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CITY COUNCIL AGENDA

CITY HALL COUNCIL CHAMBER
78495 Calle Tampico, La Quinta

REGULAR MEETING ON TUESDAY, JUNE 18, 2024
3:00 P.M. CLOSED SESSION | 4:00 P.M. OPEN SESSION

Members of the public **may listen to this meeting by tuning-in live via**
<http://laquinta.12milesout.com/video/live>.

CALL TO ORDER

ROLL CALL: Councilmembers: Fitzpatrick, McGarrey, Peña, Sanchez, and Mayor Evans

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

At this time, members of the public may address the City Council on any matter not listed on the agenda pursuant to the "Public Comments – Instructions" listed at the end of the agenda. The City Council values your comments; however, in accordance with State law, no action shall be taken on any item not appearing on the agenda unless it is an emergency item authorized by the Brown Act [Government Code § 54954.2(b)].

CONFIRMATION OF AGENDA

CLOSED SESSION

1. CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6; CITY DESIGNATED REPRESENTATIVE: CARLA TRIPLETT, HUMAN RESOURCES MANAGER; AND EMPLOYEE ORGANIZATION: LA QUINTA CITY EMPLOYEES' ASSOCIATION, AND UNREPRESENTED EMPLOYEES
2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION; INITIATION OF LITIGATION PURSUANT TO PARAGRAPH (4) OF SUBDIVISION (d) OF SECTION 54956.9 (NUMBER OF POTENTIAL CASES: 1)

RECESS TO CLOSED SESSION

RECONVENE AT 4:00 P.M.

REPORT ON ACTION(S) TAKEN IN CLOSED SESSION

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

At this time, members of the public may address the City Council on any matter not listed on the agenda pursuant to the “Public Comments – Instructions” listed at the end of the agenda. The City Council values your comments; however, in accordance with State law, no action shall be taken on any item not appearing on the agenda unless it is an emergency item authorized by the Brown Act [Government Code § 54954.2(b)].

ANNOUNCEMENTS, PRESENTATIONS, AND WRITTEN COMMUNICATIONS

1. LIFT TO RISE 2024-2026 ACTION PLAN REGARDING REGIONAL HOUSING AFFORDABILITY EFFORTS PRESENTATION BY JESSIKA POLLARD, SENIOR POLICY ANALYST, AND IAN GABRIEL, DIRECTOR OF DATA, POLICY AND PLANNING

CONSENT CALENDAR

NOTE: Consent Calendar items are routine in nature and can be approved by one motion.

	<u>PAGE</u>
1. APPROVE COUNCIL MEETING MINUTES OF MAY 21, 2024	9
2. AUTHORIZE OVERNIGHT TRAVEL FOR MARKETING MANAGER TO ATTEND CALIFORNIA TRAVEL ASSOCIATION SUMMIT 2024 IN OCEANSIDE CALIFORNIA, SEPTEMBER 8-12, 2024	19
3. AUTHORIZE OVERNIGHT TRAVEL FOR MAYOR, FOUR COUNCILMEMBERS, CITY MANAGER, AND ONE DIRECTOR TO ATTEND THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE IN LONG BEACH, CALIFORNIA, OCTOBER 16-18, 2024	21
4. EXCUSE ABSENCE OF COMMISSIONER GUERRERO FROM THE JUNE 11, 2024, PLANNING COMMISSION MEETING	23
5. ADOPT RESOLUTION APPROVING FISCAL YEAR 2024/25 INVESTMENT POLICY [RESOLUTION NO. 2024-024]	25
6. APPROVE AGREEMENTS FOR CONTRACT SERVICES WITH LOZANO'S PAINTING, INC. AND COLOR NEW CO FOR ON-CALL PAINTING AND REFINISHING SERVICES	59

