



**CITY OF NORCO
CITY COUNCIL SPECIAL MEETING AGENDA**

**Wednesday, June 1, 2016
City Council Chambers, 2820 Clark Avenue, Norco, CA 92860**

CALL TO ORDER: 5:00 p.m.

ROLL CALL: Kevin Bash, Mayor
Greg Newton, Mayor Pro Tem
Robin Grundmeyer, Council Member
Berwin Hanna, Council Member
Ted Hoffman, Council Member

PLEDGE OF ALLEGIANCE: Council Member Ted Hoffman

INVOCATION: Pastor Fred Griffin, Corona Church of the Open Door

CITY COUNCIL BUSINESS ITEMS AS FOLLOWS:

1. CITY COUNCIL COMMUNICATIONS / REPORTS ON REGIONAL BOARDS AND COMMISSIONS:
2. CITY COUNCIL CONSENT ITEMS: *All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Council, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Council or the audience request specific items be removed from the Consent Calendar. Items removed from the Consent Calendar will be separately considered under Item No.3 of the Agenda.*
 - A. City Council Special Meeting and Regular Meeting Minutes of May 18, 2016, and the Special Joint Meeting Minutes of May 21, 2016. **Recommended Action: Approve the City Council regular and special meeting minutes.** (City Clerk)
 - B. Procedural Step to Approve Ordinance after Reading of Title Only. **Recommended Action: Approval** (City Clerk)
 - C. Acceptance of Proposal for ESRI, Inc. GIS Software Services. **Recommended Action: Accept the proposal submitted for a three-year agreement for annual geographical information system software licensing and maintenance services contract to ESRI, Inc. and authorize the City Manager to execute the contract in the amount not to exceed \$81,000.** (Director of Public Works)
 - D. Acceptance of Proposal from Lucity, Inc. for Software License and Professional Services Agreement. **Accept the proposal for the purchase of Computerized Maintenance Management System (CMMS) and**

implementation services by Lucity, Inc. and authorize the City Manager to execute the contract in the amount not to exceed \$50,000 for purchase of software and \$64,200 for software implementation. (Director of Public Works)

- E. Approval of Relocation of a Public Art Piece at the George Ingalls Equestrian Event Center. **Recommended Action: Approve the relocation of a public art piece at the George Ingalls Equestrian Event Center. (Deputy City Manager/Director of Parks, Recreation, and Community Services)**
- F. Acceptance of Bids and Award of Contract for the Equestrian Trail Fence "Bluff Peninsula" Project. **Recommended Action: Accept bids submitted for the installation of new trail fence in the Bluff Peninsula area, award a contract to Valley Cities/Gonzales Fence, Inc. in the amount of \$78,100 and authorize the City Manager to approve contract change orders up to 10 percent of the total bid amount. (Director of Public Works)**
- G. Acceptance of Bids and Award of Contract for the Norco MDP Line NB-3 North Storm Drain Improvement Project. **Recommended Action: Accept bids submitted for the installation of new storm drain pipe and catch basins on Corona Avenue between Fourth and Fifth Streets, award a contract to Gwinco Construction & Engineering, Inc. in the amount of \$216,609, and authorize the City Manager to approve contract change orders up to 10 percent of the total bid amount. (Director of Public Works)**
- H. Execution of a Cooperative Funding Agreement between the City of Norco and the Riverside County Flood Control and Water Conservation District. **Recommended Action: Approve a Cooperative Funding Agreement between the City of Norco and Riverside County Flood Control and Water Conservation District to Design and Construct the extension of MDP Line NB-3 Drainage Facilities, subject to non-substantive changes and approval by the Riverside County Board of Supervisors; and authorize the City Manager to execute the agreement. (Director of Public Works)**
- I. Award a 5-Year Contract to Smart Utility Systems in the Amount of \$83,550 to Implement the Smart Customer Mobile Module. **Recommended Action: Award a 5-Year contract to Smart Utility Systems in the amount of \$83,550 to implement the Smart Customer Mobile Module. (Finance Officer)**

3. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR

4. **PUBLIC COMMENTS:** *This is the time when persons in the audience wishing to address the City Council regarding matters not on the agenda may speak. Please complete the speaker card in the back of the room and present it to the City Clerk so that you may be recognized.*

5. APPEAL HEARING:

- A. **Conditional Use Permit 2014-10/Variance 2014-05** (Swaminarayan Gurukul-USA/Patolia): A request to appeal the Planning Commission's denial to allow the development of a temple and cultural center on a vacant parcel (APN 130-240-031) located on the west side of Norconian Drive between Norco Drive and Fifth Street, within the A-1-20 (Agricultural Low Density) Zone. A variance is being requested from the maximum allowed height of 35 feet to allow a building dome height of about 46 feet. (Planning Director)

Recommended Action: Continue the Appeal Hearing to the July 6, 2016 City Council meeting.

6. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS:

ADJOURNMENT

In compliance with the Americans with Disabilities Act, any person with a disability who requires a modification or accommodation in order to participate in this meeting, please contact the City Clerk's office, (951) 270-5623, at least 48 hours prior to the meeting to make reasonable arrangements to ensure accessibility. Staff reports are on file in the City Clerk's Office. Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be available for public inspection at the City Clerk's Counter in City Hall located at 2870 Clark Avenue during normal business hours. The meeting is recorded.



**CITY OF NORCO
CITY COUNCIL SPECIAL MEETING MINUTES**

**Wednesday, May 18, 2016
City Council Chambers, 2820 Clark Avenue, Norco, CA 92860**

CALL TO ORDER: 4:00 p.m.

ROLL CALL: **Present:**
Kevin Bash, Mayor
Greg Newton, Mayor Pro Tem
Robin Grundmeyer, Council Member
Berwin Hanna, Council Member
Ted Hoffman, Council Member

PLEDGE OF ALLEGIANCE: Council Member Berwin Hanna

DISCUSSION ITEMS:

1. Continuation of the Draft Fiscal Year 2016-2017 Operating Budget Presentation

City Manager Okoro asked if there were any questions from the Operating Budget presentation given on May 4, 2016. There being no questions, Mayor Bash proceeded to the next agenda item.

2. Presentation of the Draft Capital Improvement Program (CIP) Budget for Fiscal Years 2017-2021

Director Chad Blais reported a summary of the CIP projects. Fiscal Year 2016-2017 estimated revenues total \$4,715,832 and estimated expenditures total \$12,880,791. City Manager Okoro said that it is important to note that most of the revenues are coming from third party agencies. The storm drain projects, in the estimated amount of \$2,504,277, is anticipated to come from Riverside County Flood Control District. Another significant item is the Measure A Projects line item, which includes only two projects that will contribute revenue to the City.

Director Blais turned the presentation over to Recreation Superintendent Michelle Anglin to report on the parks and facilities projects. Two projects are from the Park Improvements Fund. One project is the Ingalls Park Improvements project scheduled for Fiscal Year 2016-2017 in the amount of \$163,789 for sound system improvements at the arena, a maintenance yard for the event center, and restrooms with showers. The second is the Public Art Project scheduled for Fiscal Year 2016-2017 in the amount of \$202,817 for public art and future improvements at the center such as landscape, hardscape, marquee, kiosk, directional signs, etc.

Superintendent Anglin commented on the project under the General Government Projects Fund. \$103,600 is estimated for playground equipment at Neil Snipes Park. The existing equipment is the oldest equipment in the City's park system and no longer meets the current standards and guidelines. Ms. Anglin reported on the fourth project in the Facility Improvement Fund, which is for the replacement of City Hall air conditioning units in the amount of \$35,000. The project includes replacing two 7.5-ton units that are 32 years old. Ms. Anglin reported on the fifth project, which is in the Animal Control Facilities Fund for parking lot steps at the rear of the administration building. The project amount is \$19,585 for use in Fiscal Year 2016-2017.

Council Member Ted Hoffman commented that in December 2014, \$300,000 was allocated for public art from remaining Redevelopment Agency funds and asked if the amount presented today is in addition to what has been allocated. Ms. Anglin indicated that the amount of \$202,817 is the remaining balance from that original allocation plus \$10,000 which was donated from the Day of the Cowboy.

With no further questions from Council, Superintendent Anglin turned the presentation back over to Director Blais.

Director Blais reported on the Trails Improvement Fund. The estimated beginning fund balance by July 1, 2016 is \$143,107. With a transfer from the Street Fund, the total Trails Improvement Fund amount for Fiscal Year 2016-2017 is \$243,465. Mr. Blais reported on the use of funds for Fiscal Years 2016-2017 and 2017-2018 and highlighted that the City was able to include two projects suggested by the Norco Horsemen's Association; 1) Corydon – River Road to Santa Anita (new trail fence); and 2) Third Street – Corona Avenue to Temescal Avenue (new trail fence).

In response to Mayor Bash, Superintendent Terry Piorkowski indicated that Corydon is not included in the Bluff/Peninsula Trail Fence Project. Fencing on Corydon was completed approximately three years ago. Bluff is in the Peninsula Project, which will include fencing from River Road to Statecoach.

In response to Mayor Pro Tem Newton, Director Blais stated that \$300,000 was allocated for traffic calming. The current projected expenditures is approximately \$100,000 for all the associated improvements. Another \$100,000 will remain in the fund as the improvements are completed. Staff does not anticipate using the entire amount allocated. The recommendation is to move \$100,000 to complete the Peninsula Project. Mayor Pro Tem Newton expressed concerns that the \$100,000 may still be needed for the traffic calming measures.

Director Blais reported on the Water Improvement Fund. He highlighted that regarding these projects, by the end of this fiscal year, and going forward, there will be a zero balance in the funds. The estimated beginning fund balance on July 1, 2016 is \$4,427,218. With the addition of other sources of funds, the total source of funds is \$5,017,217. He reported on the use of funds with one of the main projects being the Valley View Waterline from Sixth to Seventh Street. Another project is the implementation of GIS/CMMS System software which will manage assets and infrastructure in the City.

In response to Mayor Pro Tem Newton, City Manager Okoro indicated that the repayment from Balboa for SilverLakes in the amount of \$286,000 is only half of the repayment and the other half is identified in the Sewer Fund. Accounting Manager Olivia Hoyt indicated that the interest income from the \$6,000,000 is included in the line item amount of \$286,615.

Director Blais reported on the Street Improvement Fund. The estimated beginning balance for July 1, 2016 is \$2,177,081. About \$1,000,000 worth of projects is scheduled for Fiscal Year 2016-2017, which leaves about \$1,000,000 for Fiscal Year 2017-2018. Mr. Blais commented on the street widening projects on Second Street and Sixth Street that will assist with the flow of traffic.

Director Blais reiterated that funds will be exhausted by Fiscal Year 2019-2020, or sooner if more projects are done. Staff would like the Council to consider long-term planning to put funds back in the Street Improvement Fund. Mayor Pro Tem Newton asked where the approximate \$300,000 of cash in lieu funds go to help offset some of the street improvement projects. City Manager Okoro stated that staff and auditors will take a comprehensive look at the cash in lieu funds. Each deposit will be reviewed and categorized. Staff will bring a report and recommendation back to the City Council.

Director Blais reported on Storm Drain Fund, which has an estimated beginning balance as of July 1, 2016 of \$199,483. With the addition of other source of funds, most from Riverside County Flood Control District, the total is \$2,703,759 for Fiscal Year 2016-2017. Council Member Hanna noted a correction on one of the projects. The storm drain lateral in Pedley Avenue should be corrected to Riverview Elementary, not Highland Elementary.

Director Blais reported on the Sewer Facilities Improvement Fund. The estimated beginning fund balance by July 1, 2016 is \$2,810,657 and with the addition of other sources of funds, the total source of funds amount for Fiscal Year 2016-2017 is \$3,338,549. Staff is proposing about \$2.7 million worth of projects, leaving \$1.1 million for Fiscal Year 2017-2018. Mayor Pro Tem Newton expressed concern that the fund is anticipated to be in the negative by \$4 million by Fiscal Year 2018-2019. Mayor Pro Tem Newton asked about the Navy Meter Relocation project in the amount of \$205,000. Superintendent Piorkowski indicated that the City intercepted the line flow at the pump station located on the south end of the Navy base and ran it to the college for a short distance. There is a meter there in a secure compound, which is extremely difficult for City staff to access. The meter needs to be relocated in order to gain access and properly bill the Navy. Mayor Pro Tem Newton asked if the Navy could participate in the cost associated with the relocation. Director Blais indicated that the Navy is technically our customer and the City is responsible for metering them appropriately.

Director Blais reported on Measure A Projects Fund which has an estimated beginning fund balance on July 1, 2016 of \$2,034,704. With the addition of Measure A revenues and investment earnings, the total source of funds amount is \$2,658,791. Staff is projected to spend approximately \$1.8 million in projects in Fiscal Year 2016-2017. Staff planned aggressively for project completion but suggests leaving one year's worth of Measure A funding in the fund for emergencies or special projects.

In response to Mayor Bash, Director Blais stated that there is no direct plan to rehab Third Street from Hamner Avenue to Valley View. Staff has completed the Pavement Management System and just recently received the data. Staff will need to properly analyze each street. Council Member Hoffman commented on the condition of Hidden Valley Park up to Norco Hills. He suggested some rehab and overlay before the condition worsens considering the amount of traffic on that roadway.

ADJOURNMENT

Mayor Bash adjourned the meeting at 5:25 p.m.

Cheryl L. Link, CMC, City Clerk



**CITY OF NORCO
CITY COUNCIL
SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING MINUTES**

**Wednesday, May 18, 2016
City Council Chambers, 2820 Clark Avenue, Norco, CA 92860**

CALL TO ORDER: 7:00 p.m.

ROLL CALL: **Present:**
Kevin Bash, Mayor
Greg Newton, Mayor Pro Tem
Robin Grundmeyer, Council Member
Berwin Hanna, Council Member
Ted Hoffman, Council Member

PLEDGE OF ALLEGIANCE: Council Member Ted Hoffman

INVOCATION Geoff Kahan

BUSINESS APPRECIATION NOMINEE: Polly's Pies Restaurant

Mayor Bash and Economic Development Advisory Council Member Gabriel Martin presented a plaque to Polly's Pies Restaurant in appreciation of its investment in the City of Norco and its strong community engagement.

CITY COUNCIL / SUCCESSOR AGENCY BUSINESS ITEMS AS FOLLOWS:

1. CITY COUNCIL COMMUNICATIONS / REPORTS ON REGIONAL BOARDS AND COMMISSIONS:

Mayor Pro Tem Newton:

- No report given.

Council Member Hoffman:

- He and Mayor Pro Tem Newton met with Waste Management on July 7 to get an update on manure to energy programs.
- Attended a Riverside County Transportation Commission meeting. The Perris Valley Rail Line opens June 6.
- Attended the Southern California Association of Governments Annual Conference in La Quinta on May 5-6.

Council Member Hanna:

- Provided update that Vector Control is reporting West Nile Cases in Riverside and San Bernardino counties.

Council Member Grundmeyer:

- Attended the Students Offering Solutions Town Hall meeting on May 17. The meeting included discussions and presentations about common drug misconceptions related to health, safety, and legality.
- Attended the League of California Cities meeting in Palm Springs on May 9.
- Attended the City's Volunteer Appreciation Dinner event on May 10.
- Attended the 10th Annual Ranch Tour on May 14.

Mayor Bash:

- Invited the Council to visit Norco Intermediate School for the history museum that the students prepared. The museum will be open for visitors until next Thursday, May 26 from 11:15 a.m. – 1:00 p.m.

2. CITY COUNCIL / SUCCESSOR AGENCY CONSENT ITEMS:

Council Member Hoffman pulled item 2.F. and Mayor Pro Tem Newton pulled item 2.L.

M/S GRUNDMEYER/BASH to approve the remaining Consent Calendar items as presented. The motion was carried by the following roll call vote:

AYES: BASH, GRUNDMEYER, HANNA, HOFFMAN, NEWTON

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

- A. City Council Special Meeting/Budget Workshop and Regular Meeting Minutes of May 4, 2016. **Action: Approved the City Council special and regular meeting minutes.** (City Clerk)
- B. Procedural Step to Approve Ordinance after Reading of Title Only. **Action: Approved** (City Clerk)
- C. Recap of Actions Taken by the Planning Commission at its Meeting Held on May 11, 2016. **Recommended Action: Receive and file.** (Planning Director)
- D. Approval and Adoption of the Annual Appropriation Limit for Fiscal Year 2016-2017. **Action: Adopted Resolution No. 2016-23, approving the annual appropriation limit for Fiscal Year 2016-2017.** (Finance Officer)
- E. Annual Adoption of the City's Investment Policy. **Action: Approved and adopted the annual City Investment Policy.** (Finance Officer)
- F. Exception to Allowable Construction Materials for Driveways in Parkway/Trail Setting. **Pulled for discussion.** (Public Works Director)
- G. Acceptance of Vine Street and Sagetree Lane Water Improvements. **Action: Accepted the Vine Street and Sagetree Lane Water Improvements Project**

as complete and directed the City Clerk to file the Notice of Completion with the County of Riverside. (Director of Public Works)

- H. Termination of Disposition and Development Agreements, Grant Deed Restrictions and Covenants, Conditions and Restrictions Pertaining to APN 126-120-0385-5 (Norco Hamner Holdings LLC). **Action: Approved the agreement terminating the Disposition and Development Agreements, Grant Deed Restrictions and Covenants, Conditions and Restrictions for APN 126-120-0385-5.** (City Attorney/Counsel)
 - I. Scheduling of a Public Hearing for the Adoption of the City of Norco 2015 Urban Water Management Plan. **Action: Approved the scheduling of a public hearing at the June 15, 2016 City Council meeting to adopt the City of Norco 2015 Urban Water Management Plan.** (Director of Public Works)
 - J. Ratification to Increase the Fiscal Year 2015-2016 Western Riverside County Regional Wastewater Authority Operating Budget. **Action: Adopted Resolution No. 2016-24, amending the Fiscal Year 2015-2016 Western Riverside County Regional Wastewater Authority Operating Budget in the amount of \$487,714.** (Director of Public Works)
 - K. Ratification of Fiscal Year 2016-2017 Western Riverside County Regional Wastewater Authority Budget. **Recommended Action: Adopt Resolution No. 2016-25, approving the Fiscal Year 2016-2017 Western Riverside County Regional Wastewater Authority budget establishing rates to be charged for conveyance, treatment and disposal of wastewater.** (Director of Public Works)
 - L. Approval of Lease Agreements between City of Norco and GTE Mobilnet of California Limited Partnership, d/b/a Verizon Wireless for Telecommunication Facilities at Parmenter Park, George Ingalls Equestrian Event Center and Shearer Sports Complex. **Pulled for discussion.** (Deputy City Manager)
3. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR
- 2.F. Exception to Allowable Construction Materials for Driveways in Parkway/Trail Setting. (Public Works Director)

Council Member Hoffman pulled the item to ask if this exception is on a case-by-case basis or will be incorporated into the Municipal Code. In response, Director Blais stated that this is a one-time exception related to this specific issue on one property in hopes that it will be an acceptable solution. Council Member Hoffman asked if there will be channel drains installed to divert water to prevent eroding. Mr. Blais stated that there are no plans for drainage. The approach on each side of the driveway is slanted which will cause the water to flow off the parkway area into the street.

In response to Council Member Hanna, Director Blais stated that the Streets, Trails and Utilities Commission did not look at this issue as staff's recommendation will not change. This is a minor improvement to allow the property owner to use his driveway.

Mayor Pro Tem Newton indicated that he supports the solution presented by staff. He suggested that staff look at the rubberized material used at the Rite Aid on Valley View. Mr. Blais said he would follow-up on that material.

M/S NEWTON/GRUNDMEYER to allow specific variance for installation of rubberized material within existing NexPave driveway ramps intersecting unimproved parkway. The motion was carried by the following roll call vote:

AYES: BASH, GRUNDMEYER, HANNA, HOFFMAN, NEWTON
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

- 2.L. Approval of Lease Agreements between City of Norco and GTE Mobilnet of California Limited Partnership, d/b/a Verizon Wireless for Telecommunication Facilities at Parmenter Park, George Ingalls Equestrian Event Center and Shearer Sports Complex. **Action: Approved Lease Agreements between City of Norco and GTE Mobilnet of California Limited Partnership, d/b/a Verizon Wireless, to construct telecommunications facilities at Parmenter Park, George Ingalls Equestrian Event Center and Shearer Sports Complex. (Deputy City Manager)**

In response to Mayor Pro Tem Newton, Superintendent Anglin stated that there is a 3% annual increase with the fee at Ingalls Park, similar to the other two sites. There was some discussion about fees. Director Blais stated that Verizon is given no-fee encroachment permits but are still required to pay building permits fees. In response to Mayor Pro Tem Newton, Ms. Anglin said that the City is responsible for the maintenance of the structures.

In response to Council Member Hoffman, City Manager Okoro indicated that the \$96,000 revenue is not specifically earmarked for park operations. The Parks Maintenance Division does not generate enough revenue to fund itself; it is funded from the General Fund. By depositing this revenue in the General Fund, it helps fund park operations.

M/S NEWTON/BASH to approve Lease Agreements between City of Norco and GTE Mobilnet of California Limited Partnership, d/b/a Verizon Wireless, to construct telecommunications facilities at Parmenter Park, George Ingalls Equestrian Event Center and Shearer Sports Complex. The motion was carried by the following roll call vote:

AYES: BASH, GRUNDMEYER, HANNA, HOFFMAN, NEWTON
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

4. PUBLIC COMMENTS:

Pat Overstreet thanked those who participated in the 10th Annual Ranch Tour. Ms. Overstreet indicated that there were over 200 visitors from 19 different cities. Ms. Overstreet stated that next year's tour will include a stop at the George Ingalls Veterans Memorial Plaza.

Geoff Kahan reminded the public of Armed Forces Day, Saturday, May 21. Also, he commented on the Memorial Day event on Monday, March 30 at the Veterans Memorial. Mr. Kahan noted that the Concerts in the Park series begins June 10 at 6pm at Pikes Peak Park.

Linda Dixon commented on the Lake Norconian Club Foundation's Founder's Day 5K Run/Walk and Equestrian Ride on June 11. Participants will receive breakfast and lunch, a commemorative t-shirt, and a medal. Ms. Dixon also commented that she served on the Ad-Hoc Committee on Infrastructure Needs and Funding Options, which met for 13 months. Ms. Dixon said the City Council dismissed the Committee's report and asked to have the information brought back for review. Ms. Dixon also said she served on the Waste Management Ad-Hoc Committee and said that the understanding was that Waste Management was to donate a certain amount of money to non-profit organizations. Waste Management was also to report back on a quarterly basis on their progress of fulfilling the terms of the contract.

5. DISCUSSION / ACTION ITEMS:

- A. Review and Consideration of California Senate Bill 415, California Voter Participation Rights Act, as it Relates to City of Norco General Elections. (City Attorney)

City Attorney Harper reported that Senate Bill 415 (Hueso), which becomes effective on January 1, 2018, prohibits political subdivisions from holding an election on a date other than the date of Statewide primary and general elections if holding an election on a non-current date has previously resulted in a significant decrease in voter turnout. The Statute requires that the City take action to consolidate with the Statewide election prior to January 1, 2018, to be effective not later than the November 8, 2022 election. For Norco, the earliest consolidation date would be November, 2018.

In response to Council Member Hoffman, City Clerk Cheryl Link indicated that the cost for the 2015 Municipal Election was approximately \$35,000. Ms. Link commented that the savings of moving to on-cycle elections is unknown at this time. The cost of the election is based on the number of registered voters and the number of participating municipalities. Generally, with more agencies participating in on-cycle elections, the assumption is that the cost is spread out more, thus less cost to each city. However, as the research for SB 415 is preliminary, the Registrar of Voters has provided a cost estimate that is similar to that of a cost estimate for off-cycle elections.

City Attorney Harper reminded the Council that moving to on-cycle elections is not an option.

Council Member Grundmeyer commented that if the Council were to election Option #3, which is to consolidate in the year 2020, the voters will have had time to know that they will be voting Council Members to a five-year term.

Pat Overstreet commented that she like having off-cycle elections as they focused more on local issues. However, the Senate Bill mandates the change. Ms. Overstreet said she is a proponent of consolidating in 2018.

Diane Collins said she is a proponent of Option #3 to consolidate in 2022, at which time allows the voters full knowledge that the elected officials voted into office are in office with a five-year term.

Mike Garrison said this is a State mandate and the Council is required to make a decision. He suggested to consolidate sooner than later.

Linda Dixon suggested Option #1, consolidating in 2018.

Mike Thompson also expressed that this is a State mandate and suggested Option #1.

Walter Green commented that the City just had an election and suggested the Council adopt Option #3, consolidating in 2022.

Geoff Kahan said that if Option #1 is chosen, the terms are extended now and subsequent elections will be for four-year terms. He suggested the Council adopt Option #1.

Su Bacon suggested Option #1.

M/S NEWTON/HOFFMAN to approve Option #1, which is to consolidate in November 2018. The motion was carried by the following roll call vote:

AYES: BASH, GRUNDMEYER, HANNA, HOFFMAN, NEWTON
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

- B. Request by the Lake Norconian Club Foundation for Use of the Norco Community Center to Store Artifacts from the Norconian Hotel. (City Manager)

City Manager Okoro reported that staff received an email from the Lake Norconian Club Foundation (LNCF) requesting City Council approval to use a portion of the small auditorium room in the Community Center Building which currently houses historic records and materials to store various artifacts which LNCF is planning to remove from the Lake Norconian Club Hotel. Additionally, LNCF has agreed to sign a Waiver of Liability.

In response to Mayor Pro Tem Newton, LNCF President Linda Dixon stated that LNCF has no objection to signing the waiver.

In response to Council Member Hoffman, Superintendent Anglin stated that there will be no change to the structure of the small auditorium. The artifacts will be hung on a portable structure that will sit on the stage in the building.

Mayor Bash suggested that the chandeliers be stored in boxes with one removable side for display. He said the boxes make it easier to transport the artifacts and keeps them safer.

