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**City of Santee
Regular Meeting Agenda**

**Santee City Council
CDC Successor Agency
Santee Public Financing Authority**

**Council Chamber – Building 2
10601 Magnolia Avenue
Santee, CA 92071**

**March 9, 2016
7:00 PM**

ROLL CALL: Mayor Randy Voepel
Vice Mayor Jack E. Dale
Council Members Ronn Hall, Rob McNelis and John W. Minto

LEGISLATIVE INVOCATION \ PLEDGE OF ALLEGIANCE:

PRESENTATION: Miss Santee, Miss Teen Santee and Court Intro

PRESENTATION: 2016 Olympic Team Trials for the Men's 50 KM Race Walk

PROCLAMATION: March for Meals & Community Champions Week

PROCLAMATION: National Multiple Sclerosis (MS) Awareness Week

ITEMS TO BE ADDED, DELETED OR RE-ORDERED ON AGENDA:

1. CONSENT CALENDAR:

Consent Calendar items are considered routine and will be approved by one motion, with no separate discussion prior to voting. Council Members, staff or public may request specific items be removed from the Consent Calendar for separate discussion or action. Speaker slips for this category must be presented to the City Clerk before the meeting is called to order. Speakers are limited to 3 minutes.

- (A) Approval of reading by title only and waiver of reading in full of Ordinances on agenda.**
- (B) Approval of Meeting Minutes of the Santee City Council, the CDC Successor Agency and the Santee Public Financing Authority for the January 13, 2016 Regular meetings and Santee City Council Special meeting of January 16, 2016.**

- (C) Approval of Payment of Demands as presented.
- (D) Adoption of a Resolution amending the salary schedule to reflect the new City Manager's salary.
- (E) Adoption of a Resolution awarding the contract for as-needed Sidewalk Cutting and Repairs to BPR Incorporated per Bid 15/16-20020 for an amount not to exceed \$63,725.00 for the remainder of FY 2015-16 and FY 2016-17 with the Additive Alternate; authorizing the City Manager to approve two (2) additional 12-month options to renew along with the corresponding purchase orders and annual change orders up to ten percent (10%) of the then-current contract amount; and authorizing the Director of Community Services to execute a Notice of Completion and the City Clerk to file said Notice of Completion upon satisfactory completion of work for each contract term
- (F) Acceptance and appropriation of a SANDAG Go-By-Bike Mini-Grant and authorization for the City Manager to execute any documents related to the acceptance of the grant.
- (G) Authorization for the purchase of pharmaceuticals on an as-needed basis from Bound Tree Medical LLC per City of El Cajon Contract #300232 and authorization for the City Manager to approve future purchase orders in accordance with contract terms.
- (H) Rejection of two claims against the City by Joshua James Corona-Bennett and Paul Lafreniere per Government Code Section 913.
- (I) Adoption of a Resolution authorizing submission of the annual Housing Element Progress Report for calendar year 2015 to the State of California Office of Planning and Research and the State of California Department of Housing and Community Development.

2. PUBLIC HEARING: None

3. ORDINANCES:

- (A) Introduction and First Reading of an Ordinance amending Chapter 10.36 of the Santee Municipal Code relating to speed limits.

Recommendation:

1. Find that the Ordinance is Categorically Exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Sections 15061(b)(3), 15301, 15302, and 15303; and
2. Introduce the Ordinance for First Reading and schedule the Second Reading for the March 23, 2016 City Council meeting.

4. CITY COUNCIL ITEMS AND REPORTS:

5. CONTINUED BUSINESS: None

6. NEW BUSINESS:

(A) CSA 115 revised Agreement for Fire Protection and Emergency Services.

Recommendation:

Authorize the City Manager to execute the revised agreement.

(B) Resolution authorizing the City Manager to act as the City’s authorized representative for the California State Association of Counties-Excess Insurance Authority (CSAC-EIA) and authorizing the City Manager to execute the CSAC-EIA Joint Powers Agreement and Memoranda of Understanding for the excess general liability and property insurance programs

Recommendation:

Adopt the Resolution authorizing the City Manager to act as the authorized representative of the City and to execute the CSAC-EIA Joint Powers Agreement and Memoranda of Understanding.

7. COMMUNICATION FROM THE PUBLIC:

Each person wishing to address the City Council regarding items not on the posted agenda may do so at this time. In accordance with State law, Council may not take action on an item not scheduled on the Agenda. If appropriate, the item will be referred to the City Manager or placed on a future agenda.

8. CITY MANAGER REPORTS:

9. CDC SUCCESSOR AGENCY:

(Note: Minutes appear as Item 1(B))

10. SANTEE PUBLIC FINANCING AUTHORITY:

(Note: Minutes appear as Item 1(B))

11. CITY ATTORNEY REPORTS:

12. CLOSED SESSION:

(A) PUBLIC EMPLOYEE PERFORMANCE EVALUATION

(Government Code Section 54957)

Title: City Clerk

(B) CONFERENCE WITH LABOR NEGOTIATORS

(Government Code Section 54957.6)

City Designated Representative: Mayor

Unrepresented Employee: City Clerk

(C) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

(Government Code Section 54956.9(d)(2))

Significant Exposure to Litigation: 1 case (related to the construction of the Prospect Avenue Project)

13. ADJOURNMENT:



Mar	03	SPARC	Civic Center Building 7
Mar	09	City Council Meeting	Council Chamber
Mar	14	Community Oriented Policing Committee	Council Chamber
Mar	17	Manufactured Home Fair Practices Commission	Council Chamber
Mar	23	City Council Meeting	Council Chamber
Apr	07	SPARC	Civic Center Building 7
Apr	11	Community Oriented Policing Committee	Council Chamber
Apr	13	City Council Meeting	Council Chamber
Apr	27	City Council Meeting	Council Chamber

The Santee City Council welcomes you and encourages your continued interest and involvement in the City’s decision-making process.

For your convenience, a complete Agenda Packet is available for public review at City Hall and on the City’s website at www.CityofSanteeCA.gov.

The City of Santee complies with the Americans with Disabilities Act. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the American with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the City Clerk’s Office at (619) 258-4100, ext. 112 at least 48 hours before the meeting, if possible.

State of California } County of San Diego } ss. City of Santee }	<h3>AFFIDAVIT OF POSTING AGENDA</h3>
I, <u>Patsy Bell, CMC, City Clerk</u> of the City of Santee, hereby declare, under penalty of perjury, that a copy of this Agenda was posted in accordance with the Brown Act and Santee Resolution 61-2003 on <u>March 4, 2016</u> , at <u>4:00 p.m.</u>	
_____ Signature	03/04/16 Date

City of Santee
COUNCIL AGENDA STATEMENT

PRES

MEETING DATE March 9, 2016

AGENDA ITEM NO.

ITEM TITLE INTRODUCTION OF 2016 MISS SANTEE AND MISS SANTEE TEEN

DIRECTOR/DEPARTMENT Randy Voepel, Mayor

SUMMARY

The Annual Miss Santee pageant was held at Sunrise Church on March 5, 2016. The 2016 Miss Santee and Miss Santee Teen, along with their courts, will be introduced at the Council meeting by 2015 Miss Santee Rebecca Hudson and 2015 Miss Santee Teen Heather Cantin. Proclamations commending Miss Hudson and Miss Cantin for their excellent representation of the City this past year were presented to them at the pageant.

FINANCIAL STATEMENT N/A

RECOMMENDATION ✓ Meet 2016 Miss Santee, Miss Santee Teen and Courts.

ATTACHMENTS (Listed Below)

None.

City of Santee
COUNCIL AGENDA STATEMENT

PRES

MEETING DATE March 9, 2016

AGENDA ITEM NO.

ITEM TITLE PRESENTATION: 2016 OLYMPIC TEAM TRIALS FOR THE MEN'S
50 KM RACE WALK

DIRECTOR/DEPARTMENT Jack E. Dale, Vice Mayor

SUMMARY

The 2016 United States Olympic Team Trials for the Men's 50 Km Race Walk took place on February 21, 2016 on Mast Boulevard between Magnolia Avenue and Jeremy Street in Santee.

Fifteen athletes qualified to compete in these 2016 United States Olympic Team Trials for the 50 Km Race Walk.

Santee has supported the sport of Race Walking by hosting the 2009, 2014, and 2015 USA Track & Field National 50 Km Race Walk Championships, and the 2012 U.S. Olympic Team Trials for the 50km Race Walk.

Event organizers would like to show their appreciation to City staff for helping make the event possible so that athletes could represent their country in the Olympic Games, one of life's great honors and achievements.

FINANCIAL STATEMENT N/A

RECOMMENDATION ✓ Hear presentation.

ATTACHMENTS (Listed Below)

None.

City of Santee
COUNCIL AGENDA STATEMENT

PROC

MEETING DATE March 9, 2016

AGENDA ITEM NO.

ITEM TITLE PROCLAMATION: MARCH FOR MEALS & COMMUNITY CHAMPIONS WEEK

DIRECTOR/DEPARTMENT Randy Voepel, Mayor

SUMMARY

Meals on Wheels Greater San Diego, Inc. participates in the national March for Meals campaign, which is an annual month-long event, led by Meals on Wheels America. It is designed to generate public awareness about senior hunger and isolation and to celebrate the invaluable services provided by the Meals on Wheels programs – both home-delivered and congregate – in virtually every community across the country.

As in past years, a Santee City Council representative will participate in the March for Meals campaign by helping to deliver meals to Santee's senior clients during the Community Champions Week March 21 – 25, 2016. Community leaders taking time out of their busy schedules to connect with the seniors served helps Meals on Wheels Greater San Diego, Inc. gain much-needed visibility for this important cause.

A proclamation has been prepared and will be accepted by a representative of Meals on Wheels Greater San Diego, Inc.

FINANCIAL STATEMENT N/A

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION Present proclamation.

ATTACHMENTS (Listed Below)

Proclamation.

City of Santee, California

Proclamation

WHEREAS, seniors are one of the largest growing segments of San Diego's population; and

WHEREAS, good and accessible nutrition is a major factor in keeping seniors healthy and independent; and

WHEREAS, Meals on Wheels greater San Diego, Inc. has provided programs to San Diego seniors for over 56 years; and

WHEREAS, March for Meals is a nationwide project to increase public awareness about senior meal programs and the need to raise funds and recruit volunteers for these programs.

NOW, THEREFORE, I, Randy Voepel, Mayor of the city of Santee, on behalf of the City Council, do hereby proclaim the month of March, 2016 as

"MARCH FOR MEALS"

and further proclaim the week of March 21 – 25, 2016 as

"COMMUNITY CHAMPIONS WEEK"

in the city of Santee to help spread awareness about senior hunger and isolation in our community and encourage citizens to volunteer their time to help with this important community issue.

IN WITNESS WHEREOF, I have hereunto set my hand this ninth day of March, two thousand sixteen, and have caused the Official Seal of the City of Santee to be affixed.



Mayor Randy Voepel

City of Santee
COUNCIL AGENDA STATEMENT

PROC

MEETING DATE March 9, 2016

AGENDA ITEM NO.

ITEM TITLE **PROCLAMATION: NATIONAL MULTIPLE SCLEROSIS (MS)**
AWARENESS WEEK

DIRECTOR/DEPARTMENT Randy Voepel, Mayor

SUMMARY

Multiple Sclerosis (MS) is a neurological disease of the central nervous system, affecting at least 2.3 million people worldwide.

The National Multiple Sclerosis Society – Pacific South Coast Chapter reports that in our state, we serve more than 7,000 people diagnosed with MS, and that the disease generally strikes people in the prime of life, between ages 20 through 50, and causes unpredictable effects in which the progression, severity and specific symptoms cannot be foreseen, and the cause and cure for this often debilitating disease remain unknown.

Since 1946 the National Multiple Sclerosis Society has been a driving force of MS research, relentlessly pursuing prevention, treatment and a cure and has invested more than 920 million dollars in groundbreaking research.

In support of the National MS Society Pacific South Coast Chapter's efforts, a proclamation has been prepared designating March 7 – 13 as "Multiple Sclerosis Awareness Week" to encourage all citizens to learn more about multiple sclerosis and what they can do to support individuals with MS and their families.

FINANCIAL STATEMENT N/A

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION Present proclamation.

ATTACHMENTS (Listed Below)

Proclamation.

City of Santee, California

Proclamation

WHEREAS, Multiple Sclerosis (MS) is a neurological disease of the central nervous system, affecting at least 2.3 million people worldwide; and

WHEREAS, the National Multiple Sclerosis Society has been committed for more than 60 years to creating a world free of MS, heightening public knowledge about and insight into the disease while mobilizing people and resources so that everyone affected by MS can live their best lives as we stop MS in its tracks, restore what has been lost and end MS forever; and

WHEREAS, funds raised through the National Multiple Sclerosis Society fuel the efforts of more than 380 research projects globally totaling nearly 54 million dollars annually at the best medical centers, universities and other institutions throughout the United States and abroad. Because of this MS research has never been more hopeful than it is today; and

WHEREAS, discovering the cause, finding a cure, and preventing future generations from being diagnosed with MS is an important task that all Americans and Californians should support; and

WHEREAS, the city of Santee recognizes the importance of finding the cause and cure of MS, a chronic and often devastating disease, and expresses its appreciation and admiration for the dedication that the National Multiple Sclerosis Society – Pacific South Coast Chapter of California has shown toward a future free of MS.

NOW, THEREFORE, I, Randy Voepel, Mayor of the City of Santee, on behalf of the City Council, do hereby proclaim March 7 – 13, 2016 as

“MULTIPLE SCLEROSIS (MS) AWARENESS WEEK”

in the city of Santee and encourage all citizens to learn more about multiple sclerosis and what they can do to support individuals with MS and their families.

IN WITNESS WHEREOF, I have hereunto set my hand this ninth day of March, two thousand sixteen, and have caused the Official Seal of the City of Santee to be affixed.



Mayor Randy Voepel

City of Santee
COUNCIL AGENDA STATEMENT

1B

MEETING DATE March 9, 2016

AGENDA ITEM NO.

ITEM TITLE APPROVAL OF MEETING MINUTES OF THE SANTEE CITY COUNCIL,
THE CDC SUCCESSOR AGENCY AND THE SANTEE PUBLIC
FINANCING AUTHORITY JANUARY 13, 2016 REGULAR MEETINGS
AND SANTEE CITY COUNCIL JANUARY 16, 2016 SPECIAL MEETING.

DIRECTOR/DEPARTMENT Patsy Bell, City Clerk

SUMMARY

Submitted for your consideration and approval are the minutes of the above meetings.

FINANCIAL STATEMENT

N/A

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION

Approve Minutes as presented.

ATTACHMENTS (Listed Below)

January 13, 2016 Minutes – Regular Meeting
January 16, 2016 Minutes – Special Meeting

Minutes

**Santee City Council
CDC Successor Agency
Santee Public Financing Authority**

Draft

**Council Chambers
10601 Magnolia Avenue
Santee, California**

**January 13, 2016
7:00 p.m.**

This Regular Meeting of the Santee City Council, the CDC Successor Agency, and the Santee Public Financing Authority was called to order by Mayor/Chair Randy Voepel at 7:02 p.m.

Council Members present were: Mayor/Chair Randy Voepel; Vice Mayor/Vice Chair John W. Minto; Council/Authority Members Ronn Hall and Rob McNelis. Council/Authority Member Jack E. Dale entered the meeting at 7:20 p.m.

Officers present were: Interim City Manager/Authority Secretary Paul Malone, Finance Director/Treasurer Tim McDermott, City/Authority Attorney Shawn Hagerty, and City Clerk Patsy Bell.

(Note: Hereinafter the titles Mayor, Vice Mayor, Council Member, City Manager, and City Attorney shall be used to indicate Mayor/Chair, Vice Mayor/Vice Chair, Council/Authority Member, City Manager/Authority Secretary, and City/Authority Attorney.)

LEGISLATIVE INVOCATION: Pastor Dr. Joe Miller, My Reunion Church

PLEDGE OF ALLEGIANCE: Bob Cooper, Cub Scout Pack 330

PRESENTATION: Certificate of Recognition for BNS Brewing & Distilling Co.
Vice Mayor Minto presented Gene Chaffin, Owner, BNS Brewing & Distilling Company, and Darrin Izadi, Sales Representative, with a Certificate of Recognition for receiving the Gold Medal in the American-Style India Pale Ale category for their Revolver IPA at the Great American Beer Festival in Denver, Colorado.

Draft

PROCLAMATION: Proclaiming January 14, 2016 as Coach Rod Bowen Day
Council Member Hall, with the help of Stacy LoMedico, introduced Coach Rod Bowen and recognized him for 16 varsity championships in his 20 years of coaching water polo at Santana High School and presented him with the proclamation.

PROCLAMATION: Santee Health Awareness Month
Vice Mayor Minto introduced Steve Lauria and Kyle Whissel of Santee Health Network and presented them with the proclamation.

ITEMS TO BE ADDED, DELETED OR RE-ORDERED ON AGENDA:

Council Member Dale stated that he was abstaining on Item 1(E) due to a conflict of interest.

1. CONSENT CALENDAR:

- (A) Approval of reading by title only and waiver of reading in full of Ordinances on agenda.
- (B) Approval of Meeting Minutes:
 - Santee City Council 09-09-15 and 09-23-15 Regular Meetings
 - CDC Successor Agency 09-09-15 and 09-23-15 Regular Meetings
 - Public Financing Authority 09-09-15 and 09-23-15 Regular Meetings
- (C) Approval of November 2015 Payment of Demands as presented.
- (D) Approval of December 2015 Payment of Demands as presented.
- (E) Second Reading and adoption of an Ordinance amending the Zone District Map R2015-1 to change the zone designation from Park/ Open Space (P/OS) to Medium Density Residential (R-7) on an 11.75-acre site on Prospect Avenue, north of Clifford Heights Road. Applicant: Development Contractor, Inc. APNs: 383-112-05-00 and 383-112-28-00 (ORD 536) (Dale abstained)
- (F) Second Reading and adoption of an Ordinance of the City Council of the City of Santee, California, acting as the legislative body of Community Facilities District No. 2015-1 (Municipal Maintenance Services) of the City of Santee, authorizing the levy of a special tax in such community facilities district. (ORD 537)
- (G) Approval of the expenditure of \$75,769.41 for November 2015 Legal Services and related costs.

Draft

- (H) **Rejection of a Claim against the City by Jeanette Lucero per Government Code Section 913.**
- (I) **Rejection of a Claim against the City by Marathon General Incorporated per Government Code Section 913.**
- (J) **Adoption of a Resolution accepting the purchase and installation of a new Breathing Air System for Fire Department operations and authorize the Clerk to record a Notice of Completion. (Reso 1-2016)**

ACTION: On motion of Council Member McNelis, seconded by Council Member Hall, the Agenda and Consent Calendar were approved as presented with all voting aye, except Dale who abstained on Item 1(E).

2. PUBLIC HEARING:

- (A) **Public Hearing for an Ordinance amending Title 9 of the Santee Municipal Code, adding Chapter 9.74, to prohibit cannabis dispensaries, cannabis manufacturers, cultivation, and cannabis delivery in the city.**

The Public Hearing was opened at 7:26 p.m. Senior Management Analyst Tom Romstad presented the staff report. He, City Attorney Shawn Hagerty and Director of Development Services Melanie Kush answered Council's questions.

PUBLIC SPEAKERS:

In Support:

- Lisa Bridges

In Opposition:

- Mary O'Connor

ACTION: After further discussion, on motion of Council Member Dale, seconded by Council Member McNelis, the Public Hearing was closed at 7:50 p.m., the Ordinance was found to be Categorically Exempt from the provisions of the California Environmental Quality Act, and the Second Reading was set for January 27, 2016, with all voting aye.

3. ORDINANCES:

See Items 1(E), 1(F) and 2(A).

4. CITY COUNCIL ITEMS AND REPORTS:

(A) Selection of Mayor Pro Tempore (Vice Mayor).

City Clerk Bell presented the staff report. Before choosing the next Vice Mayor, Mayor Voepel thanked outgoing Vice Mayor Minto for his past year of service as Vice Mayor.

ACTION: On motion of Council Member McNelis, seconded by Vice Mayor Minto, Council Member Dale was selected as the next Vice Mayor for a term beginning January 14, 2016, with all voting aye.

(B) Appointment of Member to the Santee Park and Recreation Committee (SPARC).

Mayor Voepel recommended that Stacey LoMedico be appointed to the Santee Park and Recreation Committee (SPARC).

ACTION: On motion of Council Member Dale, seconded by Vice Mayor Minto, Stacey LoMedico was appointed to the Santee Park and Recreation Committee with all voting aye.

5. CONTINUED BUSINESS: None

6. NEW BUSINESS:

(A) Resolution establishing exception to the 180-day waiting period, appointment of Brad Peterson to perform the duties of the Fire Division Chief for a limited term and approval of employment agreement.

Acting Fire Chief Richard Smith presented the staff report and answered Council's questions.

ACTION: On motion of Council Member McNelis, seconded by Vice Mayor Minto, the Resolution establishing an exception to the 180-day waiting period and appointing Brad Peterson to perform the duties of Fire Division Chief for a limited term was adopted with all voting aye.

Draft

- (B) **Resolution approving a minor reorganization of positions in the Fire Department and amending the salary schedule for hourly, general and management employees.**

Acting Fire Chief Richard Smith presented the staff report and answered Council's questions.

ACTION: On motion of Vice Mayor Minto, seconded by Council Member Dale, the Resolution approving a minor reorganization of positions in the Fire Department and amending the salary schedule for hourly, general and management employees was adopted with all voting aye.

- (C) **Resolution approving immediate repair of storm drain pipe on Willowgrove Avenue, appropriating funds, waiving the requirement for competitive bidding, and authorizing the City Manager to enter into a contract to complete the necessary repairs of the storm drain pipe.**

Principal Civil Engineer Carl Schmitz presented the staff report. During a brief discussion, he and Director of Development Services Melanie Kush answered Council's questions.

ACTION: On motion of Vice Mayor Minto, seconded by Council Member McNelis, the Resolution approving the emergency repair of a storm drain, waiving the requirement for competitive bidding, appropriating Flood Control District funds and authorizing the City Manager to enter into an agreement for emergency work and repairs was adopted with all voting aye.

7. COMMUNICATION FROM THE PUBLIC: None

This item was heard at this time:

4. CITY COUNCIL REPORTS:

Council Member Hall commended Captain Bovet on the apprehension of a person allegedly committing recent burglaries in Santee.

Council Member Dale asked Council to start thinking about Santee's 50th anniversary and suggested the City consider placing a float in the Pasadena Tournament of Roses Parade.

8. CITY MANAGER REPORTS: None

Draft

9. **CDC SUCCESSOR AGENCY:**
(Note: Minutes appear as Item 1(B))

10. **SANTEE PUBLIC FINANCING AUTHORITY:**
(Note: Minutes appear as Item 1(B))

11. **CITY ATTORNEY REPORTS:** None

Council Members recessed at 8:07 p.m. and convened in Closed Session at 8:13 p.m. with all Members present.

12. CLOSED SESSION:

(A) CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

(Government Code Section 54956.9(d)(2))

Significant Exposure to Litigation: Two cases involving the Karl Strauss Project.

Council Members reconvened in Open Session at 8:31 p.m. with all Members present. Mayor Voepel reported that direction had been given to staff.

13. ADJOURNMENT:

There being no further business, the meeting was adjourned at 8:32 p.m.

Date Approved: _____

Patsy Bell, City Clerk and for
Acting Authority Secretary Paul Malone

Minutes

Santee City Council

**Council Chamber
10601 Magnolia Avenue
Santee, California**

Draft

**January 16, 2016
9:00 a.m.**

1. Call to Order

This Special Meeting of the Santee City Council was called to order by Mayor Randy Voepel at 9:00 a.m.

Council Members present were: Mayor Randy Voepel; Vice Mayor Jack E. Dale and Council Members Ronn Hall, Rob McNelis and John W. Minto.

Officers present were: Interim City Manager Paul Malone and City Clerk Patsy Bell.

Council Members convened in Closed Session at 9:01 a.m.

2. Closed Session

- (A) Public Employment**
(Gov. Code section 54957)
Title: City Manager

Council Members recessed at 12:55 p.m. for lunch and reconvened in Closed Session at 1:30 p.m. with all Members present. Council Members recessed at 2:25 p.m. and reconvened in Closed Session at 3:20 p.m. with all Members present.

At 5:00 p.m., Council Members reconvened in Open Session. Mayor Voepel reported that interviews for the position of City Manager were conducted and direction was given to staff regarding the next round of interviews.

3. Adjournment

There being no further business, the meeting was adjourned at 5:10 p.m.

Date Approved: _____

Patsy Bell, City Clerk and for
Acting Authority Secretary Paul Malone

City of Santee
COUNCIL AGENDA STATEMENT

1C

MEETING DATE March 9, 2016

AGENDA ITEM NO.

ITEM TITLE PAYMENT OF DEMANDS

DIRECTOR/DEPARTMENT Tim K. McDermott/Finance *tm*

SUMMARY

A listing of checks that have been disbursed since the last Council meeting is submitted herewith for approval by the City Council.

FINANCIAL STATEMENT *tm*

Adequate budgeted funds are available for the payment of demands per the attached listing.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *tm*

Approval of the payment of demands as presented.

ATTACHMENTS (Listed Below)

- 1) Payment of Demands-Summary of Checks Issued
- 2) Disbursement Journal

Payment of Demands
Summary of Payments Issued

<u>Date</u>	<u>Description</u>	<u>Amount</u>
02/17/16	Accounts Payable	\$ 132,276.70
02/18/16	Accounts Payable	133,453.44
02/18/16	Payroll	303,646.13
02/18/16	Accounts Payable	48,858.90
02/22/16	Accounts Payable	94,996.72
02/25/16	Accounts Payable	<u>1,376,299.71</u>
	TOTAL	<u>\$ 2,089,531.60</u>

I hereby certify to the best of my knowledge and belief that the foregoing demands listing is correct, just, conforms to the approved budget, and funds are available to pay said demands.



Tim K. McDermott, Director of Finance

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
111223	2/17/2016	10003 A & B SAW & LAWNMOWER SHOP	68830		EQUIPMENT REPAIR	29.84
			68831		EQUIPMENT REPAIR	105.46
					Total :	135.30
111224	2/17/2016	12060 ACCOUNTING PRINCIPALS	7622683	51212	TEMP A/P CLERK	621.54
111225	2/17/2016	11885 ARROW INTERNATIONAL	93660478	51056	EMS SUPPLIES	621.54
					Total :	1,901.03
111226	2/17/2016	10021 BOUND TREE MEDICAL LLC	82034026	51273	EMS SUPPLIES	1,168.38
			82038264	51273	EMS SUPPLIES	46.97
			82038265	51273	EMS SUPPLIES	275.50
			82038267	51273	EMS SUPPLIES	810.77
					Total :	2,301.62
111227	2/17/2016	11967 BRODY, HAL	CD15015S		REFUNDABLE DEPOSIT	2,745.60
					Total :	2,745.60
111228	2/17/2016	11055 CALIFORNIA SIGNS AND MARKETING	9288	51317	CUSTOM STICKERS	129.60
			9290	51317	TACTILE SIGNS	324.00
					Total :	453.60
111229	2/17/2016	10299 CARQUEST AUTO PARTS	11102-387948	51063	VEHICLE SUPPLIES	6.79
					Total :	6.79
111230	2/17/2016	10032 CINTAS CORPORATION #694	694174131-D	51227	CLNING FLUID DSPNSR SVC	18.18
			694174131-S	51226	UNIFORM/ PRTS CLNR RNTL	52.11
					Total :	70.29
111231	2/17/2016	10039 COUNTY MOTOR PARTS COMPANY INC	302316	51131	FLEET SUPPLIES	454.62
					Total :	454.62
111232	2/17/2016	10171 COUNTY OF SAN DIEGO AUDITOR &	12 /2015 PHOENIX REV		12/2015 PHOENIX CITE REV REPT	237.50
			12/2015 AGENCY REV		12/2015 AGENCY PK RPT	40.00
			12/2015 DMV REVENUE		12/2015 DMV PARK RPT	30.00

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
111232	2/17/2016	10171 COUNTY OF SAN DIEGO AUDITOR & (Continued)				307.50
111233	2/17/2016	10040 COUNTYWIDE MECHANICAL SYSTEMS	H15069523 H15069559 H16060448	51194 51194 51194	HVAC REPAIRS HVAC REPAIRS HVAC REPAIRS	368.31 199.58 210.00
				Total :		777.89
111234	2/17/2016	10251 FEDERAL EXPRESS	5-317-86327		SHIPPING CHARGES	28.12
				Total :		28.12
111235	2/17/2016	11196 HD SUPPLY FACILITIES	9142875219	51136	STATION SUPPLIES	446.61
				Total :		446.61
111236	2/17/2016	11724 ICF JONES & STOKES INC	0112579	50991	MSCP SUBAREA PLAN & EIR	1,600.66
				Total :		1,600.66
111237	2/17/2016	11864 KIRKLAND OFFSET PRINTING	009816		CITY MEMO PADS	152.14
				Total :		152.14
111238	2/17/2016	10079 MEDICO PROFESSIONAL	1741886 1741887 1745138 1745139	51277 51277 51277 51277	MEDICAL LINEN SERVICE MEDICAL LINEN SERVICE MEDICAL LINEN SERVICE MEDICAL LINEN SERVICE	20.02 12.68 11.80 11.06
				Total :		55.56
111239	2/17/2016	10087 NORCO DELIVERY SERVICE INC	698340		COURIER SERVICE	56.36
				Total :		56.36
111240	2/17/2016	10218 OFFICE DEPOT	1898376455	51096	OFFICE SUPPLIES	16.19
				Total :		16.19
111241	2/17/2016	10308 O'REILLY AUTO PARTS	2968-454148	51139	VEHICLE SUPPLIES	17.26
				Total :		17.26
111242	2/17/2016	10344 PADRE DAM MUNICIPAL WATER DIST	90000366		GROUP BILL	9,495.32
				Total :		9,495.32
111243	2/17/2016	10521 PNC EQUIPMENT FINANCE LLC	5484828		FIRE ENGINE LEASE PYMT #11	40,881.46

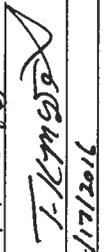
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
111243	2/17/2016	10521 PNC EQUIPMENT FINANCE LLC	(Continued)			40,881.46
111244	2/17/2016	11522 POSTMASTER EL CAJON	21116		POSTAGE	775.00
111245	2/17/2016	10552 SAFEWAY SIGN COMPANY	5435	51164	STREET NAME SIGN	513.02
111246	2/17/2016	12046 SANCON ENGINEERING INC	4 4R	51197	CITYWIDE CMP LINING/REHAB RETENTION	66,965.57 -3,348.28 63,617.29
111247	2/17/2016	11638 SAVMART PHARMACEUTICAL	595443 595446	51104 51104	PHARMACEUTICALS PHARMACEUTICALS	48.34 48.34 96.68
111248	2/17/2016	10110 SECTRAN SECURITY INC	16020317	51177	TRANSPORT SVCS 2016/02	109.20
111249	2/17/2016	10585 SHARP REES-STEALY MEDICAL	292		MEDICAL SERVICES	36.00
111250	2/17/2016	10217 STAPLES ADVANTAGE	3287723424 3290355197 3290599889 3290901179 3290992966 3292227901 714437-0550-003001	51171 51106 51171 51108 51108 51171 51171	OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES	136.07 38.84 50.18 15.49 77.10 -50.18 -136.07 131.43
111251	2/17/2016	10250 THE EAST COUNTY	20100931		PUB AND SUMMARY ORD	1,309.00
111252	2/17/2016	10515 THE SAN DIEGO UNION - TRIBUNE	01212016		SUBSCRIPTION	84.17
111253	2/17/2016	10158 THE SOCO GROUP INC	0251387-IN	51149	DELIVERED FUEL	84.17
						925.78

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
111253	2/17/2016	10158 THE SOCO GROUP INC	(Continued) CL61938	51288	FLEET CARD FUELING	779.94
					Total :	1,705.72
111254	2/17/2016	10692 UNITED PARCEL SERVICE	000006150X046		SHIPPING CHARGES	9.80
					Total :	9.80
111255	2/17/2016	11194 USAFACT INC	6012994 6020607		BACKGROUND CHECK BACKGROUND CHECK	122.55 33.50
					Total :	156.05
111256	2/17/2016	11944 VORTEX INDUSTRIES INC	11-999243-1	51330	CITY HALL DOOR REPAIRS	404.00
					Total :	404.00
111257	2/17/2016	10232 XEROX CORPORATION	083255763	51152	COPY CHARGES & LSE	419.13
					Total :	419.13
111258	2/17/2016	10318 ZOLL MEDICAL CORPORATION	2334381	51156	EMS SUPPLIES	384.75
					Total :	384.75
					Bank total :	132,276.70
					Total vouchers :	132,276.70

