTS-supplied template, educational material, social media graphic, post or video is substantially changed, the changes shall be sent to the OTS PIO at pio@ots.ca.gov for approval and copy to your OTS grant coordinator. Optimum lead time would be 7 days prior to the scheduled release date, but at least 3 business days prior to the scheduled release date for review and approval is appreciated.
- Press releases, social media posts and alerts on platforms such as NextDoor and Nixle reporting immediate and time-sensitive grant activities (e.g. enforcement operations, day of event highlights or announcements, event invites) are exempt from the OTS PIO approval process. The OTS PIO and your OTS grant coordinator should still be notified when the grant-related activity is happening (e.g. car seat checks, bicycle rodeos, community presentations, DUI checkpoints, etc.).
- Enforcement activities such as warrant and probation sweeps, court stings, etc. that are embargoed or could impact operations by publicizing in advance are exempt from the PIO approval process. However, announcements and results of activities should still be copied to the OTS PIO at pio@ots.ca.gov and your OTS grant coordinator with embargoed date and time or with "INTERNAL ONLY: DO NOT RELEASE" message in subject line of email.
- Any earned or paid media campaigns for TV, radio, digital or social media that are part of a specific grant objective, using OTS grant funds, or designed and developed using contractual services by a subgrantee, requires prior approval. Please send to the OTS PIO at pio@ots.ca.gov for approval and copy your grant coordinator at least 3 business days prior to the scheduled release date.
- Social media posts highlighting state or national traffic safety campaigns (Distracted Driving Month, Motorcycle Safety Awareness Month, etc.), enforcement operations (DUI checkpoints, etc.), or any other grant-related activity such as Bicycle rodeos, presentations, or events, are highly encouraged but do not require prior approval.
- Submit a draft or rough-cut of all digital, printed, recorded or video material (brochures, posters, scripts, artwork, trailer graphics, digital graphics, social posts connected to an earned or paid media campaign grant objective) to the OTS PIO at pio@ots.ca.gov and copy your OTS grant coordinator for approval prior to the production or duplication.
- Use the following standard language in all press, media, and printed materials, space permitting: Funding for this program was provided by a grant from the California Office of Traffic Safety, through the National Highway Traffic Safety Administration.
- Space permitting, include the OTS logo on all grant-funded print materials, graphics and paid or earned social media campaign grant objective; consult your OTS grant coordinator for specifics, format-appropriate logos, or if space does not permit the use of the OTS logo.
- Email the OTS PIO at pio@ots.ca.gov and copy your OTS grant coordinator at least 21 days in advance, or when first confirmed, a short description of any significant grant-related traffic safety event or program, particularly events that are highly publicized beforehand with anticipated media coverage so OTS has sufficient notice to arrange for attendance and/or participation in the event. If unable to attend, email the OTS PIO and coordinator brief highlights and/or results, including any media coverage (broadcast, digital, print) of event within 7 days following significant grant-related event or program. Media and program highlights are to be reflected in QPRs.

- Any press releases, work plans, scripts, storyboards, artwork, graphics, videos or any educational or informational materials that received OTS PIO approval in a prior grant year needs to be resubmitted for approval in the current grant year.
- For additional guidance, refer to the [OTS Grants Materials Approval Process Guidelines](#) and [OTS Grants Media Approval Process FAQs](#) on the OTS website.
- Contact the OTS PIO or your OTS grant coordinator for consultation when changes from any of the above requirements might be warranted.

C. Phase 3 – Data Collection & Reporting (Throughout Grant Year)

1. Prepare and submit grant claim invoices (due January 30, April 30, July 30, and October 30)
2. Prepare and submit Quarterly Performance Reports (QPR) (due January 30, April 30, July 30, and October 30)
 - Collect and report quarterly, appropriate data that supports the progress of goals and objectives.
 - Provide a brief list of activity conducted, procurement of grant-funded items, and significant media activities. Include status of grant-funded personnel, status of contracts, challenges, or special accomplishments.
 - Provide a brief summary of quarterly accomplishments and explanations for objectives not completed or plans for upcoming activities.
 - Collect, analyze and report statistical data relating to the grant goals and objectives.

4. METHOD OF EVALUATION

Using the data compiled during the grant, the Grant Director will complete the “Final Evaluation” section in the fourth/final Quarterly Performance Report (QPR). The Final Evaluation should provide a brief summary of the grant’s accomplishments, challenges and significant activities. This narrative should also include whether goals and objectives were met, exceeded, or an explanation of why objectives were not completed.

5. ADMINISTRATIVE SUPPORT

This program has full administrative support, and every effort will be made to continue the grant activities after grant conclusion.

FUND NUMBER	CATALOG NUMBER (CFDA)	FUND DESCRIPTION	TOTAL AMOUNT	
402PT-25	20.600	State and Community Highway Safety	\$65,000.00	
164AL-25	20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	\$85,000.00	
COST CATEGORY		FUND NUMBER	UNIT COST OR RATE	TOTAL COST TO GRANT
A. PERSONNEL COSTS				
<u>Straight Time</u>				\$0.00
<u>Overtime</u>				
DUI/DL Checkpoints	164AL-25	\$11,500.00	3	\$34,500.00
DUI Saturation Patrols	164AL-25	\$2,500.00	12	\$30,000.00
Traffic Enforcement	402PT-25	\$2,500.00	11	\$27,500.00
Distracted Driving	402PT-25	\$2,100.00	3	\$6,300.00
Pedestrian and Bicycle Enforcement	402PT-25	\$2,400.00	6	\$14,400.00
Street Racing and Sideshow Enforcement Operations	402PT-25	\$2,500.00	2	\$5,000.00
Traffic Safety Educational Presentations	402PT-25	\$500.00	4	\$2,000.00
Category Sub-Total				\$119,700.00
B. TRAVEL EXPENSES				
In State Travel	402PT-25	\$5,000.00	1	\$5,000.00
				\$0.00
Category Sub-Total				\$5,000.00
C. CONTRACTUAL SERVICES				
				\$0.00
Category Sub-Total				\$0.00
D. EQUIPMENT				
				\$0.00
Category Sub-Total				\$0.00
E. OTHER DIRECT COSTS				
DUI Checkpoint Supplies	164AL-25	\$1,500.00	1	\$1,500.00
Oral Fluid Drug Screening Device	164AL-25	\$4,900.00	2	\$9,800.00
Oral Fluid Drug Screening Supplies	164AL-25	\$2,000.00	1	\$2,000.00
Phlebotomist	164AL-25	\$800.00	9	\$7,200.00
Lidar Device	402PT-25	\$2,400.00	2	\$4,800.00
Category Sub-Total				\$25,300.00
F. INDIRECT COSTS				
				\$0.00
Category Sub-Total				\$0.00
GRANT TOTAL			\$150,000.00	

BUDGET NARRATIVE

PERSONNEL COSTS

DUI/DL Checkpoints - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.

DUI Saturation Patrols - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.

Traffic Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.

Distracted Driving - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.

Pedestrian and Bicycle Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.

Street Racing and Sideshow Enforcement Operations - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.

Traffic Safety Educational Presentations - Overtime for grant funded traffic safety educational presentations conducted by appropriate department personnel.

TRAVEL EXPENSES

In State Travel - Costs are included for appropriate staff to attend conferences and training events supporting the grant goals and objectives and/or traffic safety. Local mileage for grant activities and meetings is included. Anticipated travel may include Lifesavers in Long Beach and the OTS Traffic Safety Law Enforcement Forum. All conferences, seminars or training not specifically identified in the Budget Narrative must be approved by OTS. All travel claimed must be at the agency approved rate. Per Diem may not be claimed for meals provided at conferences when registration fees are paid with OTS grant funds.

CONTRACTUAL SERVICES

-

EQUIPMENT

-

OTHER DIRECT COSTS

DUI Checkpoint Supplies - On-scene supplies needed to conduct sobriety checkpoints. Costs may include 28" traffic cones, MUTCD compliant traffic signs, MUTCD compliant high visibility vests (maximum of 10), traffic counters (maximum of 2), generator, gas for generators, lighting, reflective banners, electronic flares, PAS Device/Calibration Supplies, heater, propane for heaters, fan, anti-fatigue mats, and canopies. Additional items may be purchased if approved by OTS. The cost of food and beverages will not be reimbursed. Each item must have a unit cost of less than \$5,000 (including tax and shipping).

Oral Fluid Drug Screening Device - Device to collect oral fluid sample to detect the presence of some drug categories in DUI investigations. Costs may include oral fluid device, printer, power supply unit and cable, system carrying case, and accessories. Each item must have a unit cost of less than \$5,000 (including tax and shipping).

Oral Fluid Drug Screening Supplies - Supplies to collect oral fluid sample to detect the presence of some drug categories in DUI investigations. Costs may include collection cartridges.

Phlebotomist - To draw and collect blood samples during OTS funded grant operations from suspected DUI drivers on scene as evidence in support of DUI convictions in a court of law.

Lidar Device - Light detection and ranging device used to measure the speed of motor vehicles. This device will be used for speed enforcement. Costs may include lidar devices, batteries, tax, and shipping.

INDIRECT COSTS

STATEMENTS/DISCLAIMERS

There will be no program income generated from this grant.

Nothing in this “agreement” shall be interpreted as a requirement, formal or informal, that a particular law enforcement officer issue a specified or predetermined number of citations in pursuance of the goals and objectives here under.

The OTS grant funded activities must be separate from the CHP Cannabis Tax Fund Grant Program activities and maintained under separate accounting/tracking/other codes (example: the same DUI checkpoint may not be funded by both the CHP and the OTS).

Certifications and Assurances for Fiscal Year 2024 Highway Safety Grants (23 U.S.C. Chapter 4 or Section 1906, Public Law 109-59, as amended by Section 25024, Public Law 117-58)

The officials named on the grant agreement, certify by way of signature on the grant agreement signature page, that the Grantee Agency complies with all applicable Federal statutes, regulations, and directives and State rules, guidelines, policies, and laws in effect with respect to the periods for which it receives grant funding. Applicable provisions include, but are not limited to, the following:

GENERAL REQUIREMENTS

The State will comply with applicable statutes and regulations, including but not limited to:

- 23 U.S.C. Chapter 4—Highway Safety Act of 1966, as amended;
- Sec. 1906, [Public Law 109-59](#), as amended by Sec. 25024, [Public Law 117-58](#);
- [23 CFR part 1300](#)—Uniform Procedures for State Highway Safety Grant Programs;
- [2 CFR part 200](#)—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;
- [2 CFR part 1201](#)—Department of Transportation, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

NONDISCRIMINATION

(applies to all subrecipients as well as States)

The State highway safety agency [and its subrecipients] will comply with all Federal statutes and implementing regulations relating to nondiscrimination (“Federal Nondiscrimination Authorities”). These include but are not limited to:

- *Title VI of the Civil Rights Act of 1964* ([42 U.S.C. 2000d](#) et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- [49 CFR part 21](#) (entitled *Non-discrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964*);
- [28 CFR 50.3](#) (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);
- *The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970*, ([42 U.S.C. 4601](#)), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- *Federal-Aid Highway Act of 1973*, (23 U.S.C. 324 et seq.), and *Title IX of the Education Amendments of 1972*, as amended ([20 U.S.C. 1681-1683](#) and [1685-1686](#)) (prohibit discrimination on the basis of sex);
- *Section 504 of the Rehabilitation Act of 1973*, ([29 U.S.C. 794](#) et seq.), as amended, (prohibits discrimination on the basis of disability) and [49 CFR part 27](#);
- *The Age Discrimination Act of 1975*, as amended, ([42 U.S.C. 6101](#) et seq.), (prohibits discrimination on the basis of age);
- *The Civil Rights Restoration Act of 1987*, (Pub. L. 100-209), (broadens scope, coverage, and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal aid recipients, subrecipients and contractors, whether such programs or activities are Federally-funded or not);
- *Titles II and III of the Americans with Disabilities Act* ([42 U.S.C. 12131-12189](#)) (prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing) and [49 CFR parts 37](#) and [38](#);
- [Executive Order 12898](#), *Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations* (preventing discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- [Executive Order 13166](#), *Improving Access to Services for Persons with Limited English Proficiency* (requiring that recipients of Federal financial assistance provide meaningful access for applicants and beneficiaries who have limited English proficiency (LEP));
- [Executive Order 13985](#), *Advancing Racial Equity and Support for Underserved Communities through the Federal Government* (advancing equity across the Federal Government); and
- [Executive Order 13988](#), *Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation* (clarifying that sex discrimination includes discrimination on the grounds of gender identity or sexual orientation).

The preceding statutory and regulatory cites hereinafter are referred to as the “Acts” and “Regulations,” respectively.

GENERAL ASSURANCES

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In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

“No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity, for which the Recipient receives Federal financial assistance from DOT, including NHTSA.”

The Civil Rights Restoration Act of 1987 clarified the original intent of Congress, with respect to Title VI of the Civil Rights Act of 1964 and other non-discrimination requirements (the Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973), by restoring the broad, institutional-wide scope and coverage of these nondiscrimination statutes and requirements to include all programs and activities of the Recipient, so long as any portion of the program is Federally assisted.

SPECIFIC ASSURANCES

More specifically, and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted Highway Safety Grant Program:

1. The Recipient agrees that each “activity,” “facility,” or “program,” as defined in § 21.23(b) and (c) of [49 CFR part 21](#) will be (with regard to an “activity”) facilitated, or will be (with regard to a “facility”) operated, or will be (with regard to a “program”) conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.
2. The Recipient will insert the following notification in all solicitations for bids, Requests For Proposals for work, or material subject to the Acts and the Regulations made in connection with all Highway Safety Grant Programs and, in adapted form, in all proposals for negotiated agreements regardless of funding source:
“The [name of Recipient], in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”
3. The Recipient will insert the clauses of appendix A and E of this Assurance (also referred to as DOT Order 1050.2A) in every contract or agreement subject to the Acts and the Regulations.
4. The Recipient will insert the clauses of appendix B of DOT Order 1050.2A, as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Recipient.
5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.
6. That where the Recipient receives Federal financial assistance in the form of, or for the acquisition of, real property or an interest in real property, the Assurance will extend to rights to space on, over, or under such property.
7. That the Recipient will include the clauses set forth in appendix C and appendix D of this DOT Order 1050.2A, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties:
 - a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
8. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the Assurance obligates the Recipient, or any transferee for the longer of the following periods:
 - a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
 - b. the period during which the Recipient retains ownership or possession of the property.
9. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he/she delegates specific authority to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Acts, the Regulations, and this Assurance.
10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Acts, the Regulations, and this Assurance.

By signing this ASSURANCE, the State highway safety agency also agrees to comply (and require any sub-recipients, sub-grantees, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing NHTSA's access to records, accounts, documents, information, facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by NHTSA. You must keep records, reports, and submit the material for review

upon request to NHTSA, or its designee in a timely, complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

The State highway safety agency gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the U.S. Department of Transportation under the Highway Safety Grant Program. This ASSURANCE is binding on the State highway safety agency, other recipients, sub-recipients, sub-grantees, contractors, subcontractors and their subcontractors', transferees, successors in interest, and any other participants in the Highway Safety Grant Program. The person(s) signing below is/are authorized to sign this ASSURANCE on behalf of the Recipient.

THE DRUG-FREE WORKPLACE ACT OF 1988 (41 U.S.C. 8103)

The Subgrantee will provide a drug-free workplace by:

- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace, and specifying the actions that will be taken against employees for violation of such prohibition;
- b. Establishing a drug-free awareness program to inform employees about:
 1. The dangers of drug abuse in the workplace;
 2. The grantee's policy of maintaining a drug-free workplace;
 3. Any available drug counseling, rehabilitation, and employee assistance programs;
 4. The penalties that may be imposed upon employees for drug violations occurring in the workplace;
 5. Making it a requirement that each employee engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- c. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
 1. Abide by the terms of the statement;
 2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- d. Notifying the agency within ten days after receiving notice under subparagraph (c)(2) from an employee or otherwise receiving actual notice of such conviction;
- e. Taking one of the following actions, within 30 days of receiving notice under subparagraph (c)(2), with respect to any employee who is so convicted—
 1. Taking appropriate personnel action against such an employee, up to and including termination;
 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- f. Making a good faith effort to continue to maintain a drug-free workplace through implementation of all of the paragraphs above.

POLITICAL ACTIVITY (HATCH ACT)

(applies to all subrecipients as well as States)

The State will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508), which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

CERTIFICATION REGARDING FEDERAL LOBBYING

(applies to all subrecipients as well as States)

CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grant, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

RESTRICTION ON STATE LOBBYING **(applies to subrecipients as well as States)**

None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., “grassroots”) lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

CERTIFICATION REGARDING DEBARMENT AND SUSPENSION **(applies to all subrecipients as well as States)**

INSTRUCTIONS FOR PRIMARY TIER PARTICIPANT CERTIFICATION (STATES)

1. By signing and submitting this proposal, the prospective primary tier participant is providing the certification set out below and agrees to comply with the requirements of [2 CFR parts 180](#) and [1200](#).
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective primary tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary tier participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default or may pursue suspension or debarment.
4. The prospective primary tier participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary tier participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms **covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded**, as used in this clause, are defined in [2 CFR parts 180](#) and [1200](#). You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary tier participant further agrees by submitting this proposal that it will include the clause titled “Instructions for Lower Tier Participant Certification” including the “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction,” provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with [2 CFR parts 180](#) and [1200](#).
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov>).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate the transaction for cause or default.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS— **PRIMARY TIER COVERED TRANSACTIONS**

1. The prospective primary tier participant certifies to the best of its knowledge and belief, that it and its principals:
 - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;
 - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
2. Where the prospective primary tier participant is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this proposal.

INSTRUCTIONS FOR LOWER TIER PARTICIPANT CERTIFICATION

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of [2 CFR parts 180](#) and [1200](#).
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms **covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded**, as used in this clause, are defined in [2 CFR parts 180](#) and [1200](#). You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with [2 CFR parts 180](#) and [1200](#).
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under [48 CFR part 9, subpart 9.4](#), debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<https://www.sam.gov/>).
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under [48 CFR part 9, subpart 9.4](#), suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION— LOWER TIER COVERED TRANSACTIONS

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

BUY AMERICA

(applies to subrecipients as well as States)

The State and each subrecipient will comply with the Buy America requirement (23 U.S.C. 313) when purchasing items using Federal funds. Buy America requires a State, or subrecipient, to purchase with Federal funds only steel, iron and manufactured products produced in the United States, unless the Secretary of Transportation determines that such domestically produced items would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. In order to use Federal funds to purchase foreign produced items, the State must submit a waiver request that provides an adequate basis and justification for approval by the Secretary of Transportation.

CERTIFICATION ON CONFLICT OF INTEREST

(applies to subrecipients as well as States)

GENERAL REQUIREMENTS

No employee, officer, or agent of a State or its subrecipient who is authorized in an official capacity to negotiate, make, accept, or approve, or to take part in negotiating, making, accepting, or approving any subaward, including contracts or subcontracts, in connection with this grant shall have, directly or indirectly, any financial or personal interest in any such subaward. Such a financial or personal interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or personal interest in or a tangible personal benefit from an entity considered for a subaward. Based on this policy:

1. The recipient shall maintain a written code or standards of conduct that provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents.
 - a. The code or standards shall provide that the recipient's officers, employees, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from present or potential subawardees, including contractors or parties to subcontracts.
 - b. The code or standards shall establish penalties, sanctions, or other disciplinary actions for violations, as permitted by State or local law or regulations.
2. The recipient shall maintain responsibility to enforce the requirements of the written code or standards of conduct.

DISCLOSURE REQUIREMENTS

No State or its subrecipient, including its officers, employees, or agents, shall perform or continue to perform under a grant or cooperative agreement, whose objectivity may be impaired because of any related past, present, or currently planned interest, financial or otherwise, in organizations regulated by NHTSA or in organizations whose interests may be substantially affected by NHTSA activities. Based on this policy:

1. The recipient shall disclose any conflict of interest identified as soon as reasonably possible, making an immediate and full disclosure in writing to NHTSA. The disclosure shall include a description of the action which the recipient has taken or proposes to take to avoid or mitigate such conflict.
2. NHTSA will review the disclosure and may require additional relevant information from the recipient. If a conflict of interest is found to exist, NHTSA may (a) terminate the award, or (b) determine that it is otherwise in the best interest of NHTSA to continue the award and include appropriate provisions to mitigate or avoid such conflict.
3. Conflicts of interest that require disclosure include all past, present, or currently planned organizational, financial, contractual, or other interest(s) with an organization regulated by NHTSA or with an organization whose interests may be substantially affected by NHTSA activities, and which are related to this award. The interest(s) that require disclosure include those of any recipient, affiliate, proposed consultant, proposed subcontractor, and key personnel of any of the above. Past interest shall be limited to within one year of the date of award. Key personnel shall include any person owning more than a 20 percent interest in a recipient, and the officers, employees or agents of a recipient who are responsible for making a decision or taking an action under an award where the decision or action can have an economic or other impact on the interests of a regulated or affected organization.

PROHIBITION ON USING GRANT FUNDS TO CHECK FOR HELMET USAGE

(applies to all subrecipients as well as States)

The State and each subrecipient will not use 23 U.S.C. Chapter 4 grant funds for programs to check helmet usage or to create checkpoints that specifically target motorcyclists.

POLICY ON SEAT BELT USE

In accordance with Executive Order 13043, Increasing Seat Belt Use in the United States, dated April 16, 1997, the Grantee is encouraged to adopt and enforce on-the-job seat belt use policies and programs for its employees when operating company-owned, rented, or personally-owned vehicles. The National Highway Traffic Safety Administration (NHTSA) is responsible for providing leadership and guidance in support of this Presidential initiative. For information and resources on traffic safety programs and policies for employers, please contact the Network of Employers for Traffic Safety (NETS), a public-private partnership dedicated to improving the traffic safety practices of employers and employees. You can download information on seat belt programs, costs of motor vehicle crashes to employers, and other traffic safety initiatives at www.trafficsafety.org. The NHTSA website (www.nhtsa.gov) also provides information on statistics, campaigns, and program evaluations and references.

POLICY ON BANNING TEXT MESSAGING WHILE DRIVING

In accordance with Executive Order 13513, Federal Leadership On Reducing Text Messaging While Driving, and DOT Order 3902.10, Text Messaging While Driving, States are encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted driving, including policies to ban text messaging while driving company-owned or rented vehicles, Government-owned, leased or rented vehicles, or privately-owned vehicles when on official Government business or when performing any work on or behalf of the Government. States are also encouraged to conduct workplace safety initiatives in a manner commensurate with the size of the business, such as establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving, and education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

INSTRUCTIONS FOR ADDING OR UPDATING GEMS USERS

1. Each agency is allowed a total of **FIVE (5) GEMS Users**.
2. GEMS Users listed on this form will be authorized to login to GEMS to complete and submit Quarterly Performance Reports (QPRs) and reimbursement claims.
3. Complete the form if adding, removing or editing a GEMS user(s).
4. The Grant Director must sign this form and return it with the Grant Agreement.

GRANT DETAILS

Grant Number:	PT25182
Agency Name:	Montebello Police Department
Grant Title:	Selective Traffic Enforcement Program (STEP)
Agreement Total:	\$150,000.00
Authorizing Official:	Paul Espinosa
Fiscal Official:	Michael Solorza
Grant Director:	Monique Dellibovi

CURRENT GEMS USER(S)

1. Adam Mitchell

Title: Sergeant

Phone: (323) 430-3203

Email: amitchell@montebelloc.gov

Media Contact: Yes

2. Vanessa Padilla Nava

Title: Grants and Project Administrator

Phone: (323) 887-1238

Email: vpadilla@cityofmontebello.com

Media Contact: Yes

Complete the below information if adding, removing or editing a GEMS user(s)

GEMS User 1 Add/Change ☐ Remove Access ☐ Add as a media contact? Yes ☐ No ☐	
Name	Job Title
Email address	Phone number
GEMS User 2 Add/Change ☐ Remove Access ☐ Add as a media contact? Yes ☐ No ☐	
Name	Job Title
Email address	Phone number
GEMS User 3 Add/Change ☐ Remove Access ☐ Add as a media contact? Yes ☐ No ☐	
Name	Job Title
Email address	Phone number
GEMS User 4 Add/Change ☐ Remove Access ☐ Add as a media contact? Yes ☐ No ☐	
Name	Job Title
Email address	Phone number
GEMS User 5 Add/Change ☐ Remove Access ☐ Add as a media contact? Yes ☐ No ☐	
Name	Job Title
Email address	Phone number
Form completed by: <u>Monique M. DelliBovi</u> Date: Aug 26, 2024 Monique M. DelliBovi (Aug 26, 2024 14:25 PDT)	
As a signatory I hereby authorize the listed individual(s) to represent and have GEMS user access. <u>Monique M. DelliBovi</u> Monique M. DelliBovi Monique M. DelliBovi (Aug 26, 2024 14:30 PDT)	
Signature	Name
Aug 26, 2024	Grant Director
Date	Title



ITEM # 11

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Joseph Palombi, Director of Planning & Community Development

**SUBJECT: SECOND READING AND ADOPTION OF ORDINANCE NO. 2479
AMENDING CHAPTER 8.40 OF THE CITY OF MONTEBELLO
MUNICIPAL CODE REGARDING REGISTRATION AND
MAINTENANCE OF VACANT AND ABANDONED COMMERCIAL,
INDUSTRIAL, AND RESIDENTIAL PROPERTIES**

DATE: October 9, 2024

RECOMMENDATIONS:

It is recommended that the City Council:

1. Waive Second Reading and Adopt Ordinance No. 2479 amending Montebello Municipal Code ("MMC") Chapter 8.40, establishing new regulations regarding the registration and maintenance of vacant and abandoned commercial, industrial, and residential properties; and
2. Determine and find that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3), the "Common Sense" exemption, and is not considered a "project" under CEQA Guidelines Section 15378 as there is no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment; and
3. Take such additional, related, action that may be desirable.

FISCAL IMPACT:

The Ordinance would establish monitoring fees as part of the proposed monitoring program ranging from \$500 to \$1,000 per month for commercial vacant properties, and \$100 per month for vacant residential properties with the potential for certain exemptions as described in the proposed Ordinance No. 2479 (Municipal Code Chapter 8.40.100(B)). In addition, the existing registration fee of \$120/year -- established by Resolution No. 09-

58 -- will remain in effect.

When non-compliance occurs resulting in abatement, liens will be placed on properties allowing for eventual recovery of expenses related to those abatement efforts. The implementation of the abatement program will ensure that the City has the tools and resources needed to effectively monitor and regulate vacant properties Citywide to preserve the quality of life for residents and stakeholders within the City.

The proposed Ordinance is expected to incur costs related to the abatement of blighted properties, including dedicated staff time, cleanup and securing vacant properties, as well as monitoring and coordination for potential activation through economic development efforts. For example, a recent property requiring abatement incurred expenses of \$52,000 for staff coordination, contract cleaning services, supplies, etc. Funding for abatement efforts that will be required per the proposed ordinance was not included in the Fiscal Year 2024-25 budget. If the municipal code is amended and the abatement program is put in place, then Staff will monitor the time and materials spent on the various abatement efforts. Staff will then return at a later point in the fiscal year to amend the FY 2024-25 budget if necessary to increase appropriations for the Community Development and Public Works Departments. In addition, future budgets will be built with sufficient funding for enforcement of the various abatement efforts. The registration and monitoring fees collected will help offset program related expenses.

BACKGROUND/DISCUSSION:

On March 25, 2009, the City Council approved Ordinance No. 2329 to address the maintenance and security concerns associated with abandoned and vacant properties and preserve the aesthetic appearance of Montebello. At the time, the City of Montebello faced a significant increase in foreclosures, resulting in numerous residential and commercial properties becoming neglected. The ordinance aimed to mitigate the impacts of blighted properties on neighborhood aesthetics, property values, and public safety. In summary, the ordinance requires property owners to register their properties with an annual registration fee of \$120, which is valid for one calendar year (established by Resolution No. 09-58) The registration fee is due on or before January 1st each year and must be received no later than January 31st.

Since its adoption, the City has observed a continued rise in complaints related to abandoned and vacant properties. This trend has led to increased concerns about the negative effects on property values, health, safety, and the general welfare of the community. Additionally, many vacant properties throughout the City have remained poorly maintained, exacerbating blight issues and contributing to a decline in neighborhood aesthetics.

Per direction from the City Council, staff conducted a review of the current ordinance and identified areas where the existing regulations could be enhanced. Key issues include inadequate property security, frequent unauthorized access to vacant properties, accumulation of debris, and overgrown vegetation, all of which have been recurring problems. These conditions have also strained City resources, particularly within the Planning and Community Development Department - Code Enforcement Division and

Public Works Department.

As part of this review, the proposed amendment seeks to implement more stringent maintenance and security requirements for abandoned properties as well as incentivize activation of vacant storefronts, ensuring these properties do not become public nuisances.

On September 3, 2024, as part of the City's outreach efforts for the proposed ordinance, it was presented to the Montebello Chamber of Commerce's Economic Development Committee. The Chamber's Committee expressed support for the ordinance, recognizing its importance in addressing the challenges posed by vacant and abandoned properties within the City.

On September 17, 2024, the Planning Commission held a duly noticed public hearing and approved Planning Commission Resolution No. 11-24 recommending that the City Council adopt an ordinance amending Chapter 8.40 of the Montebello Municipal Code related to the registration and maintenance of vacant and abandoned commercial, industrial, and residential properties.

On September 25, 2024, the City Council held a duly noticed public hearing and unanimously approved the first reading of Ordinance No. 2479 to amend Chapter 8.40 of the City of Montebello Municipal Code (MMC) regarding registration and maintenance of vacant and abandoned commercial, industrial and residential properties.

ENVIRONMENTAL:

Pursuant to the provisions of the California Environmental Quality Act ("CEQA") Section 15061(b)(3), the project is considered covered by the commonsense exemption. The common sense CEQA exemption section states that "CEQA applies only to projects which have the potential for causing a significant effect on the environment" and also states that "where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." The proposed ordinance amending MMC Chapter 8.40 (Abandoned Property and Vacant Lots) does not have the potential to degrade the quality of the environment or have a significant effect on the environment. Actions proposed in the Text Amendment is not considered a "project" under CEQA Guidelines Section 15378 in that there is no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

ANALYSIS:

The presence of abandoned and vacant properties within the City of Montebello has contributed to neighborhood blight, decreased property values, and increased public safety concerns. The lack of adequate security and maintenance on these properties attracts unlawful activities such as trespassing, vandalism, and illegal dumping, which burdens City resources. These properties, often left unattended during lengthy foreclosure or default proceedings, become eyesores, and negatively affect the quality of life for surrounding residents.

The **Abandoned Property and Vacant Lots Ordinance (Ordinance No. 2329)**, enacted on March 25, 2009, established a framework for registering and maintaining vacant and abandoned properties. This ordinance aims to reduce the negative impacts of such properties by holding owners accountable for their upkeep. Despite these measures, the City has observed ongoing issues, including insufficient compliance, recurring nuisances, and the use of abandoned properties for illegal activities.

The proposed amendment to Municipal Code Chapter 8.40 et al seeks to, among other things, build upon the 2009 ordinance by further strengthening maintenance, security, and enforcement requirements for vacant lots and properties causing nuisances and blight in the community. The proposed Ordinance includes the following enhancements:

1. **Mandatory Registration:** All vacant and abandoned properties must be registered with the City, ensuring up-to-date contact information for responsible parties, which facilitates enforcement of maintenance and security requirements.
2. **Enhanced Maintenance Requirements:** Owners will be required to maintain vacant properties to neighborhood standards, including landscaping, debris removal, and addressing graffiti. For unimproved vacant lots and properties, landscaping plans will be required, providing aesthetic improvement to mitigate blight and enhance neighborhood appearance.
3. **Improved Security Measures:** Properties must be secured against unauthorized access through fencing, boarding of windows, or other security mechanisms. Additionally, weekly inspections will be mandatory to ensure compliance, reducing opportunities for criminal activity.
4. **Enforcement of Compliance:** The ordinance allows for stricter penalties for non-compliance, including the placement of liens on properties to recover City-incurred abatement costs. This ensures that the City has the resources to address these issues without burdening taxpayers.
5. **Collaboration with the City:** Incentivize the activation of vacant commercial spaces by hosting pop-up events or attracting qualified temporary tenants by waiving monitoring fees and promoting economic development.
6. **Establish a Monitoring Program:** The fees associated with the monitoring program will include fees for commercial vacant properties ranging from \$500 to \$1000 per month, and fees for residential properties set at \$100 per month. These fees would be charged to property owners for property that has been vacant for more than 90 days and which does not qualify for those exemptions listed in the proposed ordinance (see Section 8.40.120 of the proposed Ordinance, included under Attachment A). It is important to note that these fees were established based on a methodology that looked at dedicated staff time at fully burdened rates.

On September 3, 2024, as part of the City's outreach efforts for this ordinance, the Economic Development Division presented the proposed ordinance modifications to the Montebello Chamber of Commerce's Economic Development Committee. The Committee expressed their support for the proposed revisions, recognizing its importance

in addressing the challenges posed by vacant and abandoned properties in the City.

On September 17, 2024, the Planning Commission took action regarding Resolution No. 11-24 recommending that the City Council adopt an ordinance amending Chapter 8.40 of the Montebello Municipal Code related to the registration and maintenance of vacant and abandoned commercial, industrial, and residential properties. (Attachment B)

In recent years, the City has received increased complaints related to abandoned properties, including reports of illegal dumping, graffiti, and unkempt lots/properties, which diminish the aesthetics of neighborhoods and attract unwanted activities in addition to creating blight. As of September 10, 2024, the Code Enforcement division has documented a total of 32 vacant properties located within City boundaries. The proposed ordinance amendments will provide Code Enforcement and other departments with more effective tools to monitor, manage, and enforce the proper upkeep of these properties.

Research on Surrounding Cities' Municipal Code

To understand how neighboring cities address the issue of abandoned and vacant lots and properties, City staff researched their municipal codes. Based on City staff findings, the following key points were identified:

1. City of Pico Rivera

The City of Pico Rivera, implemented an amendment aimed at updating and addressing property maintenance issues related to structures, landscaping, and parking area maintenance. The purpose of the amendment and the subsequent changes was to improve the overall quality of life for residents, business owners, and property owners in the City of Pico Rivera. This ordinance clarifies public nuisance definitions and adds property maintenance provisions to ensure properties are maintained to high standards, enhancing community beautification and promoting economic stability.

2. City of Rosemead

The City of Rosemead has an ordinance addressing vacant properties. This ordinance requires property owners to maintain vacant lots, whether improved or unimproved, in a clean and secure condition. Key provisions include landscaping, irrigation, fencing, and weekly inspections to ensure compliance. This ordinance aims to prevent neighborhood blight and protect public health, safety, and welfare by holding property owners accountable for the upkeep of vacant lots.

3. El Monte

The City of El Monte established a Vacant Building Security and Maintenance Program. This ordinance requires owners to secure, maintain, and actively monitor vacant buildings or structures that have been unoccupied for more than 30 days. The ordinance includes specific maintenance provisions, such as landscaping, graffiti removal, and the boarding

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of windows and doors, aimed at preventing blight and ensuring that vacant properties do not become a nuisance to the surrounding community.

The table below provides a summary of the proposed changes to Municipal Code Chapter 8.40 et al:

<u>CURRENT ORDINANCE</u>	<u>PROPOSED ORDINANCE</u>
Vacant properties must be registered but there are no specific timelines for registration and maintenance.	Requires registration within 90 days of a property becoming vacant or abandoned, with mandatory maintenance standards.
Limited maintenance requirements that do not specify detailed security measures.	Introduces comprehensive maintenance and security requirements, including mandatory fencing, weekly inspections, and security patrols for properties vacant over 180 days.
No specific penalties or monitoring programs for non-compliance.	Implements a monitoring program with fees, along with penalties for non-compliance, and mandates regular reporting and updates from property owners.
Exemptions are vague and do not clearly address temporary vacancies or properties under development.	Clarifies exemptions for properties with active permits, under development, temporary vacancies, or based on established criteria ensuring they do not contribute to blight.
N/A	Incentivize the activation of vacant commercial spaces by hosting pop-up events or attracting qualified temporary tents by waiving monitoring fees and promoting economic development.

CLEAN Task Force

To enhance the City's efforts in tackling abandoned properties and vacant lots, a new task force will be established. The CLEAN (City Leading Efforts Against Non-Compliance) Task Force will be a Citywide initiative focused on improving quality of life issues such as vacant property maintenance, illegal dumping, graffiti and homelessness. It brings together multiple departments -- including Planning and Community Development (specifically Code Enforcement and Economic Development), Public Works, Fire (MCAP), and Police -- to collaborate and focus on eliminating blight and impacted areas resulting from vacant properties.

This initiative serves as a platform focusing on proactive management, ensuring compliance with city ordinances, maintaining public spaces, and enhancing security

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related to vacant properties. By implementing sustainable solutions and fostering interdepartmental cooperation, the CLEAN Task Force aims to create a cleaner and safer environment across Montebello, ensuring that each department plays a role in maintaining and improving the condition of vacant and abandoned properties. Through this coordinated approach, the CLEAN Task Force initiative highlights the City's dedication to managing vacant and abandoned properties with a comprehensive, long-term strategy.

SUMMARY:

It is recommended the City Council conduct a second reading and adopt Ordinance No. 2479 amending Chapter 8.40 of the City of Montebello Municipal Code (MMC) regarding registration and maintenance of vacant and abandoned commercial, industrial and residential properties.

ATTACHMENT(S)

1. Attachment A - Ordinance -Vacant and Abandoned Properties
2. Attachment B - CC_09-25-2024_Item No. 4 - Vacant Property Ordinance Presentation

Title 8 - HEALTH AND SAFETY

Chapter 8.40 REGISTRATION AND MAINTENANCE OF VACANT AND ABANDONED COMMERCIAL, INDUSTRIAL, AND RESIDENTIAL PROPERTIES
PROPERTY AND VACANT LOTS

Chapter 8.40 REGISTRATION AND MAINTENANCE OF VACANT AND ABANDONED COMMERCIAL, INDUSTRIAL, AND RESIDENTIAL PROPERTIES AND VACANT LOTS

Sections:**8.40.010 Purpose/Scope.**

It is the purpose and intent of the Montebello City Council, through the adoption of this chapter, and subsequent amendments, to establish a vacant property registration and mandatory maintenance program as a mechanism to protect neighborhoods from becoming blighted through the lack of adequate maintenance and security of abandoned and/or vacant properties. This chapter is intended to apply to abandoned and/or vacant property located within the City of Montebello.

(Ord. No. 2329, § 1, 4-8-2009)

8.40.020 Definitions.

For the purposes of this chapter, certain words and phrases used in this chapter are defined as follows:

"Abandoned" means real property that is vacant for more than ninety 90-days including properties~~and is~~ under a current notice of default and/or notice of trustee's sale, pending tax assessors lien sale and/or a property that has been the subject of a foreclosure sale where the title was retained by the beneficiary of a deed of trust involved in the foreclosure and any properties transferred under a deed in lieu of foreclosure/sale and/or is unoccupied and has existing code violations.

"Accessible property" means a property that is accessible through a compromised or breached gate, fence, wall etc.

"Accessible structure" means a structure/building that is unsecured and/or breached in such a way as to allow access to the interior space by unauthorized persons.

"Accessory dwelling unit" means an independent dwelling unit located in any of the residential zones, and in the case of single-family zoning districts (R-1 and R-A zones), on a lot that has only one previously-existing single-family dwelling unit prior to the addition of the accessory dwelling unit which is smaller than and visually subordinate to the previously existing single-family dwelling unit, and which may be an internal remodeling of, or attached to or detached from the previously existing single-family dwelling unit. Accessory dwelling units may also be referred to as "second dwelling units" within this title, and both terms may be used interchangeably herein.

"Agreement" means any agreement or written instrument, which provides that title to residential property, shall be transferred or conveyed from one owner to another owner after the sale, trade, transfer or exchange.

"Assignment of rents" means an instrument that transfers the beneficial interest under a deed of trust from one lender/entity to another.

"Beneficiary" means a lender under a note secured by a deed of trust.

"Blight" means a physical space or structure that is no longer in acceptable or beneficial condition to its community, and which may cause undue hardships, a nuisance, or an erosion of the quality of life to the surrounding area.

"Buyer" means any person, co-partnership, association, corporation, or fiduciary who agrees to transfer anything of value in consideration for property described in an agreement of sale, as defined in this subsection.

"Days" means consecutive calendar days.

"Deed of ~~trust~~Trust" means an instrument by which title to real estate is transferred to a ~~third party~~third-party trustee as security for a real estate loan. In California, a deed of trust is used instead of a mortgage. This definition applies to any and all subsequent deeds of trust (i.e.: 2nd trust deed, 3rd trust deed, etc.).

"Deed in lieu of foreclosure/sale" means a recorded document that transfers ownership of a property from the trustor to the holder of a deed of trust upon consent of the beneficiary of the deed of trust.

"Default" means the failure to fulfill a contractual obligation, monetary or conditional.

"Department" means the Planning and Community Development Department.

"Director" means the Director of Planning and Community Development.

"Distressed" means a property that is under a current notice of default and/or notice of trustee's sale and/or pending tax assessor's lien sale or has been foreclosed upon by the trustee or has been conveyed to the beneficiary/trustee via a deed in lieu of foreclosure/sale.

"Evidence of vacancy" means any condition that on its own, or combined with other conditions present would lead a reasonable person to believe that the property is vacant. Such conditions include, but are not limited to, overgrown and/or dead vegetation, accumulation of newspapers, circulars, flyers and/or mail, past due utility notices and/or disconnected utilities, accumulation of trash, junk and/or debris, the absence of window coverings such as curtains, blinds and/or shutters, the absence of furnishings and/or personal items consistent with residential habitation, statements by neighbors, passersby, delivery agents, government employees that the property is vacant.

"Foreclosure" means the process by which a property, placed as security for a real estate loan, is sold at auction to satisfy the debt if the trustor (borrower) defaults.

"Local" means within forty road/driving miles distance of the subject property.

"Multiple-family dwelling" means two or more dwelling units, each of which is attached side to side, each one sharing common wall(s) with the other(s), and each containing only one kitchen.

"Neighborhood standard" means those conditions that are present on a simple majority of properties within a ~~three-hundred-foot~~three-hundred-foot radius of an individual property. A property that is the subject of a neighborhood standard comparison, or any other abandoned property within the ~~three-hundred-foot~~three-hundred-foot radius, shall not be counted toward the simple majority.

"Notice of default" means a recorded notice that a default has occurred under a deed of trust and that the beneficiary intends to proceed with a trustee's sale.

"Out of area" means in excess of forty road/driving miles distance of the subject property.

"Owner" means any person, co-partnership, association, corporation, or fiduciary having a legal or equitable title or any interest in any real property.

"Owner of record" means the person having recorded title to the property at any given point in time the record is provided by the Los Angeles County Records Office.

"Property" means any unimproved or improved real property, or portion thereof, situated in the ~~city~~City and includes the buildings or structures located on the property regardless of condition.

"Residential property" means any improved real property, or portion thereof, situated in the ~~city~~City, designed or permitted to be used for dwelling purposes, and shall include the buildings and structures located on such improved real property. This includes any real property being offered for sale, trade, transfer, or exchange as "residential" whether or not it is legally permitted and/or zoned for such use.

"Securing" means such measures as may be directed by the ~~city~~City managerManager, or his or her designee that assist in rendering the property inaccessible to unauthorized persons, including but not limited to the repairing of fences and walls, chaining/pad locking of gates, the repair or boarding of doors, windows and/or other openings. Boarding shall be completed to a minimum of the current HUD securing standards at the time the boarding is completed or required.

"Trustee" means the person, firm or corporation holding a deed of trust on a property.

"Trustor" means a borrower under a deed of trust, who deeds property to a trustee as security for the payment of a debt.

"Vacant" means a building, structure, or real property that is not legally occupied.

(Ord. No. 2329, § 1, 4-8-2009)

8.40.030 Maintenance of unimproved vacant lots.

Lots that are unimproved due to never having been developed or having become vacant subsequent to the removal of any pre-existing buildings, structures or impervious surfaces shall be subject to the approval of a landscape and irrigation plan by the planning division and shall be improved and maintained at all times in accordance with the following provisions:

- A. Lots less than one acre. For unimproved vacant lots that are less than one acre in size, the entire lot shall be improved and maintained in the following manner:
 - 1. For residentially zoned lots, the entire lot shall be maintained using sod, hydro-seed, drought tolerant ground cover or other acceptable ground cover approved

by the planning division. The ground cover shall be maintained in good condition at all times.

2. For commercial or industrial zoned lots, a minimum ~~ten-foot-wide~~ten-foot-wide perimeter landscape planter along all street frontages shall be provided and regularly maintained. All other internal areas may be landscaped or include a decorative hardscape subject to the approval of the planning division.
 3. The lot shall be improved with an irrigation system and maintained in good condition at all times.
 4. The lot shall be maintained free of litter and debris, including the stockpiling of any material, at all times. Any on-site litter, debris or stockpiling of material shall be immediately removed. The property owner shall be responsible for inspecting the property ~~weekly, or~~weekly or taking all necessary steps to reasonably ensure that no litter, debris or material stockpiling collects or is maintained on the lot.
 5. Any dead or dying vegetation as well as any broken, malfunctioning or non-functioning irrigation components on the lot shall be replaced within seventy-two hours of their discovery. The property owner shall be responsible for inspecting the property weekly, or taking all necessary steps to reasonably ensure that there is no dead or dying vegetation or any broken, malfunctioning or non-functioning irrigation components on the lot.
 6. Signage with contact information for the property owner and/or property management company shall be posted at the subject site pursuant to review and approval of the planning division.
- B. Lots one acre or greater. For unimproved vacant lots that are one acre or greater in size, the entire lot shall be improved and maintained in the following manner:
1. A minimum ~~ten-foot-wide~~ten-foot-wide perimeter landscape planter along all street frontages shall be provided.
 2. All landscape planters shall be improved with an irrigation system and consist of decorative landscaping containing a combination of trees, shrubs, and groundcover, or other acceptable landscaping approved by the planning division. A landscape and irrigation plan shall be submitted to and approved by the planning division prior to implementation.
 3. All on-site landscaping and irrigation shall be maintained in good condition at all times. Any dead or dying landscaping shall be replaced within seventy-two hours of their discovery, including any broken, malfunctioning or non-functioning irrigation components. The property owner shall be responsible for inspecting the property weekly, or taking all necessary steps to reasonably ensure that all of the landscaping and irrigation on the lot is maintained in good condition and there are no broken, malfunctioning or non-functioning irrigation components on the lot.
 4. A six-foot high decorative, view-obscuring fence shall be installed behind all required perimeter landscaping to secure the lot. If the property owner decides not to install the six-foot high view-obscuring fence, the entire lot shall be landscaped. In circumstances where the ~~director~~Director of ~~planning~~Planning and ~~community development~~Community Development finds that a higher fence is warranted for adequate security of the site and/or because of usual topographical circumstances

associated with the vacant lot, a fence may be constructed up to a maximum of eight feet high. All fences shall include a security gate to provide accessibility to the lot for the police department or other emergency personnel. A security code for the gate shall be provided to the police department upon installation and shall be kept ~~up-to-date~~up to date at all times.

5. Decorative view obscuring fencing may include redwood or cedar fencing, woodcrete, green vinyl chain-link fencing with a green windscreen securely attached, or any other durable, aesthetically attractive, material deemed acceptable by the planning division. Green vinyl chain-link fencing with a green windscreen will not be permitted in residential or commercial zones or zones which abut residential or commercial zones, except as a temporary construction fence with the approval of planning division.
6. All fencing shall be maintained in good condition at all times. Any on-site graffiti shall be removed within twenty-four hours of its appearance. The property owner shall be responsible for inspecting the property weekly, or taking all necessary steps to reasonably ensure that the entire lot is free from graffiti.
7. Signage with contact information for the property owner and/or property management company shall be posted at the subject site pursuant to review and approval of the planning division.

(Ord. No. 2329, § 1, 4-8-2009)

8.40.040 Maintenance of vacant property acquired by foreclosure.

Subject to certain amendments and additions as hereinafter set forth in this chapter, the ~~city~~City Council-Council references California Civil Code Section 2929.3 which requires a legal owner to maintain vacant residential property purchased by that owner at a foreclosure sale or acquired by that owner through foreclosure under a mortgage or deed of trust.

The definition of "failure to maintain" as found in Civil Code Section 2929.3(a)(3)(b) is supplemented and clarified by referencing the conditions designated as public nuisances in Chapter [Section] 8.16.010 and the maintenance and security requirements of [Sections] 8.40.070 and 8.40.080 of the Montebello Municipal Code (Civil Code Section 2929.3(a)(3)(f)).

(Ord. No. 2329, § 1, 4-8-2009)

8.40.050 Recordation of transfer of loan/deed of trust/assignment of rents.

Within ten days of the purchase and/or transfer of a loan/deed of trust secured by property, the new beneficiary/trustee shall record₇ with the Los Angeles County Records Office, an assignment of beneficial interest, or similar document, that lists the name of the corporation, and/or individual, the mailing address and contact phone number of the new beneficiary/trustee responsible for receiving payments associated with the loan/deed of trust.

(Ord. No. 2329, § 1, 4-8-2009)

8.40.060 Registration of vacant properties ~~under notice of default.~~

A. Property owner's obligation to register vacant or abandoned commercial properties or storefronts. The owner of a vacant or abandoned commercial storefront shall, within ninety (90) days after it has become vacant or abandoned, register the property with the City on a prescribed form maintained by the Department. The completed form shall be filed with the Department's Code Enforcement Division with the following information:

1. Describe the methods by which the owner has secured the vacant commercial property or storefront against unauthorized entry;
 2. Provide contact information for the subject commercial property including, but not limited to, telephone number for the property owner and those responsible for maintaining the commercial property and/or storefront;
 3. A description of the most recent authorized use of the commercial property and/or storefront;
 4. Declare any future plans for the subject property, commercial use, or storefront; and
 5. Provide such other information as the city may require.
- B. ~~Properties under notice of default.~~

Any beneficiary/trustee, who holds a deed of trust on a property located within the City of Montebello, shall perform an inspection of the property that is the security for the deed of trust, upon default by the trustor, prior to recording a notice of default with the Los Angeles County Records Office. If the property is found to be vacant or shows evidence of vacancy, it is, by this chapter, deemed abandoned and the beneficiary/trustee shall, within ten days of the inspection, register the property with the code enforcement division or his or her designee on forms provided by the ~~city~~City.

If the property is occupied but remains in default it shall be inspected by the beneficiary/trustee, or his designee, monthly until (1) the trustee or other party remedies the default, or (2) it is found to be vacant or shows evidence of vacancy at which time it is deemed abandoned, and the trustee shall, within ten days of that inspection, register the property with the code enforcement division on forms provided by the ~~city~~City.

The registration shall contain the name of the beneficiary/trustee (corporation or individual), the direct street/office mailing address of the beneficiary/trustee (no P.O. boxes), a direct contact name and phone number for the beneficiary/trustee and, in the case of a corporation or out of area beneficiary/trustee, the local property management company responsible for the security, maintenance and marketing of the property. Registration fees will not be prorated.

An annual registration fee shall accompany the registration form. The fee and registration shall be valid for the calendar year, or remaining portion of the calendar year, in which the registration was initially required. Subsequent registrations and fees are due January 1st of each year and must be received no later than January 31st of the year due.

This section shall also apply to properties that have been the subject of a foreclosure sale where the title was transferred to the beneficiary of a deed of trust involved in the foreclosure and any properties transferred under a deed in lieu of foreclosure/sale.

Properties subject to this chapter shall remain under the annual registration requirement, security and maintenance standards of this section as long as they remain vacant.

Any person, firm, corporation or any other legal entity that has registered a property under this chapter must report any change of information contained in the registration within ten days of the change.

(Ord. No. 2329, § 1, 4-8-2009)

8.40.070 Maintenance requirements.

Properties subject to this section shall be:

- A. Free from all conditions expressly designated as public nuisances in Chapter [Section] 8.16.010.
- B. In a condition comparable to the neighborhood standards.
- C. Shall comply with all of the landscape and irrigation requirements in Title 17 (Zoning Code) of the Montebello Municipal Code.
- D. Pools and spas shall be kept in working order so the water remains clear and free of pollutants and debris or drained and kept dry. Properties with pools and/or spas must comply with the minimum security fencing requirements of the State of California.

Adherence to this section does not relieve the beneficiary/trustee or property owner of any obligations set forth in any covenants conditions and restrictions and/or home owners association rules and regulations which may apply to the property.

(Ord. No. 2329, § 1, 4-8-2009)

8.40.080 Security requirements.

Properties subject to this section shall be maintained in a secure manner so as not to be accessible to unauthorized persons.

Secure manner includes, but is not limited to, the closure and locking of windows, doors (walk-through, sliding and garage) gates and any other opening of such size that it may allow any person including but not limited to a child to access the interior of the property and or structure(s). In the case of broken windows, securing means the re-glazing or boarding of the window immediately and within ten days the window shall be replaced.

If the property is owned by a corporation and/or out of area beneficiary/trustee/owner, a local property management company shall be contracted to perform weekly inspections to verify that the requirements of this section, and any other applicable laws, are being met.

The property shall be posted with the name and twenty-four-hour contact phone number of the local property management company. The posting shall be no less than eighteen inches × twenty-four inches and shall be of a font that is legible from a distance of forty-five feet and shall contain along with the name and twenty-four-hour contact number, the words "THIS PROPERTY MANAGED BY" and "TO REPORT PROBLEMS OR CONCERNS CALL". The posting shall be placed on the interior of a window facing the street to the front of the property so it is visible from the street, secured to the exterior of the building/structure facing the street to the front of the property so it is visible from the street or if no such area exists, or on a stake of sufficient size to

support the posting in a location that is visual from the street to the front of the property but not readily accessible to vandals. Exterior posting must be constructed of, and printed with, weather resistant materials.

Security Patrol Services Required. In addition to all other requirements of this chapter, responsible parties of any real property, building, or structure (or portion thereof), that has been vacant for at least 180 consecutive calendar days shall provide security personnel (fully licensed, registered, and bonded as required by State and local law) as follows:

1. Security patrol services that drive by and inspect the real property for unlawful activity (including unauthorized entry) at least once every 12 hours if there have been less than three instances of graffiti, unauthorized entry, or other violations of this chapter in the preceding 90-day period;-
2. On-site security services during the hours of 7:00 p.m. and 7:00 a.m. if there have been more than four instances of graffiti, unauthorized entry, or other violations of this chapter in the preceding 90-day period; or-
3. On-site security services 24 hours per day, seven days per week if there have been more than five instances of graffiti, unauthorized entry, or other violations of this chapter in the preceding 90-day period.

The local property management company shall inspect the property on a weekly basis to determine if the property is in compliance with the requirements of this chapter.

(Ord. No. 2329, § 1, 4-8-2009)

8.40.090 Additional authority.

In addition to the enforcement remedies established in Chapters 1.12 and 1.14, the ~~city~~ City manager—Manager or his or her designee shall have the authority to require the beneficiary/trustee/owner and/or owner of record of any property affected by this section, to implement additional maintenance and/or security measures including, but not limited to, securing any/all door, window or other openings, installing additional security lighting, increasing on-site inspection frequency, employment of an on-site security guard or other measures as may be reasonably required to arrest the decline of the property.

(Ord. No. 2329, § 1, 4-8-2009)

8.40.100 Fees and Registration.

The fee for registering vacant and/or~~an~~ abandoned property shall be set by resolution of the City of Montebello City Council.

A. Registration

1. The registration and related fee shall be valid for the calendar year, or the remaining portion of the calendar year, in which registration was required. The registration fee shall not be prorated. Any subsequent registration fees shall be due on or before January 1 of each year and must be received by the City no later than January 31 of the year it is due.
2. The registration form shall be prepared and updated as needed by the Department and shall include:
 - a. The name, street address (P.O. Box is unacceptable), and mailing address for all beneficiaries and/or trustees.
 - b. Direct contact name, telephone number, and email address for the owner and responsible party managing the property or handling any legal proceedings.
 - c. The name, street address, telephone number and email address of the property management service responsible for security and maintenance of the real property including contact information for agents or representatives responsible for marketing the property.
 - d. A statement of intent to address the following requests:
 - i. The expected period of vacancy;
 - ii. A detailed plan for the regular maintenance of the real property during the period of vacancy;
 - i-iii. A timetable for the lawful re-occupancy of the real property during the period of vacancy;

B. Monitoring Fees

1. The fees established for the monitoring program pursuant to the provisions of this chapter shall be separate and apart from, and in addition to, any registration fees or administrative penalties required or otherwise assessed pursuant to the provisions of this chapter.
2. Because of the potential economic and public health, welfare, and safety problems caused by vacant buildings/property, the City needs to monitor vacant buildings/properties, so that they do not become attractive nuisances, are not used by trespassers, are properly maintained both inside and outside, and do not become a blighting influence in the neighborhood or surrounding area. The primary responsibility for monitoring will be delegated to the Planning and Community Development Department, and will include participation from the fire department, police department, and public works department. There is a substantial cost to the eCity for monitoring vacant buildings/properties (whether or not those buildings are boarded up), which should be borne by the owners of said property. The fees for a monitoring program pursuant to the provisions of this chapter shall be separate from and in addition to any registration fees or administrative penalties required or otherwise assessed pursuant to this chapter.

3. Monitoring program fees established. The following fee schedule has been established to effectively manage and maintain an adequate and efficient monitoring program and task force to preserve public health and the economic vitality of the City:

<u>Description</u>	<u>Amount</u>
<u>Commercial Vacant Property Monitoring Fee</u>	<u>\$500 per month for the first six months with the addition of \$20.00 per month for each additional month capping out at \$1,000.00 per month.</u>
<u>Residential Vacant Property Monitoring Fee</u>	<u>\$100.00 per month</u>

4. Fee waiver. The Department may issue a fee waiver for any fees associated with the monitoring program, if any of the following activities are being conducted by existing ownership:

- a. -The vacant commercial space is activated with pop-up events, or qualified temporary tenants, subject to review and approval of the Planning Division, who operate from the vacant space for more than 25 percent of any calendar month.
- b. There are permitted on-going construction activities or improvements to the vacant property.

(Ord. No. 2329, § 1, 4-8-2009)

8.40.110 Monitoring program and purpose.

A. Vacant buildings and/or properties are a major cause and source of blight, especially when the owner of the subject property fails to maintain and manage existing structures and the property as a whole to ensure that it does not become a liability to the surrounding area. Vacant buildings/properties often attract undesirable activity including unlawful activity which creates unsafe conditions and hazards for the surrounding properties. Vacant properties are often used as dumping grounds for junk and debris and are often overgrown with weeds and grass. Vacant buildings which are boarded up to prevent entry and other long-term vacancies discourage economic development and create challenges for appreciation of property values.

B. Monitoring program established. A program to monitor commercial properties is hereby established. The Director, or his or her designee, shall be responsible for establishing and implementing a coordinated monitoring program to ensure the provisions of the Montebello Municipal Code are enforced.

C. The monitoring program shall include a task force intended to establish an open line of communication between City departments and ownership to address all vacant

building/commercial properties and/or storefronts that are in violation of this chapter, or which are deemed to be a blight to the community.

D. Monitoring program and task force duties. The Director, or his or her designee, has the duty and responsibility to do the following:

1. Inspect properties in the City to identify vacant commercial properties and/or storefronts.
2. Order vacant commercial buildings/properties to comply with this chapter and any other applicable code provisions.
3. Oversee the task force to ensure all respective eCity departments are engaged in efforts associated with the monitoring program and provide updates to the City Manager as needed.
4. Order vacant commercial properties and/or storefronts that are open and accessible to be secured against unlawful entry in accordance with this chapter.
5. Order the property on which the vacant commercial property and/or storefront is located to be properly maintained or clear of trash and debris.
6. Initiate enforcement proceedings against the owner of any vacant commercial building/property found to be in violation of this chapter or any other applicable code.
7. Maintain surveillance over vacant commercial buildings/properties and/or storefronts so that timely code enforcement proceedings are commenced in the event the property becomes substandard or a nuisance.
8. Establish and enforce rules and regulations for the implementation and compliance with this chapter.
9. Identify blighted properties and initiate proceedings in coordination with the City Attorney's office against the property owner.

8.40.120 Exemptions

A. The Director of Planning and Community Development or his or her designee, at his or her discretion may grant an exemption of the requirements of the Monitoring Program to multi-tenant commercial and industrial properties with four (4) or more licensed units.

B. The requirements of this chapter shall not apply to multi-family residential dwellings and accessory dwelling units (ADU).

C. Notwithstanding the foregoing, a commercial property/building and/or storefront shall not be considered vacant or abandoned if:

1. There is a valid building permit for improvements, including but not limited to, repair, rehabilitation, or construction of the commercial building/property and/or storefront and the owner of the subject property completes the work associated with said building permit within one year from the date the permit was issued, unless the Director, determines that

the owner requires additional time to complete the work authorized pursuant to the building permit; or

2. The owner or leaseholder has filed an application for, and is actively seeking to obtain authorization, permits, or licenses required by State, County, or local law permitting the lawful use and occupancy of the commercial building and/or storefront; or
3. The commercial building/property and/or storefront complies with all provisions of this chapter as well as State, County, and local laws, and does not contribute to blight as defined in Section 8.40.020 of this chapter, and is ready for immediate occupancy, and the owner provides satisfactory evidence to the Department that the commercial building/property and/or storefront is actively being offered for sale, lease, or rent, and it has not been vacant and/or abandoned for more than six months. Satisfactory evidence shall include, but is not limited to, evidence that the owner has hired a real estate agent or other rental agent who advertises the commercial property and/or storefront for sale, lease, or rent to achieve occupancy.

8.40.1310 Enforcement.

Violations of this chapter may be enforced in any combination as allowed in Chapters 1.12 and 1.14. The rights and remedies provided in this section are cumulative and in addition to any other rights and remedies provided by law.

(Ord. No. 2329, § 1, 4-8-2009)

8.40.1420 Appeals.

Any person aggrieved by any of the requirements of this section ~~may~~ appeal insofar as such appeal is allowed under Chapter 1.14.

(Ord. No. 2329, § 1, 4-8-2009)

8.40.1530 Violation/penalty.

Violations of this chapter shall be treated as a strict liability offense regardless of intent. Any person, firm and/or corporation that violates any portion of this section shall be subject to prosecution and/or administrative enforcement under Chapters 1.12 and 1.14. Fines and penalties collected pursuant to this section shall be directed to ~~city~~ City nuisance abatement programs.

(Ord. No. 2329, § 1, 4-8-2009)

8.40.1640 Severability.

Should any provision, section, paragraph, sentence or word of this chapter be determined or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this chapter shall remain in full force and effect.

(Ord. No. 2329, § 1, 4-8-2009)



MONTEBELLO

CITY COUNCIL MEETING - SEPTEMBER 25, 2024

PUBLIC HEARING – ITEM NO. 4

*AMENDING CHAPTER 8.40 OF THE MONTEBELLO MUNICIPAL CODE
REGISTRATION/MAINTENANCE OF VACANT /ABANDONED PROPERTIES*

CLEAN TASK FORCE

PURPOSE:

Citywide Initiative: The CLEAN Task Force is designed to address nuisances impacting the quality of life for the Montebello community.

Unified Approach: Brings together various City departments for a coordinated effort to manage urban challenges.

KEY DEPARTMENTS INVOLVED:

- ❑ **Planning and Community Development:** Focuses on compliance with City ordinances/regulations and working with property owners to activate vacant spaces.
- ❑ **Public Works:** Manages public spaces, infrastructure, and maintenance.
- ❑ **Fire Department (MCAP):** Addresses fire safety concerns and providing resources to vulnerable populations.
- ❑ **Police Department:** Enhances security and addresses criminal activities related to vacant properties.

OBJECTIVES:

Proactive Management: Address and mitigate issues like vacant property maintenance, illegal dumping, graffiti, and homelessness.

Sustainable Solutions: Implement long-term strategies to ensure a cleaner, safer city environment.

Collaboration: Encourage inter-departmental communication and cooperation to maximize efficiency and effectiveness.



CLEAN TASK FORCE

PURPOSE The CLEAN Task Force is an initiative established to address various nuisances within the city that negatively impact the community's quality of life. Its formation brings together key departments for a unified approach to urban challenges.



CITY

Comprised by various City departments to provide a championing collaborative approach to tackle urban challenges effectively:

- Code Enforcement
- Fire Department (MCAP)
- Police Department
- Public Works



LEADING

Leading initiatives to proactively address and manage city-wide nuisances and enhance public spaces.



EFFORTS

Establishing a city-wide task force to address nuisances, focusing on sustainable and impactful solutions.



AGAINST

Acting against common urban problems such as vacant property maintenance, homeless issues, graffiti, and illegal dumping. The task force will facilitate collaboration amongst multiple departments to coordinate activities and enhance information sharing.



NON-COMPLIANCE

Nurturing a culture of compliance and responsibility to ensure that city ordinances and regulations are respected and followed.

CODE ENFORCEMENT • PUBLIC WORKS • MCAP • POLICE DEPARTMENT



Why?

- ❑ Growing Challenge: Surge in vacant and abandoned properties leading to blight and safety concerns within the community.
- ❑ Resident Concerns: Increasing complaints about safety, aesthetics, and community well-being.
- ❑ Urgency for Action: Highlighting the need to protect neighborhoods and improve quality of life.

Recognizing the urgent need for action, the proposed ordinance seeks to strike a balance between resident concerns and the broader goal of fostering a safe, clean, and harmonious Montebello.

What?

- ❑ **Blight Conditions:** Vacant and Abandoned properties contribute to neighborhood decline and lower surrounding property values.
- ❑ **Safety Hazards:** Unsecured properties attract illegal activities, posing safety risks to the community.
- ❑ **Neighborhood Disruption:** Poorly maintained properties negatively impact the community's appearance and quality of life.
- ❑ **Ineffective Regulations:** Current municipal codes provide outdated, unclear, and are difficult to enforce property maintenance and security.

Exploring these challenges, it becomes evident the current municipal code struggles to address the complexities of registration/maintenance of vacant and abandoned commercial, industrial, and residential properties.



Ordinance

<u>CURRENT ORDINANCE</u>	<u>PROPOSED ORDINANCE</u>
Vacant properties must be registered but there are no specific timelines for registration and maintenance.	Requires registration within 90 days of a property becoming vacant or abandoned, with mandatory maintenance standards.
Limited maintenance requirements that do not specify detailed security measures.	Introduces comprehensive maintenance and security requirements, including mandatory fencing, weekly inspections, and security patrols for properties vacant over 180 days.
No specific penalties or monitoring programs for non-compliance.	Implements a monitoring program with fees, along with penalties for non-compliance, and mandates regular reporting and updates from property owners.
Exemptions are vague and do not clearly address temporary vacancies or properties under development.	Clarifies exemptions for properties with active permits, under development, or temporary vacancies, ensuring they do not contribute to blight.
N/A	Incentivize the activation of vacant commercial spaces by hosting pop-up events or attracting qualified temporary tenants by waiving monitoring fees as well as economic development opportunities to find long-term solutions.

ABATEMENT EFFORTS

2302 W. WHITTIER BLVD – CAR WASH

BEFORE:



AFTER:





MONTEBELLO

Thank You



ITEM # 12

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: John Soria, Acting Director

**SUBJECT: APPROVE ISSUING REQUEST FOR PROPOSALS NO. 25-03 FOR
VEHICLE BODY REPAIR AND PAINTING SERVICES**

DATE: October 9, 2024

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve issuing Request for Proposals (RFP) No. 25-03 for Citywide Vehicle Body Repair and Painting Services; and
2. Take such additional, related, action that may be desirable.

FISCAL IMPACT:

There is no fiscal impact related to issuing Request for Proposals (RFP) No. 25-03 for citywide vehicle body repair and painting services (Attachment A). Once a vendor is selected for award, the City Council may be requested to consider approving an agreement and amending the Fiscal Year 2024-25 adopted operating budget as needed to appropriate funds. Subsequent fiscal year budgets will be developed to incorporate the necessary appropriations for these services.

BACKGROUND/DISCUSSION:

The City of Montebello provides as-needed vehicle body repair and painting services for over 200 City-owned vehicles across various departments, including Police, Parks and Recreation, Public Works, and Transportation. On November 10, 2021, the City awarded Professional Services Agreement No. 3936 to A and A Fleet Painting Inc., for a three-year term, in response to the City's Vehicle Body Repair and Painting Services Request for Quotes (RFQ) No. 21-55.

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

Page 2 of 2

Since Agreement No. 3936 expires on November 10, 2024, RFP No. 25-03 will be issued to solicit proposals for citywide vehicle body repair and painting services. This RFP aims to secure a vendor to provide specific auto-body repair and painting services for Montebello Bus Lines (MBL) and as-needed services for all other City-owned vehicles. The proposed term of the awarded agreement will be for three (3) years with an option to extend up to two (2) additional years.

The selected vendor must have at least five (5) years of relevant experience and operate a fully compliant auto-body shop. The range of services provided will include, but not be limited to, general auto body repair, dent removal, component replacement, painting, decal application, glass repair, and collision damage restoration. The selected vendor will be responsible for ensuring all repairs are completed to the highest standards, including the use of multiple coats of primer and state-of-the-art paint matching systems to guarantee a professional finish. In addition, the selected vendor must meet stringent legal and regulatory compliance requirements, including maintaining a fully equipped auto body shop with secure storage and modern welding equipment. Proposals will be evaluated on a combination of price and qualitative factors, including the vendor's management plan, qualifications, technical approach, and experience of personnel.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommend that the City Council approve issuing RFP No. 25-03 (Attachment A) for vehicle body repair and painting services; and direct staff to take such additional, related, action that may be desirable.

ATTACHMENT(S)

1. ATTACHMENT A - RFP No. 25-03

City of Montebello



REQUEST FOR PROPOSALS (RFP) No. 25-03



VEHICLE BODY REPAIR AND PAINTING SERVICES

October 10, 2024

ONLINE PROPOSAL SUBMITTAL ONLY THROUGH PLANET BIDS

NOTE: Updates, changes or addendums to the RFP are posted at:
<https://pbsystem.planetbids.com/portal/33072/portal-home>

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Letter of Transmittal

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EXHIBITS

Exhibit A - Indemnification and Hold Harmless Agreement and
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Exhibit B – References

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Exhibit K – Bank Draft

INTRODUCTION

The City of Montebello (City) is soliciting proposals from highly qualified vendors (vendors) to provide vehicle body repair and painting services for over 200 City-owned and operated vehicles on an as-needed basis. It is essential to maintain all operated vehicles and equipment in an effort to ensure the city provides reliable and efficient public services to the residents of Montebello and neighboring communities.

The city operates MBL to provide reliable and efficient public transportation services to the residents of Montebello and neighboring communities. As the third-largest municipal bus system in Los Angeles County, MBL proudly serves 2.6 million passengers a year throughout the communities of Alhambra, Bell Gardens, San Gabriel, Boyle Heights, Commerce, Downtown Los Angeles, East Los Angeles, La Mirada, Montebello, Monterey Park, Pico Rivera, Rosemead, South Gate, and Whittier.

The City's intent of this Request for Proposal (RFP) is to solicit a vendor to provide auto body repair and painting services for all City-owned vehicles on an as-needed basis. The Vendor must have a minimum of five (5) years of recent experience performing similar work/services. The city seeks to form a partnership with a vendor committed to delivering exceptional results while adhering to safety and environmental standards. The City reserves the right to increase or decrease the quantity listed and to delete any item from the contract.

In addition, the City reserves the right to reject any or all proposals, to waive information or irregularities to the extent permitted by law in any proposal received, and to be the sole judge of the merits of the respective proposals received.

DATE: October 10, 2024
ATTENTION: PROSPECTIVE PROPOSERS
SUBJECT: REQUEST FOR PROPOSAL (RFP) NO. 25-03
TITLE: CITY OF MONTEBELLO and MONTEBELLO BUS LINES

VEHICLE BODY REPAIR AND PAINTING SERVICES

The City of Montebello (City), Montebello Bus Lines (MBL), invite proposals from fully qualified and experienced vendors, licensed in the State of California, to supply and deliver fleet/utility vehicles. The project's scope of work is to supply and deliver

The term of the proposed agreement shall be a **three-year (3-year) term, with the option to extend for an additional two (2), one-year (1-year) terms**, commencing upon the date of execution between the City and the successful vendor.

A Pre-Proposal Meeting will be held on **Tuesday, October 22, 2024**. The meeting will convene at **3:00pm** Pacific Standard Time in the Transportation Building located at 400 South Taylor Avenue, Montebello. A facility walk-thru will follow the meeting.

It is highly recommended that all potential proposers ("Proposers") attend this important meeting. All correspondence, communications, and contact concerning any aspect of this solicitation or offers shall be only with the following person [or his designated representative if applicable] (hereinafter, the "City's Point of Contact").

Name: Robert Fierro
Title: Management Analyst
Address: 400 S. Taylor Ave.
Montebello, CA 90640
Telephone: (323) 558-1625 ext.1115
E-mail: RFierro@montebellocity.gov

Only substantive inquiries will receive a response. All substantive questions submitted in writing as outlined below will be responded to according to the guidelines contained herein. Responses will be in writing and will be provided to all prospective Proposers and placed on the City's website. Responses to questions or comments regarding this RFP provided by any other department, employee, or City department other than the City's Point of Contact set forth above shall not be considered valid and the City will not be bound by any such comments or responses. Inquiries received via telephone or orally in-person will not receive a response.

Proposals must be received by **12:00pm** Pacific Standard Time, on **Thursday, November 14, 2024**, and submitted in accordance with the instructions contained in this RFP. No exceptions will be granted regardless of reason or circumstances.

All proposals must contain an original signature by an authorized officer of the company.

The successful proposer will be required to comply with all applicable Equal Opportunity Laws and Regulations. The City hereby notifies all prospective Proposers that the City will require each proposer

affirmatively demonstrate that Disadvantaged Business Enterprises are afforded full opportunity to participate in the performance of contracts and sub-contracts financed in part or in whole under this RFP and will not be discriminated against on the grounds of race, color, gender, age, or national origin in consideration for an award.

The City reserves the right to reject any or all proposals, to accept all or any part of any proposal, to waive any informality or minor irregularities in any proposal received to the extent permitted by law and where such action best serves the interest of the City, and to be the sole judge of the merits of the respective proposal received.

The City and MBL is committed to ensuring that no person is excluded from participation in, or denied the benefits of its programs and/or services on the basis of race, color or national origin in accordance with FTA Circular 4704.1 and Title VI of the Civil Rights Act of 1964, as amended ("Title VI"). In addition to Title VI, NTS also prohibits discrimination based on sex, age or disability.

Any person who believes he or she has been subjected to discrimination under Title VI can file a complaint with MBL. For more information on MBL's Civil Rights Program, and the procedures to file a complaint, contact:

Name: John Soria
 Title: Director of Transportation
 Address: 400 S. Taylor Ave.
 Montebello, CA 90640
 Telephone: (323) 558-1625, ext. 1315
 Fax Number: (323) 887-4643
 E-mail: RideMBL.com

You may also contact the Federal Coordination and Compliance Office, Civil Rights Division at the Title VI Hotline: 888-TITLE-06 (888-848-5306) or send a letter to:

U.S. Department of Justice
 Civil Rights Division
 Federal Coordination and Compliance Section, NWB
 950 Pennsylvania Avenue, N.W. Washington, D.C. 20530
 More information on Title VI is available from the Justice Department online at www.justice.gov

TIMETABLE & SCHEDULE OF EVENTS (30-90 Days)

Scheduled Tasks	Scheduled Date	
Issuance of RFP	Thursday	October 10, 2024
Pre-Proposal Meeting	Tuesday	October 22, 2024, at 3:00 PM PST
Deadline to Submit Questions	Tuesday	October 29, 2024, at 12:00 PM PST
Responses to Questions Provided	Tuesday	November 5, 2024
Deadline to Submit Proposals	Thursday	November 14, 2024, at 12:00 PM PST
Presentations & Intent to Award	December 2024 /January 2025	

PROPOSAL SUBMISSION CHECKLIST

This checklist must be completed and returned with the Proposal. Failure to return this checklist may be cause for considering the Proposal non-responsive.

	Description	Section/ Page	Proposer shall initial here
1	Proposal	Page # 5	
2	Letter of Transmittal	Page # 36	
3	Licensing, Permits, and Certificates	Page # 17	
4	Indemnification and Hold Harmless Agreement and Waiver of Subrogation and Contribution	Exhibit A	
5	References	Exhibit B	
6	Insurance	Exhibit C	
7	Cost Proposal Sheet	Exhibit D	
8	Statement Of Disadvantaged Business Enterprise Participation	Exhibit E	
9	Bidder's List of Subcontractor(s) (DBE and Non-DBE)	Exhibit F	
10	Certification Regarding Debarment, Suspension....	Exhibit G	
11	Performance Guarantee Certification	Exhibit H	
12	Performance Bond	Exhibit I	
13	Irrevocable Standby Letter Of Credit Certificate	Exhibit J	
14	Bank Draft	Exhibit K	
	OPTIONAL ITEMS		
15	Requests for exceptions or deviations.	Page # 8	

Company Name:	
Name of Proposer initialing document (print):	
Email address of Company Contact:	
Signature:	
Title:	
Date:	

SECTION 1 - INSTRUCTIONS TO PROPOSERS

PROPOSAL FORMAT AND SUBMITTAL

Proposals can be submitted via the <https://pbsystem.planetbids.com/portal/33072/portal-home> Portal (accessed through the City of Montebello's official website at <https://cityofmontebello.hosted2.civildive.com/cms/One.aspx?portalId=58756&pageId=84839>) up to the hour of **12:00 p.m. on Thursday, November 14, 2024.**

All proposals must contain an original signature by an authorized officer of the company. Proposals received after the above-mentioned date and time will not be considered.

Proposals shall not include a photocopy of the following:

- INSTRUCTIONS TO PROPOSERS,
- QUALIFICATIONS,
- SCOPE OF WORK.

Proposals shall be typed, single-spaced and submitted on 8 1/2"x11" paper. Proposals shall not include any unnecessarily elaborate or promotional material. Proposals may not be modified or corrected after being opened unless an addendum is issued requesting resubmissions. Proposals will not be valid until all information has been verified and proposers' references have been checked. All proposals shall be accompanied by a completed and signed letter of transmittal provided as a part of this RFP.

All requests for exceptions or deviations because of this RFP shall be clearly identifiable by a separate section of the Proposer's submitted proposal for review by the City. It shall be the City's right to accept or reject any portion of the submitted requests.

Proposals shall be submitted in accordance with the form prescribed herein. Failure to respond in this manner may render the proposal non-responsive. Unauthorized conditions, limitations, or provisions attached to a Proposal will render the proposal non-conforming and non-responsive and may cause its rejection. The completed proposal shall be without interlineations, alterations, or erasures. Proposer submitting basic conforming proposals may choose to submit alternate proposals as complete and separate offers, if the alternate proposal offers technical or other improvements or modifications, which are to the overall benefit to the City. Any and all alternate proposals must be submitted in writing and included with the original proposal, conforming to the requirements as stated herein. No verbal modifications will be accepted.

Proposal documents shall be deemed to include by reference each and every one of the following:

1. Request for Proposal (RFP)
2. Addenda to RFP
3. Supplements to RFP
4. All other required forms

EXAMINATION OF PROPOSAL DOCUMENTS

By submitting a proposal, proposer represents that: (1) Proposer has thoroughly examined and become familiar with the Scope of Work required under this RFP, (2) Proposer comprehends all conditions that may impact the proposal, (3) Proposer has reviewed all addenda, and (3) Proposer is capable of providing the equipment, goods and services necessary to perform the Scope of Work and/or meet the specifications outlined in this RFP, in a manner that meets the City's objectives. Failure to examine the documents and inform itself shall be at the proposers' own risk. A proposer shall have no claim against the City based upon ignorance of or misunderstanding of the RFP documents. Once the award has been made, failure of a proposer to have read all the conditions, instructions and the agreement shall not be cause to alter any term of the agreement nor shall such failure provide valid grounds for a Proposer to withdraw its proposal or to seek additional compensation.

SECTION 2 – GENERAL TERMS AND CONDITIONS

ADDENDA

Any changes made by the city to the requirements in this RFP will be made by written addenda. Any written addenda issued to this RFP shall be incorporated into the terms and conditions of any resulting Agreement. The city will not be bound by any modifications to or deviations from the requirements set forth in this RFP as the result of oral instructions. The City reserves the right to revise or withdraw this RFP at any time and for any reason.

CLARIFICATIONS

Should a proposer require clarifications of this RFP, the proposer shall notify the contact person identified in this RFP in writing. Should the City, in its sole discretion, determine that the point in question is not clearly and fully set forth; the City will issue a written addendum clarifying the matter. Said addendum shall be posted on the <https://pbsystem.planetbids.com/portal/33072/portal-home> web page.

All questions, clarifications or comments must be submitted to or no later than **12:00 pm, Tuesday, October 29, 2024**. No questions will be answered individually by the City or Transportation Departments.

Requests for clarification, questions and comments must be clearly posted on the PlanetBids Q & A section. The City is not responsible for failure to respond to a request that has not been submitted in accordance with this section.

Responses by the City to the clarifications, comments and questions will be communicated via PlanetBids. Every attempt will be made to provide responses to all proposers in accordance with the procurement schedule for this RFP. Inquiries received after the deadline will not be accepted and will be returned to the sender without a response.

Requests for clarifications and questions should be formatted in the following manner:

1. Section
2. Paragraph number
3. Page number
4. Text of passage being questioned

5. Question

DISCREPANCIES AND MISUNDERSTANDINGS

Proposing companies must satisfy themselves by personal examination of any work site, drawings, Scopes of Work and by any other means as they may believe necessary, as to the actual physical conditions, requirements and difficulties under which the work must be performed. No proposing company shall at any time, after submission of the proposal, make any claim or assertion that there was any misunderstanding or lack of information regarding the nature or amount of work necessary for the satisfactory completion of the job. Any errors, omissions, or discrepancies found in any plans, specifications, or other documents provided, shall be called to the attention of the Buyer and clarified prior to the submission of proposals.

WITHDRAWAL OF PROPOSALS

Proposers may withdraw their proposals in writing, provided that such requests are received by the City prior to the scheduled deadline for Proposal submission or within six months following the scheduled deadline for Proposal submission when no contract has been awarded.

REFERENCES

All reference information requested in this RFP and specified in the form included in this RFP must be submitted with the proposal. Refer to Exhibit B.

At the discretion of the Evaluation Committee, the City may elect to perform site visits at the proposer's customer locations. These optional site visits will be in addition to any presentations and/or technical demonstrations. Some or all RFP Evaluation Committee members may travel, at City expense, to sites at which finalist proposers are performing like services. The purpose of such visits shall be to provide the evaluation team with an increased understanding of the process and assess the proposer's implementation and performance.

PROPOSAL SIGNATURES

If an individual makes the proposal, it shall be signed, and the full name and address of the proposer shall be given.

If a partnership makes the proposal, it shall be signed with the partnership name, by a member of the partnership who shall sign by name and the name and address of each partner shall be given.

If a corporation prepares the proposal, the name of the corporation shall be provided and signed by two (2) duly authorized Officers and, if available, stamped with the corporate seal, and the names and titles of all officers of the corporation shall be given. If a corporation provides a certified letter stating that one (1) duly authorized officer signature is binding for the corporation, this will suffice to omit the second signature requirement in the proposal. Certified letter is to be included in the proposal accompanied with the Letter of Transmittal.

PRE-CONTRACTUAL EXPENSES

The City will be under no obligation for payment of pre-contractual expenses. Pre-contractual expenses are defined as expenses incurred by proposer in:

- Preparing the proposal in response to this request.
- Submitting that proposal to the City.
- Negotiating with the City any matter related to this proposal, and/or
- Any other expenses incurred by the Proposer prior to date of award.

CITY OF MONTEBELLO RIGHTS

In its discretion, the City reserves the right to:

1. Reject any and/or all proposals for no reason or any reason including but not limited to the following:
 - a. The proposal is incomplete, non-responsive, obscure, irregular or lacking necessary detail and specificity.
 - b. The Proposer, in the sole judgment of the City, lacks the qualifications, experience, and/or responsibility necessary to provide the services.
 - c. The Proposer failed or neglected to complete and submit any information within the time specified by the City, and as may be otherwise required herein.
2. Reject any proposal that, in the opinion of the City, is so unbalanced in comparison to other proposals received and/or to the City's internal estimates that it does not accurately reflect the cost to perform.
3. Accept all or any part of a proposal.
4. Cancel the entire RFP;
5. Issue subsequent RFPs; and/or
6. Waive any errors or informalities in any proposal, to the extent permitted by law.

STATE CREDENTIALS AND TAXES

The Proposer shall be appropriately licensed in accordance with the laws of the State of California for the work to be performed. The cost for any required licenses and/or permits shall be the responsibility of the successful Proposer. The successful Proposer is liable for any and all taxes due as a result of the contract.

RESPONSIBILITY FOR COMPLIANCE WITH LEGAL REQUIREMENTS

The Proposer's products, services, and facilities shall be in full compliance with all applicable Federal, State and local regulations, standards and ordinances, regardless of whether or not they are referred to in the RFP.

CONFIDENTIALITY AND PUBLIC RECORD

All Proposers are hereby put on notice that each Proposal received shall become the exclusive property of the City. Notwithstanding authorized exemptions and privileges, each Proposal shall be subject to disclosure according to the California Public Records Act and/or the Federal Freedom of Information Act. The City shall not in any way be liable or responsible for the disclosure if required to do so by law.

JOINT OFFERS

Where two (2) or more Proposers desire to submit in response to this RFP, they shall do so on a prime-sub contractor basis rather than as a joint venture. The City intends to contract with a single firm and not with multiple firms doing business as a joint venture. Any proposal submitted on behalf of any form of joint venture or partnership between two (2) existing Proposers may be considered collusive and may be rejected as non-responsive.

COMPANY PERSONNEL

It shall be the burden of the successful proposer to ensure all personnel possesses qualifications and/or experience. All personnel required in performing the services herein shall be secured at the expense of the successful proposer. Personnel shall not be employees of or have any contractual relationship with the City. Successful proposer's personnel shall always conduct themselves in a professional manner to all City employees. Rude or discourteous behavior by the successful proposer will not be tolerated and the offense can be justification for termination of contract. All sub-contractors of successful proposer shall abide by all the requirements set forth in this section.

SINGLE PROPOSAL RESPONSE

If only one proposal is received in response to this RFP, a detailed cost/price proposal may be requested of the proposer. A cost or cost and price analysis and evaluation and/or audit of the cost may be performed in order to determine if the price is fair and reasonable. If the City determines a cost analysis is required, proposer must be prepared to provide, upon request, cost summaries of estimated costs (i.e. labor, equipment, supplies, overhead costs etc.) and documentation supporting all cost elements.

PROTEST PROCEDURES

All protests must be filed in accordance with the following:

1. The protest must be in writing and identify the solicitation (RFP) number.
2. The protest must be submitted by some return receipt method or guarantee of delivery that insures that the protest was received in a timely manner. The City is not responsible for lost or delayed deliverables.
3. The party's standing to protest must be identified.
4. Identification of the specific provision, law, regulation, specification, procedure or policy violated.
5. A statement of the relief requested.

Protests related to the content of the RFP shall be received no later than ten (10) days before the Proposal due date. Protests related to matters other than the content of the RFP shall be received no later than five (5) days after proposal opening. If the Protest does not comply with the preceding requirements it may not be evaluated and may be returned to the Protestor.

All protests shall be submitted to the contact person identified in this solicitation. If the solicitation is funded with Federal Transit Administration (FTA) monies, a protest may be filed with the FTA. However, the FTA only accepts protests alleging that a grantee failed to have written protest procedures or did not comply with those procedures or protests that involve a conflict of interest or fraud.

INCORPORATION OF PROPOSAL INTO AGREEMENT

This RFP and the proposer's response, including all promises, warranties, commitments and representations made in the successful proposal, shall be binding and incorporated by reference in the City's contract with the successful proposer.

TIME OF COMPLETION

The Contract time shall commence from the date on the Notice to Proceed (NTP) as authorized in writing by the City. The services shall be completed within the time period specified in the Request for Proposal. In case the services under the terms of these provisions and related professional contract shall be necessarily delayed because of strike, injunctions, government controls, or by reasons of any cause or circumstances beyond the control of the successful vendor (the "Vendor"), the time of completion shall be extended by a number of days to be determined in each instance by mutual agreement between the Vendor and MBL.

PAYMENT

A separate invoice, referencing the respective purchase order number, shall be issued in duplicate for each invoice shown in the payment schedule, and addressed to: **City of Montebello, Attn: Accounts Payable, 1600 West Beverly Boulevard, Montebello, California, 90640.**

Payment will be made within thirty (30) days after acceptance and approval of invoice.

Payment Schedule: Monthly
Provide (1) One invoice monthly.

CONTRACT DOCUMENTS: ORAL CHANGES / CONTRACT TERMINATION

Oral Changes: Oral changes and oral change orders are not permitted. All proposed changes must be submitted in writing to, and approved by, MBL prior to becoming a contract modification.

Contract Termination: MBL may terminate any resulting contract for convenience at any time by giving the Vendor five (5) days' written notice thereof. Upon termination, MBL shall pay the Vendor his allowable cost incurred to date of termination, and those costs deemed reasonably necessary by MBL to affect such termination, determined in accordance with Part 1-8.705-1 of the Federal Procurement Regulations (41CFR 1-8) or other applicable portion(s) of said Regulations. In addition, MBL shall pay the Vendor a percentage of the project, which relates to contract work accomplished to date of termination. The effective date of termination shall be the date of Notice of Termination.

In the event the Vendor breaches the terms or violates the conditions of the contract, and does not within ten days, thereafter, cure such breach of violation, MBL may immediately terminate the Contract for default. The vendor shall be liable for all costs incurred by MBL because of such default.

SCOPE OF CONTRACT

The Vendor shall provide all services necessary as per the Scope of Work described in this Request for Proposal.

PERFORMANCE OF WORK

It is the intent of these specifications to provide only services of the highest quality. The cost to be quoted and submitted shall include all items of service and any other costs necessary to fully complete the work pursuant to the provisions. It is the aim of these specifications that the Vendor provide complete services of the type prescribed. Any items omitted from such specifications which are clearly necessary for the

completion of such services shall be considered a portion of such services, although not directly specified or called for in these specifications. No advantage shall be taken by the Vendor in the omission of any detail which goes to make the services complete, even though such detail is not mentioned in these specifications.

AWARD OF CONTRACT

The contract resulting from this RFP (or the "Agreement") will be awarded to the responsive and responsible proposer whose proposal, conforming to the requirements of the RFP, is determined to be the most advantageous ("Best Value" as described in the Federal Transit Administration Circular 4220.1F) to the City, based on the Evaluation Criteria. No agreement shall exist until the City Council or the City Manager has awarded the Agreement and it has been mutually executed. The City reserves the right to:

- (a) Accept all or any part of a proposal;
- (b) Reject any or all proposals for any reason;
- (c) Waive any informality or minor errors to the extent permitted by law;
- (d) Award the Agreement as the interest of the City may require;
- (e) Cancel the entire RFP; or
- (f) Issue subsequent RFPs.

An Evaluation Committee comprised of MBL staff, in accordance with the proposal Evaluation Criteria set forth in Evaluation Criteria section of this RFP, will evaluate all the proposals. During the evaluation period, the City may interview some or all the proposing firms. Proposers should be aware; however, that award may be made without interviews or further discussions.

The City may negotiate contract terms with the selected proposer prior to award, and expressly reserves the right to negotiate with several Proposers simultaneously and, thereafter, to award a contract to the Proposer offering the most favorable terms to the City. However, negotiations may or may not be conducted with Proposers; therefore, the proposal submitted should contain the most favorable terms and conditions, since the selection and award may be made without discussion with any proposer.

No agreement shall exist until the City Council or City Manager has awarded the Agreement and it has been mutually executed. The City reserves the right to reject any and all proposals for any reason, to waive any informality or minor errors as determined by the City in any proposal and to award the Agreement as the best interests of the City may require. The award, if any, may be made by the City within ninety (90) calendar days after the opening of the proposals.

Point of Contact

This RFP is issued by the City, and the Management Analyst will be the sole point of contact ("Point of Contact") during the RFP submission and procurement process. Communications initiated by respondents to this RFP with members of the City Council, or officers, personnel or employees of the City, other than as coordinated by the Point of Contact, may be grounds for disqualification. Any inquiries or requests during this submission or procurement process shall be submitted in writing to the following Point of Contact:

City of Montebello Transportation Department
 Attention: Robert Fierro
 Management Analyst
 400 South Taylor Ave.
 Montebello, CA 90640
 (323) 558-1625 ext. 1115
 Email: RFierro@montebelloca.gov

If the Point of Contact determines a response to any such inquiry is warranted, said response will be issued to all prospective Proposers via [PlanetBids.com](https://www.planetbids.com)

EVALUATION OF PROPOSALS

MBL uses a selection process in which proposals contain both price and qualitative components, and award is based upon a combination of price and qualitative considerations. Qualitative considerations may include experience and qualifications, technical approach, quality of proposed personnel, and/or management plan. The award selection is based upon consideration of a combination of technical and price factors to determine the offer deemed most advantageous to MBL.

An evaluation committee will be appointed to review all proposals. The committee will be comprised of MBL staff. Committee members will initially evaluate each proposal using the pass or fail criteria identified herein. Proposers who pass this first stage of testing will progress to the next step in the evaluation.

MBL will evaluate the offers based on the following criteria: Pass/Fail Criteria

- Proposer has demonstrated the ability to meet the insurance requirements described in the Agreement. Proof of ability, for example a sample certificate with another agency, or a statement that the proposer can meet the insurance requirements in the RFP should be attached to proposal.
- Proposer has demonstrated evidence of good standing. If the proposer is a corporation or limited liability company, provide evidence that it is in good standing in the state of its incorporation/organization and qualified to do business in California. If the Proposer is a partnership or joint venture, provide such evidence for all partners or members. The evidence provided must be in the form of (i) an official certificate of good standing issued by the state of incorporation/organization and (ii) qualification to do business issued by the California Secretary of State. If the proposer is operating under a fictitious name or trade name, provide evidence that the proposer has filed for and/or registered the fictitious name with the county where the proposer's business is located.

On the completion of the initial Pass/Fail review, the committee will evaluate proposals using the two-step process. Qualitative considerations will be reviewed and scored first without attention to the price. The committee will then present the cost and price proposals and evaluate and score them accordingly. During the qualitative evaluation, the committee, at its sole discretion, may contact any or all the proposers with specific questions or requests for clarification. After both the qualitative and cost/price proposals have been evaluated and scored, the committee will arrive at a "comprehensive proposal score" for each proposal. A list of top-ranked proposals within a competitive range will be developed based upon the total comprehensive scores provided by committee members. At this time, the committee may decide

that the evaluation process is complete and submit a final recommendation to the Director of Transportation.

The committee may ask the proposers to consider the dialog of negotiations and revise their proposals. A deadline will be set for the submission of the revised proposals. If a Proposer is unable to meet the deadline or chooses not to revise its proposal, its existing proposal will be rescored along with revised proposals in the same manner as the original proposals.

EVALUATION CRITERIA

Award will be made to the Offeror whose proposal offers the best value to the City. Proposals that meet the pass/ fail criteria now will be evaluated in accordance with the following criteria:

Qualitative Considerations

The proposer's Qualitative Proposal will be evaluated based on the following factors, each having the weighted value set forth below (100 potential points in total):

1	<u>Project Management Plan</u> The proposal shall contain a detailed explanation of the project and not a reiteration of the RFP itself. The information offered should be a compendium of the proposer's knowledge of the standards outlined in the Scope of Work.	20 points
2	<u>Proposed Project Team</u> Qualifications and experience of management and staff and other personnel; comprehensiveness of plan and team's familiarity with the provision of bulk fueling services.	10 points
3	<u>Qualifications and Experience</u> Demonstrate experience completing bulk fueling services of the same or similar magnitude. Presentation of a catalog of bulk fueling services experience and expertise most advantageous to the City.	15 points
4	<u>Technical Approach</u> Vendor will submit with their proposal a written plan of action. Plan of action shall include contact persons and schedule adherence, as well as invoicing process. Understanding of the RFP requirements and illustrating the ability to meet performance objectives, compliance with all technical and administrative requirements, financial viability, accounting, and reporting.	30 points
TOTAL		75 points

Price Considerations

The Price proposals will be evaluated as follows:

5	<u>Price</u> The proposer's price proposal will be compared to the proposal with the Best Value to the City. The best value responsive price will receive the total weighted value for this criterion.	25 points
TOTAL		25 points

SECTION 3 - OTHER REQUIREMENTS

LICENSING AND PERMITS

The Vendor shall be licensed, bonded, and experienced in performing the services described in the Scope of Work and shall provide evidence of current licensing and permits as required by local, State, and Federal regulations in providing such services.

LIQUIDATION DAMAGES

MBL commits to working cooperatively with the Vendor to resolve personnel and Contract performance challenges as they may arise, however, certain proven contractual violations may result in the assessment of liquidated damages at MBL's discretion.

Whenever assessed, the Vendor will provide a credit letter in the amount specified to be applied to a subsequent invoice. Each such credit letter will include information concerning the date, time and nature of the violation(s), the amount assessed for each and the total amount credited. Failure to comply with any aspect of the Scope of Work may result in a credit to MBL of **\$150 per violation**.

BOND REQUIREMENTS

Bid Guarantee

The Vendors shall furnish a bid guarantee in the form of a bid bond, or certified treasurer's or cashier's check issued by a responsible bank or trust company, made payable to the City. The amount of such guaranty shall be equal to 50% of the bid price.

In submitting this bid, it is understood and agreed by the Vendor that the City reserves the right to reject all proposals, or part of any proposal, and it is agreed that the Bid may not be withdrawn for a period of (90) days subsequent to the opening of the proposals, without the written consent of City.

It is also understood and agreed that if the undersigned bidder should withdraw any part or all of his bid within (90) days after the bid opening without the written consent of the City, or refuse or be unable to enter into an agreement as provided above, or refuse or be unable to furnish adequate and acceptable Performance and Payment Bonds, or refuse or be unable to furnish adequate and acceptable insurance, as provided above, it shall forfeit its bid guarantee to the extent City's damages occasioned by such withdrawal, or refusal, or inability to enter into an agreement, or provide adequate security thereof.

It is further understood and agreed that to the extent the defaulting Vendor's bid guarantee shall prove inadequate to fully recompense the City for the damages occasioned by default, then the undersigned Vendor agrees to indemnify the City and pay over to the City the difference between the bid guarantee and City's total damages so as to make City whole.

The undersigned understands that any material alteration of any of the above or any of the material contained herein, other than that requested will render the bid unresponsive (Exhibit H. Performance Bid Guarantee). A copy of the bid bond can be submitted via the <https://pbsystem.planetbids.com/portal/33072/portal-home> Portal.

Performance Guarantee

A Performance Guarantee in the amount of 50% of the Agreement value is required by the City to ensure faithful performance of the Agreement. Either a Performance Bond or an Irrevocable Standby Letter of Credit shall be provided by the Vendor and shall remain in full force for the term of the Agreement.

The successful Vendor shall certify that it will provide the requisite Performance Guarantee to the City within ten (10) business days from Agreement execution (Exhibit I. Performance Bond). The City requires all Performance Bonds to be provided by a fully qualified surety company acceptable to the City and listed as a company currently authorized under 31 C.F.R. part 22 as possessing a Certificate of Authority as described hereunder. The City may require additional performance bond protection when the contract price is increased. The increase in protection shall generally equal 100 percent of the increase in the contract price. The City may secure additional protection by directing the Vendor to increase the amount of the existing bond or to obtain an additional bond.

If the Vendor chooses to provide a Letter of Credit as its Performance Guarantee, the City shall furnish with its bid, certification that an Irrevocable Standby Letter of Credit will be furnished should the Bidder become the successful Vendor. The Vendor shall also provide a statement from the banking institution certifying that an Irrevocable Standby Letter of Credit for the action will be provided if the Contract is awarded to the Bidder. The Irrevocable Stand-By Letter of Credit will only be accepted by the City if:

1. A bank in good standing issues it. The City will not accept a Letter of Credit from an entity other than a bank.
2. It is in writing and signed by the issuing bank.
3. It conspicuously states that it is an irrevocable, non-transferable, "standby" Letter of Credit.
4. The City is identified as the Beneficiary.
5. It is in an amount equal to 100% of the Contract first year value. This amount must be in U.S. dollars.
6. The effective date of the Letter of Credit is the same as the effective date of the Contract.
7. The expiration date of the Letter of Credit coincides with the term of this Agreement.
8. It indicates that it is being issued to support the obligation of the Vendor to perform under the Contract. It must specifically reference the Contract between the City and the Vendor the work stipulated herein.

The issuing bank's obligation to pay will arise upon the presentation of the original Letter of Credit and a certificate and draft (similar to the attached forms contained in Exhibit J. Irrevocable Stand-By Letter of Credit Certificate and Exhibit K. Bank Draft) to the issuing bank's representative at a location and time to be determined by the parties. This documentation will indicate that the Vendor is in default under the Contract.

SECTION 4 – SCOPE OF WORK

PROJECT DESCRIPTION

The Request for Proposal 25-03 (RFP No. 25-03) seeks a Vendor to provide auto body repair and painting services for all City-owned vehicles on an as-needed basis. The Vendor must have a minimum of five (5) years of recent experience performing similar work/services. The work will be performed at the Vendor's auto body shop unless otherwise agreed to in writing by the city. Compensation will be based on the cost sheet proposed in the Vendor's bid form (see Exhibit D).

Auto Body Repair and Painting

The Vendor will provide auto body repair and painting services for City-owned and operated vehicles (e.g. conventional, transit, and passenger vehicles) and equipment, including, but not limited to, general auto body repair, dent repair, component replacement for exterior/interior body components, collision damage repair, glass repair/replacement, painting vehicle bodies, and other repair services.

Bent parts are to be straightened and reinforced or replaced if necessary. If vehicle decals are damaged, the Vendor will obtain new decals from the City and apply new decals to the repaired vehicle. Decal removal and installation will be included in the repair estimate.

All auto body work will receive at least three (3) coats of primer: two (2) during bodywork repair, and a minimum of one (1) during the painting process.

Painting Process Requirements

The painting process will utilize the latest state-of-the-art painting and paint matching systems, mixing tools, and spraying tools and consist of the following in the order listed:

1. Primer
2. Base Coat
3. Clear Coat (either Solvent or Water-Based)

Acceptable Paint Manufacture:

All paints used will be supplied from a qualified and reputable paint manufacturer, including, but not limited to, Diamont, DuPont, Duramix, Kustom Shop, PPG, and Sherwin-Williams. The Vendor will provide the name of the paint manufacturer used in each estimate.

General Auto Body Shop Requirements:

The Vendor will have a complete auto body shop that meets the following minimum requirements:

- A. Legally be able and authorized to perform complete auto body repairs, as well as paint vehicles and equipment.
- B. Federal, State, and Local licenses and/or certifications are current and in good standing.
- C. Maintain a paint booth in legal compliance with all applicable laws and regulations.
- D. Maintain a secure storage area for all City-owned vehicles and have a 24/7 centrally monitored alarm system and outdoor security cameras.

- E. Possess a MIG and TIG welder or other electric spot-welding equipment for auto body welding. Gas welding is not acceptable. The Vendor will ensure that the vehicle computer systems are disconnected from the vehicle prior to any welding operation. The Vendor is to replace, at his/her expense, any onboard vehicle computer damaged by not disconnecting the computer before any welding operations.
- F. Be available during normal business hours Monday through Friday, 8:00 AM to 5:00 PM.

Estimate Process Requirements:

The Vendor will provide an estimate for auto body repair and painting on an as-needed basis as requested. All repairs will be approved by the City in writing prior to work being performed. A notice to proceed will be provided in the form of a purchase order.

Prior to any repair, the Vendor and Vehicle Maintenance Manager will conduct a vehicle inspection to identify and describe the condition of the vehicle and list the detailed description on the estimate. The Vendor will assume full liability and responsibility for all vehicles and contents (including radios and other standard or installed equipment) placed in its custody by the City under the agreement.

- A. Year, make, model, and mileage of the vehicle
- B. License plate number, VIN number, and City identification number
- C. In **BOLD**, state the estimate is in relation to an incident and note the incident report number and date, if applicable
- D. Itemized list of description of work to be performed
- E. Estimated number of labor hours of task
- F. Itemized list of parts and paint materials costs
- G. All incidentals or miscellaneous shop supplies and charges will be included and priced accordingly
- H. Sales tax and total repair estimate
- I. Approximate schedule to complete the repairs after receiving a notice to proceed
- J. If applicable, any recommendations for future repairs
- K. All estimates will be provided from an applicable industry standard Collision and Estimating Reference Guide used by insurance appraisers. The Vendor will provide the name and version of the guide or software used.

Parts:

All parts used to provide auto body repair will be new Original Equipment Manufacturer (OEM). All incidentals, materials, shop supplies, and charges will be included in the Vendor's hourly rate. The Vendor will furnish new unused OEM auto body parts, materials, and labor as required in accordance with the provisions and specifications contained herein.

Alignment:

The Vendor agrees to perform realignment of all vehicles when needed. This will be a thrust alignment for frame vehicles and four-wheel alignment for unibody vehicles. A printout of the readings after the alignment will be included in each repair order. The Vendor will ensure personnel or sub-contractor are qualified to perform alignment work.

Framework:

The Vendor agrees to perform frame straightening of all vehicles when needed. The Vendor will ensure personnel or sub-contractor is qualified to perform all frameworks.

Airbag Components:

All airbag components will be replaced with NEW OEM parts when the decision has been made to replace the components.

Major Repairs:

If the metal body or plastic components are damaged beyond repair, the damaged area will be cut out and replaced with new metal or plastic that is equal to or greater than the original thickness of the component.

Warranty:

The Vendor will specify warrantable periods for materials and work performed. Unsatisfactory repairs include, but are not limited to, paint swirls, fisheye blemishes, mismatched paint color, buffer burns, as well as any other defects and/or imperfection in auto body work or paint finish.

Pickup and Delivery:

The Vendor will prompt free pickup and delivery of vehicles and equipment, including vehicle tow as necessary, when repairs or painting are required. The repaired vehicles will be returned to the City's Transportation Department by personnel with the knowledge necessary to review and discuss the quality or completeness of the repairs and review the vehicle condition report with the City's representative. If it is determined that the vehicle is not repaired properly, the vehicle will be returned to the Vendor's auto body shop for repair and delivery at no additional cost to the City. All vehicles will be returned to the City within 24 hours of completion of repairs.

Time for Performance:

Time is of the essence in returning City vehicles to service. The successful Vendor agrees that work assigned under the contract will receive priority over the other work in its auto shop unless specific prior approval has been obtained from the City.

If the City determines that the workload of the Vendor is such that timeliness is not possible in a given situation, the City reserves the unilateral right to solicit for proposals and award to a backup service provider. Repeated assignments to a backup service provider may result in contract termination.

Estimated Amount of Work:

The Vendor will perform such work as required by the City as needs are determined. The City has estimated that \$100,000 will be spent on auto body work during each year of the agreement. This figure is only an estimate and is not a binding guarantee of the work to be done under the agreement. Actual requirements may be more or less than the amounts estimated.

During the evaluation phase the city can request a site visit of the location.

The items listed in RFP No. 25-03 are for evaluation purposes only. The quantities and items specified are estimates only of the City's requirements. RFP No. 25-03 intends to provide one comprehensive award for all City vehicles and equipment with a single discount structure. However, the City reserves the right to make multiple contract awards.

SECTION 5 – QUALIFICATIONS

DESIRED QUALIFICATION

- Provide a brief profile of the firm, including: the types of services offered, the year founded, form of the organization (corporation, partnership, sole proprietorship) number, size and location of offices, and the number of employees.
- Describe the firm's experience in performing work of a similar nature to that solicited in this RFP, and highlight the participation in such work by the key personnel proposed for assignment to this project. Describe an experience in similar projects, particularly in the transit and public sector environments. The Vendor must demonstrate to the satisfaction of MBL that it has sufficient resources, capabilities and experience to meet the business needs as stated in this document. The Vendor will state and identify its involvement with other clients for both past and present projects. The Vendor will state the client's name, and references for similar projects, particularly those conducted for public transit and the public sector in general. Be specific with respect to past and current assignments elaborating on those projects of similar type, magnitude and complexity. The Vendor's involvement and responsibility should be defined for each project.
- Identify any subcontractors by company name, address, contact person, and telephone number and project function.
- Briefly describe other projects currently in process and how those projects affect the company's current capacity and capacity during this proposed project. Identify any capacity or availability issues for any major subcontractors proposed.

FIRM QUALIFICATIONS

To be considered responsive to the RFP, firms must demonstrate that they meet the following minimum qualifications by providing a thorough response and verifiable evidence of compliance. Non-compliance with these requirements may disqualify your proposal from further consideration.

- A. Firm has not defaulted on a contract within the past five (5) years or declared bankruptcy or been placed in receivership or been denied credit within the past three (3) years.
- B. Firm has not been assessed any penalties for non-compliance with any federal, state, local, city, or county labor laws and/or regulations within the past five (5) years.
- C. Firm is currently not under investigation for any charge or claim for noncompliance with any federal, state, local, city, or county labor laws and/or regulations including, without limitation prevailing wage laws and apprenticeship laws.
- D. The firm must have a minimum of five years of experience and demonstrated track record of quality work, knowledge, skills, and abilities in safety and security for public transit agencies, preferably in an environment of similar size and scope to the MBL.
- E. Licensed to do business in the State of California.
- F. Experience with projects of similar size and scope.

SECTION 6 – FORM OF CONTRACT

PROFESSIONAL SERVICES AGREEMENT FOR

VEHICLE BODY REPAIR AND PAINTING SERVICES

THIS AGREEMENT (“Agreement”) is made and entered into on, 2024, by the CITY OF MONTEBELLO, a municipal corporation (hereinafter referred to as “CITY”) and (Hereinafter referred to as “VENDOR”). CITY and VENDOR are sometimes referred to herein individual as a “Party,” and jointly as the “Parties.”

RECITALS

WHEREAS, CITY desires to retain a qualified professional VENDOR to provide vehicle body repair and painting services for over 200 City-owned and operated vehicles on an as-needed basis; and

WHEREAS, VENDOR represents the degree of specialized expertise contemplated within California Government Code, Section 37103, and is qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees; and

WHEREAS, no official or employee of CITY has a financial interest, within the provisions of Sections 1090 – 1092 of the California Government Code, in the subject matter of this Agreement; and

WHEREAS, VENDOR responded to CITY’s Request for Proposals dated October 31, 2024 (RFP No. [25-03]), as such is set forth fully in **Exhibit “A”** hereto and incorporated fully herein by this reference (hereinafter “Consultant Proposal”).

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND OTHER CONTRACT DOCUMENTS

A. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents, in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

- a. This Agreement.
- b. RFP No. 25-03, attached hereto as **Exhibit “A.”**
- c. VENDOR’S Proposal to RFP No. 25-03 dated, 2024, attached hereto as **Exhibit “B”**.
- d. VENDOR’S “Best and Final Offer” to RFP No. 25-03 dated, 2024, attached hereto as **Exhibit “C”**.
- e. All other documents, including but not limited to all applicable bonds, insurance certificates, permits, notices, schedules, forms, certifications, and affidavits.

B. These documents shall be collectively referred to herein as the “Contract Documents.” In the event of a conflict among the Contract Documents, the order of precedence.

SECTION 2. SERVICES / COMPENSATION.

A. VENDOR shall provide to CITY those services that are set forth fully in the Scope of Services, as such is set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

B. VENDOR shall complete the Scope of Services within the time set forth in the Schedule of Performance, as such is set forth in **Exhibit "B"** hereto and incorporated fully herein by this reference.

B. VENDOR shall be compensated a sum not-to-exceed \$..... (the "Maximum Compensation") for performance of the Professional Services as set forth in the Schedule of Compensation attached hereto as **Exhibit "C"** and incorporated fully herein by this reference ("Compensation"). VENDOR shall provide an itemized billing statement to CITY each month for Professional Services performed. VENDOR shall not incur fees or costs which exceed the Maximum Compensation without the prior written consent of CITY.

C. CITY will be invoiced at the end of the first billing period following commencement of work and at the end of each billing period thereafter. Payment in full of an invoice must be received by VENDOR within thirty (30) days of the date of such invoice.

D. Work performed shall be deemed approved and accepted by CITY as and when invoiced unless CITY objects within fifteen (15) days of invoice date by written notice specifically stating the details in which CITY believes such work is incomplete or defective, and the invoice amount(s) in dispute. CITY shall pay undisputed amounts as provided for in the preceding paragraph.

E. Failure of CITY to submit full payment of an invoice within thirty (30) days of the date thereof subjects this agreement and the work herein contemplated to suspension or termination at CONSULTANT's discretion.

SECTION 3. TERM.

This Agreement shall commence on, 2024 and shall be valid for an initial term of three years with the option to extend for an additional two (2), one year periods.

The Parties agree that Sections 4(B), 9, 10, 11, 13, 16, 17, 18, and 19 shall survive for three (3) years following the expiration or termination of this Agreement.

SECTION 4. PERFORMANCE.

A. VENDOR shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.

B. VENDOR shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of VENDOR hereunder, in meeting its obligations under this Agreement.

C. VENDOR shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

D. VENDOR shall have the right to retain, subject to CITY's written approval, additional individuals, Vendors, or sub-contractors to assist in the completion of services as herein defined. Compensation for additional individuals, Vendors, or sub-contractors shall be the sole and exclusive responsibility of the VENDOR.

E. VENDOR shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three (3) years unless otherwise provided for in **Exhibit "A."** Upon CITY providing twenty-four (24) hours advanced prior notice, VENDOR shall make all records, invoices, timecards, cost control sheets and other records maintained by VENDOR in connection with this Agreement available during VENDOR's regular working hours to CITY for review and audit by CITY.

F. All reports, documents, or other written material developed by VENDOR in the performance of this Agreement shall be and remain the property of CITY without restriction or limitation upon its use or dissemination by CITY. Such material shall not be the subject of a copyright application by VENDOR. Any alteration or reuse by the CITY of any such materials on any project other than the Project shall be at CITY's sole risk unless CITY compensates VENDOR for such reuse.

SECTION 5. WORK PRODUCT.

A. VENDOR hereby agrees that all work produced pursuant to this Agreement and provided to CITY during and upon completion of this Agreement, shall be the property of CITY, and ownership of said work product shall be retained by CITY. VENDOR may take and retain copies of such written products as desired.

B. All data, documents, discussion, or other information developed or received by VENDOR or provided for performance of this Agreement are deemed confidential and shall not be disclosed by VENDOR without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to CITY upon the termination or expiration of this Agreement. VENDOR agrees that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

C. Documents are provided in VENDOR's standard software formats. CITY recognizes that electronic or magnetic data and its transmission can be easily damaged, may not be compatible with CITY's software formats and systems, may develop inaccuracies during conversion or use, and may contain viruses or other destructive programs, and that software and hardware operating systems may become obsolete. As a condition of delivery of electronic or magnetic data, CITY agrees to defend indemnify and hold VENDOR, its sub-contractors, agents and employees harmless from and against all claims, loss, damages, expense and liability arising from or connected with its use, reuse, misuse, modification or misinterpretation. In no event shall the VENDOR be liable for any loss of use, profit or any other damage.

SECTION 6. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by VENDOR under this Agreement unless such extra services first shall have been duly authorized in writing by CITY's City Manager ("City Manager").

SECTION 7. CITY SUPERVISION.

The Transportation Director shall have the right of general supervision of all work performed by VENDOR and shall be CITY's agent with respect to obtaining VENDOR's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Manager.

SECTION 8. TERMINATION.

If either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

A. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by VENDOR which cannot be corrected within ten (10) days, said contract shall at the option of CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by VENDOR, CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of VENDOR. VENDOR and his sureties shall be liable to CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, VENDOR shall only be entitled to Compensation for those Professional Services satisfactory performed on or before the effective date of termination.

B. Termination for Convenience. CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, after giving written notice to VENDOR at least five (5) business days before the termination is to be effective. Upon the termination of this Agreement as provided herein, CITY shall provide to VENDOR the part of Compensation which would otherwise be payable to VENDOR for services VENDOR had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by CITY, the Parties agree that VENDOR shall be reimbursed for any "non-refundable" costs that VENDOR has incurred for its services under this Agreement, provided that: (1) such "non-refundable" costs were incurred by VENDOR prior to the date of termination; (2) that VENDOR provides CITY with adequate proof that VENDOR incurred the costs, and is unable to seek a refund for such costs; and (3) such costs were within the scope of work or services to be performed under this Agreement. Such "non-refundable" costs may include, but are not limited to, travel reservations incurred by VENDOR for its performance of services under this Agreement. VENDOR agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 9. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of CITY shall be employed by VENDOR during the Term of this Agreement.

SECTION 10. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of CITY shall be personally liable to VENDOR in the event of any default or

breach by CITY, or for any amount which may become due to VENDOR.

SECTION 11. INDEPENDENT CONTRACTOR.

A. VENDOR is and shall, at all times, remain as to CITY a wholly independent vendor. Neither CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of VENDOR except as expressly set forth in this Agreement. VENDOR shall not at any time or in any manner represent that he is in any manner an elected official, officer, employee or agent of CITY. No employee benefits shall be available to VENDOR in connection with the performance of this Agreement. Except as provided in this Agreement, CITY shall not pay salary, wages, or other compensation to VENDOR for performance hereunder for CITY. CITY shall not be liable for compensation to VENDOR, VENDOR's employees or VENDOR's sub-contractors for injury or sickness arising out of performing services hereunder.

B. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

C. CITY shall not deduct from the Compensation paid to VENDOR any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to VENDOR. CITY shall have no responsibility to provide VENDOR, its employees or sub-contractors with workers' compensation insurance or any other insurance.

SECTION 12. PERS ELIGIBILITY INDEMNITY.

A. In the event that VENDOR or any employee, agent, or sub-contractor of VENDOR 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 CITY, VENDOR shall indemnify, defend, and hold harmless CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of VENDOR or its employees, agents, or sub-contractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of CITY.

B. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, VENDOR and any of its employees, agents, and sub-contractors 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 CITY, including but not limited to eligibility to enroll in PERS as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 13. LEGAL RESPONSIBILITIES.

VENDOR shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of VENDOR to comply with this section.

SECTION 14. INDEMNIFICATION.

VENDOR agrees to, and shall defend, indemnify, protect and hold harmless, CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of VENDOR'S negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of CITY.

SECTION 15. INSURANCE COVERAGE.

During the Term of this Agreement, VENDOR shall carry, maintain, and keep in full force and effect all following minimum scope of insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with VENDOR's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

Commercial General Liability (CGL): Broad-form, Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including premise-operations, products-completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury, and advertising injury, with limits no less than **Two Million Dollars and Zero Cents** (\$2,000,000), combined single limits, per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

Business Automobile Liability Insurance: For owned vehicles, hired, and non-owned vehicles, Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if VENDOR has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **One Million Dollars and Zero Cents** (\$1,000,000.00) per accident for bodily injury and property damage.

Worker's Compensation insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **One Million Dollars and Zero Cents** (\$1,000,000.00) per accident for bodily injury or disease. VENDOR agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers for losses arising from work performed by VENDOR for CITY and to require each of its sub-contractors, if any, to do likewise under their workers' compensation insurance policies.

By executing this Agreement, VENDOR further certifies as follows:

I am aware of, and will comply with, Section 3700 of the Labor Code, requiring every employer to be insured against liability of Workers' Compensation or to undertake self-insurance before commencing any of the work contemplated herein.

Professional Errors and Omissions (E&O) Liability insurance appropriate to the VENDOR's profession, with limit no less than **Two Million Dollars and Zero Cents** (\$2,000,000.00) per occurrence or claim, **Two Million Dollars and Zero Cents** (\$2,000,000.00) aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retroactivity date shall be prior to the start of work set forth herein, VENDOR shall obtain and maintain said E&O

liability insurance during the Term of this Agreement and for five (5) years after completion of work hereunder. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of this Agreement, VENDOR shall purchase "extended reporting" coverage for a minimum of five (5) years after completion of the work.

If VENDOR maintains higher limits than the minimums shown above, CITY requires and shall be entitled to coverage for the higher limits maintained by VENDOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to CITY.

VENDOR shall require each of its sub-contractors, if any, to maintain insurance coverage that meets all requirements of this Agreement.

The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California, with a current rating of at least A: VII in the latest edition of Best's Insurance Guide and approved by CITY.

Each insurance policy required herein shall state that coverage shall not be canceled, except after providing CITY thirty (30) days' (or ten [10] calendar days for non-payment) prior written notice. VENDOR agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either: (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at VENDOR'S expense, the premium thereon.

At all times during the Term of this Agreement, VENDOR shall maintain on file with CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming CITY, its officers, agents, employees and volunteers as an additional insured. VENDOR shall, prior to commencement of work under this Agreement, file with CITY's Risk Manager such certificate(s).

VENDOR shall provide proof that policies of insurance required herein expiring during the Term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers as additional insureds. All policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days' prior written notice to CITY. VENDOR agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

Except for professional liability and workers' compensation policies, the policies herein are primary and non-contributing with any insurance that may be carried by CITY. Any insurance or self-insurance maintained by CITY, its officers, employees, agents or volunteers, shall be in excess of VENDOR's insurance and shall not contribute with it.

All insurance coverage provided pursuant to this Agreement shall not prohibit VENDOR and VENDOR's employees, agents or sub-contractors, from waiving the right of subrogation prior to a loss. VENDOR hereby waives all rights of subrogation against CITY. VENDOR agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether CITY has received a waiver of subrogation endorsement from the insurer.

Coverage not affected. Any failure to comply with the reporting provisions of the policies contemplated herein, shall not affect coverage provided to CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers.

Coverage applies separately. VENDOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, VENDOR shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or VENDOR shall procure a bond guaranteeing payment of losses and expenses.

Procurement of insurance by VENDOR shall not be construed as a limitation of VENDOR's liability or as fall performance of VENDOR's duties to indemnify, hold harmless and defend under Section 9 of this Agreement.

CITY, its officers and employees shall not be responsible for any claims in law or in equity occasioned by the failure of VENDOR to comply with this section.

SECTION 16. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

VENDOR shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-contractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

Any subcontract, delegation or assignment shall be made in the name of VENDOR and shall not bind or purport to bind CITY and shall not release VENDOR from any obligations under this Agreement including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees or sub-contractors. No such subcontract, delegation or assignment shall result in any increase in the amount of total compensation payable to VENDOR under the Agreement.

SECTION 17. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 18. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be County of Los Angeles, California. The Parties agree that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

SECTION 19. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 20. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

- A. It has received independent legal advice from its attorneys with respect to the advisability of entering and executing this Agreement;
- B. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of *any* matter whatsoever; and
- C. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 21. MISCELLANEOUS.

- A. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.
- B. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.
- C. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- D. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.
- E. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.
- F. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement

referred to in this Agreement.

G. To the extent of a conflict between the terms of this Agreement and those set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

SECTION 22. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

CITY MANAGER
City of Montebello
1600 West Beverly Boulevard
Montebello, California 90640

VENDOR

SECTION 23. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, VENDOR shall not discriminate against any employee, sub-contractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. VENDOR will take affirmative action to ensure that sub-contractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 24. CONFLICT OF INTEREST.

VENDOR and its officers, employees, associates and sub-contractors, if any, shall comply with all California conflict of interest statutes applicable to Vendor's Services under this Agreement, including, but not limited to, the Political Reform Act (Gov. Code, § 81000 et seq.) and Government Code Section 1090. VENDOR further covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by VENDOR under this Agreement, or which would conflict in any manner with the performance of its services hereunder. VENDOR further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, VENDOR shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

VENDOR covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to CITY because of the performance of this Agreement, or the services that may be procured by CITY because of the recommendations made by VENDOR. VENDOR's covenant

under this section shall survive the termination of this Agreement.

SECTION 25. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between CITY and VENDOR. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

CITY OF MONTEBELLO

VENDOR

Raul Alvarez
City Manager

Name and Title

Dated: _____

Dated: _____

ATTEST:

Christopher Jimenez
City Clerk

APPROVED AS TO FORM

Arnold M. Alvarez-Glasman
City Attorney

SECTION 7 - FORMS AND CERTIFICATIONS

LETTER OF TRANSMITTAL

CITY OF MONTEBELLO

Transportation Department

SUBJECT: REQUEST FOR PROPOSAL **NO. 25-03**

VEHICLE BODY REPAIR AND PAINTING SERVICES

In response to the subject Request for Proposal ("RFP") and in accordance with the accompanying Instructions to proposers, the proposer hereby commits to the City of Montebello to perform the work in accordance with the provisions in the proposal Level Contract Documents and any addenda thereto and at the prices stated in the Revenue Price Sheet, which will be included and made a part of any subsequent agreement.

The proposer agrees that the proposal constitutes a firm offer that cannot be withdrawn for ninety (90) calendar days from the Proposal opening or until the Contract for the work is fully executed between the City and a third party, whichever is earlier.

If awarded a contract, the Proposer agrees to execute an agreement and deliver it to the City of Montebello within seven (7) calendar days after receiving a Letter of Award together with the necessary certificates of insurance and any applicable performance or payment bonds. The Vendor shall only proceed with the work upon receipt of a Notice to Proceed.

The proposer certifies that it has:

1. Examined and is fully familiar with all the provisions of the RFP Documents and any addenda thereto:
2. Satisfied itself as to the requirements of the Contract, the nature and location of the work, the general and local conditions to be encountered in performance of the work, and all other matters that can in any way affect the Work and/or the cost thereof.
3. Examined the experience, skill and certification requirements in Scope of Services and that the entities performing the work can fulfill the specified requirements; and
4. Carefully reviewed the accuracy of all statements and figures shown in the Proposal and attachment hereto.

Therefore, the undersigned hereby agrees that the City of Montebello will not be responsible for any errors or omissions in the Proposal.

The proposer further certifies that:

1. The only persons, firms, corporations, joint ventures/partnerships, and/or other parties interested in the Proposal as principals are those listed as such in the Proposal Forms and that,

2. The Proposal has been prepared without collusion with any other person, firm, corporation, joint venture/partnership, and/or other party.

The undersigned acknowledges receipt, understanding and full consideration of the following addenda to the Proposal Documents:

Addenda No(s)

Dated _____

Dated _____

Dated _____

Dated _____

Dated _____

Dated _____

Failure to acknowledge receipt of all addenda may cause the Proposal to be considered non-responsive to the solicitation. Acknowledged receipt of each addendum must be clearly established and included with the Proposal /offer.

Proposer's Name

Business Address

Contact Person

Email Address

Phone

Fax

Signature of Authorized Official

Signature of Authorized Official

Typed or Printed Name

Title

Typed or Printed Name

Title

Date

Date

(Joint ventures/partnerships are to provide a signed copy of their agreement with their Proposal.)

For proposals requiring licenses the following information is required:

Vendor's License No. _____

Expiration Date: _____

License Classification: _____

EXHIBIT A

INDEMNIFICATION AND HOLD HARMLESS AGREEMENT AND WAIVER OF SUBROGATION AND CONTRIBUTION

Contract/Agreement/License/Permit No. or description: RFP No.25-03, VEHICLE BODY REPAIR AND PAINTING SERVICES

Indemnitor(s): _____

(List all names)

To the fullest extent permitted by law, Indemnitor hereby agrees, at its sole cost and expense, to protect, indemnify, and hold harmless the City of Montebello and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, and assigns (collectively "Indemnitees") from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, or other professionals and all costs associated therewith (collectively "Liabilities"), resulting from any wrongful or negligent act, failure to act, error, or omission of Indemnitor or any of its officers, agents, servants, employees, subcontractors, material men, suppliers or their officers, agents, servants or employees, arising or claimed to arise, directly or indirectly, out of, in connection with, resulting from, or related to the above-referenced: **RFP No. 25-03 VEHICLE BODY REPAIR AND PAINTING SERVICES** (the "Waiver") or the performance or failure to perform any term, provision, covenant, or condition of the Waiver, including this indemnity provision. This indemnity provision is effective regardless of any prior, concurrent, or subsequent passive negligence by Indemnitees and shall operate to fully indemnify Indemnitees against any such negligence. This indemnity provision shall survive the termination of the Waiver and is in addition to any other rights or remedies which Indemnitees may have under the law. Payment is not required as a condition precedent to an Indemnitee's right to recover under this indemnity provision, and an entry of judgment against the Indemnitor shall be conclusive in favor of the Indemnitee's right to recover under this indemnity provision. Indemnitor shall pay Indemnitees for any attorney's fees and costs incurred in enforcing this indemnification provision. Notwithstanding the foregoing, nothing in this instrument shall be construed to encompass (a) Indemnitees' active negligence or willful misconduct to the limited extent that the underlying agreement is subject to Civil Code § 2782(a), or (b) the contracting public agency's active negligence to the limited extent that the underlying agreement is subject to Civil Code § 2782(b). This indemnity is effective without reference to the existence or applicability of any insurance coverages which may have been required under the Waiver or any additional insured endorsements which may extend to Indemnitees.

City agrees to promptly inform Indemnitor in writing of any claim that City believes to be subject to this Waiver.

Indemnitor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees, while acting within the scope of their duties, from all claims, losses and liabilities arising out of or incident to activities or operations performed by or on behalf of the Indemnitor regardless of any prior, concurrent, or subsequent non-active negligence by the Indemnitees.

In the event there is more than one person or entity named in the Waiver as an Indemnitor, then all obligations, liabilities, covenants and conditions under this instrument shall be joint and several.

“Indemnitor”

Name: _____ Name: _____
(Print) (Print)

By: _____ By: _____
(Signature) (Signature)

Title: _____ Title: _____

Date: _____ Date: _____

EXHIBIT B

REFERENCES

List at Least Three (3) Professional References:

1	Project City/Agency/Other:		
	Person of Contact:		
	Phone Number:		
	E-mail Address:		
	Address:		
	City, State, Zip Code:		
	Description of Contract <i>(Please include contract value, award date, term of contract, and description of work):</i>	Contract Value:	\$
		Award Date:	
		Term of Contract:	
		Description of Work:	

2	Project City/Agency/Other:		
	Person of Contact:		
	Phone Number:		
	E-mail Address:		
	Address:		
	City, State, Zip Code:		
	Description of Contract <i>(Please include contract value, award date, term of contract, and description of work):</i>	Contract Value:	\$
		Award Date:	
		Term of Contract:	
		Description of Work:	

3	Project City/Agency/Other:		
	Person of Contact:		
	Phone Number:		
	E-mail Address:		
	Address:		
	City, State, Zip Code:		
	Description of Contract <i>(Please include contract value, award date, term of contract, and description of work):</i>	Contract Value:	\$
		Award Date:	
		Term of Contract:	
		Description of Work:	

EXHIBIT C

INSURANCE

The Proposal shall include a statement that the insurance requirements set forth in the contract documents can be obtained and will be carried without reservation or exclusion should Proposer be awarded a contract pursuant to this RFP.

The successful Proposer shall at all times during the term of the awarded Agreement, carry, maintain, and keep in force and effect, with an insurance company admitted to do business in California, rated "A" or better in the most recent A.M. Best's Insurance Rating Guide, and approved by the CITY, a policy or policies of:

- A. Commercial General Liability Insurance using Insurance Services Office Commercial General Liability form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross-liability exclusion for claims or suits by one insured against another. Limits shall be no less than \$2,000,000 per occurrence for all covered losses and the general aggregate limit shall be twice the required occurrence limit.
- B. Business Auto Coverage on ISO Business Auto Coverage form CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits shall be no less than \$1,000,000 per accident, combined single limit. If Vendor owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described in the preceding subsection. If Vendor or Vendor's employees will use personal autos in any way on this project, Vendor shall provide evidence of personal auto liability coverage for each such person.
- C. Workers' Compensation insurance on a state approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident for all covered losses.
- D. Professional Liability or Errors and Omissions Insurance as appropriate to the profession, written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Vendor and "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy limit shall be not less than \$2,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this Agreement. City, its officers, employees, attorneys, and designated volunteers shall be named as additional insured on the policy, or policies, as to commercial general liability bodily injury and property damage coverages and automobile coverages with respect to liability arising out of successful Proposer's work under this Agreement.
- E. All insurance policies shall provide that the insurance coverage shall not be non-renewed, canceled, reduced, or otherwise modified (except through the addition of additional insureds to the policy) by the insurance carrier without the insurance carrier giving City thirty (30) days' prior written notice thereof. Any such thirty (30) day notice shall be submitted to City via certified mail, return receipt requested, addressed to "Risk Manager," City of Montebello, 1600 West Beverly

Boulevard, Montebello, California, 90640. Vendor agrees that it will not cancel, reduce or otherwise modify said insurance coverage.

- F. Vendor shall submit to City (i) insurance certificates indicating compliance with the minimum worker's compensation insurance requirements above, and (ii) insurance policy endorsements indicating compliance with all other minimum insurance requirements above, not less than one (1) day prior to beginning of performance under this Agreement. Endorsements shall be executed on City's appropriate standard forms entitled "Additional Insured Endorsement".

EXHIBIT D

RFP No. 25-03

VEHICLE BODY REPAIR AND PAINTING SERVICES

COST PROPOSAL SHEET

In accordance with the Request for Proposal issued by the City of Montebello Transportation Department (hereinafter referred to as "Vendor/Proposer), the undersigned proposing company hereby agrees to furnish all necessary labor, materials and incidentals required for the above stated contract as set forth in the Scope of Work and any addenda thereto, and to perform all work in the manner and time prescribed therein. Please provide a description of a products proven equal as well as additional costs/fees below.

Quantity	Description of Work	Cost of Needs
Lump sum	Vehicle Body Repair and Painting Services	\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
	<i>TOTAL</i>	\$

List other costs/fees:	:	<u>Description</u>	<u>Cost/Fees</u>
-------------------------------	---	--------------------	------------------

Contact Information:

Name & Job Title:	
Business Name:	
Address:	
City, State, Zip Code:	
Phone Number:	
E-mail Address:	
Authorized Signature:	Date:

EXHIBIT E
STATEMENT OF
DISADVANTAGED BUSINESS ENTERPRISE PARTICIPATION

This proposal provides for the following Disadvantaged Business Enterprise participation:

Disadvantaged Business Enterprise

Firm Name

Address

Phone Number

Type of Business

Current DBE Certification? _____ Yes* _____ *No

*(If "Yes," attach copy of current Letter of Certification and copy of current Statement of Personal Net Worth.)

Total \$ _____

% of Total Contract _____

Signature: _____ Date: _____

EXHIBIT F**Bidder's List of Subcontractors (DBE and Non-DBE)****Part I**

The bidder shall list all subcontractors (both DBE and non-DBE) in accordance with Section 2-1.054 the Standard Specification and per Title 49, Section 26.11 of the Code of Federal Regulations. This listing is required in addition to listing DBE Subcontractors elsewhere in the proposal. Photocopy this form for additional firms.

Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	<u>Local Agency Use Only</u> (Certified DBE?)	
<i>Name</i>	<i>Phone</i>	☐ < \$1 million		☐ YES	
		☐ < \$5 million		☐ NO	
		☐ < \$10 million		<i>If YES list DBE #:</i>	
	<i>Address</i>	<i>Fax</i>	☐ < \$15 million		
		<i>City State ZIP</i>	☐ > \$15 million		Age of Firm (Yrs.)
<i>Name</i>	<i>Phone</i>	☐ < \$1 million		☐ YES	
		☐ < \$5 million		☐ NO	
		☐ < \$10 million		<i>If YES list DBE #:</i>	
	<i>Address</i>	<i>Fax</i>	☐ < \$15 million		
		<i>City State ZIP</i>	☐ > \$15 million		Age of Firm (Yrs.)
<i>Name</i>	<i>Phone</i>	☐ < \$1 million		☐ YES	
		☐ < \$5 million		☐ NO	
		☐ < \$10 million		<i>If YES list DBE #:</i>	
	<i>Address</i>	<i>Fax</i>	☐ < \$15 million		
		<i>City State ZIP</i>	☐ > \$15 million		Age of Firm (Yrs.)

Part II

The bidder shall list all subcontractors who provided a quote or bid but were not selected to participate as a subcontractor on this project. This is required for compliance with Title 49, Section 26 of the Code of Federal Regulations. Photocopy this form for additional firms.

Firm Name/ Address/ City, State, ZIP	Phone/ Fax	Annual Gross Receipts	Description of Portion of Work to be Performed	<u>Local Agency Use Only</u> (Certified DBE?)
<i>Name</i>	<i>Phone</i>	☐ < \$1 million		☐ YES
		☐ < \$5 million		☐ NO
<i>Address</i>		☐ < \$10 million		<i>If YES list DBE #:</i>
	<i>Fax</i>	☐ < \$15 million		
<i>City State ZIP</i>		☐ > \$15 million		Age of Firm (Yrs.)
<i>Name</i>	<i>Phone</i>	☐ < \$1 million		☐ YES
		☐ < \$5 million		☐ NO
<i>Address</i>		☐ < \$10 million		<i>If YES list DBE #:</i>
	<i>Fax</i>	☐ < \$15 million		
<i>City State ZIP</i>		☐ > \$15 million		Age of Firm (Yrs.)

EXHIBIT G**CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS -
PRIMARY COVERED TRANSACTIONS**

The _____ certifies to the best of it's
(Firm Name/ Principle)

knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
2. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or Local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;
3. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and
4. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause of default.

If unable to certify to any of the statements in this certification, the participant shall attach an explanation to this certification.

THE PRIMARY PARTICIPANT _____ CERTIFIES
(Firm Name/Principal)

OR AFFIRMS THE TRUTHFULNESS AND ACCURACY OF THE CONTENTS OF THE STATEMENTS SUBMITTED ON OR WITH THIS CERTIFICATION AND UNDERSTANDS THAT THE PROVISIONS OF 31 U.S.C. SECTIONS 3801 ET SEQ. ARE APPLICABLE THERETO.

Signature and Title of Authorized Official

The undersigned chief legal counsel for the _____ hereby certifies that the _____ has authority under State and Local law to comply with the subject assurances that the certification above has been legally made.

Signature of Attorney

Date

EXHIBIT H

PERFORMANCE GUARANTEE CERTIFICATION

The undersigned hereby certifies that the Vendor shall provide a Performance Guarantee in accordance with Specifications.

Designate below which form of Performance Guarantee shall be provided:

_____ Performance Bond

_____ Irrevocable Stand-By-Letter of Credit

Vendor's Name: _____

Authorized Signature: _____

Title: _____

Date: _____

EXHIBIT I

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: that _____

(Insert full name and address and legal title of Vendor) as Principal, hereinafter called Vendor,
 and,

(Insert full name and address or legal title of Surety)

as Surety, hereinafter called Authority, in the amount of \$_____ for the payment whereof Vendor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Vendor has by written agreement dated _____, 20____, entered into a contract with the City for Contract No. _____, which contract is by reference made a part hereof, and is hereinafter referred to as the "Contract".

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Vendor shall promptly and faithfully perform said Contract, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The Surety hereby waives notice of any alteration or extension of time made by the City.

Whenever Vendor shall be, and is declared by the City to be in default under the Contract, the City having performed City's obligations thereunder, the Surety may promptly remedy the default, or shall promptly

1. Complete the Contract in accordance with its terms and conditions, or
2. Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible bidder, or, if the City elects, upon determination by the City and the Surety jointly of the lowest responsible bidder, arrange for a contract between such bidder and the Authority, and make available as Work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price; but not exceeding, the amount set forth in the first paragraph hereof. The term "balance of the contract price," as used in this paragraph, shall mean the total amount payable by the City to Vendor under the Contract and any amendments thereto, less the amount properly paid by the City to Vendor.

Any suit under this bond must be instituted before the expiration of two (2) years from the date on which final payment under the Contract falls.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the RECIPIENT or the heirs, executors, administrators or successors of the City.

Signed and sealed this _____ day of 20____.

WITNESS

PRINCIPLE

(SEAL)
(TITLE)

WITNESS

SURETY

(SEAL)
(TITLE)

Attach hereto proof of authority of officers or agents to sign bond.