7. APPROVE AGREEMENTS FOR CONTRACT SERVICES WITH HR GREEN PACIFIC AND NV5, INC. FOR ON-CALL PUBLIC WORKS DEVELOPMENT PLAN CHECK SERVICES 119
8. APPROVE AGREEMENT FOR CONTRACT SERVICES WITH TERRA NOVA PLANNING AND RESEARCH, INC. FOR ON-CALL PLANNING SERVICES 185
9. APPROVE AGREEMENT FOR CONTRACT SERVICES WITH NAI CONSULTING, INC. FOR CAPITAL IMPROVEMENT PROGRAM PROJECT MANAGEMENT AND PROFESSIONAL ENGINEERING SERVICES 213
10. APPROVE CONTRACT SERVICES AGREEMENT WITH ALPHA MEDIA FOR MARKETING SERVICES FOR FISCAL YEAR 2024/25 261
11. APPROVE AMENDMENT NO. 4 TO REIMBURSEMENT AGREEMENT WITH COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS FOR AVENUE 48 ARTS AND MUSIC LINE PROJECT NO. 2020-08 267
12. APPROVE AMENDMENT NO. 3 TO AGREEMENT FOR CONTRACT SERVICES WITH HGA TO ALLOCATE FUNDING FOR ADDITIONAL DESIGN SERVICES FOR CULTURAL CAMPUS PROJECT NO. 2019-01 285
13. AWARD CONTRACT TO DESERT CONCEPTS CONSTRUCTION, INC. FOR CITYWIDE LANDSCAPE MAINTENANCE WITHIN LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT 89-1, PROJECT NO. 2023-28; AND AUTHORIZE THE PUBLIC WORKS DEPARTMENT TO UTILIZE DESERT CONCEPTS CONSTRUCTION, INC. AS A SELECT SOURCE FOR EXTRA WORK AND ON-CALL MAINTENANCE SERVICES 297
14. AWARD CONTRACT TO HORIZON LIGHTING, INC. FOR CITYWIDE LIGHTING MAINTENANCE WITHIN THE LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT 89-1, PROJECT NO. 2023-29; AND AUTHORIZE THE PUBLIC WORKS DEPARTMENT TO UTILIZE HORIZON LIGHTING, INC. AS A SELECT SOURCE FOR EXTRA WORK AND ON-CALL ELECTRICAL SERVICES 307
15. AWARD CONTRACT TO DESERT CONCEPTS CONSTRUCTION, INC. FOR PARK LANDSCAPE MAINTENANCE, PROJECT NO. 2023-30; AND AUTHORIZE THE PUBLIC WORKS DEPARTMENT TO UTILIZE DESERT CONCEPTS CONSTRUCTION, INC. AS A SELECT SOURCE FOR EXTRA WORK AND ON-CALL MAINTENANCE SERVICES 319
16. AWARD CONTRACT TO VINTAGE ASSOCIATES, INC. FOR SILVERROCK LANDSCAPE MAINTENANCE, PROJECT NO. 2023-31; AND AUTHORIZE THE PUBLIC WORKS DEPARTMENT TO UTILIZE VINTAGE ASSOCIATES, INC. AS A SINGLE SOURCE FOR EXTRA WORK AND ON-CALL MAINTENANCE SERVICES 331

- | | | |
|-----|--|-----|
| 17. | ALLOCATE FUNDING AND AWARD CONTRACT TO SUPERIOR ROOFING FOR THE CITY HALL ROOF REPAIR PROJECT NO. 2023-32, LOCATED AT THE CITY OF LA QUINTA CITY HALL | 343 |
| 18. | ADOPT RESOLUTION APPROVING AMENDMENT NO. 2 TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF LA QUINTA AND THE LA QUINTA CITY EMPLOYEES' ASSOCIATION
[RESOLUTION NO. 2024-025] | 347 |
| 19. | ADOPT RESOLUTION APPROVING BENEFIT, CLASSIFICATION, AND SALARY PLAN/SCHEDULE FOR FISCAL YEAR 2024/25
[RESOLUTION NO. 2024-026] | 357 |
| 20. | ADOPT RESOLUTION APPROVING THE CITY'S PROJECT LIST FOR FISCAL YEAR 2024/25 FOR SENATE BILL 1 – ROAD REPAIR AND ACCOUNTABILITY ACT 2017 FUNDING [RESOLUTION NO. 2024-027] | 367 |
| 21. | APPROVE DEMAND REGISTERS DATED MAY 31, AND JUNE 7, 2024 | 373 |
| 22. | APPROVE DEMAND REGISTERS FOR SOUTHERN CALIFORNIA GAS COMPANY DATED APRIL 12, MAY 10 AND 31, 2024 | 387 |

