

AGENDA ITEM 2

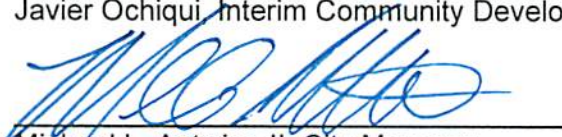
City of Bell Agenda Report

DATE: July 22, 2026

TO: Mayor and Members of the City Council

FROM: Javier Ochiqui, Interim Community Development Director

APPROVED
BY:


Michael L. Antwine II, City Manager

SUBJECT: Consideration to adopt Resolution 2026-42, A Resolution of the City Council of the City of Bell, CA, Adopting the City of Bell 2026 Local Hazardous Mitigation Plan (LHMP).

RECOMMENDATION:

It is recommended that the City Council read by title only, waive further reading, and adopt Resolution No. 2026-42 titled:

"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL APPROVING THE CITY OF BELL 2026 LOCAL HAZARDOUS MITIGATION PLAN (LHMP) TO REMAIN ELIGIBLE FOR PRE AND POST DISASTER MITIGATION FUNDING"

BACKGROUND:

The City of Bell is required to develop a FEMA-approved Local Hazard Mitigation Plan (LHMP) to remain eligible for pre- and post-disaster mitigation funding. A well-prepared LHMP will identify potential hazards, assess vulnerabilities, and outline strategies to reduce risks from disasters such as earthquakes, flooding, and wildfires.

To meet this requirement, the City of Bell applied for and received a Hazard Mitigation Grant Program (HMGP) sub-application, which includes a federal share of \$165,000 and a local match commitment of \$55,012, bringing the total project cost to \$220,012.00. The local match is covered through in-kind staff contributions and services.

The City issued a Request for Proposals (RFP) on October 7, 2024, soliciting professional services for the development of the LHMP. The deadline for submissions was November 4, 2024. After a thorough review of the proposals received, Witt O'Brien's was identified as the most qualified firm based on their experience, technical approach, cost, and references. On March 26, 2025, the City Council approved a New Agreement with Witt O'Brien's, LLC, for Local Hazardous Mitigation Plan (LHMP) Services.

DISCUSSION:

Hazard mitigation is work done to minimize the impact of natural hazards before they occur, with the goal of reducing losses from future disasters. The LHMP for the City of Bell includes detailed analysis of the City's historical, physical, social, and economic characteristics, and is a tool which will assist the city in reducing human and economic losses caused by natural hazard events. The LHMP complies with federal regulations which require local governments to develop and submit hazard mitigation plans in response to natural hazards before becoming eligible to receive Hazard Mitigation Grant Program and other mitigation project grant funds from the federal government.

The LHMP represents the City's commitment to create a safer and more resilient community by taking actions to reduce risk and by committing resources to lessen the effects of hazards on the people and property of the City. The LHMP is the City's first LHMP, and addresses natural hazards as required by federal law. The LHMP is a living document which will be reviewed and updated periodically to remain consistent with the needs of the community. Specifically, in response to the current pandemic, staff will be working to incorporate infectious diseases into the next version of the LHMP. While infectious disease is not specifically mentioned in the LHMP, as it is not considered a natural environmental hazard, relevant mitigation tools such as mass communication and emergency alert strategies are included, which if put in place would assist with mitigating infectious disease incidents. Additionally, over the next few years, staff will be working with Metro to identify potential hazards and possible mitigation strategies related to a train station within the city and use the information to update the LHMP.

FEMA requires that LHMP's are updated and submitted for review every five years. The five-year period will begin for the City upon receipt of final certification from FEMA. It is anticipated that each of the above-mentioned hazards will be included specifically in the next version of the LHMP.

A summary of the 2026 LHMP is provided on the table below:

Section 1: Executive Summary	The 2026 City of Bell Local Hazard Mitigation Plan (LHMP) is designed to function as a roadmap for the coordination and execution of hazard mitigation policies and initiatives for the City of Bell. It describes the characteristics of hazards which threaten the community, as well as mitigation goals, strategies, and associated actions to aid the city and its community in reducing risks and minimizing damages by taking proactive steps before disaster strikes. This not only decreases risk to lives and properties but also reduces the social, economic, and environmental aftereffects which often follow hazardous events.
Section 2: Introduction	Hazard mitigation is sustained action taken to reduce or eliminate impacts of natural or humanmade hazards including preventing loss of life and damage to property. It is a process that identifies, and profiles hazards, analyzes people and facilities at risk because of these hazards, and develops mitigation actions to reduce or eliminate hazard risk and create a stronger, more resilient community. This is the first iteration of the hazard mitigation plan for the City of Bell.
Section 3: Planning Process	The 2026 City of Bell Local Hazard Mitigation Plan was completed in March 2026. The development of this plan was undertaken not only to meet the requirements of the Disaster Mitigation Act of 2000, ensuring eligibility for hazard mitigation grant opportunities, but also

	to support a clearer understanding of the hazards facing the City of Bell, enabling more informed decision-making around hazard mitigation and risk reduction. This plan includes resources and information to assist City residents, public and private sector organizations, and others interested in participating in planning for both natural and human-caused hazards.
Section 4: Community Profile	The City of Bell is a small, urban community situated within the Greater Los Angeles Metropolitan Area, approximately 10 miles southeast of downtown Los Angeles. The City of Bell is part of the Gateway Cities region, which is a group of 27 cities that serve as a “gateway” between Los Angeles and Orange County. The City of Bell is bounded by the cities of Maywood, Vernon, Huntington Park, Commerce, Bell Gardens, and Cudahy.
Section 5: Hazard Identification and Risk Assessment	This section outlines the City of Bell's Hazard Identification & Risk Assessment (HIRA) conducted in updating this Local Hazard Mitigation Plan. Risk assessments measure the potential impact of hazards on people, the economy, and both built and natural environments. They involve: 1. Identifying and profiling concerning hazards. 2. Cataloging community assets. 3. Analyzing hazard risks. 4. Summarizing the community's vulnerability to these hazards.
Section 6: Human-Caused Hazards	Cyber-attacks are deliberate attempts by individuals or groups to breach the information systems of organizations, governments, or individuals. These attacks can disrupt services, steal sensitive data, compromise infrastructure, and cause financial and reputational damage. Common forms include ransomware, phishing, denial-of-service (DoS) attacks, and data breaches. In recent years, cyber-attacks have become increasingly frequent, sophisticated, and damaging.
Section 7: Mitigation Strategy	Mitigation Strategy is a comprehensive guide for future hazard mitigation policies, projects, and administration within the City of Bell. It directly reflects the consensus of the City of Bell HMPT and incorporates findings from the Hazard Identification and Risk Assessment. The HMPT's Mitigation Strategy includes Mitigation Goals, which are the overarching aspirations of the City of Bell relating to hazard mitigation. These goals reflect core drivers behind the City's efforts to develop a hazard mitigation plan for the community.
Section 8: Capability Assessment	Capability and capacity are two defining features of a community's resilience. Capability refers to the “tools” available to the community whereas capacity is the ability to use those tools. This portion of the Plan assesses the current capability of the City of Bell to mitigate the effects of the natural hazards and implement successful mitigation programs.

Section 9: Plan Maintenance	Implementation of the Hazard Mitigation Plan is critical because it is the roadmap to develop and implement community resilience, reduce future impacts from hazards, and enhance the health, safety, and welfare of the residents in the community. The City of Bell Emergency Management Office has been tasked with monitoring and maintenance of the City's Local Hazard Mitigation Plan. Completion of mitigation actions and other components impacting the plan will be tracked by the Department of Public Safety and Office of Emergency Management.
Appendix A:	Planning Process
Appendix B:	Public Participation
Appendix C:	Literature Cited
Appendix D:	Adoption Resolution

FISCAL IMPACT:

There is no direct fiscal impact associated with the adoption of the LHMP. Once approved by FEMA, adoption of the LHMP will enable the City to apply for hazard mitigation program grants through the Federal government.

The LHMP development is funded through the Hazard Mitigation Grant Program (HMGP) with Witt O'Brien's contract cost of \$86,520.50. This includes a federal share of \$165,000 and a local in-kind match of \$55,012, which will be covered through staff time and resources. The total grant budget also includes City project management costs associated with the project. No additional City funds are required.

ATTACHMENT(S):

1. Resolution 2026-42
2. City of Bell 2026 Local Hazardous Mitigation Plan

RESOLUTION NO. 2026-42

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL APPROVING THE CITY OF BELL 2026 LOCAL HAZARDOUS MITIGATION PLAN (LHMP) TO REMAIN ELIGIBLE FOR PRE AND POST DISASTER MITIGATION FUNDING

WHEREAS, President William J. Clinton signed H.R. 707, the Disaster Mitigation and Cost Reduction Act of 2000, into law on October 30, 2000; and

WHEREAS, the Disaster Mitigation Act of 2000 requires all jurisdictions to be covered by a Local Hazard Mitigation Plan to be eligible for Federal Emergency Management Agency post-disaster funds; and

WHEREAS, the City of Bell has committed to participate in the development of a Local Hazard Mitigation Plan; and

WHEREAS, the City of Bell is concerned about mitigating potential losses from natural disasters before they occur; and

WHEREAS, the plan identifies potential hazards, potential losses and potential mitigation measures to limit losses; and

WHEREAS, the California State of Emergency Services has reviewed the plan on behalf of the Federal Emergency Management Agency; and

WHEREAS, formal adoption of the plan by the Bell City Council is required before final approval of the plan can be obtained from the Federal Emergency Management Agency; and

WHEREAS, the City of Bell has determined that it would be in the best interest of the City of Bell to adopt the Local Hazardous Mitigation Plan.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BELL DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the recitals set forth above are incorporated herein by reference.

SECTION 2. That the California State of Emergency Services has reviewed the plan on behalf of the Federal Emergency Management Agency.

SECTION 3. That the City Manager and City Attorney have the authority to execute all documents related to this agreement and plan.

SECTION 4. That the City of Bell has determined that it would be in the best interest of the City of Bell to adopt the Local Hazardous Mitigation Plan.

PASSED, APPROVED, AND ADOPTED this 22ND day of July 2026.

Ali Saleh, Mayor

APPROVED AS TO FORM:

Danny Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 22nd day of July, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Angela Bustamante, City Clerk

AGENDA ITEM 2 – ATTACHMENT NO. 2

LINK TO DOCUMENT: [attachment-2-city-of-bell-hazardous-mitigation-plan.pdf](#)

AGENDA ITEM 3

City of Bell Agenda Report

DATE: July 22, 2026

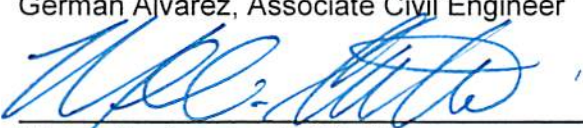
TO: Mayor and Members of the City Council

FROM: Rita Montalvo, P.E., Public Works Director

PREPARED

BY: German Alvarez, Associate Civil Engineer

APPROVED

BY: 
Michael L. Antwine II, City Manager

SUBJECT: Annual Slurry Seal Project (CIP No. 7193) Fiscal Year 2025-26 – Award of Construction Contract

RECOMMENDATION:

It is recommended that the City Council:

- 1) Award a construction contract in the amount of \$119,750.00 to Pavement Coatings Co. for the Annual Slurry Seal Project (CIP No. 7193); and
- 2) Authorize the City Manager to execute change orders to the project in a total amount not to exceed \$11,975.00 (ten percent of the bid amount) for any necessary additional work.
- 3) Approve the total estimated project cost of \$173,638.00, including \$41,913.00 in project soft cost.

BACKGROUND:

The City's street network is one of its most valuable public assets and requires ongoing maintenance to preserve its condition and maximize its useful life. The Annual Slurry Seal Project is a preventative maintenance program designed to protect existing pavement from deterioration caused by traffic, weather, and aging.

Based on the City's Pavement Management Program (2025-2029), slurry seal is the appropriate treatment for streets in fair to good condition (generally with a Pavement Condition Index (PCI) between 60 and 85). Applying slurry seal at the appropriate time protects the pavement surface, seals minor cracks, reduces water intrusion, improves skid resistance, and extends the service life of the roadway. By preserving streets before significant deterioration occurs, the City can reduce long-term maintenance costs and delay the need for more extensive and costly roadway rehabilitation.

Funding for the Annual Slurry Seal Project was approved as part of the Fiscal Year 2025-2026 Capital Improvement Program Budget and carried forward into Fiscal Year 2026-2027 to complete the planned improvements. On April 27, 2026, the City issued a Request for Bids for the Annual Slurry Seal Project.

DISCUSSION:

The streets included in the Annual Slurry Seal Project were selected based on the City's Pavement Management Program, which evaluates pavement conditions and identifies streets that would benefit from preventative maintenance. Prior to the application of slurry seal, the Project includes pavement patching and crack sealing, as needed, to prepare the roadway surface.

The Project consists of preparing the roadway for the application of Type II Slurry Seal with 3% latex, removing and replacing pavement striping, pavement markings, raised pavement markers, curb markings, and speed hump markings. The streets included in the Project are listed below and shown on the location map attached to this report:

1. Minnewa Lane from Flora Avenue to Pine Avenue
2. Flora Avenue from Randolph Street to Gage Avenue
3. Otis Avenue from Randolph Street to Gage Avenue
4. Gifford Avenue from Randolph Street to Gage Avenue
5. Bear Avenue from Randolph Street to Gage Avenue
6. Bear Court from End to Bear Avenue
7. Loma Vista Avenue from Randolph Place to Gage Avenue
8. Gifford Avenue from Gage Avenue to Bell Avenue
9. Gifford Avenue from Bell Avenue to Brompton Avenue

A Notice Inviting Bids was published in the Press-Telegram on April 27, 2026, and May 4, 2026. Bids were publicly opened on May 14, 2026, at 2:00 p.m. at Bell City Hall. The City received five (5) bids, with bid amounts ranging from \$119,750.00 to \$155,145.50. The list of bidders and bid amounts is as follows:

	Contractor	Bid Amount
1	Pavement Coatings Co.	\$119,750.00
2	Union Pavement Services, Inc.	\$133,500.00
3	American Asphalt South, Inc.	\$139,791.05
4	All American Asphalt	\$140,940.00
5	Roy Allen Slurry Seal, Inc.	\$155,145.50

The bids were reviewed and analyzed, and Pavement Coatings Co. was determined to be the lowest responsive and responsible bidder. All required bid forms, licenses, registrations, bonds, and insurance documents were submitted and verified.

The Project will be completed within thirty (30) working days following the issuance of the Notice to Proceed. During construction, the contractor will be responsible for notifying affected residents of construction activities and maintaining safe traffic control in accordance with the contract documents.

Public Works Department staff conducted due diligence and reference checks on Pavement Coatings Co. and confirmed that the contractor has successfully completed similar projects for several public agencies.

Accordingly, staff recommends that the City Council award a construction contract to Pavement Coatings Co. in the amount of \$119,750.00.

Project Budget

The total project budget is \$250,000. A summary of the estimated project costs is provided below:

Description	Amount
Project Construction	\$119,750.00
Contingency (10%)	\$11,975.00
Project Management (10%)	\$11,975.00
Construction Management (10%)	\$11,975.00
Construction Inspection (15%)	\$17,963.00
Total	\$173,638.00

Conflict of Interest

According to the State's "conflict of interest" laws, when a decision involves new infrastructure or more than mere maintenance, the distance from a councilmember's real property to the new infrastructure is key. For instance:

(a) A councilmember with an interest in real property "located 500 feet or less" from a proposed improvement may not participate in the vote. If the councilmember can show, with "clear and convincing evidence," that the improvement "will not have any measurable impact on the official's property," then the conflict is overcome, and the councilmember may participate in the vote. (2 CCR §18702.2(a)(7).)

(b) A councilmember with an interest in real property located "more than 500 feet but less than 1,000 feet" from a proposed improvement may participate in the vote unless the improvement will change the councilmember's property's: (i) development potential; (ii) income producing potential; (iii) highest and best use; (iv) market value; or (v) character by substantially altering traffic levels, intensity of use, parking, view, privacy, noise levels, or air quality. (2 CCR §18702.2(a)(8).)

(c) A councilmember with an interest in real property located 1,000 feet or more from the improvement may participate in the vote, because it is presumed that no conflict exists. But this presumption may be rebutted with "clear and convincing evidence" that the improvement will have a "substantial effect" on the property. (2 CCR §18702.2(b).)

However, please be advised that there are three (3) exceptions that overrides all of the above:

(1) Maintenance of Existing Infrastructure: The maintenance of already existing infrastructure does not create a material conflict of interest for any councilmember, including those who own or have an interest in real property in the vicinity. (2 CCR §18702.2(d)(1).)

(2) No Disproportionate Impact: Regardless of the distance between the improvement and the real property, no conflict exists if the improvement does not provide a benefit or detriment to the councilmember's property that is "disproportionate to other properties" receiving the services. (2 CCR §18702.2(6).)

(3) Public Generally Exception: If a decision's impact on the councilmember's real property is indistinguishable from the decision's impact on the "public generally," the councilmember may participate in the vote. An "indistinguishable impact" is defined here as a change impacting a "significant segment of the public" as determined by either:

(a) 25% of: (i) businesses or non-profits; (ii) real property; or (iii) the individual people in the councilmember's district; or

(b) 15% of the real residential property within the councilmember's district, so long as the only property at issue for the councilmember is their residence.

FISCAL IMPACT:

There is no impact to the General Fund. The Annual Slurry Seal Project is funded through Measure M. Funding for the Project was approved as part of the Fiscal Year 2025-2026 Capital Improvement Program Budget and carried forward into Fiscal Year 2026-2027. The total approved Project budget is \$250,000.00, as shown below.

Funding Source	Amount
Measure M	\$250,000.00
Total Approved Budget	\$250,000.00

ATTACHMENTS:

1. Attachment A - Project Street List
2. Attachment B - Location Map
3. Attachment C - Pavement Coatings Co. Contract

**CITY OF BELL
PUBLIC WORKS DEPARTMENT**

ANNUAL SLURRY SEAL PROJECT

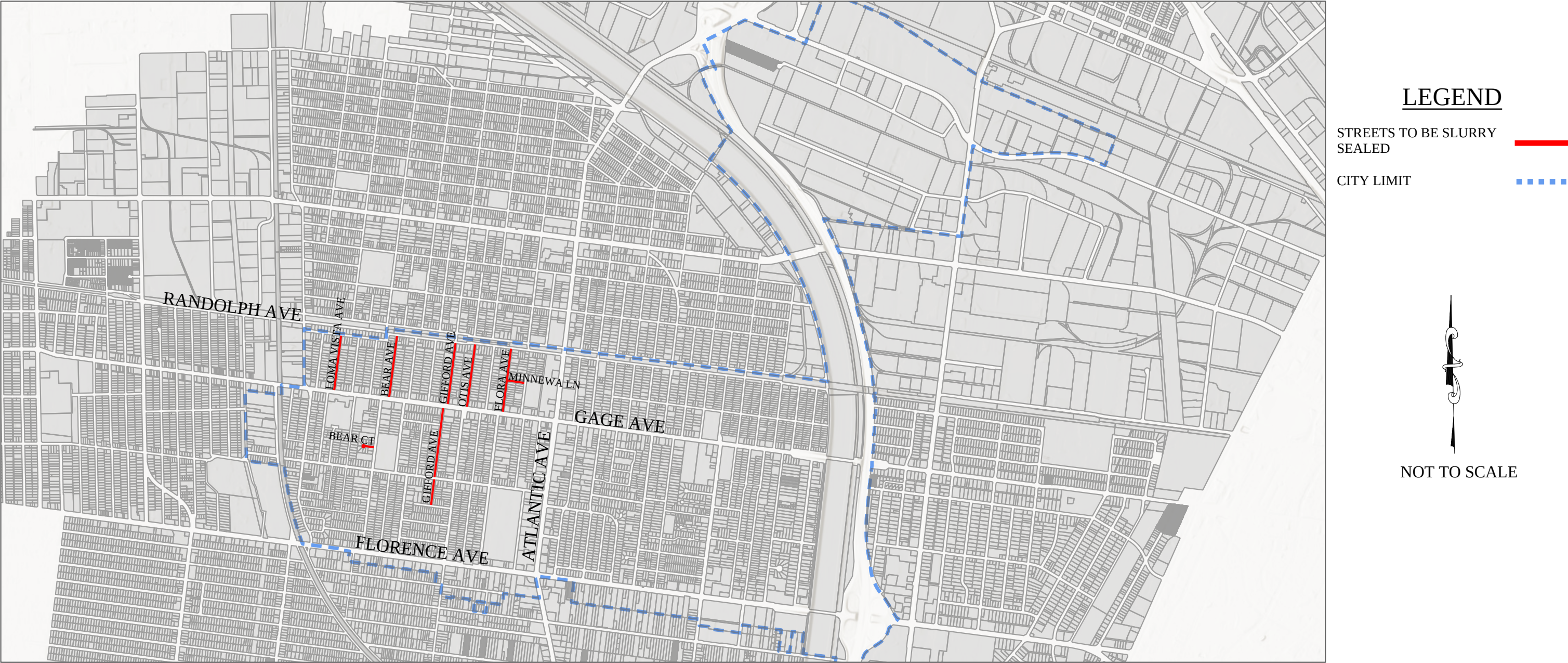
No.	Street	Begin	End	Length (FT.)	Width (FT.)	Area (SQ. FT.)
1	Minnewa Lane	Flora Avenue	Pine Avenue	314	38	11,932
2	Flora Avenue	Randolph Street	Gage Avenue	1165	25	29,125
3	Otis Avenue	Randolph Street	Gage Avenue	1165	33	38,445
4	Gifford Avenue	Randolph Street	Gage Avenue	1145	33	37,785
5	Bear Avenue	Randolph Street	Gage Avenue	1120	36	40,320
6	Bear Court	End	Bear Avenue	220	26	5,720
7	Loma Vista Avenue	Randolph Place	Gage Avenue	1000	26	26,000
8	Gifford Avenue	Gage Avenue	Bell Avenue	1279	36	46,044
9	Gifford Avenue	Bell Avenue	Brompton Avenue	455	40	18,200
						253,571



CITY of BELL

CITY OF BELL
PUBLIC WORKS DEPARTMENT

ANNUAL SLURRY SEAL PROJECT



**AGREEMENT
FOR PUBLIC WORKS SERVICES BETWEEN
THE CITY OF BELL AND PAVEMENT
COATINGS CO.
FOR THE ANNUAL SLURRY SEAL PROJECT**

THIS AGREEMENT FOR PUBLIC WORKS SERVICES (herein “Agreement”) is made and entered into this 22th day of July, 2026, by and between the City of Bell, a California charter city ("City"), and Pavement Coatings Co., a California corporation. ("Contractor"). City and Contractor are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties".

RECITALS

A. City has sought, by issuance of a Request for Proposals or Invitation for Bids, the performance of the services defined and described particularly in Article 1 of this Agreement.

B. Contractor, following submission of a proposal or bid for the performance of the services defined and described particularly in Article 1 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of Bell Municipal Code, the City has authority to enter into and execute this Agreement.

D. The Parties desire to formalize the selection of Contractor for performance of those services defined and described particularly in Article 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. WORK OF CONTRACTOR

1.1 Scope of Work.

In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the “Scope of Work” attached hereto as Exhibit “A” and incorporated herein by this reference, which may be referred to herein as the “services” or “work” hereunder. As a material inducement to the City entering into this Agreement, Contractor represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the work required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Contractor shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Contractor covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be both of good quality as well as fit for the purpose intended. For purposes of this Agreement, the phrase “highest professional

standards” shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Bid Documents.

The Scope of Work shall include the Plans, Specifications, and Contract Documents for the project entitled **ANNUAL SLURRY SEAL PROJECT**, including any documents or exhibits referenced therein (collectively, “bid documents”), all of which are incorporated herein by this reference. In the event of any inconsistency between the terms of the bid documents and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Contractor shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Compliance with California Labor Law.

(a) Public Work. The Parties acknowledge that the work to be performed under this Agreement is a “public work” as defined in Labor Code Section 1720 and that this Agreement is therefore subject to the requirements of Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code relating to public works contracts and the rules and regulations established by the Department of Industrial Relations (“DIR”) implementing such statutes. The work performed under this Agreement is subject to compliance monitoring and enforcement by the DIR. Contractor shall post job site notices, as prescribed by regulation.

(b) Prevailing Wages. Contractor shall pay prevailing wages to the extent required by Labor Code Section 1771. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages are on file at City Hall and will be made available to any interested party on request. By initiating any work under this Agreement, Contractor acknowledges receipt of a copy of the Department of Industrial Relations (DIR) determination of the prevailing rate of per diem wages, and Contractor shall post a copy of the same at each job site where work is performed under this Agreement.

(c) Penalty for Failure to Pay Prevailing Wages. Contractor shall comply with and be bound by the provisions of 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 City, forfeit two hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Contractor or by any subcontractor.

(d) Payroll Records. Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to: keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776; certify and make such payroll records available for inspection as provided by Section 1776; and inform the City of the location of the records.

(e) Apprentices. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6, and 1777.7 and California Code of Regulations Title 8,

Section 200 *et seq.* concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within sixty (60) days after concluding work pursuant to this Agreement, Contractor and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

(f) Eight-Hour Work Day. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810.

(g) Penalties for Excess Hours. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of eight (8) hours per day, and forty (40) hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than one and one-half (1½) times the basic rate of pay.

(h) Workers' Compensation. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees if it has employees. In accordance with the provisions of California Labor Code Section 1861, Contractor 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 workers' compensation or to undertake 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.”

Contractor's Authorized Initials ____

(i) Contractor's Responsibility for Subcontractors. For every subcontractor who will perform work under this Agreement, Contractor shall be responsible for such subcontractor's compliance with Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code, and shall make such compliance a requirement in any contract with any subcontractor for work under this Agreement. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a review of the certified payroll records of the subcontractor on a periodic basis or upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any such failure by any subcontractor.

1.5 Licenses, Permits, Fees and Assessments.

Contractor shall obtain at its sole cost and expense such licenses, permits, registrations, and approvals as may be required by law for the performance of the services required by this Agreement.

Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against City hereunder.

1.6 Familiarity with Work.

(a) By executing this Agreement, Contractor warrants that Contractor (i) has thoroughly investigated and considered the scope of work to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder.

(b) Contractor shall promptly, and before the following conditions are disturbed, notify the City, in writing, of any: (i) material Contractor believes may be hazardous waste as defined in Section 25117 of the Health & Safety Code required to be removed to a Class I, II, or III disposal site in accordance with existing law; (ii) subsurface, unknown or latent conditions, materially different from those indicated; or (iii) unknown physical conditions at the site of any unusual nature, different from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Agreement, and will materially affect the performance of the services hereunder.

(c) City shall promptly investigate the conditions, and if it finds that the conditions do materially differ, or do involve hazardous waste, and cause a decrease or increase in Contractor's cost of, or the time required for, performance of any part of the work, shall issue a change order per Section 1.10 of this Agreement.

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

(e) City will compensate Contractor to the extent required by Government Code Section 4215 by issuing a change order per Section 1.10 of this Agreement.

1.7 Protection and Care of Work and Materials.

The Contractor shall adopt reasonable methods, including providing and maintaining storage facilities, during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as caused by City's own negligence. Stored materials shall be reasonably accessible for inspection. Contractor shall not, without City's consent, assign, sell, mortgage, hypothecate, or remove equipment or materials which have been installed or delivered and which may be necessary for the completion of the work.

1.8 Warranty.

Contractor warrants all work under the Agreement (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Agreement or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the work or non-conformance of the work to the Agreement, commence and prosecute with due diligence all work necessary to fulfill the terms of the warranty at its sole cost and expense. Contractor shall act as soon as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair, remove and replace any portions of the work (or work of other contractors) damaged by its defective work or which becomes damaged in the course of repairing or replacing defective work. For any work so corrected, Contractor's obligation hereunder to correct defective work shall be reinstated for an additional one-year period, commencing with the date of acceptance of such corrected work. Contractor shall perform such tests as the City may require verifying that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Agreement. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of the Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Agreement, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand.

1.9 Further Responsibilities of Parties.

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

1.10 Additional Work and Change Orders.

(a) City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Work or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written change order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor ("Change Order"). All Change Orders must be signed by the Contractor and Contract Officer prior to commencing the extra work thereunder.

(b) Any increase in compensation of up to ten percent (10%) of the Contract Sum or \$25,000, whichever is less; or any increase in the time to perform of up to one hundred eighty (180) days; and does not materially affect the Work and which are not detrimental to the Work or to the interest of the City, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively, must be approved by the City Council.

(c) Any adjustment in the Contract Sum for a Change Order must be in accordance with the rates set forth in the Schedule of Compensation in Exhibit "C". If the rates in the Schedule of Compensation do not cover the type of work in the Change Order, the cost of such work shall not exceed an amount agreed upon in writing and signed by Contractor and Contract Officer. If the cost of the Change Order cannot be agreed upon, the City will pay for actual work of the Change Order completed, to the satisfaction of the City, as follows:

(i) Labor: the cost of labor shall be the actual cost for wages of workers and subcontractors performing the work for the Change Order at the time such work is done. The use of labor classifications that would increase the cost of such work shall not be permitted.

(ii) Materials and Equipment: the cost of materials and equipment shall be at cost to Contractor or lowest current price which such materials and equipment are reasonably available at the time the work is done, whichever is lower.

(iii) If the cost of the extra work cannot be agreed upon, the Contractor must provide a daily report that includes invoices for labor, materials and equipment costs for the work under the Change Order. The daily report must include: list of names of workers, classifications, and hours worked; description and list of quantities of materials used; type of equipment, size, identification number, and hours of operation, including loading and transportation, if applicable; description of other City authorized services and expenditures in such detail as the City may require. Failure to submit a daily report by the close of the next working day may, at the City's sole and absolute discretion, waive the Contractor's rights for that day.

(d) It is expressly understood by Contractor that the provisions of this Section 1.10 shall not apply to services specifically set forth in the Scope of Work. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Work may be more costly or time consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation therefor. City may in its sole and absolute discretion have similar work done by other contractors.

(e) No claim for an increase in the Contract Sum or time for performance shall be valid unless the procedures established in this Section are followed.

1.11 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the “Special Requirements” attached hereto as Exhibit “B” and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit “B” and any other provisions of this Agreement, the provisions of Exhibit “B” shall govern.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Contractor the amounts specified in the “Schedule of Compensation” attached hereto as Exhibit “C” and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed **One Hundred Nineteen Thousand Seven Hundred Fifty Dollars (\$119,750)** (the “Contract Sum”), unless additional compensation is approved pursuant to Section 1.10.

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services less the contract retention; (iii) payment for time and materials based upon the Contractor’s rates as specified in the Schedule of Compensation, provided that (a) time estimates are provided for the performance of sub tasks, (b) contract retention is maintained and (c) the Contract Sum is not exceeded; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contractor at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Contractor is required to attend additional meetings to facilitate such coordination, Contractor shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Contractor shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City’s Director of Finance. By submitting an invoice for payment under this Agreement, Contractor is certifying compliance with all provisions of the Agreement. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and subcontractor contracts. Sub-contractor charges shall also be detailed by such categories. Contractor shall not invoice City for any duplicate services performed by more than one person.

City shall, as soon as practicable, independently review each invoice submitted by the Contractor to determine whether the work performed, and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Contractor which are disputed by City, or as provided in Section 7.3, City will cause Contractor to be paid within thirty (30)

days of receipt of Contractor's correct and undisputed invoice; however, Contractor acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event that City does not cause Contractor to be paid within thirty (30) days of receipt of an undisputed and properly submitted invoice, Contractor shall be entitled to the payment of interest to the extent allowed under Public Contract Code Section 20104.50. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Contractor, not later than seven (7) days after receipt by the City, for correction and resubmission. Returned invoices shall be accompanied by a document setting forth in writing the reasons why the payment request was rejected. Review and payment by the City of any invoice provided by the Contractor shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2.5 Waiver.

Payment to Contractor for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Contractor.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Contractor shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Contractor, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Contractor shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Contractor be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Contractor's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Inspection and Final Acceptance.

City may inspect and accept or reject any of Contractor's work under this Agreement, either during performance or when completed. City shall reject or finally accept Contractor's work within forty-five

(45) days after submitted to City. City shall accept work by a timely written acceptance, otherwise work shall be deemed to have been rejected. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as to amount to fraud. Acceptance of any work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Articles 1 and 5, pertaining to warranty and indemnification and insurance, respectively.

3.5 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services, but not exceeding one (1) years from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D").

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Contractor.

The following principals of Contractor ("Principals") are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Kurt Eddy

President/CEO

James Wu

Vice President/Secretary

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing Principals were a substantial inducement for City to enter into this Agreement. Therefore, the Principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder. All personnel of Contractor, and any authorized agents, shall at all times be under the exclusive direction and control of the principals. For purposes of this Agreement, the Principals may not be replaced, nor may their responsibilities be substantially reduced by Contractor without the express written approval of City. Additionally, Contractor shall make every reasonable effort to maintain the stability and continuity of Contractor's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Contractor shall notify City of any changes in Contractor's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Contractor.

Contractor shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Contractor shall not at any time or in any manner represent that Contractor or any of Contractor's officers, employees, or agents are in any manner officials, officers, employees, or agents of City. Neither Contractor, nor any of Contractor's officers, employees, or agents, shall obtain any rights to

retirement, health care or any other benefits which may otherwise accrue to City's employees. Contractor expressly waives any claim Contractor may have to any such rights.

4.3 Contract Officer.

The Contract Officer shall be Rita Montalvo, Public Works Director, or such person as may be designated by the City Manager. It shall be the Contractor's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Contractor shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.4 Independent Contractor.

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

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Contractor shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. All subcontractors shall obtain, at its or Contractor's expense, such licenses, permits, registrations and approvals (including from the City) as may be required by law for the performance of any services or work under this Agreement. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of City.

ARTICLE 5. INSURANCE, INDEMNIFICATION AND BONDS

5.1 Insurance Coverages.

The Contractor shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees and agents of City:

(a) Commercial General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$5,000,000 per occurrence or if a general aggregate limit is used, then the general aggregate limit shall be twice the occurrence limit.

(b) Workers Compensation Insurance. A policy of workers compensation insurance in such amount as will fully comply with the laws of the State of California, with Statutory Limits, and Employer's Liability insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease, and which shall indemnify, insure and provide legal defense for the Contractor against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by the Contractor in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance (Form CA 0001 (Ed 1/87) including "any auto" and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than \$5,000,000. Said policy shall include coverage for owned, non-owned, leased, hired cars and any automobile.

(d) Professional Liability. Professional liability insurance appropriate to the Contractor's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to services performed under this Agreement. The insurance must be maintained for at least 5 consecutive years following the completion of Contractor's services or the termination of this Agreement. During this additional 5-year period, Contractor shall annually and upon request of the City submit written evidence of this continuous coverage. If Design/Build, Professional liability insurance shall be in an amount no less than \$2,000,000 per occurrence or claim, and \$2,000,000 policy aggregate.

(e) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements in Exhibit "B".

(f) Contractor's Pollution Legal Liability and/or Errors and Omissions. If project involves environmental hazards, a policy shall be with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate.

(g) Builder's Risk. Builder's Risk (Course of Construction) Insurance utilizing an "All Risk" (Special Perils) coverage form, with limits equal to the completed value of the project and no coinsurance penalty provisions.

(h) Subcontractors. Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

5.2 General Insurance Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by City or its officers, employees or agents may apply in excess of, and not contribute with Contractor's insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. Moreover, the

insurance policy must specify that where the primary insured does not satisfy the self-insured retention, any additional insured may satisfy the self-insured retention.

All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with Section 5.1 to the Contract Officer.

No work or services under this Agreement shall commence until the Contractor has provided the City with Certificates of Insurance, additional insured endorsement forms or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City. City reserves the right to inspect complete, certified copies of and endorsements to all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

All certificates shall name the City as additional insured (providing the appropriate endorsement) and shall conform to the following "cancellation" notice:

CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATED THEREOF, THE ISSUING COMPANY SHALL MAIL THIRTY (30)-DAY ADVANCE WRITTEN NOTICE TO CERTIFICATE HOLDER NAMED HEREIN.

Agent's Initials

City, its respective elected and appointed officers, directors, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities Contractor performs; products and completed operations of Contractor; premises owned, occupied or used by Contractor; or any automobiles owned, leased, hired or borrowed by Contractor. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, employees or volunteers. Contractor'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, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims. The Contractor agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which the Contractor may be held responsible for the payment of damages to any persons or property resulting from the Contractor's activities or the activities of any person or persons for which the Contractor is otherwise responsible nor shall it limit the Contractor's indemnification liabilities as provided in Section 5.3.

In the event the Contractor subcontracts any portion of the work in compliance with Section 4.5 of this Agreement, the contract between the Contractor and such subcontractor shall require the

subcontractor to maintain the same policies of insurance that the Contractor is required to maintain pursuant to Section 5.1, and such certificates and endorsements shall be provided to City.

5.3 Indemnification.

To the full extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the City, its officers, employees and agents (“Indemnified Parties”) against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Contractor, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Contractor is legally liable (“indemnitors”), or arising from Contractor’s or indemnitors’ reckless or willful misconduct, or arising from Contractor’s or indemnitors’ negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(a) Contractor will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys’ fees incurred in connection therewith;

(b) Contractor will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Contractor hereunder; and Contractor agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Contractor hereunder, Contractor agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys’ fees.

In addition, Contractor agrees to indemnify, defend and hold harmless the Indemnified Parties from, any and all claims and liabilities for any infringement of patent rights, copyrights or trademark on any person or persons in consequence of the use by the Indemnified Parties of articles to be supplied by Contractor under this Agreement, and of which the Contractor is not the patentee or assignee or has not the lawful right to sell the same.

Contractor shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Contractor shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Contractor in the performance of professional services and work hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City’s sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City’s negligence, except that design professionals’ indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Contractor and shall survive termination of this Agreement.

5.4 Notification of Third-Party Claims.

City shall timely notify Contractor of the receipt of any third-party claim relating to the work under this Agreement. City shall be entitled to recover from Contractor its reasonable costs incurred in providing such notification.

5.5 Performance and Labor Bonds.

Concurrently with execution of this Agreement Contractor shall deliver to the City the following:

(a) A performance bond in the amount of the Contract Sum of this Agreement, in the form provided by the City Clerk, which secures the faithful performance of this Agreement.

(b) A labor and materials bond in the amount of the Contract Sum of this Agreement, in the form provided by the City Clerk, which secures the payment of all persons furnishing labor and/or materials in connection with the work under this Agreement.

Both the performance and labors bonds required under this Section 5.5 shall contain the original notarized signature of an authorized officer of the surety and affixed thereto shall be a certified and current copy of his power of attorney. The bond shall be unconditional and remain in force during the entire term of the Agreement and shall be null and void only if the Contractor promptly and faithfully performs all terms and conditions of this Agreement and pays all labor and materials for work and services under this Agreement.

5.6 Sufficiency of Insurer or Surety.

Insurance and bonds required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best's Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City ("Risk Manager") due to unique circumstances. If this Agreement continues for more than 3 years duration, or in the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Contractor agrees that the minimum limits of the insurance policies and the performance bond required by Section 5.5 may be changed accordingly upon receipt of written notice from the Risk Manager.

5.7 Substitution of Securities.

Pursuant to Public Contract Code Section 22300, substitution of eligible equivalent securities for any funds withheld to ensure performance under this Agreement may be permitted at the request and sole expense of the Contractor. Alternatively, the Contractor may, pursuant to an escrow agreement in a form prescribed by Public Contract Code Section 22300, request payment of retentions funds earned directly to the escrow agent at the sole expense of the Contractor.

5.8 Release of Securities.

City shall release the Performance and Labor Bonds when the following have occurred:

- (a) Contractor has made a written request for release and provided evidence of satisfaction of all other requirements under Article 5 of this Agreement.

- (b) the Work has been accepted; and
- (c) after passage of the time within which lien claims are required to be made pursuant to applicable laws; if lien claims have been timely filed, City shall hold the Labor

Bond until such claims have been resolved, Contractor has provided statutory bond, or otherwise as required by applicable law.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Contractor shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies, certified and accurate copies of payroll records in compliance with all applicable laws, or other documents relating to the disbursements charged to City and services performed hereunder (the “books and records”), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of 3 years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Contractor’s business, custody of the books and records may be given to City, and access shall be provided by Contractor’s successor in interest. Notwithstanding the above, the Contractor shall fully cooperate with the City in providing access to the books and records if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.

6.2 Reports.

Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Contractor hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the “documents and materials”) prepared by Contractor, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of

the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Contractor will be at the City's sole risk and without liability to Contractor, and Contractor's guarantee and warranties shall not extend to such use, reuse or assignment. Contractor may retain copies of such documents for its own use. Contractor shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify City for all damages resulting therefrom. Moreover, Contractor with respect to any documents and materials that may qualify as "works made for hire" as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed "works made for hire" for the City.

6.4 Confidentiality and Release of Information.

(a) Information gained or work product produced by Contractor in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Contractor. Contractor shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Contractor, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Contractor gives City notice of such court order or subpoena.

(c) If Contractor, or any officer, employee, agent or subcontractor of Contractor, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Contractor for any damages, costs and fees, including attorneys' fees, caused by or incurred as a result of Contractor's conduct.

(d) Contractor shall promptly notify City should Contractor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Contractor or be present at any deposition, hearing or similar proceeding. Contractor agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Contractor. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

7.2 Disputes.

(a) Default; Cure. In the event that Contractor is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Contractor for any work performed after the date of default. Instead, the City may give notice to Contractor of the default and the reasons for the default. The notice shall include the timeframe in which Contractor may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Contractor is in default, the City shall hold all invoices and shall proceed with payment on the invoices only when the default is cured. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Contractor does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Contractor's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

(b) Dispute Resolution. This contract is subject to the provisions of Article 1.5 (commencing at Section 20104) of Division 2, Part 3 of the California Public Contract Code regarding the resolution of public works claims of less than \$375,000. Article 1.5 mandates certain procedures for the filing of claims and supporting documentation by the Contractor, for the response to such claims by the City, for a mandatory meet and confer conference upon the request of the Contractor, for mandatory non-binding mediation in the event litigation is commenced, and for mandatory judicial arbitration upon the failure to resolve the dispute through mediation. This Agreement hereby incorporates the provisions of Article 1.5 as though fully set forth herein.

7.3 Retention of Funds.

Contractor hereby authorizes City to deduct from any amount payable to Contractor (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Contractor's acts or omissions in performing or failing to perform Contractor's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Contractor, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Contractor to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Contractor shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

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

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Contractor shall file a claim pursuant to Government Code Sections 905 et seq. and 910 et seq., in order to pursue a legal action under this Agreement.

7.7 Liquidated Damages.

Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, the Contractor and its sureties shall be liable for and shall pay to the City the sum of One Thousand Two Hundred Dollars (\$1,200.00) as liquidated damages for each working day of delay in the performance of any service required hereunder, as specified in the Schedule of Performance (Exhibit "D"), and per section 6-9 of the Special Provisions. The City may withhold from any monies payable on account of services performed by the Contractor any accrued liquidated damages. Pursuant to Government Code Section 4215, Contractor shall not be assessed liquidated damages for delay in completion of the project when such delay was caused by the failure of the public agency or owner of the utility to provide for removal or relocation of utility facilities.

7.8 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Contractor reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.9 Termination for Default of Contractor.

If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.10 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

7.11 Unfair Business Practices Claims.

In entering into this Agreement, Contractor offers and agrees to assign to the City 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. § 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 related to this Agreement. This assignment shall be made and become effective at the time the City renders final payment to the Contractor without further acknowledgment of the Parties.

ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Contractor covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Contractor's performance of services under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Contractor agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation, partnership or association

in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

8.3 Covenant Against Discrimination.

Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry, or other protected class in the performance of this Agreement. Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry, or other protected class.

8.4 Unauthorized Aliens.

Contractor hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C. § 1101 *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Contractor so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Contractor hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer (with her/his name and City title), City Of Bell, 6330 Pine Avenue, Bell, CA 90201 and in the case of the Contractor, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section. All correspondence relating to this Agreement shall be serialized consecutively.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Contractor and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Warranty & Representation of Non-Collusion.