Linda Dixon, President of LNCF, stated that LNCF members, for months, have been looking for a place to store the artifacts. Ms. Dixon suggested that the safest place to store the items is within the City of Norco. She indicated that there would be no cost to the City. Vice President Su Bacon also commented on storage and said the best way to store the chandeliers is by hanging them.

Chair of the Historic Preservation Commission, Matt Potter, indicated that LNCF's request was brought to the Commission and approved with conditions, which include security, earthquake bracing, and more.

Pat Overstreet is a member of the Historic Commission. She asked if the artifacts could be partially on display for the Commission's open house scheduled for the Fall.

Diane Markham, a member of LNCF, asked for the Council's support.

M/S BASH/NEWTON to allow the Lake Norconian Club Foundation use of the Norco Community Center to store artifacts from the Norconian Hotel. The motion was carried by the following roll call vote:

AYES: BASH, GRUNDMEYER, HANNA, HOFFMAN, NEWTON
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

6. PUBLIC HEARING:

- A. Amendments to the City's General Fee Schedule for Fiscal Year 2016-2017.
(Finance Officer)**

Finance Officer Schuchard reported that the proposed Resolution recommends that the City Council approve adjustments to the City's General Fee Schedule for Fiscal Year 2016-2017 based the change in Consumer Price Index (CPI) of 2.40% from February, 2015 to February, 2016. The General Fee schedule also includes certain new fees which have been added to reflect new user fee services.

Mayor Pro Tem Newton asked what the indicator was that allowed some of the fees to remain the same and not be affected by the 2.4% increase. In response, Ms. Schuchard said that the reason was to remain competitive with other cities.

M/S BASH/HANNA to adopt Resolution No. 2016-26, updating and adjusting the City's General Fee Schedule. The motion was carried by the following roll call vote:

AYES: BASH, GRUNDMEYER, HANNA, HOFFMAN, NEWTON
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

7. APPEAL HEARING:

- A. **Conditional Use Permit 2015-40 (Sandoval):** A request to appeal the Planning Commission's denial to allow a detached accessory building consisting of a 1,750 square-foot barn/storage building at 219 Gulfstream Lane located within the A-1-20 (Agricultural Low Density) Zone. (Planning Director)

Planning Director King reported that the subject property is located in the A-1-20 Zone, consists of about 1.21 acres, and is developed with a single family residence. The property includes a recorded Primary Animal Keeping Area (PAKA) of 3,918 square feet located towards the south side of the property. The request for Conditional Use Permit 2015-40 was denied by the Planning Commission on April 13, 2016.

In response to Mayor Pro Tem Newton, Director King stated that there have been approximately ten to fifteen PAKA relocations. The relocations met the minimum requirements. The relocations are approved at staff level because it is stated in the A-1-Zone. A reduction of footage is also approved at the staff level but staff has the option to present it to the Planning Commission for approval. Staff has not been presented with that scenario yet.

Council Member Hoffman commented that this PAKA is unusual in its location and size compared to what is in the Municipal Code today. The PAKA was established by the developers and approved in 2001. Mr. King stated that the PAKA's current size would not fit in the new location.

Council Member Hanna asked for the size of the area in which the applicants are proposing to build the barn. Mr. King said that the area is large enough to accommodate the PAKA requirement for an A-1 lot of that size; at least 2,800 square feet. The applicants are proposing to build a 1,750 sq.ft. barn.

There was some discussion about Exhibit F. It was noted that Exhibit F is an example of what a barn should look like and it was provided to the applicant by staff as a guide.

In response to Council Member Grundmeyer, Mr. King indicated that there are temporary structures in the area where the PAKA is being proposed to be moved to.

Mayor Bash opened the public hearing and asked for the appearance of those wishing to speak on this matter.

Mike Garrison, the applicant, stated that when he started the project the attempt was to fall within guidelines set by the City. One of the requirements of the Planning Commission is that the barn match is architecture of the house. Mr. Garrison said he made the change but the design was denied by the Planning Commission. He went back to staff for options and was told that the PAKA could be relocated. It was presented to the Planning Commission but was denied. Mr. Garrison expressed his concerns about no set procedures for barns and is looking for guidance from the City Council.

Brian Weaver, applicant, said that he is looking to meet the City's requirements and asked for direction. Mr. Weaver said that he is within 29% requirement.

Mike Thompson said that he is passionate about hardscape issues. The Municipal Code was changed to reflect the word rectangular and the Planning Commission has been given discretionary power for structures, architecture, etc. With dissimilar lots, it doesn't give the Planning Commission options. Mr. Thompson suggested changing the Code to give the Planning Commission some discretionary power in that area.

With no one else wishing to speak, Mayor Bash closed the public hearing.

Council Member Hanna commented on the difficulty due to the shape of the property and where the house is located. There was further discussion about the size of the barn and having enough room for horses or large animals. Council Member Hanna said he supports the decision of the Planning Commission.

Council Member Grundmeyer said that if the Municipal Code requirements are being met, then she supports the project. She recommended that the PAKA stay where it is.

Council Member Hoffman said that he is not in favor of moving the PAKA. He does not want to set precedence by changing the location or reducing the size. He said he does not have a problem with the PAKA staying where it is as long as the structure is in fact a barn. There was some discussion about the denial process. Mr. King stated that is the Planning Commission denies without prejudice, then the applicant does not have to wait one year but does have to pay application fees. City Attorney Harper indicated that if it a simple design issue, the Council can recommend to send the item back to the Planning Commission for review without additional fees to the applicant.

Mayor Pro Tem Newton asked that if the proposed barn is truly for animal-keeping, then why are there vinyl windows and exposed wiring. The applicant stated that the Planning Commission said the barn has to look like the house. Mayor Pro Tem Newton expressed that the structure looks like a storage building.

Mayor Bash noted Exhibit F provided a good example of what a barn should look like. The plan submitted had no similarities. There was some discussion about what a barn should look like. The applicant requested direction. The Council offered companies that the applicants could use. Council suggested that the applicant revise plans and have the Planning Commission review.

M/S BASH/HANNA to direct the applicant to redesign the barn structure with function and present it to the Planning Commission for review with no additional planning submittal fees. The motion was carried by the following roll call vote:

AYES: BASH, GRUNDMEYER, HANNA, HOFFMAN, NEWTON
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

8. CITY COUNCIL / CITY MANAGER / STAFF COMMUNICATIONS:

City Manager Okoro commented that the City will be holding a Strategic Planning Workshop on Saturday, May 21, 2016 at 9:00 a.m. at Nellie Weaver Hall.

Mayor Pro Tem Newton said he has concerns that the City is not moving quickly enough with the Gateway Specific Plan. City Manager Okoro said that Planning has a working group and is finalizing plans that will be brought back to the City Council.

Council Member Hoffman reminded the public of the Memorial Day event on Monday, May 30, 2016 at the Veterans Memorial Plaza.

Mayor Bash stated that the next regular meeting of the City Council on June 1, 2016 will be changed from 7:00 p.m. to 5:00 p.m. in order for the City Council to attend the Norco High School graduation ceremony. Please check the website for details.

City Clerk Cheryl Link stated that the last day to register to vote for the June 7, 2016 Presidential Primary Election is Monday, May 23, 2016. She also noted that the deadline to submit applications for City Commissions is Thursday, May 26, 2016 at 6:00 p.m.

ADJOURNMENT

Mayor Bash adjourned the meeting at 9:35pm

Cheryl L. Link, CMC, City Clerk



**CITY OF NORCO
SPECIAL JOINT MEETING WORKSHOP MINUTES
CITY COUNCIL / PLANNING COMMISSION / HISTORIC PRESERVATION
COMMISSION / PARKS AND RECREATION COMMISSION / STREETS, TRAILS AND
UTILITIES COMMISSION / ECONOMIC DEVELOPMENT ADVISORY COUNCIL**

**Saturday, May 21, 2016
Nellie Weaver Hall, 3737 Crestview Drive, Norco, CA 92860**

CALL TO ORDER: 9:06 a.m.

ROLL CALL

Present:

City Council:

Kevin Bash, Mayor

Greg Newton, Mayor Pro Tem

Robin Grundmeyer, Council Member

Berwin Hanna, Council Member

Ted Hoffman, Council Member

Planning Commission:

Pat Hedges, Chair

Philip Jaffarian, Commissioner

Historic Preservation Commission:

Matt Potter, Chair

Patricia Overstreet, Commissioner

Parks and Recreation Commission:

Geoff Kahan, Vice Chair

Corinne Holder, Commissioner

Streets, Trails, and Utilities Commission:

Cathey Burt, Commissioner

Mike Thompson, Commissioner

Economic Development Advisory Council:

Patrick Malone, Chair

Vicki Leonard, Member

Gabriel Martin, Member

Bill Schwab, Member

Scott da Rosa, Member

Diane Collins, Member

PLEDGE OF ALLEGIANCE: Council Member Robin Grundmeyer

STRATEGIC PLANNING WORKSHOP:

1. Development of the City of Norco 2016 Strategic Plan

City Manager Okoro welcomed everyone and provided background information on the two consultants from McIntyre-St.Clair who facilitated the workshop. Mr. Okoro commented that the purpose of the workshop is to review the mission and vision statements and identify key strategic priorities that the City needs to work on over the next three to five years. The goals identified will include action plans. In two years, the City can then measure the progress made. Mr. Okoro also noted that the strategic plan is a way to establish direction for the City. Consultants Janet McIntyre and Donald St. Clair discussed the workshop agenda in detail and discussed the expectations of the group.

Mr. St. Clair commented that a strategic plan is simply a road map which looks at the City in an aspirational way. Strategic plans have commonalities, but how the plan is implemented is unique to each city. It is important to recognize the similarities but equally important to recognize the uniqueness of Norco. Mr. St. Clair stated that strategic planning matters because operating without a tactical plan will ensure that the City will flounder and circle.

Ms. McIntyre began the workshop with having the group evaluate the City's Mission Statement, which reads:

The mission of the City of Norco is to serve its residents and businesses in a professional, ethical, and cost effective manner with excellent customer service to provide a high quality of life in a community that values its identity as Horsetown USA.

Commissioner Overstreet commented that she is impressed by the statement. Commissioner Burt expressed that it should identify more with what Horsetown USA is – animal keeping. Commissioner Potter said he likes a simple, broad statement. Superintendent Anglin said that the statement does not include visitors. There was further discussion between group members about highlighting the City's rural lifestyle, friendliness and sense of community. Ms. McIntyre encouraged the group to keep the mission statement simple. Mayor Bash asked the public if they wished to comment.

Tina Gregory asked if there is anything in the mission statement that is unusual. In response, Ms. McIntyre stated that the City's current statement is consistent with the format other agencies use.

With no further comments from the public, Mayor Bash brought the discussion back to the group. The general consensus of the group was to amend the City of Norco Mission Statement to read as follows:

The mission of the City of Norco is to serve its residents, businesses, and visitors in a friendly, ethical and cost effective manner with excellent customer service to provide and preserve a high quality of life that values its identity as Horsetown USA.

Ms. McIntyre continued on to the Vision Statement. In 1996, the City revised the Mission and Vision Statements to reflect goals up to the year 2020. The current Vision Statement is:

In the year 2020, Norco will be widely known as Horsetown USA, an attractive western community with residents who enjoy a high quality animal-keeping lifestyle. Most residents will continue to have the opportunity to keep horses and other animals on their properties.

Residential amenities will include:

- *A City-wide horse trail system;*
- *Two Class A equestrian centers, numerous parks and comprehensive recreational programs;*
- *A low crime rate and a general feeling of safety;*
- *High quality schools;*
- *A fully developed community college;*
- *A public library with programs unique to the Norco lifestyle;*
- *Attractive shopping, dining and lodging opportunities; and*
- *Various historical, cultural and natural resources that have been preserved and restored.*

Ms. McIntyre asked what year the Vision Statement should be revised to. She suggested removing the bullet points, as some of those items are not within the control of the City. Some group members suggested including language that would protect and promote the animal-keeping lifestyle. Mayor Bash asked for public comments.

Lance Gregory noted that the City Charter already references and protects animal-keeping.

After some discussion by the group, the general consensus was to revise the City of Norco Vision Statement to read as follows:

In the year 2025, Norco will be widely known as Horsetown USA, a family-friendly and attractive destination community that enjoys and promotes a diverse recreation, animal-keeping lifestyle.

Mayor Bash recessed the meeting at 10:30 a.m. and reconvened at 10:45 a.m.

Mr. St. Clair referenced the 2008-2009 strategic plan and asked the group to use it as a model for the new plan. He urged the group to consider viable, desirable, and achievable goals that align with items that can actually be accomplished. The new plan should also build on the successes of the 2008-2009 plan.

Mr. St. Clair provided a summary of the results from the online survey provided to Council Members, Commissioners, and staff. The online survey dealt with eight basic questions. The City's strengths identified were: friendly, rural, lifestyle, city staff, Horsetown USA identity. The weaknesses were: perception of transparency, communication, economic development, and innovation. The three most important issues are: planning permits, lack of funding for capital improvement projects, and economic development.

Mr. St. Clair asked the group to break out into smaller groups to discuss strategic direction. He gave the groups 30 minutes to discuss their goals. The group reconvened as a whole to report out on their ideas. The general goals provided by the groups included safety, infrastructure, economic development, funding, information technology, green goals, varied recreational activities, and civic engagement.

The group discussed how to create goals that will generate new sources of income. They also discussed addressing land use to maximize use for future projects. Some group members discussed the need to address public safety as well as competitive salaries for staff.

Mayor Bash allowed the public to comment at this time.

Tina Gregory referenced the Ad-Hoc Committee on Infrastructure Needs and Funding Options and asked why the City Council did not vote in favor of the Committee's recommendations.

With no further comments, Mayor Bash brought the discussion back to the group.

In regards to funding, Public Works Director Chad Blais reminded the group that water and sewer funding has separate funding sources, which is through Council action. City Manager Okoro indicated that the strategic plan should, however, reference reaffirmation of that commitment to secure funding for water and sewer.

Mayor Bash recessed the meeting at 12:00 p.m. for lunch and reconvened the meeting at 12:43 p.m.

The consultants narrowed down the strategic goals to be: infrastructure, economic development, financial sustainability, community engagement, and public safety. The consultants asked if all five goals were needed. Sheriff Lt. Briddick commented on the challenges of law enforcement. Resources are needed because there is the perception of the Sheriff's Department not being there. Goals would be geared more towards traffic enforcement because of the unique equestrian lifestyle.

There was discussion about what to consider under each goal category. Director Blais commented that staffing must be a topic because it is part of the infrastructure issue. Lack of staffing has prolonged repairs and service. For economic development, Mr. Grody indicated that it is a two pronged approach of attracting new businesses and promoting Norco as a place to visit. For financial sustainability, revenue growth and new sources of income were issues to include in formulating goals. It was commented that the City cannot be sustainable by continuing to make cuts.

Mayor Bash recessed the meeting at 1:30 p.m. and reconvened at 1:44 p.m.

Mr. St. Clair requested that the group formulate statements for each category. After discussion, the general consensus was to establish the following five strategic goals:

#1: Infrastructure – Establish funding for planning, maintenance, replacement, and development of infrastructure.

#2: Economic Development – Increase Transient Occupancy Tax and Sales Tax by attracting new businesses, retaining existing business, and attracting tourism.

#3: Financial Sustainability – Assure financial sustainability by identifying new revenue sources and continuing prudent financial management.

#4: Community Outreach – Engage with the community through excellent customer service, communication, and programs.

#5: Safety – Improve the quality of life by enhancing public safety services.

The consultants and City Manager Okoro thanked the Council Members, Commissioners, staff, and the public for participating in the workshop. Mr. Okoro indicated that staff will work with the consultants to develop action plans for each of the five goals. The plan will be taken to each Commission for review and consideration and ultimately to the City Council for approval.

ADJOURNMENT

Mayor Bash thanked everyone in attendance for their participation. He adjourned the meeting at 2:43 p.m.

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Chad Blais, Director of Public Works 

DATE: June 1, 2016

SUBJECT: Acceptance of Proposal from ESRI Inc. GIS Software Services

RECOMMENDATION: Accept the proposal submitted by ESRI, Inc. for 3-year agreement for annual geographical information system software licensing and maintenance services contract and authorize the City Manager to execute the contract in the amount not to exceed \$75,000.

SUMMARY: Staff is requesting City Council approval authorizing the City Manager to enter into a 3-year software license and maintenance agreement with ESRI, Inc. to provide annual Geographical Information System (GIS) software licensing and maintenance services.

BACKGROUND/ANALYSIS: Local governments use GIS to improve decision making, service delivery, simulate and forecast events, and citizen engagement. In most cases cities will set up GIS by integrating assets (infrastructures, transportation, security, public services) that are useful to several departments and agencies. GIS is intended to be adaptable to the different informational needs of the City.

The creation of an active GIS program can support the entire City by providing a very valuable in-house system to analyze huge amounts of data and aide in the creation of location-based data and maps. The City has a significant amount of infrastructure improvements (water, sewer, streets, and storm drains) that need appropriate identification and replacement planning.

The use of GIS would allow Public Works to effectively create a CIP replacement plan by documenting and identifying all of the City's infrastructure by age, size, material, and location. In addition, the City is also moving forward with implementing an Asset and Work Order Management program, which will directly integrate with the GIS software. The Asset and Work Order Management System will be designed specifically to meet asset management and maintenance needs with automated workflow capabilities for work order creation, tracking, and completion. This would provide a significant boost to the City's ability to properly and effectively manage and maintain all of the City's

infrastructure assets. Therefore, the implementation of a GIS program is critical to the success of the Asset and Work Order Program.

This agreement is for the license and use of the ESRI software only. Staff is currently evaluating professional GIS consultants to be contracted for the initial setup and design of new fully functional GIS program that can meet the needs of the City. Staff will also be contracting with the same GIS consultant to provide "on-call" revisions to GIS data files rather than in-house maintenance.

FINANCIAL IMPACT: The annual software maintenance fee of \$25,000 has been budgeted and will be equally divided between Water and Sewer Funds.

Attachment: ESRI Software License Agreement



May 12, 2016

Mr. Chad Blais
City of Norco
2870 Clark Ave
Norco, CA 92860

Dear Chad,

The Esri Small Municipal and County Government Enterprise License Agreement (ELA) is a three-year agreement that will grant your organization access to Esri® term license software on an unlimited basis including maintenance on all software offered through the ELA for the term of the agreement. The ELA will be effective on the date executed and will require a firm, three-year commitment.

Based on Esri's work with several organizations similar to yours, we know there is significant potential to apply geographic information system (GIS) technology in many operational and technical areas within your organization. For this reason, we believe that your organization will greatly benefit from an enterprise license agreement.

An ELA will provide your organization with numerous benefits including:

- A lower cost per unit for licensed software
- Substantially reduced administrative and procurement expenses
- Maintenance on all Esri software deployed under this agreement
- Complete flexibility to deploy software products when and where needed

The following business terms and conditions will apply:

- All current departments, employees, and in-house contractors of the organization will be eligible to use the software and services included in the ELA.
- If your organization wishes to acquire and/or maintain any Esri software during the term of the agreement that is not included in the ELA, it may do so separately at the Esri pricing that is generally available for your organization for software and maintenance.
- The organization will establish a single point of contact for orders and deliveries and will be responsible for redistribution to eligible users.
- The organization will establish a Tier 1 support center to field calls from internal users of Esri software. The organization may designate individuals as specified in the ELA who may directly contact Esri for Tier 2 technical support.
- The organization will provide an annual report of installed Esri software to Esri.

- Esri software and updates that the organization is licensed to use will be automatically available for downloading.
- The organization will act as an Esri reference site and will permit Esri to publicize its use of Esri software and services.
- The fee and benefits offered in this ELA proposal are contingent upon your acceptance of Esri's Small Municipal and County Government ELA terms and conditions.
- Licenses are valid for the term of the ELA.

This program offer is valid for 90 days. To complete the agreement within this time frame, please contact me within the next seven days to work through any questions or concerns you may have. To expedite your acceptance of this ELA offer:

1. Sign and return the whole agreement per the instructions in the terms and conditions.
2. On the first page of the ELA, identify the central point of contact/agreement administrator. The agreement administrator is the party that will be the contact for management of the software, administration issues, and general operations. Information should include name, title (if applicable), address, phone number, and e-mail address.
3. In the purchase order, identify the "Ship to" and "Bill to" information for your organization.
4. Send the purchase order and agreement to the address, email or fax noted below:

Esri
 Attn: Customer Service SG-ELA
 380 New York Street
 Redlands, CA 92373-8100

e-mail: service@esri.com
 fax documents to: 909-307-3083

I appreciate the opportunity to present you with this proposal, and I believe it will bring great benefits to your organization.

Thank you very much for your consideration.

Best Regards,

Suzanne Timani



Quotation # 20487751

Date: May 12, 2016

ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC.
380 New York St
Redlands, CA 92373-8100
Phone: (909) 793-2853 Fax: (909) 307-3025
DUNS Number: 06-313-4175 CAGE Code: 0AMS3

Customer # 118379 Contract #

City of Norco
Office of Economic Development
2870 Clark Ave
Norco, CA 92860

ATTENTION: Chad Blais
PHONE: (951) 270-5678
FAX: (951) 270-5622

*To expedite your order, please attach a copy of this quotation to your purchase order.
Quote is valid from: 05/12/2016 To: 08/10/2016*

Material	Qty	Description	Unit Price	Total
110035	1	Populations of 0 to 25,000 Small Government Term Enterprise License Agreement - Year 1	25,000.00	25,000.00
110035	1	Populations of 0 to 25,000 Small Government Term Enterprise License Agreement - Year 2	25,000.00	25,000.00
110035	1	Populations of 0 to 25,000 Small Government Term Enterprise License Agreement - Year 3	25,000.00	25,000.00
			Item Total:	75,000.00
			Subtotal:	75,000.00
			Sales Tax:	6,000.00
			Estimated Shipping & Handling(Surface Delivery) :	0.00
			Contract Pricing Adjust:	0.00
			Total:	\$81,000.00

Esri may charge a fee to cover expenses related to any customer requirement to use a proprietary vendor management, procurement, or invoice program.

For questions contact: Suzanne Timani

Email: stimani@esri.com

Phone: (909) 793-2853 x1627

The items on this quotation are subject to the terms set forth herein and the terms of your signed agreement with Esri, if any, or, where applicable, Esri's standard terms and conditions at www.esri.com/legal, which are incorporated by reference. Federal government entities and government prime contractors authorized under FAR 51.1 may purchase under the terms of Esri's GSA Federal Supply Schedule. Acceptance is limited to the terms of this quotation. Esri objects to and expressly rejects any different or additional terms contained in any purchase order, offer, or confirmation sent to or to be sent by buyer. All terms of this quotation will be incorporated into and become part of any additional agreement regarding Esri's products and services.

If sending remittance, please address to: Esri, File No. 54630, Los Angeles, Ca 90074-4630



Esri Use Only:
 Cust. Name _____
 Cust. # _____
 PO # _____
 Esri Agreement # _____

Esri, 380 New York St., Redlands, CA 92373-8100 USA • TEL 909-793-2853 • FAX 909-793-5953

**SMALL ENTERPRISE LICENSE AGREEMENT
 COUNTY AND MUNICIPALITY
 (E214-1)**

This Agreement is by and between the organization identified in the Quotation ("Licensee") and **Environmental Systems Research Institute, Inc. ("Esri")**.

This Agreement sets forth the terms for Licensee's use of Products and incorporates by reference (i) the Quotation and (ii) the License Agreement. Should there be any conflict between the terms and conditions of the documents that comprise this Agreement, the order of precedence for the documents shall be as follows: (i) the Quotation, (ii) this Agreement, and (iii) the License Agreement. This Agreement shall be governed by and construed in accordance with the laws of the state in which Licensee is located without reference to conflict of laws principles, and the USA federal law shall govern in matters of intellectual property. The modifications and additional rights granted in this Agreement apply only to the Products listed in Table A.

**Table A
 List of Products**

Uncapped Quantities

Desktop Software and Extensions

ArcGIS for Desktop Advanced
 ArcGIS for Desktop Standard
 ArcGIS for Desktop Basic
 ArcGIS for Desktop Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS Publisher, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager for Desktop, ArcGIS Data Reviewer

Server Software and Extensions

ArcGIS for Server Workgroup and Enterprise (Advanced, Standard, and Basic)
 ArcGIS for Server Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Geostatistical Analyst, ArcGIS Network Analyst, ArcGIS Schematics, ArcGIS Workflow Manager for Server, ArcGIS Image Extension for Server

Developer Tools

ArcGIS Engine
 ArcGIS Engine Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Engine Geodatabase Update, ArcGIS Network Analyst, ArcGIS Schematics
 ArcGIS Runtime Standard
 ArcGIS Runtime Standard Extensions: ArcGIS 3D Analyst, ArcGIS Spatial Analyst, ArcGIS Network Analyst

Limited Quantities

One (1) Annual Subscription to Esri Developer Network (EDN) Standard*
 One (1) Esri CityEngine Advanced Single Use License
 One (1) Esri CityEngine Advanced Concurrent Use License
 One (1) ArcGIS Online Subscription
 One (1) Portal for ArcGIS Subscription

OTHER BENEFITS

One (1) ArcGIS Online subscription with specified named users and credits as determined in the program description	Level 2
One (1) Portal for ArcGIS term subscription with specified named users as determined in the program description	Level 2
Number of Esri User Conference registrations provided annually	2
Number of Tier 1 Help Desk individuals authorized to call Esri	2
Maximum number of sets of backup media, if requested**	2
Virtual Campus Annual User License allowance	5,000
Five percent (5%) discount on all individual commercially available instructor-led training classes at Esri facilities purchased outside this Agreement (Discount does not apply to Small Enterprise Training Package.)	

* Maintenance is not provided for these items.
 **Additional sets of backup media may be purchased for a fee.