BUSINESS SESSION

- | | | <u>PAGE</u> |
|----|--|--------------------|
| 1. | APPROVE MEMORANDUM OF UNDERSTANDING WITH COUNTY OF RIVERSIDE FOR LIBRARY, MUSEUM, AND MAKERSPACE MANAGEMENT | 395 |
| 2. | APPROVE COMMUNITY AWARDS PROGRAM CRITERIA AND APPLICATIONS | 411 |
| 3. | INTRODUCE FOR FIRST READING AN ORDINANCE ADDING CHAPTER 11.82 TO TITLE 11 OF THE LA QUINTA MUNICIPAL CODE ESTABLISHING REGULATIONS PROHIBITING THE UNLAWFUL POSSESSION OF CATALYTIC CONVERTER(S) [ORDINANCE NO. 614] | 425 |
| 4. | ADOPT RESOLUTION APPROVING FISCAL YEAR 2024/25 BUDGET AND ESTABLISH THE CITY'S APPROPRIATIONS LIMIT [RESOLUTION NO. 2024-028] | 437 |

STUDY SESSION – None

PUBLIC HEARINGS – 5:00 p.m. or thereafter

For all Public Hearings on the agenda, a completed “Request to Speak” form must be filed with the City Clerk prior to consideration of that item; comments are limited to three (3) minutes (approximately 350 words).

Any person may submit written comments to the City Council prior to the public hearing and/or may appear and be heard in support of or opposition to the project(s) at the time of the public hearing. If you challenge a project(s) in court, you may be limited to raising only those issues you or someone else raised at the public hearing or in written correspondence delivered to the City at or prior to the public hearing.

- | | <u>PAGE</u> |
|--|-------------|
| 1. ADOPT RESOLUTION APPROVING FISCAL YEARS 2024/25 THROUGH 2028/29 CAPITAL IMPROVEMENT PROGRAM [RESOLUTION NO. 2024-029] | 457 |
| 2. ADOPT RESOLUTION CONFIRMING THE ASSESSMENT AND DISTRICT DIAGRAM FOR FISCAL YEAR 2024/25 LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT 89-1 [RESOLUTION NO. 2024-030] | 473 |

DEPARTMENTAL REPORTS

1. CITY MANAGER
2. CITY ATTORNEY
3. CITY CLERK
4. COMMUNITY SERVICES
5. DESIGN AND DEVELOPMENT
6. FINANCE
7. PUBLIC SAFETY
8. PUBLIC WORKS

MAYOR'S AND COUNCIL MEMBERS' ITEMS

REPORTS AND INFORMATIONAL ITEMS

1. CVAG CONSERVATION COMMISSION (Evans)
2. CVAG ENERGY AND ENVIRONMENTAL RESOURCES COMMITTEE (Evans)
3. CVAG EXECUTIVE COMMITTEE (Evans)
4. VISIT GREATER PALM SPRINGS CONVENTION AND VISITORS BUREAU (Evans)
5. IMPERIAL IRRIGATION DISTRICT – COACHELLA VALLEY ENERGY COMMISSION (Evans)
6. LEAGUE OF CALIFORNIA CITIES DELEGATE (Evans)
7. COACHELLA VALLEY WATER DISTRICT JOINT POLICY COMMITTEE (Evans)
8. SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (Evans)
9. ECONOMIC DEVELOPMENT SUBCOMMITTEE (Evans & Fitzpatrick)
10. DESERT SANDS UNIFIED SCHOOL DISTRICT COMMITTEE (Evans & Sanchez)
11. DESERT RECREATION DISTRICT COMMITTEE (Fitzpatrick & McGarrey)
12. COACHELLA VALLEY UNIFIED SCHOOL DISTRICT COMMITTEE (Fitzpatrick & Peña)
13. RIVERSIDE COUNTY TRANSPORTATION COMMISSION (Fitzpatrick)
14. CVAG TRANSPORTATION COMMITTEE (Fitzpatrick)
15. IMPERIAL IRRIGATION DISTRICT – ENERGY CONSUMERS ADVISORY COMMITTEE (McGarrey)
16. COACHELLA VALLEY MOUNTAINS CONSERVANCY (McGarrey)