EXHIBIT J**IRREVOCABLE STANDBY LETTER OF CREDIT CERTIFICATE**

The undersigned states that he/she is of the _____ of the
(Title)

(Name of Beneficiary) (The "Beneficiary") and hereby

Certifies on behalf of the Beneficiary to _____ (the "Bank), with
(Name of Issuing Bank)

Reference to Irrevocable Standby Letter of Credit No. _____ Issued by the

Bank (the "Letter of Credit"), that:

1. The undersigned is duly authorized to execute and deliver this certificate on behalf of the Beneficiary.
2. The Beneficiary is making a drawing under the Letter of Credit.
3. An Event of Default has occurred under Contract No.
4. The amount of the draft presented with this certificate does not exceed the total maximum amount drawable today under the Letter of Credit as provided therein.

IN WITNESS WHEREOF, this certificate is executed this _____ day of _____, 20____.

NAME OF BENEFICIARY

By: _____

Its: _____

EXHIBIT K
Bank Draft

FOR VALUE RECEIVED

Pay on the presentment to _____ the sum of _____
(Name of Beneficiary) Dollars (\$)

Charge to the Account of _____ Irrevocable Standby Letter of
(Name of Issuing Bank)

Credit No. _____ Dated: _____

To _____
(Name of Issuing Bank)

NAME OF BENEFICIARY

By _____

Its _____

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ITEM # 13

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: John Soria, Acting Director

SUBJECT: **APPROVE PROFESSIONAL SERVICES AGREEMENT NO. 4229 WITH CLEAN ENERGY TO PROVIDE MAINTENANCE AND SUPPORT SERVICES FOR THE CITY'S COMPRESSED NATURAL GAS STATION**

DATE: October 9, 2024

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve Professional Services Agreement No. 4229 with Clean Energy for a three-year (3-year) term to provide maintenance and support services for Montebello Bus Lines' (MBL) compressed natural gas (CNG) station, for a total not-to-exceed amount of six hundred thousand dollars (\$600,000) or \$200,000 annually; and
2. Authorize the City Manager and/or his designee to execute the agreement on behalf of the City; and
3. Take such additional, related, action that may be desirable.

FISCAL IMPACT:

Funding for the first year of Professional Services Agreement No. 4229 is allocated in the Transportation Department's Fiscal Year 2024-25 adopted operating budget: Account No. 600-90-915-6040.95 (Transit, Corporate Shops, Other Professional Services). Therefore, a budget amendment is not required. Subsequent budgets (FY 2025-26, FY 2026-27) will include the appropriate amount of funding needed for the scope of services provided.

BACKGROUND/DISCUSSION:

Maintaining the CNG fueling station is essential to uphold the warranty on its subsystems

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

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and parts and for the seamless operation of MBL's public transit system. The station supplies approximately 400,000 gallons of CNG fuel annually, making it vital for MBL's daily rollout. For the past 11 years, Clean Energy, the original builder of the station, has provided MBL with specialized maintenance and support services, including on-site equipment inspections, preventative maintenance, data analytics, monthly and quarterly fuel usage reports, and 24/7 remote monitoring to prevent service disruptions and improve fuel efficiency.

On September 1, 2012, the CNG station was commissioned under Professional Services Agreement No. 2669 (Attachment A) with a ten-year (10-year) term for maintenance and support services, which expired on August 31, 2022. Through Amendment Nos. 1 and 2, the City Council approved extending maintenance and support services for two (2), one-year terms.

For FY 2024-25, staff will use procurement methods such as sole-source and piggyback to strengthen the City's financial processes and ensure its competitive and non-competitive contracting practices are in accordance with the Montebello Municipal Code (MMC) Section 3.20 – Purchasing System. This approach will also allow for periodic review of the agreement for any changes to the scope of work or the need for additional funding, ensuring continuity of services without the need for annual renewals and multiple amendments.

Conformance with Montebello Municipal Code

Montebello Municipal Code (MMC) Section 3.20.050 – Conformance with bidding procedures, outlines exceptions to the formal and open market bidding and procurement procedures detailed in the municipal code. Clean Energy is identified as a sole-source vendor since they designed and developed MBL's CNG station. In addition, Clean Energy utilizes a proprietary early warning system for preventative maintenance that ensures operational continuity by addressing potential technical issues before they arise. Staff recommends that the City Council approve Professional Services Agreement No. 4229, attached hereto in substantial form (Attachment B), with Clean Energy in accordance with MMC Section 3.20.050(B), which allows the procurement of goods and services from identified sole-source and/or single source vendors. Once approved, staff will complete a Sole Source Declaration form as written record for this vendor (Attachment C).

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommends the City Council authorize the City Manager to execute Professional Services Agreement No. 4229 with Clean Energy for a 3-year term, to continue providing maintenance and support services for MBL's CNG station, for a total not-to-exceed

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

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amount of Six Hundred Thousand Dollars (\$600,000) or \$200,000 annually; authorize the City Manager and/or his designee to execute the agreement on behalf of the City; and take such additional, related, action that may be desirable.

ATTACHMENT(S)

1. Attachment A – Agreement No. 2669
2. Attachment B – Proposed Agreement No. 4229
3. Attachment C – Sole Source Declaration Form

CITY OF MONTEBELLO

CONTRACT AGREEMENT NO. 2669

FOR

COMPRESSED NATURAL GAS (CNG) FUELING STATION PROJECT

RFP NO. 10-06

This Contract Agreement ("Agreement") is made and entered into for the above-stated project this 8th day of September, 2010 by and between the City of Montebello, as "AGENCY," and Clean Energy (together with Clean Energy Construction, a California Corporation and wholly-owned subsidiary of Clean Energy, as the general contractor) as "CONTRACTOR" (collectively referred to herein as the "Parties" and individually as the "Party").

RECITALS

- A. AGENCY is a municipal corporation duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California.
- B. CONTRACTOR is a corporation duly organized and doing business in the State of California. CONTRACTOR represents it has the background, knowledge, experience and expertise necessary to provide the AGENCY with the equipment, goods and services set forth in this AGREEMENT.
- C. AGENCY seeks to procure from CONTRACTOR, and CONTRACTOR seeks to provide to the AGENCY, equipment, goods, and services necessary for the design, engineering, permitting, installation, testing and maintenance of a Compressed Natural Gas (CNG) Station Fueling Project (hereinafter "Project" or "Station") as further described in the RFP NO. 10-06.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, AGENCY and CONTRACTOR agree as follows:

ARTICLE I. Incorporation of Recitals and other Contract Documents

The above-referenced Recitals constitute a material part hereof, and shall hereby be incorporated by reference. Moreover, for purposes of this Agreement, the contract documents for the aforesaid Project shall consist of the Notice Inviting Bids, Instructions to Bidders, Price Proposal, General Specifications, Standard Specifications, Special Provisions, General Provisions, Plans, and all referenced specifications, details, standard drawings, and appendices; together with all required bonds, insurance certificates, permits, notices, schedules, forms, certifications and affidavits; and also including any and all addenda or supplemental agreements clarifying, or extending the work contemplated as may be required to insure its completion in acceptable manner (collectively referred herein as the "Contract Documents"). All of the provisions of said Contract Documents constitute a material part hereof, and shall be hereby incorporated by reference as though fully set forth herein.

In the event of an inconsistency among the Contract Documents, the inconsistency shall be resolved by giving precedence in the following order:

1. Applicable Federal and State of California statutes and regulations, and this Agreement;
2. General Terms and Conditions (Part II of the Project Manual);
3. The Request for Proposals, including the Instructions to Proposers (Part I of the Project Manual);
4. CONTRACTOR's Proposal;
5. All other Contract Documents.

ARTICLE II. Services to be performed by Contractor

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to perform the services and furnish all materials necessary to perform all work required for the above-stated Project, and to fulfill all other obligations as set forth in the aforesaid Contract Documents. CONTRACTOR covenants with the AGENCY to furnish its best skill, judgment and efforts and to cooperate with the AGENCY and any other consultants or contractors engaged by the AGENCY in providing the services necessary for the Project. CONTRACTOR covenants to use its best effort to perform its duties and obligation under this Agreement in an efficient, expeditious and economical manner, consistent with the best interests of the AGENCY. Workmanship throughout the performance of this Agreement shall conform to the highest standard of commercially accepted practice of work and shall result in a neat finished appearance to the satisfaction of the AGENCY.

ARTICLE III. Compensation

As full compensation for furnishing all materials, performing all services, and fulfilling all obligations set forth in this Agreement, the AGENCY agrees to pay and the CONTRACTOR agrees to receive and accept the prices set forth in the Price Proposal submitted by CONTRACTOR dated May 27, 2010, and Revised Pricing Proposal dated August 13, 2010 ("Compensation"), attached herein as Exhibit "A" and incorporated by this reference. The total amount of the compensation shall not exceed the sum of Two Million, One Hundred Twenty Thousand, One Hundred and Fifty-One dollars (\$2,120,151.00). AGENCY shall pay CONTRACTOR upon thirty (30) days of receipt of invoice and full acceptance of product and services by the AGENCY. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV. Completion of Work

The work and services set forth in this Agreement will be completed in a timely manner, not to exceed one hundred sixty (160) working days from the time of AGENCY's execution of this Agreement ("Completion Date"). CONTRACTOR shall begin work one (1) week after the Effective Date of this Agreement, as set forth in Article XVII, and in accordance with an agreed-upon work schedule to be determined by the Parties. An extension of the period for completion may be granted by mutual agreement by the Parties herein for reasons outside the control of

the CONTRACTOR, including acts of God. CONTRACTOR shall request an extension by notifying AGENCY in writing at least fifteen (15) days prior to the expected Completion Date.

No extension of time requested or granted hereunder shall entitle CONTRACTOR to additional compensation unless, as a consequence of such extension, additional work must be performed and such additional work is approved in writing. In such event, AGENCY shall in good faith consider any request for additional compensation submitted by CONTRACTOR.

All of the materials and services shall be furnished and performed at the location of the City of Montebello's Transportation Department, commonly known as Montebello Bus Lines ("MBL") in first class condition, complete and ready for service by MBL. To the extent that the services of CONTRACTOR require a license from the California Contractor's State License Board, all such work will be performed by Clean Energy Construction, a California Corporation and wholly-owned subsidiary of Clean Energy, as the general contractor.

CONTRACTOR recognizes and acknowledges that failure on the part of CONTRACTOR to complete the work in a timely manner can cause irreparable harm to AGENCY's operation of MBL and that CONTRACTOR shall be liable for all direct damages to the AGENCY which result from CONTRACTOR's failure to complete the work pursuant to this Agreement. For purposes of this Article, "direct damages" shall include, but not be limited to, the costs incurred by the AGENCY in completing the Project, such as the AGENCY's costs of soliciting, selecting and retaining a new Contractor, and any increased costs of labor and materials. In the event that damages due to the AGENCY resulting from the CONTRACTOR's failure to complete the work herein in a timely manner must be adjudicated in a court of law, CONTRACTOR shall be responsible for AGENCY's reasonable attorneys' fees and other costs and expenses incurred in resolving such dispute.

Notwithstanding anything in this Agreement to the contrary, neither AGENCY nor CONTRACTOR shall have any liability to the other party for special, consequential, or incidental damages, except however that CONTRACTOR may be liable for special, consequential, or incidental damages in connection with a claim made against AGENCY by a third party, provided that such claim arises out of or results from a claim within the scope of the indemnity obligation of CONTRACTOR, under Article VII of this Agreement.

ARTICLE V. Force Majeure Event, Agency-Caused Event

CONTRACTOR's timely performance with the agreed-upon work schedule shall be excused to the extent that delays are caused by a Force Majeure Event or an Agency-Caused Event (hereinafter defined). As used in this Agreement, a "Force Majeure Event" includes any circumstances beyond a Party's reasonable control, including, without limitation, fires, floods, strikes and labor disputes, equipment failure, the interruption of utility services, the cessation of providing necessary products or services to CONTRACTOR by any supplier to CONTRACTOR, war, acts of terrorism, or acts of God, and in such event, CONTRACTOR shall be excused from performance during the period of such Force Majeure Event. When measuring a delay leading to a default by either Party and/or the award of liquidated damages, the Parties agree to exclude any time period involving a Force Majeure Event. An "Agency-Caused Event" shall mean any material acceleration or delay in the construction of the Station (including, without limitation, commencement of construction or substantial completion of the work) caused by the AGENCY or any third party under the AGENCY's control, or any material acceleration or delay in the

construction of the Station (including, without limitation, commencement of construction or Substantial Completion of the work) requested in writing by the AGENCY.

The Parties to the Agreement agree that a Force Majeure Event and/or an Agency-Caused Event shall extend the Completion Date committed to by CONTRACTOR in the Agreement. In the event that CONTRACTOR reasonably incurs additional costs ("Additional Costs") in connection with the construction of the Station due to (i) a Force Majeure Event, or (ii) any Agency-Caused Event, Agency shall reimburse Contractor for all such reasonable, direct Additional Costs. CONTRACTOR shall furnish Agency with reasonable written evidence of such Additional Costs. Agency shall pay invoices, in accordance with the Agreement payment terms for the Compensation, for all amounts due pursuant to this paragraph. Payment of Additional Costs shall be in addition to the Compensation. Payment of Additional Costs shall also be in addition to any extensions of the Completion Date occurring as a result of a Force Majeure Event or Agency-Caused Event.

ARTICLE VI. Compliance with State and Local Laws

CONTRACTOR acknowledges the provisions of the State Labor Code requiring every employer to be insured against liability for worker's compensation, or to undertake self-insurance in accordance with the provisions of that code, and certifies compliance with such provisions. All services required under this Agreement will be performed by CONTRACTOR, or under its supervision, and all personnel shall possess the qualification, permits, and licenses required by the State and local law to perform such services.

CONTRACTOR shall be solely responsible for the satisfactory work performance of all personnel engaged in performing service required by this Agreement, and compliance with all reasonable performance standards established by AGENCY. CONTRACTOR shall be responsible for payment of all employees' and subcontractor's wages and benefits, and shall comply with all requirements pertaining to employer's liability, workers' compensation, unemployment insurance, and Social Security. CONTRACTOR shall indemnify and hold harmless the AGENCY from any liability, damages, claims, costs and expenses of any nature arising from alleged violations of personnel practices.

At all times AGENCY alone shall be financially and legally responsible for any and all pre-existing underground hazards or soil contaminants at the Project. In the unlikely event that the Project site is deemed unsuitable for the Station due to the pre-existing underground hazard, soil contamination or soil conditions, it shall be considered an Agency-Caused Event and AGENCY, in its sole discretion, may decide to provide an alternative, suitable site for the Project. In the event AGENCY decides to provide such an alternative, suitable site for the Project, AGENCY shall reimburse CONTRACTOR for any and all reasonable, direct Additional Costs related to the Station relocation, pursuant to the procedures for Additional Costs related to Agency-Caused Events, as set forth in Article V, above. In the event that no such alternative, suitable site is available, AGENCY may terminate the Agreement, at its sole discretion and without cause, pursuant to Article X, and shall provide to CONTRACTOR the part of Compensation which would otherwise be payable to CONTRACTOR for services CONTRACTOR had completed as of the date of termination, less the amount of all previous payments made by AGENCY with respect to the Compensation.

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ARTICLE VII. Indemnification

CONTRACTOR agrees to protect, indemnify, defend and hold harmless AGENCY and all of its employees, officers, elected and appointed officials, volunteers, agents, and affiliated public agencies (collectively the "AGENCY") from any or all injuries, deaths, losses, damages, claims, suits, liabilities, demands, or causes of action, including reasonable attorneys' fees and related costs and expenses, which may accrue against the AGENCY based on, occurring or arising out of the negligence, recklessness, willful misconduct, or errors or omissions by CONTRACTOR in the performance of its services under this Agreement. In addition, CONTRACTOR shall defend, indemnify, and hold harmless the AGENCY, from and against any and all claims, liabilities and losses whatsoever, including reasonable attorney's fees and related costs and expenses, occurring or resulting from any action attributable to any and all persons, firms, or corporations employed or contracted by CONTRACTOR or its subcontractors or subconsultants in connection with the services under this Agreement, regardless for responsibility for negligence.

CONTRACTOR's obligation to provide indemnification in accordance with the provisions of this Article of the Agreement and elsewhere in the Contract Documents shall not apply to the extent that such damages, claims and/or liabilities arise from the negligence, recklessness, willful misconduct, errors or omissions of AGENCY or AGENCY's employees, agents, contractors or subcontractors or any other third party under the control of AGENCY.

ARTICLE VIII. Insurance

In accordance with the terms of the Contract Documents, CONTRACTOR shall furnish AGENCY a policy or certificate of insurance evidencing coverage for Worker's Compensation insurance and comprehensive liability insurance, including automobile, in which the AGENCY, its officers, employees, agents, elected and appointed officials, volunteers and affiliated public agencies (collectively the "AGENCY") shall be named as additional insured with respect to all claims arising out of or in connection with the work to be performed, including any act or omission of employees, agents, sub-contractors, or their employees, whether or not caused by the sole (or contributing) negligence of AGENCY, its officers or employees, and which shall remain in full force and effect until the work or services is accepted herein by AGENCY. The policies shall provide the coverage limits set forth in the Contract Documents. Such comprehensive liability insurance shall be primary and non-contributing with any insurance coverage available to AGENCY, shall contain a severability of interest clause (cross liability) and shall provide that it shall not be canceled or materially reduced without thirty (30) days' prior written notice to AGENCY.

ARTICLE IX. Authorization by Contractor

CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Contract Agreement represent all duly authorized individuals, firm members, partners, joint ventures, and/or corporate officers having principal interest herein.

ARTICLE X. Termination

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

For any breach deemed by the non-defaulting party to constitute a material breach, the defaulting party is required to cure the breach within two (2) calendar days upon receipt of written notice. For any breach deemed by the non-defaulting party to constitute a non-material breach, the defaulting party is obligated to cure such breach within ten (10) calendar days upon receipt of written notice. However, if the nature of the non-material breach requires more than ten (10) days to cure, the defaulting party shall have thirty (30) days to diligently pursue and complete a cure.

In addition to any other available legal or equitable rights or remedies, if the default is not cured within the time periods described above, the non-defaulting party may terminate this Agreement by giving written notice thereof to the defaulting party, setting forth the effective date thereof.

The AGENCY shall have the option, at its sole discretion and without cause, of terminating this Agreement in whole, or in part, by giving ten (10) business days' written notice to CONTRACTOR. Upon the termination of this Agreement as provided herein, the AGENCY shall provide to CONTRACTOR the part of Compensation which would otherwise be payable to CONTRACTOR for services CONTRACTOR had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation.

Upon the expiration or earlier termination of the Agreement, (a) CONTRACTOR shall assign to AGENCY in the manner, at the times, and to the extent directed by AGENCY, all of the rights, title and interest owned by the CONTRACTOR under the orders and subcontracts so terminated and specifically agreed to by the CONTRACTOR under this Agreement; and (b) CONTRACTOR shall transfer the complete right or license of all software owned by CONTRACTOR to AGENCY, and all additional electronic files and programs, equipment manuals, and the entire O/M record database, only with respect to those owned by CONTRACTOR, shall also be transferred to AGENCY.

This Agreement shall expire upon full payment of the Compensation by the AGENCY to CONTRACTOR. Articles V, VI, XI, XII, XIII, XIV and XV of this Agreement shall survive the expiration or termination of this Agreement.

ARTICLE XI. Dispute Resolution and Legal Remedies

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded.

ARTICLE XII. Subcontract, Assignment or Delegation

CONTRACTOR shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior express, written consent of AGENCY, which may be withheld for any reason or no reason. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed subcontractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

Any subcontract, delegation or assignment shall be made in the name of CONTRACTOR and shall not bind or purport to bind AGENCY and shall not release CONTRACTOR from any obligations under this Agreement including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees or subcontractors. No such subcontract, delegation or assignment shall result in any increase in the amount of total compensation payable to CONTRACTOR under Article III of this Agreement.

ARTICLE XIII. Notices

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

To AGENCY:

Montebello Bus Lines
400 S. Taylor Ave.
Montebello, CA 90640
Attention: Aurora Jackson
Director of Transportation
Phone: 323-887-4606
Fax: 323-887-4643

To CONTRACTOR:

Clean Energy
3020 Old Ranch Road, Suite 400
Seal Beach, CA 90740
Attention: Mr. James Harger,
Chief Marketing Officer
Phone: 562-493-2804
Fax: 562-493-4532

ARTICLE XIV. Severability

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provision(s) nevertheless will continue in full force and effect without being impaired or invalidated in any way.

ARTICLE XV. Governing Law

This Agreement shall be construed in accordance with and governed by the laws of the State of California. In the event of litigation between the Parties, venue in State trial courts shall lie exclusively in the County of Los Angeles. In the event of litigation in a U.S. District Court, exclusive venue shall lie in the Central District of California.

ARTICLE XVI. Entire Agreement

This Agreement and the Contract Documents aforementioned shall constitute the entire agreement by the Parties, and supersedes all prior proposals, agreements, and understandings between the Parties and may not be modified or terminated orally. No attempted waiver of any

of the provisions herein, nor any change, amendment or modification to this Agreement shall be effective unless in writing and signed by the party against whom the same is sought to be enforced.

ARTICLE XVII. Effective Date

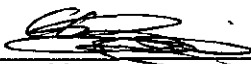
Unless otherwise specified herein, this Agreement shall become effective as of the date in which the last of the Parties, whether AGENCY or CONTRACTOR, executes this Agreement. This Agreement may be signed in counterparts, each of which shall constitute an original, and which collectively shall constitute one (1) instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the Parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Agreement to be executed in triplicate by setting hereunto their names, titles, hands, and seals this ____ day of _____, 20____.

CITY OF MONTEBELLO
("AGENCY")

CLEAN ENERGY
("CONTRACTOR")



Art Barajas, Mayor

[Printed Name and Title]

Date: 1/4/11

Date: _____

Federal Tax Identification No. _____

CLEAN ENERGY CONSTRUCTION, a
California Corporation

By: _____

ATTEST:





Robert J. King, City Clerk

[Printed Name and Title]

Date: _____

Federal Tax Identification No. _____

APPROVED AS TO FORM:



Arnold M. Alvarez-Glasman, City Attorney

IN WITNESS WHEREOF the Parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Agreement to be executed in triplicate by setting hereunto their names, titles, hands, and seals this ____ day of _____, 20____.

CITY OF MONTEBELLO
("AGENCY")

CLEAN ENERGY
("CONTRACTOR")

Art Barajas, Mayor

James N. Harger, Chief Marketing Officer

Date: _____

Date: 12/29/10

Federal Tax Identification No. 95-4603747

CLEAN ENERGY CONSTRUCTION, a
California Corporation

By: _____
James N. Harger, Chief Marketing Officer

ATTEST:

Date: 12/29/10

Robert J. King, City Clerk

Federal Tax Identification No. 73-1716246

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

CITY OF MONTEBELLO
DEPARTMENT OF TRANSPORTATION
COMPRESSED NATURAL GAS STATION RFP NO. 10-06
BID SUMMARY

Item No.	Description		Clean Energy
			Extended Total
1	Design, including as built drawings, two electronic and hard copies of the design.		\$ 42,735.00
2	Trenching and installation of components, piping and all related equipment:		\$ 317,460
3	Geographical report, on soil and area effected by the construction		\$ 5,495
4	Permits/Fees from all regulatory agencies impacted by this project		\$ 6,105
5	Training: Operational, Compressor and Dryer Systems (32 hrs/10 persons per class)	Included	
6	Training: Safety, Gas Detection, emergency including systems and calibrations	Included	
7	Training for Fire Department and Montebello Staff (40 individuals)	Included	
8	Maintenance repairs and Preventative Maintenance Service Cost (Preventative and safety) of all aspects for 5-years. (Please shown annual costs for each of the five years on a separate form. The individual five years should equal the Extended Total shown on the right.)		\$ 30,000
9	Emergency 24 hour service contract (5 years)	Included in the annual maint costs	
10	Web based access of CNG station systems and components (For 5yrs)		\$ 11,100
11	Compressor Skid #1, 500 SCFM, Ariel compressor, Baldor electric drive motor, with SE Sensor Electronics SEC Millennium gas detector, or approved equal. Such as Greenfield provided the same standard warranty & Service as matched to Ariels as well as references.		\$ 819,620
12	Compressor Skid #1, 500 SCFM, Ariel compressor, Baldor electric drive motor, with SE Sensor Electronics SEC Millennium gas detector, or approved equal. Such as Greenfield provided the same standard warranty & Service as matched to Ariels as well as references.	Included on line #11	
13	Booster pump to increase line pressure, if necessary.	Included on line #11	
14	Coalescent twin filters, with differential pressure gauges on each end of filter, reference Parker Hannifin P/N# J2SD-4CWC11-035, or approved equal.		\$ 11,176
15	CNG storage vessels and or Spheres, CPI Industries or approved equal.		\$ 112,564
16	a. CNG Dryer shall be Xebec-fully automatic twin tower or approved equal. DTRA42NGX-6		\$ 128,803
17	One(1) CNG Transit style fueling dispensers, with Sherex CT-5000 nozzle and liquid filled gauge.		\$ 43,016
a.	One (1) two hose CNG Transit style fueling dispenser with one (1) Sherex CT5000, one (1) Sherex <u>CT1000</u> nozzle, and dual liquid filled gauges.		\$ 46,131
18	CNG detection system, under canopies shall be the same system in the compressor skids, reference SE Sensor Electronics, LCD display shall be in the office located on fuel island.		\$ 67,155
19	Fire Extinguishers		\$ 2,220
20	Safety Signage		\$ 1,160
21	ARRA signage cost, required posting. (MBL already has)		
22	Lighting Fixture on fuel island replacement costs		\$ 18,315
23	Roof ventilation on Fuel Island		\$ 91,575
24	Piping and supplies from Compressor Station to Fuel Island (valve panel and control systems)		\$ 113,553
25	Rod Iron Fencing , hot dip galvanizing fence with walk through and sliding gates, per-spec.		\$ 36,630
26	Bollards to protect Rod Iron fencing from vehicles impact 24" Wide X 43" High, similar to the Bollards MBL is using to protect the emergency generator, which is located across from dispatch. Or suggested protective barriers.		\$ 28,205
27	Service manuals, parts manuals and manufactures name and location and phone numbers shall be provided for all equipment associated with this project	Included	
28	Fueling dispenser system shall be fully automated and controlled by a new fuel management system (FMS). The current fuel manager system shall be upgraded with a new fuel manager system and include the addition of a new fuel manager controller head on the south side of the fuel island. Contract information for vendors is shown on Page 55 of the RFP.		\$ 128,613
29	Southern California Gas Company, charges for running 3" Gas Line from center of Olympic Blvd and Park Ave, running pipe underground South on Park Ave. just before the railroad tracks. So.CA. GAS Contact: Michael Bolin (213) 244-5115..	Costs associated with SCG shall be billed direct to MBL.	
30	Electric Utility Equipment, Site Work and Connections to new SCE supplied utility pole and power adjacent to CNG station on Park Ave. Any backfeeding to existing panels not included.		\$ 58,520.00
31	Shipping Costs	Included in parts costs	\$ -
32	Tax on Equipment	Included in parts costs	\$ -
33	<u>CNG Station Costs:</u>		\$ 2,120,151

CITY OF MONTEBELLO

**PROFESSIONAL SERVICES AGREEMENT NO. 4229
WITH CLEAN ENERGY**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into on **9/25/2024** ("Effective Date"), by and between the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and **CLEAN ENERGY**, a California corporation (the "CONTRACTOR"). The CITY and the CONTRACTOR are sometimes referred to herein individual as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY desires to retain a qualified professional contractor to provide contracted services, maintain and support the Montebello Bus Lines' Compressed Natural Gas Station in the CITY; and

WHEREAS, the CONTRACTOR represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND OTHER CONTRACT DOCUMENTS

a. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents, in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

1. This Agreement and its Exhibits, including any and all addenda or supplemental agreements.
2. Proposal referenced and Best Final Offer received by the successful proposer.
3. All other documents, including but not limited to all applicable bonds, insurance certificates, notices, schedules, forms, certifications, and affidavits.

b. These documents shall be collectively referred to herein as the "Contract Documents." In the event of a conflict among the Contract Documents, the order of precedence list above shall apply.

SECTION 2. SERVICES / COMPENSATION.

a. All terms, conditions, requirements, and provisions of the Request for Proposals for **Compressed Natural Gas Fueling Station Project** in the City of Montebello (April 8, 2010) ("Request for Proposals"), as such is set forth fully in **Exhibit "A"** hereto, are hereby incorporated fully herein by this reference and shall be binding on the Parties. To the extent of a conflict between the terms of this Agreement and that set forth in any exhibits or attachments hereto, the terms of this

PROFESSIONAL SERVICES AGREEMENT NO. 4229

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Agreement shall govern.

b. The CONTRACTOR shall provide to the CITY all labor, equipment, materials and incidental necessary to provide maintenance services as set forth fully in the Request for Proposals, as such is set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

c. The CONTRACTOR shall be compensated for performance of the Professional Services as set forth in the Schedule of Compensation attached hereto as **Exhibit "B"** and incorporated fully herein by this reference ("Compensation"). The CONTRACTOR shall provide an itemized billing statement to the CITY each month for Professional Services performed. The CONTRACTOR shall not incur fees or costs which exceed the Compensation without the prior written consent of the CITY.

SECTION 3. TERM.

a. This Agreement shall commence upon issuance of a written "Notice to Proceed" (as further defined below) by the CITY and shall expire three (3) years from the Effective Date, unless terminated earlier as hereinafter provided.

b. Notice to Proceed. Any work or service contemplated under this Agreement shall not commence until the CITY has issued a written Notice to Proceed issued by CITY's applicable, department head.

SECTION 4. PERFORMANCE.

a. The CONTRACTOR shall at all times, faithfully, competently, and to the best of its ability, experience, and talent, perform all tasks described herein.

b. The CONTRACTOR shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of Contractor hereunder, in meeting its obligations under this Agreement.

c. The CONTRACTOR shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

d. The CONTRACTOR shall have the right to retain, subject to the CITY's approval, additional individuals, contractors or subcontractors to assist in the completion of services as herein defined. Compensation for additional individuals, contractors or subcontractors shall be the sole and exclusive responsibility of the CONTRACTOR.

e. The CONTRACTOR shall retain all original reports, field and office notes, correspondence, calculations, maps, and other documents specifically related to the services provided by the CONTRACTOR pursuant to this Agreement, other than documents which are exempt from disclosure pursuant to the attorney-client privilege or any other law. Said documents shall be made available for inspection by the CITY upon request.

SECTION 5. WORK PRODUCT.

a. The CONTRACTOR hereby agrees that all work product produced pursuant to this Agreement, and provided to the CITY during and upon completion of this Agreement, shall be the property of the CITY, and ownership of said work product shall be retained by the CITY. The CONTRACTOR may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by the CONTRACTOR.

b. All data, documents, discussion, or other information developed or received by the CONTRACTOR or provided for performance of this Agreement are deemed confidential and shall not be disclosed by the CONTRACTOR without prior written consent by the CITY. The CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to the CITY upon the termination or expiration of this Agreement. The CONTRACTOR agrees that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 6. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by the CONTRACTOR under this Agreement unless such extra services first shall have been duly authorized in writing by the CITY's City Manager (the "City Manager").

SECTION 7. CITY SUPERVISION.

The City Manager shall have the right of general supervision of all work performed by the CONTRACTOR and shall be the CITY's agent with respect to obtaining the CONTRACTOR's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Manager.

SECTION 8. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

a. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by the CONTRACTOR which cannot be corrected within ten (10) days, said contract shall at the option of the CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by the CONTRACTOR, the CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of the CONTRACTOR. The CONTRACTOR and his sureties shall be liable to the CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, the CONTRACTOR shall only be entitled to

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the Compensation for those Professional Services satisfactory performed on or before the effective date of termination.

b. Termination for Convenience. The CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, by giving ten (10) business days' written notice to the CONTRACTOR. Upon the termination of this Agreement as provided herein, the CITY shall provide to the CONTRACTOR the part of Compensation which would otherwise be payable to the CONTRACTOR for services the CONTRACTOR had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by the CITY, the Parties agree that the CONTRACTOR shall be reimbursed for any "non-refundable" costs that the CONTRACTOR has incurred for its services under this Agreement, provided that: (1) such "non-refundable" costs were incurred by the CONTRACTOR prior to the date of termination, and (2) that the CONTRACTOR provides the CITY with adequate proof that the CONTRACTOR incurred the costs, and is unable to seek a refund for such costs. Such "non-refundable" costs may include, but are not limited to, travel reservations incurred by the CONTRACTOR for its performance of services under this Agreement. The CONTRACTOR agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 9. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of the CITY shall be employed by the CONTRACTOR during the term of this Agreement.

SECTION 10. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of the CITY shall be personally liable to the CONTRACTOR in the event of any default or breach by the CITY, or for any amount which may become due to the CONTRACTOR.

SECTION 11. INDEPENDENT CONTRACTOR.

a. The CONTRACTOR is and shall, at all times, remain as to the CITY a wholly independent contractor. Neither the CITY nor any of its elected officials, officers, employees, or agents shall have control over the conduct of the CONTRACTOR except as expressly set forth in this Agreement. The CONTRACTOR shall not at any time or in any manner represent that he or she is in any manner an elected official, officer, employee, or agent of the CITY. No employee benefits shall be available to the CONTRACTOR in connection with the performance of this Agreement. Except as provided in this Agreement, the CITY shall not pay salary, wages, or other compensation to the CONTRACTOR for performance hereunder for the CITY, the CITY shall not be liable for compensation to the CONTRACTOR, the CONTRACTOR's employees or the CONTRACTOR's subcontractors for injury or sickness arising out of performing services hereunder.

b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

c. The CITY shall not deduct from the Compensation paid to the

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CONTRACTOR any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to the CONTRACTOR. The CITY shall have no responsibility to provide the CONTRACTOR, its employees or subcontractors with workers' compensation insurance or any other insurance.

SECTION 12. CalPERS ANNUITANTS AND ELIGIBILITY INDEMNITY.

a. If the CONTRACTOR is a California Public Employees' Retirement System ("CalPERS") annuitant, the CONTRACTOR must provide the City with written notification of such fact a minimum of 14 calendar days prior to commencement of services under this Agreement. Failure to provide such notification may result in termination of the Agreement, and any penalties or other costs relating thereto shall be borne by the CONTRACTOR. If this Agreement remains in place, the CONTRACTOR shall execute any amendment(s) to this Agreement requested by the City in order to comply with all laws and regulations applicable to CalPERS annuitants.

b. In the event that the CONTRACTOR or any employee, agent, or subcontractor of the CONTRACTOR providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the CITY, the CONTRACTOR shall indemnify, defend, and hold harmless the CITY for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of the 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.

c. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, the 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 the CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 13. LEGAL RESPONSIBILITIES.

The CONTRACTOR shall at all times observe and comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONTRACTOR to comply with this section.

SECTION 14. INDEMNIFICATION.

The CONTRACTOR agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed

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boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of the CONTRACTOR's negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of the CITY.

SECTION 15. INSURANCE COVERAGE.

a. During the term of this Agreement, the CONTRACTOR shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONTRACTOR's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury, and advertising injury, with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.
- **Automobile Liability Insurance:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONTRACTOR has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
- **Worker's Compensation** insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
- **Professional Liability** insurance appropriate to the CONTRACTOR'S profession, with limit no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate.

b. If the CONTRACTOR maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR.

c. The CONTRACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

d. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a current rating of at least A:VII in the latest edition of Best's Insurance Guide.

e. Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days' prior written notice (ten [10] days for non-payment) has been given to the CITY. The CONTRACTOR agrees that if it does not keep the aforesaid insurance in full force and effect the CITY may either (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at the CONTRACTOR's expense, the premium thereon.

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f. **Evidence of Insurance prior to commencement.** The Contractor shall provide to the CITY Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. Unreasonable failure to provide such evidence may be cause for termination of the Agreement as provided herein or delay the services' commencement date. The evidence of insurance shall be U.S. mail or email to:

City of Montebello
Attn: Risk Manager
1600 West Beverly Boulevard
Montebello, CA 90640
Email: [rfigueroa@montebellocal.gov]

Coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits, non-renewed, or materially changed for any reason, without thirty (30) days prior written notice thereof given by the insurer to the CITY by U.S. mail, or by personal delivery, except for nonpayment of premiums, in which case ten (10) days prior notice shall be provided.

g. **Evidence of Insurance during the entire term of the Agreement.** At all times during the term of this Agreement, the CONTRACTOR shall maintain on file with the CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the CITY as an additional insured. The CONTRACTOR shall, prior to commencement of work under this Agreement, file with the CITY's Risk Manager such certificate(s).

h. The CONTRACTOR shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

i. The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming the CITY, its officers, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to the CITY. The CONTRACTOR agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

j. The insurance provided by the CONTRACTOR shall be primary to any coverage available to the CITY. Any insurance or self-insurance maintained by the CITY, its officers, employees, agents, or volunteers, shall be in excess of CONTRACTOR's insurance and shall not contribute with it.

k. All insurance coverage provided pursuant to this Agreement shall not prohibit the CONTRACTOR, and CONTRACTOR's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. The CONTRACTOR hereby waives all rights of subrogation against the CITY.

l. Any deductibles or self-insured retentions must be declared to and approved by the CITY. At the option of the CITY, the CONTRACTOR shall either reduce or eliminate the deductibles or self-insured retentions with respect to the CITY, or the CONTRACTOR shall procure a bond guaranteeing payment of losses and expenses.

m. Procurement of insurance by the CONTRACTOR shall not be construed as a limitation of the CONTRACTOR'S liability or as full performance of CONTRACTOR's duties to indemnify, hold harmless and defend under the indemnity covenants of this Agreement.

SECTION 16. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

The CONTRACTOR shall not subcontract, delegate, or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of the CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-contractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

Any subcontract, delegation or assignment shall be made in the name of the CONTRACTOR and shall not bind or purport to bind the CITY and shall not release the CONTRACTOR from any obligations under this Agreement including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees or sub-contractors. No such subcontract, delegation or assignment shall result in any increase in the amount of total compensation payable to the CONTRACTOR under the Agreement.

SECTION 17. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition, or covenant hereof.

SECTION 18. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be County of Los Angeles, California. The Parties agree that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 19. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may

be entitled.

SECTION 20. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

- a. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;
- b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of any matter whatsoever; and
- c. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 21. MISCELLANEOUS.

- a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.
- b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.
- c. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- d. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.
- e. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.
- f. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have

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independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

SECTION 22. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered via e-mail (an "Electronic Notice" as further defined below), personally or on the second (2nd) business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

If to CITY: City of Montebello
Attn: Raul Alvarez, City Manager
1600 West Beverly Boulevard
Montebello, CA 90640
(323) 887-1200
Email: ralvarez@montebellocity.gov

With a copy to: City of Montebello – Transportation
John Soria, Director of Transportation
1600 West Beverly Boulevard
Montebello, CA 90640
(323) 887-1200 ext.
Email: jsoria@montebellocity.gov

If to Contractor: Clean Energy
ATTN: Chad Lindholm
(Chad.Lindholm@cleanenergyfuels.com)
With a copy to: Deputy General Counsel
4675 MacArthur Court, Suite 800
Newport Beach, California 92660

An electronic communication ("**Electronic Notice**") shall be deemed written notice for purposes of this section if sent to the electronic mail address specified above. Electronic Notice shall be deemed received at the time the party sending Electronic Notice receives verification of receipt by the receiving party. Any party receiving Electronic Notice may request and shall be entitled to receive the notice on paper, in a nonelectronic form.

SECTION 23. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, the CONTRACTOR shall not discriminate against any employee, sub-contractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. The CONTRACTOR will take affirmative action to ensure that sub-contractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 24. CONFLICT OF INTEREST.

The CONTRACTOR covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by the CONTRACTOR under this Agreement, or which would conflict in any manner with the performance of its services hereunder. The CONTRACTOR further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, the CONTRACTOR shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

The CONTRACTOR covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to the CITY as a result of the performance of this Agreement, or the services that may be procured by the CITY as a result of the recommendations made by the CONTRACTOR. The CONTRACTOR's covenant under this section shall survive the termination of this Agreement.

SECTION 25. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and the CONTRACTOR. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition, or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

[SIGNATURE PAGE TO FOLLOW]

PROFESSIONAL SERVICES AGREEMENT NO. 4229

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IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

("CITY")

("CONTRACTOR")

CITY OF MONTEBELLO

CLEAN ENERGY

Raul Alvarez, City Manager

Robert M. Vreeland, CFO

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

EXHIBITS:

- Exhibit A – Request for Proposals for Services and Contractor's Proposal
- Exhibit B – Schedule of Compensation

EXHIBIT “A”

Request for Proposals for Services and Contractor’s Proposal

EXHIBIT “B”

Schedule of Compensation

**CITY OF MONTEBELLO
TRANSPORTATION DEPARTMENT**

COMPRESSED NATURAL GAS FUELING STATION PROJECT

AT

**TRANSPORTATION DEPARTMENT FACILITY
400 S. TAYLOR AVENUE**

RFP NO. 10-06

**PROJECT MANUAL
RFP REQUIREMENTS
CONTRACT FORMS
CONDITIONS OF THE CONTRACT**

**WILLIAM M. MOLINARI - MAYOR
ART BARAJAS - MAYOR PRO TEM
ALBERTO PEREZ - COUNCILMAN
FRANK A. GOMEZ - COUNCILMAN
CHRISTINA CORTEZ - COUNCILWOMAN**

**Issued: April 8, 2010
Pre-Bid Conference: April 15, 2010
Written Questions Due: April 29, 2010
Proposals Due: May 13, 2010**

NOTICE INVITING PROPOSALS
FOR
COMPRESSED NATURAL GAS FUELING STATION PROJECT

RFP NO. 10-06

PUBLIC NOTICE IS HEREBY GIVEN that the City of Montebello as AGENCY, invites proposals for the above stated project and will receive such proposals in the Office of the City Clerk, City Hall, 1600 West Beverly Boulevard, Montebello, California 90640, up to the hour of **11:00 a.m. on May 13, 2010.**

A Pre-Bid Conference will be held at **2:00 p.m. on Thursday, April 15, 2010**, in the Training Room, Department of Transportation, City of Montebello, 400 South Taylor Avenue, Montebello California 90640. It is recommended that all potential proposers attend this meeting. The anticipated contract award date is **June 9, 2010.**

Copies of the Request for Proposal are available at the City of Montebello, Transportation Administration Building, 400 S. Taylor Avenue, Montebello, California 90640.

Questions shall be directed to Mr. Martin Gombert, at FAX (323) 887-4643.

Any contract entered into pursuant to this notice will incorporate the provisions of the State Labor Code. Compliance with the prevailing rates of wages and apprenticeship employment standards established by the State Director of Industrial Relations will be required.

Affirmative action to ensure against discrimination in employment practices on the basis of race, color, national origin, ancestry, sex, or religion will also be required.

The AGENCY hereby affirmatively ensures that minority business enterprises will be afforded full opportunity to submit bids in response to this notice and will not be discriminated against on the basis of race, color, national origin, ancestry, sex, or religion in any consideration leading to the award of contract.

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. Section 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body tenders final payment to the CONTRACTOR, without further acknowledgment by the parties.

Bids must be prepared on the approved bid forms provided in conformance with the Instructions to Bidders and submitted in a sealed envelope plainly marked on the outside.

The bid must be accompanied by certified or cashier's check, or bidder's bond, made payable to the AGENCY for an amount no less than ten percent (10%) of the amount bid.

No bid will be accepted from a CONTRACTOR who has not been licensed in accordance with provisions of the Business and Professions Code. The successful CONTRACTOR and its subcontractors will be required to possess business licenses from the City.

The AGENCY reserves the right to accept or reject any or all bids, to waive any irregularity in a bid, and to make an award as may best serve the interests of the AGENCY.

BY ORDER OF THE CITY CLERK of the City of Montebello, California.

Dated:

Robert J. King, City Clerk

Publishing Dates: April 8, 2010
The Comet

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APPENDIX

PROJECT PLANS AND BID FORMS

PART I – INSTRUCTIONS TO PROPOSERS

1. Background

1.1. Instructions to Proposers

City of Montebello, Transportation Department, commonly known as Montebello Bus Lines (hereinafter referred to as "MBL") is issuing a Request for Proposals RFP 10-06 (the "RFP") soliciting proposals from qualified firms to design, engineer, fabricate, permit, install, test, maintain and warrant a Compressed Natural Gas ("CNG") Fueling Station (the "Station") at its Transportation Facility. MBL intends to own the Station and is requesting separate price proposals for the fabrication and installation of the Station, and for the Operation and Maintenance of the Station for a base five (5)-year period with one (1), five-year option for a total potential Agreement period of ten-(10)-years.

MBL is not requesting price proposals to include the supply of CNG fuel with this RFP 10-06. This RFP is solely for the construction and maintenance of a Station as stated in the above paragraph. The Station must be completed and in operation no later than January 31, 2011. Each proposer is required to attest to its ability to meet this requirement in its response to this RFP.

Proposals must consist of the elements as described in Sections 5 & 6 of the RFP. Services to be provided are described in the Scope of Work as stated in Part III Technical Specifications. Proposals submitted in response to this RFP will be judged the most outstanding in meeting the overall objectives of the RFP while providing the best value to MBL. An Evaluation Committee will review and rate all proposals using the criteria noted in Section 9 of the RFP.

1.2. Project Background

MBL is preparing for CNG operations at its Transportation Facility. A vital component to the operation of a CNG bus fleet is a CNG fueling station. MBL intends to purchase a CNG fuel station from a qualified firm who can design, build, and maintain the CNG station.

1.3. History

The Transportation Department is responsible for operating the city bus lines known as Montebello Bus Lines or "MBL". Its primary responsibility is to provide transportation services to residents of Montebello and the neighboring cities. MBL is the third largest municipal bus system in Los Angeles County, behind Long Beach, and Santa Monica. MBL serves the communities of Alhambra, Bell Gardens, Boyle Heights, Commerce, Downtown Los Angeles, East Los Angeles, La Mirada, Montebello, Monterey Park, Pico Rivera, Rosemead, South Gate and Whittier. MBL began on July 28, 1931 with a small lot on the corner of Greenwood Ave and Olympic Blvd where the four buses were housed. Today MBL's fleet consists of 71 buses.

2. Definitions

2.1. Terms used in this Request for Proposals

- A. **Addenda**. The term "Addenda" means any changes to any document contained in the RFP issued by MBL prior to the Proposal Receipt Deadline.
- B. **Agreement**. The term "Agreement" means the agreement to be entered into by MBL and the successful Proposer for the scope of services described in this RFP.
- C. **Contractor**. The term "Contractor" means the individual, firm, company, corporation, partnership, or association executing the Agreement as an entity providing the scope of services specified in this RFP.
- D. **Days**. The term "days" means business days recognized by MBL.
- E. **MBL**. The term "MBL" means Montebello Bus Lines.
- F. **Interested Party**. The term "Interested Party" means any person (1) who is an actual or Prospective Proposer in the procurement involved, and (2) whose direct economic interest would be affected by the award of the Agreement or by a failure to award the Contract.
- G. **Prospective Proposer**. The term "Prospective Proposer" means any person who takes one or both of the following actions: (1) receives the RFP by direct mail; or (2) registers with MBL as a Prospective Proposer.
- H. **RFP**. The term "RFP" means this Request for Proposals.

3. Schedule of Events

Event	Date
Issue Request for Proposals (RFP)	04/08/2010
Mandatory Site Visit and Pre-Proposal Conference 10:00 AM PDST	04/15/2010
Deadline for receipt of written questions and requests for addenda	04/29/2010
MBL Response and/or addenda issued	05/06/2010
Proposals Due 4:00 PM PDST	05/13/2010
Oral Interview (if required)	TBD
BAFO's Due (if requested) 10:00 AM PST	TBD
MBL selects highest rated proposer and negotiates Agreement	TBD
Approval of Contract Award by City Council	06/09/2010
Tentative Notice to Proceed	06/10/2010
Scheduled Completion Date	01/31/2011

MBL reserves the right to alter the dates shown above by written notice.

4. General Proposal Conditions

4.1. Notice of Formal Solicitation

Notwithstanding any other provision of this RFP, all proposers are hereby specifically advised that this RFP is a formal solicitation for proposals only, and is not intended and is not to be construed as an offer to enter into an agreement or engage into any formal competitive bidding or negotiation pursuant to any statute, ordinance, rule or regulation.

4.2. Method of Response

Responses to the RFP shall be made according to the specifications and instructions contained herein. Failure to adhere to instructions may be cause for rejection of any proposal.

4.3. Acceptance of Terms and Conditions

Proposers understand and agree that submission of a proposal will constitute acknowledgment and acceptance of, and a willingness to comply with, all the terms, conditions, and criteria contained in this RFP, except as otherwise specified in the proposal. Any and all parts of the submitted proposal may become part of any subsequent Agreement between the selected Contractor and MBL.

4.4. False, Incomplete, or Unresponsive Statements

False, incomplete, or unresponsive statements in connection with a proposal may be sufficient cause for rejection of the proposal. The evaluation and determination of the fulfillment of the above requirement will be MBL's responsibility and its judgment shall be final.

4.5. Clear and Concise Proposal

Proposals shall provide a straightforward, concise delineation of the proposer's capability to satisfy the requirements of this RFP. Each proposal shall be submitted in the requested format and provide all pertinent information, including but not limited to information relating to capability, experience, financial resources, management structure and key personnel, and other information as specified in Section 6 and otherwise required in this RFP. Each proposal shall be signed in ink by a duly authorized officer of the company.

4.6. Site Visit & Pre-Proposal Conference

A pre-proposal site visit is scheduled for 10:00 AM Pacific Daylight Saving Time (PDST) on Thursday April 15, 2010 at the Transportation Facility, located at 400 South Taylor Ave, Montebello, CA. 90640-5057. This will be the only scheduled site visit conducted prior to the due date for submission of proposals. Attendees should assemble in the lobby prior to 10:00 AM PDST. Requests for clarification will not be accepted during this site visit. Attendance is strongly suggested.

A pre-proposal conference will immediately follow the pre-proposal site visit. MBL will provide all Prospective Proposers a copy of the transcript from the pre-proposal conference; however, MBL is not bound to any information provided in the verbal responses.

5. Submission of Proposals

5.1. Proposal Receipt

Proposals in response to this RFP shall be considered received at the time actually received by the addressee or designated agent. All proposals and other communications should be addressed, as follows:

Mr. Robert J. King
City Clerk
1600 W. Beverly Blvd.
Montebello, CA 90640-3932

5.2. Proposal Format and Required Markings

Proposals shall consist of one unbound original and five (5) bound copies must be received by MBL at the City Clerks office, 1600 W. Beverly Blvd, Montebello, CA 90640-3932 directed as set forth above by 4:00 PM PDST, on May 13, 2010. Proposals received after this specified date and time shall be considered late and shall not be considered for evaluation. Late proposals shall be returned to the sender unopened. Proposers are required to submit an individually sealed price proposal for all services outlined in the Scope of Work. The price proposal must be submitted in a separate sealed envelope with the markings PRICE PROPOSAL FOR RFP 10-06. The price proposal is NOT to be included in the bound copies of the proposals submitted but must be submitted in the same

bound copies of the proposals submitted but must be submitted in the same proposal package as the technical proposal. THE PRICE PROPOSAL FOR THE OPERATION AND MAINTENANCE OF THE STATION MUST BE SUBMITTED ON THE FORMS INCLUDED IN EXHIBIT B AND MUST ALSO BE SUBMITTED IN AN ELECTRONIC FORMAT ON A FLASH DRIVE. THE HAND WRITTEN COPY WILL TAKE PRECEDENCE OVER THE ELECTRONIC COPY IF THERE ARE ANY INCONSISTENCIES. FAILURE TO USE THE FORMS SET OUT IN EXHIBIT B WILL RESULT IN REJECTION OF THE PROPOSAL.

Each proposal shall be in the form specified in this RFP, and in a sealed envelope with outside markings stating: (1) RFP No. 10-06 and (2) DO NOT OPEN WITH REGULAR MAIL addressed as specified in Section 5.1.

Copies of the proposal shall be double-sided and printed on recycled paper.

6. Required Elements of Proposal

6.1. Overview

Proposers shall provide a written proposal which includes the required elements, both in content and sequence, set forth in this Section. Each section of the Proposal as described herein shall be segregated and identified by a tabbed insert as to identify the item being addressed in the Proposal. A Proposal will not be considered responsive if it modifies or fails to conform to each of the requirements set forth in this Section.

6.2. Cover Letter

Each proposer shall submit a maximum two-page letter including the name and address of the organization submitting the proposal; whether the organization is an individual, partnership, corporation or joint venture; and the name, address and telephone number of the contact person who will be authorized to make representations for the organization. Proposers must also provide a timeline which identifies project milestones and must indicate whether the proposer can meet the completion and operation date of January 31, 2011.

6.3. Project Understanding

Proposers shall describe their understanding of MBL and the services to be provided by the proposer in response to this RFP. This section should also include, but not be limited to:

6.3.1. Design Plan

A plan for design and installation of the Station which clearly shows the proposer's understanding of the appropriate Technical Components set out in Part III Technical Specifications.

6.3.2. Equipment

The proposal shall also include a list of equipment to be provided in the proposed Station, and include a description of all of the equipment, its warranty, and where appropriate, its capacity. The operational function of each piece of equipment must be identified along with the expected performance of the total system.

6.4. Statement of Qualifications, Experiences and Organizational Relationships
This Statement shall include, but not be limited to the following information:

6.4.1. Experience

Proposers should briefly state their experience in this type of project.

6.4.2. Personnel

Proposers should include a listing of key personnel that will be assigned to the Project showing evidence of relevant knowledge and experience. The Project Manager for each phase of the Project must be identified.

6.4.3. Past Performance/References

Proposers must describe a minimum of five (5) projects that are similar in nature to that contemplated in this RFP that the proposer has performed within the last 48 months. Proposers must furnish a short narrative describing the project and the outcome. Proposers must list the name of the entities for which the services were provided, and the name, address and phone number of the project manager for each of the identified projects.

6.5. Work Plan and Technical Approach

This section must outline how the proposer intends to provide the required services to accomplish the Scope of Work set forth in Part III Technical Specifications. Additionally, this section shall also include, but not limited to the following:

6.5.1. Service and Maintenance

A description of the service and maintenance that the proposer will provide to comply with the appropriate portions of Part III Technical Specifications addressing maintenance.

6.5.2. Training

A description of the training that the proposer will provide to comply with the appropriate portions of Part III Technical Specifications. addressing training.

6.5.3. Safety Plan

Proposals shall include a safety plan for construction and installation, maintenance and operations of the Station.

6.6. Price Proposal

Proposers are required to submit a firm fixed price proposal for the installation and construction of the Station.

Proposers are also required to submit a detailed price proposal for a five (5) year Operations and Maintenance agreement with one five (5) year option. The price proposal must address the following:

- 6.6.1. A firm fixed monthly price for operation and maintenance costs.
- 6.6.2 A proposed methodology for determining monthly operation and maintenance cost beyond the first year. Proposers must indicate whether such methodology will be constant through the initial 10 year Agreement period.
- 6.6.3 A statement concerning what costs would be included in the five year option and proposed methodology for calculating those costs.
- 6.6.4 Whether utility charges would be a separate charge or included in operations and maintenance costs. If such charges are separate, proposers must include a proposed methodology for determining utility charges.

THE INFORMATION REQUESTED ABOVE MUST BE SUBMITTED ON THE FORMS SET FORTH IN EXHIBIT A – PRICING SHEET.

7. Clarification and Amendment Process

7.1. Request for Interpretation or Clarification

A proposer may submit to MBL a written request for an interpretation or clarification of, or any addenda to, this RFP. Any such request must be received by MBL no later than April 29, 2010. However, proposers are encouraged to submit requests prior to the pre-proposal conference.

MBL is not bound by any oral interpretations, clarifications, or changes made to this RFP by any MBL representative. Any clarification or change to the RFP must be provided in writing pursuant to this Section.

7.1.1. MBL Response

MBL will review and prepare a written response to each request made by a proposer pursuant to this Section. MBL's written determination will be mailed or otherwise furnished to all Prospective Proposers by May 6, 2010.

7.2. Addenda

MBL reserves the right to make modifications or addenda to this RFP. If MBL determines it is appropriate to revise any portion of this RFP, either at the request of a proposer or upon MBL's own initiative, MBL will issue, and make available to all Prospective Proposers, a written addendum setting forth this revision. Proposers shall acknowledge receipt of addenda by written notice thereof returned to MBL. Where addenda require changes in the work to be performed under the Contract, the date set for receipt of proposals may be postponed by such number of days as MBL determines are appropriate in order to enable Prospective Proposers to revise proposals.

8. General Requirements

8.1. Costs Incurred by Proposer

Any costs incurred by proposers in responding to this RFP shall be the proposer's sole expense and will not be reimbursed by MBL.

8.2. Cancellation of Procurement

MBL reserves the right in its discretion to cancel this RFP in whole or in part.

8.3. Proposal Rejection

MBL reserves the right in its discretion to accept or reject any and all proposals submitted in response to the RFP, or refuse to enter into any Agreement resulting from any proposal submitted, without expense to MBL.

8.4. Proposal Withdrawal

The proposer's authorized representative may, prior to the date and time set as the deadline for receipt of proposals, modify or withdraw a proposal in person, or by written or facsimile (323) 887-4643 notice to the person listed in Section 5. If proposals are modified or withdrawn in person, the authorized representative shall make his or her identity known and shall sign a receipt for the proposal. Written or facsimile notices shall be received in MBL's office, 1600 W. Beverly Blvd, Montebello, California 90640-3932 no later than the date scheduled as the proposal receipt deadline. After the proposal receipt deadline, proposals may not be withdrawn for one hundred twenty (120) calendar days.

8.5. Acceptance of Proposals

Each proposal submitted shall be subject to the evaluation procedure set forth in Section 9, and to negotiation at the option of MBL. Upon acceptance in writing by MBL of the final offer to furnish any and all of the services described herein, the parties shall promptly execute the final Contract documents. The written Agreement shall bind the proposer to furnish and deliver at the price proposed and in accordance with conditions of said accepted proposal and this RFP, as

negotiated. MBL reserves the right to make the award under this RFP based upon the initial proposals submitted.

9. Evaluation

9.1. Evaluation of Proposals

The evaluation of proposals will be based on the criteria specified in Section 9.2 of this RFP. It will be recommended that a Contract be negotiated with the proposer judged to be most outstanding in meeting the overall objectives of the RFP while providing the best value to MBL.

9.2. Scoring Criteria

Evaluation of the proposals will be based on scoring of the criteria below:

9.2.1. Project Understanding including Schedule Adherence	20%
9.2.2. Statement of Qualifications and Experience including References.	15%
9.2.3. Work Plan and Technical Approach	30%
9.2.4. Fee Proposal	35%

9.3. Evaluation Committee

MBL reserves the sole right to evaluate and select the successful proposer. The Evaluation Committee will evaluate all proposals in accordance with the criteria set forth in Section 9.2. The Evaluation Committee will score the proposals to develop a short list of qualified proposers.

9.4. Evaluation Process

Proposals will be evaluated to determine which proposals are within a competitive range. All proposals will be thoroughly evaluated for compliance with the RFP, information presented, and overall ability of the proposer to demonstrate its ability to meet the technical requirements of the RFP. Discussions and negotiations may then be carried out with Proposers within the competitive range, after which Best and Final Offers (BAFOs) may be requested. However, MBL may select a proposal for award without any discussions or negotiations or request for any BAFO(s).

9.4.1. Proposal Opening

Proposals will not be publicly opened. All proposals and evaluations will be kept strictly confidential throughout the evaluation, negotiation and selection process. Only the members of the Evaluation Committee and other MBL officials, representatives and agents having a legitimate interest will be provided access to the proposals and evaluation results.

9.4.2. Evaluation Committee

An Evaluation Committee will evaluate and score the proposals. Proposal evaluation is an assessment of both the proposal and the proposer's ability (as conveyed by the proposal) to successfully accomplish this Contract.

9.4.3. Competitive Range

The Proposers whose proposals are found by MBL to be within the competitive range, or may be reasonably made to be within the competitive range, will be notified and any questions and/or requests for clarifications provided to them in writing. Each such Proposer may be invited for a private interview(s) and discussions with MBL to discuss answers to written or oral questions, clarifications, and any facet of its proposal.

Proposers of any proposal that have been determined by MBL as not in the competitive range, and cannot be reasonably made to be within the competitive range, will be notified in writing, including the shortcoming of their proposals.

9.4.4. Exceptions

In the event that a proposal, which has been included in the competitive range, contains conditions, exceptions, reservations or understandings to any Agreement requirements, said conditions, exceptions, reservations or understandings may be discussed during the meetings described in Subsection 9.4.3. However, MBL shall have the right to reject any and all conditions and/or exceptions, and instruct the Proposer to amend its proposal and remove said conditions and/or exceptions; and any Proposer failing to do so may cause MBL to find such proposal to be outside the competitive range.

9.4.5. Confidentiality

No information, financial or otherwise, will be provided to any Proposer about any of the proposals from other Proposers. Proposers will not be given a specific price or specific financial requirements they must meet to gain further consideration, except that proposed prices may be considered to be too high with respect to the marketplace or unacceptable. Proposers will not be told of their rankings among the other Proposers.

9.5. Best and Final Offer (BAFO)

After all interviews have been completed, each of the Proposers in the competitive range may be requested to amend its proposal and make its BAFO. The request for BAFOs shall include:

- 9.5.1. Notice that discussions are concluded.
 - 9.5.2. Notice that the request is the opportunity for submission of a BAFO.
 - 9.5.3. A common date and time for submission of written BAFOs, allowing a reasonable opportunity for preparation of the written BAFOs.
 - 9.5.4. Notice that if any modification to a BAFO is submitted, it must be received by the date and time specified for the receipt of BAFOs and it subject to the late submissions, modifications, and withdrawal of proposals provisions of the RFP.
 - 9.5.5. Notice that if Proposers do not submit a BAFO or a notice of withdrawal and another BAFO, their immediate previous Offer will be construed as their BAFO.
 - 9.5.6. A notice that modifications to the initial proposals made by a Proposer in its BAFO shall be identified shall be identified in its BAFO. BAFOs will be evaluated by MBL according to the same requirements and criteria as the initial proposals (Section 9). MBL will make appropriate adjustments to the initial scores which have been affected by any proposal modifications made by the BAFOs. These final scores and rankings within each criteria will again be arrayed by MBL and considered according to the relative degrees of importance of the criteria defined in Section 9.
 - 9.5.7. MBL will then choose that proposal which it finds to be most advantageous to MBL based upon the evaluation criteria. The results of the evaluations and the selection of a proposal for any award will be documented.
- 9.6. Contract Award
After the completion of oral presentations (if necessary), the Evaluation Committee will make a recommendation for Contract award to MBL's Director of Transportation. The recommendation for selection will be made based on both written and oral (if necessary) responses to the RFP. Both written and oral (if necessary) presentations will be rated in accordance with the criteria set forth in Section 9.2 of this RFP.
- 9.7. Contract Negotiations
The highest-rated proposer, as determined by MBL, will be invited to negotiate the final scope of work, schedule and fees with MBL. If negotiations with the

10. Restrictions of Lobbying and Contacts

10.1. Restrictions on Lobbying and Contacts with MBL or City Council

During the period beginning on the date of the issuance of this RFP and ending on the date of the recommendation for award of the Contract, no person or entity submitting a proposal in response to this RFP, nor any officer, employee, representative, agent, or Contractor representing such a person or entity shall contact through any means or engage in any discussion regarding this RFP, the evaluation or selection process, or the award of the Contract with any member of the Montebello City Council, MBL, or City of Montebello staff. Any such contact shall be grounds for the disqualification of the proposer.

10.2. Restrictions on Lobbying and Contacts with MBL Staff

During the period beginning on the date of the issuance of this RFP and ending on the date of the recommendation for award of the Contract, each person or entity described in Subsection 10.1 shall limit his or her communication with MBL staff to the written clarification and amendment process described in Section 7. During such time period, any such person or entity is precluded from having any communications regarding this RFP, the evaluation or selection process, or the award of the Contract with any member of the MBL Evaluation Committee, other than communications initiated by such member of the committee during interviews or discussions. Any communication in violation of this Subsection shall be grounds for the disqualification of the proposer.

11. Public Records Act

The proposals received shall be the exclusive property of MBL. At such time as a Contract award is approved by the Montebello City Council, all proposals submitted in response to this RFP shall become a matter of public record and shall be regarded as public records, with the exception of those elements of each proposal which are trade secrets as that term is defined in California Government Code Section 6254.7 and which are so marked as "TRADE SECRET," "CONFIDENTIAL" or "PROPRIETARY." MBL shall not in any way be liable or responsible for the disclosure of any such records or portions thereof, including, without limitation, those so marked, if disclosure is deemed required by law or by an order of a court. Proposals that indiscriminately identify all or most of the proposal as exempt from disclosure without justification may be found technically unacceptable.

12. Protest Procedures

12.1. Policy Before Proposal Opening

Each proposal shall set a timetable for filing a protest before a proposal opening, (10 working days).

The most common types of protest that might be filed before a proposal opening would include one based upon restrictive specifications, or alleged improprieties in any type of solicitation that is apparent prior to the scheduled proposal opening.

MBL will grant the protesting firm a fair review, and allow up to 10 working days to review or appeal a decision provided no state or federal law or regulation has been violated.

It is the intent of MBL to resolve all protests at the local level.

When a protest is filed before a scheduled proposal opening certain steps must be followed:

- 12.1.1. The protest must be submitted in writing within the specified time frame, (10 working days).
- 12.1.2. The protest must contain the reason(s) for the protest and should recommend a remedy.
- 12.1.3. Where appropriate, MBL will hold an informal conference on the merits of a protest with all Interested Parties allowed to attend. Interested Parties may include all Proposers/offerors and sub-contractors or suppliers provided they have a substantial economic interest in a portion of the RFP.
- 12.1.4. All potential Proposers will be advised of a pending protest.
- 12.1.5. MBL shall not open proposals prior to the resolution of the protest, unless it is determined that:
 - The items to be procured are urgently required, or;
 - Delivery or performance will be unduly delayed by failure to make the award promptly, or;
 - Failure to make prompt award will otherwise cause undue harm to MBL or the Federal Government.
- 12.1.6. MBL will respond in writing within 10 working days after receipt of a properly filed protest. The response will be provided by the Purchasing Manager and will include a response to each substantive issue raised in the protest.
- 12.1.7. After the exhaustion of administrative remedies the protesting party will be given MBL's final decision. The Purchasing Manager has the authority to make the final determination regarding all protests.

Note: The Federal Transit Administration ("FTA") will only review a protest that the grantee failed to have or to follow its protest procedures, or that it failed to review a complaint or protest. A protest to the FTA must be filed in accordance with FTA Circular C4220.1F

All protests must be filed within 10 working days and sent to the Purchasing Agent for determination.

City of Montebello
Attn: Mr. Russ Caballero, Purchasing Agent
1600 W. Beverly Boulevard
Montebello, CA 90640

12.2. Policy After Proposal Opening / Post Award

A protest filed after a proposal opening or post award must be filed within 5 working days after the proposal opening or notice of award.

The types of protests most commonly filed after proposal openings are varied, e.g., one in which the award is made to other than the low Proposer, changes to the criteria during proposal evaluation, proposal compliance, etc.

MBL will grant the protesting firm a fair review, and allow up to 10 working days to review or appeal a decision provided no state or federal law has been violated.

It is the intent of MBL to resolve all protests at the local level.

All protests, including FTA funded projects, must follow certain guidelines.

- 12.2.1. The protest must be submitted in writing within the specified time frame, (5 working days).
- 12.2.2. The protest must contain the reason(s) for the protest and recommend a remedy.
- 12.2.3. Where appropriate, MBL will hold an informal conference on the merits of a protest with all Interested Parties allowed to attend. Interested Parties may include all Proposers/offerors and Sub-contractors or suppliers provided they have a substantial economic interest in a portion of the RFP.
- 12.2.4. MBL will respond in writing within 10 working days after receipt of the protest. The response will be provided by the Purchasing Manager and will include a response to each substantive issue raised in the protest.
- 12.2.5. After exhaustion of administrative remedies, the protesting party will be given our final decision. The Purchasing Manager has the authority to make the final determination regarding all protests.

Note: The FTA will only review a protest that the grantee failed to have or to follow its protest procedures, or that it failed to review a complaint or protest. A protest to the FTA must be filed in accordance with FTA Circular C4220 1F.

All protests must be filed within 5 working days of the date the protester knew or should have known of the violation.

PART II – GENERAL TERMS AND CONDITIONS

NOTE THAT THIS PART CONTAINS PROPOSED GENERAL CONDITIONS THAT WILL BE INCLUDED IN THE AGREEMENT BETWEEN THE CONTRACTOR AND MBL. MBL RESERVES THE RIGHT TO MODIFY THE CONDITIONS STATED HEREIN, AND TO ADD OR DELETE CONDITIONS PRIOR TO CONTRACT EXECUTION.

13. Scope of Services and Term

13.1. General Scope of Services

Contractor shall design, build, install, operate and maintain a Compressed Natural Gas ("CNG") Station (hereinafter the "Station") at City of Montebello Transportation Facility located at 400 South Taylor Ave, Montebello, CA 90640-5057 (hereinafter referred to either as the "Property" or the "Facility"). All Contractor furnished equipment shall be new and unused. Contractor shall successfully test the Station upon completion to confirm compliance with all specifications and contractual conditions set forth herein.

13.2. Term

13.2.1. Construction/Installation

Contractor agrees that it will initiate construction/installation of the Station no later than _____, and complete construction/installation of the Station no later than _____.

13.2.2. Operations/Maintenance

Contractor agrees that it will operate and maintain the Station under the terms of this Agreement for a period of five (5) years commencing on _____ and ending on _____. MBL may renew this Agreement relative to the Contractor's responsibilities to operate and maintain the Station under the same terms and conditions set forth herein for a consecutive five (5) year term. If MBL exercises its option to renew the Agreement, it will provide Contractor with a sixty (60) day written notice of its intent to renew. If MBL does not exercise its option to renew the Agreement, it will provide Contractor with at least thirty (30) days written notice.

14. Fees and Payments

14.1. Construction/Installation-Fixed Price

MBL agrees to pay the Contractor _____ for the construction/installation of the Station.

14.2. Monthly Fee – TO BE DETERMINED

15. Accounting Records and Audit Adjustments

15.1. Accounting Records

Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement in accordance with generally accepted accounting principles. All such records shall be clearly identifiable. The Contractor agrees that MBL, or any of its duly authorized representatives, shall, for the purpose of audit and examination, be permitted to inspect all work, materials, payrolls, and other data and records, and to audit the books, records, and accounts relating to the performance of the Contract. Further, Contractor the agrees to maintain all required records for at least three (3) years after MBL has made final payment and all other pending matters are closed.

15.2. Audit Adjustments

Appropriate financial adjustments may be made by MBL based upon any inconsistency, irregularity, discrepancy or unsubstantiated billing revealed as a result an audit. Financial adjustments reflecting an overcharge to MBL may be charged against Contractor's future invoices.

16. Change Orders

16.1. Written Changes

Written changes to the Scope of Work are required. The Contractor shall be liable for all costs resulting from any change in the Scope of Work not properly ordered by written modification to the Agreement and signed by MBL's Representative.

16.2. Immediate Change

MBL reserves the right to issue an immediate change to the Scope of Work and negotiate cost and price afterwards.

16.3. Contractor Submittal

Within thirty (30) calendar days after receipt of a written Scope of Work change proposal from MBL's Representative, the Contractor shall submit to MBL's Representative a detailed price and schedule proposal for the work to be performed. This proposal shall be accepted or modified by negotiations between the Contractor and MBL's Representative. At that time, an amendment to the Scope of Work may be executed in writing by both Parties. Disagreements that cannot be resolved by negotiations shall be resolved in accordance with the Contract Disputes clause (Section 18 herein). Regardless of any disputes, the Contractor shall proceed with the provision of services ordered at the sole direction of MBL's Representative.

17. Representatives and Notice

17.1. MBL's Representative

MBL hereby designates its Vehicle Maintenance Manager to act as its representative for the performance of this Agreement ("MBL's Representative"). MBL's Representative shall have the power to act on behalf of MBL for all purposes under this Agreement.

17.2. Contractor's Representative

Contractor hereby designates (to be determined) to act as its representative to oversee the performance of this Agreement ("Contractor's Representative"). Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement.

17.3. Delivery of Notices

All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Contractor:

City of Montebello Transportation Department
Mr. Martin Gombert
400 South Taylor Ave.
Montebello, CA 90640-5057
mgombert@cityofmontebello.com
(323) 887-4643 Fax

Any notices required by this Agreement shall be deemed received on (a) the day of delivery if delivered by hand (including overnight courier service) during the receiving Party's regular business hours or by facsimile before or during the receiving Party's regular business hours; or (b) on the second business day following deposit in the United States mail, postage prepaid, to the addresses set forth above, or to such other addresses as the Parties may, from time to time, designate in writing pursuant to the provisions of this Subsection 17.3. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

18. Disputes

18.1. General

Any dispute between the Contractor and MBL relating to the implementation or administration of the Agreement shall be resolved in accordance with this Section.

18.2. Resolution

The Parties shall first attempt to resolve the dispute informally in meetings or communications among the Contractor and MBL's Representative. If the dispute remains unresolved 15 days after it first arises, the Contractor may request that MBL's Representative issue a recommended decision on the matter in dispute. MBL's Representative shall issue the recommended decision in writing and provide a copy to the Contractor.

The recommended decision of MBL's Representative shall become final unless, within 10 days of receipt of such recommended decision, the Contractor submits a written request for review to the MBL Director of Transportation. In connection with any such review, the Contractor and MBL's Representative shall be afforded an opportunity to be heard and to offer evidence on the issues presented. If the dispute remains unresolved after review by the MBL Director of Transportation, either party may seek resolution through non-binding mediation, and failing agreement after mediation judicial resolution of the dispute in an appropriate court of the State of California.

Pending final resolution of a dispute under this Section, the Contractor shall proceed diligently with performance in accordance with the Agreement and the MBL Representative's recommended decision.

19. Termination

19.1. Cancellation of Agreement

In any of the following cases, MBL shall have the right to cancel the Agreement without expense to MBL: (1) the Contractor is guilty of misrepresentation; (2) the Agreement is obtained by fraud, collusion, conspiracy, or other unlawful means; or (3) the Agreement conflicts with any statutory or constitutional provision of the State of California or the United States. This Section shall not be construed to limit MBL's right to terminate the Agreement for convenience or default, as provided in Subsections 19.2 and 19.4 respectively.

19.2. Termination for Convenience

19.2.1. Action by MBL

The performance of work under the Agreement may be terminated by MBL in accordance with this Section in whole, or from time to time in part, whenever MBL determines that such termination is in the best interest of MBL. Any such termination shall be effected by delivery to the Contractor of a notice of termination specifying the extent to which performance of the professional services under the Agreement is terminated and the date upon which such termination becomes effective.

19.2.2. Responsibility of Contractor

Upon receipt of a notice of termination, and except as otherwise directed by MBL, the Contractor shall (1) stop work under the Agreement on the date and to the extent specified in the notice of termination; (2) place no further orders or subcontracts for materials, services, or facilities, except as may be necessary for completion of such portion of the work under the Agreement that has not been terminated by the notice of termination; (3) terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the notice of termination; (4) assign to MBL in the manner, at the times, and to the extent directed by MBL, all of the rights, title and interest of the Contractor under the orders and subcontracts so terminated; (5) settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of MBL, to the extent MBL may require, which approval or ratification shall be final for all the purposes of this Section; (6) transfer title to MBL and deliver in the manner, at the times, and to the extent, if any, directed by MBL, supplies, equipment, and other material produced as a part of, or acquired in connection with the performance of, the work terminated, and any information and other property which, if the Agreement had been completed, would have been required to be furnished to MBL; (7) complete any such part of the work under the Agreement that has not been terminated by the notice of termination; and (8) take such action as may be necessary, or as MBL may direct, for the protection and preservation of the property related to the Agreement which is in the possession of the Contractor and in which MBL has or may acquire an interest. Payments by MBL to the Contractor shall be made by the date of termination but not thereafter. Except as otherwise provided, settlement of claims by the Contractor under this Section shall be in accordance with the provisions set forth in 48 C.F.R. Part 49, as amended from time to time.

19.3. Termination by Mutual Agreement

The Agreement may be terminated by mutual agreement of the Parties. Such termination shall be effective in accordance with a written agreement by the Parties. Any other act of termination shall be in accordance with the termination by convenience or default provisions contained in Subsections 19.2 and 19.4.

19.4. Termination for Default

19.4.1. Action by MBL

Subject to the provisions in Subsection 19.4.3, MBL may terminate the whole or any part of the Agreement in any of the following circumstances:

19.4.1.1. If the Contractor fails to provide the services in the manner required by the Contract.

19.4.1.2. If the Contractor fails to perform any of the provisions of the Agreement in accordance with its terms, or

19.4.1.2. If the Contractor fails to make progress in the prosecution of the work under the Agreement so as to endanger such performance.

19.4.2. Contractor Liability

In the event that MBL terminates the Agreement in whole or in part as provided in this Section, MBL may procure, upon such terms and in such manner as MBL may deem appropriate, supplies or services similar to those so terminated. The Contractor shall be liable to MBL for costs associated with the termination of the Contract, the procurement of replacement services by MBL, any excess costs of such similar supplies or services, and any increase in the total Agreement cost as a result of the re-procurement of services from the date of termination to the expiration date of the original Contract. The Contractor shall continue the performance of the Agreement to the extent not terminated under the provisions of this Section. Any disputes arising under this Section that cannot be resolved by the Contractor and MBL are subject to resolution pursuant to Section 18.

19.4.3. Cure by Contractor

In the event that the Contractor hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, MBL shall give the defaulting party written notice in accordance with Article IX of the Agreement. If the Contractor fails to cure within the applicable time frame specified in Article IX of the Agreement, MBL may declare that Contractor to be in default and terminate the Agreement in whole or in part.

19.4.4. Claims

Except as otherwise provided, settlement of claims by the Contractor under this Section shall be in accordance to the provisions set forth in 48 C.F.R. Part 49, as amended from time to time.

20. Responsibilities of Contractor

20.1. Station

Contractor shall, at its cost, design, construct, operate and maintain the Station on the Premises, and shall be responsible for obtaining, at its cost, all permits

relating to the design, construction, operation and maintenance of the Station. The Station shall be designed, constructed, operated and maintained in accordance with specifications set forth in Exhibit A. In the event that Contractor determines that the Station requires additional equipment, upon concurrence of MBL, Contractor shall add such equipment; provided, that, the Parties come to an agreement with respect to reasonable modifications to this Agreement.

20.2. Natural Gas Service

MBL will obtain natural gas from current provider, which is Southern California Gas Company (SCGC) and MBL will be the recipient of all incentive and or credits provided by Federal, local and municipal programs.

20.3. Maintenance

Contractor shall maintain the Station in a safe, permit compliant and cost effective manner in accordance with Exhibit A and the following requirements:

20.3.1. General

The Contractor shall provide proactive, scheduled, and emergency maintenance services for the Station covered in this project for a period of five (5) years from the date of acceptance by MBL with one (1), five-year option for a total potential Agreement period of ten-(10)-years. This includes providing all labor, parts, materials, replacement equipment, and emergency fueling services, inspections and testing. All planned and unplanned Station repair work shall be coordinated with MBL's Facility Supervisor and MBL. Maintenance response time must comply with Section 5 of Exhibit A below titled "Performance Specifications" response times. Contractor's service must be of such high quantity and quality so that all CNG buses will be ready for operational rollout on any given morning during the term of this Agreement. Failure of a CNG bus from the MBL's Facility to miss normal morning rollout to its designated route due to lack of fuel will result in a \$250 per bus per day penalty to the Contractor. Contractor shall have the capability to remotely monitor the key compressor system variables such as flow, temperature, and pressure with a laptop computer and remote alarm.

An electronic and hard copy of the maintenance records shall be kept at the Facility site for MBL inspection and must be updated on a daily basis. MBL shall permit Contractor trained Operations and Maintenance ("O/M") personnel or its vendor subcontractors to enter the compressor compound area and the fueling island area for system inspections.

At the end of the O/M agreement, Contractor shall transfer the complete right or license of all software to MBL. All additional electronic files and programs, equipment manuals, and the entire O/M record database shall also be transferred to MBL.

20.3.2. Routine Maintenance

Contractor shall provide all scheduled, routine maintenance service and shall repair or replace any parts or equipment as it determines necessary or according to manufacturers' recommendations at its expense. Contractor shall perform all other necessary maintenance or repair or replace parts or equipment damaged by abuse or neglect resulting from MBL personnel or Service Contractor personnel at MBL's expense.

20.3.3. Scheduling

Contractor and MBL shall mutually agree on times for maintenance to be scheduled to minimize Station "downtime."

20.3.4. Service Calls

20.3.4.1. Contractor shall be available to provide emergency repair service on a 24-hour, 7-day per week basis for the duration of this Agreement, and provide an emergency contact telephone number to MBL.

20.3.4.2. In the event of an emergency at the Station, Contractor shall respond as soon as reasonably possible following notification by MBL.

20.3.4.3. In the event of other operational difficulties that could impair MBL's ability to fuel and operate its vehicles, Contractor shall respond within two (2) hours following notification and repairs shall be undertaken and completed as soon as is reasonable, considering the nature of the repairs.

20.3.4.4. Notwithstanding the provisions of Subsection 20.3.4.3, Contractor guarantees that MBL's vehicles will be fueled and able to operate by 4:00 AM of the next day following any operational difficulty or emergency except as provided in Section 22 hereof. Except as provided in Section 22, MBL will impose liquidated damages equal to \$250 per bus per day for each bus missing normal morning roll out to its designated route due to lack of fuel.

20.4. Maintenance

20.4.1. The Contractor is responsible for all O/M for the Station. Contractor personnel and subcontractors will perform the actual on-site service and maintenance activities.

20.4.2. All O/M activities performed by the Contractor will be done in accordance to manufacturers and vendors manuals and instructions and in accordance with normal industry standards. Any activity involved with the venting of gas or welding in the general vicinity of the Station shall be approved by MBL. Contractor to review with MBL personnel before the work is started all proactive, scheduled, and emergency maintenance being performed on a daily basis.

20.4.3. The Contractor is responsible for recruiting and maintaining a pool of high quality, committed, dependable maintenance service personnel for performing the on-site work at the MBL Facility. Each person shall meet the personnel, technical, and experience requirements to perform Station maintenance work. MBL and Contractor shall mutually agree on the minimum qualifications needed to perform maintenance service. MBL shall approve Contractor pool of maintenance service personnel 2 weeks prior to startup of the system.

This pool of Contractor maintenance personnel shall participate in the startup, commissioning, and performance testing of the new Station.

20.4.4. The Contractor is responsible for furnishing its personnel with vehicles, safety equipment, computers, hand tools, pagers, cell phones, general test equipment, gas detectors, and other equipment required to service a Station. Contractor personnel shall wear a hard hat, goggles, and a yellow safety jacket or shirt at all times while doing maintenance in the Facility.

20.4.5. Contractor CNG Technicians to be available 24 hours per day, 7 days per week, 365 days per year for the duration of the 5-year maintenance service period. They shall be on call response leading to an onsite presence within 2 hours after notification.

20.4.6. The Contractor is responsible for disposal of all liquid and solid waste from the Station O/M work.

20.5. Training

Contractor shall provide the following training listed in this Section to MBL's personnel and Service Contractor personnel prior to the start of service. The training is to include a manual for each of 30 participants. A refresher course on safety and operational related training shall be provided six (6) months after the Station has been accepted by MBL.

20.5.1. Operational Training

On two separate dates, Contractor shall provide training on natural gas safety, fueling procedures, safety shutdowns and resetting equipment,

ESD system, and the gas detection system. This training shall be provided for each of the three shifts at the MBL Facility.

20.5.2. Training Related to the Compressor and Dryer Systems

Contractor shall provide for 10 MBL personnel and Service Contractor personnel a one (1) day training class on basic operations and maintenance of the compressors, dryers, dispensers, and storage vessels, including the monitoring and warning systems.

20.5.3. Safety Training

Contractor shall coordinate with MBL's Safety Department and develop an emergency response plan. Training for the safe use of the system shall also cover the operation/function of the gas monitoring and warning system, procedures on emergency shutdowns, and evacuation procedures. This training shall be conducted in conjunction with the Operational Training component required in Subsection 20.5.1.

20.5.4. Fire Department Training

Contractor is required to inform and train all appropriate personnel as requested by the Montebello and Los Angeles County Fire Department the complete CNG fueling system and assist the Fire Department, as requested, in the preparation of the emergency response plan. Relevant portions of this plan should be included in the Safety Training component required in Subsection 20.5.3.

20.6. Compliance with Law

In performing the obligations under this Agreement, Contractor shall comply in all material respects with all applicable federal, state and local laws, regulations, ordinances and rulings, including (but not limited to) those pertaining to health, safety, employment and environmental matters.

20.7. Control and Payment of Subordinates; Independent Contractor

The Services shall be performed by Contractor or under its supervision. Contractor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. MBL retains Contractor on an independent contractor basis and not as an employee. Contractor retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Contractor shall also not be employees of MBL and shall at all times be under Contractor's exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security, taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

20.7.1 PERS Eligibility Indemnity

In the event that Contractor, or its employee, agent, or subcontractor 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 the City harmless 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.

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 the City for employer contribution, employee contribution, or both, for PERS benefits.

20.8. Subcontracting

Contractor shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of MBL. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement. The Contractor shall be fully responsible for all professional services to be performed by any sub-contractor. Any approval of a subcontract shall not be construed as making MBL a party to such subcontract, giving the sub-contractor privity of contract with MBL, or subjecting MBL to liability of any kind to any sub-Contractor.

20.9. Standard of Care

Contractor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the professional calling necessary to perform the Services. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, and that such licenses and approvals shall be maintained throughout the term of this Agreement. Any person who is determined by MBL to be uncooperative, incompetent, a threat to the adequate or timely completion of the Services, a

threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to MBL, shall be promptly removed by the Contractor and shall not be re-employed to perform any of the Services under this Agreement.

20.10. Laws and Regulations

Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with Services. If the Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to MBL, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold MBL, its officials, directors, officers, employees, agents and independent contractors who serve as MBL officers, officials, or staff free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure to comply with such laws, rules or regulations.

20.11. Equal Opportunity Employment

Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition, or sexual orientation. 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. Contractor shall also comply with all relevant provisions of MBL's Disadvantaged Business Enterprise program, Affirmative Action Plan, or other related programs or guidelines currently in effect or hereinafter enacted.

Contractor specifically recognizes and agrees that if MBL finds that any of the foregoing provisions have been violated, such violations shall constitute a material breach of this Agreement upon which MBL may determine to cancel, terminate, or suspend the Agreement. While MBL reserves the right to determine individually that the anti-discrimination provisions of the Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commissioner or the Federal Equal Employment Opportunity Commission that Contractor has violated State and Federal Anti-discrimination laws shall constitute a finding by MBL that Contractor has violated the anti-discrimination provisions of the Agreement.

20.12. Labor Certification

20.12.1 By its signature hereunder, Contractor certified that it is aware of the provisions of Section 3700 et seq. of the California Labor Code that

require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services under this Agreement.

20.12.2. The Contractor acknowledges that this Agreement is subject to the provisions of Division 2, Part 7, Chapter 1 (Sections 1720 through 1861) of the California Labor Code relating to public works, and agrees to be bound by all the provisions thereof as though set forth in full herein.

20.12.3 The Contractor expressly agrees to comply with the provisions of California labor Code Section 1773.1 which requires the payment of travel and subsistence payments to each worker needed to execute the work to the extent required by law.

20.12.4 The Contractor expressly agrees to comply with the provisions of California Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to MBL, forfeit not more than fifty dollars (\$50) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of Industrial Relations for the work or craft in which the worker is employed for any public work done under the Agreement by Contractor or by any subcontractor.

20.12.5. The Contractor expressly agrees to comply with the provisions of California Labor Code Section 1776 which require the Contractor and each subcontractor to: (1) keep accurate payroll records; (2) certify and make such payroll records available for inspection as provided by Section 1776 subdivision (b); and (3) inform MBL of the location of the records. The Contractor is responsible for compliance with Section 1776 by itself and all of its subcontractors.

20.12.6 The Contractor expressly agrees to comply with the provisions of California Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that it is responsible for compliance with Section 1777.5 by itself and all of its subcontractors.

20.12.7 The Contractor expressly agrees to comply with the provisions of California Labor Code Section 1813 concerning penalties for works who work excess hours. The Contractor shall, as a penalty to MBL, forfeit twenty-five (\$25) for each worker employed in the execution of the Agreement by the Contractor or by any subcontractor for each calendar

day during with such worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the California Labor Code.

20.12.8. California Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. **In accordance with the provisions of California Labor Code Section 1861, the Contractor hereby certifies that it is aware of the provision of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that code, and that it will comply with such provisions before commencing the performance of the work of this Contract.**

20.13. Legal Resident Verification

Contractor warrants that it fully complies with all laws regarding employment of aliens and others, and that all its employees performing Services meet the citizenship or alien status requirements contained in Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603). Contractor shall obtain, from all covered employees performing services hereunder, all verification and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may be hereafter amended. Contractor shall retain such documentation for all covered employees for the period prescribed by law. Contractor shall indemnify, defend and hold MBL, its agents, officers and representatives harmless from employer sanctions and any other liability which may be assessed against Contractor or MBL or both in connection with any violation of Federal statutes or regulations pertaining to the eligibility for employment of persons performing Services under this Agreement.

20.14. Safety

Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (a) adequate life protection and life saving equipment and procedures; (b) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (c) adequate facilities for the proper inspection and maintenance of all safety measures.

20.14.1. MBL's Safety Rules and Safety Program

During construction, the Contractor, subcontractors, and all of its personnel must observe and obey all construction safety rules and regulations prescribed by Cal – OSHA. Any crane lifts such as the compressor skids, tanks, storage vessels, and dryer must be approved by MBL 24 hours before the planned lift.

Contractor shall have weekly safety meeting for the duration of the Project and shall provide a copy of the schedule and topics to MBL at the start of the project.

Contractor shall adhere to all of MBL's safety requirements, which shall include a requirement that all personnel wear identification badges, orange-reflective safety vests, hard hats, goggles, and obey all speed limits and traffic patterns within the Facility as required.

20.15. Contractor Personnel

Contractor represents that it has the professional and technical personnel required to perform the Services. MBL shall have the right to demand the removal of any of the Contractor's key personnel from the project for reasonable cause and by written notice.

20.16. Construction Hours

Contractor's construction activities shall not interfere with the daily operation of the bus site and bus queuing operations, including installation of new CNG dispensers at the fueling island. The CNG and diesel dispensers will operate concurrently; however the diesel dispensers will eventually be removed, but such removal is not part of this Project. MBL will appoint a liaison person to interface daily with the Contractor. Construction activities shall be restricted to between 6:00 AM and 5:00 PM Monday through Friday, unless otherwise approved by MBL.

20.17. Contractor's Work Areas

Contractor's staging area will be limited to an adjacent area just south of the existing fueling island. The staging area must have a 6-foot high chain link fence with a locked gate. Contractor will be solely responsible for that area and the equipment and materials stored in staging area, as well as its tools and supplies and safety of its personnel. Contractor shall submit to MBL for approval drawings or sketches for the proposed staging area and the location of key items and facilities. Contractor personnel must sign in each day before entering MBL property.

20.18. Site Cleanup

The Contractor shall, at the end of each workday, clean the job site and store all equipment and material in a neat and orderly manner. The Contractor shall

remove all waste on a timely basis, but not exceeding 5 working days, from the site. Construction equipment must be stored in designated areas. At the completion of the project, Contractor shall clear and clean the job site within 48 hours of final acceptance by MBL.

20.19. Pollution and Environmental Controls

Contractor must ensure that during construction, noise and dust levels are within the allowable limits set by regulatory agencies such as the SCAQMD, CAL-OSHA and local governing agencies. All Contractor motorized equipment shall be operated in a manner minimizing exhaust emission pollutants such as smoke and particulate matter.

20.20. Project Schedule

The Contractor shall submit a detailed schedule within 48 hours after MBL's Notice to Proceed. The schedule shall be updated biweekly showing the progress of major milestones and the completion date. Contractor shall complete all work including its performance testing and MBL's acceptance by June 30, 2010. During the course of the project, if the schedule cannot be maintained, Contractor shall notify MBL immediately.

20.21. Drug And Alcohol Testing

In the event the terms of this Agreement require the performance of safety-sensitive functions as defined in 49 CFR Part 655 ("Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations"), Contractor agrees to comply with MBL's Drug and Alcohol Policy and the provisions of 49 CFR Part 655, produce any documentation necessary to establish its compliance with Part 655, and permit any authorized representative of the United States Department of Transportation or its operating administrations and/or MBL to inspect the facilities and records associated with the implementation of the drug and alcohol testing process program as required under 49 CFR Part 655 and review the testing process.

20.22. Warranty

The Contractor will list warranties from the manufacture of each component and pass through all warranties to MBL, with a minimum of a 12-month warranty as offered by the manufacture, measured from the date of Station start-up for all equipment as provided by the original equipment manufacturer.

21. MBL's Responsibilities

21.1. Permitting

MBL shall provide reasonable assistance to Contractor in obtaining the necessary permits to construct and operate the Station. However, MBL shall not bear the burden of cost associated with such permits. Contractor shall pay for all cost of obtaining the necessary permits.

21.2. Maintenance of Property

MBL shall maintain the Property and the real property in the immediate vicinity of the Station in a clean, safe, and commercially reasonable condition suitable for CNG vehicle refueling use. Operation and maintenance of the Station by the Contractor shall not interfere with other MBL bus servicing and storage activities within the MBL facility.

21.3. Protection of Contractor Property

MBL shall use reasonable commercial care in storing and protecting Contractor's property and the Station, for the Station and the Station itself; provided, however, that MBL shall have no obligation to insure the same or to indemnify Contractor for loss or damage thereof, except as expressly provided herein.

21.4. Refueling Vehicles

MBL employees shall refuel the CNG Vehicles.

21.5. Training

MBL shall ensure that appropriate MBL and Service Contractor personnel attend the training provided by Contractor as required in Subsection 20.5.

21.6. Compliance with Law

In performing its obligations under this Agreement, MBL shall comply in all material respects with all applicable federal, state and local laws, regulations, ordinances and rulings, including (but not limited to) those pertaining to health, safety, employment and environmental matters.

21.7. MBL's Costs

Except as specified in this Section, or as may be separately agreed to in writing by MBL and Contractor, MBL shall not charge Contractor for the materials or labor utilized in providing the services provided in this Section. Other than applicable income taxes of Contractor, ad valorem or possessory interest taxes relating to the Station and MBL shall be responsible for all taxes (including, without limitation, any real property taxes relating to the Premises) relating to the Station, as well as any and all maintenance and repair costs as contemplated in this Section.

22. Force Majeure

22.1. General

The Contractor shall not be liable for any failure to perform if acceptable evidence has been submitted to the MBL Director that failure to perform the Agreement was due to causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include acts of God, civil disturbances, fire, war, or floods, but does not include labor related incidents, such as strikes or work stoppages.

23. Review of Documents and Field Conditions

23.1. Contractor Responsibility

The Contractor shall carefully study and compare the Contract Documents with each other and with information furnished by MBL, and shall promptly report errors, inconsistencies, or omissions to the Project Manager.

23.2. Liability

The Contractor shall not be liable to MBL for damage resulting from errors, inconsistencies, or omissions in the Contract Documents unless the Contractor recognized such error, inconsistency, or omission and knowingly or negligently failed to report.

23.3. Recognized Errors

If the Contractor performs any construction activity knowing it involves a recognized error, inconsistency, or omission in the Contract Documents, the Contractor shall assume appropriate responsibility for such performance and shall be an appropriate amount of attributable costs for correction.

23.4. Familiarization with the Project

Contractor has familiarized itself with the nature and extent of the Contract Documents, the nature and scope of services of the Project, locality, and with all local conditions and Federal, state and local law, ordinances, rules and regulation that in any manner may affect cost, progress or performance of the Project. Contractor has familiarized itself with the Specifications included in this document (RFP).

23.5. Notice of Conflicts

Contractor has given MBL written notice of all conflicts, errors or discrepancies that it has discovered in the Contract Documents, and the written resolution thereof by MBL is acceptable to the Contractor.

24. Licensing and Permits

24.1. General

The Contractor and all subcontractors shall be appropriately licensed in the State of California for the work required as a result of the Contract. The cost for any required licenses shall be the responsibility of the Contractor.

24.2. Permits

Unless otherwise provided in the Contract Documents, contractor shall be responsible for paying for the building permit and other permits and government fees and licenses which fees have not been waived by the issuing authority necessary for proper execution and completion of the Project.

Construction activities within MBL's property are subject to permit processes by the City of Montebello. This means that the Contractor must submit documents for plan checks or other procedures required by the City of Montebello or other governing agencies. The Contractor is, therefore, responsible for the research/investigation and determination of the project's permitting requirements. This shall include obtaining all Building and Safety, and LACFD-I permits. MBL will pay plan check fees and LACFD-I fees. Contractor to pay all construction fees, Contractor business license fees, and any other City of Montebello permitting fees.

24.3. Compliance with Notices

The Contractor shall comply with and give notices required by laws, ordinances, rules, regulations, and lawful orders of public authorities bearing on performance of the Project.

24.4. Contract Document Compliance

It is not the Contractor's responsibility to ascertain that the Contract Documents are in accordance with applicable laws, statutes, ordinances, building codes, and rules and regulation. However, if the Contractor observes that portions of the Contract Documents are at variance therewith, the Contractor shall promptly notify the Project Manager and MBL in writing, and necessary changes shall be accomplished by appropriate modifications.

24.5. Performance of Work

If the Contractor performs work knowing it to be contrary to laws, statutes, ordinances, building codes, and rules and regulations without such notice to the Project Manager and MBL, the Contractor shall assume full responsibility for such work and shall bear the attributable costs. All costs for re-inspection shall be borne by the Contractor.

25. Inspection of Work

25.1. General

All work (which term in this Section includes services performed, material furnished or utilized in the performance of services, and workmanship in the performance of services) shall be subject to inspection and test by MBL to the extent practicable at all times and places during the term of the Contract. All inspections by MBL shall be made in such a manner as to not unduly delay the work. MBL shall have the right to enter the premises used by the Contractor for the purpose of inspecting and auditing all data and records, which pertain to the Contractor's performance under the Contract.

25.2. Non-conformance

If any work performed is not in conformity with the requirements of the Contract, MBL shall have the right to require the Contractor to perform the work again in conformity with such requirements at no increase in the total Agreement amount.

In the event the Contractor fails promptly to perform the work again, MBL shall have the right, either by contract or otherwise, to have the work performed in conformity with the Agreement requirements and charge to the Contractor any costs to MBL that are directly related to the performance of such work, or terminate the Agreement for default as provided in Section 19.

26. Safety Precautions and Programs

26.1. Contractor Responsibility

The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions in connection with the performance of the Contract. The Contractor shall take reasonable precautions for safety of, and shall provide reasonable protection to prevent damage, injury, or loss to: employees on the Project and other persons who may be affected thereby; the Project and materials and equipment to be incorporated therein, whether in storage or off the site, under care, custody or control of the Contractor or the Contractor's subcontractors; and other property at the site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities not designated for removal, relocation or replacement in the course of construction.

26.2. Safety Plan

To ensure that these precautions are taken, the Contractor shall prepare and submit to the MBL Representative a Safety Plan written specifically for the Project. The Safety Plan shall be submitted to and approved by the MBL Representative prior to any construction activity commencing at the Project site.

27. Uncovering and Correction of Work

27.1. Uncovering

If a portion of the Project is covered contrary to the Project Manager's request or to the requirements specifically expressed in the Contract Documents, it must, if required in writing by the Project Manager, be uncovered for the Project Manager's observation and be replaced at the Contractor's expense without change in the Contract Time or Contract Price.

27.2. Rejection by MBL of Work Completed

The Contractor shall promptly correct work rejected by MBL, or work failing to conform to the requirements of the Contract Documents, whether observed before or after Substantial Completion and whether or not fabricated, installed, or completed. The Contractor shall bear all costs of correcting such rejected work, including additional testing and inspections.

27.3. Removal of Excess Material or Work

The Contractor shall remove from the site portions of work, which are not in accordance with the requirements of the Contract Documents and are neither corrected by the Contractor nor accepted by MBL.

28. Tests and Inspections

28.1. Requirements

Tests, inspections, and approvals of portions of the Project required by the Contract Documents or by laws, ordinances, regulations, or orders of public authorities having jurisdiction shall be made at an appropriate time. Unless otherwise provided, the Contractor will arrange for all, building inspections. All required Deputy Inspections and material testing will be arranged for by the Contractor. The Contractor is responsible for determining when and where all material tests, building inspections, and Deputy Inspections are required per the local jurisdiction requirements. Contractor shall bear all related costs of material tests and, Deputy Inspections and approvals. Tests or inspections conducted pursuant to the Contract Documents shall be made promptly to avoid unreasonable delay in the Project.

28.2. Additional Testing

If MBL or other public authorities having jurisdiction determine that portions of the Project require additional testing, inspection, or approval not included in Subsection 28.1, the Project Manager will, upon written authorization from MBL, make arrangements for such additional testing, inspection, or approvals, and will give timely notice of when and where the tests and inspections are to be made.

28.3. Non-conformance

If such procedures for testing, inspections, or approval under Subsections 28.1 and 28.2 reveal non-conformance of the portions of the Project to comply with requirements established by the Contract Documents, the Contractor shall bear all costs necessary to bring the said portions into conformance including those of costs associated with repeated material testing and inspection.

28.4. Required Certificates

Required certificates of material testing, and Deputy Inspection shall, unless otherwise required by the Contract Documents, shall, upon receipt, be forwarded to the Project Manager and Contractor.

29. Conflict of Interest

No member of the management staff of MBL shall participate in the selection, or in the award or administration of the Agreement if a conflict of interest, real or apparent, would be involved. Such a conflict is determined in accordance with the Conflict of Interest Code adopted by the MBL.

MBL's management staff shall neither solicit, demand nor accept from any person anything of a pecuniary value for or because of any action taken or to be taken, in the performance of their duties.

Contractor covenants that both itself and its principals and its subcontractors presently have no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement.

30. Organizational Conflict of Interest

Prior to entering into this Agreement, Contractor is required to inform MBL of any real or apparent organizational conflict of interest. Such organizational conflict of interest exists when the nature of the work to be performed under the Agreement may, without some restriction on future activities, result in an unfair competitive advantage to Contractor, or may impact Contractor's objectivity in performing the work under the Agreement.

31. Americans with Disabilities Act

Contractor shall ensure that the Station constructed under the terms of this Agreement meets the applicable Standards for Accessible Transportation Facilities, Appendix A to 49 C.F.R. Part 37.

32. Indemnification and Insurance

32.1. Indemnification

Contractor shall defend, indemnify and hold MBL, its Members, officials, officers, volunteers, agents, and independent contractors who serve as MBL officers, officials, or staff (hereinafter referred to as "Indemnities") free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any negligent acts, omissions or willful misconduct of contractor, its officials, officers, employees, agents, Contractors and contractors arising out of or in connection with the performance of the Services and this Agreement, including without limitation reimbursement of damages and reasonable attorneys fees and other related costs and expenses. Contractor shall reimburse Indemnities' reasonable defense costs, at Contractor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against Indemnities. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against Indemnities in any such suit, action or other legal proceeding. Contractor shall reimburse Indemnities for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Indemnities.

32.2. Insurance

Contractor shall, at its expense, 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 Agreement by the Contractor, its agents, representatives, employees or subcontractors. Contractor shall also require all of its subcontractors to procure

and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

32.2.1. Minimum Scope of Insurance

Coverage shall be at least as broad as the latest version of the following: (a) General Liability: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (b) Automobile Liability: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (c) Workers' Compensation and Employers' Liability: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

32.2.2. Minimum Limits of Insurance

Contractor shall maintain limits no less than: (a) General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (b) Automobile Liability: \$1,000,000 per accident for bodily injury and property damage; and (c) Workers' Compensation and Employer's Liability: Workers' compensation limits as required by the Labor Code of the State of California with Employers Liability limits of \$1,000,000 per accident for bodily injury or disease.

32.2.3. Insurance Endorsements

The insurance policies shall contain the following provisions, or Contractor shall provide endorsements on forms supplied or approved by MBL to add the following provisions to the insurance policies:

32.2.4. General Liability

The general liability policy shall be endorsed to state that: (a) MBL, its Members, directors, officials, officers, agents, volunteers, and independent contractors who serve as MBL officers, officials, or staff (hereinafter referred to as Additional Insureds) shall be covered as additional insureds with respect to the services or operations performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work; and (b) the insurance coverage shall be primary insurance as respects the Additional Insureds, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the Additional Insureds shall be excess of the Contractor's insurance and shall not be called upon to contribute with it.

32.2.4.1. Automobile Liability

The automobile liability policy shall be endorsed to state that: (a) MBL, its Members, directors, officials, officers, agents, volunteers, and independent contractors who serve as MBL officers, officials, or staff (hereinafter referred to as Additional Insureds) shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible; and (b) the insurance coverage shall be primary insurance as respects the Additional Insureds, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the Additional Insureds shall be excess of the Contractor's insurance and shall not be called upon to contribute with it.

32.2.4.2. Workers' Compensation and Employers Liability Coverage

The insurer shall agree to waive all rights of subrogation against MBL, its Members, directors, officials, officers, agents, volunteers and independent contractors who serve as MBL officers, officials, or staff, for losses paid under the terms of the insurance policy, which arise from work performed by the Contractor. Workers Compensation Insurance shall contain endorsements equivalent to State Compensation Insurance Fund endorsements #2507 (waiver of subrogation), #0015 (additional insured employer), and #2065 (30-day notice of cancellation). Endorsements #2507 and #0015 shall name MBL and its Members.

32.2.4.3. All Coverages

Each insurance policy required by this Agreement shall be endorsed to state that: (a) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to MBL; and (b) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to MBL, its directors, officials, officers, agents, volunteers and independent contractors who serve as MBL officers, officials, or staff.

32.2.4.4. Separation of Insureds; No Special Limitations

All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of

protection afforded to MBL, its members, directors, officials, officers, agents, volunteers, and independent contractors who serve as MBL officers, officials, or staff.

32.2.5. Deductibles and Self-Insurance Retentions

Any deductibles or self-insured retentions must be declared to and approved by MBL. Contractor shall guarantee that, at the option of MBL, either: (A) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects MBL, its members, directors, officials, officers, agents, volunteers, and independent contractors who serve as MBL officers, officials, or staff; or (B) the Contractor shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

32.2.6. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VIII, licensed to do business in California, and satisfactory to MBL.

32.2.7. Verification of Coverage

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

32.2.8. Notice of Suite or Action Filed

The Contractor shall give MBL immediate notice of any suit or action filed or prompt notice of any claim made against MBL arising out of the performance of this contract. The Contractor shall furnish immediately to the MBL copies of all pertinent papers received by the Contractor. If the amount of the liability claimed exceeds the amount of insurance coverage, the Contractor shall authorize representatives of MBL or the Federal Government to collaborate with counsel for the insurance carrier, if any, in setting or defending such claim.

33. General Provisions

33.1. Cooperation; Further Acts

The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

33.2. Attorney's Fees

If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

33.3. Time of Essence

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

33.4. MBL's Right to Employ Other Contractors

MBL reserves right to employ other Contractors in connection with these Services.

33.5. Successors and Assigns

This Agreement shall be binding on the successors and assigns of the Parties, and shall not be assigned by Contractor without the prior written consent of MBL.

33.6. Assignment or Transfer

Contractor shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of MBL. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. Contractor's shareholders shall not transfer, sell, exchange, assign or divest themselves of interests in Contractor in such a way as to give majority control of Contractor to any persons, or entities other than the majority controlling interest therein as of the date of this Agreement without the prior written consent of MBL.

33.7. Construction; References; Captions

Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not workdays. All references to Contractor include all personnel, employees, agents, and subcontractors of Contractor, except as otherwise specified in this Agreement. All references to MBL include its elected officials, officers, agents, volunteers and independent contractors who serve as MBL officers, officials, or staff except as otherwise specified in this Agreement. The captions of the various sections and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

33.8. Amendment; Modification

No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

33.9. Waiver

No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise. In no event shall the making by MBL of any payment to Contractor constitute or be construed as a waiver by MBL of any breach of covenant, or any default which may then exist on the part of Contractor, and the making of any such payment by MBL shall in no way impair or prejudice any right or remedy available to MBL with regard to such breach or default. The failure of MBL or the Contractor to enforce one or more of the terms or conditions of the Agreement or to exercise any of its rights or privileges, or the waiver by MBL of any breach of such terms or conditions, shall not be construed as thereafter waiving any such terms, conditions, rights, or privileges, and the same shall continue and remain in force and effect as if no waiver had occurred.

33.10. No Third Party Beneficiaries

There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

33.11. Invalidity; Severability

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

33.12. Authority to Enter Agreement

Contractor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

33.13. Counterparts

This Agreement may be signed in counterparts, each of which shall constitute an original.

33.14. Exhibits; Precedence

The following documents are applicable to this Agreement in the following order of precedence in the event of conflict of any of their terms, and are contained herein or incorporated by reference:

1. Terms and Conditions as set forth in this Agreement.
2. Contractor's Best and Final Offer dated xxxxxl xx, 2010.
3. Contractor's Proposal dated xxxxl x, 2010.
4. All addenda to Request for Proposals 10-06 issued by MBL.

5. MBL's Request for Proposals 10-06, including, but not limited to, the technical requirements set forth in Exhibit A thereto.

33.15. Entire Agreement

This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may not be amended, nor any provision or breach hereof waived, except in a writing signed by the Parties which expressly refers to this Agreement.

PART III – TECHNICAL SPECIFICATIONS

34. General Intent

Contractor shall design, build, acquire permits, construct, operate and maintain the Station. All Contractor furnished equipment shall be new and un-used. Contractor shall successfully test the Station upon completion to confirm compliance with all specifications and contractual conditions listed herein. The Station will be located at MBL-400 South Taylor Ave, Montebello, CA 90640-5057. The Station will provide CNG fueling for the MBL CNG bus fleet located at the facility.

35. Technical Specifications

35.1. General

The following requirements in this Section have been limited to operational and technical related matters directly associated with the design, engineering, fabrication, permitting, installation, testing, operation, and maintenance of the facilities.

35.2. Project Goals and Objectives

The intent or purpose of the project is for the Contractor to design, engineer, fabricate, permit, install, test, warrant, operate, and maintain the new CNG fueling station facilities at the MBL Facility. The CNG fueling station shall be built on MBL's property and shall have the capability of fueling in a 7 hour period 30 heavy-duty transit buses to a temperature compensated 3600 psi pressure on a daily basis. The CNG facility will be constructed in the designated locations identified on the attached layout (Project Plans and Bid Forms). The Contractor will utilize a 3" diameter steel underground natural gas supply pipeline to be installed by Southern California Gas Company between the future Southern California Meter Set Assembly (MSA) at the South West corner of the property. (All cost shall be included in the project bid). The CNG fueling facilities must be constructed with minimum impact to the facility normal operations. The CNG fueling facilities must have minimum impact on surrounding neighbors and property owners relative to safety hazards, noise, liquid waste, and odors.

The Contractor is required, however, to design and install modifications to the existing bus fueling island, inspection pit, bus wash and chassis wash canopy, necessary to meet the Uniform Fire Code and Title 08 (2001 draft), as interpreted by the Montebello Building/Safety Department, and the Montebello and Los Angeles County Fire Department. It is the Contractor's obligation to determine all of the appropriate regulations. The Montebello Fire Department (MFD) has indicated that a gas collection shroud with a gravity ventilator exhaust above each dispenser should be considered.

For more details see the layouts listed below which should be used as a reference guide in design layout plan of the complete facility. These are contained in the Project Plans and Bid Forms section.

<u>Drawing Number</u>	<u>Title</u>
S-1	Layout
S-2	Site Photographs
P-1	Flow Schematic
E-1	Electrical One Line As Built and Area Electrical Classification

35.3. MBL's Responsibility

MBL will provide the following specific services in support of the project:

- 35.3.1. Complete set of as built Montebello facility project drawings.
- 35.3.2. Coordination during the design phase.
- 35.3.3. Approval of the final location of the compressor system and components. The contractor is to determine the exact configuration within the designated CNG compound area.
- 35.3.4. Approval of all project permit conditions imposed by city, county and state agencies.
- 35.3.5. Approval of all vendor equipment selected by the Contractor.
- 35.3.6. Approval of all project schedules and milestones.
- 35.3.7. Monitoring progress during the project permitting phase.
- 35.3.8. Periodic inspection during construction.
- 35.3.09. Approval of final acceptance and start-up testing for performance and function verification.
- 35.3.10. Upon completion of the project and during testing, all labor, and supporting resources to operate the CNG dispensers during bus filling operations on a daily basis.

- 35.3.11. Coordinate the installation of the natural gas MSA and associated service line extension as well as pay for associated costs, if any.
- 35.3.12. Construction Management.

35.4. Contractor's Responsibility

The Contractor shall be responsible for planning, designing, engineering, drawings, specifications, permitting, equipment, fabrication, installation, construction, and operation/maintenance of the complete CNG fueling station.

Additional responsibilities include the following:

- 35.4.1. Submittal of all detailed drawings, specifications, calculations, and all other related documents required for permit acquisition, scheduling permit inspections, and final signoff of permits.
- 35.4.2. Obtaining the new CNG station "Permit to Operate."
- 35.4.3. Purchase and install all CNG station components, such as two each skids with one 500 scfm compressor enclosed in each skid.
- 35.4.4. Purchase all CNG compressors as CNG compatible for 99.999% purity gas.
- 35.4.5. Coordinate with MBL to minimize disruptions to bus operations.
- 35.4.6. Conduct tests to insure the complete fueling station meets or exceeds the performance specifications criteria.
- 35.4.7. Contractor shall work with Southern California Edison to install appropriate electrical power supply and included all costs and anticipated cost for the installation and transformer required to support load levels.
- 35.4.8. Connection of Southern California Gas MSA to the natural gas supply line to the compressor compound. Connect the outlet end of the underground gas supply line to the dryer suction.
- 35.4.9. Install gas detection monitors, collection shrouds and gravity ventilators above each dispenser at the overhead canopy.
- 35.4.10. Replace the existing light fixtures mounted on the fuel island, Bus Wash Building, brake inspection pit and chassis wash area, with explosion proof lights (LED) of equal intensity. Contractor is to use the most efficient lighting available that will provide the same illumination as the current light fixtures.

35.4.11. Install removable barriers, around a secured gated enclosure for the proposed CNG compound site per.

35.4.12. Provide Internet based website access for MBL monitoring of the CNG station operating systems including dispenser operation.

35.4.13. As built drawings at the completion of the project to be provided to MBL in the forms as follows but not limited to:

- AUTO CAD 2000,
- BOUND HARD COPY
- CD.

35.4.14. Provide **6 BOUND** copies of Operations and Maintenance manuals containing CNG station operating procedures and vendor equipment.

35.4.15. Detailed training programs for MBL staff.

35.4.16. Obtain California Environmental Quality Act (CEQA) and Conditional Use Permit (CUP) Modification approvals for the project from the City of Montebello.

35.4.17. Natural gas supply pipeline from the gas utility service connection for the compressor system to the compressor compound.

35.5. Vehicle Fuel/Natural Gas Supply

A high pressure natural gas supply, minimum of 10 psig, and meter set assembly (MSA) will be installed by Southern California Gas Company at the northwest corner of the property. Contractor will coordinate the installation of the MSA and associated service line extension as well as pay for associated costs, if any.

Contractor shall confirm with Southern California Gas Company the actual suction pressure available and the level of oil, water, and other contaminants in the gas. Contractor shall design the compressor system to remove contaminants to the necessary level in order for the equipment to meet the performance specifications and the CNG Operational Requirements in Subsection 35.8. Contractor is responsible for ensuring the oil, water, particulates, and other contaminants do not exceed maximum specifications. Contractor shall guarantee that 3600 psig CNG temperature compensated to 70 F will be delivered at the dispenser nozzle outlet meeting the following minimum requirements:

1. Oil level less than 0.5#/MMSCF per ASTM Standard J 1616
2. Water level less than 0.5#/MMSCF

Contractor's guarantee shall extend to the full base 5-year life of the operations and maintenance agreement with MBL. Contractor shall test the compressed gas at the nozzle for oil and water every three (3) months during the base 5-year period of operation and maintenance service.

35.6. Summary of Work

The following is a general list that includes, but is not limited to, significant components in the project. The list is only to be used as a guide by the Contractor to determine a complete list of the final detailed scope of work.

35.6.1. Become familiar with the MBL Facility existing bus fueling and queuing operations.

35.6.2. Become familiar with MBL's CNG bus fueling operations requirements.

35.6.3. Verify location of gas connection, pressure available and gas supply quality. Contact information Southern California Gas.

Mike Bolin
NGV Account Executive
Southern California Gas Company
Ph: (213) 244-5115
Cell: (213) 200-1585
mbolin@semprautilities.com

35.6.4. Determine the electrical power requirement including voltage and amperage and meters from Southern California Edison. Contact information SCE.

Cassandra D. Jones
Southern California Edison
Planner II
Compton Service Center
Ph: (310) 608-5085
FX: (310) 608-5033
cassandra.jones@sce.com

35.6.5. Complete a preliminary plot plan, routing plan, and flow schematic for the compressor compound area and the fuel dispensing area, and obtain MBL approval before proceeding with detailed design and engineering. The plot plan and schematic shall include major components, compressor, lighting, grounding, barrier protection, separation fencing, equipment configuration and location, and emergency shutdown devices.

35.6.6. Develop the final design development documents consisting of the plot plan, flow schematic, fueling curve, and schedule, and obtain MBL's approval.

- 35.6.7. Prepare final designs, calculations, drawings, vendor specifications and construction specifications.
- 35.6.8. Secure all permit approvals and present evidence to MBL.
- 35.6.9. Acquire, procure and fabricate new components for the complete fueling station including an "**Optional**" de-fueling station to recover CNG fuel from a bus.
- 35.6.10. Complete construction of the CNG fueling station, including foundations, fencing, electrical systems, lighting, grounding, paving and grading, safety signs, and a gas detection and alarm system with a remote monitoring annunciator panel.
- 35.6.11. Conduct system performance testing to confirm the system meets all mechanical, electrical, quality, and CNG fuel delivery specifications.
- 35.6.12. Train MBL on site personnel (Montebello facility service Contractor and MBL personnel) on the mechanical, electrical, and safety equipment operation of the station.
- 35.6.13. Train local Fire officials on all aspects of CNG fueling, maintenance, emergency response, system deactivation and isolation, and safety equipment operation of the CNG station.
- 35.6.14. Deliver on spec CNG fuel at 10 DEG/minute at 3600 psi (temperature compensated) simultaneously to each of the two dispenser fueling nozzles for filling MBL's buses.
- 35.6.15. Ensure Southern California Gas Company (SCGC) supply all of the gas for CNG bus filling and operation of the gas engine drives.
- 35.6.16. Supply all of the power for the motors and the entire CNG station from an independent, external source directly from Southern California Edison.
- 35.6.17. Provide operations and maintenance service for the CNG station over the base 5-year Agreement period.

35.7. Special Requirements

All design and engineering calculations, drawings and specifications must be stamped and signed by Registered Engineers in the State California for a specialty appropriate for the work being approved. The pre-fabricated compressor skids, dryers, electric drive motors and other major components, which are designed and manufactured per US codes and standards including

appropriate stamps and labels, must be approved by the City of Montebello. All remaining construction activities must be performed by Contractors and subcontractors bonded and licensed in the State of California. Contractor will be required to obtain a City of Montebello Business License.

All high-pressure gas tubing and piping shall be completed only by Contractor personnel specially trained by the tubing manufacturer. Each Contractor person working on high-pressure tubing and piping shall have a certificate from the manufacturer denoting attendance at a training class.

All Contractor welders shall be certified to weld stainless steel pipe and carbon steel pipe for high- pressure gas service per ANSI B 31.3 criteria.

35.8. CNG Operational Requirements

35.8.1. General

The following requirements are provided to offer the Contractor a general guidance for the design of the CNG fueling station. The final product must be proven to be capable of producing a performance that is equal to or exceeds the Performance Specification in Section 37 of this Exhibit.

35.8.2. Codes And Standards

The system shall be designed in full compliance with the latest edition of the applicable sections of the following codes, standards, and guidelines. Where conflict exists, CONTRACTOR shall follow the most stringent or the direction of the Authority Having Jurisdiction (AHJ).

- American National Standards Institute (ANSI)
- American Society of Testing Materials (ASTM)
- American Institute of Steel Construction (AISC)
- American Welding Society (AWS)
- National Institute of Standards and Testing (NIST)
- California Code of Regulations (CCR)
- California Environmental Quality Act (CEQA)
- Uniform Building Code (UBC)
- Uniform Fire Code (UFC)
- National Fire Protection Association (NFPA)
- National Electric Code (NEC)
- South Coast Air Quality Management District (SCAQMD)
- American Concrete Institute (ACI)
- National Electrical Manufacturers Association (NEMA)
- Underwriters Laboratory (UL)
- Factory Mutual (FM)
- American Gas Association Natural Gas Vehicle (AGA-NGV)
- International Approval Services (IAS)
- Instrument Society of America (ISA)

- Society of Automotive Engineers (SAE)
- American Petroleum Institute (API)
- State of California Department of Health and Safety - Title 8 Article 7

35.8.3. Scope of Work

The scope of work for the project includes the planning, design, engineering, drawings, specifications, permitting, equipment, fabrication, installation, construction, and operation/maintenance for the complete CNG fueling station for a base period of five-(5)-years. The CNG compressor station general site layout was determined, and the underground gas supply line will be installed in coordination with the Contractor and SCGC.

For the purpose of outlining the technical requirements, the scope of work has been divided into the following categories:

1. System Requirements
2. Environmental Requirements
3. Safety Requirements
4. CNG Compressors and Compound Equipment, including secured fencing
5. Fueling Station Dispensers and Fuel Management System
6. Gas Detection System
7. Performance Testing
8. Training
9. Operations and Maintenance Services
10. Drawing and Specification Requirement

35.8.4. System Requirements

The station is to be located at the City of Montebello, Transportation Department 400 South Taylor Ave. Montebello, as shown on layout S-1 A and B. The station shall be capable of operating off a 3" inlet gas-line with a minimum line pressure of 13-psi, during the winter months and 40 PSI in the summer months, and shall supply compressed natural gas to the pump station at 3600 PSI. The station pumps are estimated to be 307 feet from station.

The station shall have a minimum of two-(2) completely brand new, separately skid mounted, completely enclosed electric driven 500 scfm compressors each, both totaling 1000 scfm. Skids shall have enough ventilation to maintain cooling of all components to manufactures specifications, and meet a maximum noise level of 70 db, standing out side the compressor skid at any point around the skid. The skid shall have stainless steel outer door openings on both sides of compressor skid, for ease of preventative maintenance and repair. The support

frames shall be galvanized not painted for longevity and low maintenance. Oil drain shall be located on the exterior of the skid for ease of draining. Doors shall have locks and heavy duty knobs.

- 35.8.4.1. Compressors, shall be Ariel JG/4 500 scfm compressors, or approved equal and may require a booster to ensure the system can maintain operation off the line pressure provided by SCG, both totaling 1000 scfm, or approved equal. If a compressor boost is necessary contractor shall specify. Compressor shall be set in the skid in such away that it minimizes repairs for ease of maintenance or other unforeseen concerns. The CNG compressors shall be designed to delivery enough fuel and be capable of fueling 30 CNG transit buses. Each bus will be filled to 3600 psig temperature compensated to 70 F in a 7 hour night time period with an average of 55 DEG (Diesel Equivalent Gallon) per bus. On board CNG capacity of each bus is 17,500 scf @ 70 F.
- 35.8.4.2. Electric drive motors, shall be Baldor premium efficiency 460 volts, 60Hz, 250 HP, 1780 rpm. ECP4008T-4 or approved equal, and incorporate Baldor, model MN850, Digital Soft-Start, or approved equal. This will provide a smooth motor acceleration to full speed, and required by Southern California Edison.
- 35.8.4.3. Coalescent filters, the system shall have twin coalescent filters to remove oil, reference Parker Hannifin, part number J2SD-4CWC11-035 or approved equal and incorporate Differential Pressure Gauges, reference Parker Hannifin, part number DPI-25 on each end of the coalescent filters for ease of troubleshooting and determine when to replacement the filter elements.
- 35.8.4.4. Cooling fans, skids shall incorporate high efficiency brushless cooling fan motors used to maintain system temperature inside enclosure.
- 35.8.4.5. Vessels, storage of CNG, shall be CP Industries, or approved equal with a 24 year minimum life span and require only painting every five-(5)-years. There shall be a minimum of three to four storage vessels, and sized to 23ft long by 6.5 inches wide each vessel and shall be stacked, contractor shall determine appropriate number. CNG spheres may also be used to minimize the footprint required; however they must meet RFP specifications.

- 35.8.4.6. Dryer of CNG, shall be a Xebec-fully automatic heat reactivated twin tower natural gas dryer, model 200HRBNGX, or approved equal. Dryer system shall be capable of displaying dryer status and alarms at all times, on a large easy to read LCD text display. System shall be energy efficient fully automatic and maximize desiccant regeneration, and shall be designed for continuous duty cycles. System shall operate on a minimum of a 3" FLG with 10 psig.
- 35.8.4.7. Gas Detector, each skid/station shall incorporate gas detection and include in the skid a virtually maintenance free infrared hydrocarbon gas detector. Gas detector shall be designed for harsh environments, be continuous self-testing and automatically indicate faults, and be connected to a digital display transmitter, connected to the main operator interface to be located at the Corporate Shop Supervisors Office. Reference SE Sensor Electronics, model 3500, with SEC Millennium Infrared Hydrocarbon Gas Detector incorporated with SEC 3100 Universal Transmitter.
- 35.8.4.8. CNG station location shall have barriers and fencing with a large sliding gate for ease of replacing parts and large enough for a vehicle/forklift, and also include an emergency pedestrian exit gate. Fencing shall be Iron Fencing, hot dip galvanizing, 8 ft overall height. Tubing/Slates shall be square, 1.5" flat top, with 4" gap between tubing/slates. Support rails between posts, used to secure Square Tubing/Slates shall be 3" square tubing and posts shall be 4" square tubing. Rolling gate, of same material to match fencing, with two ball bearing 4" wheels reference Grainger item# 1UBN1, with an estimated size of 15' wide and 8' feet tall, overall matching fence height. Gate height shall include wheels and surface mounted steel guide rail, when measuring rolling gate to match height of fencing. A pedestrian walk through gate, egress toward parking lot, shall be of same material and match the fencing, and include a heavy duty keyed lock, reference, Grainger, Item No. 2XZH5 . Bollards shall be 43" in height and 24" wide. Bollards shall be placed on the exterior of the fence and spaced enough to prevent a vehicle from damaging fence. Bollards, facing the North Fencing shall be removable, as well as fencing in this section.
- 35.8.4.9. The fueling of buses shall take place at the fuel island, which is estimated to be 307 feet from the CNG station location. The fueling of vehicles shall include two one hose stand alone transit style CNG dispensers on each fueling lane, which shall

be located with-in a five feet radius to MBL's existing Diesel and Unleaded pumps.

35.8.4.10. Fueling dispensers – shall incorporate single-line dispenser that meters out put of the CNG and provides you a display on both sides of the dispenser. Dispensers shall incorporate a breakaway Sherex in-line, Sherex CT 5000 nozzle, manual shut off valve for emergency, ASME relief valve, parker finite J6 filter, grade 4 element, 6000 psi, oil filled gauge, pit box to support dispenser, electronic back lighted display. Reference one hose stand alone Transit CNG dispensers: ANGI International, 5000 Series or TGT (Tulsa Gas Tech) T7104-12CNG50. Both dispensers shall be installed on the existing fueling island; one on each inside fueling lane. Fill time per bus for 30 buses: 7.1 minutes per bus or 8 buses per dispenser hose per hour. The seven one (7.1) minute time frame is based on fueling nozzle connection at the beginning of the fill to the fuel nozzle disconnection at the end of the fill (i.e., the fill time excludes the time to queue the bus). Maximum bus fill rate is 4000 scfm.

35.8.4.11. Fueling dispenser system shall be fully automated and controlled by a new fuel management system (FMS). MBL will be replacing the current E-Fueling technologies FMS. **THE CURRENT FUEL MANAGER SYSTEM SHALL BE UPGRADED WITH A NEW FUEL MANAGER SYSTEM AND INCLUDE THE ADDITION OF A FUEL MANAGER CONTROLLER HEAD ON THE SOUTH SIDE OF THE FUEL ISLAND.**

The fuel island currently has one Fuel Manager Controller head, located on the North side of the island, for both fueling lanes. The Control Unit (ICU) device, located of the fuel island, is used to turn fuel dispensers on and off, monitor fuel dispensed, recognized authorized media, and interface with existing dispensers (Input of City vehicle number will turn on hose associated with that vehicle). The current fuel Manager shall be replaced with a new FMS with HID Proximity Reader and Wifi capability for vehicles that will have Wifi modules. The North and South fueling lanes shall be wired to operate the lane for which it is associated with. For example: The FMS on the North Fuel Island shall control the Diesel, Unleaded, CNG as well as engine oil, ATF and coolant dispensers. HID and Wifi shall be used to activate dispensers for vehicles equipped with Wifi modules and or vehicles which are assigned HID proximity key fobs. The South side of the fuel island shall have a new FMS installed to function the same as the North side of the island controlling Diesel, Unleaded, CNG, engine oil, ATF and coolant dispensers, with in its vicinity.

The up-grade of the current Fuel Manager, on North and South side of the fuel island, shall follow best practices from the appropriate Fuel Manager, that is submitted as part of the bid. Montebello Bus Lines would like contractor to reference the following fuel managers or approved equal that meet the GSA pricing schedule and or National Joint Powers Alliance (NJPA). Please refer to the following two vendors:

- Fuel Master, Ron Sawvel, District Manager, 918 Cell: (909) 921-5526 part of NJPA._Contract #052109-SYS Fuel Master Model # 3500 AIM 2
- Fuel Focus, Joseph Basile, 121 Chestnut Drive, Quakertown, PA 18951. joseph.basile@assetworks.com Cell: (610) 228-0120 has the GSA pricing. Contract Number: GS-35F-4731G. Fuel Focus Model # RFC-2500

Fuel manager system shall include the following:

- 2 ea. Fuel Manager Terminal-8 hose includes: weather proof stand with key pad
- 2 ea. Key fob/HID reader mounted to front panel of FM
- 2 ea. Wireless communication card, to identify Vehicles
- 16 ea. Hose controller cards for Diesel, Gasoline, CNG and Eng. Oil, ATF Coolant
- 1 ea. Veeder-Root fuel tank monitoring interface card, to read and access fuel levels and tank alarms.
- UPS power conditioner
- 2 ea. Nozzle Transponders for Diesel
- 2 ea. Nozzle Transponders for Unleaded
- 2 ea. Nozzle Transponders for CNG
- 1 ea. Software/Fleet Integration License to/for SQL server MS 2005 server
- 6 ea. Single Stage Solenoid/Pulser 1" NPTF fittings (for oil, ATF and Coolant) to replace existing Pulsers used for the named products.
- 250 ea. HID/Key fobs
- 81 ea. Vehicle ID boxes to turn on pumps/fluids wirelessly with fill tube antenna, and necessary programmer if needed.
- Shipping costs
- 5-Year warranty on Software/upgrades, parts and support

System shall include spare parts, minimum of 10% to ensure minimal down time and include: Key pad, LCD Assembly, Main Board Assembly, Modem board, Pedestal I/O board, HID card reader

The following shall also be included in the pricing of the system:

- Kick-off meeting
- Project management
- Vehicle module installation training
- Installation and configuration of software
- Set-up training
- Operations Training
- Installation of site hardware

WARRANTY. The manufacturer shall warrant software and all parts and include shipping cost of all equipment supplied for a period of five-(5)-years. The warranty shall include software upgrades, parts replacement, and assistance with troubleshooting, and shall include the cost of a technician that shall be dispatched at contractor's expense to Montebello to identify and correct concern, if MBL can not correct the issue with phone support.

Note:

- Contractor shall provide itemized cost for all items listed above when submitting proposal.
- Conduit for electrical for this project is already in place.
- New Fuel Manager Location has been identified and conduit is in place.
- All electrical is home run from each dispenser and future Fuel Manager and current fuel manager to the gutter box.
- Pulsars already exist and shall be replaced with new for Engine Oil, ATF and Coolant.

35.8.5. Environmental Requirements

Environmental permitting required shall be contractor's responsibility to obtain CUP Modifications and CEQA permits from the City of Montebello for the CNG project.

Repair garage building modifications are not included in this project.

35.8.6. Safety Requirements

Contractor shall be familiar with safety in design, construction, and startup for a CNG station. Contractor shall submit the following to MBL during the course of the project for MBL's approval:

- A complete drawing and specification package with dedicated safety drawings related to system safety signs and safety labels.
- A plan for CNG station and fueling systems startup and debug.
- Checklist for testing safety equipment and alarms before startup.
- Safety audit upon completion of the project.
- Final walk thru with the LACFD-I and California Title 8 officials at the completion of the project.
- Permit to Operate posted at the site at all times during the contract.
- Material Safety Data Sheet (MSDS) posted at the compressor compound and the fueling island.

35.8.7. CNG Compressors and Compound Equipment.

The following is provided for Contractor consideration in the design, construction, operation, and maintenance of CNG compressors:

- 35.8.7.1. Down time on any one compressor shall not reduce CNG fuel available so that the entire fleet cannot complete fueling in the 7 hour fueling window as shown in Section 37 Performance Specifications.
- 35.8.7.2. The compressors, regardless of the type, make or configuration, number of stages, piston direction, must be new and capable of meeting all of the operational requirements in Section 37 Performance Specifications.
- 35.8.7.3. Compressors shall be a standard type of compressor and must have parts available within a day, reference Ariel JG/4-4 compressors (www.arielcorp.com).
- 35.8.7.4. The compressor drivers shall be electric. Reference Baldor premium efficiency 460 volts, 60Hz, 250 HP, 1780 rpm. ECP4008T-4 or approved equal, and incorporate Baldor, model MN850, Digital Soft-Start, or approved equal. This will provide a smooth motor acceleration to full speed, and required by Southern California Edison.
- 35.8.7.5. Compressor skids shall have minimum vibration during operations. The vibrations shall be within the acceptable tolerance per API 618. It is the Contractor's responsibility to meet this requirement.

- 35.8.7.6. Each compressor skid including, but not limited to, the driver, inter-stage heat exchangers, pulsation vessels, blow down vessels, liquid separation tanks, filter/ coalescers, gages and related piping and tubing shall be housed in a weatherproof and acoustically lined metal enclosure. The noise level immediately outside any point of the CNG compound separation wall shall be < than 75 dbA.
- 35.8.7.7. Each compressor skid enclosure must be transportable over highways and freeways.
- 35.8.7.8. Each compressor skid must be sufficiently ventilated to prevent overheating and adequately sized for operations and maintenance access.
- 35.8.7.9. Each compressor enclosure skid shall have a gas detector with alarm set at 25% of the Lower Explosion Limit (LEL) as approved by the LACFD-I. An alarm and warning system with a white strobe light must be installed on each compressor skid for local notification and connected to the Montebello Maintenance Supervisor's office. Reference SE Sensor Electronics, model 3500, with SEC Millennium Infrared Hydrocarbon Gas Detector incorporated with SEC 3100 Universal Transmitter.
- 35.8.7.10. All equipment including the compressor skids, gas dryer, CNG ASME storage vessels, control panels, gas meter set assembly and all auxiliary equipment shall be stored within the designated storage area.
- 35.8.7.11. If pneumatic controls are used, the CNG system will have its own compressor and dryer system that will be installed in the compound.
- 35.8.7.12. Emergency shutdown switches (mushroom type with reset) shall be installed on each compressor enclosure, between 25 feet and 75 feet from dispenser(s), and between 25 feet and 75 feet from the defueling panel.
- 35.8.7.13. Provide explosion proof lights (LED) inside and outside of each compressor enclosure. The lighting level ten feet from the light inside the compressor skid shall be 30-foot candles. Provide a manual switch control next to the enclosure access door.

- 35.8.7.14. Provide compressor compound site lighting (LED) by using the existing lights on the Bus Wash Building. Replace the light fixtures with explosion proof rated lights approved by the AHJ.
- 35.8.7.15. All new CNG piping shall be welded 304L or 316L stainless steel piping or tubing except the suction piping between the utility gas connection and the compressor suction connection flange. All welders shall be certified per ASME and ANSI codes.
- 35.8.7.16. Contractor shall provide the suction piping to connect the supply piping to the compressor suction. The suction piping will be ASTM A -106 Gr B seamless carbon steel piping and will be welded. All welders shall be certified per ASME and ANSI codes.
- 35.8.7.17. Provide twin tower regenerative gas dryer with 4000 scfm capacity rated to remove from 10 to 15 pounds per MMscf of water down to 0.5 pounds per MMscf or 5 ppm meeting the requirements of SAE J1616. Reference Xebec-fully automatic heat reactivated twin tower natural gas dryer, model 200HRBNGX, or approved equal
- 35.8.7.18. Provide fire extinguishers and safety signage required by NFPA 52 and the LACFD-I.
- 35.8.7.19. Compressor compound shall blend into existing paint color scheme if painting is needed.
- 35.8.7.20. Provide grounding for the each of the compressor compound components and the fueling island components.
- 35.8.7.21. Provide Material Safety Data Sheets.
- 35.8.7.22. Contractor shall provide twin coalescent filters with gauges at the inlet and outlet to verify inlet CNG Fueling Station Dispensers and Fuel Management System There are 2 fueling lanes at the existing fueling island with 2 existing diesel/gasoline dispensers on each island. Contractor is to leave existing diesel/gasoline dispensers in operation during the project construction. Contractor shall install two (2) new one hose stand alone transit CNG dispensers, reference Tulsa Gas Technologies, Inc. (www.tulsagastech.com).

35.9. Specifications Applicable to each CNG Fueling Lane

35.9.1. The dispenser design and configuration along with a photograph of the design shall be submitted to MBL with the Contractor's bid.

35.9.1.2. The fueling lanes shall be equipped with 1ea one hose stand alone Transit CNG dispensers, reference TGT, model TGT-T7104-12CNG50.

35.9.1.3. The existing Dispenser controls on North Side of fuel island, from E Fueling Technologies, shall be upgraded, and a new Dispenser control added to the south side of fuel island to incorporate the CNG dispensing and Diesel and Unleaded fuel controls. The upgrade shall include:

- 1 ea. P/N# 2450-009 Display 2 line assembly for FM use. Includes BI power cable.
- 1 ea. P/N# 2025-230-002 Power Supply RF
- 1 ea. P/N# 2025-208-006 Front Panel Extender-Wiegand
- 1 ea. P/N# 2025-015 RF Mux
- 1 ea. P/N# 1419-002 Fuel Manager front door assembly, replacing the existing door.
- 1 ea. P/N# 2002-015-W HID Prox Reader Wiegand
- 1 ea. P/N# 2025-015 RFMux Trande in.
- 1 ea. P/N# 5500-006 Pulser Coolant
- 8 ea. P/N# 4550-003 Single Stage Solenoid/Pulser 1" NPTF fittings 8
- 4 ea. P/N# 5500-005 Oil Pulser
- 2 ea. P/N# 2002-015-W HID Prox Reader Wiegand
- 2 ea. P/N# 2025-200-8-R2 New 8 Hose Relay Board with AC Pulser Input and Fuses
- 2 ea. P/N# 2025-009-006 Dispenser Control Module (DCM) Mark II
- 5 ea. P/N# iNet Modem Ethernet Network TCP/IP
- 26 ea. P/N# 2025-068 Vehicle Data Modules-J1708
- 26 ea. P/N# 1200-155-25 VDM Antenna's 25ft
- 300 ea. P/N# 1346 HID ProxKey II Fob
- 1 ea. P/N 1401-226 Fuel Manager with stand, 8 Hose with 8 channel RF Mux. Placed on the south side of fuel island.
- 5 days P/N# 9501-101 Factory start up and commissioning
- 5 days P/N# 9501-002 Travel Expense
- 1 ea. P/N# 9500-103 Onsite Tech Support

Note: All controls shall be designed for the appropriate electrical classification.