Licensee may accept this Agreement by signing and returning the whole Agreement with a sales quotation, purchase order, or other document ("Ordering Document") that matches the Quotation and references this Agreement. **ADDITIONAL OR CONFLICTING TERMS IN LICENSEE'S ORDERING DOCUMENT WILL NOT APPLY, AND THE TERMS OF THIS AGREEMENT WILL GOVERN.** Unless otherwise mutually agreed to, this Agreement is effective as of the date of the last signature on the signature page ("Effective Date") or, if no date is provided with the signature, the date of Esri's receipt of Licensee's Ordering Document incorporating this Agreement by reference.

Term of Agreement: 3 years

This Agreement supersedes any previous agreements, proposals, presentations, understandings, and arrangements between the parties relating to the licensing of the Products. Except as provided in Article 4—Product Updates, no modifications can be made to this Agreement.

Accepted and Agreed:

(Licensee)

By: _____
Authorized Signature

Printed Name: _____

Title: _____

Date: _____

LICENSEE CONTACT INFORMATION

Contact: _____

Telephone: _____

Address: _____

Fax: _____

City, State, Postal Code: _____

E-mail: _____

Country: _____

Quotation Number (if applicable): _____

1.0—ADDITIONAL DEFINITIONS

In addition to the definitions provided in the License Agreement, the following definitions apply to this Agreement:

"Deploy", "Deployed" and "Deployment" mean to redistribute and install the Products and related Authorization Codes within Licensee's organization(s).

"Fee" means the fee set forth in the Quotation.

"Incident" means a failure of the Software or Online Services to operate according to the Documentation where such failure substantially impacts operational or functional performance.

"License Agreement" means (i) the applicable license agreement incorporated by this reference that is found at <http://www.esri.com/legal/software-license>; composed of the General License Terms and Conditions (E204) and Exhibit 1, Scope of Use (E300); and available in the installation process requiring acceptance by electronic acknowledgment or (ii) a signed license agreement between the parties that supersedes such electronically acknowledged license agreement.

"Maintenance" means Tier 2 Support, Product updates, and Product patches provided to Licensee during the term of this Agreement.

"Product(s)" means the products identified in Table A—List of Products and any updates to the list Esri provides in writing.

"Quotation" means the offer letter and quotation provided separately to Licensee.

"Technical Support" means the technical assistance for attempting resolution of a reported Incident through error correction, patches, hot fixes, workarounds, replacement deliveries, or any other type of Product corrections or modifications.

"Tier 1 Help Desk" means Licensee's point of contact(s) to provide all Tier 1 Support within Licensee's organization(s).

"Tier 1 Support" means the Technical Support provided by the Tier 1 Help Desk.

"Tier 2 Support" means the Technical Support provided to the Tier 1 Help Desk when an Incident cannot be resolved through Tier 1 Support. Licensee will receive Tier 2 Support from Esri.

2.0—ADDITIONAL GRANT OF LICENSE

2.1 Grant of License. Subject to the terms and conditions of this Agreement, Esri grants to Licensee a personal, nonexclusive, nontransferable license solely to use, copy, and Deploy quantities of the Products listed in Table A—List of Products for the term provided on the first page (i) for the applicable Fee and (ii) in accordance with the License Agreement.

2.2 Consultant Access. Esri grants Licensee the right to permit Licensee's consultants or contractors to use the Products exclusively for Licensee's benefit. Licensee will be solely responsible for compliance by consultants and contractors with this Agreement and will ensure that the consultant or contractor discontinues use of Products upon completion of work for Licensee. Access to or use of Products by consultants or contractors not exclusively for Licensee's benefit is prohibited. Licensee may not permit its consultants or contractors to install Software or Data on consultant, contractor, or third-party computers or remove Software or Data from Customer locations, except for the purpose of hosting the Software or Data on Contractor Servers for the benefit of Licensee.

3.0—TERM, TERMINATION, AND EXPIRATION

3.1 Term. The term of this Agreement and all licenses hereunder will commence on the Effective Date and continue for the duration identified on the signature page, unless this Agreement is terminated earlier as provided herein. Licensee is only authorized to use Products during the term of this Agreement. For an Agreement with a limited term, Esri does not grant Licensee an indefinite or perpetual license to Products.

3.2 No Use upon Agreement Expiration or Termination. All Product licenses and all Maintenance, Esri Virtual Campus access, and Esri User Conference registrations terminate on expiration or termination of this Agreement.

3.3 Termination for a Material Breach. Either party may terminate this Agreement for a material breach by the other party. The breaching party will be given a period of thirty (30) days from the date of written notice to cure any material breach.

3.4 Termination for Lack of Funds. For an Agreement with government or government-owned entities, either party may terminate this Agreement before any subsequent year if Licensee is unable to secure

funding through the legislative or governing body's approval process.

4.0—PRODUCT UPDATES

4.1 Future Updates. Esri reserves the right to update the list of Products in Table A—List of Products by providing written notice to Licensee. Licensee may continue to use all Products that have been Deployed, but support and upgrades for deleted items may not be available. As new Products are incorporated into the standard program, they will be offered to Licensee via written notice for incorporation into the Products schedule at no additional charge. Licensee's use of new or updated Products requires Licensee to adhere to applicable additional or revised terms and conditions of the License Agreement.

4.2 Product Life Cycle. During the term of this Agreement, some Products may be retired or may no longer be available to Deploy in the identified quantities. Maintenance will be subject to the individual Product Life Cycle Support Status and Product Life Cycle Support Policy, which can be found at <http://support.esri.com/en/content/productlifecycles>. Updates for Products in the mature and retired phases may not be available. Licensee may continue to use Products already Deployed for the term of this Agreement, but Licensee will not be able to Deploy retired Products.

5.0—MAINTENANCE

The Fee includes standard maintenance benefits specified in the most current applicable Esri Standard Maintenance Program document (found at <http://www.esri.com/legal>). At Esri's sole discretion, Esri may make patches, hot fixes, or updates available for download. No Software other than the defined Products will receive Maintenance. Licensee may acquire maintenance for other Software outside this Agreement.

a. Tier 1 Support

1. Licensee will provide Tier 1 Support through the Tier 1 Help Desk to all Licensee's authorized users.
2. The Tier 1 Help Desk will be fully trained in the Products.
3. At a minimum, Tier 1 Support will include those activities that assist the user in resolving how-to and operational questions as well as questions on installation and troubleshooting procedures.

4. The Tier 1 Help Desk will be the initial points of contact for all questions and reporting of an Incident. The Tier 1 Help Desk will obtain a full description of each reported Incident and the system configuration from the user. This may include obtaining any customizations, code samples, or data involved in the Incident. The Tier 1 Help Desk may also use any other information and databases that may be developed to satisfactorily resolve the Incident.
5. If the Tier 1 Help Desk cannot resolve the Incident, an authorized Tier 1 Help Desk individual may contact Tier 2 Support. The Tier 1 Help Desk will provide support in such a way as to minimize repeat calls and make solutions to problems available to Licensee.
6. Tier 1 Help Desk individuals are the only individuals authorized to contact Tier 2 Support. Licensee may change the Tier 1 Help Desk individuals by written notice to Esri.

b. Tier 2 Support

1. Tier 2 Support will log the calls received from Tier 1 Help Desk.
2. Tier 2 Support will review all information collected by and received from the Tier 1 Help Desk including preliminary documented troubleshooting provided by the Tier 1 Help Desk when Tier 2 Support is required.
3. Tier 2 Support may request that Tier 1 Help Desk individuals provide verification of information, additional information, or answers to additional questions to supplement any preliminary information gathering or troubleshooting performed by Tier 1 Help Desk.
4. Tier 2 Support will attempt to resolve the Incident submitted by Tier 1 Help Desk.
5. When the Incident is resolved, Tier 2 Support will communicate the information to Tier 1 Help Desk, and Tier 1 Help Desk will disseminate the resolution to the user(s).

6.0—ENDORSEMENT AND PUBLICITY

This Agreement will not be construed or interpreted as an exclusive dealings agreement or Licensee's endorsement of Products. Either party may publicize the existence of this Agreement.

7.0—ADMINISTRATIVE REQUIREMENTS

7.1 OEM Licenses. Under Esri's OEM or Solution OEM programs, OEM partners are authorized to embed or bundle portions of Esri products and services with their application or service. OEM partners' business model, licensing terms and conditions, and pricing are independent of this Agreement. Licensee will not seek any discount from the OEM partner or Esri based on the availability of Products under this Agreement. Licensee will not decouple Esri products or services from the OEM partners' application or service.

7.2 Annual Report of Deployments. At each anniversary date and ninety (90) calendar days prior to the expiration date of this Agreement, Licensee will provide Esri with a written report detailing all Deployments. Upon request, Licensee will provide records sufficient to verify the accuracy of the annual report.

8.0—ORDERING, ADMINISTRATIVE PROCEDURES, DELIVERY, AND DEPLOYMENT

8.1 Orders, Delivery, and Deployment

- a. Licensee will issue an Ordering Document upon execution of this Agreement and annually thereafter in accordance with the Quotation. Payment will be due and payable within thirty (30) calendar days of the anniversary date of the Effective Date, with the initial payment due within thirty (30) calendar days of execution of this Agreement. Esri's federal ID number is 95-2775-732.
- b. Upon receipt of the initial Ordering Document from Licensee, Esri will authorize download of the Products to Licensee for Deployment. If requested, Esri will ship backup media to the ship-to address identified on the Ordering Document, FOB Destination, with shipping charges prepaid. For those entities that avoid sales tax by downloading deliverables, request for delivery or receipt of tangible media may cause the Fee to be subject to taxes. Licensee acknowledges that should such taxes become due, Esri has a right to invoice and Licensee will pay any such sales or use tax associated with its receipt of tangible media.
- c. Esri will provide Authorization Codes to activate the nondestructive copy protection program that enables the Products to operate.

8.2 Order Requirements

- a. All orders pertaining to this Agreement will be processed through Licensee's centralized point of contact.
- b. The following information will be included in each Ordering Document:
 - (1) Licensee name; Esri customer number, if known; and bill-to and ship-to addresses
 - (2) Order number
 - (3) Applicable annual payment due

9.0—MERGERS, ACQUISITIONS, OR DIVESTITURES

If Licensee is a commercial entity, Licensee will notify Esri in writing in the event of (i) a consolidation, merger, or reorganization of Licensee with or into another corporation or entity; (ii) Licensee's acquisition of another entity; or (iii) a transfer or sale of all or part of Licensee's organization (subsections i, ii, and iii, collectively referred to as "Ownership Change"). There will be no decrease in Fee as a result of any Ownership Change.

- 9.1 If an Ownership Change increases the cumulative program count beyond the maximum level for this Agreement, Esri reserves the right to increase the Fee or terminate this Agreement and the parties will negotiate a new agreement.
- 9.2 If an Ownership Change results in transfer or sale of a portion of Licensee's organization, that portion of Licensee's organization will uninstall, remove, and destroy or transfer the Products to Licensee.
- 9.3 This Agreement may not be assigned to a successor entity as a result of an Ownership Change unless approved by Esri in writing in advance. If the assignment to the new entity is not approved, Licensee will require any successor entity to uninstall, remove, and destroy the Products, and this Agreement will terminate upon such Ownership Change.

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Chad Blais, Director of Public Works 

DATE: June 1, 2016

SUBJECT: Acceptance of Proposal from Lucity, Inc. for Software License and Professional Services Agreement

RECOMMENDATION: Accept the proposal for the purchase of Computerized Maintenance Management System (CMMS) and implementation services by Lucity, Inc. and authorize the City Manager to execute the contract in the amount not to exceed \$50,000 for purchase of software and \$64,200 for software implementation.

SUMMARY: Staff is seeking City Council approval to authorize the City Manager to accept the proposal of and enter into an agreement with Lucity, Inc. (Lucity) to purchase a Computerized Maintenance Management System (CMMS), provide professional implementation services for said software, and annual maintenance and technical support services.

BACKGROUND/ANALYSIS: The City of Norco does not currently use a defined asset management and work order software to initiate and track the various maintenance complaints and issues that are processed by City staff on a daily basis. In most cases, requests for maintenance issues submitted by the public are simply logged into excel spreadsheet and then forwarded to the appropriate department via email or phone call. The responding department will then generate a hand work order, complete the required work, and then submit the completed work order to the department head or supervisor. This process is highly inefficient and does not provide adequate information regarding the cost of said work or communication to the person that initiated the request that the work order has been completed.

Therefore, staff is seeking City Council approval for the creation of an active CMMS that is designed specifically for asset management and maintenance with automated workflow capabilities for work order creation, tracking, and completion. This would provide a significant boost to the City's ability to properly and effectively manage and maintain all the City's infrastructure assets. The selection of Lucity was conducted by a working group of staff from Public Works, Parks and Recreation, and Finance that interviewed four vendors (Cityworks, Lucity, Cartegraph and SEMS Technologies) to

determine if the respective CMMS would meet the needs of Norco. Overall Cityworks and Lucity were rated the highest for overall ease of use, automated workflow capabilities, tracking, features, and mobile interface for field staff. However, Lucity offered a better purchase price, annual maintenance proposal and provided in-house technicians for integration of the new software and training of staff (Cityworks would require hiring an outside integrator).

Staff is recommending the City Council accept the proposal for the purchase of Computerized Maintenance Management System and implementation services by Lucity, Inc. and authorize the City Manager to execute the contract in the amount not to exceed \$50,000 for purchase of software and \$64,200 for software implementation.

FINANCIAL IMPACT: The \$50,000 cost for the purchase of the software has been budgeted for Fiscal Year 2015-16 and will be equally divided between Water and Sewer Funds. The \$64,200 cost for the software implementation will be equally budgeted between Water and Sewer Funds for Fiscal Year 2016-17 and will be authorized pending approval of the budget for Fiscal year 2016-17 by City Council.

Attachments: Lucity Software License Agreement

SOFTWARE LICENSE AND PROFESSIONAL SERVICES AGREEMENT

ARTICLES OF AGREEMENT

This Agreement between the **City of Norco, CA** as "CLIENT", and **LUCITY, INC.**, as "CONTRACTOR".

WITNESSETH:

Whereas, the CONTRACTOR (a Kansas Corporation with offices located at 10561 Barkley, Suite 100, Overland Park, KS 66212) owns certain software programs that are licensed under individual program titles which are known collectively as "*Lucity™ Software*"; and

Whereas, the CLIENT (located at 2870 Clark Avenue Norco, CA 92860) would like to use, and the CONTRACTOR would like to grant the CLIENT the right to use, those software programs accessing databases residing at the CLIENT's site, while protecting the copyrights, trade secrets, confidential information, and other valuable intellectual property they contain; and

Whereas, the CLIENT is authorized and empowered to contract with the CONTRACTOR to provide professional services as hereinafter described; and

Whereas, the CONTRACTOR is registered in accordance with the laws of the State of Kansas, and is qualified to provide the professional services desired by the CLIENT; now, therefore,

IT IS AGREED THAT:

SECTION I – SOFTWARE LICENSE

The CONTRACTOR agrees to furnish various *Lucity* software programs, and grant the CLIENT a license to use these programs, in consideration of the mutual covenants and obligations expressed in the *Lucity™ Software License Agreement* attached as Exhibit "A", with the special provision of redefining the warranty period to be from delivery to full acceptance of implemented software by the CLIENT. These programs shall consist of the items listed in the Schedule of Software attached as Exhibit "B".

SECTION II – SCOPE OF SERVICES

The basic Scope of Services for the supply, implementation, support and maintenance of **ASSET AND WORK MANAGEMENT SOFTWARE AND IMPLEMENTATION**, herein referred to as "PROJECT", is as follows:

1. The CONTRACTOR agrees to furnish and perform various professional services related to on-going software technical support and maintenance items outlined in the Software Support and Maintenance Provisions attached as Exhibit "C".
2. The CONTRACTOR agrees to furnish and perform various professional services related to the items outlined the Schedule of Services attached as Exhibit "D".

SOFTWARE LICENSE AND PROFESSIONAL SERVICES AGREEMENT

Any items beyond the basic Scope of Services shall be considered as Additional Services. If authorized in writing by CLIENT, CONTRACTOR shall furnish, or obtain from others, services resulting from significant changes in the basic Scope of Services.

The cost to perform Additional Services shall be based on the rates outlined in the Schedule of Costs and Payments attached as Exhibit "E".

SECTION III – RESPONSIBILITIES OF THE CLIENT

The CLIENT shall provide information and assistance as follows:

1. Assist CONTRACTOR by placing at their disposal all available information pertinent to the PROJECT including data, standards, specifications, processes, workflows, and reports relative to the CONTRACTOR'S services.
2. Give prompt written notice to CONTRACTOR whenever CLIENT observes or otherwise becomes aware of any development that affects the Scope or timing of CONTRACTOR'S Services.

SECTION IV – SCHEDULE OF SERVICES

It is anticipated that the PROJECT as described in Section II will be completed and submitted to the CLIENT in accordance with the estimated schedule for major work items as shown on Exhibit "D".

The work items described shall be carried out as expeditiously as possible. The CONTRACTOR shall not be liable to the CLIENT, if delayed in, or prevented from performing the work as specified herein through any cause beyond the control of the CONTRACTOR, and not caused by his own fault or negligence including acts of nature or the public enemy, inclement weather conditions, acts, regulations, or decisions of the Government or regulatory authorities after the effective date of this Agreement, fires, floods, epidemics, strikes, jurisdictional disputes, lockouts, and freight embargoes.

SECTION V – FEES AND PAYMENTS

The CLIENT shall compensate the CONTRACTOR for the Scope of Services as described in Section II of this Agreement an amount not exceeding the total cost as shown on Exhibit "E". The maximum compensation shall not be exceeded without further authorization of Additional Services.

Labor costs, costs associated with subcontract work, bonding costs, and direct expenses such as shipping, printing, telephone and commercial computer software are included in the maximum compensation.

Payment to the CONTRACTOR shall be made in accordance with the estimated schedule of billings for work items as shown on Exhibit "E". Invoices shall be due and payable to the CONTRACTOR within thirty (30) days of each billing.

SOFTWARE LICENSE AND PROFESSIONAL SERVICES AGREEMENT

Once this Agreement expires, or final payment has been requested and made, the CONTRACTOR shall have no more than thirty (30) days to present or file claims against the CLIENT concerning this Agreement. After that period, the CLIENT shall consider the CONTRACTOR to have waived any right to claims against the CLIENT concerning this Agreement.

The Fees and Payment provisions for the PROJECT, applicable to the *Lucity* software program licenses, provided in this Section V supersede the License Fee payment provisions provided in Section 6(a) of Exhibit "A".

SECTION VI – TERMINATION

- A. The obligation to provide further services under this Agreement may be terminated by either party upon seven (7) days' written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party.
- B. In the event of termination by the CLIENT, the CONTRACTOR shall be paid for all services rendered up to and including the date of termination.
- C. In the event that the CLIENT, for any reason, decides not to proceed with the PROJECT, this Agreement shall then be considered terminated; the CONTRACTOR shall be entitled to payment as described herein for all services provided under this Agreement. In such event, the CLIENT shall promptly notify the CONTRACTOR in writing of its decision not to proceed with the PROJECT so that the CONTRACTOR can reassign his personnel and revise work schedules as may be required.

The Termination provisions for the PROJECT provided in this Section VI are applicable to the Scope of Services as described in Section II of this Agreement. The Term and Termination provisions provided in Section 12 of Exhibit "A" are applicable to the *Lucity*™ software program licenses.

SECTION VII – INDEMNIFICATION

The CONTRACTOR shall indemnify and hold the CLIENT harmless from any and all liability, loss or damage the CLIENT may suffer as a result of claims, demands, costs or judgments against it arising out of the CONTRACTOR'S negligence in the performance of this Agreement.

The Indemnification provisions for the PROJECT provided in this Section VII are applicable to the Scope of Services referenced in Section II. The Limitations of Liability provisions provided in Section 11 of Exhibit "A" are applicable to the *Lucity*™ software program licenses.

SECTION VIII – GENERAL CONSIDERATIONS

And, finally it is agreed that:

- A. All services shall be under the direction of qualified personnel.

SOFTWARE LICENSE AND PROFESSIONAL SERVICES AGREEMENT

- B. The Scope of Services covered by this Agreement shall be subject to modification and supplementation upon the written agreement of the duly authorized representatives of the contracting parties. Modification of the terms of this Agreement may be made that would modify the maximum fees stated in the Agreement when mutually agreed by and between the CONTRACTOR and the CLIENT, and shall be incorporated in written amendments to this Agreement. The CONTRACTOR shall have no obligation to perform services in connection with a change in the Scope of Services unless the cost thereof shall be agreed to under this paragraph.
- C. The CONTRACTOR reserves the right to renegotiate this Agreement if this agreement is not signed by the CLIENT within ninety (90) days after submittal.
- D. The following Exhibits are attached to and made a part of this Agreement:
 - Exhibit "A" - *Lucity*™ Software License Agreement
 - Exhibit "B" - Schedule of Software
 - Exhibit "C" - Software Support and Maintenance Provisions
 - Exhibit "D" - Schedule of Services
 - Exhibit "E" - Schedule of Costs and Invoicing

IN WITNESS WHEREOF, the CLIENT and CONTRACTOR, by their authorized representatives, have hereunto subscribed their names this _____ day of _____, 2016.

Executed in duplicate with copies to the CLIENT and CONTRACTOR.

LUCITY, INC.

CITY OF NORCO, CA

By: _____
James C. Graham, P.E.

By: _____

Title: Vice President & Chief Operating Officer

Title: _____

Attest:

Attest:

By: _____

By: _____

Title: _____

Title: _____

EXHIBIT "A"
Lucity™ Software License Agreement

IMPORTANT – READ CAREFULLY BEFORE INSTALLATION

This software is subject to acceptance of the *Lucity™ Software License Agreement*. Lucity, Inc. (Lucity) is willing to license this software to you only upon the condition that you accept all of the terms and conditions contained in the *Lucity™ Software License Agreement* and any stated Special Provisions.

THIS AGREEMENT ("*Agreement*") is between Lucity, Inc., a Kansas corporation with its principal place of business at 10561 Barkley, Suite 100, Overland Park, KS 66212 ("*Lucity*"), and *Licensee* with its software programs accessing databases residing at *Licensed Site*.

RECITALS

WHEREAS, Lucity owns certain software programs that are licensed under individual product titles which are known collectively as "*Lucity™ software*";

WHEREAS, Licensee would like to use, and Lucity would like to grant Licensee the right to use, those software products, while protecting the copyrights, trade secrets, confidential information, and other valuable intellectual property they contain.

NOW, THEREFORE, Lucity and Licensee agree as follows:

1. DEFINITIONS.

"*Program(s)*" means the object code versions of the computer software products, databases, and related documentation.

"*Users*" means (i) specifically named persons in your organization permitted to access all Programs, regardless of whether the named person is actively using the Programs at any given time (i.e. Named Users), (ii) the specified maximum number of persons permitted to access a Program (i.e. Seats), or (iii) the specified number of computer hardware devices permitted to provide access to a Program (i.e. Installs).

"*Clients*" means the number of individual database setups that can be accessed by a Program.

"*Licensed Site*" means the location at which the Licensee will be permitted to store the databases used by the Program(s).

"*Effective Date*" means the date of receipt of Licensee's purchase order citing this Agreement.

2. LICENSE GRANT.

(a) **License.** Subject to the terms and conditions of this Agreement, Lucity grants Licensee a fee-bearing nonexclusive license to use the object code versions of the Program(s) for its internal purposes during the term of this Agreement; provided, however, that (i) the number of Users of each Program shall not exceed the permitted number of persons or devices for each such Program, (ii) the number of individual database setups that can be accessed by each Program shall not exceed the number of Clients for each such Program, and (iii) the location at which the databases accessed by the Program(s) reside shall be the Licensed Site designated herein.

(b) **Copying.** Licensee may make only as many copies of each Program as are necessary for Licensee to utilize the total Users for each such Program.

(c) **Future Licenses.** Lucity and Licensee may, by mutual agreement, include future licenses of the Program(s) under this Agreement by exchanging documents (i.e., a purchase order from Licensee and acknowledgment from Lucity) referencing this Agreement and the Program(s) to be licensed. Such future Program(s) shall be included as Program(s) under this Agreement. The parties agree that such purchase orders and acknowledgments shall have no effect on the terms and conditions of this Agreement, under which such Program(s) are licensed.

(d) **Limited Grant.** Except as expressly provided in this Section 2, Lucity grants and Licensee receives no right, title or interest in or to the Programs or any other deliverables provided by Lucity in connection with this Agreement and Lucity reserves and retains all such right, title, and interest.

(e) **Disaster Recovery and Testing.** The Licensee is permitted to install the Programs at its internal disaster recovery site and to store copies of the databases used by the Programs for the purposes of testing its disaster recovery plan. The Licensee is also permitted to install the Programs in a testing environment at its Licensed Site and to store copies of the databases used by the Programs for the purposes of testing future releases and training users.

3. LICENSE RESTRICTIONS.

(a) **No Reverse Engineering.** Licensee agrees not to disassemble, decompile, reverse analyze, or reverse engineer the Program(s).

(b) **No Modification.** Licensee agrees not to modify the Program(s) without the written consent of Lucity.

(c) **No Copying.** Licensee agrees not to copy the Program(s), in whole or in part, except for a reasonable number of back-up copies and copies for disaster recovery and testing purposes, and as may be necessary to utilize the total Users for a given Program.

(d) **No Third Party Use.** Licensee will not use the Program(s) in any manner to provide computer services to third parties.

(e) **Training.** Licensee will not use the Program(s) until its personnel have received sufficient training in the configuration and use of the Program(s) to generate accurate data from the operation of the Program(s).

(f) **No Shared Logins.** Each distinct person that will access the Programs must possess their own unique login. Logins may never be shared between one or more persons.

4. PROPRIETARY RIGHTS.

(a) **Lucity's Property.** The Program(s), in whole and in part and all copies thereof, are and will remain the sole and exclusive property of Lucity.