No official, officer, or employee of City has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of City participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interests found to be "remote" or "noninterests" pursuant to Government Code Sections 1091 or 1091.5. Contractor warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Contractor further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Contractor is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Contractor's Authorized Initials _____

9.7 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

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

CITY:

CITY OF BELL, a charter city

Ali Saleh, Mayor

ATTEST:

Angela Bustamante, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP



Danny Aleshire, City Attorney

CONTRACTOR:

PAVEMENT COATINGS CO., a California corporation

By: _____
Name: Kurt Eddy
Title: President/CEO

By: _____
Name: James Wu
Title: Vice President/Secretary

Address: 10240 San Sevaine Way,
Jurupa Valley, CA 91752

Two corporate officer signatures required when Contractor is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONTRACTOR'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONTRACTOR'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2026, before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
☐	INDIVIDUAL	_____
☐	CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT

☐	PARTNER(S) ☐ LIMITED	_____
	☐ GENERAL	NUMBER OF PAGES
☐	ATTORNEY-IN-FACT	_____
☐	TRUSTEE(S)	DATE OF DOCUMENT
☐	GUARDIAN/CONSERVATOR	_____
☐	OTHER _____	SIGNER(S) OTHER THAN NAMED ABOVE

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2026, before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
☐	INDIVIDUAL	_____
☐	CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT

☐	PARTNER(S) ☐ LIMITED	_____
	☐ GENERAL	NUMBER OF PAGES
☐	ATTORNEY-IN-FACT	_____
☐	TRUSTEE(S)	DATE OF DOCUMENT
☐	GUARDIAN/CONSERVATOR	_____
☐	OTHER _____	SIGNER(S) OTHER THAN NAMED ABOVE

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

EXHIBIT "A"

SCOPE OF WORK

- I.** Contractor shall perform all of the work and comply with all of the specifications and requirements set forth in the bid documents referenced in Section 1.2 for the project entitled **ANNUAL SLURRY SEAL PROJECT** including any documents or exhibits referenced therein.

- II.** Brief description of the work to be performed:

The Contractor will the work to be performed or executed under the specifications contained in the bid documents, which includes furnishing all materials, equipment, tools, labor, and incidentals as required by the bid documents and conforming to the special provisions. The scope of work includes, but is not limited to performing the following work:

Preparing roadway for the installation of slurry seal type II with three (3) percent latex, preparing existing striping and marking log subject to approval from the City, removing and replacing striping, pavement marking, raised pavement markers, curb markings, curb addresses, Speed Hump marking, and all other items not mentioned but indicated in the Plans and Specifications.

Contractor will perform all such work on the following streets:

Street	Begin	End	Length (FT.)	Width (FT.)	Area (SQ. FT.)
Minnewa Lane	Flora Avenue	Pine Avenue	314	38	11,932
Flora Avenue	Randolph Street	Gage Avenue	1165	25	29,125
Otis Avenue	Randolph Street	Gage Avenue	1165	33	38,445
Gifford Avenue	Randolph Street	Gage Avenue	1145	33	37,785
Bear Avenue	Randolph Street	Gage Avenue	1120	36	40,320
Bear Court	End	Bear Avenue	220	26	5,720
Loma Vista Avenue	Randolph Place	Gage Avenue	1000	26	26,000
Gifford Avenue	Gage Avenue	Bell Avenue	1279	36	46,044
Gifford Avenue	Bell Avenue	Brompton Avenue	455	40	18,200
					253,571

- III.** In addition to the requirements of Section 6.2, during performance of the work, Contractor will keep the City apprised of the status of performance by delivering the following status reports:

- A. As requested by the Contract Officer.
- IV. All work is subject to review and acceptance by the City and must be revised by the Contractor without additional charge to the City until found satisfactory and accepted by City.
- V. Contractor shall provide safe and continuous passage for pedestrian and vehicular traffic in accordance with the Work Area Traffic Control Handbook (WATCH), latest edition.

EXHIBIT "B"

SPECIAL REQUIREMENTS (Superseding Contract Boilerplate)

The following provisions shall be added to the end of Section 5.5:

“If the Contract Sum is increased, Contractor shall increase the amounts of the performance bond and payment bond in the same or greater amount as the increase in the Contract Sum. The Contractor shall be required to complete and execute the following documents, which are attached hereto and are hereby made a part of this Agreement:

- o Faithful Performance Bond;
- o Payment Bond;
- o Worker’s Compensation Insurance Certificate;
- o Declaration of Sufficiency of Funds;
- o Guaranty; and
- o Final Closeout Agreement and Release of All Claims.”

EXHIBIT “C”

SCHEDULE OF COMPENSATION

- I.** Contractor shall perform all work at the rates on the Project Bid Schedule Sheet submitted below/attached as Exhibit “C-1” (the “Project Rates”)
- II.** A retention of five percent (5%) shall be held from each payment as a contract retention to be paid as part of the final payment upon satisfactory completion of services.
- III.** Within the budgeted amounts for each item on the Project Bid Sheet, and with the approval of the Contract Officer, funds may be shifted from one item’s sub-budget to another so long as the Contract Sum is not exceeded per Section 2.1, unless Additional Work is approved per Section 1.10.
- IV.** The City will compensate Contractor for the Services performed upon submission of a valid invoice. Each invoice is to include:
 - A.** Line items for all materials, equipment, and work properly charged to the Services.
- V.** The total compensation for the services described in Exhibit A shall not exceed **\$119,750**, per Section 2.1 of this Agreement.

Exhibit "C-1"

PUBLIC WORKS DEPARTMENT OF THE CITY OF BELL

ANNUAL SLURRY SEAL PROJECT

PROJECT BID SHEET

The Contractor shall complete this Project Bid Sheet for use only by Agency for comparison of bids and compensation to the Contractor for this project. The estimated quantities and itemized descriptions (see Special Provisions for detailed descriptions) listed in the Project Bid Sheet are supplied to give an indication of the general size of the work. The accuracy of the estimated quantities is not guaranteed. Unit prices are intended to be the basis for additions, deletions or substitutions to the work, if required. Lump sum prices and/or quantities shall be considered all inclusive and shall not be considered for price and/or quantity adjustment. The work to be performed shall include, but not be limited to, the items described. The bid shall include the furnishing of all labor, services, tools, equipment, materials, appurtenances and incidentals necessary to complete the PROJECT per specifications. The Contractor shall provide a separate price (in figures) for the following:

BID SCHEDULE FOR

ANNUAL SLURRY SEAL PROJECT

ITEM NO.	DESCRIPTION	REFERENCE	UNIT	EST. QTY.	UNIT PRICE
1	MOBILIZATION (5% MAXIMUM)	7-3.9.2	LS	1	\$5,500.00
2	TRAFFIC CONTROL	601-3.5.2 601-3.6.1 601-7	LS	1	\$18,000.00
3	STRIPING, MARKINGS, AND MARKERS	314-1.1	LS	1	\$34,500.00
4	CRACK SEAL ALL CRACKS 0.25-INCH WIDE OR GREATER AND APPLY HERBICIDE	302-4.11	LS	1	\$14,500.00
5	SLURRY SEAL (CATIONIC) TYPE II WITH 3% LATEX AT A SPREAD RATE OF 1250 SQUARE FEET PER ELT	302-4.11	ELT	225	\$210.00
TOTAL (BASE BID)					\$119,750.00

TOTAL BASE BID PRICE IN FIGURES \$ 119,750.00

TOTAL BASE BID PRICE IN WORDS One Hundred Nineteen Thousand

Seven Hundred Fifty Dollars and zero cents

Bids shall include all taxes, permits, licenses, fees, and shipping costs.

P-20

BID PW26-004

EXHIBIT "D"

SCHEDULE OF PERFORMANCE

- I.** Contractor shall perform all Services timely in accordance with the schedule to be developed by Contractor and subject to the written approval of the Contract Officer.
- II.** Contractor shall complete the following tangible work by the following dates.
 - A. Within **20 Working Days** after issuance of the Notice to Proceed.
- III.** The Contract Officer may approve extensions for performance of the services in accordance with Section 3.2.

ANNUAL SLURRY SEAL PROJECT

IN THE CITY OF BELL

FAITHFUL PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS that, _____ as Contractor, and Surety, are held and firmly bound unto **THE CITY OF BELL**, a public body, corporate and politic ("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 sums, 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 Agreement with Agency for the above stated project, if Contractor faithfully performs and fulfills all obligations under the Agreement (including but not limited to the obligations of the Contract Documents incorporated therein) in the manner and time specified therein, then this obligation shall be null and void at the end of all warranty periods set forth in the Agreement, 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 Agreement shall not in any way release either Contractor or Surety, and notice of such alterations is hereby waived by Surety.

WITNESS our hands this _____ day of _____, ____.

Subscribed and sworn to before me

this _____ day of _____, _____. (Print Name of Contractor, Company or Corporation)

(Signature of Notary Public) By: _____
(President)

By: _____
(Secretary/Treasurer)

(SEAL)

(SEAL)

FAITHFUL PERFORMANCE BOND

Subscribed and sworn to before me

this _____ day of _____, _____.

(Print Surety's Name)

(Signature of Notary Public)

(Surety's Mailing Address)

(SEAL)

By: _____

(Name)

(Title)

**NOTE: SIGNATURES OF CORPORATE OFFICIALS AND SURETY MUST BE
NOTARIZED, ATTACH JURAT.**

ANNUAL SLURRY SEAL PROJECT

IN THE CITY OF BELL

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS that _____
as Contractor, and _____, as Surety, are held and firmly bound unto
THE CITY OF BELL, a public body, corporate and politic
("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 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 Agreement, 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 be the benefit of all
persons entitled to file claims under the State Civil Code; 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
Agreement shall not in any way release either Contractor or Surety, and notice of said alterations is
hereby waived by Surety.

WITNESS our hands this _____ day of _____, ____.

Subscribed and sworn to before me

this _____ day of _____, _____. (Print Name of Contractor, Company or Corporation)

(Signature of Notary Public)

By: _____

(President)

By: _____

(Secretary/Treasurer)

(SEAL)

(SEAL)

PAYMENT BOND

Subscribed and sworn to before me

this _____ day of _____, _____.

(Print Surety's Name)

(Signature of Notary Public)

(Surety's Mailing Address)

(SEAL)

By: _____

(Name)

(Title)

**NOTE: SIGNATURES OF CORPORATE OFFICIALS AND SURETY MUST BE
NOTARIZED, ATTACH JURAT.**

WORKER'S COMPENSATION INSURANCE CERTIFICATE

Pursuant to Section 1861 of the State Labor Code Amended by Stats. 1979, (C.373, p1343), each Contractor to whom a public works contract has been awarded shall sign the following certificate and shall submit same to City of Bell prior to performing any work on the contract:

“I am aware of the provisions of Section 3700 of the Labor Code which requires 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 I will comply with such provisions before commencing the performance of work of this contract.”

(Contractor)

By: _____
(Print Name)

(Signature)

(Title)

(Date)

Section 3700 of the State Labor Code reads in pertinent part as follows:

“Every employer except the state shall secure the payment of compensation in one or more of the following ways:

(a) By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this state.

(b) By securing from the Director of Industrial Relations a certificate of consent to self-insure either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.”

DECLARATION OF SUFFICIENCY OF FUNDS

(California Labor Code Section 2810)

I, the undersigned, an authorized representative of _____ (insert name of Bidder) (“Bidder”) with authority to make the statements contained in this Declaration on behalf of Bidder, hereby declare the following:

1. The Bidder’s employer identification number for state tax purposes is _____ (insert identification number).
2. The Bidder’s workers’ compensation insurance policy number is _____ (insert policy number) and the name, address, and telephone number of the insurance carrier providing said insurance is: _____ (insert information requested).
3. The following information is provided concerning any and all vehicles that are owned by the Bidder and that will be used for transportation in connection with any service provided for the performance of the Work that is subject of the Bidder’s Bid to the District (insert information requested. Attach addition sheets, if needed):

Vehicle	Vehicle ID No.	Vehicle Liability Insurance Policy No. (of Policy covering vehicle)	Name, Address and Telephone No. of Vehicle Liability Insurance Carrier (issuing Policy covering vehicle)

4. The following is the address of any real property that will be used to house workers in connection with the performance of the Work that is subject of the Bidder's Bid to the District (insert information requested. If no such housing will be provided, enter "none"). _____
5. The actual or estimated number of workers that will be employed to perform the Work of the Project that is the subject of the Bidder's Bid, the total amount of wages to be paid to said workers, and the date on which said wages will be paid are as follows (attach additional sheets, if needed):

Total Number of Workers	Total Amount of Wages	Dates for Payment of Wages

6. Check only one of the following boxes, as applicable:

- ☐ The statement of number of workers declared in Paragraph 5, above, is a statement of the actual number of workers that will be employed; or
- ☐ The actual number of workers requested in Paragraph 5, above, is unknown and therefore the statement of number of workers declared therein is based on the Bidder's best estimate available at the time of Bid, rather than the actual number of workers that will be employed.

7. The actual or estimated total number of persons and entities who will be utilized as independent contractors to perform the Work of the Project that is the subject of the Bidder's Bid (together with their known, current local, state, and federal contractor license identification numbers that each is required to have under local, state or federal laws or regulations are as follows (attach additional sheets, if needed):

List of Independent Contractors	Current, Local, State and Federal Contractor License Identification Number

8. Check only one of the following boxes, as applicable:

- ☐ The statement of number of independent contractors declared in Paragraph 7, above, is a statement of the actual number of independent contractors that will be utilized; or,
- ☐ The actual number of independent contractors requested in Paragraph 7, above, is unknown and therefore the statement of number of independent contractors declared therein is based on the Bidder's best estimate available at the time of Bid, rather than the actual number of independent contractors that will be utilized.

I, the undersigned, declare under penalty of perjury that the foregoing statements are within my personal knowledge and are true and correct. Executed on this _____ day of _____, in the year _____.

Signature

Print Name

PUBLIC WORKS DEPARTMENT OF THE CITY OF BELL

ANNUAL SLURRY SEAL PROJECT

GUARANTY

In accordance with the terms of the contract for the _____

_____ in the City of Bell, California, approved between **PAVEMENT COATINGS CO.** and **THE CITY OF BELL**, a public body, corporate and politic (“Agency”) and the undersigned, under which contract the undersigned shall complete work as described in the contract documents, the following guarantee of said work is hereby made.

Should any of the items installed pursuant to said contract, prove defective or should the item as a whole prove defective, due to faulty workmanship, material furnished or methods of installation, or should the said item or any part thereof fail to operate properly, as planned, due to any of the above causes, all within one (1) year after date on which the work is accepted by the City Council, the undersigned agrees that the repairs shall be made and such materials as are necessary shall be furnished and installed within 10 days after the receipt of demand from the Agency. In the event repairs are not made within 10 days, the Agency shall have the unqualified option to make any needed repairs or replacements itself or by any other Contractor. The undersigned agrees to reimburse the Agency, upon demand, of its expenses incurred in restoring said items to the condition contemplated in said contract, including the cost of any equipment or materials replaced, or upon demand by the Agency, to replace any such equipment and repair said items completely without cost to the Agency so that they will operate successfully as originally contemplated.

Emergency repairs must necessarily be made by the Agency the Agency; therefore, when defective material or workmanship results in emergency repairs, the undersigned agrees to reimburse the Agency, upon demand, expenses incurred.

Said items will be deemed defective within the meaning of this guaranty in the event that they fail to operate as originally intended thereof and in accordance with the plans and specifications included in said contract. The Faithful Performance Bond for this project shall remain in full force and effect for the entire guarantee period as required in the specifications and contract documents.

Date

Signature

**FINAL CLOSEOUT AGREEMENT AND
RELEASE OF ALL CLAIMS**

THIS AGREEMENT AND RELEASE OF ALL CLAIMS is made in Bell, California, this ____ day of _____, ____ by and between THE CITY OF BELL, hereinafter referred to as "AGENCY"; and _____, hereinafter referred to as "CONTRACTOR".

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, as the authorized representative of CONTRACTOR, for and in consideration of _____ DOLLARS (\$_____), to be paid to the CONTRACTOR, does hereby and for each of its successors, assigns and partners, release, acquit and forever discharge the AGENCY, and each of its successors, assigns, officers, agents, servants, consultants and employees, from any and all rights, claims, warranties, demands, debts, obligations, liabilities, actions, damages, costs, expenses and other claims whatsoever which might have been asserted against AGENCY by reason of any matter or thing which was the subject matter of or basis for:

1. The performance of all terms and conditions of that certain contract dated _____, for this Project, **ANNUAL SLURRY SEAL PROJECT**.

2. Change Order Nos. _____ through _____, inclusive, as approved by AGENCY and CONTRACTOR, pertaining to this Project;

3. The claim for equitable contract adjustment time extension required to complete all improvements for this project, dated _____, ____ in a timely manner and to the satisfaction of CITY ENGINEER of AGENCY, as compromised and settled by Change Order No. _____ approved _____, ____;

4. Claims, known or unknown, of any subcontractors of CONTRACTOR relating to this Project and Change Order Nos. _____ through _____, inclusive relating thereto.

Excepting only the payment of the retained cash amount of \$ _____ and the release of bonds to guarantee labor and materials payment and faithful performance.

That the undersigned, as the authorized representative of AGENCY, for and in consideration of the CONTRACTOR'S completion of this Project, does hereby and for each of its

successors, assigns and partners, release, acquit and forever discharge CONTRACTOR, and each of its successors, assigns, officers, agents, servants and employees from any and all rights, claims, warranties, demands, debts, obligations, liabilities, actions, damages, costs, expenses and other claims whatsoever which might have been asserted against CONTRACTOR by reason of any matter or thing which was the subject matter of or basis for:

Change Order Nos. _____ through _____, inclusive, as approved by AGENCY and CONTRACTOR, pertaining to this Project.

Excepting only CONTRACTOR'S completion of all work as specified by this Project.

Nothing contained herein shall waive or alter the rights, privileges and powers of the AGENCY or the duties, liabilities and obligations of the CONTRACTOR and its surety with respect to this Project.

All work for this Project shall be completed to acceptable standards and tolerances prior to execution of this agreement.

Upon execution of this agreement, the AGENCY agrees to immediately file and record a Notice of Completion with the County Recorder's Office to begin the statutory lien period. The AGENCY agrees that the execution of this agreement commences the running time of any warranty or guarantee periods specified in the contract. The AGENCY and CONTRACTOR agree that the CONTRACTOR is liable for damages for delay, liquidated damages, in the amount of \$ _____ for failure to complete the work specified in this Project Specifications within **Twenty (20) working days**, time allowed under Section _____ of This Project Specifications.

The presently retained amount \$ _____ is ten percent (10%) of the total adjusted contract cost \$ _____, for this Project, less liquidated damages of \$ _____. Said retention monies will be released to the CONTRACTOR at the expiration of the lien period thirty-five (35) calendar days after recordation of the Notice of Completion by the County Recorder's Office.

CONTRACTOR and AGENCY agree that the total adjusted contract price and time of performance for this Project as follows:

ORIGINAL CONTRACT PRICE \$ _____ _____ working days

		ADD	
CHANGE		(DEDUCT)	TIME
<u>ORDER</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>EXTENSION</u>

TOTAL CHANGE ORDER NOS. ____ - ____

FINAL ADJUSTED CONTRACT PRICE \$ _____ working days

The final completion date of the work for this Project. is _____, ____.

It is understood and agreed by the undersigned that the facts with respect to which the foregoing Release is given may hereafter turn out to be other than or different from the facts now known to be or believed by said undersigned to be true, and the undersigned hereto expressly assume the risk of the facts turning out to be different than they now appear, and agree that the foregoing Release shall be, in all respects, effective and not subject to termination or rescission by any such difference in facts. The undersigned hereby expressly waive any and all rights the undersigned have or may have under California Civil Code Section 1542, which provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the Release which if known by him must have materially affected his settlement with the debtor.”

It is understood and agreed that this settlement is a compromise of doubtful and disputed claims, and that the releases made by the CONTRACTOR and AGENCY herein are not to be construed as an admission or admissions of liability on the part of either party and that the parties deny liability thereof and intend merely to avoid litigation and to buy their peace.

The undersigned agree that they will forever refrain and forbear from commencing, instituting or prosecuting any lawsuit, action or other proceeding against the other party based on, arising out of, or in any way connected with the subject matter of this Release.

The CONTRACTOR hereby releases and agrees to indemnify the AGENCY for all claims, including those of its Subcontractor for any and all delay and impact costs.

The terms of this release shall not excuse the responsibility of the CONTRACTOR to guarantee all work for a period of one (1) year from the date of acceptance of all improvements by the AGENCY. CONTRACTOR shall repair and replace any and all improvements damaged or

failed (ordinary wear and tear, and usual abuse or neglect accepted) and shall maintain the original Faithful Performance Bond in full force and effect for the entire guarantee period.

The CONTRACTOR represents and warrants to the AGENCY that the CONTRACTOR has not heretofore assigned, or transferred, or purported to assign or transfer to any person, firm, corporation, association or entity any of the rights, claims, warranties, demands, debts, obligations, liabilities, actions, damages, costs, expenses and other claims whatsoever and the CONTRACTOR agrees to indemnify and hold harmless the AGENCY against, without limitation, any and all rights, claims, warranties, demands, debts, obligations, liabilities, actions, damages, costs, expenses and other claims, including attorneys' fees, arising out of or connected with any such assignment or transfer or purported assignment or transfer.

The undersigned acknowledge that they have been represented by counsel of their own choice in connection with the preparation and execution of this mutual Release of All Claims in full, and understand, and voluntarily consent, and agree to each and every provision contained herein.

The undersigned further declare and represent that no promise, inducement or agreement, not herein expressed, has been made to the undersigned and that this Release contains the entire agreement among the parties hereto and that the terms of this Release are contractual and not a mere recital.

The persons executing this Release of All Claims represent and warrant to the other party that the execution and performance of the terms of this Release have been duly authorized by all requisite corporate, partnership, individual or other entity requirements and that said persons have the right, power, legal capacity and authority to execute and enter into this Release.

Executed this _____ day of _____, _____ at Bell, California.

AGENCY:

CONTRACTOR:

[CHAIRMAN/DESIGNEE] –
Corporation)

(Name of Contractor, Company or

[INVITING AGENCY] of the City of Bell

Telephone No. _____

ATTEST:

By: _____
(Print)

Agency [SECRETARY/DESIGNEE]

(Signature)

[INVITING AGENCY] of the City of Bell

(Title)

APPROVED AS TO CONTENT:

[EXECUTIVE DIRECTOR OR OTHER DESIGNEE] - [INVITING AGENCY]
of the City of Bell

APPROVED AS TO FORM:

[TITLE OF COUNSEL] – [INVITING AGENCY] of the City of Bell

**NOTE: SIGNATURES OF CORPORATE AND SURETY OFFICIALS MUST BE
NOTARIZED.**

AGENDA ITEM 4

City of Bell Agenda Report

DATE: July 22, 2026

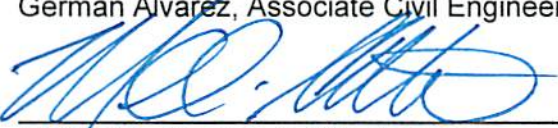
TO: Mayor and Members of the City Council

FROM: Rita Montalvo, P.E., Public Works Director

PREPARED

BY: German Alvarez, Associate Civil Engineer

APPROVED

BY: 
Michael L. Antwine II, City Manager

SUBJECT: Annual Sidewalk Improvement Project (CIP No. 7191) Fiscal Year 25-26 – Award of Construction Contract

RECOMMENDATION:

It is recommended that the City Council:

- 1) Award a construction contract in the amount of \$93,500.00 to CJ Concrete Construction, Inc. for the Annual Sidewalk Improvement Project (CIP No. 7191); and
- 2) Authorize the City Manager to execute change orders for the Project in a total amount not to exceed \$9,350.00 (ten percent of the contract amount) for any necessary additional work; and
- 3) Approve the total estimated project cost of \$130,900.00, including \$28,050.00 in project soft costs.

BACKGROUND:

The City of Bell is committed to providing and maintaining safe, accessible, and well-maintained pedestrian facilities for its residents and visitors. As part of this ongoing effort, the City annually identifies sidewalks and related concrete improvements that have deteriorated due to age, weather, tree roots, and normal wear and tear and schedules them for repair or replacement.

The Annual Sidewalk Improvement Project is intended to improve pedestrian safety by eliminating tripping hazards, replacing damaged concrete improvements, enhancing accessibility, and ensuring compliance with the Americans with Disabilities Act (ADA). The Project also helps preserve the City's infrastructure and extend the service life of its pedestrian facilities.

Funding for the Annual Sidewalk Improvement Project was approved as part of the Fiscal Year 2025-2026 Capital Improvement Program and carried forward into Fiscal Year 2026-2027 to complete the planned improvements. On April 27, 2026, the City issued a Request for Bids for the Annual Sidewalk Improvement Project.

DISCUSSION:

The Project consists of the removal and reconstruction of existing concrete sidewalks, driveway approaches, curbs and gutters, and the construction of ADA-compliant sidewalks. The work also includes adjusting water meter covers, replacing utility box covers, adjusting utility meters, and performing other incidental and appurtenant work necessary for the proper completion of the Project.

The locations of the sidewalk improvements are identified in **Attachment A**.

A Notice Inviting Bids was published in the Press-Telegram on April 30, 2026, and May 7, 2026. Bids were publicly opened on May 18, 2026, at 2:00 p.m. at Bell City Hall. The City received seven (7) bids, with bid amounts ranging from \$93,500.00 to \$315,719.10. The list of bidders and bid amounts is as follows:

	Contractor	Bid Amount
1	CJ Concrete Construction, Inc.	\$93,500.00
2	Van Engineering Inc.	\$106,074.00
3	TVR Construction Engineering	\$131,837.50
4	CT&T Concrete Paving Inc	\$144,849.00
5	Onyx Paving Company	\$173,000.00
6	Axiom Group	\$210,180.96
7	Jerusalem Construction Inc.	\$315,719.10

The bids were reviewed and analyzed, and CJ Concrete Construction, Inc. was determined to be the lowest responsive and responsible bidder. All required bid forms, licenses, registrations, bonds, and insurance documents were submitted and verified.

The Project will be completed within thirty (30) working days following the issuance of the Notice to Proceed. During construction, the contractor will be responsible for notifying affected residents of construction activities and maintaining safe traffic control in accordance with the contract documents.

Public Works Department staff conducted due diligence and reference checks on CJ Concrete Construction, Inc. and confirmed that the contractor has successfully completed similar projects for several public agencies.

Accordingly, staff recommends that the City Council award a construction contract to CJ Concrete Construction, Inc. in the amount of \$93,500.00.

Project Budget

The total project budget is \$250,000. A summary of the estimated project costs is provided below:

Description	Amount
Project Construction	\$93,500.00
Contingency (10%)	\$9,350.00

Project Management (10%)	\$9,350.00
Construction Management (10%)	\$9,350.00
Construction Inspection (15%)	\$14,025.00
Total	\$135,575.00

Conflict of Interest

According to the State's "conflict of interest" laws, when a decision involves new infrastructure or more than mere maintenance, the distance from a councilmember's real property to the new infrastructure is key. **Attachment B** identifies the locations of the proposed sidewalk improvements in relation to the 500-foot conflict of interest radius surrounding each Council Member's real property to assist in determining whether any potential conflicts exist. For instance:

(a) A councilmember with an interest in real property "located 500 feet or less" from a proposed improvement may not participate in the vote. If the councilmember can show, with "clear and convincing evidence," that the improvement "will not have any measurable impact on the official's property," then the conflict is overcome, and the councilmember may participate in the vote. (2 CCR §18702.2(a)(7).)

(b) A councilmember with an interest in real property located "more than 500 feet but less than 1,000 feet" from a proposed improvement may participate in the vote unless the improvement will change the councilmember's property's: (i) development potential; (ii) income producing potential; (iii) highest and best use; (iv) market value; or (v) character by substantially altering traffic levels, intensity of use, parking, view, privacy, noise levels, or air quality. (2 CCR §18702.2(a)(8).)

(c) A councilmember with an interest in real property located 1,000 feet or more from the improvement may participate in the vote, because it is presumed that no conflict exists. But this presumption may be rebutted with "clear and convincing evidence" that the improvement will have a "substantial effect" on the property. (2 CCR §18702.2(b).)

However, please be advised that there are three (3) exceptions that overrides all of the above:

(1) Maintenance of Existing Infrastructure: The maintenance of already existing infrastructure does not create a material conflict of interest for any councilmember, including those who own or have an interest in real property in the vicinity. (2 CCR §18702.2(d)(1).)

(2) No Disproportionate Impact: Regardless of the distance between the improvement and the real property, no conflict exists if the improvement does not provide a benefit or detriment to the councilmember's property that is "disproportionate to other properties" receiving the services. (2 CCR §18702.2(6).)

(3) Public Generally Exception: If a decision's impact on the councilmember's real property is indistinguishable from the decision's impact on the "public generally," the councilmember may participate in the vote. An "indistinguishable impact" is defined here as a change impacting a "significant segment of the public" as determined by either:

(a) 25% of: (i) businesses or non-profits; (ii) real property; or (iii) the individual people in the councilmember's district; or

(b) 15% of the real residential property within the councilmember's district, so long as the only property at issue for the councilmember is their residence.

FISCAL IMPACT:

There is no impact to the General Fund. The Annual Sidewalk Improvement Project is funded through Measure M and Transportation Development Act (TDA) Article 3 funds. Funding for the Project was approved as part of the Fiscal Year 2025-2026 Capital Improvement Program Budget and carried forward into Fiscal Year 2026-2027. The total approved Project budget is \$250,000.00, as shown below.

Funding Source	Amount
Measure M	\$200,000.00
TDA Article 3	\$50,000.00
Total Approved Budget	\$250,000.00

ATTACHMENTS:

1. Attachment A - Project Sidewalk Location List
2. Attachment B - Council Member 500' Radius and Sidewalk Locations Within the Radius
3. Attachment C - CJ Concrete Construction, Inc. Contract Agreement

Project Sidewalk Location List

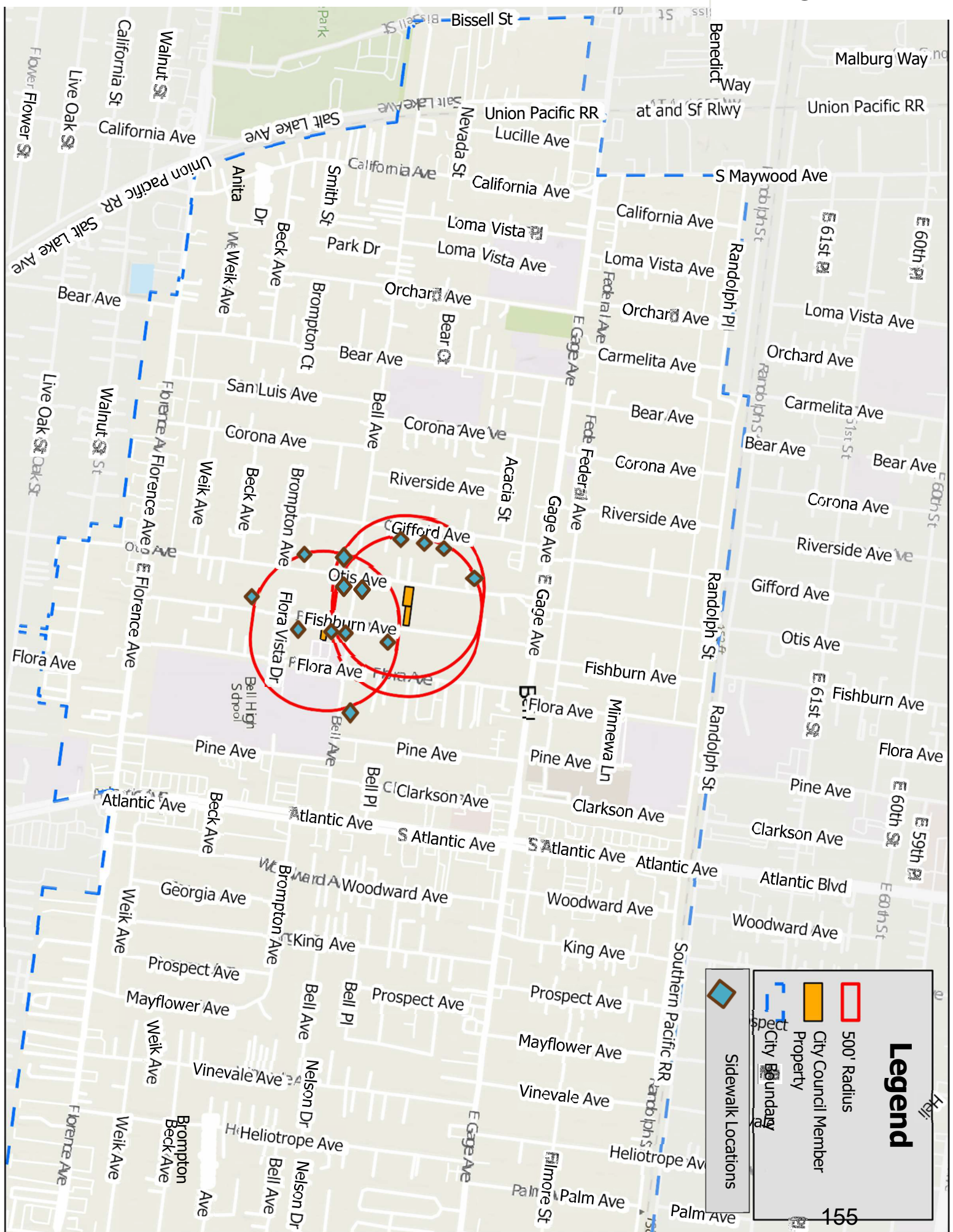
NO.	ADDRESS	STREET	SIDEWALK (SF)	DRIVEWAY (SF)	CURB & GUTTER (LF)
1	6515 Alamo Ave	Alamo Avenue	50		
2	6611 Alamo Ave	Alamo Avenue	48		
3	6620 Alamo Ave	Alamo Avenue	40		
4	7121 S Atlantic Ave	Atlantic Avenue	9		
5	6303 Bear Ave	Bear Avenue	16		
6	6229 Bear Ave	Bear Avenue	16		
7	6501 Bear Ave	Bear Avenue	120		
8	6416 Bear Ave	Bear Avenue	48		
9	6509 Bear Ave	Bear Avenue	48		
10	6621 Bear Ave	Bear Avenue	60		
11	6200 Bear Ave	Bear Avenue	32		
12	6244 Bear Ave	Bear Avenue	48		
13	6244 Bear Ave	Bear Avenue			24
14	6259 Bear Ave	Bear Avenue	68		
15	6309 Bear Ave	Bear Avenue	36		
16	6420 Bear Ave	Bear Avenue	90		
17	6247 Bear Ave	Bear Avenue	24		
18	6259 Bear Ave	Bear Avenue	56		
19	3570 Beck Ave	Beck Avenue	48		
20	3504 Bell Ave	Bell Avenue	100		
21	3614 Bell Ave	Bell Avenue	48		
22	4200 Bell Ave	Bell Avenue	32		
23	4327 Bell Ave	Bell Avenue	240		
24	6719 Vinevale Ave	Bell Avenue	16		
25	3561 Bell Ave	Bell Avenue			22
26	3614 Bell Ave	Bell Avenue	72		
27	3771 Bell Ave	Bell Avenue	150		
28	4200 Bell Ave	Bell Avenue	24		
29	4208 Bell Ave	Bell Avenue	12		
30	3716 Bell Ave	Bell Avenue	40		
31	3716 Bell Ave	Bell Avenue	75		
32	4661 Bell Ave	Bell Avenue	200		
33	6204 California Ave	California Avenue	16		
34	6204 California Ave	California Avenue	16		
35	6712 California Ave	California Avenue	74		
36	6634 California Ave	California Avenue	72		
37	6325 Casitas Ave	Casitas Avenue	20		

38	7109 Corona Ave	Corona Avenue	32		
39	6909 Corona Ave	Corona Avenue	16		
40	6512 Corona Ave	Corona Avenue	16		
41	6245 Corona Ave	Corona Avenue	16		
42	7017 Crafton Ave	Crafton	44		
43	4820 S Eastern Ave	Eastern Avenue	25		
44	6255 Fishburn Ave	Fishburn Avenue	64		
45	6259 Fishburn Ave	Fishburn Avenue	48	65	
46	6311 Fishburn Ave	Fishburn Avenue	40		
47	4250 Bell Ave	Fishburn Avenue	20		
48	6423 Fishburn Ave	Fishburn Avenue	40		
49	6630 Fishburn Ave	Fishburn Avenue	28		
50	6921 Fishburn Ave	Fishburn Avenue	36		
51	6840 Fishburn Ave	Fishburn Avenue	36		
52	6830 Fishburn Ave	Fishburn Avenue	24		
53	6810 Fishburn Ave	Fishburn Avenue	36		
54	6245 Fishburn Ave	Fishburn Avenue	96		
55	6317 Fishburn Ave	Fishburn Avenue	16.5	50	12
56	6241 Fishburn Ave	Fishburn Avenue			12
57	6230 Fishburn Ave	Fishburn Avenue		60	
58	6332 Flora Ave	Flora Avenue	20		
59	6231 Flora Ave	Flora Avenue	64		
60	6235 Flora Ave	Flora Avenue	132		
61	6235 Flora Ave	Flora Avenue		26	
62	6332 Flora Ave	Flora Avenue	114		
63	3653 E Florence Ave	Florence Avenue	36		
64	5321 E Gage Ave	Gage Avenue	24		
65	4551 E Gage Ave	Gage Avenue	25		
66	4532 E Gage Ave	Gage Avenue	25		
67	6702 Gifford Ave	Gifford Avenue	48		
68	6612 Gifford Ave	Gifford Avenue	32		
69	6506 Gifford Ave.	Gifford Avenue	40		
70	6603 Gifford Ave	Gifford Avenue	16		
71	6218 Gifford Ave	Gifford Avenue	24		
72	6255 Gifford Ave	Gifford Avenue	36		
73	6337 Gifford Ave	Gifford Avenue	9		
74	4777 E Gage Ave	Heliotrope Avenue	40		
75	6527 Heliotrope Ave	Heliotrope Avenue	44		
76	6242 Home Ave	Home Avenue	24		
77	6201 Home Ave	Home Avenue	24		

78	6619 King Ave	King Avenue	16		
79	6335 King Ave	King Avenue	48		
80	5600 Lindbergh Ln	Lindbergh Lane	32		
81	5680 Bandini Blvd	Lindbergh Lane	36		
82	5400 Lindbergh Ln	Lindbergh Lane	32		
83	3602 Randolph	Loma Vista Avenue	20		
84	6627 Loma Vista Ave	Loma Vista Avenue	20		
85	6615 Loma Vista Ave	Loma Vista Avenue	40		
86	6701 Loma Vista	Loma Vista Place	20		
87	6216 S Maywood Ave	Maywood Avenue	30		
88	6218 Orchard Ave	Orchard Avenue	48		
89	6833 Otis Ave	Otis Avenue	32		
90	6833 Otis Ave	Otis Avenue	32		
91	6517 Otis Ave	Otis Avenue	16		
92	6301 Otis Ave	Otis Avenue	16		
93	3618 Bell Ave	Park Drive	16		
94	6912 Park Dr	Park Drive	36		
95	4651 E Gage Ave	Prospect Avenue	64		
96	6200 Prospect Ave	Prospect Avenue	79.75		
97	6210 Prospect Ave	Prospect Avenue	176		
98	6220 Prospect Ave	Prospect Avenue	98		
99	6253 Prospect Ave	Prospect Avenue		28	
100	6253 Prospect Ave	Prospect Avenue	27.5		
101	6309 to 6315 Prospect Ave	Prospect Avenue	38.5		
102	6315 Prospect Ave	Prospect Avenue	82.5		
103	6320 Prospect Ave	Prospect Avenue	94.25		
104	3619 Randolph	Randolph Place	20		
105	3741 Randolph	Randolph Place	32		
106	3818 Randolph	Randolph Place	20		
107	3908 Randolph St	Randolph Street	12		
108	4108 Randolph St	Randolph Street	16		
109	4112 Randolph St	Randolph Street	8		
110	4204 Randolph St	Randolph Street	12		
111	4412 Randolph St	Randolph Street	12		
112	6200 Prospect Ave	Randolph Street	48		
113	4760 Randolph St	Randolph Street	16		
114	4026 Randolph St	Randolph Street	88		
115	4026 Randolph St	Randolph Street	52		

116	3916 Randolph St	Randolph Street	55		
117	5400 Lindbergh Ln	Rickenbacker Road	24		
118	6616 Riverside Ave	Riverside Avenue	48		
119	6302 Riverside Ave	Riverside Avenue	64		
120	6206 Riverside Ave	Riverside Avenue	74		
121	6530 Riverside Ave	Riverside Avenue	36		
122	6331 Riverside Ave	Riverside Avenue	36		
123	6901 San Luis Ave	San Luis Avenue	48		
124	6834 San Luis Ave	San Luis Avenue	48		
125	4020 Acacia St	Scelina Avenue	16		
126	5114 Southall Ln	Southall Lane	32		
127	6257 Vinevale Ave	Vinevale Avenue	34		
128	6306 to 6302 Vinevale Ave	Vinevale Avenue	168		
129	6202 Vinevale Ave	Vinevale Avenue	92		
130	6305 Vinevale Ave	Vinevale Avenue	80		
131	6316 Vinevale Ave	Vinevale Avenue	32		
132	6256 Vinevale Ave	Vinevale Avenue	46		
133	6257 Vinevale Ave	Vinevale Avenue			16
134	6253 Vinevale Ave	Vinevale Avenue	182		
135	6607 Walker Ave	Walker Avenue	25		
136	7027 Wilcox Ave	Wilcox Avenue	16		
137	6835 Wilcox Ave	Wilcox Avenue	24		
138	6713 Woodward Ave	Woodward Avenue	32		
139	4530 Weik Ave	Woodward Avenue	32		
140	6924 Woodward Ave	Woodward Avenue	32		
141	6917 Woodward Ave	Woodward Avenue	15		
142	6828 Woodward Ave	Woodward Avenue	80		
143	6924 Woodward Ave	Woodward Avenue	110		
144	6605 Woodward Ave	Woodward Avenue	32		
145	6713 Woodward Ave	Woodward Avenue	36		
146	7001 Woodward Ave	Woodward Avenue	100		
TOTAL			6610	229	86

COUNCIL MEMBER 500' RADIUS AND SIDEWALK LOCATION MAP, ATTACHMENT B



**AGREEMENT
FOR PUBLIC WORKS SERVICES BETWEEN
THE CITY OF BELL AND CJ CONCRETE
CONSTRUCTION, INC.
FOR ANNUAL SIDEWALK IMPROVEMENTS**

THIS AGREEMENT FOR PUBLIC WORKS SERVICES (herein “Agreement”) is made and entered into this 22nd day of July, 2026 by and between the City of Bell, a California charter city ("City"), and CJ Concrete Construction, Inc. ("Contractor"). City and Contractor are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties".

RECITALS

A. City has sought, by issuance of a Request for Proposals or Invitation for Bids, the performance of the services defined and described particularly in Article 1 of this Agreement.

B. Contractor, following submission of a proposal or bid for the performance of the services defined and described particularly in Article 1 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of Bell Municipal Code, City has authority to enter into and execute this Agreement.

D. The Parties desire to formalize the selection of Contractor for performance of those services defined and described particularly in Article 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. WORK OF CONTRACTOR

1.1 Scope of Work.

In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the “Scope of Work” attached hereto as Exhibit “A” and incorporated herein by this reference, which may be referred to herein as the “services” or “work” hereunder. As a material inducement to the City entering into this Agreement, Contractor represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the work required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Contractor shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Contractor covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be both of good quality as well as fit for the purpose intended. For purposes of this Agreement, the phrase “highest professional standards” shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Bid Documents.

The Scope of Work shall include the Plans, Specifications, and Contract Documents for the project entitled **ANNUAL SIDEWALK IMPROVEMENT PROJECT**, including any documents or exhibits referenced therein (collectively, “bid documents”), all of which are incorporated herein by this reference. In the event of any inconsistency between the terms of the bid documents and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Contractor shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Compliance with California Labor Law.

(a) **Public Work.** The Parties acknowledge that the work to be performed under this Agreement is a “public work” as defined in Labor Code Section 1720 and that this Agreement is therefore subject to the requirements of Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code relating to public works contracts and the rules and regulations established by the Department of Industrial Relations (“DIR”) implementing such statutes. The work performed under this Agreement is subject to compliance monitoring and enforcement by the DIR. Contractor shall post job site notices, as prescribed by regulation.

(b) **Prevailing Wages.** Contractor shall pay prevailing wages to the extent required by Labor Code Section 1771. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages are on file at City Hall and will be made available to any interested party on request. By initiating any work under this Agreement, Contractor acknowledges receipt of a copy of the Department of Industrial Relations (DIR) determination of the prevailing rate of per diem wages, and Contractor shall post a copy of the same at each job site where work is performed under this Agreement.