36 Vouchers for bank code : ubgen

36 Vouchers in this report

Prepared by: 
 Date: 02-17-2016

Approved by: 
 Date: 2/17/2016

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
111259	2/18/2016	10508 LIFE INSURANCE COMPANY OF	February 2016		LIFE INSURANCE	2,592.25
					Total :	2,592.25
111260	2/18/2016	10779 NATIONAL BENEFIT SERVICES LLC	PPE 02/10/16		FLEXIBLE SPENDING ACCOUNT	2,024.92
					Total :	2,024.92
111261	2/18/2016	10784 NATIONAL UNION FIRE INSURANCE	February 2016		VOLUNTARY AD&D	117.86
					Total :	117.86
111262	2/18/2016	10353 PERS	02 16 3		RETIREMENT PAYMENT	87,837.21
					Total :	87,837.21
111263	2/18/2016	10335 SAN DIEGO FIREFIGHTERS FEDERAL	February 2016		LONG TERM DISABILITY-SAFETY	1,078.00
					Total :	1,078.00
111264	2/18/2016	10424 SANTEE FIREFIGHTERS	PPE 02/10/16		DUES/PEC/BENEVOLENT/BC EXP	2,268.99
					Total :	2,268.99
111265	2/18/2016	10776 STATE OF CALIFORNIA	PPE 02/10/16		WITHHOLDING ORDER	267.69
					Total :	267.69
111266	2/18/2016	10783 UNITED WAY OF SAN DIEGO COUNTY	February 2016		UNITED WAY	122.00
					Total :	122.00
111267	2/18/2016	10001 US BANK	PPE 02/10/16		PARS RETIREMENT	705.02
					Total :	705.02
111268	2/18/2016	10959 VANTAGE TRANSFER AGENT/457	PPE 02/10/16		ICMA - 457	33,198.07
					Total :	33,198.07
111269	2/18/2016	10782 VANTAGEPOINT TRNSFR AGT/801801	PPE 02/10/16		RETIREE HEALTH SAVINGS	3,241.43
					Total :	3,241.43
11 Vouchers for bank code : ubgen						133,453.44
11 Vouchers in this report						133,453.44

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
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Prepared by: T. Griffin
Date: 02-18-2016
Approved by: [Signature]
Date: 2/18/2016

Voucher List
CITY OF SANTEE

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
111270	2/18/2016	11753 WONDRIES FLEET GROUP	36481370	50963	2016 FORD F-450 TRUCK	48,858.90

Total : 48,858.90

1 Vouchers for bank code : ubgen

Bank total : 48,858.90

1 Vouchers in this report

Total vouchers : 48,858.90

Prepared by: 
Date: 02.18.2016

Approved by: 
Date: 2/18/2016

Voucher List
CITY OF SANTEE

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
111273	2/25/2016	10003 A & B SAW & LAWNMOWER SHOP	24794 24812	51052	CHAIN SAW SUPPLIES EQUIPMENT REPAIR	60.42 135.30 195.72
111274	2/25/2016	12060 ACCOUNTING PRINCIPALS	7637930	51212	TEMP A/P CLERK	906.41 906.41
111275	2/25/2016	11445 AMERICAN MESSAGING	L1072898QB		FD PAGER SERVICE	150.95 150.95
111276	2/25/2016	12083 ANIMAL PEST MANAGEMENT	153807	51232	PEST CONTROL	640.00 640.00
111277	2/25/2016	10412 AT&T	000007591848 000007592240 6194488048		TELEPHONE IRRIGATION CONTROLLER IRRIGATION CONTROLLER	1,340.16 19.84 38.06 1,398.06
111278	2/25/2016	10516 AWARDS BY NAVAJO	01161166		COUNCIL SUPPLIES	47.63 47.63
111279	2/25/2016	10018 BENCHMARK LANDSCAPE SVCS INC	123698 123699	51257 51250	LMD MAINTENANCE AREA 2 MAINTENANCE	10,001.01 12,249.16 22,250.17
111280	2/25/2016	10019 BERT W SALAS INC	2016-489 2016-489R	51320	WILLOWGROVE STORM DRAIN RETENTION	58,104.37 -2,905.22 55,199.15
111281	2/25/2016	10020 BEST BEST & KRIEGER LLP	LEGAL SVCS JAN 2016		LEGAL SERVICES JAN 2016	85,686.30 85,686.30
111282	2/25/2016	11513 BOND, ELLEN	03012016-263		MEADOWBROOK HARDSHIP PGRM	28.27 28.27
111283	2/25/2016	10021 BOUND TREE MEDICAL LLC	82042706 82044097	51273 51273	EMS SUPPLIES EMS SUPPLIES	12.14 1,383.90

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
111283	2/25/2016	10021 BOUND TREE MEDICAL LLC	(Continued) 82045431 82045432 82045433	51273 51273 51273	EMS SUPPLIES EMS SUPPLIES EMS SUPPLIES	233.48 138.24 33.66 1,801.42
111284	2/25/2016	10098 BURNER, RONALD	13116	51213	ATHLETIC FIELD COORDINATOR	2,083.34 2,083.34
111285	2/25/2016	12118 CAMERON BROTHERS	GRD1226S		REFUNDABLE SECURITY	787,335.00 787,335.00
111286	2/25/2016	10876 CANON SOLUTIONS AMERICA INC	988620287 988625580	51127 51127	SCANNER MAINTENANCE PLOTTER MAINT & USAGE	60.09 35.25 95.34
111287	2/25/2016	11402 CARROLL, JUDI	03012016-96		MEADOWBROOK HARDSHIP PGRM	28.53 28.53
111288	2/25/2016	10958 CATERPILLAR FINANCIAL SERVICES	16899414		LEASE PYMT #7 - BACKHOE	9,720.55 9,720.55
111289	2/25/2016	10031 CDW GOVERNMENT LLC	BXM9850		COMPUTER EQUIPMENT	571.17 571.17
111290	2/25/2016	10032 CINTAS CORPORATION #694	694176592-D 694176592-S 694177188	51227 51226 51227	CLNING FLUID DSPNSR SVC UNIFORM / PRTS CLNR RNTL CLNING FLUID DSPNSR SVC	13.05 46.92 51.71 111.68
111291	2/25/2016	10033 CITY ELECTRIC SUPPLY COMPANY	STE/031293 STE/031385	51064 51064	ELECTRICAL REPAIRS ELECTRICAL SUPPLIES	195.00 70.20 265.20
111292	2/25/2016	11409 CLAYTON, SYLVIA	03012016-340		MEADOWBROOK HARDSHIP PGRM	29.65 29.65
111293	2/25/2016	11330 CLEANSTREET	81161	51203	JANUARY STREET SWEEPING	14,876.64

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
111293	2/25/2016	11330 CLEANSTREET	(Continued)			
111294	2/25/2016	12177 COAST FITNESS	5212	51311 51311	FITNESS EQUIPMENT	14,876.64 2,700.00
111295	2/25/2016	10035 COMPETITIVE METALS INC	205129 206315 206936	51066 51066 51066	METAL METAL METAL	156.73 300.24 21.33
111296	2/25/2016	10268 COOPER, JACKIE	March 1, 2016		RETIREE HEALTH PAYMENT	91.00
111297	2/25/2016	12153 CORODATA RECORDS	RS4215143		DOCUMENT RETRIEVAL	115.75
111298	2/25/2016	10038 COSTCO WHOLESALE #403	4035146848 403926915	51130 51130	CREDIT ON ACCOUNT STATION SUPPLIES	-130.59 952.47
111299	2/25/2016	10358 COUNTY OF SAN DIEGO	16CTOFSAN07 16CTOFSASN07	51222	SHERIFF RADIOS 800 MHZ ACCESS (FIRE/PS)	821.88 4,345.00
111300	2/25/2016	10040 COUNTYWIDE MECHANICAL SYSTEMS	P16060109 P16060135 P16060550 P16060654 P16060700	51231 51231 51231 51231 51231	PLUMBING REPAIRS PLUMBING REPAIRS PLUMBING REPAIRS PLUMBING REPAIRS PLUMBING REPAIRS	1,396.06 2,758.75 965.91 175.18 326.70
111301	2/25/2016	10333 COX COMMUNICATIONS	052335901 063453006 066401501 105080401		8950 COTTONWOOD AVE 9534 VIA ZAPADOR 10601 N MAGNOLIA AVE 9310 FANITA PKWY	252.19 323.77 34.55 26.65
					Total :	637.16

Voucher List
CITY OF SANTEE

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
111312	2/25/2016	10198 HYDRO SCAPE PRODUCTS	(Continued) 9482093-00	51172	IRRIGATION SUPPLIES	35.50
					Total :	1,432.25
111313	2/25/2016	10075 IRON MOUNTAIN INFO MGMT INC	200867964		DATA STORAGE	193.76
					Total :	193.76
111314	2/25/2016	10151 KONICA MINOLTA BUSINESS	9002137617	51189	COPIES 01/03-02/02, 2016	92.29
					Total :	92.29
111315	2/25/2016	11986 MARION B BORG ENVIRONMENTAL	SANTEE 01-18 SANTEE 02-02	51024	CONSULTING SVCS CONSULTING SVCS	1,330.00 2,520.00
					Total :	3,850.00
111316	2/25/2016	10079 MEDICO PROFESSIONAL	1753363 1753364	51277 51277	MEDICAL LINEN SERVICE MEDICAL LINEN SERVICE	8.22 1.62
					Total :	9.84
111317	2/25/2016	10410 MILLER, DAVID JOSEPH	02262016		DJ SERVICES	200.00
					Total :	200.00
111318	2/25/2016	10085 NATIONAL SAFETY COMPLIANCE INC	65263		NATIONAL SAFETY COMPLIANCE	150.00
					Total :	150.00
111319	2/25/2016	10344 PADRE DAM MUNICIPAL WATER DIST	24206565 24206698 24218157 24218344 90000367		10580 PROSPECT AVE 10541 PROSPECT AVE 10054 PROSPECT AVE 10027 PROSPECT AVE GROUP BILL	95.10 126.55 105.23 174.99 6,649.25
					Total :	7,151.12
111320	2/25/2016	11442 PATTERSON, LUANNE	03012016-225		MEADOWBROOK HARDSHIP PGRM	27.35
					Total :	27.35
111321	2/25/2016	10241 JAN SHERAR	02182016		PETTY CASH REIMBURSEMENT	146.83
					Total :	146.83
111322	2/25/2016	10092 PHOENIX GROUP INFO SYSTEMS	122015031	51195	PARKING CITE SVC-DEC 2015	72.80

Bank code :	ubgen	Invoice		PO #	Description/Account	Amount
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
111322	2/25/2016	10092	10092 PHOENIX GROUP INFO SYSTEMS (Continued)			72.80
111323	2/25/2016	10093	PLAYPOWER LT FARMINGTON INC 1400197406	51200	PLAYGROUND EQUIPMENT	1,227.25
					Total :	1,227.25
111324	2/25/2016	10903	PRESSUREWASHER.NET 15-1269		EQUIPMENT REPAIR	599.73
					Total :	599.73
111325	2/25/2016	10161	PRIZM JANITORIAL SERVICES INC 9941	51174	PARK MAINTENANCE	1,973.85
					Total :	1,973.85
111326	2/25/2016	10101	PROFESSIONAL MEDICAL AND Z982395	51099	OXYGEN CYLINDERS & REFILLS	43.95
			Z982396	51099	OXYGEN CYLINDERS & REFILLS	60.45
					Total :	104.40
111327	2/25/2016	12147	PRO-LINE INDUSTRIAL 86005	51275	ASPHALT SUPPLIES	1,078.60
					Total :	1,078.60
111328	2/25/2016	12062	PURETEC INDUSTRIAL WATER 1460552	51224	DEIONIZED WATER SERVICE	90.00
					Total :	90.00
111329	2/25/2016	12237	RAYON, KYLE March 1, 2016		RETIREE HEALTH PAYMENT	91.00
					Total :	91.00
111330	2/25/2016	10097	ROMAINE ELECTRIC CORPORATION 12-033088	51255	VEHICLE SUPPLIES	558.52
					Total :	558.52
111331	2/25/2016	12046	SANCON ENGINEERING INC 5	51197	CITYWIDE CMP LINING/REHAB	250,469.17
			5R		RETENTION	-12,523.46
					Total :	237,945.71
111332	2/25/2016	10212	SANTEE SCHOOL DISTRICT 2016-1	51143	TEEN CTR TRANSPORTATION	671.00
					Total :	671.00
111333	2/25/2016	11971	SENGBUSCH, JOHN R 021316		EMPLOYEE REIMBURSEMENT	54.00
					Total :	54.00
111334	2/25/2016	11403	ST. JOHN, LYNNE 03012016-78		MEADOWBROOK HARDSHIP PGRM	28.40

Voucher List
CITY OF SANTEE

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
Bank code : ubgen						
111334	2/25/2016	11403 ST. JOHN, LYNNE				
111335	2/25/2016	10217 STAPLES ADVANTAGE	3290992962 3290992968 3290992970 3291082583	51168 51190 51190 51190	OFFICE SUPPLIES MISC OFFICE SUPPLIES - CSD MISC OFFICE SUPPLIES - CSD MISC OFFICE SUPPLIES - CSD	28.40 59.79 25.91 19.68 489.93 595.31
111336	2/25/2016	10027 STATE OF CALIFORNIA	146902		FINGERPRINTING - JAN. 2016	160.00 160.00
111337	2/25/2016	10119 STEVEN SMITH LANDSCAPE INC	31977	51145	JANUARY MAINTENANCE	39,177.00 39,177.00
111338	2/25/2016	10121 SUPERIOR READY MIX LP	759843		SCREENED FILL	74.35 74.35
111339	2/25/2016	10126 THE LIGHTHOUSE INC	223481	51147	VEHICLE REPAIR PARTS	140.14 140.14
111340	2/25/2016	10158 THE SOCO GROUP INC	CL62294	51288	FLEET CARD FUELING	942.79 942.79
111341	2/25/2016	10133 UNDERGROUND SERVICE ALERT	120160673	51109	DIG ALERT SERVICES	82.50 82.50
111342	2/25/2016	10555 UNITIS CONTRACTOR SUPPLIES	111229	51181	YARD STOCK/WEARING APPAREL	98.75 98.75
111343	2/25/2016	10642 USPS-HASLER	02052016		POSTAGE REIMB. - FEB	2,157.69 2,157.69
111344	2/25/2016	10475 VERIZON WIRELESS	9760293680		CELL PHONE SERVICE	1,017.95 1,017.95
111345	2/25/2016	11944 VORTEX INDUSTRIES INC	11-981240-1	51286	PARK RESTROOM DOORS	14,675.00 14,675.00

Voucher List
CITY OF SANTEE

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
111346	2/25/2016	10136 WEST COAST ARBORISTS INC	112328	51183	TREE MAINTENANCE	14,781.00
					Total :	14,781.00
111347	2/25/2016	10148 WESTAIR GASES & EQUIPMENT INC	10251709	51184	WELDING SUPPLIES	27.13
					Total :	27.13
111348	2/25/2016	10317 WM HEALTHCARE SOLUTIONS INC	0323248-2793-3	51223	BIOMEDICAL WASTE DISPOSAL	88.30
			0323249-2793-1	51223	BIOMEDICAL WASTE DISPOSAL	88.30
					Total :	176.60
111349	2/25/2016	10232 XEROX CORPORATION	083255765	51216	COPY CHARGES	41.23
			083255766	51119	COPIER & MAINT. - JAN.	256.38
			083255767	51118	COPIER CHARGES - STATION 5	110.68
			083255768	51115	XEROX CHARGES - JAN 2016	208.82
			083255769	51151	CSD LSE/COPIER - JAN 2016	126.55
			083255770	51193	CSD/REC LSE/COPIER - JAN 2016	265.30
			083255771	51192	XEROX	203.81
					Total :	1,212.77
111350	2/25/2016	10709 ACS GOVERNMENT SYSTEMS INC	1236126		FIREHOUSE SOFTWARE CONTRCT	4,575.31
					Total :	4,575.31
111351	2/25/2016	10318 ZOLL MEDICAL CORPORATION	2337021	51156	EMS SUPPLIES	384.75
					Total :	384.75

79 Vouchers for bank code : ubgen

79 Vouchers in this report

Bank total : 1,376,299.71

Total vouchers : 1,376,299.71

Prepared by: 
Date: 2/25/2016

Approved by: 
Date: 2-25-16

City of Santee
COUNCIL AGENDA STATEMENT

1D

MEETING DATE March 9, 2016

AGENDA ITEM NO.

ITEM TITLE **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, AMENDING THE SALARY SCHEDULE TO REFLECT THE NEW CITY MANAGER'S SALARY**

DIRECTOR/DEPARTMENT Irene Mosley, Interim Director of Human Resources & Risk Management

SUMMARY

On February 18, 2016, the City of Santee entered into an employment agreement with Marlene Best who will serve as the new City Manager effective March 28, 2016. Ms. Best will receive a base annual salary of \$190,000.

California Code of Regulations, Title 2, Section 570.5 requires that, for purposes of determining a retiring employee's pension allowance, the pay rate be limited to the amount listed on a pay schedule that meets certain requirements and be approved by the governing body in accordance with the requirements of the applicable public meeting laws. Approval of this resolution will update the salary schedule effective March 28, 2016, to reflect Ms. Best's salary in accordance with her employment agreement.

FINANCIAL STATEMENT

Funding for the approved salary and benefits is included in the adopted FY2015-16 and FY2016-17 operating budget.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION

Adopt the attached resolution.

ATTACHMENTS (Listed Below)

Resolution

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE,
CALIFORNIA, AMENDING THE SALARY SCHEDULE TO REFLECT THE
NEW CITY MANAGER'S SALARY**

WHEREAS, on February 18, 2016, the City of Santee entered into an employment agreement with Marlene Best who will serve as the new City Manager effective March 28, 2016. Ms. Best will receive a base annual salary of \$190,000; and

WHEREAS, California Code of Regulations, Title 2, Section 570.5 requires that, for purposes of determining a retiring employee's pension allowance, the pay rate be limited to the amount listed on a pay schedule that meets certain requirements and be approved by the governing body in accordance with the requirements of the applicable public meeting laws; and

WHEREAS, salary schedule has been amended to reflect Ms. Best's employment agreement and is included as Exhibit "A".

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Santee, California, does hereby find, determine and declare that the salary schedule provided in Exhibit "A" is approved effective March 28, 2016;

ADOPTED by the City Council of the City of Santee, California, at a regular meeting thereof held this 9th day of March 2016, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL, CITY CLERK

Attachment: Exhibit A –Salary Schedule effective March 28, 2016

CITY OF SANTEE
 HOURLY, GENERAL AND MANAGEMENT SALARY SCHEDULE
 EFFECTIVE JULY 2, 2015
 AS REVISED MARCH 28, 2016

Exhibit A

Range	Classification	A	B	C	D	E
29	Account Clerk	19.16 39,862.00	20.12 41,855.16	21.13 43,947.98	22.19 46,145.54	23.29 48,452.63
35	Administrative Secretary	22.23 46,227.89	23.34 48,539.24	24.50 50,966.24	25.73 53,514.80	27.01 56,190.46
	Assistant to the City Manager		46.49 96,700.12	to to	62.76 130,545.32	
50	Assistant Engineer	32.19 66,951.73	33.80 70,299.50	35.49 73,814.64	37.26 77,505.13	39.13 81,380.57
58	Associate Civil Engineer / Associate Traffic Engineer	39.22 81,574.05	41.18 85,653.10	43.24 89,936.02	45.40 94,432.68	47.67 99,154.52
49	Associate Planner	31.40 65,318.88	32.97 68,584.84	34.62 72,014.16	36.35 75,615.11	38.17 79,395.68
	City Clerk		39.13 81,388.26	to to	54.79 113,963.63	
	City Manager (Single Rate)		91.35 190,000.00	to to	91.35 190,000.00	
	City Planner		46.49 96,700.02	to to	62.76 130,545.31	

CITY OF SANTEE
 HOURLY, GENERAL AND MANAGEMENT SALARY SCHEDULE
 EFFECTIVE JULY 2, 2015
 AS REVISED MARCH 28, 2016

Exhibit A

Range	Classification	A	B	C	D	E	
26	Code Compliance Assistant	Hourly Annual	17.80 37,015.78	18.69 38,866.63	19.62 40,809.95	20.60 42,850.54	21.63 44,992.93
44	Code Compliance Officer	Hourly Annual	27.76 57,732.43	29.14 60,618.89	30.60 63,650.06	32.13 66,832.34	33.74 70,173.98
46	Confidential Accountant	Hourly Annual	29.16 60,655.13	30.62 63,687.90	32.15 66,872.31	33.76 70,215.82	35.45 73,726.69
38	Confidential Human Resources & Risk Management Technician	Hourly Annual	23.93 49,782.47	25.13 52,271.58	26.39 54,885.14	27.71 57,629.56	29.09 60,510.96
46	Confidential Payroll Specialist	Hourly Annual	29.16 60,655.13	30.62 63,687.90	32.15 66,872.31	33.76 70,215.82	35.45 73,726.69
46	Confidential Secretary to City Manager/Council	Hourly Annual	29.16 60,655.13	30.62 63,687.90	32.15 66,872.31	33.76 70,215.82	35.45 73,726.69
	Confidential Senior Human Resource Analyst	Hourly Annual	35.30 73,413.52	to to	to to	47.65 99,108.91	
	Crossing Guards ^ (Single Rate)	Hourly	12.52				
43	Deputy City Clerk	Monthly Annual	27.08 56,324.24	28.43 59,140.35	29.85 62,097.43	31.35 65,202.42	32.91 68,462.25
	Deputy City Manager/ Director of Dev. Services	Hourly Annual	62.23 129,428.21	to to	to to	84.08 174,891.20	

CITY OF SANTEE
 HOURLY, GENERAL AND MANAGEMENT SALARY SCHEDULE
 EFFECTIVE JULY 2, 2015
 AS REVISED MARCH 28, 2016

Exhibit A

Range	Classification	A	B	C	D	E
	Deputy Fire Chief		50.99 106,058.17	to to	68.74 142,968.71	
	Development Services Aide ^		10.48	to	16.76	
35	Development Services Technician	22.23 46,227.89	23.34 48,539.24	24.50 50,966.24	25.73 53,514.80	27.01 56,190.46
	Director of Community Services		56.04 116,562.02	to to	74.72 155,422.22	
	Director of Development Services		55.45 115,335.01	to to	74.75 155,487.01	
	Director of Finance / City Treasurer		58.59 121,857.15	to to	78.83 163,960.57	
	Director of Fire & Life Safety (Fire Chief)		60.99 126,857.79	to to	79.61 165,586.28	
	Director of Human Resources & Risk Management		49.83 103,646.92	to to	67.27 139,923.49	
44	Engineering Inspector	27.76 57,732.43	29.14 60,618.89	30.60 63,650.06	32.13 66,832.34	33.74 70,173.98
39	Equipment Mechanic	24.53 51,027.02	25.76 53,578.49	27.05 56,257.35	28.40 59,070.26	29.82 62,023.61

CITY OF SANTEE
 HOURLY, GENERAL AND MANAGEMENT SALARY SCHEDULE
 EFFECTIVE JULY 2, 2015
 AS REVISED MARCH 28, 2016

Exhibit A

Range	Classification	A	B	C	D	E	
35	Equipment Operator	Hourly	22.23	23.34	24.50	25.73	27.01
		Annual	46,227.89	48,539.24	50,966.24	53,514.80	56,190.46
17	Facilities Maintenance Technician	Hourly	14.25	14.96	15.71	16.50	17.32
		Annual	29,639.60	31,121.34	32,677.70	34,311.61	36,027.07
	Finance Manager	Hourly		43.26	to	58.40	
		Annual		89,976.29	to	121,468.07	
	Fire Battalion Chief (2920 hours)	Hourly		32.49	to	44.05	
		Annual		94,879.37	to	128,622.60	
	Fire Division Chief	Hourly		47.89	to	64.64	
		Annual		99,603.30	to	134,446.44	
	Fire Marshal	Hourly		43.26	to	58.40	
		Annual		89,976.29	to	121,468.07	
	Graphic Artist ^	Hourly		19.16	to	24.70	
	Information Technology Manager	Hourly		39.33	to	53.09	
		Annual		81,796.63	to	110,425.58	
53	Information Technology Analyst	Hourly	34.66	36.40	38.22	40.13	42.13
		Annual	72,099.71	75,704.66	79,490.29	83,464.60	87,637.99
29	Landscape and Irrigation Maintenance Worker	Hourly	19.16	20.12	21.13	22.19	23.29
		Annual	39,862.00	41,855.16	43,947.98	46,145.54	48,452.63
48	Lead Equipment Mechanic	Hourly	30.64	32.17	33.78	35.47	37.24
		Annual	63,725.75	66,912.02	70,257.40	73,770.40	77,459.03

CITY OF SANTEE
 HOURLY, GENERAL AND MANAGEMENT SALARY SCHEDULE
 EFFECTIVE JULY 2, 2015
 AS REVISED MARCH 28, 2016

Exhibit A

Range	Classification	A	B	C	D	E	
38	Lead Maintenance Worker	Hourly	23.93	25.13	26.39	27.71	29.09
		Annual	49,782.47	52,271.58	54,885.14	57,629.56	60,510.96
29	Maintenance Worker	Hourly	19.16	20.12	21.13	22.19	23.29
		Annual	39,862.00	41,855.16	43,947.98	46,145.54	48,452.63
43	Management Assistant	Hourly	27.08	28.43	29.85	31.35	32.91
		Annual	56,324.24	59,140.35	62,097.43	65,202.42	68,462.25
	Office Aide ^	Hourly		10.48	to	16.76	
48	Parks & Landscape Supervisor	Hourly	30.64	32.17	33.78	35.47	37.24
		Annual	63,725.75	66,912.02	70,257.40	73,770.40	77,459.03
	Planning Director	Hourly		51.14	to	69.04	
		Annual		106,370.11	to	143,599.84	
	Principal Civil Engineer	Hourly		48.60	to	65.83	
		Annual		101,095.67	to	136,927.04	
	Principal Planner	Hourly		38.52	to	52.00	
		Annual		80,115.68	to	108,157.87	
	Principal Traffic Engineer	Hourly		48.60	to	65.83	
		Annual		101,095.67	to	136,927.04	
	Public Services Manager	Hourly		37.40	to	50.50	
		Annual		77,795.25	to	105,048.18	

CITY OF SANTEE
 HOURLY, GENERAL AND MANAGEMENT SALARY SCHEDULE
 EFFECTIVE JULY 2, 2015
 AS REVISED MARCH 28, 2016

Exhibit A

Range	Classification	A	B	C	D	E	
43	Public Works Supervisor	Hourly	27.08	28.43	29.85	31.35	32.91
		Annual	56,324.24	59,140.35	62,097.43	65,202.42	68,462.25
	Recreation Aide ^	Hourly	10.48	to	16.76		
28	Recreation Coordinator	Hourly	18.70	19.63	20.61	21.64	22.73
		Annual	38,889.81	40,834.46	42,876.12	45,019.85	47,270.97
	Recreation Coordinator ^	Hourly	15.19	to	21.09		
	Recreation Leader ^	Hourly	11.90	to	17.50		
	Recreation Services Manager	Hourly	37.40	to	50.50		
		Annual	77,795.25	to	105,048.18		
	Recreation Supervisor	Hourly	26.72	to	38.17		
		Annual	55,576.98	to	79,395.68		
23	Secretary	Hourly	16.53	17.35	18.22	19.13	20.09
		Annual	34,372.64	36,091.30	37,895.77	39,790.58	41,780.27
36	Senior Account Clerk	Hourly	22.78	23.92	25.12	26.37	27.69
		Annual	47,383.70	49,752.89	52,240.66	54,852.63	57,595.45
48	Senior Buyer	Hourly	30.64	32.17	33.78	35.47	37.24
		Annual	63,725.75	66,912.02	70,257.40	73,770.40	77,459.03

CITY OF SANTEE
 HOURLY, GENERAL AND MANAGEMENT SALARY SCHEDULE
 EFFECTIVE JULY 2, 2015
 AS REVISED MARCH 28, 2016

Exhibit A

Range	Classification	A	B	C	D	E
	Senior Civil Engineer / Senior Traffic Engineer		42.61 88,618.67	to to	57.93 120,504.33	
	Senior Economic Development Coordinator		33.61 69,917.65	to to	45.38 94,389.42	
	Senior Management Analyst		33.61 69,917.65	to to	45.38 94,389.42	
	Senior Planner		33.49 69,665.30	to to	45.22 94,050.45	
48	Special Events Supervisor	30.64 63,725.75	32.17 66,912.02	33.78 70,257.40	35.47 73,770.40	37.24 77,459.03
	Special Projects Coordinator ^		31.52	to	42.55	
50	Storm Water Program Manager	32.19 66,951.73	33.80 70,299.50	35.49 73,814.64	37.26 77,505.13	39.13 81,380.57
	Student Intern ^		10.00	to	16.00	
	Student Intern ^ (Graduate)		11.00	to	17.60	

^Denotes a part-time position.
 Revised and Approved 1/13/2016 to reflect addition of Fire Marshal classification and adjustment to part-time salaries affected by increase to minimum wage.

CITY OF SANTEE
MAYOR AND CITY COUNCIL MEMBERS SALARY SCHEDULE
EFFECTIVE JULY 2, 2015

Range	Classification		
	City Council Member	Monthly	1,605.94
		Annual	19,271.28
	Mayor	Monthly	1,100.57
	(Additional Compensation)	Annual	13,206.84

CITY OF SANTEE

Exhibit A

FIREFIGHTERS' ASSOCIATION SALARY SCHEDULE

EFFECTIVE JULY 2, 2015

Classification	A	B	C	D	E
Fire Captain / PM					
Base salary	27.98	29.38	30.85	32.39	34.01
	81,471.98	85,546.50	89,823.56	94,314.08	99,030.33
Educational Incentive					
Fire Captain / PM	28.40	29.82	31.31	32.87	34.52
31-45 units = 1.5% over base	82,693.88	86,829.70	91,170.98	95,728.93	100,515.81
Fire Captain / PM	28.82	30.26	31.77	33.36	35.03
46 units and over = 3.0% over base	83,916.05	88,112.90	92,518.41	97,143.25	102,001.01
Fire Captain / PM	29.24	30.70	32.23	33.85	35.54
A.A. Degree = 4.5% over base	85,138.22	89,395.83	93,865.56	98,558.10	103,486.48
Fire Captain / PM	29.66	31.14	32.70	34.33	36.05
Bachelor Degree = 6% over base	86,360.13	90,679.02	95,212.99	99,972.95	104,972.22

CITY OF SANTEE

Exhibit A

FIREFIGHTERS' ASSOCIATION SALARY SCHEDULE

EFFECTIVE JULY 2, 2015

Classification	A	B	C	D	E
Fire Captain					
Base salary	26.77	28.11	29.52	30.99	32.54
	77,963.51	81,862.40	85,955.31	90,252.62	94,765.27
Educational Incentive					
Fire Captain	27.17	28.53	29.96	31.46	33.03
31-45 units = 1.5% over base	79,132.91	83,090.17	87,244.91	91,606.44	96,186.78
Fire Captain	27.58	28.96	30.40	31.92	33.52
46 units and over = 3.0% over base	80,302.58	84,318.20	88,533.97	92,960.00	97,608.29
Fire Captain	27.98	29.38	30.85	32.39	34.01
A.A. Degree = 4.5% over base	81,471.98	85,546.23	89,823.29	94,314.08	99,029.80
Fire Captain	28.38	29.80	31.29	32.85	34.50
Bachelor Degree = 6% over base	82,641.38	86,774.00	91,112.89	95,667.64	100,451.31

CITY OF SANTEE

Exhibit A

FIREFIGHTERS' ASSOCIATION SALARY SCHEDULE

EFFECTIVE JULY 2, 2015

Classification	A	B	C	D	E
Fire Engineer/PM					
Base salary					
Hourly	23.88	25.05	26.28	27.63	28.93
Annual	69,543.98	72,957.04	76,540.13	80,444.89	84,255.04
Educational Incentive					
Fire Engineer / PM					
31-45 units = 1.5% over base					
Hourly	24.24	25.43	26.68	28.04	29.37
Annual	70,587.32	74,051.29	77,687.95	81,651.60	85,518.78
Fire Engineer / PM					
46 units and over = 3.0% over base					
Hourly	24.60	25.81	27.07	28.45	29.80
Annual	71,630.40	75,145.81	78,836.30	82,858.05	86,782.53
Fire Engineer / PM					
A.A. Degree = 4.5% over base					
Hourly	24.96	26.18	27.47	28.87	30.24
Annual	72,673.48	76,240.05	79,984.38	84,064.76	88,046.54
Fire Engineer / PM					
Bachelor Degree = 6% over base					
Hourly	25.31	26.56	27.86	29.28	30.67
Annual	73,716.83	77,334.57	81,132.46	85,271.47	89,310.28

CITY OF SANTEE

Exhibit A

FIREFIGHTERS' ASSOCIATION SALARY SCHEDULE

EFFECTIVE JULY 2, 2015

Classification	A	B	C	D	E
Fire Engineer					
Base salary					
Hourly	22.85	23.97	25.15	26.44	27.69
Annual	66,549.31	69,814.74	73,244.06	76,980.66	80,627.18
Educational Incentive					
Fire Engineer					
31-45 units = 1.5% over base	23.20	24.33	25.53	26.83	28.10
Annual	67,547.62	70,862.08	74,342.84	78,135.40	81,836.55
Fire Engineer					
46 units and over = 3.0% over base	23.54	24.69	25.91	27.23	28.52
Annual	68,545.93	71,909.16	75,441.35	79,290.15	83,046.20
Fire Engineer					
A.A. Degree = 4.5% over base	23.88	25.05	26.28	27.63	28.93
Annual	69,543.98	72,956.51	76,540.13	80,444.89	84,255.57
Fire Engineer					
Bachelor Degree = 6% over base	24.22	25.41	26.66	28.02	29.35
Annual	70,542.55	74,003.59	77,638.65	81,599.64	85,464.95

CITY OF SANTEE

Exhibit A

FIREFIGHTERS' ASSOCIATION SALARY SCHEDULE

EFFECTIVE JULY 2, 2015

Classification	A	B	C	D	E	F	G	H
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Firefighter Paramedic	20.57	21.41	22.29	23.21	24.58	25.58	26.61	27.69
Base salary	59,896.68	62,357.27	64,920.20	67,588.13	71,588.30	74,480.35	77,489.41	80,627.18

Educational Incentive (after completing 3 1/2 years of employment)

Firefighter Paramedic								
31-45 units = 1.5% over base							27.01	28.10
							78,651.61	81,836.55

Firefighter Paramedic								
46 units and over = 3.0% over base							27.41	28.52
							79,813.82	83,046.20

Firefighter Paramedic								
A.A. Degree = 4.5% over base							27.81	28.93
							80,976.56	84,255.57

Firefighter Paramedic								
Bachelor Degree = 6% over base							28.21	29.35
							82,138.77	85,464.95

CITY OF SANTEE

Exhibit A

FIREFIGHTERS' ASSOCIATION SALARY SCHEDULE

EFFECTIVE JULY 2, 2015

Classification	A	B	C	D	E	F	G	H
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Firefighter	17.45	18.33	19.16	20.20	21.21	22.27	23.39	24.56
Base salary	50,822.88	53,362.89	55,794.44	58,833.34	61,775.23	64,864.24	68,106.74	71,512.88

Educational Incentive (after completing 3 1/2 years of employment)

Firefighter								
31-45 units = 1.5% over base							23.74	24.93
							69,128.50	72,585.54

Firefighter								
46 units and over = 3.0% over base							24.09	25.29
							70,150.00	73,658.20

Firefighter								
A.A. Degree = 4.5% over base							24.44	25.66
							71,171.76	74,731.13

Firefighter								
Bachelor Degree = 6% over base							24.79	26.03
							72,193.25	75,803.53

City of Santee
COUNCIL AGENDA STATEMENT

1E

MEETING DATE March 9, 2016 **AGENDA ITEM NO.**
ITEM TITLE **RESOLUTION AWARDING THE CONTRACT FOR SIDEWALK CUTTING
AND REPAIRS TO BPR INCORPORATED PER BID 15/16-20020**
DIRECTOR/DEPARTMENT Bill Maertz, Community Services 

SUMMARY The prior contract for as-needed sidewalk cutting and repairs expired on June 30, 2015. In compliance with the City's purchasing ordinance, Santee Municipal Code 3.24.110, the Finance Department administered a formal bid process for a new contract for said services in January 2016. Bids were due and one bid was received on February 17, 2016 for Bid #15/16-20020. City staff has deemed the bid responsive and the bidder responsible. Staff recommends awarding the contract to BPR Incorporated per their grand total bid amount of \$63,725.00, which includes anticipated costs for labor, materials and Additive Alternate for GIS Survey with Digital Photographs.