- 35.9.1.4. The dispensers shall be installed with a minimum clearance of no less than 5 feet from the overhead lube hoses. The overhead lube hoses are suspended underneath the overhead canopy.
- 35.9.1.5. The dispensing hoses will be structurally supported and shall be retractable so that the hose will not encroach on the bus lane driving space when not in use.
- 35.9.1.6. Each of the two dispensing hoses shall be rated for 10 DEG/min, 5000 psig, a length of 12 feet and electrically bonded for grounding
- 35.9.1.7. Hoses shall be connected to an AGA-NGV or equal approved breakaway device. Breakaway device shall not cause damage to the mechanical connections or the hoses when activated.
- 35.9.1.8. Oil carryover and water content shall meet the Performance Specifications included in Section 37.
- 35.9.1.9. CNG flow to the bus must be stopped when the pressure reaches 3600 psig temperature compensated. The fill pressure must never exceed 4200 psig.
- 35.9.1.10. Dispensing control will be through the upgraded, existing E Fueling Technologies panels. The emergency shutdown system shall shutdown the fueling panels and the control lights.
- 35.9.1.11. Any faulty condition identified shall be annunciated on the display panel on the compressors and on the remote monitoring system.
- 35.9.1.12. Contractor shall provide a gas leak detection/monitoring system and warning light with a canopy vent approved by the LACFD-I at the high point of the island canopy. Provide warning and alarm signal locally at the island and remotely to the Maintenance Supervisor's office
- 35.9.1.13. Dual 6000 psig pressure gages shall be provided at each dispenser nozzle.
- 35.9.1.14. Each dispenser shall have an Emergency Shutdown Device (ESD) located within 5 feet of the dispenser fuel control panels. The ESD, when activated, shall shutdown all compressors, automatically disconnect all electrical power

except the gas detection system, close the gas supply valves, close all compressor discharge valves, and cutoff all CNG to the dispensers

35.9.1.15. All relief valves and valve vents shall be designed per NFPA and API standards for weather protection, with date and set pressure labels.

35.9.1.16. Provide an ESD adjacent to the existing diesel/gasoline ESD

35.9.1.17. Install and configure the Multi-Force card reader for remote fuel monitoring in the Maintenance Supervisor's office.

35.10 Fire Protection/Gas Detection System

A gas leak detection/monitoring and warning system shall be installed at the compressor compound, for the compressor skids and the general area, and at the CNG fueling island area. The system must meet the requirements of Uniform Fire Code and be approved by the LACFD-I prior to installation.

35.10.1. System shall consist of UL or LACFD-I approved gas detection system with audio and visual alarms in accordance with NFPA 72 and 72E.

35.10.2. Each sensor shall have an amber light to indicate alarm with proper piping and instrumentation for calibration in place.

35.10.3. The gas detection system is to be connected to the Montebello facility emergency power supply and UPS systems and will be fully functional during a power outage or ESD activation.

35.10.4. Each compressor will have a 100 DBA warning horn and a white strobe light 10 feet above the compressor enclosure and connected to the overall detection system. All components shall meet area electrical classification requirements

35.10.5. The levels of annunciation shall be included on an annunciator panel in the Maintenance Supervisor's office.

35.10.6. The compressor facilities main control panel shall record system shutdowns, either via PLC or otherwise, caused by the 50% LEL alarms

35.11 Startup and Debug/Performance Testing

Contractor shall develop a comprehensive plan for system startup including number of test CNG buses for filling, various system testing protocols, utility support, and vendor resources planned for the event. Contractor will submit this plan to MBL 48 hours prior to startup for review of both the startup plan and the performance test plan. Contractor will be allocated 1 week in the schedule to get

the system operational and complete performance tests. Any equipment failures or safety incidents during this period will be the sole responsibility of the Contractor. MBL will provide CNG buses for test filling purposes and will provide personnel to connect the CNG fueling nozzles to the CNG buses only. MBL will have its' Montebello Facility mechanics and electricians available on standby to the Contractor in case there are questions or issues regarding existing facilities. Performance tests will be conducted in the following manner:

35.11.1. The fueling rate at the two (2) transit style dispensers must be tested simultaneously, to prove that it equals or exceeds the rate in the Section 4 Performance Specifications.

35.11.2. The entire CNG fueling station must show that it can fill 16 buses in 1 hour under typical operating conditions for four (4) consecutive days without any problems, alarms, shutdowns, and/or deficiencies. A complete four (4) day retest is required if a failure occurs in the four (4) day test period.

35.11.3. The gas detection and monitoring systems shall be tested by releasing a small quantity of natural gas next to each sensor in the compressor compound area and at the fueling island dispenser area, and observing gas detection system activation and shutdowns. The LACFD-I shall approve this testing.

35.11.4. Each of the ESDs must be tested independently to prove that it works properly.

35.11.5. The backup emergency power systems must be tested to prove that the gas detection and emergency system still function in a power outage.

35.11.6. The noise and odor levels shall be tested to ensure they are within specifications.

35.11.7. The compressed gas in the filter coalescers and at the dispenser nozzle should be checked for water and for lube oil.

35.11.8. Provide dryer testing for water removal and regenerate the dryer to check performance.

35.12. Drawings and Specification Requirements

Contractor shall produce all necessary detailed drawings and specifications in Auto CAD 2000, to permit and construct the facilities. This drawing package should contain as a minimum the following:

The generic list below is a summary of the drawings that must be completed and approved by MBL prior to permitting and construction. The three CAD drawings

provided by MBL of the plot plan, flow schematic, and electrical system can be included with these Contractor drawings, at the discretion of the Contractor.

<u>Drawing No.</u>	<u>Drawing Title</u>
1. CS	Cover Sheet
2. C-1	Facility Site Plan
3. C-2	Site Plan – CNG Station
4. M-1	Flow Schematic Diagram
5. M-2	Piping & Instrumentation Diagram
6. M-3	Piping and Equipment Plan
7. M-4	Piping Sections and Details Sheet 1 Compressor Area
8. M-5	Piping Sections and Details Sheet 2 Dispenser Island
9. S-1	Foundation Plan and Details – Compressors/Vessels/Dryer
10. S-2	Enclosure Wall Plan and Details
11. S-3	Foundation Plan and Details – Dispenser Post, Micro Motion Panel and Electrical Panels
12. E-1	Electrical Single Line Diagram & Panel Schedule
13. E-2	Electrical Plot Plan
14. E-3	Electrical Grounding Plan and Details
15. E-4	Electrical Controls Schematics
16. E-5	Electrical Details
17. SS-1	Safety Signs – Sheet 1
18. SS-2	Safety Signs – Sheet 2
19. FPGD-1	Fire Protection/Gas Detection System
20. FPGD-2	Fire Protection/Gas Detection System

35.13 Construction Specifications

The generic list below is a summary of the construction specifications that must be completed and approved by MBL prior to permitting and construction.

35.13.1. Special Conditions

- 35.13.1.1 Scope of Work
- 35.13.1.2. Major Equipment to be Installed
- 35.13.1.3. Materials

- 35.13.1.4. Material Handling and Storage
- 35.13.1.5. Site Conditions and Utilities
- 35.13.1.6. Company Representative and Contractor's Personnel
- 35.13.1.7. Construction Schedule
- 35.13.1.8. Safety and Work Conditions
- 35.13.1.9. Repairs of Damaged Property
- 35.13.1.10. Testing and Inspection
- 35.13.1.11. Drawings

35.13.2. Concrete, Masonry and Earthwork

- 35.13.2.1. General
- 35.13.2.2. Concrete and Masonry
- 35.13.2.3. Concrete Masonry Enclosure Wall
- 35.13.2.4. Earthwork, Trenches and Excavations
- 35.13.2.4. Installation
- 35.13.2.5. Concrete Testing
- 35.13.2.6. Finishes

35.13.3. Mechanical and Piping

- 35.13.3.1. General
- 35.13.3.2. Design Conditions
- 35.13.3.3. Pipe Specifications
- 35.13.3.4. Tubing Specifications
- 35.13.3.5. Installation of Mechanical Equipment
- 35.13.3.6. Fabrication, Handling and Storage
- 35.13.3.7. Welding
- 35.13.3.8. Coating and Wrapping
- 35.13.3.9. Strength Testing and Inspection
- 35.13.3.10. Purging and Pressurizing

35.13.4. Electrical and Electronic Controls

- 35.13.4.1. General
- 35.13.4.2. Applicable Codes
- 35.13.4.3. Materials
- 35.13.4.4. General
- 35.13.4.5. Cable and Wire
- 35.13.4.6. Grounding
- 35.13.4.7. Material
- 35.13.4.8. Conduit
- 35.13.4.9. Conduit Fittings
- 35.13.4.10. Concrete for Duct Banks

- 35.13.4.11. Cable and Wire Terminations
- 35.13.4.12. Enclosures
- 35.13.4.13. Equipment Mounting
- 35.13.4.14. Installation Requirements
- 35.13.4.15. General
- 35.13.4.16. Connections and Controls
- 35.13.4.17. Identification and Labeling
- 35.13.4.18. Testing
- 35.13.4.19. Fixtures, Breaker, Switches, Buttons, Etc.
- 35.13.4.20. Enclosures and Supports
- 35.13.4.21. Underground Conduits
- 35.13.4.22. Above Grade Conduit
- 35.13.4.23. Grounding

35.13.5. Gas Detection and Safety Equipment

35.13.6. Painting and Coatings

35.13.7. Miscellaneous

36. Operations and Maintenance Services

36.1. System Monitoring and Alarms

The CNG station monitoring and alarm system must be operational at all times. Bypassing of alarms and shutdown systems will not be allowed without specific approval of MBL. The monitoring and alarm system shall be tested monthly preferably on Sunday during minimum bus operation. Flow, pressure and temperature gages must be checked every six months with an independent hand gage or other method to insure it is accurate. The ESD system shall be tested weekly and reset. Contractor shall provide MBL a copy of the report

36.2. Fuel Dispensing Area

The fueling panels, hoses, nozzles, and related fueling components shall be free from defects or wear, in good working order and free of detectable leaks. All valves, fittings, connections, and joints in piping shall be leaked tested with a gas detector every three months. All leaks shall be immediately repaired. Each of the two dispenser meters shall be calibrated to 2% accuracy. This is necessary for MBL to monitor fuel efficiency of its CNG bus fleet.

36.3. CNG Compressor Compound Area

Each compressor and related controls, hardware, and de-fueling equipment shall be free from defects or wear, in good working order and free of detectable leaks. Waste oil and other disposable liquids shall be stored in the proper containers and removed and emptied once per week in a safe and legal manner per MBL's requirements.

36.4. Gas Detection and Warning System

The gas detection system shall be free from defects or wear, in good working order and free of detectable leaks. If the system is down for maintenance and the CNG system must be operated, the Contractor must first notify MBL, and then must assign a dedicated person with a radio or cell phone specifically to observe the operating condition of the entire CNG system and sound the alarm in case of emergency. Excessive odors resulting from testing the gas detection system is unacceptable. The detection system shall be calibrated and tested every three months, preferably on a Sunday when the facility is at reduced activity.

36.5. Record Keeping and System Monitoring

Contractor shall set up an Internet website using a high-speed cable line for the Montebello Facility CNG station. This is to monitor and keep all records listed herein concerning the CNG station operations and maintenance. The site shall be updated daily with a direct link for response from MBL. The compressor compound modems, the gas detection systems annunciator panel, and the bus dispenser card readers shall be linked directly to the website so MBL can monitor the system.

37. Performance Specifications

37.1. Fuel Delivery

For 30 CNG buses by 2012 consuming 1650 DEG per day over a 7 hour fueling window for a 7 hour period starting at 5 PM. Average DEG requirement is 440 DEG/hr. Average bus fill is approximately 55 DEG per night. Required 7.1 DEG/minute per hose for the 2 transit style dispensers ~ 8 buses/hour must be filled to capacity. Max fill pressure must be temperature compensated to – 3,600 psig @ 70o F

37.2. Gas Quality

Maximum lube oil content < 0.5 pounds per MMscf (10 ppm) at the compressor skid discharge or dispenser nozzle. Water content < 0.5 pounds per MMscf (-100 F @ 3,600 psig) at the dryer discharge. Odorant level - gas detectable <1/5 LEL at the dispenser nozzle.

37.3. Operations and Maintenance

Maximum downtime twelve-month period < 48 hours

One emergency breakdown per month for max of 4 hours per incident

Local service < 1 hours of emergency call.

6 PM-3 AM- respond 1 hr/fix 3 hrs 3 PM- 6 PM –respond 2 hrs/fix 2 hrs

Parts ~ 12-month warranty or manufactures warranty, which ever is greater period. Spare parts must be available < 24 hours.

Noise level < 70 dbA @ at east property line; 75 dbA at enclosure wall

Minimum odor, liquid, and vapor fugitive emissions.

Gross CNG station redundancy or contingency required by MBL is 1.3 based on fuel system capability versus fuel required in the bus fleet in the fueling window.

All Gas compressors shall be designed for both CNG and Hydrogen at 99.999% purity.

38. Notes

38.1. All costs or cost liabilities provided by the Proposer are binding, except as expressly stated otherwise. If Proposer's actual costs exceed those stated or implied, those excess costs shall be the responsibility of the Proposer.

38.2. Proposer's costs shall include all costs associated with design, construction, operation and maintenance of the CNG Facility including any and all costs related to installation and maintenance of utility connections and service.

38.3. One diesel gallon equivalent (DGE) = 1.4 therms.

39. Description of Price Proposal Form A Entries

Line 1: Cost to perform all required Contract operation & maintenance work, including profit and overhead. This line will represent unescalated costs during first year of Contract. Costs in subsequent years will be adjusted annually for inflation in accordance with the Contract. (Proposer to Provide).

Line 2: Electrical power demand of CNG facility under full-load conditions. (Proposer to Provide).

Line 3: Describe any other costs charged by Proposer. Other fixed costs in subsequent years will be adjusted annually for inflation in accordance with the Contract. (Proposer to Provide).

Line 4: All onetime costs associated with installation and commissioning of electrical service connections for CNG facility. Supporting documentation to be provided as an attachment to this Form. (Proposer to Provide).

Line 5: Total lump-sum capital cost for construction of CNG facility. Proposer to provide as an attachment to this form a cost breakdown based on the 16 Divisions of the CSI Master Format specification grouping system. (Proposer to Provide).

Line 6: Total of all onetime startup costs for construction of facility and related utility connections to be paid by MBL after successful facility startup and performance testing. (Proposer to Provide)

EACH PROPOSAL SHEET MUST BE COMPLETELY FILLED OUT AND SUBMITTED WITH THE PROPOSAL. THE PROPOSAL WILL BE DISQUALIFIED IF THE PROPOSAL SHEETS ARE ALTERED AND/OR IF ALL PROPOSAL SHEETS ARE NOT SUBMITTED WITH THE PROPOSAL.

PART IV – FEDERAL REQUIREMENTS

40. Instructions To Bidders

- 40.1. Compliance with Federal Requirements: This is a AARA federally funded project and requires compliance with all federal requirements: Federal Transit Administration (FTA) Grant Agreement, Part II - Section 102 (d)(1).
- 40.2. Federal Changes: CONTRACTOR shall at all times comply with all applicable FTA regulations, policies, procedures, and directives, including without limitation those listed directly or by reference in the Master Agreement (Form FTA MA (15) dated Oct. 1, 2008) between MBL and FTA, as they may be amended or promulgated from time to time during the term of this contract. CONTRACTOR's failure to so comply shall constitute a material breach of this contract.
- 40.3. Contract Security - Bid, Performance, and Payment Bonds: As security for the acceptance of a Contract, each bid shall be accompanied by a bid bond in the amount of ten percent (10%) of the bid, rounded to the nearest hundred dollars, drawn payable to the CITY. Bid bonds will be held until all bids submitted shall have been canvassed, and the bids have either been rejected in whole, or in part, or the award of the Contract or Contracts has been made.

Bid bonds will be returned to unsuccessful bidders within ten (10) days of written notice of award of a Contract. The bid bonds of the CONTRACTOR will be held until a Contract is duly executed. If the CONTRACTOR to whom a Contract shall have been awarded refuses to execute the Contract and to furnish the specified performance bond within fifteen (15) days after the award of the Contract, the amount of the bid deposit shall be forfeited to and retained by the CITY as liquidated damages of such neglect or refusal.

As required, CONTRACTOR shall furnish at the time of execution of the Contract, at its own expense, a Faithful Performance Bond payable to the CITY in the amount of one hundred percent (100%) of the full amount of the Contract as a guarantee of good faith on behalf of the CONTRACTOR that the terms of the Contract shall be complied with in every particular. Such performance bond shall be in effect during the full term of the Contract, until Final Acceptance.

CONTRACTOR, at its sole expense, at the time of execution of the Contract, shall deposit with the CITY a Labor and Materials Payment Bond issued by a surety acceptable to the CITY and naming the CITY as the sole beneficiary of an amount equal to fifty percent (50%) of this Contract's total price in the event CONTRACTOR fails to pay its employees, sub-contractors, material men, or others supplying CONTRACTOR with labor or materials under this Contract. Said bond shall also require such surety to defend the CITY against any claims or causes of action arising out of CONTRACTOR's said failure to pay, whether such claims or actions are instituted before administrative, quasi-judicial, or judicial bodies.

Bonds must be posted with the CITY as follows:

- Bid Bond - 10% of the bid, submitted with the bid.
- Faithful Performance Bond - 100% of contract amount, submitted at execution of contract.
- Payment Bond - 50% of contract amount, submitted at execution of contract.

Only bonds issued by companies which are rated "A-" or better in the "Best Rating Guide," "The Best Key Rating Guide to Property Casualty Companies," and/or rated in the "Federal Register Circular 570," 1984 Revision (or most recent addition) will be accepted. Failure to submit acceptable bonds will be cause of rejection of bid.

Attorneys-in-fact who sign bonds or payment bonds and performance bonds must file with each bond a certified and effective dated copy of their power of attorney.

- 40.4. Execution of General Contract: The Contract shall be signed by the successful Proposer and returned, together with the specified payment and performance contract bonds, within ten (10) working days after the Contract has been mailed or otherwise delivered to Proposer. No Contract shall be considered as in effect until it has been fully executed by all of the parties thereto. Failure to execute the Contract and file acceptable bond within ten (10) working days after the Contract has been mailed or otherwise delivered to the successful Proposer shall be just cause for the cancellation of the award and the forfeiture of the proposal guaranty which shall become the property of MBL not as a penalty, but in liquidation of damages sustained. Award may then be made to the next responsive and responsible Proposer, or the work may be re-advertised as MBL may decide.

41. Addenda / Interpretation / Substitution / Approved Equals

- 41.1. Approvals, Approved Equals, Deviations: All proposals shall be in strict compliance with the requirements and Technical Specifications of this proposal, including the provisions herein regarding "approved equals" and "deviation". Where a feature, component, or item is specified by brand name in these provisions, the words "or approved equal" will apply. Where the approval of MBL is specifically required by these provisions in connection with a particular feature, or if the Proposer proposes to submit a proposal containing "approved equals" or "deviations" from specific requirements of these provisions, the Proposer shall submit written requests at least ten (10) working days prior to the date and hour of the proposal opening and be accompanied by an itemized comparison of the proposed substitution with the products specified or named by Addenda, and by the enclosed **Product Evaluation Questionnaire**. The questionnaire must be completely filled out for consideration.

- 41.2. Proposals shall be submitted containing any such approvals, approved equals or deviations as are specifically approved and confirmed in writing by MBL. Each proposal must be accompanied by documentation regarding any such approvals granted by MBL for that proposal. Any unapproved deviations, exceptions, substitutions, alternates, or conditional qualifications contained in a proposal may be cause for its rejection.
- 41.3. It should be understood that specifying a brand name, components and/or equipment in this provision shall not relieve the CONTRACTOR from his responsibility to produce the product in accordance with the performance warranty and contractual requirements. The CONTRACTOR is responsible for notifying MBL of any inappropriate brand name, component and/or equipment that may be called for in the provisions.
- 41.4. Manufacturer's Experience: Wherever it may be written that an equipment manufacturer must have a specified period of experience with his product, equipment which does not meet the specified experience period can be considered if the equipment supplier or manufacturer is willing to provide a bond deposit for the duration of the specified time period which will guarantee replacement of that equipment in the event of failure.
- 41.5. Contractor Responsibility for Materials and Accessories: The CONTRACTOR shall assume responsibility for materials and accessories used in construction of the items, whether the same are made by the CONTRACTOR or purchased under sub-contract from an outside source.

42. Time Of Completion

- 42.1. Liquidated Damages (Delivery): MBL and the CONTRACTOR recognize that time is of the essence and MBL will suffer financial loss if the equipment or item is not fabricated and/or delivered within the time specified in the proposal. Instead of requiring any such proof of damages, MBL and CONTRACTOR agree that in case the item or equipment embraced in this proposal shall not have been completed due to the failure of the CONTRACTOR, MBL should recover said sum or sums of money, equal to the cost of engineering, inspection of work, and any additional and other expenses incurred from the CONTRACTOR, from the surety or from both. The amount of these deductions shall be assessed as liquidated damages, and are not to be considered penalties. For administrative purposes, \$750.00 per day, for every day beyond the specified date, as extended, shall be withheld as a special reserve to be applied as liquidated damages, if any, the amount of said damages to be determined as per the above mentioned method.
- 42.2. Time of Completion: The Contract time shall commence from the date stated on the Notice to Proceed as authorized in writing by MBL. The Project shall be completed within the time period specified in Section 3. In case the services under the terms of these provisions and related purchase contract shall be necessarily

delayed because of strike, injunctions, government controls, or by reasons of any cause or circumstances beyond the control of the CONTRACTOR, the time of completion shall be extended by a number of days to be determined in each instance by mutual agreement between CONTRACTOR and MBL.

43. Payment

43.1. A separate invoice, referencing the respective purchase order number, shall be issued in duplicate for each invoice shown in the payment schedule, and addressed to: **City of Montebello, Attn: Accounts Payable, 1600 West Beverly Boulevard, Montebello, California, 90640**. Any discount given will be taken on full amount of invoice, unless freight or other charges are itemized and discount thereon is specifically disallowed.

43.2. Payment will be made within thirty (30) days after acceptance and approval of invoice.

43.3. Payment Schedule: Monthly

Invoices may be furnished in accordance with the following schedule and reference CITY OF MONTEBELLO purchase order number. Such invoices shall detail the price of the delivered items, and applicable taxes on the purchase. The cost of the warranty and the cost of delivery shall be included in the proposal price. All labor costs, if any, shall be shown separately, i.e. installation.

Provide (1) One invoice monthly.

44. Civil Rights Requirements

During the performance of this Contract, the CONTRACTOR agrees as follows:

44.1. Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

44.2. Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:

(a) Race, Color, Creed, National Origin, Sex - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal

employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(b) Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § § 623 and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(c) Disabilities - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

(3) The Contractor also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

45. Disadvantaged Business Enterprise (DBE)

45.1. MBL Assurance: MBL shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any U.S. Department of Transportation (DOT)-assisted contract, or in the administration of its DBE Program.

MBL shall take all necessary and reasonable steps under Part 26, Title 49 of the Code of Federal Regulations (CFR), to ensure nondiscrimination in the award and administration of DOT-assisted contracts.

MBL's DBE Program, as required by 49 CFR Part 26, and as approved by DOT, is incorporated by reference in this contract.

Implementation of this DBE Program is a legal obligation and failure to carry out its terms shall be treated as a violation of this contract. Upon notification to MBL of its failure to carry out its approved program, the DOT and/or the Federal Transit Administration (FTA) may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986, as amended (31 U.S.C. 3801 et seq).

- 45.2. Annual Overall Goal: In accordance with 49 CFR Part 26, "Participation by Disadvantaged Business Enterprises in Department of Transportation Programs," the MBL is required to establish an annual overall goal for the participation of DBEs in all contracts utilizing federal financial assistance. For the current fiscal year, the MBL has established a DBE participation goal of one (1) percent.

MBL's annual overall goal represents the amount of ready, willing, and able DBEs that are identified as available to participate in contracting opportunities, and is reflective of the amount of DBE participation MBL would expect absent the effects of discrimination.

- 45.3. Contract Goals: MBL intends to meet its goal to the maximum extent feasible through race-neutral measures, including the encouragement of DBE participation on contracts which have no specific DBE goal. Where race-neutral measures are inadequate to meet the annual overall goal, MBL will establish specific contract goals for particular projects with subcontracting opportunities.

There is no DBE project goal established for this project. At this time (sponsor) will meet DBE goal on federally assisted projects through race neutral measures. (Sponsor) supports the use of race neutral measures to facilitate participation by DBEs and other small businesses, and encourages prime contractors to subcontract portions of their work that might otherwise perform with their own forces.

- 45.4. Good Faith Efforts: If a specific DBE participation goal is identified in the above Section (6.3), a proposer must demonstrate that it can meet this specified goal in the performance of this contract in order for the proposal to be determined a responsive proposal. If a proposer cannot meet the specified goal, the proposer must demonstrate that it performed sufficient good faith efforts to meet the goal. A proposer who is not responsive shall be ineligible for award of contract.
- 45.5. Determination of Good Faith Efforts: If the amount of DBE participation does not meet the contract-specific goal, the DBE Officer shall review the good faith effort report submitted by the proposer. The DBE Officer shall determine whether the proposer has performed the quality, quantity, and intensity of efforts that

demonstrates a reasonably active and aggressive attempt to meet the contract-specific goal.

The kinds of effort that will be considered demonstrative of "Good Faith Efforts" include, but are not limited to, the following: Whether the CONTRACTOR solicited through all reasonable and available means (e.g., attendance at pre-proposal meetings, advertising and/or written notices) the interest of all certified DBEs who have the capability to perform the work; whether the CONTRACTOR solicited interest within sufficient time to allow the DBEs to respond and, if appropriate steps were taken, to follow-up with interested DBEs; whether the CONTRACTOR selected portions of work to be performed by DBEs and, where appropriate, broke-out contract work items into economically feasible units to facilitate DBE participation even when the CONTRACTOR might otherwise prefer to perform these work items with its own forces; whether the CONTRACTOR negotiated in good faith with interested DBEs (evidence includes names, addresses, and phone numbers; description of information provided regarding plans and specifications; and evidence as to why additional agreements could not be reached); whether the CONTRACTOR made efforts to assist interested DBEs in obtaining necessary equipment, supplies, materials, or related assistance or services; whether the CONTRACTOR made efforts to assist interested DBEs in obtaining bonding, lines of credit, or insurance; whether the CONTRACTOR effectively used the services of available minority/women community organizations, contractors' groups, or other organizations to provide assistance; and whether other proposers on the procurement met the DBE goal.

- 45.6. Proposer's Right to Administrative Reconsideration: In the event that the DBE Officer determines that the responsible proposer has not met the contract-specific goal, and has not demonstrated good faith efforts, the DBE Officer will notify the proposer in writing. The notification shall explain the basis and include the reasons for the determination, and shall inform the proposer of its right to submit further written documentation or appear before the Reconsideration Official prior to the time that a recommendation for award of contract is presented to the City Council. (The Reconsideration Official is a CITY representative who did not take part in the original determination.) After reconsideration, MBL shall provide the proposer with a written decision. The result of the reconsideration process is not appealable by the proposer.

In the event that the Reconsideration Official finds that the proposer has not met the contract goal or demonstrated good faith efforts, MBL will deem said proposer not responsible and evaluate the proposer submitting the next proposal.

- 45.7. CONTRACTOR Compliance with MBL DBE Policy: It is the policy of MBL to ensure nondiscrimination in the award and administration of DOT-assisted contracts and to create a level playing field on which DBEs can compete fairly for contracts and subcontracts relating to MBL's construction, procurement, and professional services activities. To this end, MBL has developed procedures to

remove barriers to DBE participation in the proposal and award process and to assist DBEs to develop and compete successfully outside of the DBE program.

In connection with the performance of this contract, the CONTRACTOR will cooperate with MBL in meeting these commitments and objectives.

- 45.8. Required Proposal/Proposal Submittals: Proposer shall submit with proposal the following information for all participating firms: Firm name, firm address, firm status as a DBE or non-DBE, the age of the firm, and the annual gross receipts of the firm. **(Bidders List of Participating Firms)**

In addition, proposer shall submit within five days of proposal opening the names and addresses of all DBE firms that will participate in the contract; a description of the work that each DBE will perform; the dollar amount of the participation of each DBE firm; written documentation of commitment to use DBE Subcontractors whose participation the CONTRACTOR submits to meet the contract goal; and written confirmation from the DBE that it is participating in the contract as provided in the CONTRACTOR's commitment. **(Statement of Disadvantaged Business Enterprise Participation)**

MBL shall require that any DBEs listed by proposers for participation in the contract be certified as eligible DBEs. MBL will accept current certifications by METRO, the Small Business Administration, or other DOT federal financial assistance recipients, as appropriate. **Within five days of proposal opening, DBEs with current certification must attach a copy of their current Letter of Certification and a copy of their current Statement of Personal Net Worth.**

MBL will require any firm listed, but not currently certified as a DBE, to submit the proper certification information within five days of proposal opening in order to be included in the proposer's DBE achievement.

- 45.9. CONTRACTOR Assurance: Pursuant to 49 CFR Part 26, the CONTRACTOR is required to make the following assurance in its agreement with MBL and to include this assurance in any agreements it makes with subcontractors in the performance of this contract:

"The CONTRACTOR or Subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CONTRACTOR shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the CONTRACTOR or Subcontractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as MBL deems appropriate."

- 45.10. Prompt Payment to Subcontractors: The CONTRACTOR must pay Subcontractors for satisfactory performance of their contracts no later than 15

days from the receipt of payment made to the CONTRACTOR by MBL. Prompt return of retainage payments from the CONTRACTOR to the Subcontractor will be made within 15 days after the Subcontractor's work is satisfactorily completed.

Any delay or postponement of payment among the parties may take place only for good cause and with MBL's prior written approval. If the CONTRACTOR determines the work of the Subcontractor to be unsatisfactory, it must notify MBL's DBE Officer immediately in writing and state the reasons. Failure by the CONTRACTOR to comply with this requirement will be construed to be a breach of contract and subject to contract termination.

- 45.11. Reports of Payment to DBE Subcontractors: The DBE Officer will monitor the amount actually paid by the CONTRACTOR to Subcontractors, and will require the CONTRACTOR to provide monthly reports of payments to DBEs. A letter will be sent to the DBE Subcontractors to verify the dollar amount.

The amount awarded to the DBE, the amount paid to the DBE as stated by the CONTRACTOR, and the amount paid to the DBE as verified by the DBE, will be reported to the Federal Transit Administration (FTA).

- 45.12. Contract Change or Amendment: When a contract change or amendment is made, the CONTRACTOR will submit a statement to the DBE Officer regarding how the change may affect DBE subcontracting.

- 45.13. Reporting DBE Participation: The CONTRACTOR is required to report all DBE participation on their contract whether or not the contract contains a specified DBE goal. The CONTRACTOR is not to count participation of a DBE Subcontractor until the amount being counted has been paid to the DBE.

- 45.14. Counting DBE Participation toward the Contract Goal: Only the work actually performed by a DBE will be counted towards the DBE goal. The cost of supplies and materials obtained by the DBE or equipment leased (except from the CONTRACTOR or its affiliate) may also be counted.

- 45.15. Commercially Useful Function: Work that a DBE subcontracts to a non-DBE firm does not count toward DBE goals. Expenditures may only be counted if the DBE is performing a commercially useful function. A DBE should perform at least 30 percent of the total cost of its contract with its own work force. Decisions on commercially useful function are subject to review by the FTA, but are not administratively appealable to DOT.

If materials or supplies are obtained from a DBE manufacturer, 100 percent of the cost will be counted. If the materials and supplies are purchased from a DBE regular dealer, 60 percent of the cost will be counted.

- 45.16. DBE Replacement: The CONTRACTOR must make a good faith effort to replace a defaulting DBE Subcontractor with another certified DBE. The CONTRACTOR must immediately notify the DBE Officer of the DBE's inability to perform, and provide reasonable documentation. The CONTRACTOR must receive prior written approval on the substitute DBE from MBL. The CONTRACTOR will provide copies of new or amended subcontracts and copies of the substitute DBE's current Letter of Certification and current Statement of Personal Net Worth.

If the CONTRACTOR proposes to replace a DBE Subcontractor with a non-DBE, sufficient good faith efforts documentation must be provided. If the CONTRACTOR fails or refuses to comply in the time specified, MBL will issue an order stopping all, or part of, payment/work until satisfactory action has been taken. If the CONTRACTOR still fails to comply, MBL may issue a termination for default proceeding.

- 45.17. Evaluation of Proposals with DBE Goals: After the proposal opening, or submission of proposals, the DBE Officer shall evaluate all proposals with regard to the DBE requirements to determine a recommendation for award of contract. The responsible proposer, who also meets the contract-specific goal or demonstrates good faith efforts, shall be recommended for contract award. In the event that the proposer does not meet the contract-specific goal or demonstrate good faith efforts, the DBE Officer shall evaluate the next proposal.

46. Financial Assistance / Disclaimer of Federal Government Obligations

- 46.1. Financial Assistance: The items described in these provisions are to be purchased with assistance through a grant funded by the Federal Transit Administration under the Urban Mass Transportation Act of 1964. The CONTRACTOR shall comply with all applicable terms and conditions prescribed by the Federal Government for third party contracts.
- 46.2. Disclaimer of Federal Government Obligations: The Federal Government is not a party to this contract and has no obligations or liabilities to any contractors in connection with the performance of this project. The CONTRACTOR agrees to include this clause in each sub-contract.

47. Prohibited Interest

No Council member, officer, or employee of the City of Montebello or of a local Public Body during his/her tenure or for one year thereafter shall have any interest, direct or indirect, in this contract or the proceeds thereof. If any such interest comes to the knowledge of any party at any time, a full and complete disclosure of all such information will be made in writing to the other parties, even if such interest would not be considered a conflict of interest under Article 4 of Chapter 1 of Division 4 of Title 1 (Sections 1090-1097) of the Government code of the State of California.

48. Contractor Eligibility (Debarment, Suspension, Exclusion, Collusion)

- 48.1. In conjunction with the Office of Management and Budget and other affected Federal agencies, DOT published and update to 49 CFR Part 29 on 11/26/03. This government wide regulation implements Executive Order 12549, Debarment and Suspension, Executive Order 12689, Debarment and Suspension, and 31 U.S.C. 6101 note (Section 2455, Public Law 103-355, 108 Stat. 3327).

The provisions of Part 29 apply to all grantee contracts and subcontracts at any level expected to equal or exceed \$25,000 as well as any contract or subcontract (at any level) for Federally required auditing services. 49 CFR 29.220(b). These are contracts and subcontracts referred to in the regulation as "covered transactions."

This contract is a covered transaction for purposes of 49 CFR Part 29. As such, the CONTRACTOR is required to verify that none of the CONTRACTOR, its principals, as such defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945.

The CONTRACTOR is required to comply with 49 CFR 29, Subpart C and must include this requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.

By signing and submitting its proposal, the Proposer certifies as follows:

The certification in this clause is a material representation of fact relied upon by MBL. If it is later determined that the Proposer knowingly rendered an erroneous certification, in addition to remedies available to MBL, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The Proposer agrees to comply with the requirements of 49 CFR 29, Subpart C while this offer is valid and throughout the period of any contract that may arise from this proposal. The Proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

- 48.2. Affidavits are required to be completed by the CONTRACTOR and by all Sub-contractors declaring that the proposal is in all respects fair and without collusion or fraud. **(Non-Collusion Affidavit of Prime Bidder; Non-Collusion Affidavit of Sub-Contractor)**
- 48.3. A contract cannot be awarded to any vendor that is on the United States Comptroller General's list of ineligible Contractors. The potential Prime CONTRACTOR and all potential sub-contractors must complete the **Ineligible Contractors Form** regarding debarment for violations of public contracts incorporating Labor Standard Provisions.

49. Federal Prohibited Interest / Lobbying

- 49.1. Federal Prohibited Interest: No member of or delegate to the Congress of the United States shall be admitted to any share or part of this Contract or to any benefit arising therefrom {FTA Grant Agreement, Part II, Sec. 114 (m)}.
- 49.2. Lobbying: No Federal appropriated funds have been paid or will be paid, by or on behalf of the supplier/company, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, in connection with the awarding of any Federal Contract, the making of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal Contract, grant, loan, or cooperative agreement.

As a recipient of federal funds, MBL is required to certify compliance with the influencing restrictions and efforts of CONTRACTOR to influence federal officials regarding specific procurements in excess of \$100,000.00 that must be disclosed pursuant to Section 1352, Title 31 U.S. Code.

The successful offeror to this solicitation, and all Sub-contractors with contracts of \$100,000.00 or more, will be required to complete and submit to MBL the certification form entitled "**Certification of Restrictions on Lobbying**," whether or not any lobbying efforts took place. If the successful offeror, and/or primary Sub-contractor, did engage in lobbying activities, then OMB Standard Form LLL "Disclosure of Lobbying Activities" must also be completed and submitted to MBL. Form is available upon request.

50. "Buy America" Provision

- 50.1. Buy America: The Buy American requirement provides that federal funds may not be obligated for mass transportation projects unless steel, cement, and manufactured products used in such projects are produced in the United States. The requirement will not apply in the following four cases:
- A. When its application is against the public interest (as decided by the FTA Administration on a case-by-case basis).
 - B. When the required materials and products are not produced in the U.S. in sufficient quantities and of satisfactory quality.
 - C. When, in the procurement of buses and other rolling stock, the cost of the components which are produced in the U.S. is more than 60 percent of the cost of all components of the vehicle or equipment, and if the final assembly takes place in the U.S.
 - D. When the inclusion of domestic material will increase the over-all cost of the project Contract by more than 10 percent in the case of projects for the acquisition of buses and rolling stocks; and 25 percent in the case of all

other projects.

The Vendor, who seeks to establish grounds for an exception, must seek the exception, in writing, to the Purchasing Manager at least fifteen (15) days prior to proposal opening.

When a petition for investigation has been filed with FTA before award, MBL reserves the right to not make an award prior to the resolution of the investigation by FTA and when a request for investigation has been filed with FTA before the opening of proposals, MBL reserves the right to not open proposals prior to the resolution of the investigation by FTA.

The CONTRACTOR and all Sub-contractors with contracts of \$100,000 or more are required to certify compliance or non-compliance with this provision by submitting the attached **"Buy America Certificate"**, with the proposal.

51. Insurance

Insurance requirements are contained in Part II, Section 32 of the RFP document.

52. Qualifications of Proposers

52.1. Proposer shall be either manufacturers of the items proposed upon, or shall satisfy MBL of their ability to furnish the specified items. Only Proposer of established reputation, having proper facilities to provide the items called for in these provisions, shall be considered in making the award. **The attached References must be completed and submitted with the sealed proposal if the proposal is to be considered responsive.**

52.2. A Proposer must present evidence of experience, ability, service facilities and financial standing necessary to meet satisfactorily the requirements set forth or implied in the proposal. **The attached Proposer's Information, Qualifications Certification must be completed, notarized and submitted with the sealed proposal if the proposal is to be considered responsive.**

53. Drug-Free Workplace

The CONTRACTOR, and all Sub-contractors, must certify that they have a drug-free workplace and comply with Government Code Section 8355 (**Certification of Drug-Free Workplace**).

54. Remedies / Sanctions for Breach of Contract

MBL may terminate the contract if the successful offeror breaches the terms or violates the conditions of the contract, and does not within ten (10) days thereafter, cure such breach or violation. The successful offeror shall be liable for any and all costs incurred by MBL as a result of such default, including but not limited to re-procurement costs of the

same or similar services defaulted by the successful offeror under this Agreement {49CFR 18.36(i)(2)}.

55. Inspection and Retention of Records

The CONTRACTOR shall permit authorized representatives of MBL, the U.S. Federal Transit Administration, and the Comptroller General of the United States to inspect and audit all data and records of the CONTRACTOR relating to its performance and its sub-contracts under this contract from the date of the contract through and until the expiration of three years after completion of this contract, except in the event of litigation or settlement of claims arising from the performance of this contract, in which case CONTRACTOR agrees to maintain same until MBL, the U.S. Federal Transit Administration, and the Comptroller General of the United States, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. MBL retains ownership of all project documents and records maintained by the CONTRACTOR on behalf of MBL.

56. State Labor Provisions/ Labor Compliance/ Contract Work Hours and Safety Standards Act

56.1. Prevailing Wage Rates: Attention is directed to the requirement that no less than the Prevailing Wage Rates shall be paid on this project. Certified Payrolls on MBL-approved State forms are required for all workmen. Rates of pay will be current State of California, as shown in the "General Prevailing Wage Rate" Manual as determined by the State Director of Industrial Relations.

CONTRACTOR agrees to abide by the provisions of the State Labor Code {49CFR, 18.36 (I)(2)}, and to comply with the prevailing rates of wages and apprenticeship employment standards established by the State Director of Industrial Relations. FTA Grant Agreements, part II, section 119 (a).

Pursuant to the provisions of Section 1770 of the California Labor Code of the State of California, not less than the general prevailing rate of wages (which rate includes employer payments for health and welfare, vacation, pension and similar purposes) applicable to the work to be done, shall be maintained at all times during the course of the contract. These rates are made a part of this contract by reference. The Contractor shall comply with Section 177.5 of the Labor Code of State of California for all apprenticeable occupations.

56.2. Labor Compliance: It is the policy of MBL that all CONTRACTORS and Sub-contractors engaged in public works construction shall adhere to applicable laws and regulations. In accordance with this policy, for the duration of this contract, MBL shall institute a labor compliance program to monitor compliance. The CONTRACTOR shall cooperate fully with Labor Compliance monitoring efforts and the representatives engaged in this effort.

Because this project is subject to the provisions of State and Federal law governing public works contracts, all pertinent statutes and regulations are hereby incorporated by reference into this document as if set forth in their entirety, including Copeland Anti-Kickback Act requirements of 29 CFR part 3, Davis-Bacon and Related Act requirements of 29 CFR parts 1, 3, and 5, and Contract Work Hours and Safety Standards Act requirements of Section 107, 40 U.S.C. 333 and 29 CFR part 1926. CONTRACTORS and Sub-contractors by entering into, or performing work under, this project agree to comply with all provisions of the law that apply to public works. It is the responsibility of the CONTRACTOR to obtain and adhere to the latest edition of the statutes and regulations **including, but not limited to, the following:**

- Apprentices -- All apprentices employed on this project shall be bona fide apprentices registered with the State of California, Division of Apprenticeship Standards.
- Certified Payroll -- All CONTRACTORS shall submit weekly certified payroll records for all laborers and mechanics furnishing labor to the project not later than ten calendar days after the closed payroll period.
- Payment Of The Prevailing Wage -- The CONTRACTOR and all Sub-contractors under him shall pay not less than the specified prevailing wage rate to all workmen employed in the execution of the contract.
- Working Hours -- The CONTRACTOR shall pay workers employed on the contract not less than the appropriately specified straight time and overtime prevailing wages for all hours worked.
- Employee Interviews -- MBL, through its representatives, will conduct weekly on-site interviews of workers employed on the contract. The interviews shall be conducted without the interference or obstruction of the CONTRACTOR. No worker who is interviewed is to be threatened, coerced, or intimidated.

56.3. Violations: MBL will take cognizance of violations of the prevailing wage and public works laws committed during the course of this contract. Such evidence of violation may result in the assessment of penalties and forfeitures to the fullest extent allowed by law until compliance has been strictly effectuated. MBL may suspend or terminate a contract, or debar a CONTRACTOR from future contracts, for breach of the Labor Compliance Requirements.

56.4. Contract Work Hours and Safety Standards Act

56.4.1. Overtime requirements - No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such

laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

- 56.4.2. Violation, Liability for unpaid wages, Liquidated damages - In the event of any violation of the clause set forth in subparagraph (b) (1) of 29 CFR Section 5.5, the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (b) (1) of 29 CFR Section 5.5 in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (b) (1) of 29 CFR Section 5.5.
- 56.4.3. Withholding for unpaid wages and liquidated damages – MBL shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b) (2) of 29 CFR Section 5.5.
- 56.4.4. Subcontracts - The contractor or subcontractor shall insert in any subcontracts the clauses set forth in this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in this section.
- 56.5. Payrolls and basic records - (i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid

(including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

57. Cargo Preference

The CONTRACTOR agrees to the following clauses for the purchase of equipment, materials or commodities that may be transported by ocean vessel in carrying out the project:

- 57.1. To use privately owned United States-Flag commercial vessels to ship at least 50 percent of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers) involved, whenever shipping any equipment, material or commodities pursuant to the underlying contract to the extent such vessels are available at fair and reasonable rates for United States-Flag commercial vessels.
- 57.2. To furnish within 20 working days following the date of loading for shipments originating within the United States, or within 30 working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, "on-board" commercial ocean bill-of-lading in English for each shipment of cargo described in the preceding paragraph to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590, and to MBL (through the CONTRACTOR in the case of a Sub-contractor's bill-of-lading).

- 57.3. To include these requirements in all sub-contracts issued pursuant to this contract.

58. Clean Air / Water Pollution Control / Energy Conservation

The CONTRACTOR shall comply with the provisions of the Clean Air Act, as amended (42 U.S.C. 7401 et seq.), the Federal Water Pollution Control Act, as amended (33 U.S.C., 1251 et seq.), and all applicable and mandatory standards, policies, orders, or requirements issued pursuant to Federal statute or regulation relating to energy efficiency that are contained in applicable State energy conservation plans issued in compliance

with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.). CONTRACTOR is responsible for reporting any violations to MBL and understands and agrees that MBL will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.

The CONTRACTOR also agrees to include these requirements in each sub-contract exceeding \$100,000.

59. Recycled Products

The CONTRACTOR agrees to comply with all the requirements of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the regulatory provisions of 40 CFR Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 CFR Part 247. The CONTRACTOR also agrees to include these requirements in each sub-contract.

60. Access Requirements for Individuals with Disabilities

The Prime CONTRACTOR and all Sub-contractors on this project are required to comply with all applicable requirements of the Americans with Disabilities Act of 1990 (ADA), 42 U.S.C., sub section 12101 et seq.; section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C., sub section 794; section 16 of the Federal Transit Act, as amended, 49 U.S.C. app. sub section 1612; and the following regulations and any amendments thereto:

- A. U.S. DOT regulations, "Transportation Services for Individuals with Disabilities (ADA)," 49 C.F.R. Part 37;
- B. U.S. DOT regulations, "Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance," 49 C.F.R. Part 27;
- C. U.S. DOT regulations, "Americans with Disabilities (ADA) Accessibility Specifications for Transportation Vehicles," 49 C.F.R. Part 38;
- D. Department of Justice (DOJ) regulations, "Nondiscrimination on the Basis of Disability in State and Local Government Services," 28 C.F.R. Part 35;
- E. DOJ regulations, "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities," 28 C.F.R. Part 36;
- F. General Services Administration regulations, "Accommodations for the Physically Handicapped," 41 C.F.R. Subpart 101-19.

- G. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630;
- H. Federal Communications Commission regulations, "Telecommunications Relay Services and Related Customer Premises Equipment for the Hearing and Speech Disabled," 47 C.F.R. Part 64, Subpart F; and
- I. FTA regulations, "Transportation for Elderly and Handicapped Persons," 49 C.F.R. Part 609.

61. Safety and Health Regulation

- 61.1. Contract Work Hours and Safety Standards Act: The CONTRACTOR agrees to comply with Section 107 of the Contract Work Hours and Safety Standards Act, 40 U.S.C. Section 333, and applicable U.S. Department of Labor regulations, "Safety and Health Regulations for Construction" 29 C.F.R. Part 1926. Among other things, the Contractor agrees that it will not require any laborer or mechanic to work in unsanitary, hazardous, or dangerous surroundings or working conditions. The CONTRACTOR also agrees to include the requirements of this section in each subcontract.

62. Subletting or Assignment of Contract

- 62.1. The CONTRACTOR shall not sublet, sell, transfer, assign, or otherwise dispose of the Contract or any portion thereof, or of his right, title, or interest therein, without written consent of MBL. No Sub-contractor, or transfer of Contract, shall in any case release the CONTRACTOR of his liability under the Contract and Bonds.
- 62.2. The CONTRACTOR shall submit with his Proposal the name and address of each Sub-contractor he intends to employ, a description of the work which the Sub-contractor is to do, the dollar amount of each Sub-contractor contract, and such other information as may be required in order that MBL's approval may be obtained as to reliability and ability to perform the work (**Bidders List of Participating Firms**).

63. Sub-Contractors

- 63.1. Required Submittals for Sub-Contractors: The CONTRACTOR shall comply with the provisions of the "Subletting and Subcontracting Fair Practices Act" contained in Public Contract Code Sections 4100 et seq. Listings of all Sub-contractors performing work for the prime Contract shall be submitted and received with the CONTRACTOR's Proposal. Lists of Sub-contractors are a part of the proposal package, and failure to submit said listings might constitute the submittal of an incomplete proposal. Pre-printed forms are attached (**Bidders List of Participating Firms**).

63.2. Terms and Conditions Binding Upon Sub-Contractors: All terms and conditions contained in this Proposal shall be binding upon the CONTRACTOR's Sub-contractors. The CONTRACTOR shall enter into Contracts with its Sub-contractors and these Contracts shall contain these terms and conditions.

64. Program Fraud and False or Fraudulent Statements and Related Acts

The CONTRACTOR acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. 3801, et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this project. Upon execution of the underlying contract, the CONTRACTOR certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract of the FTA assisted project for which this contract work is being performed.

In addition to other penalties that may be applicable, the CONTRACTOR further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the CONTRACTOR to the extent the Federal Government deems appropriate.

The CONTRACTOR also acknowledges that if it makes, or caused to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. 5307, the Government reserves the right to impose the penalties of 18 U.S.C. 1001 and 49 U.S.C. 5307(n)(l) on the CONTRACTOR, to the extent the Federal Government deems appropriate.

The CONTRACTOR agrees to include the above two clauses in each sub-contract. It is further agreed that the clauses shall not be modified, except to identify the Sub-contractor who will be subject to the provisions.

65. Privacy Act

The CONTRACTOR agrees to comply with, and assures the compliance of its employees with, the information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. 552a.

The CONTRACTOR also agrees to include these requirements in each sub-contract.

66. Incorporation of Federal Transit Administration (FTA) Terms

The preceding provisions include, in part, certain Standard Terms and Conditions required by the U.S. Department of Transportation (DOT), whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1F, are hereby incorporated by reference.

Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this document. The CONTRACTOR shall not perform any act, fail to perform any act, or refuse to comply with any MBL requests which would cause MBL to be in violation of the FTA terms and conditions.

67. "Fly America" Requirements

The Contractor agrees to comply with 49 U.S.C. 40118 (the "Fly America" Act) in accordance with the General Services Administration's regulations at 41 CFR Part 301-10, which provide that recipients and sub recipients of Federal funds and their contractors are required to use U.S. Flag air carriers for U.S Government-financed international air travel and transportation of their personal effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by the Fly America Act. The Contractor shall submit, if a foreign air carrier was used, an appropriate certification or memorandum adequately explaining why service by a U.S. flag air carrier was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements. The Contractor agrees to include the requirements of this section in all subcontracts that may involve international air transportation.

68. Seismic Safety

The Contractor agrees that any new building or addition to an existing building will be designed and constructed in accordance with the standards for Seismic Safety required in Department of Transportation Seismic Safety Regulations 49 CFR Part 41 and will certify to compliance to the extent required by the regulation. The Contractor also agrees to ensure that all work performed under this contract including work performed by a subcontractor is in compliance with the standards required by the Seismic Safety Regulations and the certification of compliance issued on the project.

**CITY OF MONTEBELLO
TRANSPORTATION DEPARTMENT**

**COMPRESSED NATURAL GAS FUELING STATION
PROJECT**

AT

**TRANSPORTATION DEPARTMENT FACILITY
400 S. TAYLOR AVENUE**

IFB NO. 10-06

APPENDIX

BID SCHEDULE
FOR
COMPRESSED NATURAL GAS (CNG) FUELING STATION PROJECT
RFP NO. 10-06

TO THE CITY OF MONTEBELLO, as AGENCY

In accordance with AGENCY'S Notice Inviting Bids, the undersigned BIDDER hereby proposes to furnish all materials, equipment, tools, Certified & Licensed labor, testing services and incidentals required for the above stated project, as set forth in the Drawings, Specifications, Contract Documents, Permits, and addenda therefore, and to perform all work in the manner and time prescribed therein.

BIDDER declares that this Bid is based upon careful examination of the Project work site, Drawings, Specifications, Instruction to Bidders, and all other Contract Documents. If this Bid is accepted for award, BIDDER agrees to enter into a Contract with AGENCY, at the unit and/or lump sum prices set forth in the following Bid Schedule. BIDDER understands that failure to enter into a Contract in the manner and time prescribed will result in forfeiture to AGENCY of the guarantee accompanying this Bid. This bid may not be withdrawn within a period of sixty (60) calendar days after the date of its proper opening by AGENCY.

BIDDER understands that a bid is required for the entire work, that the estimated quantities (if any) set forth in the Bid Schedule are solely for the purpose of comparing bids, and that the final compensation under the Contract will be based upon the actual quantities of work satisfactorily completed. THE AGENCY RESERVES THE RIGHT TO INCREASE OR DECREASE THE AMOUNT OF ANY QUANTITY SHOWN AND TO DELETE ANY ITEM FROM THE CONTRACT. The BIDDER agrees that the unit and/or lump sum prices bid includes all applicable expenses, taxes, royalties, and fees. In the case of discrepancies the amounts bid, unit prices shall govern over extended amounts, and words shall govern over figures.

The evaluation of proposals will be based on the criteria specified in Section 9.2 of this RFP. It will be recommended that a Contract be negotiated with the proposer judged to be most outstanding in meeting the overall objectives of the RFP while providing the best value to the City of Montebello's Transportation Department, commonly known as Montebello Bus Lines or "MBL."

If awarded the Contract, the undersigned further agrees that in the event of the BIDDER's default in executing the required Contract, and filing the necessary bonds and insurance certificates within ten (10) working days after the date of the AGENCY's Notice of Award of Contract to the BIDDER, the proceeds of the security, accompanying this bid, shall become the property of the AGENCY, and this Bid and the acceptance hereof may, at AGENCY's option, be considered null and void.

TIME OF COMPLETION

The Contract time shall commence from the date stated on the Notice to Proceed as authorized in writing by AGENCY. The project shall be complete, and authorized by the Permitting Agencies to pump Gasoline & Diesel Bus Fuels, within the time period stated in the Notice to Proceed.

In case the work embraced in the Contract shall not have been completed due to the failure of the Contractor to complete the work within the time specified, AGENCY shall recover the sum of money, equal to the cost of additional engineering, construction management, inspection, and other Project Work-a-round expenses incurred, from the Contractor and/or the Surety. The dollar amount of these deductions shall be assessed as liquidated damages, and are not to be considered as completion penalties. Administratively, **\$1,500.00** per calendar day, for every calendar day beyond the contract completion date or completion date as extended, will be withheld as a special reserve to be applied as liquidated damages, if any, the amount of said damages shall be determined as outlined above.

FURTHER CONDITIONS

The undersigned as bidder hereby certifies that it is aware of the applicable requirements of the Williams – Steiger Occupational Safety and Health Act of 1970 (O.S.H.A.), and all latest revisions thereto, and that this Bid is prepared on the basis of compliance with those requirements.

ADDENDA

The bidder acknowledges the receipt and incorporation of the following addenda into the bid price.

Issue Date

Addendum Number

_____	_____
_____	_____
_____	_____
_____	_____

DRAFT
CITY OF MONTEBELLO
CONTRACT AGREEMENT
FOR
COMPRESSED NATURAL GAS (CNG) FUELING STATION PROJECT
RFP NO. 10-06

This Contract Agreement ("Agreement") is made and entered into for the above-stated project this _____ day of _____, 2010 by and between the City of Montebello, as "AGENCY," and _____ as "CONTRACTOR" (collectively referred to herein as the "Parties" and individually as the "Party").

RECITALS

- A. AGENCY is a municipal corporation duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California.
- B. CONTRACTOR is a corporation duly organized and doing business in the State of California. CONTRACTOR represents it has the background, knowledge, experience and expertise necessary to provide the AGENCY with the equipment, goods and services set forth in this AGREEMENT.
- C. AGENCY seeks to procure from CONTRACTOR, and CONTRACTOR seeks to provide to the AGENCY, equipment, goods, and services necessary for the design, engineering, permitting, installation, testing and maintenance of a Compressed Natural Gas (CNG) Station Fueling Project ("Project") as further described in the RFP NO. 10-06.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, AGENCY and CONTRACTOR agree as follows:

ARTICLE I. Incorporation of Recitals and other Contract Documents

The above-referenced Recitals constitute a material part hereof, and shall hereby be incorporated by reference. Moreover, for purposes of this Agreement, the contract documents for the aforesaid Project shall consist of the Notice Inviting Bids, Instructions to Bidders, Price Proposal, General Specifications, Standard Specifications, Special Provisions, General Provisions, Plans, and all referenced specifications, details, standard drawings, and appendices; together with all required bonds, insurance

certificates, permits, notices, schedules, forms, certifications and affidavits; and also including any and all addenda or supplemental agreements clarifying, or extending the work contemplated as may be required to insure its completion in acceptable manner (collectively referred herein as the "Contract Documents"). All of the provisions of said Contract Documents constitute a material part hereof, and shall be hereby incorporated by reference as though fully set forth herein.

ARTICLE II. Services to be performed by Contractor

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to perform the services and furnish all materials necessary to perform all work required for the above-stated Project, and to fulfill all other obligations as set forth in the aforesaid Contract Documents. CONTRACTOR covenants with the AGENCY to furnish its best skill, judgment and efforts and to cooperate with the AGENCY and any other consultants or contractors engaged by the AGENCY in providing the services necessary for the Project. CONTRACTOR covenants to use its best effort to perform its duties and obligation under this Agreement in an efficient, expeditious and economical manner, consistent with the best interests of the AGENCY. Workmanship throughout the performance of this Agreement shall conform to the highest standard of commercially accepted practice of work and shall result in a neat finished appearance to the satisfaction of the AGENCY.

ARTICLE III. Compensation

As full compensation for furnishing all materials, performing all services, and fulfilling all obligations set forth in this Agreement, the AGENCY agrees to pay and the CONTRACTOR agrees to receive and accept the prices set forth in the Price Proposal submitted by CONTRACTOR dated _____, 2010 ("Compensation"). The total amount of the compensation shall not exceed the sum of _____ dollars (\$_____). AGENCY shall pay CONTRACTOR upon thirty (30) days of receipt of invoice and full acceptance of product and services by the AGENCY. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV. Completion of Work

The work and services set forth in this Agreement will be completed in a timely manner, not to exceed _____(____) working days from the time of AGENCY's execution of this Agreement ("Completion Date"). CONTRACTOR shall begin work _____(____) weeks after City's execution of this Agreement, and in accordance with

an agreed-upon work schedule to be determined by the Parties. An extension of the period for completion may be granted by mutual agreement by the Parties herein for reasons outside the control of the CONTRACTOR, including acts of God. CONTRACTOR shall request an extension by notifying AGENCY in writing at least fifteen (15) days prior to the expected Completion Date.

No extension of time requested or granted hereunder shall entitle CONTRACTOR to additional compensation unless, as a consequence of such extension, additional work must be performed and such additional work is approved in writing. In such event, AGENCY shall in good faith consider any request for additional compensation submitted by CONTRACTOR.

All of the materials and services shall be furnished and performed at the location of the City of Montebello's Transportation Department, commonly known as Montebello Bus Lines ("MBL") in first class condition, complete and ready for service by MBL. CONTRACTOR recognizes and acknowledges that failure on the part of CONTRACTOR to complete the work in a timely manner can cause irreparable harm to AGENCY's operation of MBL and that CONTRACTOR shall be liable for all monetary damages, including special, indirect or consequential damages, to the AGENCY which result from CONTRACTOR's failure to complete the work pursuant to this Agreement, including but not limited to loss of revenues or loss of profits. In the event that damages due to the AGENCY resulting from the CONTRACTOR's failure to complete the work herein in a timely manner must be adjudicated in a court of law, CONTRACTOR shall be responsible for AGENCY's reasonable attorneys' fees and other costs and expenses incurred in resolving such dispute.

ARTICLE V. Compliance with State and Local Laws

CONTRACTOR acknowledges the provisions of the State Labor Code requiring every employer to be insured against liability for worker's compensation, or to undertake self-insurance in accordance with the provisions of that code, and certifies compliance with such provisions. All services required under this Agreement will be performed by CONTRACTOR, or under its supervision, and all personnel shall possess the qualification, permits, and licenses required by the State and local law to perform such services.

CONTRACTOR shall be solely responsible for the satisfactory work performance of all personnel engaged in performing service required by this Agreement, and compliance with all reasonable performance standards established by AGENCY. CONTRACTOR shall be responsible for payment of all employees' and subcontractor's wages and benefits, and shall comply with all requirements pertaining to employer's liability, workers' compensation, unemployment insurance, and Social Security. CONTRACTOR shall indemnify and hold harmless the AGENCY from any liability, damages, claims, costs and expenses of any nature arising from alleged violations of personnel practices.

ARTICLE VI. Indemnification

CONTRACTOR agrees to protect, indemnify, defend and hold harmless AGENCY and all of its employees, officers, elected and appointed officials, volunteers, agents, and affiliated public agencies (collectively the "AGENCY") from any or all injuries, deaths, losses, damages, claims, suits, liabilities, demands, or causes of action, including reasonable attorneys' fees and related costs and expenses, which may accrue against the AGENCY based on, occurring or arising out of the negligence, recklessness, willful misconduct, or errors or omissions by CONTRACTOR in the performance of its services under this Agreement. In addition, CONTRACTOR shall defend, indemnify, and hold harmless the AGENCY, from and against any and all claims, liabilities and losses whatsoever, including reasonable attorney's fees and related costs and expenses, occurring or resulting from any action attributable to any and all persons, firms, or corporations employed or contracted by CONTRACTOR or its subcontractors or subconsultants in connection with the services under this Agreement, regardless for responsibility for negligence.

ARTICLE VII. Insurance

In accordance with the terms of the Contract Documents, CONTRACTOR shall furnish AGENCY a policy or certificate of insurance evidencing coverage for Worker's Compensation insurance and comprehensive liability insurance, including automobile, in which the AGENCY, its officers, employees, agents, elected and appointed officials, volunteers and affiliated public agencies (collectively the "AGENCY") shall be named as additional insured with respect to all claims arising out of or in connection with the work to be performed, including any act or omission of employees, agents, sub-contractors, or their employees, whether or not caused by the sole (or contributing) negligence of AGENCY, its officers or employees, and which shall remain in full force and effect until the work or services is accepted herein by AGENCY. The policies shall provide the coverage limits set forth in the Contract Documents. Such comprehensive liability insurance shall be primary and non-contributing with any insurance coverage available to AGENCY, shall contain a severability of interest clause (cross liability) and shall provide that it shall not be canceled or materially reduced without thirty (30) days' prior written notice to AGENCY.

ARTICLE VIII. Authorization by Contractor

CONTRACTOR affirms that the signatures, titles, and seals set forth hereinafter in execution of this Contract Agreement represent all duly authorized individuals, firm members, partners, joint ventures, and/or corporate officers having principal interest herein.

ARTICLE IX. Termination

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall

give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

For any breach deemed by the non-defaulting party to constitute a material breach, the defaulting party is required to cure the breach within two (2) calendar days upon receipt of written notice. For any breach deemed by the non-defaulting party to constitute a non-material breach, the defaulting party is obligated to cure such breach within ten (10) calendar days upon receipt of written notice. However, if the nature of the non-material breach requires more than ten (10) days to cure, the defaulting party shall have thirty (30) days to diligently pursue and complete a cure.

In addition to any other available legal or equitable rights or remedies, if the default is not cured within the time periods described above, the non-defaulting party may terminate this Agreement by giving written notice thereof to the defaulting party, setting forth the effective date thereof.

The AGENCY shall have the option, at its sole discretion and without cause, of terminating this Agreement in whole, or in part, by giving ten (10) business days' written notice to CONTRACTOR. Upon the termination of this Agreement as provided herein, the AGENCY shall provide to CONTRACTOR the part of Compensation which would otherwise be payable to CONTRACTOR for services CONTRACTOR had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation.

This Agreement shall expire upon full payment of the Compensation by the AGENCY to CONTRACTOR.

ARTICLE X. Dispute Resolution and Legal Remedies

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded.

ARTICLE XI. Subcontract, Assignment or Delegation

CONTRACTOR shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior express, written consent of AGENCY, which may be withheld for any reason or no reason. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed subcontractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

Any subcontract, delegation or assignment shall be made in the name of CONTRACTOR and shall not bind or purport to bind AGENCY and shall not release CONTRACTOR from any obligations under this Agreement including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees or subcontractors. No such subcontract, delegation or assignment shall result in any increase in the amount of total compensation payable to CONTRACTOR under Article III of this Agreement.

ARTICLE XII. Notices

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

To AGENCY: Montebello Bus Lines
 400 S. Taylor Ave.
 Montebello, CA 90640
 Attention: Aurora Jackson
 Director of Transportation
 Phone: 323-887-4606
 Fax: 323-887-4643

To CONTRACTOR:

Attention:
Phone:
Fax:

ARTICLE XIII. Severability

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provision(s) nevertheless will continue in full force and effect without being impaired or invalidated in any way.

ARTICLE XIV. Governing Law

This Agreement shall be construed in accordance with and governed by the laws of the State of California. In the event of litigation between the Parties, venue in State trial courts shall lie exclusively in the County of Los Angeles. In the event of litigation in a U.S. District Court, exclusive venue shall lie in the Central District of California.

ARTICLE XV. Entire Agreement

This Agreement and the Contract Documents aforementioned shall constitute the entire agreement by the Parties, and supersedes all prior proposals, agreements, and understandings between the Parties and may not be modified or terminated orally. No attempted waiver of any of the provisions herein, nor any change, amendment or modification to this Agreement shall be effective unless in writing and signed by the party against whom the same is sought to be enforced.

ARTICLE XVI. Effective Date

Unless otherwise specified herein, this Agreement shall become effective as of the date in which the last of the Parties, whether AGENCY or CONTRACTOR, executes this Agreement. This Agreement may be signed in counterparts, each of which shall constitute an original, and which collectively shall constitute one (1) instrument.

IN WITNESS WHEREOF the Parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Agreement to be executed in triplicate by setting hereunto their names, titles, hands, and seals this ____ day of _____, 2010.

CITY OF MONTEBELLO
("CITY")

("CONTRACTOR")

William Molinari, Mayor

Contractor's License No.

Contractor's Business License
No. _____

Federal Tax Identification No. _____

Date: _____

Date: _____

ATTEST:

Robert J. King, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

FORM SUBMITTAL REQUIREMENTS

The following forms must be completed by the prime bidder and accompany all bids in order to be considered for award:

<u>Page</u>	<u>Name of Form</u>	<u>Referenced in Paragraph</u>
12	References	13.0
13	Receipt of Addenda Form	7.2
14-15	Proposers Information, Qualification Cert.	13.2
17	Bidders List of Participating Firms	23.2
18	Buy America Provision	11.1
19	Ineligible Contractors (Prime)	9.0
21	Certification of Restrictions on Lobbying	10.0
22-23	Non-Collusion Affidavit of Prime Bidder	9.0
26	Certification of Drug-Free Workplace (Prime)	14.0
31	Proposal Guarantee Bid Bond	1.3

The following forms/requirements are to be provided only by the successful bidder:

16	Statement of DBE Participation	6.0
20	Ineligible Contractors (Sub)	9.0
24-25	Non-Collusion Affidavit of Sub-Contractor	9.0
27	Certification of Drug-Free Workplace (Sub)	14.0
28	Faithful Performance Bond	1.3
29-30	Labor and Materials Payment Bond	1.3
Attachment	Insurance	

Reproduce forms as needed.

REFERENCES

Provide at least three (3) public agencies for which BIDDER has performed similar work within the past five years.

Agency Name _____ Department _____

Address _____ City _____ Zip _____

Contact Name _____ Phone Number (____) _____

Project Name _____

Contract Amount \$ _____ Completion Date ____/____/____

Type of Work:

Agency Name _____ Department _____

Address _____ City _____ Zip _____

Contact Name _____ Phone Number (____) _____

Project Name _____

Contract Amount \$ _____ Completion Date ____/____/____

Type of Work:

Agency Name _____ Department _____

Address _____ City _____ Zip _____

Contact Name _____ Phone Number (____) _____

Project Name _____

Contract Amount \$ _____ Completion Date ____/____/____

Type of Work:

Agency Name _____ Department _____

Address _____ City _____ Zip _____

Contact Name _____ Phone Number (____) _____

Project Name _____

Contract Amount \$ _____ Completion Date ____/____/____

Type of Work:

RECEIPT OF ADDENDA FORM
RFP NO. 10-06

The PROPOSER acknowledges the receipt and incorporation of the following addenda into the Request for Proposal.

PROPOSER NAME: _____

BUSINESS ADDRESS: _____

Addenda #

Issue Date

Receipt Date

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Signature of Authorized
Representative:

Printed Name:

Title:

PROPOSERS INFORMATION, QUALIFICATIONS CERTIFICATION

PROPOSER Name _____

Business Address _____

Phone (____) _____ FAX (____) _____

Name of Project Manager _____

Business License No. _____

Original Date Issued _____ Expiration Date _____

The following are the names, addresses, and phone numbers of all individuals, firm members, partners, joint ventures, and/or corporate officers having principal interest in this proposal:

Indicate Date and Location of incorporation: _____

How many years have you been engaged in the contracting business under your present firm or trade name? _____

The date of any voluntary or involuntary bankruptcy judgments against any principal having an interest in this proposal are as follows:

Date	Principal Name
_____	_____
_____	_____
_____	_____

All current and prior DBA's, alias, and /or fictitious business names for any principal having an interest in this proposal are as follows:

Has your present organization ever failed to complete any work awarded to it? Yes ☐ No ☐
If yes, state when, where, and why.

Has your present organization ever defaulted on a contract? Yes ☐ No ☐
If yes, state when, where, and why.

Indicate the name and address and phone number of one or more banks which have information that would enable them to advise regarding the financial ability of your company.

Credit available: \$ _____

Will you fill out a detailed financial statement and furnish any other information that may be required by the

State of California? ☐ Yes ☐ No

Employer Identification Number (Treasurer's Number): _____

CERTIFICATION

In WITNESS WHEREOF, BIDDER certifies that the foregoing is true and correct; and executes and submits this bid this _____ day of _____, 20__.

PROPOSER: _____

Signature of Authorized Representative: _____

Printed Name: _____

Title: _____

Subscribed and sworn to before me

this _____ day of _____, 20__

Signed _____

Title _____

My Commission expires _____

**STATEMENT OF
DISADVANTAGED BUSINESS ENTERPRISE PARTICIPATION**

This proposal provides for the following Disadvantaged Business Enterprise participation:

Disadvantaged Business Enterprise

Firm Name

Address

Phone No.

Type of Business

Current DBE Certification? ☐ Yes* ☐ No**

*(If "Yes," attach copy of current Letter of Certification and copy of current Statement of Personal Net Worth.)

Total \$ _____

% of Total contract _____

Firm Name

Address

Phone No.

Type of Business

Current DBE Certification? ☐ Yes* ☐ No**

*(If "Yes," attach copy of current Letter of Certification and copy of current Statement of Personal Net Worth.)

Total \$ _____

% of Total contract _____

Signature: _____
(Reproduce this form as required)

BIDDERS LIST OF PARTICIPATING FIRMS

Bidder/Proposer shall submit with bid/proposal the following information for all participating firms:

Prime Contractor Information

Company Name _____	Age of Firm _____
Address _____	Annual Gross Receipts \$ _____
_____	DBE Certified? _____, If yes
Phone _____	Date Certified _____
Dollar Amount of Contract \$ _____	By (Agency) _____
Describe Work _____	

Subcontractor Information

Company Name _____	Age of Firm _____
Address _____	Annual Gross Receipts \$ _____
_____	DBE Certified? _____, If yes
Phone _____	Date Certified _____
Dollar Amount of Subcontract \$ _____	By (Agency) _____
Describe Work _____	

Company Name _____	Age of Firm _____
Address _____	Annual Gross Receipts \$ _____
_____	DBE Certified? _____, If yes
Phone _____	Date Certified _____
Dollar Amount of Subcontract \$ _____	By (Agency) _____
Describe Work _____	

Company Name _____	Age of Firm _____
Address _____	Annual Gross Receipts \$ _____
_____	DBE Certified? _____, If yes
Phone _____	Date Certified _____
Dollar Amount of Subcontract \$ _____	By (Agency) _____
Describe Work _____	

(Copy _____ for _____ additional _____ Subcontractors _____ as _____ needed)

"BUY AMERICA" PROVISION

This procurement is subject to the Federal Transit Administration "Buy America" Requirements in 49 CFR Part 661.

A "Buy America" Certificate, as per the format presented below, must be completed and submitted with the bid/proposal. A bid/proposal which does not include the certificate will be considered non-responsive.

A waiver from the "Buy America" Provision may be sought by _____ if grounds for the waiver exists.

Section 165a of the Surface Transportation Assistance (STA) Act of 1982 permits FTA participation on this contract only if steel, cement, and manufactured products used in the contract are produced in the United States.

BUY AMERICA CERTIFICATE

This certification shall be fully executed by all bidders/proposers submitting bids/proposals.

The _____ hereby certifies that
(Name of bidder/proposer)

_____ All of the manufacturing processes for steel and manufactured products take place in the United States and all items or material used in the product must be of United States origin.

_____ The cost of rolling stock and bus components produced in the United States is more than 50 percent of the cost of all of the components and final assembly takes place in the United States.

BY: _____
Signature of Company Official

Official's Title

Date

or

The bidder/proposer hereby certifies that it cannot comply with the requirements of Section 165a of the STA Act, but may qualify for an exemption to the requirement pursuant to Section 165b of the STA Act and regulations in 49 CFR 661.7.

Signature _____

Title _____

Date _____

**INELIGIBLE CONTRACTORS/CONSULTANTS
(Prime)**

Contractors/Consultants or firms who are included on the U.S. Comptroller General's list of persons for firms currently DEBARRED for violations of various public contracts incorporating Labor Standard Provisions cannot be awarded this contract.

The undersigned hereby certified that:

_____ does not appear on the U.S. Comptroller
General's list of debarred firms.

_____ does appear on the U.S. Comptroller General's
list of debarred firms.

BIDDER'S NAME

SIGNATURE OF
CONTRACTOR'S/CONSULTANT'S
AUTHORIZED REPRESENTATIVE

DATE OF SIGNATURE

**INELIGIBLE CONTRACTORS/CONSULTANTS
(Sub)**

Contractors/Consultants or firms who are included on the U.S. Comptroller General's list of persons for firms currently DEBARRED for violations of various public contracts incorporating Labor Standard Provisions cannot be awarded this contract.

The undersigned hereby certified that:

_____ does not appear on the U.S. Comptroller General's list of debarred firms.

_____ does appear on the U.S. Comptroller General's list of debarred firms.

BIDDER'S NAME

SIGNATURE OF
CONTRACTOR'S/CONSULTANT'S
AUTHORIZED REPRESENTATIVE

DATE OF SIGNATURE

**CERTIFICATION OF RESTRICTIONS ON LOBBYING
FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS**

I, _____, hereby certify on behalf of:
(Name of Authorized Official)

_____ that:
(Name of Company)

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in all subcontracts, and that all subcontractors shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance is placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, of the U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature of Authorized Official

Date

Title of Authorized Official

NON-COLLUSION AFFIDAVIT OF PRIME BIDDER

State of _____)

County of _____)

_____, being first duly sworn, deposes
and says that:

- 1) He is _____
(owner, partner, officer, representative, or agent)
of _____, the Bidder that has submitted the
attached Bid;
- 2) He is fully informed respecting the preparation and contents of the attached Bid
and all pertinent circumstances respecting such Bid;
- 3) Such Bid is genuine and is not a collusive or sham Bid;
- 4) Neither the said Bidder nor any of its officers, partners, owners, agents,
representatives, employees or parties in interest, including this affiant, has in any
way colluded, conspired, connived or agreed, directly or indirectly with any other
Bidder, firm or person to submit a collusive or sham Bid in connection with the
Contract for which the attached Bid has been submitted or to refrain from bidding
in connection with such Contract or has in any manner, directly or indirectly,
sought by agreement or collusion or communication or conference with any other
Bidder, firm or person to fix the price or prices in the attached Bid or of any other
Bidder, or to fix any overhead, profit or cost element of the Bid price or the Bid
price of any other Bidder, or to secure through any collusion conspiracy,
connivance or unlawful agreement any advantage against the City of Montebello
(OWNER) or any person interested in the proposed Contract; and
- 5) The price or prices quoted in the attached Bid are fair and proper and are not
tainted by any collusion, conspiracy, connivance or unlawful agreement on the
part of the Bidder or any of its agents, representatives, owners, employees, or
parties in interest, including this affiant.

Signature _____

Title: _____

Subscribed and sworn to before me

this _____ day of _____, 20__

Signed _____

Title _____

My Commission expires _____

NON-COLLUSION AFFIDAVIT OF SUB-CONTRACTOR

State of _____)

County of _____)

_____, being first duly sworn, deposes
and says that:

- 1) He is _____
(owner, partner, officer, representative, or agent)
of _____, the Bidder that has submitted the
attached Bid;
- 2) He is fully informed respecting the preparation and contents of the attached Bid
and all pertinent circumstances respecting such Bid;
- 3) Such Bid is genuine and is not a collusive or sham Bid;
- 4) Neither the said Bidder nor any of its officers, partners, owners, agents,
representatives, employees or parties in interest, including this affiant, has in any
way colluded, conspired, connived or agreed, directly or indirectly with any other
Bidder, firm or person to submit a collusive or sham Bid in connection with the
Contract for which the attached Bid has been submitted or to refrain from bidding
in connection with such Contract or has in any manner, directly or indirectly,
sought by agreement or collusion or communication or conference with any other
Bidder, firm or person to fix the price or prices in the attached Bid or of any other
Bidder, or to fix any overhead, profit or cost element of the Bid price or the Bid
price of any other Bidder, or to secure through any collusion conspiracy,
connivance or unlawful agreement any advantage against the City of Montebello
(OWNER) or any person interested in the proposed Contract; and
- 5) The price or prices quoted in the attached Bid are fair and proper and are not
tainted by any collusion, conspiracy, connivance or unlawful agreement on the
part of the Bidder or any of its agents, representatives, owners, employees, or
parties in interest, including this affiant.

Signature _____

Title: _____

Subscribed and sworn to before me

this _____ day of _____, 20__

Signed _____

Title _____

My Commission expires _____

**CERTIFICATION OF DRUG-FREE WORKPLACE
(Prime)**

I, _____, hereby certify on behalf of
(name of authorized official)
_____ that:
(name of company)

The CONTRACTOR named above, and all Sub-Contractors working on this contract, will comply with California Government Code Section 8355 in matters relating to providing a drug-free workplace. The CONTRACTOR and all Sub-Contractors will, therefore:

Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance are prohibited, and that specified actions will be taken against employees for violation of these prohibitions, as required by Government Code Section 8355(a).

Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(b), to inform employees about all of the following:

1. The dangers of drug abuse in the workplace.
2. The firm's policy of maintaining a drug-free workplace.
3. Any available counseling, rehabilitation and employee assistance programs, and,...
4. Penalties that may be imposed upon employees for drug abuse violations, including that no employee who tests positive for use of a controlled substance shall be permitted to work on this contract.

Provide, as required by Government Code Section 8355(c), that every employee who works on the proposed contract:

1. Will receive a copy of the firm's drug-free policy statement, and,...
2. Will agree to abide by the terms of the firm's statement as a condition of employment on the contract.

CERTIFICATION:

I, _____, hereby certify that the above named company, which I am duly authorized to represent, will comply with the Drug-Free Workplace requirements of this contract. I understand that this certification is made under penalty of perjury, under the laws of the State of California.

Executed this _____ day of _____, 2010

By _____
(signature of authorized official)

(title of authorized official)

**CERTIFICATION OF DRUG-FREE WORKPLACE
(Sub)**

I, _____, hereby certify on behalf of
(name of authorized official)
_____ that:
(name of company)

The CONTRACTOR named above, and all Sub-Contractors working on this contract, will comply with California Government Code Section 8355 in matters relating to providing a drug-free workplace. The CONTRACTOR and all Sub-Contractors will, therefore:

Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance are prohibited, and that specified actions will be taken against employees for violation of these prohibitions, as required by Government Code Section 8355(a).

Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(b), to inform employees about all of the following:

1. The dangers of drug abuse in the workplace.
2. The firm's policy of maintaining a drug-free workplace.
3. Any available counseling, rehabilitation and employee assistance programs, and,...
4. Penalties that may be imposed upon employees for drug abuse violations, including that no employee who tests positive for use of a controlled substance shall be permitted to work on this contract.

Provide, as required by Government Code Section 8355(c), that every employee who works on the proposed contract:

1. Will receive a copy of the firm's drug-free policy statement, and,...
2. Will agree to abide by the terms of the firm's statement as a condition of employment on the contract.

CERTIFICATION:

I, _____, hereby certify that the above named company, which I am duly authorized to represent, will comply with the Drug-Free Workplace requirements of this contract. I understand that this certification is made under penalty of perjury, under the laws of the State of California.

Executed this _____ day of _____, 2010

By _____
(signature of authorized official)

(title of authorized official)

FAITHFUL PERFORMANCE BOND
FOR
CITY OF MONTEBELLO
COMPRESSED NATURAL GAS (CNG) FUELING STATION PROJECT
RFP NO. 10-06

KNOW ALL MEN BY THESE PRESENTS that _____ as CONTRACTOR and _____, as SURETY, are held and firmly bound unto the City of Montebello, as AGENCY, in the penal sum of _____ Dollars (\$ _____), which is one hundred percent (100%) of the total contract amount for the above stated project, for the payment of which sum CONTRACTOR and SURETY agree to be bound, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas CONTRACTOR has been awarded and is about to enter into the annexed Contract Agreement with the AGENCY for the above stated project, if CONTRACTOR faithfully performs and fulfills all obligations under the Contract Documents in the manner and time specified therein, then this obligation shall be null and void, otherwise it shall remain in full force and effect in favor of the AGENCY; provided that any alterations in the obligations or time for completion made pursuant to the terms of the Contract Documents shall not in any way release either CONTRACTOR or SURETY, and notice of such alterations is hereby waived by SURETY.

IN WITNESS WHEREOF the Parties hereto have set their names, titles, hands, and seals this _____ day of _____, 2010.

CONTRACTOR * _____

SURETY * _____

Subscribed and sworn on this _____ day of _____, 2010.

NOTARY PUBLIC _____

*Provide CONTRACTOR/SURETY name, address and telephone number and the name, title, address and telephone number of authorized representative.

LABOR AND MATERIALS PAYMENT BOND
FOR
CITY OF MONTEBELLO
COMPRESSED NATURAL GAS (CNG) FUELING STATION PROJECT
RFP NO. 10-06

KNOW ALL MEN BY THESE PRESENTS that

_____ as CONTRACTOR, and
_____ as
SURETY, are held and firmly bound unto the City of Montebello, as AGENCY, in the
penal sum of _____ Dollars
(\$ _____), which is Fifty percent (50%) of the total contract amount for the
above stated project, for the payment of which sum, CONTRACTOR and SURETY agree
to be bound, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas CONTRACTOR
has been awarded and is about to enter into the annexed Contract Agreement with the
AGENCY for the above stated project, if CONTRACTOR or any subcontractor fails to pay
for any labor or material of any kind used in the performance of the work to be done under
said contract, or fails to submit amounts due under the State Unemployment Insurance
Act with respect to said labor, SURETY will pay for the same in an amount not exceeding
the sum set forth above, which amount shall insure to the benefit of all persons entitled to
file claims under the State Code of Civil Procedures; provided that any alterations in the
work to be done, materials to be furnished, or time for completion made pursuant to the
terms of the Contract Documents shall not in any way release either CONTRACTOR or
SURETY, and notice of said alterations is hereby waived by SURETY.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals
this _____ day of _____, 2010.

CONTRACTOR* _____

SURETY*

Subscribed and sworn on this _____ day of _____, 2010.

NOTARY PUBLIC

*Provide CONTRACTOR/SURETY name, address and telephone number and the name, title, address and telephone number of authorized representative.

Note: The standard printed bid bond form of any bonding company acceptable to the City of Montebello may be used in lieu of the following approved sample bond form, provided the security stipulations protecting the City of Montebello are not in any way reduced by use of the surety company's printed standard form.

**PROPOSAL GUARANTEE
BID BOND

FOR

CITY OF MONTEBELLO

COMPRESSED NATURAL GAS (CNG) FUELING STATION PROJECT

RFP NO. 10-06**

KNOW ALL MEN BY THESE PRESENTS that _____, as BIDDER, and _____, as SURETY, are held and firmly bound unto the City of Montebello, as AGENCY, in the penal sum of _____ dollars (\$ _____), which is ten (10%) percent of the total amount bid by BIDDER to AGENCY for the above stated project, for the payment of which sum, BIDDER and SURETY agree to be bound, jointly and severally, firmly be these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH that, whereas BIDDER is about to submit a bid to AGENCY for the above stated project, if said bid is rejected, or if said bid is accepted and a contract is awarded and entered into by BIDDER in the manner and time specified, then this obligation shall be null and void, otherwise it shall remain in full force and effect in favor of AGENCY.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals, this _____ day of _____, 2010.

BIDDER* _____

SURETY* _____

Subscribed and sworn to this _____ day of _____, 20__.

NOTARY PUBLIC _____

*Provide BIDDER/SURETY name, address and telephone number and the name, title, address and telephone number of authorized representative.

**CITY OF MONTEBELLO
TRANSPORTATION DEPARTMENT**

**COMPRESSED NATURAL GAS FUELING STATION
PROJECT**

AT

**TRANSPORTATION DEPARTMENT FACILITY
400 S. TAYLOR AVENUE**

IFB NO. 10-06

**PROJECT PLANS
BID FORMS**

CITY OF MONTEBELLO
DEPARTMENT OF TRANSPORTATION
COMPRESSED NATURAL GAS STATION RFP NO. 10-06
PRICE SHEET

The City of Montebello reserves the right to accept or reject any or all proposals, to waive any irregularity in a proposal, and make an award as may best serve the interest of the City.

By execution below, bidder hereby offers to furnish services and materials at the price and terms stated hereon subject to the specifications, instructions, and conditions, which are part of the Request for Proposal #10-06.

EXHIBIT "A"
COMPRESSED NATURAL GAS STATION

<u>Item No.</u>	<u>Description</u>	<u>Cost per-Hour</u>	<u>Est. Hours</u>	<u>Sub-total</u>	<u>Extended Total</u>
1	Design, including as built drawings, two electronic and hard copies of the design.				
2	Trenching and installation of components, piping and all related equipment:				
3	Geographical report, on soil and area effected by the construction				
4	Permits/Fees from all regulatory agencies impacted by this project				
5	Training: Operational, Compressor and Dryer Systems (32 hrs/10 persons per class)				
6	Training: Safety, Gas Detection, emergency including systems and calibrations				
7	Training for Fire Department and Montebello Staff (40 individuals)				
8	Maintenance repairs and Preventative Maintenance Service Cost (Preventative and safety) of all aspects for 5-years. (Please shown annual costs for each of the five years on a separate form. The individual five years should equal the Extended Total shown on the right.)				
9	Emergency 24 hour service contract (5 years)				
10	Web based access of CNG station systems and components				
		Unit Cost	Qty	Sub-Total	Extended Total
11	Compressor Skid #1, 500 SCFM, Ariel compressor, Baldor 250 hp electric drive motor, with SE Sensor Electronics SEC Millennium gas detector, or approved equal.				
12	Compressor Skid #2, 500 SCFM, Ariel compressor, Baldor 250 hp electric drive motor, with SE Sensor Electronics SEC Millennium gas detector, or approved equal.				
13	Booster pump for Skid #1 and 2 to increase line pressure.				
14	Coalescent twin filters, with differential pressure gauges on each end of filter, reference Parker Hannifin P/N# J2SD-4CWC11-035, or approved equal.				
15	CNG storage vessels and or Spheres, CPI Industries or approved equal.				
16	CNG Dryer shall be Xebec-fully automatic twin tower reference P/N# 200 HRBNGX, or approved equal.				
17	Two each CNG Transit style fueling dispensers, with Sherex CT 5000 dispensers, and dual liquid filled gauges. Ref: ANG1, Tulsa or approved equal.				
18	CNG detection system, under canopies shall be the same system in the compressor skids, reference SE Sensor Electronics, LCD display shall be in the office located on fuel Island.				

30

Southern California Edison, pole location, 6'X8' transformer, power and slab charges, for the estimated 1800 amp service. Contact: So. Calif Edison: Cassandra Jones, SCE Planner II, Compton Service Center. (310) 608-5085

31

Shipping Costs

32

Tax on equipment and labor

33

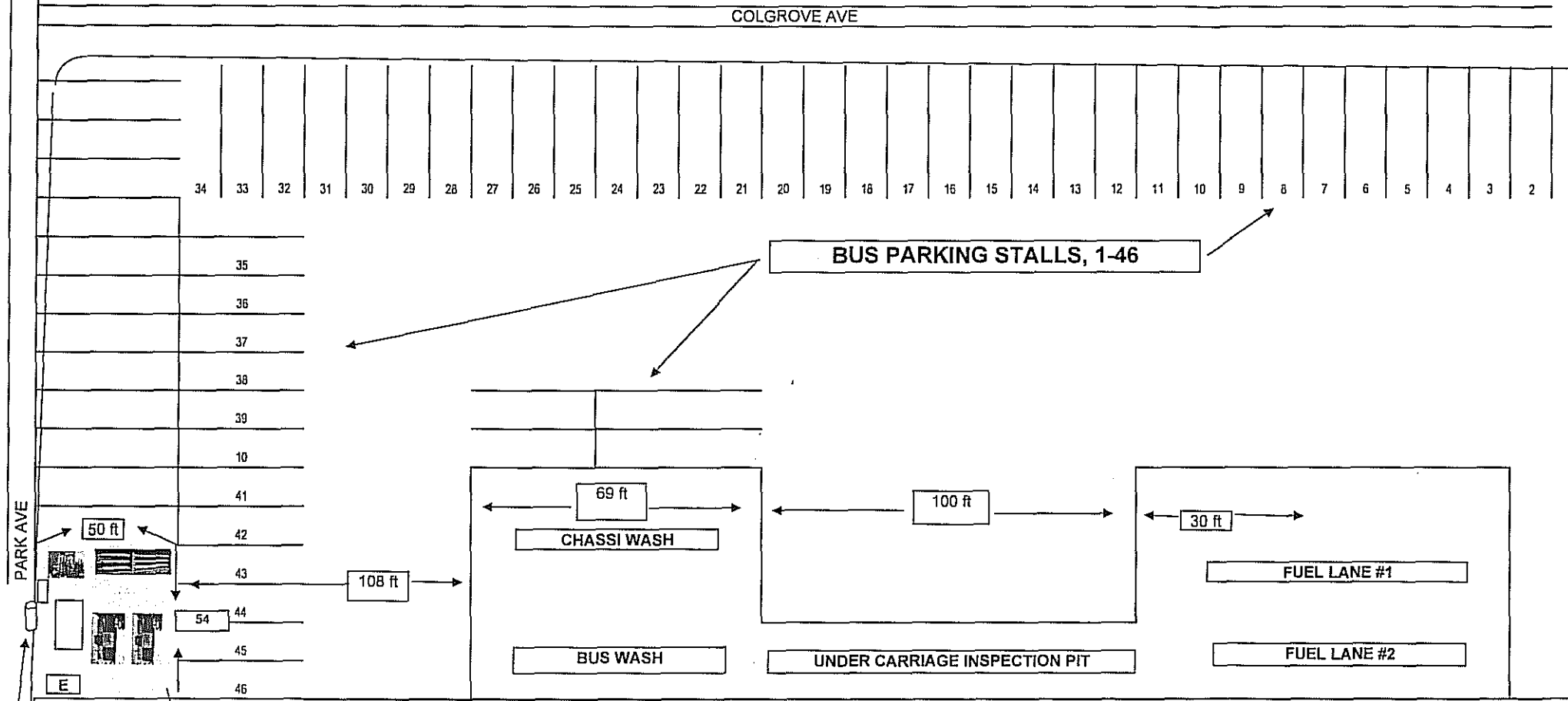
CNG Station Costs:**Hourly Rate**

* Contractors hourly rate of pay for all additional work

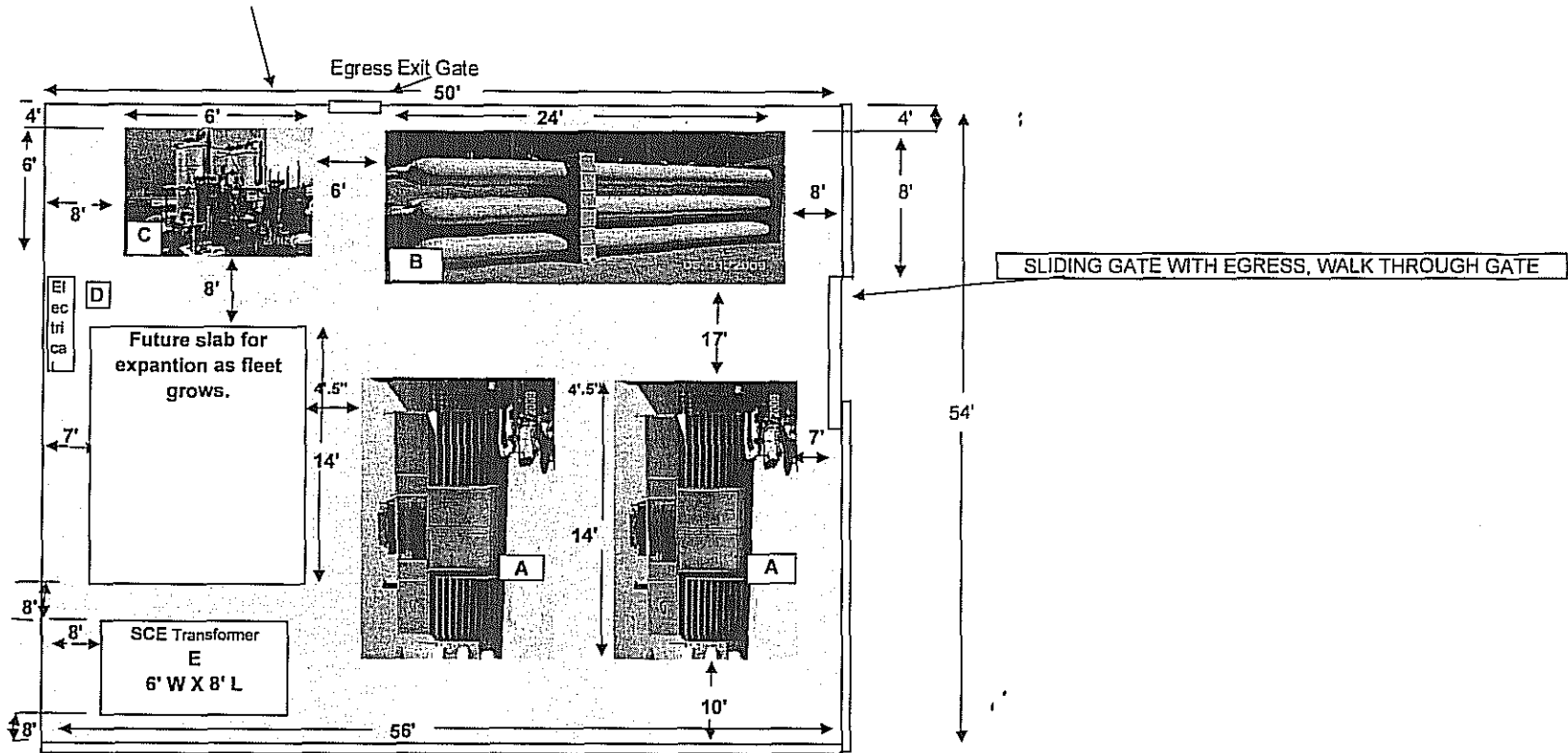
Business Name: _____			
Address: _____			
City: _____	STATE: _____	ZIP: _____	
Phone Number: _____	FAX: _____		
Rep. Name & Title: _____			
NAME		SIGNATURE	

NOTE: BIDDER MAY USE THEIR OWN PRICING SHEET AS LONG AS IT COVERS THE SAME ASSOCIATED COSTS AS NOTED ABOVE.

CITY OF MONTEBELLO
TRANSPORTATION DEPARTMENT, FUTURE COMPRESSED NATURAL GAS STATION LOCATION
400 SO. TAYLOR AVE, MONTEBELLO, CA 90640
STATION LOCATION IS SOUTH EAST CORNER OF BUS PARKING LOT
28-Jul-09



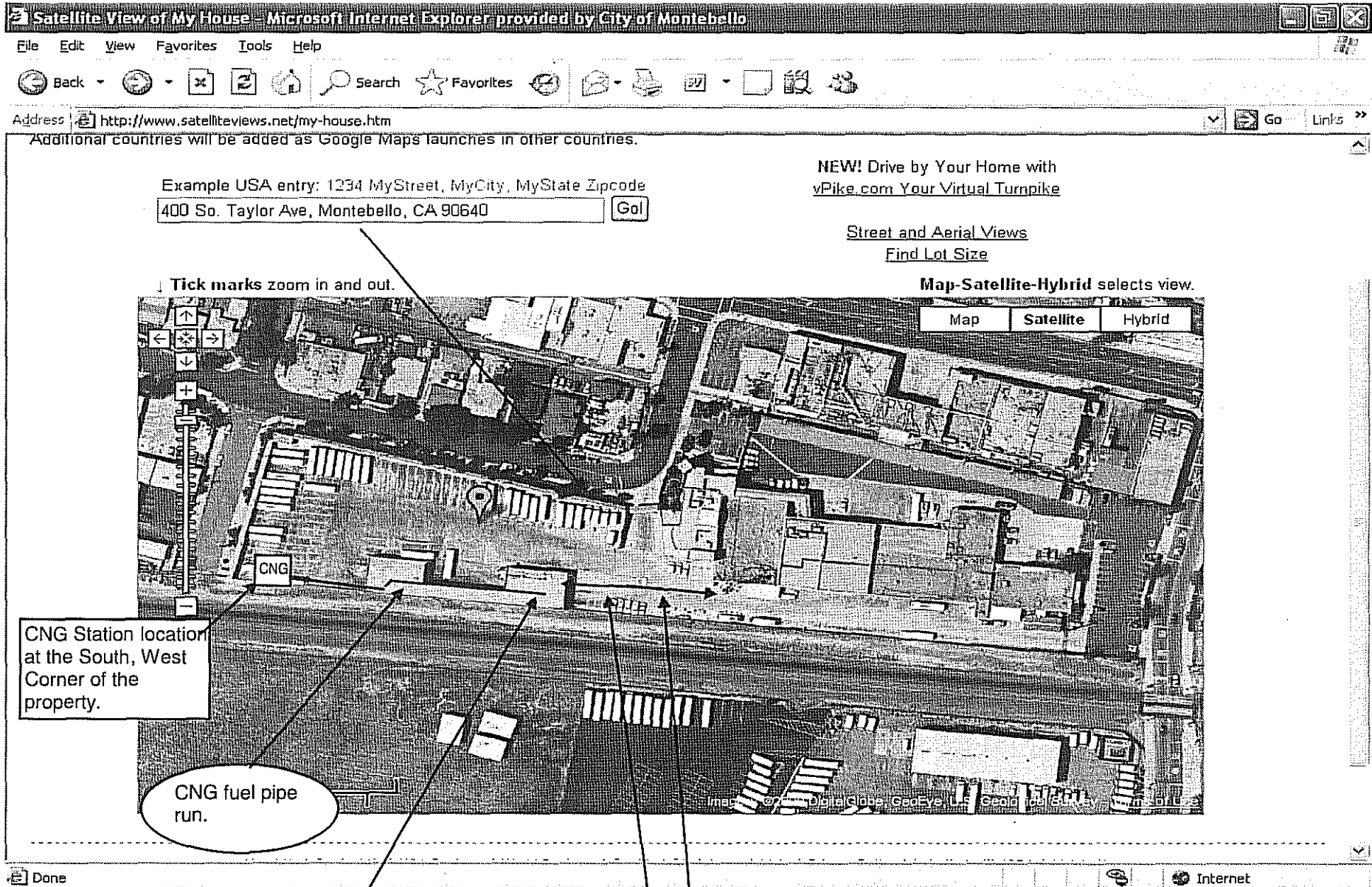
SCE Power Pole No. 169348 E.



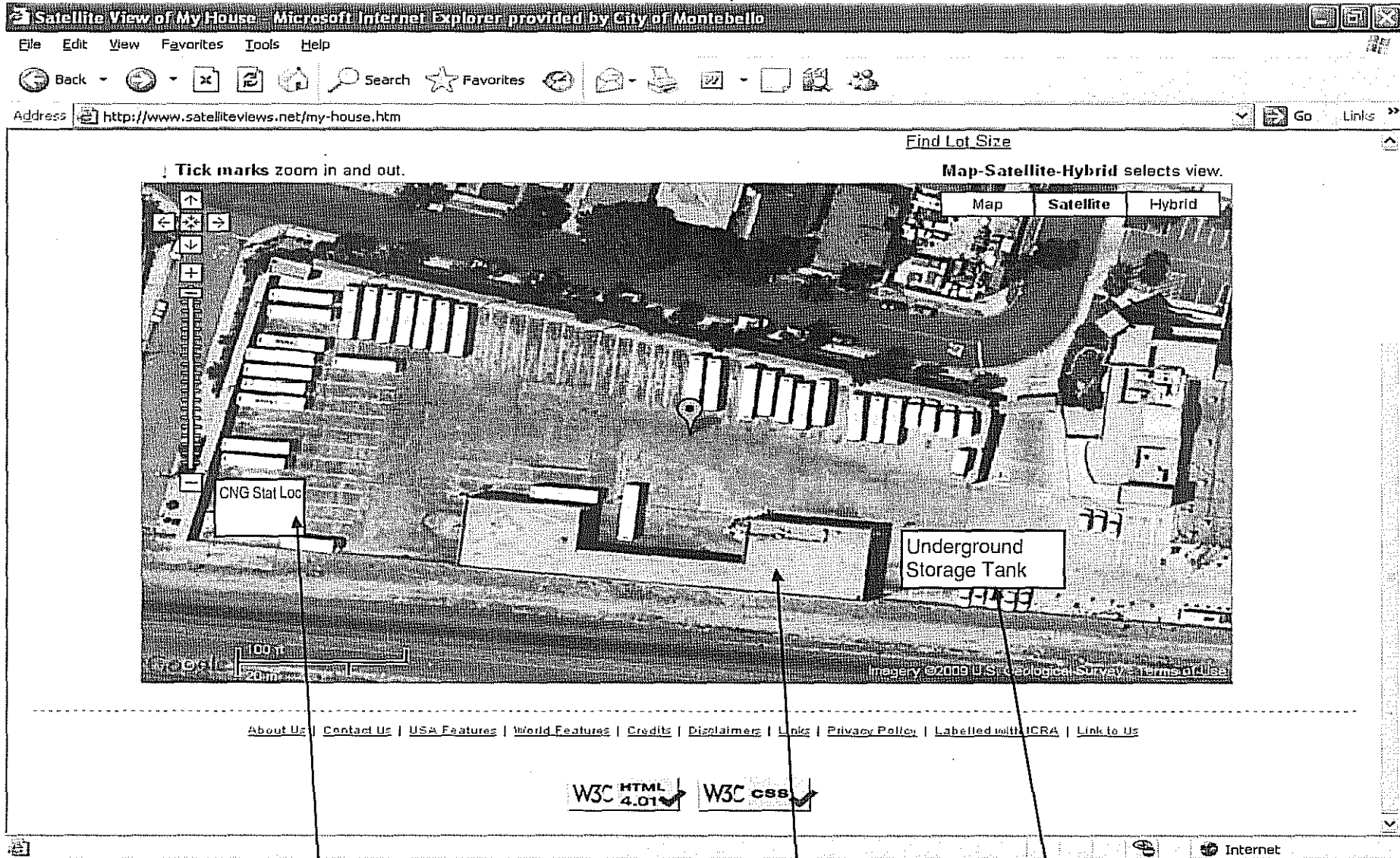
Description	Item
1 Ariel Compressor Skid/with Baldor 250 HP, 460V Motors	A
2 CPI Industries seamless steel pressure vessels	B
3 Xebec Natural Gas Dryers, desiccant regeneration system	C
4 Electrical Control Panel attached to Wall	D
5 Southern California Edison Transformer Box/Panel Location	E



June 23, 2009



June 23, 2009



CNG (Compressed Natural Gas) station location

Current Diesel and Gasoline filling location, and will be CNG Filling Location.

Location of Under Ground Storage Tank Work (UST)
UST work is expected to start late August

Montebello Bus Lines, CNG Future Station Location, which will be 400 So. Taylor Ave. Montebello, CA

Station will use:

Two ea.

HP: 250 RPM: 1800 Volt's: 460 entire system will not take more than 1800 amps. Current system will use 1200 amps. This is max load.

Find Lot Size

Tick marks zoom in and out.

Map-Satellite-Hybrid selects view.



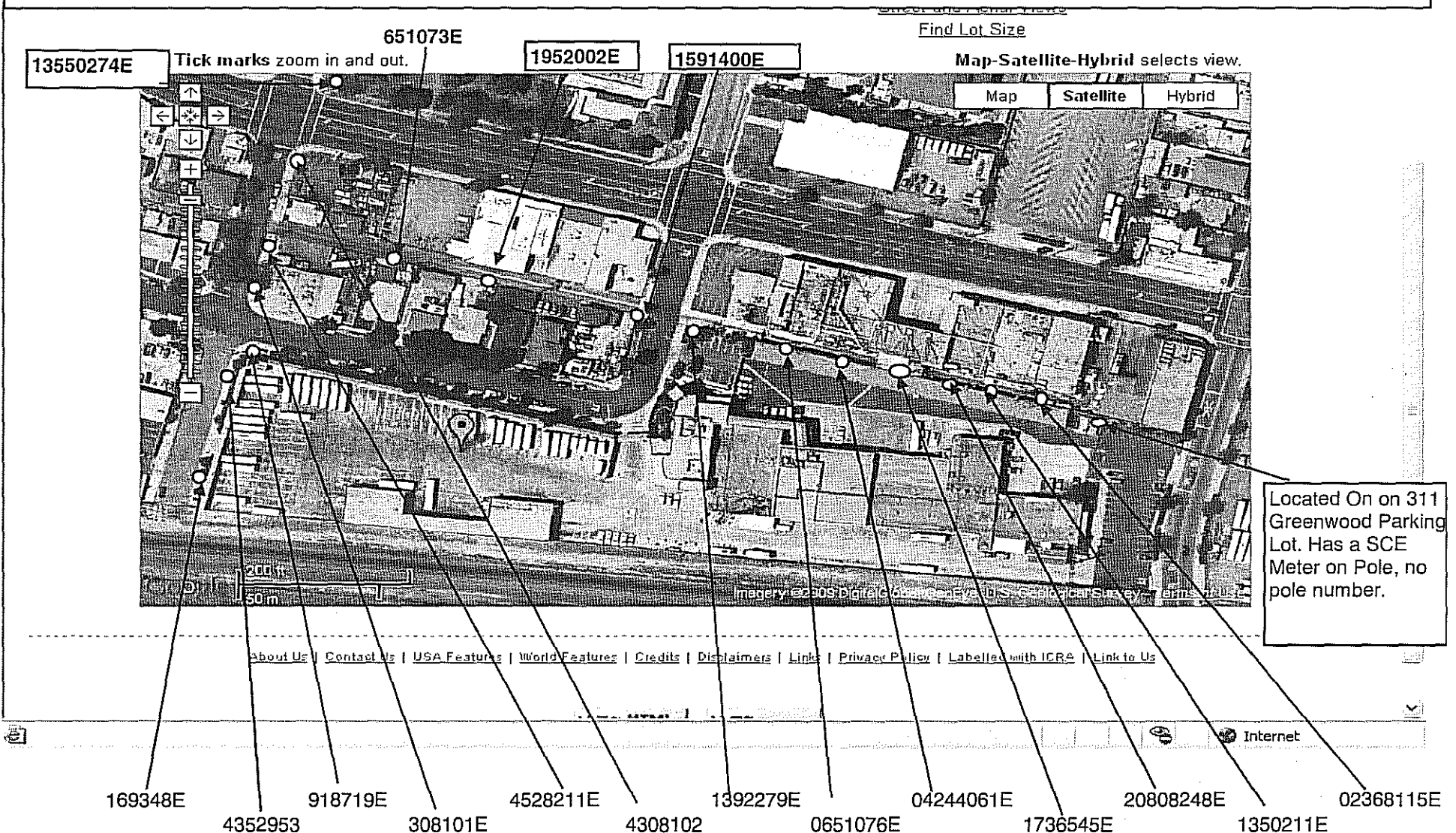
SCE POLE NO.
169348E

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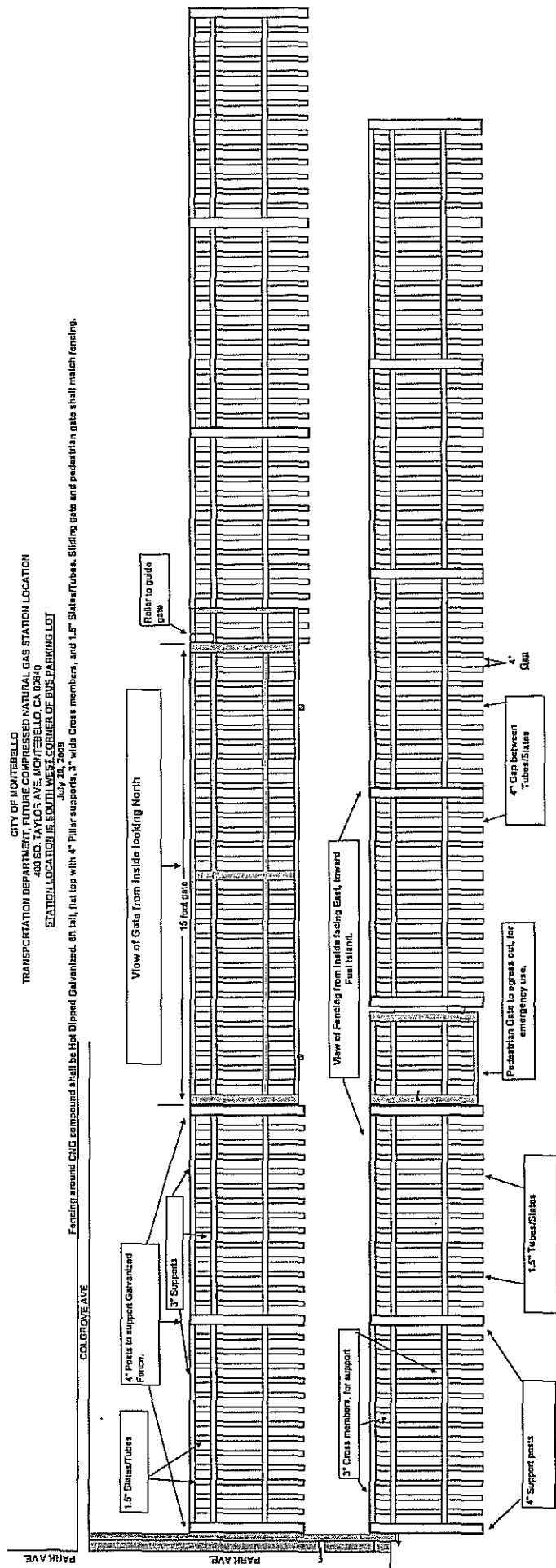
CNG Station location, which will be 50 feet deep by 45 feet wide. It will use a maximum load of 1800 Amps. This includes future expansion.

July 23, 2009

City of Montebello, Souther California Edison Power Pole Locations. Identified by SCE power pole numbers as shown.



Fencing around CHG compound shall be Hot Dipped Galvanized. 6ft tall, flat top with 4" Pillar supports, 3" wide Cross members, and 1.5" Slats/Tubes. Sliding gate and pedestrian gate shall match fencing.





August 29, 2024

Mr. Cesar Lopez
Montebello Bus Lines
400 S. Taylor Ave.
Montebello, CA 90640

Re: CNG Station - Maintenance Proposal

Dear Mr. Lopez,

Clean Energy is proud of the fact we've provided the City of Montebello's CNG bus fleet with reliable fueling at your transit facility since we completed design, construction and commenced operations and maintenance services on September 1, 2012. We understand the importance of making rollout with your fleet every day.

Please find below proposed pricing and a scope of service description for continuing our maintenance services. The pricing offer is valid for 90 days.

- 3 year contract base term
- Contract begins September 1, 2024
- Every year on September 1, beginning in 2025, the monthly fee and per DGE fee is adjusted by CPI
 - CPI is the CPI-U past 12 month index for Los Angeles-Long Beach-Anaheim, CA (https://www.bls.gov/regions/west/news-release/consumerpriceindex_losangeles.htm)
- After the 3 year base term the contract can be extended, by mutual agreement of Clean Energy and City of Montebello, for 3 additional years. Additional contract extensions by mutual agreement are allowed.
- **Price beginning 1-Sept-2024 = \$3,344.37 per month + \$0.23383 per DGE**

The estimated, annual not-to-exceed value of this maintenance contract is \$200,000. This is an estimate based on the monthly fee, per gallon fee and annual fuel usage. Clean Energy will bill based on actual volumes of fuel used, per the contract.



O&M Maintenance Service: Work Plan

The pricing in this proposal is for the following O&M scope of service. Please note this is the same scope as our current contract.

Clean Energy will continue to maintain the following CNG fueling station equipment that is already installed at your site:

- 2x Ariel CNG compressors
- 2x CNG compressor booster pumps
- Set of 3x high pressure CNG storage bottles
- 1x gas dryer
- 2x CNG fast fill dispensers
- CNG system pressure relief valves (PRVs)

Clean Energy's specific scope of maintenance service on this equipment:

- All routine inspections (see checklist below)
- Preventative maintenance (see checklist below)
- Emergency maintenance
- 24/7 call-outs service response
- Consumables, repair parts, rebuild parts
- Safe fueling training for Montebello Bus Lines staff
- Remote monitoring of station

Clean Energy's Scheduled Maintenance Plan								
Routine Inspection Checklist	Weekly	Bi-Weekly	Month	6 Month	12 Month	24 Month	36 Month	48 Month
Check / Record / Monitor 1st, 2nd, 3rd, 4th Stage Press / Temp	X							
Record Compressor Hours	X							
Check / Record / Monitor Inlet Pressure	X							
Check / Record / Monitor Oil Pressure	X							
Inspect all belts for proper tension and alignment	X							
Inspect all hoses and nozzles	X							
Inspect all piping and tubing supports	X							
Inspect compressor relief valves for sign of failures and leakage	X							
Check Area Lighting	X							
Check ESD Function				X				
Clean and lubricate break away couplings		X						
Clean entire site as needed	X							
Clean and wipe down dispensers		X						
Clean fueling nozzle		X						
Check dispenser for damages	X							
Drain scrubbers and filters	X							



Drain storage bottles			X					
Check equipments for unusual noise/vibration		X						
Monitor vehicle fueling cycle for proper operation	X							
Inspect all tubing, piping, and valves for leaks	X							
Monitor lubricator cycle movement indicator for proper operation		X						
Check compressor oil level, Fill to proper level	X							
Monitor primary and secondary packing vents for blowing.	X							
Inspect reds locks are installed on vessel's PRV shut off valves			X					
Inspect all piping, tubing, hoses for leaks		X						
Check fire extinguishers inspection date is current		X						
Preventative Maintenance Schedules	Weekly	Bi-weekly	Month	6 month	12 month	24 month	36 month	48 month
Ariel Compressor – PM Schedule 6				X	X	X	X	X
Ariel Compressor – PM Schedule 12					X	X	X	X
Ariel Compressor – PM Schedule 24						X		X
Ariel Compressor – PM Schedule 48								X
Dryer – PM Schedule 6				X	X	X	X	X
Storage – PM Schedule 12					X	X	X	X
Dispenser – PM Schedule 12					X	X	X	X
Site – PM Schedule 12					X	X	X	X

Clean Energy may, in its reasonable judgment, adjust the maintenance services it provides, or the intervals at which it provides such services if such changes are in accordance with the applicable equipment manufacturer's requirements.

Sincerely,

Alphonse Anderson

Alphonse Anderson
Senior Account Manager, Western Transit
alphonse.anderson@cleanenergyfuels.com
Cell: 949-266-1475



SOLE SOURCE DECLARATION

I, THE UNDERSIGNED, DO HEREBY CERTIFY to the best of my knowledge, after analyzing pertinent information available to us at this time, the item(s)/service(s) listed below can only be furnished by the following vendor due to the following justification(s):

Item/Service

Vendor

Address

City, State

Justification: *Refer to Back Page of this Form for Accepted Justification and Indicate the Exception Claimed Below, Provide Additional Information as Needed*

I declare under penalty of perjury that the foregoing is true and correct.

(Insert Department Director Name)
Signature

Date

Under “Justification” on Page 1 of this form, indicate which exception to the Purchasing Municipal Code (Chapter 3.20 et al) is being claimed to deem this purchase a “sole source purchase:”

Acceptable and Allowed Exceptions:

1. Only one manufacturer makes the item(s) meeting required specifications, AND that manufacturer only sells direct/exclusively through one regional/national vendor/representative.
2. The original manufacturer can only perform maintenance or repair services, AND the manufacturer does not have multiple agents to perform the required services.
3. Replacement and/or spare parts are exclusively available from the original manufacturer, AND the original manufacturer does not have distributors for those parts.
4. Patented items or copyrighted materials that are only available from the patent or copyright holder.
5. A formal/informal survey has been conducted by the requesting Department and/or Finance Department to determine whether other vendors/consultants can satisfy the requirements of the item or service. The survey provides vendors/consultants with a list of detailed requirements, and they provide a written response regarding their capability to supply the item or service. If only one (1) vendor can meet all of the listed requirements, this survey may be used to support the sole source claim.
6. A collaborative project where a specific vendor/contractor/consultant is named by the funding agency and/or inter-agency agreement as the source of an item or service, and the use of the vendor/consultant is required for compatibility.



ITEM # 14

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Fernando Pelaez, Fire Chief
Angelica Palmeros, Deputy Director

**SUBJECT: APPROVE PURCHASE OF TWO MONITOR/DEFIBRILLATORS FROM
ZOLL MEDICAL CORPORATION TO EQUIP FIRE DEPARTMENT
SQUAD 55**

DATE: October 9, 2024

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve the purchase of two (2) Monitor/Defibrillators, related medical equipment, and an extended warranty from Zoll Medical Corporation to Equip Fire Department Squad 55; and,
2. Amend the Fiscal Year 2024-25 budget by increasing appropriations by \$110,000 in Account No. 100-85-860-6000.50 (General Fund, Fire Department, Fire Suppression, Supplies-Medical); and,
3. Take such additional, related action that may be desirable.

FISCAL IMPACT:

The total cost for the purchase of two (2) Zoll Monitor/Defibrillators, including related medical equipment and an extended warranty, is approximately \$100,000 (Attachment A). To account for inflation or unforeseen costs, a ten percent contingency has been added, bringing the total estimated expenditure to \$110,000. This purchase is related to the outfitting and equipping of a second paramedic squad unit (Squad 55) in support of the Fire Paramedic Rescue Squad staffing model approved by the City Council in September, 2023. Squad 55 (at Station 55) will be the second of an eventual three paramedic squad units deployed in the City. Squad 56 was put into service on October 3, 2024 at Station 56.

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

Page 2 of 3

Purchase of the defibrillators and associated equipment and warranty requires an amendment to the Fiscal Year 2024-25 budget. The recommended action would increase appropriations by \$110,000 in Account No. 100-85-860-6000.50 (General Fund, Fire Department, Fire Suppression, Supplies-Medical).

BACKGROUND/DISCUSSION:

On September 13, 2023, the City Council approved the addition of 18 Firefighter/Paramedics to the Fire Department in order to reinstitute the Fire Paramedic Rescue Squad's staffing and response model. As part of this ongoing effort, the Fire Department provides Advanced Life Support (ALS) capabilities to the community, requiring specialized medical equipment to ensure that Firefighter/Paramedics are adequately equipped to respond to Emergency Medical Services (EMS) calls. A critical piece of this equipment is the Monitor/Defibrillator, which allows Firefighter/Paramedics to monitor vital signs and deliver lifesaving defibrillation in cases of cardiac arrest or other medical issues.

The Fire Department currently operates with a limited number of Monitor/Defibrillators, which are assigned to existing Fire Engines at all three stations within the City. With the anticipated deployment of Paramedic Rescue Squad 55, an additional Monitor/Defibrillator is required to equip the new unit. Furthermore, having a spare Monitor/Defibrillator is essential to ensure operational readiness in the event that one of the currently deployed units becomes inoperable due to mechanical issues or routine maintenance. The acquisition of two (2) additional Monitor/Defibrillators will address both these needs, ensuring that the Fire Department can maintain uninterrupted ALS service delivery to the community.

ENVIRONMENTAL:

N/A

ANALYSIS:

The Zoll Medical Corporation is a leading provider of advanced medical devices, including Monitor/Defibrillators. The Fire Department has standardized the use of Zoll Monitor/Defibrillators in its operations, and the acquisition of these additional units will align with existing equipment and training protocols. The proposed purchase includes two Monitor/Defibrillators, related medical equipment, and an extended warranty to cover potential repairs and maintenance, ensuring the longevity and reliability of the equipment (Attachment A). This is a sole source purchase through Zoll Medical Corporation (Attachment B), as the Monitor/Defibrillator is not typically available from other distributors, and the Fire Department requires the direct manufacturer warranty that only Zoll can provide.

SUMMARY:

The acquisition of two (2) additional Monitor/Defibrillators is critical for the Fire Department to support the reinstituted Fire Paramedic Rescue Squads and maintain the

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

Page 3 of 3

department's Advanced Life Support (ALS) capabilities. With the addition of 18 Firefighter/Paramedics and the upcoming deployment of Paramedic Rescue Squad 55, this specialized equipment is essential for providing high-quality emergency medical care. Staff recommends that the City Council approve the purchase of the two monitors/defibrillators from Zoll Medical Corporation (Attachments A and B) and amend the FY 2024-25 budget by increasing appropriations by \$110,000 in Account No. 100-85-860-6000.50 (General Fund, Fire Department, Fire Suppression, Supplies-Medical).

ATTACHMENT(S)

1. Attachment A - Zoll Quote
2. Attachment B - Zoll Sole Source



ATTACHMENT A
ZOLL Medical Corporation

269 Mill Road
Chelmsford, MA 01824-4105
Federal ID# 04-2711626

Phone: (800) 348-9011
Fax: (978) 421-0015
Email: esales@zoll.com

Quote No: Q-91791 Version: 3

Montebello Fire Department Headquarters #55
600 North Montebello Boulevard
Montebello, CA 90640

ZOLL Customer No: 348810

*Oscar Reyes
323-887-4526
oreyes@montebellocal.gov

Quote No: Q-91791
Version: 3

Issued Date: September 26, 2024
Expiration Date: December 31, 2024

Terms: NET 30 DAYS

FOB: Shipping Point
Freight: Prepay & Add

Prepared by: Duane Anderson
EMS Territory Manager
duane.anderson@zoll.com
+1 6266640471

Item	Contract Reference	Part Number	Description	Qty	List Price	Adj. Price	Total Price
1	1458165	601-2231011-01	X Series Monitor/Defibrillator - 12-Lead ECG, Pacing, NIBP, SpO2, SpCO, EtCO2, CPR Expansion Pack Includes: 4 trace tri-mode display monitor/ defibrillator/ printer, advisory algorithm, advanced communications package (Wi-Fi, Bluetooth, USB cellular modem capable) USB data transfer capable and large 6.5in (16.5cm) diagonal screen. Accessories Included: MFC cable and CPR connector, A/C power cord, One (1) roll printer paper, 6.6 Ah Li-ion battery, Carry case, Operator Manual, Quick Reference Guide, and One (1)-year EMS warranty. Parameter Details: Real CPR Help - Dashboard display of CPR Depth and Rate for Adult and Pediatric patients, Visual and audio prompts to coach CPR depth (Adult patient only), Release bar to ensure adequate release off the chest, Metronome to coach rate for Adult and Pediatric patients. See-Thru ® CPR artifact filtering • Interpretative 12-Lead ECG (Full 12 ECG lead view with both dynamic and static 12-lead mode display. 12-Lead OneStep ECG cable - includes 4-Lead limb lead cable and removable precordial 6-Lead set) • ZOLL Noninvasive Pacing Technology • Welch Allyn NIBP with Smartcuff. 10 foot Dual Lumen hose and SureBP Reusable Adult Medium Cuff • Masimo SpO2 & SpCO with Signal Extraction Technology (SET), Rainbow SET® • EtCO2 Oridion Microstream Technology. Microstream tubing set sold separately •	2	\$50,938.00	\$39,970.08	\$79,940.16
2	1458165	8000-0895	Cuff Kit with Welch Allyn Small Adult, Large Adult and Thigh Cuffs	2	\$195.00	\$152.52	\$305.04
3	1458165	REUSE-09-2MQ	Welch Allyn REUSE-09-2MQ Cuff, Child, 2-Tube, Twist Lock connector	2	\$66.00	\$51.66	\$103.32

**ZOLL Medical Corporation**

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Federal ID# 04-2711626

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Montebello Fire Department Headquarters #55

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Item	Contract Reference	Part Number	Description	Qty	List Price	Adj. Price	Total Price
4	1458165	REUSE-08-2MQ	Welch Allyn REUSE-08-2MQ Cuff, Small Child, 2-Tube, Twist Lock connector	2	\$66.00	\$51.66	\$103.32
5	1458165	8000-0580-01	Six Hour Rechargeable, SurePower II Smart Battery	4	\$1,001.00	\$784.74	\$3,138.96
6		8778-89002-WF	Professional Defibrillators/Monitors - Worry-Free Service Plan - 2 Years At Time of Sale Includes: Annual preventive maintenance, 27% discount on new cables, 27% discount on additional SurePower II Batteries, discount on parameter upgrades, SurePower II Battery replacement upon failure, and accidental damage coverage (see below). Shipping and use of a Service Loaner during repairs, no charge shipping. Extended warranty is a continuation of the One Year Product Limited Warranty. Battery replacement and accidental damage guidelines can be found in the ExpertCare Service Plan Terms and Conditions on the ZOLL website.	2	\$4,030.00	\$3,627.00	\$7,254.00
7	1458165	8000-001392	Masimo rainbow® RC-4 - 4FT, Reusable EMS Patient Cable	2	\$313.00	\$245.18	\$490.36

Subtotal: \$91,335.16

Estimated Tax: \$8,618.32

Total: \$99,953.48

Contract Reference	Description
1458165	Reflects CMAS 4-24-02-1027 Contract Pricing. Notwithstanding anything to the contrary herein, the terms and conditions set forth in CMAS 4-24-02-1027 shall apply to the customer's purchase of the products set forth on this quote.

To the extent that ZOLL and Customer, or Customer's Representative have negotiated and executed overriding terms and conditions ("Overriding T's & C's"), those terms and conditions would apply to this quotation. In all other cases, this quote is made subject to ZOLL's Standard Commercial Terms and Conditions ("ZOLL T's & C's") which for capital equipment, accessories and consumables can be found at <https://www.zoll.com/about-zoll/invoice-terms-and-conditions>, for software products can be found at <https://www.zoll.com/en/about-zoll/legal>, and for ExpertCare Service Plans can be found at <https://www.zoll.com/en/about-zoll/compliance>. Except in the case of overriding T's and C's, any Purchase Order ("PO") issued in response to this quotation will be deemed to incorporate ZOLL T's & C's, and any other terms and conditions presented shall have no force or effect except to the extent agreed in writing by ZOLL.

1. Delivery will be made upon availability.
2. This Quote expires on December 31, 2024. Pricing is subject to change after this date.
3. Applicable tax, shipping & handling will be added at the time of invoicing.
4. All purchase orders are subject to credit approval before being accepted by ZOLL.
5. To place an order, please forward the purchase order with a copy of this quotation to esales@zoll.com or via fax to 978-421-0015.
6. All discounts from list price are contingent upon payment within the agreed upon terms.
7. Place your future accessory orders online by visiting the ZOLL web store.



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Montebello Fire Department Headquarters #55

Quote No: Q-91791 Version: 3

Order Information (to be completed by the customer)

☐ Tax Exempt Entity (Tax Exempt Certificate must be provided to ZOLL)

☐ Taxable Entity (Applicable tax will be applied at time of invoice)

BILL TO ADDRESS	SHIP TO ADDRESS
Name/Department:	Name/Department:
Address:	Address:
City / State / Zip Code:	City / State / Zip Code:

Is a Purchase Order (PO) required for the purchase and/or payment of the products listed on this quotation?

☐ Yes PO Number: _____ PO Amount: _____
(A copy of the Purchase Order must be included with this Quote when returned to ZOLL)

☐ No (Please complete the below section when submitting this order)

For organizations that do not require a PO, ZOLL requires written execution of this order. The person signing below represents and warrants that she or he has the authority to bind the party for which he or she is signing to the terms and prices in this quotation.

Montebello Fire Department Headquarters #55

Authorized Signature:

Name: _____
Title: _____
Date: _____



SOLE SOURCE DECLARATION

I, THE UNDERSIGNED, DO HEREBY CERTIFY to the best of my knowledge, after analyzing pertinent information available to us at this time, the item(s)/service(s) listed below can only be furnished by the following vendor due to the following justification(s):

Item/Service X-Series Monitor/Defibrillator, related equipment, & warranty

Vendor ZOLL Medical Corporation

Address 269 Mill Road

City, State Chelmsford, MA 01824-4105

Justification: *Refer to Back Page of this Form for Accepted Justification and Indicate the Exception Claimed Below, Provide Additional Information as Needed*

The Fire Department solely uses the Zoll X Series Monitor/Defibrillator across our Paramedic Squads and Fire Engines. From staff research, the X Series with the expansion pack is not available from other suppliers, and the Department is able to purchase an extended warranty directly through Zoll Medical Corporation (manufacturer) in the event that these expensive medical devices fail before two years. Due to the lack of availability of this model from other vendors and keeping our medical devices standard across all our squads and engines, we are designating Zoll Medical Corporation as a sole source.

I declare under penalty of perjury that the foregoing is true and correct.


 (Insert Department Director Name)
 Signature Angelica Palmeros
Deputy Director

9/30/24
 Date



ITEM # 15

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Ramon Figueroa, Director of Human Resources

SUBJECT: **APPROVE PROFESSIONAL SERVICES AGREEMENT NO. 4228 WITH
ADMINSURE FOR WORKERS' COMPENSATION THIRD-PARTY
ADMINISTRATION SERVICES**

DATE: October 9, 2024

RECOMMENDATIONS:

It is recommended that the City Council:

1. Approve Professional Services Agreement No. 4228 with AdminSure Inc. in the amount that shall not exceed \$880,798 over the initial three (3) year term of the agreement; and
2. Take such additional, related action(s) that may be desirable.

FISCAL IMPACT:

Professional Services Agreement No. 4228 with AdminSure Inc. has an initial three (3) year term and includes two (2), one (1) year extension options. If needed, the City Manager will have the authority to increase the yearly expenditure amount by up to \$5,000 annually for the duration of the agreement. The total maximum compensation shall not exceed \$880,798.

Sufficient funds for this expenditure were budgeted as part of the Fiscal Year 2024-25 budget in Account No. 700-99-6040.11 (Self Insurance Fund - Non-Departmental - Contract Services - Workers Compensation - General). Subsequent fiscal years will include sufficient funding for these services.

BACKGROUND/DISCUSSION:

The City of Montebello operates as a self-insured entity. The City assumes the financial

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

Page 2 of 3

risk of covering potential liabilities rather than purchasing insurance from an external carrier. This approach allows the City more control over insurance premium costs and the ability to tailor coverage to its specific needs. This approach also allows for potentially reduced costs over time. The City utilizes third-party administrator (TPA) firms to assist with general liability and workers compensation claims and related tasks. The recommended action would approve an agreement with a TPA (i.e., AdminSure)

On Thursday, February 29, 2024, the City issued Request for Proposals (“RFP”) No. 24-13 for Workers’ Compensation Third Party Administration Services. The RFP was posted on PlanetBids, and notices were submitted to multiple vendors via PlanetBids. The RFP closed on Thursday, April 4, 2024, with seven (7) responses. Bidders provided pricing based on the City’s projected annual consumption of the required services. The following is a list of bidders who responded and their locations (In alphabetical order):

- **AdminSure Inc. - Ontario, CA**
- **Athens Administrators - Concord, CA**
- **CorVel Corporation - Irvine, CA**
- **Innovative Claim Solutions – San Ramon, CA**
- **Intercare Holdings Insurance Services Inc. - Glendale, CA**
- **LWP Claims Solutions Inc. - Mill Valley, CA**
- **TRISTAR Claims Management Services Inc. - Long Beach, CA**

After receiving the responses to the RFP, an evaluation committee was formed to review each proposal submission. The evaluation committee consisted of staff in the Human Resources and Finance Departments. The responses were evaluated based on the following criteria:

- Qualifications (40 points)
- Reputation/Reference Checks (30 points)
- Proposed Fees (30 points)

Upon completing the evaluations of the proposals, the evaluation committee interviewed the top four (4) bidders (based on scoring): AdminSure Inc., CorVel Corporation, Intercare Holdings Insurance Services Inc., and TRISTAR Claims Management Services Inc. Staff recommends awarding an agreement to AdminSure Inc.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

Page 3 of 3

AdminSure Inc. is an experienced and reputable vendor that has the personnel and systems capable of providing the workers' compensation administration services the City desires. AdminSure Inc. provides competitive pricing for administering claims, confidential claims management and investigation, strategic defense approach, and management of cost savings programs, such as a Return to Work program, which is anticipated to result in overall savings to the City. AdminSure Inc. represents that it remains knowledgeable and up-to-date in the workers' compensation field. Moreover, AdminSure Inc. will provide the City with valuable support, training, and compliance regarding workers' compensation trends and regulations. Staff recommends that the City Council approve the attached Agreement No. 4228 with AdminSure Inc. (Attachment A).

ATTACHMENT(S)

1. Attachment A - Agreement No. 4228 - Adminsure

**CITY OF MONTEBELLO
PROFESSIONAL SERVICES AGREEMENT NO. 4228
WITH ADMINISURE**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into on **October 9, 2024** ("Effective Date"), by and between the CITY OF MONTEBELLO, a California municipal corporation (the "CITY") and **ADMINISURE, Inc.**, a California corporation (the "CONSULTANT"). The CITY and the CONSULTANT are sometimes referred to herein individually as the "Party," and jointly as the "Parties."

RECITALS

WHEREAS, the CITY desires to retain a qualified consultant to provide Third-party Administration (TPA) services for the City's Workers' Compensation Program; and

WHEREAS, the City issued Request for Proposals (RFP) No. 24 – 13 on February 29, 2024; and

WHEREAS, the CONSULTANT submitted a response to the RFP; and

WHEREAS, the City evaluated the responses and determined that the Consultant will meet the requirements in a satisfactory manner.

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. INCORPORATION OF RECITALS AND OTHER CONTRACT DOCUMENTS

A. The above-referenced Recitals constitute a material part hereof and shall hereby be incorporated by reference. Moreover, this Agreement consists of the following documents, in order of precedence, all of which are incorporated herein and made part of this Agreement, as though fully set forth herein:

i. This Agreement and its Exhibits, including any and all addenda or supplemental agreements.

ii. **RFP 24 - 13**

iii. CONSULTANT's Proposal referenced

iv. All other documents, including but not limited to all applicable bonds, insurance certificates, permits, notices, schedules, forms, certifications, and affidavits.

B. These documents shall be collectively referred to herein as the "Contract Documents." In the event of a conflict among the Contract Documents, the order of precedence list above shall apply.

SECTION 2. SERVICES / COMPENSATION.

A. All terms, conditions, requirements, and provisions of the services in RFP 24 – 13 and CONSULTANT's responses, as such is set forth fully in **Exhibit "B"** hereto, are hereby incorporated fully herein by this reference and shall be binding on the Parties. To the extent of a conflict between the terms of this Agreement and that set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

PROFESSIONAL SERVICES AGREEMENT NO. 4228

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B. The CONSULTANT shall provide to the CITY all labor, equipment, materials and incidental necessary to provide services, as such is set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

C. The CONSULTANT shall be compensated for performance of the Professional Services as set forth in the Schedule of Compensation, attached hereto as **Exhibit B** and incorporated fully herein by this reference, ("Compensation"). The CONSULTANT shall provide an itemized billing statement to the CITY each month for Professional Services performed. The CONSULTANT shall not incur fees or costs which exceed the Compensation without the prior written consent of the CITY.

SECTION 3. TERM.

a. This Agreement shall commence upon issuance of a written "Notice to Proceed" (as further defined below) by the CITY and shall expire on June 30, 2027, unless terminated earlier as hereinafter provided. This Agreement may be extended for two (2) additional, one (1) year periods, with mutual written agreement of both Parties.

b. Notice to Proceed. Any work or service contemplated under this Agreement shall not commence until the CITY has issued a written Notice to Proceed issued by CITY's applicable, department head.

SECTION 4. PERFORMANCE.

a. The CONSULTANT shall at all times, faithfully, competently, and to the best of its ability, experience, and talent, perform all tasks described herein.

b. The CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of Consultant hereunder, in meeting its obligations under this Agreement.

c. The CONSULTANT shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

d. The CONSULTANT shall have the right to retain, subject to the CITY's approval, additional individuals, consultants or subconsultants to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subconsultants shall be the sole and exclusive responsibility of the CONSULTANT.

e. The CONSULTANT shall retain all original reports, field and office notes, correspondence, calculations, maps, and other documents specifically related to the services provided by the CONSULTANT pursuant to this Agreement, other than documents which are exempt from disclosure pursuant to the attorney-client privilege or any other law. Said documents shall be made available for inspection by the CITY upon request.

SECTION 5. WORK PRODUCT.

a. The CONSULTANT hereby agrees that all work product produced pursuant to this Agreement and provided to the CITY during and upon completion of this Agreement, shall be the property of the CITY, and ownership of said work product shall be retained by the CITY.

b. All data, documents, discussion, or other information developed or received by the

PROFESSIONAL SERVICES AGREEMENT NO. 4228

Page 3 of 11

CONSULTANT or provided for performance of this Agreement are deemed confidential and shall not be disclosed by the CONSULTANT without prior written consent by the CITY. The CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to the CITY upon the termination or expiration of this Agreement. The CONSULTANT agrees that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 6. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by the CONSULTANT under this Agreement unless such extra services first shall have been duly authorized in writing by the CITY'S City Manager (the "City Manager").

SECTION 7. CITY SUPERVISION.

The City Manager shall have the right of general supervision of all work performed by the CONSULTANT and shall be the CITY's agent with respect to obtaining the CONSULTANT'S compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval by the City Manager.