(c) **Penalty for Failure to Pay Prevailing Wages.** Contractor shall comply with and be bound by the provisions of 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 City, forfeit two hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Contractor or by any subcontractor.

(d) **Payroll Records.** Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to: keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776; certify and make such payroll records available for inspection as provided by Section 1776; and inform the City of the location of the records.

(e) **Apprentices.** Contractor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6, and 1777.7 and California Code of Regulations Title 8, Section 200 *et seq.* concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all

apprenticeable occupations. Prior to commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within sixty (60) days after concluding work pursuant to this Agreement, Contractor and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

(f) Eight-Hour Work Day. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810.

(g) Penalties for Excess Hours. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of eight (8) hours per day, and forty (40) hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than one and one-half (1½) times the basic rate of pay.

(h) Workers' Compensation. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees if it has employees. In accordance with the provisions of California Labor Code Section 1861, Contractor 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 workers' compensation or to undertake 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.”

Contractor's Authorized Initials _____

(i) Contractor's Responsibility for Subcontractors. For every subcontractor who will perform work under this Agreement, Contractor shall be responsible for such subcontractor's compliance with Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code, and shall make such compliance a requirement in any contract with any subcontractor for work under this Agreement. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a review of the certified payroll records of the subcontractor on a periodic basis or upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any such failure by any subcontractor.

1.5 Licenses, Permits, Fees and Assessments.

Contractor shall obtain at its sole cost and expense such licenses, permits, registrations, and approvals as may be required by law for the performance of the services required by this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the services required by this Agreement, and shall

indemnify, defend and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against City hereunder.

1.6 Familiarity with Work.

(a) By executing this Agreement, Contractor warrants that Contractor (i) has thoroughly investigated and considered the scope of work to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder.

(b) Contractor shall promptly, and before the following conditions are disturbed, notify the City, in writing, of any: (i) material Contractor believes may be hazardous waste as defined in Section 25117 of the Health & Safety Code required to be removed to a Class I, II, or III disposal site in accordance with existing law; (ii) subsurface, unknown or latent conditions, materially different from those indicated; or (iii) unknown physical conditions at the site of any unusual nature, different from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Agreement, and will materially affect the performance of the services hereunder.

(c) City shall promptly investigate the conditions, and if it finds that the conditions do materially differ, or do involve hazardous waste, and cause a decrease or increase in Contractor's cost of, or the time required for, performance of any part of the work, shall issue a change order per Section 1.10 of this Agreement.

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

(e) City will compensate Contractor to the extent required by Government Code Section 4215 by issuing a change order per Section 1.10 of this Agreement.

1.7 Protection and Care of Work and Materials.

The Contractor shall adopt reasonable methods, including providing and maintaining storage facilities, during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as caused by City's own negligence. Stored materials shall be reasonably accessible for inspection. Contractor shall not, without City's consent, assign, sell, mortgage, hypothecate, or remove equipment or materials which have been installed or delivered and which may be necessary for the completion of the work.

1.8 Warranty.

Contractor warrants all work under the Agreement (which for purposes of this Section shall be deemed to include unauthorized work which has not been removed and any non-conforming materials incorporated into the work) to be of good quality and free from any defective or faulty material and workmanship. Contractor agrees that for a period of one year (or the period of time specified elsewhere in the Agreement or in any guarantee or warranty provided by any manufacturer or supplier of equipment or materials incorporated into the work, whichever is later) after the date of final acceptance, Contractor shall within ten (10) days after being notified in writing by the City of any defect in the work or non-conformance of the work to the Agreement, commence and prosecute with due diligence all work necessary to fulfill the terms of the warranty at its sole cost and expense. Contractor shall act as soon as requested by the City in response to an emergency. In addition, Contractor shall, at its sole cost and expense, repair, remove and replace any portions of the work (or work of other contractors) damaged by its defective work or which becomes damaged in the course of repairing or replacing defective work. For any work so corrected, Contractor's obligation hereunder to correct defective work shall be reinstated for an additional one-year period, commencing with the date of acceptance of such corrected work. Contractor shall perform such tests as the City may require verifying that any corrective actions, including, without limitation, redesign, repairs, and replacements comply with the requirements of the Agreement. All costs associated with such corrective actions and testing, including the removal, replacement, and reinstitution of equipment and materials necessary to gain access, shall be the sole responsibility of the Contractor. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the work, whether express or implied, are deemed to be obtained by Contractor for the benefit of the City, regardless of whether or not such warranties and guarantees have been transferred or assigned to the City by separate agreement and Contractor agrees to enforce such warranties and guarantees, if necessary, on behalf of the City. In the event that Contractor fails to perform its obligations under this Section, or under any other warranty or guaranty under this Agreement, to the reasonable satisfaction of the City, the City shall have the right to correct and replace any defective or non-conforming work and any work damaged by such work or the replacement or correction thereof at Contractor's sole expense. Contractor shall be obligated to fully reimburse the City for any expenses incurred hereunder upon demand.

1.9 Further Responsibilities of Parties.

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

1.10 Additional Work and Change Orders.

(a) City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of work or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written change order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor ("Change Order"). All Change Orders must be signed by the Contractor and Contract Officer prior to commencing the extra work thereunder.

(b) Any increase in compensation of up to ten percent (10%) of the Contract Sum or \$25,000, whichever is less; or any increase in the time to perform of up to one hundred eighty (180) days; and does not materially affect the work and which are not detrimental to the work or to

the interest of the City, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively, must be approved by the City Council.

(c) Any adjustment in the Contract Sum for a Change Order must be in accordance with the rates set forth in the Schedule of Compensation in Exhibit "C". If the rates in the Schedule of Compensation do not cover the type of work in the Change Order, the cost of such work shall not exceed an amount agreed upon in writing and signed by Contractor and Contract Officer. If the cost of the Change Order cannot be agreed upon, the City will pay for actual work of the Change Order completed, to the satisfaction of the City, as follows:

(i) Labor: the cost of labor shall be the actual cost for wages of workers and subcontractors performing the work for the Change Order at the time such work is done. The use of labor classifications that would increase the cost of such work shall not be permitted.

(ii) Materials and Equipment: the cost of materials and equipment shall be at cost to Contractor or lowest current price which such materials and equipment are reasonably available at the time the work is done, whichever is lower.

(iii) If the cost of the extra work cannot be agreed upon, the Contractor must provide a daily report that includes invoices for labor, materials and equipment costs for the work under the Change Order. The daily report must include: list of names of workers, classifications, and hours worked; description and list of quantities of materials used; type of equipment, size, identification number, and hours of operation, including loading and transportation, if applicable; description of other City authorized services and expenditures in such detail as the City may require. Failure to submit a daily report by the close of the next working day may, at the City's sole and absolute discretion, waive the Contractor's rights for that day.

(d) It is expressly understood by Contractor that the provisions of this Section 1.10 shall not apply to services specifically set forth in the Scope of Work. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Work may be more costly or time consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation therefor. City may in its sole and absolute discretion have similar work done by other contractors.

(e) No claim for an increase in the Contract Sum or time for performance shall be valid unless the procedures established in this Section are followed.

1.11 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Contractor the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not

exceed **Ninety-Three Thousand Five Hundred Dollars** (\$93,500) (the “Contract Sum”), unless additional compensation is approved pursuant to Section 1.10.

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services less the contract retention; (iii) payment for time and materials based upon the Contractor’s rates as specified in the Schedule of Compensation, provided that (a) time estimates are provided for the performance of sub tasks, (b) contract retention is maintained and (c) the Contract Sum is not exceeded; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contractor at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Contractor is required to attend additional meetings to facilitate such coordination, Contractor shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Contractor shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City’s Director of Finance. By submitting an invoice for payment under this Agreement, Contractor is certifying compliance with all provisions of the Agreement. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Contractor shall not invoice City for any duplicate services performed by more than one person.

City shall, as soon as practicable, independently review each invoice submitted by the Contractor to determine whether the work performed, and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Contractor which are disputed by City, or as provided in Section 7.3, City will cause Contractor to be paid within thirty (30) days of receipt of Contractor’s correct and undisputed invoice; however, Contractor acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event that City does not cause Contractor to be paid within thirty (30) days of receipt of an undisputed and properly submitted invoice, Contractor shall be entitled to the payment of interest to the extent allowed under Public Contract Code Section 20104.50. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Contractor, not later than seven (7) days after receipt by the City, for correction and resubmission. Returned invoices shall be accompanied by a document setting forth in writing the reasons why the payment request was rejected. Review and payment by the City of any invoice provided by the Contractor shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2.5 Waiver.

Payment to Contractor for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Contractor.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Contractor shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Contractor, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Contractor shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Contractor be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Contractor's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Inspection and Final Acceptance.

City may inspect and accept or reject any of Contractor's work under this Agreement, either during performance or when completed. City shall reject or finally accept Contractor's work within forty-five (45) days after submitted to City. City shall accept work by a timely written acceptance, otherwise work shall be deemed to have been rejected. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as to amount to fraud. Acceptance of any work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Articles 1 and 5, pertaining to warranty and indemnification and insurance, respectively.

3.5 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services, but not exceeding six (6) months from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit “D”).

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Contractor.

The following principals of Contractor (“Principal(s)”) are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

John C. Sarno

President

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing Principals were a substantial inducement for City to enter into this Agreement. Therefore, the Principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder. All personnel of Contractor, and any authorized agents, shall at all times be under the exclusive direction and control of the principals. For purposes of this Agreement, the Principals may not be replaced, nor may their responsibilities be substantially reduced by Contractor without the express written approval of City. Additionally, Contractor shall make every reasonable effort to maintain the stability and continuity of Contractor’s staff and subcontractors, if any, assigned to perform the services required under this Agreement. Contractor shall notify City of any changes in Contractor’s staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Contractor.

Contractor shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Contractor shall not at any time or in any manner represent that Contractor or any of Contractor’s officers, employees, or agents are in any manner officials, officers, employees, or agents of City. Neither Contractor, nor any of Contractor’s officers, employees, or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City’s employees. Contractor expressly waives any claim Contractor may have to any such rights.

4.3 Contract Officer.

The Contract Officer shall be Rita Montalvo, Public Works Director or such person as may be designated by the City Manager. It shall be the Contractor’s responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Contractor shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.4 Independent Contractor.

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

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Contractor shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. All subcontractors shall obtain, at its or Contractor's expense, such licenses, permits, registrations and approvals (including from the City) as may be required by law for the performance of any services or work under this Agreement. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of City.

ARTICLE 5. INSURANCE, INDEMNIFICATION AND BONDS

5.1 Insurance Coverages.

The Contractor shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance which shall cover all elected and appointed officers, employees and agents of City:

(a) Commercial General Liability Insurance (Occurrence Form CG0001 or equivalent). A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$5,000,000 per occurrence or if a general aggregate limit is used, then the general aggregate limit shall be twice the occurrence limit.

(b) Workers Compensation Insurance. A policy of workers compensation insurance in such amount as will fully comply with the laws of the State of California, with Statutory Limits, and Employer's Liability insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease, and which shall indemnify, insure and provide legal defense for the Contractor against any loss, claim or damage arising from any injuries or occupational diseases occurring to any

worker employed by or any persons retained by the Contractor in the course of carrying out the work or services contemplated in this Agreement.

(c) Automotive Insurance (Form CA 0001 (Ed 1/87) including “any auto” and endorsement CA 0025 or equivalent). A policy of comprehensive automobile liability insurance written on a per occurrence for bodily injury and property damage in an amount not less than \$5,000,000. Said policy shall include coverage for owned, non-owned, leased, hired cars and any automobile.

(d) Professional Liability. Professional liability insurance appropriate to the Contractor’s profession. This coverage may be written on a “claims made” basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to services performed under this Agreement. The insurance must be maintained for at least 5 consecutive years following the completion of Contractor’s services or the termination of this Agreement. During this additional 5-year period, Contractor shall annually and upon request of the City submit written evidence of this continuous coverage. If Design/Build, Professional liability insurance shall be in an amount no less than \$2,000,000 per occurrence or claim, and \$2,000,000 policy aggregate.

(e) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements in Exhibit “B”.

(f) Contractor’s Pollution Legal Liability and/or Errors and Omissions. If project involves environmental hazards, a policy shall be with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate.

(g) Builder’s Risk. Builder’s Risk (Course of Construction) Insurance utilizing an “All Risk” (Special Perils) coverage form, with limits equal to the completed value of the project and no coinsurance penalty provisions.

(h) Subcontractors. Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

5.2 General Insurance Requirements.

All of the above policies of insurance shall be primary insurance and shall name the City, its elected and appointed officers, employees and agents as additional insureds and any insurance maintained by City or its officers, employees or agents may apply in excess of, and not contribute with Contractor’s insurance. The insurer is deemed hereof to waive all rights of subrogation and contribution it may have against the City, its officers, employees and agents and their respective insurers. Moreover, the insurance policy must specify that where the primary insured does not satisfy the self-insured retention, any additional insured may satisfy the self-insured retention.

All of said policies of insurance shall provide that said insurance may not be amended or cancelled by the insurer or any party hereto without providing thirty (30) days prior written notice by certified mail return receipt requested to the City. In the event any of said policies of insurance are cancelled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with Section 5.1 to the Contract Officer.

No work or services under this Agreement shall commence until the Contractor has provided the City with Certificates of Insurance, additional insured endorsement forms or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City. City reserves the right to inspect complete, certified copies of and endorsements to all required insurance policies at any time. Any failure to comply with the reporting or other provisions of the policies including breaches or warranties shall not affect coverage provided to City.

All certificates shall name the City as additional insured (providing the appropriate endorsement) and shall conform to the following "cancellation" notice:

CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATED THEREOF, THE ISSUING COMPANY SHALL MAIL THIRTY (30)-DAY ADVANCE WRITTEN NOTICE TO CERTIFICATE HOLDER NAMED HEREIN.

Agent's Initials

City, its respective elected and appointed officers, directors, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities Contractor performs; products and completed operations of Contractor; premises owned, occupied or used by Contractor; or any automobiles owned, leased, hired or borrowed by Contractor. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, employees or volunteers. Contractor'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, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims. The Contractor agrees that the requirement to provide insurance shall not be construed as limiting in any way the extent to which the Contractor may be held responsible for the payment of damages to any persons or property resulting from the Contractor's activities or the activities of any person or persons for which the Contractor is otherwise responsible nor shall it limit the Contractor's indemnification liabilities as provided in Section 5.3.

In the event the Contractor subcontracts any portion of the work in compliance with Section 4.5 of this Agreement, the contract between the Contractor and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Contractor is required to maintain pursuant to Section 5.1, and such certificates and endorsements shall be provided to City.

5.3 Indemnification.

To the full extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or liabilities") that may be asserted

or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Contractor, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Contractor is legally liable (“indemnitors”), or arising from Contractor’s or indemnitors’ reckless or willful misconduct, or arising from Contractor’s or indemnitors’ negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(a) Contractor will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys’ fees incurred in connection therewith;

(b) Contractor will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Contractor hereunder; and Contractor agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Contractor hereunder, Contractor agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys’ fees.

In addition, Contractor agrees to indemnify, defend and hold harmless the Indemnified Parties from, any and all claims and liabilities for any infringement of patent rights, copyrights or trademark on any person or persons in consequence of the use by the Indemnified Parties of articles to be supplied by Contractor under this Agreement, and of which the Contractor is not the patentee or assignee or has not the lawful right to sell the same.

Contractor shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Contractor shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Contractor in the performance of professional services and work hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City’s sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City’s negligence, except that design professionals’ indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Contractor and shall survive termination of this Agreement.

5.4 Notification of Third-Party Claims.

City shall timely notify Contractor of the receipt of any third-party claim relating to the work under this Agreement. City shall be entitled to recover from Contractor its reasonable costs incurred in providing such notification.

5.5 Performance and Labor Bonds.

Concurrently with execution of this Agreement Contractor shall deliver to the City:

(a) A performance bond in the amount of the Contract Sum of this Agreement, in the form provided by the City Clerk, which secures the faithful performance of this Agreement.

(b) A labor and materials bond in the amount of the Contract Sum of this Agreement, in the form provided by the City Clerk, which secures the payment of all persons furnishing labor and/or materials in connection with the work under this Agreement.

Both the performance and labors bonds required under this Section 5.5 shall contain the original notarized signature of an authorized officer of the surety and affixed thereto shall be a certified and current copy of his power of attorney. The bond shall be unconditional and remain in force during the entire term of the Agreement and shall be null and void only if the Contractor promptly and faithfully performs all terms and conditions of this Agreement and pays all labor and materials for work and services under this Agreement.

5.6 Sufficiency of Insurer or Surety.

Insurance and bonds required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best's Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City ("Risk Manager") due to unique circumstances. If this Agreement continues for more than 3 years duration, or in the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Contractor agrees that the minimum limits of the insurance policies and the performance bond required by Section 5.5 may be changed accordingly upon receipt of written notice from the Risk Manager.

5.7 Substitution of Securities.

Pursuant to Public Contract Code Section 22300, substitution of eligible equivalent securities for any funds withheld to ensure performance under this Agreement may be permitted at the request and sole expense of the Contractor. Alternatively, the Contractor may, pursuant to an escrow agreement in a form prescribed by Public Contract Code Section 22300, request payment of retentions funds earned directly to the escrow agent at the sole expense of the Contractor.

5.8 Release of Securities.

City shall release the Performance and Labor Bonds when the following have occurred:

- (a) Contractor has made a written request for release and provided evidence of satisfaction of all other requirements under Article 5 of this Agreement.
- (b) the work has been accepted; and
- (c) after passage of the time within which lien claims are required to be made pursuant to applicable laws; if lien claims have been timely

filed, City shall hold the Labor Bond until such claims have been resolved, Contractor has provided statutory bond, or otherwise as required by applicable law.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Contractor shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies, certified and accurate copies of payroll records in compliance with all applicable laws, or other documents relating to the disbursements charged to City and services performed hereunder (the “books and records”), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of 3 years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Contractor’s business, custody of the books and records may be given to City, and access shall be provided by Contractor’s successor in interest. Notwithstanding the above, the Contractor shall fully cooperate with the City in providing access to the books and records if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.

6.2 Reports.

Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Contractor hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the “documents and materials”) prepared by Contractor, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Contractor will be at the City’s sole risk and without liability to Contractor, and Contractor’s guarantee and warranties shall not extend to such use, reuse or assignment. Contractor may retain copies of such documents for its own use. Contractor shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for

assignment to City of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify City for all damages resulting therefrom. Moreover, Contractor with respect to any documents and materials that may qualify as “works made for hire” as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed “works made for hire” for the City.

6.4 Confidentiality and Release of Information.

(a) Information gained or work product produced by Contractor in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Contractor. Contractor shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Contractor, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Contractor gives City notice of such court order or subpoena.

(c) If Contractor, or any officer, employee, agent or subcontractor of Contractor, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Contractor for any damages, costs and fees, including attorneys' fees, caused by or incurred as a result of Contractor's conduct.

(d) Contractor shall promptly notify City should Contractor, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Contractor or be present at any deposition, hearing or similar proceeding. Contractor agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Contractor. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

7.2 Disputes.

(a) Default; Cure. In the event that Contractor is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Contractor for any work performed after the date of default. Instead, the City may give notice to Contractor of the default and the reasons for the default. The notice shall include the timeframe in which Contractor may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Contractor is in default, the City shall hold all invoices and shall proceed with payment on the invoices only when the default is cured. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Contractor does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Contractor's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

(b) Dispute Resolution. This contract is subject to the provisions of Article 1.5 (commencing at Section 20104) of Division 2, Part 3 of the California Public Contract Code regarding the resolution of public works claims of less than \$375,000. Article 1.5 mandates certain procedures for the filing of claims and supporting documentation by the Contractor, for the response to such claims by the City, for a mandatory meet and confer conference upon the request of the Contractor, for mandatory non-binding mediation in the event litigation is commenced, and for mandatory judicial arbitration upon the failure to resolve the dispute through mediation. This Agreement hereby incorporates the provisions of Article 1.5 as though fully set forth herein.

7.3 Retention of Funds.

Contractor hereby authorizes City to deduct from any amount payable to Contractor (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Contractor's acts or omissions in performing or failing to perform Contractor's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Contractor, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Contractor to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Contractor shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

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

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Contractor shall file a claim pursuant to Government Code Sections 905 et seq. and 910 et seq., in order to pursue a legal action under this Agreement.

7.7 Liquidated Damages.

Since the determination of actual damages for any delay in performance of this Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, the Contractor and its sureties shall be liable for and shall pay to the City the sum of One Thousand Two Hundred Dollars (\$1,200.00) as liquidated damages for each working day of delay in the performance of any service required hereunder, as specified in the Schedule of Performance (Exhibit "D"), and per section 6-9 of the Special Provisions. The City may withhold from any monies payable on account of services performed by the Contractor any accrued liquidated damages. Pursuant to Government Code Section 4215, Contractor shall not be assessed liquidated damages for delay in completion of the project when such delay was caused by the failure of the public agency or owner of the utility to provide for removal or relocation of utility facilities.

7.8 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Contractor reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.9 Termination for Default of Contractor.

If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.10 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

7.11 Unfair Business Practices Claims.

In entering into this Agreement, Contractor offers and agrees to assign to the City 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. § 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 related to this Agreement. This assignment shall be made and become effective at the time the City renders final payment to the Contractor without further acknowledgment of the Parties.

ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Contractor covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Contractor's performance of services under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Contractor agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his financial interest or the financial interest of any corporation,

partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

8.3 Covenant Against Discrimination.

Contractor covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry, or other protected class in the performance of this Agreement. Contractor shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry, or other protected class.

8.4 Unauthorized Aliens.

Contractor hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C. § 1101 *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Contractor so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Contractor hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer (with her/his name and City title), City Of Bell, 6330 Pine Avenue, Bell, CA 90201 and in the case of the Contractor, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section. All correspondence relating to this Agreement shall be serialized consecutively.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Contractor and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Warranty & Representation of Non-Collusion.

No official, officer, or employee of City has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of City participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interests found to be "remote" or "noninterests" pursuant to Government Code Sections 1091 or 1091.5. Contractor warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Contractor further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Contractor is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Contractor's Authorized Initials _____

9.7 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This

Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

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

CITY:

CITY OF BELL, a charter city

Ali Saleh, Mayor

ATTEST:

Angela Bustamante, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP



Danny Aleshire, City Attorney

CONTRACTOR:

CJ Concrete Construction, Inc.

By: _____
Name: John C. Sarno
Title: President

By: _____
Name: _____
Title: _____

Address: 10142 Shoemaker Avenue,
Santa Fe Springs, CA 90670

Two corporate officer signatures required when Contractor is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. **CONTRACTOR'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONTRACTOR'S BUSINESS ENTITY.**

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2026, before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
☐	INDIVIDUAL	_____
☐	CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT

☐	PARTNER(S) ☐ LIMITED	_____
	☐ GENERAL	NUMBER OF PAGES
☐	ATTORNEY-IN-FACT	_____
☐	TRUSTEE(S)	DATE OF DOCUMENT
☐	GUARDIAN/CONSERVATOR	_____
☐	OTHER _____	SIGNER(S) OTHER THAN NAMED ABOVE

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2026, before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
☐	INDIVIDUAL	_____
☐	CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT

☐	PARTNER(S) ☐ LIMITED	_____
	☐ GENERAL	NUMBER OF PAGES
☐	ATTORNEY-IN-FACT	_____
☐	TRUSTEE(S)	DATE OF DOCUMENT
☐	GUARDIAN/CONSERVATOR	_____
☐	OTHER _____	SIGNER(S) OTHER THAN NAMED ABOVE

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

EXHIBIT "A"

SCOPE OF WORK

I. Contractor shall perform all of the work and comply with all of the specifications and requirements in the Plans, Specifications, and Contract Documents referenced in Section 1.2 for the project entitled **ANNUAL SIDEWALK IMPROVEMENT PROJECT** including any documents or exhibits referenced therein.

II. Brief description of the work to be performed:

In general, 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 and conforming to the special provisions. The scope of work includes, but is not limited to performing the following work:

Citywide sidewalk repair projects. The project consists of the removal of existing concrete sidewalk, driveway approach, curb and gutter, and construction of concrete ADA compliant sidewalk. It includes adjusting water meter covers, replacing utility box covers, adjusting utility meters, and other incidental and appurtenant work necessary for the proper completion of the Project. The work shall be performed at the locations identified in the Annual Sidewalk Improvement Project Location list and Map below.

NO.	ADDRESS	STREET	SIDEWALK (SF)	DRIVEWAY (SF)	CURB & GUTTER (LF)
1	6515 Alamo Ave	Alamo Avenue	50		
2	6611 Alamo Ave	Alamo Avenue	48		
3	6620 Alamo Ave	Alamo Avenue	40		
4	7121 S Atlantic Ave	Atlantic Avenue	9		
5	6303 Bear Ave	Bear Avenue	16		
6	6229 Bear Ave	Bear Avenue	16		
7	6501 Bear Ave	Bear Avenue	120		
8	6416 Bear Ave	Bear Avenue	48		
9	6509 Bear Ave	Bear Avenue	48		
10	6621 Bear Ave	Bear Avenue	60		
11	6200 Bear Ave	Bear Avenue	32		
12	6244 Bear Ave	Bear Avenue	48		
13	6244 Bear Ave	Bear Avenue			24
14	6259 Bear Ave	Bear Avenue	68		
15	6309 Bear Ave	Bear Avenue	36		
16	6420 Bear Ave	Bear Avenue	90		
17	6247 Bear Ave	Bear Avenue	24		
18	6259 Bear Ave	Bear Avenue	56		

19	3570 Beck Ave	Beck Avenue	48		
20	3504 Bell Ave	Bell Avenue	100		
21	3614 Bell Ave	Bell Avenue	48		
22	4200 Bell Ave	Bell Avenue	32		
23	4327 Bell Ave	Bell Avenue	240		
24	6719 Vinevale Ave	Bell Avenue	16		
25	3561 Bell Ave	Bell Avenue			22
26	3614 Bell Ave	Bell Avenue	72		
27	3771 Bell Ave	Bell Avenue	150		
28	4200 Bell Ave	Bell Avenue	24		
29	4208 Bell Ave	Bell Avenue	12		
30	3716 Bell Ave	Bell Avenue	40		
31	3716 Bell Ave	Bell Avenue	75		
32	4661 Bell Ave	Bell Avenue	200		
33	6204 California Ave	California Avenue	16		
34	6204 California Ave	California Avenue	16		
35	6712 California Ave	California Avenue	74		
36	6634 California Ave	California Avenue	72		
37	6325 Casitas Ave	Casitas Avenue	20		
38	7109 Corona Ave	Corona Avenue	32		
39	6909 Corona Ave	Corona Avenue	16		
40	6512 Corona Ave	Corona Avenue	16		
41	6245 Corona Ave	Corona Avenue	16		
42	7017 Crafton Ave	Crafton	44		
43	4820 S Eastern Ave	Eastern Avenue	25		
44	6255 Fishburn Ave	Fishburn Avenue	64		
45	6259 Fishburn Ave	Fishburn Avenue	48	65	
46	6311 Fishburn Ave	Fishburn Avenue	40		
47	4250 Bell Ave	Fishburn Avenue	20		
48	6423 Fishburn Ave	Fishburn Avenue	40		
49	6630 Fishburn Ave	Fishburn Avenue	28		
50	6921 Fishburn Ave	Fishburn Avenue	36		
51	6840 Fishburn Ave	Fishburn Avenue	36		
52	6830 Fishburn Ave	Fishburn Avenue	24		
53	6810 Fishburn Ave	Fishburn Avenue	36		
54	6245 Fishburn Ave	Fishburn Avenue	96		
55	6317 Fishburn Ave	Fishburn Avenue	16.5	50	12
56	6241 Fishburn Ave	Fishburn Avenue			12
57	6230 Fishburn Ave	Fishburn Avenue		60	

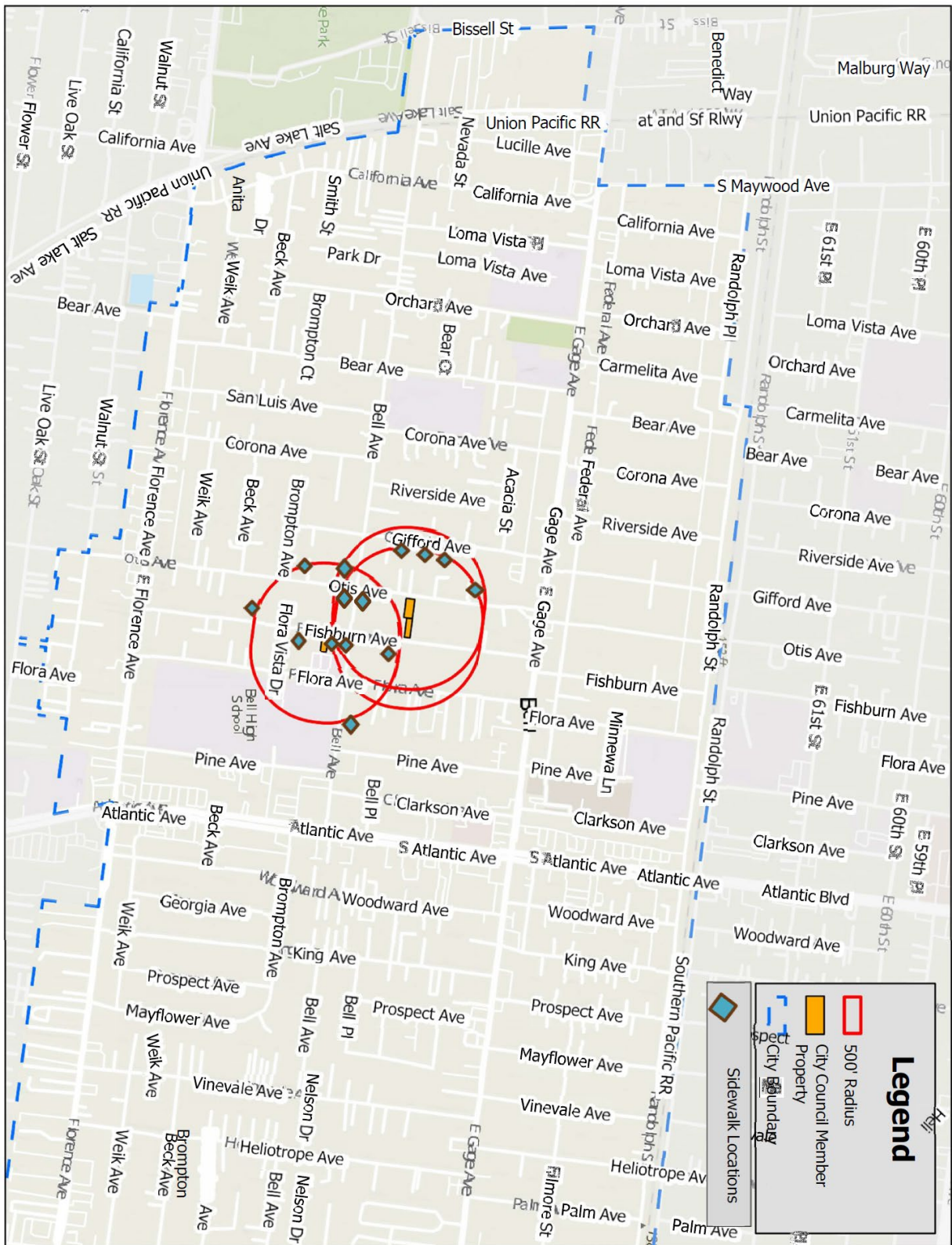
58	6332 Flora Ave	Flora Avenue	20		
59	6231 Flora Ave	Flora Avenue	64		
60	6235 Flora Ave	Flora Avenue	132		
61	6235 Flora Ave	Flora Avenue		26	
62	6332 Flora Ave	Flora Avenue	114		
63	3653 E Florence Ave	Florence Avenue	36		
64	5321 E Gage Ave	Gage Avenue	24		
65	4551 E Gage Ave	Gage Avenue	25		
66	4532 E Gage Ave	Gage Avenue	25		
67	6702 Gifford Ave	Gifford Avenue	48		
68	6612 Gifford Ave	Gifford Avenue	32		
69	6506 Gifford Ave.	Gifford Avenue	40		
70	6603 Gifford Ave	Gifford Avenue	16		
71	6218 Gifford Ave	Gifford Avenue	24		
72	6255 Gifford Ave	Gifford Avenue	36		
73	6337 Gifford Ave	Gifford Avenue	9		
74	4777 E Gage Ave	Heliotrope Avenue	40		
75	6527 Heliotrope Ave	Heliotrope Avenue	44		
76	6242 Home Ave	Home Avenue	24		
77	6201 Home Ave	Home Avenue	24		

78	6619 King Ave	King Avenue	16		
79	6335 King Ave	King Avenue	48		
80	5600 Lindbergh Ln	Lindbergh Lane	32		
81	5680 Bandini Blvd	Lindbergh Lane	36		
82	5400 Lindbergh Ln	Lindbergh Lane	32		
83	3602 Randolph	Loma Vista Avenue	20		
84	6627 Loma Vista Ave	Loma Vista Avenue	20		
85	6615 Loma Vista Ave	Loma Vista Avenue	40		
86	6701 Loma Vista	Loma Vista Place	20		
87	6216 S Maywood Ave	Maywood Avenue	30		
88	6218 Orchard Ave	Orchard Avenue	48		
89	6833 Otis Ave	Otis Avenue	32		
90	6833 Otis Ave	Otis Avenue	32		
91	6517 Otis Ave	Otis Avenue	16		

92	6301 Otis Ave	Otis Avenue	16		
93	3618 Bell Ave	Park Drive	16		
94	6912 Park Dr	Park Drive	36		
95	4651 E Gage Ave	Prospect Avenue	64		
96	6200 Prospect Ave	Prospect Avenue	79.75		
97	6210 Prospect Ave	Prospect Avenue	176		
98	6220 Prospect Ave	Prospect Avenue	98		
99	6253 Prospect Ave	Prospect Avenue		28	
100	6253 Prospect Ave	Prospect Avenue	27.5		
101	6309 to 6315 Prospect Ave	Prospect Avenue	38.5		
102	6315 Prospect Ave	Prospect Avenue	82.5		
103	6320 Prospect Ave	Prospect Avenue	94.25		
104	3619 Randolph	Randolph Place	20		
105	3741 Randolph	Randolph Place	32		
106	3818 Randolph	Randolph Place	20		
107	3908 Randolph St	Randolph Street	12		
108	4108 Randolph St	Randolph Street	16		
109	4112 Randolph St	Randolph Street	8		
110	4204 Randolph St	Randolph Street	12		
111	4412 Randolph St	Randolph Street	12		
112	6200 Prospect Ave	Randolph Street	48		
113	4760 Randolph St	Randolph Street	16		
114	4026 Randolph St	Randolph Street	88		
115	4026 Randolph St	Randolph Street	52		
116	3916 Randolph St	Randolph Street	55		
117	5400 Lindbergh Ln	Rickenbacker Road	24		
118	6616 Riverside Ave	Riverside Avenue	48		
119	6302 Riverside Ave	Riverside Avenue	64		
120	6206 Riverside Ave	Riverside Avenue	74		
121	6530 Riverside Ave	Riverside Avenue	36		
122	6331 Riverside Ave	Riverside Avenue	36		
123	6901 San Luis Ave	San Luis Avenue	48		
124	6834 San Luis Ave	San Luis Avenue	48		
125	4020 Acacia St	Scelina Avenue	16		
126	5114 Southall Ln	Southall Lane	32		
127	6257 Vinevale Ave	Vinevale Avenue	34		
128	6306 to 6302 Vinevale Ave	Vinevale Avenue	168		
129	6202 Vinevale Ave	Vinevale Avenue	92		
130	6305 Vinevale Ave	Vinevale Avenue	80		

131	6316 Vinevale Ave	Vinevale Avenue	32		
132	6256 Vinevale Ave	Vinevale Avenue	46		
133	6257 Vinevale Ave	Vinevale Avenue			16
134	6253 Vinevale Ave	Vinevale Avenue	182		
135	6607 Walker Ave	Walker Avenue	25		
136	7027 Wilcox Ave	Wilcox Avenue	16		
137	6835 Wilcox Ave	Wilcox Avenue	24		
138	6713 Woodward Ave	Woodwar d Avenue	32		
139	4530 Weik Ave	Woodwar d Avenue	32		
140	6924 Woodward Ave	Woodwar d Avenue	32		
141	6917 Woodward Ave	Woodward Avenue	15		
142	6828 Woodward Ave	Woodwar d Avenue	80		
143	6924 Woodward Ave	Woodwar d Avenue	110		
144	6605 Woodward Ave	Woodwar d Avenue	32		
145	6713 Woodward Ave	Woodward Avenue	36		
146	7001 Woodward Ave	Woodwar d Avenue	100		
TOTAL			6610	229	86

Project Location Map



- III.** In addition to the requirements of Section 6.2, during performance of the work, Contractor will keep the City apprised of the status of performance by delivering the following status reports:

 - A. As requested by the Contract Officer.
- IV.** All work is subject to review and acceptance by the City and must be revised by the Contractor without additional charge to the City until found satisfactory and accepted by City.
- V.** Contractor shall provide safe and continuous passage for pedestrian and vehicular traffic in accordance with the Work Area Traffic Control Handbook (WATCH), latest edition.

EXHIBIT "B"

SPECIAL REQUIREMENTS (Superseding Contract Boilerplate)

The following provisions shall be added to the end of Section 5.5:

“If the Contract Sum is increased, Contractor shall increase the amounts of the performance bond and payment bond in the same or greater amount as the increase in the Contract Sum. The Contractor shall be required to complete and execute the following documents, which are attached hereto and are hereby made a part of this Agreement:

- o Faithful Performance Bond;
- o Payment Bond;
- o Worker’s Compensation Insurance Certificate;
- o Declaration of Sufficiency of Funds;
- o Guaranty; and
- o Final Closeout Agreement and Release of All Claims.”

EXHIBIT “C”

SCHEDULE OF COMPENSATION

- I. Contractor shall perform all work at the rates on the Project Bid Schedule Sheet attached as Exhibit “C-1” (the “Project Rates”)
- II. A retention of five percent (5%) shall be held from each payment as a contract retention to be paid as part of the final payment upon satisfactory completion of services.
- III. Within the budgeted amounts for each item on the Project Bid Sheet, and with the approval of the Contract Officer, funds may be shifted from one item’s sub-budget to another so long as the Contract Sum is not exceeded per Section 2.1, unless Additional Work is approved per Section 1.10.
- IV. The City will compensate Contractor for the Services performed upon submission of a valid invoice. Each invoice is to include:
 - A. Line items for all materials, equipment, and work properly charged to the Services.
- V. The total compensation for the services described in Exhibit A shall not exceed **\$93,500.00** Section 2.1 of this Agreement.

Exhibit "C-1"

PUBLIC WORKS DEPARTMENT OF THE CITY OF BELL

ANNUAL SIDEWALK IMPROVEMENT PROJECT

PROJECT BID SHEET

The Contractor shall complete this Project Bid Sheet for use only by Agency for comparison of bids and compensation to the Contractor for this project. The estimated quantities and itemized descriptions (see Special Provisions for detailed descriptions) listed in the Project Bid Sheet are supplied to give an indication of the general size of the work. The accuracy of the estimated quantities is not guaranteed. Unit prices are intended to be the basis for additions, deletions or substitutions to the work, if required. Lump sum prices and/or quantities shall be considered all inclusive and shall not be considered for price and/or quantity adjustment. The work to be performed shall include, but not be limited to, the items described. The bid shall include the furnishing of all labor, services, tools, equipment, materials, appurtenances and incidentals necessary to complete the PROJECT per specifications. The Contractor shall provide a separate price (in figures) for the following:

BID SCHEDULE FOR

ANNUAL SIDEWALK IMPROVEMENT PROJECT

ITEM NO.	DESCRIPTION	REFERENCE	UNIT	EST. QTY.	UNIT PRICE	TOTAL
1	MOBILIZATION (5% MAXIMUM)	7-3.9.2	LS	1	\$ 500.00	\$ 500.00
2	TRAFFIC CONTROL	601-3.5.2 601-3.6.1 601-7	LS	1	\$ 500.00	\$ 500.00
3	REMOVE EXISTING AND CONSTRUCT 4-INCH THICK PCC SIDEWALK OVER SUBGRADE COMPACTED TO 95% RELATIVE COMPACTION PER SPPWC STD PLAN 113-2	303-5.9	SF	6610	\$ 12.00	\$ 79,320.00
4	REMOVE AND CONSTRUCT 4-INCH THICK RESIDENTIAL DRIVEWAY PER SPPWC STD PLAN 110-2, TYPE AND WIDTH PER PLAN	303-5.9	SF	229	\$ 20.00	\$ 4,580.00
5	REMOVE EXISTING AND CONSTRUCT CURB AND GUTTER PER SPPWC STD PLANS	303-5.9	LF	86	\$ 100.00	\$ 8,600.00
TOTAL (BASE BID)					\$ 93,500.00	

TOTAL BASE BID PRICE IN FIGURES \$ 93,500.00

TOTAL BASE BID PRICE IN WORDS NINETY-THREE THOUSAND FIVE HUNDRED AND 00/100

EXHIBIT "D"

SCHEDULE OF PERFORMANCE

- I.** Contractor shall perform all Services timely in accordance with the schedule to be developed by Contractor and subject to the written approval of the Contract Officer.
- II.** Contractor shall complete all services within **30 Working Days** after issuance of the Notice to Proceed by the City .
- III.** The Contract Officer may approve extensions for performance of the services in accordance with Section 3.2.

IN THE CITY OF BELL
FAITHFUL PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS that, _____
_____ as Contractor, and Surety, are
held and firmly bound unto **THE CITY OF BELL**, a public body, corporate and politic ("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 sums, 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 Agreement with Agency for the above stated project,
if Contractor faithfully performs and fulfills all obligations under the Agreement (including but not
limited to the obligations of the Contract Documents incorporated therein) in the manner and time
specified therein, then this obligation shall be null and void at the end of all warranty periods set
forth in the Agreement, 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 Agreement shall not in any way release either Contractor or Surety, and notice of such alterations
is hereby waived by Surety.

WITNESS our hands this _____ day of _____, ____.

Subscribed and sworn to before me

this _____ day of _____, _____. (Print Name of Contractor, Company or Corporation)

(Signature of Notary Public) By: _____
(President)

By: _____
(Secretary/Treasurer)

(SEAL)

(SEAL)

FAITHFUL PERFORMANCE BOND

Subscribed and sworn to before me

this _____ day of _____, _____.

(Print Surety's Name)

(Signature of Notary Public)

(Surety's Mailing Address)

(SEAL)

By: _____

(Name)

(Title)

**NOTE: SIGNATURES OF CORPORATE OFFICIALS AND SURETY MUST BE
NOTARIZED, ATTACH JURAT.**

ANNUAL SIDEWALK IMPROVEMENT PROJECT

IN THE CITY OF BELL

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS that _____
as Contractor, and _____, as Surety, are held and firmly bound unto
THE CITY OF BELL, a public body, corporate and politic
("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 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 Agreement, 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 be the benefit of all
persons entitled to file claims under the State Civil Code; 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
Agreement shall not in any way release either Contractor or Surety, and notice of said alterations is
hereby waived by Surety.

WITNESS our hands this _____ day of _____, ____.

Subscribed and sworn to before me

this _____ day of _____, _____. (Print Name of Contractor, Company or Corporation)

(Signature of Notary Public)

By: _____

(President)

By: _____

(Secretary/Treasurer)

(SEAL)

(SEAL)

PAYMENT BOND

Subscribed and sworn to before me

this _____ day of _____, _____.

(Print Surety's Name)

(Signature of Notary Public)

(Surety's Mailing Address)

(SEAL)

By: _____

(Name)

(Title)

**NOTE: SIGNATURES OF CORPORATE OFFICIALS AND SURETY MUST BE
NOTARIZED, ATTACH JURAT.**

WORKER'S COMPENSATION INSURANCE CERTIFICATE

Pursuant to Section 1861 of the State Labor Code Amended by Stats. 1979, (C.373, p1343), each Contractor to whom a public works contract has been awarded shall sign the following certificate and shall submit same to City of Bell prior to performing any work on the contract:

“I am aware of the provisions of Section 3700 of the Labor Code which requires 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 I will comply with such provisions before commencing the performance of work of this contract.”