The term of the initial contract shall be upon issuance of a purchase order through June 30, 2017 (remainder of FY 2015-16 and FY 2016-17) with two (2) subsequent 12-month options to renew. Annual increases for this contract, if any, shall be at the sole discretion of the City and shall not exceed the San Diego All-Urban Consumers Index (CPI) for the preceding calendar year.

Staff also requests City Council authorization for the City Manager to approve future purchase orders per subsequent contract renewals and annual change orders up to ten percent (10%) of the then-current contract amount; and for the Director of Community Services to execute a Notice of Completion and the City Clerk to file said Notice of Completion for each term of the contract once the work for that term has been completed to the satisfaction of the Director.

FINANCIAL STATEMENT  - Funding for this contract is provided by the adopted FY 2015-16 and FY 2016-17 Community Services Department Gas Tax Fund budget.

ENVIRONMENTAL REVIEW - This is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to section 15301 (maintenance of existing structures, facilities or mechanical equipment).

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION  - Adopt Resolution:

1. Awarding the contract/bid for as-needed sidewalk cutting and repairs per Bid #15/16-20020 to BPR Incorporated for an amount not to exceed \$63,725.00 for the remainder of FY 2015-16 and FY 2016-17 with the Additive Alternate; and
2. Authorizing the City Manager to approve two (2) additional 12-month options to renew along with the corresponding purchase orders; and
3. Authorizing the City Manager to approve annual change orders up to ten percent (10%) of the then-current contract amount; and
4. Authorizing the Director of Community Services to execute a Notice of Completion and the City Clerk to file said Notice of Completion upon satisfactory completion of work for each contract term.

ATTACHMENTS

Bid Results
Resolution



CITY OF SANTEE

MAYOR
Randy Voepel

CITY COUNCIL
Jack E. Dale
Rob McNelis
John W. Minto
John Ryan

February 17, 2016
RFB 15/16-20020

Bid Results
for
SIDEWALK CUTTING & REPAIRS

Bids received; calculations verified:

1. BPR, Inc. Bid: \$63,725.00

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE AWARDING
THE CONTRACT FOR SIDEWALK CUTTING AND REPAIRS
TO BPR INCORPORATED PER RFB 15/16-20020**

WHEREAS, in January 2016, in compliance with the City's purchasing ordinance, Santee Municipal Code 3.24.110, the Finance Department administered a formal bid process for a new contract for as-needed Sidewalk Cutting & Repairs; and

WHEREAS, on the 17th day of February 2016, one bid was received and opened for RFB 15/16-20020; and

WHEREAS, the bid was deemed responsive and the bidder was deemed responsible; and

WHEREAS, staff recommends awarding the contract for as-needed Sidewalk Cutting & Repairs, RFB #15/16-20020, to BPR Incorporated per their grand total bid amount of \$63,725.00 for the remainder of FY 2015-16 and FY 2016-17 which includes anticipated costs for labor, materials and Additive Alternate for GIS Survey with Digital Photographs; and

WHEREAS, staff recommends authorizing the City Manager to approve two (2) additional 12-month options to renew along with corresponding purchase orders; and

WHEREAS, staff recommends authorizing the City Manager to approve annual change orders up to ten percent (10%) of the then-current contract amount; and

WHEREAS, staff recommends authorizing the Director of Community Services to execute a Notice of Completion and the City Clerk to file said Notice of Completion for each term of the contract once the work for that term has been completed to the satisfaction of the Director; and

WHEREAS, this item is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to section 15301 (maintenance of existing structures, facilities or mechanical equipment).

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Santee, California, that the City Council hereby:

SECTION 1. Awards the contract for as-needed Sidewalk Cutting & Repairs, Bid 15/16-20020, to BPR Incorporated for an amount not to exceed \$63,725.00 for the remainder of FY 2015-16 and FY 2016-17 including Additive Alternate for GIS Survey with Digital Photographs.

SECTION 2. Authorizes the City Manager to approve two (2) additional 12-month options to renew, along with the corresponding purchase orders.

SECTION 3. Authorizes the City Manager to approve annual change orders up to ten percent (10%) of the then-current contract amount.

RESOLUTION NO. _____

SECTION 4. Authorizes the Director of Community Services to execute a Notice of Completion and the City Clerk to file said Notice of Completion upon satisfactory completion of work for each contract term.

ADOPTED by the City Council of the City of Santee, California, at a Regular Meeting thereof held this 9th day of March 2016, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL, CMC, CITY CLERK

City of Santee
COUNCIL AGENDA STATEMENT

1F

MEETING DATE **March 9, 2016** **AGENDA ITEM NO.**

ITEM TITLE **ACCEPT AND APPROPRIATE A SANDAG GO-BY-BIKE MINI-GRANT**

DIRECTOR/DEPARTMENT Bill Maertz, Community Services *MM*

SUMMARY

The SANDAG Go-By-Bike mini-grant program promotes the use of bicycles for recreational and commuter use of this carbon-free mode of transportation to raise awareness and reduce barriers than inhibit bicycle use among the general population.

The City was recently awarded a \$2,660 mini-grant. To encourage bicycle riding and reinforce the personal and environmental benefits of this mode of transportation, City staff will design a series of nine, 6-by-2-foot, double-sided vinyl banners portraying a positive image of bicycling. In addition, the City will be organizing two bicycle repair events that will teach people how to make basic adjustments and repairs and provide free maintenance and minor repairs by experienced bicycle repair technicians. The first event will be held on April 16, 2016 at the trail head to the Walker Preserve Trail. The second event will be held on May 14, 2016 at the River Park Festival at Town center Community Park.

Staff is requesting the City Council accept the SANDAG Go-By-Bike mini-grant, appropriate the funds and authorize the City Manager to execute any documents related to the acceptance of said grant.

CITY ATTORNEY REVIEW N/A Completed

m
FINANCIAL STATEMENT

\$2,660 in SANDAG Go-By-Bike mini-grant funds will be received.

No local matching funds are required.

RECOMMENDATION *R*

1. Accept the SANDAG Go-By-Bike mini-grant and appropriate the funds; and
2. Authorize the City Manager to execute any documents related to the acceptance of said grant.

ATTACHMENTS

None.

City of Santee
COUNCIL AGENDA STATEMENT

1G

MEETING DATE March 9, 2016 **AGENDA ITEM NO.**

ITEM TITLE **AUTHORIZE PURCHASE OF PHARMACEUTICALS ON AN AS-NEEDED BASIS FROM BOUND TREE MEDICAL LLC PER CITY OF EL CAJON CONTRACT**

DIRECTOR/DEPARTMENT Richard Smith, Acting Fire Chief 

SUMMARY

Santee Municipal Code 3.24.180 authorizes the City to purchase supplies and equipment from a vendor at a price established by competitive or competitively negotiated bid by another public agency as long as that bid substantially complied with the formal bidding procedures in Santee Municipal Code Section 3.24.110. In February 2013, the City of El Cajon conducted a competitive bid process, substantially complying with Santee's Municipal Code, for procurement of a wide variety of pharmaceuticals to be purchased by public agencies on an as-needed basis. Based on the requirements for most responsive responsible bid/proposal (including price) offering the best overall quality and selection of products and services, Bound Tree Medical LLC was awarded Contract #300232 for a one-year term beginning March 1, 2013 with up to four annual renewals. This contract has been renewed by the City of El Cajon for the 12 month period ending February 28, 2017.

Santee Municipal Code Section 3.24.190 requires City Council approval of all purchases of supplies, materials and equipment exceeding \$20,000. Staff recommends utilizing City of El Cajon #300232 to purchase pharmaceuticals on an as-needed basis from Bound Tree Medical LLC. The total estimated FY 2015-16 expenditure for pharmaceuticals is \$23,000.

ENVIRONMENTAL REVIEW

This item is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to sections 15061(b)(3) and 15378(b)(2).

FINANCIAL STATEMENT 

Sufficient funds are appropriated in the adopted FY 2015-16 and FY 2016-17 Fire Department Emergency Medical Services operating budget for the purchase of pharmaceuticals which is reimbursed by County Service Area No. 69.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION 

1. Authorize the purchase of pharmaceuticals on an as-needed basis from Bound Tree Medical LLC per City of El Cajon Contract #300232; and
2. Authorize the City Manager to approve future purchase orders in accordance with contract terms.

ATTACHMENTS

None

City of Santee
COUNCIL AGENDA STATEMENT

1H

MEETING DATE March 9, 2016

AGENDA ITEM NO.

ITEM TITLE **TWO CLAIMS AGAINST THE CITY BY JOSHUA JAMES CORONA-BENNETT AND PAUL LAFRENIERE**

DIRECTOR/DEPARTMENT Irene Mosley, Interim Director of Human Resources & Risk Management *low*

SUMMARY

Two claims were filed against the City by Joshua James Corona-Bennett and Paul Lafreniere. The claims have been reviewed by the City's Interim Director of Human Resources and Risk Management prior to bringing them forward for consideration. The Interim Director of Human Resources and Risk Management recommends the claims be rejected as provided in Government Code Section 913.

The claim documents are on file in the Office of the City Clerk for Council reference.

jm
FINANCIAL STATEMENT Sufficient funds for Claims Administration are budgeted in the Risk Management Claims Administration Account.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *jm*

Reject claims as per Government Code Section 913.

ATTACHMENTS (Listed Below)

None.

City of Santee
COUNCIL AGENDA STATEMENT

11

MEETING DATE March 9, 2016

AGENDA ITEM NO.

ITEM TITLE A RESOLUTION AUTHORIZING SUBMISSION OF THE ANNUAL HOUSING ELEMENT PROGRESS REPORT FOR CALENDAR YEAR 2015 TO THE STATE OF CALIFORNIA OFFICE OF PLANNING AND RESEARCH AND THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

DIRECTOR/DEPARTMENT Melanie Kush, Director of Development Services 

SUMMARY

State law requires that the City report annually to the City Council, State Office of Planning and Research (OPR) and State Department of Housing and Community Development (HCD) on the City's General Plan Housing Element implementation. Housing Element implementation includes: progress in meeting its share of regional housing needs, preserving the local housing stock, promoting equal housing opportunity, and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing. This Implementation Report covers housing production, housing affordability and status of Housing Element programs for calendar year 2015. In 2015, five new single-family homes were finalized for occupancy. In addition, two single-family homes were rehabilitated using CDBG funds.

ENVIRONMENTAL REVIEW

This project is not subject to the California Environmental Quality Act ("CEQA") pursuant to Section 15060(c)(3); the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

FINANCIAL STATEMENT 

Upon the filing of this report, the City would continue to be eligible for potential funding from a number of regional and state programs.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION 

Adopt the Resolution authorizing the City Manager to send the Annual Housing Element Progress Report on Housing Element Implementation for Calendar Year 2015 to the State of California Office of Planning and Research and the State of California Department of Housing and Community Development.

ATTACHMENTS

Staff Report
Resolution/Exhibit A

**STAFF REPORT
ANNUAL ELEMENT PROGRESS REPORT ON HOUSING
IMPLEMENTATION FOR CALENDAR YEAR 2015
CITY COUNCIL MEETING MARCH 9, 2016**

A. BACKGROUND

The attached Annual Element Progress Report on Housing Element Implementation for Calendar Year 2015 is prepared pursuant to California Government Code Section 65400 and California Department of Housing and Community Development (HCD) Regulations. State law requires that the Department of Development Services report annually to the City Council, California Office of Planning and Research (OPR) and HCD on the status of the Housing Element, progress in its implementation, progress in meeting its share of regional housing needs, and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing. The report will be used by OPR and HCD to assist State level decision making.

Housing is considered affordable if no more than 30% of a household's income is spent on housing. To track housing affordability, HCD breaks household incomes into four levels based on County Area Median Income (AMI). Very Low income households earn 50% or less of the AMI and Low income households earn 51% to 80% of the AMI. Moderate income households earn 81% to 120% of the AMI, whereas Above Moderate income households earn more than 120% of the AMI. The AMI for a four-person household in San Diego County in 2015 was \$73,000.

The City finalized building permits for 5 dwelling units in 2015, as follows:

PERMIT #	ADDRESS	DESCRIPTION	FINAL DATE
14-583	10702 Strathmore Drive	SFD/GAR	1/23/2015
13-501	11539 Woodside Terrace	SFD/GAR	2/27/2015
14-1238	9537 Pryor Drive	SFD/GAR	5/26/2015
14-1239	9539 Pryor Drive	SFD/GAR	5/26/2015
15-540	8637 Atlas View Drive	SFD/GAR	7/20/2015

Pursuant to HCD regulations, to claim units as affordable to lower or moderate income households, the City must prove affordability by providing the source of subsidy, citing applicable affordability covenants, or conducting a market study of sales prices or rents. Absent covenants of affordability, none of the housing for which building permits were finalized in 2015 qualified as affordable to very low, low, or moderate income persons.

B. REPORTING PERIOD

This progress report covers housing production, affordability and status of Housing Element programs for Calendar Year 2015.

C. REPORT SUMMARY

The Annual Progress Report on Housing Element Implementation for Calendar Year 2015 has been prepared using forms and definitions adopted by HCD. The report consists of four tables. The City's production and progress during 2015 is reported with data contained in the following attached tables:

- Table A, Annual Building Activity Report Summary - New Construction Very Low-, Low-, and Mixed-Income Multifamily Projects reports on affordable housing projects for which building permits were issued during 2015. The emphasis of this table is to report permitted units by project affordable to very low, low, and moderate income households. No housing units are reported in this category for 2015.
- Table A2, Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1) reports on units rehabilitated, preserved, or acquired. CDBG recipient Home of Guiding Hands rehabilitated two low-income homes in Santee in 2015.
- Table A3, Annual building Activity Report Summary for Above Moderate-Income Units lists permitted moderate and above-moderate units not shown in Tables A and A2 by unit type. During the reporting period, 5 new residential dwelling units were finalized for occupancy. All of these units were classified as housing for above-moderate income households.
- Table B, Regional Housing Needs Allocation Progress reports building permits issued by affordability and calendar year to demonstrate progress in meeting the City's share of the regional housing need.

Santee's Regional Housing Needs Assessment (RHNA) allocation, finalized by the San Diego Association of Governments (SANDAG) on October 28, 2011, is 3,660 housing units for the period of January 1, 2010 to December 31, 2020.

Cumulatively, from January 1, 2010 to December 31, 2015, Santee issued building permits for 640 units: 15 very low income, 78 low income, 79 moderate income, and 468 above moderate income, with 3,020 units remaining.

Table C, Program Implementation Status provides the status of Housing Element program implementation. Each of the 17 programs listed in the adopted Housing Element is identified by name, objective, and timeframe for implementation. Staff has provided a brief response on the implementation of each program in the table.

D. STAFF RECOMMENDATION

Authorize the City Manager to send the Annual Housing Element Progress Report on Housing Element Implementation for Calendar Year 2015 to the California Office of Planning and Research and the State of California Department of Housing and Community Development.

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA
AUTHORIZING SUBMISSION OF THE ANNUAL HOUSING ELEMENT PROGRESS
REPORT FOR CALENDAR YEAR 2015 TO THE STATE OF CALIFORNIA OFFICE
OF PLANNING AND RESEARCH AND THE STATE OF CALIFORNIA DEPARTMENT
OF HOUSING AND COMMUNITY DEVELOPMENT**

WHEREAS, pursuant to California Government Code Section 65400, the Department of Development Services must report annually to the City Council on the implementation of the General Plan Housing Element; and

WHEREAS, the California Department of Housing and Community Development has adopted regulations that require the Department of Development Services to use standardized forms when preparing the annual Housing Element report pursuant to California Government Code Section 65400; and

WHEREAS, pursuant to California Government Code Section 65400 the annual report attached hereto as "Exhibit A" must be submitted to the California Office of Planning and Research and the California Department of Housing and Community Development by April 1st of each year; and

WHEREAS, the current 2013-2021 City of Santee Housing Element has been certified by the California Department of Housing and Community Development and was prepared in accordance with the State General Plan Guidelines; and

WHEREAS, a public meeting on the annual report was held on March 9, 2016 as required by Government Code section 65400; and

WHEREAS, this project is not subject to the California Environmental Quality Act ("CEQA") pursuant to Section 15060(c)(3); the activity is not a project as defined in Section 15378 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

WHEREAS, the City Council considered the Annual Housing Element Progress Report for Calendar Year 2015.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Santee, California, after considering the staff recommendation, as follows:

SECTION 1: The City Council authorizes the City Manager to send the Annual Housing Element Progress Report on Housing Element Implementation for Calendar Year 2015 to the California Office of Planning and Research and the California Department of Housing and Community Development by April 1, 2016.

RESOLUTION NO. _____

ADOPTED by the City Council of the City of Santee, California, at a Regular meeting thereof held this 9th day of March, 2016, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL, CMC, CITY CLERK

Attachment:

Exhibit A - 2015 Annual Element Progress Report on Housing Element Implementation

EXHIBIT A 2015 Housing Element Implementation Report

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction SANTEE
Reporting Period 01/01/2015 - 12/31/2015

Pursuant to GC 65400 local governments must provide by April 1 of each year the annual report for the previous calendar year to the legislative body, the Office of Planning and Research (OPR), and the Department of Housing and Community Development (HCD). By checking the "Final" button and clicking the "Submit" button, you have submitted the housing portion of your annual report to HCD only. Once finalized, the report will no longer be available for editing.

The report must be printed and submitted along with your general plan report directly to OPR at the address listed below:

Governor's Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812-3044

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202.)

Jurisdiction SANTEE
 Reporting Period 01/01/2015 - 12/31/2015

Table A
Annual Building Activity Report Summary - New Construction
Very Low-, Low-, and Mixed-Income Multifamily Projects

1	Housing Development Information										Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions			
	Project Identifier (may be APN No., project name or address)	2 Unit Category	3 Tenure R=Renter O=Owner	4 Affordability by Household Incomes			5 Total Units per Project	5a Est. # Infill Units*	6 Assistance Programs for Each Development	7 Deed Restricted Units	8 See Instructions	See Instructions	See Instructions			
				Very Low-Income	Low-Income	Moderate-Income								Above Moderate-Income		
(9) Total of Moderate and Above Moderate from Table A3																
(10) Total by Income Table A/A3													0	0	0	5
(11) Total Extremely Low-Income Units*													0	0	0	0

* Note: These fields are voluntary

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction SANTEE
 Reporting Period 01/01/2015 - 12/31/2015

**Table A2
 Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant
 to GC Section 65583.1(c)(1)**

Please note: Units may only be credited to the table below when a jurisdiction has included a program it its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				TOTAL UNITS	(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income			
(1) Rehabilitation Activity	0	0	2		2	Two homes were rehabilitated with CDBG funds.
(2) Preservation of Units At-Risk	0	0	0		0	
(3) Acquisition of Units	0	0	0		0	
(5) Total Units by Income	0	0	2		2	

* Note: This field is voluntary

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction SANTEE
 Reporting Period 01/01/2015 - 12/31/2015

Table A3
Annual building Activity Report Summary for Above Moderate-Income Units
(not including those units reported on Table A)

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate	0	0	0	0	0	0	0
No. of Units Permitted for Above Moderate	5	0	0	0	0	5	5

* Note: This field is voluntary

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation (CCR Title 25 §6202)

Jurisdiction City of Santee
 Reporting Period 1/1/2015 - 12/31/2015

Table B

Regional Housing Needs Allocation Progress

Permitted Units Issued by Affordability

Income Level	RHNA Allocation by Income Level	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total Units to Date (all years)	Total Remaining RHNA by Income Level	
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9			
Very Low	Deed	10	0	5	0	0	0	0	0	0	15	899	
	Restricted Non-deed restricted	0	0	0	0	0	0	0	0	0	0		
Low	Deed	37	0	37	0	0	0	0	0	0	74	616	
	Restricted Non-deed restricted	4	0	0	0	0	0	0	0	0	4		
Moderate	Deed	1	0	0	0	0	0	0	0	0	1	563	
	Restricted Non-deed restricted	52	7	19	0	0	0	0	0	0	78		
Above Moderate		63	73	19	133	175	5	0	0	0	468	942	
Total RHNA by COG. Enter allocation number:		167	80	80	133	175	5	0	0	0	640	3,020	
Total Units												640	
Remaining Need for RHNA Period													

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction SANTEE
 Reporting Period 01/01/2015 - 12/31/2015

Table C
Program Implementation Status

Program Description (By Housing Element Program Names)	Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
Program 1: Code Enforcement	Continue to implement Municipal Codes (Titles 15 and 17), the 2001 California Building Code and Uniform Housing Code.	Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.	Ongoing	The Department of Development Services and Code Enforcement implemented the Municipal Code, the California Building Code and the Uniform Housing Code by issuing notices of violations and fines for all violations of which the City is aware. The City actively pursues reported code violations in Santee. In 2015, Code Enforcement opened 171 cases, closed 187 cases, and referred two cases to the City Attorney's Office.
Program 2: Mobile Home Conversion Regulations	Protect the residents of mobilehome parks from the loss of affordable housing opportunities.		Ongoing	No mobile home conversions occurred in 2015.
Program 3: Minor Home Improvement Loans	Assist 10 lower income homeowners annually through funding service providers that provide home security devices and minor home repairs.		Ongoing	The City has contracted with Lutheran Social Services' Caring Neighbors program to provide this service to Santee seniors. 60 seniors were assisted in 2015. In addition, CDBG recipient Home of Guiding Hands rehabilitated two homes in Santee in 2015.
Program 4: Conservation of Existing and Future Affordable Units	Monitor the status of the 309 at-risk units at Carlton Country Club Villas and Woodglen Vista. The City of Santee will work with property owners, interest		Ongoing	The City did not receive notice of intent to convert in 2015.

	groups and the State and federal governments to implement the following programs on an ongoing basis to conserve its affordable housing stock.			
Program 5: Housing Choice Voucher Program	Continue to contract with the San Diego County Housing Authority to administer the Housing Choice Vouchers Program and support the County Housing Authority's applications for additional voucher allocations. Continue to support the County's efforts to maintain and expand voucher use in the City.	Ongoing	Santee is among 12 cities served by the Housing Authority of the County of San Diego. The County has developed a Consortium Consolidated Plan which contains a comprehensive affordable housing strategy that covers the City of Santee. According to the County Housing Authority, as of December 31, 2015, 333 households were using a Housing Choice Voucher to help pay for rent in the City of Santee and 1,569 applications submitted by Santee residents were recorded on a waiting list.	
Program 6: Mobile Home Park Assistance Program	Provide financial and technical assistance to mobile home park residents who wish to purchase their mobile home parks and convert the parks to resident ownership.	Ongoing	No parks were at risk of converting in 2015.	
Program 7: First Time Homebuyer Program	Continue the program in providing home buying assistance to 5 first time home buyers annually.	Ongoing	Five homebuyers were assisted in 2015 with loans totaling \$350,000.	
Program 8: San Diego County Regional Mortgage Credit Certificate Program	Facilitate the provision of 24 MCCs during the planning period (eight at <80 percent AMI and 16 at 80-120 percent AMI). Continue to promote the MCC program by notifying eligible applicants to other City programs and providing information on the City's website.	Ongoing	Affordable Housing Applications, Inc. administers the MCC program for the City of Santee on behalf of the County of San Diego.	
Program 9: Manufactured Home Fair Practices Program	Assist approximately 1,200 mobile home owners. The City regulates space rents in mobile home parks and provides staff support to the Manufactured Fair Practices Commission, which holds quarterly meetings. The program requires significant financial resources in administration and legal defense of the Ordinance.	Ongoing	The Manufactured Home Fair Practices Commission met during 2015 to hear comments from park residents and owners and provide direction to staff.	
Program 10: Facilitate Affordable Housing Development	Collaborate with nonprofits to provide additional affordable housing opportunities.	Ongoing	No requests were received.	
Program 11: Supportive Services	Assist 1,000 persons with temporary	Ongoing	The City has contracted with Crisis House to provide a Homeless Prevention	

	shelter and supportive services during the planning period (400 meals for lower income seniors, case management for 200 lower income seniors, and temporary shelter, food, and clothing for 400 lower income individuals and families affected by domestic violence).		and intervention program. 196 individuals were offered assistance in 2015.
Program 12: Inventory of Available Sites	Maintain an inventory of the available sites for residential development and provide it to prospective residential developers upon request.	Ongoing	An inventory of available sites for residential development is maintained by the San Diego Association of Governments (SANDAG) and is available to prospective residential developers by City staff upon request.
Program 13: Lot Consolidation Incentives	Amend the Update the Zoning Ordinance to include lot consolidation incentives.	Within one year of element adoption.	A draft ordinance has been prepared; CEQA analysis is under way.
Program 14: Monitoring of Residential Capacity (No Net Loss)	Monitor the consumption of residential acreage to ensure an adequate inventory is available to meet the City's RHNA obligations.	Ongoing	Development Services staff continue to monitor all proposed development projects for potential effects on RHNA inventory.
Program 15: Farm Worker Housing	Review and revise the Zoning Ordinance to address compliance with Health and Safety Code Sections 17021.5 and 17021.6.	Within one year of element adoption.	A draft ordinance has been prepared; CEQA analysis is under way.
Program 16: Monitor Changes in Federal and State Housing, Planning, and Zoning Laws	Monitor State and federal legislation as well as City development process and zoning regulations to identify and remove housing constraints.	Ongoing	Staff planners and attorneys continually monitor state and federal law.
Program 17: Equal Housing Opportunity Services	Continue to contract with a fair housing service provider to provide fair housing services to 500 residents of Santee over the 2013-2021 planning period. Participate in regional efforts to update the Regional Analysis of Impediments to Fair Housing Choice (AI) every five years. Maintain the link on the City website providing information about fair housing services.	Ongoing	The San Diego County AI (2010-2015) is available for public review at the Department of Development Services. Fair housing provider CSA of San Diego County assisted 61 people in 2015.

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction SANTEE
Reporting Period 01/01/2015 - 12/31/2015

General Comments:

Although only 5 building permits were finalized by the City of Santee in calendar year 2015, the City entitled 144 multiple-family residential units that year, including 16 new mobile home spaces. Thus far in 2016, the City has approved numerous grading permits for previously entitled residential projects and is actively processing a permit to rehabilitate the Woodglen Vista Apartments, a 188-unit, low-income apartment complex. The City will likely see a significant increase in the number of residential building permits finalized for occupancy for the next Housing Element reporting period (Calendar Year 2016).

City of Santee
COUNCIL AGENDA STATEMENT

3A

MEETING DATE March 9, 2016

AGENDA ITEM NO.

ITEM TITLE **INTRODUCTION AND FIRST READING OF AN ORDINANCE AMENDING CHAPTER 10.36 OF THE SANTEE MUNICIPAL CODE RELATING TO SPEED LIMITS**

DIRECTOR/DEPARTMENT Melanie Kush, Development Services 

SUMMARY

California Vehicle Code Sections 22357 and 22358 state that local authorities may by ordinance determine and declare a prima facie speed limit of 25, 30, 35, 40, 45, 50, 55, or 60 miles per hour or a maximum speed limit of 65 miles per hour upon any portion of any street other than a state highway, whichever is found most appropriate to facilitate the orderly movement of traffic and is reasonable and safe based on an engineering and traffic survey.

Per requirements of the California Vehicle Code Section 40802, speed limits on City streets need to be re-certified every seven (7) years or when roadway conditions change in order to be radar-enforceable. Other events such as significant changes in traffic patterns or construction of new facilities may also trigger a re-certification. While updating surveys that were expiring, staff determined that several roadway segments have new traffic patterns and also some sections of City roadways were not included in the current ordinance. This update modifies the roadway segment limits, adds missing segments, and then certifies the speed limit on those sections.

The current City ordinance relating to speed limits must be amended in order for the proposed speed limit and roadway segment changes to take effect. This item requests City Council introduce and conduct the first reading of an Ordinance to amend Chapter 10.36 of the Santee Municipal Code relating to speed limit. The attached staff report reviews the modifications.

FINANCIAL STATEMENT 

The cost of replacing existing speed limit signs for the proposed changes is estimated at \$3,600. Funding is included in the adopted FY 2015-16 Gas Tax Fund budget for sign replacement and maintenance.

ENVIRONMENTAL REVIEW

This item is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15061(b)(3), 15301, 15302 and 15303 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3.

CITY ATTORNEY REVIEW

N/A Completed

RECOMMENDATION 

1. Find that the Ordinance is Categorically Exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Sections 15061(b)(3), 15301, 15302, and 15303; and
2. Introduce the Ordinance for first reading and schedule the Ordinance for second reading at the March 23, 2016 City Council meeting.

ATTACHMENTS

Staff report Ordinance Speed Limit Map

Staff Report
ORDINANCE AMENDING CHAPTER 10.36 OF
THE SANTEE MUNICIPAL CODE RELATING TO SPEED LIMITS
MARCH 9, 2016

1. BACKGROUND:

The California Vehicle Code (CVC) is the basis and governing law for the establishment of speed limits in the State of California. The code is supplemented by the 2012 California Manual on Uniform Traffic Control Devices (CA MUTCD). CVC Sections 22357 and 22358 grant local authorities the right to establish prima facie speed limits on streets within their jurisdiction upon the basis of an Engineering and Traffic Survey that finds the speed limit that is most appropriate to facilitate the orderly movement of traffic and is reasonable and safe.

CVC Section 40802 requires an Engineering and Traffic Survey be conducted every seven (7) years to enable the continued use of radar for speed enforcement. Additionally, if no significant changes to the roadway or traffic conditions have occurred at the end of the seven year period, and a registered engineer has reviewed the roadway section, the duration for a valid survey may be extended to ten (10) years. After the seven or ten year period expires, a new Engineering and Traffic Survey must be conducted in order to keep the speed limit radar-enforceable. If there are significant changes to roadway or traffic conditions, a new survey is required even if the survey has not expired.

While reviewing and recertifying the current speed limits, staff noticed that several roadway segments in the City ordinance have had new traffic patterns and that five segments are not included in the current ordinance. As a result, new Engineering and Traffic Surveys were conducted for the segments that were modified or added. This report summarizes the findings of the Engineering and Traffic Survey and staff's recommendations for the new speed limits.

2. BASIS FOR SPEED LIMIT CHANGES

When speed limit is established for a new street segment or changed on an existing segment, a new Engineering and Traffic Survey must be performed. The Engineering and Traffic Survey is the basis for the establishment and enforcement of speed limits. The purpose of the Engineering and Traffic Survey is to determine the prevailing traffic conditions and whether the existing (posted) speed limit is radar-enforceable by California vehicle laws.

In accordance with CVC Section 627, the Engineering and Traffic Survey shall include measurements of prevailing speeds, analysis of accident records, traffic and roadside characteristics, and conditions that are not readily apparent to motorists, such as accident history.

Measurement of prevailing speeds is conducted by collecting speed samples of a minimum of 100 vehicles for the subject segment of roadway in free-flowing traffic.

Establishment of Speed Limits

Current CA MUTCD standards for the establishment of speed limits state that the posted speed limit shall be established at the nearest 5 mile per hour (mph) increment of the 85th-percentile speed of free-flowing traffic. The "85th-percentile speed" is defined as that speed at or below which 85 percent of traffic is moving. The CA MUTCD allows a further reduction of 5 mph of the posted speed in two options.