SECTION 8. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

Termination. The CITY shall have the option, at its sole discretion to terminate this Agreement in whole, or in part, by giving thirty (30) business days' written notice to the CONSULTANT. Upon the termination of this Agreement as provided herein, the CITY shall provide to the CONSULTANT the part of Compensation which would otherwise be payable to the CONSULTANT for services the CONSULTANT had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination by the CITY, the Parties agree that the CONSULTANT shall be reimbursed for any "non-refundable" costs that the CONSULTANT has incurred for its services under this Agreement, provided that: (1) such "non-refundable" costs were incurred by the CONSULTANT prior to the date of termination, and (2) that the CONSULTANT provides the CITY with adequate proof that the CONSULTANT incurred the costs, and is unable to be seek a refund for such costs. Such "non-refundable" costs may include, but are not limited to, travel reservations incurred by the CONSULTANT for its performance of services under this Agreement. The CONSULTANT agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 9. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of the CITY shall be employed by the CONSULTANT or subconsultant during the term of this Agreement.

SECTION 10. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of the CITY shall be personally liable to the CONSULTANT in the event of any default or breach by the CITY, or for any amount which may become due to the CONSULTANT.

PROFESSIONAL SERVICES AGREEMENT NO. 4228

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SECTION 11. INDEPENDENT CONSULTANT.

a. The CONSULTANT is and shall, at all times, remain as to the CITY a wholly independent consultant. Neither the CITY nor any of its elected officials, officers, employees, or agents shall have control over the conduct of the CONSULTANT except as expressly set forth in this Agreement. The CONSULTANT shall not at any time or in any manner represent that he or she is in any manner an elected official, officer, employee, or agent of the CITY. No employee benefits shall be available to the CONSULTANT in connection with the performance of this Agreement. Except as provided in this Agreement, the CITY shall not pay salary, wages, or other compensation to the CONSULTANT for performance hereunder for the CITY, the CITY shall not be liable for compensation to the CONSULTANT, the CONSULTANT's employees or the CONSULTANT's subcontractors for injury or sickness arising out of performing services hereunder.

b. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

c. The CITY shall not deduct from the Compensation paid to the CONSULTANT any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to the CONSULTANT. The CITY shall have no responsibility to provide the CONSULTANT, its employees or subconsultants with workers' compensation insurance or any other insurance.

SECTION 12. CalPERS ANNUITANTS AND ELIGIBILITY INDEMNITY.

a. If the CONSULTANT is a California Public Employees' Retirement System ("CalPERS") annuitant, the CONSULTANT must provide the City with written notification of such fact a minimum of 14 calendar days prior to commencement of services under this Agreement. Failure to provide such notification may result in termination of the Agreement, and any penalties or other costs relating thereto shall be borne by the CONSULTANT. If this Agreement remains in place, the CONSULTANT shall execute any amendment(s) to this Agreement requested by the City in order to comply with all laws and regulations applicable to CalPERS annuitants.

b. In the event that the CONSULTANT or any employee, agent, or subcontractor of the CONSULTANT providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the CITY, the CONSULTANT shall indemnify, defend, and hold harmless the CITY for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of the CONSULTANT 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.

c. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, the CONSULTANT and any of its employees, agents, and subconsultants 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 the CITY for

PROFESSIONAL SERVICES AGREEMENT NO. 4228

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employer contribution and/or employee contributions for PERS benefits.

SECTION 13. LEGAL RESPONSIBILITIES.

The CONSULTANT shall at all times observe and comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local governments including, but not limited to the Montebello Municipal Code. The CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of the CONSULTANT to comply with this section.

SECTION 14. INDEMNIFICATION.

The CONSULTANT agrees to, and shall defend, indemnify, protect and hold harmless, the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which the CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of the CONSULTANT's negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of the CITY.

SECTION 15. INSURANCE COVERAGE.

a. During the term of this Agreement, the CONSULTANT shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONSULTANT's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

Commercial General Liability (CGL): Written on an occurrence form reasonable acceptable to the City and in common use in the insurance industry for the identified coverage covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury, and advertising injury, with limits no less than \$2,000,000 per occurrence and \$4,000,000 aggregate.

Automobile Liability Insurance: Written on an occurrence form reasonable acceptable to the City and in common use in the insurance industry for the identified coverage (any auto), or if CONTRACTOR has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

Worker's Compensation insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

Professional Liability insurance appropriate to the CONTRACTORS'S profession, with limit no less than \$2,000,000 per occurrence and \$4,000,000 aggregate.

b. If the CONSULTANT maintains higher limits than the minimums shown above, the CITY requires and shall be entitled to coverage for the higher limits maintained by the CONSULTANT.

c. The CONSULTANT shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

PROFESSIONAL SERVICES AGREEMENT NO. 4228

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d. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California, which are acceptable to the City, and with a current rating of at least A-:VII in the latest edition of Best's Insurance Guide.

e. Each insurance policy required above shall state that coverage shall not be canceled, except after thirty (30) days' prior written notice (ten [10] days for non-payment) has been given to the CITY. The CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect the CITY may either (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at the CONSULTANT's expense, the premium thereon.

f. **Evidence of Insurance prior to commencement.** The CONSULTANT shall provide to the CITY Certificate(s) of Insurance evidencing such coverage together with copies of the required policy endorsements no later than five (5) business days prior to commencement of service and at least fifteen (15) business days prior to the expiration of any policy. Unreasonable failure to provide such evidence may be cause for termination of the Agreement as provided herein or delay the services' commencement date. The evidence of insurance shall be U.S. mail or email to:

City of Montebello
Attn: Risk Management
1600 West Beverly Boulevard
Montebello, CA 90640
COI@montebelloca.gov

g. In the event CONSULTANT receives notice of cancellation from the insurer of any of the insurance required under this agreement, CONSULTANT will provide City of Montebello written notice of such pending cancellation within five (5) business days of receipt of such notice from the insurer. CONSULTANT shall use all reasonable efforts to remedy the cause of such cancellation notice, or will find replacement insurance meeting the requirements of this agreement and shall provide City of Montebello with written notice that such cancellation has been rescinded, or shall provide a new Certificate of Insurance evidencing the replacement insurance, prior to the date the pending cancellation was to become effective, such that no lapse in the required insurance shall occur. .

h. **Evidence of Insurance during the entire term of the Agreement.** At all times during the term of this Agreement, the CONSULTANT shall maintain on file with the CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the CITY as an additional insured. The CONSULTANT shall, prior to the commencement of work under this Agreement, file with the CITY's Risk Manager such certificate(s).

i. The CONSULTANT shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

j. The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming the CITY, its officers, employees, agents and volunteers as additional insured's. All of the policies required under this Agreement shall contain an

PROFESSIONAL SERVICES AGREEMENT NO. 4228

Page 7 of 11

endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to the CITY. The CONSULTANT agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

k. The Commercial General Liability insurance policy provided by the CONSULTANT shall be primary to any coverage available to the CITY. Any insurance or self-insurance maintained by the CITY, its officers, employees, agents, or volunteers, shall be in excess of CONSULTANT's insurance and shall not contribute with it.

l. All insurance coverage provided pursuant to this Agreement shall not prohibit the CONSULTANT, and CONSULTANT's employees, agents or subconsultants, from waiving the right of subrogation prior to a loss. The CONSULTANT hereby waives all rights of subrogation against the CITY as it pertain to the Commercial General Liability, Automobile, and Workers' Compensation policies.

m. Any deductibles or self-insured retentions must be declared to and approved by the CITY. .

n. Procurement of insurance by the CONSULTANT shall not be construed as a limitation of the CONSULTANT'S liability or as full performance of CONSULTANT's duties to indemnify, hold harmless and defend under the indemnity covenants of this Agreement.

SECTION 16. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

The CONSULTANT shall not subcontract, delegate, or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of the CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-consultant, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

Any subcontract, delegation or assignment shall be made in the name of the CONSULTANT and shall not bind or purport to bind the CITY and shall not release the CONSULTANT from any obligations under this Agreement including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees or sub-consultants. No such subcontract, delegation or assignment shall result in any increase in the amount of total compensation payable to the CONSULTANT under the Agreement.

SECTION 17. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition, or covenant hereof.

SECTION 18. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall

PROFESSIONAL SERVICES AGREEMENT NO. 4228

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be County of Los Angeles, California. The Parties agree that the covenants contained in this Section shall survive the expiration or termination of this Agreement.

SECTION 19. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 20. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

- a. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;
- b. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of any matter whatsoever; and
- c. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 21. MISCELLANEOUS.

- a. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.
- b. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.
- c. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- d. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.
- e. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.
- f. Each of the parties acknowledges that it has been represented by independent

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SECTION 22. NOTICE.

SECTION 23. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

SECTION 24. CONFLICT OF INTEREST.

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The CONSULTANT covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by the CONSULTANT under this Agreement, or which would conflict in any manner with the performance of its services hereunder. The CONSULTANT further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, the CONSULTANT shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

The CONSULTANT covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to the CITY as a result of the performance of this Agreement, or the services that may be procured by the CITY as a result of the recommendations made by the CONSULTANT. The CONSULTANT's covenant under this section shall survive the termination of this Agreement.

SECTION 25. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between the CITY and the CONSULTANT. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition, or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

SECTION 26. EXTENSION TO OTHER PUBLIC AGENCIES

Unless otherwise specified in writing, the CONSULTANT agrees that the prices, terms, and conditions identified in the Proposal (Exhibit "A") and Agreement may be extended to other governmental agencies at the mutual agreement of both the public agency and awarded CONSULTANT. All requirements of the specifications, purchase orders, invoices, and payments with other agencies shall be directly with the CONSULTANT. CONSULTANT acknowledges and agrees to the extension of these contract terms to other governmental agencies conditioned upon the agreement of the CONSULTANT with the governmental agency. This provision in no way guaranteed that the CONSULTANT will agree to enter into a contract with a governmental agency pursuant to this Section.

[SIGNATURE PAGE TO FOLLOW]

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IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

("CITY")

("CONSULTANT")

CITY OF MONTEBELLO

ADMINSURE, INC.

Alithia Vargas-Flores
Alithia Vargas-Flores (Sep 24, 2024 15:31 PDT)

Raul Alvarez, City Manager

Alithia Vargas-Flores, President

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City
Attorney

EXHIBITS:

- Exhibit A – Response to RFP 24-13
- Exhibit B – Schedule of Compensation

AdminSure

**Request for Proposals
– Response –**

RFP No. 24 - 13

**Workers' Compensation Third Party
Administrator Services**



April 3, 2024

**Third Party Administrators of Workers' Compensation and General Liability
Self-Insurance Programs in California since 1982**

**Alithia Vargas-Flores
President
3380 Shelby Street
Ontario, California 91764
909.396.5814**



3380 Shelby Street
Ontario, California 91764

Telephone (909) 396-5814
Fax (909) 978-1131

Letter of Transmittal

April 3, 2024

John Soria, Assistant Director of Human Resources
City of Montebello – Department of Human Resources
1600 West Beverly Boulevard
Montebello, CA 90640

Re: Workers' Compensation Third Party Administrator Services – RFP No. 24 – 13

Dear John Soria:

AdminSure Inc., a California Corporation (DIR Number 092), is submitting a Workers' Compensation Third Party Administrator Services proposal response for the City of Montebello. Our services and processes are both comprehensive and flexible, which will allow us to be in line with the City's needs and objectives as described in the Request for Proposal (RFP); specifically, the Scope of Work/Services.

Since 1982 we have been a leading service provider of performance-based Workers' Compensation Program Services for numerous California cities with police and/or fire departments (safety members). This is truly our specialty as the great majority of our client base is comprised of cities like the City of Montebello. Specifically, 80 of our public entity/sector clients are comprised of Cities, Fire Districts, and one County – 69 of which have public safety (police and/or fire); therefore, we are a proven service provider.

We have a very longstanding and secure client base as we have administered many of our clients' Workers' Compensation Programs for more than 20 years. In addition, we are one of the few PRISM (Public Risk Innovation, Solutions, and Management) preferred Third Party Administrators (primary programs). Please refer to Attachment 1 for our Workers' Compensation Program Client List.

We are able to ensure we are in full compliance with the Workers' Compensation Laws of California and the Workers' Compensation industry's best practices/standards by adhering to our Workers' Compensation Claims Administration Standards (Attachment 2) and our State of California approved Utilization Review Plan (Attachment 3). It is important to note that City and PRISM Standards shall supersede any/all other Standards. Our approach has resulted in our following 2023 State of California Audit Scores: Our Workers' Compensation Department's score is over 3 times better than the passing score, and our Utilization Review Department's score is 100%.

We administer claims in a professional, proactive, and consistent manner, and we are very knowledgeable with regard to all aspects involved with the Workers' Compensation system. Specifically, we are extremely well versed in the Workers' Compensation Laws of California (Labor Codes, Senate Bills (SB), California Code of Regulations (CCRs), Government Codes, and Case Laws, etc.) that govern Workers' Compensation claims. We are also very knowledgeable in municipal claims administration, Labor Code 4850 Benefits, all presumptions for safety members (police/fire) and their impact on CalPERS Retirement Benefits (Industrial Disability Retirement

(IDR) Benefits), as well as matters involving the coordination of State and Federal disability benefits, i.e., Americans with Disabilities Act (ADA), etc.

Should we be selected, we will create a customized approach (Client Profile) with our City contacts to ensure our approach and efforts positively impact claim outcomes. Our services will be performed with a clear purpose in mind – to see that claims are handled properly, quickly, and economically – we focus on results. We pride ourselves in maintaining strong lines of communication with our clients, their injured workers, and all other interested parties. Our goal is to provide the City's injured workers with all the benefits they are entitled to that is specific to the City's approach; this is our core competency. We truly use our heads and our hearts when making informed decisions, and we are known for “handholding” our clients/injured workers during the entire claims process.

In addition to providing Workers' Compensation Claims Administration Services, we provide Utilization Review Services and Bill Review Services through our wholly owned subsidiary MedReview Inc. – which is located in-house, on AdminSure's premises. It is important to note that nearly 100% of our clients have selected us to provide them with Utilization Review Services and full Bill Review Services in addition to Claims Administration Services as they have found that tightly integrating these services results in greater cost savings, timeliness, efficiency, and reliability. This is particularly important in view of the deadlines, penalties, and Electronic Data Interchange (EDI) requirements associated with these activities.

Thank you for the opportunity to potentially partner with the City of Montebello. Based on our entire proposal response, our proposed cost for services, and our years of specialized experience related to successfully administering complex claims in a considerate and consistent manner for cities with police and/or fire departments (safety members), we are confident we will provide the City of Montebello with the greatest overall cost-benefit advantages for its Self-Insured Workers' Compensation Program (Claims Administration Services, Utilization Review Services, and Bill Review Services). We sincerely hope we are extended the opportunity.

Our proposal shall remain valid for a period of not less than 90 days from the submittal deadline. Should you have any questions or would like to further discuss our services, please contact me directly at 909.396.5814, or by way of e-mail at avargas-flores@adminsire.com, as I am the contact person for this Request for Proposal (RFP) and am fully authorized to negotiate and contractually bind AdminSure Inc.

We acknowledge receipt of Addendum No. 1 and attest that all information submitted with our proposal is true and correct.

Thank you for your time and consideration.

Respectfully submitted,



Alithia Vargas-Flores, President
MBA, SIA, WCCP, WCCA



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Attachments

Attachment 1	Workers' Compensation Client List
Attachment 2	Workers' Compensation Claims Administration Standards
Attachment 3	Utilization Review: Plan, Authorization Criteria & Workflows
Attachment 4	Resumes
Attachment 5	Article, Data: Fastest and Slowest Payers 2023
Attachment 6	Summary of Reports & Sample Reports
Attachment 7	Transition and Implementation Plan – Data Conversion
Attachment 8	Certified SOC Organization Report & Disaster Recovery Plan
Attachment 9	Cost Sheet

Technical Proposal

Qualifications, Related Experience and References

Since 1982, AdminSure Inc., a California Corporation, has been a leading service provider of performance-based Workers' Compensation Program Services for numerous cities with police and/or fire departments (safety members). In addition to providing Workers' Compensation Claims Administration Services, we provide Utilization Review Services and Bill Review Services.

Administering Workers' Compensation Program Services for Southern California cities with police and/or fire departments is truly our specialty as the great majority of our client base is comprised of cities like the City of Montebello. Specifically, 80 of our public entity/sector clients are comprised of Cities, Fire Districts, and one County – 69 of which have public safety (police and/or fire); therefore, we are a proven service provider.

We are a financially strong and stable company with a very longstanding and secure client base as we have administered many of our clients' Workers' Compensation Programs for more than 20 years. In addition, we are one of the few PRISM (Public Risk Innovation, Solutions, and Management) preferred TPAs – Third Party Administrators (primary programs). Please refer to Attachment 1 for our Workers' Compensation Program Client List.

We are able to achieve the objectives of this project as we currently provide the exact services described in the City's Request for Proposal (RFP). We are a top-tier service provider with decades' worth of experience in City – public entity/sector – Workers' Compensation Self-Insurance Claims Administration, and we also promote a proactive approach to manage and administer benefits in accordance with applicable laws and City-specific policies. Therefore, we have very current, on-point experience to achieve all of the City of Montebello's RFP objectives.

We are able to meet each specified timeline as described in the RFP by establishing City-approved standards and protocols. We will assign qualified, best-fit Claims Adjusting Staff (with prior City approval), as well as all necessary support Staff. We will also dedicate the required resources during the transition period and throughout the entire business relationship in order to meet and exceed the City's needs and expectations. We have 172 employees and our corporate office is located in Ontario, California.

It is important to reiterate that for nearly 42 years, our focus has been and remains to provide performance-based Workers' Compensation Program Services for California cities with Police and/or Fire Departments (safety members). This is truly our specialty as the great majority of our client base is comprised of cities – like the City of Montebello. Our continued focus and commitment to this sector specifically – California Cities with Police and/or Fire Departments – significantly differentiates us from our competitors.

The following are key attributes and additional areas of our focus that collectively distinguish us from our competitors and also point as to why we are the best qualified to partner with the City of Montebello:

- Our most recent 2023 State of California Audit Scores:
 - Workers' Compensation Department: Over three times better than the passing score
 - Utilization Review Department: 100%
- We encourage City involvement, whatever is possible and practical for the City
- We provide tailored training sessions and assistance on the claim submission process, forms, Risk Management Information System (RMIS), industry standards and best practices, etc. We are also able to assist with creating policies specific to Workers' Compensation and assist with coordinating training in other areas such as ergonomics, FEHA/ADA, etc.
- The City's Claims Team will customize their claims handling approach to meet the City's requirements and needs so that they are specific to the City's approach
- Quality assurance and professionalism – we truly humanize the claims process by treating each injured worker as a “person,” not a “problem”
- Communication and documentation – we will establish and maintain a professional relationship and effective communication process with our City contact(s) and injured workers; as well as all interested parties (physicians, attorneys, etc.)
- We are assertive. We communicate and document. We are mindful of the genuine injured worker and maintain the integrity of the claims process by utilizing both our heads and hearts when making informed decisions
- Return-to-Work (RTW Program) – with prior client review and approval, we will ensure a “not-able-to-accommodate” response is the exception not the rule
- Claim notes – “If it's not in writing, it never happened,” we will document all interactions and efforts; a plan of action towards settlement/closure will be noted
- File Reviews and meetings – on a quarterly basis and along with all Client Department Heads – should our City Contact(s) agree, we will discuss and provide a current status of claim files to ensure everyone is “on the same page”
- Real-time software and City access – everyone (City contact(s) and Claims Staff) works on the same system, at the same time, sharing information in real-time. The City will be provided access for an unlimited number of authorized read-only users
- Reports, Analytics, and Data – if “it” is captured, we can create it. We are able to provide the City with an unlimited number of reports as well as analytics and data
- Results based – timelines are set and met, progress is followed, outcomes are reviewed. We will provide kind customer service while focusing on extending cost-effective services

- App – Injured Worker and Claims Adjuster Advocacy Solution. The App will help injured workers return to health and work, while increasing our productivity. The App is in addition to our voice-to-voice communications as it is not meant to dehumanize the claims process or take the place of telephone calls with injured workers. Specifically, in addition to their assigned claims adjuster, the App will also guide injured workers throughout their entire Workers' Compensation claim – from inception to closure. Injured workers will also be able to securely communicate with their assigned claims adjuster in over 100 different languages through in-App messaging/texting, and email, etc. Moreover, the App is very user friendly and ideal for injured workers who prefer to obtain quick answers to their questions, provide us with information, and for those injured workers who are not able to easily communicate through telephone calls during their workday

We promise to provide the City with customized “boutique” care and attention – wherein everyone and everything matters. We are adaptable and flexible to the City’s needs and requests. We will provide a high level of service, responsiveness, and communication with our City contact(s), injured workers, and all interested parties.

Truly, our ultimate goal is to provide considerate and consistent services in order to positively impact claim outcomes. Given the opportunity, we are confident the City will experience that we have the knowledge and qualifications in order to professionally administer its Workers' Compensation Program in both an effective and cost-benefit sensitive manner.

Therefore, it would merely be a matter of continuously working closely with our City Contacts to perfect the desired claims handling approach and process that is specific to the City’s requirements and expectations. We are also able to adjust our internal standards accordingly to meet the City’s needs so that we provide the City and all of their injured workers with the services they expect and deserve.

We will work with the City to achieve both short-term and long-term goals by implementing agreed-upon approaches. We have also found that in order to work well with our clients and their injured workers, as well as reach the desired results, all parties must be committed to working well with one another. Specifically, this means monitoring performance levels, documenting and communicating results, as well as comparing outcomes to goals through internal controls.

Therefore, in addition to continuously training our personnel, we perform internal audits on a continuous basis so that we are able to ensure compliance with all applicable standards and industry best practices, as well as identify and prevent any potential deficiencies in the quality of service we provide.

Quality Control

We perform the following proactive, quality control measures (internal controls):

- Maintain constant communication with all interested parties to ensure quality of service
- Foresee, anticipate, and/or identify the issue/matter that may be imminent

- Plan/create a strategy – then take action to remedy the issue/matter
- Set timelines and timeframes for goal completion – track and document results
- Follow up to confirm the completion produced an overall positive result/outcome
- Set protocols to ensure goals continue to be met timely and produce the desired result

The above will be completed on a continuous, ongoing basis and statistical reports will be analyzed on a monthly basis to identify any areas that may require attention, discussion, etc.

Reference our internal audits, our claims adjusters and their work product are reviewed and managed on a continuous, daily basis. Our claims managers supervise their claims adjusters' work product and efforts by reviewing all open claims on an ongoing basis as well as review/audit a minimum of 10% of each of their assigned claims adjusters' caseloads on an ongoing basis. In doing so ensures that we are meeting and/or exceeding standards, ensures proper claims handling procedures are being adhered to, and that a current plan of action towards settlement/closure is documented in every open claim file.

Also, because we operate in a paperless environment, all mail, documents, etc. received/created are scanned/saved in our computer system on a real-time basis so that all interested parties: claims managers, claims supervisors, claims adjusters, and our client contacts, etc. have access to review all claims information. This transparency allows for a very detailed and timely approach to monitoring active claims.

In addition, we are able to provide quarterly file reviews, and training sessions/training materials at no additional cost. Our City contacts will have 24/7/365 on-line, real-time, read-only access to all claims information, as well as report writing capabilities, and we will provide software systems training. We will also provide all standard, ad hoc, State, Federal, etc. reports.

These combined approaches result in meaningful efforts that produce positive results allowing for both short-term and long-term goals to be achieved. Should the City prefer a different approach and/or wish to adjust our approaches, we will adhere accordingly.

Staffing – Claims Personnel

Our City of Montebello Team assigned to handle claims will be comprised of professional staff that includes our Workers' Compensation Claims Directors. Their broad role includes transitioning the claims assigned to us from the City, selecting (with prior City approval) and assigning all necessary best-fit Claims Adjusting Staff, and non-Claims Adjusting Staff, to perform each service required per the RFP. Please refer to Attachment 4 for their resumes which detail their education, experience, years with our firm, etc.

It is important to note that our Workers' Compensation Claims Directors have successfully completed numerous Third Party Administrator (TPA) transitions; moreover, they have sufficient time and resources to devote to the City of Montebello's transition should we be selected. They

will also oversee the entire Project alongside the City's assigned Workers' Compensation Claims Manager to ensure we meet and exceed the City's needs and expectations.

As previously noted, our Workers' Compensation Claims Directors will – along with our City contact(s) – assign the best-fit Workers' Compensation Claims Manager and Claims Team to the City's account as it is absolutely imperative to the success of the City's Self-Insured Workers' Compensation Program that the City's assigned Claims Adjusting Staff are compatible with our City contact(s) and that our business relationship is based on mutual goals and shared philosophies.

Our Workers' Compensation Claims Directors and City's assigned Workers' Compensation Claims Manager will oversee the City's account to ensure the City of Montebello's Team administers and manages the services requested in the RFP in such a way that meets and exceeds the City's needs and expectations.

In addition, the City's assigned Workers' Compensation Claims Manager will have the authority to resolve client issues immediately including increasing staffing (should workloads increase over the life of the Agreement), or reassignment of Staff to the City's satisfaction. If/when necessary, we will provide a qualified back-up claims adjuster in the event of any absence of the City's Claims Adjusting Staff. Should the City request/require a different approach, we will adhere accordingly.

It is also important to note that we have more than sufficient resources to provide the requested professional services in the timeframe required by looking to our 100+ Workers' Compensation Professional Staff to assist the assigned City of Montebello Workers' Compensation Team as follows:

- Staff – City of Montebello's Claims Team:
 - Directors of Operations
 - Workers' Compensation Claims Manager
 - Workers' Compensation Claims Adjuster(s)
 - Workers' Compensation Claims Assistants
 - Workers' Compensation Office Assistants
- Clerical Support Staff
- Utilization Review Staff
- Bill Review Staff
- Bill Pay Staff
- Check Processing Staff

- Information Systems/Technology (IS/IT) Support Staff

Our staffing backup plan when a City of Montebello team member is not available is achieved through our PTO (personal time off) “Buddy System.” Each claims adjuster has a claims adjuster assigned to them to assist when they are on PTO and/or not available. This ensures all clients and injured workers receive the necessary attention and care at all times.

By appropriately staffing the City’s account, the City’s Claims Team will be able to consistently communicate with injured workers throughout the entire claims process. Our responsive, meaningful communication approach to claims handling results in good, injured worker relations and should result in claim cost reductions and claims settling/closing sooner.

Workload

Based on PRISM’s standard and the industry’s standard/best practice, a full caseload is considered 150-165 open indemnity claim files. Depending on claim type, open companion claims are counted as either one-half (1/2) of an indemnity claim file or one indemnity claim file. The following is a detailed summary of the various claim types that comprise a caseload and how they are assigned:

Claim Type Descriptions

- **Medical-Only Claim File** – An accepted minor claim in which no lost time or any other type of monetary benefit (permanent disability benefit) would be due/payable to an injured worker. A Medical-Only claim file is counted as one-half of an Indemnity claim file.
- **Future Medical Claim File** – A settled claim in which there are no outstanding/pending issues other than the monitoring of future medical treatment, resolution of liens, and excess reporting. A Future Medical claim is counted as one-half of an Indemnity claim file.
- **Indemnity Claim File** – A claim wherein there are or may be monetary benefits due to an injured worker or an injured work’s dependent (death claim) such as: lost time, permanent disability, rehabilitation, etc.; as well as disputed/delayed/denied claims and subrogation claims.
- **Indemnity/Future Medical Claim File** – When assigned to an Indemnity Claims Adjuster, the claim is a settled claim wherein there are outstanding/pending issues other than: the payment of the approved Award (permanent disability benefits), monitoring of future medical treatment, resolution of liens, and excess reporting; such as: a filing for New and Further,

newly added body parts, a dispute of some kind, etc. This type of claim is counted as one Indemnity claim file.

When assigned to a Medical-Only Claims Adjuster, the claim is a settled claim wherein there are no outstanding/pending issues other than perhaps the payment of the approved Award (permanent disability benefits), the monitoring of future medical treatment, resolution of liens, and excess reporting. This type of claim is counted as one-half of an Indemnity claim file.

- **First Aid and Information Only** – Our criteria for first aid claims is as defined per Labor Code 5401. Information Only claims may be documented in our computer system to record the incident and confirm a Workers' Compensation Claim Form (DWC 1) was provided. There is no additional cost for these types of claims and they do not count as a claim file or towards a caseload.

Client References

The following are three local references:

City of Downey

11111 Brookshire Avenue
Downey, California 90241
(562) 904-7292

Client Since September 1, 1982
James McQueen
Director of HR/Risk Manager

City of El Monte

11333 Valley Boulevard
El Monte, California 91731-3293
(626) 580-2001

Client Since June 1, 2015
Rigoberto Gutierrez
HR and Risk Management Director

City of Monterey Park

320 West Newmark Avenue
Monterey Park, California 91754-2896
(626) 307-1345

Client Since January 1, 2015
Christine Tomikawa
HR/RM Director

Please refer to Attachment 1 for our Workers' Compensation Program Client List, thank you.

Detailed Work Plan

Scope of Work/Services – Claims Handling Philosophy – Proposed Approach – Work Plan

The following is a detailed description of our approach when providing services based on the City's Scope of Work and service requirements as noted/discussed within the Requests for Proposal (RFP). We have found that explaining exactly how we will comply is best answered by summarizing what can be expected of us, in general, when administering a Workers'

Compensation claim on behalf of the City of Montebello. In doing so will concisely demonstrate that we have a unique understanding of the City's needs based on the RFP.

We strive to respond to the City's and injured workers' questions, requests, etc. within one workday by way of e-mail, telephone, etc. Specifically, phone calls, faxes and electronic transmissions (e-mails) will be responded to within one workday from when they were received, and all mailed correspondence will be responded to within five workdays of receipt.

Specific to injured workers, as previously shared, the App will help injured workers return to health and work, while increasing our productivity. The App is in addition to our voice-to-voice communications as it is not meant to dehumanize the claims process or take the place of telephone calls with injured workers. Specifically, in addition to their assigned claims adjuster, the App will also guide injured workers throughout their entire Workers' Compensation claim – from inception to closure. Injured workers will also be able to securely communicate with their assigned claims adjuster in over 100 different languages through in-App messaging/texting, and email, etc. Moreover, the App is very user friendly and ideal for injured workers who prefer to obtain quick answers to their questions, provide us with information, and for those injured workers who are not able to easily communicate through telephone calls during their workday.

We operate in a paperless environment wherein all mail, documents, etc. received/created is scanned/saved in our computer system on a real-time basis so that the City has access to review all claims information on a real-time basis. Correspondence will be electronically date stamped on the day received and will be "matched" to the appropriate claim file and given (assigned) to the assigned claims adjusters. Claims Staff will review unmatched mail, if any, and appropriate action will be taken.

Claims are reported to us in various ways depending on client preference. We prefer claims to be electronically reported to us by way of our on-line 5020 reporting module (real-time) which allows for the proper electronic forms to be attached (system entries: Employer's Report of Occupational Injury or Illness (Form 5020), Workers' Compensation Claim Form (DWC 1), Supervisor's Report of Injury or Illness, etc.). Specifically, at no additional cost, the City is able to directly and securely report new claims (and pertinent new claim information) to us in a completely electronic (paperless) manner through our company website utilizing our On-Line Services Module.

Upon receipt of an Employer's Report of Occupational Injury or Illness (Form 5020) and/or a Workers' Compensation Claim Form (DWC 1), we will open/prepare a claim file within one to two workdays (or sooner if necessary).

Within one to two workdays, we will contact the City and request the appropriate forms from both the injured worker and the City be provided to us when notification of an injury/illness or incident by any source is first received in our office, i.e., Application of Adjudication, Notice of Legal Representation, Doctor's First Report of Injury (DFR, Form 5021). We will document said contact in our computer notepad after the claim has been created in our Risk Management Information System (RMIS).

If there is no evidence that the DWC 1 Form was provided to the injured worker, we will provide the injured worker with the DWC 1 Form within one workday of knowledge of the injury. Should we receive a request for a DWC 1 Form, we will advise the sender (if the sender is a non-litigated injured worker) to notify the City and we will also immediately contact the City to advise that the documentation provision of the DWC 1 Form is maintained within our RMIS.

Once a claim file is opened and/or we have knowledge of a possible or imminent claim, we make immediate (within one workday) 3-point contact with the City, the injured worker, and the treating medical facility (physician) – all communications are documented in our computer notepad. In the event a party is non-responsive, there will be evidence of at least three documented attempts to reach the individual by phone, email or in writing (mail). Medical-Only claim files will also have this three-point contact requirement as well. Contact with opposing counsel will also be made when an Application is our first notice.

On all non-litigated, lost time cases where the injured worker is temporarily disabled (has not returned to work), telephone contact will be established with the injured worker within one to two workdays of receipt of notice of a claim and will continue as often as necessary, but not less than twice a month until the injured worker returns to work. All contact will be documented in our computer notepad.

On all non-litigated claims, we will also provide ongoing information, guidance, and assistance to injured workers at every stage of the claims process: compensability, the delay process, conditional denial process, all statutory benefits, permanent disability ratings (potential apportionment, modified/alternative/permanent work, etc.), the Qualified/Agreed Medical Examiner (QME/AME)/ Independent Medical Review (IMR) process, and settlement of claims, etc.

When making the initial phone contact, we will ask the injured worker to make contact with us as well whenever they may have any questions, concerns, comments, etc. We will maintain contact with all non-litigated injured workers from the inception to disposition of their claim file(s). All contact will be documented in our computer notepad.

Based on all the information present at that time, we determine whether or not investigation, surveillance, fraud, litigation, and/or subrogation efforts are necessary or applicable. Our goal is to provide exceptional, timely, and appropriate services for the City and their injured workers as in doing so will assist us in developing and maintaining a professional and trusting rapport with the City and their injured workers.

Within 14 calendar days of receipt of a claim form (DWC 1), a proper notice will be sent to the injured worker notifying them of the decision reference their claim (acceptance, delay or denial), and their rights under the Workers' Compensation Laws of California. If a decision is made to delay a claim file (benefits), an AOE/COE (arose out of employment/in the course of employment) investigation will be initiated with prior City approval.

We have many investigative techniques in place to identify and investigate questionable or fraudulent industrial injury claims. We will work closely with the City and their injured

workers/employees to obtain all pertinent information on each claim file so that the most appropriate decisions are made in a timely manner.

Based on all the information present at that time, we determine which medical facility and/or physician will be best to examine and/or provide medical treatment to the injured worker. A Qualified Medical Examination (QME), Agreed Medical Examination (AME), or Independent Medical Examination (IME), etc. may also be options depending on the facts/specifics of each claim.

Transportation reimbursements and all reimbursement to injured workers will be mailed within 5-10 workdays of the request for reimbursement. Advance travel expense payments will be mailed to the injured employee at least 10 days prior to the anticipated date of travel.

We obtain Index Claim Searches on all lost time claims and all claims wherein any disability benefit is due, as well as when it is appropriate (i.e., all new claims, and at necessary intervals on continuing active claims). The purpose of an Index Claim Search is to obtain a history of any previous (or current) claim filings the injured worker may have that may impact the claim(s) against the City and/or wherein the City may be in a position to receive a credit (apportionment). All index searches are at no additional cost to the City.

In addition, with prior City authorization, we immediately assign (refer) an investigator to a claim when any identified issue arises that may impact the nature, extent, or scope of the City's liability. Referrals will include specific instructions regarding the scope of the investigation and the City will be kept informed of the costs and results of all investigations. Also, when a claim is believed to be fraudulent ("red flags" are identified), we will refer the claim to the appropriate law enforcement agency for further investigation – of course, with prior authorization from the City.

For all denied and contested (delayed) claims, we will contact the City to discuss the claim in its entirety, including "red flags," etc., before any notice is sent or communication is made with the injured worker. The claims adjuster will document the factual, medical, and/or legal basis for the delay or denial that is in accordance with the Workers' Compensation Laws of California. Reference questionable claims that should be or may be accepted, we will contact the City to discuss claims such as these in their entirety.

Once a claim is entered into our system and the decision to accept, delay or deny the claim has been made, we set appropriate reserves and place the claim on an appropriate diary cycle. Compensability determination and reasons for same will be clearly documented in our computer notepad within one to two workdays of receipt of the claim. It is important to reiterate that we will discuss our recommendation to delay or deny a claim with our City contact(s) prior to sending any notices, and we will also discuss acceptance of any questionable claims prior to sending notices.

All open claim files will have an assigned diary date on an ongoing basis until the date of closure. Our regular diary reviews are clearly distinguished in our computer notepad from routine file documentation. All open claim files are on an active diary for review of: current work status, medical status, review of reserves, investigation/litigation/subrogation status, and plan of action towards claim resolution and closure, etc.

The initial plan of action will be clearly documented in our computer notepad within 14 calendar days of the initial claim set-up. Lost time claims are reviewed at least every 14 days, medical-only claims are reviewed at least every 30–45 days, and Awarded Future Medical claims are reviewed for Compromise and Release (C&R) settlement potential (with prior City approval) and/or administrative closure no less than twice a year. We will also monitor the diary reviews by utilizing a “No Activity” report every month to identify any files that have fallen off diary, if any.

Initial claim reserves will be posted electronically and will reflect the most probable value of the claim file (life of the claim). Reserves are based on the information available at the time of the claim opening and are adjusted accordingly based on medical, legal, etc. facts that develop as the claim file matures, as well as per Self-Insurance Plan (SIP) Regulations, Labor Codes, California Code of Regulations (CCRs), etc. Initial claim reserves and subsequent reserve changes will be reviewed and approved by the assigned claims manager.

As claim values increase and decrease, claim reserves will be reviewed and adjusted, if necessary, on a regular basis and on each diary date (at least every 45 workdays). Future medical claim reserves are reviewed at least every 180 days. The rationale for reserves will be documented in our file notes and the amounts allocated to each reserve category will be documented. We also establish and maintain indemnity, medical, and allocated expense reserves as separate line items to ensure each expense is being properly reserved and paid.

Physicians’ offices will be contacted within one to two workdays of notice on all new indemnity claims. Such contact will continue as needed during the continuation of temporary disability (lost time benefits) to ensure that treatment is related to the compensable injury or illness. All contact will be documented in our computer notepad. On all non-litigated, lost time cases where the injured worker has not returned to work, telephone contact will be established with the injured worker within one to two workdays of receipt of notice of a claim and will continue as often as necessary, but no less than twice a month until the injured worker (employee) returns to work.

We will also proactively obtain work restrictions and/or a release to work/duty on all cases in order to facilitate a return to temporary modified work/hours, full duty work, etc. All efforts will be documented in our computer notepad. In cases where an injured worker’s restrictions are permanent, we will immediately contact the City so that a determination can be made as to the availability of alternative, modified, or regular work (different position), etc.

If we do not receive a response from the City within one to two weeks, we will follow up with the City. We will work as a team with the City in order to comply with laws preventing disability discrimination, including Government Code Section 12926.1. We will also assist our City contacts to the fullest extent to ensure they are meeting their obligations under State and Federal Disability Laws, etc.

With regard to disability benefit payments, we will determine eligibility for disability benefits through medical documentation and City confirmation. The following is our process for issuing benefit payments (both live checks and vouchers (paper transactions) reference salary continuation, if any), including settlements: accurate and timely indemnity benefit payments; notices (including Division of Workers’ Compensation (DWC) benefit notices) and Awards will

be calculated, processed, and transmitted (mailed) to injured workers as required by California Labor Codes, California Code of Regulations (CCRs), etc.

Initial indemnity benefit payments and/or notices will be processed and mailed to injured workers within 14 days of the first day of compensable disability. Payments reference undisputed Awards, computations, or Compromise and Release agreements, etc. will be issued within 10 workdays or sooner if necessary to ensure payment is made within 20 calendar days of the WCAB's approval date (following receipt of the appropriate documentation).

All subsequent and final indemnity benefit payments and notices will be verified and issued in compliance with the Workers' Compensation Laws of California. Settlements will be approved by the City's claims manager prior to payment being issued and will be documented in our computer notepad. Late payments, if any, will include a self-imposed penalty in accordance with the Labor Code. All benefit notices, notices, correspondence, etc. are saved in our computer system and may be accessed at any time by the City.

Any and all fines/penalties incurred as a result of our failure to comply with statutory laws and/or administrative regulations, if any, shall be our sole responsibility. We will reimburse the City no later than 30 days from the event causing the penalty assessment. We will also provide the City with a Penalty Report every month, if any. Reference overpayments, we will request reimbursement of overpaid funds from the party that received the funds. If necessary, a credit will be sought as part of any resolution of the claim.

We also balance all benefits paid in our computer system whenever a benefit ends, a new benefit begins, receipt of an Award, when there is a change in benefit type or benefit rate, etc., and we will also balance each applicable claim file on a semi-annual basis.

In the event the claims adjuster and the City determine a claim warrants legal service/referral, the claims adjuster will retain primary responsibility of the claim file. Defense Counsel will not be used to perform routine activities that are the responsibility of the claims adjuster. The claims adjuster will also carefully evaluate and monitor the attorney's aggressiveness in resolving claims, ability to identify issues, responsiveness, timeliness, and billing practices. The claims adjuster will also provide the City with advance notice of depositions, hearings, trials, etc., so they may attend, if necessary or desired.

Our general criteria for referring cases for legal defense services include, but are not limited to when a deposition of the injured worker is warranted and/or when there are components of the claim that require legal review/analysis, i.e., personnel issues, other pending litigation, global settlement, etc. City approval will be obtained prior to any request for legal service and/or referral to the City's choice of attorney and we will adhere to all City protocols regarding litigation. We will also cooperate fully with all attorneys selected by the City including City attorneys, in-house attorneys, etc.

The City's choice of Defense Counsel will provide the City and us with an initial case analysis and plan of action within 10 workdays of the assignment. In addition, all preparation for trial will

involve the City so that all material evidence and possible witnesses are utilized in order to obtain the most favorable outcome for the City.

We will also maintain a litigation management budget for each litigated file and provide litigation status reports on a monthly basis for each litigated file, if necessary. Should an attorney near or exceed the previously stated/agreed-upon litigation budget, we will immediately review the claim and provide the City with an analysis as to the reason(s) and legitimacy for same; thereafter, we will recommend a plan of action, i.e., contact the attorney, obtain a new budget, etc. We also thoroughly review all attorney bills and confirm the services were performed prior to approving for payment.

All settlement proposals will be presented to the City in sufficient time to obtain authority, City Council authority (if applicable), etc. All settlement proposals will be in a format deemed acceptable to the City.

With regard to subrogation management, we actively pursue recovery in all subrogation claims. We will identify and seek recovery from any individual, agency/entity (public or private), or State Fund that may be a party to a claim. Upon recognition of subrogation potential, we will place the at-fault party (parties) on notice that we will pursue maximum recovery reference all benefits and payments made on the claim file.

Whenever possible, in a civil action, we attempt to settle by means of a Third Party Compromise and Release. If this is not possible, we will make every effort to offset the Workers' Compensation expenses through a credit against the proceeds from the injured worker's civil action.

Subrogation claims will also be monitored to determine the need to file a Lien or a Complaint in Intervention (in a civil action) to preserve/protect the Statute of Limitations. If the injured worker brings an action against the party responsible for the injury, we will consult with the City reference the value of the subrogation claim and recommend a plan of action.

If necessary, upon City authorization, Subrogation Counsel may be assigned to file a Lien or a Complaint in Intervention. Upon assignment of the case, Subrogation Counsel will be required to provide a "not-to-exceed" estimate of fees. The fees will be authorized by the City prior to commencement of any work by Subrogation Counsel. Should Subrogation Counsel near the "not-to-exceed" fees, we will obtain continuing authority from the City prior to incurring additional costs and said authority will be clearly documented in our computer notepad.

The City will have real-time access to all claim information which includes all claims that may have subrogation potential. We will also provide a projection of the possibility of recovery and the probable recovery amount. Thereafter, we will provide subsequent statuses to the City and all interested parties.

With regard to medical care, our approach for maintaining the Utilization Review process is to adhere to: the Medical Treatment Utilization Schedule (MTUS)/the American College of Occupational and Environmental Medicine's (ACOEM) Guidelines, all applicable California Labor Codes, California Code of Regulations (CCRs), etc. reference Utilization Review in order

to approve, modify, or deny Request for Authorization (RFA) treatment requests. Although all medical care information will be accessible to City-approved Staff, we are able to create protocols wherein we notify the City when medical care is denied or modified, etc.

Upon receipt of a Utilization Review Request for Authorization (RFA) that cannot be approved at the claims adjusting level, we will immediately forward (e-mail or place in the proper “workflow”) the scanned request along with pertinent medical reports (scanned) to our Utilization Review department so that a decision is made within the strict mandatory timelines.

Utilization Review referrals are also made when a modification or denial of requested medical treatment/service (RFA) is necessary, a Peer Review is necessary, or when a non-examining medical opinion is needed. All of our Utilization Review actions, efforts, documents, etc. are noted and stored in our computer system for our City contact(s) to review on a 24/7/365 basis.

Requests for medical treatment/service (RFA) that may be referred for Utilization Review include, but are not limited to requests for questionable medical treatment or services, overuse of medications or certain types of treatment such as chiropractic care, and treatment/service that appears to be medically inappropriate for the injured worker based on their medical history, and/or the claim file’s accepted body part(s) and/or diagnoses, etc.

We will manage all medical care by remaining in constant contact with all medical service providers including the City’s choice of Nurse Case Managers (NCM), if any. We are also able to assist the City in developing, or recommending, a panel of preferred physicians for the initial and ongoing treatment of employee injuries/illnesses. We would also be able to assist by including medical specialists for treatment requiring long-term or specialty care, ancillary providers, etc.

It is important to note that preferred physicians and facilities will have experience in occupational medicine, historically and consistently produce successful treatment results with corresponding medical reports, and overall – each provider/facility will have a high level of experience in treating workplace injuries and have a respectable reputation within the medical community and Workers’ Compensation industry.

In the event a claim warrants referral to a Nurse Case Manager (NCM) provider, we will contact the City for approval and to discuss the intent, scope and cost of the services needed. Cases that may benefit from NCM services include, but are not limited to catastrophic injuries or illnesses, complex surgeries or procedures, severe diagnoses, and problematic medical cases/claims. Claims that simply reach a certain lost time or “days opened” threshold, i.e., 30 days of lost time, or 120 days opened, etc., with no other factors present, are not appropriate cases for NCM services. However, there are cases with unique circumstances that will warrant NCM services perhaps on day one of the claim; therefore, it is best to consider NCM services on a case-by-case basis.

NCM providers work in close collaboration with the injured workers’ physicians and all interested parties in order to return the injured worker to their usual and customary occupation, modified duties, a rehabilitation program, etc. They also assist claims staff in ensuring medical treatment and medical procedures lead to quantifiable results instead of unnecessary and/or excessive medical treatment or procedures that have no possible value. NCM providers may also assist in

ensuring that injured workers receive quality and appropriate care that is both cost-benefit sensitive and effective.

When a NCM provider is assigned to a claim, we will continue to evaluate the injured worker's physical capacity specific to their ability to return to work (modified/light duty – work restrictions; full duty – usual and customary occupation/U&C, etc.). We will work alongside the NCM provider and treating physician(s) to ensure that the City's injured workers receive all the benefits they are entitled to that is specific to the City's approach.

We will utilize whomever the City selects as their choice of NCM provider as we do not provide this service at this time. Although we are able to recommend various NCM providers, the final selection rests with the City. It is also important to note that, as with all vendors, we do not receive and are not entitled to any commissions, fees or any other type of compensation from any vendor the City selects.

We will continuously review all open claims and provide a current plan of action towards closure in our computer notepad. As previously noted, our goal is to provide the injured worker with all the benefits they are entitled to that is specific to the City's approach. Therefore, all benefits are paid appropriately and timely, and all medical bills are reviewed for reductions per the Official Medical Fee Schedule (OMFS), Inpatient Hospital Fee Schedule (IHFS), and Preferred Provider Organizations' (PPO) discounts, if applicable, as well as other network organization discounts, and/or negotiated rates, etc.

With regard to medical benefit payments, we will authorize payment of medical benefits as follows: prior to any payment, all bills will be reviewed for accuracy and appropriateness by claims adjusting staff. Medical bills submitted without supporting documentation will be objected to within 30 days of receipt and will not be reviewed for payment until such documentation is obtained, if applicable. Medical bills will be paid, objected to, or denied in accordance with State Statutes.

Medical-legal bills/costs will also be reviewed for appropriateness and necessity. Medical-legal bills/costs that do not qualify as valid medical-legal expenses will be objected to in a timely manner according to the Workers' Compensation Laws of California. As required by Senate Bill (SB) 899, payment of medical treatment regarding delayed (AOE/COE) claims will be processed through utilization review and bill review but will not exceed \$10,000.

We are also mindful that an injured worker may hinder progression of their claim(s) due to nefarious or non-industrial reasons. If we anticipate or have knowledge that this is occurring or may occur, we will work closely with the City, and all parties involved, to ensure that the claim does not become stagnant. We will schedule conference calls and roundtable meetings with all parties involved which may include the claims adjuster, claims manager, our City contact(s), the injured worker, physician, and if applicable, the defense attorney, so that there is constant action occurring on the claim file, not just "movement."

Once an injured worker's initial/final medical diagnosis is determined, we address all issues that may arise thereof, which include, but are not limited to: medical treatment/service requests,

ergonomic studies, lost time benefits (Temporary Disability, Salary Continuation, Labor Code 4850, etc.), return to work/modified (light) duty, permanent disability (Permanent Disability Rating(s) and Permanent Disability Benefits), rehabilitation (Vocational Rehabilitation/Supplemental Job Displacement Benefits (SJDB)), and Americans with Disabilities Act (ADA) Interactive Meetings, etc. Also, when necessary and/or appropriate, we will obtain and utilize the City's "essential job functions" analysis and/or Job Description (Job Analysis).

We will assist with ensuring the City's injured employees, personnel, and other agencies address and/or provide rehabilitation, and/or reassignment of injured employees with physical or performance limitations arising out of industrial injuries. This may include assisting with the Americans with Disabilities Act (ADA) Interactive Process.

Upon receipt of a medical report that requires a permanent disability rating, we will review and internally rate the report within 10 workdays of receipt. When necessary, we also request an informal/outside rating or board rating. We will also address any potential apportionment, credits, penalties, etc.

When required and/or necessary, Permanent disability (PD) advances are issued timely along with appropriate Division of Workers' Compensation (DWC) benefit notices no later than 14 calendar days of receipt of the qualifying report. Should the City/we object to the report's permanent disability findings, we will mail the appropriate objection notice reference the report/PD findings within 14 calendar days as required by State law. We will also re-review the reserves and set/re-set PD reserves accordingly, if necessary, at that time.

Once the above-noted final issues/matters are determined, we would be in a position to resolve and/or negotiate a settlement which will be based on all medical/legal and factual findings. Within 10 workdays of receiving all the necessary information, we will provide the City with our written settlement recommendation (Stipulations with Request for Award, Compromise and Release, etc.) prior to offering or agreeing to any settlement. Our settlement recommendation will include a brief history of the injury, the rating(s) of all pertinent medical reports, the amounts paid and reserved on the claim, the proposed settlement, the pros and cons of the proposed settlement which will include an estimate of future cost or consequences if the City were to reject the proposed settlement. We will also provide the City with any and all pertinent information that is available so that the most appropriate and cost-effective settlement may be agreed upon and offered.

Reference excess and excess reporting, applicable claim files wherein incurred reserves are nearing/at 50% of the City's self-insured retention (SIR) level (amount), or may have the potential to exceed the City's self-insured retention level, will be reported in accordance with the reporting criteria established by the City and the City's excess insurance carrier's policies within five workdays, or sooner if necessary, from the day on which it is known that any criteria is met.

When a claim nears/reaches one-half of the SIR, we are able to report to the client every 90 calendar days (on a quarterly basis) regarding the status of the claim. Our report will be on an approved form and will include a current status of the claim, our plan of action for the future handling of the claim, and the current paid-to-date and total incurred amounts listed by all payment categories.

Our process for reporting claims other than “at/near 50% incurred” to the City’s excess insurance carrier (e.g., death, cerebral injury, one year of lost time, etc.) will be in accordance with the reporting criteria established by the City and the excess insurance carrier’s policies. From the day on which the claim occurs/is made, or when it is known that any criteria is met, there will be no delay in reporting such claims to the excess insurance carrier.

The City will have real-time, online access to all excess correspondence prepared or received by our office. Requests for reimbursement will be made within 30 days of exceeding the SIR and every six months or sooner thereafter. The requests for reimbursement will be made on the form prescribed by the excess insurance carrier with a copy to the City. Upon receipt of excess reimbursements, we will immediately mail/provide the check to the City for deposit. Also, when applicable, we will send the City a closing report upon resolution of a claim involving excess insurance coverage.

In addition, reference qualifying settlements, we will effectively assist the City’s choice of Medicare Set-Aside Allocation (MSA) service provider. We will also attend all WCAB/Rehab Hearings, Conferences, Proceedings, Trials, depositions, etc., as requested and at no additional cost. We will obtain City approval prior to settling any claim, lien, etc. as final settlement authority shall always rest with the City.

Furthermore, as the City’s designated Reporting Agent (RA), we will provide reporting to CMS regarding Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA). Initial and Subsequent Reporting includes initial and subsequent reporting as required by law, at no additional cost. At this time, we are the RA for 100% of our clients.

With regard to reducing/resolving “older” claims, we will review all claim files in their entirety to identify all pending items that may be prohibiting the file from moving forward/being closed. After we review the “older” claims in detail, we will create a plan of action/strategy to resolve all outstanding issues that may be delaying the claim from moving towards disposition (settlement)/closure. Outstanding issues may include obtaining a current medical report, resolving liens, preparing a Stipulations with Request for Award, offering a C&R, etc. We will identify all areas that require attention to ensure “older” claims are resolved in a timely, professional, and cost-effective manner.

It is important to reiterate that all open claims are on an active diary for review for settlement and/or closure. Lost time claims are reviewed at least every 14 days, all medical-only claims are reviewed at least every 30–45 days, and Future Medical claims are reviewed for Compromise and Release (C&R) settlement potential (with prior City approval) and/or administrative closure no less than twice a year.

It is also important to note that our claims managers review all open claims on an ongoing basis as well as review/audit a minimum of 10% of each of their claims adjusters’ caseloads on a continuous basis to ensure we are meeting and/or exceeding all standards. The purpose of our internal audits is to ensure proper claims handling procedures are being adhered to and that a current plan of action towards settlement and/or closure is documented in every open claim file. All claim files will be available for review by City staff or by an auditor at any time.

We are also able to conduct quarterly claim file review meetings to discuss the overall case management of the claims, coordination of Workers' Compensation related activities, medical treatment, litigation, and any topics, issues, concerns, etc. related to the City's Workers' Compensation Program. These meetings may take place virtually, on-site at the City's location, our office, or however/wherever else the City prefers.

Also, at no additional charge, we will provide the City with any and all printed and electronic (with the ability to amend) Workers' Compensation Posters, Forms, Pamphlets, etc., as required by law. With regard to assisting non-English speaking claimants, we are able to obtain multi-lingual speaking assistance from translating firms should a claimant prefer to verbally communicate with us in a language other than English.

City Selected Vendors – Service Providers

We utilize each of our clients' choice of preferred vendors. As with all of our clients, we are able to recommend numerous vendors based on cost, need and best-fit. Although we are able to recommend vendors, the final selection will always rest with the City.

It is also important to note that we do not receive and are not entitled to any commissions, fees or any other type of compensation from any vendor the City selects.

Return-to-Work (RTW) Program and/or Permanent Modified Duty Program Management

In order to assist the City in establishing and/or maintaining a Return-to-Work (RTW) Program and/or a Permanent Modified Duty Program – no matter how formal or informal it may be, we will obtain status of light or modified duty, as well as meaningful work restrictions when applicable, and constantly address lost time benefits which includes the 3-day waiting period as well as later dates in the claim (from inception/opening to disposition/closure).

We will also work closely with the City to ensure that our combined efforts in preventing injuries and returning injured workers back to work are streamlined. Our philosophy is that the procedures in place for RTW Programs should be communicated to all employees, be current and appropriate, and be applicable to 100% or at least the great majority of employees – both sworn and non-sworn when applicable.

Also, our experience is that RTW Programs work best when there is a mutual commitment from both the employer and injured worker. Employers who appropriately accommodate their injured workers' work restrictions while they are recovering from their injury or illness experience that their injured workers return to their regular job duties (usual and customary occupation) much earlier than expected. The possibility of re-injury is also greatly minimized when work restrictions are adhered to by both the employer and injured worker.

We will consistently follow up with the injured workers' physicians to obtain return-to-work and/or work restriction(s) status. Upon receipt of any work limitations, we will immediately (within one to two workdays) notify the City of and/or with the necessary medical documentation

so that modified, permanent, etc. accommodation consideration may be addressed/initiated as soon as possible.

We will continue to obtain work status from the physician until the injured worker has been released to return to full duty (usual and customary occupation), or a final medical determination has been made, i.e., the injured worker has reached maximum medical improvement (MMI)/permanent and stationary (P&S) status.

In cases where the injury or illness residuals might involve permanent work restrictions and/or work-related retirement potential, the claims adjuster will immediately contact/consult with the City to review all the options they and the injured worker may have. Options include, but are not limited to permanent modified position/hours, new job/position offer, retirement (CalPERS – Industrial Disability Retirement (IDR) Benefits), etc.

We have found that the above approach along with consistent communication among the claims adjusters, physicians, our clients, and injured workers, etc. are the key elements when administering successful RTW Programs. Should the City contract with a service provider/vendor to assist with RTW, we shall cooperate with the assignment of cases/claim files and/or the provision of providing information to said service provider/vendor in order to help manage and facilitate the City's RTW Program.

Investigation, Subrosa, and Fraud Management Services

Our SIU Department is administered through RJN Investigations, Inc. Although we recommend RJN Investigations, Inc. for Investigation, Subrosa, and Fraud Management, etc. services, to our clients, each of our clients is able to utilize their choice of Investigation, Subrosa, and Fraud Management, etc. service provider.

It is important to share our approach to Investigation, Subrosa, and Fraud Management, etc. services. When an injured worker claims an injury or illness that causes the City or us to question ("red flags" are identified) whether or not the claimed injury or illness arose out of their employment and in the course of their employment (AOE/COE), we will immediately contact the City to discuss the "red flags," the claim in whole, as well as what the desired outcome may be, i.e. investigate the claim, deny the claim, etc.

While most Workers' Compensation claims are valid, there are some that may be exaggerated or fraudulent. A red flag does not prove fraud and even in the presence of several indicators does not necessarily equate to a fraudulent claim. By becoming familiar with the signs of possible fraud, the City may assist us in identifying claims that merit closer scrutiny.

The following is our criteria, in general, for referring a claim for investigation and/or subrosa as they are considered "red flags:"

- The claim is not reported in a timely manner – late reporting of claim
- The claim is reported after a weekend or holiday weekend, or before a holiday

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- The claimed injury/illness occurs late on a Friday (not reported until Monday), or occurs early on a Monday morning, i.e., the claim is reported immediately upon arriving to work
 - The injured worker has a history of filing claims during the holidays
 - There is a time lapse between the injury/illness date and date of initial medical treatment
 - There are no witnesses or coworkers express doubt that the injury/illness occurred
 - The claimed injuries are inconsistent with facts of the accident or contrary to witness or coworker statements
 - The nature of the injury/illness is not consistent with nature of the work performed by employee
 - There are multiple versions of how the accident/injury/illness occurred, and/or the details of injury/illness vary and/or change
 - The time, date, and location of injury/illness is unknown or vague
 - The injured worker provides inconsistent or no medical history
 - The injured worker complained of financial problems prior to submission of a claim
 - The injured worker is off of work longer than authorized or insists they need more time off
 - The injured worker fails to attend or reschedules medical appointments
 - The injured worker is frequently not home when called or is usually “unavailable” during work hours
 - When we are unable to make telephone contact with the injured worker when they are to be home off of work while receiving temporary total disability benefits; they quickly return our call from a cell phone
 - The injured worker resists modified duty assignment, returns to work with minimal improvement, or changes physicians when released to return to work
 - Rumors generated at work that injury/accident was staged or illegitimate
 - The injured worker has a history of filing claims where he/she has a problem at home
 - The injury is reported after notice of retirement or good faith personnel action i.e., recent demotion/termination, layoff, passed over for a promotion; the injured worker has a history of filing claims when there is a dispute at work

- The injured worker has a history of excessive absenteeism
- The injured worker is involved in off duty business or has a second job (multiple employers)

Our experience and success in preparing and prosecuting fraud cases with the California Department of Insurance Fraud Division and County District Attorney's Offices has been positive and effective. The Special Investigations Unit (SIU) we utilize has achieved the following:

- Claim files referred for SIU review
- Cases under current SIU investigation and being prepared to formally refer to the appropriate District Attorney's office and/or Fraud Division
- Cases formally filed with the appropriate District Attorney's office and/or Fraud Division
- Cases accepted for formal criminal investigation in preparation for criminal prosecution
- Cases resulting in claimants being arrested and charged with felony counts by each County's District Attorney's Office

With the City's prior authorization, the SIU we utilize is also able to provide investigation and fraud services. It is important to note that we do not receive and are not entitled to any commissions, fees or any other type of compensation from the SIU service provider we utilize or any other SIU provider the City may select.

To summarize, the AOE/COE and subrosa investigation guidelines we have in place are:

- Review every claim in great detail – identify “red flags”
- Obtain information from the City, witnesses, and injured workers, etc.
- Obtain the injured worker's prior claim filing history (ISO Claim Searches)
- Refer the claim to an investigator to assist in our investigation (with prior City approval)
- SIU assistance, if necessary (with prior City approval)
- California Department of Insurance Fraud Division and the appropriate County District Attorney's involvement, if necessary (with prior City approval)

Therefore, when information is received or it is anticipated that information will be received that may involve a potential IDR and/or ADA matter, we will immediately contact the City to review the entire scope of the matter and create a plan of action that is beneficial for both the City and the injured worker. We will effectively coordinate all benefits and all of our actions will be clearly documented in our computer notepad so that everyone is well informed on a real-time basis.

Litigation Management

In the event the claims adjuster and the City determine a claim warrants legal service/referral, the claims adjuster will retain primary responsibility of the claim file. Defense Counsel will not be used to perform routine activities that are the responsibility of the claims adjuster. The claims adjuster will also carefully evaluate and monitor the attorney's aggressiveness in resolving claims, ability to identify issues, responsiveness, timeliness, and billing practices. The claims adjuster will also provide the City with advance notice of depositions, hearings, trials, etc., so they may attend, if necessary or desired.

Our general criteria for referring cases for legal defense services include, but are not limited to when a deposition of the injured worker is warranted and/or when there are components of the claim that require legal review/analysis, i.e., personnel issues, other pending litigation, global settlement, etc. City approval will be obtained prior to any request for legal service and/or referral to the City's choice of attorney and we will adhere to all City protocols regarding litigation. We will also cooperate fully with all attorneys selected by the City including City attorneys, in-house attorneys, etc.

The City's choice of Defense Counsel will provide the City and us with an initial case analysis and plan of action within 10 workdays of the assignment. In addition, all preparation for the trial will involve the City so that all material evidence and possible witnesses are utilized in order to obtain the most favorable outcome for the City.

We will also maintain a litigation management budget for each litigated file and provide litigation status reports on a monthly basis for each litigated file, if necessary. Should an attorney near or exceed the previously stated/agreed-upon litigation budget, we will immediately review the claim and provide the City with an analysis as to the reason(s) and legitimacy for same; thereafter, we will recommend a plan of action, i.e., contact the attorney, obtain a new budget, etc. We also thoroughly review all attorney bills and confirm the services were performed prior to approving for payment.

All settlement proposals will be presented to the City in sufficient time to obtain authority, City Council authority (if applicable), etc. All settlement proposals will be in a format deemed acceptable to the City.

Subrogation Management

With regard to subrogation management, we actively pursue recovery in all subrogation claims. We will identify and seek recovery from any individual, agency/entity (public or private), or State Fund that may be a party to a claim. Upon recognition of subrogation potential, we will place the at-fault party (parties) on notice that we will pursue maximum recovery reference all benefits and payments made on the claim file.

Whenever possible, in a civil action, we attempt to settle by means of a Third Party Compromise and Release. If this is not possible, we will make every effort to offset the Workers' Compensation expenses through a credit against the proceeds from the injured worker's civil action.

Subrogation claims will also be monitored to determine the need to file a Lien or a Complaint in Intervention (in a civil action) to preserve/protect the Statute of Limitations. If the injured worker brings an action against the party responsible for the injury, we will consult with the City reference the value of the subrogation claim and recommend a plan of action.

If necessary, upon City authorization, Subrogation Counsel may be assigned to file a Lien or a Complaint in Intervention. Upon assignment of the case, Subrogation Counsel will be required to provide a “not-to-exceed” estimate of fees. The fees will be authorized by the City prior to commencement of any work by Subrogation Counsel. Should Subrogation Counsel near the “not-to-exceed” fees, we will obtain continuing authority from the City prior to incurring additional costs and said authority will be clearly documented in our computer notepad.

The City will have real-time access to all claim information which includes all claims that may have subrogation potential. We will also provide a projection of the possibility of recovery and the probable recovery amount. Thereafter, we will provide subsequent statuses to the City and all interested parties.

Issuing Checks and Benefit Payments (Including Settlements)

The following is our process for issuing checks: prior to payment, all bills will be reviewed for accuracy and appropriateness by claims adjusting staff. Medical bills submitted without supporting documentation will be objected to within 30 days from receipt and will not be reviewed for payment until such documentation is obtained, if applicable. Medical bills will be paid, objected to, or denied in accordance with State Statutes.

All medical bills will be reviewed for reduction in accordance with the California Official Medical Fee Schedule (OMFS) and Inpatient Hospital Fee Schedule (IHFS), as well as Preferred Provider Organization (PPO) discounts, network organization discounts, and/or negotiated rates, etc. We will apply all Fee Schedules that may apply to all medical bills with the purpose of obtaining the greatest savings for the City.

Medical-legal bills/costs will also be reviewed for appropriateness and necessity. Medical-legal bills/costs that do not qualify as valid medical-legal expenses will be objected to on a timely basis according to the Workers' Compensation Laws of California. As required by SB899, payment of medical treatment regarding delayed (AOE/COE) claims will be processed through Utilization Review and Bill Review but will not exceed \$10,000.

Please refer to Attachment 5 for a February 15, 2024 article wherein we are recognized and praised for being one of the Top 5 fastest Claims Administrator Payers in 2023. This is definitely a true reflection of how well our Departments work with each other (Workers' Compensation Claims Department and Bill Review Department, etc.).

The following is our process for issuing benefit payments, including settlements: accurate and timely indemnity benefit payments, notices and Awards will be calculated, processed, and mailed to injured workers as required by California Labor Codes, Statutes and California Code of Regulations, etc. (within 10 days or sooner if necessary). Initial indemnity benefit payments and



notices will be processed and mailed to the injured worker within 14 days of the first day of compensable disability.

Reference all non-litigated, lost time cases where the injured worker has not returned to work, telephone contact will be established with the injured worker within one to two workdays of receipt of notice of a claim and will continue as often as necessary, but not less than twice a month until the injured worker (employee) returns to work. Such contact with the injured worker/employee will be documented in our computer notepad.

All subsequent and final indemnity benefit payments and notices will be verified and issued in compliance with the Workers' Compensation Laws of California. Settlements will be approved by the City's claims manager prior to payment being issued and will be documented in the computer notepad. Late payments, if any, will include a self-imposed penalty in accordance with the Labor Code. We will provide the City with a Penalty Report every month, if any, and we will reimburse the City for any penalties that are our responsibility within 30 days from the date the penalty was processed.

Claim Reconciliation

We reconcile each claim file to ensure all payments have been made appropriately on the correct file, in the correct amount. Files are reconciled when a payment (benefit, medical bill, vendor invoice, etc.) is made, at the time of settlement, and at the time of closure. Our reconciliation efforts are clearly documented in our computer system, and we will adhere to any additional City requirements.

Proposed Funding Arrangement

Our proposed funding arrangement for issuing checks and vouchers (paper transactions), if any, on behalf of the City's Workers' Compensation Program is for the City to maintain a Trust Account (City owned trust account) from which all Workers' Compensation Benefits and Payments are to be paid. We will prepare and mail checks (our work product) directly to payees without delay. We will sign checks with a facsimile signature. The City would continue to maintain an adequate balance in the Trust Account to meet all of its Workers' Compensation obligations without delay.

Financial Management and Positive Pay Services

We will process payments/checks (our work product) for all approved expenses and statutory benefits by way of the City's (Workers' Compensation) Trust Account. We will adhere to all City financial management specifications and requirements. We will facilitate this task with a "transparent" approach in that we are able to provide daily, weekly, monthly, yearly, ad hoc, special, etc. reports to maintain the integrity of the Trust Account. We are also able to provide daily electronic check registers.

In addition to the above, we are able to administer Positive Pay Services alongside the City's choice of bank at no additional cost. Our Positive Pay Services provide protection against the potential of theft and fraudulent or tampered checks from being created, cashed, or deposited.

The following describes the general process of how we administer/manage Positive Pay Services:

- On a daily basis, our computer system informs our client's choice of bank as to which checks have been issued – payee, amount, check number, etc.
- Reconciliation files are then received from the client's choice of bank and imported into our computer system verifying/cross referencing which checks have “cleared” and the “cleared” dates
- This information is then displayed on the individual payments. Check information is viewed from the payment window (computer) to indicate the status of the check as “cleared,” “stopped,” or “voided”

We are also able to provide the City with a daily report listing all transactions: checks, voided checks, vouchers (paper transactions), etc., that we issue on behalf of the City. Reports illustrating all bank transactions, such as check registers, can also be provided to the City on a daily, weekly, monthly, etc. basis. All Positive Pay Services that we provide directly to the City, including reports, are at no additional cost.

In summary, we are able to provide the City with live check, voided check, voucher (paper transaction), and positive pay, etc., information on a daily, weekly, monthly, etc. basis.

Claim Closures – Procedures and Storage

All electronic (paperless) closed claim files continue to be accounted for in our RMIS/our computer operating system as a “closed claim file.” Should the closed claim file consist of and/or include a “hard” file, it is stored in a filing cabinet located in our office. The “hard” closed claim file is then prepared for closed storage at the end of the same fiscal year that the claim was closed. Should a hard closed claim file need to be retrieved from storage, the claims adjuster simply requests the claim file be delivered to our office the next workday.

We also deliver all “hard” closed claim files (except for closed Future Medical files) that have been closed (inactive) for more than five years/fiscal years to our clients on an end-of-the-fiscal-year basis – at which time, our clients use their own discretion when scanning, storing, or destroying said claim files. Alternatively, we are able to destroy said hard claim files on behalf of the City at no additional cost.

Loss Prevention Services – IDR and ADA

We are also able to assist the City with coordinating safety training and other loss prevention services with the assistance of organizations that specialize in many areas such as ergonomics (“ergonomic evaluations”), biomechanics and injury causation, environmental and industrial hygiene, and ADA compliance, etc. Our involvement will be at no cost and the services provided by the City's choice of service providers/outside vendors will always be at-cost as we will never add on any additional fees.

Also, considering that the great majority of our clients are cities with police and/or fire departments, we are very well versed regarding the presumptions for safety members, specifically police and/or fire, and their impact on CalPERS Retirement Benefits – Industrial Disability Retirement (IDR).

In addition, we are extremely knowledgeable and experienced with Workers' Compensation claims that involve the coordination of municipal claims administration, Labor Code 4850 Benefits, IDR/CalPERS, and Americans with Disabilities Act (ADA), etc. matters.

Client Training

As noted above, the field of Workers' Compensation is constantly changing due to new information, case law, proposed changes, newly enacted Statutes and California Code of Regulations, etc. Constant change requires analysis and possible implementation of adjustments to our clients' Workers' Compensation Programs. Therefore, we are committed to continuously educating and providing training for our clients so that they are aware of the requirements that need to be met and the efforts that need to be made in order to ensure that they/we are in compliance with the Workers' Compensation Laws of California and the Workers' Compensation industry's best practices and standards.

At no additional cost, we are able to provide the City with ongoing training, including all training materials/handouts, as well as conduct presentations and provide written communications to ensure that the Workers' Compensation procedures in place are proper and purposeful, and to ensure that all areas of the Workers' Compensation process are being adhered to.

Training involves providing information and guidance (review and discussion) regarding specific claims, general procedures, as well as positive and negative trends. The training subject matter will also include recent WCAB decisions, case law updates, and emerging trends in the Workers' Compensation industry. This type of training will also ensure the City's Workers' Compensation Program is administered in a professional and lawful manner.

We are also able to assist the City with coordinating safety training and other loss prevention services with the assistance of organizations that specialize in many areas such as ergonomics ("ergonomic evaluations"), biomechanics and injury causation, environmental and industrial hygiene, and ADA compliance, etc. Our involvement will be at no cost and the services provided by the City's choice of service providers/outside vendors will always be at-cost as we will never add on any additional fees.

In addition to the above, we are able to assist the City with staying current on the legal requirements and best practices of risk management in the Workers' Compensation arena by providing all pertinent information we receive from all channels throughout the Workers' Compensation industry, such as: the State of California, attorneys, conferences we attend, etc. We are also able to advise the City of industry meetings and conferences that would be beneficial to attend.

We are also able to keep the City updated on their Workers' Compensation financial trends by providing useful reports that may illustrate areas of the City's Workers' Compensation Program that deserve "kudos," or may require immediate attention and/or action.

At no additional cost, we are also able to provide assistance in developing policies and procedures relating to City's Workers' Compensation Program which will be created based on the information we gather through administering/handling and auditing the City's claims. We will also incorporate industry best practices and standards, as well as our internal standards, with the understanding that City Standards (as well as PRISM Standards) shall supersede ours.

Internal Training

The field of Workers' Compensation is constantly changing; therefore, we are committed to continuously educating and training our entire staff so that we are always in compliance with the Workers' Compensation Laws of California and the Workers' Compensation industry's best practices. The training subject matter will also include recent WCAB decisions, case law updates, and emerging trends in the Workers' Compensation industry, etc. We have found that providing our personnel and clients with pertinent training and proper assistance results in well-managed Workers' Compensation Programs; thereby reducing the overall costs incurred by our clients.

We provide all of our claims adjusting personnel (including claims assistants) company resources and time to attend classes, seminars, and any other type of training or continuing education programs to strengthen their skills and expand their knowledge base. In addition to outside training, we also provide our adjusting personnel with in-house training sessions on at least a monthly basis. Our in-house training covers all areas of the Workers' Compensation field which includes, but is not limited to: Senate Bill (SB) Updates, an overview of California Labor Codes, California Code of Regulations (CCRs), changes in Statutes, recent WCAB decisions, case law updates, mandatory reporting to CMS regarding Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA) Reporting, Medicare Set-Asides (MSAs), AMA (American Medical Association) and Medical Treatment Utilization Schedule (MTUS)/American College of Occupational and Environmental Medicine's (ACOEM) Guidelines, investigation/subrosa, etc.

We annually certify that each claims adjuster is in compliance with all legal and regulatory licensing and continuing educational requirements as required by the State of California and are able to provide the City proof of same annually.

We are able to attract and maintain high quality staff by assigning manageable caseloads, providing competitive salaries and superior benefits, offering flexible work schedules (and remote work when/if applicable and/or appropriate), and continuing education benefits, as well as a commitment to training and promoting from within.

Specifically, we pay 100% of our employees' benefit costs and a large percentage of their dependents' benefit costs. Our 401k benefit is 1:1 (dollar-for-dollar match) at up to 6% of our employees' salaries. We also pay for all Workers' Compensation, Utilization Review, Bill Review, etc. education courses/training courses as well as all materials (textbooks, etc.) upfront so that our

employees do not incur any expenses. We also reimburse our employees for their transportation costs (mileage) when attending courses/training courses. In addition, we not only encourage our employees to attend college, but we also pay up to \$2,500 per year towards college tuition, books, materials, etc. for employees who are pursuing an applicable college degree.

We believe our company's salaries, benefits, and incentives combined with our professional, yet warm, work environment – as well as our great clients – are the reasons why our employees enjoy working with us, day after day, year after year.

Managed Care Services – Medical Cost-Containment Programs

Medical Provider Network (MPN) Services

Each of our clients has the option of utilizing their choice of Medical Provider Network (MPN). MPNs are to consist of medical experts, including specialists, who may be utilized to review and/or provide treatment. Should the City opt to utilize a MPN, same will be at-cost as we do not add on any additional fee, or receive any commission, or any other type of compensation from any MPN for the internal MPN Services we provide.

Pharmacy Card (Benefit) Network Services

We recommend MyMatrixx for our clients' Pharmacy Card (Benefit) Network Services in order to contain pharmacy costs. These services are at cost as we do not add on any additional fee, or receive any commission, or any other type of compensation from any service provider. However, should the City prefer a particular vendor regarding any Pharmacy Benefit Network Services, we will utilize whomever the City prefers. Should the City's choice of vendor charge a fee/cost, it will be at-cost as we do not add on any additional fee, or receive any commission, or any other type of compensation from any service provider.

It is important to note that the overuse and cost of long-term medications are also contained by utilizing our Claims Adjusting Staff's and Utilization Review Staff's expertise and experience. Decisions are based on MTUS/ACOEM Guidelines and other evidence-based medical treatment guidelines that are generally recognized by the national medical community and are scientifically based; thereby, ensuring the medical and financial (costs) decisions made are in the best interests of both the City and the injured worker.

In general, pharmacy services are handled at the claims adjusting level unless a modification or denial is necessary. If a pharmacy service (request) is sent for utilization review, it will be reviewed the same day or no later than within one workday. Should a medication be approved previously, there is no requirement to have the Utilization Review Department review the request unless required or there is a question as to the medical necessity and/or appropriateness of the requested prescription/medication.

The overuse and costs of long-term medication requests are also contained through our Claims Adjusting Staff's, Utilization Review Staff's, and Bill Review Staff's expertise and experience when determining whether there may be excessive or inappropriate drug usage. Our Staff's

oversight in conjunction with our integrated software systems allows for the following to be addressed in a timely manner: when an injured worker has been prescribed/taking medications on an ongoing basis and same does not appear warranted based on the lack of treatment or surgery; the injured worker continues to have the same complaints on an ongoing basis despite taking the medications; the injured worker has a history of requesting a physician or multiple physicians (polypharmacy) provide additional medications or refills sooner than needed – especially without being examined, or alleges medications were lost/misplaced/stolen; as well as “drug seeking” habits such as going to an emergency room to seek treatment in order to obtain medications.

It is important to reiterate that medication decisions will always be based on MTUS/ACOEM Guidelines and other evidence-based medical treatment guidelines that are generally recognized by the national medical community and are scientifically based; thereby, ensuring the medical and financial (costs) decisions we make are in the best interests of both the injured worker and the City.

Nurse Case Management (NCM) Services and Discounted Medical Services

Each of our clients has the option of utilizing their choice of Nurse Case Management (NCM) Services provider (including Field and Telephonic). Each service providers' costs are at-cost as we do not add on any additional fee, or receive any commission, or any other type of compensation from any service provider.

We will manage all medical care by remaining in constant contact with all medical service providers including the City's choice of NCM, if any. We will also develop and recommend, as requested by the City, a panel of physicians for the initial and ongoing treatment of employee injuries/illnesses, and recommend a panel of medical specialists for treatment requiring long-term or specialty care. Panels are comprised of quality physicians and facilities that have experience in occupational medicine and consistently produce successful treatment results. Ancillary providers will also be selected based on their high level of experience in treating workplace injuries, their treatment results, as well as their reputation within the medical community and Workers' Compensation industry.

In the event a claim warrants referral to a NCM provider, we will contact the City for approval and to discuss the intent, scope and cost of the services needed. Cases that may benefit from NCM services include, but are not limited to catastrophic injuries or illnesses, complex surgeries or procedures, severe diagnoses, and problematic medical cases/claims. Claims that simply reach a certain lost time or “days opened” threshold, i.e., 30 days of lost time, or 120 days opened, etc., with no other factors present, are not appropriate cases for NCM services. However, there are cases with unique circumstances that will warrant NCM services perhaps on day one of the claim; therefore, it is best to consider NCM services on a case-by-case basis.

NCM providers work in close collaboration with the injured workers' physicians and all interested parties in order to return the injured worker to their usual and customary occupation, modified duties, a rehabilitation program, etc. They also assist claims staff in ensuring medical treatment and medical procedures lead to quantifiable results instead of unnecessary and/or excessive medical treatment or procedures that have no possible value. NCM providers also assist in ensuring that injured workers receive quality and appropriate care that is cost-benefit effective.

When a NCM provider is assigned to a claim, we will continue to evaluate injured workers' physical capacity reference their ability to return to work (modified/light duty – work restrictions; full duty – usual and customary occupation – U&C). We will work alongside the NCM provider and treating physician(s) to ensure that the City's injured workers receive all the benefits they are entitled to that is specific to the City's approach.

We also contain costs by utilizing a select group of diagnostic service providers (networks) for MRI, EEG, EKG, CT Scans, and all other diagnostic testing, to ensure that the City is providing their injured workers with the most beneficial and cost-effective treatment/services. When selecting a provider for any diagnostic testing, we vet the office and closely review their price lists. Each provider is evaluated and utilized based on their competitive pricing and demographics. Each provider is also evaluated for their quality of service, service area, the timeliness in which appointments may be made, knowledge of work-related injuries, and willingness to provide second opinions.

The providers our clients currently utilize are professional and timely and their billing practices are appropriate. We/our clients avoid providers who have a history of filing liens as those types of providers are known to grossly inflate their prices and provide poor service. Should the City prefer specific service providers, we will utilize same. All services are at cost as we do not add on any additional fee, or receive any commission, or any other type of compensation from any service provider.

Utilization Review Services

Since 2004, we have provided Utilization Review Services for our self-insured clients through our wholly owned subsidiary, MedReview, Inc. We do not provide Utilization Review Services for any Third Party Administrator (TPA) or entity other than our Workers' Compensation clients.

Each of our clients is able to customize their Utilization Review approach from the number of physical therapy sessions to prior authorizations, etc. We carefully tailor a customized Utilization Review approach for each of our clients based on their needs and requirements. Please refer to Attachment 1 for a list of our Workers' Compensation clients for which we provide Utilization Review Services.

Our Utilization Review Department is located in-house on AdminSure, Inc.'s premises, and is fully integrated with our claims adjusters and bill review personnel. The integration of these services has enabled our claims adjusters to promptly and accurately expedite the entire claims and utilization review process within the complex timeframes mandated by the Workers' Compensation system.

What distinguishes our utilization review approach from all others is our commitment to providing fair, timely, and professional services while achieving cost efficiencies. We are unique in that although we rely upon the Medical Treatment Utilization Schedule (MTUS)/American College of Occupational and Environmental Medicine's (ACOEM) Guidelines to determine utilization review decisions, we are mindful of the genuine injured worker in that we make great efforts to

render appropriate decisions as quickly as possible as we are very aware that no one appreciates waiting to hear whether their requested medical treatment or service, etc. is approved.

In general, our criteria for referring a claim for utilization review occurs when a decision to approve a Request for Authorization (RFA)/medical treatment/service request cannot be made at the claims adjusting level. Utilization review referrals are made when a modification or denial of requested medical treatment or service (RFA) is necessary. Utilization review referrals are also made when a Peer Review is necessary or when a non-examining medical opinion is needed. Please refer to Attachment 3 for a sample of the treatment/services, etc. we recommend are approved at the claims adjusting level as well as our Utilization Review Workflows. The City may adjust our approach to suit their specific needs and requirements.

It is important to note that per the Workers' Compensation Laws of California, only a physician can modify or deny a RFA. Non-physicians may only approve the RFA, request additional information, or request a modification of treatment. However, unlike physicians, a non-physician cannot modify a RFA unless the physician who initially requested the RFA resubmits their RFA requesting the non-physician's recommended modified treatment. All RFAs must be responded to within five workdays, and in no event may the RFA decision be rendered after 14 days from receipt of the RFA.

Requests for medical treatment/service authorization (RFA) that may be referred for utilization review include, but are not limited to surgical procedures, requests for questionable medical treatment or services, overuse of medications or certain types of treatment such as chiropractic care, and treatment/service that appears to be medically inappropriate for the injured worker based on their medical history, and/or the claim file's accepted body part(s) and/or diagnoses, etc.

Our entire Utilization Review Staff is appropriately licensed. They provide our clients with over 50 years' worth of combined experience in handling California Workers' Compensation injured workers and over 100 years' worth of combined experience in nursing. They are well versed in a wide variety of medical specialties, thereby making them qualified to review Utilization Review requests (RFAs). They are also well versed in MTUS/ACOEM Guidelines and other evidence-based medical treatment guidelines that are generally recognized by the national medical community and are scientifically based.

We will promptly communicate treatment plans and statuses to the City, injured workers, and all interested parties because we are aware that the utilization review decisions we make directly impact an injured worker's ability to return to full duty or modified work, as well as their non-industrial, day-to-day activities – life in general. We also understand that the decisions we make also impact the City's staffing levels and financial stature, i.e., overtime costs, as well as City "morale/culture." Furthermore, we truly understand that our utilization review decisions, as well as all of our decisions, must be made with both our heads and hearts, be medically based and timely, as well as cost-benefit sensitive/effective.

Our Utilization Review Services contain overall claims' costs by ensuring that only the most beneficial and cost-effective medical treatment and medical services are approved. Our internal process and interface capability when transmitting Utilization Review (UR) decisions to bill

review is very timely, detailed and accurate. When UR modifies or denies treatment/service, all parties are aware the treatment/service is not authorized for payment and thereby, not reviewed for payment. This eliminates unauthorized treatment/service from being reviewed or paid.

Additional savings are also realized when a physician's or provider's request for medical treatment or service (RFA) is answered in an appropriate and expeditious manner – as in doing so reduces costs such as: unsubstantiated lost time benefits, inflated permanent disability ratings, unnecessary litigation, inappropriate medical treatment/service billings, etc.

These “soft savings” in conjunction with medical care that has been appropriately modified and/or denied, etc. reduces both short-term and long-term medical costs; thereby, reducing the overall cost of our clients' Workers' Compensation Programs.

Bill Review Services (Medical Billing Reviews)

Since 1998, we have provided Bill Review Services for our self-insured clients through our wholly owned subsidiary, MedReview, Inc. Please refer to Attachment 1 for a list of our Workers' Compensation clients for which we provide Bill Review Services. We do not provide Bill Review Services for any Third Party Administrator (TPA) or entity other than our Workers' Compensation clients.

Our Bill Review Department is located in-house on AdminSure, Inc.'s premises, and is fully integrated with our claims adjusters and utilization review personnel. The integration of these services results in a very prompt and interactive relationship between our claims adjusters and bill review personnel; thereby, ensuring only approved bills are reviewed and paid timely. This approach definitely distinguishes our organization from other bill review providers as we have found that tightly integrating these services results in greater cost savings, timeliness, efficiency, and reliability; this is particularly important in view of the deadlines, penalties, and Electronic Data Interchange (EDI) requirements associated with these activities.

Our Bill Review Department's sole purpose is to obtain the greatest savings for our clients by comprehensively reviewing medical bills, reducing every medical bill per the Official Medical Fee Schedule (OMFS), Inpatient Hospital Fee Schedule (IHFS), and maximizing Preferred Provider Organizations (PPO) discounts, network organization discounts, and/or negotiated rates, etc. We provide an Explanation of Benefits (EOB) with every bill we review and complete. In addition, all EOBs are saved in our Risk Management Information System (RMIS) for review by the City, claims adjusters, etc.

Our guaranteed turnaround time for Bill Review Services is no more than five workdays. Since 1998, we have never exceeded a five-workday turnaround time and in fact, we are consistently within a 3-workday turnaround time. In addition, our accuracy ratio is greater than 99%. We base the accuracy of our Bill Review Services on the fact that less than 1% of the medical bills we review are disputed or returned to us for re-review. We are also able to support the accuracy of our Bill Review Services based on the knowledge and experience our State Certified Medical Bill Review Staff possesses as well as the comprehensive medical bill review software we utilize.

Our Bill Review Staff's qualifications include many years of processing hundreds of thousands of Workers' Compensation medical bills, providing expert testimony in defense of our medical bill reviews at Mandatory Settlement Conferences (MSCs), Lien Hearings/Trials, etc., as well as the completion of numerous State of California medical bill reviewer certification courses.

It is important to reiterate that our claims adjusters review all medical bills prior to sending them for review and payment. This effort curtails inappropriate medical bills from being reviewed or paid. After claims adjusters approve medical bills to be reviewed, the bills are closely reviewed by a staff of four full-time State Certified Medical Bill Reviewers who have over 45 years' worth of combined bill review experience.

When it becomes necessary to defend a medical bill review recommendation at a Mandatory Settlement Conference (MSC), or Lien Hearing/Trial, etc., we will re-review the medical bill per the OMFS/IHFS and apply all applicable PPO/Network discounts, as well as negotiated rates, etc. We will also analyze the applicable sections of the OMFS/IHFS, and PPO/Network/Negotiated Rates contracts, etc., if applicable, that pertain to the medical bill in question.

If any amount is due, we will obtain the City's approval prior to any settlement negotiation. If no amount is due, we will present our findings to the provider prior to the MSC, or Lien Hearing/Trial, etc., and request that they take the matter off calendar. Should the provider disagree, we will attend the MSC, or Lien Hearing/Trial, etc., to defend the City's/our position. We will not negotiate a settlement that is above the OMFS/IHFS and/or disallows a legitimate PPO/Network/Negotiated Rate, etc. discount.

The bill review software we utilize interfaces with our Risk Management Information System (RMIS). The bill review software performs many cost containment functions and monitoring capabilities which include, but are not limited to, the following:

- Unbundling – The software is uploaded with automated edits that detect inappropriate coding; i.e., the billing of codes that are inclusive in the value of other codes, codes that are billed by inappropriate provider types, dates of service prior to dates of injury, etc. The system is capable of customizing rules by client, and we have the ability to employ rules in a tiered approach
- Down Coding/Up Coding – Provides the capability of changing a code to another that better describes the services performed based on the supporting documentation given by the provider
- Assistant Surgeon – Calculates the correct allowance based on the specific modifier
- Duplicate Billing – Capable of monitoring duplicate billing by way of automatic claim match, tax ID of the provider, date(s) of service match, and procedure match protocols, etc.
- Capability of tracking the 24-visit capitation regarding physical therapy, chiropractic, and occupational therapy through automated software. In addition, claims adjusters (and our clients) have the ability to override a review/process through an overriding component in our bill review software system – if requested/necessary



Our Bill Review Department is 100% paperless. Our workflow process is as follows:

- Medical bills are reviewed by claims adjusters and placed in our Bill Review Department's workflow for review or objection
- Once a bill is reviewed and processed, the Explanation of Benefits (EOB) is printed along with a check to the vendor/provider. The EOB is attached to the check (our work product)
- Thereafter, when necessary, the hardcopy EOB is visually checked (quality control) against the bill that was sent in for review and payment

All individual items: bills, EOBs, and check copies are electronically stored as a document and assigned to a respective claim file in both our RMIS and the bill review system (StrataWare). Thereby, all users are able to refer to all documents on a real-time basis.

There are no additional fees for online access, or for transmitting medical billing information to the Workers' Compensation Information System (WCIS) on behalf of the City as required by State Law, i.e., Medical Bill Review EDI (Electronic Data Interchange) Reporting and Services (full bill review services).

Although nearly 100% of our Workers' Compensation clients have selected us to provide professional, cost-effective Utilization Review Services and full Bill Review Services through our wholly owned subsidiary, MedReview, Inc., we are able to work with outside providers (contracted out) reference these Services.

Regarding Bill Review Services, should we not be selected to provide Bill Review Services for the claims we administer/handle, there will be a per-bill fee (as noted within our Cost Sheet herein) for our partial bill review services/our direct costs; specifically, for the obtaining/receiving of electronic files from the City's choice of Bill Review provider (their work product), and for the processing/handling (our Staff's efforts/time) of same, as well as the printing (our paper/toner) and mailing (our envelope/stamp) of each check/EOB (Explanation of Benefits document – their work product) on behalf of the City's choice of Bill Review provider.

We believe our City clients utilize us for full Bill Review Services (and Utilization Review Services) for the top five important reasons:

- Cost Efficiencies
- Transparency
- Control
- Accountability
- Trust



We are truly committed to providing purposeful medical management services that ensure positive outcomes. We do not believe in over-promoting medical management services that exaggerate actual claim outcomes or overreach by suggesting self-serving, unrealistic savings through affiliated or outsourced service providers to our clients.

We prefer to focus on and provide prompt, assertive, and professional claims handling services along with applying reasonable Utilization Review and every Medical Management Service, Provider Network Savings, Preferred Provider Organization (PPO) Savings, and Fee Schedule (OMFS/IHFS) Savings, Negotiated Rates, etc. to the fullest extent allowed by law so that we may provide the City's injured workers with all the medical treatment and services they are medically and legally entitled to in the most timely and cost-effective and cost-sensitive manner.

We believe this proven approach will produce meaningful results, real savings, and will truly strengthen the City's position in creating and maintaining a professional and well-managed Workers' Compensation Program.

It is important to reiterate that we do not provide Bill Review Services or Utilization Review Services for any Third Party Administrator (TPA) or entity other than our Workers' Compensation Clients as we remain committed to dedicating our time and efforts to our Clients only.

We kindly encourage you to contact our clients for a reference as to why they (nearly 100% of our clients) prefer we provide these services in full, alongside and within their Workers' Compensation Program.

Please refer to Attachment 5 for a February 15, 2024 article wherein we are recognized and praised for being one of the Top 5 fastest Claims Administrator Payers in 2023. This is definitely a true reflection of how well our Departments work with each other (Workers' Compensation Claims Department and Bill Review Department, etc.).

Client Profile

We customize each of our clients' Workers' Compensation Programs and document all preferences, protocols, etc. within a tailored Client Profile. This is a living document and each client is able to adjust/update as needed. Therefore, it would merely be a matter of working closely with our City contacts so that we are able to perfect the desired claims handling approach and process that is specific to the City's requirements and expectations. We are also able to adjust our internal standards accordingly to meet the City's needs so that we provide the City, and City's injured workers, with the services they expect and deserve.

Risk Management Information System (RMIS)

Our in-house Team of IS/IT Staff utilize and manage our Risk Management Information System (RMIS). Our RMIS system operates seamlessly in a "best practices" claims environment. Our RMIS is integrated with our Bill Review, Bill Payment, Check Processing (our work product), and Utilization Review, etc. systems.

Our RMIS is a 100% web-based claims administration system that can be accessed anywhere, at any time, through just a browser. At no additional cost, we will provide the City with read-only access to all claim files/data via a secure website. Read-only (includes report writing module) access to our RMIS will be at no additional cost for an unlimited number of City users. There are no restrictions to the read-only data. Should the City decide to have read-write access, the fee will be a pass-through fee as we would not add any cost/fee.

Our City contacts will have 24/7/365 internet-based access and services available at all times in order to manage, review, audit, etc., claim files and to retrieve information and create reports through our report writing module. Again, there are no fees associated with read-only access to our RMIS or when utilizing the report writing module. We will also provide system training for our City users (contacts) at no additional cost.

Our user-friendly RMIS provides very current, effective, and dependable technological capabilities that result in managing claims in a more informed and timely manner; thereby, providing our claims adjusting staff with more time to problem solve, administer claims, and settle/close claims.

Our system is a “one system” approach that encompasses all the functionality that is required/necessary to link/tie in the following Services: Claims Administration, Risk Management, Bill Review (Bill Payments), Utilization Review, Medical Management, Work Status Coordination, and Litigation Management, etc. This enables complete collaboration among all parties involved in the claims administration and risk management process.

Collaboration extends to online access to our claim notes, correspondence, diary, payment history, and much more. Everyone works on the same system, at the same time, sharing information in real time. The system empowers the City and us to make better, more informed decisions in a much shorter timeframe; thereby, ultimately lowering the costs associated with the City’s Workers’ Compensation Program.

Of the many capabilities our RMIS provides, one specific capability is producing ad hoc reports (specialized, custom, etc.). Our reports are useful from both a risk management and data management perspective and will be tailored to the City’s specific needs. At no additional cost, we are able to provide hundreds of reports such as OSHA Forms (Logs/Summaries/Reports), and reports that illustrate pertinent claim information, loss history (paid losses), incurred costs, cost drivers and savings, as well as reports that track all information and payments made on each individual claim; claims losses showing severity, frequency and statistics in graph or other visual charts showing accident (injury) trends by type of injury, body part, days lost, etc.

Our computer system tracks all lost time scenarios within the “Work Status Tab” – please refer to Attachment 6 for a sample (screenshot). This tab allows us to track all types of lost time benefits such as temporary modified duty and temporary partial disability such as: full time/full duty; full time/modified duty; part time/full duty; part time/modified duty; permanent modified duty; temporary total disability, etc.

In addition, our system tracks Labor Code 4850 benefits separately in that it applies the temporary disability rate as one transaction and the remaining balance as a Labor Code 4850 benefit transaction. This is especially important reference annual State reporting as the City's assessments are calculated based on the temporary disability rate amounts, not the entire Labor Code 4850 benefit amounts.

We are able to provide reports on a daily, weekly, monthly, quarterly, annual, etc. basis for and on behalf of the City, including those required by State and Federal law. Reports include a complete record of all financial transactions, including, but not limited to check registers that enumerate check issuance data, and/or voucher (paper transaction) data, whatever is appropriate for the City; as well as management summaries, claim listings and loss analyses (paid losses and incurred costs), etc. At no additional cost, we are able to provide the City with any/all requested reports/loss runs (loss run analysis, summary report, etc.) typically within five workdays, or sooner, of the request.

In summary, we will provide all requested/required monthly reports by no later than the 10th (usually within five workdays) day of the following month, or sooner. We will also provide read-only online access to our computer system (RMIS), which includes report writing capability, for an unlimited number of City users at no charge.

Please refer to Attachment 6 for a summary of reports we are able to provide as well as sample claims reports (computer-generated reports)/analytics that illustrate our reporting capabilities which include standard/regular monthly, quarterly, semi-annual, and annual computer loss runs, etc.

It is important to reiterate that there are literally hundreds of reports we are able to create and generate for the City at no additional charge. It is also important to note that we are willing to develop reporting procedures in line with the City's needs and objectives.

Specific to data, there will be no additional fee for reports when the data necessary for same is already appropriately captured. Should data for a requested report not already be appropriately captured, there will be an at-cost, pass-through fee.

Data Conversion

Should we be selected, we will timely and accurately convert the City's claims data from its current Risk Management Information System (RMIS) to our RMIS. We expect that the data conversion will be completed within 30 workdays of receipt of the City's complete and final (exit) data. We have found that when a realistic data conversion plan is in place, transferring electronic claim files and data/documentation from one RMIS to another by a contract agreement start date is possible.

Our process and estimated time needed for assuming the electronic open and closed files from the City's current RMIS is very structured from both a time and action perspective. We propose the following stages (timeline) as this approach is and has been very successful in all recent and past

data conversion processes as it ensures the initial system setup and integration of the City's claims into our RMIS will be as seamless as possible:

- Stage 1 – At least 30-45 days prior to the takeover date, we obtain and analyze the data format provided by the City's current RMIS Provider
- Stage 2 – We analyze the data and compile field and code mapping scripts
- Stage 3 – We complete and run data conversion scripts; upload data in our test environment and scrutinize absolutely every data filed for accuracy
- Stage 4 – Per State Law, we would receive final (exit) data on July 1, 2024 (sample date); thereafter, we would complete validation and make corrections of converted data
- Stage 5 – Final (exit) data is uploaded into our test environment then compared with final (exit) loss runs
- Stage 6 – Final (exit) validation and the entire data set is moved into production. Please note that State Law requires that the City's current RMIS provide the final (exit) data set on July 1, 2024 (sample date). Once we receive the final (exit) data, it will be uploaded into production and the final (exit) data validation process will then begin

As described above, the data conversion would be a collaborative effort between the City's current RMIS provider and us.

We are also able to contractually agree that all claim files, electronic data processing/management information system records, and all records generated on behalf of the City will be owned by the City.

Transition and Implementation Plan

Please refer to Attachment 7 for our Transition and Implementation Plan (Data Conversion) that outlines the anticipated activities associated with the transition of claims and implementing all required services. Our proven approach ensures the least disruption during the transfer of electronic data, transfer of physical files (if any), and the service of required notices upon transition, etc.

It is important to note that we expect the City to have full access to all claim files we are assigned once we receive final (exit) data on July 1, 2024 (sample date) from the City's current RMIS provider so that we may finalize the entire data conversion. This is imperative in order to ensure all data is transferred correctly and to ensure claim files are coded as Indemnity, Future Medical, or Medical-Only, and that each claim file is properly assigned to the appropriate claims adjuster for handling.

Please refer to Attachment 1 for a list of our Workers' Compensation Program clients as an illustration of the depth of our experience in taking over as a Third Party Administrator (TPA) for

Cities with police and/or fire departments. Our proven transition methods (Attachment 7) ensure customer service and continuity of care is also extended to our clients and their injured workers during the transition.

Data Integrity and Confidentiality – Disaster Recovery Plan

We are a Certified Service Organization Controls (SOC) Organization. This designation is meaningful as it signifies that we undergo yearly, in-depth examinations of our control objectives and control activities, which includes controls over information technology and related processes such as security, data integrity, and confidentiality measures. This matters because you do not need to take our “word” for it – we are a proven, secure service provider. Please refer to Attachment 8 for our Certified SOC Organization Report and Disaster Recovery Plan.

Proof of Insurance

We are able to adhere to the City’s insurance requirements as noted within the RFP.

Exceptions/Deviations

We have no exceptions or deviations to state, thank you.

Cost Sheet

Please refer to Attachment 9 for our fully executed Cost Sheet, thank you.

Closing

Thank you for the opportunity to potentially partner with the City of Montebello. We believe we will best serve as the City’s choice of service provider based on our:

- Entire proposal response
- Proposed cost for services
- Technical expertise
- Qualifications
- Years of specialized experience related to successfully administering complex claims in a considerate and consistent manner for cities with police and/or fire departments (safety members)

We are confident we will provide the City of Montebello with the greatest overall cost-benefit advantages for its Self-Insured Workers’ Compensation Program (Claims Administration Services, Utilization Review Services, and Bill Review Services). We sincerely hope we are extended the opportunity.



Our proposal shall remain valid for a period of not less than 90 days from the submittal deadline. Should you have any questions or would like to further discuss our services, please contact me directly at 909.396.5814, or by way of e-mail at avargas-flores@adminsire.com, as I am the contact person for this Request for Proposal (RFP) and am fully authorized to negotiate and contractually bind AdminSure Inc.

Thank you for your time and consideration.

Respectfully submitted,

A handwritten signature in black ink that reads "Alithia Vargas-Flores".

Alithia Vargas-Flores, President
MBA, SIA, WCCP, WCCA



Workers' Compensation Client List

The following is a list of our Workers' Compensation clients for which we provide various Services as follows: Claims Administration, Utilization Review, and Bill Review:

Alpine Fire Protection District
Antelope Valley Union High School District (AVUHSD)
Bonita-Sunnyside Fire Protection District
California Insurance Pool Authority (CIPA)
City of Adelanto
City of Anaheim
City of Arcadia
City of Baldwin Park
City of Barstow
City of Bell
City of Buena Park
City of Burbank
City of Canyon Lake
City of Carlsbad
City of Carson
City of Cathedral City
City of Coachella
City of Colton
City of Corona
City of Costa Mesa
City of Covina
City of Cypress
City of Desert Hot Springs
City of Downey
City of El Monte
City of El Segundo
City of Encinitas
City of Escondido
City of Fullerton
City of Garden Grove
City of Glendale
City of Glendora
City of Hawthorne
City of Hermosa Beach

City of Holtville
City of Hope National Medical Center
City of Huntington Park
City of Imperial Beach
City of Inglewood
City of Irvine
City of La Habra
City of Laguna Beach
City of Los Alamitos
City of Lynwood
City of Manhattan Beach
City of Montclair
City of Monterey Park
City of Moreno Valley
City of Murrieta
City of National City
City of Newport Beach
City of Norco
City of Oceanside
City of Ontario
City of Orange
City of Palm Springs
City of Placentia
City of Pomona
City of Rancho Mirage
City of Redlands
City of Redondo Beach
City of Rialto
City of San Bernardino
City of San Bernardino Water Department
City of San Clemente
City of San Fernando
City of San Jacinto
City of San Marcos
City of San Marino
City of Santa Ana
City of Santa Barbara
City of Santa Maria
City of South Gate
City of Tustin
City of Victorville
City of Vista
City of Westminster
City of Westmorland
City of Yorba Linda
Goodwill Industries of Southern California

Goodwill Retail Services
Hemet Unified School District (HUSD)
Independent Cities Risk Management Authority (ICRMA)
Kern County Hospital Authority
Lakeside Fire Protection District
Local Agency Workers' Compensation Excess (LAWCX)
Los Angeles Community College District (LACCD)
Los Angeles Department of Water and Power (LADWP)
Mariposa County
North County Fire Protection District
Out of the Shell, LLC
Palmdale School District
Pomona Valley Hospital Medical Center (PVHMC)
PRISM (Public Risk Innovation, Solutions, and Management) – Formerly:
California State Association of Counties – Excess Insurance Authority (CSAC-
EIA) – Primary Workers' Compensation (PWC) Program
Public Entity Risk Management Authority (PERMA)
Rancho Santa Fe Fire Protection District
San Miguel Fire Protection District
South Coast Air Quality Management District (SCAQMD)
SunLine Transit Agency
Tarzana Treatment Centers
Taylor-Dunn Corporation
Trademark Construction Co., Inc. DBA J.M.W. Truss and Components
Yum Yum Donut Shops, Inc. (Winchell's)



WORKERS' COMPENSATION CLAIMS ADMINISTRATION STANDARDS (CALIFORNIA)

The following standards are intended to foster a professional, best practices approach to Workers' Compensation claims administration. Under no circumstances are they to be construed as having precedence over any new or existing statute, regulation or case law.

1. Caseload

An ideal caseload is 150-165 open indemnity claims, with each future medical claim (settled; no pending issues other than the payment of the approved Award, medical treatment, liens and excess) or medical-only claim being counted as one-half of an indemnity claim.

2. New Claim Set Up

Upon receipt of the Employer's Report of Occupational Injury or Illness (Form 5020), Workers' Compensation Claim Form (DWC 1), or Application for Adjudication of Claim, the claims administrator will create a claim file within two workdays.

In the event a DWC 1 Form is not received by the claims administrator within one to two workdays after receiving Form 5020, the claims administrator will contact the employer to ensure that a DWC 1 Form was provided to the injured worker within one workday of the employer's date of knowledge of the injury. If a DWC 1 Form was not provided, the claims administrator will immediately send a DWC 1 Form directly to the injured worker.

The claims administrator will immediately request Form 5020 from the employer when the Doctor's First Report of Occupational Injury or Illness (Form 5021) is received first.

All coding fields will be accurate and complete.

3. Compensability

The initial compensability determination (accept claim, deny claim, or delay acceptance pending the results of additional investigation or medical documentation) and the reasons for such a determination will be made and documented in the claims administrator's file notes no later than fourteen (14) calendar days of the filing of the claim with the employer.



Upon knowledge of preexisting medical conditions which may be pertinent to a claim, medical records will be explored and obtained as necessary and/or approved by the employer.

When medical causation is unclear, a medical evaluation will be scheduled with a physician by way of a State Panel Qualified Medical Exam, Defense Qualified Medical Exam, or Agreed Medical Exam (AME). A cover letter, when appropriate, will be provided to the physician outlining the specific issues, concerns and questions. All relevant medical reports, investigation reports, and information will be provided to the physician for review prior to the examination date.

Delayed claims will clearly document the reason for the delay, the information needed to determine compensability and the anticipated date of the final decision. If a claim was initially delayed pending a physician's report and/or other medical, legal, or investigation report, a decision will be made within five workdays from receipt of such reporting, or sooner, if any delay will result in a penalty situation.

For all denied claims, the claims administrator will document the factual, medical, and/or legal basis for the denial, in accordance with the Workers' Compensation Laws of California.

The claims administrator will notify the employer of all claims where a delay or denial is recommended. The claims administrator will also notify the employer before any questionable claim is accepted. Thereafter, a proper notice will be sent to the injured worker notifying him/her of the decision and their rights under the Workers' Compensation Laws of California.

In no case will a compensability decision be made more than ninety (90) days from the employer's date of knowledge of the injury and/or the employer's receipt of the Workers' Compensation Claim Form (DWC 1).

4. ISO ClaimSearch® and EDEX

The claims administrator will request a report from ISO ClaimSearch® and/or EDEX on all new indemnity claims. Thereafter, requests will be submitted if the possibility of other injuries is suspected, it appears permanent disability may be paid, or a claim file becomes litigated.

5. Three-Point Contact

- a. Employers will be contacted within two workdays of receipt of a claim to discuss and verify compensability, disability, clarify issues, and request additional information, if necessary. Contact will be made sooner if any delay will result in a late payment, late notice, or any penalty situation.

- b. All injured workers will be contacted by telephone within two workdays of receipt of a claim. During this initial contact, injured workers will be provided with an explanation of their benefits and will be asked whether they have any questions or concerns regarding their claim.

Injured workers who have not returned to work will be contacted by telephone within two workdays of receipt of a lost time claim unless the injured worker is represented by an attorney. During this initial contact, injured workers will be provided with an explanation of their benefits and will be asked whether they have any questions or concerns regarding their claim.

Injured workers will continue to be contacted at least twice a month while they are disabled from working, unless they are represented by an attorney, or their claim has been finalized.

- c. Treating physicians will be contacted within two workdays of notice or receipt of a lost time claim to verify the diagnosis, compensability, duration of disability, proposed treatment and other issues, as appropriate. Contact will be made sooner if any delay will result in a late payment, late notice or any penalty situation. Thereafter, the claims administrator will maintain contact at least every thirty (30) days with the treating physician to monitor the disability status and the progress of medical treatment, facilitate an early return to work, and obtain medical reports.

6. Telephone and Written Communication

Telephone calls will be returned within one workday. If the designated claims administrator is not available within this time frame, another claims administrator will return the telephone call.

Written communications from the employer, defense counsel and injured workers requiring acknowledgment or action will be responded to within five workdays. Written communications from all other parties will be responded to within thirty (30) days or sooner, if an immediate response is necessary or required. All incoming written communication will have the date of receipt clearly date stamped.

The claims administrator will respond to the employer's request for verbal status reports on claim files within twenty-four (24) to forty-eight (48) hours.

In lieu of written status reports, the employer will be provided with online computer access to claim status information.

7. Investigation Management

With prior authorization from the employer, the claims administrator will immediately assign an investigator, as needed, when any identified issue arises that may impact the nature, extent, or scope of the employer's liability.

Referrals will be made within five workdays from the employer's approval and will include specific, written instructions regarding the scope of the investigation. The employer will be kept informed of the results of all investigations.

8. Fraudulent Claims

Any claim that is believed to be fraudulent will be referred to an investigator for additional investigation, and with the employer's prior approval, the claim will be referred to the appropriate law enforcement agency for further investigation.

9. Subrogation Management

Whenever practical, the claims administrator will aggressively pursue recovery in all subrogation claims. The claims administrator will attempt to maximize the recovery for benefits and payments made and assert credit against an injured worker's net recovery for future benefit payments.

Subrogation potential will be identified and appropriate steps will be taken to initiate an investigation within ten (10) workdays after information is available that subrogation may exist. In all cases where it appears a third party is responsible for the injury to the injured worker(s), and once the responsible party has been identified, the third party will be contacted within ten (10) workdays with notification of the employer's right to subrogation and the recovery of claim expenses.

The claim will be monitored to determine the need to file a complaint in order to preserve the statute of limitations. If the injured worker brings an action against the party responsible for the injury, the claims administrator will consult with the employer about the value of the subrogation claim and other considerations. Upon employer authorization, subrogation counsel will be assigned to file a Lien or a Complaint in Intervention in the action. The claims administrator will identify and seek recovery from a state fund, entity, or individual that may be a party to the claim.

The employer will be kept informed of the results of all subrogation efforts and findings.

Should an employer request that we not pursue subrogation efforts and/or the claims administrator recommends subrogation efforts not be made for whatever reason(s), we shall document all discussions, decisions, etc. in our computer notepad.

10. Litigation Management

When a defense attorney is not necessary, the claims administrator will work closely with the applicant's attorney towards disposition of the claim.

In the event the claims administrator and the employer determine a claim warrants referral to a workers' compensation defense attorney, the claim administrator will retain primary responsibility. Defense counsel will not be used to perform routine activities that are the responsibility of the claims administrator. Exceptions will be approved by the employer.

The claims administrator will communicate with the defense attorney to provide a complete overview of the claim. The claims administrator will also prepare a complete copy of the claim file for transmission to the defense attorney with a transmittal form or cover letter outlining the status of the case, results of investigations and discovery completed to date, primary issues, requested action and plan of action. Ongoing documentation will be sent to the defense attorney timely.

The claims administrator will carefully evaluate and monitor the defense attorney's aggressiveness in resolving claims, ability to identify issues, responsiveness, timeliness, and billing practices. The claims administrator will also provide the employer with advance notice of hearings and trials so they may attend, if necessary or desired.

11. Claim Reserves

Initial claim reserves will reflect the most probable value of the claim based on the information available at the time and the facts developed to date.

Initial claim reserves and subsequent reserve changes are reviewed and approved by a supervisor except under the following circumstance:

Claims administrators who possess the necessary Workers' Compensation experience and knowledge may have authority to establish initial reserves up to \$75,000.00 and each subsequent reserve change up to \$50,000.00.

As claim values increase and decrease, claim reserves will be reviewed on a regular basis and on each diary date, but not less than twice a year. The rationale for reserves will be documented in the file notes and the amounts allocated to each reserve category will be documented.

12. Claim Reconciliation

Claim files will be reconciled to ensure all medical, indemnity, vocational

rehabilitation, legal, and other expense payments are appropriate, were made to the correct individual/provider in the correct amount and were paid from the correct claim file. The physical file will be verified with the computer information.

All open claim files will be reconciled annually or when there is a change from one benefit to another. Proof of the reconciliation will be documented by way of a file note and a completed reserve worksheet, when applicable.

13. Payments

Prior to payment, all bills will be reviewed for accuracy and appropriateness. All medical bills will be reviewed for reduction in accordance with the California Official Medical Fee Schedule (OMFS), InPatient Hospital Fee Schedule (IHFS), Preferred Provider Organization (PPO) discounts, and/or negotiated rates.

Medical bills submitted without supporting documentation will be objected to within thirty (30) days from receipt and will not be reviewed for payment until such documentation is obtained, if applicable. Medical bills will be paid, objected to, or denied no later than thirty (30) days from receipt and/or in accordance with state statutes.

Medical-legal costs will be reviewed for appropriateness and necessity. Bills that do not qualify as valid medical-legal expenses will be objected to on a timely basis according to the Workers' Compensation Laws of California.

As required by SB 899, payment of medical treatment regarding delayed AOE/COE claims will be processed through Utilization Review and Bill Review but will not exceed \$10,000.00.

Mileage reimbursement requests from injured workers will be processed and mailed to the injured worker within ten (10) workdays of receipt of the request. Advance travel expense payments will be mailed to the injured worker no later than seven days prior to the anticipated date of travel.

14. Diary

Indemnity claims that are not on a benefit payment schedule will be reviewed on diary every thirty (30) to sixty (60) days as activity warrants, or more frequently when needed, for resolution of any and all issues and closure.

Indemnity claims on a benefit payment schedule will be reviewed on diary every fourteen (14) days, or more frequently when needed, for resolution of any and all issues and closure.



Medical-Only claims will be reviewed on diary every thirty (30) days for closure, or more frequently when needed. A medical-only claim will be converted to an indemnity claim when disability benefits are due, compensability becomes an issue, or litigation is initiated by either the injured worker or the employer.

Future-Medical claims will be reviewed on diary at least twice a year, or more frequently when needed, for the monitoring of future-medical care, Compromise and Release settlement and closure.

15. Indemnity Benefits

Accurate and timely indemnity benefit payments and notices will be computed, processed, and transmitted to injured workers as required by California Labor Codes, Statutes and Regulations.

Initial indemnity benefit payments and notices will be processed and mailed to the injured worker within fourteen (14) days of the first day of compensable disability. All subsequent and final indemnity benefits payments and notices will be verified and issued in compliance with the Workers' Compensation Laws of California.

Late indemnity payments due directly to the injured worker will include a self-imposed 10% penalty in accordance with the Labor Code.

16. Penalties

Late payments of all undisputed bills, benefits, Awards, Commutations, or Compromise and Releases will include the appropriate self-imposed penalty in accordance with the Workers' Compensation Laws of California.

The employer will be advised of the assessment of any penalty for late payment, the reason, and the responsible party within ten (10) workdays of the assessment. In the event the claims administrator is the responsible party, the claims administrator will submit a reimbursement check to the employer within fifteen (15) workdays of the assessment.

17. Return to Work

The claims administrator will assist the employer in establishing a modified-work (light-duty) plan that is appropriate and accommodating for injured workers while they are recovering from their injury or illness and prior to their return to regular duties.

The claims administrator will immediately consult with the employer in those cases where the injury or illness residuals might involve permanent work restrictions and/or



retirement potential.

18. Medical Management

The claims administrator's Utilization Review process will monitor treatment recommendations and medical treatment to ensure it is appropriate, medically necessary, and consistent with the recommended standards set forth in the American College of Occupational and Environmental Medicine Occupational Medical Practice Guidelines (ACOEM).

For all conditions and injuries/illnesses not covered by the ACOEM Practice Guidelines, authorized treatment will be in accordance with other evidence-based medical treatment guidelines that are relevant to the request, generally recognized by the national medical community, and scientifically based.

The claims administrator will monitor the medical treatment to ensure it is related to the compensable injury or illness. The claims administrator will timely object to inappropriate medical reports.

When appropriate, the claims administrator will arrange a medical evaluation by way of a Labor Code Section §4050 Exam, State Panel Qualified Medical Exam, Defense Qualified Medical Exam, or Agreed Medical Exam (AME) to address the necessity and/or reasonableness of care for litigated and non-litigated injured workers and injured workers who have a valid predesignated physician. A cover letter, when appropriate, will be provided to the physician outlining the specific issues, concerns, and questions. All relevant medical reports, investigation reports, and information will be provided to the physician for review prior to the examination date.

If the employer has an approved Medical Provider Network (MPN) in place, all medical evaluations, determinations, and disputes shall be governed per California Labor Codes and Regulations, specifically Labor Code Sections §4616 through §4616.4, Regulations §9767.1 through §9767.14, and pertinent Workers' Compensation Laws of California.

In the event a claim warrants referral to an outside nurse case manager or any other outside medical management service, the employer will be contacted for prior approval and to discuss the intent and scope of services requested.

19. Resolution of Claims

The employer will be notified within ten (10) workdays after receipt of the treating physician's or other relevant physician's Maximum Medical Improvement (Permanent and Stationary) report.

The claims administrator will determine the extent of permanent disability by completing a disability rating, arranging for an informal disability rating, or requesting a Summary Rating Determination (DEU Form 102) from the Disability Evaluation Unit. The claims administrator will also determine and take credit for legally permissible apportionment, if any.

The claims administrator will telephone the injured worker, if not represented by legal counsel, and mail a notice outlining permanent disability, future-medical care, and if applicable, provide a Qualified Medical Examination request form, within ten (10) workdays from receipt of a Maximum Medical Improvement (Permanent and Stationary) report. The purpose of the telephone call and notice is to explain the process and answer the injured worker's question(s). The claims administrator will take appropriate action(s) to finalize the claim.

20. Rehabilitation Management

All notifications, determinations, and referrals regarding Vocational Rehabilitation Benefits or Supplemental Job Displacement Benefits, and Qualified Injured Worker or Non-Qualified Injured Worker status will be made timely in accordance with the Workers' Compensation Laws of California in place at the time of injury. The claims administrator will:

- a. Notify the employer of the injured worker's permanent work restrictions so the employer may determine the availability of permanent modified or alternate work.
- b. Notify the injured worker of their potential rehabilitation rights.
- c. With prior employer approval, assign an outside rehabilitation counselor or other service vendor when the need is identified for a formal job analysis, essential function job analysis, ergonomic evaluation, or a 90-Day QRR intervention.
- d. Attempt to secure the prompt conclusion of vocational rehabilitation benefits, and settle rehabilitation where appropriate.
- e. Monitor rehabilitation programs on an ongoing basis to verify appropriateness and progress.
- f. Monitor and control rehabilitation benefits and costs through conclusion. In addition, the claims administrator will work with the employer to assist in the coordination of experts in complying with Americans with Disabilities Act (ADA) and AB 2222 interactive accommodation requirements.

21. Approval of Settlements

The claims administrator and/or defense attorney, if applicable, will submit settlement requests to the employer for approval on all settlement requests. Settlement requests will be clear and concise and will consist of a verbal and/or written analysis of the claim/issue(s), and monetary recommendations. After supervisory approval, settlement requests will be presented to the employer in this manner so as to ensure receipt of a response in sufficient time to process the settlement.

If the settlement exceeds, or may have the potential to exceed, the employer's self-insured retention, the claims administrator will immediately submit a written analysis of the claim/issues(s) and contact the excess carrier by telephone to discuss the settlement and obtain approval.

Overpayments will be identified on all settlement requests and where appropriate, the claims administrator will pursue credit for the overpayment, if any.

22. Award Payments

Following receipt of the appropriate, fully executed document(s), payments on undisputed Awards, Commutations, or Compromise and Releases will be issued within ten (10) workdays or sooner, if necessary to ensure payment within twenty (20) calendar days of the Workers' Compensation Appeals Board (WCAB) approval date, or if any delay will result in a late payment, late notice, or any penalty situation.

23. Excess Insurance

Claims that have the potential to exceed the employer's self-insured retention will be reported in accordance with the reporting criteria established by the employer's excess insurance carrier's policies.

Claims that meet the established reporting criteria will be reported to the excess carrier in accordance with the applicable policy but in no event will the claim be reported to the excess carrier more than thirty (30) days from the day on which it is known the criteria are met.

Excess reporting correspondence prepared by the claims administrator will be copied to the employer. Correspondence received by the claims administrator involving excess claims will be sent to the employer and responded to by the claims administrator within ten (10) workdays of receipt.

Requests for reimbursement on active claims will be made at least twice a year. For less active claims, reimbursement will be requested when reimbursement exceeds \$2,500.00, but in no event less frequently than on an annual basis.

24. File Documentation

Any significant development will be documented in the file notes. All file notes will have a “Plan of Action” that includes time frames for completing tasks or activities. The progress of the “Plan of Action” will be documented as will the reasons for any delays or modifications to the “Plan of Action.”

File documentation also includes all information that relates to the direction, value, and active claim strategy towards closure of the claim.

All files will be in chronological order with correspondence in the designated section. All handwritten correspondence, if any, will be legible. All file notes, actions, or tasks completed on a claim will identify the date and the person(s) who completed it.

25. Supervisory Review

Supervisors do not have a caseload. Their primary role is to direct, monitor and review the work of claims administrators. All supervisory reviews will be documented in the file notes and labeled “Supervisory Review.” All claims will be reviewed by a supervisor:

- a. At file creation.
- b. Before cases are delayed or denied.
- c. Before referral to outside investigation, subrosa, medical case management or defense counsel.
- d. When reserve increases, proposed settlements or payments exceed the claims administrator’s limit of authority.
- e. Before mandatory settlement conferences or trials.

In addition, supervisors will audit 10% of the claims administrator’s caseload each month to evaluate the work product of the claims administrator, provide direction and review significant activities to ensure adherence to claims administration standards.

Finally, supervisors will review all incoming mail on a daily basis with an eye for anything that might portend a problem or require special attention.

26. Internal Auditing

In addition to supervisory audits, claim files are also randomly selected and reviewed by an internal auditor to further ensure compliance with performance standards outlined herein and to identify any areas of needed improvement in overall claims



handling and reserving.

27. Closure

Indemnity and medical-only claims will be reviewed for closure and closed within thirty (30) days from the date all issues, including those involving benefits, payments and notices, have been resolved.

Future-Medical claims will be reviewed for settlement not less than twice a year. When future-medical benefits are the only remaining benefit due to the injured worker, and the claim is inactive for a period of two years, it will be closed no later than two years from the date of the last provision of Workers' Compensation benefits, flagged as "do not destroy" and placed in permanent storage.

28. Record Retention

The claims administrator will retain all claim files for five years after the closure date. The claims administrator will retain all future-medical claim files for the entire life of the claim file.

Thereafter, the claims administrator will contact the employer to determine if the employer wishes to retain the claim file.

29. Personnel and Availability

Personnel who handle claim files will be well trained, appropriately certified and will receive continuing education and training.

The claims administrator, or a supervisor, will be available by telephone Monday through Friday, 8:00 a.m. to 4:30 p.m.

30. Client Services

The claims administrator will provide the employer with all necessary workers' compensation claim forms in an electronic format with printed forms available at cost.

The claims administrator will provide on-site training, attend on-site meetings, and complete file reviews for the employer on an as needed basis.

The claims administrator will participate in events pertaining to the employer's Workers' Compensation Program and will meet with injured workers to resolve issues that arise from claims on an as needed basis.



The claims administrator will meet with the employer on an as needed basis to provide information, opinions and direction regarding proposed changes to the Workers' Compensation Laws of California and to meet with the employer's designated personnel to ensure they are effectively processing the employer's Workers' Compensation claims as required by law.

MEDREVIEW

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Utilization Review Plan

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Introduction

MedReview's utilization review process is pursuant to and in compliance with Labor Code Sections 4610, 4610.5, and title 8, California Code of Regulations (CCR), Sections 9792.6.1 through 9792.10.1.

MedReview's utilization review process is governed by written policies and procedures that ensure decisions are based on medical necessity to cure and relieve treatment recommendations by physicians. All decisions are consistent with the California Medical Treatment Utilization Schedule (MTUS), including the drug formulary, adopted pursuant to Labor Code Section 5307.27. MedReview updates and reviews the treatment guidelines per CCR Section 9792.25.1(a) MTUS Methodology for Evaluating Medical Evidence.

Pursuant to CCR 9792.6.1(v), "Reviewer" means a medical doctor, doctor of osteopathy, psychologist, acupuncturist, optometrist, dentist, podiatrist, or chiropractic practitioner licensed by any state or the District of Columbia, competent to evaluate the specific clinical issues involved in medical treatment services, where these services are within the scope of the reviewer's practice.

Pursuant to Labor Code Section 4610(g)(3)(B)(i), MedReview shall neither offer nor provide any financial incentive or consideration to a physician based on the number of modifications or denials made by the physician under this section.

A "utilization review decision" means a decision pursuant to Labor Code Section 4610 to approve, modify, or deny a treatment recommendation or recommendations by a physician prior to, retrospectively, or concurrent with the provision of medical treatment services pursuant to Labor Code Sections 4600 or 5402(c).

This Utilization Review Plan is available to the public upon request. The claims administrator may charge reasonable copying and postage expenses related to disclosing the complete utilization review plan. Such charge shall not exceed \$0.25 per page plus actual postage costs.

Medical Director and Personnel

MedReview's Medical Director is William Logan Tontz, Jr., M.D. Dr. Tontz is a practicing physician and surgeon who holds an unrestricted license to practice medicine in the State of California. Dr. Tontz's specialty is Orthopedic Surgery.

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The Medical Director ensures that the process by which MedReview prospectively, retrospectively, or concurrently reviews and approves, modifies, or denies treatment recommendations by physicians complies with the requirements of Labor Code Section 4610. Pursuant to CCR Section 9792.6.1(o), the Medical Director is a physician and surgeon licensed by the Medical Board of California or the Osteopathic Board of California who holds an unrestricted license to practice medicine in the State of California.

The Medical Director is responsible for all utilization review decisions. In addition to his duties as a reviewer, he is available to suggest courses of action to secure the medical information necessary to complete a review; available to provide additional resources of information to aid the non-physician reviewers with the primary review process; provides input and guidance to the other reviewers where appropriate; communicates with the requesting physicians when appropriate; reviews policies regarding the utilization review process; and provides educational information to the non-physician reviewers.

MedReview's Utilization Review is comprised of contracted physician reviewers licensed to practice in any state or the District of Columbia by their appropriate licensing boards, non-physician reviewers, consisting of licensed, certified, and trained health professionals, and assisting clerical personnel.

MedReview's physician reviewers are competent to evaluate the specific clinical issues involved in medical treatment services and, where these services are within the reviewer's scope of practice, may approve, modify, or deny requests for authorization of medical treatment for reasons of medical necessity to cure or relieve the effects of the industrial injury. Reviewers function as a secondary review when the non-physician reviewer is unable to approve medical treatment per appropriate guidelines.

MedReview's non-physician reviewers are comprised of individuals who possess an active, professional license or certification to practice as a health professional (Registered Nurse (RN), Certified Medical Assistant (MA) and Licensed Vocational Nurse (LVN)). MedReview's non-physician reviewers function as a primary reviewer applying specific criteria to requests for authorization for medical services. The non-physician reviewer may approve requests for authorization of medical services. The non-physician reviewer may discuss applicable criteria with the requesting physician, should the treatment for which authorization is sought appears to be inconsistent with the criteria. In such instances, the requesting physician may voluntarily withdraw a portion or all of the treatment in question and submit an amended request for treatment authorization. The non-physician reviewer may reasonably request appropriate additional information that is necessary to render a decision, but in no event, shall this exceed the time limitations per regulations. The non-physician reviewer shall not modify or deny requests for authorization of medical treatment for reasons of medical necessity to cure and relieve or due to incomplete or insufficient information

MedReview's clerical personnel assist in the utilization review process by assigning received requests for authorization of medical treatment for initial review by a non-physician reviewer. Additionally, the clerical personnel are available to answer telephone calls between the hours of 9:00 a.m. to 5:30 p.m., on business days, for healthcare providers to request authorization for medical services.

MedReview's transcription personnel proofreads and formats the reviewers' typed decisions and drafts MedReview letters.

Utilization Review Process

Receipt of Request for Authorization

MedReview personnel are available by telephone from 9:00 a.m. to 5:30 p.m., on business days, to receive treatment requests. A facsimile number is maintained for after-hours treatment requests. The utilization review process for responding to a treatment request begins when the request for authorization is first received by mail, facsimile, or electronic mail.

Pursuant to CCR Section 9792.9.1(c)(2)(A), upon receipt of a request for authorization as described in subdivision (c)(2)(B), or a DWC Form RFA that does not identify the employee or provider, does not identify a recommended treatment, is not accompanied by documentation substantiating the medical necessity for the requested treatment, or is not signed by the requesting physician, a non-physician reviewer, as allowed by Section 9792.7, or reviewer must either regard the request as a complete DWC Form RFA and comply with the timeframes for decision set forth in this section or return it to the requesting physician marked "not complete," specifying the reasons for the return of the request no later than five (5) business days from receipt. The timeframe for a decision on a returned request for authorization shall begin anew upon receipt of a completed DWC Form RFA.

Utilization review of a medical treatment request may be deferred if the claims administrator disputes liability for either the occupational injury for which the treatment is recommended or the recommended treatment itself on grounds other than medical necessity.

Unless additional information is requested necessitating an extension, the utilization review process shall meet the required timeframes.

The first day in counting any timeframe requirement is the day after the receipt of the DWC Form RFA, except when the timeline is measured in hours. Whenever the timeframe requirement is stated in hours, the time for compliance is counted in hours from the time of receipt of the DWC Form RFA, pursuant to CCR Section 9792.9.1(c)(1).

Pursuant to Labor Code Section 4610(b)-(c), for all dates of injury occurring on or after January 1, 2018, any request(s) for authorization received for emergency treatment services and medical treatment rendered, for a body part or condition that is accepted as compensable by the employer, within the 30 days following the initial date of injury shall be authorized without prospective utilization review, except as provided in subdivision (c).

Unless authorized by the employer or rendered as emergency medical treatment, the following medical treatment services, as defined in rules adopted by the administrative director, that are rendered through a member of the medical provider network or health care organization, a predesignated physician, an employer-selected physician, or an employer-selected facility, within the 30 days following the initial date of injury, shall be subject to prospective utilization review under this section:

- ~ Pharmaceuticals, to the extent they are neither expressly exempted from prospective review nor authorized by the drug formulary adopted pursuant to Section 5307.27.
- ~ Nonemergency inpatient and outpatient surgery, including all presurgical and postsurgical services.
- ~ Psychological treatment services.
- ~ Home health care services.
- ~ Imaging and radiology services, excluding X-rays.
- ~ All durable medical equipment, whose combined total value exceeds two hundred fifty dollars (\$250), as determined by the official medical fee schedule.
- ~ Electrodiagnostic medicine, including, but not limited to, electromyography and nerve conduction studies.
- ~ Any other service designated and defined through rules adopted by the administrative director.

Timeframes and Notification

Prospective or concurrent utilization review decisions will not exceed five (5) business days from the date of receipt of the request for authorization. During the utilization review process, the reviewer or non-physician reviewer shall request information reasonably necessary to make a determination from the treating physician within five (5) business days from the date of receipt of the request for authorization.

Prospective decisions regarding requests for treatment covered by the MTUS Drug Formulary shall be made no more than five working days from the date of receipt of the medical treatment request.

Prospective or concurrent decisions related to an expedited review will not exceed 72 hours after the receipt of the written information reasonably necessary to make the determination. A request

for expedited review must be supported by evidence establishing that the injured worker faces an imminent and serious threat to his or her health, or that the timeframe for utilization review would be detrimental to the injured worker's condition.

Retrospective decisions shall be made within 30 days of receipt of the request for authorization and medical information that is reasonably necessary to make a determination.

All decisions to approve a request for authorization shall specify the following:

- ~ The date the request for authorization was first received.
- ~ The medical treatment service requested.
- ~ The medical treatment service approved.
- ~ The date of the decision.

Prospective, concurrent, or expedited approvals shall be communicated to the requesting physician within 24 hours of the decision, initially by telephone, facsimile, or, if agreed to by the parties, secure email. Telephone communication of the decision shall be followed with a written notice to the requesting physician within 24 hours of the decision for concurrent review and within two (2) business days for prospective review. For retrospective approvals, the written decision shall be communicated to the requesting physician, the injured worker, and his or her attorney/designee, if applicable.

Pursuant to CCR Section 9792.6.1(a), 'Authorization' means assurance that appropriate reimbursement will be made for an approved specific course of proposed medical treatment to cure or relieve the effects of the industrial injury.

Payment, or partial payment, of a medical bill for services requested, within the 30-day timeframe, shall be deemed a retrospective approval.

Pursuant to CCR Section 9792.9.1(e)(1), the review and decision to deny or modify a request for medical treatment must be conducted by a reviewer, who is competent to evaluate the specific clinical issues involved in the medical treatment services, and where these services are within the scope of the individual's practice.

Prospective, concurrent, or expedited decisions to modify or deny shall be communicated to the requesting physician within 24 hours of the decision, initially by telephone, facsimile, or, if agreed to by the parties, secure email. Telephone communication of the decision shall be followed with a written notice to the requesting physician, the injured worker, and if the injured worker is represented by counsel, the injured worker's attorney, within 24 hours of the decision for concurrent review and within two (2) business days for prospective review.

For retrospective decisions to deny part or all of the requested medical treatment, the written decision shall be communicated to the requesting physician, the injured worker, and his or her attorney/designee, if applicable, within 30 days of receipt of request for authorization and medical information that is reasonably necessary to make a determination.

Written decisions to modify or deny requests for authorization shall be provided to the requesting physician, the injured worker, the injured worker's representative, and if the injured worker is represented by counsel, the injured worker's attorney. The written decision shall be signed by either the claims administrator or the reviewer, and shall only contain the following information specific to the request, pursuant to CCR Section 9792.9.1(e)(5):

- ~ The date on which the request for authorization was first received.
- ~ The date on which the decision is made.
- ~ A description of the specific course of proposed medical treatment for which authorization was requested.
- ~ A list of all medical records reviewed.
- ~ A specific description of the medical treatment service approved, if any.
- ~ A clear, concise, and appropriate explanation of the reasons for the reviewing physician's decision, including the clinical reasons regarding medical necessity and a description of the relevant medical criteria or guidelines used to reach the decision pursuant to Section 9792.8. If a utilization review decision to modify or deny a medical service is due to incomplete or insufficient information, the decision shall specify the reason for the decision, the specific information that is needed, the date(s) and time(s) of attempts made to contact the physician to obtain the necessary information, and a description of the manner in which the request was communicated.
- ~ The Application for Independent Medical Review, DWC Form IMR, with all fields, except for the signature of the employee, to be completed by the claims administrator. The application, set forth in Section 9792.10.2, and the written decision provided to the injured worker shall include an addressed envelope, which may be postage-paid for mailing to the Administrative Director or his or her designee.
- ~ A clear statement advising the injured employee that any dispute shall be resolved in accordance with the independent medical review provisions of Labor Code Section 4610.5 and 4610.6, and that an objection to the utilization review decision must be communicated by the injured worker, the injured worker's representative, or the injured worker's attorney on behalf of the injured worker on the enclosed Application for Independent Medical Review, DWC Form IMR, within 10 days after service of the utilization review decision(s) for formulary disputes and 30 days after service of the utilization review decision(s) for all other medical treatment disputes.

~ The following mandatory language:

~ “You have a right to disagree with decisions affecting your claim. If you have questions about the information in this notice, please call me (insert claims adjuster's name in parentheses) at (insert telephone number). However, if you are represented by an attorney, please contact your attorney instead of me.

and

~ “For information about the workers' compensation claims process and your rights and obligations, go to www.dwc.ca.gov or contact an information and assistance (I&A) officer of the state Division of Workers' Compensation. For recorded information and a list of offices, call toll-free 1-800-736-7401.”

- ~ Details about the claims administrator's internal utilization review appeals process for the requesting physician and a clear statement that the internal appeals process is a voluntary process that neither triggers nor bars use of the dispute resolution procedures of Labor Code Section 4610.5 and 4610.6, but may be pursued on an optional basis.
- ~ The written decision modifying or denying treatment authorization provided to the requesting physician containing the name and specialty of the reviewer or expert reviewer, and the telephone number in the United States of the reviewer or expert reviewer. The written decision discloses the hours of availability of either the reviewer, the expert reviewer, or the medical director for the treating physician to discuss the decision which is, at a minimum, four (4) hours per week during normal business hours, 9:00 a.m. to 5:30 p.m., Pacific Time, or an agreed upon scheduled time to discuss the decision with the requesting physician. In the event the reviewer is unavailable, the requesting physician may discuss the written decision with another reviewer who is competent to evaluate the specific clinical issues involved in the medical treatment services.

Emergency Health Care Services and Concurrent Decisions to Deny

Pursuant to CCR Section 9792.6.1(i), “Emergency health care services” means health care services for a medical condition manifesting itself by acute symptoms of sufficient severity such that the absence of immediate medical attention could reasonably be expected to place the patient's health in serious jeopardy. Emergency health care services do not require prior authorization and may be subjected to retrospective review. Pursuant to CCR Section 9792.9.1 (e)(2), failure to obtain authorization prior to providing emergency health care services shall not be an acceptable basis for refusal to cover medical services provided to treat and stabilize an injured worker presenting for emergency health care services. Emergency health care services

may be subjected to retrospective review. Documentation for emergency health care services shall be made available to the claims administrator upon request.

A concurrent decision to deny authorization for medical treatment must meet the following requirements prior to discontinuation of medical care:

- ~ The requesting physician shall be notified of the decision.
- ~ A care plan has been agreed upon by the requesting physician that is appropriate for the medical needs of the employee.
- ~ Medical care provided during the review shall be treatment that is medically necessary to cure or relieve from the effects of the industrial injury.

Timeframe Extension

Except for treatment requests made pursuant to the MTUS Drug Formulary, when additional information reasonably necessary to make a determination is requested necessitating a timeframe extension, a reviewer or non-physician reviewer shall request the information from the treating physician within five (5) business days from the date of receipt of the request for authorization.

If the requested information is not received within fourteen (14) days from the receipt of the completed request for authorization for prospective or concurrent review, or within thirty (30) days of the request for retrospective review, the reviewer shall deny the request with the stated condition that the request will be reconsidered upon receipt of the information.

A reviewer may ask for the following:

- ~ An additional examination or test be performed upon the injured worker that is reasonable and consistent with professionally recognized standards of medical practice.
- ~ A specialized consultation and review of medical information by an expert reviewer.