- 17. LEAGUE OF CALIFORNIA CITIES – ENVIRONMENTAL QUALITY POLICY COMMITTEE (McGarrey)
- 18. LEAGUE OF CALIFORNIA CITIES – EXECUTIVE COMMITTEE RIVERSIDE COUNTY DIVISION (McGarrey)
- 19. CANNABIS AD HOC COMMITTEE (Peña & Sanchez)
- 20. CVAG PUBLIC SAFETY COMMITTEE (Peña)
- 21. CVAG HOMELESSNESS COMMITTEE (Peña)
- 22. COACHELLA VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT (Peña)
- 23. SUNLINE TRANSIT AGENCY (Peña)
- 24. ANIMAL CAMPUS COMMISSION (Sanchez)
- 25. GREATER CV CHAMBER OF COMMERCE INFORMATION EXCHANGE COMMITTEE (Sanchez)
- 26. LEAGUE OF CALIFORNIA CITIES – PUBLIC SAFETY COMMITTEE (Sanchez)
- 27. RIVERSIDE LOCAL AGENCY FORMATION COMMISSION (Sanchez)
- 28. ART PURCHASE COMMITTEE (Sanchez & McGarrey)
- 29. CALIFORNIA JOINT POWERS INSURANCE AUTHORITY (Sanchez)
- 30. SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REGIONAL COUNCIL (Sanchez)
- 31. FINANCIAL ADVISORY COMMISSION MEETING MINUTES OF MAY 8, 2024 499

ADJOURNMENT

The next regular meeting of the City Council will be held on July 2, 2024, at 4:00 p.m. at the City Hall Council Chamber, 78495 Calle Tampico, La Quinta, CA 92253.

DECLARATION OF POSTING

I, Monika Radeva, City Clerk of the City of La Quinta, do hereby declare that the foregoing Agenda for the La Quinta City Council meeting was posted on the City’s website, near the entrance to the Council Chamber at 78495 Calle Tampico, and the bulletin board at the La Quinta Cove Post Office at 51321 Avenida Bermudas, on June 14, 2024.

DATED: June 14, 2024

MONIKA RADEVA, City Clerk
City of La Quinta, California

Public Notices

- Agenda packet materials are available for public inspection: 1) at the Clerk’s Office at La Quinta City Hall, located at 78495 Calle Tampico, La Quinta, California 92253; and 2) on

the City's website at www.laquintaca.gov/councilagendas, in accordance with the Brown Act [Government Code § 54957.5; AB 2647 (Stats. 2022, Ch. 971)].

- The La Quinta City Council Chamber is handicapped accessible. If special equipment is needed for the hearing impaired, please call the City Clerk's office at (760) 777-7123, 24-hours in advance of the meeting and accommodations will be made.
- If background material is to be presented to the City Council during a City Council meeting, please be advised that 15 copies of all documents, exhibits, etc., must be supplied to the City Clerk for distribution. It is requested that this takes place prior to the beginning of the meeting.

PUBLIC COMMENTS - INSTRUCTIONS

Members of the public may address the City Council on any matter listed or not listed on the agenda as follows:

WRITTEN PUBLIC COMMENTS can be provided either in-person during the meeting by submitting 15 copies to the City Clerk, it is requested that this takes place prior to the beginning of the meeting; or can be emailed in advance to CityClerkMail@LaQuintaCA.gov, no later than 12:00 p.m., on the day of the meeting. Written public comments will be distributed to Council, made public, and will be incorporated into the public record of the meeting, but will not be read during the meeting unless, upon the request of the Mayor, a brief summary of public comments is asked to be reported.