(b) **Licensee's Property.** Any and all information provided by Licensee, as well as any and all information generated by Licensee's use of the Programs (specifically excluding Program code), shall remain the sole and exclusive property of Licensee.

(c) **Proprietary Notices.** Licensee will not delete or alter any copyright, trademark, and other proprietary rights notices of Lucity and its licensors appearing on the Program(s). Licensee agrees to reproduce such notices on all copies it makes of the Program(s).

5. DELIVERY.

Lucity will deliver license codes for the Program(s), which provide for downloading of installation components by Licensee, to Licensee within a reasonable time of execution of this Agreement by both parties.

6. FEES AND TAXES.

(a) **License Fee – Named Products Licensing.** As consideration for the rights granted to Licensee under the Agreement set forth in Section 2 of this Agreement, Licensee shall remit payment to Lucity the License Fee within thirty (30) days of the delivery of license codes for the Program(s). Late payments will be subject to a late fee of one and one-half percent (1-1/2%) per month or the maximum rate permitted by applicable law, whichever is less. Lucity may publish revised fee schedules from time to time, and any fees for future licenses for the Program(s) included under this Agreement shall be determined by Lucity's then-current fee schedule.

(b) **Annual Fee – Named Users Licensing.** As consideration for the rights granted to Licensee under the Agreement set forth in Section 2 of this Agreement, Licensee shall remit payment to Lucity (i) the appropriate Annual Fee within thirty (30) days of the Effective Date, and (ii) the appropriate Annual Fee within thirty (30) days of anniversary of the Effective Date for each renewal period. Late payments will be subject to a late fee of one and one-half percent (1-1/2%) per month or the maximum rate permitted by applicable law, whichever is less. Lucity may publish revised fee schedules from time to time, and any fees for renewal periods for the Program(s) included under this Agreement shall be determined by Lucity's then-current fee schedule.

(c) **Taxes.** Fees due under this Agreement do not include any taxes. Licensee will be responsible for, and will promptly pay, all taxes of whatever nature (including but not limited to sales and use taxes) resulting from or otherwise associated with this Agreement or Licensee's receipt or use of the Program(s), except income taxes based on Lucity's income. In lieu of payment of such taxes, Licensee shall provide Lucity with proof of Licensee's tax exempt status.

7. WARRANTIES.

(a) **Warranty.** Lucity warrants that during the twelve (12) months following the delivery of the license codes for the Program(s):

(i) the Program(s) will be capable of performing in the manner described in all the documentation in all material respects; and

(ii) the installation components of the Program(s) will be free from defects in materials and workmanship.

(b) **Exclusive Remedy.** In the event that the Program(s) or installation components fail to conform to such warranty, as Licensee's sole and exclusive remedy for such failure Lucity will, at its option and without charge to Licensee, repair or replace the Program(s) or installation components or refund to Licensee the License Fee paid, provided that the nonconforming item is returned to Lucity within the 12-month warranty period.

(c) **Disclaimer.** The Warranties provided in this Section are in lieu of all other warranties, express and implied, including but not limited to any implied warranties of Merchantability, and Fitness for a Particular Purpose.

8. INDEMNITY.

(a) **Duty to Indemnify and Defend.**

(i) Lucity will defend or settle at Lucity's own expense, any action or other proceeding brought against Licensee to the extent that it is based on a claim that the use of the Program(s) as licensed in this Agreement infringes any U.S. copyright or that the Program(s) incorporates any misappropriated trade secrets.

EXHIBIT "A"
Lucity™ Software License Agreement

- (ii) Lucity will pay any and all costs, damages, and expenses (including but not limited to reasonable attorneys' fees) Licensee becomes obligated to pay in any such action or proceeding attributable to any such claim.
- (iii) Lucity will have no obligation under this Section as to any action, proceeding, or claim unless: (A) Lucity is notified of it promptly; (B) Lucity has sole control of its defense and settlement; and (C) Licensee provides Lucity with reasonable assistance in its defense and settlement.
- (b) **Injunctions.** If Licensee's use of any Program(s) under the terms of this Agreement is, or in Lucity's opinion is likely to be, enjoined due to the type of infringement or misappropriation specified in Section 8(a)(i), then Lucity may, at its sole option and expense, either:
- (i) procure for Licensee the right to continue using such Program(s) under the terms of this Agreement;
 - (ii) replace or modify such Program(s) so that it is noninfringing and substantially equivalent in function to the enjoined Program(s); or
 - (iii) if options (i) and (ii) above cannot be accomplished despite the reasonable efforts of Lucity, then Lucity may both:
 - (A) terminate Licensee's rights and Lucity's obligations under this Agreement with respect to such Program(s); and
 - (B) refund to Licensee the unamortized portion of the License Fee paid based upon a 5 year straight-line depreciation, such depreciation to be deemed to have commenced on the effective date of this Agreement.
- (c) **Exclusive Remedy.** The foregoing are Lucity's sole and exclusive obligations, and Licensee's sole and exclusive remedies, with respect to infringement or misappropriation of intellectual property rights. Lucity makes no separate warranty of noninfringement under or in connection with this agreement.
- (d) **Exceptions.** Lucity will have no obligations under this Section 8 with respect to infringement or misappropriation arising from: (i) modifications to the Program(s) that were not made by Lucity (whether or not authorized by Lucity); (ii) Program(s) specifications or modifications requested by Licensee; or (iii) the use of Program(s) with products (including but not limited to software) not provided by Lucity.

9. CONFIDENTIAL INFORMATION.

- (a) **Definition.** "Confidential Information" refers to: (i) the Program(s), including but not limited to their software source code, and any related documentation or technical or design information related to the Program(s); (ii) the business or technical information of Lucity, including but not limited to any information relating to Lucity's product plans, designs, costs, product prices and names, finances, marketing plans, business opportunities, personnel, research, development or know-how; (iii) any information reasonably and appropriately designated by Lucity as "confidential" or "proprietary" or which, under the circumstances taken as a whole, would reasonably be deemed to be confidential under applicable law; and (iv) the terms and conditions and existence of this Agreement.
- (b) "Confidential Information" will not include information that:
- (i) is in or enters the public domain without Licensee's breach of this Agreement;
 - (ii) Licensee receives from a third party without restriction on disclosure and without breach of a nondisclosure obligation; or
 - (iii) Licensee party develops independently, which it can prove with clear and convincing written evidence.
- (c) **Confidentiality Obligations.** Licensee agrees to take all measures reasonably required in order to maintain the confidentiality of all Confidential Information in its possession or control, which will in no event be less than the measures Licensee uses to maintain the confidentiality of its own information of equal importance.
- (d) **Employee Confidentiality Procedures.** Licensee agrees to inform its employees of their confidentiality obligations regarding the Program(s) and other Lucity Confidential Information. Licensee further agrees to ensure that contract employees (including temporary employees) of Licensee agree to confidentiality obligations similar to those of this Agreement.

10. MAINTENANCE AND SUPPORT.

- (a) **Named Products Licensing.** Lucity and Licensee may, by mutual agreement, include the maintenance and support services described in the software's online help for the Program(s) under this Agreement by exchanging documents (i.e., a purchase order from Licensee and acknowledgment from Lucity) referencing this Agreement and the Program(s) to be included under such services. The parties agree that such purchase orders and acknowledgments shall have no effect on the terms and conditions of this Agreement, under which such Program(s) are licensed. Maintenance and support services are provided at a rate and for a term as mutually determined by Lucity and Licensee for the scope of services to be provided by Lucity for the Program(s) to be included under such services.

- (b) **Named Users Licensing.** The Annual Fee for the Program(s) included under this Agreement includes the maintenance and support services described in the software's online help.

11. LIMITATIONS OF LIABILITY.

Lucity's total liability under this Agreement will be limited to the License Fee. Licensee agrees that, as part of the material consideration for Lucity licensing the Programs to Licensee hereunder, in no event will Lucity be liable to Licensee under this Agreement for any Special, Incidental, or Consequential Damages, whether based on breach of contract, tort (including negligence), product liability, or otherwise, and whether or not Lucity has been advised of the possibility of such damage. Input and/or edits of data by means other than the Lucity standard Program(s) interface may result in loss of data, and/or improper operation of the Program(s). The Licensee agrees that in no event will Lucity be liable to Licensee under this Agreement for costs necessary to diagnose, recover data and/or restore proper operation of the Program(s) resulting from said actions.

12. TERM AND TERMINATION.

- (a) **Term – Named Products Licensing.** Except as expressly provided in this Section 12, this Agreement will continue in full force and effect perpetually.
- (b) **Term – Named Users Licensing.** Except as expressly provided in this Section 12, this Agreement will continue in full force and effect for one (year) from the Effective Date of this Agreement, with automatic renewal for subsequent one (1) year periods.
- (c) **Termination.** Either party will have the right to terminate this Agreement if other breaches any material term or condition of this Agreement and fails to cure such breach within thirty (30) days of written notice.
- (d) **Effect of Termination – Named Products Licensing.** If this Agreement is terminated, Licensee will immediately return to Lucity, or Lucity's designated representative, or (at Lucity's request) destroy all copies of the Program(s) in its possession or control, and an officer of Licensee will certify to Lucity in writing that it has done so.
- (e) **Effect of Termination – Named Users Licensing.** If this Agreement is terminated, license codes for the Program(s) included under this Agreement will expire and the Program(s) included under this Agreement will be effectively disabled.
- (f) **Survival.** The provisions of Sections 4 (Proprietary Rights), 6(b) (Taxes), 7(b) and (c) (Warranties Exclusive Remedy and Disclaimer), 8(c) and (d) (Infringement Exclusive Remedy and Exceptions), 9 (Confidential Information), and 11 (Limitations of Liability) will survive termination of this Agreement for any reason.
- (f) **Nonexclusive Remedy.** The exercise by Lucity of any remedies under this Agreement will be without prejudice to its other remedies under this Agreement or otherwise.

13. GENERAL PROVISIONS.

- (a) **Audit Rights.** Licensee agrees to allow Lucity, at Lucity's sole expense, upon reasonable written notice, and during Licensee's ordinary business hours, to visit the facilities in which Licensee uses the Program(s) and review Licensee's practices with regard to the Program(s).
- (b) **Assignment.** This Agreement will bind and inure to the benefit of each party's successors and assigns, provided that either party may not assign this Agreement, in whole or in part, without written consent of both parties.
- (c) **Modifications.** This Agreement may only be modified, or any rights under it waived, by a written document executed by both parties.
- (d) **Conflicting Terms.** Purchase orders or similar documents relating to the Program(s) issued by Licensee will have no effect on the terms of this Agreement.
- (e) **Notices.** All notices under this Agreement will be deemed given when delivered personally or upon receipt of by U.S. certified mail, return receipt requested, to the address shown below or as may otherwise be specified by either party to the other in accordance with this Section.
- (f) **Severability.** If any provision of this Agreement is found illegal or unenforceable, it will be enforced to the maximum extent permissible, and the legality and enforceability of the other provisions of this Agreement will not be affected.
- (g) **Waiver.** No failure of either party to exercise or enforce any of its rights under this Agreement will act as a waiver of such rights.
- (h) **Entire Agreement.** This Agreement is the complete and exclusive agreement between the parties with respect to the subject matter hereof, superseding and replacing any and all prior agreements, communications, and understandings (both written and oral) regarding such subject matter. No purchase orders, acknowledgments, invoices, or other documents exchanged in the ordinary course of business shall modify or add to the terms and conditions of this Agreement.
- (i) **Choice of Law.** This Agreement will be governed by and construed in accordance with the laws of the state in which Licensee is located.

EXHIBIT "B"
Schedule of Software

For the Project Lucy agrees to furnish licenses of the various Lucy software programs listed in the following table, and grant the CLIENT such licenses to use these programs for the fees as indicated, in consideration of the mutual covenants and obligations expressed in the Lucy Software License Agreement provided as Exhibit "A".

LucyAM Product	Licenses	One-time Fees
Work	Site ¹	\$50,000.00
Assets		
Mobile		
GIS Desktop		
GIS Web		
Citizen Portal		
REST APIs		
		TOTAL \$ 50,000.00

¹A Site License provides for an unlimited number of concurrent users.

EXHIBIT "C"
Software Support and Maintenance Provisions

For the various Lucity software programs listed in Exhibit "B", Lucity agrees to furnish to the CLIENT resources and perform various professional services related to on-going software technical support and maintenance as outlined in this Exhibit "C".

CONSTANT CONNECTION PROGRAM RESOURCES AND SERVICES

On-going software technical support and maintenance resources and services provided through the Lucity Constant Connection Program are summarized in the attached exhibit.

CONSTANT CONNECTION PROGRAM FEES

The annual fee basis for the Lucity Constant Connection Program is twenty percent (20%) of the total software license fees for covered products.

For the software programs listed in Exhibit "B", "Year 1" of the Constant Connection Program is considered to be the twelve (12) months following software installation. No fees for the Constant Connection Program will be assessed for this period.

LucityAM Product	License Fee	Program Fee
Work	\$50,000.00	\$10,000.00
Assets		
Mobile		
GIS Desktop		
GIS Web		
Citizen Portal		
REST APIs		
TOTAL		\$ 10,000.00

CONSTANT CONNECTION PROGRAM RENEWAL

Access to Constant Connection Program resources and services in subsequent years is renewable annually by mutual agreement and is subject to an inflationary adjustment of 2.5% per year.

D.1 PROJECT PLANNING & MANAGEMENT

D.1.A INITIATION

A meeting will take place as soon as possible after issuance of the Notice to Proceed to introduce key Project Team members and initiate project activities. An outline of the agenda for the Initiation Meeting follows.

- Project Team
 - Review roles, responsibilities, and personnel assignments
 - Identify primary contacts and exchange contact information
- Software
 - Verify licensing details (products and users)
- Project Plan
 - Set dates for IT Audit, Installation, and Kickoff tasks – our recommendation is for the IT Audit to be completed as soon as possible, and Installation to be completed prior to Kickoff

Participants in the Initiation Meeting will include the following Project Team members:

- | | |
|--|--|
| <ul style="list-style-type: none">• Lucity<ul style="list-style-type: none">– Project Manager– Relationship Manager | <ul style="list-style-type: none">• City<ul style="list-style-type: none">– Project Manager– System Administrator– Project Sponsor |
|--|--|

D.1.B IT AUDIT

A meeting will take place as soon as possible after Initiation for us to provide guidance to the City's IT SME (Subject Matter Expert) pertaining to LucityAM enterprise architecture and security designs. An outline of the agenda for the IT Audit Meeting follows.

- Software
 - Review "Hardware and Software Recommendations", "System Design and Tuning", and "IT Questionnaire" documents – Questionnaire to be completed by the City
 - The City will provide needed hardware and supporting software, and confirm basic operation of hardware prior to installation of LucityAM
 - System Design and Tuning document is intended to provide understanding of LucityAM as it pertains to the City's enterprise infrastructure and security policies, and the expected maximum number of concurrent users
 - IT Questionnaire serves to gather information regarding the City's resources, preparedness, and capabilities for installing and managing LucityAM and leveraging GIS integration
 - Discuss the Installation task and related activities, and identify needed actions prior to LucityAM installation
- Access
 - Discuss providing Implementation Lead remote access (VPN) into installed LucityAM to facilitate completion of implementation tasks
- Project Plan
 - Confirm dates for Installation and Kickoff tasks
- Action Items
 - Complete IT Questionnaire

- Provide LucyAM install design and system architecture diagram, and executed VPN access forms (if required)

Participants in the IT Audit Meeting will include the following Project Team members:

- Lucy
 - IT Specialist
- City
 - Project Manager
 - System Administrator
 - SME – IT

D.1.C INSTALLATION

The Implementation Specialist will assist the System Administrator with downloading the LucyAM Installation Components (current version with latest service pack) from the Lucy Support Center web site, and following instructions provided in the Install Manual.

Our assumption is the System Administrator will complete related Installation activities, including:

- Establishing multiple environments for testing/training, production, and backup/recovery
- Using User Import tool in Lucy Security to import users into LucyAM, and associate users to Windows Login accounts
- Using Lucy Security to set controls for user access and assign group/role permissions for various LucyAM functions
- Performing system-level testing (to ensure satisfactory performance) and performance tuning actions (if necessary)

D.1.D KICKOFF

An on-site trip will be made to transfer knowledge between Project Team members, gather information, and set the stage for subsequent Implementation tasks. An outline of the Kickoff Trip activities follows.

- LucyAM Software Demonstration
 - Present functional overview – typical user workflows for inspections, work orders, etc. and “out of the box” capabilities including reporting (standard templates and ad hoc), GIS integration, and data interfaces
 - Review default “Work Flow Setup” data, UI templates (dashboards and data forms/views), and default user groups/roles
- Functional Groups
 - Identify each Group’s place (Department, Division, etc.) within the organizational structure of the City
 - We consider the Functional Groups for the City’s EAM system to be those identified below.
 - *Public Works Department*
 - *Water Maintenance Division*
 - *Sewer Maintenance Division*
 - *Storm Drainage Division*
 - *Street Maintenance Division*
 - *Engineering Division*
 - *NPDES*
 - *Parkway Maintenance Division*
 - *Parks and Recreation Department*
 - *Parks and Building Maintenance*

- Confirm with each Group Administrator those persons assigned to serve as Group SMEs for Configuration task
- Examine current basic business processes of each Group with associated data, reporting, and integration requirements
- Review with each Group their Work Flow Setup spreadsheet with default data – spreadsheet to be completed by the City
- GIS and IT
 - Discuss completed Installation task and related activities, and identify needed actions prior to initiation of Configuration – GIS task
- Access
 - Verify Implementation Lead has remote access into installed LucityAM
- Project Plan
 - Confirm Project Team and Functional Groups
 - Discuss what is expected of Project Team members throughout project
 - Review schedule, and discuss how LucityAM will “go-live”
 - Identify any needed revisions to Project Plan based on knowledge gained from Kickoff Trip activities
 - Set date for Configuration – Discovery Workshop task
- Action Items
 - Complete Work Flow Setup spreadsheets – these spreadsheets are used to record data required to define Categories, Problems, Causes, Tasks, and Resources (Employees, Crews, Equipment, Materials, Fluids, Contractors) for Functional Groups with LucityAM Work – Work Administrator

Participants in the Kickoff Trip activities will include the following Project Team members:

- | | |
|---|--|
| <ul style="list-style-type: none"> • Lucity <ul style="list-style-type: none"> – Project Manager – Relationship Manager | <ul style="list-style-type: none"> • City <ul style="list-style-type: none"> – Project Manager – System Administrator – Functional Group Administrators – SMEs – GIS and IT – Project Sponsor |
|---|--|

D.1.E PROGRESS

An outline of the project management activities throughout the project follows.

- Meetings & Workshops
 - Convene bi-weekly Project Progress meetings to review Project Plan completion status
 - Provide agendas, “Follow-up Memorandum”, and “Trip Report” documents
- Project Plan
 - Provide updates as needed based on approved revisions to scope and/or schedule
- Invoicing
 - Prepare billing summaries, and submit invoices to the City for approval and payment processing

Participants in the project management activities will include the following Project Team members:

- | | |
|---|---|
| <ul style="list-style-type: none"> • Lucity <ul style="list-style-type: none"> – Project Manager | <ul style="list-style-type: none"> • City <ul style="list-style-type: none"> – Project Manager |
|---|---|

D.2 CONFIGURATION

D.2.A DISCOVERY

A Discovery Workshop will be completed – this workshop will consist of a series of on-site sessions that focus on refining the default LucityAM configuration to support the specific operational needs of the distinct Functional Groups. An outline of the Discovery Workshop activities follows.

- Functional Groups
 - Examine details (what, who, how, and why) of business processes of each Group, and identify potential revisions to improve results and best leverage capabilities of LucityAM
 - Review with each Group their completed Work Flow Setup spreadsheet, and identify any additional data revisions for initial LucityAM configuration
 - Identify revisions to dashboards, data forms/views, and default user groups/roles for each Group
 - Discuss available data from sources other than GIS to be incorporated (i.e. “loaded) into LucityAM – data to be gathered by the City
 - Identify any supplemental reporting and/or integration needs to be addressed with LucityAM implementation
- GIS
 - Discuss use of LucityAM Administration tool – Map Setup to define maps, and assign to user groups/roles
- IT
 - Discuss installation and testing of Lucity Mobile Server, and downloading and installation of LucityAM Mobile – to be completed by the City
- Project Plan
 - Identify any needed revisions to Project Plan based on knowledge gained from Discovery activities
 - Set date for Configuration – Functional Group Meetings task
- Action Items
 - Apply initial configuration to installed LucityAM based on revised Work Flow Setup data and revised user dashboards, data forms/views, maps, and groups/roles
 - Deliver data from sources other than GIS to Implementation Lead for evaluation
 - Evaluate options for supplemental reporting and/or integration, and identify next steps
 - Install and test Mobile Server, and download and install LucityAM Mobile

Participants in the Configuration – Discovery Workshop activities will include:

- | | |
|---|--|
| <ul style="list-style-type: none">• Lucity<ul style="list-style-type: none">– Project Manager– Implementation Lead | <ul style="list-style-type: none">• City<ul style="list-style-type: none">– Project Manager– System Administrator– Functional Group Administrators– SMEs – GIS and IT |
|---|--|

D.2.B FUNCTIONAL GROUPS

Finalizing the LucityAM configuration will be an iterative process. The Implementation Lead will first make an on-site trip to meet with each Functional Group to review the initial configuration, and identify needed refinements. With subsequent refinements, additional meetings will be convened to review the latest LucityAM configuration – which will include GIS integration, loaded data, custom reporting, and

custom integration (if required) as these become available. The process will continue until the LucityAM operational needs of the Groups are met.

Participants in the Configuration – Functional Group Meetings task will include:

- Lucity
 - Implementation Lead
 - Implementation Specialist
- City
 - System Administrator
 - Functional Group Administrators
 - SMEs – Groups

Custom Reports

Although we expect the LucityAM reporting capabilities (standard templates and ad hoc) will meet most of the City's needs, some supplemental custom reports will likely be desired/required. The number and nature of such custom reports will be defined from the Configuration activities.

Custom reports can be designed, developed, and incorporated into LucityAM by the City or a third-party. Alternatively, we can deliver custom report templates (using Crystal Reports) *through negotiated additional services*.

D.2.C GIS

The Implementation Specialist will work with the System Administrator and GIS SME to configure and test the bi-directional LucityAM/GIS integration. Configuration of this integration involves the following activities:

- *GIS to LucityAM Integration*
 - Use LucityAM Administration tool to create geodatabase connection string to serve as primary link between ArcMap and LucityAM
 - Use Geodatabase Configuration tool in ArcCatalog to link feature classes to LucityAM
 - Use Lucity Editor ArcMap extension to load attributes of linked feature classes into LucityAM database tables
- *LucityAM to GIS Integration*
 - Use ArcServer to publish map services containing linked feature classes with Feature Access capabilities enabled (i.e. feature services) – feature services to serve as primary link between LucityAM and geodatabase
 - Use Administration tool to add feature services to geodatabase connection string
- *Lucity GIS Web to LucityAM Integration* – also applicable to integration of Collector for ArcGIS (and any other third-party mapping application) to Lucity AM
 - Use Geodatabase Configuration tool to set up “GIS Task” to check feature services at scheduled time interval, and push any updates to LucityAM
- *Lucity Spatial Generator Configuration*
 - Use Administration tool to enable the Lucity Spatial Indexer process, and set maximum number of days to process spatial history of information related to work order and service request locations (addresses, coordinates) and related assets
 - Use Administration tool to set up URL for Geocoding Service for processing locations
 - Use Administration tool to set up Edit Map Service URL for processing assets
- *GIS Map Setup*
 - Use Administration tool to create maps (by layering map services) for LucityAM GIS Web and LucityAM Mobile
 - Use Map Setup In Administration tool to assign maps to user groups/roles

- *Show in Map Tool Configuration*
 - Use Show in Map Configuration tool in ArcCatalog to define settings for launching maps from LucityAM (Desktop, Web, and Mobile UIs)

It is expected that the City's existing GIS data for Streets/Addresses, Water Distribution and Sewer Collections available at the time of the Configuration – GIS task efforts will be loaded into LucityAM, and necessary training will be provided to the City to load additional GIS data that may become available later.

D.2.D DATA LOADING

GIS and Work Flow Setup

As described for the Configuration task:

- Data from the City's GIS will be loaded into LucityAM as part of the GIS to LucityAM Integration
- Data from the City's completed/refined Work Flow Setup data will be loaded into LucityAM as part of the LucityAM configuration

Methodology

The LucityAM Import & Update tool is used for loading data into LucityAM from ODBC, OLE, ASCII-delimited text, and XML sources. Data from sources other than GIS and Work Flow Setup gathered by the City and delivered to the Implementation Lead for loading should (if possible) be in compatible formats.

We will evaluate delivered data for suitability for loading, determine requirements for any necessary conversion of source data, and provide expected effort and associated costs for us to complete the work *through negotiated additional services.*

The Implementation Lead will provide the System Administrator training in use of the Import & Update tool. With this training, the City may determine that loading of data from other sources is an effort that can be completed by the System Administrator.

D.2.E INTEGRATION

Data Interfaces

The Import & Update tool is used to set up interfaces with external data collection systems (e.g. CCTV, SCADA, fueling) to routinely incorporate new data (e.g. inspections, readings) into LucityAM. The Implementation Lead will provide the System Administrator training in use of the Import & Update user interface to establish data mapping with the appropriate systems, name and save defined "imports", and complete loading processes to verify proper operation of the interfaces.

Methodology

We provide LucityAM REST APIs for development of custom applications that integrate with LucityAM. This would be our preferred approach for custom development for integration with any of the City's existing systems.

We can determine requirements for any necessary supplemental integration using the LucityAM REST APIs, and provide expected effort and associated costs for the work to be completed *through negotiated*

additional services. Custom development will likely require collaboration with the City, other software vendors and/or third-party developers.

Other Systems

We understand the City uses Tyler Technologies New World ERP software for Financial Management and Utility Billing.