When a reviewer asks for the above, the reviewer shall, within five (5) business days from the date of receipt of the request for authorization, notify the requesting physician, the injured worker, and if the injured worker is represented by counsel, the injured worker's attorney, in writing, that the reviewer cannot make a decision within the required timeframe. The written notification will include the anticipated date on which a decision will be rendered.

If the results of the additional examination or test are not received within thirty (30) days from the receipt of the completed request for authorization for prospective, concurrent, or retrospective review, the reviewer shall deny the request with the stated condition that the request will be reconsidered upon receipt of the information.

Upon receipt of the requested information:

- ~ For prospective and concurrent review:

- a non-physician reviewer shall make the decision to approve the request for authorization within five (5) business days of receipt of the information
- or
- a reviewer shall make the decision to approve, modify, or deny the request for authorization within five (5) business days of receipt of the information.

The requesting physician shall be notified by telephone, facsimile, or, if agreed to by the parties, secure email within 24 hours of making the decision. The written decision shall include the date the information was received and the decision shall be communicated in the manner set out in Section 9792.9.1(d) or (e), whichever is applicable.

- ~ For prospective and concurrent decisions related to an expedited review:
 - a non-physician reviewer shall make the decision to approve the request for authorization within 72 hours of receipt of the information
 - or
 - a reviewer shall make the decision to approve, modify, or deny the request for authorization within 72 hours of receipt of the information.

The requesting physician shall be notified by telephone, facsimile, or, if agreed to by the parties, secure email within 24 hours of making the decision. The written decision shall include the date the information was received and the decision shall be communicated in the manner set out in Section 9792.9.1(d)(2) or (e)(3), whichever is applicable.

- ~ For retrospective review:
 - a non-physician reviewer shall make the decision to approve the request for authorization within thirty (30) calendar days of receipt of the information
 - or
 - a reviewer shall make the decision to approve, modify, or deny the request for authorization within thirty (30) calendar days of receipt of the information.

The written decision to approve shall include the date it was made and shall be communicated to the requesting physician who provided the medical services and to the individual who received the medical services, and his or her attorney/designee, if applicable.

The written decision to deny part or all of the requested medical treatment shall include the date it was made and shall be communicated to the requesting physician who provided the medical services and to the individual who received the medical services, and his or her attorney/designee, if applicable, within 30 days of receipt of request for authorization and medical information that is reasonably necessary to make a determination.

Documentation

Pursuant to CCR Section 9792.9.1(g), whenever a reviewer issues a decision to deny a request for authorization based on the lack of medical information necessary to make a determination, the claims administrator's file must document the attempt by the claims administrator or reviewer to obtain the necessary medical information from the physician either by facsimile, mail, or e-mail.

Pursuant to Labor Code Section 4610(k), a utilization review decision to modify or deny a treatment recommendation shall remain effective for 12 months from the date of the decision without further action by the employer with regard to a further recommendation by the same physician, or another physician within the requesting physician's practice group, for the same treatment unless the further recommendation is supported by a documented change in the facts material to the basis of the utilization review decision.

Utilization Review Decision-Making Process

Pursuant to Labor Code Section 4610(h), the criteria or guidelines used in MedReview's utilization review process to determine whether to approve, modify, or deny medical treatment services are all of the following:

- ~ Developed with involvement from actively practicing physicians.
- ~ Consistent with the schedule for medical treatment utilization, including the drug formulary, adopted pursuant to Section 5307.27.
- ~ Evaluated at least annually and updated if necessary.
- ~ Disclosed to the physician and the employee, if used as the basis of a decision to modify or deny services in a specified case under review.
- ~ Available to the public upon request (no copying fees apply).

Non-physician reviewers and reviewers conduct the following medical evidence search sequence for the evaluation and treatment of injured workers:

- ~ Search the recommended guidelines set forth in the current MTUS to find a recommendation applicable to the injured worker's medical condition or injury.
- ~ In the limited situation where a medical condition or injury is not addressed by the MTUS or if the MTUS' presumption of correctness is being challenged, then:
 - o Search the most current version of ACOEM or ODG to find a recommendation applicable to the injured worker's medical condition or injury. Choose the recommendation that is supported with the best available evidence according to the MTUS Methodology for Evaluating Medical Evidence set forth in Section 9792.25.1.
- ~ If no applicable recommendation is found in ACOEM or ODG, or if the reviewing physician believes there is another recommendation supported by a higher quality and strength of evidence, then:
 - o Search the most current version of other evidence-based medical treatment guidelines that are recognized by the national medical community and are scientifically based to find a recommendation applicable to the injured worker's medical condition or injury. Medical treatment guidelines can be found in the National Guideline Clearinghouse. Choose the recommendation that is supported with the best available evidence according to the MTUS Methodology for Evaluating Medical Evidence set forth in Section 9792.25.1.
- ~ If no applicable recommendation is found in the National Guideline Clearinghouse, then:
 - o Search for current studies that are scientifically-based, peer-reviewed, and published in journals that are nationally recognized by the medical community to find a recommendation applicable to the injured worker's medical condition or injury. Choose the recommendation that is supported with the best available evidence according to the MTUS Methodology for Evaluating Medical Evidence set forth in Section 9792.25.1. A search for peer-reviewed published studies may be conducted by accessing the U.S. National Library of Medicine's database of biomedical citations and abstracts.

IMR Appeals Process

Any dispute shall be resolved in accordance with the independent medical review provisions of Labor Code Section 4610.5 and 4610.6. An objection to the utilization review decision(s) must be communicated by the injured worker, the injured worker's representative, or the injured worker's attorney on the injured worker's behalf on the Application for Independent Medical Review, DWC Form IMR, enclosed with the Utilization Review decision, within 10 days after service of the utilization review decision(s) for formulary disputes and 30 days after service of the utilization review decision(s) for all other medical treatment disputes.

Pursuant to Labor Code section 4610.5(h)(1)(A)-(B), the employee may submit a request for independent medical review to the division. The request may be made electronically under rules adopted by the administrative director.

The request shall be made no later than as follows:

- (A) For formulary disputes, 10 days after the service of the utilization review decision to the employee.
- (B) For all other medical treatment disputes, 30 days after the service of the utilization review decision to the employee.

Workers' Compensation Alternative Dispute Resolution Programs

Some clients have employees that belong to Police Officers' Associations and Fire Fighters' Associations. A portion of these associations have agreed upon Alternate Dispute Resolution (ADR) programs. These ADR processes replace the Independent Medical Review (IMR) procedures.

Utilization Review Appeals Process

The Internal Utilization Review Appeals Process (Appeal) is as follows:

It is a voluntary process that neither triggers nor bars use of the dispute resolution procedures of Labor Code Sections 4610.5 and 4610.6, but may be pursued on a voluntary basis. The injured worker or the treating physician must request an Appeal of the decision(s) within 10 days after receipt of the utilization review decision(s) by submitting additional information. The determination of the Appeal will be issued within 30 days of receipt of the Appeal. An Appeal shall be considered complete upon the issuance of a final Independent Medical Review (IMR) determination.

For information about the Workers' Compensation claims process and your rights and obligations, go to www.dwc.ca.gov or contact an information and assistance (I&A) officer of the state Division of Workers' Compensation. For recorded information and a list of offices, call toll free 1-800-736-7401.

Confidentiality Policy

Due to the nature of our work, it is imperative that employees maintain strict confidentiality when it comes to our clients' matters as well as our own policies and procedures. A breach of confidentiality will result in disciplinary action, including possible termination of employment.

Confidentiality Policy (Physician Reviewers)

Consultant agrees to maintain the confidentiality provisions of the materials reviewed and discussions conducted hereunder. Consultant understands and agrees that all information or data that Consultant receives from Administrator, or at the direction of Administrator, in connection with the process of providing services hereunder will be deemed confidential and may not be disclosed to anyone other than Administrator or its employees directly responsible for working with Consultant.

Definitions

Concurrent Review: Utilization review conducted during an inpatient stay. CCR Section 9792.6.1(c).

Expedited Review: Utilization review or independent medical review conducted when the injured worker's condition is such that the injured worker faces an imminent and serious threat to his or her health, including, but not limited to the potential loss of life, limb, or other major bodily functions, or the normal timeframe for the decision-making process would be detrimental to the injured worker's life or health or could jeopardize the injured worker's permanent ability to regain maximum function. CCR Section 9792.6.1(j).

Prospective Review: Any utilization review conducted, except for utilization review conducted during an inpatient stay, prior to the delivery of the requested medical services. CCR Section 9792.6.1(s).

Retrospective Review: Utilization review conducted after medical services have been provided and for which approval has not already been given. CCR Section 9792.6.1(u).

Physician Review Services

MedReview Inc. contracts with the following physicians/companies for Physician Review services:

Neil S. Ghodadra, M.D.
Orthopedic Surgery
License No. A 116163

Roman A. Shulze, D.O.
Family Practice and Occupational Medicine
License No. 8047

Aaron Emil McCoy, D.O.
Anesthesiology
License No. 15451

Scott McElmeel, M.D.
Anesthesiology
License No. C 153971

John V. Flores, PhD, MBBS, D.C.
Chiropractic and Sports Medicine
License No. 25215

William L. Tontz, M.D.
Orthopedic Surgery
License No. A 69746

Leslie R. Cadet, M.D.
Occupational Medicine
License No. A 164363

Advanced Medical Reviews, Inc.
Medical Director: Charles Totaro Carnel, M.D.
Medical Director Specialty: Physical Medicine & Rehabilitation
Medical Director License No. MD.27631 (Alabama)

MedReview Inc. contracts with the following physicians/companies for Expert Review services:

Network Medical Review Co. Ltd.
Medical Director: Robert C. Porter, M.D.
Medical Director Specialty: Occupational Medicine
Medical Director License No. 33237

Utilization Review – Claims Adjuster Authorization Criteria

Claims adjusters may approve the following Request(s) for Authorization (RFAs). All RFAs outside of the authorization criteria listed below must be referred to and processed by Utilization Review. Please note: Only a Physician may modify or deny RFA(s).

Claim Adjusters should adhere to the MTUS Treatment Guidelines. These guidelines are located in L-Drive (*UR Education for Claims > Guideline Folder*).

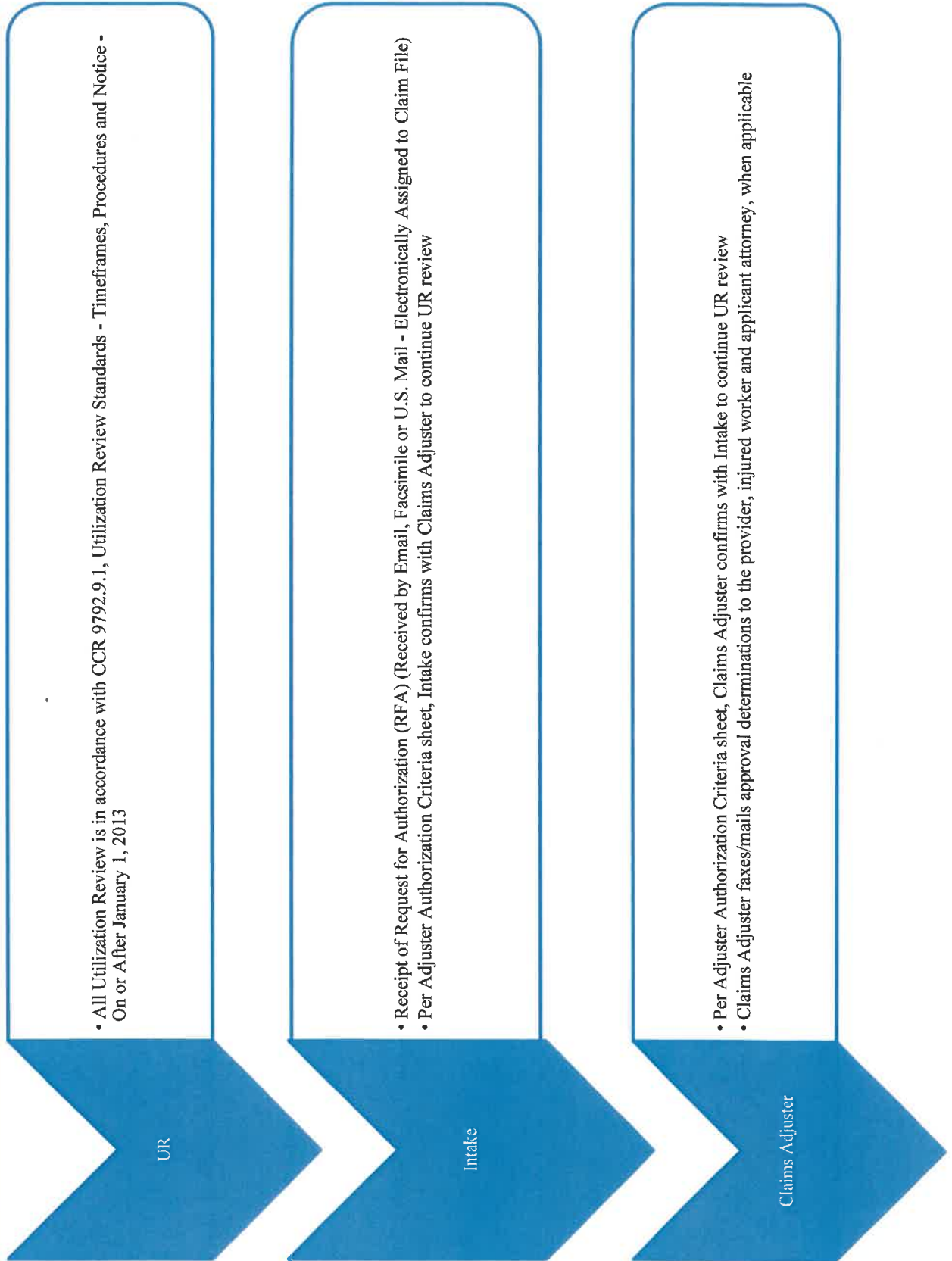
Treatment Requests - first 30 days of injury or illness	
Treatment Request	Claims Adjuster Authorization Criteria
Per Labor Code 4610 (c) First 30 days of injury or illness (Starts January 1, 2018)	<i>Unless authorized by the employer or rendered as emergency medical treatment, the following medical treatment services shall be subject to prospective utilization review:</i> • <i>Pharmaceuticals that are non-exempt in the drug formulary</i> • <i>Nonemergency inpatient and outpatient surgeries, including all pre-surgical and post-surgical services</i> • <i>Psychological treatment services</i> • <i>Home health care services</i> • <i>Imaging and radiology services excluding x-rays</i> • <i>All DME that exceeds \$250</i> • <i>Electrodiagnostic testing</i>
Treatment Requests - after 30 days of injury or illness	
Treatment Request	Claims Adjuster Authorization Criteria
Physical Methods: • <i>Occupational therapy</i> • <i>Physical therapy</i> • <i>Chiropractic treatment</i> • <i>Acupuncture</i> Office Visits: • <i>Initial evaluation</i> • <i>Consultation</i> • <i>Second opinion</i> • <i>Transfer of care</i> • <i>Office visits</i>	<i>May have 24 visits for the life of the claim.</i> <i>Initial request – up to 4-6 visits.</i> <i>Additional requests (sets of 4-6 visits) may be approved if provider documents functional improvement.</i> <i>May be approved by the claims adjuster.</i> <i>Send the RFA to UR when questioning whether or not the consultation, second opinion, or transfer of care is medically necessary.</i>

Injections: • Steroid	<i>Injections are recommended based on body part accepted and injury/illness.</i> <i>Initial steroid injections for diagnostic and pain management can be approved by claims adjuster. Additional requests should be processed by Utilization Review. Not recommended for therapeutic use.</i> <i>Injections are recommended based on body part and injury and must meet criteria outlined in the MTUS Treatment Guidelines.</i>																											
Injections: • ESI • Facet • Hyaluronic • PRP • SI joint																												
Surgery	<i>All surgery requests must be processed by Utilization Review.</i>																											
Pre-operative Testing/ Pre-operative Medical Clearance	<i>Upon approval of surgery, claims adjuster may approve the following requests: CBC, CMP, PT/PTT, EKG and Chest X-Ray.</i>																											
Radiology/Diagnostic: • X-rays • CT-scans • MRI • EMG/NCV	<i>May be approved by the claims adjuster.</i> <i>See above for directions for the time period “first 30 days.”</i>																											
Home Health Care	<i>The claims adjuster may approve home health care up to 7 days.</i> <i>All requests for home health care greater than 7 days must be processed by Utilization Review.</i>																											
Weight Loss/Gym Membership	<i>Weight loss and gym membership will be reviewed on a case-by-case basis to determine the necessity for utilization review.</i> <i>The claims adjuster may approve transportation when appropriate.</i>																											
Transportation																												
Medication: • Per MTUS Formulary • Adhere to MTUS treatment guidelines for injury/illness • FDA approved • Generic drug	<table><tr><th>Situation</th><th>NO UR</th><th>Yes UR</th></tr><tr><td>Ongoing drugs</td><td>Exempt</td><td>Non-Exempt</td></tr><tr><td>Off-label drugs</td><td>Exempt</td><td>Non-Exempt</td></tr><tr><td>Brand-name drugs</td><td></td><td>Brand-name drugs</td></tr><tr><td>Physician-dispensed drugs</td><td>First 7 days of injury, Exempt/Non-Exempt drugs, 4-day supply</td><td>After first 7 days of injury, all medications Exempt/Non-Exempt</td></tr><tr><td>Compound drugs</td><td></td><td>Compound</td></tr><tr><td>Special fill drugs</td><td>First 7 days of injury, Exempt/Non-Exempt, 4-day supply</td><td></td></tr><tr><td>Peri-operative fill drugs</td><td>Exempt/Non-Exempt 4 days before/4 days after surgery 4-day supply</td><td></td></tr><tr><td>Health and safety post-exposure prophylaxis (PEP)</td><td>Responsibility of the employer to provide urgent PEP after an exposure to bloodborne pathogens</td><td></td></tr></table>	Situation	NO UR	Yes UR	Ongoing drugs	Exempt	Non-Exempt	Off-label drugs	Exempt	Non-Exempt	Brand-name drugs		Brand-name drugs	Physician-dispensed drugs	First 7 days of injury, Exempt/Non-Exempt drugs, 4-day supply	After first 7 days of injury, all medications Exempt/Non-Exempt	Compound drugs		Compound	Special fill drugs	First 7 days of injury, Exempt/Non-Exempt, 4-day supply		Peri-operative fill drugs	Exempt/Non-Exempt 4 days before/4 days after surgery 4-day supply		Health and safety post-exposure prophylaxis (PEP)	Responsibility of the employer to provide urgent PEP after an exposure to bloodborne pathogens	
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Health and safety post-exposure prophylaxis (PEP)	Responsibility of the employer to provide urgent PEP after an exposure to bloodborne pathogens																											
Detox Programs	<i>All requests for detox programs will be processed by Utilization Review.</i>																											

Psychiatric	<i>Requests for psychiatric/neuro-psych or counseling may be approved by the claims adjuster.</i>
Cancer Treatment	<i>All specialized cancer treatment/therapy will require utilization review.</i>
Durable Medical Equipment	<i>Claims adjuster may approve all DME purchases and/or rentals. See above for directions for the time period "first 30 days."</i>

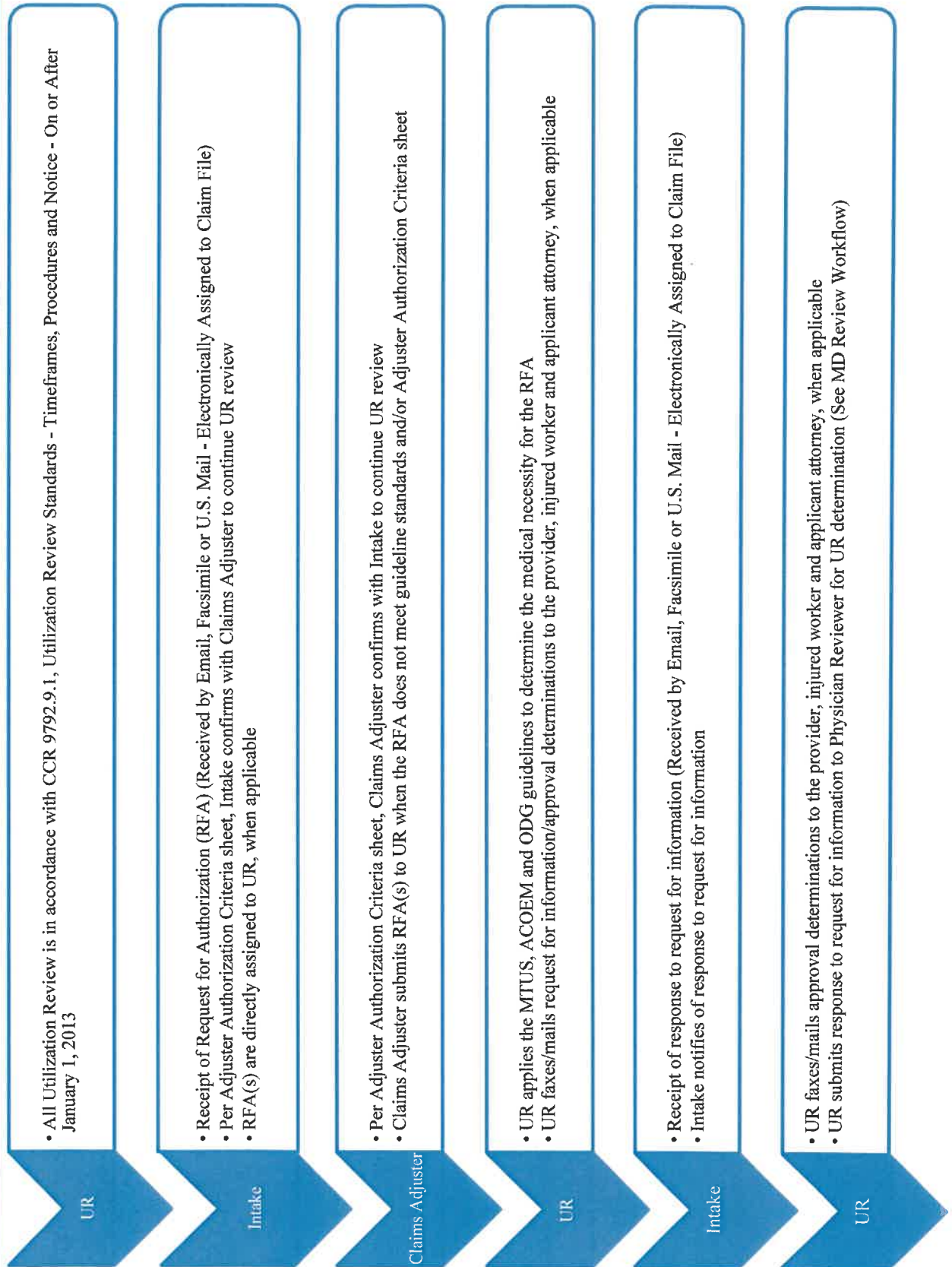
UTILIZATION REVIEW WORKFLOW

CLAIMS ADJUSTER REVIEW



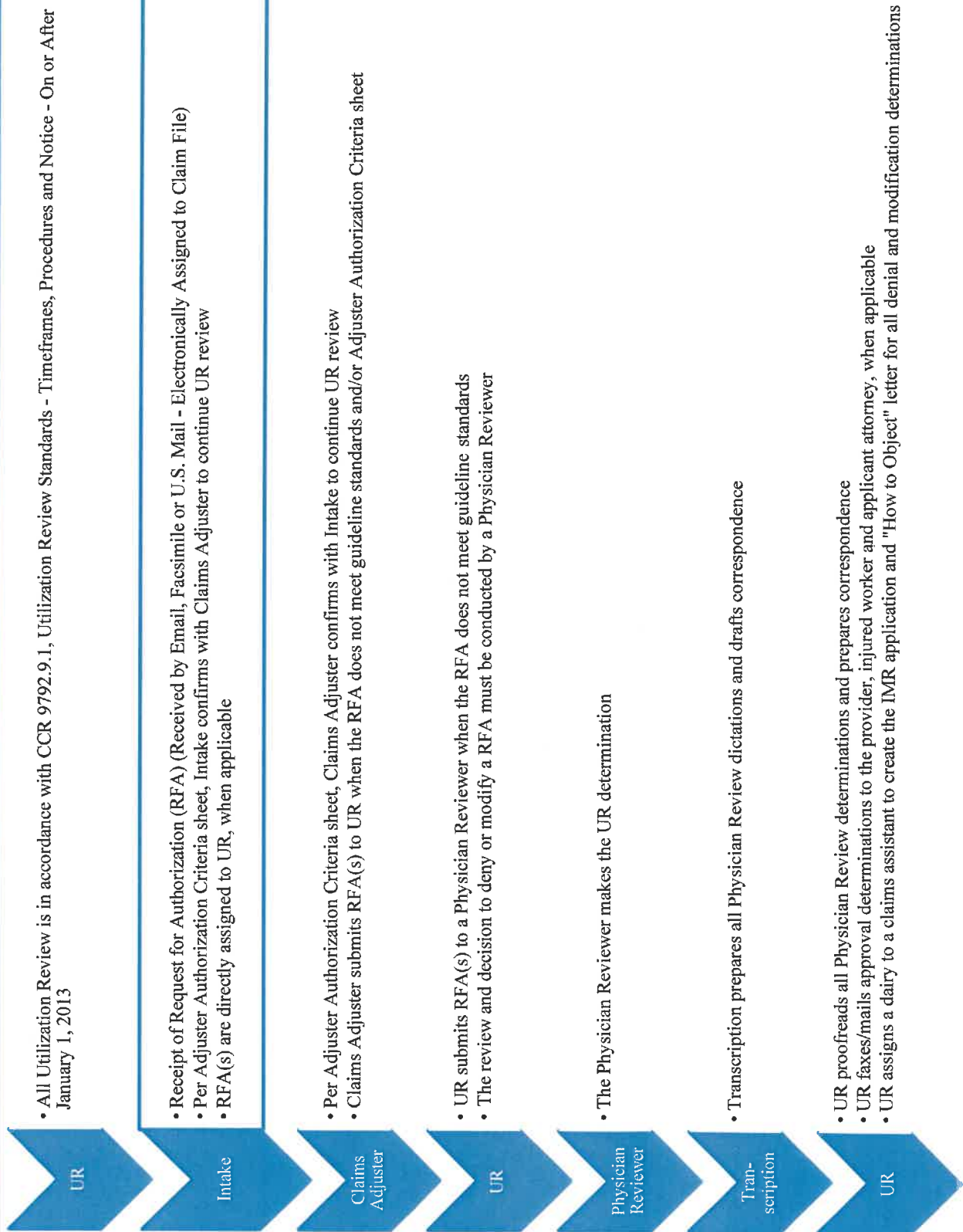
UTILIZATION REVIEW WORKFLOW

NON-PHYSICIAN REVIEW



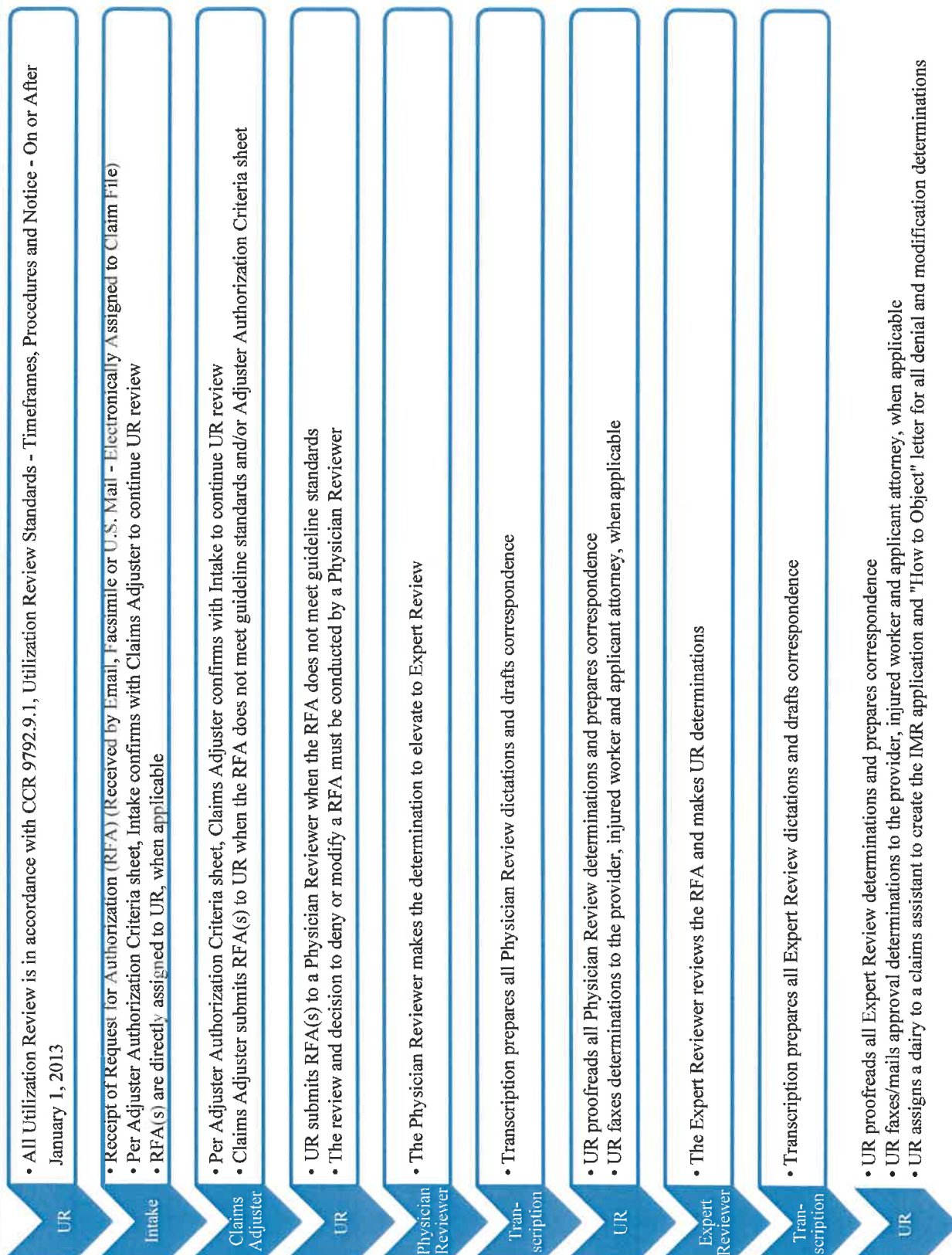
UTILIZATION REVIEW WORKFLOW

PHYSICIAN REVIEW



UTILIZATION REVIEW WORKFLOW

EXPERT REVIEW



Nerissa Burnside, SIA, WCCP, WCCA

Senior Workers' Compensation Claims Director

Professional Experience

2017–Present AdminSure Inc. – Senior WC Claims Director

2004–2017 AdminSure Inc.

Workers' Compensation Claims Supervisor/Manager

- Performs an extensive range of claims services which includes supervising management staff; communication with employers, injured workers, medical providers (medical management and return-to-work program management), and attorneys (litigation and subrogation management); oversees managers' coordination of lost time/monetary benefits (i.e. TD, LC4850, CalPERS, SJDB/vocational rehabilitation, and settlements) and medical benefits (benefit administration as well as excess reporting; utilization review and bill review management), as well as the investigation of questionable claims, and when required, attends various meetings WCAB conferences, et cetera.
- Assists with conducting claims reviews, training sessions, and educational seminars; and coordinates various outside expert service providers reference ADA accommodation meetings, MSA reviews, ergonomic assessments, et cetera.

2001–2004 AdminSure Inc.

Workers' Compensation Senior Claims Adjuster

- Performed an extensive range of claims services including communication with employers, injured workers, medical providers, and attorneys; coordinated accurate and timely delivery of benefits; investigated questionable claims, and when required, attended various WCAB conferences.

1997–2001 Liberty Mutual Insurance Company

Case Manager/Senior Case Manager

- Responsible for assisting team members with claims administration education and achieving office objectives. Performed an extensive range of claims services including communication with employers, injured workers, medical providers, and attorneys; coordinated accurate and timely delivery of benefits; investigated questionable claims, and when required, attended various WCAB conferences.

Education

- Graduated from California Polytechnic University, Pomona with a Bachelor's Degree in Business Administration.
- State Certified Self-Insurance Workers' Compensation Administrator.
- Workers' Compensation Claims Professional Designation (WCCP).
- Workers' Compensation Claims Administration Certification (WCCA).

References

Please refer to our Client List.

Nicolas Bowers, SIA, WCCP, WCCA

Workers' Compensation Claims Director

Professional Experience

2022–Present AdminSure Inc.

Workers' Compensation Claims Director

- Performs many of the Supervisor/Manager tasks and assists with an extensive range of claims services including communication with clients/employers, attorneys, service providers, and coordinates/participates in training as well as marketing efforts. Attends file reviews, conferences and when requested, client file reviews.

2020–2021 AdminSure Inc.

Workers' Compensation Claims Supervisor/Manager

- Performed an extensive range of claims services which included supervising accounts and claims staff; communication with employers, injured workers, medical providers (medical management and return-to-work program management), and attorneys (litigation and subrogation management); coordinated accurate and timely delivery of lost time/monetary benefits (i.e. TD, LC4850 benefits, CalPERS, SJDB/vocational rehabilitation, and settlements, et cetera) and medical benefits (benefit administration as well as excess reporting; utilization review and bill review management); investigated questionable claims, and when required, attended various meetings, WCAB conferences, et cetera.
- Assisted with conducting claims reviews, training sessions, and educational seminars; and coordinated various outside expert service providers reference ADA accommodation meetings, MSA reviews, ergonomic assessments, et cetera.

2011–2019 AdminSure Inc.

Workers' Compensation Senior Claims Adjuster

- Performed an extensive range of claims services including communication with employers, injured workers, medical providers, and attorneys; coordinated accurate and timely delivery of benefits; investigated questionable claims, and when required, attended various WCAB conferences.

Education

- State Certified Self-Insurance Workers' Compensation Administrator.
- Bachelor of Science Degree, Business Management and HR.
- Workers' Compensation Claims Professional Designation (WCCP).
- Workers' Compensation Claims Administration Certification (WCCA).

Data: Fastest and Slowest Payers 2023

February 15, 2024 ⌚ 3 min read

By: the daisyNews Team



If you treat injured workers, there's no need to wait weeks or months while snail-mailed bills clog up your practice's Accounts Receivable.

Overall, 2023 data shows that daisyBill providers' workers' comp bills receive payment in **less than nine working days** on average. We are able to achieve such fast payment because our software sends **over 92%** of providers' bills electronically; the remaining bills are either faxed or emailed, with only 0.5% of bills mailed.

But of course, some payers (also known as claims administrators) pay more quickly than others.

Below, we reveal the ten insurers and Third-Party Administrators (TPAs) that delivered the most lightning-fast reimbursements in 2023 — and the ten that took their sweet old time.

Kudos! 2023 Top 10 Fastest-Paying Claims Admins →

The tables below reflect claims administrators to which daisyBill providers sent at least 1,000 bills in 2023.

First place among our speediest payers is **Pacific Compensation Insurance Company**. On average, this fleet-footed insurer paid daisyBill providers in five business days. No one, with the possible exceptions of Amazon Prime and your nearest pizza joint, delivers the goods more quickly.

That said, even the *slowest* of the fastest payers remitted reimbursement **in just over six working days on average**.

These are laudable metrics. Every claims administrator in the table below deserves praise for making it easier for practices to treat injured workers by ensuring swift reimbursement.

Claims Admin	Average Days to Payment	Bill Count
Pacific Compensation Insurance Company	5	12,038
Sentry Insurance	5.1	15,469
Employers Compensation Insurance Company	5.5	14,268
Farmers Insurance	5.7	8,736
Adaminsure, Inc.	5.9	17,852
Alaska National Insurance	6.1	7,415
Gallagher Bassett Services Inc.	6.1	128,209
Omaha National Group	6.1	4,417
Liberty Mutual Insurance	6.1	65,656
CompWest Insurance Company	6.1	11,946

What's the Holdup? 2023 Slowest-Paying Claims Admins

The bad news: the ten claims administrators below were the slowest to reimburse daisyBill providers in 2023.

The not-as-bad news: all but two of the ten slowest still managed to remit payment within one month, on average.

The slowest horse in this race was **New York State Insurance Fund (NYSIF)**. Providers who billed NYSIF waited an unacceptable 65 working days on average for payment.

Affirmative, a TPA whose positive-sounding name belies its lethargic performance, was also over the two-month mark at 61.5 days — leaving us to wonder if it's time to replace the decaf in Affirmative's break room with something a little stronger.

The fastest of the 10 slowest was **Packard Claims Administration**, which managed to reimburse in 17.1 working days on average.

Claims Admin	Average Days to Payment	Bill Count
Packard Claims Administration	17.1	1,049
United Heartland	17.5	1,891
Tristar Risk Management	18.7	10,565
Pacific Claims Management	19	3,571
Creative Risk Solutions	22.3	1,080
County of San Bernardino (CA)	25.2	1,526
Marriott Claims Service Corp	26.5	2,463
Cottingham & Butler Claims Services, Inc.	29.8	4,438
Affirmative	61.5	4,297
New York State Insurance Fund	65	1,386

On our [Claims Administrator Directory](#), daisyBill tracks and reports payment speeds and other metrics for all claims administrators in our system, on a rolling 365-day timeframe. Be sure to check the Directory for vital information including compliance rates, contact numbers and website, and vendor details.



Summary

Workers' Compensation Program Reports

The following list of reports illustrates a sample of our reporting capabilities which includes daily, weekly, monthly, quarterly, semi-annual, and annual reports and loss runs:

Sample Standard Reports:

- *Work Status Tab (Screen Shot)*
- *Active Claims Listed by Allocation*
- *Reserve Report*
- *Claims Voucher (Paper Transaction)/Check Register*
- *Claims Detail Summary*
- *Claims by Nature of Injury*
- *Claims by Claim Cause*
- *Claims by Body Part*
- *Claims Closed this Month*
- *Claims Closed by Month*
- *Claims Opened this Month*
- *Claims Opened by Month*
- *Claim Lag Time*
- *Litigated Claims by Claimant Type*
- *Work Status*
- *Claims Settled Last Month*
- *Claims Summary by Year*
- *Claims Transaction Report*
- *Balance Sheet Report*
- *Check Reconciliation Report*
- *OSHA's Form 300 Report*
- *OSHA's Form 300A Report*
- *OSHA's Form 301 Report*
- *Comparison Report*
- *Frequency and Severity by Nature of Injury*
- *Claims Handling Analysis*
- *Claim Ratios*
- *Average Claim Costs/Data Analysis–Metrics*
- *Cost of All Claims*
- *Batch Pay Sample Check*
- *Batch Pay Sample Report*

Sample Detailed/Analytical Reports:

- *Five-Year New Claims Opened*
- *Five-Year New Claims Opened and Claims Closed*
- *Percentage of New Claims Opened – Indemnity*



- *Average Cost Per New Claim Added by Department*
- *Police, Five-Year New Claims Opened by Claim Type*
- *Fire, Five-Year Claims Opened by Claim Type*
- *All Other Departments, Five-Year Claims Opened by Claim Type*
- *Police, Total Incurred = Paid & Reserved*
- *Fire, Total Incurred = Paid & Reserved*
- *All Other Departments, Total Incurred = Paid & Reserved*
- *Citywide, Total Incurred = Paid & Reserved*
- *Police, Stratification Loss*
- *Fire, Stratification Loss*
- *All Other Departments, Stratification Loss*
- *All Departments, Litigated Claims*
- *Safety (Police & Fire) Litigated Claims*
- *Non-Safety Litigated Claims*
- *All Departments, Litigated Expenses vs. Total Paid*
- *Five-Year Top 10 New Claim Distribution by Department (Bar)*
- *Five-Year Top 10 New Claim Distribution by Department (Pie)*
- *Five-Year Claim Distribution by Top 10 Cause of Loss (Bar)*
- *Five-Year Claim Distribution by Top 10 Cause of Loss (Pie)*
- *Claim Distribution by Cause of Loss Reference*
- *Five-Year Claim Distribution by Top 10 Nature of Injury (Bar)*
- *Five-Year Claim Distribution by Top 10 Nature of Injury (Pie)*
- *Claim Distribution by Nature of Injury Reference*
- *Five-Year Claim Distribution by Top 10 Body Part (Bar)*
- *Five-Year Claim Distribution by Top 10 Body Part (Pie)*
- *Claim Distribution by Body Part Reference*
- *Modified Duty Days - All Departments*
- *Modified Duty Days - Safety (Police & Fire)*
- *Modified Duty Days - None-Safety*
- *Metrics*
- **Comparisons - Percentage of New Claims Added*
- **Comparisons - Closing Ratio*
- **Comparisons - Frequency Rate (Per 100 Employees)*
- **Comparisons - Percentage of Annual Medical Only Claims*
- **Comparisons - Percentage Litigated for New Claims Added*
- **Comparisons - Percentage of Total Paid (All Claims)*

We have also included two snapshots of our Dashboard. It is important to reiterate that there are literally hundreds of reports we are able to create for the City of Montebello at no additional cost. Thank you for your time and consideration.

Alithia Vargas-Flores, President
MBA, SIA, WCCP, WCCA



WORK STATUS TAB

SCREEN SHOT

Report

Claim

Injured Allocation

Post Injury Benefit Data

Medical

SU

Correspondence

Attachment

Reserve

Payment

Scheduled Payment

Litigation

Asset to Vehicle

Contact

Utilization Review

Work Status

Compensation Payment History

Work Status Overview

Exam Date:

Modified Release Date:

Modified Through Date:

Next Appointment Date:

Release to Begin Days:

Days:

Hours:

*Work Status Type:

Full Time / Full Duty

Full Time / Modified Duty

Full Time / Modified Duty - Not Accom - Lost Time

Part Time / Full Duty

Part Time / Full Duty - Not Accom - Lost Time

Part Time / Modified Duty

Part Time / Modified Duty - Not Accom - Lost Time

Permanent Modified Duty

Temporary Total Disability

Claims Assistant:

Other Information:

Assigned by Physician:

Work Status/Restrictions:

Date	End Date	Days	Release To Begin Days	Work Status Type	Next Appointment Date	Hours	Amount	Location	Super	Phys	Job Description	Assigned	Comment
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Employee's Name Cause of Injury Description of Injury	Case No. Status	Claim Type Department	Injury Date Days Lost Closing Date	Paid this Period	Paid	Outstanding	Incurred	Recovery
Org1 Desc: Administrative Services								
Developed discomfort in the base of her left Left hand/fingers and Right hand	14-120112 Open	Future Med-Lim ADMSRV 160	04/30/2014 0.00	0.00	2,339.88	2,160.12	4,500.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	195.78	389.22	585.00	0.00
				0.00	2,535.66	2,549.34	5,085.00	0.00
				0.00				
				0.00				
			Org1 Desc	1				
			Medical	2,339.88	2,160.12	4,500.00	0.00	0.00
			TD	0.00	0.00	0.00	0.00	0.00
			PD	0.00	0.00	0.00	0.00	0.00
			Rehab	0.00	0.00	0.00	0.00	0.00
			Other Indemnity	0.00	0.00	0.00	0.00	0.00
			Legal Expense	0.00	0.00	0.00	0.00	0.00
			Other Expense	0.00	195.78	389.22	585.00	0.00
			Org1 Desc	0.00	2,535.66	2,549.34	5,085.00	0.00

Workers' Compensation Active Claims Listed by Allocation

Employee's Name Cause of Injury Description of Injury	Case No. Status	Claim Type Department	Injury Date Days Lost Closing Date	Paid this Period	Paid	Outstanding	Incurred	Recovery
Developed severe pain in his right foot when walking Right Foot Pain	13-115343 Open	Future Medical PUBSAF 471	02/10/2013 3.00	0.00	1,438.01	11,892.10	13,330.11	0.00
				0.00	905.31	0.00	905.31	0.00
				0.00	1,381.85	0.00	1,381.85	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
CONTINUOUS TRAUMA TO NECK STRAIN DISC NECK	2008001048 Open	Future Medical PUBSAF 471	08/25/2008 117.00	0.00	45,273.61	35,051.76	80,325.37	0.00
				0.00	32,336.97	0.00	32,336.97	0.00
				0.00	21,342.62	0.00	21,342.62	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	121.59	7,128.41	7,250.00	0.00
				0.00	99,074.79	42,180.17	141,254.96	0.00
				0.00				
			Org1 Desc	54,662.69	5,355,484.38	6,028,742.58	11,384,226.96	-12,500.00
				52,037.44	3,817,187.62	358,027.23	4,175,214.85	-12,500.00
				6,289.54	2,559,240.47	1,508,352.59	4,067,593.06	0.00
				0.00	144,601.00	61,752.20	206,353.20	0.00
				10,351.21	436,632.69	499,336.95	935,969.64	-1,024,875.44
				2,039.10	435,963.74	48,775.32	484,739.06	0.00
				7,411.88	292,394.04	798,209.34	1,090,603.38	-15,000.00
				132,791.86	13,041,503.94	9,303,196.21	22,344,700.15	-1,084,875.44
				66,469.92	6,510,797.23	7,656,584.54	14,167,381.77	-20,000.00
				74,718.64	4,381,846.79	535,402.19	4,917,248.98	-12,500.00
			Grand Total:	935.86	3,008,507.24	1,847,677.43	4,856,184.67	0.00
				0.00	172,745.31	81,752.20	254,497.51	0.00
				10,351.21	485,862.51	518,936.20	1,004,798.71	-1,137,644.57
				2,811.15	679,960.35	119,307.77	799,268.12	0.00
				16,199.60	498,626.92	1,024,196.14	1,522,823.06	-15,000.00
				171,486.38	15,738,346.35	11,783,856.47	27,522,202.82	-1,185,144.57

Reserve Total

Processed	Claim Number	Claimant	Incident	Transaction Type	Reason	Examiner	Amount
Claim Number: 02IRV00684							
03/17/2015	02IRV00684		02/09/2002	Other Expense		Barrile, Ronece	5,767.88
03/25/2015	02IRV00684		02/09/2002	Permanent Disability		Barrile, Ronece	9,749.00
03/25/2015	02IRV00684		02/09/2002	Permanent Disability		Barrile, Ronece	-9,749.01
			Claim Number Total	3			5,767.87
Claim Number: 04IRV00895							
03/09/2015	04IRV00895		04/03/2004	Other Indemnity		Barrile, Ronece	750.00
			Claim Number Total	1			750.00
Claim Number: 05IRV01027							
03/26/2015	05IRV01027		03/01/2005	Medical	Auto	Cuevas, Diana	-58,000.00
03/26/2015	05IRV01027		03/01/2005	Other Expense	Auto	Cuevas, Diana	-5,959.29
03/26/2015	05IRV01027		03/01/2005	Rehab	Auto	Cuevas, Diana	-1,000.00
			Claim Number Total	3			-64,959.29
Claim Number: 06IRV01238							
03/12/2015	06IRV01238		11/16/2006	Medical	Auto	Barrile, Ronece	-6,163.68
03/12/2015	06IRV01238		11/16/2006	Other Expense	Auto	Barrile, Ronece	-1,246.40
			Claim Number Total	2			-7,410.08
Claim Number: 11-110195							
03/11/2015	11-110195		01/19/2011	Other Expense		Barrile, Ronece	-7,057.80
03/11/2015	11-110195		01/19/2011	Permanent Disability		Barrile, Ronece	-27,100.97
03/11/2015	11-110195		01/19/2011	Permanent Disability		Barrile, Ronece	457.17
03/11/2015	11-110195		01/19/2011	Rehab		Barrile, Ronece	-4,000.00
03/11/2015	11-110195		01/19/2011	Temporary Disability		Barrile, Ronece	-457.17
			Claim Number Total	5			-38,158.77
Claim Number: 11-110691							
03/30/2015	11-110691		03/25/2011	Medical	Auto	Cuevas, Diana	-9,304.84
03/30/2015	11-110691		03/25/2011	Other Expense	Auto	Cuevas, Diana	-1,860.00
			Claim Number Total	2			-11,164.84

Processed	Claim Number	Claimant	Incident	Transaction Type	Reason	Examiner	Amount
Claim Number: 9603140027							
03/31/2015	9603140027		10/24/1995	Medical		Barrile, Ronece	-104,417.36
03/31/2015	9603140027		10/24/1995	Other Expense		Barrile, Ronece	-11,996.15
03/31/2015	9603140027		10/24/1995	Other Indemnity		Barrile, Ronece	-129.94
03/31/2015	9603140027		10/24/1995	Permanent Disability		Barrile, Ronece	-88,550.00
Claim Number Total 4							-205,093.45
Grand Total 142							-60,285.97

Workers' Compensation Claims Voucher/Check Register

For Month Ending

Number	Date	Amount	Payee	Description	Claimant	Code	Claim Number
Payment Method Desc: Check							
74814	03/04/2015	330.08	Higuera, Ron J. D.C., M.S.	Chiropractic Treatment		PUBSAF	11-112189
74815	03/04/2015	168.00	Team Makena, LLC	Medical Appliance		PUBSAF	13-117025
74816	03/04/2015	119.12	National Ambulatory Hernia Ins	Medical Treatment		PUBSAF	14-121165
74817	03/04/2015	102.08	Ortho Med Group & ARC	Physical Therapy		PUBWRK	15-121376
74818	03/04/2015	102.08	Ortho Med Group & ARC	Physical Therapy		PUBWRK	15-121376
74819	03/04/2015	102.08	Ortho Med Group & ARC	Physical Therapy		PUBWRK	15-121376
74820	03/04/2015	81.97	Nicholas E Rose M.D	Medical Treatment		PUBSAF	14-117523
74821	03/04/2015	92.05	National Ambulatory Hernia Ins	Medical Treatment		PUBSAF	13-117103
74822	03/04/2015	123.37	Pacific Cardiovascular Association	Medical Treatment		PUBSAF	06IRV01207
74823	03/04/2015	751.98	Stone River Pharmacy Solutions **	Medical Prescription		PUBSAF	9503140060
74824	03/04/2015	104.21	California Rehabilitation & Sports	Physical Therapy		COMDEV	15-121330
74825	03/04/2015	163.31	Michael P. Weinstein M.D.	Medical Treatment		PUBSAF	06IRV01178
74826	03/04/2015	49.98	Sand Canyon Medical Group	Medical Treatment		PUBSAF	13-117422
74827	03/04/2015	73.91	Sand Canyon Urgent Care	Medical Treatment		COMSRV	15-121612
74828	03/04/2015	82.36	Sand Canyon Urgent Care	Medical Treatment		COMSRV	15-121557
74829	03/04/2015	283.67	Cindy I Chen Md Apc	Medical Treatment		PUBSAF	07IRV01299
74830	03/04/2015	93.77	California Rehabilitation & Sports	Physical Therapy		PUBSAF	14-120290
74831	03/04/2015	105.69	Align Networks, Inc.	Physical Therapy		PUBSAF	12-114633
74832	03/04/2015	125.26	Elite Orthopedics	Medical Treatment		PUBWRK	9303140078
74833	03/04/2015	8,642.87	Saddleback Memorial Medical Center *	Medical Treatment		PUBSAF	14-120344
74834	03/04/2015	90.12	ProCare Work Injury Center Irvine	Medical Treatment		PUBSAF	12-113561
74835	03/04/2015	69.02	Sand Canyon Medical Group	Medical Treatment		PUBSAF	14-120750
74836	03/04/2015	881.90	Newport Harbor Anesthesia Cons	Medical Treatment		PUBSAF	8403140001

Workers' Compensation Claims Voucher/Check Register

For Month Ending

Number	Date	Amount	Payee	Description	Claimant	Code	Claim Number
Payment	36	-30,135.11					
Payment Method Desc: Void							
75033	03/18/2015	-42.04	Stone River Pharmacy Solutions **	Medical Prescription		PUBSAF	13-116114
Payment	1	-42.04					
Grand Total:	766	60,599.94					

Claimant Name 12-114974

Status: Open
Incident Date: 12/03/2012
Denied Date:

Type: Indemnity
Closed Date:
Insured Reported Date: 12/21/2012

Opened Date: 12/28/2012
Deductible: 0.00

Insured:
Public Safety
Claimant:
Claimant Address

SSN: XXX-XX-7262
Sex: Female

Rancho Santa Margarita, CA 92688

Birth Date: 02/07/1978

Examiner:

Hire Date: 12/30/2002

Weekly Wage: 1,658.00

Incident: During a simulation training, a tourniquet was applied to the left arm

Type:

Cause: Miscellaneous Strain

Body Part: Multiple Body Parts

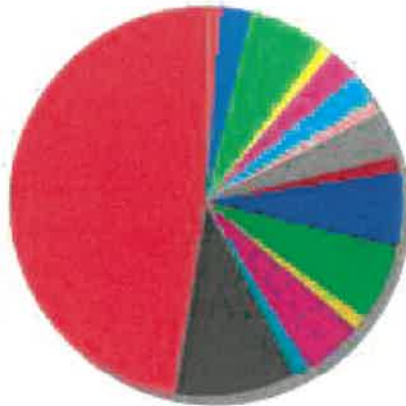
Nature of Injury: Multi Physical Injuries

	Total Incurred	Payments	Outstanding	Recovery
Medical	81,095.47	20,915.15	60,180.32	0.00
TD	90,784.14	90,784.14	0.00	0.00
PD	42,000.00	11,922.29	30,077.71	0.00
Rehab	8,000.00	0.00	8,000.00	0.00
Other Indemnity	2,156.25	656.25	1,500.00	0.00
Legal	15,000.00	10,339.45	4,660.55	0.00
Other Expense	35,225.33	26,599.33	8,626.00	0.00
Total:	274,261.19	161,216.61	113,044.58	0.00

Claims by Nature of Injury

Nature of Injury	Frequency	%	Total Incurred	%	Average/Claim	%	Total Paid	%
All Other Cumulative Trauma	1	1	12,763	2	12,763	156	337	100
Cancer	2	2	28,285	4	14,142	173	0	0
Contusion	5	6	3,110	0	622	8	1,375	80
Dermatitis	1	1	145	0	145	2	145	8
Foreign Body	2	2	1,317	0	658	8	281	13
Fracture	2	2	19,000	3	9,500	116	12,878	86
Hearing Loss (Cumulative)	1	1	9,550	1	9,550	117	0	0
Hernia	3	4	71,900	11	23,967	293	9,854	40
Inflammation	1	1	174	0	174	2	174	1
Laceration	5	6	2,017	0	403	5	2,017	7
Miscellaneous	5	6	1,032	0	206	3	1,032	4
Multi Physical Injuries	1	1	4,200	1	4,200	51	311	1
Puncture	4	5	858	0	215	3	858	3
Respiratory Disorders	1	1	12,735	2	12,735	156	0	0
Sprain	8	10	89,889	14	11,236	137	8,609	23
Strain	38	48	397,836	61	10,469	128	120,550	76

Claims By Nature Of Injury

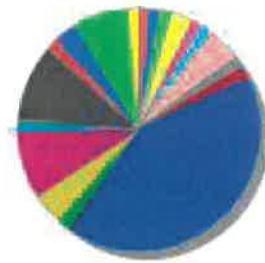


- All Other Cumulative Trauma = 1
- Cancer = 2
- Contusion = 5
- Dermatitis = 1
- Foreign Body = 2
- Fracture = 2
- Hearing Loss (Cumulative) = 1
- Hernia = 3
- Inflammation = 1
- Laceration = 5
- Miscellaneous = 5
- Multi Physical Injuries = 1
- Puncture = 4
- Respiratory Disorders = 1
- Sprain = 8
- Strain = 38

Claims by Claim Cause

Claim Cause	Frequency	%	Total Incurred	%	Average/Claim	%
Cut/Scraped by Broken Glass	1	1	37,469	3	37,469	198
Cut/Scraped by Other Object	1	1	143	0	143	1
Fall on Same Level	1	1	16,750	1	16,750	89
Fall on Stairs	2	3	1,959	0	979	5
Foreign Matter/Object in Eye	1	1	377	0	377	2
Hit by Falling/Flying Object	1	1	0	0	0	0
Hit/Injured by Animal/Insect	3	4	23,606	2	7,869	42
Holding or Carrying	1	1	9,000	1	9,000	48
Lifting	1	1	57,063	5	57,063	302
Miscellaneous Cause	28	42	848,061	67	30,288	160
Miscellaneous Exposure/Contact	1	1	430	0	430	2
Miscellaneous Fall or Slip	3	4	54,542	4	18,181	96
Miscellaneous Strain	6	9	61,517	5	10,253	54
Miscellaneous Vehicle Accident	1	1	2,944	0	2,944	16
Other Cumulative Trauma	7	10	110,382	9	15,769	83
Pushing or Pulling	1	1	1,772	0	1,772	9
Reaching	2	3	14,950	1	7,475	40
Repetitive Motion	5	7	15,286	1	3,057	16
Vehicle Upset	1	1	9,859	1	9,859	52

Claims By Claim Cause



- Cut/Scraped by Broken Glass = 1 ● Cut/Scraped by Other Object = 1
- Fall on Same Level = 1 ● Fall on Stairs = 2
- Foreign Matter/Object in Eye = 1 ● Hit by Falling/Flying Object = 1
- Hit/Injured by Animal/Insect = 3 ● Holding or Carrying = 1
- Lifting = 1 ● Miscellaneous Cause = 28
- Miscellaneous Exposure/Contact = 1
- Miscellaneous Fall or Slip = 3 ● Miscellaneous Strain = 6
- Miscellaneous Vehicle Accident = 1 ● Other Cumulative Trauma = 7
- Pushing or Pulling = 1 ● Reaching = 2 ● Repetitive Motion = 5
- Vehicle Upset = 1

Claims by Body Part

Body Part	Frequency	%	Total Incurred	%	Average/Claim	%
Abdomen/Groin	4	5	72,427	11	18,107	221
Ankle	1	1	915	0	915	11
Buttock(s)	1	1	198	0	198	2
Chest (Ribs/Sternum/Other)	1	1	280	0	280	3
Ear(s)	1	1	9,550	1	9,550	117
Elbow	4	5	7,208	1	1,802	22
Eye(s)	2	2	1,317	0	658	8
Facial Soft Tissue	5	6	41,556	6	8,311	102
Finger(s)	3	4	921	0	307	4
Foot	6	8	22,054	3	3,676	45
Hand	3	4	462	0	154	2
Head Injury	2	2	1,345	0	673	8
Knee	8	10	98,508	15	12,313	150
Lower Arm	2	2	4,436	1	2,218	27
Lower Leg	1	1	145	0	145	2
Lumbar/Sacral Vertebrae	7	9	197,357	30	28,194	344
Lung(s)	1	1	12,735	2	12,735	156
Miscellaneous	2	2	761	0	381	5
Mouth	1	1	0	0	0	0
Multiple Body Parts	6	8	53,555	8	8,926	109
Multiple Trunk	1	1	11,215	2	11,215	137
Neck	2	2	2,589	0	1,294	16
Shoulder(s)	7	9	28,002	4	4,000	49
Thoracic and Lumbar	2	2	1,101	0	551	7
Thumb	1	1	95	0	95	1
Upper Arm/Clavicle/Scapula	1	1	81,435	12	81,435	995
Upper Leg	2	2	476	0	238	3
Wrist	3	4	4,167	1	1,389	17

Claims By Body Part



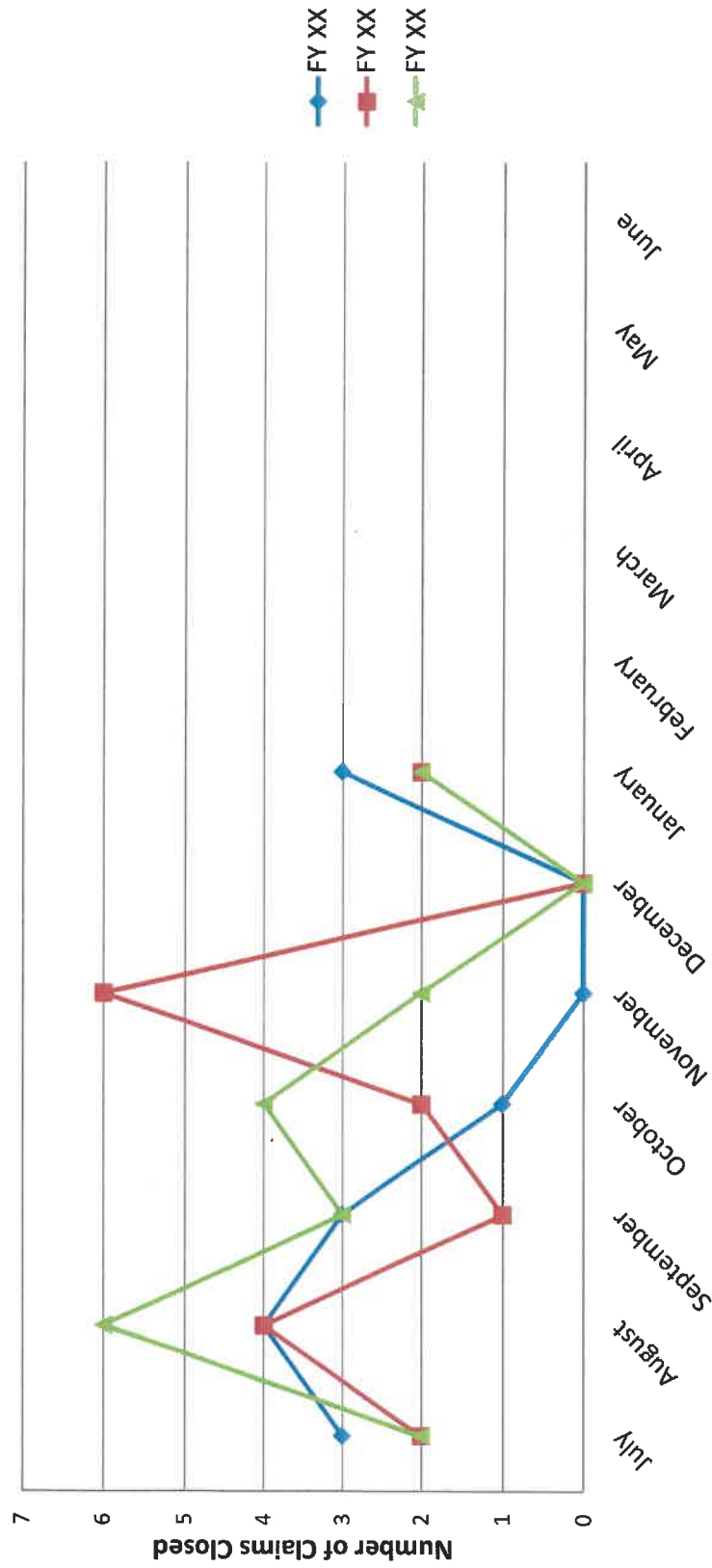
Abdomen/Groin = 4	Ankle = 1	Buttock(s) = 1
Chest (Ribs/Sternum/Other) = 1	Ear(s) = 1	Elbow = 4
Eye(s) = 2	Facial Soft Tissue = 5	Finger(s) = 3
Foot = 6	Hand = 3	Head Injury = 2
Knee = 8	Lower Arm = 2	Lower Leg = 1
Lumbar/Sacral Vertebrae = 7	Lung(s) = 1	Miscellaneous = 2
Mouth = 1	Multiple Body Parts = 6	Multiple Trunk = 1
Neck = 2	Shoulder(s) = 7	Thoracic and Lumbar = 2
Thumb = 1	Upper Arm/Clavicle/Scapula = 1	Upper Leg = 2
Wrist = 3		

Workers' Compensation Claims Closed this Month

For Month Ending

Employee's Name Cause of Injury Description of Injury	Case No. Status	Department Claim Type	Injury Date Closing Date Days Lost	Paid this Period	Paid	Outstanding	Incurred	Recovery
Strained low back, CT. wearing gunbelt, sitting in car, twisting in car to use Lower Back	05IRV01027 Closed	PUBSAF Future Medical	03/01/2005 03/26/2015 0.00	0.00	54,248.25	0.00	54,248.25	0.00
				0.00	39,137.42	0.00	39,137.42	0.00
				0.00	19,806.29	0.00	19,806.29	0.00
				0.00	420.00	0.00	420.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
Developed pain in his right foot after participating in block training / baton use Right foot pain/plantar fasciitis	14-121095 Closed	PUBSAF 471 Indemnity	10/07/2014 03/18/2015 0.00	0.00	952.51	0.00	952.51	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
Strained his lower abdominal area while participating in physical training at the police Lower abdomen / groin strain	14-121165 Closed	PUBSAF 411 Medical Only	11/20/2014 03/18/2015 0.00	119.12	491.16	0.00	491.16	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
Grand Total: 18				1,552.81	89,732.90	0.00	89,732.90	0.00
				0.00	66,841.79	0.00	66,841.79	0.00
				0.00	21,186.29	0.00	21,186.29	0.00
				0.00	420.00	0.00	420.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
Grand Total:				148.09	3,404.18	0.00	3,404.18	0.00
				1,700.90	181,585.16	0.00	181,585.16	0.00

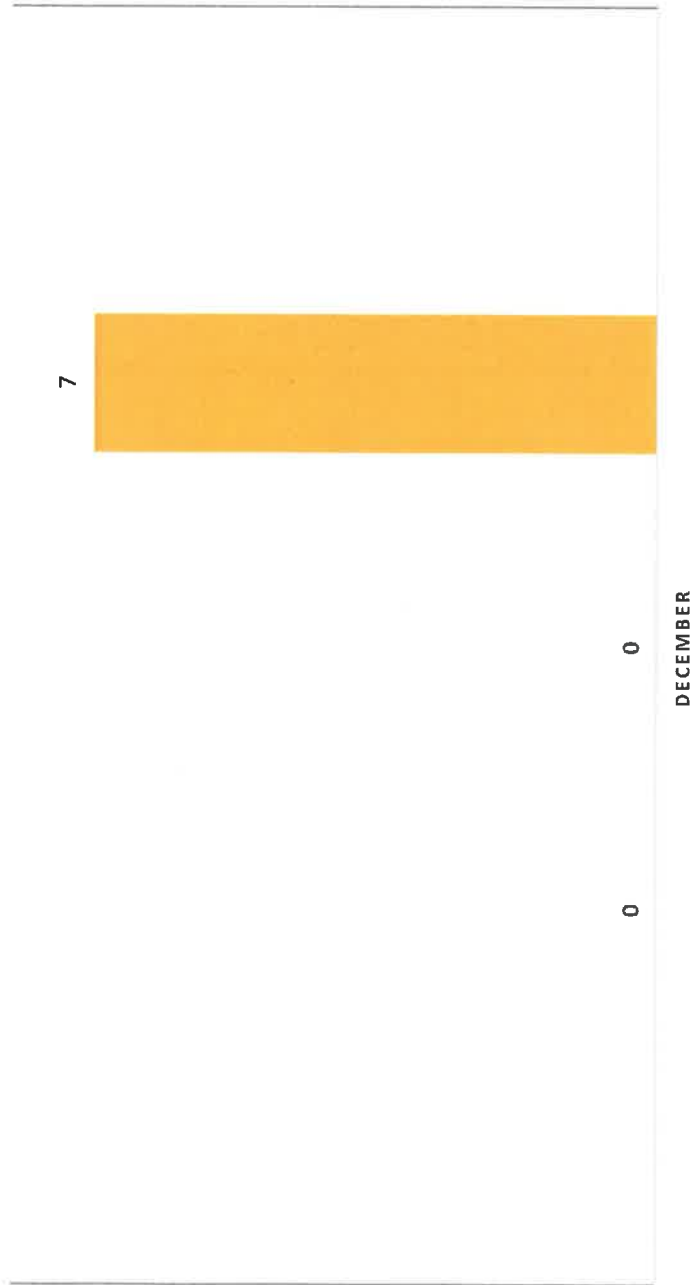
Claims Closed by Month



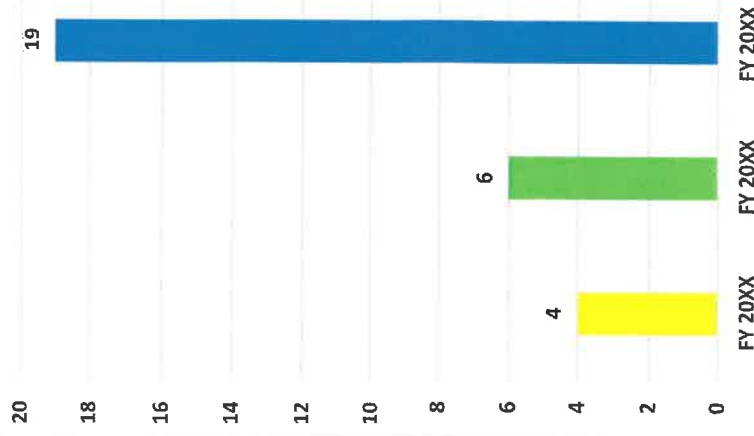
Measures the total number of claims that are closed in a month period. Ideally, we want to close more claims than are opened in a month. Closing the claims is an important factor in mitigating the overall cost of claims. The higher the number, the better.

CLAIMS CLOSED BY MONTH DECEMBER 20XX

■ FY XX ■ FY XX ■ FY XX



Claims Closed YTD Comparison



Measures the total number of claims that are closed in a month period. Ideally, we want to close more claims than are opened in a month. Closing the claims is an important factor in mitigating the overall cost of claims. The higher the number the better.

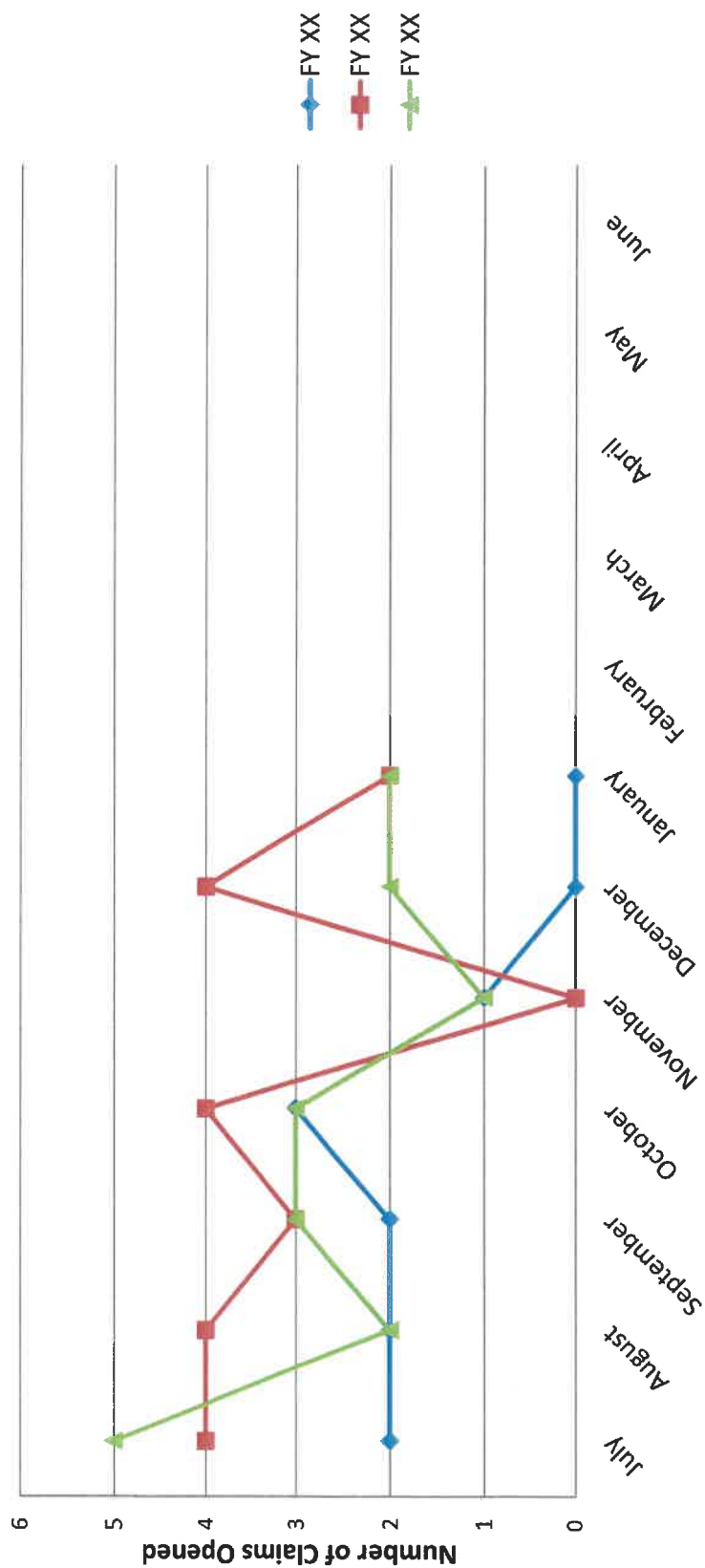
Workers' Compensation Claims Opened this Month

Employee's Name Cause of Injury Description of Injury	Case No. Status	Claim Type Department	Injury Date Days Lost		Paid this Period	Paid	Outstanding	Incurred	Recovery
Developed a hernia after his motorcycle struck a curb and Left Abdominal hernia	15-122031 Open	Indemnity PUBSAF 471	03/12/2015 0.00	Medical	0.00		10,000.00	10,000.00	0.00
				TD	0.00		11,006.40	11,006.40	0.00
				PD	0.00		0.00	0.00	0.00
				Rehab	0.00		0.00	0.00	0.00
				Other Indemnity Legal Expenses	0.00		0.00	0.00	0.00
				Other Expenses Total	0.00		1,150.00 22,156.40	1,150.00 22,156.40	0.00 0.00
While struggling with a combative mental health Left shoulder strain	15-122032 Open	Medical Only PUBSAF 411	03/19/2015 0.00	Medical	0.00		2,100.00	2,100.00	0.00
				TD	0.00		0.00	0.00	0.00
				PD	0.00		0.00	0.00	0.00
				Rehab	0.00		0.00	0.00	0.00
				Other Indemnity Legal Expenses	0.00		0.00	0.00	0.00
				Other Expenses Total	0.00		190.00 2,290.00	190.00 2,290.00	0.00 0.00
Sustained injury to his right wrist while digging post holes Right wrist sprain	15-122008 Open	Medical Only PUBWRK 551	03/20/2015 0.00	Medical	0.00		2,500.00	2,500.00	0.00
				TD	0.00		0.00	0.00	0.00
				PD	0.00		0.00	0.00	0.00
				Rehab	0.00		0.00	0.00	0.00
				Other Indemnity Legal Expenses	0.00		0.00	0.00	0.00
				Other Expenses Total	0.00		225.00 2,725.00	225.00 2,725.00	0.00 0.00
Exposure to sun during the course of work caused her to Left ear skin cancer	15-121893 Open	Indemnity PUBSAF 411	03/09/2015 0.00	Medical	0.00		10,000.00	10,000.00	0.00
				TD	0.00		9,500.00	9,500.00	0.00
				PD	0.00		0.00	0.00	0.00
				Rehab	0.00		0.00	0.00	0.00
				Other Indemnity Legal Expenses	0.00		0.00	0.00	0.00
				Other Expenses Total	0.00		1,350.00 20,850.00	1,350.00 20,850.00	0.00 0.00
EEE was reaching for keys when his left thumb hit a Left Thumb Puncture Wound	15-121829 Closed	Medical Only PUBSAF 411	02/15/2015 0.00	Medical	83.26		0.00	83.26	0.00
				TD	0.00		0.00	0.00	0.00
				PD	0.00		0.00	0.00	0.00
				Rehab	0.00		0.00	0.00	0.00
				Other Indemnity Legal Expenses	0.00		0.00	0.00	0.00
				Other Expenses Total	11.94		0.00 11.94	0.00 11.94	0.00 0.00

Workers' Compensation Claims Opened this Month

Employee's Name Cause of Injury Description of Injury	Case No. Status	Claim Type Department	Injury Date Days Lost	Paid this Period	Paid	Outstanding	Incurred	Recovery
While cleaning the range area / walking in the parking lot on a Left eye irritation	15-121948 Open	Medical Only PUBSAF 411	03/12/2015 0.00	0.00	0.00	950.00	950.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	86.00	86.00	0.00
				0.00	0.00	1,036.00	1,036.00	0.00
EE injured her left knee while walking and then colliding with Left knee contusion	15-121993 Open	Indemnity PUBSAF 423	12/12/2014 0.00	0.00	0.00	1,500.00	1,500.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	235.00	235.00	0.00
				0.00	0.00	1,735.00	1,735.00	0.00
			Grand Total: 7	83.26	83.26	27,050.00	27,133.26	0.00
				0.00	0.00	20,506.40	20,506.40	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				0.00	0.00	0.00	0.00	0.00
				11.94	11.94	3,236.00	3,247.94	0.00
				95.20	95.20	50,792.40	50,887.60	0.00

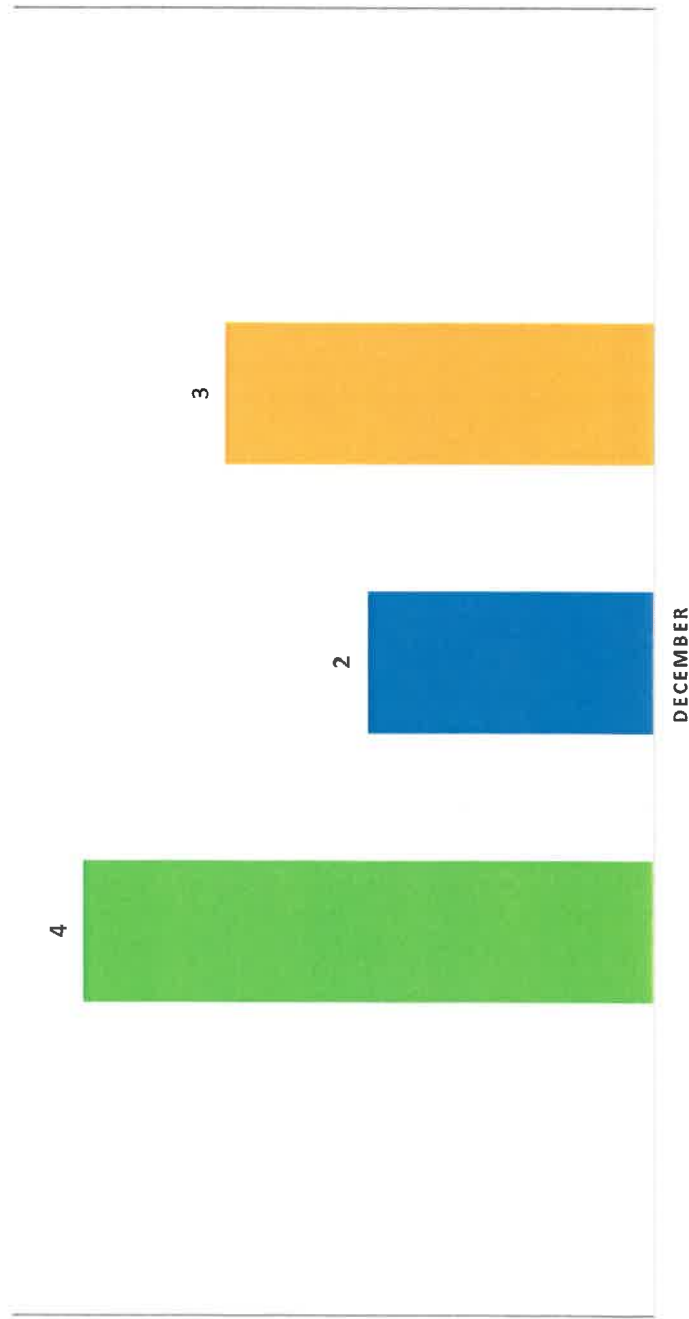
Claims Opened by Month



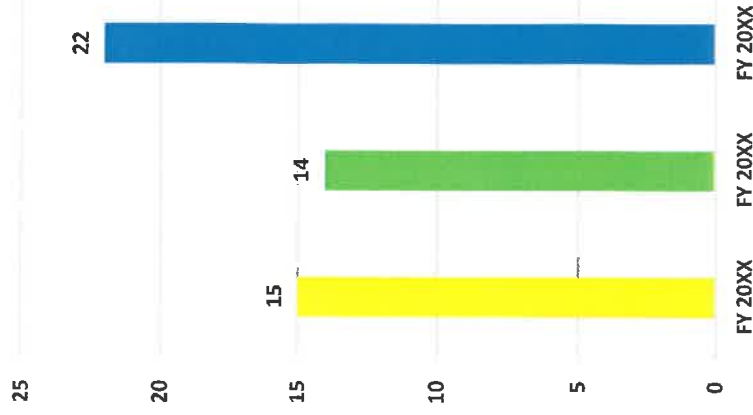
Measures the total number of new claims filed in a month. This number includes claims that have been or may be denied. This number may reflect unsafe work practices or morale problems. Typically the cost associated with these claims become most prevalent two years later. The lower the number the better.

CLAIMS OPENED BY MONTH DECEMBER 20XX

■ FY XX ■ FY XX ■ FY XX



Claims Opened YTD Comparison



Measures the total number of new claims filed in a month. This number includes claims that have been or may be denied. This number may reflect unsafe work practices or morale problems. Typically the cost associated with these claims become most prevalent two years later. The lower the number the better.

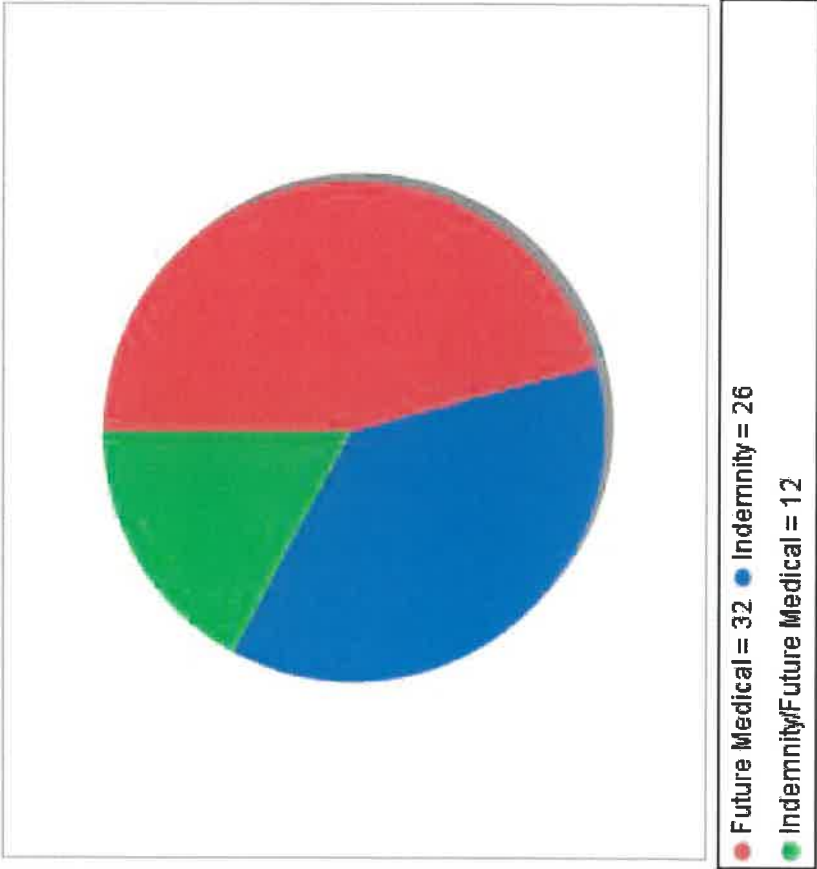
Claim Lag Time

Claim Number	Claimant	Incident Date	Insured Reported	Days between Incident/Reported	Adjusting Loc. Received	Days between Reported/Received	Days between Incident/Received
15-121829		02/15/2015	02/20/2015	5	03/03/2015	11	16
15-121893		03/09/2015	03/09/2015	0	03/09/2015	0	0
15-121948		03/12/2015	03/12/2015	0	03/16/2015	4	4
15-121993		12/12/2014	03/19/2015	97	03/23/2015	4	101
15-122008		03/20/2015	03/20/2015	0	03/24/2015	4	4
15-122031		03/12/2015	03/27/2015	15	03/27/2015	0	15
15-122032		03/19/2015	03/26/2015	7	03/27/2015	1	8
Grand Total: 7				5.00		4.00	8.00
			Median Lag Time:				
			Average Lag Time:	17.71		3.43	21.14

Litigated Claims by Claimant Type

Claimant Type	Open Count	Closed Count	Frequency	%	Total Incurred	%	Average/Claim	%
Future Medical	32	0	32	46	5,585,257	34	174,539	74
Indemnity	26	0	26	37	5,117,056	31	196,810	83
Indemnity/Future Medical	12	0	12	17	5,883,500	35	490,292	207
	Grand Total:		70		16,585,813		236,940	

Claims By Claimant Type



Work Status

Claim Number	Claimant	Injury Date	Exam Date	Next Appointment Date	Work Status	Accepted Delayed Denied	Work Status/Restrictions
11-110678		03/12/2011	12/29/2014	03/22/2015	Temporary Total Disability	Y N N	TTD
14-119529		06/03/2014	01/27/2015	03/10/2015	Full Time / Modified Duty	N N N	No squatting/kneeling; No climbing ladders greater than 6 feet
14-119538		03/31/2014	01/19/2015	03/12/2015	Part Time / Modified Duty	N N N	continue working 4 hours per day
14-120344		08/07/2014	03/03/2015	03/31/2015	Full Time / Modified Duty	Y N N	40 hours per week; limited pushing, pulling reaching and overhead use
14-120784		10/15/2014	02/13/2015	03/09/2015	Full Time / Modified Duty	N N N	No heavy lifting greater than 25 lbs.; No repetitive lifting greater than 15 lbs.
14-120940		10/30/2014	01/22/2015	03/19/2015	Full Time / Modified Duty	N N N	No repetitive reaching, pushing, and pulling. Restricted to desk-type work and/or detective-type work; she should not be out in the field interacting with suspects where she may have to do takedowns, etc.
14-121112		11/30/2014	01/05/2015	03/04/2015	Full Time / Modified Duty	Y N N	NO FORCEFUL OR REP PUSH/PULLING WITH RIGHT HAND; NO LIFTING/PULLING/PUSHING OVER 10 LBS
15-121893		03/09/2015	03/10/2015	03/23/2015	Full Time / Modified Duty	N N N	
15-121993		12/12/2014	02/27/2015	03/27/2015	Full Time / Modified Duty	N Y N	Limited kneeling
15-122008		03/20/2015	03/20/2015	03/27/2015	Part Time / Modified Duty	Y N N	Must use splint or brace, no use of right hand.

Grand Total: 11

Claims Settled Last Month

Claimant	Claim Number	Injury - Date	Claim Type	Litigated	Examiner	Settle - Date	Settlement Type	Settlement Amount
	12-113827	06/28/2012	Future Medical	N	RBARRILE	03/06/2015	Stipulated Award	0.00

Workers' Compensation Claims Summary by Year

For Month Ending

Policy Period by Date of Injury	Open	Total Claims	Days Lost	Paid This Period	Incurred This Period	Paid	Outstanding	Incurred	Recovery	Net Incurred
1965-1966	0	1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1975-1976	0	1	0.00	0.00	0.00	2,090.75	0.00	2,090.75	0.00	2,090.75
1976-1977	0	1	0.00	0.00	0.00	14,876.35	0.00	14,876.35	0.00	14,876.35
1977-1978	0	4	0.00	0.00	0.00	38,799.00	0.00	38,799.00	0.00	38,799.00
1978-1979	0	11	0.00	0.00	0.00	76,978.34	0.00	76,978.34	0.00	76,978.34
1979-1980	0	71	0.00	0.00	0.00	49,930.23	0.00	49,930.23	0.00	49,930.23
1980-1981	0	83	0.00	0.00	0.00	59,062.56	0.00	59,062.56	0.00	59,062.56
1981-1982	0	86	0.00	0.00	0.00	267,454.57	0.00	267,454.57	129,444.76	138,009.81
1982-1983	0	85	0.00	0.00	0.00	470,412.11	0.00	470,412.11	54,895.72	415,516.39
1983-1984	1	76	0.00	0.00	0.00	407,527.67	24,733.32	432,260.99	0.00	432,260.99
1984-1985	0	81	0.00	0.00	0.00	85,430.78	0.00	85,430.78	0.00	85,430.78
1985-1986	0	99	0.00	0.00	0.00	316,736.66	0.00	316,736.66	0.00	316,736.66
1986-1987	0	117	0.00	0.00	0.00	479,259.74	0.00	479,259.74	0.00	479,259.74
1987-1988	0	90	0.00	0.00	0.00	274,088.14	0.00	274,088.14	0.00	274,088.14
1988-1989	0	135	0.00	0.00	0.00	394,446.77	0.00	394,446.77	0.00	394,446.77
1989-1990	1	115	0.00	102.01	0.00	698,313.80	103,577.75	801,891.55	210.00	801,681.55
1990-1991	2	120	0.00	0.00	0.00	1,298,327.03	123,252.72	1,421,579.75	0.00	1,421,579.75
1991-1992	1	108	0.00	230.82	0.00	740,442.90	12,122.18	752,565.08	0.00	752,565.08
1992-1993	2	159	0.00	378.54	0.00	1,010,352.31	98,804.44	1,109,156.75	0.00	1,109,156.75
1993-1994	1	141	0.00	0.00	0.00	1,082,444.32	91,424.43	1,173,868.75	37,132.79	1,136,735.96
1994-1995	3	124	0.00	2,074.48	0.00	1,073,590.83	170,078.06	1,243,668.89	97,654.52	1,146,014.37
1995-1996	3	105	1498.00	2,462.06	-205,093.45	1,846,429.19	182,414.93	2,028,844.12	170,769.13	1,858,074.99
1996-1997	0	118	0.00	0.00	0.00	582,548.68	0.00	582,548.68	14,370.10	568,178.58
1997-1998	4	112	0.00	18.00	0.00	1,053,564.84	289,142.08	1,342,706.92	3,000.00	1,339,706.92

Workers' Compensation Claims Summary by Year

For Month Ending

Policy Period by Date of Injury	Open	Total Claims	Days Lost	Paid This Period	Incurred This Period	Paid	Outstanding	Incurred	Recovery	Net Incurred
1998-1999	2	123	0.00	0.00	0.00	1,182,484.06	72,249.67	1,254,733.73	16,500.00	1,238,233.73
1999-2000	3	106	0.00	0.00	0.00	1,943,619.07	75,846.55	2,019,465.62	84,632.72	1,934,832.90
2000-2001	8	110	419.00	2,216.45	0.00	2,540,887.38	821,560.28	3,362,447.66	195,693.10	3,166,754.56
2001-2002	9	121	10.00	1,930.14	5,767.87	2,270,590.18	666,566.48	2,937,156.66	15,000.00	2,922,156.66
2002-2003	9	117	2882.00	848.01	0.00	1,537,003.04	557,801.03	2,094,804.07	23,643.00	2,071,161.07
2003-2004	5	132	412.00	3,975.29	750.00	1,323,512.19	244,294.66	1,567,806.85	18,146.75	1,549,660.10
2004-2005	7	128	620.00	4,039.84	-64,959.29	2,602,584.01	1,254,260.33	3,856,844.34	584,164.00	3,272,680.34
2005-2006	11	130	1093.00	3,015.26	0.00	1,902,690.49	641,943.25	2,544,633.74	39,545.22	2,505,088.52
2006-2007	8	121	2009.00	1,210.54	-7,410.08	1,260,739.15	238,993.83	1,499,732.98	6,716.04	1,493,016.94
2007-2008	5	118	1867.00	34.25	-100.00	877,640.41	143,009.65	1,020,650.06	1,194.34	1,019,455.72
2008-2009	10	135	4125.00	5,519.15	-18,387.14	2,390,267.05	1,188,804.22	3,579,071.27	187,328.09	3,391,743.18
2009-2010	14	108	2558.00	5,320.26	0.00	1,505,808.30	789,623.48	2,295,431.78	1,844.10	2,293,587.68
2010/2011	17	113	3190.00	17,747.45	-49,323.61	1,446,772.17	573,167.48	2,019,939.65	50,717.86	1,969,221.79
2011/2012	22	115	1866.00	23,030.56	6,000.13	1,249,010.86	1,019,303.82	2,268,314.68	1,858.23	2,266,456.45
2012/2013	26	111	2455.00	13,295.06	5,174.53	1,030,373.67	1,043,377.25	2,073,750.92	2,190.65	2,071,560.27
2013/2014	35	142	2153.00	37,601.33	15,198.37	987,335.96	860,877.02	1,848,212.98	0.00	1,848,212.98
2014/2015	35	80	248.00	49,237.36	252,096.70	158,420.27	496,390.80	654,811.07	0.00	654,811.07
Grand Total:	244	4053		174,286.86	-60,285.97	38,532,845.83	11,783,619.71	50,316,465.54	1,736,651.12	48,579,814.42

Workers' Compensation Claims Transaction Report

For Month Ending

Number	Date	Amount	Payee	From	Thru	Claimant	Code	Claim Number
Payment Transaction Desc: Chiropractic Treatment								
74840	03/04/2015	165.66	Ideal Chiropractic	01/29/2015	02/12/2015		PUBSAF	03IRV00765
74814	03/04/2015	330.08	Higuera, Ron J. D.C., M.S.	01/28/2015	02/06/2015		PUBSAF	11-112189
74866	03/11/2015	172.30	Higuera, Ron J. D.C., M.S.	02/11/2015	02/11/2015		PUBSAF	11-112189
75020	03/18/2015	150.80	Higuera, Ron J. D.C., M.S.	02/18/2015	02/20/2015		PUBSAF	11-112189
75073	03/25/2015	138.63	Higuera, Ron J. D.C., M.S.	02/20/2015	02/25/2015		PUBSAF	11-112189
Payment	5	957.47						
Payment Transaction Desc: Court Reporter Expense								
75132	03/25/2015	508.90	Peranich Reporting	11/21/2014	11/21/2014		COMSRV	01IRV00531
75130	03/25/2015	958.75	BARRETT REPORTING INC	02/13/2015	02/13/2015		PUBSAF	04IRV00895
Payment	2	1,467.65						
Payment Transaction Desc: Medical Appliance								
74815	03/04/2015	168.00	Team Makena, LLC	01/09/2015	01/09/2015		PUBSAF	13-117025
74978	03/18/2015	83.95	Recovery Medical Services, LLC	02/20/2015	02/20/2015		PUBSAF	14-117491
75086	03/25/2015	131.16	Team Makena, LLC	02/23/2015	02/23/2015		PUBWRK	14-119045
75084	03/25/2015	145.86	South Coast Medical	02/27/2015	02/27/2015		COMSRV	9303140150
75087	03/25/2015	150.00	A+ Medical Supplies	02/23/2015	02/23/2015		PUBSAF	14-117488
75062	03/25/2015	400.00	Advanced Hearing Services	03/10/2015	03/10/2015		PUBSAF	9603140097
Payment	6	1,078.97						
Payment Transaction Desc: Medical Case Management								
74852	03/04/2015	1,881.00	Comp Nurse Solutions	01/12/2015	02/20/2015		PUBSAF	14-119538
75047	03/18/2015	671.00	CNS LLC	02/07/2015	03/04/2015		PUBWRK	13-116144
75138	03/25/2015	836.00	CNS LLC	01/10/2015	03/13/2015		PUBWRK	14-119045
Payment	3	3,388.00						

Workers' Compensation Claims Transaction Report

For Month Ending

Number	Date	Amount	Payee	From	Thru	Claimant	Code	Claim Number
75121	03/25/2015	104.21	Prosport Physical Therapy RSM	02/27/2015	02/27/2015		PUBSAF	2009105542
75114	03/25/2015	107.25	The Kinetic Chain Physical Therapy	02/24/2015	02/24/2015		PUBSAF	14-120344
75112	03/25/2015	184.20	Gateway Rehab and Wellness	02/25/2015	02/27/2015		PUBSAF	14-120865
75113	03/25/2015	219.27	The Kinetic Chain Physical Therapy	02/26/2015	03/03/2015		PUBSAF	14-120344
75115	03/25/2015	303.68	Gateway Rehab and Wellness	02/13/2015	02/19/2015		PUBSAF	14-120865
75116	03/25/2015	624.83	ACIC Physical Therapy	01/07/2015	01/29/2015		PUBSAF	14-117491
75068	03/25/2015	104.21	Prosport Physical Therapy RSM	02/20/2015	02/20/2015		PUBSAF	14-120940
75069	03/25/2015	104.21	Prosport Physical Therapy RSM	02/18/2015	02/18/2015		PUBSAF	14-120940
75070	03/25/2015	104.21	Prosport Physical Therapy RSM	02/11/2015	02/11/2015		PUBSAF	14-120940
75071	03/25/2015	104.21	Prosport Physical Therapy RSM	02/26/2015	02/26/2015		PUBSAF	14-121237
75072	03/25/2015	105.69	Fairbanks Power Physical Therapy	02/23/2015	02/23/2015		PUBSAF	8403140001
75067	03/25/2015	110.29	California Rehabilitation & Sports	03/02/2015	03/02/2015		COMDEV	15-121330
75083	03/25/2015	242.68	MSC Group, Inc	01/05/2015	01/05/2015		PUBSAF	2009105542
Payment	60	8,219.82						
Grand Total:	257	68,369.03						

Client Name
Bank Name

Bank Statement Balance:	\$180,273.84
Less: Outstanding Checks:	(\$21,373.82)
Reconciled Bank Balance:	\$158,900.02
Less: Bank Adjustments & Errors	\$0.00
Adjusted Checkbook Balance:	\$158,900.02
Difference	\$0.00
Bank Adjustment & Error Detail:	\$0.00
Minimum Trust Amount:	\$0.00
Reconciled Bank Balance:	\$0.00
Funding Amount Needed:	\$0.00
Prior Month Funds Request Balance:	\$0.00
Disbursements Made This Period:	\$0.00
Less: Voids	\$0.00
Less: Interest Paid	\$0.00
Less: Credits Received This Period:	\$0.00
Funding Amount Due:	\$0.00

CHECK RECONCILIATION REPORT

Check Date	Check Number	Payee	Check		Cleared		Outstanding	
			Amount		Amount		Check Amount	
12/19/14	19497	Hooman Rastegar, M.D.	\$146.91		\$0.00		\$146.91	
01/05/15	19585	Peranich Reporting	\$620.50		\$0.00		\$620.50	
02/10/15	19807	MedReview Inc.	\$41.02		\$41.02		\$0.00	
02/11/15	19813	MedReview Inc.	\$1,020.16		\$1,020.16		\$0.00	
02/11/15	19814	MedReview Inc.	\$146.34		\$146.34		\$0.00	
02/12/15	19826	MedReview Inc.	\$187.25		\$187.25		\$0.00	
02/12/15	19827	MedReview Inc.	\$60.00		\$60.00		\$0.00	
02/12/15	19828	MedReview Inc.	\$1,466.65		\$1,466.65		\$0.00	
02/13/15	19838	Apex Healthcare Medical Center, Inc.	\$219.59		\$219.59		\$0.00	
02/13/15	19840	MedReview Inc.	\$1,231.34		\$1,231.34		\$0.00	
02/13/15	19841	MedReview Inc.	\$69.06		\$69.06		\$0.00	
02/13/15	19845	New Age Translations, Inc.	\$177.00		\$177.00		\$0.00	
02/17/15	19851	MedReview Inc.	\$88.09		\$88.09		\$0.00	
02/18/15	19869	Apex Healthcare Medical Center, Inc.	\$162.44		\$162.44		\$0.00	
02/18/15	19870	Apex Healthcare Medical Center, Inc.	\$211.05		\$211.05		\$0.00	
02/18/15	19871	Apex Healthcare Medical Center, Inc.	\$116.49		\$116.49		\$0.00	
02/18/15	19875	B. Richard Burke DPM *	\$141.91		\$141.91		\$0.00	
02/18/15	19877	MedReview Inc.	\$2,745.34		\$2,745.34		\$0.00	
02/18/15	19878	MedReview Inc.	\$29.59		\$29.59		\$0.00	
02/19/15	19885	Foundation Medical Group, Inc	\$130.19		\$130.19		\$0.00	
02/19/15	19886	Alliance Urgent Care	\$72.24		\$72.24		\$0.00	
02/19/15	19896	MedReview Inc.	\$215.85		\$215.85		\$0.00	
02/19/15	19897	MedReview Inc.	\$110.81		\$110.81		\$0.00	
02/19/15	19898	MedReview Inc.	\$11.30		\$11.30		\$0.00	
02/20/15	19901	University Spine and Orthopedics	\$178.66		\$178.66		\$0.00	
02/20/15	19903	San Bernardino Medical Orthopedic Group	\$235.22		\$235.22		\$0.00	
02/20/15	19904	MedReview Inc.	\$636.44		\$636.44		\$0.00	
02/23/15	19907	San Bernardino Medical Orthopedic Group	\$211.42		\$211.42		\$0.00	
02/23/15	19908	SOUTH COAST DME	\$182.51		\$182.51		\$0.00	
02/23/15	19909	Mh Express Pharmacy	\$119.34		\$119.34		\$0.00	
02/23/15	19911	MedReview Inc.	\$288.62		\$288.62		\$0.00	
02/23/15	19913	ISYS	\$384.00		\$384.00		\$0.00	
02/24/15	19914	EA Integrated Health Services	\$96.90		\$96.90		\$0.00	
02/24/15	19915	San Bernardino Medical Orthopedic Group	\$11.91		\$11.91		\$0.00	
02/24/15	19916	MedReview Inc.	\$9.69		\$9.69		\$0.00	
02/25/15	19917	John G. Ellis, M.D. Inc.	\$162.44		\$162.44		\$0.00	

PREPARED BY ADMINISURE

CHECKS CLEARED as of

PAGE 1 OF 9

CHECK RECONCILIATION REPORT

Check Date	Check Number	Payee	Check Amount	Cleared Amount	Outstanding Check Amount
03/26/15	20169	Walgreens	\$16.57	\$0.00	\$16.57
03/26/15	20170	University Spine and Orthopedics	\$546.88	\$546.88	\$0.00
03/26/15	20171	Physical Medicine Institute	\$2,250.00	\$0.00	\$2,250.00
03/26/15	20172	Walgreens	\$13.63	\$0.00	\$13.63
03/26/15	20173	MedReview Inc.	\$1,031.55	\$0.00	\$1,031.55
03/26/15	20174	MedReview Inc.	\$86.47	\$0.00	\$86.47
03/27/15	20177	Arrowhead Evaluation Services, Inc.	\$5,000.00	\$0.00	\$5,000.00
03/27/15	20178	CompToday	\$9.14	\$0.00	\$9.14
03/27/15	20179	CompToday	\$8.74	\$0.00	\$8.74
03/27/15	20180	CompToday	\$28.38	\$0.00	\$28.38
03/27/15	20181	Healthpointe Med Grp dba SCOSMC	\$15.21	\$0.00	\$15.21
03/27/15	20182	Southern Calif Permanente Med Grp**	\$144.94	\$0.00	\$144.94
03/27/15	20183	CA Emerg Phys Med Grp	\$202.50	\$0.00	\$202.50
03/27/15	20184	Align Networks, Inc.	\$129.41	\$0.00	\$129.41
03/27/15	20185	Align Networks, Inc.	\$76.30	\$0.00	\$76.30
03/27/15	20186	Align Networks, Inc.	\$674.20	\$0.00	\$674.20
03/27/15	20187	Fairbanks Power Physical Therapy	\$112.11	\$0.00	\$112.11
03/27/15	20188	Fairbanks Power Physical Therapy	\$112.11	\$0.00	\$112.11
03/27/15	20189	Align Networks, Inc.	\$56.41	\$0.00	\$56.41
03/27/15	20190	Align Networks, Inc.	\$399.25	\$0.00	\$399.25
03/27/15	20191	Southland Spine & Rehab Med Ctr	\$39.18	\$0.00	\$39.18
03/27/15	20192	Fairbanks Power Physical Therapy	\$296.67	\$0.00	\$296.67
03/27/15	20193	Align Networks, Inc.	\$98.02	\$0.00	\$98.02
03/27/15	20194	MedReview Inc.	\$755.88	\$0.00	\$755.88
03/27/15	20195	MedReview Inc.	\$2,408.26	\$0.00	\$2,408.26
03/30/15	20196	CompToday	\$19.70	\$0.00	\$19.70
03/30/15	20197	MedReview Inc.	\$129.48	\$0.00	\$129.48
03/31/15	20199	Economy Transport LLC	\$648.00	\$0.00	\$648.00
03/31/15	20200	KAISER FOUNDATION HOSPITAL	\$487.53	\$0.00	\$487.53
03/31/15	20201	Southland Spine & Rehab Med Ctr	\$152.13	\$0.00	\$152.13
03/31/15	20202	Healthpointe Med Grp dba SCOSMC	\$1,898.43	\$0.00	\$1,898.43
03/31/15	20203	MedReview Inc.	\$329.34	\$0.00	\$329.34
03/31/15	20204	MedReview Inc.	\$998.44	\$0.00	\$998.44
GRAND TOTALS:			\$127,757.43	\$87,875.21	\$39,882.22

Summary of Work-Related Injuries and Illnesses



Year _____
U.S. Department of Labor
Occupational Safety and Health Administration

From approved OMB no. 1218-0176

All establishments covered by Part 1904 must complete this Summary page, even if no work-related injuries or illnesses occurred during the year. Remember to review the Log to verify that the entries are complete and accurate before completing this summary.

Using the Log, count the individual entries you made for each category. Then write the totals below, making sure you've added the entries from every page of the Log. If you had no cases, write "0".

Employees, former employees, and their representatives have the right to review the OSHA Form 300 in its entirety. They also have limited access to the OSHA Form 301 or its equivalent. See 29 CFR Part 1094.35, in OSHA's recordkeeping rule, for further details on the access provisions for these forms.

Number of Cases

Total number of deaths	Total number of cases with days away from work	Total number of cases with job transfer or restriction	Total number of other recordable cases
0	0	3	4
(G)	(H)	(I)	(J)

Number of Days

Total number of days away from work	Total number of days of job transfer or restriction
0.00	52.00
(K)	(L)

Injury and Illness Types

Total number of ...	(1) Injuries	(2) Skin disorders	(3) Respiratory conditions	(4) Poisonings	(5) Hearing loss	(6) All other illnesses
(M)	6	1	0	0	0	0

Post this Summary page from February 1 to April 30 of the year following the year covered by the form.

Public reporting burden for this collection of information is estimated to average 50 minutes per response, including time to review the instructions, search and gather the data needed, and complete and review the collection of information. Persons are required to respond to the collection of information unless it displays a currently valid OMB control number. If you have any comments about these estimates or any other aspects of this data collection, contact: US Department of Labor, OSHA Office of Statistical Analysis, Room N-3644, 200 Constitution Avenue, NW, Washington, DC 20210. Do not send the completed forms to this office.

Establishment Information

Your establishment name _____

Street _____

City _____

State _____

CA _____

ZIP _____

Industry description (e.g., *Manufacture of motor truck trailers*) _____

Standard Industrial Classification (SIC), if known (e.g., 3715) _____

9229SC _____

OR _____

North American Industrial Classification (NAICS), if known (e.g., 36212) _____

Employment information (if you don't have these figures, see the Worksheet on the back of this page to estimate.) _____

Annual average number of employees _____

Total hours worked by all employees last year _____

Sign here

Knowingly falsifying this document may result in a fine.

Company executive _____

() - _____

Phone _____

Title _____

/ / _____

Date _____

OSHA's Form 301

Injury and Illnesses Incident Report

 U.S. Department of Labor
Occupational Safety and Health Administration

Form approved OMB no. 1218-0176

This *Injury and Illness Incident Report* is one of the first forms you must fill out when a recordable work-related injury or illness has occurred. Together with the *Log of Work-Related Injuries and Illnesses* and the accompanying *Summary*, these forms help the employer and OSHA develop a picture of the extent and severity of work-related incidents.

Within 7 calendar days after you receive information that a recordable work-related injury or illness has occurred, you must fill out this form or an equivalent. Some state workers' compensation, insurance, or other reports may be acceptable substitutes. To be considered an equivalent form, any substitute must contain all the information asked for on this form.

According to Public Law 91-596 and 29 CFR 1904, OSHA's recordkeeping rule, you must keep this form on file for 5 years following the year to which it pertains.

If you need additional copies of this form, you may photocopy and use as many as you need.

Completed by _____

Title _____

Phone (____) _____ Date ____/____/____

Information about the employee

1) Full name XXXXX

2) Street XXXXX

City XXXXX State CA ZIP 92860

3) Date of birth 06/21/1960

4) Date hired 02/22/1996

5) ☒ Male ☐ Female

Information about the physician or other health care professional

6) Name of Physicians or other health care professional _____

Sand Canyon Urgent Care

7) If treatment was given away from the worksite, where was it given?

Facility _____

Street _____

City _____ State _____ ZIP _____

8) Was employee treated in an emergency room?

☐ Yes ☒ No

9) Was employee hospitalized overnight as an in-patient?

☐ Yes ☒ No

Attention: This form contains information relating to employee health and must be used in a manner that protects the confidentiality of employees to the extent possible while the information is being used for occupational safety and health purposes

Information about the case

10) Case number from the Log XXXXX

11) Date of injury or illness 02/15/2015

12) Time employee began work 6:00 AM

13) Time of event 6:00 PM

☐ check if time cannot be determined

14) **What was the employee doing just before the incident occurred?** Describe the activity, as well as the tools, equipment, or material the employee was using. Be specific. *Examples:* "climbing a ladder while carrying roofing materials"; "spraying chlorine from hand sprayer"; "daily computer key-entry."
Reaching for keys when thumb hit wooden storage box.

15) **What happened?** Tell us how the injury occurred. *Examples:* "When ladder slipped on wet floor, worker fell 20 feet"; "Worker was sprayed with chlorine when gasket broke during replacement"; "Worker developed soreness in wrist over time."

EE was reaching for keys when his left thumb hit a wooden storage box located in his patrol car and he received puncture wound from a splinter

16) **What was the injury or illness?** Tell us the part of the body that was affected and how it was affected; be more specific than "hurt," "pain," or "score." *Examples:* "strained back"; "chemical burn, hand"; "carpal tunnel syndrome."
Left Thumb Puncture Wound

17) **What object or substance directly harmed the employee?** *Examples:* "concrete floor"; "chlorine"; "radial arm saw." If this question does not apply to the incident, leave it blank.
N/A

18) **If the employee died, when did death occur?** Date of death _____

Public reporting burden for this collection of information is estimated to average 22 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Persons are not required to respond to the collection of information unless it displays a current valid OMB control number. If you have any comments about this estimate or any other aspects of this data collection, including suggestions for reducing this burden, contact: US Department of Labor, OSHA Office of Statistical Analysis, Room N-3644, 200 Constitution Avenue, NW, Washington, DC 20210. Do not send the completed forms to this office.

OSHA's Form 301

Injury and Illnesses Incident Report

U.S. Department of Labor
Occupational Safety and Health Administration

Form approved OMB no. 1218-0176

This *Injury and Illness Incident Report* is one of the first forms you must fill out when a recordable work-related injury or illness has occurred. Together with the *Log of Work-Related Injuries and Illnesses* and the accompanying *Summary*, these forms help the employer and OSHA develop a picture of the extent and severity of work-related incidents.

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According to Public Law 91-596 and 29 CFR 1904, OSHA's recordkeeping rule, you must keep this form on file for 5 years following the year to which it pertains.

If you need additional copies of this form, you may photocopy and use as many as you need.

Completed by _____

Title _____

Phone (____) _____ Date ____/____/____

Information about the employee

- 1) Full name XXXXX
- 2) Street XXXXX
- City XXXXX State CA ZIP 92705
- 3) Date of birth 04/27/1979
- 4) Date hired 12/27/1999
- 5) ☒ Male ☐ Female

Information about the physician or other health care professional

- 6) Name of Physicians or other health care professional _____
Sand Canyon Urgent Care
- 7) If treatment was given away from the worksite, where was it given?
Facility _____
Street _____
City _____ State _____ ZIP _____
- 8) Was employee treated in an emergency room?
☐ Yes ☒ No

- 9) Was employee hospitalized overnight as an in-patient?
☐ Yes ☒ No

Attention: This form contains information relating to employee health and must be used in a manner that protects the confidentiality of employees to the extent possible while the information is being used for occupational safety and health purposes

Information about the case

- 10) Case number from the Log XXXXX
- 11) Date of injury or illness 03/19/2015
- 12) Time employee began work 6:00 AM
- 13) Time of event 1:13 PM ☐ check if time cannot be determined

- 14) What was the employee doing just before the incident occurred? Describe the activity, as well as the tools, equipment, or material the employee was using. Be specific. Examples: "climbing a ladder while carrying roofing materials"; "spraying chlorine from hand sprayer"; "daily computer key-entry."
Struggling with combative mental health patient

- 15) What happened? Tell us how the injury occurred. Examples: "When ladder slipped on wet floor, worker fell 20 feet"; "Worker was sprayed with chlorine when gasket broke during replacement"; "Worker developed soreness in wrist over time."
While struggling with a combative mental health patient, he injured his left shoulder

- 16) What was the injury or illness? Tell us the part of the body that was affected and how it was affected; be more specific than "hurt," "pain," or "score." Examples: "strained back"; "chemical burn, hand"; "carpal tunnel syndrome."
Left shoulder strain

- 17) What object or substance directly harmed the employee? Examples: "concrete floor"; "chlorine"; "radial arm saw." If this question does not apply to the incident, leave it blank.
N/A

- 18) If the employee died, when did death occur? Date of death _____

Public reporting burden for this collection of information is estimated to average 22 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Persons are not required to respond to the collection of information unless it displays a current valid OMB control number. If you have any comments about this estimate or any other aspect of this data collection, including suggestions for reducing this burden, contact: US Department of Labor, OSHA Office of Statistical Analysis, Room N-3644, 200 Constitution Avenue, NW, Washington, DC 20210. Do not send the completed forms to this office.

**WORKERS' COMPENSATION CLAIMS
CLIENT COMPARISON REPORT AS
OF**

Client	# of Employees	Total Paid This Quarter	Outstanding Reserves	Outstanding Reserves Per Total # of Employees	Total Incurred in Q1 2015 Total Pd Q1 + Outstanding	#of Open Claims	# of Open Litigated Claims
Client X	2,986	\$920,366.80	\$10,026,752.09	\$3,357.92	\$10,947,118.89	191	59
Client Y	4,623	\$988,715.96	\$13,758,746.45	\$2,976.15	\$14,747,462.41	231	80
AVERAGES	3,805	\$954,541.38	\$11,892,749.27	\$3,167.04	\$12,847,290.65	211	70

**WORKERS' COMPENSATION CLAIMS
FREQUENCY & SEVERITY BY NATURE OF INJURY
TOP TEN LISTED BY FREQUENCY**
as of

Client X

Nature of Injury	# of Claims	Total Incurred	Average Per Claim
Strain	88	\$9,244,148.00	\$114,620.00
Miscellaneous	24	\$731,037.00	\$30,460.00
Sprain	20	\$2,079,150.00	\$103,957.00
All Other Cumulative Trauma	13	\$1,464,653.00	\$112,666.00
Contusion	12	\$3,023,302.00	\$251,942.00
Fracture	8	\$531,734.00	\$66,467.00
Multi Physical Injuries	6	\$481,307.00	\$80,218.00
Mental Stress	6	\$123,189.00	\$20,531.00
All Other Specific Injury	4	\$62,769.00	\$15,692.00
Puncture	2	\$200,934.00	\$100,467.00
TOTAL	183	\$17,942,223.00	\$897,020.00

Client Y

Nature of Injury	# of Claims	Total Incurred	Average Per Claim
Strain	94	\$14,197,761.00	\$151,040.00
Miscellaneous	36	\$1,902,197.00	\$52,839.00
All Other Cumulative Trauma	25	\$4,789,022.00	\$191,561.00
Sprain	20	\$1,504,961.00	\$75,248.00
Contusion	19	\$2,104,025.00	\$110,738.00
Carpal Tunnel Syndrome	10	\$571,972.00	\$57,197.00
Fracture	7	\$597,706.00	\$85,387.00
Multi Physical/Mental Injuries	5	\$470,084.00	\$94,017.00
Mental Stress	4	\$1,171,495.00	\$292,874.00
Contagious Disease	3	\$264,424.00	\$88,141.00
TOTAL	223	\$27,573,647.00	\$1,199,042.00

CLAIMS HANDLING ANALYSIS

# OF CLAIMS REPORTED PER YEAR						
	2010	2011	2012	2013	2014	2015
Future Medical	13	15	13	9	1	0
Indemnity	49	59	45	60	65	9
Medical Only	70	66	60	60	60	15
TOTAL	132	140	118	129	126	24

# OF LITIGATED CLAIMS						
	2010	2011	2012	2013	2014	2015
TOTAL	2	20	8	18	7	0

DAYS FROM EMPLOYEE'S INJURY TO DATE EMPLOYER NOTIFIED						
	2010	2011	2012	2013	2014	2015
Average Lag Time	9.38	94.23	18.77	23.39	58.61	12.17

DAYS FROM EMPLOYERS DATE OF KNOWLEDGE TO DATE REPORTED TO TPA						
	2010	2011	2012	2013	2014	2015
Average Lag Time	6.75	58.82	15.98	8.14	11.18	9.67

AVERAGE DAYS OPEN PER CLAM						
	2010	2011	2012	2013	2014	2015
Future Medical	1279	1203	967	614	434	37
Indemnity	432	460	481	338	205	39
Medical Only	78	97	54	71	78	38
Litigated	1663	1012	1064	619	351	0

AVERAGE # OF DAYS LOST PER CLAM						
	2010	2011	2012	2013	2014	2015
Future Medical	99	274	65	15	0	0
Indemnity	67	49	74	55	33	9
Medical Only	0	0	0	0	0	0
Litigated	122	299	304	136	43	0

CLAIM RATIOS

RATIO OF MEDICAL ONLY CLAIMS TO INDEMNITY CLAIMS											
	2010	2011	%	2012	%	2013	%	2014	%	2015	%
Medical Only	70	66	-6%	60	-9%	60	0%	60	0%	15	-75%
Indemnity	49	59	20%	45	-24%	60	33%	65	8%	9	-86%
TOTAL	119	125		105		120		125		24	

RATIO OF LITIGATED TO NON-LITIGATED CLAIMS											
	2010	2011	%	2012	%	2013	%	2014	%	2015	%
Litigated	2	20	900%	8	-60%	18	125%	7	-61%	0	-100%
Non-Litigated	130	120	-8%	110	-8%	111	1%	119	7%	24	-80%
TOTAL	132	140		118		129		126		24	

RATIO OF FUTURE MEDICAL TO NON-FUTURE MEDICAL CLAIMS											
	2010	2011	%	2012	%	2013	%	2014	%	2015	%
Future Medical	13	15	15%	13	-13%	9	-31%	1	-89%	0	-100%
Non-Future Medical	119	125	5%	105	-16%	120	14%	125	4%	24	-81%
TOTAL	132	140		118		129		126		24	

RATIO OF OPEN TO CLOSED CLAIMS											
	2010	2011	%	2012	%	2013	%	2014	%	2015	%
OPEN	7	13	86%	27	108%	30	11%	39	30%	18	-54%
CLOSED	125	127	2%	91	-28%	99	9%	87	-12%	6	-93%
TOTAL	132	140		118		129		126		24	

**CLIENT X
AVERAGE CLAIM COSTS**

AVERAGE COST PER CLAIM PER YEAR - MEDICAL ONLY											
	2010	2011	%	2012	%	2013	%	2014	%	2015	%
Medical	\$820.75	\$834.81	2%	\$662.51	-21%	\$924.85	40%	\$1,154.63	25%	\$1,266.40	10%
Temporary Disability	\$0.00	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$17.15	0%
Permanent Disability	\$0.00	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$23.00	0%	\$0.00	0%
Voc Rehab	\$0.00	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$0.00	0%
Other Indem	\$0.00	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$0.00	0%
Legal	\$0.00	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$0.00	0%	\$0.00	0%
Other	\$10.39	\$23.01	0%	\$2.43	0%	\$48.84	1910%	\$317.21	0%	\$134.58	-58%
TOTAL	\$831.14	\$857.82	3%	\$664.94	-22%	\$973.69	46%	\$1,494.84	54%	\$1,418.13	-5%

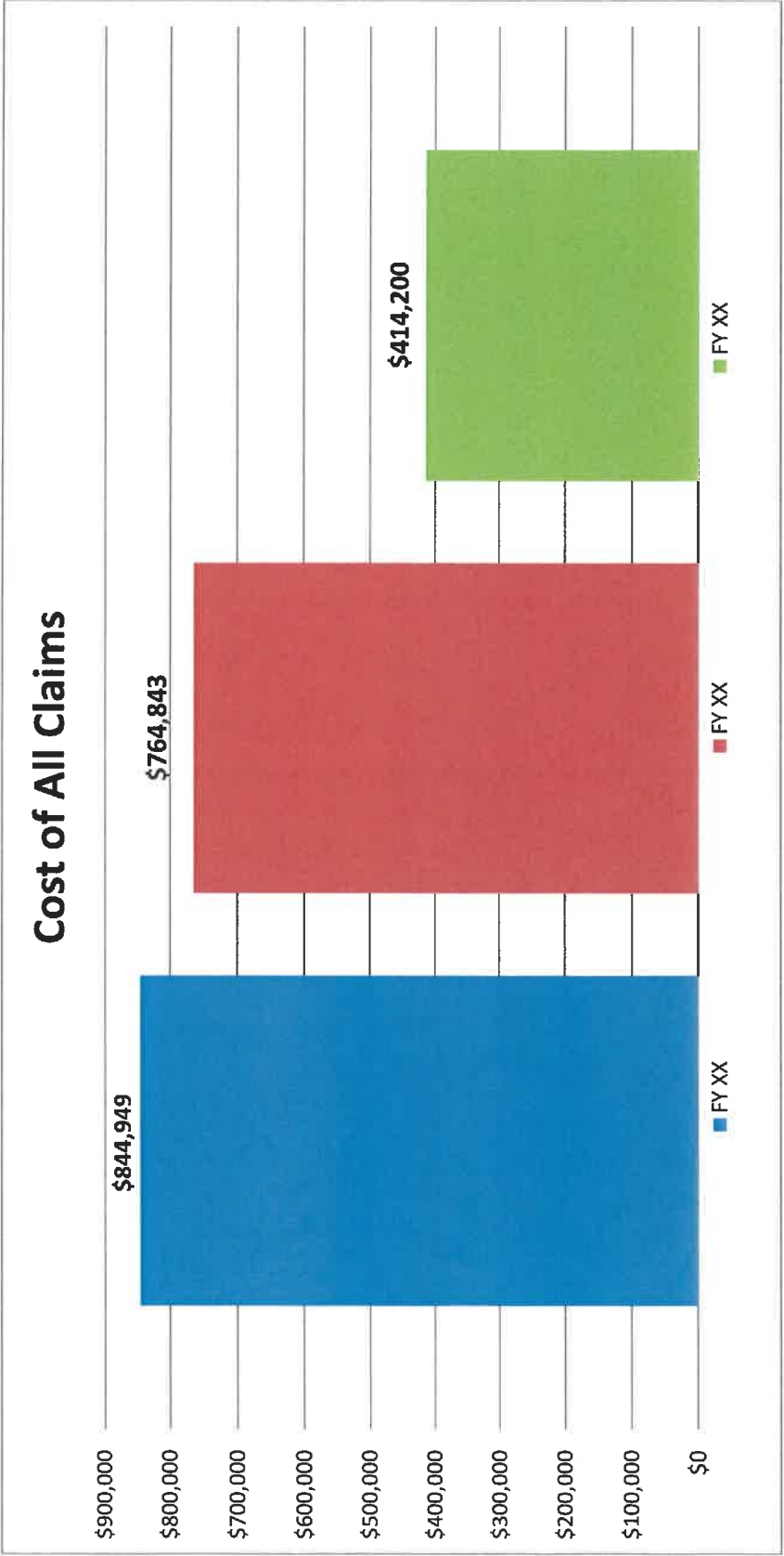
AVERAGE COST PER CLAIM PER YEAR - INDEMNITY											
	2010	2011	%	2012	%	2013	%	2014	%	2015	%
Medical	\$6,030.82	\$14,747.98	145%	\$24,543.37	66%	\$17,994.69	-27%	\$13,153.71	-27%	\$4,988.17	-62%
Temporary Disability	\$3,668.03	\$4,638.96	26%	\$6,747.29	45%	\$8,063.74	20%	\$4,622.25	-43%	\$1,187.92	-74%
Permanent Disability	\$2,450.32	\$2,932.67	20%	\$4,926.23	68%	\$5,437.97	10%	\$2,272.97	-58%	\$0.00	-100%
Voc Rehab	\$275.76	\$376.84	37%	\$761.14	102%	\$532.08	-30%	\$223.08	-58%	\$0.00	-100%
Other Indem	\$372.41	\$561.43	51%	\$265.00	-53%	\$1,014.48	283%	\$384.82	-62%	\$0.00	-100%
Legal	\$608.21	\$2,569.56	322%	\$2,378.80	-7%	\$3,271.26	38%	\$1,380.52	-58%	\$0.00	-100%
Other	\$1,473.05	\$2,344.97	59%	\$3,314.84	41%	\$4,270.26	29%	\$2,747.17	-36%	\$900.85	-67%
TOTAL	\$14,878.60	\$28,172.41	89%	\$42,936.67	52%	\$40,584.48	-5%	\$24,784.52	-39%	\$7,076.94	-71%

AVERAGE COST PER CLAIM PER YEAR - FUTURE MEDICAL											
	2010	2011	%	2012	%	2013	%	2014	%	2015	%
Medical	\$31,927.33	\$20,616.91	-35%	\$29,596.32	44%	\$21,682.14	-27%	\$18,000.00	-17%	\$0.00	0%
Temporary Disability	\$10,049.74	\$3,707.97	-63%	\$6,302.72	70%	\$1,091.19	-83%	\$0.00	-100%	\$0.00	0%
Permanent Disability	\$10,934.61	\$6,480.68	-41%	\$5,824.81	-10%	\$542.35	-91%	\$0.00	-100%	\$0.00	0%
Voc Rehab	\$810.35	\$0.00	-100%	\$1,017.63	-5%	\$0.00	0%	\$0.00	0%	\$0.00	0%
Other Indem	\$514.27	\$975.30	90%	\$964.14	-1%	\$0.00	0%	\$0.00	0%	\$0.00	0%
Legal	\$1,884.64	\$3,922.62	108%	\$2,562.18	-35%	\$0.00	0%	\$0.00	0%	\$0.00	0%
Other	\$4,113.53	\$4,077.15	-1%	\$4,552.03	12%	\$2,719.67	-40%	\$3,600.00	32%	\$0.00	0%
TOTAL	\$60,234.47	\$39,780.63	-34%	\$50,819.83	28%	\$26,035.35	-49%	\$21,600.00	-17%	\$0.00	-100%

AVERAGE CLAIM COSTS

AVERAGE COST PER CLAIM PER YEAR - LITIGATED											
	2010	2011	%	2012	%	2013	%	2014	%	2015	%
Medical	\$50,634.41	\$42,421.63	-16%	\$101,044.34	138%	\$39,654.15	-61%	\$25,818.39	-35%	\$0.00	-100%
Temporary Disability	\$12,725.85	\$10,973.56	-14%	\$28,670.94	161%	\$20,160.95	-30%	\$7,953.51	-61%	\$0.00	-100%
Permanent Disability	\$11,962.68	\$11,558.06	-3%	\$23,627.14	104%	\$15,303.58	-35%	\$10,416.74	-32%	\$0.00	-100%
Voc Rehab	\$2,279.05	\$1,105.63	-51%	\$5,828.87	427%	\$1,713.85	-71%	\$1,714.29	0%	\$0.00	-100%
Other Indem	\$3,157.66	\$2,332.68	-26%	\$2,567.22	10%	\$3,338.43	30%	\$1,744.57	-48%	\$0.00	-100%
Legal	\$14,750.14	\$9,402.56	-36%	\$14,620.26	55%	\$10,618.56	-27%	\$9,247.69	-13%	\$0.00	-100%
Other	\$12,074.76	\$6,794.71	-44%	\$12,836.64	89%	\$10,919.29	-15%	\$8,583.62	-21%	\$0.00	-100%
TOTAL	\$107,584.55	\$84,588.83	-21%	\$189,195.41	124%	\$101,708.81	-46%	\$65,478.81	-36%	\$0.00	-100%

AVERAGE COST PER CLAIM PER YEAR - CLOSED											
	2010	2011	%	2012	%	2013	%	2014	%	2015	%
Medical	\$2,272.59	\$2,100.43	-8%	\$1,130.23	-46%	\$1,740.15	54%	\$872.71	-50%	\$548.25	-37%
Temporary Disability	\$1,428.07	\$567.07	-60%	\$336.43	-41%	\$743.19	121%	\$487.90	-34%	\$4.91	-99%
Permanent Disability	\$728.58	\$341.90	-53%	\$130.17	-62%	\$62.72	-52%	\$205.71	228%	\$0.00	-100%
Voc Rehab	\$50.09	\$0.95	0%	\$0.00	-100%	\$10.87	#DIV/0!	\$0.00	0%	\$0.00	0%
Other Indem	\$92.50	\$53.92	-42%	\$0.00	-100%	\$27.39	#DIV/0!	\$34.48	0%	\$0.00	0%
Legal	\$170.42	\$493.32	189%	\$99.82	-80%	\$151.48	52%	\$94.13	0%	\$0.00	0%
Other	\$397.99	\$377.22	-5%	\$177.06	-53%	\$411.23	132%	\$400.00	-3%	\$116.70	-71%
TOTAL	\$5,140.24	\$3,934.81	-23%	\$1,873.71	-52%	\$3,147.03	68%	\$2,094.93	-33%	\$669.86	-68%

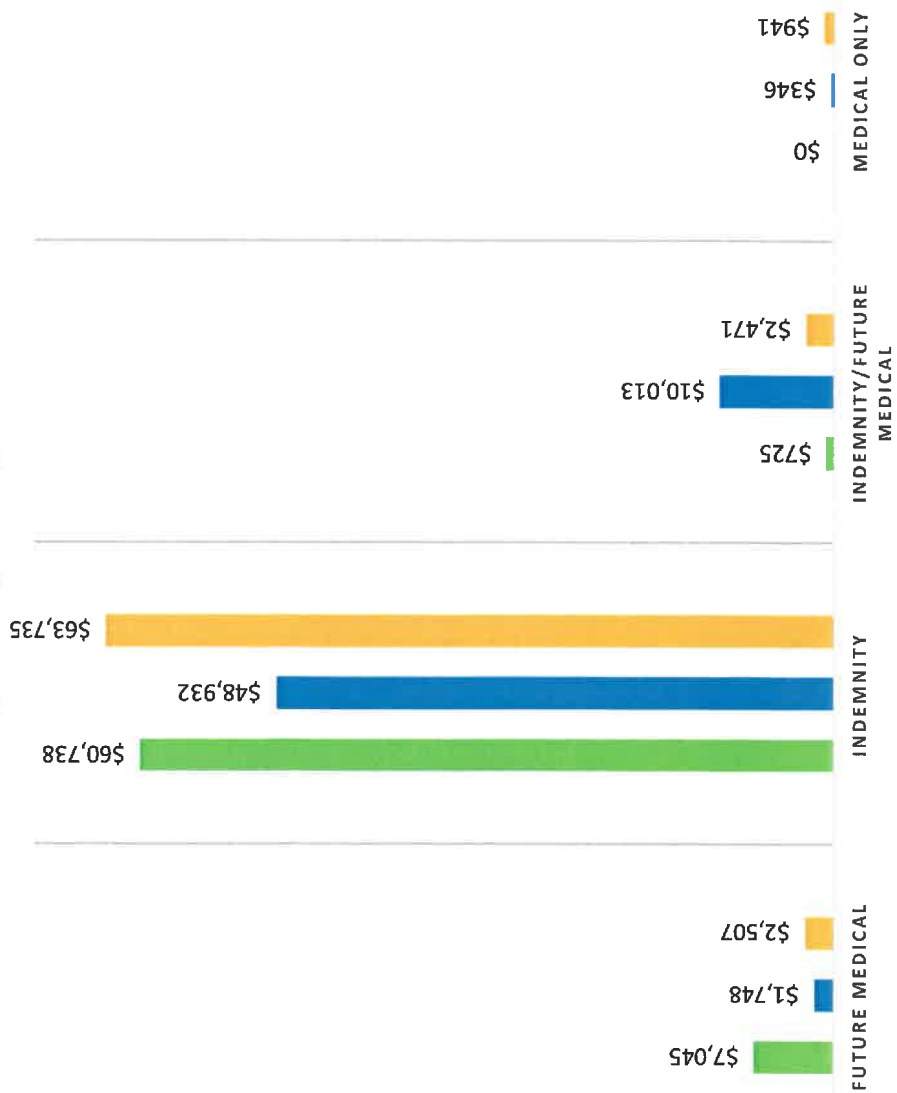


Measures the total liability of claims. This number indicates how well Client is at controlling costs through reduced claims, return to work, and claim closure. This number will directly correlate to increases in annual deposits that must be paid. The lower the number the better.