(Contractor)

By: _____
(Print Name)

(Signature)

(Title)

(Date)

Section 3700 of the State Labor Code reads in pertinent part as follows:

“Every employer except the state shall secure the payment of compensation in one or more of the following ways:

(a) By being insured against liability to pay compensation by one or more insurers duly authorized to write compensation insurance in this state.

(b) By securing from the Director of Industrial Relations a certificate of consent to self-insure either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees.”

DECLARATION OF SUFFICIENCY OF FUNDS
(California Labor Code Section 2810)

I, the undersigned, an authorized representative of _____ (insert name of Bidder) ("Bidder") with authority to make the statements contained in this Declaration on behalf of Bidder, hereby declare the following:

1. The Bidder's employer identification number for state tax purposes is _____ (insert identification number).
2. The Bidder's workers' compensation insurance policy number is _____ (insert policy number) and the name, address, and telephone number of the insurance carrier providing said insurance is: _____ (insert information requested).
3. The following information is provided concerning any and all vehicles that are owned by the Bidder and that will be used for transportation in connection with any service provided for the performance of the work that is subject of the Bidder's Bid to the City (insert information requested. Attach addition sheets, if needed):

Vehicle	Vehicle ID No.	Vehicle Liability Insurance Policy No. (of Policy covering vehicle)	Name, Address and Telephone No. of Vehicle Liability Insurance Carrier (issuing Policy covering vehicle)

4. The following is the address of any real property that will be used to house workers in connection with the performance of the work that is subject of the Bidder's Bid to the City (insert information requested. If no such housing will be provided, enter "none"). _____
5. The actual or estimated number of workers that will be employed to perform the work of the Project that is the subject of the Bidder's Bid, the total amount of wages to be paid to said workers, and the date on which said wages will be paid are as follows (attach additional sheets, if needed):

Total Number of Workers	Total Amount of Wages	Dates for Payment of Wages

6. Check only one of the following boxes, as applicable:

- ☐ The statement of number of workers declared in Paragraph 5, above, is a statement of the actual number of workers that will be employed; or
- ☐ The actual number of workers requested in Paragraph 5, above, is unknown and therefore the statement of number of workers declared therein is based on the Bidder's best estimate available at the time of Bid, rather than the actual number of workers that will be employed.

7. The actual or estimated total number of persons and entities who will be utilized as independent contractors to perform the work of the Project that is the subject of the Bidder's Bid (together with their known, current local, state, and federal contractor license identification numbers that each is required to have under local, state or federal laws or regulations are as follows (attach additional sheets, if needed):

List of Independent Contractors	Current, Local, State and Federal Contractor License Identification Number

--	--

8. Check only one of the following boxes, as applicable:

- ☐ The statement of number of independent contractors declared in Paragraph 7, above, is a statement of the actual number of independent contractors that will be utilized; or,
- ☐ The actual number of independent contractors requested in Paragraph 7, above, is unknown and therefore the statement of number of independent contractors declared therein is based on the Bidder's best estimate available at the time of Bid, rather than the actual number of independent contractors that will be utilized.

I, the undersigned, declare under penalty of perjury that the foregoing statements are within my personal knowledge and are true and correct. Executed on this _____ day of _____, in the year _____.

Signature

Print Name

PUBLIC WORKS DEPARTMENT OF THE CITY OF BELL

ANNUAL SIDEWALK IMPROVEMENT PROJECT

GUARANTY

In accordance with the terms of the contract for the _____

_____ in the City of Bell, California, approved between **CJ CONCRETE CONSTRUCTION, INC.** and **THE CITY OF BELL**, a public body, corporate and politic (“Agency”) (“Agency”) and the undersigned, under which contract the undersigned shall complete work as described in the contract documents, the following guarantee of said work is hereby made.

Should any of the items installed pursuant to said contract, prove defective or should the item as a whole prove defective, due to faulty workmanship, material furnished or methods of installation, or should the said item or any part thereof fail to operate properly, as planned, due to any of the above causes, all within one (1) year after date on which the work is accepted by the City Council, the undersigned agrees that the repairs shall be made and such materials as are necessary shall be furnished and installed within 10 days after the receipt of demand from the Agency. In the event repairs are not made within 10 days, the Agency shall have the unqualified option to make any needed repairs or replacements itself or by any other Contractor. The undersigned agrees to reimburse the Agency, upon demand, of its expenses incurred in restoring said items to the condition contemplated in said contract, including the cost of any equipment or materials replaced, or upon demand by the Agency, to replace any such equipment and repair said items completely without cost to the Agency so that they will operate successfully as originally contemplated.

Emergency repairs must necessarily be made by the Agency the Agency; therefore, when defective material or workmanship results in emergency repairs, the undersigned agrees to reimburse the Agency, upon demand, expenses incurred.

Said items will be deemed defective within the meaning of this guaranty in the event that they fail to operate as originally intended thereof and in accordance with the plans and specifications included in said contract. The Faithful Performance Bond for this project shall remain in full force and effect for the entire guarantee period as required in the specifications and contract documents.

Date

Signature

**FINAL CLOSEOUT AGREEMENT AND
RELEASE OF ALL CLAIMS**

THIS AGREEMENT AND RELEASE OF ALL CLAIMS is made in Bell, California, this ____ day of _____, ____ by and between THE CITY OF BELL, hereinafter referred to as "AGENCY"; and _____, hereinafter referred to as "CONTRACTOR".

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, as the authorized representative of CONTRACTOR, for and in consideration of _____ DOLLARS (\$_____), to be paid to the CONTRACTOR, does hereby and for each of its successors, assigns and partners, release, acquit and forever discharge the AGENCY, and each of its successors, assigns, officers, agents, servants, consultants and employees, from any and all rights, claims, warranties, demands, debts, obligations, liabilities, actions, damages, costs, expenses and other claims whatsoever which might have been asserted against AGENCY by reason of any matter or thing which was the subject matter of or basis for:

1. The performance of all terms and conditions of that certain contract dated _____, for this Project, **ANNUAL SIDEWALK IMPROVEMENT PROJECT.**

2. Change Order Nos. _____ through _____, inclusive, as approved by AGENCY and CONTRACTOR, pertaining to this Project;

3. The claim for equitable contract adjustment time extension required to complete all improvements for this project, dated _____, ____ in a timely manner and to the satisfaction of CITY ENGINEER of AGENCY, as compromised and settled by Change Order No. _____ approved _____, ____;

4. Claims, known or unknown, of any subcontractors of CONTRACTOR relating to this Project and Change Order Nos. _____ through _____, inclusive relating thereto.

Excepting only the payment of the retained cash amount of \$ _____ and the release of bonds to guarantee labor and materials payment and faithful performance.

That the undersigned, as the authorized representative of AGENCY, for and in consideration of the CONTRACTOR'S completion of this Project, does hereby and for each of its

successors, assigns and partners, release, acquit and forever discharge CONTRACTOR, and each of its successors, assigns, officers, agents, servants and employees from any and all rights, claims, warranties, demands, debts, obligations, liabilities, actions, damages, costs, expenses and other claims whatsoever which might have been asserted against CONTRACTOR by reason of any matter or thing which was the subject matter of or basis for:

Change Order Nos. _____ through _____, inclusive, as approved by AGENCY and CONTRACTOR, pertaining to this Project.

Excepting only CONTRACTOR'S completion of all work as specified by this Project.

Nothing contained herein shall waive or alter the rights, privileges and powers of the AGENCY or the duties, liabilities and obligations of the CONTRACTOR and its surety with respect to this Project.

All work for this Project shall be completed to acceptable standards and tolerances prior to execution of this agreement.

Upon execution of this agreement, the AGENCY agrees to immediately file and record a Notice of Completion with the County Recorder's Office to begin the statutory lien period. The AGENCY agrees that the execution of this agreement commences the running time of any warranty or guarantee periods specified in the contract. The AGENCY and CONTRACTOR agree that the CONTRACTOR is liable for damages for delay, liquidated damages, in the amount of \$ _____ for failure to complete the work specified in this Project Specifications within **Thirty (30) working days**, time allowed under Section _____ of This Project Specifications.

The presently retained amount \$ _____ is ten percent (10%) of the total adjusted contract cost \$ _____, for this Project, less liquidated damages of \$ _____. Said retention monies will be released to the CONTRACTOR at the expiration of the lien period thirty-five (35) calendar days after recordation of the Notice of Completion by the County Recorder's Office.

CONTRACTOR and AGENCY agree that the total adjusted contract price and time of performance for this Project as follows:

ORIGINAL CONTRACT PRICE \$ _____ _____ working days

		ADD	
CHANGE		(DEDUCT)	TIME
<u>ORDER</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>EXTENSION</u>

TOTAL CHANGE ORDER NOS. ____ - ____

FINAL ADJUSTED CONTRACT PRICE \$ _____ working days

The final completion date of the work for this Project. is _____, ____.

It is understood and agreed by the undersigned that the facts with respect to which the foregoing Release is given may hereafter turn out to be other than or different from the facts now known to be or believed by said undersigned to be true, and the undersigned hereto expressly assume the risk of the facts turning out to be different than they now appear, and agree that the foregoing Release shall be, in all respects, effective and not subject to termination or rescission by any such difference in facts. The undersigned hereby expressly waive any and all rights the undersigned have or may have under California Civil Code Section 1542, which provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the Release which if known by him must have materially affected his settlement with the debtor.”

It is understood and agreed that this settlement is a compromise of doubtful and disputed claims, and that the releases made by the CONTRACTOR and AGENCY herein are not to be construed as an admission or admissions of liability on the part of either party and that the parties deny liability thereof and intend merely to avoid litigation and to buy their peace.

The undersigned agree that they will forever refrain and forbear from commencing, instituting or prosecuting any lawsuit, action or other proceeding against the other party based on, arising out of, or in any way connected with the subject matter of this Release.

The CONTRACTOR hereby releases and agrees to indemnify the AGENCY for all claims, including those of its Subcontractor for any and all delay and impact costs.

The terms of this release shall not excuse the responsibility of the CONTRACTOR to guarantee all work for a period of one (1) year from the date of acceptance of all improvements by the AGENCY. CONTRACTOR shall repair and replace any and all improvements damaged or

failed (ordinary wear and tear, and usual abuse or neglect accepted) and shall maintain the original Faithful Performance Bond in full force and effect for the entire guarantee period.

The CONTRACTOR represents and warrants to the AGENCY that the CONTRACTOR has not heretofore assigned, or transferred, or purported to assign or transfer to any person, firm, corporation, association or entity any of the rights, claims, warranties, demands, debts, obligations, liabilities, actions, damages, costs, expenses and other claims whatsoever and the CONTRACTOR agrees to indemnify and hold harmless the AGENCY against, without limitation, any and all rights, claims, warranties, demands, debts, obligations, liabilities, actions, damages, costs, expenses and other claims, including attorneys' fees, arising out of or connected with any such assignment or transfer or purported assignment or transfer.

The undersigned acknowledge that they have been represented by counsel of their own choice in connection with the preparation and execution of this mutual Release of All Claims in full, and understand, and voluntarily consent, and agree to each and every provision contained herein.

The undersigned further declare and represent that no promise, inducement or agreement, not herein expressed, has been made to the undersigned and that this Release contains the entire agreement among the parties hereto and that the terms of this Release are contractual and not a mere recital.

The persons executing this Release of All Claims represent and warrant to the other party that the execution and performance of the terms of this Release have been duly authorized by all requisite corporate, partnership, individual or other entity requirements and that said persons have the right, power, legal capacity and authority to execute and enter into this Release.

Executed this _____ day of _____, _____ at Bell, California.

AGENCY:

CONTRACTOR:

[CHAIRMAN/DESIGNEE] –
Corporation)

(Name of Contractor, Company or

[INVITING AGENCY] of the City of Bell

Telephone No. _____

ATTEST:

By: _____
(Print)

Agency [SECRETARY/DESIGNEE]
[INVITING AGENCY] of the City of Bell

(Signature)

(Title)

APPROVED AS TO CONTENT:

[EXECUTIVE DIRECTOR OR OTHER DESIGNEE] - [INVITING AGENCY]
of the City of Bell

**NOTE: SIGNATURE'S OF CORPORATE AND SURETY OFFICIALS MUST BE
 NOTARIZED.**

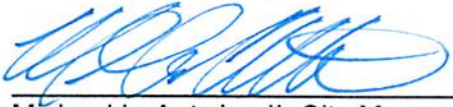
AGENDA ITEM 5

City of Bell Agenda Report

DATE: July 22, 2026

TO: Mayor and Members of the City Council

FROM: Rita Montalvo, P.E., Public Works Director

APPROVED BY: 
Michael L. Antwine II, City Manager

SUBJECT: Adopt a Resolution approving a Budget Amendment and approve Amendment No.2 to the Professional Services Agreement with HF&H Consultants for the remaining SB 1383 Solid Waste Consulting Services through December 31, 2026

RECOMMENDATION:

It is recommended that the City Council:

1. Approve Amendment No. 2 to the Professional Services Agreement with HF&H Consultants in an amount not to exceed \$102,000 for continued SB 1383 Solid Waste Consulting Services through December 31, 2026; and
2. Read by title only, waive further reading and adopt Resolution No. 2026-43 titled:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL
AUTHORIZING A FISCAL YEAR 2026-2027 BUDGET
AMENDMENT TO TRANSFER \$102,000 FROM THE
SANITATION FUND BALANCE RESERVE TO THE SANITATION
ACCOUNT FOR OUTSIDE PROFESSIONAL SERVICES**

BACKGROUND:

The City of Bell is required to comply with Senate Bill (SB) 1383 and other State regulations governing solid waste, recycling, organics diversion, edible food recovery, procurement requirements, and annual reporting. These regulations require ongoing program administration, documentation, reporting, contract oversight, and coordination with CalRecycle and the City's solid waste franchise hauler.

On December 11, 2024, the City entered into a Professional Services Agreement with HF&H Consultants to provide solid waste consulting and SB 1383 compliance assistance services. The original agreement was in an amount not to exceed \$99,000 for the period of December 11, 2024, through December 10, 2025.

Since 2024, HF&H has served as the City's solid waste consultant, providing technical assistance for SB 1383 implementation, CalRecycle compliance, franchise agreement administration, franchise rate reviews, staff training, and support during CalRecycle's Jurisdiction and Agency Compliance and Enforcement (JACE) review.

HF&F familiarity with the City's solid waste programs and regulatory requirements has enabled the City to maintain compliance with State mandates while efficiently responding to evolving regulatory requirements.

On July 1, 2025, the City approved Amendment No. 1, which extended the agreement through December 10, 2026, increased the contract amount to \$249,000, and expanded the scope of work to include additional CalRecycle compliance, contract management, and SB 1383 implementation services.

Most of the work authorized under the previous agreement has now been completed. Staff is requesting approval of Budget Amendment No. 2 to provide funding for the remaining consulting services necessary to continue supporting the City's SB 1383 compliance efforts through December 31, 2026.

DISCUSSION:

HF&H Consultants submitted a proposal dated June 18, 2026, to continue providing solid waste consulting services from July 1, 2026, through December 31, 2026, for a total amount not to exceed \$102,000. The services will be performed on a time-and-materials basis within the approved budget.

The remaining scope of work includes:

- Contract management and franchise monitoring services;
- Monthly coordination meetings with the City's solid waste franchise hauler;
- Review of monthly, quarterly, and annual franchise reports;
- Review of the franchise hauler's annual rate adjustment request;
- Ongoing SB 1383 compliance support and maintenance of required implementation records;
- Assistance with CalRecycle reporting, including preparation of the Electronic Annual Report (EAR);
- Continued support during and following CalRecycle's JACE Compliance Evaluation, including review of findings, preparation of responses, and implementation of any required corrective actions;
- Staff training and technical assistance; and
- Other solid waste, recycling, and organics-related consulting services as requested by City staff.

HF&H's familiarity with the City's franchise agreement, solid waste programs, and regulatory requirements allows these services to continue efficiently without interruption while minimizing the time and cost associated with transitioning to another consultant.

The total proposed cost for the remaining services is \$102,000, which includes professional services and reimbursable expenses. Approval of Amendment No. 2 will increase the Professional Services Agreement with HF&H Consultants, LLC by \$102,000, increasing the total not-to-exceed contract amount from \$249,000 to \$351,000. The City receives franchise fees from Republic Services that cover the costs of these services.

FISCAL IMPACT:

There will not be an impact on the General Funds. The budget increase of \$102,000 will be paid using the City's Sanitation Fund Account No. 108-15-0000-000-6100.

ATTACHMENTS:

1. Attachment A – Resolution 2026-43
2. Attachment B – Amendment No.2 - Professional Services Agreement with HF&H Consultants
3. Attachment C - HF&H Proposal

RESOLUTION NO. 2026-43

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL AUTHORIZING A FISCAL YEAR 2026-2027 BUDGET AMENDMENT TO TRANSFER \$102,000 FROM THE SANITATION FUND BALANCE RESERVE TO THE SANITATION ACCOUNT FOR OUTSIDE PROFESSIONAL SERVICES

WHEREAS, on December 11, 2024, the Bell City Council approved a Professional Services Agreement with HF&H Consultants, LLC, for Solid Waste Consulting and SB 1383 Compliance Assistance Services, and adopted Resolution No. 2024-55 approving a budget amendment to fund those services; and

WHEREAS, on July 1, 2025, the City approved Amendment No. 1 to the Professional Services Agreement, extending the agreement and increasing the contract amount to continue providing SB 1383 compliance assistance services; and

WHEREAS, the City continues to require professional consulting services to maintain compliance with Senate Bil (SB) 1383 and related State solid waste regulations; and

WHEREAS, Amendment No. 2 to the Professional Services Agreement with HF&H Consultants, LLC, increases the agreement by \$102,000 to continue providing SB 1383 Solid Waste Consulting Services through December 31, 2026; and

WHEREAS, Amendment No. 2 will increase the Professional Services Agreement with HF&H Consultants, LLC by \$102,000, increasing the total not-to-exceed contract amount from \$249,000 to \$351,000.

WHEREAS, the Sanitation Fund Balance Reserve of the City has sufficient revenues available to advance to the Outside Professional Service Account.

NOW, THEREFORE, THE CITY COUNCIL DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Approve the transfer of Sanitation Fund Balance Reserve to the City Sanitation Account for Outside Professional Services Account.

SECTION 2. The City Council hereby approves amending the Fiscal Year 2026-2027 budget by appropriating an amount of \$102,000 from Sanitation Fund Balance Reserve to the Sanitation Account No. 108-15-00-0000-000-6100 for Outside Professional Services.

PASSED, ADOPTED AND APPROVED this 22nd day of July 2026.

Ali Saleh, Mayor

APPROVED AS TO FORM:

Danny Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 22nd day of July 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Angela Bustamante, City Clerk

AMENDMENT NO. 2

TO CONTRACT SERVICES AGREEMENT

THIS SECOND AMENDMENT TO CONTRACT SERVICES AGREEMENT (“Amendment”) by and between the CITY OF BELL, a California municipal corporation (“City”), and HF&H CONSULTANTS, LLC, a California limited liability company (“Consultant”) is effective as of the _____ day of July, 2026.

RECITALS

A. City and Consultant entered into that certain Contract Services Agreement dated December 11, 2024 (“Agreement”) whereby Consultant agreed to provide solid waste consulting and SB 1383 compliance assistance services to the City. Initially capitalized terms used but not defined herein shall have the meaning set forth in the Agreement

B. The initial Term of the Agreement was from December 11, 2024, to December 10, 2025, with the option for two (2) additional one-year extension periods at the City’s sole and absolute discretion.

C. City and Consultant entered into a First Amendment to the Agreement on July 1, 2025 (“Amendment No. 1”), to, among other things, extend the term of the Agreement for one (1) additional year from December 10, 2025 to December 10, 2026 and increase the Contract Sum by \$150,000.00, from \$99,000.00 to \$249,000.00.

D. By this Amendment, City and Consultant now desire to amend the Agreement to provide for additional services by Consultant and increase the Contract Sum by \$102,000.00, from \$249,000.00 to \$351,000.

E. Except as amended hereby, this Amendment is subject to the same terms and conditions as provided in the Agreement.

TERMS

- 1. Contract Changes.** The Agreement is amended as provided herein. Additions are shown as ***bold italics***. Deletions are shown as ~~strikethroughs~~.

- a. Section 2.1, “Contract Sum” is hereby amended and shall now read as follows:

“Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with the “Schedule of Compensation” attached hereto as Exhibit “C” and incorporated herein by this reference, but not exceeding the maximum contract amount of ~~Two Hundred Forty Nine Thousand Dollars (\$249,000.00)~~ ***Three Hundred Fifty-One Thousand Dollars (\$351,000)*** (“Contract Sum”).”

- b. Exhibit A (Scope of Services), Section I, is hereby amended and restated effective as the date of this Amendment as follows:

“I. Consultant shall provide professional consulting services in reviewing SB 1383 Compliance Assistance consistent with the direction of the City’s Contract Officer (collectively, “Services”). Said Services shall include the following objectives and tasks:

Task 1. Contract Monitoring & Franchise Management

Consultant will support the City with comprehensive contract management and franchise monitoring services to help ensure the City’s solid waste franchise agreement is compliant with regulatory requirements and aligned with service and performance expectations. Consultant responsibilities will include ongoing review, evaluation, and coordination with the City’s franchise hauler, as well as structured monitoring activities that promote transparency, responsive service delivery, and clear communication. Specific tasks are as follows:

- A. Schedule and facilitate monthly meetings with the City and franchise hauler.
- B. Schedule and facilitate meetings with City staff and the Consultant, as necessary.
- C. Prepare annual franchisee hauler reporting form.
- D. Review of Hauler’s quarterly and annual reports (including diversion, tonnage, and franchise fees).
- E. Monitor franchise agreement programs, including compost giveaway events and Award Programs (Community Funding Award, Senior Scholarships, Recycling Awards), and opportunities for recycling and organics services available for City facilities under the franchise agreement.
- F. Review and track public education developed by franchise hauler.
- G. Track solid waste legislation and policy decisions.
- H. Other services as requested by City Staff.
- I. Assist City with amending its solid waste and recycling franchise agreement to clarify the annual rate adjustment effective date, establish updated scout/push-out service fees, and other clean-up language.

Task 2. SB 1383 Assistance

- A. Assist City Staff with implementation record maintenance including filing City-approved documents, updating program descriptions, and tracking compliance gaps related to the Franchise Agreement.

- B. ROWP annual target review/analysis
- C. Review of SB 1383 Annual Reports, including the Desktop Customer Compliance Report and Customer List, Edible Food Recovery Plan, Route Review Plan, PE&O Plan, ROWP Plan, and EAR facility letters.
- D. Ensure monthly and annual reports, such as Route Reviews, PE&O, and Service Exemptions, are compliant with SB 1383 and ready for JACE Compliance Evaluation.
- E. Review of City website for SB 1383 compliance.
- F. Review and analyze Recovered Organic Waste Product (ROWP) procurement.
- G. Annual review of SB 1383 route reviews (including methodology).
- H. Provide SB 1383 Training to City Staff, as requested by City.
- I. Share information with City staff regarding potential new California grant opportunities, if available, related to recycling and SB 1383 that the City may consider.
- J. Other SB 1383 support as requested by the Contract Officer.
- K. Consultant will support one meeting with the CalRecycle Jurisdiction and Agency Compliance and Enforcement Branch (JACE) to review responses to CalRecycle's Draft Findings Report.

Task 3. Annual Rate Adjustment Review

- A. Consultant will review and verify franchise hauler's annual rate adjustment and assist the City in preparing a timeline and coordinating with involved parties.
- B. Consultant will review the accuracy of the franchise hauler's rate calculations in the context of the franchise agreement and document recommended adjustments to the calculations (if applicable).
- C. Consultant will assist City with reviewing notices sent to customers by the City's franchise hauler.

Task 4. CalRecycle Assistance & Reporting

- A. Consultant will provide ongoing support to help maintain open, consistent communication with CalRecycle's Local Assistance and Market Development (LAMD) Branch.
- B. Consultant will review the City's EAR prepared by the franchise hauler and its subconsultant due annually by August 1.

- C. Consultant will assist the City with identifying SB 1383-related data needed from other City departments for inclusion in the EAR/
- D. Consultant will assist the City by responding to questions from CalRecycle and preparing for and participating in the annual conference calls, meetings and annual site visit.”

- c. Exhibit A (Scope of Services), Section II, is hereby amended and shall now read as follows:

“II. As part of the Services, Consultant will prepare and deliver the following tangible work products to the City:

- A. Evaluate the Implementation Record (IR) and provide all written work products produced in connection with ~~Tasks 1–6~~ **Tasks 1–4.**”
- d. Exhibit A, Section III, “Scope of Services” is hereby amended and shall now read as follows:

“III. In addition to the requirements of Section 6.2, during performance of the Services, Consultant will keep the City updated of the status of performance by delivering the following status reports:

- A. Provide email updates with the tasks identified in ~~Tasks 1–6~~ **Tasks 1–4.**”

- e. Exhibit C (Schedule of Compensation), Section I, is hereby amended and shall now read as follows:

“I. Consultant shall perform the Services at the rates listed in the chart below and in Exhibit C-1.

Task Description		Executive	Sr. Project Manager	Sr. Associate	Associate	Total Hours*
1. SB 1383 Compliance Assistance						
1A	Participate in IR Review Meeting with CalRecycle	2	2	4	-	8
1B	Prepare Responses to CalRecycle's IR Follow-up Questions	-	2	10	10	22
1C	Attend CalRecycle Site Visit(s)	-	-	24	-	24
1D	Attend Post Site Visit meetings with CalRecycle and City staff (Internal Prep with City, CalRecycle meeting, and Debrief with City)	3	9	9	-	21
1E	Review CalRecycle Draft Findings and Draft Response to CalRecycle	1	2	8	-	11
1F	Attend Final CalRecycle Compliance Review meeting	2	2	4	-	8
1G	Provide Other CalRecycle Support	3	10	32	29	74
Subtotal: Task 1 Hours		11	27	91	39	168
Task 1 Fees		\$ 4,015	\$ 8,235	\$ 22,750	\$ 7,995	\$ 42,995
2. Service Transition and Contract Management						
2A	Prepare Contract Summary	2	4	8	12	26
2B	Prepare List of Hauler Contract Requirements	2	4	6	10	22
2C	Facilitate City/Hauler Contract Management Meetings (1)	8	20	36	36	100
2D	Review and Provide Comments on Hauler's Transition Plan	1	2	4	4	11
2E	Review Outreach Materials	4	6	12	10	32
2F	Review Compliance Metrics for Commercial Recycling and Organics Program	1	2	6	4	13
2G	Review Contractor Rate Adjustment and Prepare Rate Schedule (Effective March 1 of each year)	1	4	4	8	17
Subtotal: Task 2 Hours		19	42	76	84	221
Task 2 Fees		\$ 6,935	\$ 12,810	\$ 19,000	\$ 17,220	\$ 55,965
2025 Hourly Rate		\$ 365	\$ 305	\$ 250	\$ 205	
Expenses						\$ 40
Total for Tasks 1 and 2						\$ 99,000

*Hours may be shifted among tasks.

(1) Estimated two meetings per month in January and February 2025, then monthly meetings from March 2025 through September 2025.

City of Bell
Workplan for Phase 3: SB 1383 Compliance Assistance, Solid Waste Service Transition, and Contract Management (1)
Continued support through June 30, 2026 (1-Year)

Task Description		Executive	Sr. Project Manager	Sr. Associate	Associate	Total Hours*
1. SB 1383 Compliance Assistance						
1A	CalRecycle JACE and LAMD Liaison Support (Meetings; Prepare and Draft Responses; Review Compliance Documentation; Respond to Inquiries from CalRecycle Staff)	4	4	30	20	58
1B	Review 2024 and 2025 EAR Reports	-	4	20	24	48
1C	Attend Final CalRecycle Compliance Review Meeting	2	1	4	4	11
Subtotal: Task 1 Hours		6	9	54	48	117
Task 1 Fees		\$ 2,190	\$ 2,745	\$ 13,500	\$ 9,840	\$ 28,275
2. Service Transition and Contract Management						
2A	Facilitate City/Hauler Contract Management Meetings (2)	4	55	30	145	234
2B	Review Hauler Reports	2	8	8	25	43
2C	Review Outreach Materials	-	10	15	25	50
2D	Review Contractor Rate Adjustment and Prepare Rate Schedule	1	2	-	10	13
2E	Review Compliance Metrics for Commercial and Organics Program	2	6	10	12	30
2F	On-Call Contract Management Support	5	10	10	21	46
Subtotal: Task 2 Hours		14	91	73	238	416
Task 2 Fees		\$ 5,110	\$ 27,755	\$ 18,250	\$ 48,790	\$ 99,905
3. Task Enforcement SOP						
3A	Draft SB 1383 Enforcement SOP	1	1	6	8	16
3B	Meetings with City Staff to Review Enforcement SOP for Implementation	-	-	4	4	8
Subtotal: Task 3 Hours		1	1	10	12	24
Task 3 Fees		\$ 365	\$ 305	\$ 2,500	\$ 2,460	\$ 5,630
4. Other SB 1383 Programming Support						
4A	On-Call SB 1383 Programming Support (3)	2	2	20	10	34
	Two Implementation Record Reviews and Provide Recommendations for Maintenance Updates	-	-	16	16	32
Subtotal: Task 3 Hours		2	2	36	26	66
Task 3 Fees		\$ 730	\$ 610	\$ 9,000	\$ 5,330	\$ 15,670
2025 Hourly Rate		\$ 365	\$ 305	\$ 250	\$ 205	
Expenses						\$ 520
Total for Tasks 1 - 4						\$ 150,000

Task Description		Executive	Sr. Project Manager	Associate	Total Hours*	Proposed Cost
		\$379	\$315	\$205		
Task 1 Contract Monitoring & Franchise Management						
1.1	Monitor contract compliance	3	6	20	29	\$7,127
1.2	Schedule and attend monthly meetings	6	13	30	49	\$12,519
1.3	Review of Hauler's quarterly and annual reports	5	8	30	43	\$10,565
1.4	Review and track public education developed by contractor	1	5	10	16	\$4,004
1.5	Track solid waste legislation and policy decisions	2	3	6	11	\$2,933
1.6	Other Tasks as requested by City Staff	4	7	6	17	\$4,951
1.7	Franchise Agreement Amendment Assistance	12	18	35	65	\$17,393
Task 1		33	60	137	230	\$59,492
Task 2 SB 1383 Assistance						
2.1	Implementation Record maintenance	1	4	20	25	\$5,739
2.2	ROWP annual target review/analysis	0	2	4	6	\$1,450
2.3	Review and analyze annual SB 1383 Route Review data	1	2	11	14	\$3,264
2.4	Enforcement support	2	3	15	20	\$4,778
2.5	Other SB 1383 support as requested by City Staff	4	7	10	21	\$5,771
2.6	JACE Compliance Evaluation Support	5	15	26	46	\$11,950
Task 2		13	33	86	132	\$32,952
Task 3 Annual Rate Adjustment Review						
3.1	Review and verify contractor's annual rate adjustment	1	2	6	9	\$2,239
3.2	Prepare timeline and coordinate with involved parties	0	1	3	4	\$930
3.3	Assist with reviewing notices sent to customers	0	2	3	5	\$1,245
Task 3		1	5	12	18	\$4,414
Task 4 CalRecycle Assistance & Reporting						
4.1	Assist with CalRecycle LAMD correspondence and annual site	1	1	4	6	\$1,514
4.2	Review City's electronic annual report (EAR) drafted by hauler	0	1	8	9	\$1,955
4.3	Communicate with CalRecycle representatives regarding reports and programs including attending virtual meetings	1	1	3	5	\$1,309
Task 4		2	3	15	20	\$4,778
Total Costs						
Total Hours		49	101	250	400	
Total Fees		\$ 18,571	\$ 31,815	\$ 51,250		\$ 101,636
Expenses						\$ 364
Total Fees & Expenses						\$ 102,000

- f. Exhibit C-1 (Consultant's Billing Rates) is hereby amended and restated effective as the date of this Amendment and shall now read as follows:

Position	Rates through 12/31/26
Executive	\$340 - \$380
Senior Project Manager	\$315 - \$340
Project Manager	\$280 - \$315
Senior Associate	\$235 - \$280
Associate Analyst	\$205 - \$230
Assistant Analyst	\$190 - \$200
Administrative Staff	\$145 - \$175

- g. Exhibit D (Schedule of Performance), Section I, is hereby amended and restated effective as of the date of this Amendment and shall now read as follows:

"I. Consultant shall perform all services in accordance with the following schedule:

TASK	DAYS TO PERFORM	DEADLINE DATE
Monitor contract compliance	Ongoing throughout Term of the Agreement	Ongoing throughout Term of the Agreement
Schedule and attend monthly meetings	Monthly	Ongoing throughout Term of the Agreement
Review of Hauler's quarterly and annual reports	Quarterly	Ongoing throughout Term of the Agreement

Review and track public education developed by contractor	TBD by City and Consultant	TBD by City and Consultant
Track solid waste legislation and policy decisions	Ongoing throughout Term of the Agreement	Ongoing throughout Term of the Agreement
Other Tasks as requested by City Staff	TBD by City and Consultant	TBD by City and Consultant
Franchise Agreement Amendment Assistance	TBD by City and Consultant	TBD by City and Consultant
Implementation Record maintenance	Ongoing throughout Term of the Agreement	Ongoing throughout Term of the Agreement
ROWP annual target review/analysis	Annually	12/31/26
Review and analyze annual SB 1383 Route Review data	Quarterly	Ongoing throughout Term of the Agreement
Enforcement support	TBD by City and Consultant	TBD by City and Consultant
Other SB 1383 support as requested by City Staff	TBD by City and Consultant	TBD by City and Consultant
JACE Compliance Evaluation Support	21 Days	21 Days after receipt of JACE Findings Report
Review and verify contractor's annual rate adjustment	60 days after receipt of request from Contractor	Annually, Rates Effective 10/1/2026

Prepare timeline and coordinate with involved parties

60 days after receipt of request from Contractor

Annually

Assist with reviewing notices sent to customers

TBD by City and Consultant

TBD by City and Consultant

Assist with CalRecycle LAMD correspondence and annual site

Annually

TBD by City and LAMD

Review City's electronic annual report (EAR) drafted by hauler

Annually

8/3/26

Communicate with CalRecycle representatives regarding reports and programs including attending virtual meetings

TBD by City and Consultant

TBD by City and Consultant

2. Continuing Effect of Agreement. Except as amended by this Amendment and Amendment No. 1, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement, as amended by this Amendment and Amendment No. 1 to the Agreement.

3. Affirmation of Agreement; Warranty Re Absence of Defaults. City and Consultant each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each party represents and warrants to the other that the Agreement is currently an effective, valid, and binding obligation.

Consultant represents and warrants to City that, as of the date of this Amendment, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Consultant that, as of the date of this Amendment, Consultant is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

4. Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

5. Authority. The persons executing this Amendment on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Amendment on behalf of said party, (iii) by so executing this Amendment, such party is formally bound to the provisions of this Amendment, and (iv) the entering into this Amendment does not violate any provision of any other agreement to which said party is bound.

[SIGNATURES ON FOLLOWING PAGE]

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

CITY:

CITY OF BELL, a California municipal corporation

_____, Mayor

ATTEST:

Angela Bustamante, City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP



Danny Aleshire, City Attorney

CONSULTANT:

HF&H CONSULTANTS, LLC, a California limited liability company

By: _____
Name:
Title:

By: _____
Name:
Title:

Address: 590 Ygnacio Valley Road, Suite 105,
Walnut Creek, CA 94596

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF _____

On _____, 2026, before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
☐	INDIVIDUAL	
☐	CORPORATE OFFICER	
	TITLE(S)	TITLE OR TYPE OF DOCUMENT
☐	PARTNER(S) ☐ LIMITED	
	☐ GENERAL	
☐	ATTORNEY-IN-FACT	
☐	TRUSTEE(S)	NUMBER OF PAGES
☐	GUARDIAN/CONSERVATOR	
☐	OTHER _____	
SIGNER IS REPRESENTING:		DATE OF DOCUMENT
(NAME OF PERSON(S) OR ENTITY(IES))		

_____		SIGNER(S) OTHER THAN NAMED ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF _____

On _____, 2026, before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
☐	INDIVIDUAL	
☐	CORPORATE OFFICER	
	TITLE(S)	TITLE OR TYPE OF DOCUMENT
☐	PARTNER(S) ☐ LIMITED	
	☐ GENERAL	
☐	ATTORNEY-IN-FACT	
☐	TRUSTEE(S)	NUMBER OF PAGES
☐	GUARDIAN/CONSERVATOR	
☐	OTHER _____	
SIGNER IS REPRESENTING: (NAME OF PERSON(S) OR ENTITY(IES))		DATE OF DOCUMENT
_____ _____ _____		SIGNER(S) OTHER THAN NAMED ABOVE

June 18, 2026

Rita Montalvo
Public Works Director

City of Bell
6330 Pine Avenue
Bell, CA 90201

Sent via email: rmontalvo@cityofbell.gov

Cc: jochiqui@cityofbell.gov

Subject: Scope of Work and Fee Estimate for SB 1383 Solid Waste Consulting Services through December 31, 2026

Dear Rita Montalvo,

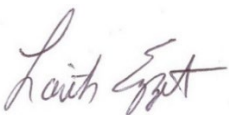
HF&H Consultants (HF&H) is pleased to submit this proposal to the City of Bell (City) to continue to provide recycling, organics, and solid waste consulting services. Since 1989, we have supported communities across California with strategic planning, policy development, program implementation, and compliance assistance.

We are particularly proud of the partnership we have built with the City since 2024 in our role as the City's solid waste consultant. During this time, our work has included CalRecycle JACE Compliance Evaluation support, SB 1383 Assistance, Contract Management Support, Billing Credit Audit, and SB 1383 Staff Training Support.

The City can continue to rely on our historical knowledge and familiarity with its programs, which will be especially valuable in preparation for the completion of the JACE Compliance Evaluation Findings Report. This foundation enables the City to proactively plan for future needs (such as SB 1383 support and franchise agreement amendment assistance), ensuring readiness and alignment with regulatory and service requirements.

Thank you for the opportunity to provide you with this information. We look forward to continuing our partnership with the City. If you have any questions, please contact Laith Ezzet at (949) 251-8902, lezzet@hfh-consultants.com; or April Hamud at (949) 251-8586, ahamud@hfh-consultants.com.

Sincerely,



Laith B. Ezzet, CMC®
Senior Vice President



April Hamud, CMC®
Senior Project Manager

SCOPE OF WORK

Task 1 Contract Management & Franchise Monitoring

HF&H will support the City with comprehensive contract management and franchise monitoring services to help ensure the City's solid waste franchise agreement is effectively administered, compliant with regulatory requirements, and aligned with service and performance expectations. Our assistance includes ongoing review, evaluation, and coordination with the City's franchise hauler, as well as structured monitoring activities that promote transparency, responsive service delivery, and clear communication. HF&H recognizes unanticipated needs may emerge throughout the project and will assist the City with waste management-related inquiries and miscellaneous tasks within the project's budgetary limitations. The tasks below outline the support HF&H may provide to strengthen the City's oversight and maximize the value of its franchise agreement.

- Schedule and facilitate monthly meetings with the City and franchise hauler
- Schedule and facilitate as-needed pre-meetings with the City
- Annual preparation of the franchisee hauler reporting form
- Review of franchise hauler's quarterly and annual reports (including diversion, tonnage, and franchise fees)
- Monitor franchise agreement programs, including compost giveaway events and Award Programs (Community Funding Award, Senior Scholarships, Recycling Awards), and opportunities for recycling and organics services available for City facilities under the franchise agreement
- Review and track public education developed by franchise hauler
- Track and discuss relevant solid waste legislation and policy decisions
- Other tasks as requested by City Staff

One-Time Tasks for Task 1

Franchise Agreement Amendment Assistance

In 2024, the City amended and restated their solid waste and recycling franchise agreement to include SB 1383 services which resulted in a cost increase and triggered a Proposition 218 process for the new rate adjustment. The City is interested in amending the franchise agreement with the hauler to clarify the annual rate adjustment effective date, establish updated scout/push-out service fees, and other clean-up language. In 2025, HF&H provided a list of recommendations for the proposed amendment. HF&H may assist the City in ensuring the amendment covers the City's requested contract updates.

Task 2: SB 1383 Assistance

HF&H will provide the City with ongoing support to maintain and strengthen compliance with SB 1383's organics waste reduction, edible food recovery, procurement, and recordkeeping requirements. This framework is designed to ensure the City remains prepared for regulatory reviews, maintains quality documentation, and efficiently manages coordination with the franchise hauler, internal departments, and CalRecycle. The tasks below outline the specific activities HF&H may perform to support the City's ongoing SB 1383 program and compliance needs.

- Assisting City staff with implementation Record maintenance on an ongoing basis, including filing City-approved documents, updating program descriptions, and tracking compliance gaps related to the Franchise Agreement
- Review of SB 1383 Annual Reports, including the Desktop Customer Compliance Report & Customer List, Edible Food Recovery Plan, Route Review Plan, PE&O Plan, ROWP Plan, and EAR facility letters
- Ensure the Monthly and Annual reports, such as Route Reviews, PE&O, and Service Exemptions, are compliant with SB 1383 and ready for JACE Compliance Evaluation
- Review of City website for SB 1383 compliance
- Recovered Organic Waste Product (ROWP) procurement review and analysis
- Annual review of SB 1383 route reviews (including methodology)
- SB 1383 Training of City Staff
- Share information with City staff regarding potential new California grant opportunities, if available, related to recycling and SB 1383 that the City may consider
- Other SB 1383 support as requested by City Staff

One-Time Tasks for Task 2

JACE Compliance Evaluation Support

In August 2024, CalRecycle Jurisdiction and Agency Compliance and Enforcement Branch (JACE) had formally requested the City to provide their SB 1383 Implementation Record. The City, City's hauler (Republic), and HF&H met multiple times to coordinate an initial action plan to the JACE evaluation notice and further prepared a comprehensive SB 1383 implementation record, which was submitted to the CalRecycle JACE branch on September 5, 2024. CalRecycle completed their site visits in February 2025 and provided follow-up questions to the City on September 3, 2025. HF&H and the City's hauler supported the City in preparing and providing responses to CalRecycle on September 19, 2025. CalRecycle is in the process of preparing the Draft Findings Report.

Final CalRecycle Meeting: If needed, HF&H will support one final meeting with JACE and the City to review responses to the Draft Findings Report and prioritize resolving compliance concerns.

Task 3: Annual Rate Adjustment Review

HF&H will review the franchise hauler's annual rate adjustment request and assist the City with preparing a timeline and coordinating applicable tasks with the parties involved. HF&H will review the accuracy of the franchise hauler's calculations, in accordance with the allowable annual increase in the franchise agreement, document recommended adjustments to the submittal (if applicable), and review customer notices.

Task 4: CalRecycle Assistance & Reporting

The City will stay on track with annual reporting requirements as HF&H provides ongoing support to help maintain open, consistent communication with CalRecycle's Local Assistance and Market Development (LAMD) Branch. Our assistance ensures accurate EAR submittals, coordinated data collection, and effective engagement with LAMD staff throughout the year. To ensure the City meets annual CalRecycle reporting requirements, HF&H will:

- Review the City's EAR prepared by the franchise hauler and its subconsultant due annually by August 1
- Assist the City with identifying SB 1383-related data needed from other City Departments for inclusion in the EAR
- Assist the City by responding to questions from CalRecycle and preparing for and participating in the annual conference calls, meetings and annual site visit

PROJECT COST

We will perform the scope of work based on time and materials. The estimated cost from July 1, 2026, through December 31, 2026, is \$102,000 and is shown in the table below.

The workplans below itemizes hours by task and staff classification. Hours may be shifted among tasks to achieve the City's goals for the requested services.