Option 1: The posted speed may be reduced by 5 mph from the nearest 5 mph increment of the 85th-percentile speed, in compliance with CVC Sections 627 and 22358.5. Per the CA MUTCD, factors that may be considered when establishing speed limits include:

- A. Road characteristics, shoulder condition, grade, alignment, and sight distance
- B. Roadside development and environment
- C. Parking practices and pedestrian/bicyclist activity
- D. Reported crash experience
- E. Residential density

Option 2: For cases in which the nearest 5 mph increment of the 85th-percentile speed would require rounding up, then the speed limit may be rounded down to the nearest 5 mph increment below the 85th-percentile speed, if no further reduction is used, in compliance with CVC Section 21400 (b).

Analysis: Accident History and Traffic Volumes

Accident history is an important factor in the establishment of speed limits. Research of traffic and engineering records included relevant information of accident data and average daily traffic volumes along these roadways. The mid-block accident history from June 2010 to May 2015 was researched and the results are included in Attachment 1. The collision rates are calculated in number of collisions per one million vehicle miles traveled.

3. PROPOSED CHANGES

Modification to Roadway Segments only

Due to changes in traffic patterns from new developments and the completion of SR 52 to SR 67 many of the roadway segment limits in the current speed limit ordinance no longer reflect current traffic patterns. Roadway segments of similar characteristics, such as volume, number of lanes, and land use should be grouped together. Staff reviewed the current ordinance and proposes to modify the following segments to better reflect current traffic patterns. New speed surveys have been conducted for these roadway segments. Since no significant changes in prevailing speeds were observed no change in speed limits is recommended on these roadways.

Carlton Oaks Drive

Existing Limits

- West Hills Parkway to Kaschube Way
- Kaschube Way to Wethersfield Road
- Wethersfield Road to Pebble Beach Drive
- Pebble Beach Drive to Fanita Parkway

Proposed Limits

- West Hills Parkway to Wethersfield Road
- Wethersfield Road to Fanita Parkway

Cottonwood Avenue

Existing Limits

- Mission Gorge Road to Buena Vista Avenue
- Buena Vista Avenue to Prospect Avenue

Proposed Limits

- Mission Gorge Road to Prospect Avenue

Mission Gorge Road

Existing Limits

- West city limit to West Hills Parkway
- SR-52 Ramps to Fanita Drive
- Carlton Hills Boulevard to Town Center Parkway.
- Town Center Parkway. to Cuyamaca Street
- Cuyamaca Street to Cottonwood Avenue
- Cottonwood Avenue to Magnolia Avenue

Proposed Limits

- Western city limit to Father Junipero Serra Trail
- Father Junipero Serra Trail to West Hills Parkay (see section below)
- West Hills Parkway to SR-52 eastbound off-ramp (see section below)
- SR-52 eastbound off-ramp to Fanita Drive
- Carlton Hills Boulevard to Cuyamaca Street
- Cuyamaca Street to Riverview Parkway
- Riverview Parkway to Magnolia Avenue

Town Center Parkway

Existing Limits

- Cuyamaca Street to Costco Driveway
- Costco Driveway to Mission Gorge Road

Proposed Limits

- Cuyamaca Street to Mission Gorge Road

Magnolia Avenue (deletion due to duplication)

- Mission Gorge Road to Prospect Avenue
- Prospect Avenue to south city limit

Speed Limit Changes

The speed limit for two modified roadway segments will be changed and are summarized in Attachment 2. Based on the 85th-percentile speed, the speed limit will change as follows:

- Mission Gorge Road from Father Junipero Sera Trail to West Hills Parkway: decrease from 55 MPH to 50 MPH
- Mission Gorge Road from West Hills Parkway to the SR 52 eastbound off-ramp: decrease from 50 MPH to 45 MPH

New Roadways to be Certified

New speed limits are recommended for five segments that were not previously certified. The recommended speed limits are as follows:

- Cuyamaca Street from Beck Drive to Chaparral Drive: 35 MPH.
- Fanita Parkway from Carlton Oaks Drive to Mast Boulevard: 35 MPH.
- Park Center Drive from Mast Boulevard to Riverwalk Drive: 30 MPH
- Riverview Parkway from Mission Gorge Road to Town Center Parkway: 35 MPH
- Town Center Parkway from Riverview Parkway to Cuyamaca Street: 25 MPH

The new speed limits will help make these sections of roadway enforceable by the Sheriff using radar who has had difficulty issuing citations in these areas due to the citations being challenged in court.

4. Staff Recommendations

Attachment 3 provides a summary of all the modifications to Chapter 10.36 of Santee Municipal Code and staff recommended speed limit along with minor corrections regarding street segment descriptions.

Staff recommends that the City Council:

1. Conduct and close the public hearing.
2. Find that the Ordinance is Categorically Exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Sections 15061(b)(3), 15301, 15302, and 15303.
3. Introduce the Ordinance for first reading and schedule the Ordinance for second reading at the March 23, 2016 City Council meeting.

Attachments:

1. Average Daily Traffic and Collision Analysis
2. Speed Limit Analysis (in support of revisions)
3. Summary of Speed Limit Revisions

Attachments 1 - Average Daily Traffic and Collision Analysis

Roadway	Limits	Length (ft.)	Average Daily Traffic Volume	Number of Collisions 2010-2015	Speed Related Collisions	Collision Rate	Caltrans District 11 Collision Rate (2010-2012)
Carlton Oaks Drive	West Hills Parkway to Wethersfield Road	3,100	8,700	0	0	0.00	1.18
Carlton Oaks Drive	Wethersfield Road to Fanita Parkway	3,350	8,700	5	0	0.50	1.18
Cottonwood Avenue	Mission Gorge Road to Prospect Avenue	2,600	3,300	3	0	1.01	1.18
Cuyamaca Street	Beck Drive to Chaparral Drive	3,700	4,700	1	0	0.17	1.18
Fanita Parkway	Carlton Oaks Drive to Mast Boulevard	2,050	2,700	0	0	0.00	1.18
Mission Gorge Road	Western city limit to Father Junipero Serra Trail	3,100	15,800	1	1	0.06	1.12
Mission Gorge Road	Father Junipero Serra Trail to West Hills Parkway	1,300	15,800	0	0	0.00	1.12
Mission Gorge Road	West Hills Parkway to SR-52 eastbound off-ramp	6,150	13,800	3	1	0.10	1.12
Mission Gorge Road	SR-52 eastbound off-ramp to Fanita Drive	2,300	42,300	15	3	0.45	1.12
Mission Gorge Road	Carlton Hills Boulevard to Cuyamaca Street	3,600	35,600	52	22	1.17	1.12
Mission Gorge Road	Cuyamaca Street to Riverview Parkway	1,350	26,400	6	2	0.49	1.12
Mission Gorge Road	Riverview Parkway to Magnolia Avenue	3,600	25,000	27	5	0.87	1.46
Park Center Drive	Mast Boulevard to Riverwalk Drive	1,200	2,100	0	0	0.00	1.18
Riverview Parkway	Mission Gorge Road to Town Center Parkway	1,200	3,000	2	0	1.61	1.46
Town Center Parkway	Riverview Parkway to Cuyamaca Street	1,900	4,800	0	0	0.00	1.18
Town Center Parkway	Cuyamaca Street to Mission Gorge Road	2,700	11,500	15	3	1.40	1.12

Attachment 2 - Recommended Speed Limit Analysis

Roadway	Limits	Average Speed (MPH)	85 th Percentile Speed (MPH)	Speed Limit based on the 85 th Percentile Speed	Current Posted Speed Limit (MPH)	Recommended Speed Limit	Speed Limit Change
Carlton Oaks Drive	West Hills Parkway to Wethersfield Rd	37	39	40	35	35	No
Carlton Oaks Drive	Wethersfield Road to Fanita Parkway	39	41	40	35	35	No
Cottonwood Avenue	Mission Gorge Road to Prospect Avenue	29	32	30	30	30	No
Cuyamaca Street	Beck Drive to Chaparral Drive	39	42	40	New	35	-
Fanita Parkway	Carlton Oaks Drive to Mast Boulevard	38	42	40	New	35	-
Mission Gorge Road	Western city limit to Father Junipero Serra Trail	56	59	60	55	55	No
Mission Gorge Road	Father Junipero Serra Trail to West Hills Parkway	45	51	50	55	50	Decrease
Mission Gorge Road	West Hills Parkway to SR-52 eastbound off-ramp	42	46	45	50	45	Decrease
Mission Gorge Road	SR-52 eastbound off-ramp to Fanita Drive	38	43	45	40	40	No
Mission Gorge Road	Carlton Hills Boulevard to Cuyamaca Street	33	37	35	35	35	No
Mission Gorge Road	Cuyamaca Street to Riverview Parkway	41	45	45	40	40	No
Mission Gorge Road	Riverview Parkway to Magnolia Avenue	41	44	45	40	40	No
Park Center Drive	Mast Boulevard to Riverwalk Drive	30	32	30	New	30	-
Riverview Parkway	Mission Gorge Road to Town Center Parkway	31	34	35	New	35	-
Town Center Parkway	Riverview Parkway to Cuyamaca Street	24	26	25	New	25	-
Town Center Parkway	Cuyamaca Street to Mission Gorge Road	34	37	35	35	35	No

Attachment 3 - Summary of Speed Limit Revisions

Roadway Segment	Limits	Recommended Speed Limit
Carlton Hills Boulevard	Lake Canyon Road to Mast Boulevard	35
Carlton Hills Boulevard	Mast Boulevard to Carlton Oaks Drive	35
Carlton Hills Boulevard	Carlton Oaks Drive to Mission Gorge Road	35
Carlton Oaks Drive	West Hills Parkway. to Wethersfield Road Kaschube Way	35
Carlton Oaks Drive	Kaschube Wy. to Wethersfield Road	35
Carlton Oaks Drive	Wethersfield Road to Fanita Parkway. Pebble Beach Drive	35
Carlton Oaks Drive	Pebble Beach Drive to Fanita Parkway.	35
Carlton Oaks Drive	Fanita Parkway. to Carlton Hills Boulevard	35
Carlton Oaks Drive	Carlton Hills Boulevard to Stoyer Drive	30
Cottonwood Avenue	Mission Gorge Road to Prospect Avenue Buena Vista Avenue	30
Cottonwood Avenue	Buena Vista Avenue to Prospect Avenue	30
Cuyamaca Street	Chaparral Drive to Beck Drive	35
Cuyamaca Street	Beck Drive to Mast Boulevard	35
Cuyamaca Street	Mast Boulevard to Town Center Parkway.	35
Cuyamaca Street	Town Center Parkway. to Mission Gorge Road	35
Cuyamaca Street	Mission Gorge Road to Buena Vista Avenue	35
Cuyamaca Street	Buena Vista Avenue to southern city limits	35
El Nopal	Magnolia Avenue to eastern city limit	35
Fanita Drive	Mission Gorge Road to Prospect Avenue	40
Fanita Drive	Prospect Avenue to southern city limit	40
Fanita Parkway.	Mast Boulevard to Ganley Road	40
Fanita Parkway.	Carlton Oaks Drive to Mast Boulevard	35
Graves Avenue	Prospect Avenue to Pepper Drive	35
Halberns Boulevard	Mast Boulevard to Stoyer Drive	35
Magnolia Avenue	Princess Joann Road to Woodglen Vista Drive	40
Magnolia Avenue	Woodglen Vista Drive to El Nopal	40
Magnolia Avenue	El Nopal to Mast Boulevard	40
Magnolia Avenue	Mast Boulevard to San Diego River	45
Magnolia Avenue	San Diego River to Mission Gorge Road	45
Magnolia Avenue	Mission Gorge Road to Prospect Avenue	45
Magnolia Avenue	Prospect Avenue to south city limit	45
Magnolia Avenue	Mission Gorge Road, to southern cCity lLimit	40
Mast Boulevard	Western city limit to Fanita Parkway.	40

Attachment 3 - Summary of Ordinance Modifications (Continued)

Roadway Segment	Limits	Recommended Speed Limit
Mast Boulevard	Fanita Parkway. to Carlton Hills Boulevard	40
Mast Boulevard	Carlton Hills Boulevard to Halberns Boulevard	40
Mast Boulevard	Halberns Boulevard to Cuyamaca Street	40
Mast Boulevard	Cuyamaca Street to Magnolia Avenue	40
Mast Boulevard	Magnolia Avenue to Los Ranchitos Road	35
Mesa Road	Mission Gorge Road to Prospect Avenue	35
Mission Gorge Road	Western city limit to West Hills Parkway. Father Junipero Serra Trail	55
Mission Gorge Road	Father Junipero Serra Trail to West Hills Parkway. to Big Rock Road	50
Mission Gorge Road	Big Rock Road to Mesa Road	50
Mission Gorge Road	West Hills Parkway Mesa Road to SR-52 eastbound off-ramp Ramps	45
Mission Gorge Road	SR-52 eastbound off-ramp Ramps to Fanita Drive	40
Mission Gorge Road	Fanita Drive to Carlton Hills Boulevard	35
Mission Gorge Road	Carlton Hills Boulevard to Cuyamaca Street Town Center Parkway.	35
Mission Gorge Road	Town Center Parkway. to Cuyamaca Street	35
Mission Gorge Road	Cuyamaca Street to Riverview Parkway. Gettenwood Avenue	40
Mission Gorge Road	Riverview Parkway. Gettenwood Avenue to Magnolia Avenue	40
Olive Lane	Mission Gorge Road to Prospect Avenue	30
Park Center Drive	Mast Boulevard to Riverwalk Drive	30
Prospect Avenue	Mesa Road to Fanita Drive	35
Prospect Avenue	Fanita Drive to Olive Ln.	35
Prospect Avenue	Olive Ln. to Cuyamaca Street	40
Prospect Avenue	Cuyamaca Street to Cottonwood Avenue	35
Prospect Avenue	Cottonwood Avenue to Magnolia Avenue	35
Riverview Parkway	Mission Gorge Road to Town Center Parkway.	30
Town Center Parkway.	Cuyamaca Street to Riverview Parkway. Costeo Dwy.	35
Town Center Parkway.	Costeo Dwy. to Mission Gorge Road to Cuyamaca Street	35
Woodside Avenue	Magnolia Avenue to SR-67 Off Ramp southbound off-ramp	45
Woodside Avenue North	SR 67 off-ramp southbound off-ramp to eastern cCity limit	40
Woodside Avenue	SR 67 southbound off-ramp Shadow Hill Road to eastern city limits	45

Strikethrough: Deleted text
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ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTEE,
CALIFORNIA AMENDING CHAPTER 10.36 OF THE SANTEE
MUNICIPAL CODE RELATING TO SPEED LIMITS**

WHEREAS, the California Vehicle Code ("Vehicle Code") sets rules by which speed limits are established on streets and highways in the State of California; and

WHEREAS, in accordance with Vehicle Code Sections 22357 and 22358, local municipalities have the power to increase or decrease speed limits for local streets; and

WHEREAS, in accordance with Vehicle Code Section 40802, traffic surveys must be performed every seven (7) years when radar or other electronic devices are utilized; and

WHEREAS, speed limits on City streets must be adjusted in order to keep speed limits radar enforceable as land use and traffic conditions change; and

WHEREAS, properly established speed limits facilitate the orderly movement of vehicular traffic and improve traffic safety; and

WHEREAS, the Department of Development Services recently conducted Engineering and Traffic Surveys for the roadways described in the table below; and

WHEREAS, the City of Santee has concluded that the proposed speed limit revisions summarizing the Engineering and Traffic Surveys are most appropriate to facilitate the orderly and safe movement of traffic.

NOW, THEREFORE, the City Council of the City of Santee, California, does ordain as follows.

Section 1. Santee Municipal Code Chapter 10.36 is amended per the following table:

ORDINANCE NO. _____

Roadway Segment	Limits	Speed Limit
Carlton Hills Blvd.	Lake Canyon Rd. to Mast Blvd.	35
Carlton Hills Blvd.	Mast Blvd. to Carlton Oaks Dr.	35
Carlton Hills Blvd.	Carlton Oaks Dr. to Mission Gorge Rd.	35
Carlton Oaks Dr.	West Hills Pkwy. to Wethersfield Rd.	35
Carlton Oaks Dr.	Wethersfield Rd. to Fanita Pkwy.	35
Carlton Oaks Dr.	Fanita Pkwy. to Carlton Hills Blvd.	35
Carlton Oaks Dr.	Carlton Hills Blvd. to Stoyer Dr.	30
Cottonwood Ave.	Mission Gorge Rd. to Prospect Ave.	30
Cuyamaca St.	Chaparral Dr. to Beck Dr.	35
Cuyamaca St.	Beck Dr. to Mast Blvd.	35
Cuyamaca St.	Mast Blvd. to Town Center Pkwy.	35
Cuyamaca St.	Town Center Pkwy. to Mission Gorge Rd.	35
Cuyamaca St.	Mission Gorge Rd. to Buena Vista Ave.	35
El Nopal	Magnolia Ave. to eastern city limit	35
Fanita Dr.	Mission Gorge Rd. to Prospect Ave.	40
Fanita Dr.	Prospect Ave. to southern city limit	40
Fanita Pkwy.	Mast Blvd. to Ganley Rd.	40
Fanita Pkwy.	Carlton Oaks Dr. to Mast Blvd.	35
Graves Ave.	Prospect Ave. to Pepper Dr.	35
Halberns Blvd.	Mast Blvd. to Stoyer Dr.	35
Magnolia Ave.	Princess Joann Rd. to Woodglen Vista Dr.	40
Magnolia Ave.	Woodglen Vista Dr. to El Nopal	40
Magnolia Ave.	El Nopal to Mast Blvd.	40
Magnolia Ave.	Mast Blvd. to San Diego River	45
Magnolia Ave.	San Diego River to Mission Gorge Rd.	45
Magnolia Ave.	Mission Gorge Rd. to southern city limit	40
Mast Blvd.	Western city limit to Fanita Pkwy.	40
Mast Blvd.	Fanita Pkwy. to Carlton Hills Blvd.	40
Mast Blvd.	Carlton Hills Blvd. to Halberns Blvd.	40
Mast Blvd.	Halberns Blvd. to Cuyamaca St.	40
Mast Blvd.	Cuyamaca St. to Magnolia Ave.	40
Mast Blvd.	Magnolia Ave. to Los Ranchitos Rd.	35
Mesa Rd.	Mission Gorge Rd. to Prospect Ave.	35
Mission Gorge Rd.	Western city limit to Father Junipero Serra Trail	55
Mission Gorge Rd.	Father Junipero Serra Trail to West Hills Pkwy.	50
Mission Gorge Rd.	West Hills Pkwy to SR-52 eastbound off-ramp	45
Mission Gorge Rd.	SR-52 eastbound off-ramp to Fanita Dr.	40
Mission Gorge Rd.	Fanita Dr. to Carlton Hills Blvd.	35
Mission Gorge Rd.	Carlton Hills Blvd. to Cuyamaca St.	35
Mission Gorge Rd.	Cuyamaca St. to Riverview Pkwy.	40
Mission Gorge Rd.	Riverview Pkwy. to Magnolia Ave.	40

ORDINANCE NO. _____

Olive Lane	Mission Gorge Rd. to Prospect Ave.	30
Park Center Dr.	Mast Blvd. to Riverwalk Dr.	30
Prospect Ave.	Mesa Rd. to Fanita Dr.	35
Prospect Ave.	Fanita Dr. to Olive Ln.	35
Prospect Ave.	Olive Ln. to Cuyamaca St.	40
Prospect Ave.	Cuyamaca St. to Cottonwood Ave.	35
Prospect Ave.	Cottonwood Ave. to Magnolia Ave.	35
Riverview Pkwy	Mission Gorge Rd. to Town Center Pkwy.	30
Town Center Pkwy.	Cuyamaca St. to Riverview Pkwy.	35
Town Center Pkwy.	Mission Gorge Rd. to Cuyamaca St.	35
Woodside Ave.	Magnolia Ave. to SR-67 southbound off-ramp	45
Woodside Ave. North	SR 67 southbound off-ramp to eastern city limit	40
Woodside Ave.	SR 67 southbound off-ramp to eastern city limit	45

Section 2. The City Council finds that this Ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15061(b)(3), 15301, 15302 and 15303 of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3.

Section 3. This Ordinance shall take effect 30 days after its adoption. The City Clerk shall certify to the adoption of this Ordinance and cause it to be posted and published in the manner required by law.

INTRODUCED AND FIRST READ at a Regular Meeting of the City Council of the City of Santee, California, on the 9th day of March, 2016, and thereafter **ADOPTED** at a Regular Meeting of said City Council held on the 23th day of March, 2016, by the following vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL, CMC, CITY CLERK

City of Santee
COUNCIL AGENDA STATEMENT

6A

MEETING DATE March 9, 2016

AGENDA ITEM NO.

ITEM TITLE CSA 115 REVISED AGREEMENT FOR FIRE PROTECTION AND EMERGENCY SERVICES

DIRECTOR/DEPARTMENT Richard Smith, Acting Fire Chief 

SUMMARY

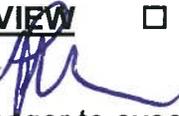
County Service Area (CSA) 115 was formed as a component of the 1985 reorganization which merged the Santee Fire Protection District (established in 1956) with the City of Santee. CSA 115 includes 0.69 square miles and has a population of approximately 4,200. Existing land uses include more than 800 single family dwellings, over 600 apartments or condos, mobile homes, commercial properties and some institutional uses. CSA 115 provides governance structure that contracts with the City of Santee for fire protection and EMS services for those areas which were part of the Santee Fire Protection District but were not included in the City of Santee corporate boundaries. The initial joint fire protection agreement between the City of Santee and the County of San Diego ("County") representing CSA 115 was entered into, by ordinance 172-85, on August 28, 1985. For nearly 31 years, the Santee Fire Department has provided contracted fire, medical, and loss prevention services to CSA 115.

Four agencies (City of Santee, City of El Cajon, San Miguel Consolidated Fire Protection District and Lakeside Fire Protection District) currently respond to calls for service in CSA 115. Our current contract to provide services to CSA 115 has been terminated by the County effective April 1, 2016. With the examination of the contracted services, the San Diego County Fire Authority and some of the agencies listed above became increasingly concerned that the contract did not accurately reflect financial needs and service capabilities of first responders other than the City of Santee. Through negotiations and a vetting process with all stakeholders, a revised contract has been finalized. This revision puts forward an agreement which distributes funds more equitably, amongst all responding agencies, based more on a fee for service methodology and begins April 1, 2016. Due to our continued response into the CSA 115 area, the City of Santee stands to recoup some costs by entering into this renewed contract.

FINANCIAL STATEMENT 

The revised agreement will result in an estimated \$245,000 annual reduction in revenue for providing services to CSA 115. This reduction was anticipated in the FY 2015-16 and FY 2016-17 operating budget, but was based on an effective date of July 1, 2016 versus the actual effective date of April 1, 2016, resulting in an estimated \$61,000 unanticipated revenue loss in FY 2015-16.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION 

Authorize the City Manager to execute the revised agreement.

ATTACHMENTS (Listed Below)

Agreement

COUNTY CONTRACT NUMBER 552999
AGREEMENT WITH THE CITY OF SANTEE FOR FIRE PROTECTION AND EMERGENCY SERVICES
FOR COUNTY SERVICE AREA 115

This Agreement ("Agreement") is made and entered into on the date shown on the signature page ("Effective Date") by and between the County of San Diego, a political subdivision of the State of California ("County") and the City of Santee ("Agency"), with reference to the following facts:

RECITALS

- A. WHEREAS, the County, by action of the Board of Supervisors on June 18, 2013, Minute Order No. 4, authorized the Director of Purchasing and Contracting to negotiate new contracts with fire agencies, and upon successful negotiation and determination of a fair and reasonable price, award contracts to improve fire protection and emergency response services in the unincorporated area; and
- B. WHEREAS Agency is specially trained and possesses certain skills, experience, education and competency to perform these services; and
- C. WHEREAS Agency and County are empowered by law to provide fire protection services including fire suppression measures, fire protection measures and emergency response services; and
- D. WHEREAS the Chief Administrative Officer made a determination that Agency can perform the services more economically and efficiently than the County, pursuant to Section 703.10 of the County Charter; and
- E. WHEREAS Agency has agreed to provide the services listed in Recital C above in exchange for a portion of the property tax revenue allocated to the County Service Area (CSA) 115 for fire protection services; and
- F. WHEREAS the Agreement shall consist of this document, Exhibit A Statement of Work, Exhibit B Insurance Requirements and Exhibit C, Payment Schedule. In the event that any provision of the Agreement or its Exhibits, A, B or C, conflicts with any other term or condition, precedence shall be: First (1st) the Agreement; Second (2nd) Exhibit B; Third (3rd) Exhibit A; Fourth (4th) Exhibit C.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE 1
PERFORMANCE OF WORK

- 1.1 **Standard of Performance.** Agency shall, in good and workmanlike manner and in accordance with the highest professional standards, at its own cost and expense, furnish all of the labor, technical, administrative, professional and all other personnel, all supplies and materials, equipment, printing, transportation, facilities, and all other means whatsoever, except as herein otherwise expressly specified to be furnished by County, necessary or proper to perform and complete the work and provide the services required of Agency by this Agreement.
- 1.2 **Agency's Representative.** The person identified on the signature page ("Agency's Representative") shall ensure that Agency's duties under this Agreement shall be performed on behalf of the Agency by qualified personnel; Agency represents and warrants that (1) Agency has fulfilled all applicable requirements of the laws of the State of California to perform the services under this Agreement and (2) Agency's Representative has full authority to act for Agency hereunder.
- 1.3 **Agency as Independent Contractor.** Agency is, for all purposes of this Agreement, an independent Contractor, and neither Agency nor Agency's employees or subcontractors shall be deemed to be employees of the County. Agency shall perform its obligations under this Agreement according to the Agency's own means and methods of work which shall be in the exclusive charge and under the control of the Agency, and which shall not be subject to control or supervision by County except as to the results of the work. Neither Agency nor Agency's employees or subcontractors shall be entitled to any benefits to which County employees are entitled, including without limitation, overtime, retirement benefits, workers' compensation benefits and injury leave.
- 1.4 **Agency's Agents and Employees or Subcontractors.** Agency shall obtain, at Agency's expense, all agents, employees and subcontractors required for Agency to perform its duties under this Agreement, and all such services shall be performed by Agency's Representative, or under Agency's Representative supervision, by persons authorized by law to perform such services. Retention by Agency of any agent, employee or subcontractor shall be at Agency's sole cost and expense, and County shall have no obligation to pay Agency's agents, employees or subcontractors; to support any such person's or entity's claim against the Agency; or to defend Agency against any such claim.

Any subcontract or consultant agreement, which is in excess of fifty thousand dollars (\$50,000) or twenty five percent (25%) of the value of the contract, whichever is less, or a combination of subcontracts or consultant agreements to the same individual or firm for the Agreement period, or any subcontract or consultant agreement for professional medical or mental health services, regardless of value, must have prior concurrence of the Contracting Officer's Representative ("COR"). Agency shall provide Contracting Officer Representative with copies of all other subcontracts relating to this Agreement

COUNTY CONTRACT NUMBER 552999
AGREEMENT WITH THE CITY OF SANTEE FOR FIRE PROTECTION AND EMERGENCY SERVICES
FOR COUNTY SERVICE AREA 115

entered into by Agency within 30 days after the effective date of the subcontract. Such subcontractors of Agency shall be notified of Agency's relationship to County. "Subcontractor" means any entity, other than County, that furnishes to Agency services or supplies relevant to this Agreement other than standard commercial supplies, office space, and printing services.

- 1.4.1 Agency Responsibility. In the event any subcontractor is utilized by Agency for any portion of the project, Agency retains the prime responsibility for carrying out all the terms of this Agreement, including the responsibility for performance and insuring the availability and retention of records of subcontractors in accordance with this Agreement. No subcontract utilizing funds from this Agreement shall be entered into which has a term extending beyond the ending date of this Agreement.
- 1.4.2 Mandated Clause. All subcontracts shall include the Standard Terms and Conditions required of Agency Articles 3, 7, 8, 9, 10, 11, 12, 13, 14 and 16 herein.
- 1.4.3 County Approval. As identified above, all subcontracts under this Agreement shall have prior written approval of the Contracting Officer Representative.

ARTICLE 2
SCOPE OF WORK

- 2.1 Statement of Work. Agency shall perform the work described in the "Statement of Work" attached as Exhibit "A" to this Agreement, and by this reference incorporated herein, except for any work therein designated to be performed by County.
- 2.2 Right To Acquire Equipment and Services. Nothing in this Agreement shall prohibit the County from acquiring the same type or equivalent equipment and/or service from other sources, when deemed by the County to be in its best interest.
- 2.3 Responsibility For Equipment. For cost reimbursement Agreements, County shall not be responsible nor be held liable for any damage to persons or property consequent upon the use, misuse, or failure of any equipment used by Agency or any of Agency's employees, even though such equipment may be furnished, rented, or loaned to Agency by County. The acceptance or use of any such equipment by Agency or Agency's employees shall be construed to mean that Agency accepts full responsibility for and agrees to exonerate, indemnify and hold harmless County from and against any and all claims for any damage whatsoever resulting from the use, misuse, or failure of such equipment, whether such damage be to the employee or property of Agency, other Contractors, County, or other persons. Equipment includes, but is not limited to material, computer hardware and software, tools, or other things.
 - 2.3.1 Agency shall repair or replace, at Agency's expense all County equipment or fixed assets that are damaged or lost as a result of Agency negligence.
- 2.4 Non-Expendable Property Acquisition. County retains title to all non-expendable property provided to Agency by County, or which Agency may acquire with funds from this Agreement if payment is on a cost reimbursement basis, including property acquired by lease purchase Agreement. Agency may not expend funds under this Agreement for the acquisition of non-expendable property having a unit cost of \$5,000 or more and a normal life expectancy of more than one year without the prior written approval of Contracting Officer Representative. Agency shall maintain an inventory of non-expendable equipment, including dates of purchase and disposition. Inventory records on non-expendable equipment shall be retained, and shall be made available to the County upon request, for at least three years following date of disposition. Non-expendable property that has value at the end of a contract (e.g. has not been depreciated so that its value is zero), and which the County may retain title under this paragraph, shall be disposed of at the end of the Agreement as follows: At County's option, it may: 1) have Agency deliver to another County contractor or have another County contractor pick up the non-expendable property; 2) allow the Agency to retain the non-expendable property provided that the Agency submits to the County a written statement in the format directed by the County of how the non-expendable property will be used for the public good; or 3) direct the Agency to return to the County the non-expendable property.

ARTICLE 3
DISENTANGLEMENT

3.1 General Obligations

At County's discretion, Agency shall accomplish a complete transition of the services as set forth in Exhibit A to this Agreement (for purposes of this Article 3.1, these shall be referred to as the "Disentangled Services") being terminated from Agency and the Subcontractors to County, or to any replacement provider designated by County, without any interruption of or adverse impact on the Disentangled Services or any other services provided by third parties. This process shall be referred to as the Disentanglement. Agency shall fully cooperate with County and any new service provider and otherwise promptly take all steps, including, but not limited to providing to County or any new service provider all requested information or documentation, required to assist County in effecting a complete Disentanglement. Agency shall

COUNTY CONTRACT NUMBER 552999
AGREEMENT WITH THE CITY OF SANTEE FOR FIRE PROTECTION AND EMERGENCY SERVICES
FOR COUNTY SERVICE AREA 115

provide all information or documentation regarding the Disentangled Services or as otherwise needed for Disentanglement, including, but not limited to, data conversion, client files, interface specifications, training staff assuming responsibility, and related professional services. Agency shall provide for the prompt and orderly conclusion of all work required under the Agreement, as County may direct, including completion or partial completion of projects, documentation of work in process, and other measures to assure an orderly transition to County or the County's designee of the Disentangled Services. All Agency work done as part of the Disentanglement shall be performed by Agency and will be reimbursed by the County at no more than Agency's costs, up to the total amount of this Agreement. Agency shall not receive any additional or different compensation for the work otherwise required by the Agreement. Agency's obligation to provide the Services shall not cease until the earlier of the following: 1) The Disentanglement is satisfactory to County, including the performance by Agency of all asset-transfers and other obligations of Agency provided in this Paragraph, has been completed to the County's reasonable satisfaction or 2) twelve (12) months after the Expiration Date of the Agreement.

3.2 Disentanglement Process

The Disentanglement process shall begin on any of the following dates: (i) the date County notifies Agency that no funds or insufficient funds have been appropriated so that the Term shall be terminated pursuant to the Agreement, Article 7; (ii) the date designated by County not earlier than sixty (60) days prior to the end of any initial or extended term that County has not elected to extend pursuant to the Agreement's, Signature Page, Contract Term; or (iii) the date any Termination Notice is delivered, if County elects to terminate any or all of the Services pursuant to the Agreement, Article 7. Subject to Exhibit A Agency's obligation to perform Disentangled Services, and County's obligation to pay for Disentangled Services, shall expire: (A) when funds appropriated for payment under this Agreement are exhausted, as provided in this Agreement, Article 7; (B) at the end of the initial or extended term set forth in this Agreement's, Signature Page, Contract Term; or (C) on the Termination Date, pursuant to this Agreement, Article 7 (with the applicable date on which Agency's obligation to perform the Services expires being referred to herein as the "Expiration Date"). Agency and County shall discuss in good faith a plan for determining the nature and extent of Agency's Disentanglement obligations and for the transfer of the Disentangled Services in process provided, however, that Agency's obligation under this Agreement to provide all Disentangled Services shall not be lessened in any respect.