We expect the proposed Configuration efforts will help the City determine what (if any) effort is necessary to interface the New World system with the LucityAM system. We have not included effort/costs in this Work Plan for a specific New World/LucityAM interface, however the City may have interest in exploring the potential to import service requests from New World into Lucity in a future phase (for items such as meter reads, turn on/off requests, etc.).

D.3 TESTING

The Implementation Lead will work with the System Administrator to develop an Acceptance Test Plan to verify the configured LucityAM meets the stated functional requirements. This Plan will include user test scripts covering the various LucityAM functions.

The Implementation Lead will be responsible for functional and integration testing, and the System Administrator will perform acceptance testing. During the testing phase, we will:

- Collaborate with the System Administrator to maintain a log of issues, configuration problems, and software malfunctions identified during testing
- Resolve all such issues, problems and malfunctions to the City's satisfaction
- Prove through test procedures installed and configured LucityAM is functionally viable with all loaded data, reporting, and integration in place
- Demonstrate acceptance criteria items have been addressed, and certify LucityAM is ready for go-live transition from testing/development environment to production environment

D.4 TRAINING

We will provide a Training Plan detailing session descriptions and durations, methods and materials for each Functional Group, and the overall schedule. An outline of the expected on-site Training activities follows.

D.4.1 ADMINISTRATION

Installation and Maintenance

- Complete procedures as outlined in Install Manual for initial LucityAM installation and future software upgrades
- Review available software documentation
- Review technical support and software maintenance services and resources provided through Lucity Constant Connection Program
- Discuss current backup and recovery practices for the City's data, and reviewing suggested practices specific to LucityAM

Security

- Complete procedures as outlined in Lucity Security for adding new users, and defining user group and individual permissions for LucityAM access and use

Configuration

- Use tools, parameters and settings available with LucityAM products to refine EAM system configuration

Documents

- Complete procedures for establishing links between LucityAM records and externally managed electronic documents
- Add custom content to on-line Help via hyperlinks to externally managed information

Integration

- Use LucityAM products for completing processes for configuring and refining the GIS integration

Reporting

- Add custom reports

Data Import/Export

- Import data using Import & Update tool, and export data using LucityAM reporting capabilities

The goal of the Training – Administration task is for the System Administrator to be reasonably self-sufficient in refining, expanding and sustaining the implemented LucityAM.

D.4.2 PRODUCTION

Following is a limited list of items that will be addressed during Production Training sessions.

General

- *Dashboard*: Using assigned “Home” pages with personalized real-time LucityAM content
- *Filter*: Creating queries to produce specific record sets
- *Locate*: Quickly finding a specific record within the current “Filter”
- *Show in Map*: Opening assigned GIS maps and zooming to assets and locations (customer addresses, work sites, etc.)
- *Document Control*: Linking electronic documents (images, videos, as-built drawings, O&M manuals, Web site links, etc.) to records
- *Subset Manager*: Loading filtered data from one application into other applications
- *Browse*: Creating and exporting ad-hoc reports
- *Reports*: Using assigned report templates
- *Help*: Using the on-line, context-sensitive Help

Work Management

- Receiving/creating, routing and completing service requests, and work orders in response to service requests
- Establishing work order templates for recurring activities and PM schedules
- Creating, assigning, routing and completing work orders from templates and PM schedules
- Viewing linked electronic documents
- Using GIS to locate customers and work locations
- Producing operational, management and regulatory reports

Asset Management

- Collecting and maintaining asset attributes
- Establishing appropriate relationships between assets
- Assessing the condition, and tracking the operating status, of assets
- Viewing linked electronic documents
- Using GIS to locate assets and display condition assessment data
- Producing operational, management and regulatory reports

The goal of the Training – Production task is for users being enabled with the knowledge, skills and confidence to follow proper business processes and successfully complete their specific operational workflows with LucyAM.

Participants in the Production Training should include:

- Lucy
 - Implementation Lead
- City
 - Functional Group Administrators
 - Group Users

The Production Training will be completed over three (3) trips – Preliminary Training, Training & Launch (2-3 weeks later), and Follow-up Training (2-3 weeks later). Production Training sessions are generally 2 to 4 hours in duration, and should be limited to a maximum of ten (10) users. Remote time for Production Training may include web conferencing sessions for specialized topics (e.g. GIS), and recorded webinars for broader topics of interest to a large number of users.

D.5 EFFORT AND COSTS

The levels of effort and associated costs for the Work Plan costs are summarized in Exhibit 1.

EXHIBIT 1 – Implementation Work Plan Effort and Costs

Task No.	Item	Effort			Cost		
		On-site		Remote	Labor	Expenses	Total
		Trips	Hours	Hours			
D.1	PROJECT MANAGEMENT	1	16	92	\$ 14,500.00	\$ 1,150.00	\$ 15,650.00
D.1.A	Initiation			2			
D.1.B, C	IT Audit and Installation			6			
D.1.D	Project Kickoff	1	16	4			
D.1.E	Progress			80			
D.2	CONFIGURATION, DATA LOADING & INTEGRATION	3	48	92	\$ 20,500.00	\$ 3,450.00	\$ 23,950.00
D.2.A	Discovery	1	16	4			
D.2.B	Functional Groups	2	32	48			
D.2.C	GIS			40			
D.3	TESTING			16	\$ 2,000.00	\$ -	\$ 2,000.00
D.4	TRAINING	4	64	48	\$ 18,000.00	\$ 4,600.00	\$ 22,600.00
D.4.1	Administration	1	8	8			
D.4.2	Production	3	56	40			
	Subtotal	8	128	248	\$ 55,000.00	\$ 9,200.00	\$ 64,200.00

Labor rates are \$187.50 per onsite hour and \$125.00 per remote hour.

Travel expenses are estimated at \$550.00 per trip and \$300.00 per day and will be billed at actual.

EXHIBIT "E"
Schedule of Costs and Invoicing

The following table summarizes costs and invoicing for the software licenses and services to be provided by Lucy to the CLIENT for the Project.

Amount		Milestone/ Targeted Invoice Date
Software License Fees		
\$50,000.00		Software Installation (Task D.1.C) – 100%
Implementation Services Costs		
\$64,200.00		Invoicing for the Implementation Work Plan efforts will be billed monthly as incurred.
Constant Connection Program Fees		
Year 1	\$0.00	Twelve (12) months following software installation
Year 2	\$10,000.00	Annual Support and Maintenance

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: Andy Okoro, City Manager 

PREPARED BY: Brian K. Petree, Deputy City Manager/ Director of Parks, Recreation and Community Services

DATE: June 1, 2016

SUBJECT: Approval of Relocation of Public Art Piece at the George Ingalls Equestrian Event Center

RECOMMENDATION: Approve relocation of Public Art piece at the George Ingalls Equestrian Event Center

SUMMARY: Staff is seeking approval to relocate a sculpture from the Public Art Project from its originally approved location on the east pad at the George Ingalls Equestrian Event Center to the point just northwest of Moreno Arena.

BACKGROUND/ANALYSIS: Staff is seeking approval to relocate the stagecoach, which is part of the Public Art Project. On May 7, 2014, City Council approved the location of this piece to be located on the east pad at the George Ingalls Equestrian Event Center.

Understanding the importance of opinions from the Public Art Committee and the George Ingalls Master Plan Committee, staff met with the two committees together on May 19, 2016 to discuss the relocation of the art piece from the east pad (Site Location No. 1) to the north east point (Proposed New Site) above Moreno Arena (Exhibit "A"). Each Member in attendance expressed their view on the matter, listed the pros and cons and unanimously agreed that the relocation was necessary to better showcase this art piece and minimize the possibility of vandalism and damage from cars if left in the east pad parking area.

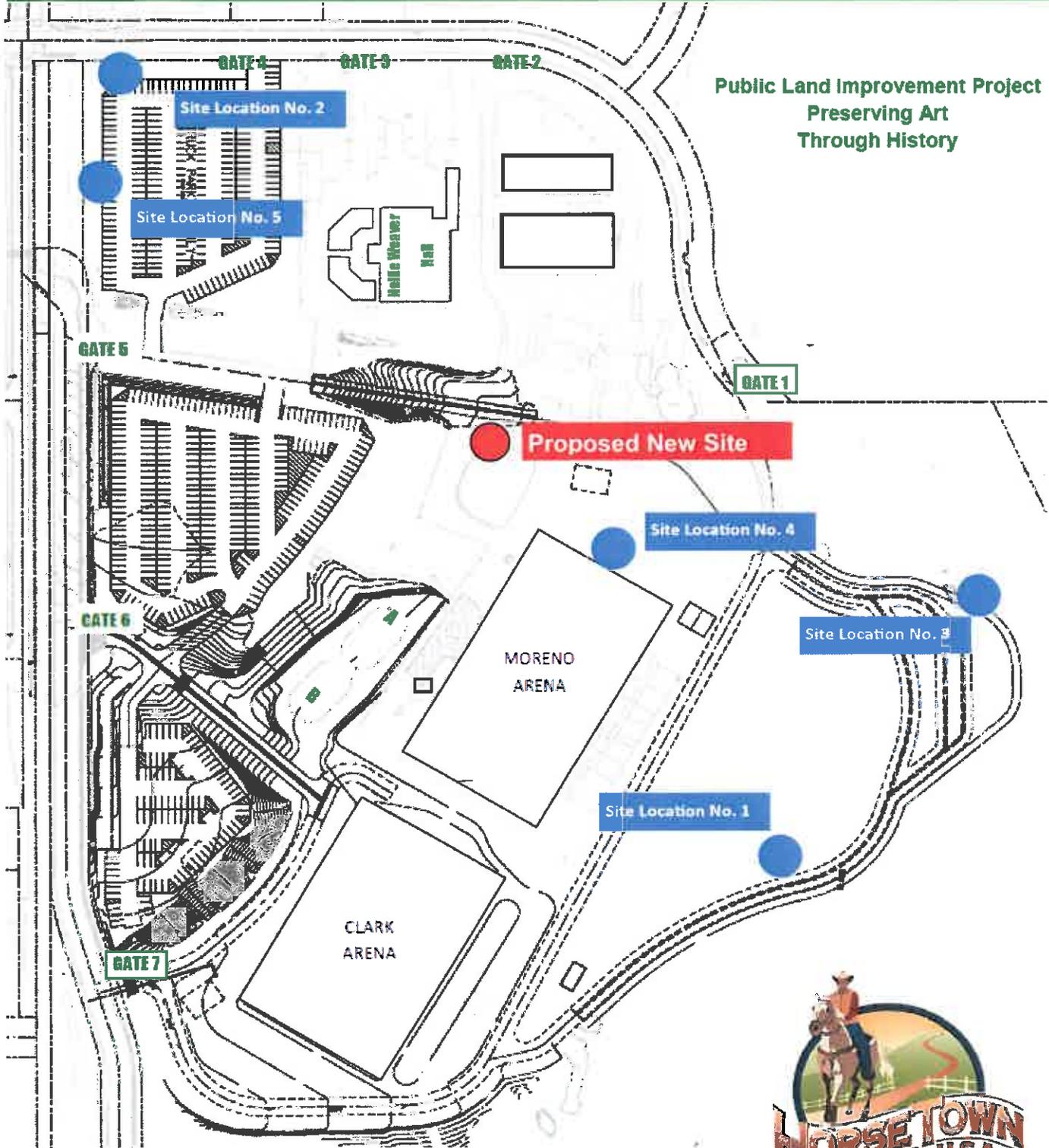
The Committees, along with staff, believe this new location will provide a better photo opportunity for Norco visitors celebrating "Destination Norco" and therefore, recommend to City Council the relocation of the stagecoach.

FINANCIAL IMPACT: None

Attachment: Exhibit "A" - George Ingalls Equestrian Event Center Site Map

GEORGE INGALLS EQUESTRIAN EVENT CENTER SITE MAP

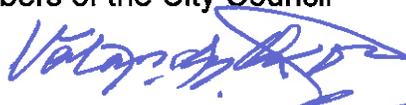
Public Land Improvement Project
Preserving Art
Through History



"We create community through people, parks, trails and programs!"

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager 

PREPARED BY: Chad Blais, Director of Public Works 

DATE: June 1, 2016

SUBJECT: Acceptance of Bids and Award of Contract for the Equestrian Trail Fence "Bluff Peninsula" Project

RECOMMENDATION: Accept bids submitted for the installation of new trail fence in the Bluff Peninsula Area, award a contract to Valley Cities/Gonzales Fence, Inc. in the amount of \$78,100 and authorize the City Manager to approve contract change orders up to 10 percent of the total bid amount.

SUMMARY: Bids for the Equestrian Trail Fence "Bluff Peninsula" Project were opened April 26, 2016 with Valley Cities/Gonzales Fencing, Inc. of Norco, California being the lowest responsible bidder. Therefore, it is recommended that a contract be awarded to Valley Cities/Gonzales Fencing, Inc. in the amount of \$78,100 and authorize the City Manager to approve contract change orders up to 10 percent or \$7,810 of the total bid amount.

BACKGROUND/ANALYSIS: Plans and specifications for the Bluff Peninsula Equestrian Trail Fence Project were advertised on April 10, 2016 with a bid opening date of April 26, 2016. Four (4) bids were received with proposals ranging in value from \$78,100 to \$162,590. The low bid of \$78,100 was 35% lower than the engineer's estimate of \$121,000. The Alternative Bid for trail fence removal was not included with the Award of Contract as the City has decided to conduct the removal of the existing fence using internal staff. The bid summary sheet has been attached for Council's review.

FINANCIAL IMPACT: Funds for the Equestrian Trail Fence "Bluff Peninsula" Project has been budgeted in the Trail Capital Improvement Fund. Fund will be available upon approval of the 2016-2017 Budget.

Attachments: Bid Summary
Contract Agreement

City of Norco

Bluff Peninsula Equestrian Trail Fence Project

April 26, 2016 @ 10:00 A.M.

Company Name / Address	ITEM #1	Add Alternative
Moore Fence Company 280 E. 1st St. Perris, CA 92570	\$ 139,444.00	\$ 32,021.00
Valley Cities/Gonzales Fence 1338 Sixth St. Norco, CA 92860	\$ 78,100.00	\$ 35,500.00
Metro Builders & Engineers Group, Ltd. 2610 Avon St. Newport Beach, CA 92663	\$ 141,645.00	\$ 22,010.00
Aramexx Construction 123 E. Ninth St., Suite 100-D Upland, CA 91786	\$ 162,590.00	\$ 44,375.00

CITY OF NORCO
EQUESTRIAN TRAIL FENCE "BLUFF PENINSULA" PROJECT
AGREEMENT

1. Parties and Date.

This Agreement is made and entered into this _____ day of June, 2016 by and between the City of Norco, a municipal corporation of the State of California, located at 2870 Clark Avenue, Norco, California 92860, County of Riverside, State of California, (hereinafter referred to as "City") and Valley Cities/Gonzales Fencing, Inc., a corporation with its principal place of business at 1338 Sixth Street, Norco, CA 92860 (hereinafter referred to as "Contractor"). City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

2. Recitals.

2.1 Contractor.

Contractor desires to perform and assume responsibility for the provisions of the Equestrian Trail Fence "Bluff Peninsula" Project on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in installing vinyl trail fence for public clients, that it and its employees or subcontractors have all necessary licenses and permits to perform the Services in the State of California, and that is familiar with the plans of the City.

2.2 Project.

The City desires to engage the Contractor to render such services for the Equestrian Trail Fence "Bluff Peninsula" Project ("Project") as set forth in this Agreement.

3. Terms.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Contractor promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to construct the improvements outlined by the Equestrian Trail Fence "Bluff Peninsula" Project . The Project is more particularly described in Exhibit A attached hereto and incorporated herein by reference. The Project shall be subject to, and performed in accordance with this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The terms of this Agreement shall begin at the Notice to Proceed and shall extend 60 working days. Contractor shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Contractor.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Project shall be constructed by Contractor or under its supervision. Contractor will determine

the means, methods and details of constructing the Project subject to the requirements of this Agreement. City retains Contractor on an independent contractor basis and not as an employee. Any additional personnel constructing the Project under this Agreement on behalf of Contractor shall also not be employees of City and shall at all times be under Contractor's exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with the construction of the Project under this Agreement and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Contractor shall construct the Project expeditiously, within the term of this Agreement, and in accordance with the Project timeframe set forth herein. Contractor represents that it has the professional and technical personnel required to construct the Project in conformance with such conditions. In order to facilitate Contractor's conformance with the Project timeframe, City shall respond to Contractor's Requests for Information in a timely manner. Upon request of City, Contractor shall provide a more detailed schedule of anticipated performance to meet the Project timeframe.

3.2.3 Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of City.

3.2.4 City's Representative. The City hereby designates the Director of Public Works, or his designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Agreement. Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.2.5 Contractor's Representative. Contractor hereby designates Dave Gonzalez –President, or his designee, to act as its representative for the performance of this Agreement ("Contractor's Representative"). Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement. The Contractor's Representative shall supervise and direct the Project, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Project under this Agreement.

3.2.6 Coordination of Project. Contractor agrees to work closely with City staff in the construction of the Project and shall be available to City's staff, consultants and other staff at all reasonable times.

3.2.7 Standard of Care; Performance of Employees. Contractor shall construct the Project under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the professional calling necessary to construct the Project. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to construct the Project. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to construct the Project, including a City Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Contractor shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the

Contractor's failure to comply with the standard of care provided for herein. Any employee of the Contractor or its sub-contractors who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to construct the Project in a manner acceptable to the City, shall be promptly removed from the Project by the Contractor and shall not be re-employed to perform any work on the Project.

3.2.7.1 Period of Performance and Liquidated Damages. Contractor shall perform and complete the Project under this Agreement within the term set forth in Section 3.1.2 above ("Term"). Contractor shall construct the Project in strict accordance with any completion schedule or Project milestones described in Exhibit A attached hereto, or which may be provided separately in writing to the Contractor. Contractor agrees that if the Project is not completed within the aforementioned Term and/or pursuant to any such completion schedule or Project milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the City will suffer damage. Pursuant to Government Code Section 53069.85, Contractor shall pay to the City as fixed and liquidated damages, and not as a penalty, the sum of \$500.00 per working day:

3.2.8 Laws and Regulations. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with the Project. If the Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.9 Insurance.

3.2.9.1 Time for Compliance. Contractor shall not commence work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this section.

3.2.9.2 Minimum Requirements. Contractor shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Contractor, its agents, representatives, employees or subcontractors. Contractor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto);

and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability*: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used including, but not limited to, form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

3.2.9.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Contractor shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

(A) General Liability. The general liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the work or operations performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way.

(B) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractors scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Contractors insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Contractor.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents, and volunteers.

3.2.9.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents, and volunteers.

3.2.9.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Contractor shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its directors, officials, officers, employees, agents, and volunteers; or (2) the Contractor shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.9.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A: VIII, licensed to do business in California, and satisfactory to the City.

3.2.9.7 Verification of Coverage. Contractor shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the City if requested. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.9.8 Reporting of Claims. Contractor shall report to the City, in addition to Contractor's insurer, any and all insurance claims submitted by Contractor in connection with the Project under this Agreement.

3.2.10 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In constructing the Project, the Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and lifesaving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.2.11 Bonds.

3.2.11.1 Performance Bond. Contractor shall execute and provide to City concurrently with this Agreement a Performance Bond in the amount of the total, not-to-exceed compensation indicated in this Agreement, and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until it has been received and approved by the City.

3.2.11.2 Payment Bond. Contractor shall execute and provide to City concurrently with this Agreement a Payment Bond in the amount of the total, not-to-exceed compensation indicated in this Agreement, and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until it has been received and approved by City.

3.2.11.3 Bond Provisions. Should, in City's sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the affected bond within 10 days of receiving notice from City. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the City, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Agreement until any replacement bonds required by this section are accepted by the City. To the extent, if any, that the total compensation is increased in accordance with the Agreement, the Contractor shall, upon request of the City, cause the amount of the bonds to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the City. To the extent available, the bonds shall further provide that no change or alteration of the Agreement (including, without limitation, an increase in the total compensation, as referred to above), extensions of time, or modifications of the time, terms, or conditions of payment to the Contractor, will release the surety. If the Contractor fails to furnish any required bond, the City may terminate this Agreement for cause.

3.2.11.4 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in Code of Civil Procedure Section 995.120, shall be accepted. The surety must be a California admitted surety with a current A.M. Best's rating no less than A:VIII and satisfactory to the City. If a California admitted surety insurer issuing bonds does not meet these requirements, the insurer will be considered qualified if it is in conformance with Section 995.660 of the California Code of Civil Procedure, and proof of such is provided to the City.

3.3 Fees and Payments.

3.3.1 Compensation. Contractor shall receive compensation, including authorized reimbursements, for all construction services rendered under this Agreement at the rates set forth in Exhibit B attached hereto and incorporated herein by reference. Extra work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Contractor shall submit to City a monthly itemized statement which indicates work completed by Contractor. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Contractor perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement.

Contractor shall not perform, nor be compensated for, Extra Work without written authorization from City's Representative.

3.3.5 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Contractor shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. City may, by written notice to Contractor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Contractor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Contractor shall be compensated only for those services which have been adequately rendered to City, and Contractor shall be entitled to no further compensation. Contractor may not terminate this Agreement except for cause.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Contractor to provide all finished or unfinished Documents and Data and other information of any kind prepared by Contractor in connection with the performance of Services under this Agreement. Contractor shall be required to provide such document and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the follow address, or at such other address as the respective parties may provide in writing for this purpose:

Contractor:

**Valley Cities/Gonzalez Fencing, Inc.
1338 Sixth Street
Norco, CA 92860
Attention: Dave Gonzalez-President**

City:

**City of Norco
2870 Clark Avenue
Norco, CA 92860
Attention: Director of Public Works**

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the US Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.4 Attorney's Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.5.5 Indemnification. Contractor shall defend, indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage, or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged acts, omissions or willful misconduct of Contractor, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the construction of the Project, or this Agreement, including without limitation the payment of all consequential damages and attorney's fees and other related costs and expenses. Contractor shall defend, at Contractor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against City, its directors, officials, officers, employees, agents, or volunteers. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City or its directors, officials, officers, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse City and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its directors, official's officers, employees, agents, or volunteers.

3.5.6 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties.

3.5.7 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County.

3.5.8 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.9 City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this Project.

3.5.10 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.5.11 Assignment or Transfer. Contractor shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.12 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be work days (Monday through Friday, excluding holidays). All references to Contractor include all personnel, employees, agents, and subcontractors of Contractor, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Agreement.

3.5.13 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.14 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

3.5.15 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.16 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.17 Prohibited Interests. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Contractor further agrees to file, or shall cause its employees or subcontractors to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the

performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.18 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Contractor shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.5.19 Labor Certification. By its signature hereunder, Contractor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5.20 Authority to Enter Agreement. Contractor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.21 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.

3.6.1 Prior Approval Required. Contractor shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

Name of Contractor:

*By:

Signature

Name and Title

OWNER: CITY OF NORCO, a municipal corporation

*By:

Andy Okoro - City Manager

ATTEST:

Cheryl L. Link, City Clerk

APPROVED AS TO FORM:

John R. Harper, City Attorney

EXHIBIT A
Scope of Equestrian Trail Fence "Bluff Peninsula" Project

The work to be done consists of furnishing all materials, equipment, tools, labor and incidentals required for the above stated project as set forth in the Plans, Specifications and Contract Documents therefore, and to perform all work in the manner and time prescribed therein. The general items of work to be done consists of the installation of white vinyl equestrian trail fencing per city standards at the locations described herein along with the equestrian trail fencing matrix in the project area.

The services shall be performed in accordance with the Standard Specifications for Public Works Construction (Green Book), latest edition, including all current supplements, addenda, and revisions thereof (hereinafter referred to as "Standard Specifications") incorporated herein by this reference. Any provisions which supplement or modify the Standard Specifications are attached hereto as Special Provisions and incorporated herein by this reference.

Exhibit A

City of Norco Bluff Peninsula Trail Fence Replacement

<u>LOCATION</u>	<u>LINEAR FOOTAGE</u>	<u>EXISTING LINEAR FOOTAGE</u>
Bluff (River to Stagecoach)	4,880	4,880
Stagecoach (All)	1,600	1,600
Vista Court (All)	220	220
Lookout Point	400	400
TOTAL	7,100	7,100

**Norco
Trail Fence Project
Bluff / Peninsula Area**

Proposed PVC/Vinyl Fence: - - - - -
New PVC/Vinyl Fence Project: - - - - -



EXHIBIT "A"

EXHIBIT B
Proposal Documents

BIDDER'S NAME: Valley Citius / Gonzales Fence, Inc.

CITY OF NORCO
PROPOSAL
FOR
EQUESTRIAN TRAIL FENCING PROJECT
BLUFF PENINSULA

TO CITY OF NORCO, as AGENCY:

In accordance with AGENCY'S "Notice Inviting Sealed Bids," the undersigned BIDDER hereby proposes to furnish all materials, equipment, tools, labor, and incidentals required for the above stated project as set forth in the Design Requirements and Contract Documents therefore, and to perform all work in the manner and time prescribed therein.

BIDDER declares that this proposal is based upon careful examination of the work site, Design Requirements, Instructions to Bidders, and Contract Documents. If this proposal is accepted for award, BIDDER agrees to enter into a Contract with the AGENCY at the unit and/or lump sum prices set forth in the following Proposal Bid Sheet. BIDDER understands that failure to enter into a Contract in the manner and time prescribed will result in forfeiture to AGENCY of the Bid Bond accompanying this proposal.

BIDDER understands that a bid is required for the entire project, and that the estimated quantities set forth in the Proposal Bid Sheet are solely for the purpose of comparing bids, and that final compensation under the Contract will be based upon the actual quantities of work satisfactorily completed. It is agreed that the unit and/or lump sum prices bid include all appurtenant expenses, taxes, royalties, and fees. In the case of discrepancies in the amounts bid, unit prices shall govern over extended amounts.