Table 1: Fee Estimate (July 1, 2026 – December 31, 2026)

Task Description		Executive	Sr. Project Manager	Associate	Total Hours*	Proposed Cost
		\$379	\$315	\$205		
Task 1 Contract Monitoring & Franchise Management						
1.1	Monitor contract compliance	3	6	20	29	\$7,127
1.2	Schedule and attend monthly meetings	6	13	30	49	\$12,519
1.3	Review of Hauler's quarterly and annual reports	5	8	30	43	\$10,565
1.4	Review and track public education developed by contractor	1	5	10	16	\$4,004
1.5	Track solid waste legislation and policy decisions	2	3	6	11	\$2,933
1.6	Other Tasks as requested by City Staff	4	7	6	17	\$4,951
1.7	Franchise Agreement Amendment Assistance	12	18	35	65	\$17,393
Task 1		33	60	137	230	\$59,492
Task 2 SB 1383 Assistance						
2.1	Implementation Record maintenance	1	4	20	25	\$5,739
2.2	ROWP annual target review/analysis	0	2	4	6	\$1,450
2.3	Review and analyze annual SB 1383 Route Review data	1	2	11	14	\$3,264
2.4	Enforcement support	2	3	15	20	\$4,778
2.5	Other SB 1383 support as requested by City Staff	4	7	10	21	\$5,771
2.6	JACE Compliance Evaluation Support	5	15	26	46	\$11,950
Task 2		13	33	86	132	\$32,952
Task 3 Annual Rate Adjustment Review						
3.1	Review and verify contractor's annual rate adjustment	1	2	6	9	\$2,239
3.2	Prepare timeline and coordinate with involved parties	0	1	3	4	\$930
3.3	Assist with reviewing notices sent to customers	0	2	3	5	\$1,245
Task 3		1	5	12	18	\$4,414
Task 4 CalRecycle Assistance & Reporting						
4.1	Assist with CalRecycle LAMD correspondence and annual site	1	1	4	6	\$1,514
4.2	Review City's electronic annual report (EAR) drafted by hauler	0	1	8	9	\$1,955
4.3	Communicate with CalRecycle representatives regarding reports and programs including attending virtual meetings	1	1	3	5	\$1,309
Task 4		2	3	15	20	\$4,778
Total Costs						
Total Hours		49	101	250	400	
Total Fees		\$ 18,571	\$ 31,815	\$ 51,250		\$ 101,636
Expenses						\$ 364
Total Fees & Expenses						\$ 102,000

*Hours may be shifted among tasks and staff members.

Billing will occur once per month based on the number of hours worked and expenses incurred. Payment is due within thirty (30) days of invoicing. Hourly rates for professional and administrative personnel through December 31, 2026, are as follows and will be adjusted by 3.5% each July:

Schedule of Hourly Rates (July 1, 2026 – December 31, 2026)

Position	Rate
Executive	\$340 - \$380
Senior Project Manager	\$315 - \$340
Project Manager	\$280 - \$315
Senior Associate	\$235 - \$280
Associate Analyst	\$205 - \$230
Assistant Analyst	\$190 - \$200
Administrative Staff	\$145 - \$175

Out-of-pocket expenses will be billed as follows:

Automobile Travel	Prevailing IRS mileage rate
Other Travel	Actual cost
Postage, Overnight Mail, and Couriers	Actual cost
Other out-of-pocket expenses	Actual cost

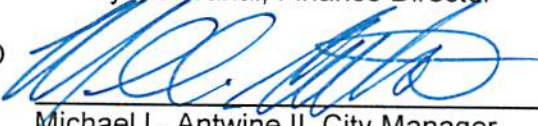
AGENDA ITEM 6

City of Bell Agenda Report

DATE: July 22, 2026

TO: Honorable Mayor and City Council

FROM: Rickey Manbahal, Finance Director ^{RM}

APPROVED BY: 
Michael L. Antwine II, City Manager

SUBJECT: A Resolution Re-Establishing the Fiscal Year 2025-26 General Obligation Bonds Levy and a Resolution Re-Establishing the Fiscal Year 2026-27 Voter-Approved Property Tax Override to Fund Pension and Retiree Obligations.

RECOMMENDATION:

It is recommended that the City Council read by title only, waive further reading and adopt the following resolutions:

1. Resolution No. 2026-44 -- A Resolution of the City Council of the City of Bell Adopting and Re-Establishing the Fiscal Year 2026-27 Annual Levy Rate to meet the City of Bell General Obligation Bonds, Series 2018A and Series 2018B.
2. Resolution No. 2026-45 -- A Resolution of the City Council of the City of Bell Adopting and Re-Establishing the Fiscal Year 2026-27 Rate of Annual Voter-Approved Property Tax Override to Fund Pension and Other Retiree Obligations.

BACKGROUND:

On June 4th, 2026, the County of Los Angeles Department of Auditor/Controller notified the city with the notice of upcoming FY2026-27 Tax Rate Input Form deadline. Government Code Section 51551 stipulates that annually, before August 21, 2026, the City legislative body shall cause to be delivered to the Los Angeles County Auditor a certified statement showing adoption of override and general obligation bond levies.

Both the General Obligation Bonds levy and the Pension Tax Levy are existing taxes. These resolutions are required by Los Angeles County, and serve only to continue existing levies.

DISCUSSION:

General Obligation Bonds Levy – The 2018 A & 2018 B Bonds are being issued by the City to refund all of the outstanding City General Obligation Bonds Series 2004 and Series 2007. Section 53515 (a) of the Government Code of the State of California provides that General Obligation Bonds issued and sold by or on behalf of a local agency shall be secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax.

The refunding revised the debt service payment schedules for the GO debt without extending the term of the debt. Balance requested to be raised is \$2,198,725.50 which represents the debt service of the bonds and Los Angeles County Fee.

Tax Override Funding Pension and Retiree Obligations – Prop 13 exempted ad valorem taxes in existence before July 1, 1978. The voters of the City of Bell authorized the levy of a property tax to fund the costs of the employee pension system in 1944.

The maximum tax that a city can apply is the higher of the rate in existence in 1982-83 or 1983-84. In Bell the rate in effect during both of these years was 0.187554, or \$0.00188 per \$100 of assessed value. This rate has remained in effect and unchanged for several years.

FISCAL IMPACT:

The General Obligation Bond levy is estimated to generate \$2,198,725.50 in FY 2027. The Debt service requirements for the 2018A and 2018B bonds totals \$2,195,225.00 plus \$3,500 estimated reporting fees for disclosure statements suggesting there is no contingency created at year end.

The Retirement Pension levy is estimated to generate \$4,886,213.00 in FY 2027. The operational and debt service requirements to include City's unfunded pension liability total of \$5,559,909.00 suggesting that a negative balance of \$ 673,696 may be created at year end.

STRATEGIC PLAN 2023-25:

This agenda item aligns with the City of Bell 2023-25 Strategic Plan:

Target 4 – Fostering Financial Resilience

Goal 3 – Address the City's CalPERS unfunded Liability

ATTACHMENTS:

1. GO Bonds Resolution No.2026-44
2. Pension and Retiree Obligation Resolution No. 2026-45
3. County of Los Angeles Notice of upcoming fiscal year 2026-27 tax rate input form deadline

RESOLUTION NO 2026-44

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL ADOPTING AND RE-ESTABLISHING THE FISCAL YEAR 2026-27 ANNUAL LEVY RATE TO MEET THE CITY OF BELL GENERAL OBLIGATION BONDS (ELECTION OF 2003), SERIES 2018A AND SERIES 2018B

WHEREAS, the City of Bell held a general election on November 3, 2003 introducing Measure A to authorize the City of Bell to issue seventy million dollars of general obligation bonds to finance the acquisition, construction and/or the costs of certain municipal improvements and facilities; and

WHEREAS, Resolution 2003-56. approved on November 12, 2003 recited the facts of the Special Municipal Election held on November 3, 2003 to certify the passing of Measure A by over two-thirds of the qualified voters of the City; and

WHEREAS, Resolution 2004-41 approved on October 4, 2004 authorized the issuance of the first series of bonds (Series of 2004) under the authorization received at the general election of November 3, 2003; and

WHEREAS, the City issued Series of 2004 bonds in the amount of fifteen million dollars pursuant to the Constitution and the laws of the State of California, the Resolution, and the Paying Agent Agreement executed on November 1, 2004; and

WHEREAS, Resolution 2007-21 approved on May 7, 2007 authorized the issuance of the second series of bonds (Series of 2007) under the authorization received at the general election of November 3, 2003; and

WHEREAS, the City issued Series of 2007 bonds in the amount of thirty five million dollars pursuant to the Constitution and the laws of the State of California, the Resolution, and the Paying Agent Agreement executed on August 1, 2007; and

WHEREAS, in mid-2012, the City invited owners of the Series 2007 to tender their bonds for purchase to the City pursuant to the City's Offer to Purchase, dated June 13, 2007;

WHEREAS, on July 17, 2012, the City accepted \$10,435,000 in principal amount of the Series of 2007 bonds for purchase from unused proceeds and advance refunded (from unused proceeds) an additional \$5,945,000 in principal amount by placing funds into an irrevocable escrow to pay said bonds pursuant to an Escrow Agreement, dated as of July 1, 2012, by and among the City and U.S. Bank National Association, as paying agent for the Series of 2007 Bonds;

WHEREAS, Resolution 2018-17 approved on March 28, 2018 authorized the refunding of all outstanding series 2004 and Series 2007 bonds;

WHEREAS, on June 13, 2018 the city issued the 2018 Series A bonds (2018A) in the amount of ten million four hundred and five thousand dollars and the 2018 Series B bonds (2018B) in the amount of sixteen million three hundred and sixteen thousand dollars to refund the aforementioned 2004 and 2007 bonds;

WHEREAS, \$10,405,000 of the Series 2018A and \$16,360,000 of the Series 2018B Bonds

remain unredeemed;

WHEREAS, the City of Bell Council is empowered and is obligated to levy ad valorem taxes, without limitation of rate or amount, for the payment of interest on and principal of the Bonds, upon all property subject to taxation by the City (except certain personal property which is taxable at limited rates); and property taxes are to be raised for the principal and interest payments of the indebtedness through tax levy; and

WHEREAS, the City of Bell has made debt service payments under the Series 2018A and Series 2018B bonds; and

NOW, THEREFORE, THE MAYOR AND COUNCIL MEMBERS OF THE CITY OF BELL DO HEREBY FIND AND RESOLVE AS FOLLOWS:

SECTION 1. That the following is the amount of revenue necessary during the Fiscal Year 2026-27 to pay for the authorized debt service on the above described Bonds:

Series 2018A Tax – Exempt Refunding of 2004 GO Bonds: \$931,487.50

Series 2018B Taxable Refunding of 2007 GO Bonds: \$1,263,737.50

SECTION 2. That the City Clerk shall certify to the adoption of this resolution and thereafter the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this 22nd day of July 2026.

Ali Saleh, Mayor

APPROVED AS TO FORM

Danny Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 22nd day of July, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Angela Bustamante, City Clerk

RESOLUTION NO. 2026-45

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL ADOPTING AND RE-ESTABLISHING THE FISCAL YEAR 2026-27 RATE OF THE ANNUAL VOTER-APPROVED PROPERTY TAX OVERRIDE TO FUND PENSION AND OTHER RETIREE OBLIGATIONS

THE CITY COUNCIL OF THE CITY OF BELL DOES HEREBY FIND AND RESOLVE AS FOLLOWS:

SECTION 1. FINDINGS.

(A) . In 1944, the voters of the City of Bell authorized the City to levy a property tax to fund employee pensions and other retirement obligations. The City has operated and funded such a system since that time and participates in the California Public Employee Retirement System.

(B) Article 13A, section 1(b) of the State Constitution, which was enacted by Proposition 13, provides that the 1% limit on the property tax rate is not applicable to *ad valorem* taxes or special assessments to pay the interest and redemption charges on any "indebtedness" approved by the voters prior to July 1, 1978. State courts have held that pension obligations in existence before that date are an "indebtedness," and that "a city may levy an additional property tax to fund those obligations. Such a tax is commonly referred to as a "property tax override."

(C) In implementing the provisions of Proposition 13, the State Legislature has enacted Revenue & Taxation Code section 96.31, subsection (b) of which limits the maximum property tax that a city may levy to fund pension obligations at the rate that the City levied such a tax in either the 1982-83 or 1983-84 fiscal year, whichever is higher. The additional property tax rate levied for the City's public employee pension obligations in both the 1982-83 and 1983-84 fiscal years was 0.187554%.

(D) The revenue from the additional property tax is used to partially pay for retiree health insurance benefits, payments for City employees into the California Public Employee Retirement System, and payments on bonds issued to fund the City's obligations to its retired employees.

SECTION 2. FISCAL YEAR 2025-26 PROPERTY TAX OVERRIDE RATE.

The voter-authorized annual property tax to partially fund the City of Bell's pension and other retiree obligations is hereby established at the rate set forth below for the 2026-27 fiscal year, and the tax shall be levied at that rate and identified as follows:

For Employee Post-Employment Benefits Fund-Pension Obligation (Indebtedness approved by voters prior to July 1, 1978)	0.1875
--	--------

SECTION 3. EFFECTIVE DATE.

This Resolution shall take effect immediately upon adoption and will apply to the 2026-27 Fiscal Year.

SECTION 4. SEVERABILITY CLAUSE.

The provisions of this Resolution are severable and if any provision, clause, sentence, word or

part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

PASSED, APPROVED AND ADOPTED this 22nd day of July 2026.

Ali Saleh, Mayor

APPROVED AS TO FORM

Danny Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 22nd day of July, 2026, by the following vote:

AYES:

NOES:

ABSENT:

NONE:

Angela Bustamante, City Clerk



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

PROPERTY TAX APPORTIONMENT DIVISION
KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 484
LOS ANGELES, CALIFORNIA 90012-3554

OSCAR VALDEZ
AUDITOR-CONTROLLER

CONNIE YEE
CHIEF DEPUTY AUDITOR-CONTROLLER

ASSISTANT AUDITOR-CONTROLLERS

MAJIDA ADNAN
RACHELLE ANEMA
ROBERT G. CAMPBELL

June 4, 2026

All Taxing Agencies
County of Los Angeles

Attention: Treasurer or Finance Director

NOTICE OF UPCOMING FISCAL YEAR 2026-27 TAX RATE INPUT FORM DEADLINE

This is a notice to all taxing agencies intending to levy debt service tax rates for the Fiscal Year 2026-27 tax bills. Your agency's information packet, including assessed valuation statements and the CR52 Report A input form, will be emailed no later than Friday, August 7, 2026. The packet will also include a memo outlining submission instructions and the deadline for returning the signed CR52 Report A input Form and the ordinance or resolution adopting the tax rates. Please note, the deadline for submitting the required documents is two weeks from the date the information packet is sent or Friday, August 21, 2026 at the latest.

This notice also serves as a reminder to schedule the adoption of your tax rates at an upcoming city council or board meeting and to ensure timely completion of all signed ordinances or resolutions. Be advised that we cannot guarantee the inclusion of your agency's debt service tax rates on the roll if the required documents are received after the deadline. Due to changes in our internal processes, late submissions cannot be accommodated.

If you have any questions or require additional assistance, please contact Kit Wan at KWan@auditor.lacounty.gov. Thank you for your cooperation.

Very truly yours,

Ryan

Sullivan

Ryan Sullivan

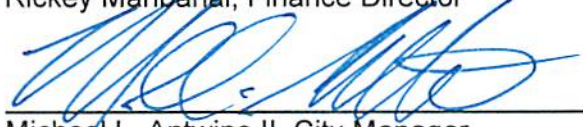
Assistant Division Chief

Digitally signed by Ryan
Sullivan
Date: 2026.06.04
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RS:KV:DR:kw

AGENDA ITEM 7

City of Bell Agenda Report

DATE: July 22, 2026
TO: Mayor and Members of the City Council
FROM: Rickey Manbahal, Finance Director
APPROVED BY: 
Michael L. Antwine II, City Manager
SUBJECT: Price Paige & Company CPA Contract Amendment

RECOMMENDATION:

It is recommended that the City Council approves an amendment to Price Paige & Company CPA professional services agreement.

BACKGROUND:

Since December 2025, the City has been faced with a critical vacancy of the Accounting Manager position within the Finance Department. This vacancy has created several challenges with completing daily accounting activities timely and in compliance with various state and federal regulations and internal controls. Unfortunately, the city has experienced significant difficulties in recruiting qualified candidates for this position.

To mitigate the impacts of this vacancy on department operations, the city contracted with Price Paige & Company CPA under City Manager's authority for technical accounting services to assist the city with until the vacancy is filled.

DISCUSSION:

Price Paige & Company CPA has performed and provided excellent services to the city under their original agreement, and to complete the remaining tasks, staff is requesting additional funds and extending the term of the agreement until June 2027.

Below is a list of some of the Finance Advisory Services that are being performed by Price Paige & Company CPA:

- ✓ Audit preparation and planning
- ✓ Single Audit & Financial Transaction (State Controllers Report)
- ✓ Fiscal year end audit reconciliations
- ✓ Cash Flow Analysis & General Accounting
- ✓ Financial Policies update
- ✓ General Ledger reconciliation
- ✓ Year End fixed asset and depreciation

FISCAL IMPACT:

The contract is funded by the Finance Department FY26-27 adopted budget.

- Finance Department: \$92,000

ATTACHMENT(S):

1. Professional Services Agreement

CONTRACT SERVICES AGREEMENT

BY AND BETWEEN

CITY OF BELL

AND

PRICE PAIGE & COMPANY

**CONTRACT SERVICES AGREEMENT
BETWEEN THE CITY OF BELL AND PRICE PAIGE & COMPANY**

THIS CONTRACT SERVICES AGREEMENT (herein “Agreement”) is dated effective as of the 22nd day of April, 2026 (“Effective Date”), by and between the City of Bell, a California charter city (“City”) and Price Paige & Company, a California corporation (“Consultant”).

RECITALS

A. City has sought the performance of the services defined and described particularly in Article 1 of this Agreement.

B. Consultant, following submission of a proposal or bid for the performance of the services defined and described particularly in Article 1 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of Bell Municipal Code, City has authority to enter into and execute this Agreement.

D. The parties desire to formalize the selection of Consultant for performance of those services defined and described particularly in Article 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. SERVICES OF CONSULTANT

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, the Consultant shall provide those services specified in the “Scope of Services” attached hereto as Exhibit “A” and incorporated herein by this reference, which may be referred to herein as the “services” or “work” hereunder. As a material inducement to the City entering into this Agreement, Consultant represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Consultant covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be both of good quality as well as fit for the purpose intended. For purposes of this Agreement, the phrase “highest professional standards” shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Consultant's Proposal.

The Scope of Services shall include the Consultant's scope of work or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Consultant shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees and Assessments.

Consultant shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against City hereunder.

1.5 Familiarity with Work.

By executing this Agreement, Consultant warrants that Consultant (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Consultant warrants that Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Consultant discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Consultant shall immediately inform the City of such fact and shall not proceed except at Consultant's risk until written instructions are received from the Contract Officer.

1.6 Care of Work.

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

1.7 Further Responsibilities of Parties.

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

1.8 Additional Services.

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum for the actual costs of the extra work, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to ten percent (10%) of the Contract Sum or \$25,000, whichever is less; or, in the time to perform of up to one hundred eighty (180) days, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively, must be approved by the City Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor. City may in its sole and absolute discretion have similar work done by other Consultants. No claims for an increase in the Contract Sum or time for performance shall be valid unless the procedures established in this Section are followed.

1.9 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed Ninety-Two Thousand Dollars (\$92,000) (the "Contract Sum"), unless additional compensation is approved pursuant to Section 1.8.

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services, less contract retention; (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, provided that (a) time estimates are provided for the performance of sub tasks, (b) contract retention is maintained, and (c) the Contract Sum is not exceeded; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Consultant is required to attend additional meetings to facilitate such coordination, Consultant shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall contain all information specified in Exhibit "C", and shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. Review and payment by City for any invoice provided by the Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2.5 Waiver.

Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding one year from the Effective Date, except as otherwise provided in the Schedule of Performance (Exhibit "D").

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Consultant.

The following principals of Consultant ("Principals") are hereby designated as being the principals and representatives of Consultant authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Sharon Rahban Navizadeh
(Name)

Government Advisory Services Senior Manager
(Title)

Josh Giosa
(Name)

Partner
(Title)

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. All personnel of Consultant, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Consultant without the express written approval of City. Additionally, Consultant shall utilize only competent personnel to perform services pursuant to this Agreement. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Consultant.

Consultant shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

4.3 Contract Officer.

The Contract Officer shall be Rickey Manbahal, Finance Director, or such person as may be designated by the City Manager. It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.4 Independent Consultant.

Neither the City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or

control of Consultant's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Consultant shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant.

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

ARTICLE 5. INSURANCE AND INDEMNIFICATION

5.1 Insurance Coverages.

Without limiting Consultant's indemnification of City, and prior to commencement of any services under this Agreement, Consultant shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to City.

(a) General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

(b) Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

(c) Professional liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection

with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

(d) Workers' compensation insurance. Consultant shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000).

(e) Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall include all of the requirements stated herein.

(f) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements in Exhibit "B".

5.2 General Insurance Requirements.

(a) Proof of insurance. Consultant shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this Agreement. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

(b) Duration of coverage. Consultant shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, its agents, representatives, employees or subconsultants.

(c) Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

(d) City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

(e) Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or that is on the List of Approved Surplus Line Insurers in the State of California, with an assigned

policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

(f) Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(g) Enforcement of contract provisions (non-estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

(h) Requirements not limiting. Requirements of specific coverage features or limits contained in this section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. 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. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

(i) Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

(j) Additional insured status. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

(k) Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

(l) Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

(m) Pass through clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in

the project by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to City for review.

(n) Agency's right to revise specifications. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City and Consultant may renegotiate Consultant's compensation.

(o) Self-insured retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by City.

(p) Timely notice of claims. Consultant shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

(q) Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

5.3 Indemnification.

To the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Consultant is legally liable ("indemnitors"), or arising from Consultant's or indemnitors' reckless or willful misconduct, or arising from Consultant's or indemnitors' negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(a) Consultant will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith;

(b) Consultant will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of

Consultant hereunder; and Consultant agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Consultant for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Consultant hereunder, Consultant agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

Consultant shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Consultant shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Consultant in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Consultant shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the "books and records"), as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Consultant's business, custody of the books and records may be given to City, and access shall be provided by Consultant's successor in interest. Notwithstanding the above, the Consultant shall fully cooperate with the City in providing access to the books and records if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.

6.2 Reports.

Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer

shall require. Consultant hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the “documents and materials”) prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City’s sole risk and without liability to Consultant, and Consultant’s guarantee and warranties shall not extend to such use, reuse or assignment. Consultant may retain copies of such documents for its own use. Consultant shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom. Moreover, Consultant with respect to any documents and materials that may qualify as “works made for hire” as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed “works made for hire” for the City.

6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered “voluntary” provided Consultant gives City notice of such court order or subpoena.

(c) If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City

shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Consultant's conduct.

(d) Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

7.2 Disputes; Default.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

7.3 Retention of Funds.

Consultant hereby authorizes City to deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's

obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

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

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Consultant shall file a statutory claim pursuant to Government Code Sections 905 et seq. and 910 et seq., in order to pursue a legal action under this Agreement.

7.7 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Consultant, except that where termination is due to the fault of the Consultant, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Consultant reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Consultant may determine. Upon receipt of any notice of termination, Consultant shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Consultant has initiated

termination, the Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Consultant has initiated termination, the Consultant shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.8 Termination for Default of Consultant.

If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.9 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Consultant agrees to at all times avoid

conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects her/his financial interest or the financial interest of any corporation, partnership or association in which (s)he is, directly or indirectly, interested, in violation of any State statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

8.3 Covenant Against Discrimination.

Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class.

8.4 Unauthorized Aliens.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C. § 1101 *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer (with her/his name and City title), City of Bell, 6330 Pine Avenue, Bell, California 90201 and in the case of the Consultant, to the person(s) at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Warranty & Representation of Non-Collusion.

No official, officer, or employee of City has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of City participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interests found to be "remote" or "noninterests" pursuant to Government Code Sections 1091 or 1091.5. Consultant warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Consultant further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or

employee, as a result of consequence of obtaining or being awarded any agreement. Consultant is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Consultant's Authorized Initials _____

9.7 Corporate Authority.

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

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

CITY:

CITY OF BELL, a charter city

Ali Saleh, Mayor

ATTEST:

Angela Bustamante, City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP



Danny Aleshire, City Attorney

CONSULTANT:

PRICE PAIGE & COMPANY, a California corporation

By: _____

Name: Josh Giosa

Title: Partner

Address:

Price Paige & Company
530 N. Magnolia Avenue, Suite 100
Clovis, CA 93611

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2026, before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
☐ INDIVIDUAL		_____
☐ CORPORATE OFFICER		TITLE OR TYPE OF DOCUMENT

TITLE(S)		
☐ PARTNER(S)	☐ LIMITED	_____
☐ GENERAL		NUMBER OF PAGES
☐ ATTORNEY-IN-FACT		
☐ TRUSTEE(S)		_____
☐ GUARDIAN/CONSERVATOR		DATE OF DOCUMENT
☐ OTHER _____		

SIGNER IS REPRESENTING:		
(NAME OF PERSON(S) OR ENTITY(IES))		SIGNER(S) OTHER THAN NAMED ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

On _____, 2026, before me, _____, personally appeared _____, proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER		DESCRIPTION OF ATTACHED DOCUMENT
☐ INDIVIDUAL		_____
☐ CORPORATE OFFICER		TITLE OR TYPE OF DOCUMENT

TITLE(S)		
☐ PARTNER(S)	☐ LIMITED	_____
☐ GENERAL		NUMBER OF PAGES
☐ ATTORNEY-IN-FACT		
☐ TRUSTEE(S)		_____
☐ GUARDIAN/CONSERVATOR		DATE OF DOCUMENT
☐ OTHER _____		

SIGNER IS REPRESENTING:		
(NAME OF PERSON(S) OR ENTITY(IES))		SIGNER(S) OTHER THAN NAMED ABOVE

EXHIBIT “A”

SCOPE OF SERVICES

I. Consultant will perform the following services:

- A. Finance Director Support Services including the following:
 - a. Management consulting on implementation of financial systems;
 - b. Management consulting on reviewing of journal entries prepared by the City’s accountants;
 - c. Management consulting on Audit preparation and planning for the anticipated Fiscal Year 2026 Financial and Single Audit;
 - d. Management consulting and assistance in preparation of Monthly close procedures; and
 - e. Management consulting and assistance on addressing auditor open items and any other issues related to the Fiscal Year 2025 Financial and Single Audits.
- B. Assistance with budget book preparation or compilation
 - a. Consultant will assist in gathering, organizing, and clarifying documentation requested by the City related to budget schedules for the Fiscal Year ending June 30, 2027.
- C. Cash Flow Analysis Review of Process
 - a. Consultant will work with the City’s Finance Department to review the process of Cash Flow Analysis. Consultant will make written recommendations to improve the process where needed and assist the City with preparing calculation or reporting tools to support the objective of efficient and effective cash flow for facilitating the City’s disbursement process.
- D. Financial Policy Preparation
 - a. Consultant will assist the City’s Finance Department with the preparation of the City’s financial policies, as needed and requested by City management.
- E. Audit Support
 - a. Consultant will support the City’s Finance Director with audit related services, as needed and requested in writing by the Contract Officer.
- F. Other Duties as Assigned
 - a. Any professional consultation as requested by City management. The scope, timing, and extent of the additional consultation will be discussed prior to the commencement of any work and relayed in writing to the Consultant. The Consultant will only be reimbursed for matters requested and approved in writing by the Contract Officer.

- II.** As part of the services, Consultant will prepare and deliver the following tangible work products to the City:
 - A. Periodic written or verbal reports as requested by the Contract Officer.
- III.** In addition to the requirements of Section 6.2, during performance of the services, Consultant will keep the City apprised of the status of performance by delivering the following status reports:
 - A. Such status reports as and when requested by the Contract Officer.
- IV.** All work product is subject to review and acceptance by the City, and must be revised by the Consultant without additional charge to the City until found satisfactory and accepted by City.

EXHIBIT “B”

SPECIAL REQUIREMENTS

(Superseding Contract Boilerplate)

Added text is indicated in ***bold italics***, deleted text is indicated in ~~strikethrough~~.

I. Section 5.3 is hereby amended as follows:

5.3 Indemnification.

To the full extent permitted by law, Consultant agrees to ***reimburse the reasonable costs to*** indemnify, defend and hold harmless the City, its officers, employees and agents (“Indemnified Parties”) against, and will hold and save ***the Indemnified Parties*** ~~them and each of them~~ harmless from, any ~~and all~~ ***losses from*** actions, either judicial, administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Consultant is legally liable (“indemnitors”), or arising from Consultant’s or indemnitors’ reckless or willful misconduct, or arising from Consultant’s or indemnitors’ negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(d) Consultant will defend any action or actions filed in connection with any of ~~said~~ ***above defined*** claims or liabilities and will pay all ***reasonable and proportional*** costs and expenses, including legal costs and attorneys’ fees incurred in connection therewith;

(e) Consultant will promptly pay any judgment rendered against the City, its officers, agents or employees for any such ***proportional*** claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Consultant hereunder; and Consultant agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(f) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Consultant for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Consultant hereunder, Consultant agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys’ fees.

Consultant shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Consultant shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Consultant in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as

a result of City's sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City's negligence, except that design professionals' indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

EXHIBIT “C”

SCHEDULE OF COMPENSATION

- I. Consultant shall be compensated on a time and materials basis at the following hourly rates for Consultant’s personnel:**

Title	Hourly Rates
Partner	\$375
Senior Manager	\$330
Manager	\$300
Supervisor 2	\$240
Supervisor 1	\$220
Senior 2	\$200
Senior 1	\$170
Staff 2	\$145
Staff 1	\$120

- II. The City will compensate Consultant for the services performed upon submission of a valid invoice. Each invoice shall be formatted as follows, with detailed listing of charges to be made available upon request:**

- A. Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.
- B. Line items for all materials and equipment properly charged to the Services.
- C. Line items for all other approved reimbursable expenses claimed, with supporting documentation.
- D. Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.

- III. The total compensation for the services shall not exceed the Contract Sum as provided in Section 2.1 of this Agreement.**

EXHIBIT “D”

SCHEDULE OF PERFORMANCE

- I. Consultant shall perform all services timely and in accordance with any deadlines required by the City or as directed by the Contract Officer.**

AGENDA ITEM 8

City of Bell Agenda Report

DATE: July 22, 2026

TO: Mayor and Members of the City Council

FROM: Angela Bustamante, City Clerk

APPROVED
BY:


Michael L. Antwine II, City Manager

SUBJECT: Approval of Public Comment Procedures for Remote Participants.

RECOMMENDATION:

It is recommended that the City Council approve the Public Comment Procedures for remote participants.

BACKGROUND:

Senate Bill 707 (SB 707), effective July 1, 2026, amended the Brown Act to require local agencies to provide members of the public with the opportunity to participate in meetings remotely through a two-way telephonic or audiovisual platform. Government Code section 54953.4 requires that remote public comment be accepted and provided in real time and prohibits local agencies from requiring members of the public to submit comments in advance of the meeting.

DISCUSSION:

The City's existing public comment procedures provide that each speaker is limited to three (3) minutes, with the initial public comment period limited to 30 minutes. Any speaker who does not have an opportunity to speak during the initial 30-minute period due to the time limitation is provided the opportunity to speak at the end of the meeting, prior to adjournment.

To facilitate an orderly transition to hybrid public meetings while maintaining compliance with the Brown Act, staff recommends the following procedures for public comment:

1. Individuals attending the meeting in person will be recognized first, followed by individuals participating remotely. This sequencing is intended to facilitate the orderly administration of meetings while transitioning to a hybrid public comment format.
2. To ensure compliance with Government Code section 54953.4, the following safeguards will apply:
 - o The 30-minute public comment period applies to the combined queue of both in-person and remote speakers.
 - o Remote speakers who are waiting in the queue when the 30-minute time limit is reached will be guaranteed an opportunity to provide public comment at the

conclusion of the meeting, prior to adjournment, in the order in which they joined the queue.

- The remote participation platform will remain active through the conclusion of the meeting to allow deferred speakers the opportunity to comment.
- The in-person-first sequencing procedure will not be applied when a speaker identifies a disability-related need to participate remotely. In those circumstances, the individual will be recognized in turn with in-person speakers to ensure reasonable accommodation and equal access.

Staff believes these procedures represent a good-faith effort to balance the orderly conduct of City Council meetings with the statutory requirement to provide real-time remote public participation. The recommended process preserves the City's existing public comment structure while ensuring that remote participants are afforded the opportunity to address the City Council in accordance with State law.

Staff will monitor the implementation of these procedures during the initial months of hybrid meetings and, if necessary, return to the City Council with recommended modifications based on operational experience and legal guidance.

FISCAL IMPACT:

None

ATTACHMENTS:

1. Public Comment Procedures for Remote Participants

Public Comment Procedures for Remote Participation

Senate Bill 707 (SB 707), effective July 1, 2026, amended the Brown Act to require local agencies to provide members of the public with the opportunity to participate in public meetings remotely through a two-way telephonic or audiovisual platform. Government Code section 54953.4 requires that members of the public participating remotely be provided the same opportunity to address the legislative body in real time as those attending in person and prohibits local agencies from requiring public comments to be submitted in advance of the meeting.

Consistent with the City's existing public comment procedures, each speaker will continue to be limited to three (3) minutes, and the initial public comment period will remain limited to a total of 30 minutes. Any speaker who has not been provided an opportunity to speak during the initial 30-minute period due to the time limitation will be given the opportunity to address the City Council at the conclusion of the meeting, prior to adjournment.

To facilitate the orderly administration of hybrid meetings while ensuring compliance with the Brown Act, staff recommends the following procedures for public comment:

1. **Order of Speakers.** Members of the public attending the meeting in person will be recognized first, followed by members of the public participating remotely through the City's designated teleconferencing platform. This sequencing is intended to promote the efficient and orderly conduct of City Council meetings during the transition to a hybrid meeting format.
2. **Application of the 30-Minute Public Comment Period.** The 30-minute public comment period will apply collectively to both in-person and remote speakers.
3. **Deferred Remote Speakers.** Remote speakers who are waiting in the queue when the 30-minute public comment period expires will retain their place in the queue and will be provided the opportunity to address the City Council at the end of the meeting, prior to adjournment, in the order in which they joined the queue.
4. **Continuous Remote Access.** The City's remote participation platform will remain active throughout the duration of the meeting to ensure that deferred remote speakers are able to provide their comments before adjournment.
5. **Accessibility Accommodations.** The in-person-first sequencing procedure will not be applied when a member of the public identifies a disability-related need to participate remotely. In such instances, the speaker will be recognized in turn with in-person speakers to ensure reasonable accommodation and equal access consistent with applicable state and federal disability laws.
6. **Remote Participation Procedures.** Members of the public wishing to comment remotely must join the meeting using the City's designated Zoom platform or telephone access number. Remote participants may indicate their desire to speak by

using the “Raise Hand” feature in Zoom or by pressing *9 when participating by telephone. Participants should indicate their intent to speak before the meeting begins to ensure they are placed in the speaker queue.

Staff recognizes that Government Code section 54953.4 requires remote public comments to be accepted and heard in real time while also permitting legislative bodies to adopt reasonable procedures governing the orderly conduct of meetings. The recommended sequencing of recognizing in-person speakers before remote speakers is intended to serve as a reasonable administrative procedure that maintains meeting efficiency without denying or limiting the public’s right to participate. Because remote speakers who remain in the queue at the expiration of the initial 30-minute public comment period will be afforded an opportunity to speak before adjournment, staff believes the proposed procedures provide meaningful access while preserving the City’s longstanding public comment practices.

To ensure the effectiveness of these procedures, staff will monitor the implementation of hybrid public meetings during the initial months following adoption. Based on operational experience, public participation, technological performance, and any additional legal guidance, staff will return to the City Council with recommended modifications, if necessary, to improve the efficiency and accessibility of the City’s remote participation process.

AGENDA ITEM 9

City of Bell Agenda Report

DATE: July 22, 2026

TO: Mayor and Members of the City Council

FROM: Angela Bustamante, City Clerk

APPROVED
BY:


Michael L. Antwine II, City Manager

SUBJECT: Approval of Resolution No. 2026-37 Declaring the Results of the City of Bell General Municipal Election Consolidated with the Statewide Primary Election Held on June 2, 2026.

RECOMMENDATION:

It is recommended that the City Council read by title only, waive further reading and adopt Resolution 2026-37 titled:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF BELL, RECITING THE FACT OF THE GENERAL
MUNICIPAL ELECTION HELD ON TUESDAY, JUNE 2,
2026, DECLARING THE RESULTS AND SUCH OTHER
MATTERS AS PROVIDED BY LAW**

BACKGROUND:

On January 14, 2026, the City Council called a General Municipal Election for the purpose of electing two (2) Members of the City Council for the full term of four years and requested the Los Angeles County Board of Supervisors to consolidate the General Municipal Election with the Statewide Primary Election to be held on the same date by adopting Resolution Nos. 2026-03 and 2026-04.

On February 25, 2026, the City Council adopted the required resolutions placing the City of Bell Public Safety/City Services Measure (Measure BB) on the June 2, 2026 ballot.

DISCUSSION:

On June 30, 2026, the Registrar provided the City with the Official Canvass Certificate and the Official Statement of Votes Cast by precinct, attached as Exhibit A to Resolution No. 2026-37, which certifies the results of the June 2, 2026, election and is now presented to the Council for approval.

The total of 1,339 ballots were cast at Vote Centers, excluding vote-by-mail ballots. An additional 3,201 vote-by-mail ballots were cast, resulting in a total of 4,540 ballots cast in the City of Bell election.

The certified election results indicate the following candidates received the highest number of votes and are hereby declared elected to the City Council for full four-year terms:

Ana Maria Quintana – 1,830

Pablo Sifuentes – 1,689

Additionally, Measure BB received the affirmative vote of a majority of the voters voting on the measure and is therefore declared adopted and ratified, as certified by the Los Angeles County Registrar-Recorder/County Clerk.

The ballot question read as follows:

City of Bell Public Safety/City Services Measure: To help secure the City of Bell's financial stability and maintain municipal services, including fire, paramedic, 911, police services; prevent crime/thefts; keep public areas and parks safe/clean; maintain streets, youth/afterschool and anti-gang programs; address homelessness; shall the measure establishing a 1¢ sales tax, generating approximately \$3,500,000 annually until ended by voters; requiring independent audits/community oversight committee, public spending disclosure, with all funds locally controlled, be adopted?	YES
	NO

Election Results

<u>Vote</u>	<u>Total</u>
YES	2,615
NO	1,664

FISCAL IMPACT:

The Registrar provided an estimated cost of \$95,000 and is allocated within the City Clerk's annual budget. These costs estimates are based on the consolidation of the City's General Municipal Election with the statewide primary. The cost is based on registered voters, number of cities and districts that consolidate in either the primary or general statewide cycles.

ATTACHMENTS:

1. Resolution No. 2026-37
 - a. Exhibit A

RESOLUTION NO. 2026-37

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL, RECITING THE FACT OF THE GENERAL MUNICIPAL ELECTION HELD ON TUESDAY, JUNE 2, 2026, DECLARING THE RESULTS AND SUCH OTHER MATTERS AS PROVIDED BY LAW

WHEREAS, a General Municipal Election was held and conducted in the City of Bell, California, on Tuesday, June 2, 2026, as required by law; and

WHEREAS, notice of the election was given in time, form and manner as provided by law; that voting precincts were properly established; that election officers were appointed and that in all respects the election was held and conducted and the votes were cast, received and canvassed and the returns made and declared in time, form and manner as required by the provisions of the Elections Code of the State of California for the holding of elections in Charter Cities; and

WHEREAS, the Los Angeles County Registrar-Recorder/County Clerk Election Division canvassed the returns of the election and has certified the results to the City Council, the results are received, attached and made a part hereof as "Exhibit A".

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the whole number of votes (ballots) cast in the precincts except vote by mail voter ballots was 1,339. That the whole number of vote-by-mail voter ballots cast was 3,201, making 4,540 (ballots) cast in the City of Bell.

SECTION 2. That the names of persons voted for at the election for Member of the City Council and the number of votes certified by the County Registrar of Voters for each candidate are as set forth below:

CANDIDATE	VOTES
Ana Maria Quintana	1,830
Alicia Romero	1,366
Pablo Sifuentes	1,689
Violeta Alvarez	1,329
Nestor E. Valencia	548

SECTION 3. That the number of votes given at each precinct and the number of votes given in the City to each of the persons above named for the respective offices for which the persons were candidates are listed in Exhibit "A" attached.

SECTION 4. The City Council does declare and determine that two (2) were elected as Members of the City Council for the full term of four years.

SECTION 5. That as a result of the election, Measure BB received the affirmative vote of a majority of the voters voting on the measure and is hereby declared adopted and ratified. The measure submitted to the voters at the election and the votes cast in favor of and against the measure are as follows:

City of Bell Public Safety/City Services Measure: To help secure the City of Bell's financial stability and maintain municipal services, including fire, paramedic, 911, police services; prevent crime/thefts; keep public areas and parks safe/clean; maintain streets, youth/afterschool and anti-gang programs; address homelessness; shall the measure establishing a 1¢ sales tax, generating approximately \$3,500,000 annually until ended by voters; requiring independent audits/community oversight committee, public spending disclosure, with all funds locally controlled, be adopted?	YES
	NO

YES - 2,615

NO - 1,664

SECTION 6. Based upon the votes tallied and certified by the Los Angeles County Registrar of Voters, the City Council does declare and determine that the following candidates were voted into office as members of the Bell City Council for the four-year term of office commencing on **July 23, 2026:**

Ana Maria Quintana	1,830
Pablo Sifuentes	1,689

SECTION 7. The City Clerk shall enter on the records of the City Council of the City, a statement of the result of the election, showing: (1) The whole number of votes (ballots) cast in the vote centers; (2) The names of the persons voted for; (3) The measure voted upon; (4) the offices that were voted for; (5) The number of votes given at each precinct to each person, and for and against each measure; (6) The total number of votes given to each person, and for and against each measure as set forth in Exhibit A attached.

SECTION 8. That the City Clerk shall immediately make and deliver to each of the persons so elected a Certificate of Election signed by the City Clerk and authenticated; that the City Clerk shall also administer to each person elected the Oath of Office prescribed in the Constitution of the State of California and shall have them subscribe to it and file it in the office of the City Clerk. Each and all of the persons elected shall then be inducted into the respective office to which they have been elected.

SECTION 8. That the City Clerk shall certify the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED on this 22th day of July, 2026.

Alia Saleh, Mayor

APPROVED AS TO FORM:

Danny Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 22th day of July 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Angela Bustamante, City Clerk



Los Angeles County Registrar-Recorder/County Clerk

CERTIFICATE OF THE CANVASS **OF THE ELECTION RETURNS**

I, DEAN C. LOGAN, Registrar-Recorder/County Clerk of the County of Los Angeles, of the State of California DO HEREBY CERTIFY that pursuant to the provisions of Section 15300 et seq. of the California Elections Code, I canvassed the returns of the votes cast for each elective office and/or measure(s) for

Bell City

at the Statewide Direct Primary Election, held on the 2nd day of June, 2026.

I FURTHER CERTIFY that the Statement of Votes Cast, to which this certificate is attached, shows the total number of ballots cast in said jurisdiction, and that the whole number of votes cast for each candidate and/or measure(s) in said jurisdiction in each of the respective precincts therein, and the totals of the respective columns and the totals as shown for each candidate and/or measure(s) are full, true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 26th day of June 2026.