3.3 Specific Obligations

The Disentanglement shall include the performance of the following specific obligations:

3.3.1 No Interruption or Adverse Impact

Agency shall cooperate with County and all of the County's other service providers to ensure a smooth transition at the time of Disentanglement, with no interruption of Disentangled Services or other work required under the Agreement, no adverse impact on the provision of Disentangled Services or other work required under the Agreement or County's activities, no interruption of any services provided by third parties, and no adverse impact on the provision of services provided by third parties.

3.3.2 Third-Party Authorizations

Without limiting the obligations of Agency pursuant to any other clause in Exhibit A herein, Agency shall, subject to the terms of any third-party contracts, procure at no charge to County any third-party authorizations necessary to grant County the use and benefit of any third-party contracts between Agency and third-party contractors used to provide the Disentangled Services, pending their assignment to County. Similarly, at County's direction, Agency shall obtain all legally necessary client consents or authorizations legally necessary to transfer client data to County or any new service provider.

3.3.2.1

3.3.3 Delivery of Documentation

Agency shall deliver to County or its designee, at County's request, all documentation and data related to County, including, but not limited to, the County Data and client files, held by Agency, and Agency shall destroy all copies thereof not turned over to County, all at no charge to County. Notwithstanding the foregoing, Agency may retain one (1) copy of the documentation and data, excluding County Data, for archival purposes or warranty support.

3.4 Findings Confidential. Any reports, information, data, etc., given to or prepared or assembled by Agency under this Agreement which the County requests to be kept as confidential shall not be made available to any individual or organization by the Agency without the prior written approval of the County. Agency and County understand that the other party must disclose certain records pursuant to the California Public Records Act.

3.5 Publication, Reproduction or Use of Materials. No material produced, in whole or in part, under this Agreement shall be subject to copyright in the United States or in any other country. The County shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data or other materials prepared under this

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Agreement. All reports, data and other materials prepared under this Agreement shall be the property of the County upon completion of this Agreement.

ARTICLE 4
COMPENSATION

The Payment Schedule, and/or budget are in Exhibit C and the compensation is on the Signature page. County will pay Agency the agreed upon price(s), pursuant to Exhibit C for the work specified in Exhibit A, Statement of Work. The County is precluded from making payments prior to receipt of services (advance payments). Agency shall provide and maintain an accounting and financial support system to monitor and control costs to assure completion of the Agreement. Invoices are subject to the requirements below.

4.1 Fiscal for Cost Reimbursement (Rev. 7/15/08)

- 4.1.1 **General Principles.** Agency shall, comply with generally accepted accounting principles and good business practices, including all applicable cost principles published by the Federal Office of Management and Budget (OMB), including A-122, which can be viewed at <http://www.whitehouse.gov/omb/circulars>. For-profit organizations shall use cost principles for commercial organizations set forth in the FAR (48 CFR part 31.2) to determine allowable costs. Agency shall comply with all federal, State and other funding source requirements. Agency shall, at its own expense, furnish all cost items associated with this Agreement except as herein otherwise specified in the budget or elsewhere to be furnished by County. Agency shall submit annually to the County a cost allocation plan in accordance with OMB guidelines.
- 4.1.2 **Travel Restrictions.** Allowable travel costs as provided in the applicable cost principles may not exceed those established by the General Services Administration (GSA) available on-line at <http://www.gsa.gov/portal/category/21287>
- 4.1.3 **Agreement Budget.** In no event shall the Exhibit C Agreement budget total be increased or decreased prior to County approved Agreement amendment. In no event shall County pay Agency in excess of the amount identified on the Signature Page.
- 4.1.4 **Administrative Adjustment.** The COR may make administrative Agreement adjustments to change or modify the budget as long as the total Agreement amount or Agreement term is not modified.
- 4.1.5 **Agreement Amendment.** An Agreement amendment signed by the Contracting Officer is required to modify the total Agreement amount or Agreement term.

4.2 Invoices and Payment

- 4.2.1 **Invoices For Reimbursement.** Agency shall submit properly executed annual invoices to the Contracting Officer's Representative ("COR") for reimbursement of allowable costs associated with the work performed in the prior fiscal year. Payments will be paid as described in paragraph 4.2.2 below. Agency's annual invoices shall be completed and submitted in accordance with written COR instructions and shall include a statement certifying whether it is in compliance with the debarment and suspension paragraph within Article 8.
- 4.2.2 **Payments.** County agrees to reimburse Agency after receipt of properly completed invoice. County will reimburse pursuant to the terms of Exhibit B. Agency shall maintain supporting documentation of expenses as specified in Articles 11 and 13. Payments will be made in arrears after receipt of properly completed invoice approved by the COR. Payment shall be NET 30 days from receipt and approval of invoice unless otherwise stated.
- 4.2.3 **Full Compensation.** Pending any adjustments by the COR, each invoice approved and paid shall constitute full and complete compensation to Agency for the invoice. This Agreement constitutes the entire Agreement between Agency and County. Agency shall be entitled only to reimbursement for allowable, allocable and reasonable costs associated with services pursuant to Exhibit A.
- 4.2.4 **Final Fiscal Year End Settlements.** Agency shall submit the final invoice for reimbursement for services performed during the County fiscal year by the final fiscal year settlement date, which will be established by each department. This settlement date shall be no more than 60 calendar days from the end of the County fiscal year. County may, in its sole discretion, choose to not process invoices for reimbursement for services performed during that fiscal year after this date. The County fiscal year shall be defined as July 1, through June 30, unless otherwise defined in this Agreement.]]
- 4.2.5 **Final Agreement Settlement Date.** Agency shall submit the final invoice for reimbursement for services performed during the final fiscal year of the contract by the final contract settlement date, which shall be no more than 60 calendar days from the final date of the contract services. County may, in its sole discretion, choose to not process invoices for reimbursement for services performed during the final fiscal year of the contract after the final Agreement settlement date.

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- 4.2.6 Availability of Funding. The County's obligation for payment of any Agreement beyond the current fiscal year is contingent upon the availability of funding from which payment can be made. No legal liability on the part of the County shall arise for payment beyond June 30 of the calendar year unless funds are designated by the County and are made available for such performance.
- 4.2.7 Conditions Prerequisite To Payments. County may elect not to make a particular payment if any of the following exists:
- 4.2.7.1 Misrepresentation. Agency, with or without knowledge, made any misrepresentation of substantial and material nature with respect to any information furnished to County.
- 4.2.7.2 Unauthorized Actions by Contractor. Agency took any action pertaining to this Agreement which required County approval, without having first received said County approval.
- 4.2.7.3 Default. Agency was in default under any terms and conditions of this Agreement.
- 4.2.7.4 Fees for Service. Agency implemented a schedule of fees to be charged to clients or third party client representatives without prior County approval.
- 4.2.8 Withholding Of Payment. County may withhold reimbursement until reports, data, audits, or other information required for Agreement administration or to meet County, State, Federal or other funding source reporting or auditing requirements are received and approved by COR or designee. County may also withhold payment if, in County's opinion, Contractor is in noncompliance with this Agreement.
- 4.2.9 Interpretation of Claim Provisions. As used in this Section, the term "claim" refers to a claim filed pursuant to San Diego County Code of Administrative Ordinances Article V-A., "Processing and Certification of Routine Claims." The term "claim" as used in this Article 4 does not refer to a claim filed pursuant to San Diego County Code of Administrative Ordinances, Article X, "Claims Against the County."
- 4.2.10 Severability Limits. Severability pertains only to those Agreements that originate in one fiscal year and end in another fiscal year. This Agreement is severable for and limited to the amounts in the attached budget. In no event shall Agency exceed the Severability Limits.
- 4.2.11 Partial Payment. If Agency fails to perform specified services, provide specified products or perform services or provide products timely and in accordance with specified requirements, Agency shall be paid only the reasonable cost for the services performed or products provided for the payment period as determined by the COR.
- 4.2.12 Rate of Expense. Agency shall control its rate of expense in relation to units of service and anticipated revenues.
- 4.2.13 Agency shall inform the COR when it is anticipated that the need for services will exceed the approved service units and budget; however, Agency's claim/invoice shall not exceed the approved budget.

Any records of revenues, expenditures and/or clinical records under this Agreement shall be subject to compliance with Federal, State or local laws or regulations and may be audited and/or reviewed by the County and/or the appropriate Federal, State or County agency. In the event of an audit disallowance of any claimed cost which is subject to compliance with Federal, State or local law or regulations, Agency shall be liable for any costs or lost revenue resulting there from.

ARTICLE 5
AGREEMENT ADMINISTRATION

- 5.1 County's Agreement Administrator. The Director of Purchasing and Contracting is designated as the Contracting officer ("Contracting Officer") and is the only County official authorized to make any Changes to this Agreement. The County has designated the individual identified on the signature page as the Contracting Officer's Representative ("COR")
- 5.1.1 County's COR will chair Agency progress meetings and will coordinate County's Agreement administrative functions. The COR is designated to receive and approve Agency invoices for payment, audit and inspect records, inspect Agency services, and provide other technical guidance as required. The COR is not authorized to change any terms and conditions of this Agreement. Only the Contracting Officer, by issuing a properly executed amendment to this Agreement, may make changes to the scope of work or total price.
- 5.1.2 Notwithstanding any provision of this Agreement to the contrary, County's COR may make Administrative Adjustments ("AA") to the Agreement, such as line item budget changes or adjustments to the service requirements, which do not change the purpose or intent of the Statement of Work, the Terms and Conditions, the Agreement period or the total Agreement price. Each AA shall be in writing and signed by COR and Agency. All inquiries about such AA will be referred directly to the COR.

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- 5.2 Agreement Progress Meeting. The COR and other County personnel, as appropriate, will meet periodically with the Agency to review the Agreement performance. At these meetings the COR will apprise the Agency of how the County views the Agency's performance and the Agency will apprise the County of problems, if any, being experienced. The Agency shall also notify the Contracting Officer (in writing) of any work being performed, if any, that the Agency consider being over and above the requirements of the Agreement. Appropriate action shall be taken to resolve outstanding issues. The minutes of these meetings will be reduced to writing and signed by the COR and the Agency. Should the Agency not concur with the minutes, the Agency shall set out in writing any area of disagreement. Appropriate action will be taken to resolve any areas of disagreement.

ARTICLE 6
CHANGES

- 6.1 Contracting Officer. The Contracting Officer may at any time, by a written order, make changes ("Changes"), within the general scope of this Agreement, in the definition of services to be performed, and the time (i.e.) hours of the day, days of the week, etc. and place of performance thereof. If any such Change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this Agreement, whether changed or not changed by such an order, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified in writing accordingly. Such changes may require Board of Supervisors approval.
- 6.2 Claims. Agency must assert any claim for adjustment under this clause within thirty (30) days from the date of receipt by the Agency of the notification of Change; provided, however, that the Contracting Officer, if he decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this Agreement. Where the cost of property made obsolete or excess as a result of a change is included in the Agency's claim for adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of such property. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this Agreement entitled "Disputes" (Article 15). However, nothing in this clause shall excuse the Agency from proceeding with this Agreement as changed.

ARTICLE 7
SUSPENSION, DELAY AND TERMINATION

- 7.1 Termination For Default. Upon Agency's breach of this Agreement, County shall have the right to terminate this Agreement, in whole or part. Prior to termination for default, County will send Agency written notice specifying the cause. The notice will give Agency ten (10) days from the date the notice is issued to cure the default or make progress satisfactory to County in curing the default, unless a different time is given in the notice. If County determines that the default contributes to the curtailment of an essential service or poses an immediate threat to life, health or property, County may terminate this Agreement immediately upon issuing oral or written notice to the Agency without any prior notice or opportunity to cure. .

If, after notice of termination of this Agreement under the provisions of this clause, it is determined for any reason that the Agency was not in default under the provisions of this clause, the rights and obligations of the parties shall, if this Agreement contains a clause providing for termination for convenience of the County, be the same as if the notice of termination had been issued pursuant to such clause.

Upon County's breach of this Agreement, Agency shall have the right to terminate this Agreement, in whole or part. Prior to termination for default, Agency will send County written notice specifying the cause. The notice will give County ten (10) days from the date the notice is issued to cure the default or make progress satisfactory to Agency in curing the default, unless a different time is given in the notice. If Agency determines that the default contributes to the curtailment of an essential service or poses an immediate threat to life, health or property, Agency may terminate this Agreement immediately upon issuing oral or written notice to the County without any prior notice or opportunity to cure.

If, after notice of termination of this Agreement under the provisions of this clause, it is determined for any reason that the County was not in default under the provisions of this clause, the rights and obligations of the parties shall, if this Agreement contains a clause providing for termination for convenience of the Agency, be the same as if the notice of termination had been issued pursuant to such clause.

- 7.2 County Exemption From Liability. In the event there is a reduction of funds made available by County to Agency under this or subsequent Agreements, the County of San Diego and its Departments, officers and employees shall incur no liability to Agency and shall be held harmless from any and all claims, demands, losses, damages, injuries, or liabilities arising directly or from such action.
- 7.3 Termination For Convenience. Either party may terminate this Agreement by giving 90 days' written notice to the other party.

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- 7.4 Remedies Not Exclusive. The rights and remedies of County provided in this article shall not be exclusive and are in addition to any other rights and remedies provided by law or under resulting order.

ARTICLE 8
COMPLIANCE WITH LAWS AND REGULATIONS

- 8.1 Compliance with Laws and Regulations. Agency shall at all times perform their obligations hereunder in compliance with all applicable Federal, State, County, and local laws, rules, and regulations, current and hereinafter enacted, including facility and professional licensing and/or certification laws and keep in effect any and all licenses, permits, notices and certificates as are required. Agency shall further comply with all laws applicable to wages and hours of employment, occupational safety, and to fire safety, health and sanitation.
- 8.2 Contractor Permits and License. Agency certifies that it possesses and shall continue to maintain or shall cause to be obtained and maintained, at no cost to the County, all approvals, permissions, permits, licenses, and other forms of documentation required for it and its employees to comply with all existing foreign or domestic statutes, ordinances, and regulations, or other laws, that may be applicable to performance of services hereunder. The County reserves the right to reasonably request and review all such applications, permits, and licenses prior to the commencement of any services hereunder.
- 8.3 Equal Opportunity. Agency shall comply with the provisions of Title VII of the Civil Rights Act of 1964 in that it will not discriminate against any individual with respect to his or her compensation, terms, conditions, or privileges of employment nor shall Agency discriminate in any way that would deprive or intend to deprive any individual of employment opportunities or otherwise adversely affect his or her status as an employee because of such individual's race, color, religion, sex, national origin, age, handicap, medical condition, sexual orientation or marital status.
- 8.4 Affirmative Action. Each Contractor of services and supplies employing fifteen (15) or more full-time permanent employees, shall comply with the Affirmative Action Program for Vendors as set forth in Article IIIk (commencing at Section 84) of the San Diego County Administrative Code, which program is incorporated herein by reference. A copy of this Affirmative Action Program will be furnished upon request by COR or from the County of San Diego Internet web-site (www.co.san-diego.ca.us).
- 8.5 Non Discrimination. Agency shall ensure that services and facilities are provided without regard to ethnic group identification, race, color, nation origin, creed, religion, age, sex, or physical, mental disability, political affiliation and marital status in accordance with Title IX of the Education Amendments of 1972; Title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000-d), the Age Discrimination of 1975 (42 U.S.C. 6101), Article 9.5, Chapter 1, Part 1, Division 2, Title 2 (Section 11135, et seq) of the California Government Code, Title 9, Chapter 4, Subchapter 6 (Section 10800, et seq.) of the CCR and California Dept of Social Services Manual of Policies and Procedures (CDSS MPP) Division 21.
- 8.6 AIDS Discrimination. Agency shall not deny any person the full and equal enjoyment of, or impose less advantageous terms, or restrict the availability of, the use of any County facility or participation in any County funded or supported service or program on the grounds that such person has Acquired Immune Deficiency Syndrome, AIDS-related complex (ARC), or AIDS-related status (ARS), as those terms are defined in Chapter 1, Section 32.1203, San Diego County Code of Regulatory Ordinances.
- 8.7 American With Disabilities Act (ADA) 1990. Agency shall not discriminate against qualified people with disabilities in employment, public services, transportation, public accommodations and telecommunications services in compliance with the Americans with Disabilities Act (ADA) and California Administrative Code Title 24.
- 8.8 Political Activities Prohibited. None of the funds, provided directly or indirectly, under this Agreement shall be used for any political activities or to further the election or defeat of any candidate for public office. Agency shall not utilize or allow its name to be utilized in any endorsement of any candidate for elected office. Neither the Agreement nor any funds provided thereunder shall be utilized in support of any partisan political activities, or activities for or against the election of a candidate for an elected office.
- 8.9 Lobbying. Agency agrees to comply with the lobbying ordinances of the County and to assure that its officers and employees comply before any appearance before the County Board of Supervisors. Except as required by this Agreement, none of the funds provided under this Agreement shall be used for publicity or propaganda purposes designed to support or defeat any legislation pending before State and Federal Legislatures, the Board of Supervisors of the County, or before any other local governmental entity. This provision shall not preclude Agency from seeking necessary permits, licenses and the like necessary for it to comply with the terms of this Agreement.
- 8.10 Religious Activity Prohibited. There shall be no religious worship, instructions or proselytization as part of or in connection with the performance of this Agreement.

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- 8.11 Drug and Alcohol-Free Workplace. The County of San Diego, in recognition of individual rights to work in a safe, healthful and productive work place, has adopted a requirement for a drug and alcohol free work place, County of San Diego Drug and Alcohol Use Policy C-25. This policy provides that all County-employed Contractors and Agency's employees shall assist in meeting this requirement.
- 8.11.1 As a material condition of this Agreement, the Agency agrees that the Agency and the Agency's employees, while performing service for the County, on County property, or while using County equipment:
- 8.11.1.1 Shall not be in any way impaired because of being under the influence of alcohol or a drug.
- 8.11.1.2 Shall not possess an open container of alcohol or consume alcohol or possess or be under the influence of an illegal drug.
- 8.11.1.3 Shall not sell, offer, or provide alcohol or an illegal drug to another person; provided, however, that the foregoing restriction shall not be applicable to Agency or Agency's employee who as part of the performance of normal job duties and responsibilities prescribes or administers medically prescribed drugs.
- 8.11.2 Agency shall inform all employees who are performing service for the County on County property or using County equipment of the County objective of a safe, healthful and productive work place and the prohibition of drug or alcohol use or impairment from same while performing such service for the County.
- 8.11.3 The County may terminate for default or breach this Agreement, and any other Agreement the Agency has with the County, if the Agency, or Agency's employees are determined by the Contracting Officer not to be in compliance with the conditions listed herein.
- 8.12 Hazardous Materials. Agency shall comply with all Environmental Laws and all other laws, rules, regulations, and requirements regarding Hazardous Materials, health and safety, notices, and training. Agency agrees that they will not store any Hazardous Materials at any County Facility for periods in excess of ninety (90) days or in violation of the applicable site storage limitations imposed by Environmental Law. Agency agrees to take, at its expense, all actions necessary to protect third parties, including, without limitation, employees and agents of the County, from any exposure to Hazardous Materials generated or utilized in its performance under this Agreement. Agency agrees to report to the appropriate governmental agencies all discharges, releases, and spills of Hazardous Materials that are required to be reported by any Environmental Law and to immediately notify the County of it. Agency shall not be liable to the County for the County's failure to comply with, or violation of, any Environmental Law. As used in this section, the term "Environmental Laws" means any and all federal, state or local laws or ordinances, rules, decrees, orders, regulations or court decisions (including the so-called "common law"), including, but not limited to, the Resource Conservation and Recovery Act, relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions or other similar substances or conditions. As used in this section the term "Hazardous Materials" means any chemical, compound, material, substance or other matter that: (a) is a flammable, explosive, asbestos, radioactive nuclear medicine, vaccine, bacteria, virus, hazardous waste, toxic, overtly injurious or potentially injurious material, whether injurious or potentially injurious by itself or in combination with other materials; (b) is controlled, referred to, designated in or governed by any Environmental Laws; (c) gives rise to any reporting, notice or publication requirements under any Environmental Laws, or (d) is any other material or substance giving rise to any liability, responsibility or duty upon the County or Lessee with respect to any third person under any Environmental Laws.

ARTICLE 9
CONFLICTS OF INTEREST; CONTRACTOR'S CONDUCT

- 9.1 Conflicts of Interest. Agency presently has no interest, including but not limited to other projects or independent Agreements, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. The Agency shall not employ any person having any such interest in the performance of this Agreement. Agency shall not hire County's employees to perform any portion of the work or services provided for herein including secretarial, clerical and similar incidental services except upon the written approval of County. Without such written approval, performance of services under this Agreement by associates or employees of County shall not relieve Agency from any responsibility under this Agreement.
- 9.3.1. California Political Reform Act and Government Code Section 1090 Et Seq. Agency acknowledges that the California Political Reform Act ("Act"), Government Code section 81000 et seq., provides that Agency hired by a public agency, such as County, may be deemed to be a "public official" subject to the Act if the Agency advises the agency on decisions or actions to be taken by the agency. The Act requires such public officials to disqualify themselves from participating in any way in such decisions if they have any one of several specified "conflicts of interest" relating to the decision. To the extent the Act applies to Agency, Agency shall abide by the Act. In

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addition, Agency acknowledges and shall abide by the conflict of interest restrictions imposed on public officials by Government Code section 1090 et seq.

- 9.3 Limitation Of Future Agreements Or Grants. It is agreed by the parties to the Agreement that Agency shall be restricted in its future Contracting with the County to the manner described below. Except as specifically provided in this clause, Agency shall be free to compete for business on an equal basis with other companies.
- 9.3.1 If Agency, under the terms of the Agreement, or through the performance of tasks pursuant to this Agreement, is required to develop specifications or statements of work and such specifications or statements of work are to be incorporated into a solicitation, Agency shall be ineligible to perform the work described within that solicitation as a prime or subcontractor under an ensuing County Agreement. It is further agreed, however, that County will not, as additional work, unilaterally require Agency to prepare such specifications or statements of work under this Agreement.
- 9.3.2 Agency may not apply for nor accept additional payments for the same services contained in the Statement of Work.

ARTICLE 10
INDEMNITY AND INSURANCE

10.1 Indemnity.

10.1.1. Claims Arising from Sole Acts or Omissions of County. The County hereby agrees to defend and indemnify Agency, its agents, officers and employees, from any claim, action or proceeding against Agency, arising solely out of the acts or omissions of County in the performance of the Agreement. At its sole discretion, Agency may participate at its own expense in the defense of any claim, action or proceeding, but such participation shall not relieve County of any obligation imposed by the Agreement. Agency shall notify County promptly of any claim, action or proceeding and cooperate fully in the defense.

10.1.2. Claims Arising From Sole Acts or Omissions of Agency. Agency hereby agrees to defend and indemnify County, its agents, officers and employees from any claim, action or proceeding against County, arising solely out of the acts or omissions of Agency in the performance of the Agreement. At its sole discretion, County may participate at its own expense in the defense of any such claim, action or proceeding, but such participation shall not relieve Agency of any obligation imposed by the Agreement. County shall notify Agency promptly of any claim, action or proceeding and cooperate fully in the defense.

10.1.3. Claims Arising from Concurrent Acts or Omissions: County hereby agrees to defend itself, and Agency hereby agrees to defend itself, from any claim, action or proceeding arising out of the concurrent acts or omissions of County and Agency. In such cases, County and Agency agree to retain their own legal counsel, bear their own defense costs, and waive their right to seek reimbursement of such costs, except as provided in paragraph 10.1.5 of the Agreement.

10.1.4. Joint Defense: Notwithstanding paragraph 10.1.3 above, in cases where County and Agency agree in writing to a joint defense, County and Agency may appoint joint defense counsel to defend the claim, action or proceeding arising out of the concurrent acts or omissions of Agency and County. Joint defense counsel shall be selected by mutual agreement of County and Agency. County and Agency agree to share the costs of such joint defense and any agreed settlement in equal amounts, except as provided in paragraph 10.1.5 of the Agreement. County and Agency further agree that neither party may bind the other to a settlement agreement without the written consent of both County and Agency.

10.1.5. Reimbursement and/or Reallocation: Where a trial verdict or arbitration award allocates or determines the comparative fault of the parties, County and District may seek reimbursement and/or reallocation of defense costs, settlement payments, judgments and awards, consistent with such comparative fault.

- 10.2 Insurance. Prior to execution of this Agreement, Agency must obtain at its own cost and expense, and keep in force and effect during the term of this Agreement, including all extensions, the insurance specified in Exhibit "B," "Insurance Requirements," attached hereto.

ARTICLE 11
AUDIT AND INSPECTION OF RECORDS

The County shall have the audit and inspection rights described in this section.

- 11.1 Audit And Inspection. Agency agrees to maintain and/or make available within San Diego County accurate books and accounting records relative to all its activities under this Agreement. Authorized Federal, State or County representatives

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shall have the right to monitor, assess, or evaluate Agency's performance pursuant to this Agreement, said monitoring, assessments, or evaluations to include but not limited to audits, inspection of premises, reports, and interviews of project staff and participants.

At any time during normal business hours and as often as County may deem necessary, Agency shall make available to County, State or Federal officials for examination all of its records with respect to all matters covered by this Agreement and will permit County, State or Federal officials to audit, examine and make excerpts or transcripts from such records, and to make audits of all invoices, materials, payrolls, records of personnel, information regarding clients receiving services, and other data relating to all matters covered by this Agreement. If an audit is conducted, it will be done in accordance with generally accepted government auditing standards as described in "Government Auditing Standards," published for the United States General Accountability Office or the institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing.

If any services performed hereunder are not in conformity with the specifications and requirements of this Agreement, County shall have the right to require the Agency to perform the services in conformity with said specifications and requirements at no additional increase in total Agreement amount. When the services to be performed are of such nature that the difference cannot be corrected, County shall have the right to (1) require Agency immediately to take all necessary steps to ensure future performance of the services in conformity with requirements of the Agreement, and (2) reduce the Agreement price to reflect the reduced value of the services performed. In the event Agency fails to perform the services promptly or to take necessary steps to ensure future performance of the service in conformity with the specifications and requirements of the Agreement, County shall have the right to either (1) by Agreement or to otherwise have the services performed in conformity with the Agreement specifications and charge to Agency any cost occasioned to County that is directly related to the performance of such services, or (2) terminate this Agreement for default as provided in the Termination clause.

- 11.2 External Audits. Agency will provide the following to their COR:
- 11.2.1 COR shall be advised of all pending audits by Federal or State representatives regarding Contracted services identified in this Agreement within seventy-two (72) hours of the Agency receiving notice of the audit.
 - 11.2.2 Agency shall provide COR with a copy of the draft and final State or Federal audit reports within twenty four (24) hours of receiving them.
 - 11.2.3 Agency shall provide COR a copy of the contractor's response to the draft and final State or Federal audit reports at the same time as response provided to the State or Federal representatives.
 - 11.2.4 Agency shall provide COR a copy of the State or Federal audit's representative's response to the contractors' response within forty-eight (48) hours of receiving it. This will continue until the State or Federal auditors have accepted and closed the audit.
- 11.3 Availability. The materials described above shall be made available at the office of the Agency, at all reasonable times, for inspection, audit or reproduction, until the expiration of three (3) years from the date of final payment under this Agreement, or by section 11.4.1 and 11.4.2, below:
- 11.4.1 If this Agreement is completely or partially terminated, the records relating to the work terminated shall be made available for a period of three (3) years from the date of any resulting final settlement.
 - 11.4.2 Record which relate to appeals under the "Disputes" clause of this Agreement, or litigation or the settlement of claims arising out of the performance of this Agreement, shall be made available until such appeals, litigation, or claims have been disposed of, or three years after Agreement completion, whichever is longer. County shall keep the materials described above confidential unless otherwise required by law.
- 11.4 Subcontract. The Agency shall insert a clause containing all the provisions of this Article 11 in all subcontract hereunder except altered as necessary for proper identification of the Contracting parties and the Contracting officer under the County's prime Agreement.

ARTICLE 12
INSPECTION OF SERVICE

- 12.1 Subject to Inspection. All performance (including services, materials, supplies and equipment furnished or utilized in the performance of this Agreement, and workmanship in the performance of services) shall be subject to inspection and test by the County at all times during the term of this Agreement. Agency shall cooperate with any inspector assigned by the County to permit the inspector to determine whether Agency's performance conforms to the requirements of this Agreement. County shall perform such inspection in a manner as not to unduly interfere with Agency's performance.
- 12.2 Specification and Requirements. If any services performed by Agency do not conform to the specifications and requirements of this Agreement, County may require Agency to re-perform the services until they conform to said

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specifications and requirements, at no additional cost, and County may withhold payment for such services until Contractor correctly performs them. When the services to be performed are of such a nature that Contractor's cannot correct its performance, the County shall have the right to (1) require the Agency to immediately take all necessary steps to ensure future performance of services conforms to the requirements of this Agreement, and (2) reduce the Agreement price to reflect the reduced value of the services received by County. In the event Agency fails to promptly re-perform the services or to take necessary steps to ensure that future performance of the service conforms to the specifications and requirements of this Agreement, the County shall have the right to either (1) without terminating this Agreement, have the services performed, by Agreement or otherwise, in conformance with the specifications of this Agreement, and charge Agency, and/or withhold from payments due to Contractor, any costs incurred by County that are directly related to the performance of such services, or (2) terminate this Agreement for default.

ARTICLE 13
USE OF DOCUMENTS AND REPORTS

- 13.1 Findings Confidential. Any reports, information, data, etc., given to or prepared or assembled by Agency under this Agreement which the County requests to be kept as confidential shall not be made available to any individual or organization by the Agency without the prior written approval of the County.
- 13.2 Ownership, Publication, Reproduction And Use Of Material. All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other material or properties produced under this Agreement shall be the sole and exclusive property of County. No such materials or properties produced in whole or in part under this Agreement shall be subject to private use, copyright or patent right by Agency in the United States or in any other country without the express written consent of County. County shall have unrestricted authority to publish, disclose, distribute and otherwise use, copyright or patent, in whole or in part, any such reports, studies, data, statistics, forms or other materials or properties produced under this Agreement.
- 13.3 Confidentiality. County and Agency agree to maintain the confidentiality of and take industry appropriate and legally required measures to prevent the unlawful disclosure of any information that is legally required to be kept confidential. Except as otherwise allowed by local, State or federal law or regulation and pursuant to this Section 13.3, County and Agency agree to only disclose confidential records where the holder of the privilege, whether the County, the Agency or a third party, provides written permission authorizing the disclosure. Agency understands that County must disclose certain records pursuant to the California Public Records Act ("the Act"). If Agency demands that County not disclose requested records Agency believes qualify for exception or exemption from disclosure pursuant to the Act, County will comply with Agency's demand if Agency identifies those records and the applicable exception(s) or exemption(s), in writing, within five (5) business days from receipt of County's notice to Agency of the request for disclosure of records. If Agency does not identify the records and reason(s) that it deems some or all of the records to be confidential, County may disclose those records at its sole discretion. Agency agrees that its defense and indemnification obligations set forth in Section 10.1 of this Agreement extend to any Claim (as defined in Section 10.1) against the County Parties (as defined in Section 10.1) for records the County withholds from disclosure at Agency's direction. This Section 13.3 shall not prevent the County or its agents or any other governmental entity from accessing the confidential records for the purpose of audits or program reviews if that access is legally permissible under the applicable local, State or federal laws or regulations. Similarly, County or its agent or designee may take possession of the record(s) where legally authorized to do so.
- County may identify, for purposes of clarification, certain laws and regulations that are specifically applicable to Agency's work under this Agreement. Those laws and regulations may be set forth in Exhibit A – Statement of Work. County, however, is under no obligation to identify all applicable laws and regulations and assumes no liability for identifying confidentiality laws and regulations, if any, applicable to the work under this Agreement.
- 13.4 Maintenance Of Records. Agency shall maintain all records and make them available within San Diego County for a minimum of three (3) years from the ending date of this Agreement unless County agrees in writing to an earlier disposition or longer where legally required or while under dispute. Agency shall provide any requested records to County within 48-hours of the request.
- 13.5 Custody Of Records. County, at its option, may take custody of Agency's client records upon Agreement termination or at such other time as County may deem necessary. County agrees that such custody will conform to applicable confidentiality provisions of State and Federal law. Said records shall be kept by County in an accessible location within San Diego County and shall be available to Agency for examination and inspection.
- 13.6 Reports. Agency shall submit reports required in Exhibit A and additional reports as may be requested by the COR and agreed to by the Agency. Format for the content of such reports may be developed by County. The timely submission of these reports is a necessary and material term and condition of this Agreement and Agency agrees that failure to meet

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specified deadlines will be sufficient cause to withhold payment. Agency shall submit to County within thirty (30) days of the termination of this Agreement a report detailing all work done pursuant to this Agreement by Agency.

- 13.7 Evaluation Studies. Agency shall participate as requested by the County in research and/or evaluative studies designed to show the effectiveness and/or efficiency of Agency services or to provide information about Agency's project.

ARTICLE 14
(RESERVED)

ARTICLE 15
DISPUTES

Disputes arising from this Agreement shall be informally negotiated by the Parties. Any disputes remaining after informal negotiation shall be submitted to mediation if mutually agreeable to Parties hereto. The type and process of mediation to be utilized shall be subject to the mutual agreement of the Parties.