BIDDER agrees and acknowledges that he is aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workman's compensation or to undertake self-insurance in accordance with the provisions of that code, and that the BIDDER will comply with such provisions of that code before commencing the performance of this Contract if awarded to it.

BIDDER certifies that in all previous contracts or subcontracts, all reports which may have been due under the requirements of any Agency, State, or Federal equal

employment opportunity orders have been satisfactorily filed, and that no such reports are currently outstanding.

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

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

DATED: April 19, 2016

BIDDER: Valley Cities/Bonzales Fence, Inc.

BY:  _____

TITLE: President _____

BIDDER'S ADDRESS: 1338 Sixth St.
Norco, Ca 92860

PHONE: (951) 735-1145

BIDDER'S INFORMATION

BIDDER certifies that the following information is true and correct:

Bidder's Name Valley Cities/Gonzales Fence, Inc.

Business Address 1338 Sixth St.
Norco, Ca 92860

Telephone: (951) 735-1145

State Contractor's License No. and Class: 575325 C-13

Original Date Issued: 6/30/1989 Expiration Date: 6/30/2017

DIR Registration No.: 1000001817

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

David Gonzales - President - (951) 735-1145
25525 Carancho Rd, Temecula, Ca 92590

Rebecca Gonzales - Secretary - (951) 735-1145
25525 Carancho Rd, Temecula, Ca 92590

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

N/A

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

N/A

CONTRACTOR'S LICENSING STATEMENT

The undersigned is licensed in accordance with the laws of the State of California providing for the registration of Contractors.

Contractor's License Number: 575325

DIR Registration No.: 1000001817

Name of Individual Contractor (Print or Type):

Signature of Owner: _____

Business: _____

Address or Name of Firm: _____

Business Address: _____

Name: _____ Title: _____

Address: _____

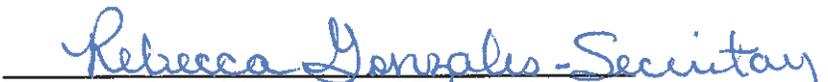
Name: _____ Title: _____

Address or Name of Corporation: Valley Cities / Gonzalez Force, Inc.

Business Address: 1338 Sixth St, Norco, Ca 92860

Corporation organized under the laws of the State of California

 President
Signature of President of Corporation

 Secretary
Signature of Secretary of Corporation

LIST OF SUBCONTRACTORS

In compliance with the provisions of the Public Contract Code Section 4104, the undersigned bidder herewith sets forth the name, location of the place of business, and California contractor license of each Subcontractor who will perform work or labor or render service to the Prime Contractor, specially fabricates and installs a portion of the work or improvement according to detailed drawings contained in the plans and specifications, in an amount in excess of one-half (1/2) of one percent (1%) of the General Contractor's total bid amount or, in the case of bids or offers for the construction of streets or highways, including bridges in excess of one-half of 1 percent (0.5%) of the Prime Contractor's total bid or ten thousand dollars (\$10,000), whichever is greater, and the portion of the work which will be done by each Subcontractor.

Name: _____

Address: _____

City & Zip Code: _____

Phone No.: _____ License No.: _____

Contract Amount: \$ _____ % of Total Bid: _____

DIR Registration No.: _____

Name: _____

Address: _____

City & Zip Code: _____

Phone No.: _____ License No.: _____

Contract Amount: \$ _____ % of Total Bid: _____

DIR Registration No.: _____

Name: _____

Address: _____

City & Zip Code: _____



P-5

Phone No.: _____

License No.: _____

Contract Amount: \$ _____

% of Total Bid: _____

DIR Registration No.: _____

Name: _____

Address: _____

City & Zip Code: _____

Phone No.: _____

License No.: _____

Contract Amount: \$ _____

% of Total Bid: _____

DIR Registration No.: _____

Name: _____

Address: _____

City & Zip Code: _____

Phone No.: _____

License No.: _____

Contract Amount: \$ _____

% of Total Bid: _____

DIR Registration No.: _____

Name: _____

Address: _____

City & Zip Code: _____

Phone No.: _____

License No.: _____

A large, stylized handwritten signature is written across the middle section of the form, overlapping the Name, Address, and City & Zip Code fields. Below it, another signature is written over the Phone No. and License No. fields. At the bottom, a large, circular scribble overlaps the Name, Address, and City & Zip Code fields.

Contract Amount: \$ _____ % of Total Bid: _____

DIR Registration No.: _____

Name: _____

Address: _____

City & Zip Code: _____

Phone No.: _____ License No.: _____

Contract Amount: \$ _____ % of Total Bid: _____

DIR Registration No.: _____

Name: _____

Address: _____

City & Zip Code: _____

Phone No.: _____ License No.: _____

Contract Amount: \$ _____ % of Total Bid: _____

DIR Registration No.: _____

Name: _____

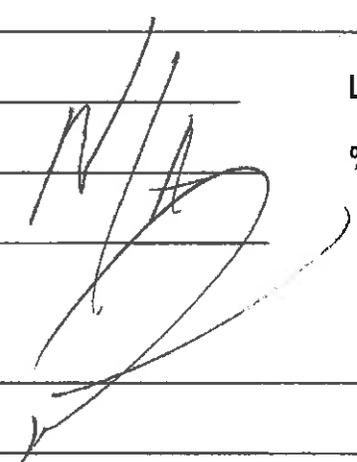
Address: _____

City & Zip Code: _____

Phone No.: _____ License No.: _____

Contract Amount: \$ _____ % of Total Bid: _____

DIR Registration No.: _____

A large, handwritten signature or scribble in black ink is written over the contract amount and DIR registration number fields of the second and third forms.

Name: _____

Address: _____

City & Zip Code: _____

Phone No.: _____

License No.: _____

Contract Amount: \$ _____

% of Total Bid: _____

DIR Registration No.: _____

Name: _____

Address: _____

City & Zip Code: _____

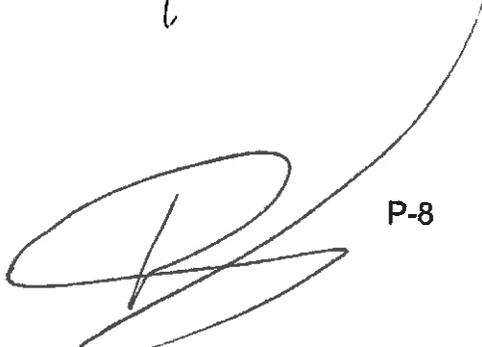
Phone No.: _____

License No.: _____

Contract Amount: \$ _____

% of Total Bid: _____

DIR Registration No.: _____

A handwritten signature in black ink, consisting of several vertical and diagonal strokes, appearing to be initials or a stylized name.A large, stylized handwritten signature in black ink, featuring a prominent loop and a long, sweeping tail that extends to the right.

REFERENCES

The following are the names, addresses, and phone numbers for at least four projects for which BIDDER has performed similar work within the past two years, of which at least one must be for a public agency.

City of Norco - 2870 Clark Ave., Norco, Ca 92860
(951) 270-5627 - 2014/15 Equestrian Trail fencing
Near-Cal Corp - 512 Chaney St, Lake Elsinore, Ca 92530
(951) 245-5400 - Silver Lakes Equestrian & Sports Park
Norco, Ca

City of Corona - 400 S. Vicentia Ave. Corona, Ca 92882
(951) 736-2274 - Various Locations

Hillcrest Contracting - 1467 Circle City Dr, Corona, Ca 92879
(951) 273-9600 - Water Reclamation Plant
San Bernardino, Ca

DESIGNATION OF SURETIES

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

KPS - Insurance Services - Surety
Broker - Michael Strahan - (858) 538-8822
1620 Fifth Ave, Ste 340, San Diego, Ca 92101
Allco Insurance
Broker - Kirk Irvine - (714) 992-2390
830 S. Euclid Ave, Fullerton, Ca 92832
Gibson Hadley Auto Insurance
Broker - Ron (951) 359-0950

**CITY OF NORCO
BID BOND
FOR
EQUESTRIAN TRAIL FENCING PROJECT
BLUFF PENINSULA**

KNOW ALL MEN BY THESE PRESENT that Valley Cities/Gonzales Fence, Inc.
Merchants Bonding Company (Mutual), as BIDDER, and _____ as
SURETY, are held and firmly bound unto THE CITY OF NORCO, as AGENCY, in the
penal sum of ten percent of total amount bid dollars
(\$ 10% of bid amount), which is 10 percent of the total amount bid by BIDDER to
AGENCY for the above stated project, for the payment of which sum, BIDDER and
SURETY agree to be bound, jointly and severally, firmly by these presents.

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

WITNESS our hands this 20th day of April, 2016.

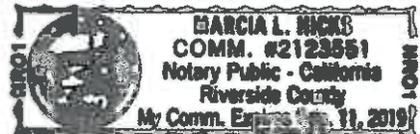
(seal)

Valley Cities/Gonzales Fence, Inc.
CONTRACTOR
(CORPORATION) - TYPE
By: _____
President
By: Rebecca Gonzales
Secretary/Treasurer

NOTE: SIGNATURE OF CORPORATE OFFICIALS MUST BE NOTARIZED.

Subscribed and sworn to before me this 22 day of April, 2016.

Seal of Notary: Marcia L. Hicks
Notary Public



BID BOND (PAGE 2)

(seal)

SURETY'S NAME-TYPE: Merchants Bonding Company (Mutual)

Mailing Address: 6700 Westown Parkway

West Des Moines, IA 50266

By: Terry Bricker

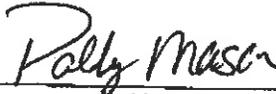
Name

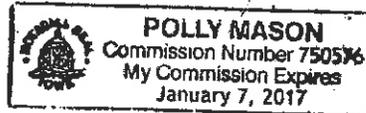
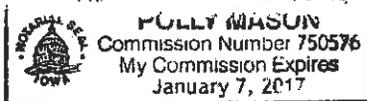
Signature: 

Title: Attorney-In-Fact

NOTE: SIGNATURE OF SURETY MUST BE NOTARIZED:

Subscribed and sworn to before me
this 20 day of April, 2016.

Seal of Notary: 
Notary Public



MERCHANTS
BONDING COMPANY™
POWER OF ATTORNEY
for Company Employees

Know All Persons By These Presents, that MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., both being corporations of the State of Iowa (herein collectively called the "Companies") do hereby make, constitute and appoint the following company employees, individually,

Terry Bricker

their true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver on behalf of the Companies, as Surety, bonds, undertakings and other written obligations in the nature thereof, subject to the limitation that any such instrument shall not exceed the amount of:

Unlimited

This Power-of-Attorney is granted and is signed and sealed by facsimile under and by authority of the following By-Laws adopted by the Board of Directors of Merchants Bonding Company (Mutual) on April 23, 2011 and adopted by the Board of Directors of Merchants National Bonding, Inc., on October 24, 2011.

"The President, Secretary, Treasurer, or any Assistant Treasurer or any Assistant Secretary or any Vice President shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

"The signature of any authorized officer and the seal of the Company may be affixed by facsimile or electronic transmission to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner-Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

In Witness Whereof, the Companies have caused this instrument to be signed and sealed this 14th day of August, 2015

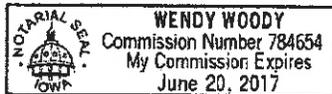


MERCHANTS BONDING COMPANY (MUTUAL)
MERCHANTS NATIONAL BONDING, INC.

By *Larry Taylor*
President

STATE OF IOWA
COUNTY OF DALLAS ss.

On this 14th day of August, 2015, before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of the MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC.; and that the seals affixed to the foregoing instrument are the Corporate Seals of the Companies; and that the said instrument was signed and sealed in behalf of the Companies by authority of their respective Board of Directors.



Wendy Woody
Notary Public, Polk County, Iowa

(Expiration of notary's commission does not invalidate this instrument)

I, William Warner, Jr., Secretary of the MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said Companies, which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Companies on this 20th day of April, 2016



William Warner Jr.
Secretary

NON-COLLUSION AFFIDAVIT

STATE OF CALIFORNIA)
) SS
COUNTY OF Riverside

David Gonzales, being first duly sworn deposes and says that he is President

(Sole Owner, Partner, President, etc.)

of Valley Cities/Gonzales Fence, Inc the party making the foregoing bid; that such bid is not made in the interest of or behalf of any undisclosed person, partnership, company, association, organization, or corporation, that such bid is genuine and not collusive or sham, that said BIDDER has not directly or indirectly induced or solicited any other bidder to put in a sham bid, or that anyone shall refrain from bidding, that said BIDDER has not in any manner, directly or indirectly sought by agreements, communication, or conference with anyone to fix the bid price of said BIDDER or of any other bidder, or to fix the overhead, profit, or cost element of such bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the Contract or anyone interested in the proposed Contract; that all statements contained in such bid are true, and further, that said BIDDER has not, directly or indirectly submitted his bid price, or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid and will not pay any fee in connection, organization, bid depository, or to any member or persons as have a partnership or other financial interest with said BIDDER in his general business.

Signed

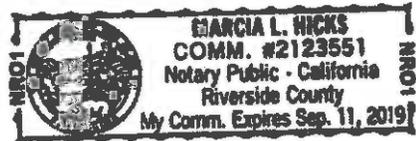


President

Title

Subscribed and sworn to before me this 19 day of April, 2016.

Seal of Notary: Marcia L. Hicks - Notary Public
Notary Public



ACKNOWLEDGMENT

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

State of California }
County of Riverside }

On 4/19/2016 before me, Marcia L. Hicks - Notary Public
(here insert name and title of the officer)

personally appeared David Gonzales

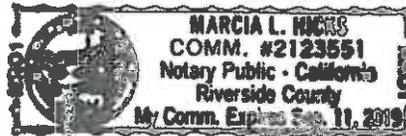
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s),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

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

WITNESS my hand and official seal.

Signature Marcia L. Hicks

(Seal)



CITY OF NORCO
PROPOSAL BID SHEET
FOR
EQUESTRIAN TRAIL FENCE PROJECT
BLUFF PENINSULA

BASE BID

ITEM	QUANTITY	UNIT	DESCRIPTION OF ITEMS WITH UNIT PRICE WRITTEN IN WORDS	UNIT PRICE IN FIGURES	TOTAL
1.	7,100	L.F.	Install 42" High White PVC (Vinyl) Equestrian Trail Fencing per City Standards per the matrix included in these specifications including mobilization and traffic control at <u>Eleven Dollars</u> <u>Per Linear Foot</u> _____ Per Linear Foot	\$ 11.00 ft	\$ 78,100.00

Note: All linear footage shall be verified by the City Inspector and Contractor together prior to submittal of payment requests.

TOTAL BASE BID AMOUNT

\$ 78,100.00

TOTAL BID AMOUNT IN WORDS

Seventy Eight thousand one Hundred
Dollars

ADDITIVE ALTERNATE

ITEM	QUANTITY	UNIT	DESCRIPTION OF ITEMS WITH UNIT PRICE WRITTEN IN WORDS	UNIT PRICE IN FIGURES	TOTAL
A-1	7,100	L.F.	Remove Equestrian Trail Fencing, haul and deliver to the City Yard per Exhibit A, including mobilization and traffic control at <u>Five Dollars</u> <u>Per Linear Foot</u> _____ Per Linear Foot	\$ 5.00 ft	\$ 35,500.00

Note: All linear footage shall be verified by the City Inspector and Contractor together prior to submittal of payment requests.

TOTAL ADDITIVE ALTERNATE BID AMOUNT (Bid item A-1)

\$ 35,500.00

TOTAL ADDITIVE ALTERNATE BID AMOUNT IN WORDS (Bid item A-1)

Thirty Five Thousand Five Hundred Dollars

Valley Cities/Gonzales fence, Inc.

(951) 735-1145

Bidders Name and Telephone Number

NOTE: The unit price must be written in words and also shown in figures. The total price must be extended for each item of work, and the total of all items inserted in the space provided.

PROPOSAL

IN WITNESS WHEREOF, BIDDER executes and submits this proposal with the names, titles, hands, and seals of all forenamed principals this 19 day of April, 2016

BIDDER

Valley Cities/Gonzales Fence, Inc.
1338 Sixth St, Norco, Ca 92860
David Gonzales - President

Subscribed and sworn to this 19 day of April, 2016.

NOTARY PUBLIC

By Marcia S. Hicks
Title Notary Public

AGENCY acknowledges that this proposal was received and opened at the time and in the place specified, and that it was accompanied by the required guarantee in the amount of 10 percent of the total bid.

By _____
Title _____

ACKNOWLEDGMENT

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

State of California }
County of Riverside }

On 4/19/16 before me, Marcia L. Hicks - Notary Public
(here insert name and title of the officer)

personally appeared David Gonzales

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

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

WITNESS my hand and official seal.

Signature Marcia L. Hicks

(Seal)



CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager

PREPARED BY: Chad Blais, Director of Public Works 

DATE: June 1, 2016

SUBJECT: Acceptance of Bids and Award of Contract for the Norco Master Drainage Plan (MDP) Line NB-3 North Storm Drain Improvement Project

RECOMMENDATION: Accept bids submitted for the installation of new storm drain pipe and catch basins on Corona Avenue between Fourth and Fifth Streets, award a contract to Gwinco Construction & Engineering, Inc. in the amount of \$216,609 and authorize the City Manager to approve contract change orders up to 10 percent of the total bid amount.

SUMMARY: Bids for the Norco Master Drainage Plan (MDP) Line NB-3 North Project were opened May 4, 2016 with Gwinco Construction & Engineering, Inc. of Ontario, California being the lowest responsible bidder. Therefore, it is recommended that a contract be awarded to Gwinco Construction & Engineering, Inc. in the amount of \$216,609 and authorize the City Manager to approve contract change orders up to 10 percent or \$21,660 of the total bid amount.

BACKGROUND/ANALYSIS: Plans and specifications for the Norco MDP Line NB-3 North Project were advertised on April 13, 2016 with a bid opening date of May 5, 2016. A total of ten (10) bids were received with proposals ranging in value from \$216,609 to \$385,600. The low bid of \$216,609 was 12% lower than the engineer's estimate of \$245,000. The bid summary sheet has been attached for Council's review.

FINANCIAL IMPACT: The Norco MDP Line NB-3 North project will be 100% funded through Riverside County Flood Control & Water Conservation District (RCFC&WCD). The City will be executing a funding agreement with RCFC&WCD to provide up-front funding that includes the full cost of the construction bid amount, additional 10% of bid amount for contingency costs (i.e. change orders), and additional 20% of bid amount to pay for design, survey, compaction testing and administrative costs of the City.

Attachments: Bid Summary
Contract Agreement

City of Norco
Norco MDP Line NB-3 North
May 4, 2016 @ 10:00 A.M.

Company Name / Address	BID
Genesis Construction 600 North State St. Hemet, CA 92543	\$ 345,714.00
Hardy & Harper, Inc. 1312 E. Warner Ave. Santa Ana, CA 92705	\$ 345,000.00
TK Construction P.O. Box 9608 San Bernardino, CA 92427	\$ 353,189.00
Beador Construction Co. 26320 Lester Cir. Corona CA 92883	\$ 314,300.00
C.P. Construction Co. P.O. Box 1206 Ontario, CA 91762-0206	\$ 239,920.00
TBU, Inc. 244 Maple Ave, Ste T Beaumont, CA	\$ 231,109.00
Gwinco Construction & Engineering, Inc. 2131 S. Grove Ave, #A Ontario, CA 91761	\$ 216,609.00
KEC Engineering 200 N. Sherman Ave. Corona CA 92882	\$ 385,600.00
Kordich Construction, Inc. 6044 Lawrence St. Cypress, CA 90630	\$ 294,895.00
Horizon Underground, Inc. 1595 Mountain Ave. Norco, CA 92860	\$ 266,795.99

**CITY OF NORCO
NORCO MDP LINE NB-3 NORTH
AGREEMENT**

1. Parties and Date.

This Agreement is made and entered into this _____ day of June, 2016 by and between the **City of Norco**, a municipal corporation of the State of California, located at 2870 Clark Avenue, Norco, California 92860, County of Riverside, State of California, (hereinafter referred to as "City") and **Gwinco Construction & Engineering, Inc.**, a corporation with its principal place of business at 2131 Grove Avenue #A, Ontario, CA 91761 (hereinafter referred to as "Contractor"). City and Contractor are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

2. Recitals.

2.1 Contractor.

Contractor desires to perform and assume responsibility for the provisions of the Norco MDP Line NB-3 North Project on the terms and conditions set forth in this Agreement. Contractor represents that it is experienced in constructing storm drain improvements for public clients, that it and its employees or subcontractors have all necessary licenses and permits to perform the Services in the State of California, and that is familiar with the plans of the City.

2.2 Project.

The City desires to engage the Contractor to render such services for the Norco MDP Line NB-3 North Project ("Project") as set forth in this Agreement.

3. Terms.

3.1 Scope of Services and Term.

3.1.1 General Scope of Services. Contractor promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to construct the improvements outlined by the Norco MDP Line NB-3 North Project . The Project is more particularly described in Exhibit A attached hereto and incorporated herein by reference. The Project shall be subject to, and performed in accordance with this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The terms of this Agreement shall begin at the Notice to Proceed and shall extend 45 working days. Contractor shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

3.2 Responsibilities of Contractor.

3.2.1 Control and Payment of Subordinates; Independent Contractor. The Project shall be constructed by Contractor or under its supervision. Contractor will determine

the means, methods and details of constructing the Project subject to the requirements of this Agreement. City retains Contractor on an independent contractor basis and not as an employee. Any additional personnel constructing the Project under this Agreement on behalf of Contractor shall also not be employees of City and shall at all times be under Contractor's exclusive direction and control. Contractor shall pay all wages, salaries, and other amounts due such personnel in connection with the construction of the Project under this Agreement and as required by law. Contractor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Contractor shall construct the Project expeditiously, within the term of this Agreement, and in accordance with the Project timeframe set forth herein. Contractor represents that it has the professional and technical personnel required to construct the Project in conformance with such conditions. In order to facilitate Contractor's conformance with the Project timeframe, City shall respond to Contractor's Requests for Information in a timely manner. Upon request of City, Contractor shall provide a more detailed schedule of anticipated performance to meet the Project timeframe.

3.2.3 Conformance to Applicable Requirements. All work prepared by Contractor shall be subject to the approval of City.

3.2.4 City's Representative. The City hereby designates the Director of Public Works, or his designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Agreement. Contractor shall not accept direction or orders from any person other than the City's Representative or his or her designee.

3.2.5 Contractor's Representative. Contractor hereby designates Thomas Gwin –President, or his designee, to act as its representative for the performance of this Agreement ("Contractor's Representative"). Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement. The Contractor's Representative shall supervise and direct the Project, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Project under this Agreement.

3.2.6 Coordination of Project. Contractor agrees to work closely with City staff in the construction of the Project and shall be available to City's staff, consultants and other staff at all reasonable times.

3.2.7 Standard of Care; Performance of Employees. Contractor shall construct the Project under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Contractor represents and maintains that it is skilled in the professional calling necessary to construct the Project. Contractor warrants that all employees and subcontractors shall have sufficient skill and experience to construct the Project. Finally, Contractor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to construct the Project, including a City Business License, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Contractor shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the

Contractor's failure to comply with the standard of care provided for herein. Any employee of the Contractor or its sub-contractors who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to construct the Project in a manner acceptable to the City, shall be promptly removed from the Project by the Contractor and shall not be re-employed to perform any work on the Project.

3.2.7.1 Period of Performance and Liquidated Damages. Contractor shall perform and complete the Project under this Agreement within the term set forth in Section 3.1.2 above ("Term"). Contractor shall construct the Project in strict accordance with any timeframe provided herein, or which may be provided separately in writing to the Contractor. Contractor agrees that if the Project is not completed within the aforementioned Term and/or pursuant to any such completion schedule or Project milestones developed pursuant to provisions of this Agreement, it is understood, acknowledged and agreed that the City will suffer damage. Pursuant to Government Code Section 53069.85, Contractor shall pay to the City as fixed and liquidated damages, and not as a penalty, the sum of \$500.00 per working day:

3.2.8 Laws and Regulations. Contractor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project, including all Cal/OSHA requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with the Project. If the Contractor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Contractor shall be solely responsible for all costs arising therefrom. Contractor shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.9 Insurance.

3.2.9.1 Time for Compliance. Contractor shall not commence work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Contractor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this section.

3.2.9.2 Minimum Requirements. Contractor shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Contractor, its agents, representatives, employees or subcontractors. Contractor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Contractor shall maintain limits no less than: (1) *General Liability*: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used including, but not limited to, form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability*: \$1,000,000 per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

3.2.9.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Contractor shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

(A) General Liability. The general liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the work or operations performed by or on behalf of the Contractor, including materials, parts or equipment furnished in connection with such work; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractor's scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Contractor's insurance and shall not be called upon to contribute with it in any way.

(B) Automobile Liability. The automobile liability policy shall be endorsed to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Contractors scheduled underlying coverage. Any insurance or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Contractors insurance and shall not be called upon to contribute with it in any way.

(C) Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Contractor.

(D) All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents, and volunteers.

3.2.9.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition,

such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents, and volunteers.

3.2.9.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Contractor shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its directors, officials, officers, employees, agents, and volunteers; or (2) the Contractor shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

3.2.9.6 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A: VIII, licensed to do business in California, and satisfactory to the City.

3.2.9.7 Verification of Coverage. Contractor shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the City if requested. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

3.2.9.8 Reporting of Claims. Contractor shall report to the City, in addition to Contractor's insurer, any and all insurance claims submitted by Contractor in connection with the Project under this Agreement.

3.2.10 Safety. Contractor shall execute and maintain its work so as to avoid injury or damage to any person or property. In constructing the Project, the Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and lifesaving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.2.11 Bonds.