If written public comments are emailed, the email subject line must clearly state **“Written Comments”** and should include: **1) full name, 2) city of residence, and 3) subject matter.**

VERBAL PUBLIC COMMENTS can be provided in-person during the meeting by completing a “Request to Speak” form and submitting it to the City Clerk; it is requested that this takes place prior to the beginning of the meeting. Please limit your comments to three (3) minutes (or approximately 350 words). Members of the public shall be called upon to speak by the Mayor.

In accordance with City Council Resolution No. 2022-027, a one-time additional speaker time donation of three (3) minutes per individual is permitted; please note that the member of the public donating time must: 1) submit this in writing to the City Clerk by completing a “Request to Speak” form noting the name of the person to whom time is being donated to, and 2) be present at the time the speaker provides verbal comments.

Verbal public comments are defined as comments provided in the speakers' own voice and may not include video or sound recordings of the speaker or of other individuals or entities, unless permitted by the Mayor.

Public speakers may elect to use printed presentation materials to aid their comments; 15 copies of such printed materials shall be provided to the City Clerk to be disseminated to the

City Council, made public, and incorporated into the public record of the meeting; it is requested that the printed materials are provided prior to the beginning of the meeting. There shall be no use of Chamber resources and technology to display visual or audible presentations during public comments, unless permitted by the Mayor.

All writings or documents, including but not limited to emails and attachments to emails, submitted to the City regarding any item(s) listed or not listed on this agenda are public records. All information in such writings and documents is subject to disclosure as being in the public domain and subject to search and review by electronic means, including but not limited to the City's Internet Web site and any other Internet Web-based platform or other Web-based form of communication. All information in such writings and documents similarly is subject to disclosure pursuant to the California Public Records Act [Government Code § 7920.000 *et seq.*].

TELECONFERENCE ACCESSIBILITY – INSTRUCTIONS

Teleconference accessibility may be triggered in accordance with AB 2449 (Stats. 2022, Ch. 285), codified in the Brown Act [Government Code § 54953], if a member of the City Council requests to attend and participate in this meeting remotely due to “just cause” or “emergency circumstances,” as defined, and only if the request is approved. In such instances, remote public accessibility and participation will be facilitated via Zoom Webinar as detailed at the end of this Agenda.

***** TELECONFERENCE PROCEDURES – PURSUANT TO AB 2449*****

APPLICABLE ONLY WHEN TELECONFERENCE ACCESSIBILITY IS IN EFFECT

Verbal public comments via Teleconference – members of the public may attend and participate in this meeting by teleconference via Zoom and use the “raise your hand” feature when public comments are prompted by the Mayor; the City will facilitate the ability for a member of the public to be audible to the City Council and general public and allow him/her/them to speak on the item(s) requested. **Please note – members of the public must unmute themselves when prompted upon being recognized by the Mayor, in order to become audible to the City Council and the public.**

Only one person at a time may speak by teleconference and only after being recognized by the Mayor.

ZOOM LINK: <https://us06web.zoom.us/j/82540879912>
Meeting ID: 825 4087 9912
Or join by phone: (253) 215 – 8782

Written public comments – can be provided in person during the meeting or emailed to the City Clerk's Office at CityClerkMail@LaQuintaCA.gov any time prior to the adjournment of the meeting, and will be distributed to the City Council, made public, incorporated into the public record of the meeting, and will not be read during the meeting unless, upon the request of the Mayor, a brief summary of any public comment is asked to be read, to the extent the City Clerk's Office can accommodate such request.



**CITY COUNCIL
MINUTES
TUESDAY, MAY 21, 2024**

CALL TO ORDER

A regular meeting of the La Quinta City Council was called to order at 3:00 p.m. by Mayor Evans.

PRESENT: Councilmembers Fitzpatrick, McGarrey, Peña, Sanchez, and Mayor Evans
ABSENT: None

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA – None

CONFIRMATION OF AGENDA

City Manager McMillen said the proposed 2024 Legislative Policy Guide under consideration on tonight's agenda as Business Session Item No. 1 was revised and a redlined handout was distributed to Council, made public, published on the City's website, and included in the public record of this meeting.