ARTICLE 16
GENERAL PROVISIONS

- 16.1 Assignment and Subcontracting. Agency shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the County; County's consent shall not be unreasonably withheld.
- 16.2 Contingency. This Agreement shall bind the County only following its approval by the Board of Supervisors or when signed by the Purchasing and Contracting Director.
- 16.3 Entire Agreement. This Agreement, together with all Exhibits attached hereto and other agreements expressly referred to herein, constitute the entire agreement between the parties with respect to the subject matter contained herein. All prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, including any proposals from Agency and requests for proposals from County, are superseded.
- 16.4 Sections and Exhibits. All sections and exhibits referred to herein are attached hereto and incorporated by reference.
- 16.5 Further Assurances. Parties agree to perform such further acts and to execute and deliver such additional documents and instruments as may be reasonably required in order to carry out the provisions of this Agreement and the intentions of the parties.
- 16.6 Governing Law. This Agreement shall be governed, interpreted, construed and enforced in accordance with the laws of the State of California.
- 16.7 Headings. The Article captions, Clause and Section headings used in this Agreement are inserted for convenience of reference only and are not intended to define, limit or affect the construction or interpretation of any term or provision hereof.
- 16.8 Modification Waiver. Except as otherwise provided in Article 6, "Changes," above, no modification, waiver, amendment or discharge of this Agreement shall be valid unless the same is in writing and signed by both parties.
- 16.9 Neither Party Considered Drafter. Despite the possibility that one party may have prepared the initial draft of this Agreement or played the greater role in the physical preparation of subsequent drafts, neither party shall be deemed the drafter of this Agreement and that, in construing this Agreement in case of any claim that any provision hereof may be ambiguous, no such provision shall be construed in favor of one party on the ground that such provision was drafted by the other.
- 16.10 No Other Inducement. The making, execution and delivery of this Agreement by the parties hereto has been induced by no representations, statements, warranties or agreements other than those expressed herein.
- 16.11 Notices. Notice to either party shall be in writing and either personally delivered or sent by certified mail, postage prepaid, return receipt requested, addressed to the party to be notified at the address specified herein. Any such notice shall be deemed received on the date of personal delivery to the party (or such party's authorized representative) or three (3) business days after deposit in the U.S. Mail or by email, as the case may be to the COR and Contractor's Representative identified on the signature page.
- 16.12 Severability. If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and each term, provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

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- 16.13 Successors. Subject to the limitations on assignment set forth in Clause 16.1 above, all terms of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties hereto and their respective heirs, legal representatives, successors, and assigns.
- 16.14 Time. Time is of the essence of each provision of this Agreement.
- 16.15 Time Period Computation. All periods of time referred to in this Agreement shall include all Saturdays, Sundays and state or national holidays, unless the period of time specifies business days, provided that if the date or last date to perform any act or give any notice or approval shall fall on a Saturday, Sunday or State or national holiday, such act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday or State or national holiday.
- 16.16 Waiver. The waiver by one party of the performance of any term, provision, covenant or condition shall not invalidate this Agreement, nor shall it be considered as a waiver by such party of any other term, provision, covenant or condition. Delay by any party in pursuing any remedy or in insisting upon full performance for any breach or failure of any term, provision, covenant or condition shall not prevent such party from later pursuing remedies or insisting upon full performance for the same or any similar breach or failure.
- 16.17 Third Party Beneficiaries Excluded. This agreement is intended solely for the benefit of the County and its Agency. Any benefit to any third party is incidental and does not confer on any third party to this Agreement any rights whatsoever regarding the performance of this Agreement. Any attempt to enforce provisions of this Agreement by third parties is specifically prohibited.
- 16.18 Publicity Announcements and Materials. All public announcements, including those issued on Agency letterhead, and materials distributed to the community shall identify the County of San Diego as the funding source for Contracted programs identified in this Agreement. Copies of publicity materials related to Contracted programs identified in this Agreement shall be filed with the COR. County shall be advised at least twenty four (24) hours in advance of all locally generated press releases and media events regarding Contracted services identified in this Agreement.

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SIGNATURE PAGE

AGREEMENT TERM. This Agreement shall be effective the date signed by Department of Purchasing and Contracting (“Effective Date”) and end on December 29, 2020 (“Initial Term”) for a total Agreement period of 5 years.

OPTION TO EXTEND. The County’s option to extend is for five increments of one year(s) each for a total of five years beyond the expiration of the Initial Term, not to exceed December 29, 2025, pursuant to Exhibit C Payment Schedule. Unless County notifies Agency in writing, not less than thirty (30) days prior to the expiration date that they do not intend to renew the Agreement; the Agreement will be automatically renewed for another year.

Options To Extend For One To Six Additional Months At End Of Agreement. County shall also have the option to extend the term of this Agreement in one or more increments for a total of no less than one (1) and no more than six (6) calendar months at the discretion of the County Purchasing and Contracting Director. Each extension shall be effected by written notice delivered to Agency no less than fifteen (15) calendar days prior to expiration of any Agreement term.

The rates set forth in Article 4, Exhibit C, or other pricing section of this Agreement shall apply to any option exercised pursuant to this option clause unless provision for appropriate price adjustment has been made elsewhere in this Agreement or by Agreement amendment. All payments are subject to “Availability of Funds.”

COMPENSATION: Pursuant to the payment terms specified in Exhibit C, County agrees to pay Agency in accordance with the method of payment stipulated in Article 4. It is understood that the parties will meet and confer on the contract price if adjustments are made to the scope of work for an extension of the term or terms. These discussions shall not obligate either party to make a requested adjustment to the scope of work or price except as otherwise set forth in this Agreement, nor shall it relieve either party of its obligations under the Agreement.

COR. The County has designated the following individual as the Contracting Officer’s Representative (“COR”)

Aimee Agle, Administrative Analyst
5510 Overland Ave, Suite 100
San Diego, CA 92123
858/715-2208
858/565-3499
Aimee.Agle@sdcounty.ca.gov

AGENCY’S REPRESENTATIVE. The Agency has designated the following individual as the Agency’s Representative.

Paul Malone, Interim City Manager
10601 Magnolia Avenue
Santee, CA 92071
619/258-4100
619/562-0649
Pmalone@cityofsanteeca.gov

IN WITNESS WHEREOF, County and Agency have executed this Agreement effective as of the date first set forth above

COUNTY OF SAN DIEGO

CITY OF SANTEE

By: _____
JOHN M. PELLEGRINO, Director
Department of Purchasing and Contracting

By: _____
PAUL MALONE, Interim City Manager

Date: _____

Date: _____

COUNTY CONTRACT NUMBER 552999
AGREEMENT WITH THE CITY OF SANTEE FOR FIRE PROTECTION AND EMERGENCY SERVICES
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EXHIBIT A – STATEMENT OF WORK

Agency agrees to the following provisions and to provide the following services in exchange for compensation under this Agreement. Services described herein shall commence April 1, 2016.

Agency Services:

Agency shall provide fire protection and emergency medical services following the State Incident Command System, as dispatched, following the closest resource concept.

Agency shall provide preliminary call data to County, no later than June 1 of each year, for incidents from the preceding July 1 – April 30 of each fiscal year.

Agency will receive reimbursement based on calls as dispatched. When multiple agencies respond to a specific call, all agencies responding to the call will receive reimbursement for that call.

Agency agrees to meet with County during the month of July each year to discuss and agree to the final calls per agency. Final call volume data for the entire fiscal year (July 1 – June 30) shall be provided to the County no later than July 15.

County shall confirm the final call volume and response distribution, and County's determination shall be final. Upon County's confirmation of final call volume and response distribution, Agency shall submit invoices to County. In no event, however, shall Agency submit invoices no later than September 1 of each year.

County Services:

County will retain administrative oversight of CSA 115 which will include, but not be limited to, record keeping, financing, and payment for services.

County will determine the level of service to be provided in CSA 115 and retain responsibility for fire prevention, fire investigation and dispatch.

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EXHIBIT B – INSURANCE REQUIREMENTS

Within 10 working days of the inception of the Agreement, Agency shall submit to the County of San Diego (County) certificates of insurance and appropriate separate endorsements to the actual insurance policy, evidencing that Agency has obtained for the period of the Agreement, at its sole expense, insurance in the following forms of coverage and minimum amounts specified from insurance carriers with a Best's Rating of not less than A-, VII or a company of equal financial stability approved in writing by County's Risk Management Division.

- a. An occurrence policy of Commercial General Liability insurance insuring Agency against liability for bodily injury, personal injury or property damage arising out of or in connection with the Agency's performance of work or service under this Agreement of not less than \$3,000,000 per occurrence and \$3,000,000 general aggregate. The County of San Diego, its officers, agents, employees, and volunteers shall be added as Additional Insured by separate endorsement to the policy.
- b. Statutory Workers' Compensation, as required by State of California and Employer's Liability at \$1,000,000 each accident for bodily injury or disease. Coverage shall include waiver of subrogation endorsement in favor of County of San Diego.
- c. Comprehensive Automobile Liability covering all owned, non-owned and hired vehicles for bodily injury and property damage of not less than \$3,000,000 each accident.
- d. Professional Errors and Omissions Liability: \$3,000,000 per claim with an aggregate limit of not less than \$3,000,000. Professional Liability required if Contractor provides or engages any type of Professional services, including, but not limited to, medical professionals, counseling or legal services.
- e. Improper Sexual Conduct: \$1,000,000 per occurrence with an aggregate of not less than \$2,000,000.
- f. Certificates of insurance provided by Agency must evidence that the insurer providing the policy will give County written notice of cancellation in accordance with the policy provisions.

The County shall retain the right to review the coverage, form and amount of insurance required herein and may require Agency to obtain insurance reasonably sufficient in coverage, form and amount to provide adequate protection against the kind and extent of risk which exists at the time a change in insurance is required. County retains the right to demand a certified copy of any insurance policy required herein after 15 days notice.

Agency may fulfill some of all of the insurance requirements contained in this Agreement under a plan of self-insurance. Agency shall only be permitted to utilize such self-insurance if in the opinion of County Risk Management, Contractor's self-insurance program is sufficient to adequately compensate for the lack of other insurance coverage required by the Agreement. Agency's utilization of self-insurance shall not in any way limit liabilities assumed by Agency under the Agreement.

**COUNTY CONTRACT NUMBER 552999
 AGREEMENT WITH THE CITY OF SANTEE FOR FIRE PROTECTION AND EMERGENCY SERVICES
 FOR COUNTY SERVICE AREA 115**

EXHIBIT C – PAYMENT SCHEDULE

1. COMPENSATION

Reimbursement for services will be based on standby rate and call volume. Call reimbursement will be based on the number of actual calls responded to within CSA 115. All agencies responding to the incident will qualify for reimbursement for the response.

Reimbursement will be issued each year for the prior Fiscal Years' response. Each July, Agency and County will meet to discuss call volume and response distribution. Prior to the annual meeting, Agency will provide County preliminary call data (in Excel format) no later than June 1. Agency will include a summary of the data and any ambulance response data will be removed from the final tally. Reimbursement will be based on actual property tax revenue collected for CSA 115.

Distribution Calculation:

Standby Rate \$5,000 (each agency, per year)

Administrative Costs: 5% of total revenue for prevention costs (County)

Thereafter, the County will pay Agency a proportionate share of the remaining Pool of Funds, based on actual call volume and incident response, not to exceed actual tax revenue collected for CSA 115 in the given fiscal year.

See example below:

Total Tax Revenue for Sample Fiscal Year: \$350,000

Administrative Costs (5%): \$17,500

Standby rate: \$20,000 (each Agency \$5,000)

Pool of funds remaining for reimbursement: \$312,500

Agency	# Calls	% of Total	Pool calculation (remaining fund x % call volume)	Standby	Total Reimbursement
Lakeside	700	28%	\$87,500	\$5,000	\$92,500
Santee	800	32%	\$100,000	\$5,000	\$105,000
El Cajon	500	20%	\$62,500	\$5,000	\$67,500
San Miguel	500	20%	\$62,500	\$5,000	\$67,500
Total	2,500	100%	\$312,500	\$20,000	\$332,500

2. CLAIM FOR PAYMENT

Agency will submit an invoice to County, based on response data reviewed and agreed upon at the annual meeting. Invoices must be received by County no later than September 1.

City of Santee
COUNCIL AGENDA STATEMENT

6B

MEETING DATE March 9, 2016

AGENDA ITEM NO.

ITEM TITLE **RESOLUTION AUTHORIZING THE CITY MANAGER TO ACT AS THE CITY'S AUTHORIZED REPRESENTATIVE FOR THE CALIFORNIA STATE ASSOCIATION OF COUNTIES-EXCESS INSURANCE AUTHORITY (CSAC-EIA) AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE CSAC- EIA JOINT POWERS AGREEMENT AND MEMORANDA OF UNDERSTANDING FOR THE EXCESS GENERAL LIABILITY AND PROPERTY INSURANCE PROGRAMS**

DIRECTOR/DEPARTMENT Irene Mosley, Interim Director of HR & Risk Management
Tim McDermott, Director of Finance/Treasurer

SUMMARY The City of Santee has been a member of the San Diego Pooled Insurance Program Authority (SANDPIPA) since its inception in 1986. SANDPIPA is a Joint Powers Authority (JPA) formed to provide secure excess general liability and property insurance at reasonable cost to 12 member agencies in San Diego County. On April 22, 2015, the City Council approved the dissolution of SANDPIPA and authorized the City of Santee, as part of SANDPIPA, to join CSAC-EIA for one fiscal year for general liability and property insurance. This 2015-16 transition year has allowed time for all the member cities of SANDPIPA to evaluate insurance coverage options for the future. In addition, this one year relationship with CSAC-EIA has resulted in a premium savings of \$78,526.

Staff, with the assistance of its Broker, Alliant, has analyzed its options by looking at five other statewide Joint Powers Authorities (JPA'S) and determined that staying with CSAC-EIA as an individual member is the best and most cost effective option. CSAC-EIA allows the City the greatest flexibility in managing its claims, provides the broad coverage and \$150,000 self-insured retention that has historically served the City well and is priced approximately \$100,000 less than the next viable option. Of the 12 SANDPIPA member agencies, 11 have already decided to move to CSAC-EIA.

Through the current arrangement, the City's general liability insurance will expire on June 30, 2016 and the property insurance will expire on March 31, 2016. Joining CSAC-EIA as an individual member requires the City to sign a Joint Powers Agreement and two Memoranda of Understanding. The CSAC-EIA Joint Powers Agreement outlines the terms and conditions of membership in CSAC-EIA and the Memoranda of Understanding set out the risk sharing terms of the excess liability and property insurance programs which are similar to arrangements the City has had since 1986.

As SANDPIPA continues to wind down over the next three years, staff will continue to work closely with the group to ensure the claims run-off process continues smoothly and that Santee receives its dividends, if any, upon completion of the administrative process.

ENVIRONMENTAL REVIEW N/A

FINANCIAL STATEMENT There is no fiscal impact to the City by entering into these agreements at this time. Insurance premiums for all programs will become due and payable on or around July 1, 2016. The CSAC-EIA premium estimates for the upcoming year are \$211,000 for liability insurance and \$76,975 for property insurance. Sufficient funding is included in the adopted FY 2016-17 operating budget for these premiums.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION Adopt the resolution authorizing the City Manager to act as the authorized representative of the City and to execute the CSAC-EIA Joint Powers Agreement and Memoranda of Understanding.

ATTACHMENTS (Listed Below)

1) Resolution, 2) CSAC-EIA Joint Powers Agreement and 3) Two Memoranda of Understanding

RESOLUTION NO.: _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA
AUTHORIZING THE CITY MANAGER TO ACT AS THE CITY'S AUTHORIZED
REPRESENTATIVE FOR THE CALIFORNIA STATE ASSOCIATION OF COUNTIES-
EXCESS INSURANCE AUTHORITY (CSAC-EIA) AND AUTHORIZING THE CITY
MANAGER TO EXECUTE THE CSAC-EIA JOINT POWERS AGREEMENT AND
MEMORANDA OF UNDERSTANDING FOR THE EXCESS GENERAL LIABILITY AND
PROPERTY INSURANCE PROGRAMS**

WHEREAS, the Santee City Council, on April 22, 2015, adopted a resolution approving the termination of the San Diego Pooled Insurance Program Authority (SANDPIPA); and

WHEREAS, the SANDPIPA Board of Directors voted to join the California State Association of Counties-Excess Insurance Authority (CSAC-EIA) as a group purchase for liability coverage at each members' individual retentions effective July 1, 2015 for Fiscal Year 2015-16, after which time each individual member agency may join CSAC-EIA or consider other alternatives for liability insurance; and

WHEREAS, Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 et seq.) permits two or more public agencies by agreement to exercise jointly powers common to the contracting parties; and

WHEREAS, the City desires to join together with the members of the CSAC Excess Insurance Authority (Authority) for the purpose of jointly funding and/or establishing excess liability, property and other insurance programs as determined to be in the City's best interests; and

WHEREAS, the Authority has determined that it is necessary for each member of the Authority to delegate to a person[s] or position[s] authority to act on the member's behalf in matters relating to the member and the Authority;

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Santee does hereby approve becoming a member of the CSAC Excess Insurance Authority, authorizes the City Manager to execute of the CSAC Excess Insurance Authority Joint Powers Agreement and Memoranda of Insurance, and except as to actions that must be approved by the City Council of the City of Santee, the City Manager, or his/her designated representative is hereby appointed to act in all matters relating to the member and the Authority.

PASSED AND ADOPTED by the City of Santee this ____ day of _____, 2016 by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL, CITY CLERK



Adopted: October 5, 1979
Amended: May 12, 1980
Amended: January 23, 1987
Amended: October 7, 1988
Amended: March 1993
Amended: November 18, 1996
Amended: October 4, 2005
Amended: February 28, 2006

**JOINT POWERS AGREEMENT
CREATING THE CSAC EXCESS INSURANCE AUTHORITY**

This Agreement is executed in the State of California by and among those counties and public entities organized and existing under the Constitution of the State of California which are parties signatory to this Agreement. The CSAC Excess Insurance Authority was formed under the sponsorship of CSAC. All such counties, hereinafter called member counties, and public entities, hereinafter called member public entities, [collectively "members"] shall be listed in Appendix A, which shall be attached hereto and made a part hereof.

RECITALS

WHEREAS, Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 et seq.) permits two or more public agencies by agreement to exercise jointly powers common to the contracting parties; and

WHEREAS, Article 16, Section 6 of the California Constitution provides that insurance pooling arrangements under joint exercise of power agreements shall not be considered the giving or lending of credit as prohibited therein; and

WHEREAS, California Government Code Section 990.4 provides that a local public entity may self-insure, purchase insurance through an authorized carrier, or purchase insurance through a surplus line broker, or any combination of these; and

WHEREAS, pursuant to California Government Code Section 990.6, the cost of insurance provided by a local public entity is a proper charge against the local public entity; and

WHEREAS, California Government Code Section 990.8 provides that two or more local entities may, by a joint powers agreement, provide insurance for any purpose by any one or more of the methods specified in Government Code Section 990.4 and such pooling of self-insured claims or losses is not considered insurance nor subject to regulation under the Insurance Code; and

WHEREAS, the counties and public entities executing this Agreement desire to join together for the purpose of jointly funding and/or establishing excess and other insurance programs as determined;

NOW THEREFORE, the parties agree as follows:

ARTICLE 1
DEFINITIONS

"CSAC" shall mean the County Supervisors Association of California, dba California State Association of Counties.

"Authority" shall mean the CSAC Excess Insurance Authority created by this Agreement.

"Board of Directors" or **"Board"** shall mean the governing body of the Authority.

"Claim" shall mean a claim made against a member arising out of an occurrence which is covered by an excess or primary insurance program of the Authority in which the member is a participant.

"Executive Committee" shall mean the Executive Committee of the Board of Directors of the Authority.

"Fiscal year" shall mean that period of twelve months which is established by the Board of Directors as the fiscal year of the Authority.

"Government Code" shall mean the California Government Code.

"Insurance program" or **"program"** shall mean a program of the Authority under which participating members are protected against designated losses, either through joint purchase of primary or excess insurance, pooling of self-insured claims or losses, purchased insurance or any other combination as determined by the Board. The Board of Directors or the Executive Committee may determine applicable criteria for determining eligibility in any insurance program, as well as establishing program policies and procedures.

"Joint powers law" shall mean Article 1, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code.

"Loss" shall mean a liability or potential liability of a member, including litigation expenses, attorneys' fees and other costs, which is covered by an insurance program of the Authority in which the member is a participant.

"Member county" shall mean any county which, through the membership of its supervisors in CSAC, has executed this Agreement and become a member of the Authority. "Member county" shall also include those entities or other bodies set forth in Article 3 (c).

"Member Public Entity" shall mean any California public entity which does not maintain a membership in CSAC, has executed this Agreement and become a member of the Authority, "Member Public Entity" shall also include those entities or other bodies set forth in Article 3(c).

"Occurrence" shall mean an event which is more fully defined in the memorandums of coverage and/or policies of an insurance program in which the participating county or participating public entity is a member.

"Participating county" shall mean any member county which has entered into a program offered by the Authority pursuant to Article 14 of this Agreement and has not withdrawn or been canceled therefrom pursuant to Articles 20 or 21.

"Participating public entity" shall mean any member public entity which has entered into a program offered by the Authority pursuant to Article 14 of this Agreement and has not withdrawn or been canceled therefrom pursuant to Articles 20 or 21.

"Self-insured retention" shall mean that portion of a loss resulting from an occurrence experienced by a member which is retained as a liability or potential liability of the member and is not subject to payment by the Authority.

"Reinsurance" shall mean insurance purchased by the Authority as part of an insurance program to cover that portion of any loss which exceeds the joint funding capacity of that program.

ARTICLE 2 PURPOSES

This Agreement is entered into by the member counties and member public entities in order to jointly develop and fund insurance programs as determined. Such programs may include, but are not limited to, the creation of joint insurance funds, including primary and excess insurance funds, the pooling of self-insured claims and losses, purchased insurance, including reinsurance, and the provision of necessary administrative services. Such administrative services may include, but shall not be limited to, risk management consulting, loss prevention and control, centralized loss reporting, actuarial consulting, claims adjusting, and legal defense services.

ARTICLE 3 PARTIES TO AGREEMENT

(a) There shall be two classes of membership of the parties pursuant to this Agreement consisting of one class designated as Member Counties and another class designated as Member Public Entities.

(b) Each member county and member public entity, as a party to this Agreement, certifies that it intends to and does contract with all other members as parties to this Agreement and, with such other members as may later be added as parties to this Agreement pursuant to Article 19 as to all programs of which it is a participating member. Each member also certifies that the removal of any party from this Agreement, pursuant to Articles 20 or 21, shall not affect this Agreement or the member's obligations hereunder.

(c) A member for purposes of providing insurance coverage under any program of the Authority, may contract on behalf of, and shall be deemed to include:

Any public entity as defined in Government Code § 811.2 which the member requests to be added and from the time that such request is approved by the Executive Committee of the Authority.

Any nonprofit entity, including a nonprofit public benefit corporation formed pursuant to Corporations Code §§ 5111, 5120 and, 5065, which the member requests to be added and from the time that such request is approved by the Executive Committee.

(d) Any public entity or nonprofit so added shall be subject to and included under the member's SIR or deductible, and when so added, may be subject to such other terms and conditions as determined by the Executive Committee.

(e) Such public entity or nonprofit shall not be considered a separate party to this Agreement. Any public entity or nonprofit so added, shall not affect the member's representation on the Board of Directors and shall be considered part of and represented by the member for all purposes under this Agreement.

(f) The Executive Committee shall establish guidelines for approval of any public entity or nonprofit so added in accordance with Article 3(c) and (d).

(g) Should any conflict arise between the provisions of this Article and any applicable Memorandum of Coverage or other document evidencing coverage, such Memorandum of Coverage or other document evidencing coverage shall prevail.

ARTICLE 4

TERM

This Agreement shall continue in effect until terminated as provided herein.

ARTICLE 5

CREATION OF THE AUTHORITY

Pursuant to the joint powers law, there is hereby created a public entity separate and apart from the parties hereto, to be known as the CSAC Excess Insurance Authority, with such powers as are hereinafter set forth.

ARTICLE 6

POWERS OF THE AUTHORITY

The Authority shall have all of the powers common to General Law counties in California, such as Alpine County and all additional powers set forth in the joint powers law, and is hereby authorized to do all acts necessary for the exercise of said powers. Such powers include, but are not limited to, the following:

(a) To make and enter into contracts.

- (b) To incur debts, liabilities, and obligations.
 - (c) To acquire, hold, or dispose of property, contributions and donations of property, funds, services, and other forms of assistance from persons, firms, corporations, and government entities.
 - (d) To sue and be sued in its own name, and to settle any claim against it.
 - (e) To receive and use contributions and advances from members as provided in Government Code Section 6504, including contributions or advances of personnel, equipment, or property.
 - (f) To invest any money in its treasury that is not required for its immediate necessities, pursuant to Government Code Section 6509.5.
 - (g) To carry out all provisions of this Agreement.
- Said powers shall be exercised pursuant to the terms hereof and in the manner provided by law.

ARTICLE 7

BOARD OF DIRECTORS

The Authority shall be governed by the Board of Directors, which shall be composed as follows:

a) One director from each member county, appointed by the member county board of supervisors and serving at the pleasure of that body. Each member county board of supervisors shall also appoint an alternate director who shall have the authority to attend, participate in and vote at any meeting of the Board when the director is absent. A director or alternate director shall be a county supervisor, other county official, or staff person of the member county, and upon termination of office or employment with the county, shall automatically terminate membership or alternate membership on the Board.

b) Ten directors consisting of seven directors and three alternate directors chosen in the manner specified in the Bylaws from those participating as public entity members. A director or alternate public entity director shall be an official, or staff person of the public entity member, and upon termination of office or employment with the public entity, shall automatically terminate membership or alternate membership on the Board.

c) Member county directors shall consist of a minimum of 80% of the eligible voting members on the Board. The public entity member directors shall be reduced accordingly to ensure at least 80% of the Board consists of county director members (By way of example, if the number of county members is reduced from the current 54 by member withdrawals to a level of 28, then county members would be at the 80% level, 28/35. If the county members go to 27, then the public entity members would lose one seat and would only have 6 votes).

Any vacancy in a county director or alternate director position shall be filled by the appointing county's board of supervisors, subject to the Provisions of this Article. Any vacancy in a public entity director position shall be filled by vote of the public entity members.

A majority of the membership of the Board shall constitute a quorum for the transaction of business. Each member of the Board shall have one vote. Except as otherwise provided in this Agreement or any other duly executed agreement of the members, all actions of the Board shall require the affirmative vote of a majority of the members; provided, that any action which is restricted in effect to one of the Authority's insurance programs, shall require the affirmative vote of a majority of those Board members who represent counties and public entities participating in that program. For purposes of an insurance program vote, to the extent there are public entity members participating in a program, the public entity Board members as a whole shall have a minimum of one vote. The public entity Board members may in no event cast more votes than would constitute 20% of the number of total county members in that program (subject to the one vote minimum). Should the number of public entity Board votes authorized herein be less than the number of public entity Board members at a duly noticed meeting, the public entity Board members shall decide among themselves which Board member shall vote. Should they be unable to decide, the President of the Authority shall determine which director(s) shall vote.

ARTICLE 8 POWERS OF THE BOARD OF DIRECTORS

The Board of Directors shall have the following powers and functions:

(a) The Board shall exercise all powers and conduct all business of the Authority, either directly or by delegation to other bodies or persons unless otherwise prohibited by this Agreement, or any other duly executed agreement of the members or by law.

(b) The Board of Directors may adopt such resolutions as deemed necessary in the exercise of those powers and duties set forth herein.

(c) The Board shall form an Executive Committee, as provided in Article 11. The Board may delegate to the Executive Committee and the Executive Committee may discharge any powers or duties of the Board except adoption of the Authority's annual budget. The powers and duties so delegated shall be specified in resolutions adopted by the Board.

(d) The Board may form, as provided in Article 12, such other committees as it deems appropriate to conduct the business of the Authority. The membership of any such other committee may consist in whole or in part of persons who are not members of the Board; provided that the Board may delegate its powers and duties only to a committee of the Board composed of a majority of Board members and/or alternate members. Any committee which is not composed of a majority of Board members and/or alternate members may function only in an advisory capacity.

(e) The Board shall elect the officers of the Authority and shall appoint or employ necessary staff in accordance with Article 13.

(f) The Board shall cause to be prepared, and shall review, modify as necessary, and adopt the annual operating budget of the Authority. Adoption of the budget may not be delegated.

(g) The Board shall develop, or cause to be developed, and shall review, modify as necessary, and adopt each insurance program of the Authority, including all provisions for reinsurance and administrative services necessary to carry out such program.

(h) The Board, directly or through the Executive Committee, shall provide for necessary services to the Authority and to members, by contract or otherwise, which may include, but shall not be limited to, risk management consulting, loss prevention and control, centralized loss reporting, actuarial consulting, claims adjusting, and legal services.

(i) The Board shall provide general supervision and policy direction to the Chief Executive Officer.

(j) The Board shall receive and act upon reports of the committees and the Chief Executive Officer.

(k) The Board shall act upon each claim involving liability of the Authority, directly or by delegation of authority to the Executive Committee or other committee, body or person, provided, that the Board shall establish monetary limits upon any delegation of claims settlement authority, beyond which a proposed settlement must be referred to the Board for approval.

(l) The Board may require that the Authority review, audit, report upon, and make recommendations with regard to the safety or claims administration functions of any member, insofar as those functions affect the liability or potential liability of the Authority. The Board may forward any or all such recommendations to the member with a request for compliance and a statement of potential consequences for noncompliance.

(m) The Board shall receive, review and act upon periodic reports and audits of the funds of the Authority, as required under Articles 15 and 16 of this Agreement.

(n) The Board may, upon consultation with a casualty actuary, declare that any funds established for any program has a surplus of funds and determine a formula to return such surplus to the participating counties and participating public entities which have contributed to such fund.

(o) The Board shall have such other powers and duties as are reasonably necessary to carry out the purposes of the Authority.

ARTICLE 9 MEETINGS OF THE BOARD OF DIRECTORS

(a) The Board shall hold at least one regular meeting each year and shall provide for such other regular meetings and for such special meetings as it deems necessary.

(b) The Chief Executive Officer of the Authority shall provide for the keeping of minutes of regular and special meetings of the Board, and shall provide a copy of the minutes to each member of the Board at the next scheduled meeting.

(c) All meetings of the Board, the Executive Committee and such committees as established by the Board pursuant to Article 12 herein, shall be called, noticed, held and conducted in accordance with the provisions of Government Code Section 54950 et seq.

ARTICLE 10 OFFICERS

The Board of Directors shall elect from its membership a President and Vice President of the Board, to serve for one-year terms.

The President, or in his or her absence, the Vice President, shall preside at and conduct all meetings of the Board and shall chair the Executive Committee.

ARTICLE 11 EXECUTIVE COMMITTEE

The Board of Directors shall establish an Executive Committee of the Board which shall consist of eleven members: the President and Vice President of the Board, and nine members elected by the Board from its membership.

The terms of office of the nine non-officer members shall be as provided in the Bylaws of the Authority.

The Executive Committee shall conduct the business of the Authority between meetings of the Board, exercising all those powers as provided for in Article 8, or as otherwise delegated to it by the Board.

ARTICLE 12 COMMITTEES

The Board of Directors may establish committees, as it deems appropriate to conduct the business of the Authority. Members of the committees shall be appointed by the Board, to serve two year terms, subject to reappointment by the Board. The members of each committee shall annually select one of their members to chair the Committee.

Each committee shall be composed of at least five members and shall have those duties as determined by the Board, or as otherwise set forth in the Bylaws.

Each committee shall meet on the call of its chair, and shall report to the Executive Committee and the Board as directed by the Board.

ARTICLE 13
STAFF

(a) **Principal Staff.** The following staff members shall be appointed by and serve at the pleasure of the Board of Directors:

(1) **Chief Executive Officer.** The Chief Executive Officer shall administer the business and activities of the Authority, subject to the general supervision and policy direction of the Board of Directors and Executive Committee; shall be responsible for all minutes, notices and records of the Authority and shall perform such other duties as are assigned by the Board and Executive Committee.

(2) **Treasurer.** The duties of the Treasurer are set forth in Article 16 of this Agreement. Pursuant to Government Code Section 6505.5, the Treasurer shall be the county treasurer of a member county of the Authority, or, pursuant to Government Code Section 6505.6, the Board may appoint one of its officers or employees to the position of Treasurer, who shall comply with the provisions of Government Code Section 6505.5 (a-d).

(3) **Auditor.** The Auditor shall draw warrants to pay demands against the Authority when approved by the Treasurer. Pursuant to Government Code Section 6505.5, the Auditor shall be the Auditor of the county from which the Treasurer is appointed by the Board under (2) above, or, pursuant to Government Code Section 6505.6, the Board may appoint one of its officers or employees to the position of Auditor, who shall comply with the provisions of Government Code Section 6505.5 (a-d).

(b) **Charges for Treasurer and Auditor Services.** Pursuant to Government Code Section 6505, the charges to the Authority for the services of Treasurer and Auditor shall be determined by the board of supervisors of the member county from which such staff members are appointed.

(c) **Other Staff.** The Board, Executive Committee or Chief Executive Officer shall provide for the appointment of such other staff as may be necessary for the administration of the Authority.

ARTICLE 14
DEVELOPMENT, FUNDING AND IMPLEMENTATION
OF INSURANCE PROGRAMS

(a) **Program Coverage.** Insurance programs of the Authority may provide coverage, including excess insurance coverage for:

- (1) Workers' compensation;
- (2) Comprehensive liability, including but not limited to general, personal injury, contractual, public officials errors and omissions, and incidental malpractice liability;
- (3) Comprehensive automobile liability;
- (4) Hospital malpractice liability;
- (5) Property and related programs;

and may provide any other coverages authorized by the Board of Directors. The Board shall determine, for each such program, a minimum number of participants required for program implementation and may develop specific program coverages requiring detailed agreements for implementation of the above programs.