Dean C. Logan
DEAN C. LOGAN

Registrar-Recorder/County Clerk
County of Los Angeles

COUNTY OF LOS ANGELES

06/02/26

STATENIDE DIRECT PRIMARY ELECTION

10.1

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CITY OF BELL GENERAL MUNICIPAL ELECTION Number of the City Council

FINAL OFFICIAL
STATEMENT OF VOTES CAST
BY PRECINCT

Location	Registration	Ballets Cast	ANA MARIA QUINTANA	ALICIA RODRIGO	PABLO SIQUEIRAS	VIOLETA ALVAREZ	KESTON E VALANCIA
BELL - 0700001A		247	95	91	96	66	23
VOTE BY MAIL	SERIAL 0050	475	210	133	160	131	57
TOTAL		2,447	722	305	224	264	197
BELL - 0700002A		241	87	104	75	57	29
VOTE BY MAIL	SERIAL 0051	513	225	140	183	152	56
TOTAL		2,646	784	312	282	280	85
BELL - 0700007B		338	103	107	133	103	46
VOTE BY MAIL	SERIAL 0052	906	383	230	320	283	122
TOTAL		4,489	1,244	486	345	453	305
BELL - 0700010A		374	136	163	130	100	37
VOTE BY MAIL	SERIAL 0053	911	388	254	341	259	117
TOTAL		4,155	1,285	524	416	471	359
BELL - 0700018A		139	53	33	64	53	20
VOTE BY MAIL	SERIAL 6058	396	150	96	177	126	41
TOTAL		1,941	535	203	129	243	179
BALLOT GROUP 107 - 9990107A		0	0	0	0	0	0
VOTE BY MAIL	SERIAL 8307	0	0	0	0	0	0
TOTAL		0	0	0	0	0	0

CITY OF DALL GENERAL MUNICIPAL ELECTION Member of the City Council

FINAL OFFICIAL
STATEMENT OF VOTES CAST
BY PRECINCT

Location	Registration	Ballots Cast	JANA MARIA GUTIERREZ	ALICIA ROMERO	PAULO SIQUEIRAS	VIOLETA ALVAREZ	NESOUR B VALENZUELA
PRECINCT TOTAL		1,339	474	497	305	370	185
VEN TOTAL		3,201	1,366	869	1,389	951	393
GRAND TOTAL	18,678	4,540	1,430	1,366	1,469	1,329	540

COUNTY OF LOS ANGELES

06/02/16

STATEWIDE DIRECT PRIMARY ELECTION

119.1

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CITY OF BELL GENERAL MUNICIPAL ELECTION - MEASURE BB

FINAL OFFICIAL
STATEMENT OF VOTES CAST
BY PRECINCT

Location	Registration	Ballots Cast	2 P	2 P
BELL - 0700001A		247	186	78
VOTE BY MAIL	SERIAL 0050	475	290	162
TOTAL	2,447	723	466	260
BELL - 0700002A		241	149	78
VOTE BY MAIL	SERIAL 0051	513	310	172
TOTAL	2,646	754	489	250
BELL - 0700007B		338	182	127
VOTE BY MAIL	SERIAL 0052	906	495	370
TOTAL	4,489	1,244	678	427
BELL - 0700010A		374	229	116
VOTE BY MAIL	SERIAL 0053	511	506	155
TOTAL	4,155	1,285	735	471
BELL - 0700016A*		139	81	49
VOTE BY MAIL	SERIAL 0058	396	216	157
TOTAL	1,941	525	297	206
BALLOT GROUP 387 - 9900307A*		0	0	0
VOTE BY MAIL	SERIAL 8307	0	0	0
TOTAL	0	0	0	0

DATE: July 22, 2026

TO: Mayor and Members of the City Council

FROM: Michael L. Antwine II, City Manager

APPROVED
BY:


Michael L. Antwine II, City Manager

SUBJECT: Second Reading and Adoption of Ordinance No. 1297 Enacting a One Percent (1%) Supplemental General Transactions and Use Tax

RECOMMENDATION:

It is recommended that the City Council read by title only, waive further reading and adopt Ordinance No. 1297 titled:

**AN ORDINANCE OF THE PEOPLE OF THE CITY OF BELL, CALIFORNIA,
ADDING A NEW CHAPTER 3.21 TO THE BELL MUNICIPAL CODE TO ENACT A
ONE PERCENT (1%) SUPPLEMENTAL GENERAL TRANSACTIONS AND USE
TAX, WHICH SHALL BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT
OF TAX AND FEE ADMINISTRATION**

BACKGROUND:

Like many California cities, the City of Bell has experienced limited revenue growth in recent years due to national and regional economic conditions, while the cost of providing essential municipal services has continued to increase. This imbalance has created ongoing fiscal challenges that affect the City's long-term financial sustainability.

To address these fiscal challenges, the City Council adopted Resolutions Nos. 2026-11 and 2026-12 on February 25, 2026, placing the City of Bell Public Safety/City Services Measure (Measure BB) on the June 2, 2026 General Municipal Election ballot. At the same meeting, the City Council introduced and conducted the first reading of Ordinance No. 1297, which would enact a one percent (1%) supplemental general transactions and use tax contingent upon voter approval.

Because the Measure proposed a general tax, voter approval by a majority vote at a regularly scheduled municipal election was required pursuant to Article XIII C, Section 2(b) of the California Constitution.

Like the City's existing local sales tax, revenues generated by the supplemental tax will be deposited into the General Fund and may be used for any lawful municipal purpose, including public safety services provided by the Bell Police Department, protecting firefighters and paramedic services, keeping public areas and parks safe and clean, maintaining and improving 911 services, preventing crime and thefts and other essential City services.

DISCUSSION:

Measure BB was submitted to the voters at the June 2, 2026 General Municipal Election and was

approved by a majority of the voters as shown in the Election Results below.

The ballot question read as follows:

City of Bell Public Safety/City Services Measure: To help secure the City of Bell's financial stability and maintain municipal services, including fire, paramedic, 911, police services; prevent crime/thefts; keep public areas and parks safe/clean; maintain streets, youth/after school and anti-gang programs; address homelessness; shall the measure establishing a 1¢ sales tax, generating approximately \$3,500,000 annually until ended by voters; requiring independent audits/community oversight committee, public spending disclosure, with all funds locally controlled, be adopted?	YES
	NO

Election Results

<u>Vote</u>	<u>Total</u>
YES	2,615
NO	1,664

Because Measure BB received the affirmative vote of a majority of the voters, the Measure was approved. Upon the effective date of Ordinance No. 1297, the City's local transactions and use tax rate will increase by one percent (1%), increasing the total sales tax rate within the City from 9.75% to 10.75%, unless otherwise adjusted by State law.

Ordinance No. 1297 adds Chapter 3.21 to the Bell Municipal Code to establish the supplemental one percent (1%) general transactions and use tax and provides for its administration by the California Department of Tax and Fee Administration.

The Ordinance includes accountability measures to ensure transparency and proper use of tax revenues. These measures include the establishment of a Community Oversight Committee to ensure that the tax proceeds are used solely for the purposes authorized by the Ordinance. The Committee shall meet as needed, but no fewer than twice per year, and shall consist of five (5) members appointed by the City Council: one member representing the community or faith based organizations, one representative of small businesses, one representative of the business community, and two at-large members. Members appointed to the Committee shall receive educational training about taxes and fiscal oversight.

FISCAL IMPACT:

The supplemental one percent (1%) transactions and use tax is estimated to generate approximately \$3.5 million annually in unrestricted General Fund revenue. These funds may be used to support essential municipal services and address the City's ongoing operational needs.

ATTACHMENTS:

1. Ordinance No. 1297

ORDINANCE NO. 1297

AN ORDINANCE OF THE PEOPLE OF THE CITY OF BELL, CALIFORNIA, ADDING A NEW CHAPTER 3.21 TO THE BELL MUNICIPAL CODE TO ENACT A ONE PERCENT (1%) SUPPLEMENTAL GENERAL TRANSACTIONS AND USE TAX, WHICH SHALL BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

WHEREAS, pursuant to California Revenue and Taxation Code section 7285.9, the City of Bell ("City"), is authorized, subject to approval by a majority vote of the qualified voters of the City voting in an election on the issue, to levy a transactions and use tax for general purposes pursuant to the Transaction and Use Tax Law (Revenue and Taxation Code §§ 7251–7279.6); and

WHEREAS, pursuant to Article XIII C, section 2 of the California Constitution and Elections Code section 10201, the City Council has determined to submit this Ordinance establishing a transactions and use tax to the voters; and

WHEREAS, pursuant to California Elections Code section 9222, the City Council has authority to place measures on the ballot to be considered at a General Municipal Election; and

WHEREAS, this Ordinance proposing a supplemental general transactions and use tax was approved by the City Council of the City on February 25, 2026 for placement on the ballot, and requires approval by a majority of the voters casting votes at the General Municipal Election held on June 2, 2026; and

WHEREAS, an additional source of local, voter-controlled funding is essential to maintaining Bell residents' quality of life; and

WHEREAS, all funds generated by this Ordinance are legally required to be spent in the City of Bell, which will help ensure local control of revenue and provide a guaranteed source of funding for City services that cannot be taken away by Los Angeles County, Sacramento, or Washington D.C.; and

WHEREAS, the State of California continues to impose greater financial responsibility and bureaucratic regulations upon local governments including the City of Bell; such unfunded mandates have left the City with insufficient funds to provide the services and programs that local residents need; and

WHEREAS, without additional funds the City may be forced to make cuts to the total number of police officers, drug prevention and anti-gang programs, youth and senior recreation programs, street maintenance, and efforts to address homelessness; and

WHEREAS, this Ordinance would help provide a steady source of funding to ensure that after-school programs at City parks, recreation centers, and the library are sufficiently funded and improved, in order to enhance the outcomes of children and teens and ensure their safety; studies show that during the hours after school ends and before parents typically return home from work children and teens need comprehensive after-school programs; otherwise, they are three times more likely to get into trouble; and

WHEREAS, this Ordinance will provide funding to protect firefighter and paramedic

services, keep public areas such as parks/open spaces, commercial areas, and community centers safe and clean; maintain and improve 911 services; and prevent crime and thefts while helping secure the City of Bell's financial stability; and

WHEREAS, this Ordinance includes strict accountability requirements, such as independent residents' oversight committee, disclosure of all spending and annual independent financial audits, that ensure funds are used effectively and as promised, and only for programs and services that benefit City of Bell residents; and

WHEREAS, the People of the City desire to add a new Chapter 3.21 to the Bell Municipal Code establishing a Supplemental General Transactions and Use Tax ("TUT" or "Sales Tax") on the sale and/or use of all tangible personal property sold at retail in the City, at a rate of one percent (1%).

NOW, THEREFORE, THE PEOPLE OF THE CITY OF BELL AT THE JUNE 2, 2026 ELECTION DO HEREBY RESOLVE, DECLARE, AND ORDAIN AS FOLLOWS:

Section 1. Title and Text. This Ordinance shall be known as the "City of Bell Public Safety/City Services Measure", the full text of which is set forth in Exhibit "A", attached hereto and incorporated herein by reference. The Recitals set forth above, are hereby incorporated herein by this reference.

Section 2. Approval by the City Council. Pursuant to California Government Code section 53724 and Revenue and Taxation Code section 7285.9, this Ordinance was duly approved for placement on the ballot by a minimum two-thirds (2/3) supermajority of all members of the City Council on February 25, 2026.

Section 3. Approval by the Voters. Pursuant to California Elections Code section 9217, this Ordinance shall be deemed adopted and take effect only if approved by a majority of the eligible voters of the City of Bell voting at the General Municipal Election on June 2, 2026. It shall be deemed adopted when the City Council has certified the results of that election by resolution and shall take effect ten (10) days thereafter.

Section 4. Operative Date. The "Operative Date" for the TUT contained in this Ordinance shall commence on the first day of the first calendar quarter beginning more than 110 days after the adoption of this Ordinance.

Section 5. Use of Tax Proceeds. All proceeds of the tax levied and imposed hereunder shall be accounted for and paid into the City's General Fund, and may be used for any lawful purpose as designated by the City Council.

Section 6. Severability. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unenforceable by a court of competent jurisdiction, the remaining portions of this Ordinance shall nonetheless remain in full force and effect. The people of the City of Bell hereby declare that they would have adopted each section, subsection, sentence, clause, phrase, or portion of this Ordinance, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions of this Ordinance be declared invalid or unenforceable.

Section 7. Appropriations Limit. Pursuant to Article XIIB of the California Constitution, the appropriations limit for the City of Bell is increased to the maximum extent over

the maximum period of time allowed by law consistent with the revenues generated by the TUT contained in this Ordinance.

Section 8. Council Authority to Amend. This is a City Council-sponsored initiative Ordinance which otherwise would only be subject to amendment by the voters of the City. However, pursuant to Elections Code Section 9217, the City Council shall have and retain the right and authority to amend this Ordinance to further its purposes and intent (including but not limited to amendment for more efficient administration as determined by the City Council) in any manner that does not increase a tax rate, or otherwise constitute a tax increase for which voter approval is required by Article XIII C of the California Constitution.

Section 9. Execution. If a majority of the voters of the City of Bell voting at the General Municipal Election held on June 2, 2026, vote in favor of this Ordinance, then the Mayor shall sign this Ordinance.

Section 10. Certification. The City Clerk of the City shall certify that this Ordinance was passed, approved and adopted by the People of the City of Bell, California, voting on the 2nd day of June, 2026, and upon its adoption, the City Clerk is hereby authorized and directed to codify this Ordinance in the Bell Municipal Code.

PASSED, APPROVED, AND ADOPTED by the People of the City of Bell at an election held on June 2, 2026.

BY: _____
ALI SALEH
Mayor

APPROVED AS TO FORM:
Aleshire & Wynder, LLP

DANNY ALESHIRE
City Attorney

CERTIFICATION

I, Angela Bustamante, City Clerk of the City of Bell, do hereby certify that the foregoing Ordinance was introduced for first reading on the 25th day of February, 2026. Thereafter, said Ordinance was duly approved and adopted at a regular meeting of the City Council on the 22nd day of July, 2026, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Angela Bustamante
City Clerk

EXHIBIT "A"

A new Chapter 3.21 is hereby added to the Bell Municipal Code to read as follows:

Chapter 3.21 CITY OF BELL PUBLIC SAFETY/CITY SERVICES MEASURE

3.21.010 Title.

This ordinance shall be known as the "City of Bell Public Safety/City Services Measure." The City of Bell hereinafter shall be called "city." This ordinance shall be applicable in the incorporated territory of the city.

3.21.020 Operative date.

The "operative date" of the City of Bell Public Safety/City Services Measure shall be the date that is the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance.

3.21.030 Purpose.

This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2 which authorizes the city to adopt this ordinance.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this chapter.

E. To provide funding and support for the following city services: fire, paramedic, police services, prevention of crime and thefts crime/thefts, maintenance and improvements to city facilities, public areas, streets, and parks, youth and senior recreation programs, and afterschool programs, drug prevention and anti-gang programs, and efforts to address homelessness.

3.21.040 Contract with state.

Prior to the operative date, the city shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the city shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

3.21.050 Transactions tax rate.

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the city at the rate of one (1) cent per dollar of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

3.21.060 Place of sale.

For the purposes of this chapter, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the state or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.

3.21.070 Use tax rate.

An excise tax is hereby imposed on the storage, use or other consumption in the city of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of one (1) cent per dollar of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

3.21.080 Adoption of provisions of state law.

Except as otherwise provided in this chapter and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of

Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this chapter as though fully set forth herein.

3.21.090 Limitations on adoption of state law and collection of use taxes.

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this city shall be substituted therefor. However, the substitution shall not be made when:

1. The word "state" is used as a part of the title of the State Controller, State Treasurer, State Treasury, or the Constitution of the State of California;
2. The result of that substitution would require action to be taken by or against this city or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this ordinance.
3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:
 - a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the state under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;
 - b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.
4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "city" shall be substituted for the word "state" in the phrase "retailer engaged in business in this state" in Section 6203 and in the definition of that phrase in Section 6203.

1. The words "A retailer engaged in business in the city" shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this state or for delivery in the state by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars (\$500,000). For purposes of this section, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.

3.21.100 Permit not required.

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

3.21.110 Exemptions and exclusions.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.
2. Sales of property to be used outside the city which is shipped to a point outside the city, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the city shall be satisfied:
 - a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-city address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and
 - b. With respect to commercial vehicles, by registration to a place of business out-of-city and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.
3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the

property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this city of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.
2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.
3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.
5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
6. Except as provided in subparagraph (7), a retailer engaged in business in the city shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the city or participates within the city in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the city or through any representative, agent, canvasser, solicitor, subsidiary, or person in the city under the authority of the retailer.

7. "A retailer engaged in business in the city" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the city.

D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

3.21.120 Amendments.

All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

3.21.130 Enjoining collection forbidden.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the state or the city, or against any officer of the state or the city, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

3.21.140 Severability.

If any provision of this chapter or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

3.21.150 Council Authority to Amend.

Pursuant to Elections Code Section 9217, the City Council shall have and retain the right and authority to amend this ordinance to further its purposes and intent (including but not limited to amendment for more efficient administration as determined by the City Council) in any manner that does not increase a tax rate, or otherwise constitute a tax increase for which voter approval is required by Article XIII C of the California Constitution.

3.21.160 Effective date.

This chapter shall be effective ten (10) days after the date on which the City Council has declared that the voters of the City of Bell have approved this ordinance by a vote of no less than a majority of the votes cast by the electors voting on the tax measure set forth in this chapter at the general municipal election to be held on June 2, 2026.

3.21.170 Accountability.

The following accountability requirements shall apply to the tax set forth under this ordinance:

A. The city shall conduct an annual, independent performance audit to ensure that the tax funds are expended pursuant to the purposes specified herein.

B. The city shall appoint a community oversight committee to ensure that the tax is expended only for the purposes described herein. The committee shall meet as needed but a minimum of twice per year. The committee shall contain five (5) members appointed by the City Council, consisting of one member representing community or faith based organizations, one member representing small business owners, one member representing business entities, and two members at large. Members appointed to the oversight committee shall receive educational training about taxes and fiscal oversight.

3.21.180 Termination date.

The authority to levy the tax imposed by this ordinance shall not expire unless terminated by lawful vote of the electorate or as required or authorized by law.

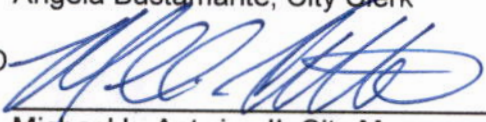
AGENDA ITEM 11

City of Bell Agenda Report

DATE: July 22, 2026

TO: Mayor and Members of the City Council

FROM: Rickey Manbahal, Finance Director
Angela Bustamante, City Clerk

APPROVED BY: 
Michael L. Antwine II, City Manager

SUBJECT: Approval of Documents Authorizing the California Department of Tax and Fee Administration to Implement the City's General Transactions and Use Tax Increase

RECOMMENDATION:

It is recommended that the City Council:

1. Read by title only, waive further reading and adopt Resolution 2026-46 titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL AUTHORIZING THE CITY MANAGER TO EXECUTE AGREEMENTS WITH THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION FOR IMPLEMENTATION OF A LOCAL TRANSACTIONS AND USE TAX

2. Read by title only, waive further reading and adopt Resolution 2026-47 titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL AUTHORIZING EXAMINATION OF SALES OR TRANSACTIONS AND USE TAX RECORDS

BACKGROUND:

On February 25, 2026, the City Council adopted Resolution Nos. 2026-11 and 2026-12 placing the City of Bell Public Safety/City Services Measure (Measure BB) on the June 2, 2026 General Municipal Election ballot. Measure BB proposed a one percent (1%) general transactions and use tax to provide a locally controlled funding source to help maintain essential City services, including public safety, infrastructure maintenance, parks, and other general municipal services.

At the June 2, 2026 General Municipal Election, Measure BB was approved by a majority of Bell voters. Following certification of the election results, the City Council adopted Ordinance No. 1297 establishing the one percent (1%) supplemental general transactions and use tax.

As the agency responsible for administering local transactions and use taxes throughout California, the California Department of Tax and Fee Administration (CDTFA) requires participating jurisdictions to execute administrative agreements and submit supporting documentation before the tax proposed by Measure BB can be implemented. The attached

Resolutions presented for City Council consideration authorize the City Manager to execute the required agreements with the CDTFA and permit the examination of confidential sales and use tax records, as required by State law. Approval of these documents is necessary for the CDTFA to administer and collect the City's transactions and use tax.

DISCUSSION:

In order for the California Department of Tax and Fee Administration (CDTFA) to administer and collect the new tax, the City must submit the following documents to the CDTFA:

- Preparatory Agreements (one original)
- Administrative Agreements (one original)
- Resolution Authorizing Execution of the Agreements (one certified copy)
- Transactions and Use Tax Ordinance (one certified copy)
- Resolution Certifying the Election Results and County's Final Election Certification with Vote Counts (one certified copy)
- Contact Form for All Communications
- Resolution for Examination of Confidential Records
- Consultant Agreement (copy), if applicable
- Designation Letter
- Contact Form for Notifications & Appeals
- Electronic Funds Transfer (ETF) Authorization Agreement and a copy of a voided check
- Media and Registration Request Form

Upon receipt of all required documents, the CDTFA will review the City's submittal. Once approved, the CDTFA will administer, collect, and distribute the City's transactions and use tax revenues in accordance with State law.

The CDTFA will remit the City's tax revenues periodically, as promptly as feasible, but no less than twice each calendar quarter.

Pursuant to the Preparatory Agreement with the CDTFA, the City is responsible for reimbursing the CDTFA for the costs associated with implementing the City's transactions and use tax under Measure BB. These preparatory costs include, but are not limited to, developing administrative procedures, programming data processing systems, adopting regulations, designing and printing forms, preparing taxpayer and staff instructional materials, and other direct and indirect costs necessary to administer the tax, as authorized by Section 11256 of the Government Code.

FISCAL IMPACT:

In accordance with Section 7272 of the California Revenue and Taxation Code, the City's reimbursement for the CDTFA's preparatory costs shall not exceed \$175,000, which will be deducted by CDTFA prior to remittance to the City.

ATTACHMENTS:

1. Preparatory Agreements
2. Administrative Agreements
3. Resolution 2026-46 – Authorizing the City Manager to Execute Agreements
4. Ordinance No. 1297 - Transactions and Use Tax Ordinance

5. Resolution Certifying the Election Results and County's Final Election Certification with Vote Counts
6. Contact Form for All Communications
7. Resolution 2026-47 – Examination of Confidential Records
8. HDL Agreement and Amendment No. 1
9. Designation Letter
10. Contact Form for Notifications & Appeals
11. Electronic Funds Transfer (ETF) Authorization Agreement and a copy of a voided check
12. Media and Registration Request Form

**AGREEMENT FOR PREPARATION TO ADMINISTER AND OPERATE
CITY'S TRANSACTIONS AND USE TAX ORDINANCE**

In order to prepare to administer a transactions and use tax ordinance adopted in accordance with the provision of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code, the City of _____, hereinafter called *City*, and the CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION, hereinafter called *Department*, do agree as follows:

1. The Department agrees to enter into work to prepare to administer and operate a transactions and use tax in conformity with Part 1.6 of Division 2 of the Revenue and Taxation Code which has been approved by a majority of the electors of the City and whose ordinance has been adopted by the City.

2. City agrees to pay to the Department at the times and in the amounts hereinafter specified all of the Department's costs for preparatory work necessary to administer the City's transactions and use tax ordinance. The Department's costs for preparatory work include costs of developing procedures, programming for data processing, developing and adopting appropriate regulations, designing and printing forms, developing instructions for the Department's staff and for taxpayers, and other appropriate and necessary preparatory costs to administer a transactions and use tax ordinance. These costs shall include both direct and indirect costs as specified in Section 11256 of the Government Code.

3. Preparatory costs may be accounted for in a manner which conforms to the internal accounting and personnel records currently maintained by the Department. The billings for costs may be presented in summary form. Detailed records of preparatory costs will be retained for audit and verification by the City.

4. Any dispute as to the amount of preparatory costs incurred by the Department shall be referred to the State Director of Finance for resolution, and the Director's decision shall be final.

5. Preparatory costs incurred by the Department shall be billed by the Department periodically, with the final billing within a reasonable time after the operative date of the ordinance. City shall pay to the Department the amount of such costs on or before the last day of the next succeeding month following the month when the billing is received.

6. The amount to be paid by City for the Department's preparatory costs shall not exceed one hundred seventy-five thousand dollars (\$175,000) (Revenue and Taxation Code Section 7272.)

7. Communications and notices may be sent by first class United States mail or through email at jservices@cdtfa.ca.gov. If and when communications and notices may include confidential information, communications and notices must be sent through encrypted email at jservices@cdtfa.ca.gov or by mail. Communications and notices to be sent to the Department shall be addressed to:

California Department of Tax and Fee Administration
P.O. Box 942879 MIC: 27
Sacramento, California 94279-0027

Attention: Administrator
Local Revenue Branch

Communications and notices to be sent to City shall be addressed to:

8. The date of this agreement is the date on which it is approved by the Department of General Services. This agreement shall continue in effect until the preparatory work necessary to administer City's transactions and use tax ordinance has been completed and the Department has received all payments due from City under the terms of this agreement.

CITY OF _____

By _____
(Signature)

(Typed Name)

(Title)

Date: _____

CALIFORNIA DEPARTMENT OF TAX
AND FEE ADMINISTRATION

By _____
Administrator
Local Revenue Branch

Date: _____

**AGREEMENT FOR STATE ADMINISTRATION
OF CITY TRANSACTIONS AND USE TAXES**

The City Council of the City of Bell has adopted, and the voters of the City of Bell (hereafter called "City" or "District") have approved by the required majority vote, the City of Bell Transactions and Use Tax Ordinance (hereafter called "Ordinance"), a copy of which is attached hereto. To carry out the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code and the Ordinance, the California State Department of Tax and Fee Administration, (hereinafter called the "Department") and the City do agree as follows:

**ARTICLE I
DEFINITIONS**

Unless the context requires otherwise, wherever the following terms appear in the Agreement, they shall be interpreted to mean the following:

1. "District taxes" shall mean the transactions and use taxes, penalties, and interest imposed under an ordinance specifically authorized by Revenue and Taxation code Section _____, and in compliance with Part 1.6, Division 2 of the Revenue and Taxation Code.

2. "City Ordinance" shall mean the City's Transactions and Use Tax Ordinance referred to above and attached hereto, Ordinance No. 1297, as amended from time to time, or as deemed to be amended from time to time pursuant to Revenue and Taxation Code Section 7262.2.

**ARTICLE II
ADMINISTRATION AND COLLECTION
OF CITY TAXES**

A. Administration. The Department and City agree that the Department shall perform exclusively all functions incident to the administration and operation of the City Ordinance.

B. Other Applicable Laws. City agrees that all provisions of law applicable to the administration and operation of the Department Sales and Use Tax Law which are not inconsistent with Part 1.6 of Division 2 of the Revenue and Taxation Code shall be applicable to the administration and operation of the City Ordinance. City agrees that money collected pursuant to the City Ordinance may be deposited into the State Treasury to the credit of the Retail Sales Tax Fund and may be drawn from that Fund for any authorized purpose, including making refunds, compensating and reimbursing the Department pursuant to Article IV of this Agreement, and transmitting to City the amount to which City is entitled.

C. Transmittal of money.

1. For the period during which the tax is in effect, and except as otherwise provided herein, all district taxes collected under the provisions of the City Ordinance shall be transmitted to City periodically as promptly as feasible, but not less often than twice in each calendar quarter.

2. For periods subsequent to the expiration date of the tax whether by City's self-imposed limits or by final judgment of any court of the State of California holding that City's ordinance is invalid or void, all district taxes collected under the provisions of the City Ordinance shall be transmitted to City not less than once in each calendar quarter.

3. Transmittals may be made by mail or electronic funds transfer to an account of the City designated and authorized by the City. A statement shall be furnished at least quarterly indicating the amounts withheld pursuant to Article IV of this Agreement.

D. Rules. The Department shall prescribe and adopt such rules and regulations as in its judgment are necessary or desirable for the administration and operation of the City Ordinance and the distribution of the district taxes collected thereunder.

E. Preference. Unless the payor instructs otherwise, and except as otherwise provided in this Agreement, the Department shall give no preference in applying money received for state sales and use taxes, state-administered local sales and use taxes, and district transactions and use taxes owed by a taxpayer, but shall apply moneys collected to the satisfaction of the claims of the State, cities, counties, cities and counties, redevelopment agencies, other districts, and City as their interests appear.

F. Security. The Department agrees that any security which it hereafter requires to be furnished by taxpayers under the State Sales and Use Tax Law will be upon such terms that it also will be available for the payment of the claims of City for district taxes owing to it as its interest appears. The Department shall not be required to change the terms of any security now held by it, and City shall not participate in any security now held by the Department.

G. Records of the Department.

When requested by resolution of the legislative body of the City under section 7056 of the Revenue and Taxation Code, the Department agrees to permit authorized personnel of the City to examine the records of the Department, including the name, address, and account number of each seller holding a seller's permit with a registered business location in the City, pertaining to the ascertainment of transactions and use taxes collected for the City. Information obtained by the City from examination of the Department's records shall be used by the City only for purposes related to the collection of transactions and use taxes by the Department pursuant to this Agreement.

H. Annexation. City agrees that the Department shall not be required to give effect to an annexation, for the purpose of collecting, allocating, and distributing District transactions and use taxes, earlier than the first day of the calendar quarter which commences not less than two months after notice to the Department. The notice shall include the name of the county or counties annexed to the extended City boundary. In the event the City shall annex an area, the boundaries of which are not coterminous with a county or counties, the notice shall include a description of the area annexed and two maps of the City showing the area annexed and the location address of the property nearest to the extended City boundary on each side of every street or road crossing the boundary.

ARTICLE III

ALLOCATION OF TAX

A. Allocation. In the administration of the Department's contracts with all districts that impose transactions and use taxes imposed under ordinances, which comply with Part 1.6 of Division 2 of the Revenue and Taxation Code:

1. Any payment not identified as being in payment of liability owing to a designated district or districts may be apportioned among the districts as their interest appear, or, in the discretion

of the Department, to all districts with which the Department has contracted using ratios reflected by the distribution of district taxes collected from all taxpayers.

2. All district taxes collected as a result of determinations or billings made by the Department, and all amounts refunded or credited may be distributed or charged to the respective districts in the same ratio as the taxpayer's self-declared district taxes for the period for which the determination, billing, refund or credit applies.

B. Vehicles, Vessels, and Aircraft. For the purpose of allocating use tax with respect to vehicles, vessels, or aircraft, the address of the registered owner appearing on the application for registration or on the certificate of ownership may be used by the Department in determining the place of use.

ARTICLE IV

COMPENSATION

The City agrees to pay to the Department as the State's cost of administering the City Ordinance such amount as is provided for by law. Such amounts shall be deducted from the taxes collected by the Department for the City.

ARTICLE V

MISCELLANEOUS PROVISIONS

A. Communications. Communications and notices may be sent by first class United States mail to the addresses listed below, or to such other addresses as the parties may from time to time designate or through email at jservices@cdtfa.ca.gov. If and when communications and notices may include confidential information, communications and notices must be sent through encrypted email at jservices@cdtfa.ca.gov or by mail.

Communications and notices to be sent to the Department shall be addressed to:

California State Department of Tax and Fee Administration
P.O. Box 942879
Sacramento, California 94279-0027

Attention: Administrator
Local Revenue Branch

Communications and notices to be sent to the City shall be addressed to:

Unless otherwise directed, transmittals of payment of District transactions and use taxes will be sent to the address above.

B. Term. The date of this Agreement is the date on which it is approved by the Department of General Services. The Agreement shall take effect on _____. This Agreement shall continue until December 31 next following the expiration date of the City Ordinance, and shall thereafter be renewed automatically from year to year until the Department completes all work necessary to the administration of the City Ordinance and has received and disbursed all payments due under that Ordinance.

C. Notice of Repeal of Ordinance. City shall give the Department written notice of the repeal of the City Ordinance not less than 110 days prior to the operative date of the repeal.

ARTICLE VI
ADMINISTRATION OF TAXES IF THE
ORDINANCE IS CHALLENGED AS BEING INVALID

A. Impoundment of funds.

1. When a legal action is begun challenging the validity of the imposition of the tax, the City shall deposit in an interest-bearing escrow account, any proceeds transmitted to it under Article II. C., until a court of competent jurisdiction renders a final and non-appealable judgment that the tax is valid.

2. If the tax is determined to be unconstitutional or otherwise invalid, the City shall transmit to the Department the moneys retained in escrow, including any accumulated interest, within ten days of the judgment of the trial court in the litigation awarding costs and fees becoming final and non-appealable.

B. Costs of administration. Should a final judgment be entered in any court of the State of California, holding that City's Ordinance is invalid or void, and requiring a rebate or refund to taxpayers of any taxes collected under the terms of this Agreement, the parties mutually agree that:

1. Department may retain all payments made by City to Department to prepare to administer the City Ordinance.

2. City will pay to Department and allow Department to retain Department's cost of administering the City Ordinance in the amounts set forth in Article IV of this Agreement.

3. City will pay to Department or to the State of California the amount of any taxes plus interest and penalties, if any, that Department or the State of California may be required to rebate or refund to taxpayers.

4. City will pay to Department its costs for rebating or refunding such taxes, interest, or penalties. Department's costs shall include its additional cost for developing procedures for processing

the rebates or refunds, its costs of actually making these refunds, designing and printing forms, and developing instructions for Department's staff for use in making these rebates or refunds and any other costs incurred by Department which are reasonably appropriate or necessary to make those rebates or refunds. These costs shall include Department's direct and indirect costs as specified by Section 11256 of the Government Code.

5. Costs may be accounted for in a manner, which conforms to the internal accounting, and personnel records currently maintained by the Department. The billings for such costs may be presented in summary form. Detailed records will be retained for audit and verification by City.

6. Any dispute as to the amount of costs incurred by Department in refunding taxes shall be referred to the State Director of Finance for resolution and the Director's decision shall be final.

7. Costs incurred by Department in connection with such refunds shall be billed by Department on or before the 25th day of the second month following the month in which the judgment of a court of the State of California holding City's Ordinance invalid or void becomes final. Thereafter Department shall bill City on or before the 25th of each month for all costs incurred by Department for the preceding calendar month. City shall pay to Department the amount of such costs on or before the last day of the succeeding month and shall pay to Department the total amount of taxes, interest, and penalties refunded or paid to taxpayers, together with Department costs incurred in making those refunds.

CITY OF _____

By _____
(Signature)

(Typed Name)

(Title)

(Date)

CALIFORNIA STATE DEPARTMENT OF
TAX AND FEE ADMINISTRATION

By _____
Administrator
Local Revenue Branch

Date: _____

RESOLUTION NO. 2026-46

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL AUTHORIZING THE CITY MANAGER TO EXECUTE AGREEMENTS WITH THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION FOR IMPLEMENTATION OF A LOCAL TRANSACTIONS AND USE TAX

WHEREAS, on July 22, 2026, the City Council approved Ordinance No. 1297 amending the City Municipal Code and providing for a local transactions and use tax; and

WHEREAS, the California Department of Tax and Fee Administration (Department) administers and collects the transactions and use taxes for all applicable jurisdictions within the state; and

WHEREAS, the Department will be responsible to administer and collect the transactions and use tax for the City; and

WHEREAS, the Department requires that the City enter into a "Preparatory Agreement" and an "Administrative Agreement" prior to implementation of said taxes, and

WHEREAS, the Department requires that the City Council authorize the agreements.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Bell that the "Preparatory Agreement" attached as Exhibit A and the "Administrative Agreement" attached as Exhibit B are hereby approved and the City Manager is hereby authorized to execute each agreement.

PASSED, APPROVED AND ADOPTED on this 22th day of July, 2026.

Alia Saleh, Mayor

APPROVED AS TO FORM:

Danny Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 22th day of July 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Angela Bustamante, City Clerk

ORDINANCE NO. 1297

AN ORDINANCE OF THE PEOPLE OF THE CITY OF BELL, CALIFORNIA, ADDING A NEW CHAPTER 3.21 TO THE BELL MUNICIPAL CODE TO ENACT A ONE PERCENT (1%) SUPPLEMENTAL GENERAL TRANSACTIONS AND USE TAX, WHICH SHALL BE ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

WHEREAS, pursuant to California Revenue and Taxation Code section 7285.9, the City of Bell ("City"), is authorized, subject to approval by a majority vote of the qualified voters of the City voting in an election on the issue, to levy a transactions and use tax for general purposes pursuant to the Transaction and Use Tax Law (Revenue and Taxation Code §§ 7251–7279.6); and

WHEREAS, pursuant to Article XIII C, section 2 of the California Constitution and Elections Code section 10201, the City Council has determined to submit this Ordinance establishing a transactions and use tax to the voters; and

WHEREAS, pursuant to California Elections Code section 9222, the City Council has authority to place measures on the ballot to be considered at a General Municipal Election; and

WHEREAS, this Ordinance proposing a supplemental general transactions and use tax was approved by the City Council of the City on February 25, 2026 for placement on the ballot, and requires approval by a majority of the voters casting votes at the General Municipal Election held on June 2, 2026; and

WHEREAS, an additional source of local, voter-controlled funding is essential to maintaining Bell residents' quality of life; and

WHEREAS, all funds generated by this Ordinance are legally required to be spent in the City of Bell, which will help ensure local control of revenue and provide a guaranteed source of funding for City services that cannot be taken away by Los Angeles County, Sacramento, or Washington D.C.; and

WHEREAS, the State of California continues to impose greater financial responsibility and bureaucratic regulations upon local governments including the City of Bell; such unfunded mandates have left the City with insufficient funds to provide the services and programs that local residents need; and

WHEREAS, without additional funds the City may be forced to make cuts to the total number of police officers, drug prevention and anti-gang programs, youth and senior recreation programs, street maintenance, and efforts to address homelessness; and

WHEREAS, this Ordinance would help provide a steady source of funding to ensure that after-school programs at City parks, recreation centers, and the library are sufficiently funded and improved, in order to enhance the outcomes of children and teens and ensure their safety; studies show that during the hours after school ends and before parents typically return home from work children and teens need comprehensive after-school programs; otherwise, they are three times more likely to get into trouble; and

WHEREAS, this Ordinance will provide funding to protect firefighter and paramedic

services, keep public areas such as parks/open spaces, commercial areas, and community centers safe and clean; maintain and improve 911 services; and prevent crime and thefts while helping secure the City of Bell's financial stability; and

WHEREAS, this Ordinance includes strict accountability requirements, such as independent residents' oversight committee, disclosure of all spending and annual independent financial audits, that ensure funds are used effectively and as promised, and only for programs and services that benefit City of Bell residents; and

WHEREAS, the People of the City desire to add a new Chapter 3.21 to the Bell Municipal Code establishing a Supplemental General Transactions and Use Tax ("TUT" or "Sales Tax") on the sale and/or use of all tangible personal property sold at retail in the City, at a rate of one percent (1%).

NOW, THEREFORE, THE PEOPLE OF THE CITY OF BELL AT THE JUNE 2, 2026 ELECTION DO HEREBY RESOLVE, DECLARE, AND ORDAIN AS FOLLOWS:

Section 1. Title and Text. This Ordinance shall be known as the "City of Bell Public Safety/City Services Measure", the full text of which is set forth in Exhibit "A", attached hereto and incorporated herein by reference. The Recitals set forth above, are hereby incorporated herein by this reference.

Section 2. Approval by the City Council. Pursuant to California Government Code section 53724 and Revenue and Taxation Code section 7285.9, this Ordinance was duly approved for placement on the ballot by a minimum two-thirds (2/3) supermajority of all members of the City Council on February 25, 2026.

Section 3. Approval by the Voters. Pursuant to California Elections Code section 9217, this Ordinance shall be deemed adopted and take effect only if approved by a majority of the eligible voters of the City of Bell voting at the General Municipal Election on June 2, 2026. It shall be deemed adopted when the City Council has certified the results of that election by resolution and shall take effect ten (10) days thereafter.

Section 4. Operative Date. The "Operative Date" for the TUT contained in this Ordinance shall commence on the first day of the first calendar quarter beginning more than 110 days after the adoption of this Ordinance.

Section 5. Use of Tax Proceeds. All proceeds of the tax levied and imposed hereunder shall be accounted for and paid into the City's General Fund, and may be used for any lawful purpose as designated by the City Council.

Section 6. Severability. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unenforceable by a court of competent jurisdiction, the remaining portions of this Ordinance shall nonetheless remain in full force and effect. The people of the City of Bell hereby declare that they would have adopted each section, subsection, sentence, clause, phrase, or portion of this Ordinance, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions of this Ordinance be declared invalid or unenforceable.

Section 7. Appropriations Limit. Pursuant to Article XIIB of the California Constitution, the appropriations limit for the City of Bell is increased to the maximum extent over

the maximum period of time allowed by law consistent with the revenues generated by the TUT contained in this Ordinance.

Section 8. Council Authority to Amend. This is a City Council-sponsored initiative Ordinance which otherwise would only be subject to amendment by the voters of the City. However, pursuant to Elections Code Section 9217, the City Council shall have and retain the right and authority to amend this Ordinance to further its purposes and intent (including but not limited to amendment for more efficient administration as determined by the City Council) in any manner that does not increase a tax rate, or otherwise constitute a tax increase for which voter approval is required by Article XIII C of the California Constitution.

Section 9. Execution. If a majority of the voters of the City of Bell voting at the General Municipal Election held on June 2, 2026, vote in favor of this Ordinance, then the Mayor shall sign this Ordinance.

Section 10. Certification. The City Clerk of the City shall certify that this Ordinance was passed, approved and adopted by the People of the City of Bell, California, voting on the 2nd day of June, 2026, and upon its adoption, the City Clerk is hereby authorized and directed to codify this Ordinance in the Bell Municipal Code.

PASSED, APPROVED, AND ADOPTED by the People of the City of Bell at an election held on June 2, 2026.

BY: _____
ALI SALEH
Mayor

APPROVED AS TO FORM:
Aleshire & Wynder, LLP

DANNY ALESHIRE
City Attorney

CERTIFICATION

I, Angela Bustamante, City Clerk of the City of Bell, do hereby certify that the foregoing Ordinance was introduced for first reading on the 25th day of February, 2026. Thereafter, said Ordinance was duly approved and adopted at a regular meeting of the City Council on the 22nd day of July, 2026, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Angela Bustamante
City Clerk

EXHIBIT “A”

A new Chapter 3.21 is hereby added to the Bell Municipal Code to read as follows:

Chapter 3.21 CITY OF BELL PUBLIC SAFETY/CITY SERVICES MEASURE

3.21.010 Title.

This ordinance shall be known as the “City of Bell Public Safety/City Services Measure.” The City of Bell hereinafter shall be called “city.” This ordinance shall be applicable in the incorporated territory of the city.

3.21.020 Operative date.

The “operative date” of the City of Bell Public Safety/City Services Measure shall be the date that is the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance.

3.21.030 Purpose.

This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2 which authorizes the city to adopt this ordinance.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this chapter.

E. To provide funding and support for the following city services: fire, paramedic, police services, prevention of crime and thefts crime/thefts, maintenance and improvements to city facilities, public areas, streets, and parks, youth and senior recreation programs, and afterschool programs, drug prevention and anti-gang programs, and efforts to address homelessness.

3.21.040 Contract with state.

Prior to the operative date, the city shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the city shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

3.21.050 Transactions tax rate.

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the city at the rate of one (1) cent per dollar of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

3.21.060 Place of sale.

For the purposes of this chapter, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the state or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.

3.21.070 Use tax rate.

An excise tax is hereby imposed on the storage, use or other consumption in the city of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of one (1) cent per dollar of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

3.21.080 Adoption of provisions of state law.

Except as otherwise provided in this chapter and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of

Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this chapter as though fully set forth herein.

3.21.090 Limitations on adoption of state law and collection of use taxes.

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this city shall be substituted therefor. However, the substitution shall not be made when:

1. The word "state" is used as a part of the title of the State Controller, State Treasurer, State Treasury, or the Constitution of the State of California;
2. The result of that substitution would require action to be taken by or against this city or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this ordinance.
3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:
 - a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the state under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;
 - b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.
4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "city" shall be substituted for the word "state" in the phrase "retailer engaged in business in this state" in Section 6203 and in the definition of that phrase in Section 6203.

1. The words "A retailer engaged in business in the city" shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this state or for delivery in the state by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars (\$500,000). For purposes of this section, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.

3.21.100 Permit not required.

If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

3.21.110 Exemptions and exclusions.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.
2. Sales of property to be used outside the city which is shipped to a point outside the city, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the city shall be satisfied:
 - a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-city address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and
 - b. With respect to commercial vehicles, by registration to a place of business out-of-city and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.
3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the

property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this city of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.
2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.
3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.
4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.
5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.
6. Except as provided in subparagraph (7), a retailer engaged in business in the city shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the city or participates within the city in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the city or through any representative, agent, canvasser, solicitor, subsidiary, or person in the city under the authority of the retailer.

7. "A retailer engaged in business in the city" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the city.

D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

3.21.120 Amendments.

All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

3.21.130 Enjoining collection forbidden.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the state or the city, or against any officer of the state or the city, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

3.21.140 Severability.

If any provision of this chapter or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

3.21.150 Council Authority to Amend.

Pursuant to Elections Code Section 9217, the City Council shall have and retain the right and authority to amend this ordinance to further its purposes and intent (including but not limited to amendment for more efficient administration as determined by the City Council) in any manner that does not increase a tax rate, or otherwise constitute a tax increase for which voter approval is required by Article XIII C of the California Constitution.

3.21.160 Effective date.

This chapter shall be effective ten (10) days after the date on which the City Council has declared that the voters of the City of Bell have approved this ordinance by a vote of no less than a majority of the votes cast by the electors voting on the tax measure set forth in this chapter at the general municipal election to be held on June 2, 2026.

3.21.170 Accountability.

The following accountability requirements shall apply to the tax set forth under this ordinance:

A. The city shall conduct an annual, independent performance audit to ensure that the tax funds are expended pursuant to the purposes specified herein.