Mayor Pro Tem Peña said he will recuse himself from discussion and vote on Business Session Item No. 2 related to approval of agreement for contract services with Desert Recreation District for management and operations of the Fritz Burns Pool due to a potential conflict of interest stemming from the proximity of his real property to the project location.

Councilmember Fitzpatrick said she would comment on Consent Calendar Item Nos. 5 and 6 related to slurry seal improvements at various locations citywide and pavement rehabilitation of Dune Palms Road, from Miles Avenue to Fred Waring Drive.

Council concurred.

CLOSED SESSION

- 1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION; INITIATION OF LITIGATION PURSUANT TO PARAGRAPH (4) OF SUBDIVISION (d) OF SECTION 54956.9 (NUMBER OF POTENTIAL CASES: 1)**
- 2. CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6; CITY DESIGNATED REPRESENTATIVE: CARLA TRIPLETT, HUMAN RESOURCES MANAGER; AND EMPLOYEE ORGANIZATION: LA QUINTA CITY EMPLOYEES' ASSOCIATION, AND UNREPRESENTED EMPLOYEES**

COUNCIL RECESSED THE OPEN SESSION PORTION OF THE MEETING AND MOVED INTO CLOSED SESSION AT 3:02 P.M.

MAYOR EVANS RECONVENED THE OPEN SESSION PORTION OF THE CITY COUNCIL MEETING AT 4:03 P.M. WITH ALL MEMBERS PRESENT

REPORT ON ACTION(S) TAKEN IN CLOSED SESSION:

The following was reported from Closed Session pursuant to Government Code section 54957.1 (Brown Act):

- **CLOSED SESSION ITEM NO. 1** – Mayor Evans reported Council will reconvene Closed Session to continue consideration of this after the Open Session portion of the meeting; and
- **CLOSED SESSION ITEM NO. 2** – City Attorney Ihrke reported Council concluded consideration of this item, and no actions were taken on this item that require reporting pursuant to the Brown Act.

PLEDGE OF ALLEGIANCE

Councilmember Sanchez led the audience in the Pledge of Allegiance.

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

City Clerk Radeva said WRITTEN PUBLIC COMMENTS were received from The La Quinta Financial Advisory Commission recommending Council consider revised project funding allocations utilizing Measure G revenues for the 5-year Capital Improvement Program encompassing fiscal years 2024/25 through 2028/29, which were distributed to Council, made public, published on the City’s website, and included in the public record of this meeting.

PUBLIC SPEAKER: Steve Moline, La Quinta – expressed concern regarding traffic enforcement, particularly red-light runners, speeders, and illegal U-turns; and suggests an increase in enforcement.

PUBLIC SPEAKER: Jaanai Benitez-Santiago, La Quinta – advocated for youth vaping prevention; requested that La Quinta strictly enforce the ban; and suggested a City license be required for tobacco retailers.

PUBLIC SPEAKER: Mia Galleher, La Quinta – a youth health advocate; opposed to youth vaping and tobacco use; tobacco being sold to youth under 21-years of age; and encouraged the City to institute a tobacco license.

PUBLIC SPEAKER: Janete Avila – a behavior technician; stated 30 tobacco retailers operate in La Quinta, many near the La Quinta High School; and urged the Council to institute a comprehensive local tobacco retail license.

PUBLIC SPEAKER: Amber Grano – High School Medical Health Academy member; concerned about the escalation in youth tobacco use; proposed a local tobacco retail license to regulate sales.

PUBLIC SPEAKER: Lynne Langdon, La Quinta (*received donated time from Harry Langdon*) – a real estate professional; complained that City does not reply to citizen’s letters; Code Enforcement doesn’t know City Code; Permit Center and Planning Division only give verbal approval, nothing in writing, and then Code Enforcement issues citations; systematic problem exists; Council ignores resident requests for meetings; resident complaints are ignored; and unfulfilled campaign promises, such as completion of the Talus project.