3.2.11.1 Performance Bond. Contractor shall execute and provide to City concurrently with this Agreement a Performance Bond in the amount of the total, not-to-exceed compensation indicated in this Agreement, and in a form provided or approved by the City. If such bond is required, no payment will be made to Contractor until it has been received and approved by the City.

3.2.11.2 Payment Bond. Contractor shall execute and provide to City concurrently with this Agreement a Payment Bond in the amount of the total, not-to-exceed compensation indicated in this Agreement, and in a form provided or approved by the

City. If such bond is required, no payment will be made to Contractor until it has been received and approved by City.

3.2.11.3 Bond Provisions. Should, in City's sole opinion, any bond become insufficient or any surety be found to be unsatisfactory, Contractor shall renew or replace the affected bond within 10 days of receiving notice from City. In the event the surety or Contractor intends to reduce or cancel any required bond, at least thirty (30) days prior written notice shall be given to the City, and Contractor shall post acceptable replacement bonds at least ten (10) days prior to expiration of the original bonds. No further payments shall be deemed due or will be made under this Agreement until any replacement bonds required by this section are accepted by the City. To the extent, if any, that the total compensation is increased in accordance with the Agreement, the Contractor shall, upon request of the City, cause the amount of the bonds to be increased accordingly and shall promptly deliver satisfactory evidence of such increase to the City. To the extent available, the bonds shall further provide that no change or alteration of the Agreement (including, without limitation, an increase in the total compensation, as referred to above), extensions of time, or modifications of the time, terms, or conditions of payment to the Contractor, will release the surety. If the Contractor fails to furnish any required bond, the City may terminate this Agreement for cause.

3.2.11.4 Surety Qualifications. Only bonds executed by an admitted surety insurer, as defined in Code of Civil Procedure Section 995.120, shall be accepted. The surety must be a California admitted surety with a current A.M. Best's rating no less than A:VIII and satisfactory to the City. If a California admitted surety insurer issuing bonds does not meet these requirements, the insurer will be considered qualified if it is in conformance with Section 995.660 of the California Code of Civil Procedure, and proof of such is provided to the City.

3.3 Fees and Payments.

3.3.1 Compensation. Contractor shall receive compensation, including authorized reimbursements, for all construction services rendered under this Agreement at the rates set forth in Exhibit B attached hereto and incorporated herein by reference. Extra work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Contractor shall submit to City a monthly itemized statement which indicates work completed by Contractor. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within 45 days of receiving such statement, review the statement and pay all approved charges thereon.

3.3.3 Reimbursement for Expenses. Contractor shall not be reimbursed for any expenses unless authorized in writing by City.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Contractor perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Contractor shall not perform, nor be compensated for, Extra Work without written authorization from City's Representative.

3.3.5 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Contractor agrees to fully comply with such Prevailing Wage Laws. City shall provide Contractor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Contractor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Contractor's principal place of business and at the project site. Contractor shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4 Accounting Records.

3.4.1 Maintenance and Inspection. Contractor shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Contractor shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Contractor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

3.5 General Provisions.

3.5.1 Termination of Agreement.

3.5.1.1 Grounds for Termination. City may, by written notice to Contractor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Contractor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Contractor shall be compensated only for those services which have been adequately rendered to City, and Contractor shall be entitled to no further compensation. Contractor may not terminate this Agreement except for cause.

3.5.1.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Contractor to provide all finished or unfinished Documents and Data and other information of any kind prepared by Contractor in connection with the performance of Services under this Agreement. Contractor shall be required to provide such document and other information within fifteen (15) days of the request.

3.5.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.5.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the follow address, or at such other address as the respective parties may provide in writing for this purpose:

Contractor:

**Gwinco Construction & Engineering
2131 S. Grove Ave. #A
Ontario, CA 91761
Attention: Thomas Gwin-President**

City:

**City of Norco
2870 Clark Avenue
Norco, CA 92860
Attention: Director of Public Works**

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the US Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.5.3 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.5.4 Attorney's Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

3.5.5 Indemnification. Contractor shall defend, indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage, or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged acts, omissions or willful misconduct of Contractor, its officials, officers, employees, agents, consultants, and contractors arising out of or in connection with the construction of the Project, or this Agreement, including without limitation the payment of all consequential damages and attorney's fees and other related costs and expenses. Contractor shall defend, at Contractor's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against City, its directors, officials, officers, employees, agents, or volunteers. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against City or its directors, officials, officers, employees, agents, or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse City and its directors, officials, officers, employees, agents, and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City, its directors, official's officers, employees, agents, or volunteers.

3.5.6 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties.

3.5.7 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Riverside County.

3.5.8 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.5.9 City's Right to Employ Other Contractors. City reserves right to employ other contractors in connection with this Project.

3.5.10 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.5.11 Assignment or Transfer. Contractor shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.5.12 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be work days (Monday through Friday, excluding holidays). All references to Contractor include all personnel, employees, agents, and subcontractors of Contractor, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Agreement.

3.5.13 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.5.14 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

3.5.15 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.5.16 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5.17 Prohibited Interests. Contractor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement. Further, Contractor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Contractor further agrees to file, or shall cause its employees or subcontractors to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or

employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.5.18 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Contractor shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.5.19 Labor Certification. By its signature hereunder, Contractor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.5.20 Authority to Enter Agreement. Contractor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.5.21 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Subcontracting.

3.6.1 Prior Approval Required. Contractor shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

Name of Contractor:

*By:

Signature

Name and Title

OWNER: CITY OF NORCO, a municipal corporation

*By:

Andy Okoro - City Manager

ATTEST:

Cheryl L. Link, City Clerk

APPROVED AS TO FORM:

John R. Harper, City Attorney

EXHIBIT A
Scope of Norco MDP Line NB-3 North Project

The items of work to be done consist of furnishing all materials, equipment, tools, labor and incidentals required for the Norco MDP Line NB-3 North Project as set forth in the Plans, Specifications and Contract Documents therefore, and to perform all work in the manner and time prescribed therein. The general items of work to be done consists of the installation of 24" and 30" RCP pipe, curb inlet catch basins, manholes, junction structures, relocation of existing water main and street striping.

The services shall be performed in accordance with the Standard Specifications for Public Works Construction (Green Book), latest edition, including all current supplements, addenda, and revisions thereof (hereinafter referred to as "Standard Specifications") incorporated herein by this reference. Any provisions which supplement or modify the Standard Specifications are attached hereto as Special Provisions and incorporated herein by this reference.

EXHIBIT B
Proposal Documents

BIDDER'S NAME: Gwinco Construction & Engineering, Inc.

2131 S Grove Ave #A Ontario, CA 91761

ADDENDUM #1 Approved

**CITY OF NORCO
PROPOSAL
FOR
NORCO MDP LINE NB-3 NORTH**

TO CITY OF NORCO, as AGENCY:

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

BIDDER declares that this proposal is based upon careful examination of the work site, Specifications, Instructions to Bidders, and Contract Documents. If this proposal is accepted for award, BIDDER agrees to enter into a Contract with the AGENCY at the unit and/or lump sum prices set forth in the following Proposal Bid Sheet. BIDDER understands that failure to enter into a Contract in the manner and time prescribed will result in forfeiture to AGENCY of the Bid Bond accompanying this proposal.

BIDDER understands that a bid is required for the entire work, that the estimated quantities set forth in the Proposal Bid Sheet are solely for the purpose of comparing bids, and that final compensation under the Contract will be based upon the actual quantities of work satisfactorily completed. It is agreed that the unit and/or lump sum prices bid include all appurtenant expenses, taxes, royalties, and fees. In the case of discrepancies in the amounts bid, unit prices shall govern over extended amounts.

BIDDER agrees and acknowledges that he is aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workman's compensation or to undertake self-insurance in accordance with the provisions of that code, and that the BIDDER will comply with such provisions of that code before commencing the performance of this Contract if awarded to it.

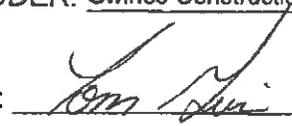
BIDDER certifies that in all previous contracts or subcontracts, all reports which may have been due under the requirements of any Agency, State, or Federal equal employment opportunity orders have been satisfactorily filed, and that no such reports are currently outstanding.

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

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

DATED: May 4, 2016

BIDDER: Gwinco Construction & Engineering, Inc.

BY:  _____

TITLE: President

BIDDER'S ADDRESS: 2131 S Grove Ave #A

Ontario, CA 91761

PHONE: (909) 930-1693

BIDDER'S INFORMATION

BIDDER certifies that the following information is true and correct:

Bidder's Name:

Gwinco Construction & Engineering, Inc.

Business Address:

2131 S Grove Ave #A Ontario, CA 91761

Telephone:

(909) 930-1693

State Contractor's License No. and Class: 769266 Class: A

Original Date Issued: 12/12/96 Expiration Date: 09/30/17

Public Works Contractor Registration No.: 1000010888 Expiration Date: 06/30/16

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

Thomas W. Gwin, President

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

N/A

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

Gwinco Construction & Engineering, Inc.

CONTRACTOR'S LICENSING STATEMENT

The undersigned is licensed in accordance with the laws of the State of California providing for the registration of Contractors.

Contractor's License Number: 769266

Name of Individual Contractor (Print or Type): N/A

Signature of Owner: _____

Business: _____

Address or Name of Firm: N/A

Business Address: _____

Name: _____ Title: _____

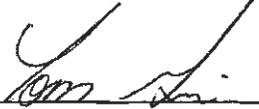
Address: _____

Name: _____ Title: _____

Address or Name of Corporation: Gwinco Construction & Engineering, Inc.

Business Address: 2131 S Grove Ave #A Ontario, CA 91761

Corporation organized under the laws of the State of Nevada



Signature of President of Corporation

Signature of Secretary of Corporation

REFERENCES

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

City of Tustin - 300 Centennial Way Tustin, CA 92780 - Ken Nishikawa (714) 573-3389

OCPW - 300 N Flower St Santa Ana, CA 92703 - Bob Valle (714) 834-2300

RCFCD - 1995 Market St Riverside, CA 92501 - Kent Allen (951) 955-1288

DESIGNATION OF SURETIES

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

Bond Brokers, Inc. - Craig Sherman - 6160 N. Cicero Avenue Chicago, IL 60646 Phone: 773-736-2320

BID BOND (PAGE 2)

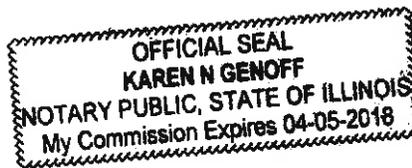
(seal)

SURETY'S NAME-TYPE: Lexon Insurance Company
Mailing Address: 12890 Lebanon Road
Mt. Juliet, TN 37122
By: Craig Sherman
Name
Signature: [Handwritten Signature]
Title: Attorney-in-Fact

NOTE: SIGNATURE OF SURETY MUST BE NOTARIZED:

Subscribed and sworn to before me
this 4th day of May, 2016.

Seal of Notary: [Handwritten Signature]
Notary Public
Karen N. Genoff



POWER OF ATTORNEY

LX-270641

Lexon Insurance Company

KNOW ALL MEN BY THESE PRESENTS, that LEXON INSURANCE COMPANY, a Texas Corporation, with its principal office in Louisville, Kentucky, does hereby constitute and appoint: Ted Sherman, Craig Sherman, Judy Blaige, Karen Genoff its true and lawful Attorney(s)-In-Fact to make, execute, seal and deliver for, and on its behalf as surety, any and all bonds, undertakings or other writings obligatory in nature of a bond.

This authority is made under and by the authority of a resolution which was passed by the Board of Directors of LEXON INSURANCE COMPANY on the 1st day of July, 2003 as follows:

Resolved, that the President of the Company is hereby authorized to appoint and empower any representative of the Company or other person or persons as Attorney-In-Fact to execute on behalf of the Company any bonds, undertakings, policies, contracts of indemnity or other writings obligatory in nature of a bond not to exceed \$2,500,000.00, Two Million Five Hundred Thousand dollars, which the Company might execute through its duly elected officers, and affix the seal of the Company thereto. Any said execution of such documents by an Attorney-In-Fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company. Any Attorney-In-Fact, so appointed, may be removed for good cause and the authority so granted may be revoked as specified in the Power of Attorney.

Resolved, that the signature of the President and the seal of the Company may be affixed by facsimile on any power of attorney granted, and the signature of the Assistant Secretary, and the seal of the Company may be affixed by facsimile to any certificate of any such power and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certificate so executed and sealed shall, with respect to any bond of undertaking to which it is attached, continue to be valid and binding on the Company.

IN WITNESS THEREOF, LEXON INSURANCE COMPANY has caused this instrument to be signed by its President, and its Corporate Seal to be affixed this 5th day of August, 2015.

LEXON INSURANCE COMPANY



BY [Signature]
David E. Campbell
President

ACKNOWLEDGEMENT

On this 5th day of August, 2015, before me, personally came David E. Campbell to me known, who be duly sworn, did depose and say that he is the President of LEXON INSURANCE COMPANY, the corporation described in and which executed the above instrument; that he executed said instrument on behalf of the corporation by authority of his office under the By-laws of said corporation.



AMY TAYLOR
Notary Public- State of Tennessee
Davidson County
My Commission Expires 07-08-19

BY [Signature]
Amy Taylor
Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of LEXON INSURANCE COMPANY, A Texas Insurance Company, DO HEREBY CERTIFY that the original Power of Attorney of which the forgoing is a true and correct copy, is in full force and effect and has not been revoked and the resolutions as set forth are now in force.

Signed and Seal at Mount Juliet, Tennessee this 4th Day of May, 2016.



BY [Signature]
Andrew Smith
Assistant Secretary

"WARNING: Any person who knowingly and with intent to defraud any insurance company or other person, files and application for insurance of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties."

ACKNOWLEDGMENT

State of California
County of San Bernardino)

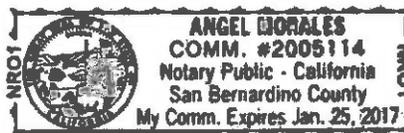
On May 4, 2016 before me, Angel Morales, Notary Public
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature Angel Morales (Seal)



NON-COLLUSION AFFIDAVIT

STATE OF CALIFORNIA)
) SS
COUNTY OF San Bernardino)

Thomas W. Gwin, being first duly sworn deposes and
says that he is President

(Sole Owner, Partner, President, etc.)
of Gwinco Construction & Engineering, Inc. the party making the foregoing
bid; that such bid is not made in the interest of or behalf of any undisclosed person,
partnership, company, association, organization, or corporation, that such bid is genuine
and not collusive or sham, that said BIDDER has not directly or indirectly induced or
solicited any other bidder to put in a sham bid, or that anyone shall refrain from bidding,
that said BIDDER has not in any manner, directly or indirectly sought by agreements,
communication, or conference with anyone to fix the bid price of said BIDDER or of any
other bidder, or to fix the overhead, profit, or cost element of such bid price, or of that of
any other bidder, or to secure any advantage against the public body awarding the
Contract or anyone interested in the proposed Contract; that all statements contained in
such bid are true, and further, that said BIDDER has not, directly or indirectly submitted
his bid price, or any breakdown thereof, or the contents thereof, or divulged information
or data relative thereto, or paid and will not pay any fee in connection, organization, bid
depository, or to any member or persons as have a partnership or other financial
interest with said BIDDER in his general business.

Signed

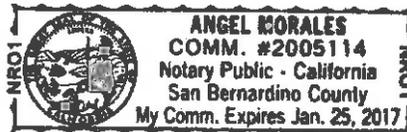
Thomas W. Gwin

President

Title

Subscribed and sworn to before me
this 4th day of May, 2016.

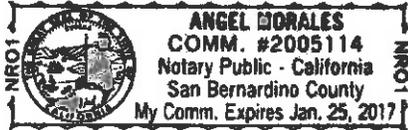
Seal of Notary: *Angel Morales*
Notary Public



State of California
County of San Bernardino

Subscribed and sworn to (or affirmed) before me on this 4th
day of May, 2016, by Thomas W. Gwin

proved to me on the basis of satisfactory evidence to be the
person(s) who appeared before me.



(Seal)

Signature Angel Morales

CITY OF NORCO
PROPOSAL BID SHEET FOR
NORCO MDP LINE NB-3

ITEM	QUANTITY	UNIT	DESCRIPTION OF ITEMS WITH UNIT PRICE WRITTEN IN WORDS	UNIT PRICE IN FIGURES	TOTAL
1.	1	LS	Mobilization at <u>Sixteen Thousand</u> _____ per Lump Sum	\$16,000.00	\$ 16,000.00
2.	1	LS	Traffic Control Plans & Construction Devices (Includes Engineered Traffic Control Plans) at <u>Two Thousand</u> _____ per Lump Sum	\$2,000.00	\$ 2,000.00
3.	1	LS	Water Pollution Control Plan Compliance at <u>Fifteen Hundred</u> _____ Lump Sum	\$1,500.00	\$ 1,500.00
4.	27	TON	Construct 4" Asphalt Pavement at <u>Two Hundred Sixty</u> _____ per Ton	\$260.00	\$ 7,020.00
5.	20	CY	Construct 6" Class II Aggregate Base at <u>Three Hundred Seventy Three</u> _____ per CY	\$373.00	\$ 7,460.00
6.	6,200	SF	Construct Street Pavement Repair per City of Norco Std. 155 at <u>Seven and Thirty Cents</u> _____ per Square Foot	\$7.30	\$45,260.00

ITEM	QUANTITY	UNIT	DESCRIPTION OF ITEMS WITH UNIT PRICE WRITTEN IN WORDS	UNIT PRICE IN FIGURES	TOTAL
7.	90	SF	Construct AC Grind and Overlay (0.2' Min.) at <u>Seventy Four</u> _____ per Square Foot	\$74.00	\$ 6,660.00
8.	168	LF	Construct 24" RCP Storm Drain at <u>One Hundred Thirteen</u> _____ per Linear Foot	\$ 113.00	\$ 18,984.00
9.	495	LF	Construct 30" RCP Storm Drain at <u>One Hundred Twenty Three</u> _____ per Linear Foot	\$ 123.00	\$ 60,885.00
10.	1	EA	Construct Catch Basin No. 1 (W=7') per RCFC&WCD Std. CB100 at <u>Seventy Three Hundred</u> _____ per Each	\$ 7,300.00	\$ 7,300.00
11.	1	EA	Construct Catch Basin No. 1 (W=4') per RCFC&WCD Std. CB100 at <u>Fifty Six Hundred</u> _____ per Each	\$ 5,600.00	\$ 5,600.00
12.	143	SF	Construct Local Depression No. 2 per RCFC&WCD Std. LD201 (Case "C") at <u>Twenty Five</u> _____ per Square Foot	\$25.00	\$ 3,575.00

ITEM	QUANTITY	UNIT	DESCRIPTION OF ITEMS WITH UNIT PRICE WRITTEN IN WORDS	UNIT PRICE IN FIGURES	TOTAL
13.	1	EA	Construct Junction Structure No. 3 per RCFC&WCD Std. JS228 at <u>Fifty Five Hundred</u> _____ per Each	\$ 5,500.00	\$ 5,500.00
14.	1	EA	Construct Storm Drain Manhole No. 1 per RCFC&WCD Std. MH251 at <u>Sixty One Hundred</u> _____ per Each	\$ 6,100.00	\$ 6,100.00
15.	1	EA	Construct Storm Drain Manhole No. 4 per RCFC&WCD Std. MH254 at <u>Sixty Five Hundred</u> _____ per Each	\$ 6,500.00	\$ 6,500.00
16.	1	EA	Construct Special Connection to Catch Basin per RCFC&WCD Std. CB109 at <u>Three Hundred Fifty</u> _____ per Each	\$ 350.00	\$ 350.00
17.	20	LF	Construct 6" Concrete Curb (Type "A") per City of Norco Std. 200 at <u>Sixty Four</u> _____ per Linear Foot	\$ 64.00	\$ 1,280.00
18.	5	EA	Construct Concrete Sewer Protection per RCFC&WCD Std. M807 at <u>Two Hundred Thirty Five</u> _____ per Each	\$ 235.00	\$ 1,175.00

ITEM	QUANTITY	UNIT	DESCRIPTION OF ITEMS WITH UNIT PRICE WRITTEN IN WORDS	UNIT PRICE IN FIGURES	TOTAL
19.	1	EA	Relocate Existing 4" Sewer Lateral per SSPWC Std. 223-1 at Eleven Hundred _____ per Each	\$ 1,100.00	\$ 1,100.00
20.	1	EA	Relocate Existing 6" Waterline at Nine Thousand _____ per Each	\$ 9,000.00	\$ 9,000.00
21.	1	EA	Relocate Existing 1" Water Service per City of Norco Std. 405 at Twelve Hundred _____ per Each	\$ 1,200.00	\$ 1,200.00
22.	2	EA	Remove Interfering Portions of 6" CML&C Waterline & Install Concrete Caps (2-Sack Slurry) at exposed ends at Four Hundred Thirty _____ per Each	\$ 430.00	\$ 860.00
23.	1	EA	Relocate Existing Private Mailbox at One Hundred _____ per Each	\$ 100.00	\$ 100.00
24.	1	LS	Install 4" Yellow Stripe per Caltrans Std. A20A (Detail 1) at Six Hundred _____ per Lump Sum	\$ 600.00	\$ 600.00

ITEM	QUANTITY	UNIT	DESCRIPTION OF ITEMS WITH UNIT PRICE WRITTEN IN WORDS	UNIT PRICE IN FIGURES	TOTAL
25.	1	LS	Install 50 feet of 4" Yellow Stripe per CAMUTCD Figure 3A-101 at Six Hundred	\$ 600.00	\$ 600.00
			_____ per Lump Sum		

NORCO MDP LINE NB-3 NORTH

TOTAL BID AMOUNT

\$ 216,609.00

*Addendum # 1 Received
Attached*

TOTAL BID AMOUNT IN WORDS

Two Hundred Sixteen Thousand Six Hundred Nine

Gwinco Construction & Engineering, Inc.

(909) 930-1693

Bidders Name and Telephone Number

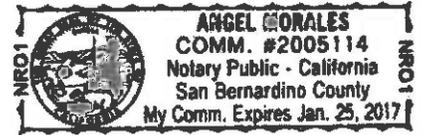
NOTE: The unit price must be written in words and also shown in figures. The total price must be extended for each item of work, and the total of all items inserted in the space provided.

PROPOSAL

IN WITNESS WHEREOF, BIDDER executes and submits this proposal with the names, titles, hands, and seals of all forenamed principals this 4th day of May, 2016.

BIDDER Gwinco Construction & Engineering, Inc.
Thomas W. Gwin, President

Subscribed and sworn to this 4th day of May, 2016.



NOTARY PUBLIC

By Angel Morales
Title Notary Public

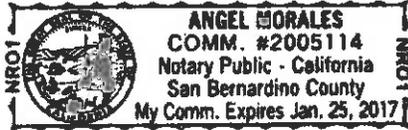
AGENCY acknowledges that this proposal was received and opened at the time and in the place specified, and that it was accompanied by the required guarantee in the amount of 10 percent of the total bid.

By _____
Title _____

State of California
County of San Bernardino

Subscribed and sworn to (or affirmed) before me on this 4th
day of May, 2016, by Thomas W. Gwin

proved to me on the basis of satisfactory evidence to be the
person(s) who appeared before me.



(Seal)

Signature Angel Morales

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager

PREPARED BY: Chad Blais, Director of Public Works 

DATE: June 1, 2016

SUBJECT: Execution of a Cooperative Funding Agreement between the City of Norco and the Riverside County Flood Control and Water Conservation District

RECOMMENDATION: That City Council Approve Funding Agreement between the City of Norco and Riverside County Flood Control and Water Conservation District to Design and Construct the extension of MDP Line NB-3 Drainage Facilities, subject to non-substantive changes and approval by the Riverside County Board of Supervisors; and authorize the City Manager to execute the Agreement.

SUMMARY: The City of Norco has prepared plans and specifications for the construction of an extension of Master Drainage Plan (MDP) Line NB-3 in Corona Avenue. The Riverside County Flood Control and Water Conservation District (RCFC&WCD) has agreed to contribute one hundred percent (100%) funding of the contract bid price, ten percent (10%) of bid amount for contingency purposes and an additional twenty percent (20%) contribution to the City of Norco for costs associated with design, environmental, surveying, administration, and other costs related to completion of the project.

BACKGROUND/ANALYSIS: The City of Norco has prepared plans and specifications for the construction of an extension of MDP Line NB-3 in Corona Avenue. RCFC&WCD has agreed to enter into a Funding Agreement to design and construct the proposed drainage facility. The purpose of the Funding Agreement is to memorialize the mutual understandings between both parties with respect to construction, ownership, operation and maintenance, including the funding contribution.

RCFC&WCD has agreed to contribute one hundred percent (100%) funding of the contract bid price, ten percent (10%) of bid amount for contingency purposes and an additional twenty percent (20%) contribution to the City of Norco for costs associated with design, environmental, surveying, administration, and other costs related to completion of the project. The City will invoice the RCFC&WCD for the agreed upon funding amount within thirty days following award of contract.

Funding Agreement

Page 2

June 1, 2016

Per the agreement, the City is responsible to prepare the design, specifications, and plans, bid advertisement, inspection and project management through completion of the drainage project. Staff is seeking City Council approval to authorize the City Manager to sign the Funding Agreement.

FISCAL IMPACT: Funds will be deposited into the Storm Drain Capital Improvement Program Fund upon receipt from RCFC&WCD.