B. The city shall appoint a community oversight committee to ensure that the tax is expended only for the purposes described herein. The committee shall meet as needed but a minimum of twice per year. The committee shall contain five (5) members appointed by the City Council, consisting of one member representing community or faith based organizations, one member representing small business owners, one member representing business entities, and two members at large. Members appointed to the oversight committee shall receive educational training about taxes and fiscal oversight.

3.21.180 Termination date.

The authority to levy the tax imposed by this ordinance shall not expire unless terminated by lawful vote of the electorate or as required or authorized by law.

RESOLUTION NO. 2026-37

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL, RECITING THE FACT OF THE GENERAL MUNICIPAL ELECTION HELD ON TUESDAY, JUNE 2, 2026, DECLARING THE RESULTS AND SUCH OTHER MATTERS AS PROVIDED BY LAW

WHEREAS, a General Municipal Election was held and conducted in the City of Bell, California, on Tuesday, June 2, 2026, as required by law; and

WHEREAS, notice of the election was given in time, form and manner as provided by law; that voting precincts were properly established; that election officers were appointed and that in all respects the election was held and conducted and the votes were cast, received and canvassed and the returns made and declared in time, form and manner as required by the provisions of the Elections Code of the State of California for the holding of elections in Charter Cities; and

WHEREAS, the Los Angeles County Registrar-Recorder/County Clerk Election Division canvassed the returns of the election and has certified the results to the City Council, the results are received, attached and made a part hereof as "Exhibit A".

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BELL, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the whole number of votes (ballots) cast in the precincts except vote by mail voter ballots was 1,339. That the whole number of vote-by-mail voter ballots cast was 3,201, making 4,540 (ballots) cast in the City of Bell.

SECTION 2. That the names of persons voted for at the election for Member of the City Council and the number of votes certified by the County Registrar of Voters for each candidate are as set forth below:

CANDIDATE	VOTES
Ana Maria Quintana	1,830
Alicia Romero	1,366
Pablo Sifuentes	1,689
Violeta Alvarez	1,329
Nestor E. Valencia	548

SECTION 3. That the number of votes given at each precinct and the number of votes given in the City to each of the persons above named for the respective offices for which the persons were candidates are listed in Exhibit "A" attached.

SECTION 4. The City Council does declare and determine that two (2) were elected as Members of the City Council for the full term of four years.

SECTION 5. That as a result of the election, Measure BB received the affirmative vote of a majority of the voters voting on the measure and is hereby declared adopted and ratified. The measure submitted to the voters at the election and the votes cast in favor of and against the measure are as follows:

City of Bell Public Safety/City Services Measure: To help secure the City of Bell's financial stability and maintain municipal services, including fire, paramedic, 911, police services; prevent crime/thefts; keep public areas and parks safe/clean; maintain streets, youth/after school and anti-gang programs; address homelessness; shall the measure establishing a 1¢ sales tax, generating approximately \$3,500,000 annually until ended by voters; requiring independent audits/community oversight committee, public spending disclosure, with all funds locally controlled, be adopted?	YES
	NO

YES - 2,615
NO - 1,664

SECTION 6. Based upon the votes tallied and certified by the Los Angeles County Registrar of Voters, the City Council does declare and determine that the following candidates were voted into office as members of the Bell City Council for the four-year term of office commencing on **July 23, 2026:**

Ana Maria Quintana	1,830
Pablo Sifuentes	1,689

SECTION 7. The City Clerk shall enter on the records of the City Council of the City, a statement of the result of the election, showing: (1) The whole number of votes (ballots) cast in the vote centers; (2) The names of the persons voted for; (3) The measure voted upon; (4) the offices that were voted for; (5) The number of votes given at each precinct to each person, and for and against each measure; (6) The total number of votes given to each person, and for and against each measure as set forth in Exhibit A attached.

SECTION 8. That the City Clerk shall immediately make and deliver to each of the persons so elected a Certificate of Election signed by the City Clerk and authenticated; that the City Clerk shall also administer to each person elected the Oath of Office prescribed in the Constitution of the State of California and shall have them subscribe to it and file it in the office of the City Clerk. Each and all of the persons elected shall then be inducted into the respective office to which they have been elected.

SECTION 8. That the City Clerk shall certify the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED on this 22th day of July, 2026.

Alia Saleh, Mayor

APPROVED AS TO FORM:

Danny Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 22th day of July 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Angela Bustamante, City Clerk

LOCAL REVENUE BRANCH – CONTACT FORM

Please complete and return this form to our office any time there is a change of information to ensure our records are always up to date. Thank you!

City/County: _____

Please check one: ☐ Local Tax ☐ Transactions and Use Tax ☐ Mobile Telephony Surcharge

All legal correspondence should be mailed to the following address:

Jurisdiction: _____

Name: _____ Position Title: _____

Address: _____

Phone: _____ Email: _____

Financial correspondence should be mailed to the following address:

Note: Confidential information may be sent only to positions authorized by resolution

Jurisdiction: _____

Name: _____ Position Title: _____

Address: _____

Phone: _____ Email: _____

Paper warrants (if issued) and monthly/quarterly statements should be mailed to the following address:

Jurisdiction: _____

Name: _____ Position Title: _____

Address: _____

Phone: _____ Email: _____

General Office Contact—for general information and reminders:

Jurisdiction: _____

Address: _____

Phone: _____ Email: _____

Completed by:

Print Name: _____

Signature: _____

Position Title: _____ Date: _____

RESOLUTION NO. 2026-47

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL AUTHORIZING EXAMINATION OF SALES OR TRANSACTIONS AND USE TAX RECORDS

WHEREAS, pursuant to Ordinance Number 1297, the City of Bell (City) entered into a contract with the California Department of Tax and Fee Administration (Department) to perform all functions incident to the administration and collection of sales and use taxes; and

WHEREAS, the City Council of the City of Bell deems it desirable and necessary for authorized officers, employees and representatives of the City to examine confidential sales or transactions and use tax records of the Department pertaining to sales and use taxes collected by the Department for the City pursuant to that contract; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Department records, and Section 7056.5 of the California Revenue and Taxation Code establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales or transactions and use tax records of the Department.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BELL HEREBY RESOLVES AS FOLLOWS:

Section 1. That the City Manager or other officer or employee of the City designated in writing by the City Manager to the California Department of Tax and Fee Administration is hereby appointed to represent the City with authority to examine sales or transactions and use tax records of the Department pertaining to sales and use taxes collected for the City by the Department pursuant to the contract between the City and the Department.

Section 2. The information obtained by examination of Department records shall be used only for purposes related to the collection of City sales and use taxes by the Department pursuant to that contract.

Section 3. That Hinderliter, De Llamas & Associates (HDL) is hereby designated to examine the sales or transactions and use tax records of the Department pertaining to sales and use taxes collected for the City by the Department. The person or entity designated by this section meets all of the following conditions, which are also included in the contract between the City and HDL:

- a) has an existing contract with the City to examine those sales or transactions and use tax records;
- b) is required by that contract to disclose information contained in, or derived from, those sales or transactions and use tax records only to the officer or employee authorized under Section 1 of this resolution to examine the information.
- c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract;
- d) is prohibited by that contract from retaining the information contained in, or derived from those sales or transactions and use tax records, after that contract has expired.

Section 4. That this resolution supercedes all prior resolutions of the City Council of the City of Bell adopted pursuant to subdivision (b) of Revenue and Taxation Code section 7056.

PASSED, APPROVED AND ADOPTED on this 22th day of July, 2026.

Alia Saleh, Mayor

APPROVED AS TO FORM:

Danny Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, City Clerk of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 22th day of July 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Angela Bustamante, City Clerk

CONTRACT SERVICES AGREEMENT

By and Between

CITY OF BELL

and

HINDERLITER, DE LLAMAS AND ASSOCIATES

**AGREEMENT FOR CONTRACT SERVICES
BY AND BETWEEN THE CITY OF BELL AND
HINDERLITER, DE LLAMAS AND ASSOCIATES**

THIS AGREEMENT FOR CONTRACT SERVICES (herein "Agreement") is made and entered into this 22nd day of June, 2022 by and between the **City of Bell**, a California municipal corporation ("City") and **Hinderliter, de Llamas and Associates**, a California corporation ("Consultant"). City and Consultant are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

RECITALS

A. In 2017 City sought sales tax consulting, analysis, reporting, auditing, recovery, and database services from Consultant, which was a sole source provider.

B. Now, the City wishes to procure sales and use tax audit services, sales and use tax management services, and other optional services.

C. Pursuant to the City of Bell Municipal Code 3.12.080(B)(1), City has authority to enter into and execute this Agreement.

D. The Parties desire to formalize the selection of Consultant for performance of those services defined and described particularly in Article 1 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. SERVICES OF CONSULTANT

1.1 Scope of Services.

In compliance with all terms and conditions of this Agreement, the Consultant shall provide those services specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference, which may be referred to herein as the "services" or "work" hereunder. As a material inducement to the City entering into this Agreement, Consultant represents and warrants that it has the qualifications, experience, and facilities necessary to properly perform the services required under this Agreement in a thorough, competent, and professional manner, and is experienced in performing the work and services contemplated herein. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. Consultant covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be both of good quality as well as fit for the purpose intended. For

purposes of this Agreement, the phrase “highest professional standards” shall mean those standards of practice recognized by one or more first-class firms performing similar work under similar circumstances.

1.2 Consultant’s Proposal.

The Scope of Services shall include the Consultant’s scope of work or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law.

Consultant shall keep itself informed concerning, and shall render all services hereunder in accordance with, all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental entity having jurisdiction in effect at the time service is rendered.

1.4 Licenses, Permits, Fees and Assessments.

Consultant shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant’s performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City, its officers, employees or agents of City, against any such fees, assessments, taxes, penalties or interest levied, assessed or imposed against City hereunder.

1.5 Familiarity with Work.

By executing this Agreement, Consultant warrants that Consultant (i) has thoroughly investigated and considered the scope of services to be performed, (ii) has carefully considered how the services should be performed, and (iii) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Consultant warrants that Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should the Consultant discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Consultant shall immediately inform the City of such fact and shall not proceed except at Consultant’s risk until written instructions are received from the Contract Officer.

1.6 Care of Work.

The Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be

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

1.7 Further Responsibilities of Parties.

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

1.8 Additional Services.

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum for the actual costs of the extra work, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to ten percent (10%) of the Contract Sum or \$25,000, whichever is less; or, in the time to perform of up to one hundred eighty (180) days, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively, must be approved by the City Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor. City may in its sole and absolute discretion have similar work done by other Consultants. No claims for an increase in the Contract Sum or time for performance shall be valid unless the procedures established in this Section are followed.

1.9 Special Requirements.

Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as Exhibit "B" and incorporated herein by this reference. In the event of a conflict between the provisions of Exhibit "B" and any other provisions of this Agreement, the provisions of Exhibit "B" shall govern.

ARTICLE 2. COMPENSATION AND METHOD OF PAYMENT.

2.1 Contract Sum.

Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in the "Schedule of Compensation" attached hereto as Exhibit "C" and incorporated herein by this reference. The total compensation, including reimbursement for actual expenses, shall not exceed N/A (See Exhibit "C"), unless additional compensation is approved pursuant to Section 1.8.

2.2 Method of Compensation.

The method of compensation may include: (i) a lump sum payment upon completion; (ii) payment in accordance with specified tasks or the percentage of completion of the services, less contract retention; (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, provided that (a) time estimates are provided for the performance of sub tasks, (b) contract retention is maintained, and (c) the Contract Sum is not exceeded; or (iv) such other methods as may be specified in the Schedule of Compensation.

2.3 Reimbursable Expenses.

Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, telephone expenses, and travel expenses approved by the Contract Officer in advance, or actual subcontractor expenses of an approved subcontractor pursuant to Section 4.5, and only if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City. Coordination of the performance of the work with City is a critical component of the services. If Consultant is required to attend additional meetings to facilitate such coordination, Consultant shall not be entitled to any additional compensation for attending said meetings.

2.4 Invoices.

Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall contain all information specified in Exhibit "C", and shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. Review and payment by City for any invoice provided by the Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2.5 Waiver.

Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

ARTICLE 3. PERFORMANCE SCHEDULE

3.1 Time of Essence.

Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance.

Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as Exhibit "D" and incorporated herein by this reference. When requested by the Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure.

The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the Contract Officer such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term.

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding three (3) years from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D"). The City may, in its sole discretion, extend the Term for two (2) additional one-year terms.

ARTICLE 4. COORDINATION OF WORK

4.1 Representatives and Personnel of Consultant.

The following principals of Consultant ("Principals") are hereby designated as being the principals and representatives of Consultant authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

<u>Robin Sturvidant</u>	<u>Principal</u>
(Name)	(Title)

<u>Howard Longballa</u>	<u>Principal</u>
(Name)	(Title)

<u>Bret Plumlee</u>	<u>Principal</u>
(Name)	(Title)

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. All personnel of Consultant, and any authorized agents, shall at all times be under the exclusive direction and control of the Principals. For purposes of this Agreement, the foregoing Principals may not be replaced nor may their responsibilities be substantially reduced by Consultant without the express written approval of City. Additionally, Consultant shall utilize only competent personnel to perform services pursuant to this Agreement. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance.

4.2 Status of Consultant.

Consultant shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

4.3 Contract Officer.

The Contract Officer shall be Manuel Acosta. It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean

the approval of the Contract Officer. The Contract Officer shall have authority, if specified in writing by the City Manager, to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.4 Independent Consultant.

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

4.5 Prohibition Against Subcontracting or Assignment.

The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

ARTICLE 5. INSURANCE AND INDEMNIFICATION

5.1 Insurance Coverages.

Without limiting Consultant's indemnification of City, and prior to commencement of any services under this Agreement, Consultant shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to City.

(a) General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000 per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that

has not been amended. Any endorsement restricting standard ISO “insured contract” language will not be accepted.

(b) Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

(c) Professional liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

(d) Workers’ compensation insurance. Consultant shall maintain Workers’ Compensation Insurance (Statutory Limits) and Employer’s Liability Insurance (with limits of at least \$1,000,000).

(e) Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall include all of the requirements stated herein.

(f) Additional Insurance. Policies of such other insurance, as may be required in the Special Requirements in Exhibit “B”.

5.2 General Insurance Requirements.

(a) Proof of insurance. Consultant shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers’ compensation. Insurance certificates and endorsements must be approved by City’s Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this Agreement. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

(b) Duration of coverage. Consultant shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, its agents, representatives, employees or subconsultants.

(c) Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination

of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

(d) City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

(e) Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or that is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

(f) Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(g) Enforcement of contract provisions (non-estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

(h) Requirements not limiting. Requirements of specific coverage features or limits contained in this section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. 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. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

(i) Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

(j) Additional insured status. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

(k) Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

(l) Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

(m) Pass through clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to City for review.

(n) Agency's right to revise specifications. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City and Consultant may renegotiate Consultant's compensation.

(o) Self-insured retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by City.

(p) Timely notice of claims. Consultant shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

(q) Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

5.3 Indemnification.

To the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the City, its officers, employees and agents ("Indemnified Parties") against, and will hold and save them and each of them harmless from, any and all actions, either judicial,

administrative, arbitration or regulatory claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities whether actual or threatened (herein “claims or liabilities”) that may be asserted or claimed by any person, firm or entity arising out of or in connection with the negligent performance of the work, operations or activities provided herein of Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Consultant is legally liable (“indemnitors”), or arising from Consultant’s or indemnitors’ reckless or willful misconduct, or arising from Consultant’s or indemnitors’ negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement, and in connection therewith:

(a) Consultant will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys’ fees incurred in connection therewith;

(b) Consultant will promptly pay any judgment rendered against the City, its officers, agents or employees for any such claims or liabilities arising out of or in connection with the negligent performance of or failure to perform such work, operations or activities of Consultant hereunder; and Consultant agrees to save and hold the City, its officers, agents, and employees harmless therefrom;

(c) In the event the City, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Consultant for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operation or activities of Consultant hereunder, Consultant agrees to pay to the City, its officers, agents or employees, any and all costs and expenses incurred by the City, its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys’ fees.

Consultant shall incorporate similar indemnity agreements with its subcontractors and if it fails to do so Consultant shall be fully responsible to indemnify City hereunder therefore, and failure of City to monitor compliance with these provisions shall not be a waiver hereof. This indemnification includes claims or liabilities arising from any negligent or wrongful act, error or omission, or reckless or willful misconduct of Consultant in the performance of professional services hereunder. The provisions of this Section do not apply to claims or liabilities occurring as a result of City’s sole negligence or willful acts or omissions, but, to the fullest extent permitted by law, shall apply to claims and liabilities resulting in part from City’s negligence, except that design professionals’ indemnity hereunder shall be limited to claims and liabilities arising out of the negligence, recklessness or willful misconduct of the design professional. The indemnity obligation shall be binding on successors and assigns of Consultant and shall survive termination of this Agreement.

ARTICLE 6. RECORDS, REPORTS, AND RELEASE OF INFORMATION

6.1 Records.

Consultant shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to the disbursements charged to City and services performed hereunder (the “books and records”), as

shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required. In the event of dissolution of Consultant's business, custody of the books and records may be given to City, and access shall be provided by Consultant's successor in interest. Notwithstanding the above, the Consultant shall fully cooperate with the City in providing access to the books and records if a public records request is made and disclosure is required by law including but not limited to the California Public Records Act.

6.2 Reports.

Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require. Consultant hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

6.3 Ownership of Documents.

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant, and Consultant's guarantee and warranties shall not extend to such use, reuse or assignment. Consultant may retain copies of such documents for its own use. Consultant shall have the right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom. Moreover, Consultant with respect to any documents and materials that may qualify as "works made for hire" as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed "works made for hire" for the City.

6.4 Confidentiality and Release of Information.

(a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the Contract Officer.

(b) Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the Contract Officer or unless requested by the City Attorney, voluntarily provide documents, declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(c) If Consultant, or any officer, employee, agent or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Consultant's conduct.

(d) Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

ARTICLE 7. ENFORCEMENT OF AGREEMENT AND TERMINATION

7.1 California Law.

This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.

7.2 Disputes; Default.

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed

after the date of default. Instead, the City may give notice to Consultant of the default and the reasons for the default. The notice shall include the timeframe in which Consultant may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Consultant is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Consultant does not cure the default, the City may take necessary steps to terminate this Agreement under this Article. Any failure on the part of the City to give notice of the Consultant's default shall not be deemed to result in a waiver of the City's legal rights or any rights arising out of any provision of this Agreement.

7.3 Retention of Funds.

Consultant hereby authorizes City to deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

7.4 Waiver.

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision or a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

7.5 Rights and Remedies are Cumulative.

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

7.6 Legal Action.

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Consultant shall file a statutory claim pursuant to Government Code Sections 905 et seq. and 910 et seq., in order to pursue a legal action under this Agreement.

7.7 Termination Prior to Expiration of Term.

This Section shall govern any termination of this Contract except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Contract at any time, with or without cause, upon thirty (30) days' written notice to Consultant, except that where termination is due to the fault of the Consultant, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Consultant reserves the right to terminate this Contract at any time, with or without cause, upon sixty (60) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Consultant may determine. Upon receipt of any notice of termination, Consultant shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Consultant has initiated termination, the Consultant shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Consultant has initiated termination, the Consultant shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

7.8 Termination for Default of Consultant.

If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

7.9 Attorneys' Fees.

If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other

reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

ARTICLE 8. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

8.1 Non-liability of City Officers and Employees.

No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

8.2 Conflict of Interest.

Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the Contract Officer. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects her/his financial interest or the financial interest of any corporation, partnership or association in which (s)he is, directly or indirectly, interested, in violation of any State statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

8.3 Covenant Against Discrimination.

Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, gender, sexual orientation, marital status, national origin, ancestry or other protected class.

8.4 Unauthorized Aliens.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C. § 1101 *et seq.*, as amended, and in connection

therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

ARTICLE 9. MISCELLANEOUS PROVISIONS

9.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer (with her/his name and City title), City of Bell, 6330 Pine Avenue, Bell, California 90201 and in the case of the Consultant, to the person(s) at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation.

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

9.4 Integration; Amendment.

This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

9.5 Severability.

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid

judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

9.6 Warranty & Representation of Non-Collusion.

No official, officer, or employee of City has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of City participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interests found to be "remote" or "noninterests" pursuant to Government Code Sections 1091 or 1091.5. Consultant warrants and represents that it has not paid or given, and will not pay or give, to any third party including, but not limited to, any City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded any agreement. Consultant further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or employee, as a result of consequence of obtaining or being awarded any agreement. Consultant is aware of and understands that any such act(s), omission(s) or other conduct resulting in such payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Consultant's Authorized Initials RAW

9.7 Corporate Authority.

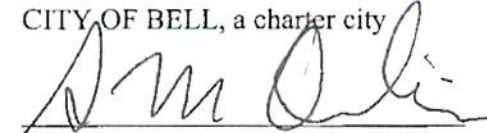
The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

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

CITY:

CITY OF BELL, a charter city



Alicia Romero, Mayor

Ana Marie Quintana, Vice Mayor

ATTEST:



Angela Bustamante, City Clerk

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP



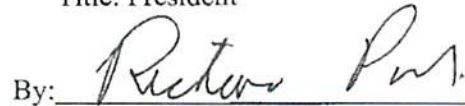
David J. Aleshire, City Attorney

CONSULTANT:

HINDERLITER, DE LLAMAS &
ASSOCIATES, a California Corporation



By: _____
Name: Andrew Nickerson
Title: President



By: _____
Name: Richard Park
Title: Chief Financial Officer

Address: 120 S State College Blvd.,
Suite 200, Brea, CA 92821

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

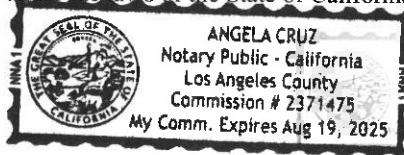
COUNTY OF LOS ANGELES

On 7/12, 2022 before me, Richard Park, personally appeared in person, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Angela Cruz



OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER

TITLE(S)

- ☐ PARTNER(S) ☐ LIMITED
☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER _____

DESCRIPTION OF ATTACHED DOCUMENT

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

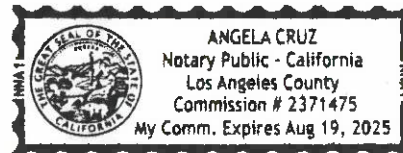
COUNTY OF LOS ANGELES

On 7/13, 2022 before me, Robert Nickerson, personally appeared in person, proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Angela Cruz



OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

☐
☐

INDIVIDUAL
CORPORATE OFFICER

TITLE(S)

TITLE OR TYPE OF DOCUMENT

☐
☐
☐
☐
☐
☐

PARTNER(S) ☐ LIMITED
GENERAL
ATTORNEY-IN-FACT
TRUSTEE(S)
GUARDIAN/CONSERVATOR
OTHER

NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER IS REPRESENTING:

(NAME OF PERSON(S) OR ENTITY(IES))

SIGNER(S) OTHER THAN NAMED ABOVE

EXHIBIT "A"

SCOPE OF SERVICES

I. Consultant will perform the following tasks ("Services"):

1. Sales and Use Tax Audit Services.

- A.** Using confidential taxpayer records as authorized by Revenue and Taxation Code Section 7056, Consultant shall identify and correct errors that result in underpayments of tax to the City. Consultant shall employ a series of analyses, comparisons with other data sources and physical field canvassing to find, document and submit for correction all taxpayer errors that result in lost City revenue or could result in lost revenue in the future.
- B.** When errors are identified, Consultant staff shall promptly file claims for their correction following California Department of Tax and Fee Administration ("CDTFA") procedures. Thereafter, Consultant shall work with CDTFA to ensure the prompt recovery of all escaped revenues. Documentation of errors shall be regularly provided to the City. In conducting these activities on behalf of the City, Consultant shall provide reports that accurately depict the City's sales tax base, use tax collections and revenues. All reports, graphs, tables and revenue forecasts shall be designed to enhance the City's capacity to plan for, expand and manage its sales and use tax revenues. Consultant shall also provide reports identifying and comparing the retail composition of various sub-geographic areas of the City.
- C. Field Surveys:** Consultant shall conduct field inventories of the City's business and industrial areas to identify businesses located within the City that appear to be under-reporting revenues or are not on the CDTFA allocation rolls. Specially trained field auditors, using the latest in mapping, GPS and digital recording technology, shall document not only the existence of sales tax producing businesses but also any relevant factors such as size, presence of a large stock of goods, will-call windows and any specific references to sales activity. This process shall identify a wide range of registration errors including erroneous consolidation of multiple outlets, misreporting of point of sale from an erroneous location and delays in reporting new outlets.
- D. Tax Area Code (TAC) Review:** Consultant shall review every active account on the CDTFA's allocation rolls reporting \$50 or more in local tax to ensure proper TAC assignment. Government and private sector property tax mapping and GIS databases shall be used extensively in this process. Consultant shall perform a complete TAC review at least once every 3-6 months.
- E. Deviation Assessment:** Each quarter, Consultant shall apply proprietary queries and analyses to its statewide allocation database to identify all accounts for which there has been a substantial change in allocation pattern. Consultant's database, comprises over 99.8% of all sales and use tax transactions in California and

allows for the most comprehensive audits in the state. The review shall be applied to direct allocations to the county pools and allows for a much broader view and understanding of what has happened in any given quarter.

- F. Accounts Payable Audit Reviews: Consultant shall review City purchasing activity to identify any large one-time transactions that may qualify for direct allocation of the 1% local use tax. Ideally the use tax direct payment permit should be issued at the time of purchase to avoid being charged tax by the vendor, however there may be opportunities for capture of local use tax on prior purchases as well. In either case, Consultant shall provide technical assistance as needed in preparing and filing quarterly sales tax returns under the City's existing seller's permit number.
- G. Use Tax Errors and Opportunities: Consultant shall analyze the use tax allocation pools of the 58 counties and the state each quarter to identify instances where a taxpayer may have misidentified a transaction as use tax rather than sales tax. Further specialized reviews and techniques shall be employed to identify direct allocation opportunities of local use tax. (CDTFA Regulation 1802(d) allows for direct allocation of local use tax on qualifying individual sales or purchases over \$500,000. Out-of-state and foreign-based companies often have large transactions that meet the criteria for direct allocation under this section. Under Regulation 1699.6, businesses and organizations (including local government agencies) with aggregate purchases subject to use tax of least \$500,000 per year can apply for a Use Tax Direct Payment Permit, allowing for direct allocation of the corresponding local share. Finally, under a resolution adopted in December 1994, a construction contractor who enters into a contract equal to or greater than \$5,000,000 may elect to obtain a sub-permit for the jobsite resulting in a direct allocation of local use tax to the jurisdiction where the jobsite is located.).
- H. Regulation 1699 Evaluations: Consultant shall use proprietary methods for finding companies that should be taking out permits so that those revenues are allocated to the City. (CDTFA Regulation 1699 controls when and where a permit should be issued to a given business location. Wholesalers, contractors, processors, manufacturers, and other non-retail businesses that do not normally sell merchandise often conduct occasional sales, self-accrue use tax or are levied deficiency assessments by the state.).
- I. Development of Correction Data: Preliminary lead lists developed through the audit programs shall be further refined using a variety of programs and databases to reduce the need for taxpayer contact. Companies remaining in the audit database shall then be contacted by a specialized audit team whose members are specifically selected and trained to interview tax preparers and marketing, warehouse and management staff. Taxpayer interviews shall be conducted in a business friendly, non-intrusive manner that emphasizes cooperation and protection of confidentiality.

- J. Documentation: Telephone contacts shall be accompanied by a written follow-up questionnaire concerning business activities, a specific one-time transaction or a written confirmation of our findings, as found appropriate by the consultant. This documentation shall always be filed with the petition to minimize CDTFA processing time.
- K. City Review: Consultant shall provide the City with a quarterly report of all revenue recovery work in progress. This report shall include an electronic Work Authorization which, once approved, shall include active links to copies of all inquiries filed with the CDTFA on the City's behalf. This information shall be archived and made accessible to authorized users at any time through Consultant's client portal. Consultant shall also keep the City apprised of any additional oral or written communication with the CDTFA on any matter directly impacting the City. These reports, along with a detailed quarterly invoice listing all relevant information about the taxpayer and the amount of revenue recovered, shall keep the City well-informed of all ongoing audit activity.
- L. Preparation and Submittal of Corrections: Petitions shall be prepared (CDTFA Form 549-S or 549-L) that notify the CDTFA the existence and nature of the misallocation. All relevant and available supporting documentation shall be attached, including any information from taxpayer file reviews or any other sources that provide evidence of an earlier date of knowledge regarding the error. Copies of all transmittal forms and correspondence with the CDTFA and taxpayers shall be sent to City staff.
- M. Continuous Follow-up: Consultant shall employ a full-time case manager whose responsibility shall be to monitor and follow-up on case inventory. An aging report shall be updated and reviewed monthly and the appropriate follow-up shall be initiated on cases that are taking an inordinate amount of time to correct. This follow-up shall emphasize partnership and cooperation with CDTFA Allocation Group staff. Consultant's continuous efforts to check on the status of submittals shall be made to ensure that corrections are being pursued.
- N. Appeals: Consultant cases shall be thoroughly researched, vetted and documented prior to submittal of appeal. Consultant shall ensure the fastest possible processing times and reduce the number of cases that are initially disclaimed and must be further researched and defended through a lengthy CDTFA appeals process.

2. Sales and Use Tax Management Services

- O. Consultant Database, Reports and Training: Consultant shall provide City staff with unlimited access to its quarterly updated web-based sales tax system to facilitate "in-house" analysis and printing of reports. The system shall allow City staff to search, print and export their sales tax data for a variety of financial, management and planning functions. The system shall provide the ability to search all sales tax producers in the City by business name, address, CDTFA

account number and current or historical sales tax allocations. The web application shall also provide access to the City's archived quarterly sales tax reports. Data shall be easily queried and exported to either comma delimited or native Excel formats, allowing for convenient use with standard applications such as the Microsoft Office suite. The web application shall be accessible from all major operating systems, internet browser platforms, and device types (laptop, tablet, PC, mobile). The City's archived quarterly sales tax reports shall also be accessed through the online sales tax application. Consultant's geo-area feature shall support use of address ranges, which ensures the inclusion of all CDTFA registrations and allows City staff to create and modify Geo-areas without a separate GIS system. Consultant shall also support interfacing with the City's GIS by including accurately geocoded latitude and longitude for each business. The database shall include historical allocation information and allow for quick export by City staff on demand.

- P.** City created shape files can be used to define Geo-areas. Training on use of the software and ongoing upgrades shall be provided at no additional charge. Quarterly sales tax reports shall be provided on both a cash and adjusted basis. Cash reports reconcile to CDTFA payments and are necessary for any revenue sharing agreements that the City might have in place. Adjusted reports shift payment aberrations (double-up payments, CDTFA audit adjustments, etc.) into the quarter where the sales occurred to accurately show the City's true economic trends. The quarterly sales tax data shall be presented in reports for major sales tax producers by both rank and category, analysis of sales tax activity by category, business or areas specified by the City. Consultant's quarterly sales tax reports include a listing of top sales tax producers and comparisons with both regional and statewide trends. Retailer information shall be provided in grouped form or in business-by-business detail.
- Q.** Consultant's quarterly sales tax reports shall include a listing of top sales tax producers and comparisons with both regional and statewide trends. Retailer information shall be provided in grouped form or in business by business detail. Quarterly information shall also include tables that track year-to-date receipts and show comparisons with past periods to measure progress toward achieving the City's annual budgeted revenue amount. Consultant staff shall also prepare sales and use tax projections for proposed development projects, responds to technical questions relating to CDTFA processes and regulations, and monitors revenue sharing agreements.
- R.** A non-confidential newsletter shall be included to support management's efforts to inform and engage the public. Consultant staff shall also prepare sales and use tax projections for proposed development projects, respond to technical questions relating to CDTFA processes and regulations, and monitor revenue sharing agreements.

- S. Budget Projections and Monitoring: Initial and mid-year projections shall be made by factoring out payment aberrations that skew the base revenue and factoring in known changes such as new or closed businesses. Consultant shall also incorporate information from over 90 economic sources as well as information gathered from City meetings to develop economic factors to apply to individual retail business segments; the results shall be combined into a single estimate of anticipated revenue. Consultant shall further enhance its projections by contacting builders of large-scale development projects to better time and estimate the value of potential use tax payments into its estimates. Three and five-year forecasts shall also be provided.
- T. Use Tax Maximization: Consultant shall monitor major construction projects to make sure that any use tax generated is properly allocated to the City. When brought into a project early, Consultant shall assist the City with inserting provisions in conditional use permits and development agreements to guarantee that use tax maximization procedures are followed and monitors projects and subcontractors to make certain that sales tax is properly allocated back to the City. Direct payment permits and purchasing corporations may be proposed where conditions offer mutual opportunities for the City to capture additional sales tax revenues and the participating company can increase control of sales and use tax liabilities.
- U. Economic Development Benefits: To correct reporting and payment deficiencies, Consultant shall perform data validation and scrubbing techniques on an ongoing basis to correct any deficiencies in CDTFA's published data, such as fixing business addresses and re-categorizing merchants to differentiate brick and mortar retailers from "business to business" suppliers and on-line retailers.
- V. Consultant shall further create and group businesses into additional categories and classifications, not provided by the CDTFA, to better track new and emerging economic trends, such as breaking out of biotech/medical suppliers, online fulfillment centers, alternate energy and utility providers, wineries and marijuana dispensaries.
- W. Consultant shall assist the City to analyze and identify retail voids and opportunities and shall annually publish a list of retailers seeking expansion in the City and/or nearby region.
- X. Legislative Updates: Consultant shall prepare Legislative Updates for the City to keep the City informed of all proposals that may impact local revenues. Consultant shall also provide Issue Updates which are similar in nature but deal with specific issues such as Sales Tax Participation Agreements, legal decisions or regulation changes. Each issue shall be presented in detail so that City staff is equipped to respond to questions on topics important to their community leaders.

Y. Consultation: Quarterly, a principal of the Consultant shall analyze the City's data in detail and meet with appropriate City officials to review trends, discuss and make recommendations regarding the budget implications of the year's data.

Z. Consultant shall also serve as "on-call" staff to provide sales tax estimates for proposed projects, assist with budget projections and answer sales and use tax questions related to economic development, budgeting and related revenue collection. When requested by the City, Consultant principals shall also meet with committees of the City Council and other groups to explain sales tax regulations and their importance to the City's tax base.

AA. Consultant shall, when requested, conduct technical seminars for City personnel on California sales and use tax processes. To support in-house efforts to maximize use tax, the seminars shall cover the fundamentals of direct payment permits, purchasing corporations and maximizing "use tax" from construction projects.

3. Optional Services.

BB. Optional Services: Consultant may, with prior authorization from the Contract Officer, perform other optional Services, including without limitation, negotiating/review of tax sharing agreements, establishing purchasing corporations, and meeting with taxpayers to encourage self-assessment of use. The Services covered by this Subdivision (3) shall not include any activities covered by Subsections (1) and (2) above. Consultant shall obtain the Contract Officer's prior written authorization before Consultant performs any services for which it may charge a hourly fee. The City shall not be required to pay Consultant for any hourly services for which Consultant did not obtain the Contract Officer's prior written authorization.

II. **All work product is subject to review and acceptance by the City, and must be revised by the Consultant without additional charge to the City until found satisfactory and accepted by City.**

III. **Quarterly Meeting with City. Consultant shall attend, at a minimum, in-person or virtual meetings quarterly with the City's Contract Officer to review the City's sales and use tax revenues and program for management and collection of the same.**

IV. **Consultant will utilize the following personnel to accomplish the Services:**

A. Robin Sturvidant

B. Howard Longballa

V. **City Access to Consultant's Database**. The Contract Officer, or such other City staff expressly authorized by the Contract Officer, shall have access at all times to search and generate and print reports from Consultant's database described above in Section I.A.i of

this Exhibit A. Consultant shall provide the Contract Officer a username and login to the database and such technical assistance as needed to allow for access to all the information Consultant collects and generates pursuant to Section I of this Exhibit A.

The database shall only be used by the Contract Officer and such other City staff expressly authorized by the Contract Officer. The City shall not provide access to any third party without explicit written authorization by Consultant. City shall not sublet, duplicate, modify, decompile, reverse engineer, disassemble, or attempt to derive the source code of said database. The database use granted hereunder shall not imply ownership by City of said software, or any right of City to sell said software or the use of same, or any right to use said software for the benefit of others. This software use authorization is not transferable. Upon termination or expiration of this Agreement, the software use authorization shall expire, and all City staff website logins shall be deactivated.

VI. California Revenue and Taxation Code Section 7056. Section 7056 of the California Revenue and Taxation Code specifically limits the disclosure and use of taxpayer information contained in BOE records pertaining to the ascertainment of sales or transactions and use taxes. Section 7056 specifies the conditions under which a City may authorize persons other than City officers and employees to examine such information. In recognition of Section 7056, as such section may be amended from time to time, the following conditions are hereby incorporated into this Agreement:

- A.** City shall adopt a resolution which meets the requirements of Section 7056, subdivision (b)(1) of the California Revenue and Taxation Code. Said resolution authorizes Consultant to examine all of the sales or transactions and use tax records of the BOE pertaining to the ascertainment of those sales or transactions and use taxes to be collected for the City by the BOE pursuant to contract under the Bradley-Burns Uniform Local Sales and Use Tax Law (Rev. & Tax. Code § 7200, *et seq.*) or the Transactions and Use Tax Law (Rev. & Tax. Code § 7251).
- B.** Consultant is required to disclose information contained in, or derived from, those sales or transactions and use tax records only to the Contract Officer, who is authorized by resolution to examine the information.
- C.** Consultant is prohibited from performing consulting services for a retailer, as defined in California Revenue and Taxation Code section 6015, during the term of this Agreement.
- D.** Consultant is prohibited from retaining the information contained in, or derived from, those sales or transactions and use tax records of the BOE after this Agreement has expired. Consultant shall use the information it obtains by examination of BOE records only for purposes related to collection of local sales or transactions and use taxes by the BOE pursuant to this Agreement, or for purposes related to other governmental functions of the City as set forth in the resolution referenced above in this Subdivision A of this Section VII of Exhibit A.

VII. City Materials and Support.

- A.** City shall maintain Consultant's authorization per the resolution described above in Section VI. A of this Exhibit A until such time as all audit adjustments have been completed by the BOE and any audit fee owing to Consultant has been paid. In the alternative, the City shall provide to Consultant copies of future allocation reports until such time as all audit adjustments have been completed by the BOE and any audit fee owing to Consultant has been paid.
- B.** City shall use its best efforts to provide to Consultant assistance or information to facilitate performance of the Services, such as readily available business license records and contact information for businesses within the City.

EXHIBIT "B"

SPECIAL REQUIREMENTS

(Superseding Contract Boilerplate)

ADD LANGUAGE RE STRIKE OUT AND ADDITIONS

Section 2.4, "Invoices," is hereby amended and shall now read as follows:

Each ~~month~~ **quarter** Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding ~~month~~ **quarter** in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall contain all information specified in Exhibit "C", and shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. Review and payment by City for any invoice provided by the Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

Section 6.3, "Ownership of Documents," is hereby amended and shall now read as follows:

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant, and Consultant's guarantee and warranties shall not extend to such use, reuse or assignment. ~~Consultant may retain copies of such documents for its own use. Consultant shall have the right to use the concepts embodied therein.~~

All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom. Moreover, Consultant with respect to any documents and materials that may qualify as “works made for hire” as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed “works made for hire” for the City.

The City’s ownership of the “documents and materials” described above shall not apply to Consultant’s “propriety information,” which means for purposes of this Agreement all information or material that has or could have commercial value or other utility in Consultant’s business, including without limitation: Consultant’s (i) computer or data processing programs; (ii) data processing applications, routines, subroutines, techniques or systems; desktop or web-based software; (iii) business processes; (iv) marketing plans, analysis and strategies; and (v) materials and techniques used. Except as otherwise required by law, City shall hold in confidence and shall not use (except as expressly authorized by this Agreement) or disclose to any other party any proprietary information provided, learned of or obtained by City in connection with this Agreement. The obligations imposed by this paragraph shall survive any expiration or termination of this Agreement or otherwise. The terms of this paragraph shall not apply to any information that is public information. This paragraph also shall not alter or limit the confidentiality and nondisclosure requirements set forth above in Section 6.4 or Section VI of Exhibit A.

EXHIBIT "C"

SCHEDULE OF COMPENSATION

I. Consultant shall perform the following tasks at the following rates, billed to the City quarterly in arrears commencing with the month following the date of this Agreement:

- A. For the Services set forth in Subdivision (1), Tasks (A–N) of Section I of Exhibit A, "Sales and Use Tax Audit Services," City shall pay Consultant **an amount equal to fifteen percent (15%) of the increase in sales tax revenue from the previous quarter attributable to Consultant's Services**, subject to proof ("Audit Fee"). The Audit Fee shall be calculated from only those sales tax revenues received by the City: (i) in excess of the sales tax revenues received in the prior quarter; and (ii) as a result of and attributable to the Consultant's Services. Consultant shall have the burden to prove and support, to the City's satisfaction, the Audit Fee and how it is attributable to the Consultant's Services.

The Audit Fee shall constitute the full reimbursement to Consultant and cover all direct and indirect costs incurred by the Consultant under the Agreement. This includes all salaries of our employees, travel expenses and service contracting costs as well as the software to be delivered to the City under the Agreement.

Invoices shall be submitted only for recoveries previously approved by the City. Consultant shall not bill for audit revenues until the City has actually received said monies. Further, if during the billing cycle, a taxpayer receives a refund for overpayment of taxes generated during that cycle, Consultant shall credit back any proportionate share of the fee that may have been levied.

If a misallocation correction involves additional revenue from a company that had already been partially allocating revenues to the City, the City and Consultant shall agree in a Work Authorization, prior to billing, the methodology for identifying the incremental revenue attributable to Consultant's work.

- B. For the Services set forth above in Subdivision (2), Tasks (O–AA) of Section I of Exhibit A, "Sales and Use Tax Management Services," City shall pay Consultant **Four-Hundred (\$400) Dollars per month**. This monthly fee shall include the Quarterly Meetings and Technical Assistance set forth in Sections III and V of Exhibit A, irrespective of the number of hours incurred in the performance of said Services by Consultant. This monthly fee shall also include a non-confidential newsletter that can be shared with the City Council and the public.
- C. For the Services set forth in Subdivision (3), Task (BB) of Section I of Exhibit A, "Optional Services," City shall pay Consultant for the authorized hours of work at the following hourly rates:

Principal	<u>\$325/hour</u>
Programmer	<u>\$295/hour</u>
Senior Analyst	<u>\$245/hour</u>
Analyst	<u>\$195/hour</u>
Associate	<u>\$150/hour</u>

Except that in no event shall the City be invoiced for Consulting and Other Optional Services totaling less than one (1) hour in any month.

Consultant may change the non-hourly Fees established above upon at least 30 days' prior written notice to the City (but not more than once a year). Any such change must be with reference to the 12-month percent change in the most recently published annual Consumer Price Index for All Urban Consumers (CPI-U), West Region, as reported by the U.S. Bureau of Labor Statistics (the "CPI Change"), and be equal to the greater of two percent (2%) or the actual CPI Change and the lesser of ten percent (10%) or the actual CPI Change. For example, if the actual CPI Change is 1.5%, then the annual increase will be 2%, if the actual CPI Change is 3.5%, then the annual increase will be 3.5%, and if the actual CPI Change is 12%, then the annual increase will be 10%.

II. If a quarterly charge owed by the City under this Agreement exceeds \$25,000, Contractor may, in its discretion, charge the City in installments over a one (1) year period (four (4) quarterly billings).

III. The City will compensate Consultant for the Services performed upon submission of a valid invoice. Each invoice is to include:

- A. Line items for all personnel describing the work performed, the number of hours worked, and the hourly rate.
- B. Line items for all materials and equipment properly charged to the Services.
- C. Line items for all other approved reimbursable expenses claimed, with supporting documentation.
- D. Line items for all approved subcontractor labor, supplies, equipment, materials, and travel properly charged to the Services.
- E. When applicable, the name, address, and sales tax registration number of each company, and the specific amount of revenue allocated by the CDTFA to the City for those businesses.
- G. Evidence as necessary to support the Audit Fee, if any.

EXHIBIT "D"

SCHEDULE OF PERFORMANCE

- I. Consultant shall perform all Services during the term of this Agreement which shall not exceed three (3) years from the date of this Agreement ("Term").**
- II. The City may, in its sole and unfettered discretion, extend the Term of this Agreement without change to the compensation formula up to two (2) times, each time for a period of one (1) year.**

AMENDMENT NO. 1

TO AGREEMENT FOR CONTRACTUAL SERVICES

THIS AMENDMENT TO THE AGREEMENT FOR CONTRACTUAL SERVICES ("Amendment") by and between the CITY OF BELL, a California municipal corporation ("City"), and HINDERLITER, DE LLAMAS & ASSOCIATES, a California corporation ("Contractor") is effective as of the 10 day of September, 2025.