(b) **Program and Authority Funding.** The members developing or participating in an insurance program shall fund all costs of that program, including administrative costs, as hereinafter provided. Costs of staffing and supporting the Authority, hereinafter called Authority general expenses, shall be equitably allocated among the various programs by the Board, and shall be funded by the members developing or participating in such programs in accordance with such allocations, as hereinafter provided. In addition, the Board may, in its discretion, allocate a share of such Authority general expense to those members which are not developing or participating in any program, and require those counties and public entities to fund such share through a prescribed charge.

(1) **Development Charge.** Development costs of an insurance program shall be funded by a development charge, as established by the Board of Directors. The development charge shall be paid by each participant in the program following the program's adoption by the Board. Development costs are those costs actually incurred by the Authority in developing a program for review and adoption by the Board of Directors, including but not limited to: research, feasibility studies, information and liaison work among participants, preparation and review of documents, and actuarial and risk management consulting services. The development charge may also include a share of Authority general expenses, as allocated to the program development function.

The development charge shall be billed by the Authority to all participants in the program upon establishment of the program and shall be payable in accordance with the Authority's invoice and payment policy.

Upon the conclusion of program development: any deficiency in development funds shall be billed to all participants which have paid the development charge, on a pro-rata or other equitable basis, as determined by the Board; any surplus in such funds shall be transferred into the Authority's general expense funds.

(2) **Annual Premium.** Except as provided in (3) below, all post-development costs of an insurance program shall be funded by annual premiums charged to the members participating in the program each policy year, and by interest earnings on the funds so accumulated. Such premiums shall be determined by the Board of Directors upon the basis of a cost allocation plan and rating formula developed by the Authority with the assistance of a casualty actuary, risk management consultant, or other qualified person. The premium for each participating member shall include that participant's share of expected program losses including a margin for contingencies as determined by the Board, program reinsurance costs, and program administrative costs for the year, plus that participant's share of Authority general expense allocated to the program by the Board.

(3) **Premium Surcharge**

(i) If the Authority experiences an unusually large number of losses under a program during a policy year, such that notwithstanding reinsurance coverage for large individual losses,

the joint insurance funds for the program may be exhausted before the next annual premiums are due, the Board of Directors may, upon consultation with a casualty actuary, impose premium surcharges on all participating members; or

(ii) If it is determined by the Board of Directors, upon consultation with a casualty actuary, that the joint insurance funds for a program are insufficient to pay losses, fund known estimated losses, and fund estimated losses which have been incurred but not reported, the Board of Directors may impose a surcharge on all participating members.

(iii) Premium surcharges imposed pursuant to (i) and/or (ii) above shall be in an amount which will assure adequate funds for the program to be actuarially sound; provided that the surcharge to any participating member shall not exceed an amount equal to three (3) times the member's annual premium for that year, unless otherwise determined by the Board of Directors.

Provided, however, that no premium surcharge in excess of three times the member's annual premium for that year may be assessed unless, ninety days prior to the Board of Directors taking action to determine the amount of the surcharge, the Authority notifies the governing body of each participating member in writing of its recommendations regarding its intent to assess a premium surcharge and the amount recommended to be assessed each member. The Authority shall, concurrently with the written notification, provide each participating member with a copy of the actuarial study upon which the recommended premium surcharge is based.

(iv) A member which is no longer a participating member at the time the premium surcharge is assessed, but which was a participating member during the policy year(s) for which the premium surcharge was assessed, shall pay such premium surcharges as it would have otherwise been assessed in accordance with the provisions of (i), (ii), and (iii) above.

(c) **Program Implementation and Effective Date.** Upon establishment of an insurance program by the Board of Directors, the Authority shall determine the manner of program implementation and shall give written notice to all members of such program, which shall include, but not be limited to: program participation levels, coverages and terms of coverage of the program, estimates of first year premium charges, program development costs, effective date of the program (or estimated effective date) and such other program provisions as deemed appropriate.

(d) **Late Entry Into Program.** A member which does not elect to enter an insurance program upon its implementation, pursuant to (c) above, or a county or public entity which becomes a party to this Agreement following implementation of the program, may petition the Board of Directors for late entry into the program. Such request may be granted upon a majority vote of the Board members, plus a majority vote of those board members who represent participants in the program. Alternatively, a county or public entity may petition the Executive Committee for late entry into the program, or a program committee, when authorized by an MOU governing that specific program, may approve late entry into that program. Such request may be granted upon a majority vote of the Executive Committee or program committee.

As a condition of late entry, the member shall pay the development charge for the program, as adjusted at the conclusion of the development period, but not subject to further adjustment,

and also any costs incurred by the Authority in analyzing the member's loss data and determining its annual premium as of the time of entry.

(e) **Reentry Into A Program.** Any county or public entity that is a member of an insurance program of the Authority who withdraws or is cancelled from an insurance program under Articles 21 and 22, may not reenter such insurance program for a period of three years from the effective date of withdrawal or cancellation.

ARTICLE 15 ACCOUNTS AND RECORDS

(a) **Annual Budget.** The Authority shall annually adopt an operating budget pursuant to Article 8 of this Agreement, which shall include a separate budget for each insurance program under development or adopted and implemented by the Authority.

(b) **Funds and Accounts.** The Auditor of the Authority shall establish and maintain such funds and accounts as may be required by good accounting practices and by the Board of Directors. Separate accounts shall be established and maintained for each insurance program under development or adopted and implemented by the Authority. Books and records of the Authority in the hands of the Auditor shall be open to inspection at all reasonable times by authorized representatives of members.

The Authority shall adhere to the standard of strict accountability for funds set forth in Government Code Section 6505.

(c) **Auditor's Report.** The Auditor, within one hundred and twenty (120) days after the close of each fiscal year, shall give a complete written report of all financial activities for such fiscal year to the Board and to each member.

(d) **Annual Audit.** Pursuant to Government Code Section 6505, the Authority shall either make or contract with a certified public accountant to make an annual fiscal year audit of all accounts and records of the Authority, conforming in all respects with the requirements of that section. A report of the audit shall be filed as a public record with each of the members and also with the county auditor of the county where the home office of the Authority is located and shall be sent to any public agency or person in California that submits a written request to the Authority. The report shall be filed within six months of the end of the fiscal year or years under examination. Costs of the audit shall be considered a general expense of the Authority.

ARTICLE 16 RESPONSIBILITIES FOR FUNDS AND PROPERTY

(a) The Treasurer shall have the custody of and disburse the Authority's funds. He or she may delegate disbursing authority to such persons as may be authorized by the Board of Directors to perform that function, subject to the requirements of (b) below.

(b) Pursuant to Government Code Section 6505.5, the Treasurer shall:

- (1) Receive and acknowledge receipt for all funds of the Authority and place them in the treasury of the Treasurer to the credit of the Authority.
 - (2) Be responsible upon his or her official bond for the safekeeping and disbursements of all Authority funds so held by him or her.
 - (3) Pay any sums due from the Authority, as approved for payment by the Board of Directors or by any body or person to whom the Board has delegated approval authority, making such payments from Authority funds upon warrants drawn by the Auditor.
 - (4) Verify and report in writing to the Authority and to members, as of the first day of each quarter of the fiscal year, the amount of money then held for the Authority, the amount of receipts since the last report, and the amount paid out since the last report.
- (c) Pursuant to Government Code Section 6505.1, the Chief Executive Officer, the Treasurer, and such other persons as the Board of Directors may designate shall have charge of, handle, and have access to the property of the Authority.
- (d) The Authority shall secure and pay for a fidelity bond or bonds, in an amount or amounts and in the form specified by the Board of Directors, covering all officers and staff of the Authority, and all officers and staff who are authorized to have charge of, handle, and have access to property of the Authority.

ARTICLE 17

RESPONSIBILITIES OF MEMBERS

Members shall have the following responsibilities under this Agreement.

- (a) The board of supervisors of each member county shall appoint a representative and one alternate representative to the Board of Directors, pursuant to Article 7.
- (b) Each member shall appoint an officer or employee of the member to be responsible for the risk management function for that member and to serve as a liaison between the member and the Authority for all matters relating to risk management.
- (c) Each member shall maintain an active safety program, and shall consider and act upon all recommendations of the Authority concerning the reduction of unsafe practices.
- (d) Each member shall maintain its own claims and loss records in each category of liability covered by an insurance program of the Authority in which the member is a participant, and shall provide copies of such records to the Authority as directed by the Board of Directors or Executive Committee, or to such other committee as directed by the Board or Executive Committee.
- (e) Each member shall pay development charges, premiums, and premium surcharges due to the Authority as required under Article 14. Penalties for late payment of such charges, premiums and/or premium surcharges shall be as determined and assessed by the Board of Directors. After withdrawal, cancellation, or termination action under Articles 20, 21, or 23, each member shall pay promptly to the Authority any additional premiums due, as determined and assessed by the Board of

Directors under Articles 22 or 23. Any costs incurred by the Authority associated with the collection of such premiums or other charges, shall be recoverable by the Authority.

(f) Each member shall provide the Authority such other information or assistance as may be necessary for the Authority to develop and implement insurance programs under this Agreement.

(g) Each member shall cooperate with and assist the Authority, and any insurer of the Authority, in all matters relating to this Agreement, and shall comply with all Bylaws, and other rules by the Board of Directors.

(h) Each member county shall maintain membership in CSAC.

(i) Each member shall have such other responsibilities as are provided elsewhere in this Agreement, and as are established by the Board of Directors in order to carry out the purposes of this Agreement.

ARTICLE 18

ADMINISTRATION OF CLAIMS

(a) Subject to subparagraph (e), each member shall be responsible for the investigation, settlement or defense, and appeal of any claim made, suit brought, or proceeding instituted against the member arising out of a loss.

(b) The Authority may develop standards for the administration of claims for each insurance program of the Authority so as to permit oversight of the administration of claims by the members.

(c) Each participating member shall give the Authority timely written notice of claims in accordance with the provisions of the Bylaws.

(d) A member shall not enter into any settlement involving liability of the Authority without the advance written consent of the Authority.

(e) The Authority, at its own election and expense, shall have the right to participate with a member in the settlement, defense, or appeal of any claim, suit or proceeding which, in the judgment of the Authority, may involve liability of the Authority.

ARTICLE 19

NEW MEMBERS

Any California public entity may become a party to this Agreement and participate in any insurance program in which it is not presently participating upon approval of the Board of Directors, by a majority vote of the members, or by majority vote of the Executive Committee.

**ARTICLE 20
WITHDRAWAL**

(a) A member may withdraw as a party to this Agreement upon thirty (30) days advance written notice to the Authority if it has never become a participant in any insurance program pursuant to Article 14, or if it has previously withdrawn from all insurance programs in which it was a participant.

(b) After becoming a participant in an insurance program, a member may withdraw from that program only at the end of a policy year for the program, and only if it gives the Authority at least sixty (60) days advance written notice of such action.

**ARTICLE 21
CANCELLATION**

(a) Notwithstanding the provisions of Article 20, the Board of Directors may:

(1) Cancel any member from this Agreement and membership in the Authority, on a majority vote of the Board members. Such action shall have the effect of canceling the member's participation in all insurance programs of the Authority as of the date that all membership is canceled.

(2) Cancel any member's participation in an insurance program of the Authority, without canceling the member's membership in the Authority or participation in other programs, on a vote of two-thirds of the Board members present and voting who represent participants in the program.

The Board shall give sixty (60) days advance written notice of the effective date of any cancellation under the foregoing provisions. Upon such effective date, the member shall be treated the same as if it had voluntarily withdrawn from this Agreement, or from the insurance program, as the case may be.

(b) A member that does not enter one or more of the insurance programs developed and implemented by the Authority within the member's first year as a member of the Authority shall be considered to have withdrawn as a party to this Agreement at the end of such period, and its membership in the Authority shall be automatically canceled as of that time, without action of the Board of Directors.

(c) A member which withdraws from all insurance programs of the Authority in which it was a participant and does not enter any program for a period of six (6) months thereafter shall be considered to have withdrawn as a party to the Agreement at the end of such period, and its membership in the Authority shall be automatically canceled as of that time, without action of the Board of Directors.

(d) A member county that terminates its membership in CSAC shall be considered to have thereby withdrawn as a party to this Agreement, and its membership in the Authority and participation in any insurance program of the Authority shall be automatically canceled as of that time, without the action of the Board of Directors.

ARTICLE 22
EFFECT OF WITHDRAWAL OR CANCELLATION

(a) If a member's participation in an insurance program of the Authority is canceled under Article 21, with or without cancellation of membership in the Authority, and such cancellation is effective before the end of the policy year for that program, the Authority shall promptly determine and return to that member the amount of any unearned premium payment from the member for the policy year, such amount to be computed on a pro-rata basis from the effective date of cancellation.

(b) Except as provided in (a) above, a member which withdraws or is canceled from this Agreement and membership in the Authority, or from any program of the Authority, shall not be entitled to the return of any premium or other payment to the Authority, or of any property contributed to the Authority. However, in the event of termination of this Agreement, such member may share in the distribution of assets of the Authority to the extent provided in Article 23 provided; however, that any withdrawn or canceled member which has been assessed a premium surcharge pursuant to Article 14 (b) (3) (ii) shall be entitled to return of said member's unused surcharge, plus interest accrued thereon, at such time as the Board of Directors declares that a surplus exists in any insurance fund for which a premium surcharge was assessed.

(c) Except as provided in (d) below, a member shall pay any premium charges which the Board of Directors determines are due from the member for losses and costs incurred during the entire coverage year in which the member was a participant in such program regardless of the date of entry into such program. Such charges may include any deficiency in a premium previously paid by the member, as determined by audit under Article 14 (b) (2); any premium surcharge assessed to the member under Article 14 (b) (3); and any additional amount of premium which the Board determines to be due from the member upon final disposition of all claims arising from losses under the program during the entire coverage year in which the member was a participant regardless of date of entry into such program. Any such premium charges shall be payable by the member in accordance with the Authority's invoice and payment policy.

(d) Those members which who have withdrawn or been canceled pursuant to Articles 20 and 21 from any program of the Authority during a coverage year shall pay any premium charges which the Board of Directors determines are due from the members for losses and costs which were incurred during the county's participation in any program.

ARTICLE 23
TERMINATION AND DISTRIBUTION OF ASSETS

(a) A three-fourths vote of the total voting membership of the Authority, consisting of member counties, acting through their boards of supervisors, and the voting Board members from the member public entities, is required to terminate this Agreement; provided, however, that this Agreement and the

Authority shall continue to exist after such election for the purpose of disposing of all claims, distributing all assets, and performing all other functions necessary to conclude the affairs of the Authority.

(b) Upon termination of this Agreement, all assets of the Authority in each insurance program shall be distributed among those members which participated in that program in proportion to their cash contributions, including premiums paid and property contributed (at market value when contributed). The Board of Directors shall determine such distribution within six (6) months after disposal of the last pending claim or other liability covered by the program.

(c) Following termination of this Agreement, any member which was a participant in an insurance program of the Authority shall pay any additional amount of premium, determined by the Board of Directors in accordance with a loss allocation formula, which may be necessary to enable final disposition of all claims arising from losses under that program during the entire coverage year in which the member was a participant regardless of the date of entry into such program.

ARTICLE 24
LIABILITY OF BOARD OF DIRECTORS, OFFICERS, COMMITTEE MEMBERS
AND LEGAL ADVISORS

The members of the Board of Directors, Officers, committee members and legal advisors to any Board or committees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. They shall not be liable for any mistake of judgment or any other action made, taken or omitted by them in good faith, nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care, nor for loss incurred through investment of Authority funds, or failure to invest.

No Director, Officer, committee member, or legal advisor to any Board or committee shall be responsible for any action taken or omitted by any other Director, Officer, committee member, or legal advisor to any committee. No Director, Officer, committee member or legal advisor to any committee shall be required to give a bond or other security to guarantee the faithful performance of their duties pursuant to this Agreement.

The funds of the Authority shall be used to defend, indemnify and hold harmless the Authority and any Director, Officer, committee member or legal advisor to any committee for their actions taken within the scope of the authority of the Authority. Nothing herein shall limit the right of the Authority to purchase insurance to provide such coverage as is hereinabove set forth.

**ARTICLE 25
BYLAWS**

The Board may adopt Bylaws consistent with this Agreement which shall provide for the administration and management of the Authority.

**ARTICLE 26
NOTICES**

The Authority shall address notices, billings and other communications to a member as directed by the member. Each member shall provide the Authority with the address to which communications are to be sent. Members shall address notices and other communications to the Authority to the Chief Executive Officer of the Authority, at the office address of the Authority as set forth in the Bylaws.

**ARTICLE 27
AMENDMENT**

A two-thirds vote of the total voting membership of the Authority, consisting of member counties, acting through their boards of supervisors, and the voting Board members from member public entities, is required to amend this Agreement.

**ARTICLE 28
PROHIBITION AGAINST ASSIGNMENT**

No member may assign any right, claim or interest it may have under this Agreement, and no creditor, assignee or third party beneficiary of any member shall have any right, claim or title to any part, share, interest, fund, premium or asset of the Authority.

**ARTICLE 29
AGREEMENT COMPLETE**

This Agreement constitutes the full and complete Agreement of the parties.

ARTICLE 30
EFFECTIVE DATE OF AMENDMENTS

Any amendment of this Agreement shall become effective upon the date specified by the Board and upon approval of any Amended Agreement as required in Article 27. Approval of any amendment by the voting boards of supervisors and public entity board member's must take place no later than 30 days from the effective date specified by the Board.

ARTICLE 31
DISPUTE RESOLUTION

When a dispute arises between the Authority and a member, the following procedures are to be followed:

(a) Request for Reconsideration. The member will make a written request to the Authority for the appropriate Committee to reconsider their position, citing the arguments in favor of the member and any applicable case law that applies. The member can also, request a personal presentation to that Committee, if it so desires.

(b) Committee Appeal. The committee responsible for the program or having jurisdiction over the decision in question will review the matter and reconsider the Authority's position. This committee appeal process is an opportunity for both sides to discuss and substantiate their positions based upon legal arguments and the most complete information available. If the member requesting reconsideration is represented on the committee having jurisdiction, that committee member shall be deemed to have a conflict and shall be excluded from any vote.

(c) Executive Committee Appeal. If the member is not satisfied with the outcome of the committee appeal, the matter will be brought to the Executive Committee for reconsideration upon request of the member. If the member requesting reconsideration is represented on the Executive Committee, that Executive Committee member shall be deemed to have a conflict and shall be excluded from any vote.

(d) Arbitration. If the member is not satisfied with the outcome of the Executive Committee appeal, the next step in the appeal process is arbitration. The arbitration, whether binding or non-binding, is to be mutually agreed upon by the parties. The matter will be submitted to a mutually agreed arbitrator or panel of arbitrators for a determination. If Binding Arbitration is selected, then of course the decision of the arbitrator is final. Both sides agree to abide by the decision of the arbitrator. The cost of arbitration will be shared equally by the involved member and the Authority.

(e) Litigation. If, after following the dispute resolution procedure paragraphs a-d, either party is not satisfied with the outcome of the non-binding arbitration process, either party may consider litigation as a possible remedy to the dispute.

ARTICLE 32
FILING WITH SECRETARY OF STATE

The Chief Executive Officer of the Authority shall file a notice of this Agreement with the office of California Secretary of State within 30 days of its effective date, as required by Government Code Section 6503.5 and within 70 days of its effective date as required by Government Code Section 53051.

IN WITNESS WHEREOF, the undersigned party hereto has executed this Agreement on the date indicated below.

DATE: _____

MEMBER: _____

(Print Name of Member)

BY: _____

(Authorized signature of Member)

Seal:

**APPENDIX A
JOINT POWERS AGREEMENT
CSAC EXCESS INSURANCE AUTHORITY**

(As Of January 28, 2015)

ALAMEDA COUNTY	YOLO COUNTY
ALPINE COUNTY	YUBA COUNTY
AMADOR COUNTY	ACCEL
BUTTE COUNTY	ALAMEDA HEALTH SYSTEM
CALAVERAS COUNTY	AMADOR TRANSIT
COLUSA COUNTY	ANAHEIM UNION HIGH SCHOOL DISTRICT
CONTRA COSTA COUNTY	BAHARMA
DEL NORTE COUNTY	BAY AREA AIR QUALITY MGMT DIST COMM SYS
EL DORADO COUNTY	BERKELEY UNIFIED SCHOOL DISTRICT
FRESNO COUNTY	BICEP
GLENN COUNTY	CADA
HUMBOLDT COUNTY	CALIFORNIA FAIR SERVICES AUTHORITY
IMPERIAL COUNTY	CALIFORNIA MENTAL HEALTH SVCS AUTH.
INYO COUNTY	CALIFORNIA STATE LEGISLATURE
KERN COUNTY	CALIFORNIA STATE UNIVERSITY RISK
KINGS COUNTY	MANAGEMENT AUTHORITY (CSURMA)
LAKE COUNTY	CAMPBELL UNION HIGH SCHOOL DISTRICT
LASSEN COUNTY	CAMPBELL UNION SCHOOL DISTRICT
MADERA COUNTY	CAPRI
MARIN COUNTY	CASITAS MUNICIPAL WATER DISTRICT
MARIPOSA COUNTY	CATALINA ISLAND MEDICAL CENTER
MENDOCINO COUNTY	CENTRAL COUNTY FIRE DEPARTMENT
MERCED COUNTY	CENTRAL SIERRA CHILD SUPPORT AGENCY
MODOC COUNTY	CITY OF ALAMEDA
MONO COUNTY	CITY OF ATASCADERO
MONTEREY COUNTY	CITY OF ATWATER
NAPA COUNTY	CITY OF BAKERSFIELD
NEVADA COUNTY	CITY OF BELL
ORANGE COUNTY	CITY OF BELMONT
PLACER COUNTY	CITY OF BERKELEY
PLUMAS COUNTY	CITY OF BUENA PARK
RIVERSIDE COUNTY	CITY OF BURLINGAME
SACRAMENTO COUNTY	CITY OF CALABASAS
SAN BENITO COUNTY	CITY OF CAPITOLA
SAN BERNARDINO COUNTY	CITY OF CARMEL BY THE SEA
SAN DIEGO COUNTY	CITY OF CHICO
SAN JOAQUIN COUNTY	CITY OF CHULA VISTA
SAN LUIS OBISPO COUNTY	CITY OF CLAREMONT
SANTA BARBARA COUNTY	CITY OF CONCORD
SANTA CLARA COUNTY	CITY OF CORONA
SANTA CRUZ COUNTY	CITY OF COSTA MESA
SHASTA COUNTY	CITY OF COVINA
SIERRA COUNTY	CITY OF CUPERTINO
SISKIYOU COUNTY	CITY OF CYPRESS
SOLANO COUNTY	CITY OF DALY CITY
SONOMA COUNTY	CITY OF DEL MAR
STANISLAUS COUNTY	CITY OF DOWNEY
SUTTER COUNTY	CITY OF EL CAJON
TEHAMA COUNTY	CITY OF EL CENTRO
TRINITY COUNTY	CITY OF EL MONTE
TULARE COUNTY	CITY OF ELK GROVE
TUOLUMNE COUNTY	CITY OF ESCALON
VENTURA COUNTY	CITY OF ESCONDIDO

CITY OF FAIRFIELD
CITY OF FOLSOM
CITY OF FONTANA
CITY OF FREMONT
CITY OF FRESNO
CITY OF GALT
CITY OF GARDEN GROVE
CITY OF GOLETA
CITY OF HANFORD
CITY OF HAWTHORNE
CITY OF HAYWARD
CITY OF HEMET
CITY OF HUNTINGTON BEACH
CITY OF IMPERIAL BEACH
CITY OF IONE
CITY OF IRVINE
CITY OF LANCASTER
CITY OF LEMON GROVE
CITY OF LIVE OAK
CITY OF LIVERMORE
CITY OF LOMPOC
CITY OF LOS ALTOS
CITY OF MAYWOOD
CITY OF MENLO PARK
CITY OF MERCED
CITY OF MILL VALLEY
CITY OF MILLBRAE
CITY OF MISSION VIEJO
CITY OF MONTEBELLO
CITY OF MORENO VALLEY
CITY OF MURRIETA
CITY OF NAPA
CITY OF NATIONAL CITY
CITY OF NEEDLES
CITY OF NEWPORT BEACH
CITY OF NOVATO
CITY OF OAKLAND
CITY OF OCEANSIDE
CITY OF ONTARIO
CITY OF OROVILLE
CITY OF PACIFICA
CITY OF PASO ROBLES
CITY OF PERRIS
CITY OF PLEASANTON
CITY OF POMONA
CITY OF PORT HUENEME
CITY OF RANCHO CORDOVA
CITY OF RANCHO SANTA MARGARITA
CITY OF REDDING
CITY OF REDWOOD CITY
CITY OF RIALTO
CITY OF RICHMOND
CITY OF RIDGECREST
CITY OF SACRAMENTO
CITY OF SAN BERNARDINO
CITY OF SAN BRUNO
CITY OF SAN BUENAVENTURA

CITY OF SAN CLEMENTE
CITY OF SAN DIEGO
CITY OF SAN JACINTO
CITY OF SAN LEANDRO
CITY OF SANTA CLARA
CITY OF SANTA ROSA
CITY OF SIMI VALLEY
CITY OF SOLANA BEACH
CITY OF SOUTH PASADENA
CITY OF SOUTH SAN FRANCISCO
CITY OF STANTON
CITY OF STOCKTON
CITY OF SUNNYVALE
CITY OF TORRANCE
CITY OF TWENTYNINE PALMS
CITY OF VACAVILLE
CITY OF VISALIA
CITY OF WALNUT CREEK
CITY OF WATSONVILLE
CITY OF WEST SACRAMENTO
CITY OF WHITTIER
CITY OF YUBA CITY
COACHELLA VALLEY ASSOC. OF GOVERNMENTS
COMM. DEVELOPMENT COMM. OF L.A. COUNTY
CONTRA COSTA CO. IHSS PUBLIC AUTHORITY
COUNCIL OF SAN BENITO CO. GOVERNMENTS
CSAC EXCESS INSURANCE AUTHORITY
DEL NORTE IHSS PUBLIC AUTHORITY
DUBLIN SAN RAMON SERVICES DISTRICT
EAST BAY REGIONAL PARK DISTRICT
EAST SAN GABRIEL VALLEY ROP
ELK GROVE UNIFIED SCHOOL DISTRICT
EVERGREEN ELEMENTARY SCHOOL DISTRICT
EXCLUSIVE RISK MGMT AUTHORITY OF CALIF.
FIRST FIVE CONTRA COSTA CHILDREN &
FAMILIES COMMISSION
FIRST FIVE SACRAMENTO COMMISSION
GOLD COAST TRANSIT
GOLDEN EMPIRE TRANSIT DISTRICT
GREAT BASIN UNIFIED AIR POLL CONTR DIST.
GSRMA
GSRMA JPA
HI-DESERT JPA
HI-DESERT MEMORIAL HEALTHCARE DISTRICT
HOUSING AUTHORITY OF THE CO OF RIVERSIDE
HUMBOLDT IHSS PUBLIC AUTHORITY
HUMBOLDT TRANSIT AUTHORITY
HUNTINGTON BEACH UNION HIGH SCHOOL DIST
IMPERIAL COUNTY IHSS PUBLIC AUTHORITY
INLAND EMPIRE HEALTH PLAN
INLAND EMPIRE UTILITIES AGENCY
IRVINE RANCH WATER DISTRICT
KERN HEALTH SYSTEMS
KERN IHSS
KINGS COUNTY AREA PUBLIC TRANSIT AGENCY
KINGS WASTE & RECYCLING AUTHORITY
LAKE ELSINORE UNIFIED SCHOOL DISTRICT

LOCAL AGENCY WC EXCESS JPA (LAWCX)
MADERA IHSS PUBLIC AUTHORITY
MARIN COUNTY TRANSIT DISTRICT
MENDOCINO COAST DISTRICT HOSPITAL
MILITARY DEPT. OF THE STATE OF CALIFORNIA
MONTEREY BAY AREA SELF INSURANCE
AUTHORITY (MBASIA)
MONTEREY EDUCATIONAL RISK MANAGEMENT
AUTHORITY (MERMA)
MONTEREY SALINAS TRANSIT
MORONGO BASIN TRANSIT AUTHORITY
MOUNTAIN COMM. HEALTHCARE DISTRICT
MT. DIABLO UNIFIED SCHOOL DISTRICT
MUNICIPAL POOLING AUTHORITY
NAPA SANITATION DISTRICT
NORTHERN CALIF CITIES SELF INSURANCE FUND
NORTHERN CALIF SPECIAL DISTRICTS INS. AUTH
OMNITRANS
ORANGE COUNTY FIRE AUTHORITY
ORANGE COUNTY SANITATION DISTRICT
ORANGE COUNTY TRANSP. AUTH (OCTA)
OTAY WATER DISTRICT
PALO VERDE VALLEY HEALTH CARE DISTRICT
HOSPITAL
PASADENA UNIFIED SCHOOL DISTRICT
PASIS - SAN BERNARDINO
PASIS - SAN DIEGO
PLEASANT HILL RECREATION & PARK DISTRICT
PORT OF OAKLAND
PUBLIC AGENCY RISK SHARING AUTH OF CALIF
PUBLIC ENTITY RISK MANAGEMENT AUTHORITY
REDONDO BEACH UNIFIED SCHOOL DISTRICT
RIVERSIDE IHSS
RIVERSIDE TRANSIT AGENCY
SACRAMENTO COUNTY CONTRACTS
SACRAMENTO – YOLO MOSQUITO AND VECTOR
CONTROL DISTRICT
SAFCA
SAN BENITO IHSS
SAN BERNARDINO IHSS PUBLIC AUTHORITY
SAN DIEGO COUNTY IHSS PUBLIC AUTHORITY
SAN DIEGO HOUSING COMMISSION
SAN DIEGO METRO TRANSIT SYSTEM
SAN DIEGO POOLED INSURANCE PROGRAM
AUTHORITY (SANDPIPA)
SAN DIEGO UNIFIED SCHOOL DISTRICT
SAN JOSE UNIFIED SCHOOL DISTRICT
SAN LUIS OBISPO RTA
SAN MATEO COUNTY SCHOOLS INS. GROUP
SANTA BARBARA METRO. TRANSIT DISTRICT
SANTA CLARA COUNTY OFFICE OF EDUCATION
SANTA CLARA COUNTY OPEN SPACE AUTHORITY
SANTA CLARA CO. VECTOR CONTROL DISTRICT
SANTA CRUZ COUNTY FIRE AGENCIES
INSURANCE GROUP
SANTA CRUZ METRO TRANSIT DISTRICT
SCHOOLS EXCESS LIABILITY FUND (SELF)

SCSRM
SDRMA
SHASTA IHSS PUBLIC AUTHORITY
SIRMA
SOLANO TRANSPORTATION AUTHORITY
SONOMA COUNTY ERA
SOUTH BAY AREA SCHOOLS INS. AUTHORITY
SOUTH COUNTY AREA TRANSIT
SUCCESSOR TO THE SAN FRANCISCO
REDEVELOPMENT AGENCY
SUPERIOR COURT OF CA, ALPINE COUNTY
SUPERIOR COURT OF CA, AMADOR COUNTY
SUPERIOR COURT OF CA, BUTTE COUNTY
SUPERIOR COURT OF CA, CALAVERAS COUNTY
SUPERIOR COURT OF CA, COLUSA COUNTY
SUPERIOR COURT OF CA, CONTRA COSTA
COUNTY
SUPERIOR COURT OF CA, DEL NORTE COUNTY
SUPERIOR COURT OF CA, EL DORADO COUNTY
SUPERIOR COURT OF CA, LAKE COUNTY
SUPERIOR COURT OF CA, LASSEN COUNTY
SUPERIOR COURT OF CA, ORANGE COUNTY
SUPERIOR COURT OF CA, PLACER COUNTY
SUPERIOR COURT OF CA, SAN BENITO COUNTY
SUPERIOR COURT OF CA, SAN LUIS OBISPO
COUNTY
SUPERIOR COURT OF CA, SANTA BARBARA
COUNTY
SUPERIOR COURT OF CA, SANTA CRUZ COUNTY
SUPERIOR COURT OF CA, SHASTA COUNTY
SUPERIOR COURT OF CA, SONOMA COUNTY
SUPERIOR COURT OF CA, STANISLAUS COUNTY
SUPERIOR COURT OF CA, TUOLUMNE COUNTY
SUPERIOR COURT OF CA, YOLO COUNTY
SUPERIOR COURT OF CA, YUBA COUNTY
SUTTER IHSS PUBLIC AUTHORITY
TORRANCE UNIFIED SCHOOL DISTRICT
TOWN OF COLMA
TOWN OF YOUNTVILLE
TRANSPORTATION CORRIDOR AGENCIES
TRINDEL INSURANCE FUND
TURLOCK IRRIGATION DISTRICT
UC HASTINGS COLLEGE OF LAW
UPLAND UNIFIED SCHOOL DISTRICT
VAN HORN REGIONAL TREATMENT FACILITY
WEST SAN GABRIEL LIABILITY & PROPERTY JPA
WEST SAN GABRIEL WC JPA
WESTERN RIVERSIDE COUNCIL OF GOVTS
YOLO PUBLIC AGENCY RISK MGMT INS AUTH



Adopted: June 4, 1999
Amended: October 1, 2004
Amended: June 19, 2008

MEMORANDUM OF UNDERSTANDING PROPERTY PROGRAM

This Memorandum of Understanding is entered into by and between the CSAC Excess Insurance Authority (hereinafter referred to as the "Authority") and the participating members who are signatories to this Memorandum.