Attachment: Funding Agreement

FUNDING AGREEMENT

**NORCO MINOR DRAINAGE IMPROVEMENT
CORONA AVENUE EXTENSION OF LINE NB-3**

The RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, hereinafter called "DISTRICT", and the CITY OF NORCO, hereinafter called "CITY", hereby agree as follows:

RECITALS

- A. CITY has prepared plans and specifications for the construction of an extension of an underground storm drain "Line NB-3", hereinafter called the "PROJECT"; and
- B. PROJECT extends approximately 660 lineal feet north on Corona Avenue from the existing Line NB-3 storm drain; and
- C. CITY plans to advertise, award and administer a public works construction contract for PROJECT during Fiscal Year 2015/16; and
- D. CITY desires that DISTRICT contribute funding for the design and construction of PROJECT; and
- E. DISTRICT wishes to support CITY'S efforts to construct PROJECT by providing a financial contribution toward the PROJECT'S design and construction along with associated administrative and ancillary costs as set forth herein; and
- F. The DISTRICT'S financial contributions shall be as follows:
 - (a) One hundred percent (100%) of contract bid price (the "BID PRICE");
 - (b) An additional ten percent (10%) of the BID PRICE (the "CONSTRUCTION CONTINGENCY") paid in the event that the final PROJECT construction cost exceeds the BID PRICE; and

(c) An additional twenty percent (20%) of the BID PRICE to offset CITY'S costs associated with design, environmental permitting, surveying, contract administration, and other typical ancillary costs related to the delivery of the facility (hereinafter called the "ADDITIONAL CONTRIBUTION"); and

H. Altogether, BID PRICE, CONSTRUCTION CONTINGENCY and ADDITIONAL CONTRIBUTION are hereinafter called the "DISTRICT CONTRIBUTION". The total DISTRICT CONTRIBUTION for the PROJECT shall not exceed a total of two hundred eighty two thousand one hundred dollars (\$282,100); and

I. The purpose of this agreement is to memorialize the mutual understandings by and between CITY and DISTRICT with respect to the design, construction, ownership, operation and maintenance of PROJECT, and the payment of DISTRICT CONTRIBUTION.

NOW, THEREFORE, in consideration of the preceding recitals and the mutual covenants hereinafter contained, the parties hereto mutually agree as follows:

SECTION I

CITY shall:

1. Secure, at its sole cost and expense, all necessary rights of way, rights of entry and temporary construction easements necessary to construct, inspect, operate and maintain PROJECT.
2. Acting as the Lead Agency, comply with the applicable provisions of California Environmental Quality Act (CEQA).
3. CITY shall be solely responsible for complying with all applicable environmental programs and regulations including but not limited to the federal Clean Water Act (Sections 404 and 401), the National Flood Insurance Act (Section 1361(c)), the California

Fish and Game Code (Section 1600) and the Western Riverside County Multi-Species Habitat Conservation Plan (WRCMSHCP); and

4. Advertise PROJECT for bids pursuant to the applicable provisions of the California Public Contract Code. At the time of advertising for bids, provide DISTRICT with a copy of the PROJECT plans, specifications, bid documents and any subsequent addenda thereto.

5. Prior to the award of the construction contract for the PROJECT, submit an invoice to DISTRICT for the estimated cost of constructing PROJECT (equal to BID PRICE plus ADDITIONAL CONTRIBUTION). The invoice shall be supported by a copy of the CITY'S bid abstracts for PROJECT.

6. Construct PROJECT pursuant to a CITY administered public works contract.

7. Supervise and inspect all aspects of PROJECT construction.

8. Upon completion of PROJECT construction and CITY'S acceptance thereof, accept sole responsibility for the design, ownership, operation and maintenance of PROJECT.

9. Upon completion of PROJECT construction, provide DISTRICT with a copy of the CITY'S Notice of Completion along with its claim for any construction cost items in excess of BID PRICE.

SECTION II

DISTRICT shall:

1. Acting as a Responsible Agency, comply with the applicable provisions of California Environmental Quality Act (CEQA).

2. Within thirty (30) days of receiving of CITY'S Notice of Intent to award PROJECT construction contract, pay CITY the BID PRICE plus the ADDITIONAL CONTRIBUTION.

3. Within thirty (30) days of receiving of CITY'S Notice of Completion for PROJECT and, if applicable, CITY'S claim for increased construction costs, pay any outstanding claim from CONSTRUCTION CONTINGENCY.

SECTION III

It is further mutually agreed:

1. The DISTRICT CONTRIBUTION is a one-time cash contribution to be used by CITY solely for the purpose of constructing PROJECT as set forth herein. No additional funding whatsoever shall be provided by DISTRICT for any subsequent PROJECT modifications, extensions or repairs.

2. In the event the actual construction cost for PROJECT is less than the BID PRICE, CITY shall refund the difference to DISTRICT within thirty (30) days of filing the Notice of Completion for PROJECT.

3. Under the provisions of this Agreement, the DISTRICT shall bear no responsibility whatsoever for the design, construction, ownership, operation or maintenance of PROJECT.

4. In the event that any claim or legal action is brought against DISTRICT, in connection with this Agreement and based upon the actual or alleged acts or omissions of the CITY, its officers, employees, consultant, contractors or agents, including but not limited to claims or legal action related to the design, construction, operation, maintenance or failure of PROJECT, the CITY shall defend, indemnify and hold DISTRICT harmless therefrom without cost to DISTRICT. This shall include providing DISTRICT with legal representation and pay

for related costs for any such claim or legal action, and payment of any settlement or judgment on behalf of DISTRICT, all at no cost to DISTRICT. Upon the CITY'S failure to do so, DISTRICT shall be entitled to recover from CITY all of its costs and expenses, including, but not limited to, reasonable attorneys' fees.

5. In the event of any arbitration, action or suit brought by either the CITY or DISTRICT against the other party by reason of any breach on the part of the other party of any of the covenants and agreements set forth in this Agreement, or any other dispute between DISTRICT and CITY concerning this Agreement, the prevailing party in any such action or dispute, by a final judgment or arbitration award, shall be entitled to have and recover from the other party all costs and expenses or claims, including but not limited to, attorneys' fees and expert witness fees. This section shall survive any termination of this Agreement.

6. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

7. This Agreement is to be construed in accordance with the laws of the State of California. Neither CITY nor DISTRICT shall assign this Agreement without the written consent of the other party.

8. This Agreement is made and entered into for the sole protection and benefit of the parties hereto. No other person or entity shall have any right of action based upon the provisions of this Agreement.

9. Any and all notices sent or required to be sent to the parties of this Agreement will be mailed by first class mail, postage prepaid, to the following addresses:

RIVERSIDE COUNTY FLOOD CONTROL

CITY OF NORCO

AND WATER CONSERVATION DISTRICT
1995 Market Street
Riverside, CA 92501

2870 Clark Avenue
Norco, CA 92860

10. This Agreement is the result of negotiations between the parties hereto, and the advice and assistance of their respective counsel. The fact that this Agreement was prepared as a matter of convenience by DISTRICT shall have no import or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against DISTRICT because DISTRICT prepared this Agreement in its final form.

11. Any waiver by DISTRICT or CITY of any breach by any other party of any provision of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or any other provision hereof. Failure on the part of DISTRICT or CITY to require from any other party exact, full and complete compliance with any of the provisions of this Agreement shall not be construed as in any manner changing the terms hereof, or estopping DISTRICT or CITY from enforcing this Agreement.

12. This Agreement is intended by the parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous agreements and understandings, oral or written, in connection therewith. This Agreement may be changed or modified only upon the written consent of the parties hereto.

//

//

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on

(to be filled in by the Clerk of the Board)

RECOMMENDED FOR APPROVAL

**RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT**

By _____
WARREN D. WILLIAMS
General Manager-Chief Engineer

By _____
MARION ASHLEY, Chairman
Riverside County Flood Control and Water
Conservation District Board of Supervisors

APPROVED AS TO FORM:

ATTEST:

GREGORY P. PRIAMOS
County Counsel

KECIA HARPER-IHEM
Clerk of the Board

By _____
NEAL R. KIPNIS
Deputy County Counsel

By _____
Deputy

(SEAL)

RECOMMENDED FOR APPROVAL:

CITY OF NORCO

By _____
ANDY OKORO
City Manager

By _____
KEVIN BASH
Mayor

APPROVED AS TO FORM:

ATTEST:

By _____
JOHN HARPER
City Attorney

By _____
CHERYL L. LINK
City Clerk

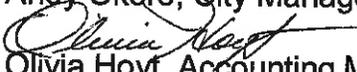
(SEAL)

Funding Agreement – Norco Line NB-3
MHW:

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor, Members of the City Council

FROM: Andy Okoro, City Manager

PREPARED BY: 
Olivia Hoyt, Accounting Manager

DATE: June 1, 2016

SUBJECT: Award a 5-Year Contract to Smart Utility Systems Totaling \$87,550 to Implement the Smart Customer Mobile Module

RECOMMENDATION: Award a 5-year contract to Smart Utility Systems totaling \$87,550 to implement the Smart Customer Mobile Module.

SUMMARY: The City desires to replace its existing customer portal with a more robust solution offered by Smart Utility Systems. The current customer portal is a Sensus product that was implemented in 2014. Staff is recommending that the City Council award a 5-year contract in the amount not exceeding \$87,550 to Smart Utility Systems to implement the Smart Customer Mobile Module.

BACKGROUND: The City currently offers its residents the capability of monitoring water consumption through the use of a customer portal offered by Sensus. Customers are able to set up an account to view their water consumption data online and also receive email alerts. The yearly cost of the services to host and offer customer services for the Sensus customer portal is \$37,500. We currently have 300 customer signed up to use this service.

In the modern, digital era of today, the utility industry is transforming rapidly. Changing business models, regulations, increasing energy prices, non-traditional communication methods, and a rise in customer expectations are key business challenges for utilities. The product offered by Smart Utility Systems at a yearly cost of \$15,600 and a one-time implementation fee of \$9,550 would allow the City of Norco to offer its residents more options to have easy access to their utility account anywhere, anytime and on any device through the use of the Smart Customer Mobile (SCM) solution. This translates to residents being able to use either their smart phone or any other device with an internet connection to access their utility account information. The 5-year cost to the City would be \$87,550 and the services would include a cloud based hosted system. It is estimated that the City may incur additional costs totaling no more than \$10,000 for providing connectivity of the SCM software to the Tyler accounting software, Sensus meter reading software and Paymentus. Currently, the City of Corona, City of Moreno Valley, Los Angeles Department of Water & Power and Glendale Water & Power are a few agencies that have implemented the SCM solution. Glendale Water & Power has reported that within the first year, there was a customer adoption rate of 90% for the year 2015.

SCM would allow all City residents to set up an account to view their hourly, daily, weekly and monthly water consumption similar to what is currently being offered by the Sensus customer portal. While residents are viewing their water consumption, there is a weather overlay that provides daily temperatures that would serve to provide possible justification for their increase in water consumption on a particular day.

Another feature offered by SCM would allow residents to set up to have their utility bill to be paid automatically each month and be able to sign up to receive their bill electronically. The City would incur cost savings in postage and printing costs as customers sign up to receive their monthly utility bills electronically. Residents will also be able to have access to a copy of their current and previous month bills up to a period of three years.

The City currently offers residents a service to pay their utility bills monthly online through a service offered by Paymentus. SCM would allow the City to continue to use Paymentus to accept one-time payments from residents, except that the advantage of using Smart Utility Systems' SCM solution is that all payments made would be able to be posted automatically by a batch into the City's accounting software. In the last fiscal year ending June 30, 2015 staff entered a total of 11,234 payments manually for residents making payments online via Paymentus for an average of 936 monthly payments. SCM would save staff a large number of staff hours entering online payments daily.

Customers will also be able to connect with the City of Norco in real-time 2-way communication and make service requests for issues such as move-in, move-out, service transfer, meter accuracy tests, report a City infrastructure issue or ask any question. SCM would also allow the City to be able to inform affected residents of planned water service discontinuance resulting from work on a pipeline, reasons for the discontinuance, status and estimated restoration time of their water services. SCM can be integrated with social media sites and provides real-time utility updates to customers. SCM would reduce customer call volume up to 51% as the engaged customers are now more oriented towards self-service. Staff time would now be dedicated to receiving messages via SCM and would be responding in real-time 2-way communication.

Included in the SCM module is an administration portal to be able to produce reports and analytics with the capabilities to download and/or export data to PDF and MS Excel. This analytics and reporting platform identifies customer behaviors such as annual savings, usage analysis, customer segmentation and evaluates program effectiveness.

FISCAL IMPACT: Since the Smart Utility Systems' SCM solution is replacing the Sensus customer portal, the City would incur yearly cost savings in the Water and Sewer Funds in fiscal year 2016/17 of \$2,350 and \$21,900 for each of the following four fiscal years for a total savings of \$89,950.

Attachment: Statement of Work

Statement of Work (SOW)

For



City of Norco

2870 Clark Ave. Norco, CA 92860

P. (951) 735-3900 | F. (951) 270-5622



SMART

Customer Mobile (SCM™)

May 26, 2016

Prepared by:

Liana Sandoval

Sales Lead

Smart Utility Systems

liana.sandoval@smartusys.com

949.630.0651

Smart Utility Systems



19900 MacArthur Blvd., Suite 370

Irvine, CA 92612

Phone: 909.217.3344

www.smartusys.com

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Table of Contents

1. Scope of Work.....	3
1.1. Product/Implementation Scope	3
1.2. Not in Scope.....	3
2. Project Duration and Timeline	3
3. Deliverables	4
4. Escalation.....	5
5. Change Control	5
6. License, Fees, and Payment Terms.....	6
7. Risks and Assumptions	8
8. Other Terms.....	8
9. Software Licensing, Maintenance, and Technical Support.....	9
10. Notices.....	9
11. Acceptance and Authorization	9

1. Scope of Work

1.1. Product/Implementation Scope

This Statement of Work ("SOW") establishes the scope and requirements for the complete implementation of the Smart Utility Systems ("SUS") SCM® v. 6.5 - Smart Customer Mobile/Portal solution for the City of Norco ("Norco") by Smart Utility Systems ("SUS"). Norco seeks to engage with its customers via a mobile/portal platform that provides comprehensive water usage information in order to provide insight and customer AMI data. The functional scope of the project will include the following customer facing modules and capabilities of the SUS SCM® - Smart Customer Mobile / Portal solution specific to water service. The following functionality will be implemented with a secure log-in that directs the Norco customer to the Norco landing page with the following buttons/links.

1. My Account
2. Usage
3. Billing
4. Outages
5. Notifications
6. Connect Me
7. Service
8. Compare
9. Conservation
10. Customer Service Portal

SUS will integrate with the following source systems

Data Type	Source System
Customer Data / CIS	Tyler, New World
Billing Data including pdf	Tyler, New world
Payment Vendor	Paymentus
Usage Data	Sensus
Outage Management	N/A
Custom	N/A

1.2. Not in Scope

Any activities, products or deliverables not included in this SOW are deemed out of scope. Additional work is permitted pursuant to a valid change order under section 5, with the pricing identified, and such any such changes are approved by both parties prior to commencement of work.

2. Project Duration and Timeline

The estimated timeline for the implementation of this engagement is 20 calendar weeks (16 week implementation + 4 week training and stabilization). Within two weeks of receiving written authorization, the SUS team will begin scheduling the work sessions associated with the tasks detailed below.

This document is proprietary and confidential to the extent permitted by law. No part of this document may be disclosed in any manner to a third party without the prior written consent of Smart Utility Systems. All information contained herein intended for recipient listed on cover page.

This Scope of Work for the Norco Project will be broken into 5 milestones. Below is a table of the proposed milestones which will be finalized during the Project Planning phase.

Milestone No.	Milestone Name/Description	Deliverables	Estimated Time
1	Planning/Analyze	Document of Understanding and Scope finalization	3 Weeks
2	Design/Integrate/Configure	Design, Integration, and Configuration of Base SCM application	8 Weeks
3	Testing	Quality Assurance Testing and User Acceptance Testing	4 Weeks
4	Deployment/Training	Production Deployment, Internal Admin Guide, Online Customer Help Guide	1 Weeks
5	Stabilization	Production Stabilization Period	4 Weeks

3. Deliverables

SCM® Module	Description
 My Account	View service account contact information, addresses, and phone numbers. Update email and phone and add/modify/delete account information. Modify settings specific to email notifications and alerts, opt-in and out of e-bill (paperless billing).
 Usage	Display monthly, daily, hourly, and seasonal interval usage information in kWh & billed amount. Usage data will be displayed as low, average, or high usage as defined by Norco. Display rates as defined by Norco.
 Notifications	Allows real time 2-way communication between customer & utility via messages such as outage updates, service requests, and billing notifications.
 Conservation	View and enroll in water conservation programs and rebates as well as add savings tips.
 Connect Me	Provides real-time 2-way communication between the utility and its customers. Customers can message utilities with any queries/questions and connect with them via mobile device or email. Integrated with social media sites and provides real-time utility updates to customers.

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 <p>Compare Spending</p>	Provides consumption comparisons for up to 1 year. Customers can compare their usage against their neighbors, across their zip code, with the whole utility. Provides current and projected usage.
 <p>Billing</p>	Allows customers to view their current bill with meter reading information, as well as history of payments. Allows users to set a budget and alerts on their monthly bills if they go over budget. Users can also create billing queries. View annual goals set by the end user, efficiency rankings against zip codes, and payment locations.
 <p>Outages</p>	Displays any current and planned outages from Norco. Customers will be provided the number of addresses affected, reason, status, and estimated restoration time of the outage. Customers also have the ability to report an outage on their mobile device or web browsers and search outages by city or zip code. It also provides customers the ability to set up real time notifications on outages on their home.
 <p>Service</p>	Allows customers to make service request tickets for issues such as move-in, move-out, service transfer, meter accuracy tests, and/or as designated by Norco.
<p>Administration Portal</p>	The Norco administration dashboard for reports, and analytics with the capabilities to download and/or export data to PDF and MS Excel. Administrator dashboard to configure messages and to change rules real-time.

4. Escalation

SUS will escalate issues in the following order if they remain unresolved at the previous level:

Level	Unresolved for	E-mail Id
Norco Project Manager (TBD)	1 day	TBD

Norco will escalate issues in the following order if they remain unresolved at the previous level:

Level	Unresolved for	E-mail Id
Implementation Manager – TBD	1 Day	TBD
Travis Parker – Director of Solutions Delivery, SUS	3 Days	travis.parker@smartusys.com
Liana Sandoval – Sales Lead, SUS	5 Days	liana.sandoval@smartusys.com

5. Change Control

1. The following process will be followed if a change to this Statement of Work or project plan is required:
2. A Project Change Request (PCR) will be the vehicle for communicating change. The PCR must describe the change, the rationale for the change, and the effect the change will have on the

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Project. Additionally, the PCR must also provide a recap of the original estimated resources and costs, revised estimated resources and costs and associated cost savings or expenditures.

3. The designated Project Manager of the requesting party will review the proposed change and determine whether to submit the request to the other party.
4. Both Project Managers will review the proposed change and agree to take steps to implement it, recommend it for further investigation, or reject it.
5. SUS and client will specify any changes to the fees as per agreed rate in this Statement of Work for such investigation. A Change Order must be signed by authorized representatives from both parties in order to revise the Statement of Work.

6. License, Fees, and Payment Terms

Norco shall pay SUS the following (*please select one prior to signing this SOW*):

1 Year Contract Pricing:

Description	Amount	Due
SCM® Annual User Licenses (7,800 Licenses)	\$19,500	Invoiced upon signing of SOW
Customer Service Portal User Licenses (10 Licenses)	Included	N/A
Annual Maintenance Fee	Included	N/A
One-Time Implementation Fee	\$9,550	Invoiced upon Go Live/Launch
Hosting Fee on Cloud	Included	N/A
GRAND TOTAL	\$29,050	

3 Year Contract Pricing – 10% Discount on Annual License Fees

Description	Amount	Due
SCM® Annual User Licenses for Year 1 (7,800 Licenses)	\$17,550	Invoiced upon signing of SOW
SCM® Annual User Licenses for Year 2 (7,800 Licenses)	\$17,550	Invoiced upon yearly anniversary of SOW's signing
SCM® Annual User Licenses for Year 3 (7,800 Licenses)	\$17,550	Invoiced upon yearly anniversary of SOW's signing
Customer Service Portal User Licenses Years 1 – 3 (10 Licenses)	Included	N/A

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Annual Maintenance Fee Years 1 – 3	Included	N/A
One-Time Implementation Fee	\$9,550	Invoiced upon Go Live/Launch
Hosting Fee on Cloud Years 1 – 3	Included	N/A
GRAND TOTAL	\$62,200	

5 Year Contract Pricing – 20% Discount on Annual License Fees

Description	Amount	Due
SCM® Annual User Licenses for Year 1 (7,800 Licenses)	\$15,600	Invoiced upon signing of SOW
SCM® Annual User Licenses for Year 2 (7,800 Licenses)	\$15,600	Invoiced upon yearly anniversary of SOW's signing
SCM® Annual User Licenses for Year 3 (7,800 Licenses)	\$15,600	Invoiced upon yearly anniversary of SOW's signing
SCM® Annual User Licenses for Year 4 (7,800 Licenses)	\$15,600	Invoiced upon yearly anniversary of SOW's signing
SCM® Annual User Licenses for Year 5 (7,800 Licenses)	\$15,600	Invoiced upon yearly anniversary of SOW's signing
Customer Service Portal User Licenses Years 1 – 5 (10 Licenses)	Included	N/A
Annual Maintenance Fee Years 1 – 5	Included	N/A
One-Time Implementation Fee	\$9,550	Invoiced upon Go Live/Launch
Hosting Fee on Cloud Years 1 – 5	Included	N/A
GRAND TOTAL	\$87,550	

Payment Schedule: Norco agrees to make all payments to SUS within thirty (30) calendar days after receipt of invoice.

Renewal: The terms of this agreements and any subsequent renewal period shall automatically renew for an additional one year term unless either party gives written notice expressing a desire to terminate not less than thirty (30) days prior to the then current term's expiration.

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Scope Changes: Should anything beyond SUS's control cause the above fees to exceed those stated above, SUS will notify Client in advance and obtain written approval in the form of a PCR pursuant to Section 5 above, executed by the Client's authorized signatory.

Estimated Travel and Expenses: Expenses for travel, room, board, and other direct expenses will be submitted to Norco for reimbursement at actual cost as incurred.

7. Risks and Assumptions

The following assumptions have been made:

1. Norco will provide timely responses to SUS information needs and timely review of project documents provided.
2. Key personnel at Norco will be made available to SUS as required during the project
3. Norco will provide onsite workspace for SUS resources with internet connectivity as necessary.
4. All documents will be jointly reviewed with Norco staff.
5. The SOW is binding if authorized, and any changes to the SOW will be provided in writing from either the SUS or the Norco team and approved by both teams.
6. Norco fully acknowledges and understands that any customization to standard features and functionality as described in this Statement of Work will be assessed by SUS and may impact approved budget and/or schedule. Norco will have discretion to determine whether to proceed with such customizations.
7. Integration to Norco source systems and data is dependent on access to said systems, including as well as API allowances from the respective companies. SUS will work on behalf of Norco to obtain such APIs within reason, however Norco is responsible to ensure such access and API allowances are provided. In addition, existing API or SFTP processes for Norco source system data, including customer, billing, and usage data, will be made available for use or re-use as part of the project. Ability to view bill PDF is dependent on API availability at the start of this project.
8. Norco agrees to ensure Integration access with Norco's billing and payment systems provider prior to Milestone 1. Failure to obtain such availability and/or access from Norco's billing provider shall not affect Norco's obligations under this Statement of Work.
9. Standard SLA levels offered by SUS are acceptable including 99.99% availability and a recovery point objective of 24 hours. Please refer to SUS Product Support document.
10. Standard SUS implementation and configuration is conducted primarily from SUS offices with any included on-site activities to be determined and documented during Milestone One. Additional SUS resources beyond those so identified will travel to Customer offices on an as-requested basis if and when practicable. Any such requested on-site implementation activities will be billed to Norco at a minimum rate of \$150 per individual per work hour.

8. Other Terms

Subject to the restrictions in this Agreement, SUS shall own any general skills, know-how, expertise, ideas, concepts, methods, techniques, processes, software, materials or other information which may have been discovered, created, developed or derived by SUS either prior to or as a result of its provision of Services under this Agreement. All data reasonably understood to be confidential in nature are

confidential information of such party. Client confidential information and SUS confidential information are collectively referred to as "Confidential information." Each party shall use confidential information of the other party only in furtherance of the purposes of this Agreement and shall not disclose such confidential information to any Third Party to the extent allowed by the law without the other party's prior written consent. If any party is compelled by legal process to disclose any Confidential information, that party shall promptly notify the other so that it may seek an appropriate protective order if it so wishes.

9. Software Licensing, Maintenance, and Technical Support

All licensing and support terms shall be governed by SUS's standard End User License Agreement, which must be signed and returned to SUS prior to the beginning of implementation activities.

10. Notices

All notices, requests, and other communications made between Client and SUS shall be in writing, via electronic mail or first-class mail, postage prepaid, to the addresses set forth above in the cover page.

11. Acceptance and Authorization

Accepted By: Norco	Accepted By: Smart Utility Systems, Inc.
Signature:	Signature:
Name:	Name:
Title:	Title:
Date:	Date:

**CITY OF NORCO
STAFF REPORT**

TO: Honorable Mayor and Members of the City Council

FROM: Andy Okoro, City Manager

PREPARED BY:  Steve King, Planning Director

DATE: June 1, 2016

SUBJECT: **Appeal Hearing: Conditional Use Permit 2014-10/Variance 2014-05 (Swaminarayan Gurukul-USA/Patolia):** A request to appeal the Planning Commission's denial to allow the development of a temple and cultural center on a vacant parcel (APN 130-240-031) located on the west side of Norconian Drive; between Norco Drive and Fifth Street, within the A-1-20 (Agricultural Low Density) Zone. A variance is being requested from the maximum allowed height of 35 feet to allow a building dome height of about 46 feet.

RECOMMENDATION: Continue the Appeal Hearing to the July 6, 2016 City Council meeting.

SUMMARY: Conditional Use Permit 2014-10/Variance 2014-05 were advertised for the meeting of June 1, 2016; however staff is recommending that this item be continued to the meeting of July 6, 2016. This recommendation is due to the change in the meeting time for June 1, 2016, and the meeting for June 15, 2016 being reserved for the City of Norco budget hearing.