RECITALS

A. City and Contractor entered into that certain Agreement for Contractual Services dated June 22, 2025 ("Agreement") whereby Contractor agreed to provide sales tax consulting, analysis, reporting, auditing, recovery, and database services ("Services").

B. The Term of the Agreement was from June 22, 2022 to June 22, 2025 with the option of two (2) one-year extensions at the City's sole and absolute discretion (per Section 3.4 Term).

C. The City, via authorization by its Contract Officer, extended the Agreement for 180 days, resulting in a new expiration date of December 22, 2025.

D. By this Amendment No. 1, City and Contractor now desire to amend the Agreement to extend the Agreement for two (2) additional years from December 22, 2025 to December 22, 2027, include additional services for the two (2) year extension, and an amended fee schedule for the additional services.

E. Except as amended hereby, this extension is subject to the same terms and conditions as provided in the Agreement.

TERMS

1. **Contract Changes.** The Agreement is amended as provided herein.

Additions are shown as ***bold italics***. Deletions are shown as ~~strikethroughs~~.

a. Exhibit 3.4, "Term" is hereby amended and shall now read as follows:

Unless earlier terminated in accordance with Article 7 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding ***five (5) years*** ~~three (3) years~~ from the date hereof, except as otherwise provided in the Schedule of Performance (Exhibit "D"). ~~The City may, in its sole discretion, extend the Term for two (2) additional one-year terms.~~

b. Exhibit A, Section I, "Scope of Services" is hereby amended and shall now read as follows:

I. Consultant will perform the following tasks (“Services”):

1. Sales and Use Tax Audit Services.

- A. Using confidential taxpayer records as authorized by Revenue and Taxation Code Section 7056, Consultant shall identify and correct errors that result in underpayments of tax to the City. Consultant shall employ a series of analyses, comparisons with other data sources and physical field canvassing to find, document and submit for correction all taxpayer errors that result in lost City revenue or could result in lost revenue in the future.
- B. When errors are identified, Consultant staff shall promptly file claims for their correction following California Department of Tax and Fee Administration (“CDTFA”) procedures. Thereafter, Consultant shall work with CDTFA to ensure the prompt recovery of all escaped revenues. Documentation of errors shall be regularly provided to the City. In conducting these activities on behalf of the City, Consultant shall provide reports that accurately depict the City’s sales tax base, use tax collections and revenues. All reports, graphs, tables and revenue forecasts shall be designed to enhance the City’s capacity to plan for, expand and manage its sales and use tax revenues. Consultant shall also provide reports identifying and comparing the retail composition of various sub-geographic areas of the City.
- C. Field Surveys: Consultant shall conduct field inventories of the City’s business and industrial areas to identify businesses located within the City that appear to be under-reporting revenues or are not on the CDTFA allocation rolls. Specially trained field auditors, using the latest in mapping, GPS and digital recording technology, shall document not only the existence of sales tax producing businesses but also any relevant factors such as size, presence of a large stock of goods, will-call windows and any specific references to sales activity. This process shall identify a wide range of registration errors including erroneous consolidation of multiple outlets, misreporting of point of sale from an erroneous location and delays in reporting new outlets.
- D. Tax Area Code (TAC) Review: Consultant shall review every active account on the CDTFA’s allocation rolls reporting \$50 or more in local tax to ensure proper TAC assignment. Government and private sector property tax mapping and GIS databases shall be used extensively in this process. Consultant shall perform a complete TAC review at least once every 3-6 months.
- E. Deviation Assessment: Each quarter, Consultant shall apply proprietary queries and analyses to its statewide allocation database to identify all accounts for which there has been a substantial change in allocation pattern. Consultant’s database, comprises over 99.8% of all sales and use tax transactions in California and allows for the most comprehensive audits in the state. The review shall be applied to direct allocations to the county pools and allows for a much broader view and understanding of what has happened in any given quarter.

- F. Accounts Payable Audit Reviews: Consultant shall review City purchasing activity to identify any large one-time transactions that may qualify for direct allocation of the 1% local use tax. Ideally the use tax direct payment permit should be issued at the time of purchase to avoid being charged tax by the vendor, however there may be opportunities for capture of local use tax on prior purchases as well. In either case, Consultant shall provide technical assistance as needed in preparing and filing quarterly sales tax returns under the City's existing seller's permit number.
- G. Use Tax Errors and Opportunities: Consultant shall analyze the use tax allocation pools of the 58 counties and the state each quarter to identify instances where a taxpayer may have misidentified a transaction as use tax rather than sales tax. Further specialized reviews and techniques shall be employed to identify direct allocation opportunities of local use tax. (CDTFA Regulation 1802(d) allows for direct allocation of local use tax on qualifying individual sales or purchases over \$500,000. Out-of-state and foreign-based companies often have large transactions that meet the criteria for direct allocation under this section. Under Regulation 1699.6, businesses and organizations (including local government agencies) with aggregate purchases subject to use tax of least \$500,000 per year can apply for a Use Tax Direct Payment Permit, allowing for direct allocation of the corresponding local share. Finally, under a resolution adopted in December 1994, a construction contractor who enters into a contract equal to or greater than \$5,000,000 may elect to obtain a sub-permit for the jobsite resulting in a direct allocation of local use tax to the jurisdiction where the jobsite is located.).
- H. Regulation 1699 Evaluations: Consultant shall use proprietary methods for finding companies that should be taking out permits so that those revenues are allocated to the City. (CDTFA Regulation 1699 controls when and where a permit should be issued to a given business location. Wholesalers, contractors, processors, manufacturers, and other non-retail businesses that do not normally sell merchandise often conduct occasional sales, self-accrue use tax or are levied deficiency assessments by the state.).
- I. Development of Correction Data: Preliminary lead lists developed through the audit programs shall be further refined using a variety of programs and databases to reduce the need for taxpayer contact. Companies remaining in the audit database shall then be contacted by a specialized audit team whose members are specifically selected and trained to interview tax preparers and marketing, warehouse and management staff. Taxpayer interviews shall be conducted in a business friendly, non-intrusive manner that emphasizes cooperation and protection of confidentiality.
- J. Documentation: Telephone contacts shall be accompanied by a written follow-up questionnaire concerning business activities, a specific one-time transaction or a written confirmation of our findings, as found appropriate by the consultant. This documentation shall always be filed with the petition to minimize CDTFA processing time.

- K. City Review: Consultant shall provide the City with a quarterly report of all revenue recovery work in progress. This report shall include an electronic Work Authorization which, once approved, shall include active links to copies of all inquiries filed with the CDTFA on the City's behalf. This information shall be archived and made accessible to authorized users at any time through Consultant's client portal. Consultant shall also keep the City apprised of any additional oral or written communication with the CDTFA on any matter directly impacting the City. These reports, along with a detailed quarterly invoice listing all relevant information about the taxpayer and the amount of revenue recovered, shall keep the City well-informed of all ongoing audit activity.
- L. Preparation and Submittal of Corrections: Petitions shall be prepared (CDTFA Form 549-S or 549-L) that notify the CDTFA the existence and nature of the misallocation. All relevant and available supporting documentation shall be attached, including any information from taxpayer file reviews or any other sources that provide evidence of an earlier date of knowledge regarding the error. Copies of all transmittal forms and correspondence with the CDTFA and taxpayers shall be sent to City staff.
- M. Continuous Follow-up: Consultant shall employ a full-time case manager whose responsibility shall be to monitor and follow-up on case inventory. An aging report shall be updated and reviewed monthly and the appropriate follow-up shall be initiated on cases that are taking an inordinate amount of time to correct. This follow-up shall emphasize partnership and cooperation with CDTFA Allocation Group staff. Consultant's continuous efforts to check on the status of submittals shall be made to ensure that corrections are being pursued.
- N. Appeals: Consultant cases shall be thoroughly researched, vetted and documented prior to submittal of appeal. Consultant shall ensure the fastest possible processing times and reduce the number of cases that are initially disclaimed and must be further researched and defended through a lengthy CDTFA appeals process.

2. Sales and Use Tax Management Services

- O. Consultant Database, Reports and Training: Consultant shall provide City staff with unlimited access to its quarterly updated web-based sales tax system to facilitate "in-house" analysis and printing of reports. The system shall allow City staff to search, print and export their sales tax data for a variety of financial, management and planning functions. The system shall provide the ability to search all sales tax producers in the City by business name, address, CDTFA account number and current or historical sales tax allocations. The web application shall also provide access to the City's archived quarterly sales tax reports. Data shall be easily queried and exported to either comma delimited or native Excel formats, allowing for convenient use with standard applications such as the Microsoft Office suite. The web application shall be accessible from all major operating systems, internet browser platforms, and device types (laptop, tablet, PC, mobile). The City's archived quarterly sales tax reports shall also be accessed through the online sales

tax application. Consultant's geo-area feature shall support use of address ranges, which ensures the inclusion of all CDTFA registrations and allows City staff to create and modify Geo-areas without a separate GIS system. Consultant shall also support interfacing with the City's GIS by including accurately geocoded latitude and longitude for each business. The database shall include historical allocation information and allow for quick export by City staff on demand.

- P. City created shape files can be used to define Geo-areas. Training on use of the software and ongoing upgrades shall be provided at no additional charge. Quarterly sales tax reports shall be provided on both a cash and adjusted basis. Cash reports reconcile to CDTFA payments and are necessary for any revenue sharing agreements that the City might have in place. Adjusted reports shift payment aberrations (double-up payments, CDTFA audit adjustments, etc.) into the quarter where the sales occurred to accurately show the City's true economic trends. The quarterly sales tax data shall be presented in reports for major sales tax producers by both rank and category, analysis of sales tax activity by category, business or areas specified by the City. Consultant's quarterly sales tax reports include a listing of top sales tax producers and comparisons with both regional and statewide trends. Retailer information shall be provided in grouped form or in business-by-business detail.
- Q. Consultant's quarterly sales tax reports shall include a listing of top sales tax producers and comparisons with both regional and statewide trends. Retailer information shall be provided in grouped form or in business by business detail. Quarterly information shall also include tables that track year-to-date receipts and show comparisons with past periods to measure progress toward achieving the City's annual budgeted revenue amount. Consultant staff shall also prepare sales and use tax projections for proposed development projects, responds to technical questions relating to CDTFA processes and regulations, and monitors revenue sharing agreements.
- R. A non-confidential newsletter shall be included to support management's efforts to inform and engage the public. Consultant staff shall also prepare sales and use tax projections for proposed development projects, respond to technical questions relating to CDTFA processes and regulations, and monitor revenue sharing agreements.
- S. Budget Projections and Monitoring: Initial and mid-year projections shall be made by factoring out payment aberrations that skew the base revenue and factoring in known changes such as new or closed businesses. Consultant shall also incorporate information from over 90 economic sources as well as information gathered from City meetings to develop economic factors to apply to individual retail business segments; the results shall be combined into a single estimate of anticipated revenue. Consultant shall further enhance its projections by contacting builders of large-scale development projects to better time and estimate the value of potential use tax payments into its estimates. Three and five-year forecasts shall also be provided.

- T. Use Tax Maximization: Consultant shall monitor major construction projects to make sure that any use tax generated is properly allocated to the City. When brought into a project early, Consultant shall assist the City with inserting provisions in conditional use permits and development agreements to guarantee that use tax maximization procedures are followed and monitors projects and subcontractors to make certain that sales tax is properly allocated back to the City. Direct payment permits and purchasing corporations may be proposed where conditions offer mutual opportunities for the City to capture additional sales tax revenues and the participating company can increase control of sales and use tax liabilities.
- U. Economic Development Benefits: To correct reporting and payment deficiencies, Consultant shall perform data validation and scrubbing techniques on an ongoing basis to correct any deficiencies in CDTFA's published data, such as fixing business addresses and re-categorizing merchants to differentiate brick and mortar retailers from "business to business" suppliers and on-line retailers.
- V. Consultant shall further create and group businesses into additional categories and classifications, not provided by the CDTFA, to better track new and emerging economic trends, such as breaking out of biotech/medical suppliers, online fulfillment centers, alternate energy and utility providers, wineries and marijuana dispensaries.
- W. Consultant shall assist the City to analyze and identify retail voids and opportunities and shall annually publish a list of retailers seeking expansion in the City and/or nearby region.
- X. Legislative Updates: Consultant shall prepare Legislative Updates for the City to keep the City informed of all proposals that may impact local revenues. Consultant shall also provide Issue Updates which are similar in nature but deal with specific issues such as Sales Tax Participation Agreements, legal decisions or regulation changes. Each issue shall be presented in detail so that City staff is equipped to respond to questions on topics important to their community leaders.
- Y. Consultation: Quarterly, a principal of the Consultant shall analyze the City's data in detail and meet with appropriate City officials to review trends, discuss and make recommendations regarding the budget implications of the year's data.
- Z. Consultant shall also serve as "on-call" staff to provide sales tax estimates for proposed projects, assist with budget projections and answer sales and use tax questions related to economic development, budgeting and related revenue collection. When requested by the City, Consultant principals shall also meet with committees of the City Council and other groups to explain sales tax regulations and their importance to the City's tax base.
- AA. Consultant shall, when requested, conduct technical seminars for City personnel on California sales and use tax processes. To support in-house efforts to maximize use tax, the seminars shall cover the fundamentals of direct payment

permits, purchasing corporations and maximizing “use tax” from construction projects.

3. Optional Services.

BB. Optional Services: Consultant may, with prior authorization from the Contract Officer, perform other optional Services, including without limitation, negotiating/review of tax sharing agreements, establishing purchasing corporations, and meeting with taxpayers to encourage self-assessment of use. The Services covered by this Subdivision (3) shall not include any activities covered by Subsections (1) and (2) above. Consultant shall obtain the Contract Officer’s prior written authorization before Consultant performs any services for which it may charge a hourly fee. The City shall not be required to pay Consultant for any hourly services for which Consultant did not obtain the Contract Officer’s prior written authorization.

4. Sales and Use Tax and Economic Analysis/Forecasting Services/Reports

CC. *Establish a special database identifying the name, address, and quarterly allocations of all sales tax producers within the City. This database will be utilized to generate special reports to City on major sales tax producers by rank and category, sales tax activity by categories, or business districts, identification of reporting aberrations, and per capita and outlet comparisons with regional and statewide sales.*

DD. *Provide periodic updated reports to City identifying changes in sales by individual businesses, business groups and categories, and by geographic area. These reports may include, without limitation, quarterly aberrations due to State audits, fund transfers, and receivables, along with late or double payments, and quarterly reconciliation worksheets to assist with budget forecasting. Consultant shall meet quarterly by in person or virtually with City.*

EE. *Shall additionally provide following each calendar quarter a summary analysis for City to share with Council Members, Chamber of Commerce, other economic development interest groups and the public that analyze City’s sales tax trends by major groups and geographic areas without disclosing confidential individual tax records.*

FF. *Establish a special database with California Department of Tax and Fee Administration (“CDTFA”) registration data for businesses within applicable district boundaries holding seller’s permit accounts.*

GG. *Periodically license for the limited, non-exclusive, non-transferable use by City’s staff certain of Consultant’s web-based sales, use and/or transactions tax program(s) containing sellers permit, registration, allocation and related information for business outlets within City’s jurisdiction registered with the CDTFA.*

HH. *Provide periodic updated reports endeavoring to identify and assist with budget forecasting (i) changes in allocation totals by individual businesses, business groups and categories, and (ii) aberrations due to State audits, fund transfers, and receivables, along with late or double payments.*

5. Allocation and Audit Recovery Services.

II. *Conduct (when mutually agreed with City) initial and on-going sales and use tax audits of businesses to help identify and correct distribution and allocation errors, and to proactively affect favorable registration, reporting or formula changes thereby generating previously unrealized sales and use tax income for the City and/or recovering misallocated tax from registered taxpayers. Common errors that will be monitored and corrected include but are not limited to: transposition errors resulting in misallocations; erroneous consolidation of multiple outlets; formula errors; misreporting of "point of sale" to the wrong location; delays in reporting new outlets; misallocating use tax payments to the allocation pools or wrong jurisdiction; and erroneous fund transfers and adjustments.*

JJ. *Initiate contacts with the CDTFA and sales management and accounting officials in companies that have businesses where a probability of error exists to endeavor to help verify whether current tax receipts accurately reflect the local sales activity. Such contacts will be conducted in a professional and courteous manner.*

KK. *Prepare and submit to the CDTFA information for the purpose of correcting any identified allocation errors, and follow-up with individual businesses and the CDTFA to promote recovery by the City of back or prospective quarterly payments that may be owing.*

LL. *If, during the course of its audit, Consultant finds businesses located in the City's jurisdiction that are properly reporting sales and use tax but have the potential for modifying their operation to provide an even greater share to City, Consultant may so advise City and collaborate with those businesses and City to encourage such changes.*

6. Consulting and Other Optional Services

MM. *Consultant may from time to time in its sole discretion, consult with City's staff, including without limitation, regarding (i) technical questions and other issues related to sales and use tax, (ii) utilization of reports to enhance business license collection efforts; (iii) sales tax projections for proposed annexations, economic development projects and budget planning, (iv) negotiating/review of tax sharing agreements, (v) establishing purchasing corporations, (vi) meeting*

with taxpayers to encourage self-assessment of tax obligations, and (vii) other sales and use tax revenue-related matters.

- c. Exhibit A, Section VI, "California Revenue and Taxation Code Section 7056" is hereby amended and shall now read as follows:

California Revenue and Taxation Code Section 7056. Section 7056 of the California Revenue and Taxation Code specifically limits the disclosure and use of taxpayer information contained in ~~BOE~~ ***CDFTA*** records pertaining to the ascertainment of sales or transactions and use taxes. Section 7056 specifies the conditions under which a City may authorize persons other than City officers and employees to examine such information. In recognition of Section 7056, as such section may be amended from time to time, the following conditions are hereby incorporated into this Agreement:

- A. City shall adopt a resolution which meets the requirements of Section 7056, subdivision (b)(1) of the California Revenue and Taxation Code. Said resolution authorizes Consultant to examine all of the sales or transactions and use tax records of the ~~BOE~~ ***CDFTA*** pertaining to the ascertainment of those sales or transactions and use taxes to be collected for the City by the ~~BOE~~ ***CDFTA*** pursuant to contract under the Bradley-Burns Uniform Local Sales and Use Tax Law (Rev. & Tax. Code § 7200, *et seq.*) or the Transactions and Use Tax Law (Rev. & Tax. Code § 7251).
- B. Consultant is required to disclose information contained in, or derived from, those sales or transactions and use tax records only to the Contract Officer, who is authorized by resolution to examine the information.
- C. Consultant is prohibited from performing consulting services for a retailer, as defined in California Revenue and Taxation Code section 6015, during the term of this Agreement.
- D. Consultant is prohibited from retaining the information contained in, or derived from, those sales or transactions and use tax records of the ~~BOE~~ ***CDFTA*** after this Agreement has expired. Consultant shall use the information it obtains by examination of ~~BOE~~ ***CDFTA*** records only for purposes related to collection of local sales or transactions and use taxes by the ~~BOE~~ ***CDFTA*** pursuant to this Agreement, or for purposes related to other governmental functions of the City as set forth in the resolution referenced above in this Subdivision A of this Section VII of Exhibit A.
- d. Exhibit B, "Special Requirements" is hereby amended and shall now read as follows:

Section 2.4, "Invoices," is hereby amended and shall now read as follows:

Each ~~month~~ *quarter* Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding ~~month~~ *quarter* in a form approved by City's Director of Finance. By submitting an invoice for payment under this Agreement, Consultant is certifying compliance with all provisions of the Agreement. The invoice shall contain all information specified in Exhibit "C", and shall detail charges for all necessary and actual expenses by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Consultant shall not invoice City for any duplicate services performed by more than one person.

City shall independently review each invoice submitted by the Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Except as to any charges for work performed or expenses incurred by Consultant which are disputed by City, or as provided in Section 7.3, City will use its best efforts to cause Consultant to be paid within forty-five (45) days of receipt of Consultant's correct and undisputed invoice; however, Consultant acknowledges and agrees that due to City warrant run procedures, the City cannot guarantee that payment will occur within this time period. In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. Review and payment by City for any invoice provided by the Consultant shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

Section 6.3, "Ownership of Documents," is hereby amended and shall now read as follows:

All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents and other materials (the "documents and materials") prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the documents and materials hereunder. Any use, reuse or assignment of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant, and Consultant's guarantee and warranties

shall not extend to such use, reuse or assignment. ~~Consultant may retain copies of such documents for its own use. Consultant shall have the right to use the concepts embodied therein.~~ All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom. Moreover, Consultant with respect to any documents and materials that may qualify as “works made for hire” as defined in 17 U.S.C. § 101, such documents and materials are hereby deemed “works made for hire” for the City.

The City’s ownership of the “documents and materials” described above shall not apply to Consultant’s “propriety information,” which means for purposes of this Agreement all information or material that has or could have commercial value or other utility in Consultant’s business, including without limitation: Consultant’s (i) computer or data processing programs; (ii) data processing applications, routines, subroutines, techniques or systems; desktop or web-based software; (iii) business processes; (iv) marketing plans, analysis and strategies; and (v) materials and techniques used. Except as otherwise required by law, City shall hold in confidence and shall not use (except as expressly authorized by this Agreement) or disclose to any other party any proprietary information provided, learned of or obtained by City in connection with this Agreement. The obligations imposed by this paragraph shall survive any expiration or termination of this Agreement or otherwise. The terms of this paragraph shall not apply to any information that is public information. This paragraph also shall not alter or limit the confidentiality and nondisclosure requirements set forth above in Section 6.4 or Section VI of Exhibit A.

Section 9.8, “Confidentiality Information,” is hereby amended and shall now read as follows:

Section 7056 of the State of California Revenue and Taxation Code (“R&T Code”) specifically limits the disclosure of confidential taxpayer information contained in the records of the CDTFA. Section 7056 specifies the conditions under which a city, county or district may authorize persons other than such city, county or district’s officers and employees to examine state sales and use tax records.

The following conditions specified in Section 7056-(b)(1) of the State of California R&T Code are hereby made part of this Agreement:

Consultant is authorized by this Agreement to examine sales, use or transactions and use tax records of the CDTFA provided to City pursuant to contract under the Bradley-Burns Uniform Local Sales and Use Tax Law R&T Code Section 7200 et.seq.

Consultant is required to disclose information contained in, or derived from, those sales or transactions and use tax records only to an officer or employee of City who is authorized by City resolution provided to the CDTFA to examine the information.

Consultant is prohibited from performing consulting services for a retailer (as defined in R&T Code Section 6015), during the term of this agreement.

Consultant is prohibited from retaining the information contained in or derived from those sales, use or transactions and use tax records after this agreement has expired. Information obtained by examination of the CDTFA records shall be used only for purposes related to collection of local sales and use tax or for other governmental functions of the City as set forth by resolution adopted pursuant to Section 7056 (b) of the Revenue and Taxation Code. The resolution shall designate the Consultant as a person authorized to examine sales and use tax records and certify that this agreement meets the requirements set forth above and in Section 7056 (b), (1) of the Revenue and Taxation Code.

- e. Exhibit C.I., "Schedule of Compensation" is hereby amended and shall now read as follows:

I. Consultant shall perform the following tasks at the following rates, billed to the City quarterly in arrears commencing with the month following the date of this Agreement:

- A. For the Services set forth in Subdivision (1). Tasks (A–N) of Section I of Exhibit A, "Sales and Use Tax Audit Services," City shall pay Consultant an amount equal to fifteen percent (15%) of the increase in sales tax revenue from the previous quarter attributable to Consultant's Services, subject to proof ("Audit Fee"). The Audit Fee shall be calculated from only those sales tax revenues received by the City: (i) in excess of the sales tax revenues received in the prior quarter; and (ii) as a result of and attributable to the Consultant's Services. Consultant shall have the burden to prove and support, to the City's satisfaction, the Audit Fee and how it is attributable to the Consultant's Services.

The Audit Fee shall constitute the full reimbursement to Consultant and cover all direct and indirect costs incurred by the Consultant under the Agreement. This includes all salaries of our employees, travel expenses and service contracting costs as well as the software to be delivered to the City under the Agreement.

Invoices shall be submitted only for recoveries previously approved by the City. Consultant shall not bill for audit revenues until the City has actually received said monies. Further, if during the billing cycle, a taxpayer receives a refund for overpayment of taxes generated during that cycle, Consultant shall credit back any proportionate share of the fee that may have been levied.

If a misallocation correction involves additional revenue from a company that had already been partially allocating revenues to the City, the City and Consultant shall agree in a Work Authorization, prior to billing, the methodology for identifying the incremental revenue attributable to Consultant's work.

- B. For the Services set forth above in Subdivision (2), Tasks (O-AA) of Section I of Exhibit A, "Sales and Use Tax Management Services," City shall pay Consultant **Four-Hundred (\$400) Dollars per month.** This monthly fee shall include the Quarterly Meetings and Technical Assistance set forth in Sections III and V of Exhibit A, irrespective of the number of hours incurred in the performance of said Services by Consultant. This monthly fee shall also include a non-confidential newsletter that can be shared with the City Council and the public.
- C. *For the Services set forth in Subdivision (4), Tasks (CC-HH) of Section I of Exhibit A, "Sales and Use Tax and Economic Analysis/Forecasting Services/Reports," fees shall initially be \$423.12 per month, commencing with the month of the Effective Date (hereafter referred to as "monthly fee"). The monthly fee shall be invoiced quarterly in arrears and shall be paid by City no later than 30 days after the invoice date.*

Consultant will increase the non-hourly Fees established above once a year with reference to the 12-month percent change in the most recently published annual Consumer Price Index for All Urban Consumers (CPI-U), as reported by the U.S. Bureau of Labor Statistics (the "CPI Change").

- D. *For the Services set forth in Subdivision (5), Tasks (II-LL) of Section I of Exhibit A, "Allocation and Audit Recovery Services," fees shall be 15% of all new, increased and recovered sales and use tax revenue received by the City as a result, in whole or in part, of the allocation audit and recovery services (hereafter referred to as "audit fee"). The fee shall be paid notwithstanding any related City assistance, work in parallel, and/or incurrence of attorneys' fees or other costs or expenses in connection, with the relevant Services.*

The Fee described above include, without limitation, State fund transfers received for back quarter reallocations and monies received in the first eight (8) consecutive reporting quarters following completion of Consultant's allocation audit and confirmation of the corrections by the CDTFA.

These Fees shall be paid by City upon Consultant's submittal of evidence of Consultant's relevant Services in support thereof, including, without limitation, copies of relevant communications between Consultant and the CDTFA and/or taxpayers.

- E. For the Services set forth in Subdivision (3), Task (BB) of Section I of Exhibit A, "Optional Services, and Subdivision (6), Task (MM) of Section I of Exhibit A, "Consulting and Other Optional Services," City shall pay Consultant for the authorized hours of work at the following hourly rates:

Principal	<u>\$325/hour</u>
Programmer	<u>\$295/hour</u>
Senior Analyst	<u>\$245/hour</u>
Analyst	<u>\$195/hour</u>
Associate	<u>\$150/hour</u>

Consultant may change the rates for its hourly Fees from time to time. A 30 days' prior written notice to City will be given.

Except that in no event shall the City be invoiced for Consulting and Other Optional Services totaling less than one (1) hour in any month.

Consultant may change the non-hourly Fees established above upon at least 30 days' prior written notice to the City (but not more than once a year). Any such change must be with reference to the 12-month percent change in the most recently published annual Consumer Price Index for All Urban Consumers (CPI-U), West Region, as reported by the U.S. Bureau of Labor Statistics (the "CPI Change"), and be equal to the greater of two percent (2%) or the actual CPI Change and the lesser of ten percent (10%) or the actual CPI Change. For example, if the actual CPI Change is 1.5%, then the annual increase will be 2%, if the actual CPI Change is 3.5%, then the annual increase will be 3.5%, and if the actual CPI Change is 12%, then the annual increase will be 10%.

Fees for travel and lodging expenses will be invoiced at cost and applied to all meetings (including implementation, training, operations, and support). Travel expenses only apply to out of scope travel and must therefore be pre-approved by City.

Fees will be invoiced monthly to City for Services performed during the prior month. To the extent that Consultant has commercially reasonable means to do so, Fees will be netted out of City's monthly revenue disbursement.

- f. Exhibit D, "Schedule of Performance," is hereby amended and shall now read as follows:
 - I. Consultant shall perform all Services during the term of this Agreement which shall not exceed *five (5)* ~~three (3)~~ years from the date of this Agreement ("Term").
 - II. The City may, in its sole and unfettered discretion, extend the Term of this Agreement without change to the compensation formula up to two (2) times, each time for a period of one (1) year.

2. Continuing Effect of Agreement. Except as amended by this Agreement, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement, as amended by this Amendment to the Agreement.

3. Affirmation of Agreement; Warranty Re Absence of Defaults. City and Contractor each ratify and reaffirm each and every one of the respective rights and obligations arising under the Agreement. Each party represents and warrants to the other that there have been no written or oral modifications to the Agreement other than as provided herein. Each party represents and warrants to the other that the Agreement is currently an effective, valid, and binding obligation.

Contractor represents and warrants to City that, as of the date of this Amendment, City is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

City represents and warrants to Contractor that, as of the date of this Amendment, Contractor is not in default of any material term of the Agreement and that there have been no events that, with the passing of time or the giving of notice, or both, would constitute a material default under the Agreement.

4. Adequate Consideration. The parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

5. Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

[SIGNATURES ON FOLLOWING PAGE]

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

CITY:
CITY OF BELL
Ali Saleh, Mayor

ATTEST:

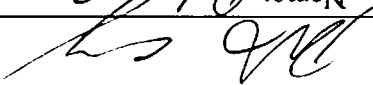
Angela Bustamante, City Clerk

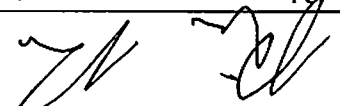
APPROVED AS TO FORM:
ALESQUIRE & WYNNDER, LLP

David J. Aleshire, City Attorney

CONTRACTOR:

HINDERLITER, DE LLAMAS &
ASSOCIATES, a California corporation

By: 
Name: Robert Gray
Title: Vice President

By: 
Name: Richard Paris
Title: CEO

Address: 120 S. State College Blvd., Ste. 200
Brea, CA 92821

Two corporate officer signatures required when Consultant is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. CONSULTANT'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO CONSULTANT'S BUSINESS ENTITY.

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Orange

On Sept. 02, 2025 before me, M.R. Shaw, Notary Public
(insert name and title of the officer)

personally appeared Robert Gray,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

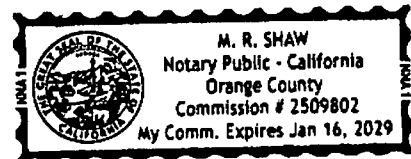
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

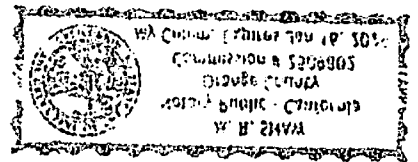
WITNESS my hand and official seal.

Signature



(Seal)





ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Orange

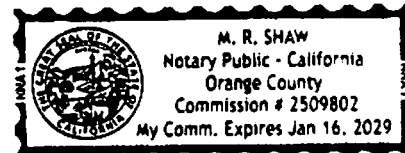
On Sept. 02, 2025 before me, M.R. Shaw, Notary Public
(insert name and title of the officer)

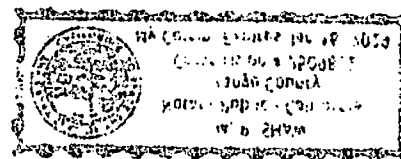
personally appeared Richard Park
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature] (Seal)







CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
09/02/2025

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 Marsh Affinity a division of Marsh USA LLC. PO BOX 14404 Des Moines, IA 50306-9686	CONTACT NAME: Marsh Affinity PHONE (A/C, No, Ext): 800-743-8130 E-MAIL ADDRESS: ADPTotalSource@marsh.com FAX (A/C, No): INSURER(S) AFFORDING COVERAGE INSURER A: AIU Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F: NAIC # 19399
INSURED ADP TotalSource DE IV, Inc. 5800 Windward Parkway Alpharetta, GA 30005 L/C/F: Hinderlitter de Llamas & Associates 120 S State College Blvd Suite 200 Brea, CA 92821	

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	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER ☐ POLICY ☐ PRO JECT ☐ LOC ☐ OTHER: AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE ☐ DED ☐ RETENTION \$ WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ Y ☒ N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/PROP AGG \$ COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ EACH OCCURRENCE \$ AGGREGATE \$ PER STATUTE ☒ OTH-ER ☐ E L EACH ACCIDENT \$ 2,000,000 E L DISEASE - EA EMPLOYEE \$ 2,000,000 E L DISEASE - POLICY LIMIT \$ 2,000,000
A			X	WC 063530884 CA	07/01/2025	07/01/2026	

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

All worksite employees working for Hinderlitter de Llamas & Associates paid under ADP TOTALSOURCE, INC.'s payroll, are covered under the above stated policy. Proprietor/Partner/Executive Officer/Member are not excluded as long as they are in the ADPTS payroll or have completed the SEI Participation Addendum. WAIVER OF SUBROGATION IN FAVOR OF City of Bell, its elected and appointed officers, employees and agents AS RESPECTS OF JOB PERFORMED BY Hinderlitter de Llamas & Associates AS REQUIRED BY WRITTEN CONTRACT.

CERTIFICATE HOLDER

CANCELLATION

City of Bell, its elected and appointed officers, employees and agents
6330 Pine Ave.
Bell, CA 90201

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

Jo Phillips

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT - CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be ___% of the California workers' compensation premium otherwise due on such remuneration.

Schedule

WAIVER OF SUBROGATION IN FAVOR OF City of Bell, its elected and appointed officers,
employees and agents **AS RESPECTS OF JOB PERFORMED BY** Hinderliter de Llamas & Associates **AS**
REQUIRED BY WRITTEN CONTRACT.

Person or Organization

City of Bell, its elected and appointed officers, employees and agents

6330 Pine Ave.
Bell, CA 90201

Job Description**Notes:**

1. This endorsement may be used to waive the company's right of subrogation against named third parties who may be responsible for an injury.
2. The sentence in () is optional with the company. It limits the endorsement to apply to specific jobs of the insured, and only to the extent that the insured is required to obtain this waiver.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 07/01/2025

Policy No. WC 063530884 CA Endorsement No.

Insured

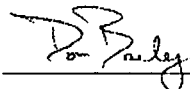
ADP TotalSource DE IV, Inc.
5800 Windward Parkway

Alpharetta, GA 30005
L/C/F:
Hinderliter de Llamas & Associates

120 S State College Blvd Suite 200
Brea, CA 92821

Insurance Company AIU Insurance Company

Countersigned by



Sample Designation Letter

(Return designation letter on your jurisdiction's letter head)

Date: _____

California Department of Tax and Fee Administration
Anh Huang
Warrant Desk: MIC: 27
651 Bannon Street, Suite 100
Sacramento, CA 95811

Subject: (Jurisdiction Name) (Tax Area Code)

Authorization to Review Confidential Sales and Use Tax and Transactions and Use Tax Information Section 7056 of the Revenue and Taxation Code.

Dear Ms. Huang:

Resolution No. _____, Section _____, authorizes the (officer/employee title authorized to designate) to designate in writing to the California Department of Tax and Fee Administration other officers, employees of the jurisdiction with authority to examine sales, Transactions and use tax records for the jurisdiction.

Accordingly, (employee title(s) only) for the (Jurisdiction Name) is/are hereby authorized to receive and review sales or transactions and use tax records for the (Jurisdiction Name) from the California Department of Tax and Fee Administration.

Sincerely,

(Name and Title of officer/employee authorized to designate)

JURISDICTION CONTACT FORM

NOTIFICATIONS & APPEALS

City/County: _____ Tax Area Code: _____ Sales and Use Tax / Transactions & Use Tax

Pursuant to Revenue and Taxation Code § 7056, you may select only officers and employees authorized by Resolution or letter of designation to examine the Department's tax records for your Jurisdiction. If the officer or employee's title has not yet been formally authorized, please include a designation letter. See attached sample designation letter.

Primary Contact

Title of Authorized Officer/Employee

Name of Authorized Officer/Employee

Mailing Address

City, State, Zip

Phone

Fax

Email

It is recommended, if possible, that you use an Email address that coincides with the authorized position title. For example: citymanager@cityof____.gov.

Secondary Contact

Title of Authorized Officer/Employee

Name of Authorized Officer/Employee

Mailing Address

City, State, Zip

Phone

Fax

Email

It is recommended, if possible, that you use an Email address that coincides with the authorized position title. For example: citymanager@cityof____.gov.

DEPARTMENT USE ONLY

Pursuant to Section 7056(b), this form is ineffective unless signed by one of the following (boxes checked):

☐ City/County Administrator ☐ Administrative Officer ☐ City/County Controller ☐

_____(Specify)

Print Name: _____

Title: _____

Signature: _____ **Date:** _____

Return this form by e-mail to: JServices@cdtfa.ca.gov

QUESTIONS: CALL THE WARRANT DESK AT (916) 309-5802

Note: Titles held by more than one employee need to be made a unique identifier for function. For example: Accountant II (Revenue Desk)

EFT AUTHORIZATION AGREEMENT FOR LOCAL JURISDICTIONS

- Please type or print clearly in ink.
➤ See reverse for complete instructions.

SELECT ACTION REQUESTED

- ☐ New EFT Account
☐ Change EFT Bank Account – (see instructions)
☐ Cancel EFT

SELECT TAX PROGRAM

- ☐ 1 percent Local Tax
☐ ¼ percent (County) Transportation Fund
☐ Add-on (Special District) Tax
☐ Local Utility User Tax/Local 911 Charges

SECTION I

NAME OF LOCAL JURISDICTION OR SPECIAL DISTRICT (payee)		JURISDICTION CODE
CONTACT PERSON (name and title)		EMAIL ADDRESS
MAILING ADDRESS	CITY, STATE, ZIP CODE	
CONTACT TELEPHONE NUMBER	CONTACT FAX NUMBER	

SECTION II

The State Controller's Office, on behalf of the California Department of Tax and Fee Administration (CDTFA), is hereby authorized to make direct deposit (EFT) of any amounts distributed pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law, the Transactions and Use Tax Law, or the Local Prepaid Mobile Telephony Services Collection Act less any mandatory withholding or deductions therefrom to the designated bank account identified below. If the designated EFT account is a checking account, **a voided check or copy must be attached to the completed authorization agreement.** If the account is a savings or other deposit-only account, **an account confirmation from the bank must be attached.** The voided check or confirmation will be used to verify the bank account and transit routing numbers.

BANK NAME	
BANK ACCOUNT NUMBER (not to exceed 17 digits)	
TRANSIT ROUTING NUMBER	
TYPE OF ACCOUNT ☐ CHECKING ☐ SAVINGS	

IMPORTANT

Payee agrees that in the event that the payee owes a debt determined either by court order, or otherwise by operation of law, and for which CDTFA has been notified according to law, to make repayments by deductions from Local Sales and Use Tax transmittals, the payee will be removed from the EFT program until the debt is extinguished.

*I affirm that deposits received from CDTFA **will not** be forwarded in their entirety to a foreign financial institution.*

SIGNATURE	TITLE	DATE
-----------	-------	------

Return this form to:

California Department of Tax and Fee Administration
 Local Revenue Branch
Warrant Desk
 PO Box 942879, MIC:27
 Sacramento, CA 94279-0027
 Fax Number: 1-916-324-8117
 Email to: JServices@cdtfa.ca.gov

For EFT assistance call 1-916-309-5800

This information is confidential and not for public release.

PRINT**CLEAR**

INSTRUCTIONS FOR LOCAL JURISDICTIONS FOR COMPLETING THE EFT AUTHORIZATION AGREEMENT FORM

GENERAL

- Read this agreement carefully, and if you have questions call 1-916-309-5800.
- Please type or print clearly.
- Check one action box and one tax program box. Your jurisdiction's tax program can be found on the title line of the remittance advice received from the State Controller's Office.
- Complete all information blocks.

SECTION I

- Your jurisdiction code can be found on the remittance advice immediately above the word "Payee."
- Please enter the jurisdiction code for the corresponding jurisdiction type:
 - City or County (1 percent Local Tax) Code (five digits)
 - County (1/4 percent Tax) Code (two digits)
 - Redevelopment Agency Code (four digits)
 - District Add-on Code (three digits)
 - Local Utility User Tax/Local 911 (Prepaid Mobile Telephony Services) Code (four digits)
- A contact person and telephone number **are required** to process your authorization agreement.

SECTION II

- The Transit Routing Number (nine digits) typically can be found in the bottom left-hand corner of your check.
- Please indicate the type of account (checking or savings).
- Be sure to include a voided check or bank confirmation with your authorization agreement.

ADDITIONAL INFORMATION

- **Changing EFT Bank Account**
 - **IMPORTANT: DO NOT CLOSE YOUR OLD ACCOUNT UNTIL THE FIRST EFT PAYMENT IS DEPOSITED INTO THE NEWLY DESIGNATED ACCOUNT.**
 - This agreement will remain in effect until CDTFA is notified in writing that you wish to redesignate your account and/or your financial institution or that you wish to cancel EFT service.
 - To redesignate, please submit a new CDTFA-555-LJ, *EFT Authorization Agreement for Local Jurisdictions*. Be sure to check the correct action box on the front of the form and provide the correct new information.
 - The first deposit into a new account should be made within 60 days from CDTFA's receipt of the completed EFT Authorization Agreement.
 - In the interim between the closing of the old account and opening of the new account, you may receive a warrant via U.S. Mail.
- **Canceling EFT Service**
 - To cancel EFT service, submit a new CDTFA-555-LJ, *EFT Authorization Agreement for Local Jurisdictions*, and check the Cancel EFT box. Be sure to complete all information blocks.
- **EFT Direct Deposit Posting Dates**
 - Funds will be deposited on the Warrant Issue Date as shown on CDTFA's Disbursement Calendar. The current calendar can be found on CDTFA's website at www.cdtfa.ca.gov/taxes-and-fees/local-and-district-taxes.htm#calendar.
 - Most financial institutions post funds to accounts at the beginning of the bank business day; however, you should confirm your particular bank's practice to determine when funds will be available.

REGISTRATION/ALLOCATION MEDIA REQUEST

Please complete Sections I, II, & III, and forward this form to the address at the bottom of this page.

Department Use Only

Juris. I.D. # _____.

Resolution verified: YES___ NO___

Update_____

By_____

IMPORTANT: Each jurisdiction must have a resolution on file with the California Department of Tax and Fee Administration (CDTFA) to examine allocation and/or registration data. A sample resolution is included in Publication 28 which is available on our Website www.boe.ca.gov/pdf/pub28.pdf or by calling the Department's Local Revenue Branch at (916) 309-5800.

SECTION I: MEDIA RECIPIENT CONTACT INFORMATION

(If the name/position below is not authorized by resolution or letter of designation, this form Must be signed by a position authorized by resolution to designate other officials or employees) ☐ County ☐ City ☐ District (add-on)

Your name: _____ Jurisdiction: _____

Title: _____ Tax Area Code: _____

Address: _____ Telephone: _____

City, State, Zip: _____ FAX: _____

E-Mail Address _____

SECTION II: REGISTRATION DATA REQUEST (List of name, address and CDTFA account number for each business)

A. Do you require a one-time registration listing (Start-up) showing all sales and use tax accounts in your jurisdiction, Indicate yes or no: ☐ Yes ☐ No

SECTION III: ALLOCATION DATA REQUEST (List of local tax dollars distributed to your jurisdiction by CDTFA account number)

A. Do you wish to receive monthly allocation and registration media

Indicate yes or no: ☒ Yes ☐ No

B. If you require prior period local tax data*, indicate the periods below:

(MMYY) From: _____ To: _____

*AVAILABLE HISTORY IS LIMITED TO PREVIOUS 36 MONTHS.

Signed by individual (or designee) authorized by resolution to receive confidential CDTFA information:

(Print Name)

(Signature)

(Title)

(Date)

RETURN THIS FORM TO:

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION LOCAL
REVENUE BRANCH

651 BANNON STREET, STE 100, MIC: 27

PO BOX 942879

SACRAMENTO CA 94279-0027

FAX to (916) 324-3001

For assistance in completing this form, contact Harmeen Grewal at (916) 309-5883.