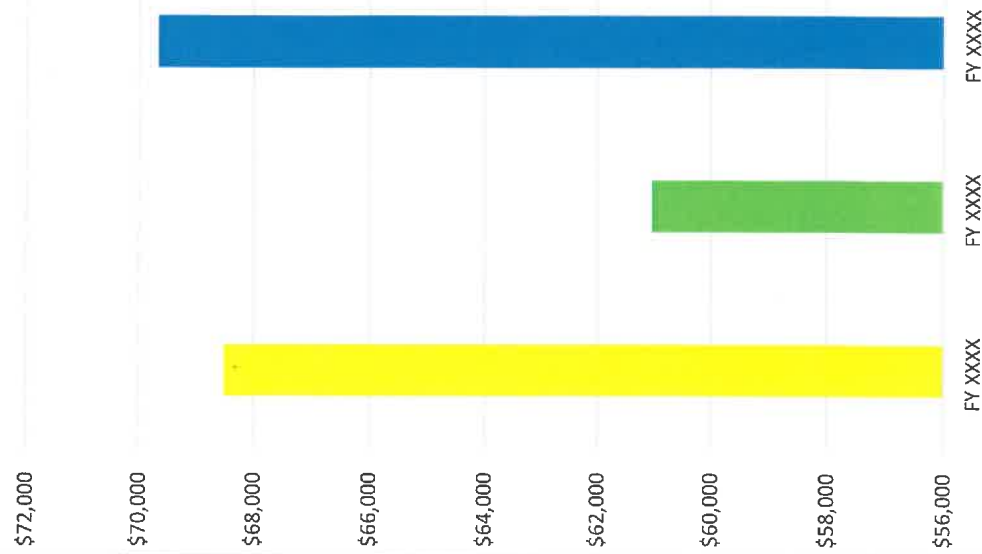
COST OF ALL CLAIMS

DECEMBER 20XX

■ FY XXXX ■ FY XXXX ■ FY XXXX



YTD Comparison





1470 South Valley Vista Drive, Suite 230
Diamond Bar, California 91765

Telephone (909) 861-0816
Fax (909) 860-3995

BATCH PAY SAMPLE CHECK

Employer	Client Name	Payee Name	MedReview Inc.
Check Number	81468	Payee Address	Post Office Box 5108
Check Date	04/09/20XX		Diamond Bar CA 91765

Claimant Name	Incident Date	Claim Number	From	Through	Description	Document #	Amount
XXXXX	03/25/2015	15-122054	03/25/2015	03/25/2015	Medical Review	413197P	3.90
XXXXX	03/25/2015	15-122054	03/25/2015	03/25/2015	Medical Review	413197O	21.67
XXXXX	12/05/2014	14-121177	03/16/2015	03/16/2015	Medical Review	413198F	4.33
XXXXX	12/05/2014	14-121177	03/16/2015	03/16/2015	Medical Review	413198P	0.95
XXXXX	12/05/2014	14-121177	03/16/2015	03/16/2015	Medical Review	413198O	6.50
Number of Claims: 2			Check Total:		5		37.35

CLIENT NAME

Workers' Compensation

Administered by AdminSure (909) 861-0816

BANK OF AMERICA

222 North Catalina Avenue
Redondo Beach, CA 90277

16-66
1220

CHECK
NUMBER **81468**

DATE

AMOUNT

*****37.35

PAY Thirty Seven Dollars And 35/100

TO
THE
ORDER
OF

MedReview Inc.
Post Office Box 5108
Diamond Bar, CA 91765

THIS CHECK EXPIRES AND IS VOID
90 DAYS FROM CHECK DATE

BATCH PAY SAMPLE REPORT

Workers' Compensation Claims Check Register

For Month Ending XXXXXX

Number	Date	Amount	Payee	Description	Claimant	Code	Claim Number
81468	04/09/2015	0.95	MedReview Inc.	Medical Review Services	XXXXX	L0054	XXXXX
81468	04/09/2015	3.90	MedReview Inc.	Medical Review Services	XXXXX	L0060	XXXXX
81468	04/09/2015	4.33	MedReview Inc.	Medical Review Services	XXXXX	L0054	XXXXX
81468	04/09/2015	6.50	MedReview Inc.	Medical Review Services	XXXXX	L0054	XXXXX
81468	04/09/2015	21.67	MedReview Inc.	Medical Review Services	XXXXX	L0060	XXXXX
Grand Total:	5	37.35					

City of X

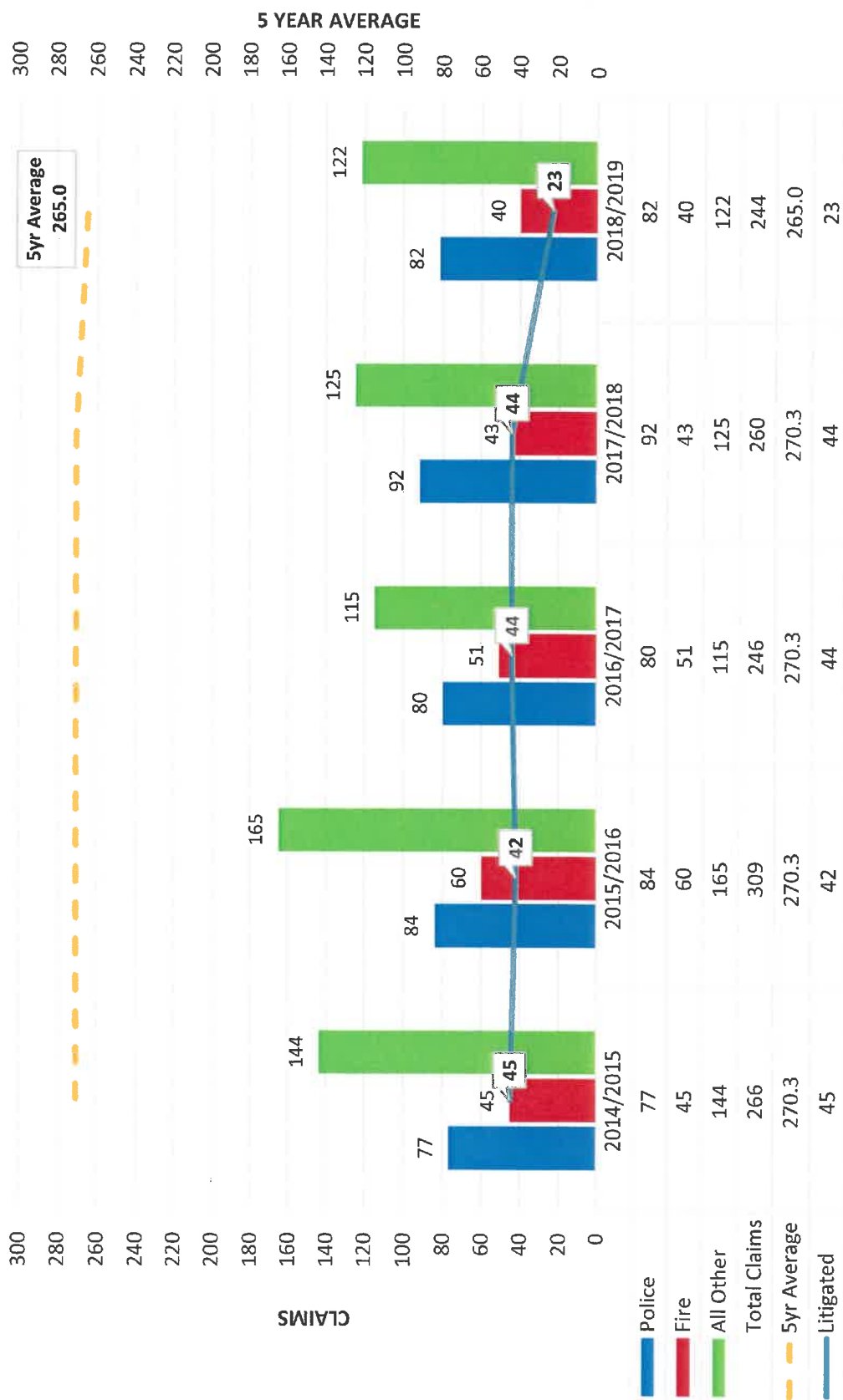
Workers' Compensation Analytics

AdminSure

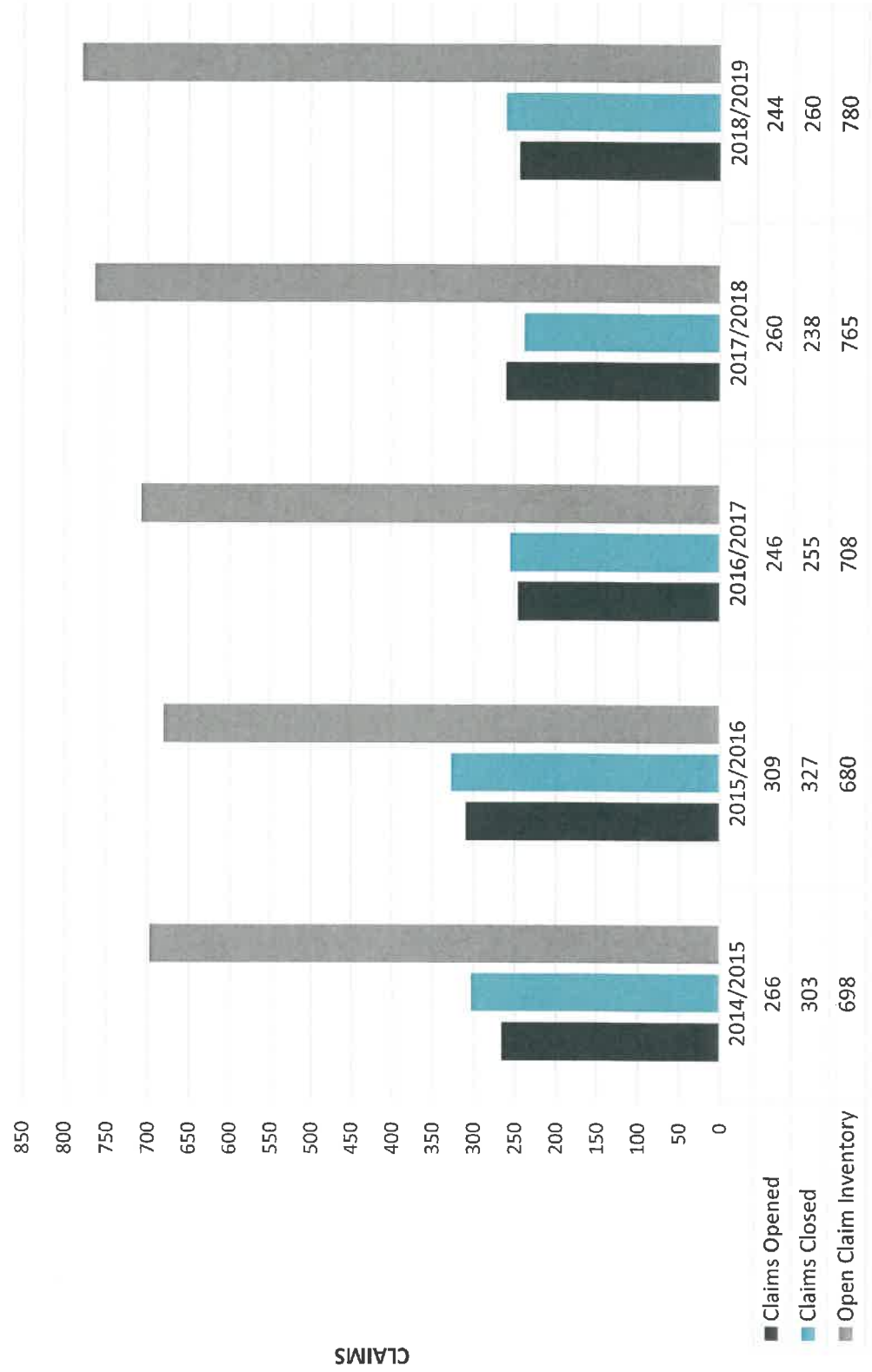
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23 - Five-Year Claim Distribution by Top 10 Cause of Loss (Pie)	
24 - Claim Distribution by Cause of Loss Reference	

CITY OF *Sample* **5YR NEW CLAIMS OPENED** FISCAL YEARS 2014/2015 THROUGH 2018/2019



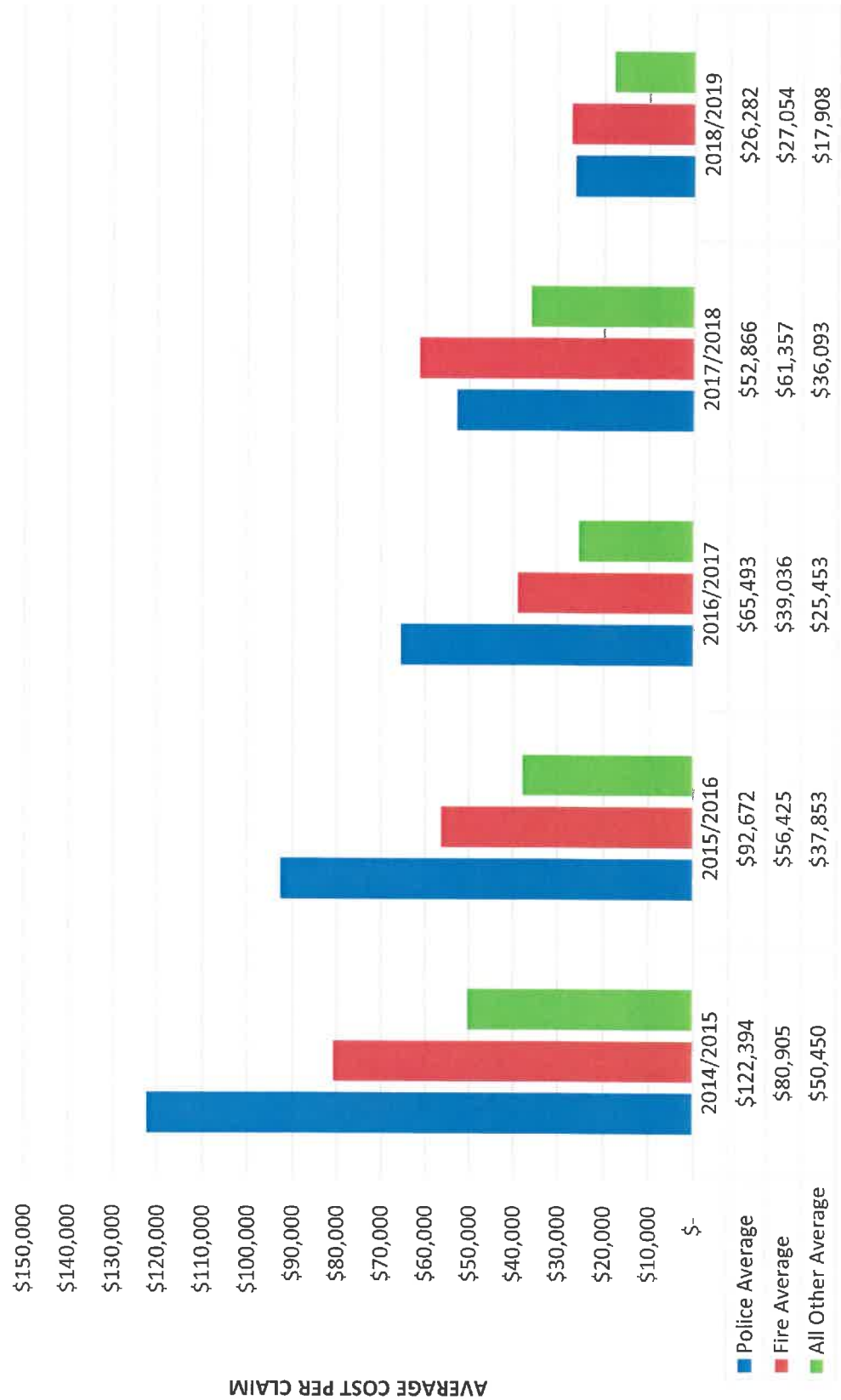
CITY OF *Sample* **5YR NEW CLAIMS OPENED AND CLAIMS CLOSED** FISCAL YEARS 2014/2015 THROUGH 2018/2019



CITY OF *Sample*
PERCENTAGE OF NEW CLAIMS OPENED - INDEMNITY
 VALUATION DATE 6-30-2019

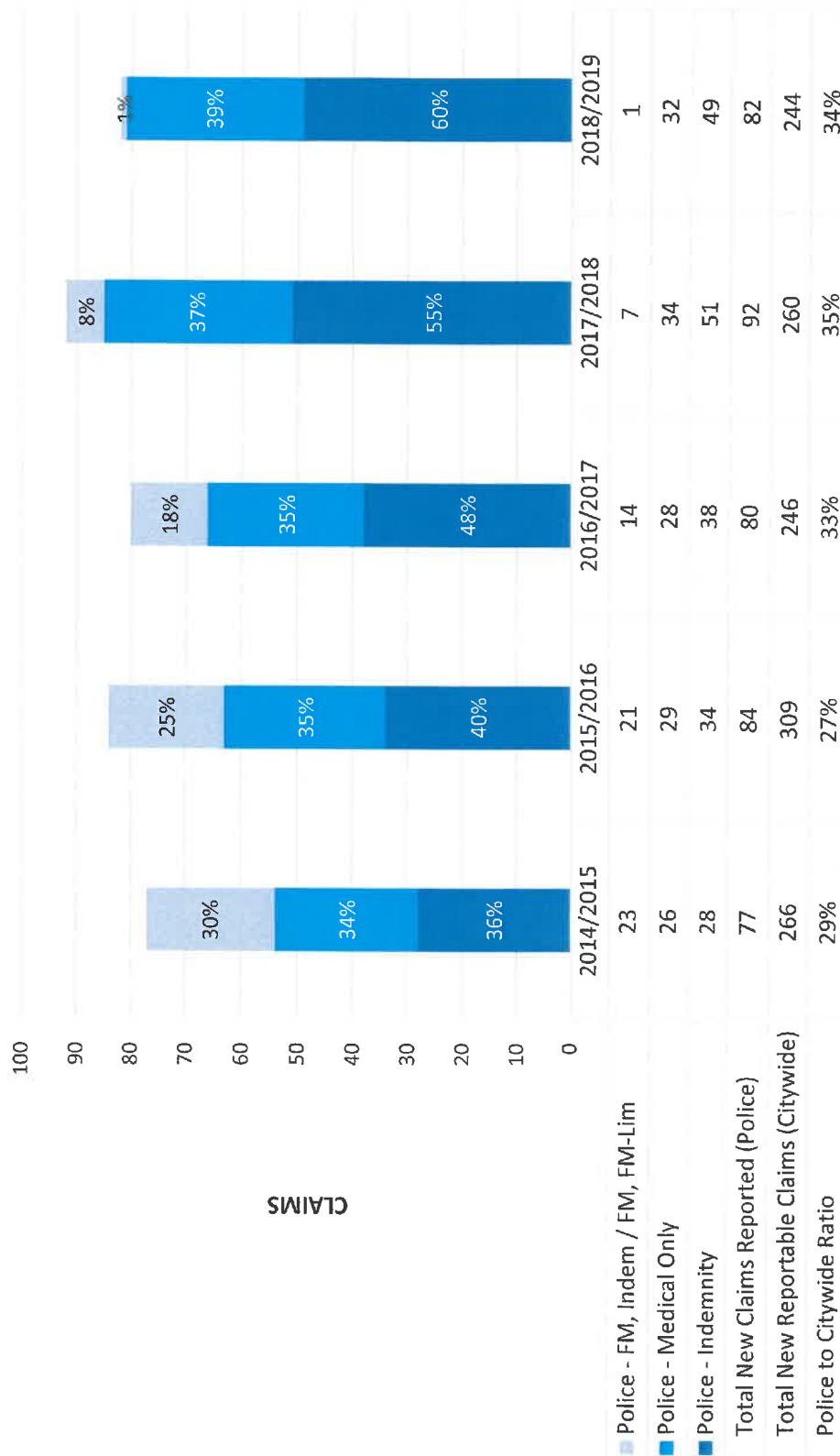


CITY OF *Sample*
AVERAGE COST PER NEW CLAIM ADDED BY DEPARTMENT
 VALUATION DATE 6-30-2019

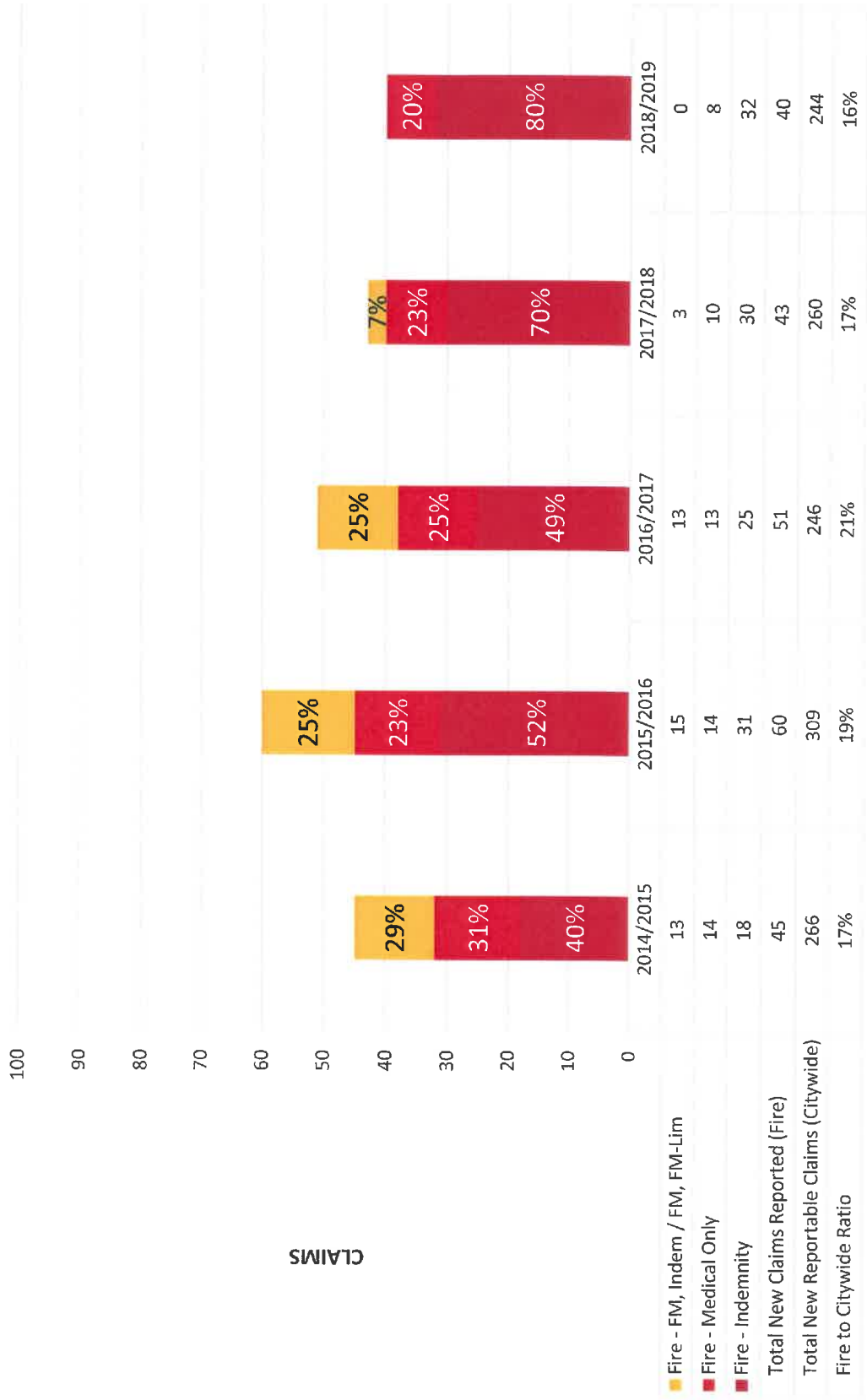


CITY OF *Sample* – POLICE DEPARTMENT **5YR NEW CLAIMS OPENED BY CLAIM TYPE**

FY 2014/2015 THROUGH 2018/2019

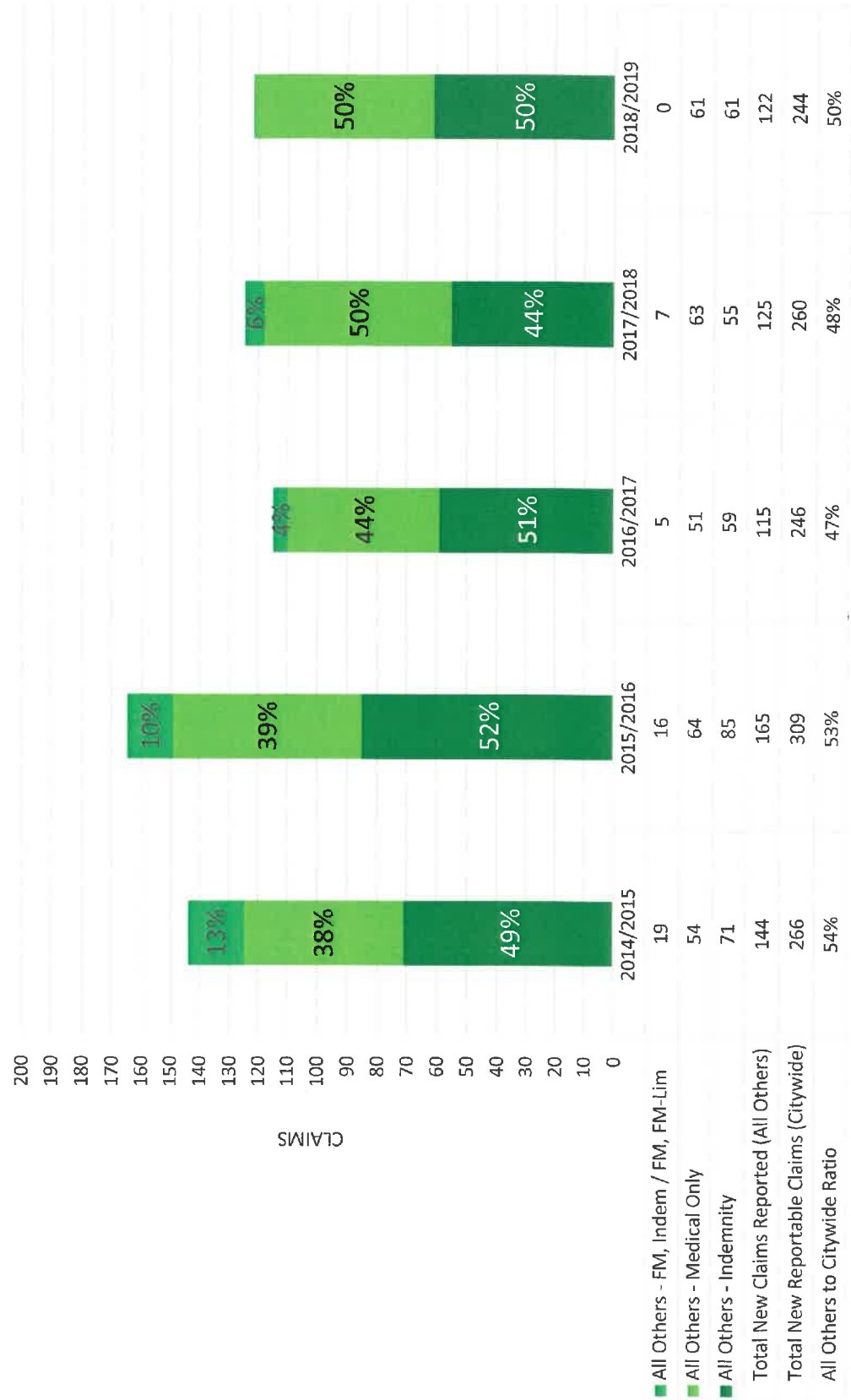


CITY OF *Sample* – FIRE DEPARTMENT **5YR NEW CLAIMS OPENED BY CLAIM TYPE** FY 2014/2015 THROUGH 2018/2019



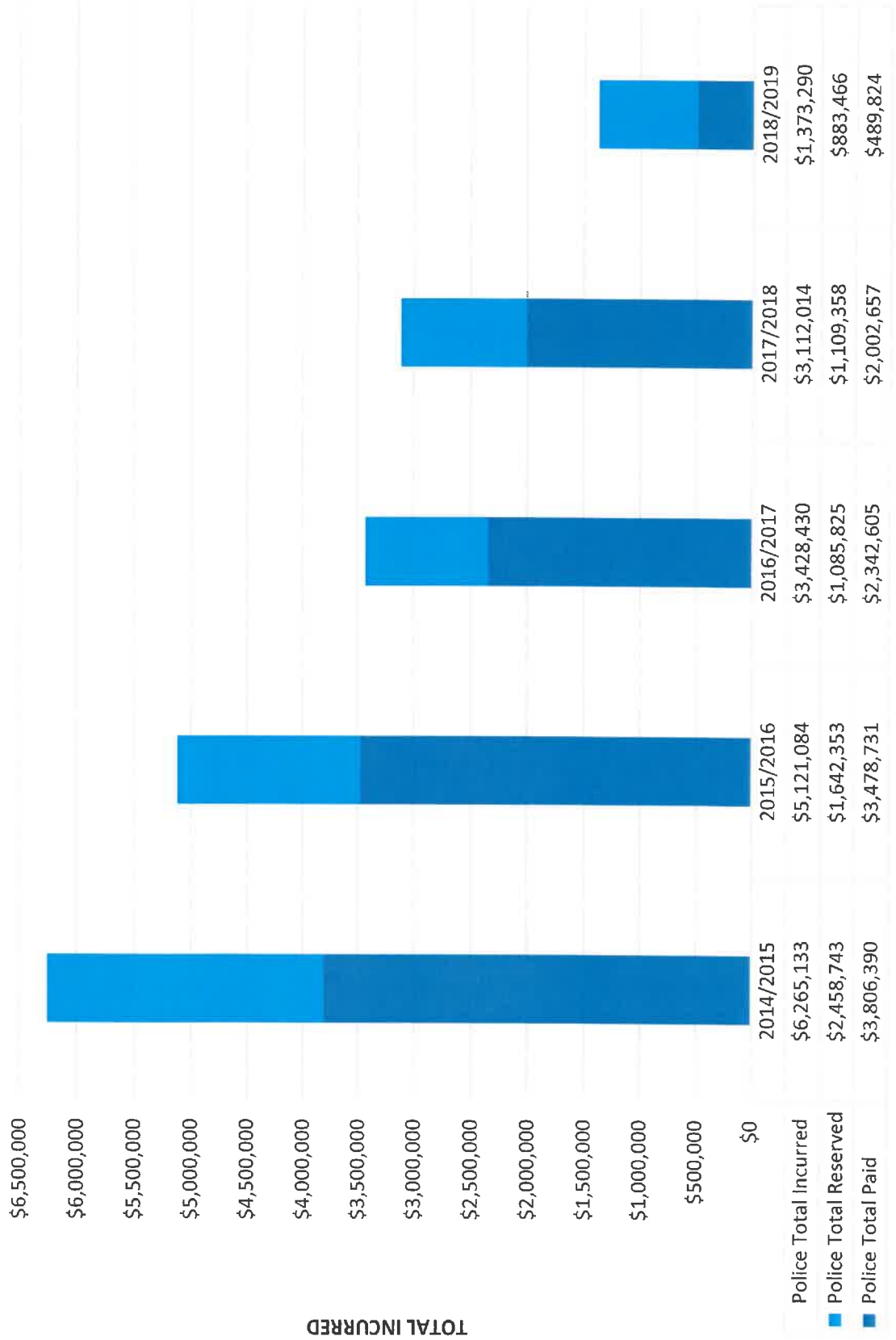
CITY OF *Sample* – ALL OTHER DEPARTMENTS **5YR NEW CLAIMS OPENED BY CLAIM TYPE**

FY 2014/2015 THROUGH 2018/2019



CITY OF *Sample* – POLICE DEPARTMENT **TOTAL INCURRED = PAID & RESERVED**

VALUATION DATE 6-30-2019



CITY OF *Sample* – FIRE DEPARTMENT **TOTAL INCURRED = PAID & RESERVED**

VALUATION DATE 6-30-2019

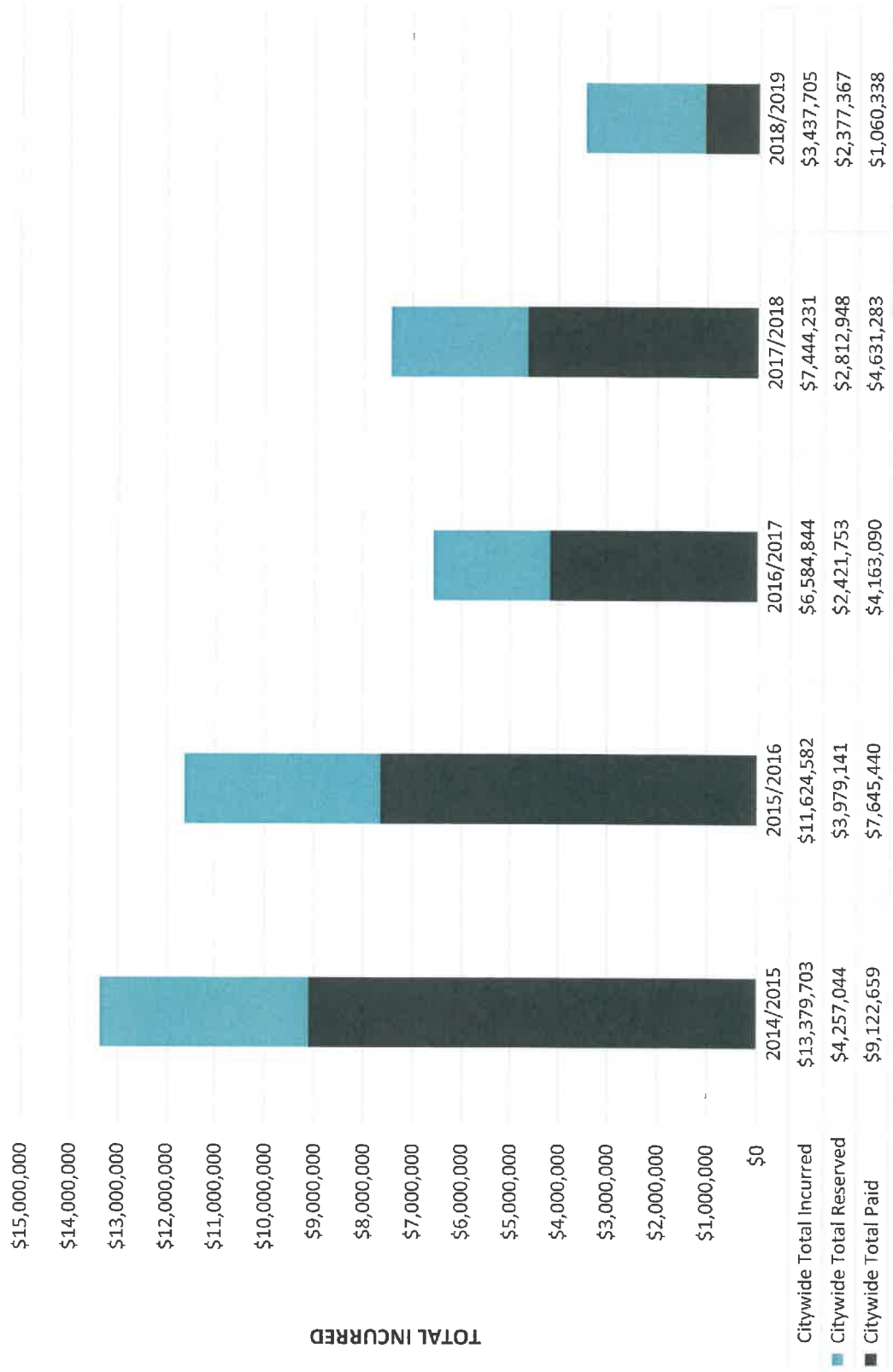


CITY OF *Sample* – ALL OTHER DEPARTMENTS **TOTAL INCURRED = PAID & RESERVED**

VALUATION DATE 6-30-2019



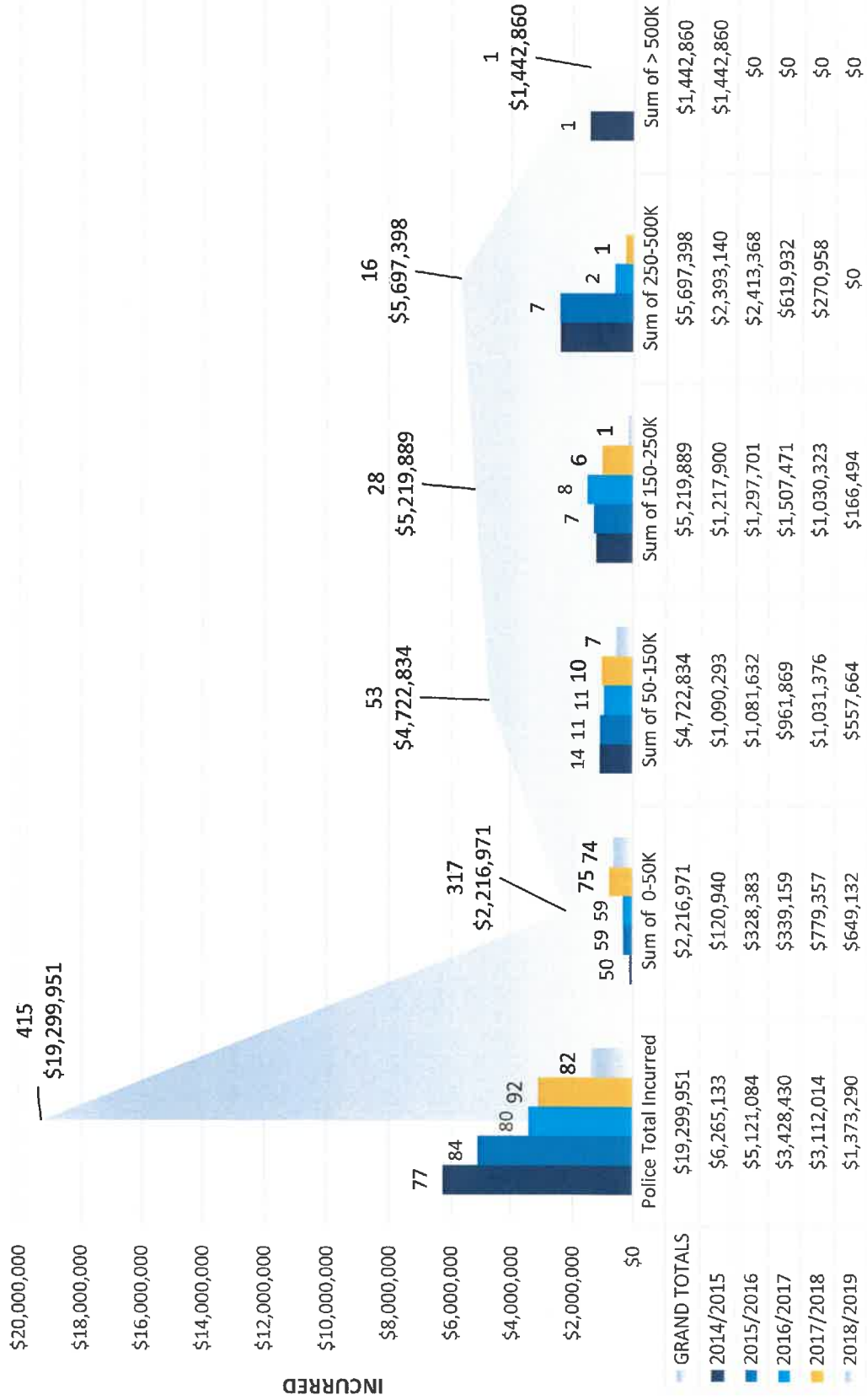
CITY OF *Sample* – CITYWIDE
TOTAL INCURRED = PAID & RESERVED
 VALUATION DATE 6-30-2019



CITY OF *Sample*

STRATIFICATION LOSS - POLICE DEPARTMENT

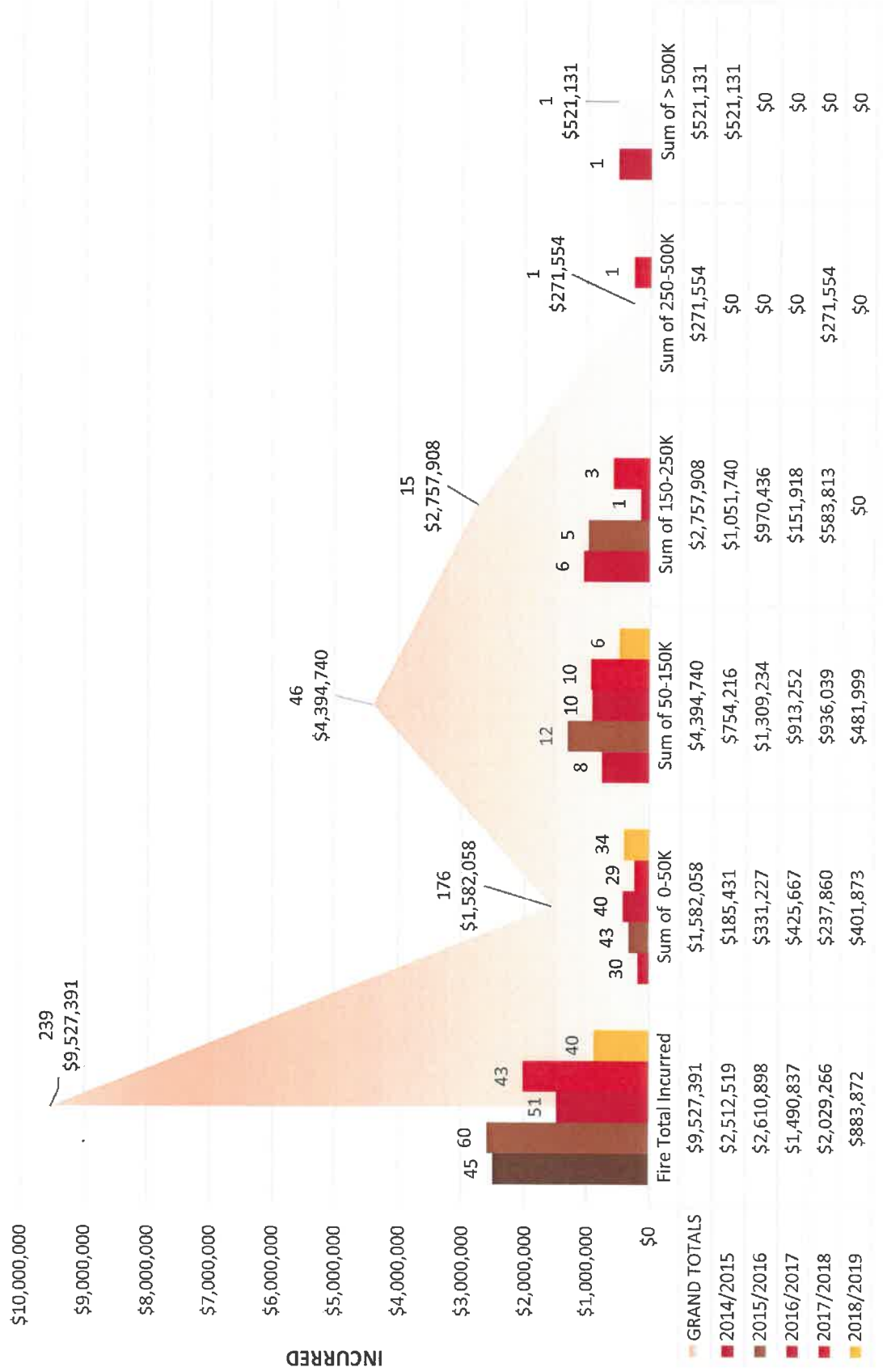
VALUATION DATE 06-30-2019



CITY OF *Sample*

STRATIFICATION LOSS - FIRE DEPARTMENT

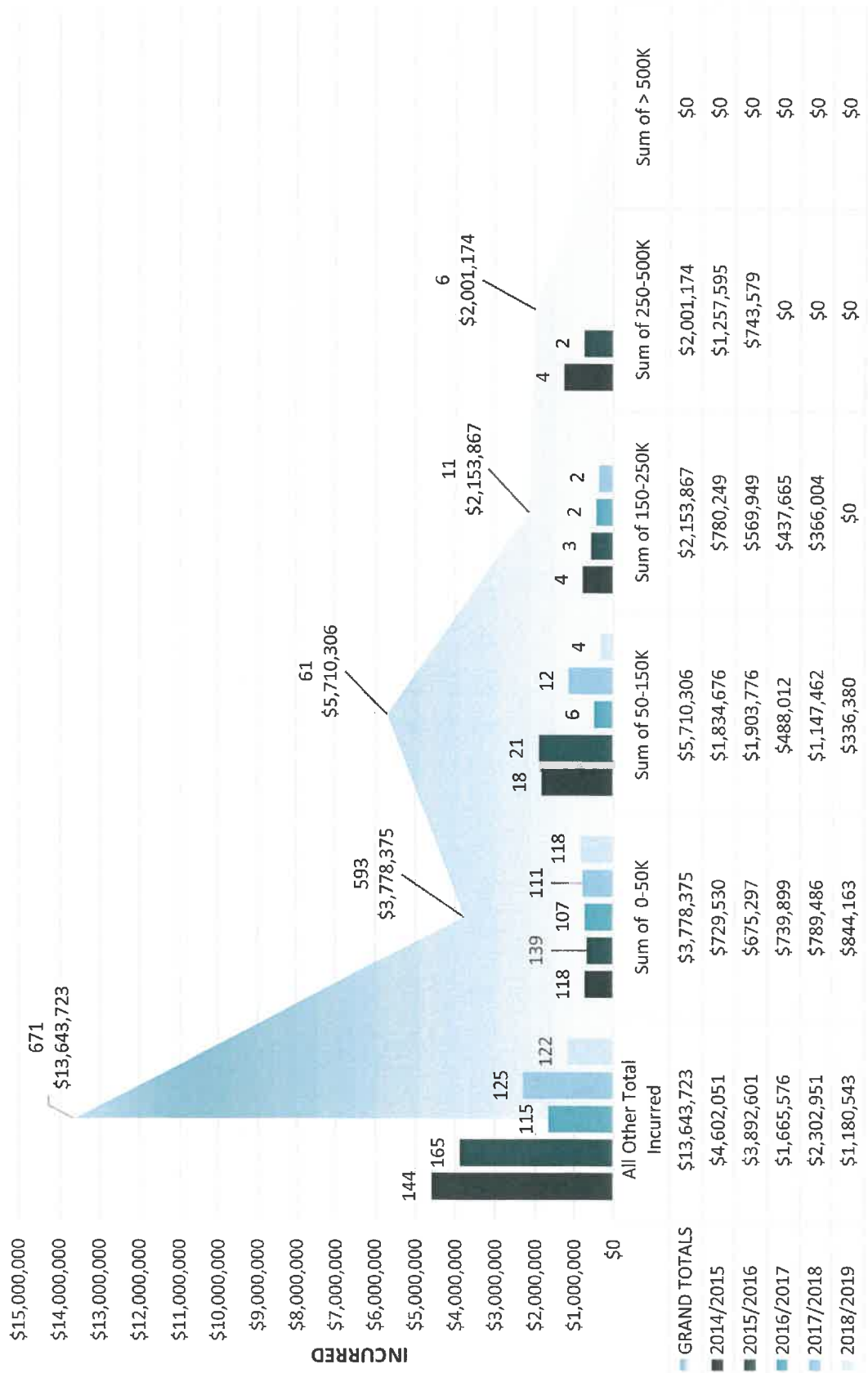
VALUATION DATE 06-30-2019



CITY OF *Sample*

STRATIFICATION LOSS – ALL OTHER DEPARTMENTS

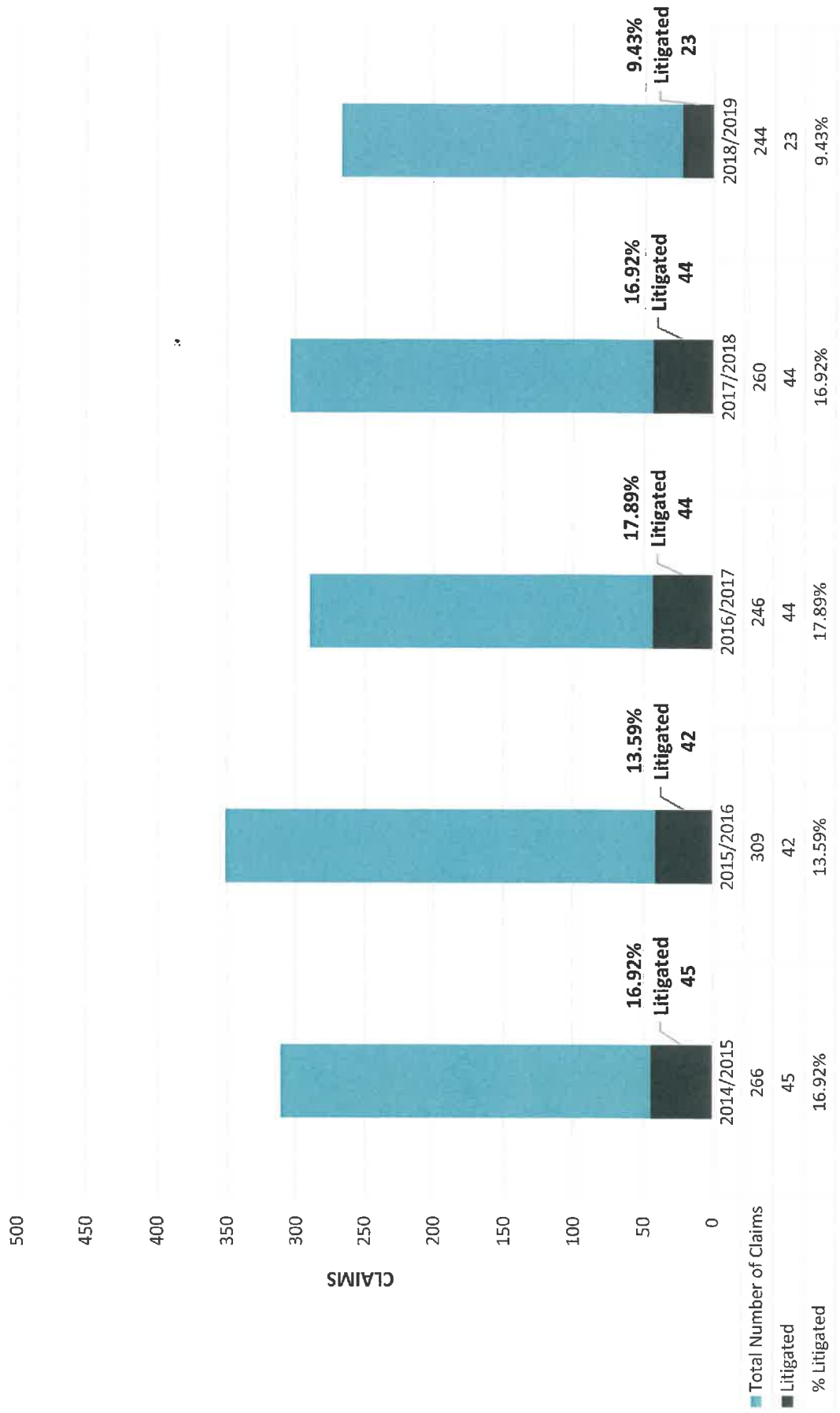
VALUATION DATE 06-30-2019



CITY OF *Sample* – ALL DEPARTMENTS

LITIGATED CLAIMS

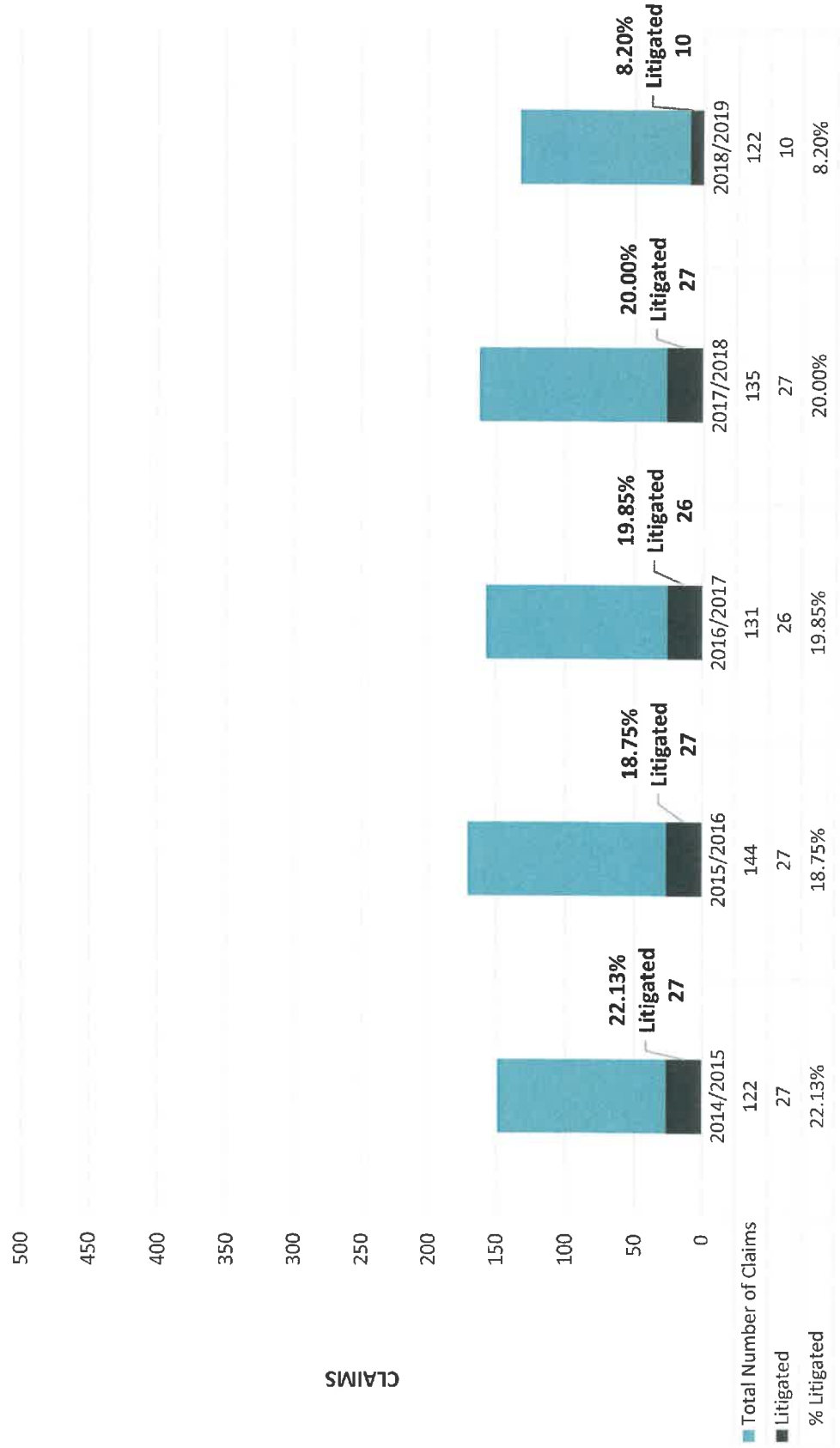
FISCAL YEARS 2014/2015 TO 2018/2019



CITY OF *Sample* - SAFETY (POLICE & FIRE)

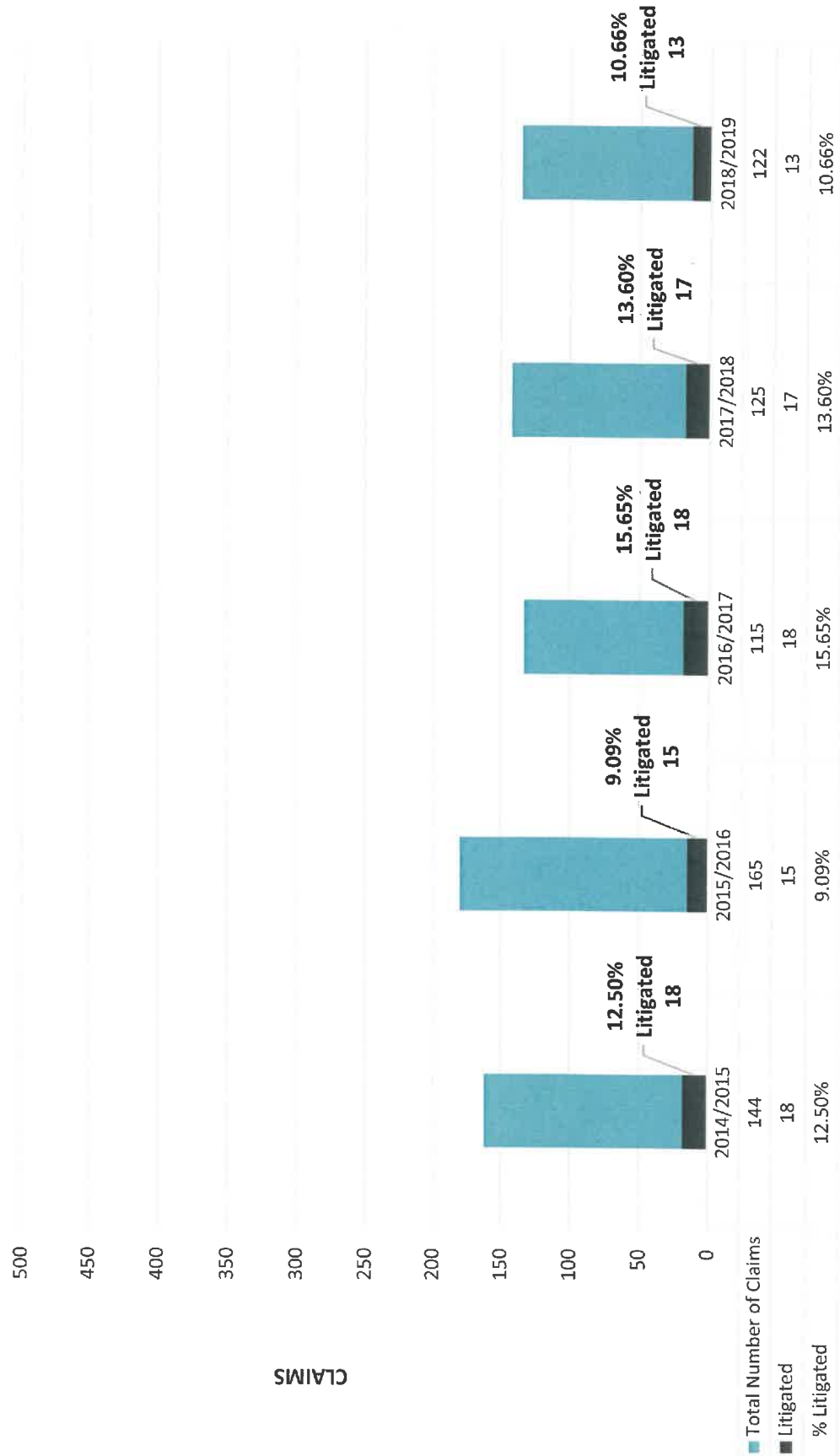
LITIGATED CLAIMS

FISCAL YEARS 2014/2015 TO 2018/2019



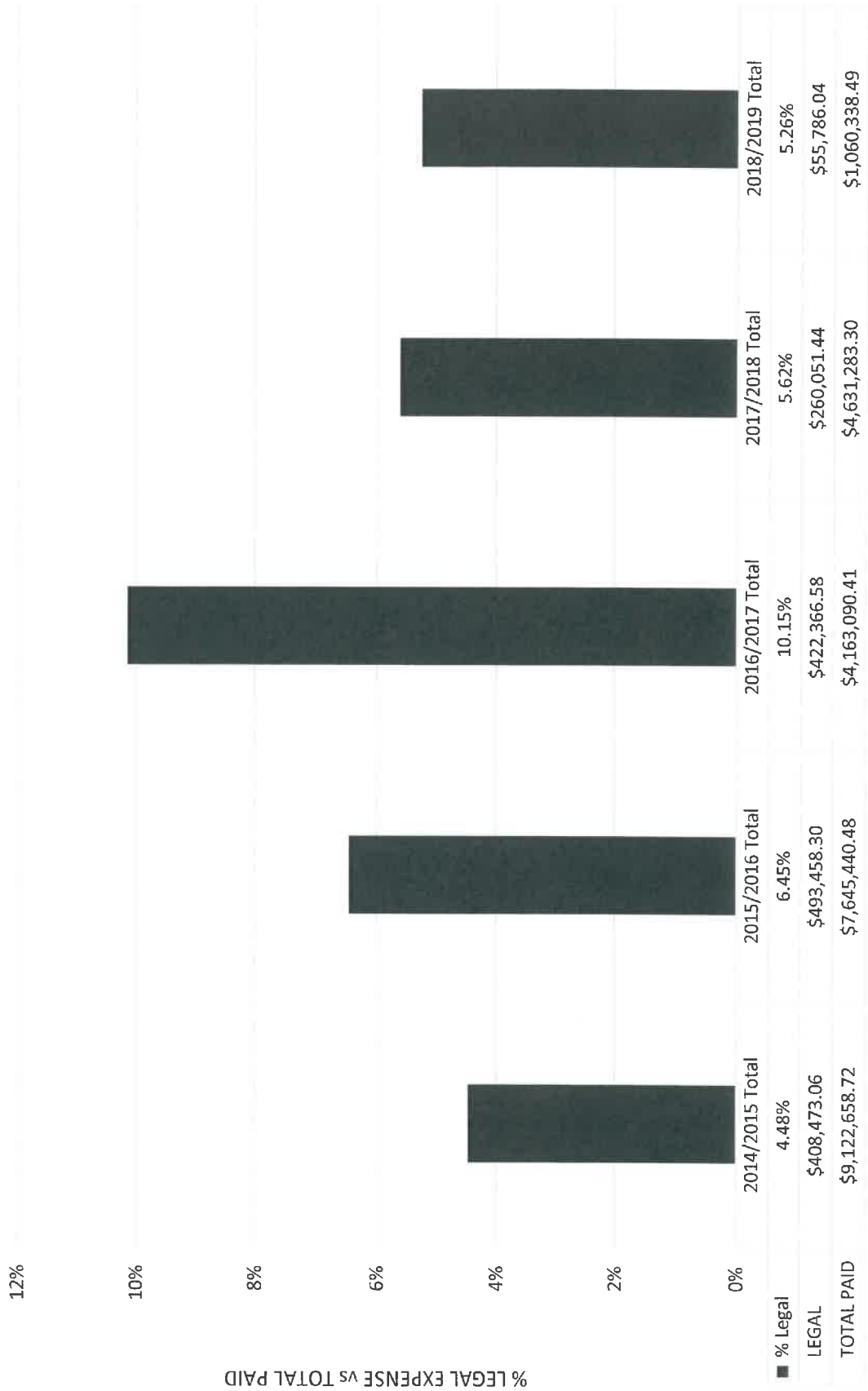
CITY OF *Sample* – NON-SAFETY LITIGATED CLAIMS

FISCAL YEARS 2014/2015 TO 2018/2019



CITY OF *Sample* – ALL DEPARTMENTS
LITIGATED EXPENSES vs TOTAL PAID

CLAIMS OPENED FY 14/15 TO 18/19 – VALUED AS OF 6-30-2019

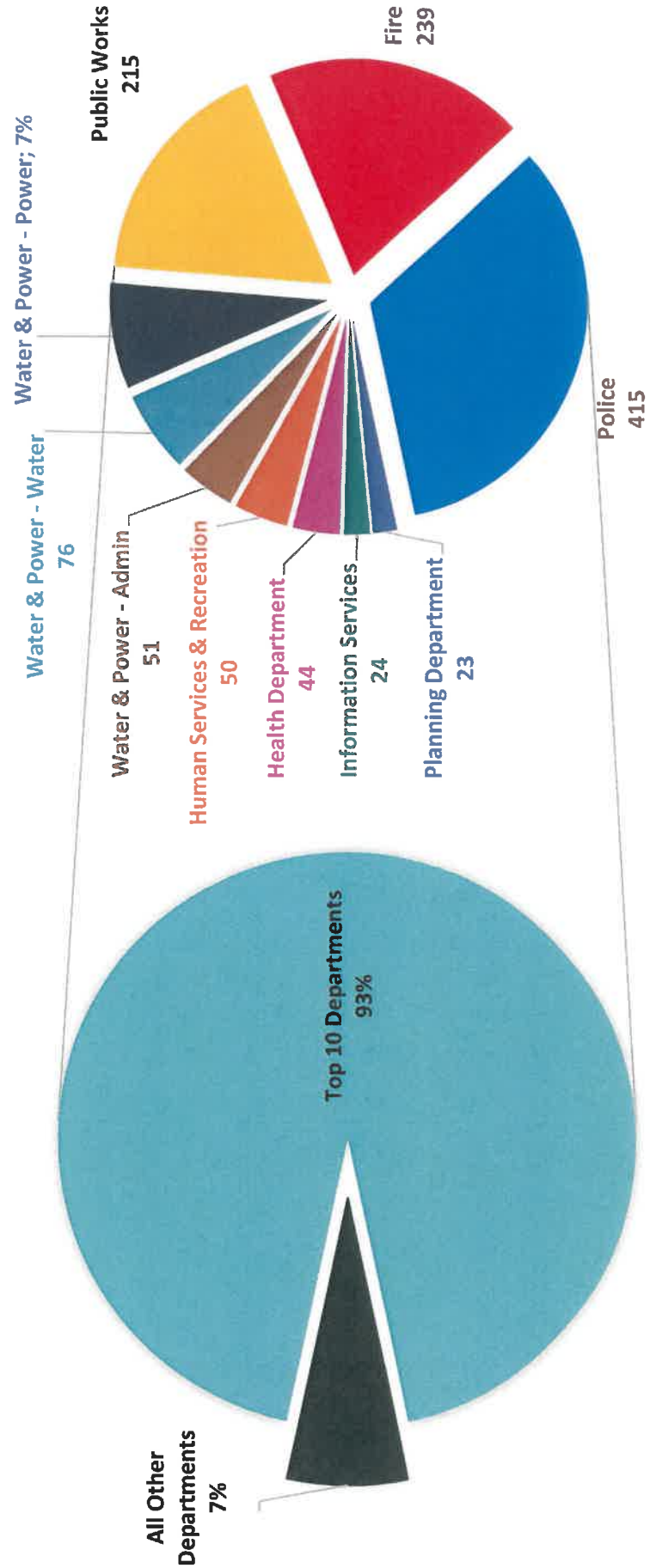


CITY OF *Sample* WORKERS' COMPENSATION **5YR TOP 10 NEW CLAIM DISTRIBUTION BY DEPARTMENT** FY 2014/2015 THROUGH 2018/2019

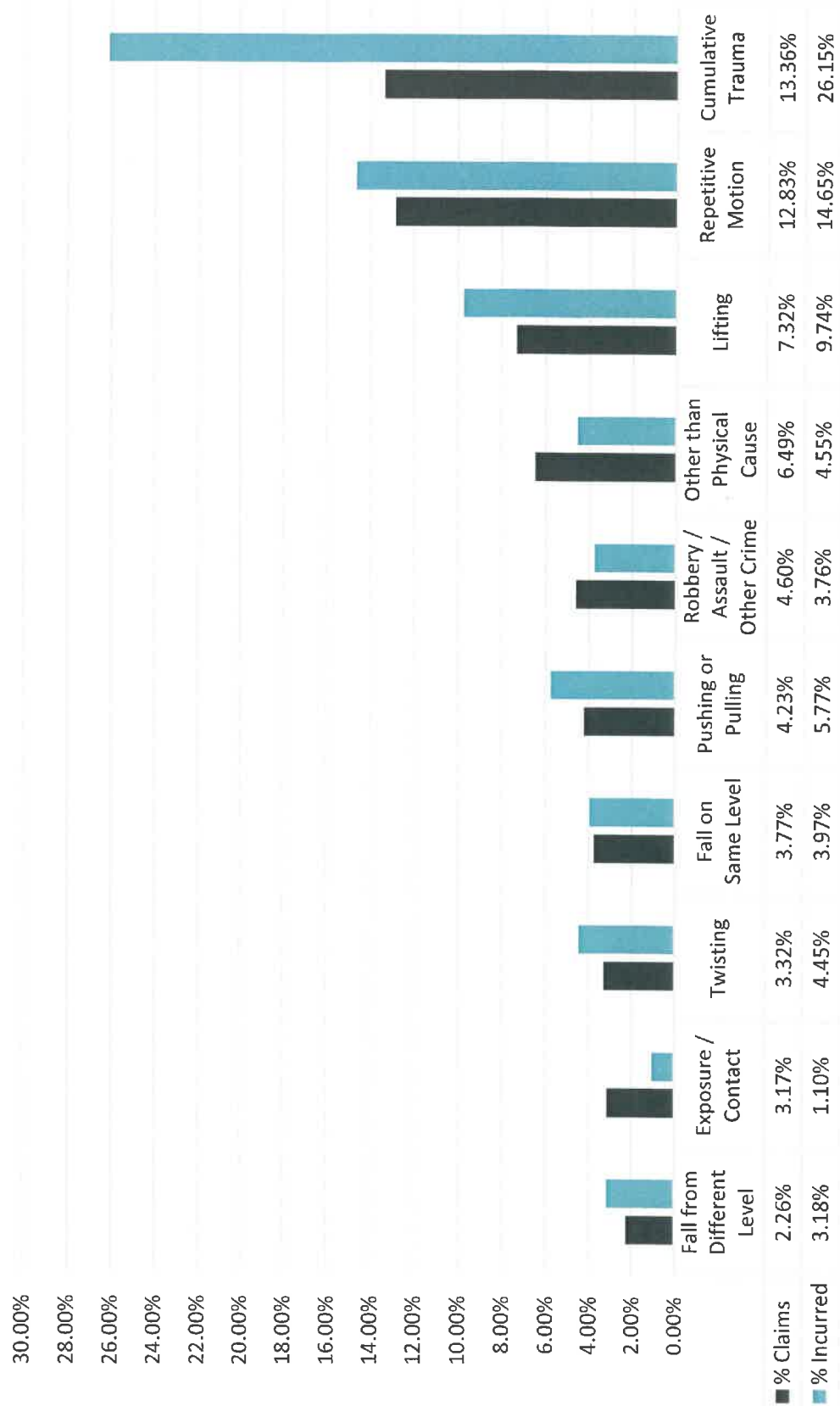


CITY OF *Sample* WORKERS' COMPENSATION 5YR TOP 10 NEW CLAIM DISTRIBUTION BY DEPARTMENT

FY 2014/2015 THROUGH 2018/2019

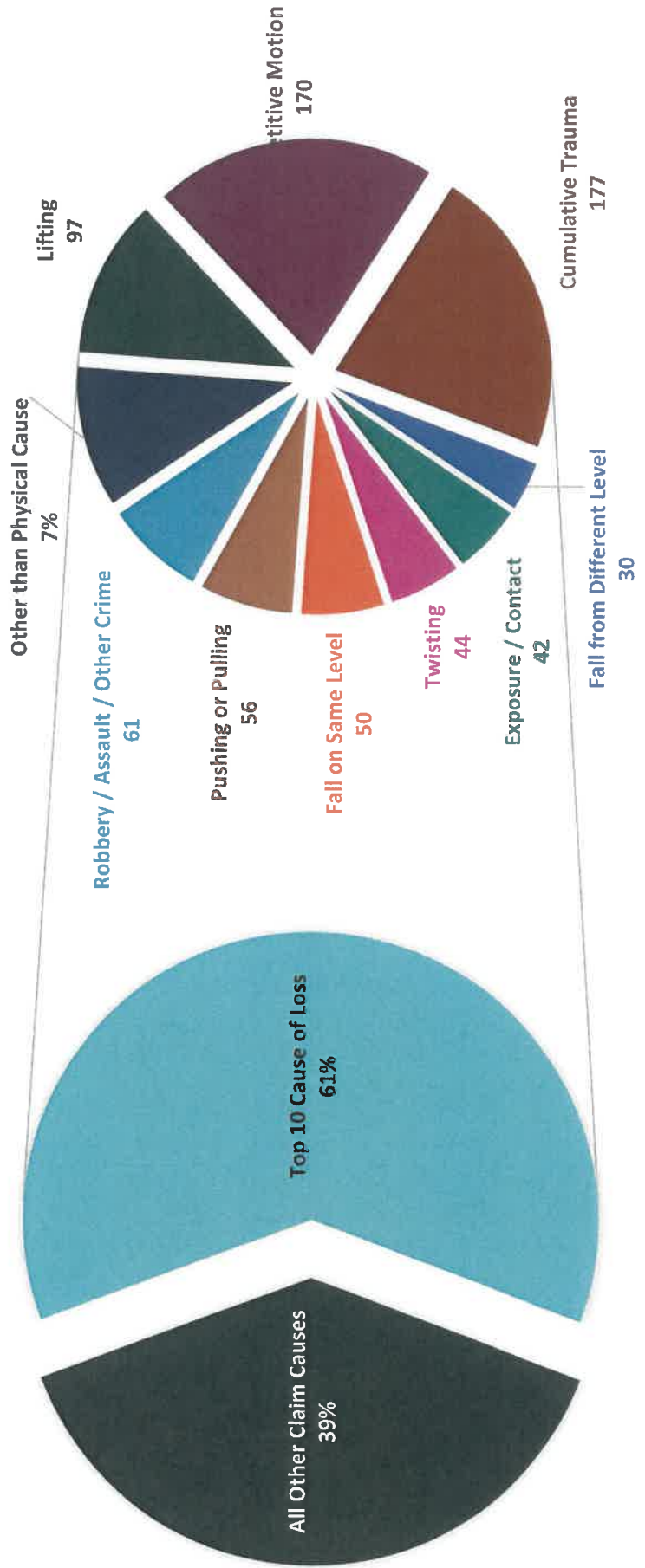


CITY OF *Sample* WORKERS' COMPENSATION **5YR CLAIM DISTRIBUTION BY TOP 10 CAUSE OF LOSS** FY 2014/2015 THROUGH 2018/2019



CITY OF *Sample* WORKERS' COMPENSATION 5YR CLAIM DISTRIBUTION BY TOP 10 CAUSE OF LOSS

FY 2014/2015 THROUGH 2018/2019



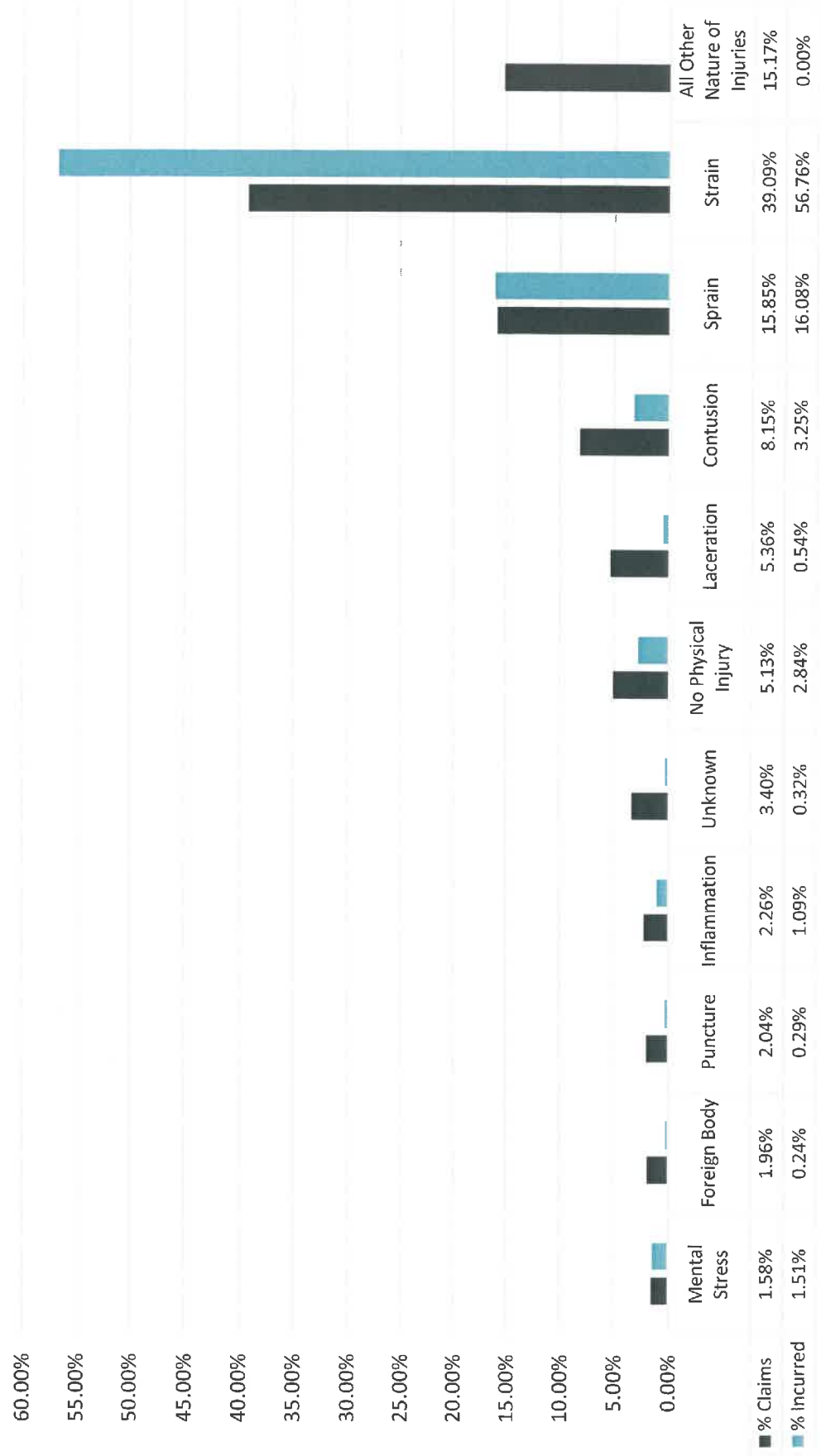
CLAIM DISTRIBUTION BY CAUSE OF LOSS REFERENCE

VALUATION DATE 6-30-2019

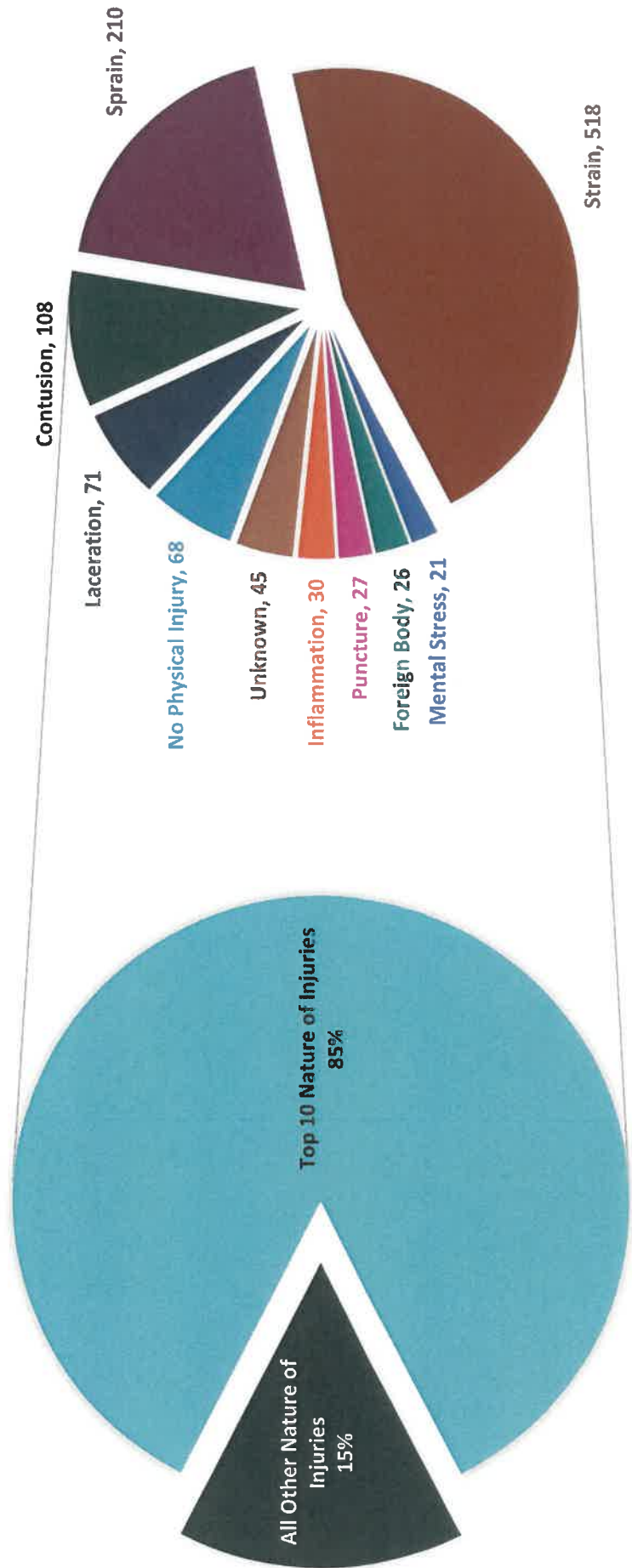
Cause Description	Claims	Total Incurred	Avg/Claim	Cause Description	Claims	Total Incurred	Avg/Claim
Abnormal Air Pressure Exposure	1	\$69,410	\$69,410	Reaching	12	\$242,973	\$20,248
Fire / Flame Contact	1	\$2,335	\$2,335	Hit by Falling / Flying Object	13	\$111,663	\$8,589
Hit by Explosion / Flareback	1	\$966	\$966	Abrasive Repetitive Motion	14	\$403,732	\$28,838
Hot Object / Substance Contact	1	\$800	\$800	Absorbed / Ingested / Inhaled	14	\$121,166	\$8,655
Caught in Machine	2	\$979	\$489	Caught in Handled Object	14	\$67,445	\$4,817
Cut / Scraped by Hand Tool	2	\$236	\$118	Climbing	14	\$540,191	\$38,585
Fall from Ladder / Scaffolding	2	\$3,950	\$1,975	Hit by Miscellaneous Object	14	\$371,716	\$26,551
Hit by Moving Parts / Machine	2	\$35,944	\$17,972	Multi-Vehicle Accident	14	\$1,677,423	\$119,816
Hit by Object Handled by Other	2	\$80,438	\$40,219	Struck Stationary Object	14	\$58,093	\$4,150
Hot Fluid / Steam Contact	2	\$1,266	\$633	Bending / Stooping	15	\$266,115	\$17,741
Vehicle hit Fixed Object	2	\$392,043	\$196,022	Dust / Gas / Fume / Vapor Exposure	15	\$24,739	\$1,649
Continual Noise	3	\$26,517	\$8,839	Foreign Matter / Object in Eye	16	\$32,771	\$2,048
Fall into Opening	3	\$14,176	\$4,725	Trip did not fall	16	\$261,332	\$16,333
Struck / Stepped on Sharp Object	3	\$3,378	\$1,126	Holding or Carrying	18	\$902,784	\$50,155
Struck Moving Parts of Machine	4	\$33,363	\$8,341	Running	19	\$191,671	\$10,088
Cut / Scraped by Broken Glass	5	\$5,353	\$1,071	Slip did not fall	19	\$519,832	\$27,360
Cut / Scraped by Powered Tool	5	\$3,386	\$677	Using Tool or Machine	22	\$705,798	\$32,082
Extreme Temperature Exposure	5	\$11,771	\$2,354	Hit / Injured by Animal / Insect	23	\$19,542	\$850
Struck Miscellaneous Object	5	\$149,831	\$29,966	Cut / Scraped by Other Object	27	\$60,026	\$2,223
Fall on Slippery Substance	6	\$192,439	\$32,073	Hit by Handled Object	27	\$249,053	\$9,224
Struck Handled / Lifted Object	6	\$8,049	\$1,342	Miscellaneous Fall or Slip	29	\$362,002	\$12,483
Vehicle Accident	6	\$321,209	\$53,535	Fall from Different Level	30	\$1,352,057	\$45,069
Caught by Miscellaneous Object	7	\$103,619	\$14,803	Exposure / Contact	42	\$466,592	\$11,109
Strain	7	\$41,450	\$5,921	Twisting	44	\$1,889,636	\$42,946
Hit by Hand Tool / Machine	8	\$5,937	\$742	Fall on Same Level	50	\$1,684,917	\$33,698
Hit by Co-Worker / Patient	9	\$159,203	\$17,689	Pushing or Pulling	56	\$2,448,577	\$43,725
Hit by Motor Vehicle	10	\$210,335	\$21,033	Robbery / Assault / Other Crime	61	\$1,595,643	\$26,158
Jumping	10	\$444,269	\$44,427	Other than Physical Cause	86	\$1,930,650	\$22,449
Fall on Stairs	11	\$29,582	\$2,689	Lifting	97	\$4,136,148	\$42,641
Cut / Scraped by Handled Object	12	\$98,729	\$8,227	Repetitive Motion	170	\$6,221,434	\$36,597
				Cumulative Trauma	177	\$11,104,381	\$62,737
GRAND TOTALS	Claims: 1325	Incurred: \$42,471,065	Average: \$32,053.63				

CITY OF *Sample* WORKERS' COMPENSATION **5YR CLAIM DISTRIBUTION BY TOP 10 NATURE OF INJURY**

FY 2014/2015 THROUGH 2018/2019



**CITY OF *Sample* WORKERS' COMPENSATION
5YR CLAIM DISTRIBUTION BY TOP 10 NATURE OF INJURY**
FY 2014/2015 THROUGH 2018/2019



CLAIM DISTRIBUTION BY NATURE OF INJURY REFERENCE

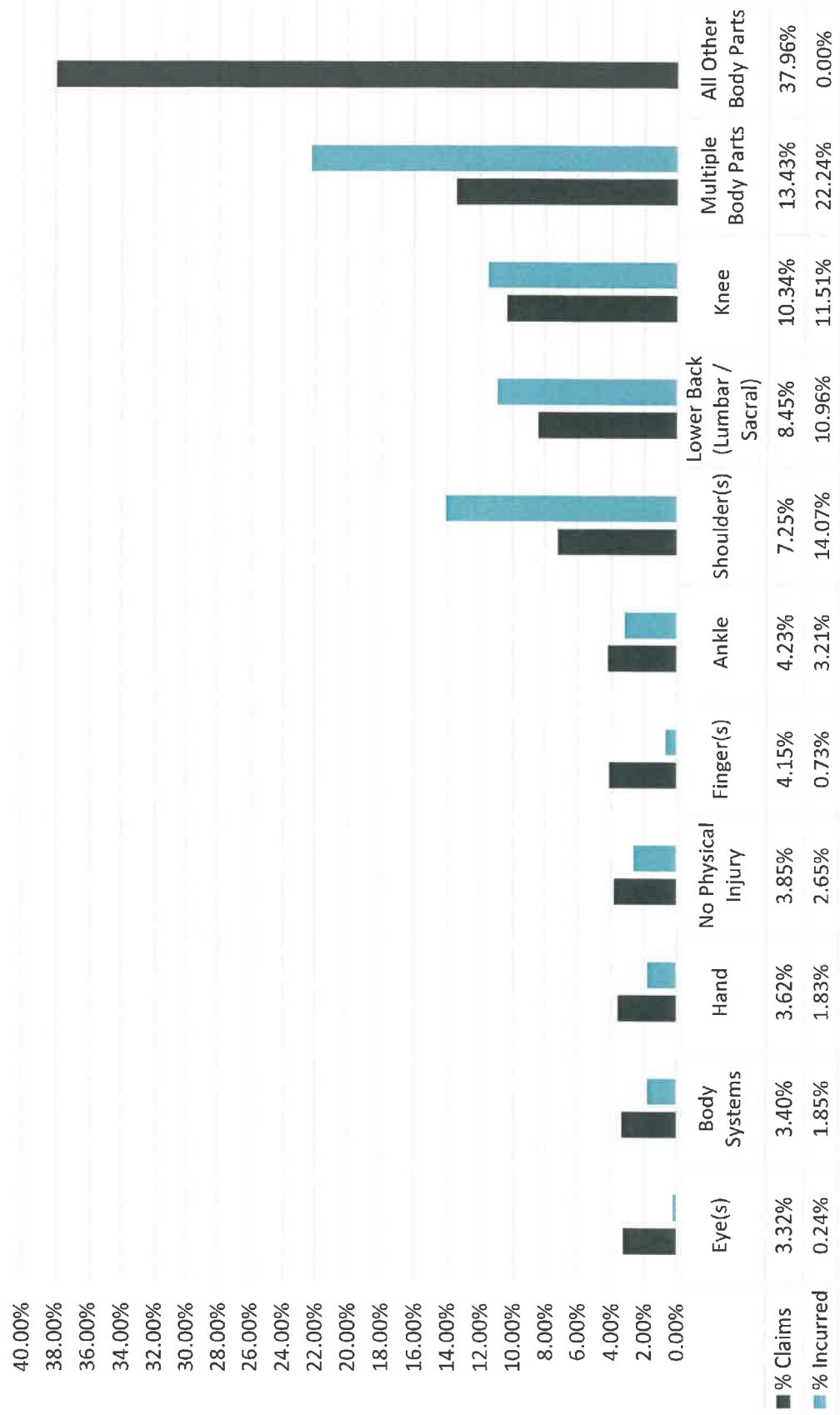
VALUATION DATE 6-30-2019

Nature of Injury	Claims	Total Incurred	Avg/Claim	Nature of Injury	Claims	Total Incurred	Avg/Claim
Cardiovascular Disease	1	\$36,820	\$36,820	Dizziness	8	\$18,009	\$2,251
Concussion	1	\$222	\$222	Heart Trouble	8	\$385,561	\$48,195
Pneumonia	1	\$42,160	\$42,160	Hypertension	8	\$257,074	\$32,134
Poisoning - General	1	\$864	\$864	Dermatitis	10	\$111,090	\$11,109
Tinnitus Cumulative	1	\$83,448	\$83,448	Abrasion	11	\$95,676	\$8,698
Tinnitus Specific	1	\$704	\$704	Asbestosis	12	\$193,348	\$16,112
Vision Loss	1	\$1,546	\$1,546	Cancer	12	\$999,048	\$83,254
Amputation	2	\$57,516	\$28,758	Fracture	13	\$2,707,139	\$208,241
Electric Shock	2	\$774	\$387	Infection	15	\$40,532	\$2,702
Elevated Heart Rate	2	\$27,471	\$13,735	Carpal Tunnel Syndrome	16	\$635,787	\$39,737
Myocardial Infarction	2	\$327,231	\$163,616	Hernia	16	\$483,179	\$30,199
Syncope	2	\$3,241	\$1,620	Mental Stress	21	\$640,260	\$30,489
Hearing Loss (Cumulative)	3	\$95,530	\$31,843	Foreign Body	26	\$103,976	\$3,999
Hearing Loss (Specific Trauma)	3	\$101,660	\$33,887	Puncture	27	\$123,567	\$4,577
Contagious Disease	4	\$4,671	\$1,168	Inflammation	30	\$461,111	\$15,370
Dislocation	4	\$73,075	\$18,269	Unknown	45	\$134,521	\$2,989
Exposure Bloodborne Pathogen	4	\$1,813	\$453	No Physical Injury	68	\$1,205,505	\$17,728
Smoke Inhalation	4	\$15,610	\$3,903	Laceration	71	\$227,683	\$3,207
Rupture	5	\$241,193	\$48,239	Contusion	108	\$1,379,646	\$12,775
Respiratory Disorders	6	\$142,387	\$23,731	Sprain	210	\$6,828,444	\$32,516
Crushing	7	\$36,204	\$5,172	Strain	518	\$24,105,724	\$46,536
Heat Prostration	7	\$28,706	\$4,101				
Burn	8	\$11,338	\$1,417				

GRAND TOTALS	Claims: 1325	Incurred: \$42,471,065	Average: \$32,053.63
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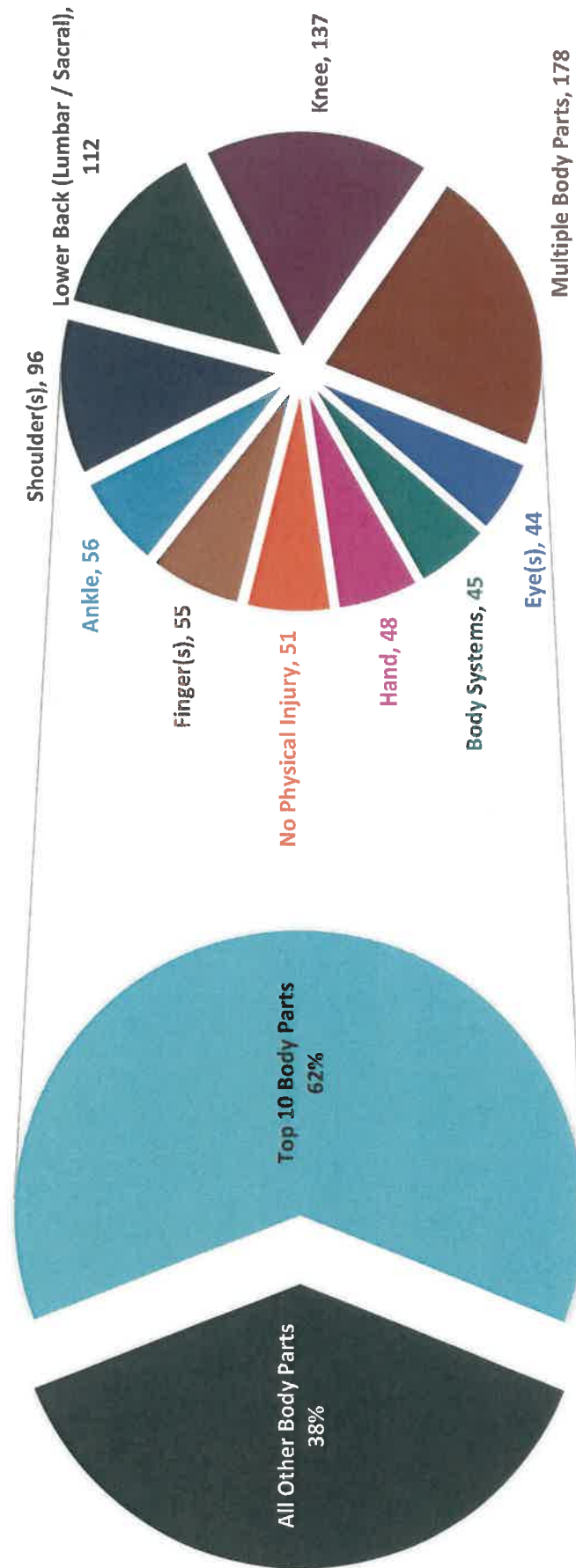
CITY OF *Sample* WORKERS' COMPENSATION 5YR CLAIM DISTRIBUTION BY TOP 10 BODY PART

FY 2014/2015 THROUGH 2018/2019



CITY OF *Sample* WORKERS' COMPENSATION 5YR CLAIM DISTRIBUTION BY TOP 10 BODY PART

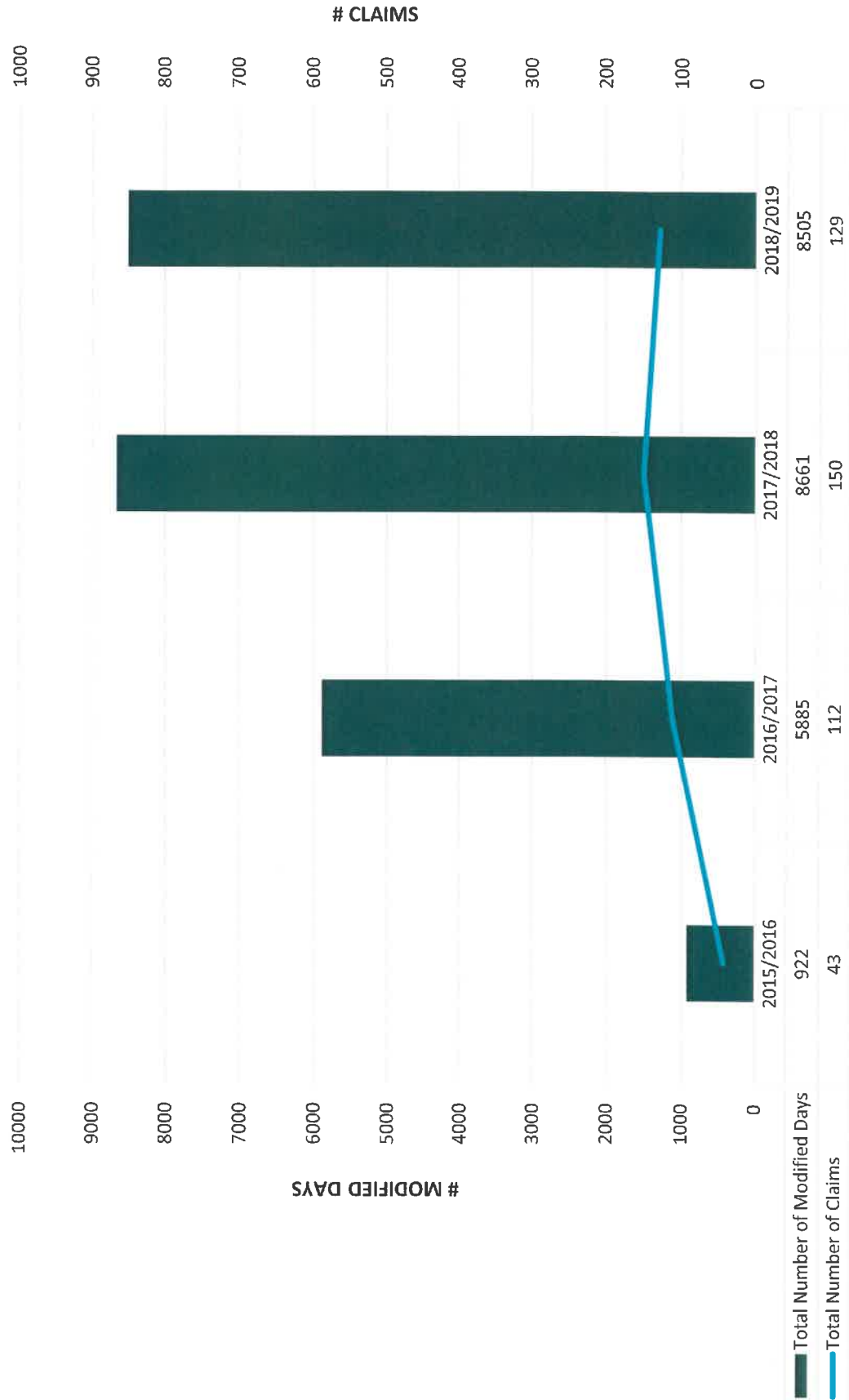
FY 2014/2015 THROUGH 2018/2019



CITY OF *Sample*

MODIFIED DUTY DAYS - ALL DEPARTMENTS

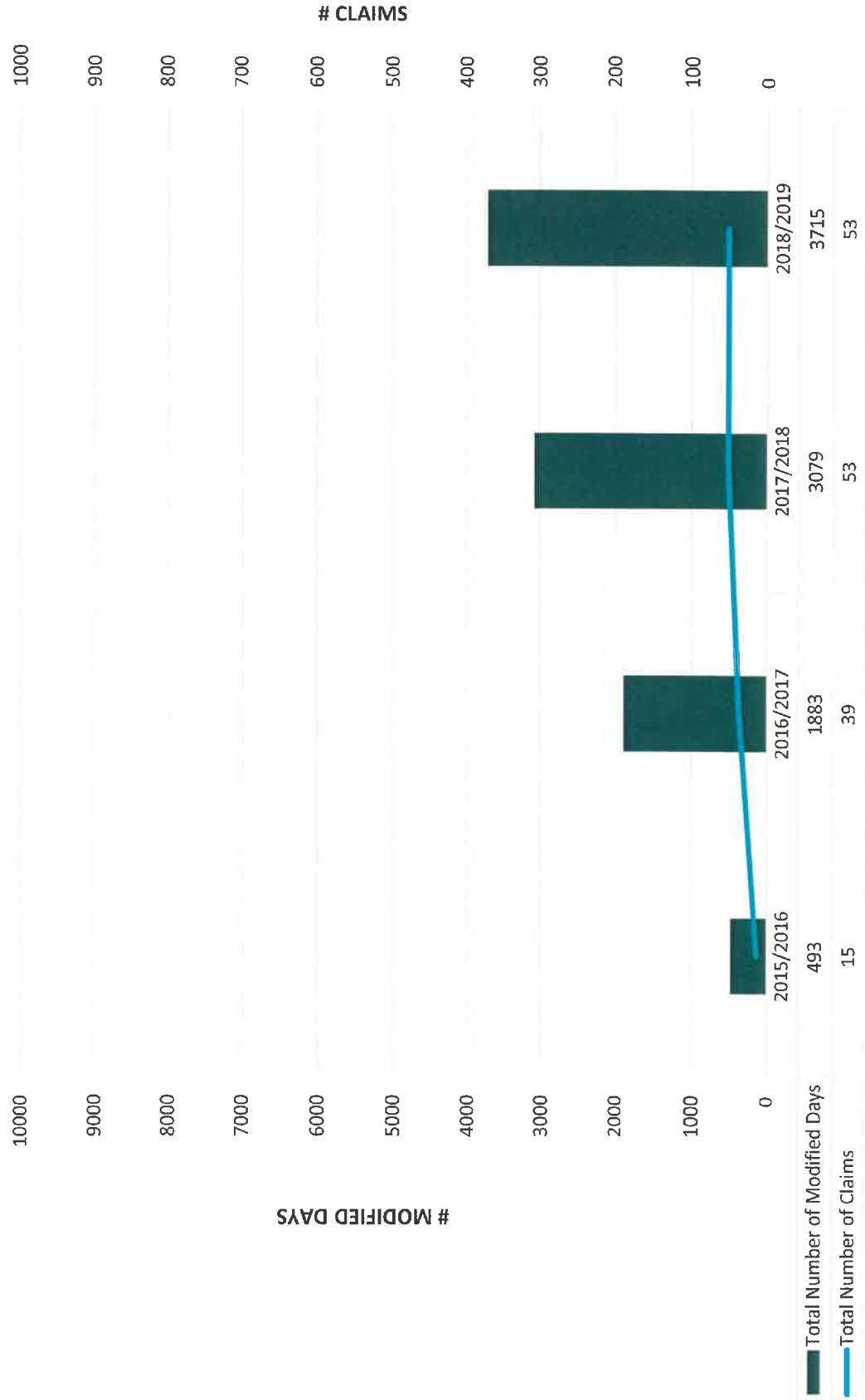
ACROSS ALL CLAIMS WITH MOD. DAYS > 0 AT FY END – REGARDLESS OF DOI/OPEN DATE



CITY OF *Sample*

MODIFIED DUTY DAYS - SAFETY (POLICE & FIRE)

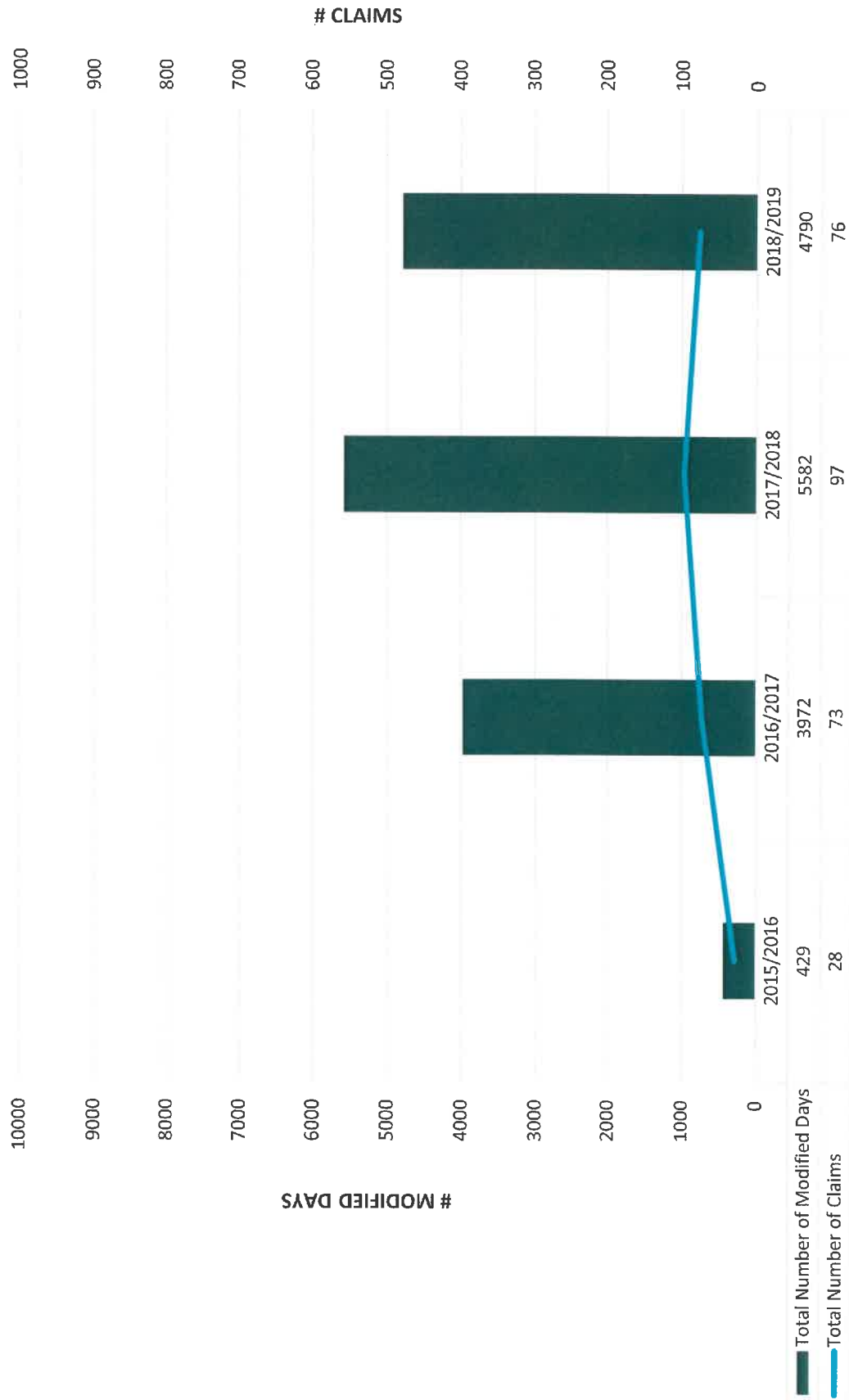
ACROSS ALL CLAIMS WITH MOD. DAYS > 0 AT FY END -- REGARDLESS OF DOI/OPEN DATE



CITY OF *Sample*

MODIFIED DUTY DAYS - NON-SAFETY

ACROSS ALL CLAIMS WITH MOD. DAYS > 0 AT FY END – REGARDLESS OF DOI/OPEN DATE



CITY OF *Sample*

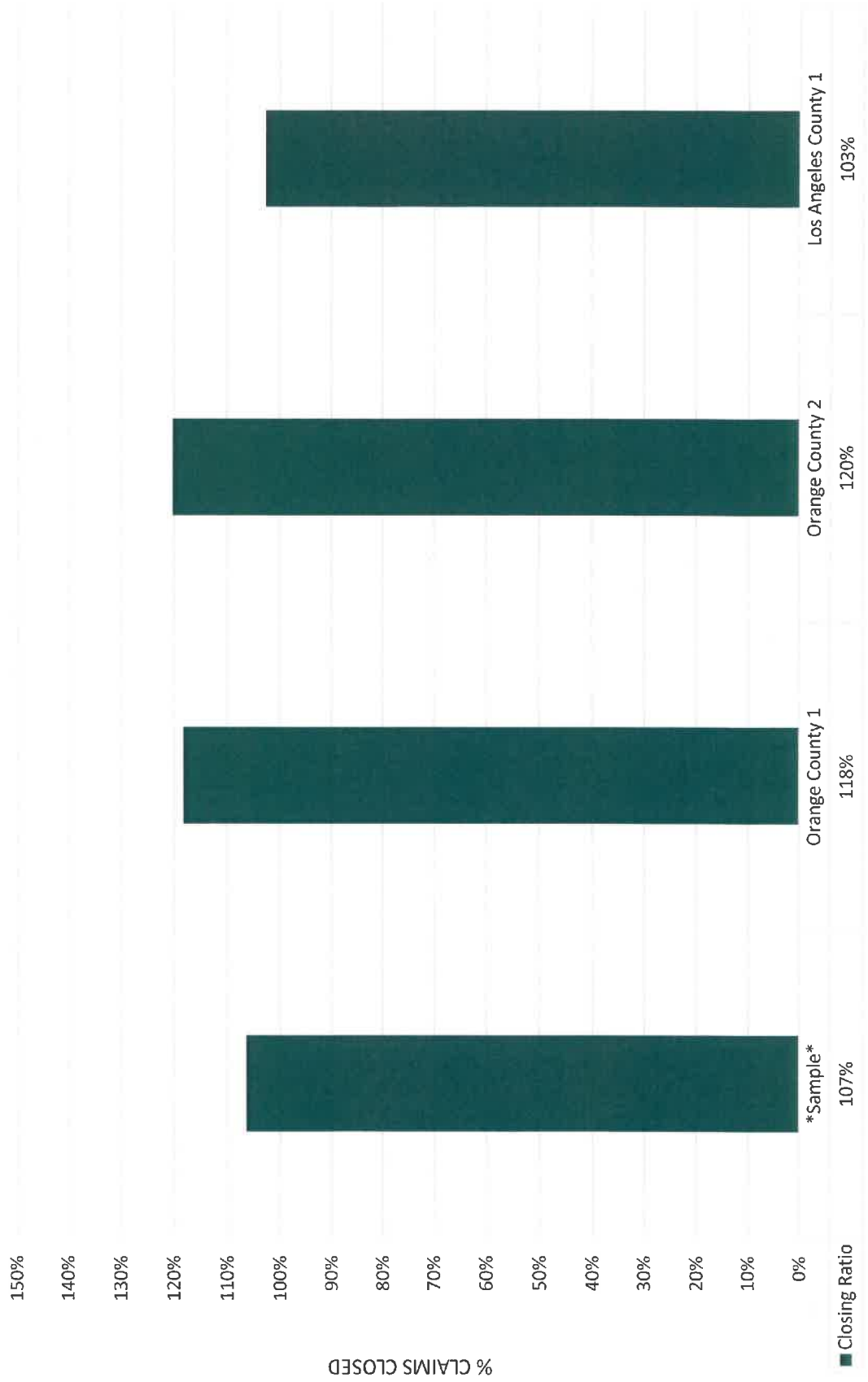
METRICS

	2014/2015	2015/2016	2016/2017	2017/2018	4yr. Avg.	2018/2019
1. Average Cost Per Claim	\$6,593	\$5,679	\$6,160	\$7,812	\$6,561	\$4,346
Total Claim Costs (Total Paid) @ End of Fiscal Year						
Total # of Reported Claims	266	309	246	260		244
	\$1,753,750	\$1,754,658	\$1,515,292	\$2,031,136		\$1,060,338
Total Claim Costs as of 6/30/2019						
Total # of Reported Claims	266	309	246	260		244
	\$34,296	\$24,743	\$16,923	\$17,813	\$23,443	\$4,346
	\$9,122,659	\$7,645,440	\$4,163,090	\$4,631,283		\$1,060,338
2. Annual Cost Per FTE						
Total # of FTE's Covered Under WC	1886	1912	1912	1860		2138
	\$930	\$918	\$793	\$1,092	\$933	\$496
Total Claim Costs (Total Paid) @ End of Fiscal Year						
Total # of FTE's Covered Under WC	1886	1912	1912	1860		2138
	\$1,753,750	\$1,754,658	\$1,515,292	\$2,031,136		\$1,060,338
Total Claim Costs as of 6/30/2019						
Total # of FTE's Covered Under WC	1886	1912	1912	1860		2138
	\$4,837	\$3,999	\$2,177	\$2,490	\$3,376	\$496
	\$9,122,659	\$7,645,440	\$4,163,090	\$4,631,283		\$1,060,338
3. Frequency Rate (per 100 employees)						
Total # of Reported Claims	266	309	246	260		244
Total # of FTE's Covered Under WC	1886	1912	1912	1860		2138
	14.10%	16.16%	12.87%	13.98%	14.28%	11.41%
4. Percentage of Annual Indemnity Claims						
# of New Indemnity Claims	156	193	147	140		142
Total # of Reported WC Claims	266	309	246	260		244
	58.65%	62.46%	59.76%	53.85%	58.68%	58.20%
5. WC Costs as Percentage of Payroll						
Total # of Reported WC Claims	266	309	246	260		244
Total Payroll	\$167,628,100	\$171,675,261	\$178,726,586	\$181,973,165		\$190,299,253
	1.05%	1.02%	0.85%	1.12%	1.01%	0.56%
Total Claim Costs (Total Paid) @ End of Fiscal Year						
Total Payroll	\$167,628,100	\$171,675,261	\$178,726,586	\$181,973,165		\$190,299,253
	5.44%	4.45%	2.33%	2.55%	3.69%	0.56%
Total Claim Costs as of 6/30/2019						
Total Payroll	\$167,628,100	\$171,675,261	\$178,726,586	\$181,973,165		\$190,299,253
	5.44%	4.45%	2.33%	2.55%	3.69%	0.56%

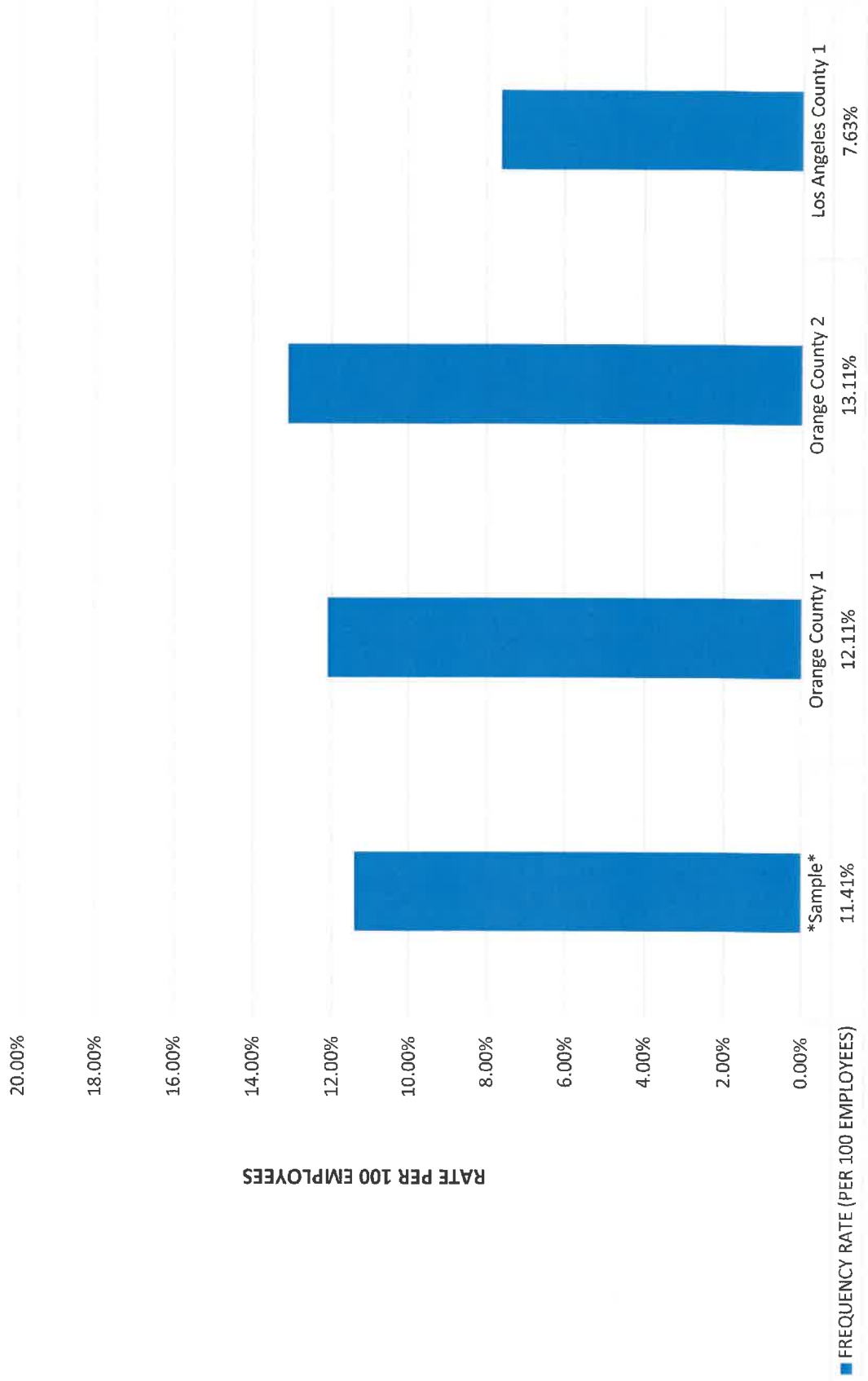
CITY COMPARISON
PERCENTAGE OF NEW CLAIMS ADDED
 FISCAL YEAR 2018/2019



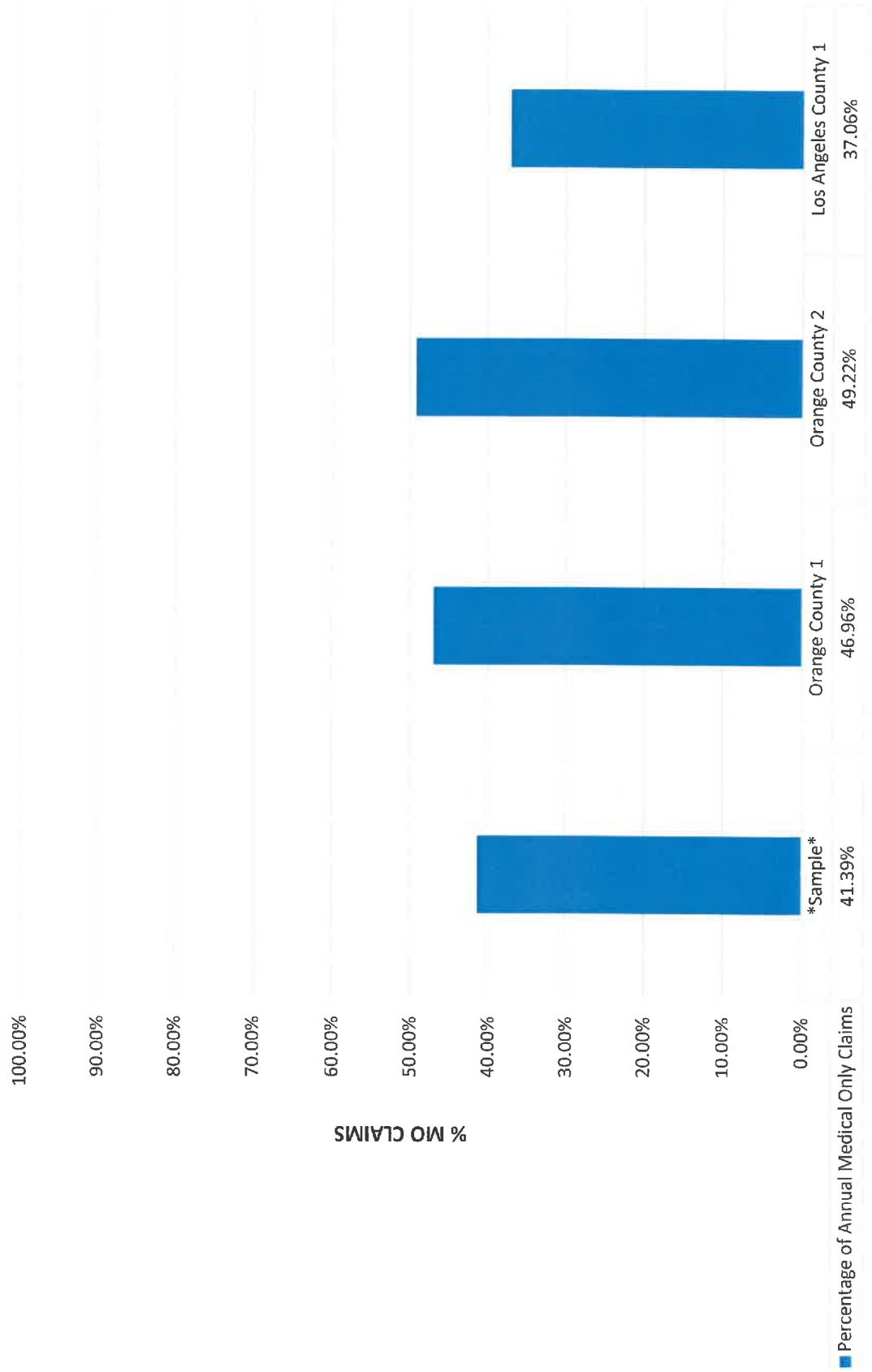
CITY COMPARISON CLOSING RATIO FISCAL YEAR 2018/2019



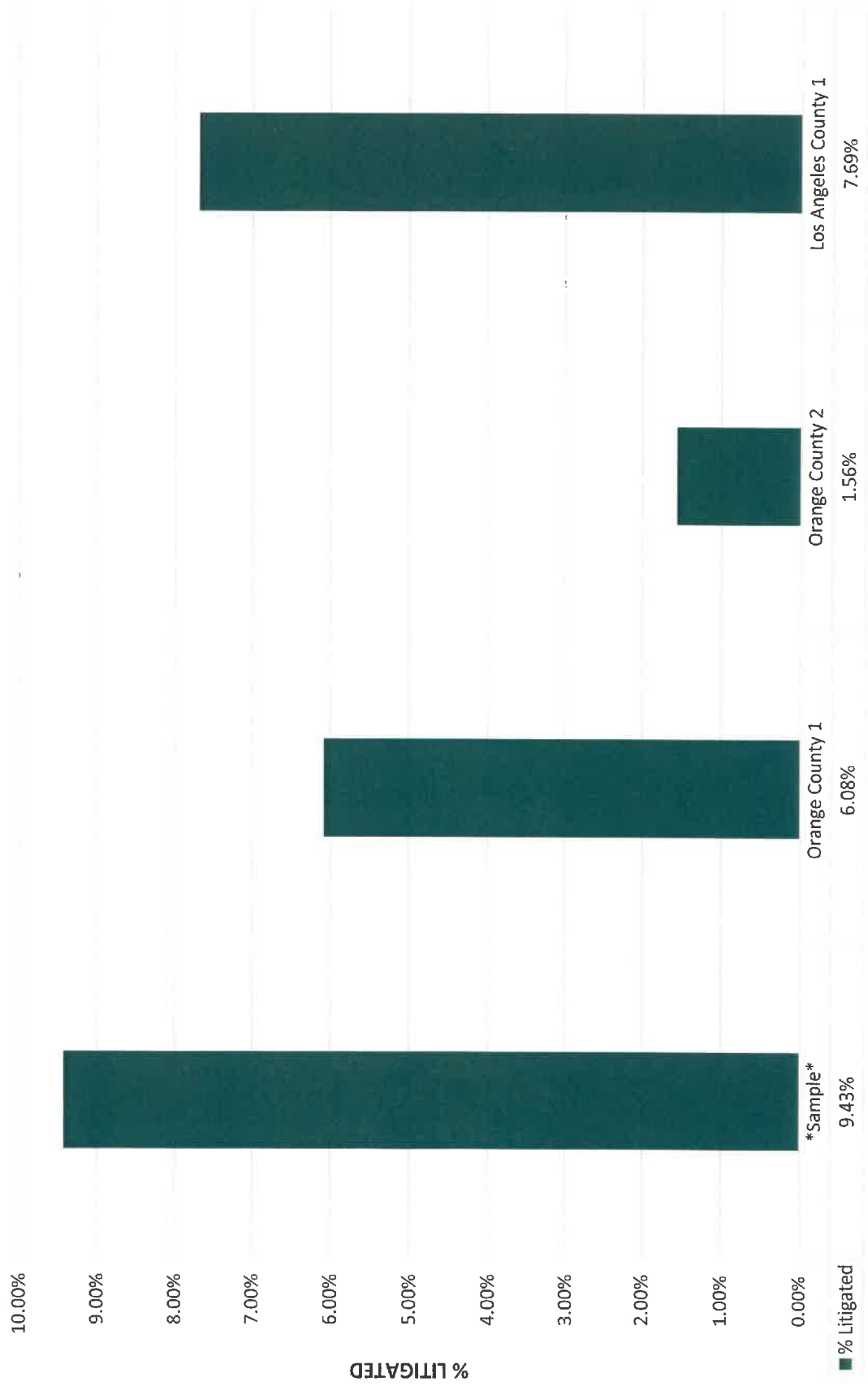
CITY COMPARISON
FREQUENCY RATE (PER 100 EMPLOYEES)
 FISCAL YEAR 2018/2019



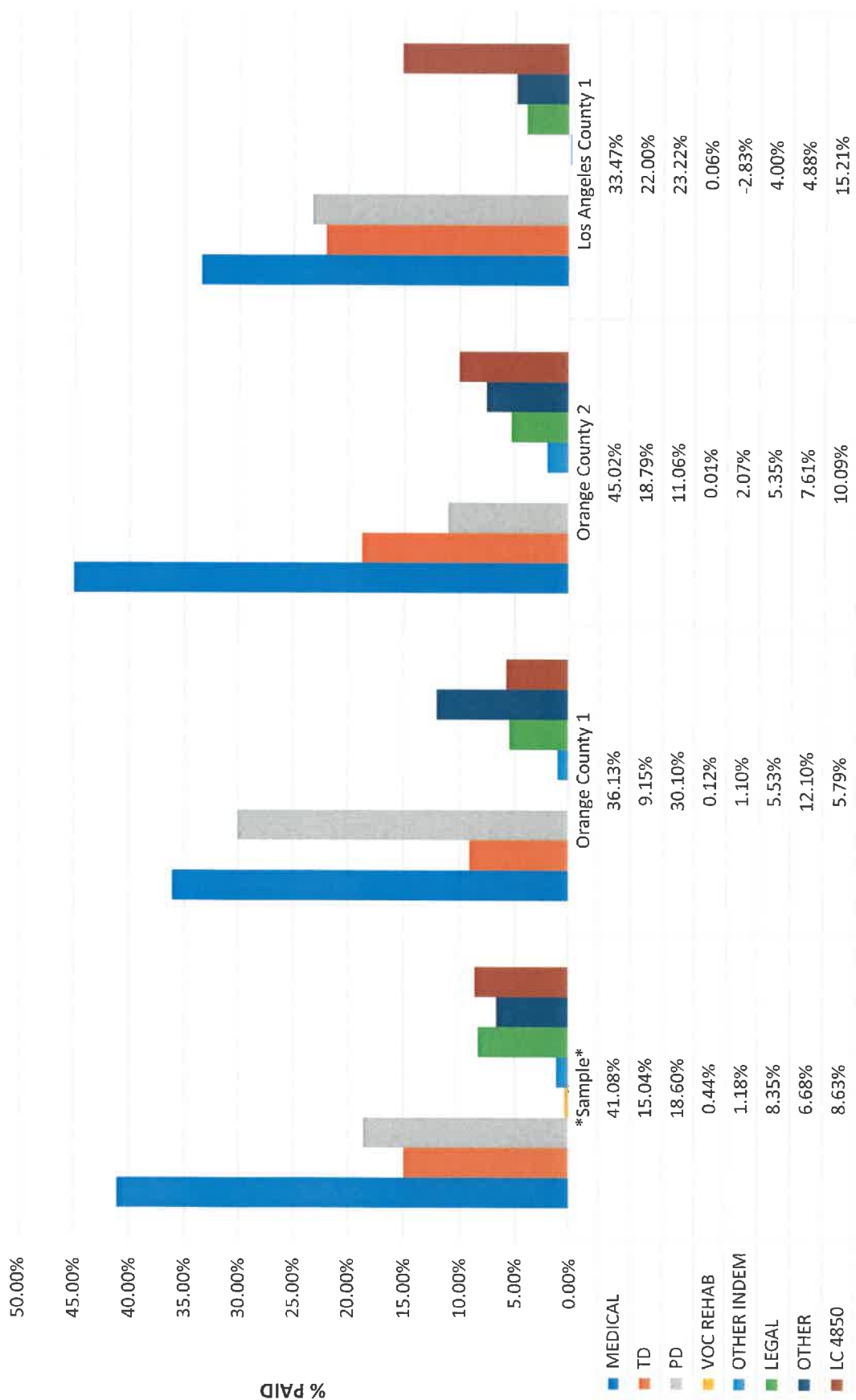
CITY COMPARISON
PERCENTAGE OF ANNUAL MEDICAL ONLY CLAIMS
 FISCAL YEAR 2018/2019



CITY COMPARISON
PERCENTAGE LITIGATED FOR NEW CLAIMS ADDED
 FISCAL YEAR 2018/2019



CITY COMPARISON
PERCENTAGE OF TOTAL PAID (ALL CLAIMS)
 FISCAL YEAR 2018/2019



MEDREVIEW

P.O. Box 3730 Ontario, CA 91761

Test Savings and Fee Summary

Client: Total:Total

Metric	Amount	Percentage
Bill Count	1,073	
Work Units	0	
Additional Charge	\$0.00	
Total Charges	\$1,967,720.48	
Dup Red	\$487,414.40	
BR Reg Red	\$1,068,235.51	
PPO Red	\$26,635.81	
OSR Red	\$275.35	
All Other Red	\$296.92	
Total Red	\$1,582,857.99	80.44%
Red Less Dups	\$1,095,443.59	74.00%
OCR Fee	\$502.20	
eBill Fee	\$141.60	
BR Fee	\$9,279.00	
IPFS Fee	\$0.00	
UR Advisor Fee	\$0.00	
Nurse Fee	\$0.00	
Neg Fee	\$0.00	
AP Fee	\$0.00	
PPO Fee	\$4,610.75	
OSR Fee	\$49.56	
SR Fee	\$0.00	
All Other Fee	\$0.00	
Total Fee	\$14,583.11	
Net Savings	\$1,080,860.48	73.02%
ROI	109:1	

Savings by Service Class

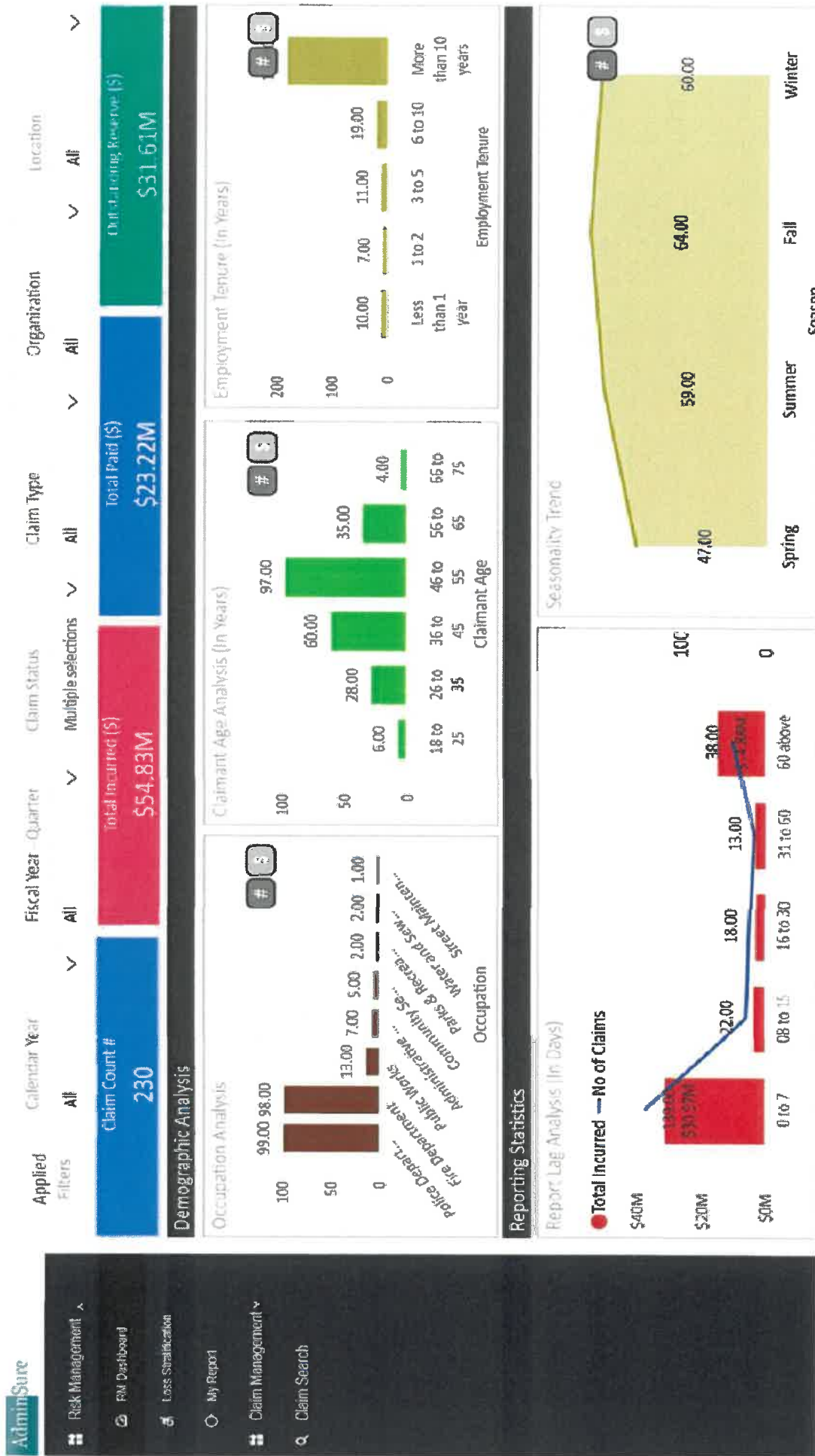
Client: Total:Total

Service Class	Bill Count	Total Charges	Additional Charge	Dup Red	BR Reg Red	PPO Red	OSR Red	All Other Red	Total Red	Total Red %	Total Allowance
ANESTHESIOLOGY	4	\$12,912.00	\$0.00	\$0.00	\$10,751.28	\$314.14	\$0.00	\$0.00	\$11,065.42	85.70%	\$1,846.58
DRUGS	196	\$107,274.96	\$0.00	\$10,786.91	\$46,654.57	\$463.15	\$163.74	\$8.98	\$58,077.35	54.14%	\$49,197.21
DURABLE MEDICAL EQUIPMENT	17	\$13,085.72	\$0.00	\$1,082.92	\$3,630.41	\$607.90	\$0.00	\$117.41	\$5,438.54	41.56%	\$7,647.18
EVALUATION AND MANAGEMENT	380	\$145,977.91	\$0.00	\$13,988.33	\$61,942.08	\$8,057.66	\$0.00	\$0.00	\$83,988.07	57.53%	\$61,989.84
FACILITY-ASC	12	\$115,315.92	\$0.00	\$0.00	\$100,233.47	\$705.45	\$0.00	\$0.00	\$100,938.92	87.53%	\$14,377.00
FACILITY-INPATIENT HOSPITAL	5	\$1,114,694.73	\$0.00	\$423,717.45	\$598,103.32	\$1,375.34	\$0.00	\$0.00	\$1,030,196.11	92.42%	\$84,498.62
HEARING SERVICES	11	\$106,550.34	\$0.00	\$1,538.34	\$80,311.86	\$42.31	\$0.00	\$0.00	\$81,892.51	76.86%	\$24,657.83
HOME HEALTH	1	\$6,175.00	\$0.00	\$0.00	\$6,175.00	\$0.00	\$0.00	\$0.00	\$6,175.00	100.00%	\$0.00
MEDICAL AND SURGICAL SUPPLIES	11	\$5,397.40	\$0.00	\$0.00	\$1,027.80	\$0.00	\$0.00	\$0.00	\$1,027.80	5.15%	\$18,939.84
MEDICAL-LEGAL	18	\$37,318.86	\$0.00	\$84.92	\$3,162.52	\$249.65	\$0.00	\$4.97	\$3,502.06	64.88%	\$1,895.34
MEDICINE	24	\$19,032.99	\$0.00	\$3,444.93	\$251.62	\$0.00	\$0.00	\$0.00	\$9,193.31	24.63%	\$28,125.55
NON MEDICAL	9	\$1,548.86	\$0.00	\$0.00	\$11,878.52	\$631.65	\$0.00	\$0.00	\$12,410.17	65.20%	\$6,622.82
ORTHODIC PROCEDURES AND DEVICES	6	\$9,541.27	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$1,548.86
PATHOLOGY	24	\$84,007.92	\$0.00	\$1,087.44	\$68,182.20	\$371.90	\$42.81	\$0.00	\$59,664.05	93.21%	\$4,343.87
PHYSICAL MEDICINE AND REHAB	259	\$85,310.17	\$0.00	\$4,161.78	\$31,932.24	\$4,731.48	\$0.00	\$0.00	\$40,825.51	47.86%	\$44,484.66
RADIOLOGY	35	\$25,400.24	\$0.00	\$1,554.00	\$18,083.28	\$777.45	\$68.80	\$0.00	\$20,483.53	80.64%	\$4,916.71
SURGERY	26	\$48,838.32	\$0.00	\$2,591.13	\$29,382.15	\$1,990.00	\$0.00	\$0.00	\$33,863.28	69.54%	\$14,975.04
TRANSPORTATION	5	\$5,657.26	\$0.00	\$3,876.25	\$840.28	\$0.00	\$0.00	\$0.00	\$4,516.53	79.84%	\$1,140.73
Unknown	12	\$23,713.38	\$0.00	\$7,500.00	\$3,246.23	\$5,405.38	\$0.00	\$0.00	\$16,151.61	68.11%	\$7,561.77
Total	1,073	\$1,967,720.48	\$0.00	\$487,414.40	\$1,088,235.51	\$26,835.81	\$275.35	\$298.92	\$1,582,857.99	80.44%	\$384,862.49

PPO/OSR Penetration

Bill Jurisdiction State	PPO/OSR	Bill Count	Total Charges	BR Allowance*	Billed To PPO/OSR	PPO/OSR Red	PPO/OSR Fee	PPO/OSR Savings	PPO/OSR Penetration	PPO/OSR Efficiency
AZ	PrimeHealth Pend And Transmit	1	\$60.75	\$46.90	\$46.90	\$9.38	\$1.69	20.00%	100.00%	200.00
	Total	1	\$60.75	\$46.90	\$46.90	\$9.38	\$1.69	20.00%	100.00%	200.00
	Anthem Blue Cross Pend And Transmit	236	\$4,574,189.43	\$1,334,886.56	\$1,334,886.56	\$353,573.92	\$84,628.67	26.49%	24.50%	64.90
CA	Coventry Pend And Transmit	8	\$766,650.02	\$114,752.08	\$114,752.08	\$406.09	\$101.54	0.35%	2.11%	0.07
	HealthSmart Pend And Transmit	471	\$697,440.32	\$497,226.39	\$497,226.39	\$4,755.56	\$1,283.46	0.96%	9.13%	0.88
	IQ Analysis FS	253	\$659,480.04	\$221,512.40	\$221,512.40	\$6,882.63	\$1,503.66	3.10%	4.07%	1.26
	No PPO	2,661	\$2,844,808.26	\$1,061,182.86	\$0.00	\$0.00	\$0.00			
	PrimeHealth Pend And Transmit	7,130	\$4,740,985.70	\$2,218,774.65	\$2,218,774.65	\$193,643.08	\$44,438.25	8.73%	40.72%	35.55
ID	Total	10,759	\$14,283,553.77	\$5,448,334.94	\$4,387,152.08	\$559,241.28	\$131,955.58	12.75%	80.52%	102.67
	Coventry Pend And Transmit	1	\$2,162.00	\$825.13	\$825.13	\$8.25	\$2.06	1.00%	100.00%	10.00
	Total	1	\$2,162.00	\$825.13	\$825.13	\$8.25	\$2.06	1.00%	100.00%	10.00
MS	No PPO	1	\$3,748.00	\$1,629.11	\$0.00	\$0.00	\$0.00			
	Total	1	\$3,748.00	\$1,629.11	\$0.00	\$0.00	\$0.00			
	PrimeHealth Pend And Transmit	1	\$1,798.00	\$1,427.12	\$1,427.12	\$168.52	\$30.33	11.81%	100.00%	118.10
TX	Total	1	\$1,798.00	\$1,427.12	\$1,427.12	\$168.52	\$30.33	11.81%	100.00%	118.10
	Total	10,763	\$14,291,322.52	\$5,452,263.20	\$4,389,451.23	\$559,427.43	\$131,989.66	12.74%	80.51%	102.57

DASHBOARD SAMPLE 1 of 2



AdminSURE

- Risk Management
- FM Dashboard
- Loss Stratification
- My Report
- Claim Management
- Claim Search

Applied Filters

Calendar Year: All

Fiscal Year: All

Quarter: Multiple selections

Claim Status: All

Claim Type: All

Organization: All

Location: All

Claim Count #

230

Total Incurred (\$)

\$54.83M

Total Paid (\$)

\$23.22M

Outstanding Reserve (\$)

\$31.61M

Injury Analysis

Injury Types

Injury Type	#	\$
Straight No apparent inj.	96.00	41.00
Straight	41.00	14.00
Hearing loss (C.)	14.00	13.00
Contusion	12.00	7.00
Fracture	7.00	6.00
Myocardial infarction	5.00	5.00

Body Parts

Body Part	#	\$
Multisite Body - Heart	100	79.00
Knee	50	20.00
Lower Back (Low.)	19.00	19.00
Ear(s)	17.00	14.00
Shoulder(s)	8.00	6.00
Long(s)	6.00	6.00
Body Systems	6.00	6.00

Geographic Analysis and Organization Analysis

Geographic Analysis

Organization Analysis

Organization	#	\$
Police	100	100.00
Fire	100	55.00
Public Works	0	8.00
Water	7.00	5.00
Comm... Services	4.00	2.00
Finance	2.00	2.00
City Of Orange	2.00	2.00
Comm... Devel...	2.00	2.00
HUMAN RESOU...	2.00	2.00

Transition Plan

Sample Start Date: July 1, 2024

<u>TASKS</u>	<u>TIMEFRAME</u>	<u>DATE OF COMPLETION</u>	<u>KEY PERSONNEL</u>
<i>Begin the data conversion and discuss with City Contacts the transition and timeline</i>	<i>Approximately 2 Hours</i>	<i>The day after, or within the same week, approval of our Services</i>	<i>AdminSure (IT/IS and Claims Team), City's current RMIS, and City Contacts</i>
<i>Begin and complete the setup process for the City's Workers' Compensation Trust Account, and Positive Pay Services, if applicable</i>	<i>Approximately 2 Weeks</i>	<i>By July 1, 2024</i>	<i>The City, AdminSure (IT/IS Department), and the City's choice of Bank</i>
<i>Provide the City with a sample letter for their current employees that advises them of the change and the contact information of their new Claims Adjuster (our direct contact info)</i>	<i>Less than 1 Hour</i>	<i>By June 1, 2024</i>	<i>AdminSure (WC Directors)</i>
<i>Meet with City Contacts to discuss reporting requirements, forms, workflow, expectations, goals, et cetera</i>	<i>Approximately 2 Hours</i>	<i>By June 15, 2024</i>	<i>AdminSure (Claims Team)</i>
<i>Schedule Orientation and/or Training Sessions with each Department, and may include certain all City employees (optional)</i>	<i>Approximately 1 Hour for each Department</i>	<i>By August 1, 2024</i>	<i>AdminSure (Claims Team)</i>
<i>Meet with designated City Clinics/Facilities to discuss protocols, expectations, goals, et cetera</i>	<i>Approximately 1 Hour for each Clinic/Medical Facility</i>	<i>By June 15, 2024</i>	<i>AdminSure (Claims Team)</i>
<i>Complete the Notice of Change of Administrator (Regulations §15402-§15402.4) to the State, SIP Manager</i>	<i>Less than 1 Hour</i>	<i>Before July 1, 2024</i>	<i>AdminSure (WC Directors)</i>
<i>Receive/pick up all hard open/closed files from the City, if applicable</i>	<i>1 Day</i>	<i>By July 1, 2024</i>	<i>AdminSure</i>
<i>Complete the City's "Client Profile"</i>	<i>Approximately 2 Hours</i>	<i>By July 1, 2024</i>	<i>AdminSure (Claims Team)</i>
<i>Mail all injured workers with open claim files a letter reminding them of the change and their new Claims Adjuster's direct contact information. We will also send a similar letter to all interested parties involved in the claim files</i>	<i>Approximately 4 Hours</i>	<i>By August 1, 2024</i>	<i>AdminSure (IT/IS and Claims Team, if applicable)</i>
<i>Data Conversion and Software Training</i>	<i>This is a collaborative effort between the City's current RMIS provider and AdminSure</i>	<i>By July 15, 2024 for Software Training and by July 31, 2024 for the fully executed Data Conversion. Both are dependent on the date we receive the final (exit) data</i>	<i>The City's current RMIS provider and AdminSure</i>



ID	% Complete	Task Name	Responsible	Duration	Start	Finish	Actual Finish
1	0%	Collect data from City's RMIS Provider	City's RMIS	7 days	Mon 06/17/24	Sun 06/23/24	
2	0%	Data Mapping / Creation of Scripts	AdminSure	7 days	Mon 06/24/24	Sun 06/30/24	
3	0%	Upload Data into Test Environment / Data Validation	AdminSure	7 days	Mon 07/01/24	Sun 07/07/24	
4	0%	Receive Final (Exit) Data / Exit Reports	City's RMIS	7 days	Mon 07/08/24	Sun 07/14/24	
5	0%	Run Scripts & Upload Data into Test / Data Validation	AdminSure	7 days	Mon 07/15/24	Sun 07/21/24	
6	0%	Upload Data into Production / Final Data Validation	AdminSure	10 days	Mon 07/22/24	Wed 07/31/24	
Prepared by AdminSure							Draft

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Transition & Implementation Plan (Data Conversion)



June 2024 – July 2024



Transition & Implementation Plan (Data Conversion)

We have found that when a realistic transition and implementation plan (data conversion) timeline and plan is in place, transferring claim files and data/documentation by a specific Contract Agreement start date is possible. Our following Transition and Implementation Plan (data conversion) summarizes the necessary actions required for an efficient transition with a sample start date of July 1, 2024.

We understand the importance of a seamless transition for you and your injured workers (employees) while undergoing a transition and data conversion. Our proven, detailed and comprehensive approach to conducting transitions and data conversions ensures completion in such a manner that causes the least amount of disruption or delay for all parties involved.