1. **Joint Powers Agreement.** Except as is otherwise provided herein, all terms used herein shall be as defined in Article 1 of the Joint Powers Agreement Creating the CSAC Excess Insurance Authority (hereinafter referred to as "Agreement"), and all other provisions of the Agreement not in conflict with this Memorandum shall also be applicable.

2. **Program Committee.** There is hereby established a Property Program Committee (hereinafter referred to as "Property Committee" or "Committee") and, except as otherwise provided herein, said Committee shall have full authority to determine all matters affecting the members including, but not limited to, approval of new members and premium/rate setting and establishment of policies regarding data submission and provisions for notice of withdrawal, as long as such policies are not in conflict with the Joint Powers Agreement.

The Property Committee shall consist of eleven (11) voting members and two (2) alternates. The Executive Committee of the Authority shall appoint the Committee members, to be selected from members in the Program as follows: Seven (7) of the Committee members are to be appointed from the members who make up the top fourteen (14) members according to the amount of annual property premium paid ("Large Members"). Two (2) of the Committee members are to be appointed from those remaining members not within the top fourteen (14) members ("Smaller Members"). One (1) of the members may be appointed from any member ("At Large"). The remaining seat shall be designated for a Public Entity member. If there are no Public Entity nominees or not enough members available from a category (Large, Smaller, At Large), the Executive Committee shall make the appointment from members participating in the Program without regard to category. The two alternates may be appointed from any member.

The terms of the members of the Committee shall be for two (2) years, except for the Public Entity representative and the alternate representatives whose terms shall be for one (1) year. The expiration dates of the two-year appointments shall be staggered so that terms of no more than five (5) members will expire at any one time. The Committee will annually, at its first meeting of the calendar year, select its officers, consisting of a Chair and Vice-Chair.

The Committee, when necessary to fulfill the purposes of this Memorandum, shall meet on the call of the Chair of the Committee as provided in Article 12 of the Agreement and Article VI of the Bylaws of the Authority (hereinafter referred to as the "Bylaws").

Adopted: June 4, 1999
Amended: October 1, 2004
Amended: June 19, 2008

A majority of the members of the Committee shall constitute a quorum for the transaction of business. Except as otherwise provided herein, all actions of the Property Committee shall require the affirmative vote of a majority of the members of the Committee. Any meeting of the Committee shall be subject to the applicable provisions of Government Code § 54950 et seq., commonly known as the "Brown Act."

3. **Premiums.** The participating members, in accordance with the provisions of Article 14 of the Agreement, shall be assessed an annual premium for the purpose of funding the Property Program. Annual premium contributions, including administrative costs associated with the Program shall be established by the Property Committee.

4. **Cost Allocation.** Each member's share of annual premium shall be determined by the Property Committee however, the Committee may delegate any or all of this authority as it deems appropriate.

5. **Application to the Program.** All applications to join the Property Program will be evaluated and subject to approval by the Committee and the underwriter. Any entity which makes application to become a participating member of the Program who is not already a participating member in the Authority must also be approved in accordance with the provisions of Article 19 of the Agreement.

New members may be added to the Program during the term of the coverage year on a pro-rata basis.

6. **Withdrawal and/or Cancellation From the Program.** Withdrawal of a member from the Program shall be in accordance with the withdrawal provisions of Article 20 or 21 of the Agreement.

7. **Late Payments.** All provisions for payments shall be in accordance with the Invoicing and Payment Policy adopted by the Board of Directors. Notwithstanding any other provision to the contrary regarding late payment of invoices or cancellation from a Program, at the discretion of the Executive Committee, any member that fails to pay an invoice when due may be given a ten (10) day written notice of cancellation.

8. **Resolution of Disputes.** Any question or dispute with respect to the rights and obligations of the parties to this Memorandum shall be determined in accordance with Article 31 of the Agreement, Dispute Resolution.

9. **Amendment.** This Memorandum may be amended by a majority vote of the Property Committee, upon ninety (90) days advance written notice to the members and county counsels. Each member shall approve of any amendment by signature on the Memorandum by a member's representative who shall have authority to execute this Memorandum. Should a member of the Program fail to execute any amendment to this Memorandum within the time provided by the Committee, the member will be deemed to have withdrawn from the Program on the next annual renewal date.

Adopted: June 4, 1999
Amended: October 1, 2004
Amended: June 19, 2008

10. **Complete Agreement.** Except as otherwise provided herein, this Memorandum constitutes the full and complete agreement of the members.

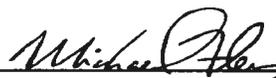
11. **Severability.** Should any provision of this Memorandum be judicially determined to be void or unenforceable, such determination shall not affect any remaining provision.

12. **Effective Date of Agreement.** This Memorandum shall become effective on the date of coverage for the member or upon approval by the Property Committee of any amendment, whichever is later.

13. **Execution in Counterparts.** This Memorandum may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this Memorandum as of the date set forth below.

6/19/2008
Dated



CSAC Excess Insurance Authority

Dated

Member Entity: _____



Adopted: March 5, 1993
Amended: October 2, 1998
Amended: October 6, 2006
Amended: March 6, 2009

MEMORANDUM OF UNDERSTANDING EXCESS LIABILITY PROGRAM

This Memorandum of Understanding is entered into by and between the CSAC Excess Insurance Authority (hereinafter referred to as the "Authority") and the participating members who are signatories to this Memorandum.

1. **JOINT POWERS AGREEMENT.** Except as otherwise provided, all terms used herein shall be as defined in Article 1 of Joint Powers Agreement Creating the Excess Insurance Authority (hereinafter referred to as "Agreement"), provisions of any applicable coverage agreement and all other provisions of the Agreement not in conflict with this Memorandum shall be applicable.

2. **ANNUAL PREMIUM.** The participating members, in accordance with the provisions of Article 14(b)(2) of the Agreement, shall be assessed an annual premium for the purpose of funding the Program. Annual premiums shall include the participating member's share of expected losses for the policy period, including incurred but not reported losses (IBNR), as well as margin for contingencies based upon a confidence level as determined by the Board of Directors of the Authority (hereinafter Board), and adjustments, if any, for a surplus or deficit from all program policy periods. In addition, the premium shall include program reinsurance costs and program administrative costs, plus the Authority's general expense allocated to the Program by the Board for the next policy period.

3. **COST ALLOCATION.** Each participating member's share of annual premium shall be determined pursuant to a cost allocation plan as described in Article 14(b)(2) of the Agreement. The Board approved cost allocation plan is attached hereto as Exhibit A and may be amended from time to time by an affirmative vote of the majority of the Board representing the members participating in the Program.

4. **DIVIDENDS AND ASSESSMENTS.** The Program shall be funded in accordance with paragraph 2 above. As a general rule, the annual premium, as determined by the Board, shall be established at a level which shall provide adequate overall funding without the need for adjustments to past policy period(s) in the form of dividends and assessments. Should the Program for any reason not be adequately funded, except as otherwise provided herein, pro-rata assessments to the participating members may be utilized to ensure the approved funding level for those policy periods individually or for a block of policy periods, in accordance with the provisions of Article 14(b)(3) of the Agreement. Pro-rata dividends shall be declared as provided herein. Dividends may also be declared as deemed appropriate by the Board.

5. **CLOSURE OF POLICY PERIODS.** Notwithstanding any other provision of this Memorandum, the following provisions are applicable:

- (a) Upon reaching ten (10) years of maturity after the end of a program period, that period shall be "closed" and there shall be no further dividends declared or assessments made with respect to those program periods, except as set forth in paragraph 6(a), below;
- (b) Notwithstanding subparagraph (a) above, the Board may take action to leave a policy period "open" even though it may otherwise qualify for closure. In addition, the last ten (10) policy periods shall always remain "open" unless the Board takes specific action to declare any of the last ten (10) policy periods closed.
- (c) Dividends and assessments, other than those set forth in paragraph 6(a) below, shall be administered to the participating members based upon the proportion of premiums paid to the Program in "open" periods only. For purposes of administering dividends and assessments pursuant to this subparagraph, all "open" policy periods shall be considered as one block. New members to the Program shall become eligible for dividends and assessments upon participating in the Program for three consecutive policy periods (not less than 24 months). Participating members who withdraw from the Program prior to the three year policy period restriction are still eligible for any assessments that arose out of the policy years they participated in the Program.

6. **DECLARATION OF DIVIDENDS.** Dividends shall be payable from the Program to a participating member in accordance with its proportionate funding to the Program during all "open" policy periods except as follows:

- (a) A dividend shall be declared at the time a program period is closed on all amounts which represent premium surcharge amounts assessed pursuant to Article 14(b)(3) of the Agreement where the funding exceeds the 80% confidence level. This dividend shall be distributed based upon each member's proportionate share of assessment paid and accrued to the policy period being closed.

7. **MEMORANDUM OF COVERAGE.** A Memorandum of Coverage shall be issued by the Authority evidencing membership in the Program and setting forth terms and conditions of coverage.

8. **CLAIMS ADMINISTRATION.** Each participating member shall comply with the Authority's Underwriting and Claims Administration Standards (including Addendum B - Liability Claims Administration Guidelines) as amended from time to time, and which are attached hereto as Exhibit B and incorporated herein.

9. **LATE PAYMENTS.** Notwithstanding any other provision to the contrary regarding late payment of invoices or cancellation from a Program, at the discretion of the Executive

Committee, any member that fails to pay an invoice when due may be given a ten (10) day written notice of cancellation.

10. **RESOLUTIONS OF DISPUTES.** Any question or dispute with respect to the rights and obligations of the parties to this Memorandum regarding coverage shall be determined in accordance with the Joint Powers Agreement Article 31, Dispute Resolution.

11. **AMENDMENT.** This Memorandum may be amended by a two-thirds vote of the Board and signature on the Memorandum by the member's designated representative who shall have authority to execute this Memorandum. Should a member of the Program fail to execute any amendment to this Memorandum within the time provided by the Board, the member shall be deemed to have withdrawn as of the end of the policy period.

12. **COMPLETE AGREEMENT.** Except as otherwise provided herein, this Memorandum constitutes the full and complete agreement of the members.

13. **SEVERABILITY.** Should any provision of this Memorandum be judicially determined to be void or unenforceable such determination shall not affect any remaining provision.

14. **EFFECTIVE DATE.** This Memorandum shall become effective on the effective date of coverage for the member and upon approval by the Board of any amendment, whichever is later.

15. **EXECUTION IN COUNTERPARTS.** This Memorandum may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

In Witness Hereof, the undersigned have executed this Memorandum as of the date set forth below:

Dated: 3/6/2009



CSAC Excess Insurance Authority

Dated: _____

Member Entity: _____



EXHIBIT A

EXCESS LIABILITY PROGRAM COST ALLOCATION PLAN

As delegated by the Board of Directors, the Executive Committee will determine the specific allocation of all costs among the members subject to the following parameters:

Actuarial Analysis

An annual actuarial analysis will be performed using loss and exposure data collected from the members. The analysis will determine the necessary funding rates at various confidence levels and using various discount assumptions. Different rates may be developed for different groups or classes of business as is deemed necessary or appropriate by the Executive Committee. At the March Board meeting, the Board of Directors will select the funding level rates and discount factors to be used based upon the actuarial analysis and recommendations from the actuary, the Underwriting Committee and the Executive Committee.

Pool Contributions

The total needed pool contribution will be determined by multiplying the rates described above by the exposure for all of the members participating in the pool. For schools, the exposure base will be the reported Average Daily Attendance (ADA). For all other members, the exposure base will be estimated payroll for the year being funded. The Executive Committee may break the pool into different layers for allocation purposes, and may apply a different loss experience modification for each layer as is deemed appropriate based on loss frequency. In general, the lower layers will be subject to greater experience modification and the higher layers will be subject to lower experience modification or no experience modification. Within the layers, the larger members will be subject to greater experience modification than the smaller members. After the experience modification has been applied for each layer, there will be a pro-rata adjustment back to the total needed pool contribution.

Reinsurance Premiums

The reinsurance premium will be determined through negotiations with the reinsurer(s) and approved by the Board upon recommendation of the Underwriting and Executive Committees. This premium will then be allocated among the members based upon their exposure (ADA or estimated payroll).

EIA Administration Fees

The total EIA Administration Fees will be determined through the annual budgeting process with an appropriate amount allocated to the Excess Liability Program. These fees will be allocated among the members as determined by the Executive Committee. In general, the basis for this allocation will be each member's percentage of the total pool contributions and reinsurance premium.

Deviation From the Standard

The Executive Committee may establish policies to deviate from the standard allocation methodology selected for each year on a case-by-case basis, if necessary. They may also elect to further delegate some or all of the decision making herein to the Underwriting Committee.



Exhibit B

Adopted: December 6, 1985
Amended: January 23, 1987
Amended: October 6, 1995
Amended: October 1, 1999
Amended: October 3, 2003
Amended: October 1, 2004
Amended: March 6, 2009

CSAC EXCESS INSURANCE AUTHORITY UNDERWRITING AND CLAIMS ADMINISTRATION STANDARDS

I. GENERAL

- A. Each Member shall appoint an official or employee of the Member to be responsible for the risk management function and to serve as a liaison between the Member and the Authority for all matters relating to risk management.
- B. Each Member shall maintain a loss prevention program and shall consider and act upon all recommendations of the Authority concerning the reduction of unsafe conditions.

II. EXCESS WORKERS' COMPENSATION PROGRAM

- A. Members of the Excess Workers' Compensation Program, except those members of the Primary Workers' Compensation Program whose responsibilities are outlined in Section IV below, shall be responsible for the investigation, settlement, defense and appeal of any claim made, suit brought or proceeding instituted against the Member.
 - 1. The Member shall use only qualified personnel to administer its workers' compensation claims. At least one person in the claims office (whether in-house or outside administrator) shall be certified by the State of California as a qualified administrator of self-insured workers' compensation plans.
 - 2. Qualified defense counsel experienced in workers' compensation law and practice shall handle litigated claims. Members are encouraged to utilize attorneys who have the designation "Certified Workers' Compensation Specialist, the State Bar of California, Board of Legal Specialization".
 - 3. The Member shall use the Authority's Workers' Compensation Claims Administration Guidelines (Addendum A) and shall advise its claims administrator that these guidelines are utilized in the Authority's workers' compensation claims audits.
- B. The Member shall provide the Authority written notice of any potential excess workers' compensation claims in accordance with the requirements of the Authority's Bylaws. Updates on such claims shall be provided pursuant to the reporting provisions of the Authority's Workers'

Compensation Claims Administration Guidelines (Addendum A) or as requested by the Authority and/or the Authority's excess carrier.

- C. A claims administration audit utilizing the Authority's Workers' Compensation Claims Administration Guidelines (Addendum A) shall be performed once every two (2) years. In addition, an audit will be performed within twelve (12) months of any of the following events:
1. There is an unusual fluctuation in the Member's claim experience or number of large claims, or
 2. There is a change of workers' compensation claims administration firms, or
 3. The Member is a new member of the Excess Workers' Compensation Program.

The claims audit shall be performed by a firm selected by the Authority unless an exception is approved. Recommendations made in the claims audit shall be addressed by the Member and a written response outlining a program for corrective action shall be provided to the Authority within sixty (60) days of receipt of the audit.

- D. Each Member shall maintain records of claims in each category of coverage (i.e. indemnity, medical, expense) or as defined by the Authority and shall provide such records to the Authority as directed by the Board of Directors, Claims Review Committee, Underwriting Committee, or Executive Committee. Such records shall include both open and closed claims, allocated expenses, and shall not be capped by the Member's self-insured retention.
- E. The Member shall obtain an actuarial study performed by a Fellow of the Casualty Actuarial Society (FCAS) at least once every three (3) years. Based upon the actuarial recommendations, the Member should maintain reserves and make funding contributions equal to or exceeding the present value of expected losses and a reasonable margin for contingencies.

III. GENERAL LIABILITY PROGRAMS

- A. Members of the General Liability I or General Liability II Programs, except those members of the Primary General Liability Program whose responsibilities are outlined in Section V below, shall be responsible for the investigation, settlement, defense and appeal of any claim made, suit brought or proceeding instituted against the Member.
1. The Member shall use only qualified personnel to administer its liability claims.

2. Qualified defense counsel experienced in tort liability law shall handle litigated claims. Members are encouraged to utilize defense counsel experienced in the subject at issue in the litigation.
 3. The Member shall use the Liability Claims Administration Guidelines (Addendum B) and shall advise its claims administrator that these guidelines are utilized in the Authority's liability claims audits.
- B. The Member shall provide the Authority written notice of any potential excess liability claim in accordance with the requirements of the Authority's Bylaws. Updates on such claims shall be provided pursuant to the reporting provisions of the Authority's Liability Claims Administration Guidelines (Addendum B) or as requested by the Authority and/or the Authority's excess carrier.
- C. A claims administration audit utilizing the Authority's Liability Claims Administration Guidelines (Addendum B) shall be performed once every three (3) years. In addition, an audit will be performed within twelve (12) months of any of the following events:
1. There is an unusual fluctuation in the Member's claims experience or number of large claims, or
 2. There is a change of liability claims administration firms, or
 3. The Member is a new member of the General Liability I or General Liability II Program.

The claims audit shall be performed by a firm selected by the Authority unless an exception is approved. Recommendations made in the claims audit shall be addressed by the Member and a written response outlining a program for corrective action shall be provided to the Authority within sixty (60) days of receipt of the audit.

- D. Each Member shall maintain records of claims in each category of coverage (i.e. bodily injury, property damage, expense) or as defined by the Authority and shall provide such records to the Authority as directed by the Board of Directors or applicable committee. Such records shall include open and closed claims, allocated expenses, and shall not be capped by the Member's self-insured retention.
- E. The Member shall obtain an actuarial study performed by a Fellow of the Casualty Actuarial Society (FCAS) at least once every three (3) years. Based upon the actuarial recommendations, the Member should maintain reserves and make funding contributions equal to or exceeding the present value of expected losses and a reasonable margin for contingencies.

IV. PRIMARY WORKERS' COMPENSATION PROGRAM

- A. Members of the Primary Workers' Compensation Program shall provide the third party administrator written notice of any claim in accordance with the requirements of the Authority. Members must also cooperate with the third party administrator in providing all necessary information in order for claims to be administered appropriately.
- B. The Authority shall be responsible for ensuring qualified personnel administer claims in the Primary Workers' Compensation Program and that claims are administered in accordance with the Authority's Workers' Compensation Claims Administration Guidelines (Addendum A).
- C. The Authority shall be responsible for ensuring a claims administration audit utilizing the Authority's Workers' Compensation Claims Administration Guidelines (Addendum A) is performed once every two (2) years.
- D. The Authority shall be responsible for obtaining an actuarial study performed by a Fellow of the Casualty Actuarial Society (FCAS) annually.

V. PRIMARY GENERAL LIABILITY PROGRAM

- A. Members of the Primary General Liability Program shall provide the third party administrator written notice of any claim or incident in accordance with the requirements of the Authority. Members must also cooperate with the third party administrator in providing all necessary information in order for claims to be administered appropriately.
- B. The Authority shall be responsible for ensuring qualified personnel administer claims in the Primary General Liability Program and that claims are administered in accordance with the Authority's Liability Claims Administration Guidelines (Addendum B).
- C. The Authority shall be responsible for ensuring a claims administration audit utilizing the Authority's Liability Claims Administration Guidelines (Addendum B) is performed once every two (2) years.
- D. The Authority shall be responsible for obtaining an actuarial study performed by a Fellow of the Casualty Actuarial Society (FCAS) annually.

VI. PROPERTY PROGRAM

- A. Members of the Property Program shall maintain appropriate records including a complete list of insured locations and schedule of values pertaining to all real property. Such records shall be provided to the Authority or its brokers as requested by the Executive or Property Committees.

- B. Each Member shall perform a real property replacement valuation for all locations over \$250,000. Valuations shall be equivalent to the Marshall Swift system and shall be performed at least once every five (5) years. New members shall have an appraisal or valuation performed within one year from entry into the Program.

VII. MEDICAL MALPRACTICE PROGRAM

A. Program I

1. Members of Medical Malpractice Program I (hereinafter Program I) shall be responsible for the investigation, settlement, defense and appeal of any claim made, suit brought or proceeding instituted against the Member.
 - a. Members of Program I shall use only qualified personnel to administer its health facility claims.
 - b. Qualified defense counsel experienced in health facility law shall handle litigated claims.
 - c. Members of Program I shall use the "Claims Reporting and Handling Guidelines" in the CSAC Excess Insurance Authority Medical Malpractice Program Operating and Guidelines Manual (hereinafter Operating and Guidelines Manual), and shall advise its claims administrator that these claims handling guidelines are utilized in the Authority's medical malpractice claims audits.
2. Members of Program I shall provide the Authority written notice of any potential excess claim or "major incident" in accordance with the requirements of the Authority and of the excess carrier as stated in the Operating and Guidelines Manual. Updates on such claims or major incidents shall be provided as requested by the Authority.
3. A claims administration audit utilizing the Authority's Claims Reporting and Handling Guidelines in the Operating and Guidelines Manual shall be performed once every three (3) years. In addition, an audit will be performed within twelve (12) months of any of the following events:
 - a. There is an unusual fluctuation in the Member's claims experience or number of large claims, or
 - b. There is a change of health facility claims administration firms, or
 - c. The Member is a new member of the Medical Malpractice Program, or

- d. The Medical Malpractice Committee requests an audit. The claims audit shall be performed by a firm(s) selected by the Authority. Recommendations made in the claims audit shall be addressed by the Member and a written response outlining a program for corrective action shall be provided to the Authority within sixty (60) days of receipt of the audit.
4. Each Member shall maintain records of claims in each category of coverage (i.e. bodily injury, property damage, expense) or as defined by the Authority and shall provide such records to the Authority as directed by the Board of Directors or applicable committee. Such records shall include open and closed claims, allocated expenses, and shall not be capped by the Member's self-insured retention.
5. Members of Program I shall obtain an actuarial study performed by a Fellow of the Casualty Actuarial Society (FCAS) at least once every three (3) years. Based upon the actuarial recommendations, the Member should maintain reserves and make funding contributions equal to or exceeding the present value of expected losses and a reasonable margin for contingencies.
6. The Member shall have an effective risk management program in accordance with the "Risk Management Guidelines" as stated in the Operating and Guidelines Manual.

B. Program II

1. For Medical Malpractice Program II (hereinafter Program II) Members, the Authority shall be responsible for the investigation, settlement, defense and appeal of any claim made, suit brought or proceeding instituted against the Member. The Authority may contract with a third party administrator for handling of such claims.
2. The Authority shall be responsible for ensuring the third party administrator uses qualified personnel to administer Program II claims.
3. The Authority shall be responsible for ensuring qualified defense counsel experienced in health facility law shall handle litigated claims.
4. The Authority shall be responsible for ensuring a claims administration audit utilizing the Authority's Claims Reporting and Handling Guidelines in the Operating and Guidelines Manual shall be performed once every two (2) years.

The claims audit shall be performed by a firm(s) selected by the Authority. Recommendations made in the claims audit shall be

addressed by the third party administrator and a written response outlining a program for corrective action shall be provided to the Authority within sixty (60) days of receipt of the audit.

5. The Authority shall be responsible for obtaining an actuarial study performed by a Fellow of the Casualty Actuarial Society (FCAS) annually.
6. The Member shall have an effective risk management program in accordance with the "Risk Management Guidelines" as stated in the Operating and Guidelines Manual.

VIII. SANCTIONS

- A. The Authority shall provide the Member written notification of the Member's failure to meet any of the above-mentioned standards or of other concerns, which affect or could affect the Authority.
- B. The Member shall provide a written response outlining a program for corrective action within sixty (60) days of receipt of the Authority's notification.
- C. After approval by the Executive or applicable Program Committee of the Member's corrective program, the Member shall implement the approved program within ninety (90) days. The Member may request an additional sixty (60) days from the Executive or applicable Program Committee. Further requests for extensions shall be referred to the Board of Directors.
- D. Failure to comply with subsections B or C may result in cancellation of the Member from the affected Authority Program in accordance with the provisions in the Joint Powers Agreement.
- E. Notwithstanding any other provision herein, any Member may be canceled pursuant to the provision of the Joint Powers Agreement.



Adopted: December 6, 1985
Amended: January 23, 1987
Amended: October 6, 1995
Amended: October 1, 1999
Amended: March 2, 2007
Amended: March 5, 2010
Amended: March 2, 2012
Adopted: June 1, 2012

ADDENDUM B LIABILITY CLAIMS ADMINISTRATION GUIDELINES

The following Guidelines have been adopted by the CSAC Excess Insurance Authority (hereinafter the Authority) in accordance with Article 18(b) of the CSAC Excess Insurance Authority Joint Powers Agreement.

I. CLAIMS INVESTIGATION

- A. Complete factual investigation shall be done within forty-five (45) days of the Member's knowledge of claim, including statements from participants and witnesses, appropriate official reports, and photos. (Answer questions who, what, where, when and why).
- B. Develop liability issues, including immunities, comparative negligence, joint tort feasons and joint and several liability. Transfer of risk is an important aspect of any claims investigation.
- C. Initiate the development of information on damages:
 - 1. Property damage
 - 2. Nature and extent of injuries
 - 3. Medical costs
 - 4. Lost wages
 - 5. Dependency
 - 6. Other damages
- D. Obtain and review contracts that may be in effect relating to specific events, to determine whether there is any sharing or complete transfer of the risk through:
 - 1. Hold-harmless and/or indemnity agreements
 - 2. Additional insured requirements
- E. Obtain defective products and/or other evidence, and hold it if at all possible, or at least locate where it is being held. Obtain product

information for the file. Early preservation of evidence is imperative for a proper defense.

F. Utilize experts appropriately on cases. Consideration shall be given to structured settlements and alternative dispute resolution. The Authority has a resource manual with the names, addresses, etc. on various experts who can be retained to investigate and testify on behalf of the Members.

G. Indexing.

1. All bodily injury claims shall be initially reported to the Index Bureau and re-indexed on an as needed basis thereafter.

The EIA maintains a membership with the Index Bureau that members can access.

H. Arrange appraisals for damaged property. Do not rely on the appraisal obtained by the plaintiffs' own carriers. In some instances they may not utilize the local A.C.V. and the "computerized" appraisal figure can be inflated.

II. EXCESS REPORTING REQUIREMENTS

A. First Report

It is agreed that with respect to claim reporting, the covered party, in addition to the terms set forth in this Memorandum, must report an occurrence, offense, or wrongful act as follows:

As respect to the General Liability I Program members, this includes any occurrence, offense, or wrongful act in which the amount incurred has reached 50 percent or more of their individual self-insured retention or \$500,000, whichever is lower.

As respect to the General Liability II Program members, this includes any occurrence, offense, or wrongful act in which the amount incurred has reached 50 percent of their individual self-insured retention.

The Member shall give the Authority immediate written notice for any claims or suits which the Member becomes aware of that include injury of the following types:

- a. Death
- b. Paralysis, paraplegia, quadriplegia
- c. Loss of eye(s), or limbs

- d. Spinal cord or brain injury
- e. Dismemberment or amputation
- f. Sensory organ or nerve injury or neurological deficit
- g. Serious burns
- h. Severe scarring
- i. Sexual assault or battery including but not limited to rape, molestation or sexual abuse
- j. Substantial disability or disfigurement
- k. Any class action
- l. Any claim or suit in which the Authority is named as a defendant; or
- m. Any injury caused by lead.

These reporting requirements are intended to be consistent with the requirements in the current year Memorandum of Coverage (MOC). Reporting requirements specific to a loss outside the current MOC year should be verified through the MOC effective for that loss year.

Utilize the current First Report Potential Excess Liability Claims form, available through the Authority website, and transmit to the Authority by email to LiabilityClaims@csac-eia.org.

B. Update Reports

The Authority shall be provided copies of periodic reports (at least every 90 days) in order to be kept apprised of the developments of the case. On litigated cases, defense counsel shall also include the Authority on their mailing lists for copies of correspondence, reports, evaluations, interrogatory summaries, deposition summaries and medical summaries. Actual deposition transcripts, interrogatories, their answers to interrogatories and interim billings are not required.

As reserve/update changes occur, complete and transmit the current Reserve and Payment Update form available through the Authority website.

No less than thirty (30) days prior to trial, counsel shall provide a pre-trial report that discusses the following:

1. Case Summary
 - Summary of Facts
 - Critical Liability Issues
 - Expected Liability Expert Testimony
 - Critical Damage Issues
 - Expected Damage Expert Testimony
2. Evaluation

- Potential Verdict Value
- Comparative Fault Analysis
- Probability of Defense Verdict

Throughout trial, a daily trial status update shall be provided to the Authority by defense counsel, the Member, or the Third-Party Administrator. This can be informal, such as an email or voicemail advising of the day's activities, impressions of witnesses, any impacting developments, and an update regarding the next day's schedule.

C. Closure Reports

When a case that has been reported to the Authority is settled, dismissed or closed in any other fashion, provide the Authority with the closing documents and a completed Closure Information form, available through the Authority website.

III. TORT CLAIM REQUIREMENTS/GOVERNMENT CODE

- A. All notices (pertaining to claim insufficiency, returning late claims, claims rejections, etc.) shall be timely done in accordance with the relevant Governmental Code provisions.
- B. Appropriate Dismissal Motions shall be made for failure to meet the applicable Code of Civil Procedure statutes for timely serving, conducting discovery or bringing a complaint to trial.
- C. Proper verification of a claimant's status as to Medicare eligibility shall be completed and documented in every file involving a bodily injury. In those cases where the claimant does meet the eligibility requirements, mandatory reporting to the Center for Medicare and Medicaid Services (CMS) must be completed directly or through a reporting agent in compliance with State Children's Health Insurance Program (SCHIP) Section 111 of the Medicare Medicaid and SCHIP Extension Act of 2007.

IV. DOCUMENTATION

- A. Accurate reserves shall be established based on facts known, within thirty (30) days of receipt of the investigative report. Legal and adjusting expenses shall be included. The following formula is recommended in establishing and updating the reserves for each file:
 1. $(\text{Maximum Value} \times \text{Member's \% of Liability}) + \text{Expense Factor} = \text{Reserve}.$

Maximum value is the potential total amount a plaintiff could expect to receive, either through settlement or verdict, as if he/she was completely free of negligence. Maximum value shall include any potential award of plaintiff's attorney fees, such as, but not limited to, cases involving Federal Civil Rights.

Percentage of liability is determined by various factors that are discovered during an investigation. Reserves shall be adjusted accordingly, as facts are developed, to properly reflect the exposure. These factors include but are not limited to:

- a. The extent of plaintiff's liability
 - b. The number of co-defendants and their percentage of liability
 - c. The ability of the co-defendants to respond financially to any settlement or verdict.
 - d. On cases occurring after June 3, 1986, Proposition 51 allows defendants to limit their liability on non-economic damages to their percentage of fault.
 - e. On cases involving uninsured claimants the recovery is limited to economic damages in accordance with California Code of Civil Procedures sections 3333.3 and 3333.4 (Prop 213).
2. The reserve shall be set at the full exposure after applying the above formula, even if it exceeds the Member's Self-Insured Retention.
- B. The file shall contain reports necessary to document the decisions made, including all demands, offers of settlement and settlement authority.
1. A complete "typed" captioned report shall be placed in each file for:
 - a. Bodily Injury claims reserved above 25% of the S.I.R.
 - b. Property Damage claims reserved above 25% of the S.I.R.
 - c. All claims that meet the Authority's excess reporting requirements regardless of reserves.

Members and/or claims administrators may follow stricter guidelines.

The captioned report shall include the following topical headings and subsequent entries:

1. Date of report
2. Member name
3. S.I.R. level
4. Claimant(s) Information
5. Date of Loss
6. Claim Number (if used)

7. Facts of accident or occurrence
8. Witness/Participant Statement
9. Suggested reserves (see IV. A) Do they reflect exposure?
10. Assessment of liability
11. Review of damages/injuries, including medical costs, lost wages, dependency, property damage estimates, total loss evaluations, loss of use claims, and other damages
12. Index Bureau reporting
13. Addressing of coverage questions
14. Excess potential
15. Structured Settlement possibilities
16. Alternative Dispute Resolution
17. Subrogation potential
18. Governmental Code compliance and immunities
19. Identify future course of action
20. State next diary date
21. If litigated, identify counsel on both sides
22. Offsets or liens that may need to be considered
23. Medicare eligibility and reporting

- C. Photos, diagrams, estimates, statements, plans, contracts, medical, law enforcement and coroner's reports (where applicable) shall be in the claims file in a timely manner.

V. CASE SETTLEMENT FACTORS

- A. The settlement shall be reasonable in light of damages, injuries, liability, and any obligations to Medicare.
- B. Settlements shall be effected in a timely manner, with consideration given to structures and/or alternative dispute resolution.
- C. Contributions from joint tort feasons shall be considered.
- D. Settlement evaluation and authority shall be documented. On cases exceeding the S.I.R., prior written authority must be obtained from the Authority.
- E. Proper releases and dismissals shall be secured.

VI. LITIGATED FILES

- A. Defense plan shall be in the file, including a projected cost analysis.
- B. Defense attorney's initial evaluation shall be completed and in the file within sixty (60) days of assignment.

- C. The defense attorney shall make proper follow-up requests for investigation.
- D. Defense costs shall be controlled by the Member. Depositions and other defense costs shall be approved by the Member.
- E. There shall be timely recommendations from defense firms regarding settlements and trial preparation.
- F. Litigation outcome and total costs shall be documented.
- G. There shall be timely notification to relevant employees and other parties regarding pending litigation.

VII. SUMMARY

The file shall be completely documented. Audits conducted by the Authority Auditor shall measure whether performance is consistent with these guidelines.