The entire data conversion process is accomplished through a proven, very well-thought-out plan that involves the following main six steps:

1. We obtain/collect sample data from the City's current Risk Management Information System (RMIS) provider
2. Data is analyzed; field and code mapping scripts are compiled
3. Data is uploaded into our test environment and scrutinized for accuracy
4. We receive final (exit) data and final (exit) reports from the City's current RMIS provider
5. Final (exit) data set is uploaded to our test environment; accuracy and consistency with final (exit) loss runs are verified
6. Final (exit) data set is moved into production; final (exit) data validation is conducted

Collecting Sample Data

At least 30-45 days before the takeover date (ideally), we obtain test data and record layouts from the City's current RMIS provider. It is absolutely necessary that we receive data in CSV format only; however, we may be able to utilize data in Excel or Access, but it is not at all ideal.

Data Analysis

Data integrity is valued with the utmost importance as it is vital to the success of a Risk Management Information System (RMIS). With this in mind, data mapping and code scripts are carefully compiled. The data mapping process will identify all the data elements that are to be



converted. We then assign each data element to a specific database field and govern/set rules and/or logic that applies to the data.

Initial Data Testing

The sample data will be uploaded to our test environment and scrutinized for accuracy. All day-to-day functions are tested and executed. Reports are generated and compared to the sample data received. If any anomalies are discovered, they are corrected and documented. The data validation and testing of the sample data will continue until we are confident we are ready to proceed with the final (exit) data set.

Collecting Final (Exit) Data Set

On/about the date the City's hard claim files, if any, are transferred from to us, or no later than on our first day of our Contract/Agreement effective date with the City, we obtain the final (exit) data set. At this point, it is imperative that any and all fundamental changes that may have been made to the data structure that we previously received in the sample data be communicated to us. The final (exit) data set is uploaded into our test environment and validated for accuracy and consistency by comparing same with the final (exit) loss runs. This data validation and testing will continue until we are confident we are ready to move this into our live production database.

"Going Live" with Final (Exit) Data Set

The final (exit) data set will then be uploaded into our production database and made available to the Claims Adjusting Staff assigned to your Workers' Compensation Program. A final (exit) data validation will take place while both the Information Systems/Technology (IS/IT) and Claims Adjusting Staff review the imported claims information. Once the data is verified, we will notify all interested parties of the completion of the data conversion/implementation project and provide an unlimited number of City users (City contacts) and our assigned Claims Adjusting Staff with their online user account credentials (login/password).

We will also provide our City contacts training at no additional cost.

Closing

We are very confident in our proven ability to successfully complete the proposed Transition and Implementation Plan (data conversion) within the timeline provided (30 workdays or sooner).

Thank you for your time and consideration and we truly look forward to having the opportunity to partner with the City of Montebello.

AdminSure Inc.



Proprietary & Confidential



Claims Processing Service System

SOC 1

Report on AdminSure, Inc. Management's
Description of Its System and the Suitability
of the Design and Operating Effectiveness of Controls



APRIL 1, 2022 TO MARCH 31, 2023



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I. Independent Service Auditor's Report

AdminSure, Inc.
3380 Shelby Street
Ontario, CA 91764

To the Management of AdminSure, Inc.:

Scope

We have examined AdminSure, Inc.'s description of its Claims Processing Service System entitled "Description of AdminSure, Inc.'s Claims Processing Service System" for processing user entities' transactions throughout the period April 1, 2022 to March 31, 2023 (description) and the suitability of the design and operating effectiveness of controls included in the description to achieve the related control objectives stated in the description, based on the criteria identified in "AdminSure, Inc.'s Assertion" (assertion). The controls and control objectives included in the description are those that management of AdminSure, Inc. believes are likely to be relevant to user entities' internal control over financial reporting, and the description does not include those aspects of the Claims Processing Service System that are not likely to be relevant to user entities' internal control over financial reporting.

The information included in Section V, "Other Information Provided by the Service Organization" is presented by management of AdminSure, Inc. to provide additional information and is not a part of AdminSure, Inc.'s description of its Claims Processing Service System made available to user entities during the period April 1, 2022 to March 31, 2023. Information about AdminSure, Inc.'s management responses to identified testing exceptions has not been subjected to the procedures applied in the examination of the description of the Claims Processing Service System and of the suitability of the design and operating effectiveness of controls to achieve the related control objectives stated in the description of the Claims Processing Service System and, accordingly, we express no opinion on it.

AdminSure, Inc. uses Microsoft Azure to host its production system related to the Claims Processing Service System (subservice organization). The description includes only the control objectives and related controls of AdminSure, Inc. and excludes the control objectives and related controls of the subservice organization. The description also indicates that certain control objectives specified by AdminSure, Inc. can be achieved only if complementary subservice organization controls assumed in the design of AdminSure, Inc.'s controls are suitably designed and operating effectively, along with the related controls at AdminSure, Inc. Our examination did not extend to controls at the subservice organization, and we have not evaluated the suitability of the design or operating effectiveness of such complementary subservice organization controls.

The description indicates that certain control objectives specified in the description can be achieved only if complementary user entity controls assumed in the design of AdminSure, Inc.'s controls are suitably designed and operating effectively, along with related controls at the service organization. Our examination did not extend to such complementary user entity controls, and we have not evaluated the suitability of the design or operating effectiveness of such complementary user entity controls.



Service Organization's Responsibilities

In Section II, AdminSure, Inc. has provided an assertion about the fairness of the presentation of the description and suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description. AdminSure, Inc. is responsible for preparing the description and its assertion, including the completeness, accuracy, and method of presentation of the description and assertion, providing the services covered by the description, specifying the control objectives and stating them in the description, identifying the risks that threaten the achievement of the control objectives, selecting the criteria stated in the assertion, and designing, implementing, and documenting controls that are suitably designed and operating effectively to achieve the related control objectives stated in the description.

Service Auditor's Responsibilities

Our responsibility is to express an opinion on the fairness of the presentation of the description and on the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description, based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether, in all material respects, based on the criteria in management's assertion, the description is fairly presented and the controls were suitably designed and operating effectively to achieve the related control objectives stated in the description throughout the period April 1, 2022 to March 31, 2023. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

An examination of a description of a service organization's system and the suitability of the design and operating effectiveness of controls involves:

- performing procedures to obtain evidence about the fairness of the presentation of the description and the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description, based on the criteria in management's assertion.
- assessing the risks that the description is not fairly presented and that the controls were not suitably designed or operating effectively to achieve the related control objectives stated in the description.
- testing the operating effectiveness of those controls that management considers necessary to provide reasonable assurance that the related control objectives stated in the description were achieved.
- evaluating the overall presentation of the description, suitability of the control objectives stated in the description, and suitability of the criteria specified by the service organization in its assertion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.



Inherent Limitations

The description is prepared to meet the common needs of a broad range of user entities and their auditors who audit and report on user entities' financial statements and may not, therefore, include every aspect of the system that each individual user entity may consider important in its own particular environment. Because of their nature, controls at a service organization may not prevent, or detect and correct, all misstatements in processing or reporting transactions. Also, the projection to the future of any evaluation of the fairness of the presentation of the description, or conclusions about the suitability of the design or operating effectiveness of the controls to achieve the related control objectives, is subject to the risk that controls at a service organization may become ineffective.

Description of Tests of Controls

The specific controls tested and the nature, timing, and results of those tests are listed in Section IV.

Opinion

In our opinion, in all material respects, based on the criteria described in AdminSure, Inc.'s assertion:

- the description fairly presents the Claims Processing Service System that was designed and implemented throughout the period April 1, 2022 to March 31, 2023.
- the controls related to the control objectives stated in the description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period April 1, 2022 to March 31, 2023, and the subservice organization and user entities applied the complementary controls assumed in the design of AdminSure, Inc.'s controls throughout the period April 1, 2022 to March 31, 2023.
- the controls operated effectively to provide reasonable assurance that the control objectives stated in the description were achieved throughout the period April 1, 2022 to March 31, 2023, if complementary subservice organizations and user entity controls assumed in the design of AdminSure, Inc.'s controls operated effectively throughout the period April 1, 2022 to March 31, 2023.

Restricted Use

This report, including the description of tests of controls and results thereof in Section IV, is intended solely for the information and use of AdminSure, Inc., user entities of AdminSure, Inc.'s Claims Processing Service System during some or all of the period April 1, 2022 to March 31, 2023, and their auditors who audit and report on such user entities' financial statements or internal control over financial reporting and have a sufficient understanding to consider it, along with other information, including information about controls implemented by user entities themselves, when assessing the risks of material misstatements of user entities' financial statements. This report is not intended to be and should not be used by anyone other than these specified parties.

El Segundo, California
July 17, 2023

II. AdminSure, Inc.'s Assertion

We have prepared the description of AdminSure, Inc.'s Claims Processing Service System entitled "Description of AdminSure, Inc.'s Claims Processing Service System" for processing user entities' transactions throughout the period April 1, 2022 to March 31, 2023 (description) for user entities of the system during some or all of the period April 1, 2022 to March 31, 2023, and their auditors who audit and report on such user entities' financial statements or internal control over financial reporting and have a sufficient understanding to consider it, along with other information, including information about controls implemented by user entities of the system themselves, when assessing the risks of material misstatements of user entities' financial statements.

AdminSure, Inc. uses Microsoft Azure for hosting its production system related to the Claims Processing Service System (subservice organization). The description includes only the control objectives and related controls of AdminSure, Inc. and excludes the control objectives and related controls of the subservice organization. The description also indicates that certain control objectives specified in the description can be achieved only if complementary subservice organization controls assumed in the design of our controls are suitably designed and operating effectively, along with the related controls. The description does not extend to controls of the subservice organization.

The description indicates that certain control objectives specified in the description can be achieved only if complementary user entity controls assumed in the design of AdminSure, Inc.'s controls are suitably designed and operating effectively, along with related controls at the service organization. The description does not extend to controls of the user entities.

We confirm, to the best of our knowledge and belief, that:

- a. The description fairly presents the Claims Processing Service System made available to user entities of the system during some or all of the period April 1, 2022 to March 31, 2023 for processing their transactions as it relates to controls that are likely to be relevant to user entities' internal control over financial reporting. The criteria we used in making this assertion were that the description
 - i. presents how the system made available to user entities of the system was designed and implemented to process relevant transactions, including, if applicable,
 - (1) the types of services provided, including, as appropriate, the classes of transactions processed.
 - (2) the procedures, within both automated and manual systems, by which those services are provided, including, as appropriate, procedures by which transactions are initiated, authorized, recorded, processed, corrected as necessary, and transferred to the reports and other information prepared for user entities of the system.
 - (3) the information used in the performance of the procedures including, if applicable, related accounting records, whether electronic or manual, and supporting information involved in initiating, authorizing, recording, processing, and reporting transactions; this includes the correction of incorrect information and how information is transferred to the reports and other information prepared for user entities.



- (4) how the system captures and addresses significant events and conditions other than transactions.
 - (5) the process used to prepare reports and other information for user entities.
 - (6) services performed by a subservice organization, if any, including whether the inclusive method or the carve-out method has been used in relation to them.
 - (7) the specified control objectives and controls designed to achieve those objectives, including, as applicable, complementary user entity controls and complementary subservice organization controls assumed in the design of the service organization's controls.
 - (8) other aspects of our control environment, risk assessment process, information and communications (including the related business processes), control activities, and monitoring activities that are relevant to the services provided.
- ii.* includes relevant details of changes to the service organization's system during the period covered by the description.
 - iii.* does not omit or distort information relevant to the service organization's system, while acknowledging that the description is prepared to meet the common needs of a broad range of user entities of the system and the user auditors, and may not, therefore, include every aspect of the Claims Processing Service System that each individual user entity of the system and its auditor may consider important in its own particular environment.
- b. the controls related to the control objectives stated in the description were suitably designed and operating effectively throughout the period April 1, 2022 to March 31, 2023 to achieve those control objectives if subservice organizations and user entities applied the complementary controls assumed in the design of AdminSure, Inc.'s controls throughout the period April 1, 2022 to March 31, 2023. The criteria we used in making this assertion were that
- i.* the risks that threaten the achievement of the control objectives stated in the description have been identified by management of the service organization.
 - ii.* the controls identified in the description would, if operating effectively, provide reasonable assurance that those risks would not prevent the control objectives stated in the description from being achieved.
 - iii.* the controls were consistently applied as designed, including whether manual controls were applied by individuals who have the appropriate competence and authority.



III. Description of AdminSure, Inc.'s Claims Processing Service System

A. Overview of AdminSure, Inc.

DESCRIPTION OF FIRM

AdminSure Inc. (AdminSure) is a California corporation that has been a recognized administrator of Workers' Compensation and Liability Programs since 1982. AdminSure has over 38 years of experience in administering Workers' Compensation and Liability Programs for numerous not-for-profit (public entities, full-service cities, school districts, hospitals, transit agencies, etc.) and for-profit (private) entities.

In addition to providing Workers' Compensation and Liability Claims Administration Services, AdminSure provides Utilization Review Services and Medical Bill Review Services. AdminSure does not provide Utilization Review Services or Medical Bill Review Services for any Third-Party Administrator (TPA) or entity other than its Workers' Compensation clients.

SERVICES

WORKERS' COMPENSATION CLAIMS ADMINISTRATION SERVICES

AdminSure administers claims using a professional Workers' Compensation system. AdminSure is versed in the Workers' Compensation Laws of California (Labor Codes, California Code of Regulations (CCRs), Government Codes, and Case Laws, etc.) that govern Workers' Compensation claims.

AdminSure is also knowledgeable of the presumptions for safety members and their impact on CalPERS Retirement Benefits (Industrial Disability Retirement (IDR) Benefits) as well as issues involving coordination of State and Federal disability benefits, i.e. Americans with Disabilities Act (ADA).

LIABILITY CLAIMS ADMINISTRATION SERVICES

AdminSure administers liability claims brought by third parties against its clients. In accordance with various statutory codes, including the Civil Code, Vehicle Code, Penal Code, Government Code, Education Code, and Utilities Code, along with case law and jury statistics, it investigates, evaluates, and defends or settles claims, as appropriate.

As with Workers' Compensation, AdminSure utilizes a professional claims management system in the conduct of its duties. AdminSure's liability claims administrators are specialists who are knowledgeable in vehicular right-of-way, dangerous conditions, road design, pedestrian accidents, law enforcement risks, civil rights, duties to students, common carrier risks, and utility services risks.



MEDICAL BILL REVIEW SERVICES

AdminSure's Medical Bill Review Department is integrated with their Claims Adjusters and Utilization Review personnel. Integration of these services results in a prompt and interactive relationship between their Claims Adjusters and Medical Bill Review personnel so that only approved bills are reviewed and paid timely. This approach results in cost savings, timeliness, efficiency, and reliability which is particularly important in view of the deadlines, penalties, and Electronic Data Interchange (EDI) requirements associated with these activities.

AdminSure's Medical Bill Review Department's sole purpose is to obtain savings for their clients by reviewing medical bills, reducing medical bills per the Official Medical Fee Schedule (OMFS), Inpatient Hospital Fee Schedule (IHFS), and maximizing Preferred Provider Organizations (PPO) discounts, as well as other negotiated rates.

AdminSure provides an Explanation of Review (EOR) with every bill review. EORs can be obtained by Claims Adjusters, Bill Reviewers, and InfoSystems Staff.

UTILIZATION REVIEW SERVICES

AdminSure's Utilization Review Department is fully integrated with their Claims Adjusters and Medical Bill Review personnel. Integration of these services enables their Claims Adjusters to expedite the entire claims and Utilization Review process within the complex timeframes mandated by the Workers' Compensation system.

In general, referring a claim for Utilization Review occurs when a decision to approve a Request for Authorization (RFA) cannot be made at the claims adjusting level. Utilization Review may approve, modify, or deny an RFA per applicable guidelines. The Utilization Review Department referrals are also made when a peer review is necessary or when a non-examining medical opinion is needed.

B. Scope of the Description

This description of AdminSure, Inc.'s Claims Processing Service System addresses only AdminSure, Inc.'s Claims Processing Service System provided to its user entities and excludes other services provided by AdminSure, Inc. The description is intended to provide information for user entities of the Claims Processing Service System and their independent auditors who audit and report on such user entities' financial statements to be used in obtaining an understanding of the Claims Processing Service System and the controls over that system that are likely to be relevant to user entities' internal control over financial reporting. The description of the system includes certain business process controls and IT general controls that support the delivery of AdminSure, Inc.'s Claims Processing Service System.

AdminSure, Inc. uses the following subservice organization:

- Microsoft Azure for hosting its production system related to the Claims Processing Service System.

The description includes only the control objectives and related controls of AdminSure, Inc. and excludes the control objectives and related controls of the subservice organization.



C. Internal Control Framework

This section provides information about the five interrelated components of internal control at AdminSure, Inc., including AdminSure, Inc.'s:

- Control Environment
- Risk Assessment Process
- Monitoring Activities
- Information and Communications
- Control Activities

1. Control Environment

BOARD OF DIRECTORS

The Board of Directors reviews, approves, and advises AdminSure Management regarding corporate plans and policies and monitors company progress. Members of the Board of Directors include:

Board Member Name	Position	Company
Alithia Vargas-Flores	President	AdminSure
Ashley Sells	Corporate Secretary	AdminSure
Noel Trias	Board Member	Pensionmark

ORGANIZATION

The AdminSure Executive Management Team includes:

Individual	Position
Alithia Vargas-Flores	President
Dr. Neil Ghodadra	Chief Medical Officer

2. Risk Assessment Process

The Executive Management Team meets informally on a continuous basis to discuss all aspects of the business in part and in whole, as well as technology management. The Executive Management Team discusses current and future IT projects and the technology infrastructure, as well as any IT threats and vulnerabilities that current or upcoming IT projects may encounter. The Executive Management Team also sets corporate priorities and identifies any areas which require unique attention.



3. Monitoring Activities

MANAGEMENT

AdminSure monitors performance levels, documents and communicates results, and compares outcomes to goals through internal controls. Therefore, in addition to continuously training personnel, AdminSure performs internal audits on a continuous basis to ensure compliance with applicable standards and industry best practices, as well as to identify and prevent any potential deficiencies in the quality of service provided.

Claims Adjusters are subject to monthly supervisory audits. The results are shared with the individual Claims Adjusters during feedback sessions and are maintained as part of the performance evaluation review (if and when applicable, and/or necessary). This is in addition to the annual external audits conducted by clients, consultants, and state agencies.

Claims Managers do not typically carry a caseload and are responsible for:

- Reviewing every new loss assigned to their respective units before assigning it to the designated Claims Adjuster, matching skills and the complexity of the claim, and providing guidance depending on the skill level of the Claims Adjuster
- Providing guidance on setting of initial reserves when warranted
- Ongoing review of claim files at regularly scheduled intervals
- Monitoring case management and use of cost containment services such as Utilization Review and field case management
- Monitoring compliance with client guidelines
- Monitoring reporting requirements
- Monitoring regulatory compliance

Additional quality assurance measurements include:

- Managing compliance with best practice standards through daily, weekly and monthly reporting
- Monthly review of error ratios and exception reports
- Monthly monitoring results and other statistical reports such as the following:
 - *Caseload* – make certain of compliance with client requirements and AdminSure's Productivity Models for Claims Adjusters and Managers
 - *Closing ratios* – make certain of swift and correct claim closure
 - *Diary reports* – prevent outstanding and missed diaries
 - *Bill payment reports* – make certain of payment processing within statutory requirement and AdminSure's best practice standards
 - *Indemnity payment reports* – make certain of swift and correct payment of benefits
 - *Hearing calendars* – prevent missed hearings
 - *Litigation reports* – measure the litigation rate and missed disposition opportunities
 - *Large loss reports* – prevent missed excess reporting
 - *Error reports for data integrity* – make certain of data accuracy



- Annual client service satisfaction survey
- Stewardship reporting

CLIENT SATISFACTION

Client satisfaction is monitored on an ongoing basis by Account Managers. The Account Managers report directly to the President and provide briefings on the status of individual client relations.

4. Information and Communications

AdminSure has implemented various methods of communication to help employees understand their individual roles and responsibilities so that significant events are communicated in a timely manner. These methods include orientation and training for newly hired employees, regular management meetings for updates on business performance and other matters, broadcast video conferencing, the use of electronic mail messages to communicate time-sensitive information, the centralized company information resource, and Human Resources (HR) Online.

At the client level, AdminSure has also implemented various methods of communication to support its client base. Mechanisms are in place to allow the Customer Support Team to be notified of operational issues that may affect the client experience. Clients participate in AdminSure's program which includes direct contact options with the Customer Support Team, as well as proactive alerting to any issues that may impact the client's service.

5. Control Activities

a) Organization Structure and Administration

COMMUNICATION OF INFORMATION

Management has established and maintains an information system to communicate company-wide news, bulletins, policies, and procedures. Information is distributed electronically via email notification to individual employees whenever possible. However, hard copy distribution of information is also used in addition to and when electronic versions are not available.

Management has created an individual job description for every position within the organization to define the position's responsibilities. These job descriptions are maintained on file and are updated periodically. Job descriptions are used as a guideline for hiring and employee performance evaluations.



RECRUITING AND HIRING

Applications and resumes are accepted via fax, email, or in-person. A Master Applicant file is maintained, including applicant name, position for which they applied (if indicated), and date submitted. Once interviews are conducted, potential candidates are determined. Applicant information is maintained on file should there be future potential for hire, while applicant information may be destroyed when there is no future potential for hire. The new hire process is initiated according to the New Hire Checklist which is completed for each new employee. Newly contracted consultants follow the same new hire process as it relates to the New Hire Checklist, Confidential Information Form, and System Access Form.

BACKGROUND/SECURITY SCREENING

AdminSure performs personnel security clearance for new hires, including credit checks, civil and criminal record review, employment verification, education verification, driver's record verification, and Social Security Number trace.

ORIENTATION AND TRAINING

A new hire orientation is completed for new employees. Orientation includes the completion of a Confidential Employee Information Form, System Access Form and Employee Handbook Acknowledgement. The orientation consists of a general introduction to company policies and standards. All new hires complete sexual harassment training with their new hire orientation as required by California state law and every two years thereafter. In addition to an explanation of employee benefit offerings, the Employee Handbook is reviewed with each employee for further clarification and questions. The orientation includes the completion of the following forms:

- Confidential Employee Information Form
- Authorization for Direct Deposit
- Form W-4 Federal Employee's Withholding Allowance
- Form DE-4 State of California EDD Employee's Withholding Allowance
- Form I-9 Employment Eligibility Verification
- System Access Form
- Employee Handbook and Confidentiality Acknowledgement
- Benefit Enrollment Applications
- Image Release Agreement
- Arbitration Agreement

EMPLOYEE APPRAISAL

Employee appraisals (performance reviews) are a key management activity to align individual objectives with organizational objectives and strategy, to formalize feedback on performance, and to provide a mechanism to plan the development and careers of employees.



Managers complete employee appraisals at least annually. Managers will also appraise (review) employees periodically at other times during the year. These reviews are intended to enhance the growth and effectiveness of employees and are used to determine annual salary increases and potential bonuses.

A copy of performance reviews is maintained on file within the HR Department.

TERMINATIONS

An Exit Checklist is completed for employees who voluntarily or involuntarily terminate employment with AdminSure and is signed by both the employee (when possible) and the HR Manager as applicable. The Exit Checklist includes:

- Receipt of System Access Form for Terminations
- Receipt of Separation Agreement & Release, if applicable
- Returned Receipt of Office Keys, if applicable
- Name of Employee
- Separation Date
- Forwarding Address
- Receipt of Final Paycheck
- Receipt of Final PTO Check
- Receipt of 401(k) Information Sheet, if applicable
- Receipt of COBRA Information Sheet, if applicable
- Returned Receipt of Corporate Credit Card, if applicable

b) Physical and Environmental Controls

PHYSICAL ACCESS CONTROL

AdminSure, Inc. is located in Ontario, California. The server and telecommunication room is kept locked at all times and access is controlled via key code. All server and telecommunication room access is logged within the physical access log. Access is controlled by executive approval and authorization. HR is responsible for documenting and maintaining the list of all company-issued keys.

ENVIRONMENTAL CONTROLS

The computer room has a dedicated cooling system with redundant cooling backup. Monitoring and alerting of the Uninterruptible Power Supply (UPS) device is configured for alerting via email to the Information Systems Administrators and contracted consultants for monitoring and remediation.



c) Logical Security

SYSTEM ACCESS CONTROL

All requests for new user access and any changes for existing user access for Information Systems must be submitted to the Information Systems Department by a Manager via a completed System Access Form. Requests are reviewed by Information Systems Administrators and the requestor is notified once approved changes have been implemented. If the request is not approved, the requestor is notified with the reason for access denial. User accounts are audited on an annual basis to ensure access is appropriate for all users based on department needs and user job responsibilities.

PASSWORD POLICIES

User passwords must adhere to minimum complexity, character length requirements, and periodic password changes; these requirements are enforced by system policies. Passwords are not to be shared by users and are to be kept unique. Any requests for password resets must be made to the Information Systems Department. Once user identity is confirmed, a new password will be generated for the user.

REMOTE ACCESS CONTROL

Remote access to company systems will be provided to existing users as below:

- Remote access to company email is available to all AdminSure users with valid email accounts. Access is provided via Outlook Web Access and is authenticated using Multi-Factor Authentication. The site is secured with a Secure Sockets Layer (SSL) certificate. Passwords must meet required password policies.
- Remote access to the claims management system is provided to clients via a web application secured with an SSL certificate. Requests for access are submitted to the Information Systems Department from the Account Manager via a completed System Access Form. The request will be reviewed by the Information Systems Department. If approved, changes are implemented by Information Systems Administrators and the requestor is notified. If not approved, the requestor is notified as to the reason for denial.
- Virtual private network (VPN) access is provided to users as deemed necessary.

Endpoints are protected with real-time virus protection and automated signature updates are pushed to desktops. Configuration is managed by the Information Systems Administrators. All changes are reviewed and approved through the Information Systems Department.

AdminSure utilizes email encryption. Outbound email is scanned for message content and encrypted based upon company-defined policies within the application. Additionally, users can encrypt email on demand for any outbound email.

External security scans are performed semi-annually, and vulnerabilities are assessed and remediated by the Information Systems Department. Semi-annual reports are reviewed by the Information Systems Administrators and contracted consultants for vulnerabilities.

Administrative access to the network is limited to the IT Team.



d) System Availability and Performance

POWER MANAGEMENT

Power is provided to the server and network infrastructure at the corporate headquarters via an online UPS. Integrated management provides UPS monitoring and environmental monitoring of computer room. Servers are configured for shutdown during a power event or cooling event upon notification from the UPS.

MONITORING

Business critical systems are proactively monitored on a 24x7 basis. SolarWinds N-Central is utilized to monitor systems for proactive and reactive service. An onsite SolarWinds N-Central probe is located at the corporate headquarters. It performs 24x7 monitoring and alerting of systems in the corporate headquarters. Alerts around performance data are sent to contracted consultants for review and remediation.

On an annual basis AdminSure performs a review of the SOC report for Azure. This includes examining the effectiveness of their physical and environmental controls, general computer controls, service delivery and operations, logical access, and physical security.

FIREWALL

The approach adopted to define firewall rule sets is that all services and access to external websites is denied by the firewall unless expressly permitted. Access to external websites is denied by the firewall unless expressly permitted.

The firewall permits the following outbound and inbound internet traffic:

- *Outbound* – Internet traffic to hosts and services outside of AdminSure as expressly permitted by firewall rules.
- *Inbound* – Only internet traffic from outside AdminSure that supports the business needs as expressly permitted by firewall rules.

AdminSure employees can request changes to the firewall's configuration in order to allow previously disallowed traffic. A firewall change request is submitted to the Information Systems Department electronically, via email, with full justification based on business needs. All requests are reviewed by the Information Systems Administrators to determine if they fall within the parameters of acceptable risk.

Approval is not guaranteed as associated risks may be deemed too high. If this is the case, an explanation is provided to the original requestor and alternative solutions are explored.

Inbound email is scanned for viruses, spyware, malware, and spam prior to being delivered. Configuration and management are performed by the Information Systems Administrators and third-party contractor. Any changes to configuration other than user addition/deletion are approved through the Information Systems Department.

The firewall is configured and provides edge filtering with security services for viruses, spyware, and malware. Firewall configuration is managed by the Information Systems Department.



e) Application and Software Development

CHANGE MANAGEMENT AND INCIDENT MANAGEMENT

Changes are categorized as business-impacting and non-business-impacting. Business-impacting changes include version upgrades, any front-end configuration changes to iVOS or a system software or hardware change that would impact operations. Non-business-impacting changes include day-to-day user support and bug fixes.

All version upgrades for iVOS are managed by the vendor. AdminSure does not make software source code changes as they do not have access to source code. AdminSure provides the vendor VPN access to update the application if an upgrade is to be applied.

System software and hardware changes are submitted to the Information Systems Department. A separate test environment exists for changes to be deployed on to determine the business impact before being implemented on production systems, when possible. Changes are reviewed for business impact, approved, and scheduled for implementation by the Change Management Committee. Additionally, all changes are tracked through a change management/incident management log.

Any security or application availability incidents are submitted to the Information Systems Department. Incidents are assessed for severity and escalated based upon severity by the Systems Manager. Incidents are tracked via a ticket system.

f) Backup and Contingency Planning

BACKUP AND RESTORATION

The backup policy is a multi-tiered approach. All data is automatically backed up by the cloud-based data system. Backups are taken continuously so that data can be restored to any point in time for two weeks, any day for three months, and any month for one year.

All data restoration is performed by Information Systems Administrators and/or contracted consultants. Business continuity and disaster recovery plans addressing system recovery are in place and tested on an annual basis.

g) Workers' Compensation Claims Management

AdminSure has the following procedures in place to coincide with the claims management philosophy:

- Communication
- Quality Control Measures
- Investigation, Sub Rosa, and Fraud Management
- Reserving Practice
- Litigation Management
- Subrogation Management



- Return-to-Work Program Management
- Excess Reporting
- Training

COMMUNICATION

AdminSure communicates with client contacts and injured workers, as well as all interested parties regarding matters.

Specifically referencing injured worker communication, AdminSure provides ongoing information, guidance, and assistance at every stage of the claims process such as: compensability, the delay process, denial and conditional denial process, statutory benefits, permanent disability ratings, the Independent, Qualified, and Agreed Medical Examiner process, and settlement of claims.

When making the initial phone contact, AdminSure asks the injured worker to make contact as well whenever they have any questions, concerns, or comments. AdminSure maintains contact with non-litigated injured workers from the inception to disposition of their claim file(s). Contact and efforts are documented in a computer notepad.

After an injured worker reaches maximum medical improvement, and when their injury or illness residuals might involve permanent work restrictions and/or work-related retirement potential, AdminSure immediately contacts/consults with the client to review the options they and the injured worker may have.

QUALITY CONTROL MEASURES

AdminSure performs the following quality control measures/internal controls:

- Maintain constant communication with interested parties to ensure quality of service.
- Foresee, anticipate, and/or identify the issue/matter that may be imminent.
- Plan/create a strategy and take action to remedy the issue/matter.
- Set timelines and timeframes for resolution.
- Follow up to confirm the issue/matter is remedied.
- Set protocols to minimize and/or eliminate the possibility of the issue/matter reoccurring.
- Document a clear description(s) of the issue/matter and action(s) that were taken, and document the time elapsed between the identification and completed corrective action(s).

The above are completed on a continuous ongoing basis and statistical reports are analyzed to identify any areas that require attention and/or discussion.

Reference of AdminSure internal audits, Claims Adjusters, and their work product are reviewed and managed on continuous daily basis. Claims Managers review all open claims on an ongoing basis, as well as randomly auditing a minimum of 10% of each of their Claims Adjusters' caseloads on a monthly basis to ensure AdminSure is meeting and/or exceeding standards.



Because AdminSure operates in a paperless environment, mail and documents received/created are scanned/saved in a computer system on a real-time basis so that interested parties have access to review claims information.

Client contacts have 24x7x365 on-line, real-time (read only) access to claims information, as well as report writing capabilities, and systems training is provided. Standard, ad hoc, Occupational Safety and Health Administration (OSHA), State, and Federal reports, etc. are also provided.

INVESTIGATION, SUB ROSA, AND FRAUD MANAGEMENT

When an injured worker claims an injury or illness that causes clients or AdminSure to question ("red flags" are identified) whether or not the claimed injury or illness arose out of their employment and in the course of their employment (Arising Out of Employment/Course of Employment), AdminSure immediately contacts clients to discuss the "red flags," the claim in whole, and what the desired outcome may be. Additionally, AdminSure utilizes an Artificial Intelligence application that utilizes predictive analytics to identify suspicious claims that may require action.

While most Workers' Compensation claims are valid, there are some that may be exaggerated or fraudulent. A red flag does not prove fraud, and even in the presence of several indicators does not necessarily equate to a fraudulent claim.

AdminSure personnel determine what, if any, investigation is necessary. If investigation is called for, AdminSure General Liability personnel will perform the actual field investigation necessary and rarely, make the necessary arrangements for limited assignments, such as the inspection of a Total Loss automobile or real property estimation and rarely, a Sub Rosa investigation which is carried out using covert surveillance video to provide footage of potential fraud.

RESERVING PRACTICE

Initial claim reserves are posted electronically and reflect the most probable value of the claim file (life of the claim). Reserves are based on the information available at the time of the claim opening and are adjusted accordingly based on medical and legal facts that develop as the claim file matures, as well as per Self-Insurance Plan (SIP) Regulations, California Labor Codes, and California Code of Regulations (CCRs), etc. Initial claim reserves and subsequent reserve changes are reviewed and approved by the assigned Claims Manager if it exceeds the Claims Adjusters' reserve authority.

As claim values increase and decrease, claim reserves are reviewed and adjusted, if necessary, on a regular basis, and on each diary date. Future medical claim reserves are reviewed. The rationale for reserves is documented in the file notes and the amounts allocated to each reserve category are documented. AdminSure also establishes and maintains indemnity, medical, and allocated expense reserves as separate line items to ensure each expense is being reserved and paid.

Liability claims are similarly reserved, based upon the facts, to reflect the probable outcome of the claim. Categories include bodily injury, property damage and expense.



LITIGATION MANAGEMENT

In the event the Claims Adjuster and/or the client determine a claim warrants legal service/referral, the Claims Adjuster retains primary responsibility of the claim file. Defense Counsel is not to be used to perform routine activities that are the responsibility of the Claims Adjuster. The Claims Adjuster also carefully evaluates and monitors the attorney's aggressiveness in resolving claims, ability to identify issues, responsiveness, timeliness, and billing practices. The Claims Adjuster also provides the client with advance notice of depositions, hearings, and trials so they may attend. AdminSure also copies the client with correspondence and case status updates.

All Liability litigation is referred to client-approved attorneys and law firms. In Workers' Compensation claims, the criteria for referring cases for legal defense services include, but are not limited to: when a deposition of the injured worker is warranted and/or when there are components of the claim that require legal review/analysis (i.e. personnel issues, other pending litigation, or global settlement). Client approval is obtained prior to any request for legal service and/or referral to the client's choice of attorney/law firm, and AdminSure adheres to client protocols regarding litigation. When a claim is litigated, the claim continues to be administered and managed by Claims Staff.

SUBROGATION MANAGEMENT

AdminSure pursues recovery in subrogation claims. AdminSure begins the recovery process for benefits and payments made, and asserts credit against an injured worker's net recovery, and if necessary/possible, for future benefits and/or medical payments. When a claim is subrogated, the claim continues to be administered and managed. The at-fault party (parties) is placed on notice that maximum recovery will be pursued where there is subrogation potential.

When the need to file a lien or a complaint in intervention (in a civil action) to preserve/protect the statute of limitations occurs, AdminSure consults with the client about the value of the subrogation claim and recommends a plan of action. Upon client authorization, Subrogation Counsel will be assigned to file a Lien or a Complaint in Intervention.

RETURN-TO-WORK PROGRAM MANAGEMENT

In Workers' Compensation claims, AdminSure obtains status of light or modified duty and addresses lost time benefits which includes the three-day waiting period as well as later dates in the claim (from inception/opening to disposition/closure).

When a claim involves lost time benefits, return-to-work status is obtained. Upon receipt of any work limitations, AdminSure notifies the client by emailing/faxing the necessary medical information so that accommodation consideration can be addressed/initiated.

AdminSure obtains work status from the physician until the injured worker has been released to return to full duty (usual and customary occupation), or the injured worker has reached maximum medical improvement (MMI)/permanent and stationary (P&S) status.

In cases where the injury or illness residuals might involve permanent work restrictions and/or work-related retirement potential, the Claims Adjuster immediately consults with the client to review the options they and the injured worker may have.



EXCESS REPORTING

When applicable, AdminSure will report and request reimbursement in accordance with the reporting criteria established by excess insurance carriers' policies.

TRAINING

AdminSure trains and certifies employees to stay in compliance with the Workers' Compensation Laws of California and the Workers' Compensation industry's best practices.

AdminSure annually certifies that each Claims Adjuster is in compliance with legal and regulatory licensing and continuing educational requirements as required by the State of California and are able to provide the client proof of same annually.

SCOPE OF WORK – GENERAL

AdminSure actions are documented in the company computer system (notepad) so that clients are aware of matters and actions on a real-time basis. AdminSure responds to clients' and injured workers' questions, requests, primarily by way of email, or telephone.

AdminSure operates in a paperless environment wherein mail and documents received are scanned in the company computer system on a real-time basis so that the client has access to review claims information. Incoming documents are received, scanned, and electronically date-stamped in the iVOS software.

SCOPE OF WORK – WORKERS' COMPENSATION

Upon knowledge or notice of an injury, illness, or incident received by any source (i.e., Application of Adjudication, Notice of Legal Representation, or Doctor's First Report of Injury (DFR, Form 5021)), AdminSure verifies coverage and prepares a claim file. In addition, AdminSure contacts the client and requests the required forms from both the injured worker and the client be provided. AdminSure documents said contact in the iVOS computer notepad after the claim has been created in the system.

Once a claim file is opened or AdminSure has knowledge of a possible or imminent claim, three-point contact is made with the client, the injured worker, and the treating medical facility (physician). Once contact is initiated, communications are documented in the iVOS computer notepad.

On non-litigated, lost time cases where the injured worker is temporarily disabled (has not returned to work), telephone contact is established with the injured worker and continues until the injured worker returns to work. Efforts and contact are documented in the computer notepad. AdminSure also requests/obtains a wage statement from the client to confirm the wages noted on the Employer's Report of Occupational Injury or Illness (Form 5020) is current and accurate.

Based on the information present at that time, a determination is made whether or not investigation, fraud, litigation, and/or subrogation efforts are necessary or applicable. Upon receipt of a claim form (DWC 1, Form 5020, or Form 5021), notice is sent to the injured worker notifying them of the decision referencing their claim (acceptance, delay, or denial) and their rights under the Workers' Compensation Laws of California.



Based on the information present at that time, a determination is made regarding which medical facility and/or physician will be best to examine and/or provide medical treatment to the injured worker. A Qualified Medical Examination (QME), Agreed Medical Examination (AME), or Independent Medical Examination (IME) may also be options depending on the facts/specifics of each claim.

An Index Claim Search (ISO/EDEX) is obtained on lost time claims and claims wherein any disability benefit is due.

In addition, with prior client authorization, AdminSure assigns an investigator to a claim when any identified issue arises that may impact the nature, extent, or scope of the client's liability. When "red flags" are identified, investigation/Sub Rosa is completed.

For delayed and denied claims, AdminSure contacts the client to discuss the claim in its entirety, including "red flags," etc. before any notice is sent or communication is made with the injured worker. The Claims Adjuster documents the factual, medical, and/or legal basis for the delay or denial that is in accordance with the Workers' Compensation Laws of California. In reference to questionable claims that should be or may be accepted, contact is made with the client to discuss claims such as these in their entirety.

Once a claim is input into the system and the decision to accept, delay, or deny the claim has been made, the required reserve is set and the claim is placed on a diary cycle. Compensability determination and reasons for same are documented in the iVOS computer notepad.

Open claim files are assigned a diary date on an ongoing basis until date of closure. Open claim files are on an active diary. Claims not on diary for review had a Claim with No Diaries report reviewed by the supervisor/manager.

On a monthly basis, Managers monitor the open claims that do not have a diary set by utilizing a Claims with No Diaries report to identify any files that may have fallen off the diary.

Physicians' offices are contacted on new indemnity claims. Such contact is continued as needed during the continuation of temporary disability (lost time benefits) to ensure that treatment is related to the compensable injury or illness. Contact is documented in the computer notepad. On non-litigated, lost time cases where the injured worker has not returned to work, telephone contact is established with the injured worker.

Initial indemnity benefit payments and/or notices are processed and mailed to injured workers based on the first day of compensable disability, based on AdminSure's date of knowledge. Payments referencing undisputed settlements, Awards, or Compromise and Release Agreements are issued after Workers Compensation Appeal Board's (WCAB) approval date (following receipt of the appropriate documentation).

Subsequent and final indemnity benefit payments and notices are verified and issued in compliance with the Workers' Compensation Laws of California. Benefits and settlements are reviewed, approved, and documented. Late payments, if any, will include a self-imposed penalty in accordance with the Labor Code.



Lost time and disability benefit claims are balanced in the iVOS computer system and documented with a Balance Worksheet Form.

In the event the Claims Adjuster and the client determine a claim warrants legal service/referral, the Claims Adjuster retains primary responsibility of the claim file. Settlement proposals are presented to the client to obtain authority and settlement proposals are in a format deemed acceptable to the client.

With regard to medical care, the approach for maintaining the Utilization Review process is to adhere to California Labor Codes and California Code of Regulations (CCRs), etc.; as well as applicable, approved Guidelines, such as the Medical Treatment Utilization Schedule (MTUS) or American College of Occupational and Environmental Medicine (ACOEM), etc., in order to approve, modify, or deny RFA treatment requests. AdminSure manages medical care by remaining in contact with medical service providers including the client's choice of Nurse Case Managers (NCM), if any.

In the event a claim file warrants referral to an NCM provider, AdminSure contacts the client for approval and to discuss the intent/scope.

Open claims are reviewed and have a current plan of action towards closure in the computer notepad. Injured workers are provided benefits and medical bills are reviewed for reductions per the OMFS, IHFS, and PPO discounts, as well as other negotiated rates by in-house certified Medical Bill Reviewers.

With regard to medical benefit payments, AdminSure authorizes payment of medical benefits as follows: prior to any payment, bills are reviewed for accuracy and appropriateness. Medical bills submitted without supporting documentation are objected to and are not reviewed for payment until such documentation is obtained, if applicable. Medical bills will be paid, objected to, or denied.

Medical-legal bills are also reviewed for appropriateness and necessity. Medical-legal bills that do not qualify as valid medical-legal expenses are objected to in a timely manner according to the Workers' Compensation Laws of California. As required by Senate Bill (SB) 899, payment of medical treatment regarding delayed (AOE/COE) claims is processed through Utilization Review and Medical Bill Review but will not exceed \$10,000.

Permanent disability findings are addressed upon receipt of medical findings/knowledge. Once a claim is ready for settlement, AdminSure confers with the client and provides settlement recommendations which include: a brief history of the claim, the rating(s) of pertinent medical reports, the amounts paid and reserved on the claim, the proposed settlement, and the pros and cons of the proposed settlement which will include an estimate of future cost or consequences if the client were to reject the proposed settlement.



Claims Managers review all open claims on an ongoing basis, as well as randomly auditing a minimum of 10% of each of their Claims Adjusters' caseloads on a continuous basis to ensure AdminSure is meeting and/or exceeding standards. The purpose of those internal audits is to ensure proper claims handling procedures are adhered to and that a current plan of action towards closure and settlement is documented in every open claim file. Claim files are available for review by Client Staff or by an auditor at any time. Clients are provided with printed and electronic Workers' Compensation posters, forms, and pamphlets as required by law.

The standard funding arrangement for issuing checks and vouchers, if any, on behalf of a client's Workers' Compensation Program is for the client to retain a bank account from which Workers' Compensation Benefits and Payments are to be paid. Checks are prepared and issued directly to payees without delay. Checks are signed with a facsimile signature. Access to the signature files is restricted to Information Systems personnel.

IN-HOUSE MANAGED CARE PROGRAM SERVICES

MEDICAL BILL REVIEW SERVICES

AdminSure provides an EOR with every Medical Bill Review completed. The EORs can be obtained in a third-party software.

Claims Adjusters review medical bills prior to sending them for review and payment. This effort curtails inappropriate medical bills from being reviewed or paid. After Claims Adjusters approve medical bills to be reviewed, the bills are reviewed by the staff of State Certified Medical Bill Reviewers.

When it becomes necessary to defend a Medical Bill Review recommendation at a Mandatory Settlement Conference (MSC) or Lien Hearing/Trial, AdminSure re-reviews the medical bill per the OMFS/IHFS and applies applicable PPO discounts, as well as other negotiated rates. AdminSure analyzes the applicable sections of the OMFS/IHFS and PPO contracts, if applicable, that pertain to the medical bill in question.

The Medical Bill Review Department incoming workflows is 100% paperless. The workflow process is as follows:

- Medical bills are reviewed by Claims Adjusters and placed in the Medical Bill Review Department's workflow digitally for review or objection.
- Once a bill is reviewed and processed, the EOR is printed along with a check to the vendor/provider. The EOR is attached to the check.
- Checks to vendors/providers are held for one business day before mailing via USPS.

Medical bills and check copies are stored as a document and assigned to a respective claim file in iVOS. AdminSure is able to provide numerous Medical Bill Review reports that detail the provider, number of bills, total number of lines for a specific time period, total number of lines per bill, dollar charges, dollar reduction, percentage reduction, return on investment ratio, and fees, etc.



UTILIZATION REVIEW SERVICES

A claim needs to be referred for Utilization Review when a decision to approve a Request for Authorization (RFA) cannot be made at the claims adjusting level. The Utilization Review Department may approve, modify, or deny an RFA per applicable guidelines. Utilization Review referrals are also made when a peer review is necessary or when a non-examining medical opinion is needed.

When an RFA is received, AdminSure's Utilization Review Clerical Staff reviews the request, logs it into the database, then provides it to Utilization Review Staff for review.

Once the Utilization Review Staff or peer reviewer provides a decision, the Utilization Review Clerical Staff may assist with the completion of the utilization review process, such as emailing, faxing, and mailing the determination letter. The Utilization Review Clerical Staff's function is to also help facilitate, in every aspect, the Utilization Review process for parties involved, i.e. injured workers, clients, or physicians.

When Utilization Review denies or modifies treatment, a Utilization Review note is attached to the specific claim file in iVOS so the treatment that is not authorized for payment is not reviewed for payment. This eliminates unauthorized treatment from being reviewed or paid.

Utilization Review actions, efforts, documents, etc. are noted and stored in the computer system to provide to client contact(s) for review as needed.

h) Liability Claims Management

AdminSure personnel will, upon receipt of a new claim/incident report, start an investigation, make initial contact with the involved parties, and work with Client Support Staff to obtain the information needed to make a determination regarding liability. An acknowledgment letter is sent to the claimant or the claimant's attorney. All letters are documented in the correspondence section of the computer notepad.

Each new claim is opened with initial reserves for bodily injury, property damage, and allocated expenses. A plan of action is entered in the computer notepad.

Once a claim is received from the client, AdminSure will immediately recommend to the client to either take no action on the claim until further investigation has been completed, or proceed with the denial of the claim. Investigation is initiated in accordance with the plan of action. All activities and findings are recorded in the computer notepad.

AdminSure personnel review each claim to determine if it meets the reporting requirements of the client's excess carrier. If so, they immediately report it to the excess carrier and provide whatever information they need.

If a claim becomes litigated, AdminSure personnel work with the client's choice of legal counsel and handle the claim in accordance with the client's litigation guidelines. Litigation is referred to a client-approved attorney and monitored for activity and legal expense approval. Status updates are entered in the computer notepad. AdminSure understands that any settlement must be approved by the client.



Upon request, AdminSure may assist the client in collecting monetary amounts from any party who owes the client money as a result of damages or cost awards, including subrogation, contribution, indemnification, or a judgment. Damages are documented in cases where liability is adverse. Findings are recorded in the computer notepad.

In addition to the above, AdminSure personnel attend all required court appearances with legal counsel. Also, upon client request, they attend Small Claims Court hearings to represent the client and also provide the client with defenses that hopefully result in a favorable judgment.

Cases are placed on diary for follow-up and possible status reports to the client and their excess carrier. Cases may be placed on extended diaries for the Statute of Limitations to run.

AdminSure personnel meet with the client to discuss the administration of the client's program and the status of individual cases. These meetings should be held on a quarterly basis or, as more or as less frequently as the client may direct.

Periodically, the client or the excess carrier may audit claim files. AdminSure personnel provide the information needed by the auditor. The auditor is given complete access to claim information in AdminSure's possession, including access to iVOS.

AdminSure personnel take an active role in managing claims so that they are handled properly, quickly, and economically. To this end they:

- Screen accident reports. If it appears that a legitimate claim is forthcoming, AdminSure attempts to establish rapport with the claimant before an attorney becomes involved. At the same time, AdminSure is cautious not to solicit claims. If a claim is unlikely, AdminSure takes no action.
- Establish files and set reserves on new cases.
- Tender claims to third parties when the client is named as an additional insured on their insurance coverage.
- Promptly contact claimants or their attorneys and maintain contact with them throughout the life of the claim.
- Decide upon and initiate a proper course of investigation.
- Report bodily injury cases through iVOS.
- Report suspected fraud cases to the appropriate law enforcement authorities for criminal prosecution.
- Periodically review all active cases with an eye toward disposition and proper reserving.
- Determine fault.
- Seek contribution or indemnity from responsible third parties.
- Evaluate damages and determine settlement value.
- Provide narrative reports to the client when recommending rejection or settlement of a claim, or when there is a significant event, such as an approaching trial.
- Negotiate settlements.
- Prepare releases and forward to claimants or their attorneys.
- Initiate payment of settlements and expenses.



- Send denial letters to claimants or their attorneys when appropriate.
- Report severe injury cases to the client's excess liability insurers and arrange for reimbursement to the client for losses in excess of the client's self-insurance retention.
- Close files when appropriate to do so.

Rejection of a claim is recommended in writing when liability is determined to be non-existent or questionable. Rejections are documented in the computer notepad.

With the information developed through investigation for adverse liability claims, reserves are revised by the Claims Adjusting Staff when new information indicates the need to do so. Changes are recorded in the reserve section of the computer system. At this point sources of contribution and indemnity are identified. Upon completion of an investigation, liability determination is documented in the computer notepad for adverse liability claims.

Some investigative efforts can be done from the office. Smaller or non-disputed cases can be handled in this manner. Many tasks on larger, more complicated cases can also be handled this way in addition to following efforts:

- Send questionnaires to claimants and witnesses.
- Obtain recorded statements from claimants and witnesses.
- Obtain photographs and documents from all parties, including client personnel when these items are available.
- Obtain documentation of damages from claimants or their attorneys.
- Verify damages with claimants' doctors and employers.
- Send written inquiries to other parties reporting claimants to the Index System, i.e. Index Claim Search (ISO/EDEX).

Additionally, there will be times when field investigations are required. For instance, AdminSure uses field investigation when:

- Severe injuries are involved.
- Personal contact is necessary to maintain rapport with claimants on adverse liability cases.
- Trial preparation is necessary.
- Fraud is involved.

In such cases, professional investigators will:

- Locate hard-to-find witnesses.
- Conduct activity or court index checks on claimants.
- Obtain recorded or written signed statements from claimants and witnesses.
- Check out alleged doctors or employers when AdminSure suspects they do not exist.
- Conduct assets checks on co-defendants.
- Photograph accident scenes and/or vehicles.
- Perform any other investigative tasks best done in the field.



To help evaluate cases or prepare them for trial, AdminSure sometimes requires the assistance of specialists. AdminSure personnel maintain a roster of specialists in various fields, including:

- Property damage appraisers.
- Professional photographers and map makers.
- Remote photocopy services.
- Medical, engineering, and accident reconstruction experts.
- Economists, rehabilitation, and structured settlement specialists.
- Translators.

Litigation often represents a substantial part of a program's cost. AdminSure works closely with clients and their defense attorneys to minimize this cost.

The best form of litigation management is avoidance. This may mean promptly settling cases that should be settled or persuading a claimant or attorney not to pursue a case. Settlement authority is requested from the client and negotiations are conducted when there are adverse liability issues and damages. Settlement activities are recorded in the computer notepad. However, it is not always possible to avoid litigation, so when it occurs, AdminSure personnel will:

- Contact the client for referral to a qualified defense attorney that is on the client's approved list of attorneys.
- Provide the defense attorney with our complete file, including all investigation.
- Continue the claims administration functions previously described.
- Continue the investigation functions previously described.
- Audit and approve all expenses.
- Initiate payment of approved expenses.
- Attend settlement conferences on behalf of the client.

All outside assignments such as investigation assignments are limited to specific tasks and itemized statements are required on billings. This includes the data submissions and reporting required by Medicare under MMSEA Section 111.

Checks are marked as cleared, stopped, or voided.

i) Financial Management and Positive Pay Services

AdminSure processes payments/checks for approved expenses and statutory benefits by way of clients' Workers' Compensation and Liability accounts. Adhering to individual client's financial management specifications and requirements, AdminSure is able to facilitate this task by providing daily, weekly, monthly, yearly, ad hoc, and special reports to maintain the integrity of the account. Security is also in place in the form of user roles which prevents any personnel who requests payments, cannot also process or print checks and vice versa. Daily electronic check registers and check copies (client's option) are provided.



In addition to the above, AdminSure is also able to administer Positive Pay Services with the client's choice of bank. The Positive Pay Services provide protection against the potential of theft and fraudulent or tampered checks from being created, cashed, or deposited. The financial management and positive pay services only apply to those clients that opt for it.

On a daily basis, the computer system informs the client's bank as to which checks have been issued to positive pay clients – payee, amount, and check number. Daily and weekly statuses of the dollar amounts that have been processed, which includes detailed information regarding every transaction (payee, check amount, check number, claim number, check date, and claimant) is provided to the client. On a monthly basis, AdminSure reconciles and balances the client's account by recording/reporting the transactions made on the account against what has cleared from the account per the bank statement.

D. Control Objectives and Related Controls

AdminSure, Inc. has specified the control objectives and identified the controls that are designed to achieve the related control objective. The specified control objectives and related controls are presented in Section IV, "Description of AdminSure, Inc.'s Control Objectives and Related Controls, and Independent Service Auditor's Description of Tests of Controls and Results," and are an integral component of AdminSure, Inc.'s Claims Processing Service System.



E. Complementary Subservice Organization Controls

AdminSure, Inc.'s controls related to the Claims Processing Service System cover only a portion of overall internal control for each user entity of AdminSure, Inc. It is not feasible for the control objectives related to the Claims Processing Service System to be achieved solely by AdminSure, Inc. Therefore, each user entity's internal control over financial reporting must be evaluated in conjunction with AdminSure, Inc.'s controls and the related tests and results described in Section IV of this report, taking into account the types of controls expected to be implemented by the subservice organization as described below.

Complementary Subservice Organization Controls		Related Control Objective
Microsoft Azure		
1	Physical and environmental controls are in place and operating effectively involving: - Exterior perimeter - Badge and key card administration - Biometric scanning - Surveillance cameras - Dedicated and redundant power - Dedicated power supplies - Power distribution units - Automatic transfer switches - Environmental alarms - Climate controls - Heating, ventilation, and air conditioning (HVAC) - Uninterruptable power supplies (UPS) - Backup generator systems - Smoke and fire detection and suppression	➤ Control Objective 2: Physical and Environmental Controls
2	Information security controls are in place and operating effectively involving: - Security and facilities administration - Segregation of duties - Access provisioning for employees, contractors, vendors, and clients - Approved client list administration - Security event logging - Access reviews	➤ Control Objective 3: Logical Security
3	System availability and disaster recovery controls are in place and operating effectively involving: - Capacity management - Network and device management - Backup generators 24x7 enterprise monitoring system - Inspection and preventative maintenance program - Incident management - Breach notification - Disaster recovery plan and testing	➤ Control Objective 4: Security Availability and Performance



F. Complementary User Entity Controls

AdminSure, Inc.'s controls related to the Claims Processing Service System cover only a portion of overall internal control for each user entity of AdminSure, Inc. It is not feasible for the control objectives related to the Claims Processing Service System to be achieved solely by AdminSure, Inc. Therefore, each user entity's internal control over financial reporting should be evaluated in conjunction with AdminSure, Inc.'s controls and the related tests and results described in Section IV of this report, taking into account the related complementary user entity controls identified below, where applicable.

In order for user entities to rely on the controls reported on herein, each user entity must evaluate its own internal control to determine whether the identified complementary user entity controls have been implemented and are operating effectively.

Complementary User Entity Controls		Related Control Objective	
1	Electronic Submission. Information provided electronically to AdminSure from clients should be complete, accurate, properly authorized, and in accordance with the provisions specified between AdminSure and the clients. Data transmissions should be encrypted to provide for privacy of any personal or medical information.	➤	Control Objective 3: Logical Security Control Objective 7: Workers' Compensation Claims Management Control Objective 8: Liability Claims Management
2	Internet Connections. The AdminSure network connections are managed and measures are taken to mitigate the potential for intrusion and penetration. In order for clients to verify that the data exchanged has integrity, their data network should be protected by using items such as firewalls, intrusion detection systems, and virus protection software, etc. Note that this is a list of examples, and not a complete list of required or recommended protective measures, etc.	➤	Control Objective 3: Logical Security
3	Disaster Recovery Plan. Clients should have a comprehensive disaster recovery plan. The plan should address the areas of group operation, including information systems functions and benefits processing. Each client should also develop steps to verify continued operations during and following an emergency situation. The plan and emergency procedures should be tested periodically and communicated to client employees.	➤	Control Objective 6: Backup and Contingency Planning
4	Control Over Output. Clients are responsible for determining which system reports they need to receive, determining that they have received reports, and verifying report output is controlled.	➤	Control Objective 7: Workers' Compensation Claims Management Control Objective 8: Liability Claims Management



Complementary User Entity Controls		Related Control Objective	
5	Failure Reporting. Clients are responsible for reporting failed claims submissions. AdminSure will not necessarily be aware if an electronically submitted claim is not received and expects the client to contact AdminSure and resubmit.	➤	Control Objective 7: Workers' Compensation Claims Management Control Objective 8: Liability Claims Management
6	Claim Information and Documentation. Clients are responsible for providing AdminSure with initial and continued claim information and documentation.	➤	Control Objective 7: Workers' Compensation Claims Management Control Objective 8: Liability Claims Management



IV. Description of AdminSure, Inc.'s Control Objectives and Related Controls, and Independent Service Auditor's Description of Tests of Controls and Results

A. Information Provided by the Independent Service Auditor

This SOC 1 Type 2 report was prepared in accordance with the AICPA attestation standards, when combined with an understanding of the controls at user entities, is intended to assist auditors in planning the audit of user entities' financial statements or user entities' internal control over financial reporting and in assessing control risk for assertions in user entities' financial statements that may be affected by controls at AdminSure, Inc.

Our examination was limited to the control objectives and related controls specified by AdminSure, Inc. in Sections III and IV of the report, and did not extend to controls in effect at user entities.

It is the responsibility of each user entity and its independent auditor to evaluate this information in conjunction with the evaluation of internal control over financial reporting at the user entity in order to assess total internal control. If internal control is not effective at user entities, AdminSure, Inc.'s controls may not compensate for such weaknesses.

AdminSure, Inc.'s internal control represents the collective effect of various factors on establishing or enhancing the effectiveness of the controls specified by AdminSure, Inc. In planning the nature, timing, and extent of our testing of the controls to achieve the control objectives specified by AdminSure, Inc., we considered aspects of AdminSure, Inc.'s control environment, risk assessment process, monitoring activities, and information and communications.

The following table clarifies certain terms used in this section to describe the nature of the tests performed:

Test Procedure	Description
Inquiry	➤ Inquiry of appropriate personnel and corroboration with management.
Observation	➤ Observation of the application, performance, or existence of the control.
Inspection	➤ Inspection of documents and reports indicating performance of the control.
Reperformance	➤ Reproduction of the control.

In addition, we evaluated whether the information was sufficiently reliable for our purposes by obtaining evidence about the accuracy and completeness of such information and evaluating whether the information was sufficiently precise and detailed for our purposes.



B. Test of Controls and Results

1. Organization Structure and Administration

Controls Specified by AdminSure, Inc. Tests Performed by Moss Adams LLP		Test Results
Control Objective 1: Controls provide reasonable assurance that appropriate oversight and direction are in place to support Claims Processing.		
1. Management has created an individual job description for every position within the organization to define the position's responsibilities.	Inquired of the Business Manager about individual job descriptions noting that management had created an individual job description for every position within the organization to define the position's responsibilities.	No exceptions noted.
	Inspected job descriptions for randomly selected positions within the organization during the examination period noting that management had created an individual job description for every position within the organization to define the position's responsibilities.	No exceptions noted.
2. The new hire process is initiated according to the New Hire Checklist which is completed for each new employee.	Inquired of the Business Manager about new hire processes noting that the new hire process was initiated according to the New Hire Checklist which was completed for each new employee.	No exceptions noted.
	Inspected the New Hire Checklist for randomly selected new hires during the examination period noting that the new hire process was initiated according to the New Hire Checklist which was completed for each new employee.	No exceptions noted.
3. AdminSure performs personnel security clearance for new hires, including credit checks, civil and criminal record review, employment verification, education verification, driver's record verification, and Social Security Number trace.	Inquired of the Business Manager about background checks noting that AdminSure performed personnel security clearance for new hires including credit checks, civil and criminal record review, employment verification, education verification, drivers' record verification, and Social Security Number trace.	No exceptions noted.
	Inspected the New Hire onboarding checklists and background check results for randomly selected new hires during the examination period noting that AdminSure performed personnel security clearance for new hires, including credit checks, civil and criminal record review, employment verification, education verification, drivers' record verification, and Social Security Number trace.	No exceptions noted.



Controls Specified by AdminSure, Inc. Tests Performed by Moss Adams LLP		Test Results
Control Objective 1: Controls provide reasonable assurance that appropriate oversight and direction are in place to support Claims Processing.		
4. A new hire orientation is completed for new employees. Orientation includes the completion of a Confidential Employee Information Form, System Access Form, and Employee Handbook Acknowledgement.	Inquired of the Business Manager about new hire orientation noting that a new hire orientation was completed for new employees. Also noted that orientation included the completion of a Confidential Employee Information Form, System Access Form, and Employee Handbook Acknowledgement. Inspected the signed Confidential Employee Information Form, System Access Form, and Employee Handbook Acknowledgement for randomly selected new hires during the examination period noting that new hire orientation was completed for new employees and orientation included the completion of the Confidential Employee Information Form, System Access Form, and Employee Handbook Acknowledgement.	No exceptions noted. No exceptions noted.
5. Managers complete employee appraisals at least annually.	Inquired of the Business Manager about employee appraisals noting that managers completed employee appraisals at least annually. Inspected employee appraisals for randomly selected employees during the examination period noting that managers completed employee appraisals at least annually.	No exceptions noted. No exceptions noted.
6. An Exit Checklist is completed for employees who voluntarily or involuntarily terminate employment with AdminSure and is signed by both the employee (when possible) and the HR Manager as applicable. The Exit Checklist includes: • Receipt of System Access Form for Terminations • Receipt of Separation Agreement & Release, if applicable • Returned Receipt of Office Keys, if applicable	Inquired of the Business Manager about terminations noting that an Exit Checklist was completed for both voluntarily and involuntarily terminated employees and was signed by the HR Manager and the employee (when possible). Also noted that the Exit Checklist included: • Receipt of System Access Form for Terminations • Receipt of Separation Agreement & Release, if applicable • Returned Receipt of Office Keys, if applicable Inspected the Exit Checklist and system access lists for randomly selected terminations during the examination period noting that an Exit Checklist was completed for employees who voluntarily or involuntarily terminated employment with AdminSure and was signed by both the employee (when possible) and the HR Manager as applicable. The Exit Checklist included: • Receipt of System Access Form for Terminations • Receipt of Separation Agreement & Release, if applicable • Returned Receipt of Office Keys, if applicable	No exceptions noted. No exceptions noted.



2. Physical and Environmental Controls

Controls Specified by AdminSure, Inc. Tests Performed by Moss Adams LLP		Test Results
Control Objective 2: Controls provide reasonable assurance that server and telecommunication rooms are secured against physical conditions by monitoring devices that provide alerts to the designated technical resources in the case of physical abnormalities.		
1. The server and telecommunication room is kept locked at all times and access is controlled via key code. All server and telecommunication room access is logged within the physical access log.	Inquired of the Technology Advisor about door locks noting that the server and telecommunications room was kept locked at all times and access was controlled via key code. Also noted that all server and telecommunication room access was logged within the physical access log. Observed the server and telecommunication room noting that the server and telecommunication room was kept locked at all times and access was controlled via key code. Inspected the physical access log during the examination period noting that all server and telecommunication room access was logged within the physical access log.	No exceptions noted. No exceptions noted. No exceptions noted.
2. The computer room has a dedicated cooling system with redundant cooling backup.	Inquired of the Technology Advisor about computer room climate controls noting that the computer room had a dedicated cooling system with redundant cooling system backup. Observed the computer room noting that it contained a dedicated cooling system with redundant cooling system backup.	No exceptions noted. No exceptions noted.
3. Monitoring and alerting of the Uninterruptible Power Supply (UPS) device is configured for alerting via email to the Information Systems Administrators and contracted consultants for monitoring and remediation.	Inquired of the Technology Advisor about UPS device monitoring noting that the monitoring and alerting of the UPS device was configured for alerting via email to the Information Systems Administrators and contracted consultants for monitoring and remediation. Inspected the monitoring and alert configuration settings for the UPS device noting that email and text alerts had been configured to be sent to the Information Systems Administrator and contracted consultants in the event of defined power events. Inspected a log of events and an example email notification received during the examination period noting that the notification was generated indicating the specific alert, which device, and the date/time.	No exceptions noted. No exceptions noted. No exceptions noted.



3. Logical Security

Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 3: Controls provide reasonable assurance that logical access to systems is operating, documented, and reviewed to protect client data.			
1.	All requests for new user access and any changes for existing user access for Information Systems must be submitted to the Information Systems Department by a Manager via a completed System Access Form. Requests are reviewed by Information Systems Administrators and the requestor is notified once approved changes have been implemented.	Inquired of the Technology Advisor about user access noting that all requests for new user access and any changes for existing user access for Information Systems were submitted via a completed System Access Form to the Information Systems Department by a Manager. Also noted that requests were reviewed by Information Systems Administrators, and the requestor was notified once approved changes had been implemented. Inspected the System Access Forms, email communications, and in-scope user listings for randomly selected new users and modified users during the examination period noting that requests for new user access and any changes for existing user access for Information Systems were submitted to the Information Systems Department by a Manager via a completed System Access Form. Also noted that requests were reviewed by Information Systems Administrators, and the requestor was notified once approved changes had been implemented.	No exceptions noted. No exceptions noted.
2.	User accounts are audited on an annual basis to ensure access is appropriate for all users based on department needs and user job responsibilities.	Inquired of the Technology Advisor about user access reviews noting that user access reviews were performed on an annual basis to ensure access was appropriate for all users based on department needs and user job responsibilities. Inspected the annual user access review performed during the examination period noting that user accounts were audited on an annual basis to ensure access was appropriate for all users based on department needs and user job responsibilities.	No exceptions noted. No exceptions noted.
3.	User passwords must adhere to minimum complexity, character length requirements, and periodic password changes; these requirements are enforced by system policies.	Inquired of the Technology Advisor about user password systems policies noting that minimum complexity, character length requirements, and periodic password changes were enforced by system policies. Inspected the Azure Active Directory and iVOS password policies noting that minimum complexity, character length requirements, and periodic password changes were enforced.	No exceptions noted. No exceptions noted.



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP		Test Results	
Control Objective 3: Controls provide reasonable assurance that logical access to systems is operating, documented, and reviewed to protect client data.					
4.	Remote access to the claims management system is provided to clients via a web application secured with an SSL certificate.	Inquired of the Technology Advisor about remote access to the claims management system noting that remote or external access was provided to clients via a web application and secured with an SSL certificate.	Inspected the SSL certificate for remote access provided to clients to the claims management system via a web application noting that the remote or external access to the web application was secured with an SSL certificate.	No exceptions noted.	
5.	Endpoints are protected with real-time virus protection and automated signature updates are pushed to desktops.	Inquired of the Technology Advisor about endpoint virus protection noting that the endpoints were protected with real-time virus protection and automated signature updates were pushed to desktops.	Inspected the virus protection configuration, an example alert, and the AV Defender and Sentinel One Status Report noting endpoints were protected with real-time virus protection and automated signature updates were pushed to desktops.	No exceptions noted.	
6.	Outbound email is scanned for message content and encrypted based upon company-defined policies within the application. Additionally, users can encrypt email on demand for any outbound email.	Inquired of the Technology Advisor about the process of email encryption noting that outbound email was scanned for message content and encrypted based on application settings. Also noted that users had the option to encrypt emails on demand.	Inspected the email encryption system configuration noting that outbound email was scanned for message content and encrypted based on application settings. Also noted that users had the option to encrypt emails on demand.	No exceptions noted.	



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 3: Controls provide reasonable assurance that logical access to systems is operating, documented, and reviewed to protect client data.			
7. External security scans are performed semi-annually, and vulnerabilities are assessed and remediated by the Information Systems Department.	Inquired of the Technology Advisor about the process of external security scans noting that the scans were performed semi-annually to identify vulnerabilities, and issues identified during the assessment were reviewed and remediated by the Information Systems Department. Inspected the external security scans performed, evidence of management's review, and remediation tickets created during the examination period noting that the vulnerabilities that were identified during the semi-annual external scan were assessed and remediated by the Information Systems Department as documented within their ticketing tool.	No exceptions noted. No exceptions noted.	
8. Administrative access to the network is limited to the IT Team.	Inquired of the Technology Advisor about administrative access noting that administrative access to the network was limited to the IT Team. Inspected the Windows Active Directory Domain Administrator user listing noting that administrative access to the network was limited to the IT Team.	No exceptions noted. No exceptions noted.	



4. System Availability and Performance

Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 4: Controls provide reasonable assurance that system availability and performance are monitored for failures and information assets are protected.			
1. Power is provided to the server and network infrastructure at the corporate headquarters via an online UPS.	Inquired of the Information Systems Manager about the power provided to the server and network infrastructure at the corporate headquarters noting that power was provided by an online UPS. Observed the UPS devices providing power to the server and network infrastructure at the corporate headquarters noting that power was supplied by an online UPS.	No exceptions noted. No exceptions noted.	
2. Alerts around performance data are sent to contracted consultants for review and remediation.	Inquired of the Technology Advisor about a performance monitoring noting that alerts around performance data were sent to contracted consultants for review and remediation. Inspected the alerts configurations, example ticket of alert and log of alerts during the examination period noting that alerts around performance data were sent to contracted consultants for review and remediation	No exceptions noted. No exceptions noted.	
3. The approach adopted to define firewall rule sets is that all services and access to external websites is denied by the firewall unless expressly permitted.	Inquired of the Technology Advisor about firewall rule sets noting that the network firewall actively monitored the network traffic, and all services and access to external websites were denied unless expressly permitted. Inspected the firewall rule configuration noting that services and access to external websites were denied unless expressly permitted within the firewall rules.	No exceptions noted. No exceptions noted.	
4. Inbound email is scanned for viruses, spyware, malware, and spam prior to being delivered.	Inquired of the Technology Advisor about email security noting that inbound email was scanned for message viruses, spyware, malware, and spam prior to being delivered. Inspected the email filtering settings noting that inbound emails were configured to be scanned for viruses, spyware, malware, and spam prior to being delivered.	No exceptions noted. No exceptions noted.	



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 4: Controls provide reasonable assurance that system availability and performance are monitored for failures and information assets are protected.			
5. The firewall is configured and provides edge filtering with security services for viruses, spyware, and malware.	Inquired of the Technology Advisor about firewall configurations noting that active filtering of viruses, spyware, and malware was present within the firewall configuration.	No exceptions noted.	
	Inspected the firewall gateway configuration noting that active filtering of viruses, spyware, and malware was present within the security services of the firewall configuration.	No exceptions noted.	
6. On an annual basis AdminSure performs a review of the SOC report for Azure. This includes examining the effectiveness of their physical and environmental controls, general computer controls, service delivery and operations, logical access, and physical security.	Inquired of the Technology Advisor about SOC reviews noting that AdminSure performed a review of the SOC report for Azure on an annual basis. Also noted that the review included an examination of the effectiveness of their physical and environmental controls, general computer controls, service delivery and operations, logical access, and physical security.	No exceptions noted.	
	Inspected management's review of the Azure SOC report noting that AdminSure performed a review of the SOC report for Azure on an annual basis. Also noted that the review included an examination of the effectiveness of their physical and environmental controls, general computer controls, service delivery and operations, logical access, and physical security.	No exceptions noted.	
7. Any security or application availability incidents are submitted to the Information Systems Department. Incidents are assessed for severity and escalated based upon severity by the Systems Manager. Incidents are tracked via a ticket system.	Inquired of the Technology Advisor about any security or application availability incidents noting that all security or application availability incidents were submitted to the Information Systems Department. Noted that any incidents were assessed for severity, escalated based upon severity by the Systems Manager, and tracked via a ticket system.	No exceptions noted.	
	Inspected a log of incidents during the examination period noting that all security or application availability incidents were submitted to the Information Systems Department. Noted that any incidents were assessed for severity, escalated based upon severity by the Systems Manager, and tracked via a ticket system.	The circumstances that warrant the operation of this control did not occur during the examination period; therefore, no testing was performed.	



5. Application and Software Development

Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 5: Controls provide reasonable assurance that application changes are reviewed, approved, assessed for impact, tested, and implemented.			
1. A separate test environment exists for changes to be deployed on to determine the business impact before being implemented on production systems, when possible.	Inquired of the Technology Advisor about change testing noting that when possible, changes were deployed on test systems to determine the business impact before being implemented on production systems.	No exceptions noted.	
	Inspected the Azure server listing and associated IP address noting that AdminSure had separate testing and development environments for evaluating the business impact of changes before being implemented into production.	No exceptions noted.	
2. Changes are reviewed for business impact, approved, and scheduled for implementation by the Change Management Committee. Additionally, all changes are tracked through a change management/incident management log.	Inquired of the Technology Advisor about change reviews noting that application changes were evaluated for business impact, approved, and scheduled for implementation by the Change Management Committee. Noted that changes were tracked through a change management/incident management log.	No exceptions noted.	
	Inspected a log of changes during the examination period noting that changes were evaluated for business impact, approved, and scheduled for implementation by the Change Management Committee. Noted that changes were tracked through a change management/incident management log.	The circumstances that warrant the operation of this control did not occur during the examination period; therefore, no testing was performed.	



6. Backup and Contingency Planning

Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 6: Controls provide reasonable assurance that backup and contingency planning of business-critical data is stored based on defined policies.			
1. All data is automatically backed up by the cloud-based data system. Backups are taken continuously so that data can be restored to any point in time for two weeks.	Inquired of the Technology Advisor about the configuration of data noting that all data was automatically backed up by the cloud-based data system. Also noted that backups were taken continuously so that data could be restored to any point in time for two weeks.	No exceptions noted.	
	Inspected the Azure backup configurations and the backup log noting that all data was automatically backed up by the cloud-based data system. Also noted that backups were taken continuously so that data could be restored to any point in time for two weeks.	No exceptions noted.	
2. Business continuity and disaster recovery plans addressing system recovery are in place and tested on an annual basis.	Inquired of the Technology Advisor about business continuity and disaster recovery plans noting that an established disaster recovery plan was in place to address system recovery and tested on an annual basis.	No exceptions noted.	
	Inspected the business continuity and disaster recovery plan and the most recent disaster recovery test noting that a disaster recovery plan was in place and was tested on an annual basis.	No exceptions noted.	



7. Worker's Compensation Claims Management

Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 7: Controls provide reasonable assurance that clients' Workers' Compensation Claims are processed accurately, timely, and completely in accordance with defined procedures.			
1. Initial claim reserves and subsequent reserve changes are reviewed and approved by the assigned Claims Manager if it exceeds the claims adjusters' reserve authority.	Inquired of the Workers' Compensation Director about reserves noting that initial claim reserves and subsequent reserve changes were reviewed and approved by the assigned Claims Manager if it exceeded the claims adjusters' reserve authority.	Inspected the iVOS computer notepad for randomly selected open claims during the examination period noting that initial claim reserves and subsequent reserve changes were reviewed and approved by the assigned Claims Manager if it exceeded the claims adjusters' reserve authority.	No exceptions noted.
			No exceptions noted.
2. Future medical claim reserves are reviewed.	Inquired of the Workers' Compensation Director about future reserves noting that future medical claims were reviewed.	Inspected the iVOS computer notepad for randomly selected future medical claims during the examination period noting that future medical claim reserves were reviewed.	No exceptions noted.
			No exceptions noted.
3. AdminSure also establishes and maintains indemnity, medical, and allocated expense reserves as separate line items to ensure each expense is being reserved and paid.	Inquired of the Workers' Compensation Director about reserves noting that indemnity, medical, and allocated expense reserves were established and maintained as separate line items to ensure each expense was being reserved and paid.	Inspected the iVOS computer notepad, reserve analysis worksheet, and check images for randomly selected open claims during the examination period noting that indemnity, medical, and allocated expense reserves were maintained as separate line items. Also noted that images of checks paid were attached and check amount matched the amount on the worksheet.	No exceptions noted.
			No exceptions noted.



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 7: Controls provide reasonable assurance that clients' Workers' Compensation Claims are processed accurately, timely, and completely in accordance with defined procedures.			
4. When a claim is litigated, the claim continues to be administered and managed by Claims Staff.	Inquired of the Workers' Compensation Director about claims litigation noting that when a claim was litigated, the claim continued to be administered and managed by Claims Staff.	No exceptions noted.	
	Inspected the iVOS computer notepad for randomly selected litigated claims during the examination period noting that when a claim was litigated, the claim continued to be administered and managed by Claims Staff.	No exceptions noted.	
5. When a claim is subrogated, the claim continues to be administered and managed. The at-fault party (parties) is placed on notice that maximum recovery will be pursued where there is subrogation potential.	Inquired of the Workers' Compensation Director about subrogation noting that subrogated claims continued to be administered and managed, and at-fault parties were placed on notice that maximum recovery would be pursued where subrogation potential existed.	No exceptions noted.	
	Inspected the iVOS computer notepad for randomly selected subrogated claims during the examination period noting that claims were continuously administered and managed while the insurer pursued the party who caused the loss. Also noted that at-fault parties were placed on notice that maximum recovery would be pursued.	No exceptions noted.	
6. When a claim involves lost time benefits, return-to-work status is obtained.	Inquired of the Workers' Compensation Director about lost time benefits noting that return-to-work status was obtained and documented when a claim involved lost time benefits.	No exceptions noted.	
	Inspected the iVOS computer notepad for randomly selected lost time claims during the examination period noting that return-to-work status was obtained and documented.	No exceptions noted.	



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 7: Controls provide reasonable assurance that clients' Workers' Compensation Claims are processed accurately, timely, and completely in accordance with defined procedures.			
7. Incoming documents are received, scanned, and electronically date-stamped in the iVOS software.	Inquired of the Workers' Compensation Director about incoming documents noting that incoming documents were received via mail or email, scanned, and electronically date-stamped within the iVOS software.	No exceptions noted.	
	Observed the incoming mail process noting that incoming documents were automatically received, scanned, and electronically date-stamped in the iVOS software.	No exceptions noted.	
	Inspected the iVOS configuration settings for incoming faxes and mail noting that incoming documents were received, scanned, and electronically date-stamped in the iVOS software.	No exceptions noted.	
8. Upon knowledge or notice of an injury, illness, or incident received by any source (i.e., Application of Adjudication, Notice of Legal Representation, or Doctor's First Report of Injury (DFR, Form 5021)), AdminSure verifies coverage and prepares a claim file.	Inquired of the Workers' Compensation Director about claim file opening noting upon knowledge or notice of an injury, illness, or incident received by any source (i.e., Application of Adjudication, Notice of Legal Representation, or Doctor's First Report of Injury (DFR, Form 5021)), AdminSure verified coverage and prepared a claim file.	No exceptions noted.	
	Inspected the iVOS computer notepad for randomly selected open claims during the examination period noting that AdminSure verified coverage and opened/prepared a claim when notice of an injury, illness, or incident was received by any source (i.e., Application of Adjudication, Notice of Legal Representation, or Doctor's First Report of Injury (DFR, Form 5021)).	No exceptions noted.	
9. Once a claim file is opened or AdminSure has knowledge of a possible or imminent claim, three-point contact is made with the client, the injured worker, and the treating medical facility (physician). Once contact is initiated, communications are documented in the iVOS computer notepad.	Inquired of the Workers' Compensation Director about new file communications noting that three-point contact was made with the client, the injured worker, and the treating medical facility (physician) once a claim file was opened or AdminSure received knowledge of an imminent claim. Also noted that once contact was initiated, communications were documented in the iVOS computer notepad.	No exceptions noted.	
	Inspected the iVOS computer notepad for randomly selected claims during the examination period noting that three-point contact was made with the client, the injured worker, and the treating medical facility (physician). Also noted that once contact was initiated, communications were documented in the iVOS computer notepad.	No exceptions noted.	



Controls Specified by AdminSure, Inc. Tests Performed by Moss Adams LLP		Test Results
Control Objective 7: Controls provide reasonable assurance that clients' Workers' Compensation Claims are processed accurately, timely, and completely in accordance with defined procedures.		
10. Upon receipt of a claim form (DWC 1, Form 5020, or Form 5021), notice is sent to the injured worker notifying them of the decision referencing their claim (acceptance, delay, or denial) and their rights under the Workers' Compensation Laws of California.	Inquired of the Workers' Compensation Director about claims notifications noting that the injured worker was notified by AdminSure of the decision referencing their claim and their rights upon receipt of a claim form.	No exceptions noted.
	Inspected the iVOS computer notepad and communications tabs for randomly selected claims during the examination period noting that the injured worker was sent a notification of their claim decision and their rights under the Worker's Compensation Laws of California once the claim form was received by AdminSure.	No exceptions noted.
11. An Index Claim Search (ISO/EDEX) is obtained on lost time claims and claims wherein any disability benefit is due.	Inquired of the Workers' Compensation Director about index claim searches noting that an ISO/EDEX was obtained on lost time claims and claims where disability benefits were due.	No exceptions noted.
	Inspected the iVOS computer notepad for randomly selected lost time claims and disability benefit claims during the examination period noting that an ISO/EDEX was obtained on lost time claims and claims where disability benefits were due.	No exceptions noted.
12. When "red flags" are identified, investigation/Sub Rosa is completed.	Inquired of the Workers' Compensation Director about red flag files noting that investigation/Sub Rosa was completed when "red flags" were identified.	No exceptions noted.
	Inspected the iVOS computer notepad for randomly selected claims with payments made to investigators during the examination period noting that investigation/Sub Rosa was completed when "red flags" were identified.	No exceptions noted.
13. For delayed and denied claims, AdminSure contacts the client to discuss the claim in its entirety, including "red flags," etc. before any notice is sent or communication is made with the injured worker.	Inquired of the Workers' Compensation Director about delayed and denied claims noting that AdminSure contacted the client to discuss the claim in its entirety, including "red flags," etc. before any notice was sent or communication was made with the injured worker.	No exceptions noted.
	Inspected the iVOS computer notepad for randomly selected delayed and denied claims during the examination period noting that AdminSure contacted the client to discuss the claim in its entirety, including "red flags," etc. before any notice was sent or communication was made with the injured worker.	No exceptions noted.



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 7: Controls provide reasonable assurance that clients' Workers' Compensation Claims are processed accurately, timely, and completely in accordance with defined procedures.			
14. Compensability determination and reasons for same are documented in the iVOS computer notepad.		Inquired of the Workers' Compensation Director about compensability noting that compensability determination was documented within the iVOS computer notepad.	No exceptions noted.
		Inspected the iVOS computer notepad for randomly selected open claims during the examination period noting that compensability determinations and reasons for same were documented in the iVOS computer notepad.	No exceptions noted.
15. Open claim files are assigned a diary date on an ongoing basis until date of closure. Open claim files are on an active diary. Claims not on diary for review had a Claim with No Diaries report reviewed by the supervisor/manager.		Inquired of the Workers' Compensation Director about open claims noting that open claim files were on an active diary and had an assigned diary date until the date of closure. Also noted that claims not on diary for review had a Claim with No Diaries report reviewed by the supervisor/manager.	No exceptions noted.
		Inspected the iVOS computer notepad for randomly selected open claims during the examination period noting that the claims were on an active diary and had an assigned diary date until the date of closure. Also noted that claims not on diary for review had a Claim with No Diaries report reviewed by the supervisor/manager.	No exceptions noted.
16. On a monthly basis, Managers monitor the open claims that do not have a diary set by utilizing a Claims with No Diaries report to identify any files that may have fallen off the diary.		Inquired of the Workers' Compensation Director about open claims monitoring noting that diary reviews were performed on a monthly basis using the Claims with No Diaries report to identify any files that may have fallen off the diary.	No exceptions noted.
		Inspected the Claims with No Diaries report for randomly selected months during the examination period noting that Managers monitored diary reviews on a monthly basis to identify items which may have fallen off the diary.	No exceptions noted.



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 7: Controls provide reasonable assurance that clients' Workers' Compensation Claims are processed accurately, timely, and completely in accordance with defined procedures.			
17. Initial indemnity benefit payments and/or notices are processed and mailed to injured workers based on the first day of compensable disability, based on AdminSure's date of knowledge.	Inquired of the Workers' Compensation Director about benefit payments and notices noting that initial indemnity benefit payments and/or notices were processed and mailed to injured workers based on the first day of compensable disability, based on AdminSure's date of knowledge. Inspected the iVOS computer notepad for randomly selected claims during the examination period noting that initial indemnity benefit payments and/or notices were processed and mailed to injured workers based on the first day of compensable disability, based on AdminSure's date of knowledge.	No exceptions noted. No exceptions noted.	
18. Payments referencing undisputed settlements, Awards, or Compromise and Release Agreements are issued after Workers Compensation Appeal Board's (WCAB) approval date (following receipt of the appropriate documentation).	Inquired of the Workers' Compensation Director about undisputed settlements noting that payments related to undisputed settlements, Awards, or Compromise and Release Agreements were issued after the WCAB's approval date and after appropriate documentation was received. Inspected the iVOS computer notepad for randomly selected settled claims during the examination period noting that payments related to undisputed settlements, Awards, or Compromise and Release Agreements were issued after the WCAB's approval date and after appropriate documentation was received.	No exceptions noted. No exceptions noted.	
19. Benefits and settlements are reviewed, approved, and documented.	Inquired of the Workers' Compensation Director about benefits approval noting that benefits and settlements were reviewed, approved, and documented. Inspected the iVOS computer notepad for randomly selected settled claims during the examination period noting that benefits and settlements were reviewed, approved, and documented.	No exceptions noted. No exceptions noted.	



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP		Test Results
Control Objective 7: Controls provide reasonable assurance that clients' Workers' Compensation Claims are processed accurately, timely, and completely in accordance with defined procedures.				
20. Lost time and disability benefit claims are balanced in the iVOS computer system and documented with a Balance Worksheet Form.	Inquired of the Workers' Compensation Director about benefits balancing noting that lost time and disability benefit claims were balanced in the iVOS computer system and documented with a Balance Worksheet Form. Inspected the iVOS computer notepad for randomly selected lost time and disability benefit claims during the examination period noting that benefits were balanced in the iVOS computer system and documented with a Balance Worksheet Form.	No exceptions noted. One of 40 lost time and disability benefit claims did not have a Balance Worksheet Form completed. <i>See Section V - Other Information Provided by the Service Organization That Is Not Covered by the Service Auditor's Report for management response to the noted exception.</i>		
21. In the event a claim file warrants referral to an NCM provider, AdminSure contacts the client for approval and to discuss the intent/scope.	Inquired of the Workers' Compensation Director about claim file referrals noting that for claims that warranted a referral to an NCM, client contact was initiated to discuss intent/scope and obtain approval. Inspected the iVOS computer notepad for randomly selected claims that warranted a referral to an NCM provider during the examination period noting that the client was contacted for approval and to discuss intent/scope.	No exceptions noted. No exceptions noted.		
22. Medical bills are reviewed for reductions per the OMFS, IHFS, and PPO discounts, as well as other negotiated rates by in-house certified Medical Bill Reviewers.	Inquired of the Workers' Compensation Director about medical bill review noting that medical bills were reviewed for reductions per the OMFS, IHFS, or PPO discounts, as well as other negotiated rates by in-house certified Medical Bill Reviewers. Inspected iVOS computer notepad for randomly selected Medical Bill Review claims during the examination period noting that medical bills were reviewed for reductions per the OMFS, IHFS, or PPO discounts, as well as other negotiated rates. Also noted that bills were reviewed by in-house certified Medical Bill Reviewers.	No exceptions noted. No exceptions noted.		



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 7: Controls provide reasonable assurance that clients' Workers' Compensation Claims are processed accurately, timely, and completely in accordance with defined procedures.			
23. Permanent disability findings are addressed upon receipt of medical findings/knowledge.	Inquired of the Workers' Compensation Director about permanent disability findings noting that permanent disability findings were addressed upon receipt of medical findings/knowledge.	Inquired of the Workers' Compensation Director about permanent disability findings noting that permanent disability findings were addressed upon receipt of medical findings/knowledge.	No exceptions noted.
		Inspected the iVOS computer notepad for randomly selected permanent lost time and disability claims during the examination period noting that permanent disability findings were addressed upon receipt of medical findings/knowledge.	No exceptions noted.
24. Once a claim is ready for settlement, AdminSure confers with the client and provides settlement recommendations.		Inquired of the Workers' Compensation Director about claim settlements noting that AdminSure conferred with the client and provided settlement recommendations.	No exceptions noted.
		Inspected the iVOS computer notepad for randomly settled claims during the examination period noting that AdminSure conferred with the client and provided settlement recommendations.	No exceptions noted.
25. Claims Managers review all open claims on an ongoing basis, as well as randomly auditing a minimum of 10% of each of their Claims Adjusters' caseloads on a monthly basis to ensure AdminSure is meeting and/or exceeding standards.		Inquired of the Workers' Compensation Director about open claim review noting that the Claims Managers reviewed open claims on a monthly basis and randomly audited a minimum of 10% of each Claims Adjusters' caseloads.	No exceptions noted.
		Inspected the manager review report for randomly selected months during the examination period noting that the Claims Managers reviewed open claims on a monthly basis and selected a minimum of 10% of each Claims Adjusters' caseloads to ensure AdminSure was meeting and/or exceeding standards.	No exceptions noted.



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 7: Controls provide reasonable assurance that clients' Workers' Compensation Claims are processed accurately, timely, and completely in accordance with defined procedures.			
26. Checks are signed with a facsimile signature. Access to the signature files is restricted to Information Systems personnel.		Inquired of the Workers' Compensation Director about check signatures noting that checks from the iVOS system were signed with a facsimile signature. Also noted that access to the signature files was restricted to Information Systems personnel.	No exceptions noted.
		Inspected the signature template for the checks printed from the iVOS system noting that checks were signed with a facsimile signature.	No exceptions noted.
		Inspected the security administrator group listing from the production server noting that access to the signature files was stored on the production server and access to the files was restricted to Information Systems personnel.	No exceptions noted.
27. AdminSure provides an EOR with every Medical Bill Review completed. The EORs can be obtained in a third-party software.		Inquired of the Workers' Compensation Director about EORs noting that an EOR was provided with every Medical Bill Review completed.	No exceptions noted.
		Inspected the iVOS computer notepad for randomly selected Medical Bill Review claims during the examination period noting that EOR was provided with every Medical Bill Review completed.	No exceptions noted.
28. Claims Adjusters review medical bills prior to sending them for review and payment.		Inquired of the Medical Bill Review Manager about medical bill reviews noting that Claims Adjusters reviewed medical bills prior to sending them for review and payment.	No exceptions noted.
		Inspected the iVOS computer notepad for randomly selected Medical Bill Review claims during the examination period noting that Claims Adjusters reviewed the bills prior to sending them for review and payment.	No exceptions noted.
		Observed the medical bill review workflow within iVOS noting that the workflow routed the medical bills to the medical bill review department through the configuration within the system.	No exceptions noted.



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 7: Controls provide reasonable assurance that clients' Workers' Compensation Claims are processed accurately, timely, and completely in accordance with defined procedures.			
29. Medical bills and check copies are stored as a document and assigned to a respective claim file in iVOS.	Inquired of the Workers' Compensation Director about document storage noting that medical bills and check copies were stored and assigned to claim files in iVOS.	No exceptions noted.	
	Inspected the iVOS computer notepad for randomly selected Medical Bill Review claims during the examination period noting that medical bills and check copies were stored as a document and assigned to a respective claim file in iVOS.	No exceptions noted.	
	Observed the Medical Bill Review Manager navigate through the iVOS system noting that medical bills and check copies were stored as a document and assigned to a respective claim in the claims software.	No exceptions noted.	
30. When an RFA is received, AdminSure's Utilization Review Clerical Staff reviews the request, logs it into the database, then provides it to Utilization Review Staff for review.	Inquired of the Utilization Review Managers about RFAs noting that when an RFA was received, AdminSure's Utilization Review Clerical Staff reviewed the request, logged it into the database, then provided it to Utilization Review Staff for review.	No exceptions noted.	
	Inspected the iVOS computer notepad for randomly selected utilization reviews during the examination period noting that when an RFA was received, AdminSure's Utilization Review Clerical Staff reviewed the request, logged it into the database, then provided it to Utilization Review Staff for review.	No exceptions noted.	
31. When Utilization Review denies or modifies treatment, a Utilization Review note is attached to the specific claim file in iVOS so the treatment that is not authorized for payment is not reviewed for payment.	Inquired of Utilization Review Managers about treatment delays noting that Utilization Review notes were placed within the iVOS system whenever Utilization Review denied or modified treatments so that unauthorized treatments were not reviewed for payment.	No exceptions noted.	
	Inspected the iVOS computer notepad for randomly selected Utilization Reviews during the examination period noting that a note was placed whenever Utilization Review denied or modified treatment so that the treatment which was not authorized for payment was not reviewed for payment by the claims adjuster.	No exceptions noted.	



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 7: Controls provide reasonable assurance that clients' Workers' Compensation Claims are processed accurately, timely, and completely in accordance with defined procedures.			
32. Utilization Review actions, efforts, documents, etc. are noted and stored in the computer system to provide to client contact(s) for review as needed.	Inquired of the Utilization Review Managers about Utilization Review documentation noting that Utilization Review actions and efforts were documented within the iVOS system to provide to client contact(s) for review as needed.	No exceptions noted.	
	Inspected the iVOS computer notepad for randomly selected Utilization Reviews during the examination period noting that Utilization Review efforts were documented and stored within the computer notepad to provide to client contact(s) for review as needed.	No exceptions noted.	



8. Liability Claims Management

Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 8: Controls provide reasonable assurance that clients' Liability Claims are processed accurately, timely, and completely in accordance with defined procedures.			
1. An acknowledgment letter is sent to the claimant or the claimant's attorney. All letters are documented in the correspondence section of the computer notepad.	Inquired of the Liability Manager about claimant correspondence noting that acknowledgment letters sent to the claimant or claimant's attorney were documented within the computer notepad. Inspected the computer notepad for randomly selected liability claims during the examination period noting that an acknowledgment letter was sent to the claimant or the claimant's attorney. Also noted that all letters were documented within the correspondence section of the computer notepad in iVOS.	No exceptions noted. No exceptions noted.	
2. Each new claim is opened with initial reserves for bodily injury, property damage, and allocated expenses. A plan of action is entered in the computer notepad.	Inquired of the Liability Manager about new claims noting that upon receipt of a new claim, a case was opened within iVOS documenting the initial reserves for bodily injury, property damage, and allocated expenses. Also noted that a plan of action was documented within the computer notepad. Inspected the computer notepad for randomly selected liability claims during the examination period noting that initial reserves for bodily injury, property damage, and allocated expenses were established. Also noted that a plan of action was documented within the computer notepad.	No exceptions noted. No exceptions noted.	
3. Investigation is initiated in accordance with the plan of action. All activities and findings are recorded in the computer notepad.	Inquired of the Liability Manager about investigations noting that an investigation of claims was initiated in accordance with the plan of action. Also noted that all findings and activities were documented within the computer notepad. Inspected the computer notepad for randomly selected liability claims during the examination period noting that an investigation was conducted in accordance with the plan of action. Also noted that all activities, findings, and a plan of action were recorded as a notepad entry in the computer notepad tab within iVOS.	No exceptions noted. No exceptions noted.	



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 8: Controls provide reasonable assurance that clients' Liability Claims are processed accurately, timely, and completely in accordance with defined procedures.			
4. Litigation is referred to a client-approved attorney and monitored for activity and legal expense approval. Status updates are entered in the computer notepad.	Inquired of the Liability Manager about litigation noting that claims requiring litigation were referred to a client-approved attorney for activity and legal expense approval. Also noted that updates were documented within the computer notepad.	No exceptions noted.	
	Inspected the computer notepad for randomly selected liability claims during the examination period noting that claims requiring a referral to a client-approved attorney for litigation were monitored for activity and legal expense approval. Also noted that all updates were documented within the computer notepad.	No exceptions noted.	
5. Damages are documented in cases where liability is adverse. Findings are recorded in the computer notepad.	Inquired of the Liability Manager about damages noting that for adverse liability claims, damages and findings were documented within the computer notepad.	No exceptions noted.	
	Inspected the computer notepad for randomly selected adverse liabilities during the examination period noting that damages and findings were documented within the computer notepad.	No exceptions noted.	
6. Rejection of a claim is recommended in writing when liability is determined to be non-existent or questionable. Rejections are documented in the computer notepad.	Inquired of the Liability Manager about claim rejections noting that rejection of a claim was recommended in writing when liability was determined to be non-existent or questionable. Also noted that rejections were documented in the computer notepad.	No exceptions noted.	
	Inspected the computer notepad for randomly selected rejected claims during the examination period noting that rejection of a claim was recommended in writing when a liability was determined non-existent or questionable. Also noted that rejections were documented within the computer notepad.	No exceptions noted.	



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP		Test Results
Control Objective 8: Controls provide reasonable assurance that clients' Liability Claims are processed accurately, timely, and completely in accordance with defined procedures.				
7. With the information developed through investigation for adverse liability claims, reserves are revised by the Claims Adjusting Staff when new information indicates the need to do so. Changes are recorded in the reserve section of the computer system.	Inquired of the Liability Manager about reserves noting that with the information developed through investigation for adverse liability claims, reserves were revised by the Claims Adjusting Staff when new information indicated the need to do so. Also noted that changes were recorded in the reserve section of the computer system.	Inspected the computer notepad for randomly selected claims resulting in an adverse liability during the examination period noting that changes to reserves by Claims Adjusting Staff were documented within the computer notepad in iVOS based upon information developed through investigation. Also noted that the Claims Adjusting Staff were responsible for making changes to reserves.	No exceptions noted.	
			No exceptions noted.	
8. Upon completion of an investigation, liability determination is documented in the computer notepad for adverse liability claims.	Inquired of the Liability Manager about liability noting that liability determination was documented within the computer notepad upon completion of investigation for an incident report or claim.	Inspected the computer notepad for randomly selected claims resulting in an adverse liability during the examination period noting that upon completion of an investigation, liability determination was documented in the computer notepad for adverse liability claims.	No exceptions noted.	
			No exceptions noted.	
9. Settlement authority is requested from the client and negotiations are conducted when there are adverse liability issues and damages. Settlement activities are recorded in the computer notepad.	Inquired of the Liability Manager about settlement authority noting that settlement authority was requested from the client and negotiations were documented for adverse liability issues and damages. Also noted that settlement activities were documented within the computer notepad.	Inspected the computer notepad for randomly selected claims resulting in an adverse liability during the examination period noting that settlement authority was requested from the client and negotiations were conducted when there were adverse liability issues and damages. Also noted that settlement activities were documented within the computer notepad.	No exceptions noted.	
			No exceptions noted.	



Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 8: Controls provide reasonable assurance that clients' Liability Claims are processed accurately, timely, and completely in accordance with defined procedures.			
10. Checks are marked as cleared, stopped, or voided.		Inquired of the Liability Manager about checks noting that checks were marked as cleared, stopped, or voided to specify the status of the checks.	No exceptions noted.
		Inspected the computer notepad for randomly selected liability claims during the examination period noting that check information was documented as cleared, stopped, or voided.	No exceptions noted.



9. Financial Management and Positive Pay Services

Controls Specified by AdminSure, Inc.		Tests Performed by Moss Adams LLP	Test Results
Control Objective 9: Controls provide reasonable assurance that client accounts are reconciled and status updates are provided to the client.			
1. On a daily basis, the computer system informs the client's bank as to which checks have been issued to positive pay clients – payee, amount, and check number.	Inquired of the Information Systems Manager about computer tracking noting that on a daily basis, notifications were sent to the client's banks as to which checks were issued to positive pay clients. Also noted that the notifications included the payee, amount, and check number.	No exceptions noted.	No exceptions noted.
	Inspected the notifications sent to client banks for randomly selected positive pay clients and weekdays during the examination period noting that notifications sent included the payee, amount, and check number.	No exceptions noted.	No exceptions noted.
2. Daily and weekly statuses of the dollar amounts that have been processed, which includes detailed information regarding every transaction (payee, check amount, check number, claim number, check date, and claimant) is provided to the client.	Inquired of the Information Systems Manager about status reports noting that statuses of the dollar amounts processed were presented back to the client.	No exceptions noted.	No exceptions noted.
	Inspected the notifications sent to randomly selected positive pay clients and days during the examination period noting that statuses were provided of the dollar amounts processed and included detailed information regarding all transactions (payee, check amount, check number, claim number, check date, and claimant).	No exceptions noted.	No exceptions noted.
	Inspected the notifications sent to the clients for randomly selected positive pay clients and weeks during the examination period noting that status was provided of the dollar amounts processed and included detailed information regarding all transactions (payee, check amount, check number, claim number, check date, and claimant).	No exceptions noted.	No exceptions noted.
3. On a monthly basis, AdminSure reconciles and balances the client's account by recording/reporting the transactions made on the account against what has cleared from the account per the bank statement.	Inquired of the Information Systems Manager about account reconciliation noting that AdminSure performed reconciliations and balanced client accounts for the transactions made. Also noted that AdminSure cleared the accounts per the bank statement.	No exceptions noted.	No exceptions noted.
	Inspected the bank reconciliations for randomly selected months and clients during the examination period noting that AdminSure reconciled and balanced the client's account by recording/reporting the transactions made on the account against what had cleared from the account per the bank statement.	No exceptions noted.	No exceptions noted.



V. Other Information Provided by the Service Organization

The following information is provided for informational purposes only and has not been subjected to the procedures applied in the examination. Accordingly, Moss Adams expresses no opinion on the following information.

A. Management's Response to Identified Testing Exceptions

Control #	Controls Specified by AdminSure, Inc.	Exception Noted by Moss Adams LLP	AdminSure, Inc. Management Response
7.20	Lost time and disability benefit claims are balanced in the iVOS computer system and documented with a Balance Worksheet Form.	One of 40 lost time and disability benefit claims did not have a Balance Worksheet Form completed.	Due to an isolated issue where a balance worksheet form was not utilized, we notified the Adjuster and assigned workers compensation Manager of the instance and ensured all adjusting staff were also reminded on this claims handling requirement. In addition, we have incorporated tools in the diary review and templates utilized daily to remind adjusting staff about adherence to this requirement. Also, a business rule was implemented to trigger an automated diary to complete file balancing at 165 days after initial payment of lost time.



Information Systems and Technology Policies & Standards

Revision 4.1

ADMINSURE INC.

3380 Shelby Street | Ontario California 91764-5566

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1 SECURITY MANAGEMENT

1.1 ACCESS CONTROL POLICY

SYSTEMS ACCESS CONTROLS

All requests for new user access and any changes for existing user access for system access must be submitted to the Information Systems department by a Manager via a completed *System Access Form*. Requests will be reviewed by an Information Systems Administrator based on user role, user group, and security level. All approved changes will be implemented by an Information Systems Administrator and the requestor will be notified. If the request is not approved, the requestor will be notified with the reason for access denial.

User accounts are audited on a regular basis, at least annually, to ensure access is appropriate for all users, based on department needs and user job responsibilities.

PASSWORD POLICIES

Periodic password changes are enforced by the system automatically, at least semi-annually. User passwords must adhere to minimum complexity and length requirements:

- Minimum length: 16 characters.
- Passwords must contain characters from three of the following four categories:
 1. Uppercase characters (A through Z)
 2. Lowercase characters (a through z)
 3. Base 10 digits (0 through 9)
 4. Non-alphanumeric characters: ~!@#\$%^&* _+='\|{}[];:'"<>.,?/
- Passwords cannot be reused or be the same as the last 5 passwords used.
- Password cannot contain the entire account name.

All requests for password resets must be submitted electronically via email to the Information Systems Department. Once user identity is verified and confirmed, a new password will be generated for the user. Information Systems Administrators may use discretion whenever the situation warrants a password reset and may initiate the password reset without an initial request.

PHYSICAL ACCESS CONTROL

Access to the company server and telephone room is secure 24/7, via lock, and access is limited to key personnel only. Access is controlled by executive approval and authorization. All non-key personnel are required to sign-in on the Server Room Access Log. Information Systems is responsible for maintaining the Server Room Access Log. The Human Resources Department is responsible for documenting and maintaining the list of all company keys issued.

VISITOR ACCESS CONTROL

On-site visitors are restricted to the lobby, conference rooms or training room, unless accompanied by a manager or executive. This includes family, friends, lawyers, investigators, clients, auditors, and all other non-employees. All visitors will be required to sign in and present a valid form of Identification. The only exceptions are Company suppliers, workers, and equipment maintenance personnel.

REMOTE ACCESS CONTROL

Remote access for remote users is provided via a Virtual Private Network. No data is kept on the user's offsite system. Remote workers are provided with company issued computers and equipment with proper anti-virus and malware protection installed.

All requests for remote user access or changes to existing remote user access must be submitted to the Information Systems Department by a Manager via a completed *Remote Work Agreement*. An Information Systems Administrator will review requests based on user role, user group and security level. An Information Systems Administrator will approve and implement changes. The requestor will be notified after changes are implemented. If the request is not approved, the requestor will be notified with the reason for access denial.

Remote user accounts are audited on a regular basis, at least annually, to ensure access is appropriate based on department needs and remote user job responsibilities.

- All exempt users with a valid company email account are provided remote email access via a website application (Office 365 Outlook). This website is secured with SSL certificate and usernames and passwords must meet required password policies, as described in this section for *Password Policies*.
- Multi-factor authentication (MFA) may be enabled for accessing systems containing sensitive data.
- Self-Service password reset service may be enabled when users register themselves for Multi-factor authentication (MFA).
- All users with access to the company's Claims Management System (iVOS) are provided remote access via a website application. This site is secured with SSL certificate and usernames and passwords must meet required password policies, as described in this section for *Password Policies*.
- All clients with account specific read-only access to the company's Claims Management System are offered remote access via a website application. This site is secured with SSL certificate and usernames and passwords must meet required password policies, as described in this section for *Password Policies*. Requests for remote access must be submitted to Information Systems Department by the Client Account Manager via completed System Access Form, as described in the section for *Systems Control Access*

1.2 Firewall Policy

The approach adopted to define firewall rules shall be that all services will be denied by the firewall unless expressly permitted. Access to external websites will be denied by the firewall unless expressly permitted.

The firewalls permit the following outbound and inbound Internet traffic:

- Outbound – Internet traffic to hosts and services outside of AdminSure as expressly permitted by firewall rules.
- Inbound – Only Internet traffic from outside AdminSure that supports the business needs as expressly permitted by firewall rules.

AdminSure employees may request changes to the firewall's configuration to allow previously disallowed traffic. A firewall change request must be submitted to the Information Systems Department electronically, via email, with full justification based on business needs. All requests will be reviewed by an Information Systems Administrator to determine if they fall within the parameters of acceptable risk. Approval is not guaranteed as associated risks may be deemed too high. If this is the case, an explanation will be provided to the requestor and an alternative solution will be explored.

1.3 Anti-Virus Policy

The anti-virus policy is a multi-tiered approach:

1. All inbound email is scanned for viruses, spyware, malware, spam, and ransomware prior to being delivered to mail servers. Configuration and management of the email scanning application is performed by the Information Systems Department. Any changes to configuration must be approved through the Information Systems Department.
2. All internet traffic, inbound and outbound, is monitored by a firewall. The firewall is configured with security services for active filtering of viruses, spyware and malware. Firewall configuration, along with any changes for approval, is managed by the Information Systems Department.
3. Endpoints are protected with a real-time virus protection application. Automated signature updates are pushed to desktops and servers. Configuration, along with any changes for approval, is managed by the Information Systems Department.

1.4 EMAIL ENCRYPTION POLICY

AdminSure utilizes an email encryption application. All outbound email is scanned for message content and encrypted based upon company defined policies. Users can encrypt email upon demand for any outbound email.

There are two methods of encryption options through the email application or service: in the service, and as customer control.

1. In the service, encryption is used by the email service by default using Transport Layer Security (TLS) to encrypt the connection, or session.
2. As customer control, the email encryption feature is integrated into the email application. This integration allows users to utilize an *Encrypt* button, located in the options menu when creating a new email. The email recipient will receive an encrypted email from the email encryption application advising them that they have received an encrypted email. The recipient will be required to login into the email encryption portal with username and password to access the email.
3. In the email service, email data at rest is encrypted using BitLocker Drive Encryption. BitLocker encrypts the hard drives in email data centers to provide enhanced protection against unauthorized access.

1.5 RISK ASSESMENT and SECURITY SCANNING POLICY

AdminSure is committed to ensuring the utmost data confidentiality and security for its information assets. To fortify its cybersecurity posture, AdminSure conducts thorough external vulnerability scans and comprehensive security audits semi-annually. These rigorous assessments cover a spectrum of aspects including confidentiality, security, integrity, and availability of the information system. The generated reports undergo meticulous scrutiny by both Information Systems Administrators and a trusted third-party security vendor, ensuring a multi-faceted evaluation. In the event vulnerabilities are identified, a strategic approach is adopted. The Information Systems Department and/or the third-party vendor directs the assessment and remediation process, promptly addressing any potential weaknesses to maintain the robustness of the information infrastructure. This proactive and collaborative approach underscores AdminSure's unwavering commitment to safeguarding its information ecosystem against emerging threats and ensuring the resilience of its security measures.

2 INFORMATION MANAGEMENT

AdminSure utilizes a claims management system to collect, maintain, and analyze information necessary for organizational management. This is achieved by implementing industry best practices for storage, maintenance, and destruction of data as well as established guidelines and procedures for safeguarding the privacy and integrity of information systems data, both in transit and at rest. The primary focus is on implementing encryption measures and other strategies to mitigate potential threats to the confidentiality of sensitive data.

2.1 Data Integrity

Controls to prevent inappropriate editing and corruption of data, maintained through various user access levels and security by role, ensures data integrity at every level of the data lifecycle:

- Clerical
- Administrative
- Management
- Medical Bill Review
- Utilization Review
- Human Resources
- Information Systems
- Client
- Auditor

The claims management system assigns a unique claim ID to each claim and identifies potential duplicate entries based on injured worker name and date of injury and SSN.

Management reports serve as data quality checks and are reviewed by managers to monitor data entry personnel for accuracy and to identify reportable data inconsistencies along with appropriate corrective actions necessary.

2.2 Storage, Maintenance & Destruction

The Information Systems Department is responsible for all stored data, verifying and providing access to data via a *Systems Access Form*, and retrieving the data whenever necessary.

DATA STORAGE

- All electronic client data within the claims management system is stored in a database.
- All electronic business critical data is encrypted when sent for backup via cloud technology as described in the section 3.4 *Backup Policy*.
- Remote users are work via one of two methods:
 - An offsite local machine that does not have access to any internal company resources. Any storage of / or access to files is stored/accessed via a cloud service technology such as SharePoint.
 - A virtual private network tunnel is used to gain access to any internal company devices/servers. No data is stored locally on any offsite system.
- All unused terminals, personal computers and portable media devices are formatted and erased of all data. All hardware that is no longer in circulation is destroyed and issued a certificate of destruction.
- All information systems, company data, applications and software are all residing in the same dedicated hosted environment. There is currently no interoperability access, applications or integrations that reside external to AdminSure's environment.

DATA MAINTENANCE

SQL maintenance plans are conducted to perform checks on the database integrity for corruption and missing or deleted information. Activity for transactions in the claims management system is tracked via the *claims management activity log* and can be viewed, if necessary, by an Information Systems Administrator.

DATA DESTRUCTION

All hard copy closed files that are the property of our clients are securely stored. All closed non-future medical files are stored for a period of five (5) years and shall thereafter become the responsibility of our client. An annual inventory audit is conducted for all files for removal from storage. Based on the client *Authorization Agreement for Closed File Handling*, files will be returned to clients or destroyed. All files to be destroyed are authorized by each client and destroyed by a records management company which is a preferred vendor for professional document destruction.

All electronic files are retained for the life of the account. All electronic data is retained for an additional minimum 60 days post service termination as a safeguard in case the client requires more information. These 60 days are known as the Client Data Retention Period. Clients will be responsible during this post-termination period to make all requests for additional data exports in writing. After the 60-day post-termination period expires, client data that contains protected health information will be appropriately deactivated, removed and/or deleted.

2.3 Privacy and Data Protection

AdminSure recognizes the critical importance of safeguarding the privacy and confidentiality of the individuals whose data we handle. This includes but is not limited to employees, clients, and any other stakeholders whose information is processed by our organization. Encryption is a fundamental component of securing data, and it must be implemented at a minimum for both data in transit and at rest.

To uphold the confidentiality of the information we handle, AdminSure employs a multi-faceted approach:

- **Access Controls:** Access to sensitive data is restricted based on job responsibilities, and permissions are regularly reviewed and updated.
- **Employee Training:** All employees undergo regular training sessions on data protection practices, emphasizing the importance of confidentiality and the secure handling of information.
- **Data Classification:** Data is categorized based on sensitivity, and appropriate security measures are applied accordingly.
- AdminSure implements continuous monitoring and auditing of network activities to promptly detect any anomalies or potential security breaches.
- In the event of a data breach, AdminSure is committed to notifying affected individuals and relevant authorities promptly, as required by applicable data protection laws.
- AdminSure maintains a comprehensive incident response plan outlining specific procedures to be followed in the event of a privacy or security incident. This plan may include definitions for clear chain of communication, roles and responsibilities, and immediate steps for containment and investigation.
- To safeguard company data on user computers, strict access control measures are essential, prohibiting non-employees such as visitors, auditors, maintenance staff, and vendors from accessing user systems. Employees play a crucial role in enhancing protection by consistently locking their screens when away from workstations, mitigating the risk of unauthorized access and preserving the confidentiality of sensitive information. AdminSure conducts regular awareness training to underscore the significance of this practice, fostering a security-conscious culture.
- Additionally, automated screen and application timeout security settings have been implemented to further fortify the security posture, preventing unauthorized access by terminating user sessions after a designated period of inactivity.

AdminSure conducts regular reviews of its privacy and data protection measures, incorporating lessons learned from incidents and proactively updating policies and procedures to mitigate future risks. This integrated approach ensures not only the encryption of data but also a comprehensive strategy for protecting the privacy and confidentiality of individuals, detecting security violations, and responding effectively to incidents.

DATA IN TRANSIT

- All data transmitted over the organization's networks must be encrypted using industry-standard encryption protocols. AdminSure uses Microsoft 365 services for email and file sharing as well as Secure Sockets Layer (SSL) or Transport Layer Security (TLS) for securing communication over web applications.
 - *Microsoft uses industry standard technologies such as Transport Layer Security (TLS) and Secure Real-Time Transport Protocol (SRTP) to encrypt all data in transit between users' devices and Microsoft datacenters, and between Microsoft datacenters. Office 365 encrypts data at rest and in transit using several strong encryption protocols and technologies, including TLS/SSL, IPsec, and Advanced Encryption Standard (AES).*
- File Transfer applications may utilize SFTP/PGP or other types of encryptions.

DATA AT REST

- Company databases are stored and managed directly on Azure Cloud. The keys used for Azure Data Encryption-at-Rest are PMKs. Platform-managed keys (PMKs) are encryption keys generated, stored, and managed entirely by Azure.

PAPER DATA

- All sensitive paper data is shredded and discarded with third party vendor Corodata in accordance with standard practices.

3 SYSTEM AVAILABILITY & BACKUP

3.1 POWER MANAGEMENT POLICY

Power is provided to all server and network infrastructure at the corporate headquarters via an online uninterruptible power supply. Integrated management provides uninterruptible power supply monitoring and environmental monitoring of server room. Servers are configured for proper shutdown during a power event or cooling event upon notification from uninterruptible power supply. The uninterruptible power supply is configured to send alerts via text and email to Information Systems Administrators and third-party vendor for monitoring and remediation.

3.2 ENVIRONMENTAL CONTROLS POLICY

Server room has dedicated cooling with redundant backup. Monitoring and alerting are provided by uninterruptible power supply with alerting to Information Systems Administrators and third-party vendor for monitoring and remediation.

3.3 REDUNDANCY & ACCESS POLICY

DATA REDUNDANCY

Business-critical data redundancy is provided at several levels:

- All data is stored on a cloud-based system which is always replicated to ensure durability and high availability.
- All data is copied so that it is protected from planned and unplanned events, including transient hardware failures, network or power outages, and massive natural disasters.
- All data is replicated across zonal data centers within the same region.
- The cloud-based system regularly verifies the integrity of all data stored using cyclic redundancy checks. If data corruption is detected, it is repaired using redundant data.
- The cloud-based system also calculates checksums on all network traffic to detect corruption of data packets when storing or retrieving data.

DATA ACCESS

Business-critical data access is provided at several levels:

- Internet connectivity is via a redundant pair of SonicWall NSA appliances – L3 1Gb fiber connection and 1 Gb fixed wireless connection.
- Redundant data and voice circuits are in place via both fixed and wireless connectivity.
- AdminSure has contracted with Regus to provide equipment, facilities, power generation and phone/internet connectivity in response to a facility issue.

3.4 BACKUP POLICY

The backup policy is a multi-tiered approach:

- All data is automatically backed up by the cloud-based data system.
- Data is encrypted using 256-bit AES encryption, one of the strongest block ciphers available, and is FIPS 140-2 compliant.
- Backups are taken continuously so that data can be restored to any point in time for two weeks, any day for three months, and any month for one year.
- All data restoration is performed by Information Systems Administrators. An email request must be submitted to Information Systems Administrators to request any data restoration. Management must approve requests before data restoration is performed.

3.5 MONITORING POLICY

Business critical systems are proactively monitored on a 24x7 basis. SolarWinds N-Central is utilized to monitor systems for proactive and reactive services. An onsite SolarWinds N-Central probe is located at the corporate headquarters. It performs 24x7 monitoring and alerting of systems in both the corporate headquarters. Alerts and performance data are sent to third-party vendor for review and remediation.

4 CHANGE MANAGEMENT & INCIDENT MANAGEMENT

4.1 CHANGE MANAGEMENT POLICY

System software and hardware changes are to be submitted to the Information Systems Department. Changes are reviewed Information Systems Administrators for business impact and, once approved, they will be scheduled for implementation. When possible, changes will be deployed on test/development systems to determine business impact before being implemented on production systems.

4.2 INCIDENT MANAGEMENT POLICY

Any security or application availability incidents are to be submitted to the Information Systems Department. Incidents will be assessed for severity and escalated based upon severity by Information Systems Administrators. Incidents will be tracked via a ticket system.

5 BUSINESS CONTINUITY & DISASTER RECOVERY PLAN

5.1 PURPOSE AND SCOPE OF A DISASTER RECOVERY PLAN

This plan identifies which systems and processes must be maintained and the effect an outage would have on AdminSure's program within various lengths of downtime where information systems are not functioning or accessible. The plan is tested annually to ensure business continuity in the event of a disaster.

5.2 PLAN OBJECTIVES

A disaster is defined as an incident that results in the loss of operations or equipment at AdminSure Inc., Ontario, California. A disaster can result from several accidental, malicious or environmental events such as fire, flood, terrorist attack, human error, data breaches, and software or hardware failures.

The primary objective of the Disaster Recovery Plan is to ensure the continued operation of the following business-critical systems in the event of a disaster:

1. **Claims management system:** to maintain claims administration services.
2. **Bill review system:** to maintain bill review services.
3. **Email system:** to maintain email communication, internally and externally.
4. **Telephone system:** to maintain voice communication, internally and externally.
5. **Fax system:** to maintain facsimile communication (required 24/7 for the Utilization Review Department).
6. **Mail Machine:** for postage to process required notices and checks.
7. **Printer & Check processing:** to maintain daily processing of checks to injured workers, providers and vendors for claims administration.

5.3 RECOVERY TEAMS AND RESPONSIBILITIES

This section defines the functional responsibilities of each recovery team – See Appendix A for listing of team members.

DISASTER MANAGEMENT TEAM LEADER

The *Disaster Management Team Leader* is responsible for deciding whether the situation warrants the introduction of Disaster Recovery Procedures. If it is decided that it does, then the organization defined in this section comes into force and, for the duration of the disaster, supersedes any current management structures.

DISASTER MANAGEMENT TEAM

The *Disaster Recovery Team* is responsible for providing overall direction of the data center and system recovery operations. Its primary role is to monitor and direct the recovery effort. It has a dual structure in that its members include Team Leaders of other teams.

The Disaster Management Team is responsible for the following:

ASSESSMENT

- Ascertains the extent of the damage.
- Evaluates the extent of the problem and potential consequences.
- Maintains audit and security control during the recovery from disaster.
- Controls and records emergency costs and expenditures.

RECOVERY

- Activates the recovery organization.
- Makes decisions about restoring the systems processing environment to provide operational service to users.
- Initiates disaster recovery procedures.
- Coordinates recovery operations.
- Monitors recovery operations, ensuring that the schedule is met.
- Documents recovery operations.
- Ensures that the conversion to the standby facilities and the final resumption of operations at the data center are under adequate audit control to provide reliability and consistency for services.
- Monitors computer security standards.
- Ensures that appropriate arrangements are made to restore the site and return to the status quo within the time limits allowed for emergency mode processing.
- Reviews and confirms the results of audit test on the applications which are processed at the standby facility.
- Performs a detailed audit review of critical files after the first backup cycle has been completed.

COMMUNICATION

- Notifies the Team Leaders.
- Manages all the recovery teams including liaising with users, management and Human Resources, as appropriate.
- Notifies senior management of the disaster, recovery progress and problems.
- Expedites authorization of expenditures by other teams.
- Declares that the Disaster Recovery Plan is no longer in effect and when systems processing is restored at the primary site.

OPERATIONS TEAM

The Operations Team is responsible for the computer and networking environments and for performing tasks within those environments. The primary role of this team is to restore computer processing and for performing server room activities.

The Operations Team is responsible for the following:

- Initiating operations at the standby facility.
- Ensuring that the standby equipment meets the recovery schedules.
- Installing the computer hardware and setting up necessary applications at the standby facility.
- Evaluating the extent of damage to the voice and data network and discussing alternate communications arrangements with telecoms service providers.
- Establishing the network at the standby facilities to bring up the required operations.
- Establishing the network at the standby facilities to bring up the required operations.
- Coordinating and restoring local and wide-area data communications services to meet the minimum processing requirements.
- Supervising the line and equipment installation for the new network.
- Providing necessary network documentation and ongoing support of the networks at the standby facility.
- Defining the priorities for restoring the network in the user areas.
- Order the voice/data communications and equipment as required.
- Obtaining all appropriate historical/current data from recovery locations and restoring an up-to-date application systems environment.
- Re-establishing software libraries and databases to the last backup.
- Coordinating the user groups to aid the recovery of any non-recoverable data (i.e. not available on the latest backup).
- Providing the appropriate management and staffing at the standby computer processing center, establishing data control, help desk and media control to meet user requirements.
- Providing support for all operable versions of all critical applications needed to satisfy the minimum operating requirements.
- Establishing processing schedule and informing users accordingly.
- Providing ongoing technical support at the standby site.
- Performing backup activities at the standby site.
- Arranging for acquisition and/or availability of necessary computer supplies.
- Ensuring that all documentation for standards, operations, vital records maintenance, application programs, etc. are stored in a secure/safe environment and reassembled at the standby facilities, as appropriate.
- Re-establishing the networks at the primary site when the post-disaster restoration is complete.

FACILITIES & COMMUNICATIONS TEAM

The Facilities Team is responsible for the general environment including buildings, services and all environmental issues outside of the server room. This team has responsibility for the security, health and safety of all staff and restoring or replacing building facilities. The responsibilities of the Facilities and Communications Team is as follows:

- Administering the reconstruction of the original site for recovery and operation.
- Communicating directives from the Disaster Management Team to internal and external users and restoring phases to employees, suppliers and clients accordingly.
- Liaising with the Disaster Management Team to obtain directives on the messages to communicate.
- Communicating the recovery progress and schedules.
- Informing suppliers and clients of any potential delays.
- In conjunction with the Disaster Management Team, evaluating the damage and identifying equipment which can be salvaged.
- Working with the Operations Team to have communications lines ready for rapid activation.
- Cleaning up the disaster site and securing the site to prevent further damage.
- Coordinating and supplying information for initiating insurance claims.
- Ensuring that insurance arrangements are appropriate for the prevailing circumstances (i.e. any replacement equipment is immediately covered, etc.).
- Controlling security within the disaster area.
- Arranging for all necessary office support services.
- Managing staff safety and welfare.
- Ensuring that there are no miscommunications that could damage the image of the company.
- Any other public relations issues that may arise during the disaster.

5.4 RECOVERY ACTIVITIES & TASKS

This section contains a list of tasks for each of the recovery teams. Sensible judgment must be exercised to determine what activities are appropriate based on the nature and extent of the business disruption/disaster.

DISASTER MANAGEMENT TEAM

IMMEDIATELY

1. Receive an initial assessment of the nature and extent of the problem.
2. Decide whether to activate the plan.
3. Alert all Recovery Team Leaders.
4. Alert and mobilize all other team members.

5. Make preliminary (verbal) report to senior management.
6. Call an initial meeting of the Recovery Team Leaders with the following objectives:
 - Define the problem, the extent of the disruption, its consequences and the probable implications for the foreseeable future.
 - Agree to each team's objectives for the next three hours.
 - Set up a second meeting for three hours later.
7. Provide a second, more detailed report to senior management on the content of the meeting and the actions being taken.

WITHIN THREE HOURS

8. Call a second meeting of the Recovery Team Leaders.
9. Receive initial reports from the Recovery Team Leaders.
10. Make the decision to implement disaster recovery procedures.
11. Agree to each team's objectives for the next twenty-four hours.
12. Set up a third meeting for twenty-four hours later.

WITHIN TWENTY-FOUR HOURS

13. Make official declarations.
14. Report process to senior management.

ONGOING

15. Act as the main point of contact with the emergency services (Police, Fire, and Ambulance).
16. Monitor, on a regular basis, all activities to exercise and maintain control over delivery and installation dates and document progress against agreed schedules.

OPERATIONS TEAM

IMMEDIATELY

1. Will attend the initial meeting called for Recovery Team Leaders.
2. Alert and mobilize all other team members.

WITHIN THREE HOURS

3. Contact all operations, data preparation, data control and records staff.
4. Inform all leaders of the problem and the actions being taken.
5. Ensure all staff understand their role.
6. Inform all leaders of any temporary instructions.
7. Inform all leaders of the nature and extent of the problem and advise that they will be kept informed of the plans to recover.
8. Report back at the second meeting of Recovery Team Leaders.

9. Compile an inventory of surviving communications and computer equipment (voice/data).
10. Ensure that all relevant documentation is at hand or retrieved from the storage facility for the reinstatement of the system's processing.
11. Provide further information to enable the Facilities & Communications Team to keep users informed of current position, if required.

WITHIN TWENTY-FOUR HOURS

12. Brief all operations staff.
13. Define the priorities for restoring the network on a gradual basis to provide a minimum initial communications requirement for normal operations.
14. Liaise with suppliers of communications and computer equipment to ensure prompt delivery, if required.
15. Ensure that the reinstated communications network is operable and tested.
16. Review all production schedules for each job, including timing, priorities and dependencies.
17. Prepare production schedules in readiness for startup.
18. Provide ongoing support for the communications network and computing equipment and carry out any re-configuration of the reinstated network that may be necessary.
19. Attend the third meeting of the Disaster Recovery Team Leaders and report the restoration status.

ONGOING

20. In conjunction with the Facilities & Communications Team, monitor the delivery and installation of new/replacement hardware, communications, and ancillary equipment.
21. Initialize and test the systems:
 - Hardware
 - Operating systems and applications
 - Communications network
22. Start processing in accordance with prepared schedules.
23. Monitor the system's performance.
24. Monitor and handle users' requests while utilizing a restricted network.
25. Prepare an inventory of all communications and computer equipment requiring replacement.
26. Order replacement equipment, as required, in conjunction with the Disaster Management Team for expenditure approval.

FACILITIES & COMMUNICATIONS TEAM

IMMEDIATELY

1. Provide an initial damage report to the Disaster Management Team Leader.
2. Alert and mobilize all other team members.
3. Will attend the initial meeting called for Recovery Team Leaders.

WITHIN THREE HOURS

4. Conduct an asset inventory.
5. Make a full evaluation of the damage.
6. In conjunction with the Operations Team, identify all potentially salvageable equipment.
7. Coordinate safety inspections.
8. Make the site secure to prevent unauthorized access by staff or the public.
9. Estimate the time required to recover.
10. Report back at the second meeting of Recovery Team Leaders.

WITHIN TWENTY-FOUR HOURS

11. Set up an Administration Support Desk to handle all enquiries.
12. Remove vital documents from disaster site, if applicable.
13. Remove reusable equipment from disaster site.
14. Advise all user departments of the transition plans and the arrangements during the period prior to the actual transition.

ONGOING

15. Set up administrative support services.
16. Manage removal of salvaged items from the disaster area.
17. Contact suppliers of essential services (electricity, gas, and water) and make necessary arrangements as required.
18. In conjunction with the Operations Team, securely transfer any physical documents or equipment and/or supplies necessary to continue services.
19. Field questions and concerns from all users, clients and vendors.

5.5 WHAT TO DO IN THE EVENT OF A DISASTER

All personnel must be well-rehearsed and familiar with AdminSure's Emergency Evacuation procedures and this Disaster Recovery Plan.

STANDARD EMERGENCY PROCEDURES

- Activate the standard alarm procedures in the building to ensure that all departments and emergency authorities are correctly alerted.
- If necessary, evacuate the premises following company evacuation procedures and assemble outside at the designated location.

FIRST STEPS FOR RECOVERY TEAMS

- The Facilities & Communications Team, together with the Disaster Management Team, assesses the nature and extent of the problem, including damage.
- The Operations Team switches off all equipment in the server room, including air conditioners, if it is necessary and safe to do so.
- The Facilities & Communication Team, together with the Disaster Management Team, provides an initial assessment to the Operations Team, advising of the initial extent of the damage to the building and equipment along with a status for staffing.

NEXT STEPS FOR RECOVERY TEAMS

- The Disaster Management Team Leader decides whether to activate the Disaster Recovery Plan and which recovery scenario will be followed. The recovery teams then follow the defined recovery activities (section 5.6) and act within the responsibilities of each team, as described in section 5.3.

5.6 RECOVERY SCENARIOS

This section describes the various recovery scenarios that can be implemented, depending on the nature of the disaster and the extent of the damage. The Disaster Management Team Leader decides which recovery scenario to implement when the Disaster Recovery Plan is activated.

MINOR DAMAGE

SCENARIO 1 – System Applications

Only part of the information system is not functioning or accessible, but the communication lines and network are still functioning. The building is still available, and the users can use normal office space to wait for computer processing to restart. The goal of the recovery process, in this case, is to move the applications from the systems that are unavailable and create a temporary workaround within 1-2 hours. The Information Systems Department coordinates with the appropriate vendor for solutions.

SCENARIO 2 – Internet

Access to the information systems becomes unavailable due to loss of internet connectivity. The building is still available, and the users can use normal office space to wait for computer processing to restart. The goal of the recovery process, in this case, is to create a temporary workaround using redundant circuits both via wired and fixed wireless, cellphones and a combination of remote workstations, laptops, and wireless internet cards to temporarily access critical data and information stored via cloud back-up within two to four hours.

SCENARIO 3 – Network

Access to the information systems becomes unavailable due to the loss of network connectivity or network switch. The building is still available, and the users can use normal office space to wait for computer processing to restart. The goal of the recovery process, in this case, is to create a temporary workaround by temporarily replacing the switch with available backup equipment from third-party vendor within two to four hours. Once the vendor remedies the failure, HP four-hour service contract will provide for a switch replacement.

MAJOR DAMAGE

SCENARIO 4 – Systems, Internet, Network and Facility

In this scenario, the entire computer processing environment, or most of it, is unavailable and communication lines and the network are not functioning. This scenario requires a full recovery procedure as outlined within the responsibilities of each recovery team.

Regus Recovery services will be initiated, and standby facilities and equipment established within 24-48 hours.

5.7 DISASTER RECOVERY TESTING

AdminSure performs comprehensive Disaster Recovery testing on all facets of the Information Systems Infrastructure. This section describes the schedule for testing the Disaster Recovery Plan:

- Backup reports are reviewed by the Information Systems Department and third-party vendor.
- Selective Test Restores are performed to ensure validity of file-based backup.
- A full cloud-based disaster recovery test is performed.
- All business-critical systems are brought online, tested, and validated by Information Systems Administrators and third-party vendor. This process assesses the readiness of critical systems to resume operations seamlessly in the event of a disaster, including scenarios involving phishing or ransomware incidents.
- Periodic phishing simulation exercises are conducted to evaluate the organization's resilience against social engineering attacks. These exercises involve simulating phishing emails to employees to assess their ability to recognize and report phishing attempts. Results are analyzed to enhance security awareness training and improve incident response.
- Any deficiencies are logged and noted for remediation.
- Network infrastructure failover testing is performed.

6 REVISION HISTORY

Revision 0.1	9/3/2012	Initial draft	Jim Ott
Revision 0.2	9/26/2012	modified 1.1 password policy	Jim Ott
Revision 0.3	9/26/2012	modified 1.1 system access control	Jim Ott
Revision 0.4	9/26/2012	modified 2.4 backup policies	Jim Ott
Revision 0.5	9/26/2012	modified 1.4 email encryption	Jim Ott
Revision 1.0	9/28/2012	corrected date format in rev table	Jim Ott
Revision 1.1	05/01/2013	removed brand and product names	Jim Ott
Revision 2.0	12/01/2017	Overall update	Alycia Anthony
Revision 3.0	8/14/2019	Overall update	Ammon Becar
Revision 4.0	11/1/2019	Overall update	David Vargas
Revision 4.1	11/27/2023	Overall update	David Barrios
Revision 4.1.1	02/06/2024	Added Review Signature lines for Leadership	David Barrios

Approval of BCP plan by Leadership:

Executive Sponsor Name:

David Vargas

X



Executive Sponsor Signature
Business Director

Plan Coordinator Name:

David Barrios

X



Plan Coordinator Signature
Information Systems Manager

APPENDIX

APPENDIX A

DISASTER MANAGEMENT TEAM LEADER

- David Vargas, Business Director

DISASTER MANAGEMENT TEAM

- David Barrios, Information Systems Manager

OPERATIONS TEAM LEADER

- Ammon Becar, Technical Advisor - Accent Computer Solutions Inc.
- As of 7/1/2023 Accent is no longer handling. Operations handed over to MikaDataSolutions (MDS).

OPERATIONS TEAM

- Accent Computer Solutions Inc., Systems Engineers
- As of 7/1/2023 Accent is no longer handling. Operations handed over to MikaDataSolutions (MDS).

FACILITIES & COMMUNICATIONS TEAM LEADER

- Nerissa Burnside, WC Senior Claims Director
- Nic Bowers, WC Claims Director

FACILITIES & COMMUNICATIONS TEAM

- Ashley Sells, Business Administrator
- Julio Velasco, Maintenance Supervisor

GUARANTEED FLAT FEE COSTS

TPA- WORKERS COMPENSATION PROPOSAL COST SHEET						
	Year 1		Year 2		Year 3	
	Rate/Unit	Not to exceed Annual Cost	Rate/Unit	Not to exceed Annual Cost	Rate/Unit	Not to exceed Annual Cost
Program Administration	\$	See below please.	\$	\$	\$	\$
Medical Provider Network	\$	Pass through fee to the City's choice of service provider.	\$	\$	We do not add on any fees.	\$ At cost.
Medical Billing Reviews	\$	See below please.	\$	\$	\$	\$ TBD
Utilization Reviews	\$	See below please.	\$	\$	\$	\$ At cost.
Nurse Case Management	\$	Pass through fee to the City's choice of service provider.	\$	\$	We do not add on any fees.	\$ TBD
Pharmaceutical Services	\$	Pass through fee to the City's choice of service provider.	\$	\$	We do not add on any fees.	\$ At cost.
Subrogation Services	\$	Pass through fee to the City's choice of service provider.	\$	\$	We do not add on any fees.	\$ At cost.
Other Proposed Services	\$9k	One-time data conversion fee. There are no fees for the transition.	\$0	\$0	\$0	\$9k
TOTAL ANNUAL AMOUNT		TBD based on the City's caseload.		TBD based on the City's caseload.		TBD based on the City's caseload.

Program Administration Services - Flat Fee:

--Indemnity Claims: \$140 per open claim, per month.

--Medical Only Claims: \$70 per open claim, per month.

Note: Our City clients prefer monthly invoices in arrears as in doing so guarantees they only pay for claims that are open/active. 3% increase for each future year.

Medical Billing Reviews Services - Flat Fee:

\$9.75 flat fee per bill for all Official Medical Fee Schedule (OMFS), In-Patient Hospital Fee Schedule (IHFS), and Out-Patient, etc. reviews; and when applicable, plus .75 cents for E-Bill/OCR Services. When applicable, up to 25% Preferred Provider Organization (PPO)/Negotiated Savings fee; if there are no applicable savings, there are no fees. No additional fees for transmitting medical billing information on behalf of the City to the Workers' Compensation Information System (WCIS) as required by State Law, i.e., Medical Bill Review EDI (Electronic Data Interchange) Reporting and Services. Or, \$7.80 flat fee per bill processed, printed, handled, and mailed, etc. on behalf of the City's choice of service provider should we not be selected for this service. 3% increase for each future year.

Utilization Review (UR) Services - Flat Fee:

Non-physician review/decision -- flat fee of 5% of total charges (\$750 cap per bill); \$85 adjuster/\$125 UR. Physician (includes peer/expert) review/decision -- flat fee at the rate of \$300 per hour, billed in 10-minute increments. 3% increase for each future year.

GUARANTEED FLAT FEE COSTS

TPA - WORKERS COMPENSATION PROPOSAL COST SHEET						
	Year 1		Year 2		Year 3	
	Rate/Unit	Not to exceed Annual Cost	Rate/Unit	Not to exceed Annual Cost	Rate/Unit	Not to exceed Annual Cost
Program Administration		\$277,200	\$	\$285,516	\$	\$294,082
Medical Provider Network	Pass through fee to the City's choice of service provider.	\$	\$	\$	We do not add on any fees.	\$
Medical Billing Reviews	See below please.	\$	\$	\$	\$	\$
Utilization Reviews	See below please.	\$	\$	\$	\$	\$
Nurse Case Management	Pass through fee to the City's choice of service provider.	\$	\$	\$	We do not add on any fees.	\$
Pharmaceutical Services	Pass through fee to the City's choice of service provider.	\$	\$	\$	We do not add on any fees.	\$
Subrogation Services	Pass through fee to the City's choice of service provider.	\$	\$	\$	We do not add on any fees.	\$
Other Proposed Services	One-time data conversion fee. There are no fees for the transition.	\$9k	\$0	\$0	\$0	\$0
TOTAL ANNUAL AMOUNT		\$286,200		\$285,516		\$294,082

Program Administration Services - Flat Fee: Our annual cost is based on a 165 indemnity caseload (future medical or medical only claims weighted on a 2:1 ratio). Should the caseload exceed a 165 indemnity caseload, the monthly per claim rate for excess claims Year 1 is as follows:

--Indemnity claims: \$140 per open claim, per month.

--Future medical or medical only claims: \$70 per open claim, per month.

Note: Monthly invoices will be submitted in arrears. 3% increase for each future year.

Medical Billing Reviews Services - Flat Fee:

\$9.75 flat fee per bill for all Official Medical Fee Schedule (OMFS), In-Patient Hospital Fee Schedule (IHFS), and Out-Patient, etc. reviews; and when applicable, plus .75 cents for E-Bill/OCR Services. When applicable, up to 25% Preferred Provider Organization (PPO)/Negotiated Savings fee; if there are no applicable savings, there are no fees. No additional fees for transmitting medical billing information on behalf of the City to the Workers' Compensation Information System (WCIS) as required by State Law, i.e., Medical Bill Review EDI (Electronic Data Interchange) Reporting and Services. Or, \$7.80 flat fee per bill processed, printed, handled, and mailed, etc. on behalf of the City's choice of service provider should we not be selected for this service. 3% increase for each future year.

Utilization Review Services - Flat Fee:

Non-physician review/decision -- flat fee of 5% of total charges (\$750 cap per bill); \$85 adjuster/\$125 UR. Physician (includes peer/expert) review/decision -- flat fee at the rate of \$300 per hour, billed in 10-minute increments. 3% increase for each future year.

AGR 4228 ADMINSURE RFP 24-13 TPA WC

Final Audit Report

2024-09-24

Created:	2024-09-24
By:	Jacqueline Leon (jleon@montebelloca.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAA1sJIX6XcCwQZmb4242BW0V2gvWwSiteY

"AGR 4228 ADMINSURE RFP 24-13 TPA WC" History

-  Document created by Jacqueline Leon (jleon@montebelloca.gov)
2024-09-24 - 10:04:48 PM GMT
-  Document emailed to Alithia Vargas-Flores (avargas-flores@adminsire.com) for signature
2024-09-24 - 10:04:54 PM GMT
-  Email viewed by Alithia Vargas-Flores (avargas-flores@adminsire.com)
2024-09-24 - 10:06:05 PM GMT
-  Signer Alithia Vargas-Flores (avargas-flores@adminsire.com) entered name at signing as Alithia Vargas-Flores
2024-09-24 - 10:31:45 PM GMT
-  Document e-signed by Alithia Vargas-Flores (avargas-flores@adminsire.com)
Signature Date: 2024-09-24 - 10:31:47 PM GMT - Time Source: server
-  Agreement completed.
2024-09-24 - 10:31:47 PM GMT



ITEM # 16

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Ramon Figueroa, Director of Human Resources

SUBJECT: SIDE LETTERS OF AGREEMENT TO THE MEMORANDA OF UNDERSTANDING (MOU) BETWEEN THE CITY OF MONTEBELLO AND THE FOLLOWING EMPLOYEE BARGAINING UNITS: MONTEBELLO CITY EMPLOYEES' ASSOCIATION; INTERNATIONAL ASSOCIATION OF SHEET METAL, AIR, RAIL AND TRANSPORTATION WORKERS – TRANSPORTATION DIVISION; MONTEBELLO MID-MANAGEMENT ASSOCIATION; MONTEBELLO SUPERVISORS' ASSOCIATION; MONTEBELLO MANAGEMENT PROFESSIONALS' ASSOCIATION; MONTEBELLO POLICE MANAGEMENT ASSOCIATION; MONTEBELLO FIREFIGHTERS' ASSOCIATION; MONTEBELLO FIRE MANAGEMENT ASSOCIATION; AND MONTEBELLO EXECUTIVE MANAGEMENT ASSOCIATION

DATE: October 9, 2024

RECOMMENDATIONS:

It is recommended that the City Council:

1. Authorize the City Manager to execute side letters of agreement to the Memoranda of Understanding ("MOU") between the City of Montebello and each of the following employee bargaining units: Montebello City Employees' Association ("MCEA"); International Association of Sheet Metal, Air, Rail and Transportation Workers – Transportation Division ("SMART-TD"); Montebello Mid-Managers' Association ("MMA"); Montebello Supervisors' Association ("MSA"); Montebello Management Professionals' Association ("MMPA"); Montebello Police Management Association ("MPMA"); Montebello Firefighters' Association ("MFA"); Montebello Fire Management Association ("MFMA"); and Montebello Executive Management Association ("MEMA") modifying City healthcare benefits contribution amounts; and
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

The City's benefits broker, Nava Benefits, was directed to initiate a Request for Proposal (RFP) process to explore the possibility of finding employee health plan providers that would offer insurance at a savings when compared to CalPERS. Nava Benefits issued the RFP in March 2024 in order to "test the market." Initial estimates by Nava indicated a potential \$400,000 in annual savings in health care expenses. The goal of the RFP process would be to utilize any savings towards increasing the employer contribution towards employee health care premiums.

The results of the RFP did not find savings, with the proposals indicating health care costs exceeding those of CalPERS. Staff presented these findings to the City Council in several closed session meetings. Since the City's contribution towards employee health benefit premiums has not increased since 2008, Staff was determined to find a solution to the increased cost of health benefits impacting employees.

Staff recommended, and received City Council approval, to increase the City's monthly contribution towards employee health care premiums by \$360/month for 2-party and \$560/month for Family (3 party+) plans. The annual (12 month), citywide estimated cost of these increases is \$773,000. Given the composition of the City's workforce, 41% of health insurance expenses are borne by the Transit Fund (for Transit Department employees). The remaining 59% is General Fund expenditures.

Health Care premium changes occur January 1 of each year. Therefore, the Fiscal Year 2024-25 estimated cost of increasing the City's contribution towards employee health care premiums is \$386,000 – six months, January 2025 through June 2025. This equates to an estimated \$228,000 increase in General Fund related health insurance expenses, with the remaining additional expenses recorded in the Transit Fund.

BACKGROUND/DISCUSSION:

In March 2024, the City authorized its benefits broker, Nava Benefits, to initiate a Request for Proposal ("RFP") process to explore alternative medical insurance plans outside of medical plans under the Public Employees' Medical and Hospital Care Act ("PEMHCA"), commonly referred to as CalPERS Medical, which the City has utilized since the 1980s. The aim was to explore benefits for City employees and retirees that mirrored the design of PEMHCA plans, while limiting options to two (2) Health Maintenance Organization ("HMO") plans and two (2) Preferred Provider Organization ("PPO") plans.

The goal of this RFP process was to find insurance providers who could offer health insurance plans for less than what CalPERS was charging. In other words, find insurance providers who would offer cost savings to the City. In turn, these cost savings would be applied towards the employer contribution towards employee health – lower the monthly cost of health insurance for the City's employees.

The responses obtained through the RFP process were limited and offered rates that did not present savings when compared to CalPERS. The City determined that the best

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

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course of action was to continue with CalPERS medical plans.

The City's employer healthcare contribution amounts have not been adjusted since 2008, leading to a widening disparity between the City's offerings and those of neighboring municipalities. According to the City's Classification and Total Compensation Study completed in 2021, the surveyed agencies' average employer contribution toward family medical insurance plans was approximately \$1,600 per month.

Rising healthcare costs have impacted employees' net income. To address this issue, staff proposes increasing the City's monthly contribution for 2-Party Health Insurance for full-time employees by an additional \$360, raising the total contribution to \$1,200 per month. For Family (3 Party+) Health Insurance, staff proposes a monthly increase of \$560, resulting in a total contribution of \$1,650 per month. No changes are proposed for the 1-Party contribution or the medical insurance opt-out incentive. The proposed contribution increases are intended to take effect with the first paycheck in January 2025, aligning with the 2025 CalPERS medical premium adjustments.

Staff met and conferred with representatives from each affected bargaining unit to discuss the proposed increases to the City's medical insurance contributions towards employee health plan costs. The bargaining groups agreed to the proposed increased contributions and expressed gratitude for the City's willingness to address the issue. The goal of the proposed increases is to provide competitive healthcare contributions to meet the needs of employees and their families in a fiscally responsible manner.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Premiums under CalPERS medical have been increasing annually by approximately 5% to 12%, while the City's contributions for 2-Party and Family (3-Party+) coverage have not changed since 2008. Staff recommends the City Council's approval of the side letters of agreement (see Attachments A through I) to provide the proposed increased healthcare contributions to support the well-being of employees and their families, enhance workforce stability, and maintain competitiveness in recruitment efforts.

ATTACHMENT(S)

1. Attachment A - MCEA Side Letter re Healthcare Contributions
2. Attachment B - SMART-TD Side Letter re Healthcare Contributions
3. Attachment C - MMMA Side Letter re Healthcare Contributions
4. Attachment D - MSA Side Letter re Healthcare Contributions
5. Attachment E - MMPA Side Letter re Healthcare Contributions

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

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6. Attachment F - MPMA Side Letter re Healthcare Contributions
7. Attachment G - MFA Side Letter re Healthcare Contributions
8. Attachment H - MFMA Side Letter re Healthcare Contributions
9. Attachment I - MEMA Side Letter re Healthcare Contributions

Side Letter of Agreement Between City of Montebello and
Montebello City Employees' Association

WHEREAS, the City of Montebello ("CITY") and the Montebello City Employees' Association ("MCEA") are parties (collectively "PARTIES") to a Memorandum of Understanding ("MOU") that is in effect from January 1, 2022 through June 30, 2025, which governs generally the wages, hours and other terms and conditions of employment of the classifications represented by the MCEA;

WHEREAS, Appendix E to the MOU (City of Montebello, California Policy and Procedures Manual) provides for the terms of the CITY's Health Insurance Contribution for all full-time employees, including employees in classifications represented by the MCEA;

WHEREAS, the PARTIES wish to provide employees in classifications represented by the MCEA with an increase to the Health Insurance City Contribution located in Appendix E to the MOU. Accordingly, the CITY Contribution for "2 Party" coverage will increase by three hundred sixty dollars (\$360) and the CITY Contribution for "Family (3 Party+)" coverage will increase by five hundred sixty dollars (\$560). Appendix E to the MOU will be revised to reflect such changes.

THEREFORE, IT IS AGREED AS FOLLOWS:

1. Upon City Council approval, the CITY shall increase the CITY's monthly 2 Party Health Insurance Contribution for all employees in classifications represented by the MCEA on the first paycheck in January 2025 by an additional three hundred sixty dollars (\$360) per month, resulting in the CITY's total contribution for 2 Party coverage increasing to one thousand two hundred dollars (\$1,200) per month.
2. Upon City Council approval, the CITY shall increase the CITY's monthly Family (3 Party+) Health Insurance Contribution for all employees in classifications represented by the MCEA on the first paycheck in January 2025 by an additional five hundred sixty dollars (\$560) per month, resulting in the CITY's total contribution for Family (3 Party+) coverage increasing to one thousand six hundred fifty dollars (\$1,650) per month.
3. Upon City Council approval, the CITY shall revise Appendix E to the MOU to reflect the increases in sections 1 and 2 above.
4. No other terms and/or items in the MOU have been discussed and the economic enhancements, benefits, and language of the current MOU shall remain in full force and effect throughout the term of the MOU, ending on June 30, 2025.

THE PARTIES AGREE TO THE ABOVE:

CITY OF MONTEBELLO

Raul Alvarez
City Manager

Date

MONTEBELLO CITY EMPLOYEE ASSOCIATION



Eric Huerta
MCEA President



Date



APPENDIX E

City of Montebello, California Policy & Procedures Manual

2.060.504 Employee Compensation and Benefits

Purpose

Is to provide a description of the City's employee compensation and benefits packages.

Policy

It is the policy of the City to recognize the significant role that its workforce plays in fulfilling its public service mission. The City recognizes that maintaining a competitive compensation system is critical to its goal of delivering public services to its citizens. Therefore, the City strives to provide compensation for its employees to attract qualified applicants, retain employees who are equally committed to public service, and motivate employees to maintain the highest standards of performance.

- A. With this goal in mind, the City shall compensate employees in accordance with decisions made by Council as budgets are set. Pay for positions are subject to the annual budgetary process and current employee organization MOU's; and as such, may be subject to increase, reduction, or status quo maintenance for fixed time periods.
- B. **TOTAL COMPENSATION PHILOSOPHY:** The City is committed to providing a range of public services to its citizens by fostering an environment that embraces respect for the worth of each employee and to pursue the same towards its total compensation package that includes salary and benefits. The City's philosophy is consistent across units with practices that may differ to meet the unique needs of division, department, employee classifications and performance. The City's total compensation package is guided by the following principles:
 - 1. The City's total compensation package shall be reviewed against appropriately defined labor markets.
 - 2. The City's total compensation package shall comply with all applicable state and federal laws.
 - 3. Salaries are managed through a simple, clear program that is consistent with the City's strategic and organizational objectives.



APPENDIX E

City of Montebello, California Policy & Procedures Manual

- C. The Council reserves the right to make budget adjustments, and consequently direct pay adjustments during the budget year in order to manage their fiscal responsibilities or deal with unforeseen circumstances that justify or require changes to City expenditures.

Procedure

- A. **Compensation (Salary) Schedules:** All employee classifications shall receive a salary that is approved by City Council resolution each fiscal year.
- B. **Benefits:** In coordination with employee organizations MOU's, funding abilities, state and federal laws, and the City's total compensation philosophy, the following benefits are afforded to the full-time employees of the City of Montebello:

C. HEALTH INSURANCE THROUGH PEMHCA

- a. The City and the Association agree to contract for health benefits coverage through the Public Employees' Retirement System under the Public Employees' Medical Health Care Act (PEMHCA) Section 22751 et seq. of the Government Code. [MPOA 1985 MOU]

D. HEALTH INSURANCE CITY CONTRIBUTION

- a. Effective ~~the first paycheck in January 2025~~March 27, 2008, the City will contribute the following monthly amounts toward full-time employees' medical, dental & vision insurance:

COVERAGE	TOTAL CITY CONTRIBUTION
1 Party	Full coverage
2 Party	\$1,200.00 <u>\$840.00</u>
<u>Family (3 Party+)</u>	\$1,650.00 <u>\$1,090.00</u>



APPENDIX E

City of Montebello, California Policy & Procedures Manual

- b. Part-time employees who have become eligible for CalPERS membership and have worked 1000 hours in a fiscal year:
 - i. The contribution toward hourly EE's insurance who were eligible before 7/1/92 will be at the rate needed to fully pay 1 party coverage in the plan selected by the EE. For hourly EE who became eligible for insurance on or after 7/1/92 the City contribution toward the insurance package will be at the rate needed to pay 50% of one party coverage in the plan selected by the employee. [Res. 97-109]

E. Medical Insurance Opt-out Incentive

- a. An opt-out incentive is afforded to full-time and those hourly employees, who have benefits and were hired prior to 8/11/92, who decline the City's medical, dental and vision insurance package.
- b. Proof of medical coverage elsewhere will be required annually to continue participation in the cash incentive program.
- c. The monthly Medical Insurance Opt-Out incentive is \$350.00
- d. The monthly Medical Insurance Opt-Out incentive shall be computed when calculating overtime as applicable.
- e. The monthly Medical Insurance Opt-Out incentive shall be reported as Special Compensation to CalPERS as applicable.
- f. Employees who have an alternative source of health insurance must provide minimum essential health coverage pursuant to the U. S. Patient Protection and Affordable Care Act (ACA), and cover both the employee and all individuals in the employee's expected tax family, if any. During open enrollment or as otherwise required by the City, the employee must each year provide the City with an attestation or other reasonable documentation, subject to the City's approval confirming such alternate coverage. According to the ACA, the City must not make payment if the City knows that the employee or family member does not have the alternative coverage.



APPENDIX E

City of Montebello, California Policy & Procedures Manual

MONTEBELLO EXECUTIVE MANAGEMENT ASSOCIATION

A. HEALTH INSURANCE

City shall pay a portion of the cost of any health insurance plan selected by Employee, for the Employee and his/her family, from those plans made available to all City employees. The City contribution to the monthly premium for any medical insurance plan selected shall be capped at the same rate as the CalPERS Kaiser LA 3-party monthly premium.

B. HEALTH INSURANCE CASH OUT

Upon proof of coverage of insurance, the employee may opt out of City-provided insurance coverage. In such a case, the Executive Management employee shall receive the monthly cash equivalent of eighty percent (80%) of the CalPERS Kaiser LA 3-party monthly premium.

C. DENTAL AND VISION INSURANCE

The City shall pay the entire premium on behalf of the employee during the period of that employee's employment. The insurance premium payable for the covered retired employee will be consistent with the general employee's amount towards dental and vision insurance based on the plan, and paid out throughout the employee's lifetime or until the employee qualifies for Medicare under the Federal Social Security Act.

(Prior Policy #'s V-B-3 & V-B-4 (Combined parts), 03/21/95; AUTHORITY: M.O.)

(Revised: 03/21/95; 05/12/21; 8/15/22; [10/09/24](#))

Side Letter of Agreement Between City of Montebello and
The International Association of Sheet Metal, Air, Rail & Transportation Workers –
Transportation Division

WHEREAS, the City of Montebello ("CITY") and the International Association of Sheet Metal, Air, Rail & Transportation Workers – Transportation Division ("SMART-TD") are parties (collectively "PARTIES") to a Memorandum of Understanding ("MOU") that is in effect from May 8, 2024 through June 30, 2025, which governs generally the wages, hours and other terms and conditions of employment of the classifications represented by the SMART-TD;

WHEREAS, Appendix D to the MOU (City of Montebello, California Policy and Procedures Manual) provides for the terms of the CITY's Health Insurance Contribution for all full-time employees, including employees in classifications represented by the SMART-TD;

WHEREAS, the PARTIES wish to provide employees in classifications represented by the SMART-TD with an increase to the Health Insurance City Contribution located in Appendix D to the MOU. Accordingly, the CITY Contribution for "2 Party" coverage will increase by three hundred sixty dollars (\$360) and the CITY Contribution for "Family (3 Party+)" coverage will increase by five hundred sixty dollars (\$560). Appendix D to the MOU will be revised to reflect such changes.

THEREFORE, IT IS AGREED AS FOLLOWS:

1. Upon City Council approval, the CITY shall increase the CITY's monthly 2 Party Health Insurance Contribution for all employees in classifications represented by the SMART-TD on the first paycheck in January 2025 by an additional three hundred sixty dollars (\$360) per month, resulting in the CITY's total contribution for 2 Party coverage increasing to one thousand two hundred dollars (\$1,200) per month.
2. Upon City Council approval, the CITY shall increase the CITY's monthly Family (3 Party+) Health Insurance Contribution for all employees in classifications represented by the SMART-TD on the first paycheck in January 2025 by an additional five hundred sixty dollars (\$560) per month, resulting in the CITY's total contribution for Family (3 Party+) coverage increasing to one thousand six hundred fifty dollars (\$1,650) per month.
3. Upon City Council approval, the CITY shall revise Appendix D to the MOU to reflect the increases in sections 1 and 2 above.
4. No other terms and/or items in the MOU have been discussed and the economic enhancements, benefits, and language of the current MOU shall remain in full force and effect throughout the term of the MOU, ending on June 30, 2025.

THE PARTIES AGREE TO THE ABOVE:

CITY OF MONTEBELLO

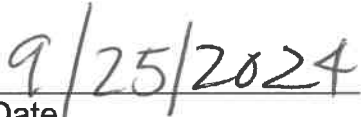
Raul Alvarez
City Manager

Date

INTERNATIONAL ASSOCIATION OF SHEET METAL, AIR, RAIL
&TRANSPORTATION WORKERS – TRANSPORTATION DIVISION



Cecilia Lopez
General Chairperson
SMART-TD, Local 1701



Date

APPENDIX D



City of Montebello, California Policy & Procedures Manual

2.060.504 Employee Compensation and Benefits

Purpose

Is to provide a description of the City's employee compensation and benefits packages.

Policy

It is the policy of the City to recognize the significant role that its workforce plays in fulfilling its public service mission. The City recognizes that maintaining a competitive compensation system is critical to its goal of delivering public services to its citizens. Therefore, the City strives to provide compensation for its employees to attract qualified applicants, retain employees who are equally committed to public service, and motivate employees to maintain the highest standards of performance.

- A.** With this goal in mind, the City shall compensate employees in accordance with decisions made by Council as budgets are set. Pay for positions are subject to the annual budgetary process and current employee organization MOU's; and as such, may be subject to increase, reduction, or status quo maintenance for fixed time periods.
- B. *TOTAL COMPENSATION PHILOSOPHY:*** The City is committed to providing a range of public services to its citizens by fostering an environment that embraces respect for the worth of each employee and to pursue the same towards its total compensation package that includes salary and benefits. The City's philosophy is consistent across units with practices that may differ to meet the unique needs of division, department, employee classifications and performance. The City's total compensation package is guided by the following principles:
 - 1.** The City's total compensation package shall be reviewed against appropriately defined labor markets.
 - 2.** The City's total compensation package shall comply with all applicable state and federal laws.
 - 3.** Salaries are managed through a simple, clear program that is consistent with the City's strategic and organizational objectives.

APPENDIX D



City of Montebello, California Policy & Procedures Manual

- C. The Council reserves the right to make budget adjustments, and consequently direct pay adjustments during the budget year in order to manage their fiscal responsibilities or deal with unforeseen circumstances that justify or require changes to City expenditures.

Procedure

- A. **Compensation (Salary) Schedules:** All employee classifications shall receive a salary that is approved by City Council resolution each fiscal year.
- B. **Benefits:** In coordination with employee organizations MOU's, funding abilities, state and federal laws, and the City's total compensation philosophy, the following benefits are afforded to the full-time employees of the City of Montebello:

C. HEALTH INSURANCE THROUGH PEMHCA

- a. The City and the Association agree to contract for health benefits coverage through the Public Employees' Retirement System under the Public Employees' Medical Health Care Act (PEMHCA) Section 22751 et seq. of the Government Code. [MPOA 1985 MOU]

D. HEALTH INSURANCE CITY CONTRIBUTION

- a. Effective ~~March 27, 2008~~the first paycheck in January 2025, the City will contribute the following monthly amounts toward full-time employees' medical, dental & vision insurance:

COVERAGE	TOTAL CITY CONTRIBUTION
1 Party	Full coverage
2 Party	\$1,200.00 <u>\$840.00</u>
<u>Family (3 Party+)</u>	\$1,650.00 <u>\$1,090.00</u>
<u>[2008-reopener]</u>	



APPENDIX D

City of Montebello, California Policy & Procedures Manual

- b. Part-time employees who have become eligible for CalPERS membership and have worked 1000 hours in a fiscal year:
 - i. The contribution toward hourly EE's insurance who were eligible before 7/1/92 will be at the rate needed to fully pay 1 party coverage in the plan selected by the EE. For hourly EE who became eligible for insurance on or after 7/1/92 the City contribution toward the insurance package will be at the rate needed to pay 50% of one party coverage in the plan selected by the employee. [Res. 97-109]

E. Medical Insurance Opt-out Incentive

- a. An opt-out incentive is afforded to full-time and those hourly employees, who have benefits and were hired prior to 8/11/92, who decline the City's medical, dental and vision insurance package.
- b. Proof of medical coverage elsewhere will be required annually to continue participation in the cash incentive program.
- c. The monthly Medical Insurance Opt-Out incentive is \$350.00
- d. The monthly Medical Insurance Opt-Out incentive shall be computed when calculating overtime as applicable.
- e. The monthly Medical Insurance Opt-Out incentive shall be reported as Special Compensation to CalPERS as applicable.
- f. Employees who have an alternative source of health insurance must provide minimum essential health coverage pursuant to the U. S. Patient Protection and Affordable Care Act (ACA), and cover both the employee and all individuals in the employee's expected tax family, if any. During open enrollment or as otherwise required by the City, the employee must each year provide the City with an attestation or other reasonable documentation, subject to the City's approval confirming such alternate coverage. According to the ACA, the City must not make payment if the City knows that the employee or family member does not have the alternative coverage.



APPENDIX D

City of Montebello, California Policy & Procedures Manual

MONTEBELLO EXECUTIVE MANAGEMENT ASSOCIATION

A. HEALTH INSURANCE

City shall pay a portion of the cost of any health insurance plan selected by Employee, for the Employee and his/her family, from those plans made available to all City employees. The City contribution to the monthly premium for any medical insurance plan selected shall be capped at the same rate as the CalPERS Kaiser LA 3-party monthly premium.

B. HEALTH INSURANCE CASH OUT

Upon proof of coverage of insurance, the employee may opt out of City-provided insurance coverage. In such a case, the Executive Management employee shall receive the monthly cash equivalent of eighty percent (80%) of the CalPERS Kaiser LA 3-party monthly premium.

C. DENTAL AND VISION INSURANCE

The City shall pay the entire premium on behalf of the employee during the period of that employee's employment. The insurance premium payable for the covered retired employee will be consistent with the general employee's amount towards dental and vision insurance based on the plan, and paid out throughout the employee's lifetime or until the employee qualifies for Medicare under the Federal Social Security Act.

(Prior Policy #'s V-B-3 & V-B-4 (Combined parts), 03/21/95; AUTHORITY: M.O.)

(Revised: 03/21/95; 05/12/21; 8/15/22; [10/09/24](#))

Side Letter of Agreement Between City of Montebello and
Montebello Mid-Management Association

WHEREAS, the City of Montebello ("CITY") and the Montebello Mid-Management Association ("MMMA") are parties (collectively "PARTIES") to a Memorandum of Understanding ("MOU") that is in effect from January 1, 2022 through June 30, 2025, which governs generally the wages, hours and other terms and conditions of employment of the classifications represented by the MMMA;

WHEREAS, Appendix E to the MOU (City of Montebello, California Policy and Procedures Manual) provides for the terms of the CITY's Health Insurance Contribution for all full-time employees, including employees in classifications represented by the MMMA;

WHEREAS, the PARTIES wish to provide employees in classifications represented by the MMMA with an increase to the Health Insurance City Contribution located in Appendix E to the MOU. Accordingly, the CITY Contribution for "2 Party" coverage will increase by three hundred sixty dollars (\$360) and the CITY Contribution for "Family (3 Party+)" coverage will increase by five hundred sixty dollars (\$560). Appendix E to the MOU will be revised to reflect such changes.

THEREFORE, IT IS AGREED AS FOLLOWS:

1. Upon City Council approval, the CITY shall increase the CITY's monthly 2 Party Health Insurance Contribution for all employees in classifications represented by the MMMA on the first paycheck in January 2025 by an additional three hundred sixty dollars (\$360) per month, resulting in the CITY's total contribution for 2 Party coverage increasing to one thousand two hundred dollars (\$1,200) per month.
2. Upon City Council approval, the CITY shall increase the CITY's monthly Family (3 Party+) Health Insurance Contribution for all employees in classifications represented by the MMMA on the first paycheck in January 2025 by an additional five hundred sixty dollars (\$560) per month, resulting in the CITY's total contribution for Family (3 Party+) coverage increasing to one thousand six hundred fifty dollars (\$1,650) per month.
3. Upon City Council approval, the CITY shall revise Appendix E to the MOU to reflect the increases in sections 1 and 2 above.
4. No other terms and/or items in the MOU have been discussed and the economic enhancements, benefits, and language of the current MOU shall remain in full force and effect throughout the term of the MOU, ending on June 30, 2025.

THE PARTIES AGREE TO THE ABOVE:

CITY OF MONTEBELLO

Raul Alvarez
City Manager

Date

MONTEBELLO MID-MANAGEMENT ASSOCIATION



Alfredo Machuca
MMMA President



Date

APPENDIX E



City of Montebello, California Policy & Procedures Manual

2.060.504 Employee Compensation and Benefits

Purpose

Is to provide a description of the City's employee compensation and benefits packages.

Policy

It is the policy of the City to recognize the significant role that its workforce plays in fulfilling its public service mission. The City recognizes that maintaining a competitive compensation system is critical to its goal of delivering public services to its citizens. Therefore, the City strives to provide compensation for its employees to attract qualified applicants, retain employees who are equally committed to public service, and motivate employees to maintain the highest standards of performance.

- A.** With this goal in mind, the City shall compensate employees in accordance with decisions made by Council as budgets are set. Pay for positions are subject to the annual budgetary process and current employee organization MOU's; and as such, may be subject to increase, reduction, or status quo maintenance for fixed time periods.
- B. *TOTAL COMPENSATION PHILOSOPHY:*** The City is committed to providing a range of public services to its citizens by fostering an environment that embraces respect for the worth of each employee and to pursue the same towards its total compensation package that includes salary and benefits. The City's philosophy is consistent across units with practices that may differ to meet the unique needs of division, department, employee classifications and performance. The City's total compensation package is guided by the following principles:
 - 1.** The City's total compensation package shall be reviewed against appropriately defined labor markets.
 - 2.** The City's total compensation package shall comply with all applicable state and federal laws.
 - 3.** Salaries are managed through a simple, clear program that is consistent with the City's strategic and organizational objectives.



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City of Montebello, California Policy & Procedures Manual

- C. The Council reserves the right to make budget adjustments, and consequently direct pay adjustments during the budget year in order to manage their fiscal responsibilities or deal with unforeseen circumstances that justify or require changes to City expenditures.

Procedure

- A. **Compensation (Salary) Schedules:** All employee classifications shall receive a salary that is approved by City Council resolution each fiscal year.
- B. **Benefits:** In coordination with employee organizations MOU's, funding abilities, state and federal laws, and the City's total compensation philosophy, the following benefits are afforded to the full-time employees of the City of Montebello:

C. HEALTH INSURANCE THROUGH PEMHCA

- a. The City and the Association agree to contract for health benefits coverage through the Public Employees' Retirement System under the Public Employees' Medical Health Care Act (PEMHCA) Section 22751 et seq. of the Government Code. [MPOA 1985 MOU]

D. HEALTH INSURANCE CITY CONTRIBUTION

- a. Effective the first paycheck in January 2025~~March 27, 2008~~, the City will contribute the following monthly amounts toward full-time employees' medical, dental & vision insurance:

COVERAGE	TOTAL CITY CONTRIBUTION
1 Party	Full coverage
2 Party	<u>\$1,200.00</u> \$840.00
<u>Family (3 Party+)</u>	<u>\$1,650.00</u> \$1,090.00



APPENDIX E

City of Montebello, California Policy & Procedures Manual

- b. Part-time employees who have become eligible for CalPERS membership and have worked 1000 hours in a fiscal year:
 - i. The contribution toward hourly EE's insurance who were eligible before 7/1/92 will be at the rate needed to fully pay 1 party coverage in the plan selected by the EE. For hourly EE who became eligible for insurance on or after 7/1/92 the City contribution toward the insurance package will be at the rate needed to pay 50% of one party coverage in the plan selected by the employee. [Res. 97-109]

E. Medical Insurance Opt-out Incentive

- a. An opt-out incentive is afforded to full-time and those hourly employees, who have benefits and were hired prior to 8/11/92, who decline the City's medical, dental and vision insurance package.
- b. Proof of medical coverage elsewhere will be required annually to continue participation in the cash incentive program.
- c. The monthly Medical Insurance Opt-Out incentive is \$350.00
- d. The monthly Medical Insurance Opt-Out incentive shall be computed when calculating overtime as applicable.
- e. The monthly Medical Insurance Opt-Out incentive shall be reported as Special Compensation to CalPERS as applicable.
- f. Employees who have an alternative source of health insurance must provide minimum essential health coverage pursuant to the U. S. Patient Protection and Affordable Care Act (ACA), and cover both the employee and all individuals in the employee's expected tax family, if any. During open enrollment or as otherwise required by the City, the employee must each year provide the City with an attestation or other reasonable documentation, subject to the City's approval confirming such alternate coverage. According to the ACA, the City must not make payment if the City knows that the employee or family member does not have the alternative coverage.



APPENDIX E

City of Montebello, California Policy & Procedures Manual

MONTEBELLO EXECUTIVE MANAGEMENT ASSOCIATION

A. HEALTH INSURANCE

City shall pay a portion of the cost of any health insurance plan selected by Employee, for the Employee and his/her family, from those plans made available to all City employees. The City contribution to the monthly premium for any medical insurance plan selected shall be capped at the same rate as the CalPERS Kaiser LA 3-party monthly premium.

B. HEALTH INSURANCE CASH OUT

Upon proof of coverage of insurance, the employee may opt out of City-provided insurance coverage. In such a case, the Executive Management employee shall receive the monthly cash equivalent of eighty percent (80%) of the CalPERS Kaiser LA 3-party monthly premium.

C. DENTAL AND VISION INSURANCE

The City shall pay the entire premium on behalf of the employee during the period of that employee's employment. The insurance premium payable for the covered retired employee will be consistent with the general employee's amount towards dental and vision insurance based on the plan, and paid out throughout the employee's lifetime or until the employee qualifies for Medicare under the Federal Social Security Act.

(Prior Policy #'s V-B-3 & V-B-4 (Combined parts), 03/21/95; AUTHORITY: M.O.)

(Revised: 03/21/95; 05/12/21; 8/15/22; [10/09/24](#))

Side Letter of Agreement Between City of Montebello and
Montebello Supervisors' Association

WHEREAS, the City of Montebello ("CITY") and the Montebello Supervisors' Association ("MSA") are parties (collectively "PARTIES") to a Memorandum of Understanding ("MOU") that is in effect from January 1, 2022 through June 30, 2025, which governs generally the wages, hours, and other terms and conditions of employment of the classifications represented by the MSA;

WHEREAS, Appendix E to the MOU (City of Montebello, California Policy and Procedures Manual) provides for the terms of the CITY's Health Insurance Contribution for all full-time employees, including employees in classifications represented by the MSA;

WHEREAS, the PARTIES wish to provide employees in classifications represented by the MSA with an increase to the Health Insurance City Contribution located in Appendix E to the MOU. Accordingly, the CITY Contribution for "2 Party" coverage will increase by three hundred sixty dollars (\$360) and the CITY Contribution for "Family (3 Party+)" coverage will increase by five hundred sixty dollars (\$560). Appendix E to the MOU will be revised to reflect such changes.

THEREFORE, IT IS AGREED AS FOLLOWS:

1. Upon City Council approval, the CITY shall increase the CITY's monthly 2 Party Health Insurance Contribution for all employees in classifications represented by the MSA on the first paycheck in January 2025 by an additional three hundred sixty dollars (\$360) per month, resulting in the CITY's total contribution for 2 Party coverage increasing to one thousand two hundred dollars (\$1,200) per month.
2. Upon City Council approval, the CITY shall increase the CITY's monthly Family (3 Party+) Health Insurance Contribution for all employees in classifications represented by the MSA on the first paycheck in January 2025 by an additional five hundred sixty dollars (\$560) per month, resulting in the CITY's total contribution for Family (3 Party+) coverage increasing to one thousand six hundred fifty dollars (\$1,650) per month.
3. Upon City Council approval, the CITY shall revise Appendix E to the MOU to reflect the increases in sections 1 and 2 above.
4. No other terms and/or items in the MOU have been discussed and the economic enhancements, benefits, and language of the current MOU shall remain in full force and effect throughout the term of the MOU, ending on June 30, 2025.

THE PARTIES AGREE TO THE ABOVE:

CITY OF MONTEBELLO

Raul Alvarez
City Manager

Date

MONTEBELLO SUPERVISORS' ASSOCIATION



Jeremy Melendez
MSA President

9/26/24

Date



APPENDIX E

City of Montebello, California Policy & Procedures Manual

2.060.504 Employee Compensation and Benefits

Purpose

Is to provide a description of the City's employee compensation and benefits packages.

Policy

It is the policy of the City to recognize the significant role that its workforce plays in fulfilling its public service mission. The City recognizes that maintaining a competitive compensation system is critical to its goal of delivering public services to its citizens. Therefore, the City strives to provide compensation for its employees to attract qualified applicants, retain employees who are equally committed to public service, and motivate employees to maintain the highest standards of performance.

- A.** With this goal in mind, the City shall compensate employees in accordance with decisions made by Council as budgets are set. Pay for positions are subject to the annual budgetary process and current employee organization MOU's; and as such, may be subject to increase, reduction, or status quo maintenance for fixed time periods.
- B. *TOTAL COMPENSATION PHILOSOPHY:*** The City is committed to providing a range of public services to its citizens by fostering an environment that embraces respect for the worth of each employee and to pursue the same towards its total compensation package that includes salary and benefits. The City's philosophy is consistent across units with practices that may differ to meet the unique needs of division, department, employee classifications and performance. The City's total compensation package is guided by the following principles:
 - 1.** The City's total compensation package shall be reviewed against appropriately defined labor markets.
 - 2.** The City's total compensation package shall comply with all applicable state and federal laws.
 - 3.** Salaries are managed through a simple, clear program that is consistent with the City's strategic and organizational objectives.



APPENDIX E

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- C. The Council reserves the right to make budget adjustments, and consequently direct pay adjustments during the budget year in order to manage their fiscal responsibilities or deal with unforeseen circumstances that justify or require changes to City expenditures.

Procedure

- A. **Compensation (Salary) Schedules:** All employee classifications shall receive a salary that is approved by City Council resolution each fiscal year.
- B. **Benefits:** In coordination with employee organizations MOU's, funding abilities, state and federal laws, and the City's total compensation philosophy, the following benefits are afforded to the full-time employees of the City of Montebello:

C. HEALTH INSURANCE THROUGH PEMHCA

- a. The City and the Association agree to contract for health benefits coverage through the Public Employees' Retirement System under the Public Employees' Medical Health Care Act (PEMHCA) Section 22751 et seq. of the Government Code. [MPOA 1985 MOU]

D. HEALTH INSURANCE CITY CONTRIBUTION

- a. Effective ~~the first paycheck in January 2025~~March 27, 2008, the City will contribute the following monthly amounts toward full-time employees' medical, dental & vision insurance:

COVERAGE	TOTAL CITY CONTRIBUTION
1 Party	Full coverage
2 Party	\$1,200.00 <u>\$840.00</u>
<u>Family (3 Party+)</u>	\$1,650.00 <u>\$1,090.00</u>



APPENDIX E

City of Montebello, California Policy & Procedures Manual

- b. Part-time employees who have become eligible for CalPERS membership and have worked 1000 hours in a fiscal year:
 - i. The contribution toward hourly EE's insurance who were eligible before 7/1/92 will be at the rate needed to fully pay 1 party coverage in the plan selected by the EE. For hourly EE who became eligible for insurance on or after 7/1/92 the City contribution toward the insurance package will be at the rate needed to pay 50% of one party coverage in the plan selected by the employee. [Res. 97-109]

E. Medical Insurance Opt-out Incentive

- a. An opt-out incentive is afforded to full-time and those hourly employees, who have benefits and were hired prior to 8/11/92, who decline the City's medical, dental and vision insurance package.
- b. Proof of medical coverage elsewhere will be required annually to continue participation in the cash incentive program.
- c. The monthly Medical Insurance Opt-Out incentive is \$350.00
- d. The monthly Medical Insurance Opt-Out incentive shall be computed when calculating overtime as applicable.
- e. The monthly Medical Insurance Opt-Out incentive shall be reported as Special Compensation to CalPERS as applicable.
- f. Employees who have an alternative source of health insurance must provide minimum essential health coverage pursuant to the U. S. Patient Protection and Affordable Care Act (ACA), and cover both the employee and all individuals in the employee' s expected tax family, if any. During open enrollment or as otherwise required by the City, the employee must each year provide the City with an attestation or other reasonable documentation, subject to the City' s approval confirming such alternate coverage. According to the ACA, the City must not make payment if the City knows that the employee or family member does not have the alternative coverage.



APPENDIX E

City of Montebello, California Policy & Procedures Manual

MONTEBELLO EXECUTIVE MANAGEMENT ASSOCIATION

A. HEALTH INSURANCE

City shall pay a portion of the cost of any health insurance plan selected by Employee, for the Employee and his/her family, from those plans made available to all City employees. The City contribution to the monthly premium for any medical insurance plan selected shall be capped at the same rate as the CalPERS Kaiser LA 3-party monthly premium.

B. HEALTH INSURANCE CASH OUT

Upon proof of coverage of insurance, the employee may opt out of City-provided insurance coverage. In such a case, the Executive Management employee shall receive the monthly cash equivalent of eighty percent (80%) of the CalPERS Kaiser LA 3-party monthly premium.

C. DENTAL AND VISION INSURANCE

The City shall pay the entire premium on behalf of the employee during the period of that employee's employment. The insurance premium payable for the covered retired employee will be consistent with the general employee's amount towards dental and vision insurance based on the plan, and paid out throughout the employee's lifetime or until the employee qualifies for Medicare under the Federal Social Security Act.

(Prior Policy #'s V-B-3 & V-B-4 (Combined parts), 03/21/95; AUTHORITY: M.O.)

(Revised: 03/21/95; 05/12/21; 8/15/22; [10/09/24](#))

Side Letter of Agreement Between City of Montebello and
Montebello Management Professionals' Association

WHEREAS, the City of Montebello ("CITY") and the Montebello Management Professionals' Association ("MMPA") are parties (collectively "PARTIES") to a Memorandum of Understanding ("MOU") that is in effect from January 1, 2022 through June 30, 2025, which governs generally the wages, hours and other terms and conditions of employment of the classifications represented by the MMPA;

WHEREAS, Appendix E to the MOU (City of Montebello, California Policy and Procedures Manual) provides for the terms of the CITY's Health Insurance Contribution for all full-time employees, including employees in classifications represented by the MMPA;

WHEREAS, the PARTIES wish to provide employees in classifications represented by the MMPA with an increase to the Health Insurance City Contribution located in Appendix E to the MOU. Accordingly, the CITY Contribution for "2 Party" coverage will increase by three hundred sixty dollars (\$360) and the CITY Contribution for "Family (3 Party+)" coverage will increase by five hundred sixty dollars (\$560). Appendix E to the MOU will be revised to reflect such changes.

THEREFORE, IT IS AGREED AS FOLLOWS:

1. Upon City Council approval, the CITY shall increase the CITY's monthly 2 Party Health Insurance Contribution for all employees in classifications represented by the MMPA on the first paycheck in January 2025 by an additional three hundred sixty dollars (\$360) per month, resulting in the CITY's total contribution for 2 Party coverage increasing to one thousand two hundred dollars (\$1,200) per month.
2. Upon City Council approval, the CITY shall increase the CITY's monthly Family (3 Party+) Health Insurance Contribution for all employees in classifications represented by the MMPA on the first paycheck in January 2025 by an additional five hundred sixty dollars (\$560) per month, resulting in the CITY's total contribution for Family (3 Party+) coverage increasing to one thousand six hundred fifty dollars (\$1,650) per month.
3. Upon City Council approval, the CITY shall revise Appendix E to the MOU to reflect the increases in sections 1 and 2 above.
4. No other terms and/or items in the MOU have been discussed and the economic enhancements, benefits, and language of the current MOU shall remain in full force and effect throughout the term of the MOU, ending on June 30, 2025.

THE PARTIES AGREE TO THE ABOVE:

CITY OF MONTEBELLO

Raul Alvarez
City Manager

Date

MONTEBELLO MANAGEMENT PROFESSIONALS' ASSOCIATION



James Coiner
MMPA President

9-25-24
Date



APPENDIX E

City of Montebello, California Policy & Procedures Manual

2.060.504 Employee Compensation and Benefits

Purpose

Is to provide a description of the City's employee compensation and benefits packages.

Policy

It is the policy of the City to recognize the significant role that its workforce plays in fulfilling its public service mission. The City recognizes that maintaining a competitive compensation system is critical to its goal of delivering public services to its citizens. Therefore, the City strives to provide compensation for its employees to attract qualified applicants, retain employees who are equally committed to public service, and motivate employees to maintain the highest standards of performance.

- A. With this goal in mind, the City shall compensate employees in accordance with decisions made by Council as budgets are set. Pay for positions are subject to the annual budgetary process and current employee organization MOU's; and as such, may be subject to increase, reduction, or status quo maintenance for fixed time periods.
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 - 1. The City's total compensation package shall be reviewed against appropriately defined labor markets.
 - 2. The City's total compensation package shall comply with all applicable state and federal laws.
 - 3. Salaries are managed through a simple, clear program that is consistent with the City's strategic and organizational objectives.



APPENDIX E

City of Montebello, California Policy & Procedures Manual

- C. The Council reserves the right to make budget adjustments, and consequently direct pay adjustments during the budget year in order to manage their fiscal responsibilities or deal with unforeseen circumstances that justify or require changes to City expenditures.

Procedure

- A. **Compensation (Salary) Schedules:** All employee classifications shall receive a salary that is approved by City Council resolution each fiscal year.
- B. **Benefits:** In coordination with employee organizations MOU's, funding abilities, state and federal laws, and the City's total compensation philosophy, the following benefits are afforded to the full-time employees of the City of Montebello:

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- a. The City and the Association agree to contract for health benefits coverage through the Public Employees' Retirement System under the Public Employees' Medical Health Care Act (PEMHCA) Section 22751 et seq. of the Government Code. [MPOA 1985 MOU]

D. HEALTH INSURANCE CITY CONTRIBUTION

- a. Effective the first paycheck in January 2025~~March 27, 2008~~, the City will contribute the following monthly amounts toward full-time employees' medical, dental & vision insurance:

COVERAGE	TOTAL CITY CONTRIBUTION
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APPENDIX E

City of Montebello, California Policy & Procedures Manual

- b. Part-time employees who have become eligible for CalPERS membership and have worked 1000 hours in a fiscal year:
 - i. The contribution toward hourly EE's insurance who were eligible before 7/1/92 will be at the rate needed to fully pay 1 party coverage in the plan selected by the EE. For hourly EE who became eligible for insurance on or after 7/1/92 the City contribution toward the insurance package will be at the rate needed to pay 50% of one party coverage in the plan selected by the employee. [Res. 97-109]

E. Medical Insurance Opt-out Incentive

- a. An opt-out incentive is afforded to full-time and those hourly employees, who have benefits and were hired prior to 8/11/92, who decline the City's medical, dental and vision insurance package.
- b. Proof of medical coverage elsewhere will be required annually to continue participation in the cash incentive program.
- c. The monthly Medical Insurance Opt-Out incentive is \$350.00
- d. The monthly Medical Insurance Opt-Out incentive shall be computed when calculating overtime as applicable.
- e. The monthly Medical Insurance Opt-Out incentive shall be reported as Special Compensation to CalPERS as applicable.
- f. Employees who have an alternative source of health insurance must provide minimum essential health coverage pursuant to the U. S. Patient Protection and Affordable Care Act (ACA), and cover both the employee and all individuals in the employee' s expected tax family, if any. During open enrollment or as otherwise required by the City, the employee must each year provide the City with an attestation or other reasonable documentation, subject to the City' s approval confirming such alternate coverage. According to the ACA, the City must not make payment if the City knows that the employee or family member does not have the alternative coverage.



APPENDIX E

City of Montebello, California Policy & Procedures Manual

MONTEBELLO EXECUTIVE MANAGEMENT ASSOCIATION

A. HEALTH INSURANCE

City shall pay a portion of the cost of any health insurance plan selected by Employee, for the Employee and his/her family, from those plans made available to all City employees. The City contribution to the monthly premium for any medical insurance plan selected shall be capped at the same rate as the CalPERS Kaiser LA 3-party monthly premium.

B. HEALTH INSURANCE CASH OUT

Upon proof of coverage of insurance, the employee may opt out of City-provided insurance coverage. In such a case, the Executive Management employee shall receive the monthly cash equivalent of eighty percent (80%) of the CalPERS Kaiser LA 3-party monthly premium.

C. DENTAL AND VISION INSURANCE

The City shall pay the entire premium on behalf of the employee during the period of that employee's employment. The insurance premium payable for the covered retired employee will be consistent with the general employee's amount towards dental and vision insurance based on the plan, and paid out throughout the employee's lifetime or until the employee qualifies for Medicare under the Federal Social Security Act.

(Prior Policy #'s V-B-3 & V-B-4 (Combined parts), 03/21/95; AUTHORITY: M.O.)

(Revised: 03/21/95; 05/12/21; 8/15/22; [10/09/24](#))

Side Letter of Agreement Between City of Montebello and
Montebello Police Management Association

WHEREAS, the City of Montebello ("CITY") and the Montebello Police Management Association ("MPMA") are parties (collectively "PARTIES") to a Memorandum of Understanding ("MOU") that is in effect from July 1, 2023 through June 30, 2026, which governs generally the wages, hours and other terms and conditions of employment of the classifications represented by the MPMA;

WHEREAS, Appendix E to the MOU (City of Montebello, California Policy and Procedures Manual) provides for the terms of the CITY's Health Insurance Contribution for all full-time employees, including employees in classifications represented by the MPMA;

WHEREAS, the PARTIES wish to provide employees in classifications represented by the MPMA with an increase to the Health Insurance City Contribution located in Appendix E to the MOU. Accordingly, the CITY Contribution for "2 Party" coverage will increase by three hundred sixty dollars (\$360) and the CITY Contribution for "Family (3 Party+)" coverage will increase by five hundred sixty dollars (\$560). Appendix E to the MOU will be revised to reflect such changes.

THEREFORE, IT IS AGREED AS FOLLOWS:

1. Upon City Council approval, the CITY shall increase the CITY's monthly 2 Party Health Insurance Contribution for all employees in classifications represented by the MPMA on the first paycheck in January 2025 by an additional three hundred sixty dollars (\$360) per month, resulting in the CITY's total contribution for 2 Party coverage increasing to one thousand two hundred dollars (\$1,200) per month.
2. Upon City Council approval, the CITY shall increase the CITY's monthly Family (3 Party+) Health Insurance Contribution for all employees in classifications represented by the MPMA on the first paycheck in January 2025 by an additional five hundred sixty dollars (\$560) per month, resulting in the CITY's total contribution for Family (3 Party+) coverage increasing to one thousand six hundred fifty dollars (\$1,650) per month.
3. Upon City Council approval, the CITY shall revise Appendix E to the MOU to reflect the increases in sections 1 and 2 above.
4. No other terms and/or items in the MOU have been discussed and the economic enhancements, benefits, and language of the current MOU shall remain in full force and effect throughout the term of the MOU, ending on June 30, 2026.

THE PARTIES AGREE TO THE ABOVE:

CITY OF MONTEBELLO

Raul Alvarez
City Manager

Date

MONTEBELLO POLICE MANAGEMENT ASSOCIATION



David Kim
MPMA President

10-2-24

Date



APPENDIX E

City of Montebello, California Policy & Procedures Manual

2.060.504 Employee Compensation and Benefits

Purpose

Is to provide a description of the City's employee compensation and benefits packages.

Policy

It is the policy of the City to recognize the significant role that its workforce plays in fulfilling its public service mission. The City recognizes that maintaining a competitive compensation system is critical to its goal of delivering public services to its citizens. Therefore, the City strives to provide compensation for its employees to attract qualified applicants, retain employees who are equally committed to public service, and motivate employees to maintain the highest standards of performance.

- A.** With this goal in mind, the City shall compensate employees in accordance with decisions made by Council as budgets are set. Pay for positions are subject to the annual budgetary process and current employee organization MOU's; and as such, may be subject to increase, reduction, or status quo maintenance for fixed time periods.
- B. *TOTAL COMPENSATION PHILOSOPHY:*** The City is committed to providing a range of public services to its citizens by fostering an environment that embraces respect for the worth of each employee and to pursue the same towards its total compensation package that includes salary and benefits. The City's philosophy is consistent across units with practices that may differ to meet the unique needs of division, department, employee classifications and performance. The City's total compensation package is guided by the following principles:
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- C. The Council reserves the right to make budget adjustments, and consequently direct pay adjustments during the budget year in order to manage their fiscal responsibilities or deal with unforeseen circumstances that justify or require changes to City expenditures.

Procedure

- A. **Compensation (Salary) Schedules:** All employee classifications shall receive a salary that is approved by City Council resolution each fiscal year.
- B. **Benefits:** In coordination with employee organizations MOU's, funding abilities, state and federal laws, and the City's total compensation philosophy, the following benefits are afforded to the full-time employees of the City of Montebello:

C. HEALTH INSURANCE THROUGH PEMHCA

- a. The City and the Association agree to contract for health benefits coverage through the Public Employees' Retirement System under the Public Employees' Medical Health Care Act (PEMHCA) Section 22751 et seq. of the Government Code. [MPOA 1985 MOU]

D. HEALTH INSURANCE CITY CONTRIBUTION

- a. Effective ~~March 27, 2008~~ the first paycheck in January 2025, the City will contribute the following monthly amounts toward full-time employees' medical, dental & vision insurance:

COVERAGE	TOTAL CITY CONTRIBUTION
1 Party	Full coverage
2 Party	\$1,200.00 <u>\$840.00</u>
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APPENDIX E

City of Montebello, California Policy & Procedures Manual

- b. Part-time employees who have become eligible for CalPERS membership and have worked 1000 hours in a fiscal year:
 - i. The contribution toward hourly EE's insurance who were eligible before 7/1/92 will be at the rate needed to fully pay 1 party coverage in the plan selected by the EE. For hourly EE who became eligible for insurance on or after 7/1/92 the City contribution toward the insurance package will be at the rate needed to pay 50% of one party coverage in the plan selected by the employee. [Res. 97-109]

E. Medical Insurance Opt-out Incentive

- a. An opt-out incentive is afforded to full-time and those hourly employees, who have benefits and were hired prior to 8/11/92, who decline the City's medical, dental and vision insurance package.
- b. Proof of medical coverage elsewhere will be required annually to continue participation in the cash incentive program.
- c. The monthly Medical Insurance Opt-Out incentive is \$350.00
- d. The monthly Medical Insurance Opt-Out incentive shall be computed when calculating overtime as applicable.
- e. The monthly Medical Insurance Opt-Out incentive shall be reported as Special Compensation to CalPERS as applicable.
- f. Employees who have an alternative source of health insurance must provide minimum essential health coverage pursuant to the U. S. Patient Protection and Affordable Care Act (ACA), and cover both the employee and all individuals in the employee's expected tax family, if any. During open enrollment or as otherwise required by the City, the employee must each year provide the City with an attestation or other reasonable documentation, subject to the City's approval confirming such alternate coverage. According to the ACA, the City must not make payment if the City knows that the employee or family member does not have the alternative coverage.



APPENDIX E

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MONTEBELLO EXECUTIVE MANAGEMENT ASSOCIATION

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City shall pay a portion of the cost of any health insurance plan selected by Employee, for the Employee and his/her family, from those plans made available to all City employees. The City contribution to the monthly premium for any medical insurance plan selected shall be capped at the same rate as the CalPERS Kaiser LA 3-party monthly premium.

B. HEALTH INSURANCE CASH OUT

Upon proof of coverage of insurance, the employee may opt out of City-provided insurance coverage. In such a case, the Executive Management employee shall receive the monthly cash equivalent of eighty percent (80%) of the CalPERS Kaiser LA 3-party monthly premium.

C. DENTAL AND VISION INSURANCE

The City shall pay the entire premium on behalf of the employee during the period of that employee's employment. The insurance premium payable for the covered retired employee will be consistent with the general employee's amount towards dental and vision insurance based on the plan, and paid out throughout the employee's lifetime or until the employee qualifies for Medicare under the Federal Social Security Act.

(Prior Policy #'s V-B-3 & V-B-4 (Combined parts), 03/21/95; AUTHORITY: M.O.)

(Revised: 03/21/95; 05/12/21; 8/15/22; 10/09/24)

Side Letter of Agreement Between City of Montebello and
Montebello Firefighters' Association

WHEREAS, the City of Montebello ("CITY") and the Montebello Firefighters' Association ("MFA") are parties (collectively "PARTIES") to a Memorandum of Understanding ("MOU") that is in effect from January 1, 2022 through June 30, 2025, which governs generally the wages, hours and other terms and conditions of employment of the classifications represented by the MFA;

WHEREAS, Appendix E to the MOU (City of Montebello, California Policy and Procedures Manual) provides for the terms of the CITY's Health Insurance Contribution for all full-time employees, including employees in classifications represented by the MFA;

WHEREAS, the PARTIES wish to provide employees in classifications represented by the MFA with an increase to the Health Insurance City Contribution located in Appendix E to the MOU. Accordingly, the CITY Contribution for "2 Party" coverage will increase by three hundred sixty dollars (\$360) and the CITY Contribution for "Family (3 Party+)" coverage will increase by five hundred sixty dollars (\$560). Appendix E to the MOU will be revised to reflect such changes.

THEREFORE, IT IS AGREED AS FOLLOWS:

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2. Upon City Council approval, the CITY shall increase the CITY's monthly Family (3 Party+) Health Insurance Contribution for all employees in classifications represented by the MFA on the first paycheck in January 2025 by an additional five hundred sixty dollars (\$560) per month, resulting in the CITY's total contribution for Family (3 Party+) coverage increasing to one thousand six hundred fifty dollars (\$1,650) per month.
3. Upon City Council approval, the CITY shall revise Appendix E to the MOU to reflect the increases in sections 1 and 2 above.
4. No other terms and/or items in the MOU have been discussed and the economic enhancements, benefits, and language of the current MOU shall remain in full force and effect throughout the term of the MOU, ending on June 30, 2025.

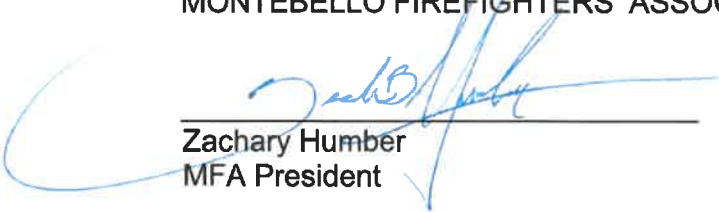
THE PARTIES AGREE TO THE ABOVE:

CITY OF MONTEBELLO

Raul Alvarez
City Manager

Date

MONTEBELLO FIREFIGHTERS' ASSOCIATION



Zachary Humber
MFA President

09/18/2024

Date



APPENDIX E

City of Montebello, California Policy & Procedures Manual

2.060.504 Employee Compensation and Benefits

Purpose

Is to provide a description of the City's employee compensation and benefits packages.

Policy

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- A. **Compensation (Salary) Schedules:** All employee classifications shall receive a salary that is approved by City Council resolution each fiscal year.
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D. HEALTH INSURANCE CITY CONTRIBUTION

- a. Effective the first paycheck in January 2025~~March 27, 2008~~, the City will contribute the following monthly amounts toward full-time employees' medical, dental & vision insurance:

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- b. Part-time employees who have become eligible for CalPERS membership and have worked 1000 hours in a fiscal year:
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- E. Medical Insurance Opt-out Incentive
- a. An opt-out incentive is afforded to full-time and those hourly employees, who have benefits and were hired prior to 8/11/92, who decline the City's medical, dental and vision insurance package.
 - b. Proof of medical coverage elsewhere will be required annually to continue participation in the cash incentive program.
 - c. The monthly Medical Insurance Opt-Out incentive is \$350.00
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 - f. Employees who have an alternative source of health insurance must provide minimum essential health coverage pursuant to the U. S. Patient Protection and Affordable Care Act (ACA), and cover both the employee and all individuals in the employee's expected tax family, if any. During open enrollment or as otherwise required by the City, the employee must each year provide the City with an attestation or other reasonable documentation, subject to the City's approval confirming such alternate coverage. According to the ACA, the City must not make payment if the City knows that the employee or family member does not have the alternative coverage.



APPENDIX E

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MONTEBELLO EXECUTIVE MANAGEMENT ASSOCIATION

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B. HEALTH INSURANCE CASH OUT

Upon proof of coverage of insurance, the employee may opt out of City-provided insurance coverage. In such a case, the Executive Management employee shall receive the monthly cash equivalent of eighty percent (80%) of the CalPERS Kaiser LA 3-party monthly premium.

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(Revised: 03/21/95; 05/12/21; 8/15/22; [10/09/24](#))

Side Letter of Agreement Between City of Montebello and
Montebello Fire Management Association

WHEREAS, the City of Montebello ("CITY") and the Montebello Fire Management Association ("MFMA") are parties (collectively "PARTIES") to a Memorandum of Understanding ("MOU") that is in effect from January 1, 2022 through June 30, 2025, which governs generally the wages, hours and other terms and conditions of employment of the classifications represented by the MFMA;

WHEREAS, Appendix E to the MOU (City of Montebello, California Policy and Procedures Manual) provides for the terms of the CITY's Health Insurance Contribution for all full-time employees, including employees in classifications represented by the MFMA;

WHEREAS, the PARTIES wish to provide employees in classifications represented by the MFMA with an increase to the Health Insurance City Contribution located in Appendix E to the MOU. Accordingly, the CITY Contribution for "2 Party" coverage will increase by three hundred sixty dollars (\$360) and the CITY Contribution for "Family (3 Party+)" coverage will increase by five hundred sixty dollars (\$560). Appendix E to the MOU will be revised to reflect such changes.

THEREFORE, IT IS AGREED AS FOLLOWS:

1. Upon City Council approval, the CITY shall increase the CITY's monthly 2 Party Health Insurance Contribution for all employees in classifications represented by the MFMA on the first paycheck in January 2025 by an additional three hundred sixty dollars (\$360) per month, resulting in the CITY's total contribution for 2 Party coverage increasing to one thousand two hundred dollars (\$1,200) per month.
2. Upon City Council approval, the CITY shall increase the CITY's monthly Family (3 Party+) Health Insurance Contribution for all employees in classifications represented by the MFMA on the first paycheck in January 2025 by an additional five hundred sixty dollars (\$560) per month, resulting in the CITY's total contribution for Family (3 Party+) coverage increasing to one thousand six hundred fifty dollars (\$1,650) per month.
3. Upon City Council approval, the CITY shall revise Appendix E to the MOU to reflect the increases in sections 1 and 2 above.
4. No other terms and/or items in the MOU have been discussed and the economic enhancements, benefits, and language of the current MOU shall remain in full force and effect throughout the term of the MOU, ending on June 30, 2025.

THE PARTIES AGREE TO THE ABOVE:

CITY OF MONTEBELLO

Raul Alvarez
City Manager

Date

MONTEBELLO FIRE MANAGEMENT ASSOCIATION


Craig Barker
MFMA President

9/27/24
Date



APPENDIX E

City of Montebello, California Policy & Procedures Manual

2.060.504 Employee Compensation and Benefits

Purpose

Is to provide a description of the City's employee compensation and benefits packages.

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APPENDIX E

City of Montebello, California Policy & Procedures Manual

- b. Part-time employees who have become eligible for CalPERS membership and have worked 1000 hours in a fiscal year:
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(Revised: 03/21/95; 05/12/21; 8/15/22; [10/09/24](#))

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Montebello Executive Management Association

WHEREAS, the City of Montebello ("CITY") and the Montebello Executive Management Association ("MEMA") are parties (collectively "PARTIES") to a Memorandum of Understanding ("MOU") that expired on June 30, 2024; however, the MOU terms and conditions which governs generally the wages, hours and other terms and conditions of employment of the classifications represented by the MEMA are still in effect;

WHEREAS, Appendix E to the MOU (City of Montebello, California Policy and Procedures Manual) provides for the terms of the CITY's Health Insurance Contribution for all full-time employees, including employees in classifications represented by the MEMA;

WHEREAS, the PARTIES wish to provide employees in classifications not represented by the MEMA with an increase to the Health Insurance City Contribution located in Appendix E to the MOU. Accordingly, the CITY Contribution for "2 Party" coverage will increase by three hundred sixty dollars (\$360) and the CITY Contribution for "Family (3 Party+)" coverage will increase by five hundred sixty dollars (\$560). Appendix E to the MOU will be revised to reflect such changes.

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3. Upon City Council approval, the CITY shall revise Appendix E to the MOU to reflect the increases in sections 1 and 2 above.
4. No other terms and/or items in the MOU have been discussed and/or altered.

THE PARTIES AGREE TO THE ABOVE:

CITY OF MONTEBELLO

Raul Alvarez
City Manager

Date

MONTEBELLO EXECUTIVE MANAGEMENT ASSOCIATION

MEMA President

Date



APPENDIX E

City of Montebello, California Policy & Procedures Manual

2.060.504 Employee Compensation and Benefits

Purpose

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(Revised: 03/21/95; 05/12/21; 8/15/22; 10/09/24)



ITEM # 17

**CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT**

TO: Honorable Mayor and City Council Members

FROM: Raul Alvarez, City Manager

BY: Ramon Figueroa, Director of Human Resources

SUBJECT: SIDE LETTER OF AGREEMENT TO THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY OF MONTEBELLO AND THE MONTEBELLO FIREFIGHTERS' ASSOCIATION

DATE: October 9, 2024

RECOMMENDATIONS:

It is recommended that the City Council:

1. Authorize the City Manager to execute a side letter of agreement to the Memorandum of Understanding (MOU) between the City of Montebello and the Montebello Firefighters' Association (MFA) for the period of January 1, 2022 through June 30, 2025, modifying Article II, Section B of the MOU; and
2. Take such additional, related action that may be desirable.

FISCAL IMPACT:

Estimating a fiscal impact to the proposed side letter is complicated. The side letter language proposes temporary upgrade pay of seven percent (7%) for employees in the Fire Engineer and Fire Captain job classifications when temporarily serving in the role of radio function paramedic or patient care paramedic. Currently, Montebello Firefighters' Association (MFA) employees in those job classifications with a paramedic certification receive eight percent (8%) of base pay – compensation for having/keeping a paramedic license.

The proposed side letter would grant the additional seven percent (7%) special pay – for a total of 15% of base pay for serving as a paramedic – only when a Fire Engineer or Fire Captain is temporarily assigned to the role of paramedic.

Accurate costing of this scenario depends on the need for such a temporary assignment

CITY COUNCIL AGENDA REPORT - MEETING OF OCTOBER 9, 2024

Page 2 of 3

in any given shift. The Fire Department has made positive strides in filling vacancies in all public safety classifications. As recruitments continue, and vacancies are reduced, the need for a Fire Captain or Fire Engineer to assume the temporary role of a paramedic will similarly reduce.

Conservative, high-end estimates of the cost of the additional seven percent are in the range of \$225,000 per year. However, that is based on the assumption that all Fire Captains and all Fire Engineers with a current paramedic license would receive the temporary upgrade pay. A more likely scenario is only a portion of existing Fire Captains and Fire Engineers would be required to assume the temporary paramedic assignment, bringing the annual estimated cost of the additional paramedic pay in the range of \$57,000 to \$114,000 per fiscal year.

Should this side letter be approved, staff will monitor any changes to salaries in the Fire Department related to the temporary upgrade pay. If necessary, budget amendments will be recommended at subsequent budget updates.

BACKGROUND/DISCUSSION:

On May 11, 2022, the City Council approved a Memorandum of Understanding ("MOU") between the City of Montebello and the Montebello Firefighters' Association ("MFA") for the term of January 1, 2022 through June 30, 2025. Article I, Section D of the MOU states that the parties may mutually and voluntarily agree to negotiate over matters within the scope of the MOU during the term of the agreement.

The parties mutually agreed to meet and confer regarding employees in certain classifications assigned by the Fire Department to temporary upgrade assignments due to daily fluctuations in staffing levels. Staffing levels may vary on a daily basis due to employees on leaves of absence, calling in sick, vacation, etc. The parties tentatively agreed to the terms in the side letter of agreement to the MOU.

The tentatively agreed to language would modify Article II, Section B of the MOU to provide qualified employees in the classifications of Fire Engineer and Fire Captain to receive temporary upgrade pay of seven percent (7%) for the hours they are assigned to work in an upgraded position of either a radio function paramedic or patient care paramedic. Employees who are working in those upgraded functions are critical to the operations of the Fire Department, and the temporary upgrade pay would provide fair compensation for those qualified employees with paramedic licenses who temporarily work in those specialized assignments.

ENVIRONMENTAL:

N/A

ANALYSIS:

N/A

SUMMARY:

Staff recommends the City Council's approval of the side letter of agreement to the MOU between the City and MFA to provide a reasonable solution to the Fire Department's critical operational need for radio function paramedics and patient care paramedics to serve the community.

ATTACHMENT(S)

1. Attachment A - MFA Side Letter Temporary Upgrade Pay

**SIDE LETTER OF AGREEMENT BETWEEN
THE CITY OF MONTEBELLO
AND
THE MONTEBELLO FIREFIGHTERS' ASSOCIATION, IAFF LOCAL 3821**

This **Side Letter of Agreement** ("Agreement") between the **City of Montebello** ("City") and the **Montebello Firefighters' Association, International Association of Fire Fighters, Local 3821** ("Association") (collectively, the "Parties"), is entered into with respect to the following:

WHEREAS, the Parties are currently subject to a **Memorandum of Understanding (MOU)** dated January 1, 2022, through June 30, 2025, which remains in full force and effect;

WHEREAS, the Parties believe that it is in the best interests of both sides to modify existing provisions set forth in the MOU, as well as existing working conditions regarding the compensation levels for Association members performing job functions above and beyond their required job classification; and

THEREFORE, the following sets forth the Parties' Agreement:

Article II – Compensation, Section B – Move-Up Pay, of the Parties' MOU shall be replaced in full with the following:

"Section B – TEMPORARY UPGRADE PAY

An employee assigned to act in a classification higher than the employee's regularly assigned classification, for a limited duration, shall receive premium pay of **ten percent (10%)** for the hours assigned to that higher classification. The premium pay will be calculated based on the employee's base rate of pay.

Any **Fire Engineers** or **Fire Captains** who are assigned or requested to work in an upgraded position, by serving as either a **radio function paramedic** or **patient care paramedic**, for a limited duration, shall receive premium pay of **seven percent (7%)** for the hours assigned to that upgraded position. The premium pay will be calculated based on the employee's base rate of pay.

All pays under this provision are to be reported as **special compensation** under **2 C.C.R. Sections 571 and 571.1.**"

No other portions of **Article II** or the **MOU** are modified. The modifications to Article II, Section B shall be effective the beginning of the first full pay period following the City Council's approval of this Side Letter of Agreement.

FOR THE CITY OF MONTEBELLO

_____	_____
Raul Alvarez, City Manager	Date

FOR THE MONTEBELLO FIREFIGHTERS’ ASSOCIATION

_____	_____
Zachary Humber, President	Date



ITEM # 18

APPROVAL OF MINUTES: SEPTEMBER 11, 2024, CITY COUNCIL MEETING



CITY OF MONTEBELLO REGULAR MEETING

MINUTES

WEDNESDAY, SEPTEMBER 11, 2024 AT 7:00 PM

**CITY HALL COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA**

OPENING CEREMONIES

CALL TO ORDER - 6:00 P.M.

Mayor Peralta called the meeting to order at 7:03 p.m.

ROLL CALL

Members present were Mayor Peralta, Mayor Pro Tem Melendez, Councilmember Jimenez, Councilmember Torres, and Councilmember Tamayo. City Clerk Jimenez and City Treasurer Matanga were also present.

Deputy City Attorney Noel Tapia, City Manager Raul Alvarez, Senior Deputy City Clerk Kimberly Guillen, Deputy City Clerk Nelly Ochoa, and Department Directors Cesar Roldan, David Sosnowski, Michael Solorza, Police Chief Paul Espinosa, Fire Chief Fernando Pelaeza, Acting Director John Soria, and Assistant Director Matthew Ramos were present.

ANNOUNCEMENT OF CLOSED SESSION ITEMS

None.

PUBLIC COMMENTS ON CLOSED SESSION ITEMS

At this time, the public may submit a speaker card to the City Clerk staff for Closed Session items, prior to the beginning of this statement. Speakers will be called in the order received. Please be aware that the maximum time allotted for members of the public to speak on Closed Session items shall not exceed three (3) minutes per person. 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 Mayor and City Council.

None.

CLOSED SESSION - NONE

REGULAR SESSION - IMMEDIATELY FOLLOWING CLOSED SESSION

CLOSED SESSION REPORT - NONE**INVOCATION**

Led by City Clerk Jimenez.

PLEDGE OF ALLEGIANCE

Led by City Treasurer Matanga.

CORRECTIONS TO THE AGENDA - CITY MANAGER

None.

CEREMONIAL ITEMS/PRESENTATIONS**1. MONTEBELLO-ASHIYA SISTER CITY STUDENTS**

Montebello Asihya Sister City Association Student Ambassadors Isaac Flores and Ben Richards shared a few words and a video presentation of their trip to Ashiya, Japan.

2. MONTEBELLO WOMEN'S CLUBHOUSE 100-YEAR ANNIVERSARY

Presented by Mayor Peralta.

3. PROCLAMATION FOR PATRIOT DAY AND NATIONAL DAY OF SERVICE AND REMEMBRANCE

Presented by Mayor Peralta.

4. PROCLAMATION FOR NATIONAL HISPANIC HERITAGE MONTH

Presented by Mayor Peralta.

5. PROCLAMATION FOR NATIONAL PREPAREDNESS MONTH

Presented by Mayor Peralta.

6. PROCLAMATION FOR RAIL SAFETY MONTH

Presented by Mayor Peralta.

PUBLIC COMMENTS ON NON-AGENDA ITEMS (30 MINUTES)

At this time, the public may submit speaker card(s) to the City Clerk staff, for both agenda and non-agenda items, prior to the beginning of this statement; Public Hearing items do not require a speaker card.

The City Council will address non-agenda items during this section and speakers will be called in the order received. Those persons not accommodated during this 30-minute period will have an opportunity to speak under "Public Comments – Continued", after all scheduled matters have been considered. **Public Hearing, Regular Business and/or Consent Calendar items will be addressed at the time that matter of business is heard, in the order received.**

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 Mayor and City Council.

The City Clerk's Office acknowledged seven(7) members of the public wishing to address the City Council. Speakers were provided three minutes to address the City Council and said speaker cards are on file at the City Clerk's office.

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

None.

PUBLIC HEARING**7. ADOPT RESOLUTION NO. 24-65 APPROVING THE FISCAL YEAR 2023-24 CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)**

RECOMMENDATION: It is recommended that the City Council conduct a public hearing and consider the following:

1. Adopt Resolution No. 24-65 approving the Fiscal Year 2023-24 draft Consolidated Annual Performance and Evaluation Report (CAPER); and
2. Take such additional, related action that may be desirable.

Mayor Peralta started the Public Hearing at 8:03 p.m.

There were no speakers.

Mayor Peralta closed the Public Hearing at 8:03 p.m.

Councilmember Tamayo and Mayor Peralta spoke in support of the item and thanked the staff for their work.

Mayor Pro Tem Melendez motioned, seconded by Councilmember Torres, to approve the item; the motion passed unanimously.

REGULAR BUSINESS**8. FINAL ACTIONS TO BE TAKEN BY THE CITY COUNCIL UPON COUNCILMEMBER JIMENEZ TO ENSURE A SAFE WORKING ENVIRONMENT FOR EMPLOYEES IN THE CITY OF MONTEBELLO**

RECOMMENDATION: It is recommended that the City Council:

1. Evaluate the Investigation into the Workplace Incident on March 6, 2024, Involving Councilmember Jimenez; and
2. Consider taking Final Actions for Councilmember Jimenez to Ensure a Safe Working Environment for Employees in the City of Montebello; and
3. Take such additional, related action that may be desirable.

The City Clerk's Office acknowledged three(3) members of the public wishing to address the City Council. Speakers were provided three minutes to address the City Council and said speaker cards are on file at the City Clerk's office.

Myrna Castañon, Special Counsel, provided a brief summary of the investigation findings.

Councilmember Jimenez and Mayor Pro Tem Melendez spoke in opposition of the item.

Councilmember Tamayo, Councilmember Torres, and Mayor Peralta spoke in favor of the item. Councilmember Torres recommended harassment prevention training.

Councilmember Torres motioned, seconded by Councilmember Tamayo, to approve the item; the motion passed by the following vote:

MOVED: Torres

SECONDED: Tamayo

APPROVED: 3-1-1-0

AYES: Tamayo, Peralta, Torres

NOES: Jimenez

ABSTAIN: Melendez

ABSENT: None

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine. Any items a member wishes to discuss, including any items the public submitted speaker cards for, 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.

Councilmember Jimenez pulled Item Nos. 10 and 11.

Councilmember Torres pulled Item Nos. 9, 10, and 11.

Mayor Pro Tem Melendez motioned, seconded by Councilmember Torres, that Item No's. 12-17, be approved; the motion passed unanimously.

9. APPROVE AMENDMENT NO. 2 TO AGREEMENT NO. 3857 WITH BLAIS & ASSOCIATES FOR GRANT WRITING SERVICES TO INCREASE THE ANNUAL NOT-TO-EXCEED AMOUNT AND EXTEND THE TERM OF THE AGREEMENT

RECOMMENDATION: It is recommended that the City Council:

1. Approve Amendment No. 2 to Agreement No. 3857 with Blais & Associates to increase the annual not-to-exceed amount to \$100,000 and extend the term of the agreement to June 30, 2026; and
2. Authorize the City Manager to execute Amendment No. 2 to Agreement No. 3857 with Blais & Associates; and
3. Amend the Fiscal Year 2024-25 budget by increasing appropriations by \$35,000 in Account No. 100-85-850-6040.10 (General Fund, Fire, Fire Administration, Contract Services-Outside Contracts); and
4. Take such additional, related action that may be desirable.

Councilmember Torres spoke in support of the item.

Councilmember Torres motioned, seconded by Mayor Pro Tem Melendez, to approve the item; the motion passed unanimously.

10. AWARD A CONSTRUCTION CONTRACT TO COPP CONSTRUCTION, INC. FOR THE BELLA VERDE DRIVE PAVEMENT REHABILITATION PROJECT CP – 918

RECOMMENDATION: It is recommended that the City Council:

1. Award a construction contract to Copp Contracting, Inc. for the Bella Verde Drive Pavement Rehabilitation Project – CP 918 as the most responsive and responsible bidder for the amount of \$919,852 plus a 10% construction contingency of \$91,985 for a total contract amount of \$1,011,837; and
2. Authorize the City Clerk's Office to release all other bidders' bonds; and
3. Authorize the City Manager to execute the construction contract agreement and all change orders in good faith; and
4. Take such additional, related action that may be desirable.

Councilmember Jimenez inquired about the funding for the project. Director of Public Works, Cesar Roldan, provided clarification.

Mayor Pro Tem Melendez motioned, seconded by Councilmember Jimenez, to approve the item; the motion passed unanimously.

11. APPROVE AMENDMENT NO. 10 TO PROFESSIONAL SERVICES AGREEMENT NO. 3066 WITH INFRASTRUCTURE ENGINEERS, A BOWMAN COMPANY FOR PROJECT MANAGEMENT SERVICES

RECOMMENDATION: It is recommended that the City Council:

1. Approve Amendment No. 10 to Agreement No. 3066 with Infrastructure Engineers, a Bowman Company, for Project Management Services for a not-to-exceed amount of \$149,760; and
2. Authorize the City Manager to execute Amendment No. 10; and
3. Take such additional, related action that may be desirable.

Councilmember Jimenez spoke in opposition to the item.

Councilmember Torres motioned, seconded by Councilmember Tamayo, to approve the item; the motion passed by the following vote:

MOVED: Torres	SECONDED: Tamayo	APPROVED: 4-1-0-0
AYES: Melendez, Tamayo, Torres, Peralta		
NOES: Jimenez		
ABSTAIN: None		
ABSENT: None		

12. APPROVE LETTER OF ENGAGEMENT TO MASTER RETAINER AGREEMENT NO. 3919 WITH AIM CONSULTING SERVICES FOR CONSTRUCTION MANAGEMENT/ INSPECTION SERVICES FOR THE BELLA VERDE DRIVE PAVEMENT REHABILITATION PROJECT (CP NO. 918)

RECOMMENDATION: It is recommended that the City Council:

1. Approve Task No. 9 via an Engagement Letter under Master Retainer Agreement No. 3919 with AIM Consulting Services for Construction Management and Inspection Services for the Bella Verde Drive Pavement Rehabilitation Project; and,
2. Authorize the City Manager to execute the Letter of Engagement; and,
3. Take such additional, related action that may be desirable.

Mayor Pro Tem Melendez motioned, seconded by Councilmember Torres, to approve the item; the motion passed unanimously.

13. APPROVE AMENDMENT NO.1 TO AGREEMENT 3910 WITH WOLVERINE FENCE COMPANY INC. TO PROVIDE FENCE REPAIR AND REPLACEMENT SERVICES

RECOMMENDATION: It is recommended that the City Council:

1. Approve Amendment No. 1 to Agreement 3910 between the City of Montebello and Wolverine Fence Company, Inc. to extend the term of the agreement by one (1) year; and,
2. Authorize the City Manager to execute the Amendment; and,
3. Take such additional, related action that may be desirable.

Mayor Pro Tem Melendez motioned, seconded by Councilmember Torres, to approve the item; the motion passed unanimously.

14. ADOPT PLANS, SPECIFICATIONS AND ENGINEER'S ESTIMATE FOR FIRE STATION NO. 56 RENOVATION PROJECT (CP 923) AND AUTHORIZATION TO PROCEED WITH BID ADVERTISEMENT

RECOMMENDATION: It is recommended that the City Council:

1. Adopt the 100% completed plans, specifications and engineer's estimate for the Fire Station No. 56 Renovation Project (CP 923); and,
2. Approve Environmental Assessment pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption under the California Environmental Quality Act (CEQA); and,
3. Approve Level of Environmental Review Determination via the National Environmental Policy Act (NEPA) as Categorically Excluded per 24 Code of Federal Regulations (CFR) 58.35(a), and subject to laws and authorities at §58.5: (3) and,
4. Authorize staff to proceed with bid advertisement for construction; and,
5. Take such additional, related action that may be desirable.

Mayor Pro Tem Melendez motioned, seconded by Councilmember Torres, to approve the item; the motion passed unanimously.

15. AWARD CONSTRUCTION CONTRACT TO CALIFORNIA LANDSCAPE & DESIGN, INC. FOR THE MONTEBELLO CITY PARK BASEBALL FIELD RENOVATION PROJECT (CP 928)

RECOMMENDATION: It is recommended that the City Council:

1. Award a construction contract to California Landscape & Design, Inc. for the Montebello City Park Baseball Field Renovation Project (CP 928) in the amount of \$799,882 plus a 5% construction contingency of \$39,994 for a total contract amount of \$839,876; and,
2. Amend the Fiscal Year 2024-25 Budget by increasing appropriations by \$288,725 in Account 100-70-710-6040.10 (General Fund, Parks & Recreation, Recreation, Contract Services Outside Contracts); and,
3. Authorize the City Clerk's Office to release all other bidders' bonds; and,
4. Authorize the City Manager to execute the construction contract agreement and all change orders in good faith; and,
5. Take such additional, related action that may be desirable.

Mayor Pro Tem Melendez motioned, seconded by Councilmember Torres, to approve the item; the motion passed unanimously.

16. APPROVE AMENDMENT NO. 2 TO AGREEMENT NO. 4113 WITH AVAIL TECHNOLOGIES, INC. FOR COMPUTER-AIDED DISPATCH/AUTOMATIC VEHICLE LOCATION SYSTEM EQUIPMENT REPLACEMENT

RECOMMENDATION: It is recommended that the City Council:

1. Approve Amendment No. 2 to Agreement No. 4113 with Avail Technologies, Inc. to replace equipment for Montebello Bus Lines' (MBL) Computer-Aided Dispatch/Automatic Vehicle Location (CAD/AVL) System, and increase the not-to-exceed amount of the agreement to \$2,485,118; and
2. Authorize the City Manager and/or his designee to execute Amendment No. 2 on behalf of the City of Montebello; and
3. Amend the Fiscal Year 2024-25 budget by increasing appropriations by \$115,984 in Account No. 202-922-2018-6040.10 (State of Good Repairs, SA, FY 2018-19, Other Contract Services); and,
4. Take such additional, related action that may be desirable.

Mayor Pro Tem Melendez motioned, seconded by Councilmember Torres, to approve the item; the motion passed unanimously.

17. PAYMENT OF BILLS: ADOPT RESOLUTION NO. 24-74 APPROVING THE CITY WARRANT REGISTER OF DEMANDS DATED SEPTEMBER 11, 2024

RECOMMENDATION: It is recommended that the City Council:

1. Adopt Resolution No. 24-74 approving the Warrant Register dated September 11, 2024.

Mayor Pro Tem Melendez motioned, seconded by Councilmember Torres, to approve the item; the motion passed unanimously.

PUBLIC COMMENTS - CONTINUED**AB 1234 TRAVEL REPORTS**

Members will provide a brief report on meetings attended at the expense of the local agency as required by Government Code Section 53232.3(d).

Councilmember Tamayo attended the Gateway Cities Regional Conference and Retreat. She attended workshops focused on transportation, economic development, housing, environmental, health and wellness, and funding opportunities.

Mayor Pro Tem Melendez attended the Contract Cities Conference. At the conference, they discussed new technology for enforcing designated truck routes and new Senate Bills.

COUNCIL/AGENCY ORALS

Announcements and requests for future agenda items.

- **Angie M. Jimenez, Councilmember**

1. Seek council consensus to have the City Manager return back to the City Council with the cost of establishing a substation at Holifield.
2. Regarding the efforts for the DePaul Center historical preservation, I'd like to ask to give staff direction to return back to City Council with impacts to the housing element and general plan.
3. Requesting a staff report on how much the annual maintenance will be for the new dog park.

1. City Manager Alvarez advised no action was needed as it was being considered for the next budget. Mayor Peralta added that the Council had already agreed to allocate funds for a substation in next year's budget. City Manager Alvarez further explained that determining the cost involves many factors and will take time. Mayor Pro Tem Melendez requested an update on the cost assessment process, to which City Manager Alvarez responded that a brief status update would be provided during the mid-budget presentation.

2. City Manager Alvarez stated that the historical designation does not impact the General Plan or Housing Element. The property in question is still considered an R-1, single-family residence. The General Plan land use designation for the DePaul Center civic/public/quasi-public in operation civic building and spaces remains the same. As for the Housing Element, identified the DePaul Center as a housing opportunity site, it does not mandate housing development but merely shows potential for housing with densities ranging from 40–60 units per acre. In addition, the plan contemplated a space to be dedicated to open space. City Attorney Noel Tapia recommended that the City post the information on the City's website.

3. City Manager Alvarez stated that no additional maintenance is required.

- **Georgina Tamayo, Councilmember**

- **David N. Torres, Councilmember**

1. Requesting council consensus directing the City Manager and Chief of Police to redraw police beats so patrol units are dedicated to areas South of the Union Pacific Railway i.e. railroad tracks near Olympic Blvd.

The City Clerk's Office acknowledged one(1) member of the public wishing to address the City Council. Speaker was provided three minutes to address the City Council and said speaker card is on file at the City Clerk's office.

Councilmember Torres requested Council consensus to direct the City Manager and Chief of Police to redraw police beats so patrol units are dedicated to areas South of the Union Pacific Railway such as the railroad tracks near Olympic Boulevard. Consensus was received.

- **Salvador Melendez, Mayor Pro Tem**

- **Scarlet Peralta, Mayor**

CLOSED SESSION - CONTINUED

ADJOURNMENT

The City of Montebello will adjourn to the next **Regular Meeting on September 25, 2024, at 6:00 p.m.**, which can be live-streamed at <https://www.montebellocity.gov> (Click on Live Stream).

I, Kimberly Guillen, Senior Deputy City Clerk for the City of Montebello, hereby certify that a copy of this agenda has been posted on or before **Sunday, September 8, 2024, no later than 6:00 p.m.**



Kimberly Guillen, Senior Deputy City Clerk

Councilmember Torres adjourned in the memory of his mother, Janice Torres, and Montebello resident, Debra Goodman. Mayor Pro Tem Melendez motioned, seconded by Mayor Peralta, to adjourn the meeting at 9:12 p.m.

THE MINUTES OF SEPTEMBER 11, 2024, ARE HEREBY APPROVED AND ADOPTED ON THIS 9TH DAY OF OCTOBER 2024.

EXHIBIT - CITY OF MONTEBELLO FORECASTED AGENDA

Please note, the attached exhibit is a draft version that is to be used for reference purposes only; agenda items, information, and dates are subject to change. The exhibit will be placed at the end of the Agenda Packet.

- **CITY OF MONTEBELLO FORECASTED AGENDA**

Michael Peterson

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

✓

CITY OF MONTEBELLO

Request No. 1



SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to the statement of oral communications being read and/or 6:00 p.m., whichever is later.

TYPE OF COMMENT:

Closed Session ☐

Non-Agenda Item ☒

AGENDA ITEM NO. _____

Opposed ☐

In Support ☐

Neutral ☐

TOPIC: public comment

MEETING DATE: 09/25/24

TIME RECEIVED: 6:00pm

SPEAKER'S FULL NAME: Michael Peterson

PHONE: _____

(Optional)

ADDRESS: _____

ORGANIZATION REPRESENTED: SEIU Local 721

(Optional)

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

Lisa Lwna



PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO

Request No.

2



SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to the statement of oral communications being read and/or 6:00 p.m., whichever is later.

TYPE OF COMMENT:

Closed Session ☐

Non-Agenda Item ☒

AGENDA ITEM NO. _____

Opposed ☐

In Support ☐

Neutral ☐

TOPIC: _____

open public comment

MEETING DATE:

04-25-24

TIME RECEIVED:

6:00pm

SPEAKER'S FULL NAME:

Lisa Lwna

PHONE: _____

(Optional)

ADDRESS: _____

ORGANIZATION REPRESENTED:

SEIU Local 721

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

Charles Leon



PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO

Request No.

3



SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to the statement of oral communications being read and/or 6:00 p.m., whichever is later.

TYPE OF COMMENT:

Closed Session ☐

Non-Agenda Item ☒

AGENDA ITEM NO. _____

Opposed ☐

In Support ☐

Neutral ☐

TOPIC:

public comment

MEETING DATE:

09-25-24

TIME RECEIVED:

6:00pm

SPEAKER'S FULL NAME:

Charles Leon

PHONE: _____

(Optional)

ADDRESS: _____

ORGANIZATION REPRESENTED: _____

SEIU Local 721

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO

Request No. 4



SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to the statement of oral communications being read and/or 6:00 p.m., whichever is later.

TYPE OF COMMENT: Closed Session ☐ Non-Agenda Item ☒ **AGENDA ITEM NO.** _____

Opposed ☐ In Support ☒ Neutral ☐ **TOPIC:** Police officers

MEETING DATE: 9-25-24 **TIME RECEIVED:** _____

SPEAKER'S FULL NAME: Lisa Lozano **PHONE:** [REDACTED]
(Optional)

ADDRESS: _____
(Optional)

ORGANIZATION REPRESENTED: _____

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO

Request No. 65 ✓



SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to the statement of oral communications being read and/or 6:00 p.m., whichever is later.

TYPE OF COMMENT: Closed Session ☐

Non-Agenda Item ☒

AGENDA ITEM NO. _____

Opposed ☐

In Support ☐

Neutral ☐

TOPIC: _____

MEETING DATE: _____

TIME RECEIVED: _____

SPEAKER'S FULL NAME:

Amel Elias

PHONE: _____

(Optional)

ADDRESS: _____

ORGANIZATION REPRESENTED: _____

MATCH POLYCO

(Optional)

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO

Request No. 76 ✓



SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to the statement of oral communications being read and/or 6:00 p.m., whichever is later.

TYPE OF COMMENT: Closed Session ☐ Non-Agenda Item ☒ **AGENDA ITEM NO.** _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

MEETING DATE: 09-25-2024 **TIME RECEIVED:** _____

SPEAKER'S FULL NAME: Rosa Tamayo **PHONE:** _____ (Optional)

ADDRESS: _____ (Optional)

ORGANIZATION REPRESENTED: _____

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ **Language:** _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO

Request No.

57



SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to the statement of oral communications being read and/or 6:00 p.m., whichever is later.

TYPE OF COMMENT: Closed Session ☐ Non-Agenda Item ☒ AGENDA ITEM NO. _____

Opposed ☐ In Support ☐ Neutral ☐ TOPIC: _____

MEETING DATE: 9/25/24 **TIME RECEIVED:** _____

SPEAKER'S FULL NAME: PAUL HURTADO **PHONE:** _____
(Optional)

ADDRESS: _____
(Optional)

ORGANIZATION REPRESENTED: _____

NOTES: _____

ACCOMMODATIONS: _____

TRANSLATION NEEDED: No ☐ Yes ☐ Language: _____

RECEIVED BY STAFF: _____

PLEASE NOTE: A SEPARATE CARD MUST BE SUBMITTED FOR EACH ITEM

CITY OF MONTEBELLO

Request No. 1



SPEAKER CARD

Please Note:

Public Comment/Speaker Card must be submitted to the City Clerk's Office prior to the statement of oral communications being read and/or 6:00 p.m., whichever is later.

TYPE OF COMMENT:

Closed Session ☐

Non-Agenda Item ☐

AGENDA ITEM NO. 76

Opposed ☐

In Support ☐

Neutral ☐

TOPIC:

MEETING DATE:

TIME RECEIVED:

SPEAKER'S FULL NAME:

Gracie Tucker

PHONE:

(Optional)

ADDRESS:

(Optional)

ORGANIZATION REPRESENTED:

NOTES:

ACCOMMODATIONS:

TRANSLATION NEEDED: No ☐ Yes ☐ Language:

RECEIVED BY STAFF:

9/25/2024

Good evening, at the last meeting you were all complaining about Councilmember Jimenez's actions towards employees.

I would like to remind each of you of these facts.

Scarlet you know where I sit at every meeting and at the last meeting you said yelling at any employee was unacceptable.

Guess you forgot when you screamed, I quote" I'll Fire you" at former City Manager Rene Bobadilla, I asked him if what I heard was correct and verified it was you.

Well between you and David that stupidity cost the city \$2 Million dollars.

You Tamayo at the last meeting said employees should be protected, on your comments about Councilmember Jimenez. Yet you voted to reinstate David's full power, guess those 17 employees did not matter to you when it comes to their protection. Did you hear not 1, not 2, not 3...but 17 employees filed complaints, and all were found credible. The only one found to be a liar was your buddy Torres, but you're doing what you were put in that seat to do. Always vote yes, FYI you were not the first choice to run, you were number 6 all the ones asked before said no.

As for you David, again you rant and run your mouth off, yet to date, that same mouth has cost the city 5 million dollars in payout settlements. More lawsuits are coming, and they will cost the city twice as much. That David will be your legacy, the worst council member in the history of Montebello.

When you mentioned Measure H you forgot to thank the former Mayor Cobos Cawthorne, she asked you to help pass Measure H and you said no it's political suicide and you refused to help. So, she did it without your help.

That is Mayor Cobos Cawthorne's proud legacy the secure financial future of the City of Montebello.

David your challenger for District 4 Joella Valdez has stated she will not be accepting the stipend paid by the city. Instead, she will form a fund for residents who are in need of assistance. Wow, an honest person and you think you can win, that's cute.

David, you've been without a job for almost 5 years. What will you do?? I heard In and Out is hiring.

Thank You.

Do any of you know what AB1439 is?

It's named the LEVINE ACT Senate Bill 1439 enacted which was signed into law by the State of California.

So you can vote on this item, just remember the State law supersedes any local laws.



Pay to Play No More? Levine Act (SB 1439)

Friday, Sept. 22, 2023

Robert Fabela, City Attorney, Anaheim
Amanda B. Freeman, Senior Deputy City Attorney, Fresno
Rebecca L. Moon, Senior Assistant City Attorney, Sunnyvale

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Pay to Play No More? The Levine Act (SB 1439)

Amanda Freeman, Senior Deputy City Attorney, City of Fresno

Rebecca Moon, Senior Assistant City Attorney, Sunnyvale

Robert Fabela, City Attorney, Anaheim

League of California Cities Annual Conference, September 2023

In 1982, the *Los Angeles Times* reported that several California Coastal Commissioners had received large campaign donations from persons with applications pending before them.¹ The *Times*' investigation revealed a pattern of questionable – if not shocking – conduct that included directly contacting applicants with pending projects to request donations for political campaigns, accepting donations from attorneys and consultants who regularly represented applicants, and soliciting donations from successful applicants after voting to approve their projects. This scandal led to the enactment of the Levine Act (AB 1040), which added Government Code 84308 to the Political Reform Act of 1974. The purpose of the Levine Act is to prevent officials from using their authority as government officials to demand campaign contributions from applicants, a practice known as “pay to play.”

As originally enacted, the Levine Act's restrictions only applied to members of appointed boards and commissions, excluding city councilmembers and county supervisors in their elected roles, as opposed to any appointed roles they may have had (such as on LAFCO). This changed on January 1, 2023, as a result of SB 1439, which expanded the reach of the Levine Act to local elected officials such as city councilmembers, special district board members, and school board members even when acting in their elected roles.

State Senator Steve Glazer (D-Contra Costa County) introduced SB 1439 with the support of the government watchdog organization California Common Cause and other advocates of public accountability. Supporters of the legislation cited recent “pay to play” scandals in cities such as Los Angeles² and Huntington Park.³

Under the Levine Act as amended by SB 1439:

- Officers of an agency are prohibited from accepting, soliciting, or directing campaign contributions over \$250 from any party to, or participant in, a proceeding involving a license, permit, contract, or entitlement for use (“proceeding”) before their agency.⁴ This includes contributions from parties and their agents, and from those with a financial interest in the matter (and their agents) who merely participate in a proceeding, as by speaking at a Council meeting. The prohibition applies while the proceeding is pending and for 12 months following a final decision, when the officer knows or has reason to know the party has a financial interest in the proceeding (such as owning a home nearby). (Gov. Code, § 84308, subd. (b).) This prohibition impacts fundraising for a year after the decision.

¹ *Coastal Commission Seats Used as Fundraising Base*, Los Angeles Times (March 12, 1980), p. 1, <https://www.newspapers.com/image/385326358> [paywall].

² Zahniser, *Downtown L.A. developer donated \$50,000 before pivotal vote involving high-rise project, records show*, Los Angeles Times (Feb. 7, 2019), at <https://www.latimes.com/local/lanow/la-me-developer-donations-onni-20190207-story.html> [as of Aug. 15, 2023].

³ Cabrera and Patel, *Hefty Contracts for Campaign Contributors in Huntington Park*, KCET (July 26, 2021), at <https://www.kcet.org/news-community/hefty-contracts-for-campaign-contributors-in-huntington-park> [as of Aug. 15, 2023].

⁴ “License, permit, or other entitlement for use,” includes all business, professional, trade, and land use licenses and permits and all other entitlements for use, and all entitlements for land use, all contracts (other than competitively bid, labor, or personal employment contracts), and all franchises. (Gov. Code § 84308(a).)

- An officer who received a campaign contribution of more than \$250 from a party or participant, or their agents, in the past 12 months may be disqualified from participating in that proceeding. The disqualification depends on whether the officer “knowingly and willfully” accepted a contribution from a party, or if they accepted a contribution knowing the donor was a participant with a financial interest in the decision. (Gov. Code § 84308(c).) Additionally, an officer who received a contribution greater than \$250 in the preceding 12 months from a party or participant to the proceeding must disclose that fact on the record. (Gov. Code, § 84308, subd. (c).)
- Parties to and participants in a proceeding must disclose on the record if they made contributions over \$250 within the prior 12 months to any officer of the agency and are prohibited from making contributions to any officer of the agency while the proceeding is pending and for 12 months after the date a final decision is rendered. (Gov. Code § 84308, subd. (e).)

Who is Subject to SB 1439? State and local agency “officers,” including any elected or appointed officers, alternates, chief executive officers, and candidates for elective office. This includes members of city councils, county and special district boards, and appointed boards. The law does not apply to courts, the judicial branch, or the governor’s cabinet members. (Cal. Code Regs., tit. 2, § 18438.1.)

Curing a violation. If an officer receives a contribution that will otherwise require disqualification under Section 84308, they may participate if they return the contribution within 30 days from the time they know or should know about (1) the contribution *and* (2) the proceeding. (Gov. Code § 84308, subd. (d)(1).) Additionally, an officer who accepts, solicits, or directs a contribution of more than \$250 during the 12 months after the date a final decision may cure the violation by returning the contribution or the portion exceeding \$250 within 14 days, but only if they did not knowingly and willfully accept, solicit, or direct the prohibited contribution, and the officer’s controlled committee (or the officer if none) must maintain records of the cure. (Gov. Code § 84308, subd. (d)(2).)

FPPC Regulations. The California Fair Political Practices Commission (FPPC) revised the regulations applicable to Section 84308, effective August 12, 2023. Key clarifying provisions include:

- **Dates.** The amendments to the Levine Act do not apply to proceedings participated in or contributions made or accepted, solicited, or directed by an officer prior to January 1, 2023, if the officer was not already subject to the Levine Act. (Cal. Code Regs., tit. 2, § 18438.) This regulation codifies the FPPC’s *Kendrick* opinion (No. O-22-002, December 22, 2022). As noted below, Senator Glazer objects to this conclusion and has asked the Attorney General to opine otherwise, but that may not occur by the end of 2023, when the point should be moot.
- **“Proceedings.”** A “proceeding” includes any proceeding to grant, deny, revoke, restrict, or modify a license, permit or other entitlement for use that does not solely involve purely ministerial decisions, and is applied for by the party; formally or informally requested by the party; or involves a franchise or contract other than

competitively bid, labor, and personal employment contracts. (Cal. Code Regs., tit. 2, § 18348.2.)

- **“Pending” proceedings.** For officers, a decision is “pending” once it is before the officer for consideration, such as an item placed on the agenda of a public meeting, or when it is reasonably foreseeable the decision will come before the officer and the officer knows or has reason to know the decision is within the jurisdiction of the agency (as when an office has notice that a formal land use application has been submitted to the agency which must come before his or her board). For a party or participant, a proceeding is pending when it is before the jurisdiction of the agency for its decision, such as when an application is filed. (Cal. Code Regs., tit. 2, § 18348.2.)
- **“Officer of the agency.”** An “officer” is an individual who: 1) may make, participate in making, or attempt to influence a decision in the proceeding or who exercises authority over officers who may do so, and: 2) serves in an elected position (including those appointed to a vacancy); is an appointed member of a board or commission; is a candidate for elected office or was a candidate for office in the 12 months before the proceeding; or is the chief executive of a county, city, or district. (Cal. Code Regs., tit. 2, § 18438.1(d).) This means a candidate who lost an election remains subject to the Levine Act prohibitions for a year if they have decisionmaking authority over a proceeding (like a Planning Commissioner who continues to serve after an unsuccessful run for Council).
- **“Agent” of a party or participant.** A person is the agent of a party to, or a participant in, a pending proceeding only if the person represents the party or participant for compensation *and* appears before or otherwise communicates with the agency for the purpose of influencing the pending proceeding. (Cal. Code Regs., tit. 2, § 18348.3.)
- **When an officer “knows or has reason to know” a participant has a financial interest.** An officer knows or has reason to know of a participant’s financial interest in a decision only if the officer has actual knowledge of the financial interest, or the participant reveals facts in written or oral statements during the proceeding before the officer that make the person’s financial interest apparent. All relevant facts known by the officer at the time of the proceeding should be considered.

The regulation creates three rebuttable presumptions. An officer is deemed to know of a participant’s potential financial interest when they are aware a participant has: an interest in real property within 500’ of the project; an economic interest in a business entity that may see a significant increase or decrease in customers as a result of the proceeding; or a business relationship with the applicant that may result in additional services provided to the applicant. (Cal. Code Regs., tit. 2, § 18438.7(a)(2).) The above notwithstanding, an officer does *not* know or have reason to know of a participant’s financial interest in a decision solely as a result of the participant identifying an economic interest located in the general vicinity of

a business entity or real property at issue in the proceeding. (Cal. Code Regs., tit. 2, § 18438.7(a)(4).)

- **Accepting, receiving, soliciting, and directing contributions.** An officer “accepts” or “receives” a contribution when the contribution is made to the officer’s own campaign or any committee controlled by the officer. An officer “solicits” or “directs” a contribution by requesting contributions to any other campaign or controlled committee, not just their own. Note that a “controlled committee” can include not just campaign committees but also ballot measure committees, legal defense funds, recall committees, and officeholder controlled committees. The regulation includes exceptions for fundraising requests through mass mailings or mass media, as well as speaking at public events. Also, an officer does not solicit or direct a contribution solely because the officer’s name is printed with other names on stationery or letterhead used to request contributions. (Cal. Code Regs., tit. 2, § 18438.6.)
- **Aggregating contributions.** All contributions made by a party or participant must be aggregated with contributions made by their agents during the prior 12 months or from the date the agent was hired as a paid employee, contractor, or consultant, whichever is shorter. For example, if Party A contributes \$75 in April 2023, and Party A’s agent contributes \$176 in June 2023, the recipient of the \$251 campaign contribution would be limited by the Levine Act until June 2024. The party or participant’s contributions must also be aggregated with contributions by individuals (other than an uncompensated officer of a non-profit organization), or entities required to be aggregated with the party, participant, or agent under Government Code § 82015.5. (Cal. Code Regs., tit. 2, § 18438.5.)
- **Disclosures.** An officer must disclose receipt of a disqualifying contribution on the record at the beginning of the public meeting involving the proceeding. If an official learns of a contribution *during* a proceeding, they must disclose the contribution on the record before participating further in the proceeding. (2 CCR § 18438.8.) The official may continue to participate in the proceeding if the official has known or should have known about the contribution and proceeding for fewer than 30 days, discloses the disqualifying contribution on the record of the public meeting, confirms the contribution will be returned within 30 days of when the official knew or should have known about the contribution, and the contribution is returned within that time. (Cal. Code Regs., tit. 2, §§ 18438.7, 18438.8.)
- **Willful or knowing receipt of a contribution.** An officer who “willfully or knowingly received” a contribution from a party or participant with a financial interest may not participate in or influence the decision. Willful or knowing receipt includes when the officer has actual knowledge of the contribution, when the contribution is disclosed by the party or participant at the proceeding (as required by Government Code section 84308(e)), or when the officer is aware of other facts establishing reason to know of the contribution (such as being informed by another person a contribution has been made, a history of two or more prior donations over \$250 from the party or participant, the officer’s personal solicitation of a contribution from the party, etc.). However, an officer without actual knowledge of

the contribution from a party or participant does not have reason to know of the contribution based solely on the fact that the contribution was reported as required by law. (Cal. Code Regs., tit. 2, §18438.7.)

- **Legally required participation.** Officials who would otherwise be disqualified from engaging in a proceeding can participate if their participation is legally required, in the same manner as when a conflict exists due to a financial interest. (Cal. Code Regs., tit. 2, § 18703.) Also, see the FPPC's *Granda* informal advice letter addressing how legally required participation applies to strong mayors, discussed further below.

FPPC Letters. Since 1982, the FPPC has issued over 200 formal and informal advice letters related to the Levine Act. The database of letters on the FPPC website is an important starting point for research.⁵ Although the law has been expanded to cover local elected officials, the fundamental requirements and prohibitions have not changed. In addition, the FPPC has fielded many questions in 2023 from elected officials. Recent letters include the following:

- **Contracts are proceedings, regardless of value.** Contracts are considered entitlement for use proceedings for purposes of Section 84308 regardless of value. Small contracts, including purchase orders, are subject to Section 84308's provisions. Charter school petitions, which are contracts, are subject to Section 84308. Labor contracts, such as collectively bargained project labor agreements, are expressly exempted from Section 84308. (FPPC *Valesquez* informal advice letter, No. I-23-065, May 9, 2023; see also Cal. Code Regs., tit. 2, § 18348.2(a)(3)(B).)
- **Strong mayors and legally required participation.** The legally required participation exception likely applies to strong mayors exercising approval or veto powers. Examining *Affordable Hous. Alliance v. Feinstein* (1986) 179 Cal.App.3d 484 and its progeny, the *Granda* letter clarified that San Diego's strong mayor may participate in a proceeding despite receiving a disqualifying contribution in the preceding 12 months because of his charter-granted veto and approval powers. However, the mayor may not solicit, receive, or direct contributions exceeding \$250 while a proceeding is pending or for a year after, and is required to disclose the contribution. (FFPC *Granda* informal advice letter, No. I-23-102, July 12, 2023.)
- **Applicability to candidates.** The FPPC applied Regulation 18438.1 to clarify that a candidate for elected office is not an "officer of the agency" subject to the restrictions of Section 84308 unless they have decisionmaking authority with respect to a proceeding in the *Titus* formal advice letter (No. A-23-103, published June 27, 2023).

Outstanding questions. While the FPPC's amended regulations provide some clarity, ambiguities remain. For example, what is an "informal request" triggering a proceeding?

⁵ <https://www.fppc.ca.gov/advice/advice-opinion-search.html>

Does a right to appeal a lower level decision to City Council (e.g., from Planning Commission) make it “reasonably foreseeable” that the decision will come before the City Council? Would an individual who complains about a project’s impact on home values in a community with high rates of home ownership mean an officer “knows or has reason to know” that individual is a participant with a financial interest in a proceeding? If your agency encounters such questions, cities may benefit from a request for formal advice from the FPPC.

Senator Glazer, the author of SB 1439, also requested an opinion from the Attorney General addressing whether the disclosure and recusal provisions of SB 1439 apply to contributions made before January 1, 2023. As of the drafting of this paper the Attorney General has not issued an opinion. Since Senator Glazer’s request, the revised FPPC regulations and its formal *Kendrick* opinion both expressly addressed the question in the negative.

Legal challenge to SB 1439. The *Family Business Ass’n v. FPPC* (Sac. Superior Court Case #34-2023-00335169) challenge to SB 1439 on constitutional grounds was unsuccessful; the Sacramento Superior Court granted a motion for judgment on the pleadings rejecting all of the plaintiff’s arguments on May 25, 2023. Appeal was due by August 16, 2023, and no appeal is on the Court of Appeal’s or trial court’s docket as of late August when this paper is written.

Practice ideas.

- Include a field in staff report templates indicating whether Section 84308 applies (see City of Anaheim staff reports as an example).
- Include a reminder on meeting agendas about applicability of Section 84308 or add a standing agenda item for officers’ and participants’ disclosures.
- Require applicant to disclose contributions when they submit their applications – e.g., include a disclosure section on templates to list campaign contribution over \$250 to a decisionmaker in the prior twelve months.
- Include a provision in forms of contracts to alert contracting parties to this statute.

As agencies implement SB 1439, we encourage proactive training for officers to help them understand the expanded Levine Act. The Institute for Local Government recently held a webinar on the topic; the video presentation is available here: <https://www.ca-ilg.org/post/lunch-and-learn-californias-new-campaign-contribution-regulations-what-local-governments-need> .



ITEM # 19

**PAYMENT OF BILLS: ADOPT RESOLUTION NO. 24-76 APPROVING THE CITY
WARRANT REGISTER OF DEMANDS DATED OCTOBER 9, 2024**

RESOLUTION NO. 24-76
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO
APPROVING AND ALLOWING CERTAIN CLAIMS AND DEMANDS

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTEBELLO
HEREBY RESOLVES, FINDS, AND DECLARES AS FOLLOWS:

SECTION 1. That the reference is hereby made to that certain Register of Audited Demand No.1581, consisting of 7 pages, and including:

Warrant No.

General: Check No. 604755 through 604903
ACH No. 7174 through 7259

On file in the office of the City Clerk, the same having been audited and approved by the Assistant Director of Finance as required by law.

SECTION 2. That the said City Council having examined each such demand does hereby approve and direct the payment of same, as set forth in said Register, except the following Warrant No.

SECTION 3. That the City Clerk shall certify to the passage and adoption of this Resolution and that the same shall be in full force and effect.

APPROVED AND ADOPTED this 9th day of October 2024.

Scarlet Peralta, Mayor

ATTEST:

APPROVED AS TO FORM:

Christopher Jimenez, City Clerk

Arnold M. Alvarez-Glasman, City Attorney

RESOLUTION NO. 24-76

Page 2 of 2

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
CITY OF MONTEBELLO) SS:

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 24-76 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 9th day of October 2024 and that said Resolution was adopted by the following vote, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full, and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

Christopher Jimenez, City Clerk

- Exhibit A – Warrant Register



City of Montebello
Register of Demands No. 1581
From Payment Date 09/13/24 - To Payment Date 09/26/24

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
7174	09/19/2024	\$1,485.84	SUPPLIES	3163	BANK OF AMERICA
7175	09/19/2024	\$407.09	TRAVEL & MEETINGS	3163	BANK OF AMERICA
7176	09/19/2024	\$11,926.05	ADVERTISING/PRINTING SERVICES	2689	ACRO PRINTING INC
7177	09/19/2024	\$6,322.50	SUPPLIES	2586	AMAZON CAPITAL SERVICES INC
7178	09/19/2024	\$8,384.61	VEHICLE MAINTENANCE/EXPENSES	47980	AMERICAN MOVING PARTS
7179	09/19/2024	\$40.00	CARPOOL INCENTIVE	289	ANDREA ANDRADE
7180	09/19/2024	\$40.00	CARPOOL INCENTIVE	61470	ERIKA L ANDRADE
7181	09/19/2024	\$600.00	CONTRACT SERVICES	2365	LETICIA TORRES
7182	09/19/2024	\$3,235.63	CONTRACT SERVICES	3588	ANTHONYS PORTABLE RESTROOMS INC
7183	09/19/2024	\$8,360.33	CONTRACT SERVICES	3130	BLAIS & ASSOCIATES LLC
7184	09/19/2024	\$1,025.33	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO INC
7185	09/19/2024	\$55.13	CONTRACT SERVICES	2889	COMLOCK SECURITY GROUP INC
7186	09/19/2024	\$3,297.38	VEHICLE MAINTENANCE/EXPENSES	75340	DELTA MOTOR COMPANY INC
7187	09/19/2024	\$74,303.74	FUEL	962	MO DION & SONS INC
7188	09/19/2024	\$5,181.90	CONTRACT SERVICES	371	FLO-SERVICES INC
7189	09/19/2024	\$12,200.00	PREPAID EXPENSES	4697	FORTE HOLDINGS INC
7190	09/19/2024	\$40.00	CARPOOL INCENTIVE	2572	MARLENE GIL
7191	09/19/2024	\$40.00	CARPOOL INCENTIVE	3706	ALEX GILLMAN
7192	09/19/2024	\$1,035.70	CONTRACT SERVICES	180	GLORY GLOBAL SOLUTIONS INC
7193	09/19/2024	\$40.00	CARPOOL INCENTIVE	3123	NEIRA YESSIE GRANADOS
7194	09/19/2024	\$40.00	CARPOOL INCENTIVE	3681	LIZETTE GUERRERO
7195	09/19/2024	\$6,597.84	VEHICLE MAINTENANCE/EXPENSES	270	HARBOR DIESEL AND EQUIPMENT INC
7196	09/19/2024	\$40.00	CARPOOL INCENTIVE	4280	NADINE HERNANDEZ
7197	09/19/2024	\$357,224.56	CONTRACT SERVICES	2793	IBE DIGITAL
7198	09/19/2024	\$859.80	CONTRACT SERVICES	2152	JOHNSON CONTROLS INC
7199	09/19/2024	\$4,396.09	MACHINERY & EQUIPMENTS	26080	L.N. CURTIS AND SONS
7200	09/19/2024	\$40.00	CARPOOL INCENTIVE	4439	DANESSA DANETTE LLANES
7201	09/19/2024	\$990.00	CONTRACT SERVICES	11070	LPM CONSULTING INC
7202	09/19/2024	\$1,774.68	BUILDING IMPROVEMENTS	3489	MARK THOMAS & COMPANY INC
7203	09/19/2024	\$40.00	CARPOOL INCENTIVE	4580	JEREMY MELENDEZ
7204	09/19/2024	\$7,560.00	CONTRACT SERVICES	26880	SEBASTIAN WATERWORKS INC
7205	09/19/2024	\$3,623.37	VEHICLE MAINTENANCE/EXPENSES	1385	MUNCIE RECLAMATION AND SUPPLY COMPANY
7206	09/19/2024	\$231.00	CONTRACT SERVICES	53120	NATIONAL CONSTRUCTION RENTALS
7207	09/19/2024	\$20,922.56	CONTRACT SERVICES	35250	NATIONWIDE ENVIRONMENTAL SERVICES



City of Montebello
Register of Demands No. 1581
From Payment Date 09/13/24 - To Payment Date 09/26/24

WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
7208	09/19/2024	\$40.00	CARPOOL INCENTIVE	138	BRIANNON PADILLA
7209	09/19/2024	\$40.00	CARPOOL INCENTIVE	59960	JO ANN PANOSIAN
7210	09/19/2024	\$1,073.00	CONTRACT SERVICES	3285	DIANA E RAMIREZ
7211	09/19/2024	\$40.00	CARPOOL INCENTIVE	3712	MATTHEW ROBERT RAMOS
7212	09/19/2024	\$188.16	SUPPLIES	1120	BLUETRITON BRANDS INC
7213	09/19/2024	\$5,655.64	ADVERTISING/PRINTING SERVICES	2594	THE SAUCE CREATIVE SERVICES CORP
7214	09/19/2024	\$40.00	CARPOOL INCENTIVE	69960	NICOLE I SAUCEDO
7215	09/19/2024	\$40.00	CARPOOL INCENTIVE	2985	KEVIN SAYCOCIE
7216	09/19/2024	\$991.66	SUPPLIES	2686	THE SHERWIN-WILLIAMS CO
7217	09/19/2024	\$40.00	CARPOOL INCENTIVE	3001	MICHAEL SOLORZA
7218	09/19/2024	\$2,666.66	SUPPLIES	31270	STARBOARD TACK SUPPLY INC
7219	09/19/2024	\$40.00	CARPOOL INCENTIVE	3053	MICHAEL TELLES
7220	09/19/2024	\$40.00	CARPOOL INCENTIVE	4386	NAM TRAN
7221	09/19/2024	\$1,080.00	CONTRACT SERVICES	3133	ULTIMATE MAINTENANCE SERVICE
7222	09/19/2024	\$5,059.93	SUPPLIES	3088	WAXIES ENTERPRISES LLC
7223	09/19/2024	\$285.00	CONTRACT SERVICES	2865	WEBSTERS BEE REMOVAL SERVICES
7224	09/19/2024	\$196.98	CONTRACT SERVICES	3140	WEX HEALTH INC
7225	09/26/2024	\$61.90	SUPPLIES	3163	BANK OF AMERICA
7226	09/26/2024	\$549.00	TRAINING	3163	BANK OF AMERICA
7227	09/26/2024	\$112.67	SUPPLIES	3163	BANK OF AMERICA
7228	09/26/2024	\$261.70	TRAINING	3163	BANK OF AMERICA
7229	09/26/2024	\$817.67	MACHINERY & EQUIPMENTS	3163	BANK OF AMERICA
7230	09/26/2024	(\$43.09)	SUPPLIES	3163	BANK OF AMERICA
7231	09/26/2024	\$396.79	SUPPLIES	3163	BANK OF AMERICA
7232	09/26/2024	\$4,845.00	CDBG - ADMINISTRATION	38010	ADVANCED AVANT-GARDE CORPORATION
7233	09/26/2024	\$2,655.32	MACHINERY & EQUIPMENTS	2586	AMAZON CAPITAL SERVICES INC
7234	09/26/2024	\$69,503.18	CONTRACT SERVICES	3016	ANTARES GOLF LLC
7235	09/26/2024	\$8,129.83	CONTRACT SERVICES	3130	BLAIS & ASSOCIATES LLC
7236	09/26/2024	\$1,531.84	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO INC
7237	09/26/2024	\$629.62	CONTRACT SERVICES	2889	COMLOCK SECURITY GROUP INC
7238	09/26/2024	\$5,098.10	VEHICLE MAINTENANCE/EXPENSES	70920	DECALS BY DESIGN INC
7239	09/26/2024	\$30,006.38	FUEL INVENTORY	962	MO DION & SONS INC
7240	09/26/2024	\$375.00	EDUCATION REIMBURSEMENT	40130	MICHAEL J GIRON
7241	09/26/2024	\$430.50	VEHICLE MAINTENANCE/EXPENSES	270	HARBOR DIESEL AND EQUIPMENT INC
7242	09/26/2024	\$54,013.84	CONTRACT SERVICES	2152	JOHNSON CONTROLS INC
7243	09/26/2024	\$24,720.00	CONTRACT SERVICES	2892	KTU & A



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WARRANT #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
7244	09/26/2024	\$3,761.73	MACHINERY & EQUIPMENTS	26080	L.N. CURTIS AND SONS
7245	09/26/2024	\$712.50	CONTRACT SERVICES	16760	LIEBERT CASSIDY WHITMORE
7246	09/26/2024	\$17,313.24	SUPPLIES	26670	LIFE-ASSIST INC
7247	09/26/2024	\$323.70	CONTRACT SERVICES	3276	MARK ROBERT LOPEZ
7248	09/26/2024	\$33,943.68	CONTRACT SERVICES	3489	MARK THOMAS & COMPANY INC
7249	09/26/2024	\$14,086.25	CONTRACT SERVICES	19040	MUNICIPAL CONTRACT ADMINISTRATORS INC
7250	09/26/2024	\$6,234.06	CONTRACT SERVICES	19250	N/S CORPORATION
7251	09/26/2024	\$155,891.37	CONTRACT SERVICES	35250	NATIONWIDE ENVIRONMENTAL SERVICES
7252	09/26/2024	\$1,774.80	CONTRACT SERVICES	54240	PDQ ENTERPRISES INC
7253	09/26/2024	\$1,411,840.44	CONTRACT SERVICES	4220	R.C. CONSTRUCTION SERVICES INC
7254	09/26/2024	\$5,615.00	CONTRACT SERVICES	952	RELIANT IMMEDIATE CARE MEDICAL GROUP INC
7255	09/26/2024	\$648.18	SUPPLIES	2686	THE SHERWIN-WILLIAMS CO
7256	09/26/2024	\$8,517.09	SUPPLIES	31270	STARBOARD TACK SUPPLY INC
7257	09/26/2024	\$3,510.00	MACHINERY & EQUIPMENTS	217	TRACKIT LLC
7258	09/26/2024	\$6,890.88	SUPPLIES	3088	WAXIES ENTERPRISES LLC
7259	09/26/2024	\$562.28	VEHICLE MAINTENANCE/EXPENSES	1657	OSCAR ZAVALAS
ACH TOTAL		\$2,435,598.61			
604755	09/19/2024	\$12,499.98	CONTRACT SERVICES	3557	ADVOCATE INC
604756	09/19/2024	\$3,528.00	TRAVEL & MEETINGS	4739	ALL AMERICAN SPORTSWEAR CORP
604757	09/19/2024	\$0.00	VOID	39550	AT&T
604758	09/19/2024	\$6,242.14	UTILITY SERVICES	39550	AT&T
604759	09/19/2024	\$5,561.23	CONTRACT SERVICES	16710	ATKINSON ANDELSON LOYA RUUD & ROMO
604760	09/19/2024	\$4,807.10	CONTRACT SERVICES	17870	THE BANK OF NEW YORK MELLON
604761	09/19/2024	\$350.00	CONTRACT SERVICES	2769	KATALINA BELTRAN
604762	09/19/2024	\$580.00	CONTRACT SERVICES	420	CALIFORNIA MUNICIPAL STATISTICS INC
604763	09/19/2024	\$250.00	GENERAL GOVERNMENT	4748	CATHLEEN CALLINS
604764	09/19/2024	\$271.41	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
604765	09/19/2024	\$381.18	CONTRACT SERVICES	36870	CINTAS CORPORATION NO 3
604766	09/19/2024	\$3,663.25	MACHINERY & EQUIPMENTS	3784	CPACINC.COM
604767	09/19/2024	\$187.39	SALES TAX LIABILITY	950	CUMMINS INC
604768	09/19/2024	\$1,323.79	VEHICLE MAINTENANCE/EXPENSES	990	DANIELS TIRE SERVICE
604769	09/19/2024	\$1,420.82	SUPPLIES	4307	DELUXE SMALL BUSINESS SALES INC
604770	09/19/2024	\$232,733.00	CONTRACT SERVICES	30170	CITY OF DOWNEY
604771	09/19/2024	\$200.00	PARKS AND RECREATION	4729	LISA FERNANDEZ
604772	09/19/2024	\$4,134.99	MACHINERY & EQUIPMENTS	4636	FIREQUICK PRODUCTS INC



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604773	09/19/2024	\$10,001.30	CONTRACT SERVICES	4355	GALLATIN INVESTIGATIONS, LLC
604774	09/19/2024	\$25.00	PARKS AND RECREATION	4658	ANA GARCIA
604775	09/19/2024	\$0.00	VOID	4032	FRANCISCO GARIBAY
604776	09/19/2024	\$1,336.00	VEHICLE MAINTENANCE/EXPENSES	33720	GILLIG LLC
604777	09/19/2024	\$143.14	SUPPLIES	552	LUZ GONZALES
604778	09/19/2024	\$5,882.71	VEHICLE MAINTENANCE/EXPENSES	30190	IB AUTO PARTS INC
604779	09/19/2024	\$344.82	CONTRACT SERVICES	3036	HERITAGE-CRYSTAL CLEAN LLC
604780	09/19/2024	\$700.00	GENERAL GOVERNMENT	4747	GUADALUPE HERNANDEZ
604781	09/19/2024	\$340.00	PARKS AND RECREATION	4745	TIFFANY HERNANDEZ
604782	09/19/2024	\$1,176.13	SALES TAX LIABILITY	582	HYDRAULIC ELECTRIC INC
604783	09/19/2024	\$1,871.35	VEHICLE MAINTENANCE/EXPENSES	3978	ISLAS TIRES INC.
604784	09/19/2024	\$1,723.97	CONTRACT SERVICES	993	IVA SOLUTIONS INC
604785	09/19/2024	\$4,755.40	SUPPLIES	4737	KOGI BBQ
604786	09/19/2024	\$250.00	GENERAL GOVERNMENT	3297	OSVALDO LIRA
604787	09/19/2024	\$18,963.00	MACHINERY & EQUIPMENTS	3409	LOCALITY MEDIA INC
604788	09/19/2024	\$400.00	TRAINING	4752	LOS ANGELES COUNTY POLICE CANINE ASSOCIATION
604789	09/19/2024	\$12.00	PARKS AND RECREATION	4744	SONIA MARTINEZ
604790	09/19/2024	\$60.00	PARKS AND RECREATION	4741	WENDY MARTINEZ
604791	09/19/2024	\$380.63	VEHICLE MAINTENANCE/EXPENSES	54300	SHAK ENTERPRISES INC
604792	09/19/2024	\$30.00	CARPPOOL INCENTIVE	60300	NICOLE MOOSHAGIAN
604793	09/19/2024	\$1,950.00	SUPPLIES	25080	GOVERNMENTJOBS.COM INC DBA: NEOGOV
604794	09/19/2024	\$106.18	SUPPLIES	15620	OFFICE DEPOT INC
604795	09/19/2024	\$45,000.00	MACHINERY & EQUIPMENTS	2801	OPENGOV INC
604796	09/19/2024	\$50.00	PARKS AND RECREATION	4746	JOSE A OROS
604797	09/19/2024	\$6,329.85	CONTRACT SERVICES	4266	PARENT FAMILY ENGAGEMENT AND COMMUNITY SERVICES IN
604798	09/19/2024	\$52.98	VEHICLE MAINTENANCE/EXPENSES	832	FERNANDO PELAEZ
604799	09/19/2024	\$25.13	UTILITY SERVICES	36610	CITY OF PICO RIVERA
604800	09/19/2024	\$16,300.00	BUILDING IMPROVEMENTS	3985	PRO CERAMIC TILE
604801	09/19/2024	\$402.43	UNIFORM EXPENSE	56260	PRUDENTIAL OVERALL SUPPLY
604802	09/19/2024	\$3,234.00	CONTRACT SERVICES	42750	PSYCHOLOGICAL CONSULTING ASSOCIATES INC
604803	09/19/2024	\$250.00	GENERAL GOVERNMENT	4742	JANNETE RODRIGUEZ
604804	09/19/2024	\$6,554.31	VEHICLE MAINTENANCE/EXPENSES	3095	RUSH TRUCK CENTERS OF CALIFORNIA INC
604805	09/19/2024	\$5,373.93	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO
604806	09/19/2024	\$18,749.85	CONTRACT SERVICES	3234	SCHOOL NUTRITION PLUS
604807	09/19/2024	\$1,200.00	TRAINING	3090	SENTINEL DEFENSE LLC
604808	09/19/2024	\$1,385.00	CONTRACT SERVICES	4173	SHIELD PEST MANAGEMENT LLC



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604809	09/19/2024	\$47,561.81	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
604810	09/19/2024	\$10,567.20	MACHINERY & EQUIPMENTS	4186	STATION AUTOMATION, INC.
604811	09/19/2024	\$126.00	MACHINERY & EQUIPMENTS	4186	STATION AUTOMATION INC
604812	09/19/2024	\$968.40	CONTRACT SERVICES	3762	SUPERIOR PROTECTION SERVICES CA INC
604813	09/19/2024	\$83.80	TRAVEL & MEETINGS	4281	GEORGINA TAMAYO
604814	09/19/2024	\$5,651.94	VEHICLE MAINTENANCE/EXPENSES	60710	THE AFTERMARKET PARTS COMPANY LLC
604815	09/19/2024	\$68.00	PARKS AND RECREATION	4743	GABRIELA TORRES
604816	09/19/2024	\$2,285.46	UTILITY SERVICES	72570	US TELEPACIFIC CORP
604817	09/19/2024	\$14,440.00	CONTRACT SERVICES	1639	TRANSTECH ENGINEERS INC
604818	09/19/2024	\$9,510.00	CONTRACT SERVICES	4356	TRUVIEW BSI, LLC
604819	09/19/2024	\$135.38	SUPPLIES	45120	ULINE INC
604820	09/19/2024	\$398.78	SUPPLIES	9470	W W GRAINGER INC DBA: GRAINGER
604821	09/19/2024	\$1,850.38	CONTRACT SERVICES	19070	WALTERS WHOLESALE ELECTRIC CO
604822	09/19/2024	\$1,074.94	VEHICLE MAINTENANCE/EXPENSES	25860	WAYNE HARMEIER INC
604823	09/19/2024	\$175,522.20	CONTRACT SERVICES	40860	WEST COAST ARBORISTS INC
604824	09/19/2024	\$2,600.00	CONTRACT SERVICES	71170	YOUNG ELECTRIC SIGN COMPANY
604825	09/19/2024	\$120.13	UTILITY SERVICES	39550	AT&T
604826	09/19/2024	\$40.74	UTILITY SERVICES	39550	AT&T
604827	09/19/2024	\$175.00	CONTRACT SERVICES	4131	ANTONIO VIDRIO
604828	09/26/2024	\$1,700.39	TRAVEL & MEETINGS	2722	ADVANCED PRINTING COMPANY
604829	09/26/2024	\$2,254.78	UTILITY SERVICES	38380	AT&T
604830	09/26/2024	\$7,432.76	UTILITY SERVICES	39550	AT&T
604831	09/26/2024	\$117.36	MISCELLANEOUS EXPENSE	4753	MARISELA BARRENO
604832	09/26/2024	\$250.00	EDUCATION REIMBURSEMENT	319	MATTHEW J BEVERIDGE
604833	09/26/2024	\$956.42	SUPPLIES	159	BOUND TREE MEDICAL LLC
604834	09/26/2024	\$1,350.00	PERMITS AND FEES	28120	STATE OF CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS DOSS
604835	09/26/2024	\$616.93	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
604836	09/26/2024	\$2,750.00	VEHICLE MAINTENANCE/EXPENSES	4484	JOSE CAMACHO
604837	09/26/2024	\$1,001.30	CONTRACT SERVICES	40850	MARIA E CASAS
604838	09/26/2024	\$2,350.00	CONTRACT SERVICES	3644	GRACE CHANG
604839	09/26/2024	\$1,800.00	CONTRACT SERVICES	3644	GRACE CHANG
604840	09/26/2024	\$2,528.00	CONTRACT SERVICES	3644	GRACE CHANG
604841	09/26/2024	\$119.94	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
604842	09/26/2024	\$4,674.72	SAFETY PROGRAM	1294	CINTAS CORPORATION NO 2
604843	09/26/2024	\$381.18	CONTRACT SERVICES	36870	CINTAS CORPORATION NO 3
604844	09/26/2024	\$9,000.00	TRAINING	696	CITY OF LOS ANGELES



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604845	09/26/2024	\$2,976.00	CONTRACT SERVICES	3568	CIVICPLUS LLC
604846	09/26/2024	\$2,500.00	CONTRACT SERVICES	4026	CODE CONSULTING GROUP, LLC
604847	09/26/2024	\$125.00	TRAINING	842	CSULB FOUNDATION
604848	09/26/2024	\$7,962.82	SALES TAX LIABILITY	950	CUMMINS INC
604849	09/26/2024	\$3,547.10	ADVERTISING/PRINTING SERVICES	1354	DAILY JOURNAL CORPORATION
604850	09/26/2024	\$3,781.99	SALES TAX LIABILITY	990	DANIELS TIRE SERVICE
604851	09/26/2024	\$14,277.38	VEHICLE MAINTENANCE/EXPENSES	4419	DARTCO TRANSMISSION SALES & SERVICES INC
604852	09/26/2024	\$2,000.00	CONTRACT SERVICES	4420	DF POLYGRAPH
604853	09/26/2024	\$200.41	CONTRACT SERVICES	1894	ECONOMY RENTAL INC
604854	09/26/2024	\$2,264.28	VEHICLE MAINTENANCE/EXPENSES	29160	FORD OF MONTEBELLO
604855	09/26/2024	\$2,584.00	CONTRACT SERVICES	1595	FROG ENVIRONMENTAL INC
604856	09/26/2024	\$17,922.21	UNIFORM EXPENSE	55650	GALLS LLC
604857	09/26/2024	\$5,792.50	CONTRACT SERVICES	4396	GALVIN PRESERVATION ASSOCIATES INC
604858	09/26/2024	\$653.52	VEHICLE MAINTENANCE/EXPENSES	33720	GILLIG LLC
604859	09/26/2024	\$362.05	VEHICLE MAINTENANCE/EXPENSES	455	GOLDEN STATE FASTENERS & SUPPLY INC
604860	09/26/2024	\$223.45	CONTRACT SERVICES	33460	GOODYEAR TIRE & RUBBER COMPANY
604861	09/26/2024	\$913.25	CONTRACT SERVICES	4133	H&L CHARTER CO., INC.
604862	09/26/2024	\$2,362.40	VEHICLE MAINTENANCE/EXPENSES	30190	IB AUTO PARTS INC
604863	09/26/2024	\$400.00	CONTRACT SERVICES	4581	INCOMPLI INC
604864	09/26/2024	\$3,168.45	VEHICLE MAINTENANCE/EXPENSES	27480	R & M HANSEN ENT INC
604865	09/26/2024	\$240.00	EDUCATION REIMBURSEMENT	18760	FEDERICO JIMENEZ
604866	09/26/2024	\$550.00	CONTRACT SERVICES	4198	KIDS ENJOY EXERCISE NOW KEEN LOS ANGELES LCC
604867	09/26/2024	\$1,679.92	CONTRACT SERVICES	4485	KIMLEY-HORN AND ASSOCIATES INC
604868	09/26/2024	\$127,498.11	CONTRACT SERVICES	4264	KYA SERVICES, LLC
604869	09/26/2024	\$24.00	DUES & SUBSCRIPTIONS	9200	LOS ANGELES COUNTY ASSESSOR OFFICE
604870	09/26/2024	\$5,208.79	CONTRACT SERVICES	4810	LA COUNTY DEPARTMENT OF PUBLIC WORKS
604871	09/26/2024	\$663.00	PERMITS AND FEES	56850	LOS ANGELES COUNTY FIRE DEPARTMENT
604872	09/26/2024	\$3.38	MISCELLANEOUS EXPENSE	4755	AVELINA MARTINEZ
604873	09/26/2024	\$213.57	TRAVEL & MEETINGS	2316	SALVADOR MELENDEZ
604874	09/26/2024	\$269.66	VEHICLE MAINTENANCE/EXPENSES	2480	SOCAL AUTO & TRUCK PARTS INC
604875	09/26/2024	\$790.16	UNIFORM EXPENSE	47860	NATIONAL EMBLEM INC
604876	09/26/2024	\$8,187.50	CONTRACT SERVICES	4500	NORWALK LA MIRADA MLUMBING HEATING & AIR CONDITIONING
604877	09/26/2024	\$889.65	CONTRACT SERVICES	41180	MANUEL NUNEZ
604878	09/26/2024	\$27.03	SUPPLIES	15620	OFFICE DEPOT INC
604879	09/26/2024	\$1,360.00	CONTRACT SERVICES	1597	PACIFIC COAST ELEVATOR CORP
604880	09/26/2024	\$163.00	EDUCATION REIMBURSEMENT	4754	JOHN PEREZ



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604881	09/26/2024	\$2,475.53	UNIFORM EXPENSE	56260	PRUDENTIAL OVERALL SUPPLY
604882	09/26/2024	\$554.00	GENERAL GOVERNMENT	4015	NICKY RAMIREZ
604883	09/26/2024	\$849.50	GENERAL GOVERNMENT	3553	LETICIA RIVERA
604884	09/26/2024	\$200.00	GENERAL GOVERNMENT	4655	CARLOS SANCHEZ
604885	09/26/2024	\$4,848.69	VEHICLE MAINTENANCE/EXPENSES	54300	SHAK ENTERPRISES INC
604886	09/26/2024	\$920.15	VEHICLE MAINTENANCE/EXPENSES	716	SOUTH BAY FORD INC
604887	09/26/2024	\$63,738.40	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
604888	09/26/2024	\$7,257.27	UTILITY SERVICES	40520	SOUTHERN CALIFORNIA GAS CO
604889	09/26/2024	\$8,714.47	VEHICLE MAINTENANCE/EXPENSES	168	SOUTHERN COACH MFG CO INC
604890	09/26/2024	\$2,400.00	PREPAID EXPENSES	65	SPECIAL SERVICES GROUP LLC
604891	09/26/2024	\$900.00	CONTRACT SERVICES	6020	STRADLING YOCCA CARLSON & RAUTH
604892	09/26/2024	\$182.62	CONTRACT SERVICES	3762	SUPERIOR PROTECTION SERVICES CA INC
604893	09/26/2024	\$9,291.02	VEHICLE MAINTENANCE/EXPENSES	60710	THE AFTERMARKET PARTS COMPANY LLC
604894	09/26/2024	\$5,009.74	TRAVEL & MEETINGS	3866	THE HABIT RESTAURANTS LLC
604895	09/26/2024	\$14,982.98	CONTRACT SERVICES	4448	TRAFFIC AND PARKING CONTROL CO INC
604896	09/26/2024	\$50.00	PARKS AND RECREATION	3937	LESLIE TURCIOS
604897	09/26/2024	\$20,161.43	CONTRACT SERVICES	131	UNITED SITE SERVICES INC
604898	09/26/2024	\$48,315.74	CONTRACT SERVICES	3406	UNIVERSAL PROTECTION SERVICES LP
604899	09/26/2024	\$7,217.44	COPIER REPAIR/SERVICES	2747	US BANK EQUIPMENT FINANCE
604900	09/26/2024	\$175.00	CONTRACT SERVICES	4265	TONY VELAZQUEZ
604901	09/26/2024	\$883.64	SUPPLIES	9470	W W GRAINGER INC DBA: GRAINGER
604902	09/26/2024	\$100.00	CONTRACT SERVICES	3006	ASBURY ENVIRONMENTAL SERVICES
604903	09/26/2024	\$3,275.50	CONTRACT SERVICES	2905	ZUTRA WATER
CHECK TOTAL		\$1,170,245.03			
GRAND TOTAL		\$3,605,843.64			



EXHIBIT

CITY OF MONTEBELLO FORECASTED AGENDA

NOTE: The attached exhibit is a draft version that is to be used for reference purposes only; agenda items, information, and dates are subject to change. The exhibit will be placed at the end of the Agenda Packet.



City Council Forecasted Agenda Calendar - October

October 23rd - City Council Meeting

Item #	Description	Session	Department	Presenter	Status
	TBD	Regular Business	Admin	CM Alvarez	
	TBD	Regular Business	Admin	CM Alvarez	
	TBD	Consent	Public Affairs	David S.	
	TBD	Consent	Public Works	Cesar R.	
	TBD	Consent	Public Works	Cesar R.	
	TBD	Consent	Public Works	Cesar R.	
	TBD	Consent	Planning	Joe P.	
	TBD	Consent	Parks & Rec	David S.	
	TBD	Consent	Police	Chief Espinoza	
	TBD	Consent	Fire	Chief Pelaez/Angelica	
	TBD	Consent	Fire	Pelaez/Angelica	
	TBD	Consent	Transit	John S.	
	TBD	Consent	Transit	John S.	
	Minutes	Consent.	Admin	Kimberly G.	
	Reso No. ____ Warrant Register	Consent.	Finance	Michael S.	