PUBLIC SPEAKER: Alena Callimanis, La Quinta – commented on the Jefferson Street and Avenue 52 round-about discussed as part of the 5-year Capital Improvement Program Study Session during the April 2, 2024, meeting, and said the round-about should not be increased to two lanes – it works well as is, and is safer than two lanes.

ANNOUNCEMENTS, PRESENTATIONS AND WRITTEN COMMUNICATIONS

1. JOSHUA TREE NATIONAL PARK UPDATES – PRESENTATION BY SUPERINTENDENT JANE RODGERS

Superintendent Rodgers, of Joshua Tree National Park (Park), provided an update on Park operations, statistics, ecology, and climate threats.

Council discussed Joshua trees are on the State’s endangered species list and the resulting funds for research; Park entrance and camping fees and fee-free days; Chuckwalla National Monument effort; collaboration with the Twenty-Nine Palms Band of Mission Indians; Green Sticker Program; and Park areas permitting pets.

CONSENT CALENDAR

- 1. APPROVE COUNCIL SPECIAL MEETING MINUTES OF MAY 1, 2024**
- 2. APPROVE MEETING MINUTES OF MAY 7, 2024**
- 3. EXCUSE ABSENCES OF CHAIRPERSON DORSEY FROM THE MAY 8, 2024, FINANCIAL ADVISORY COMMISSION MEETING AND COMMISSIONER CALDWELL FROM THE MAY 28, 2024, PLANNING COMMISSION MEETING**
- 4. ADOPT RESOLUTIONS (A) CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION ON TUESDAY, NOVEMBER 5, 2024, AND (B) REQUESTING RIVERSIDE COUNTY CONSOLIDATE THE NOVEMBER 5, 2024, MUNICIPAL ELECTION WITH THE STATEWIDE GENERAL ELECTION [RESOLUTION NOS. 2024-017 AND 2024-018]**

5. **AWARD CONTRACT TO AMERICAN ASPHALT SOUTH, INC. FOR THE CITYWIDE SLURRY SEAL IMPROVEMENTS PROJECT NO. 2023-16, LOCATED IN VARIOUS LOCATIONS**
6. **AWARD CONTRACT TO VANCE CORPORATION FOR THE DUNE PALMS ROAD PAVEMENT REHABILITATION PROJECT NO. 2021-01, LOCATED ON DUNE PALMS ROAD FROM MILES AVENUE TO FRED WARING DRIVE**
7. **APPROVE DEMAND REGISTERS DATED MAY 3 AND 10, 2024**

CONSENT CALENDAR COMMENTS

Councilmember Fitzpatrick said the City continues to invest in roadways infrastructure throughout the City and noted the agreements under Consent Calendar Item Nos. 5 and 6 approve projects related to slurry seal improvements at various locations citywide and pavement rehabilitation of Dune Palms Road, from Miles Avenue to Fred Waring Drive; approximately \$18 million has been spent on paving the City.

MOTION – A motion was made and seconded by Councilmembers Fitzpatrick/McGarrey to approve the Consent Calendar as presented, with Item No. 4 adopting Resolutions Nos. 2024-017 and 2024-018. Motion passed unanimously.

STUDY SESSION

1. **DISCUSS SPECIAL EVENT REGULATIONS IN RESIDENTIAL DISTRICTS PER LA QUINTA MUNICIPAL CODE SECTION 9.60.170**

Planning Manager Flores presented the staff report, which is on file in the Clerk's Office.

PUBLIC SPEAKER: Melissa Labayog, La Quinta – resident of Highland Palms community which has been greatly impacted by special events held at the Dupont Estate; neighbors have suffered greatly; she and other neighbors are selling at reduced prices due to disclosed negative impact of residing near this event center; plans to run for Mayor if unable to sell her house; and will submit her list of questions and comments on this subject to the City.

Council discussed streamlining regulations and permits regarding tents; frequency that Fire Department rejects, revises tent locations, use, etc.; suggested that Fire Marshall hold an education session with vendors regarding tent regulations; fees for the 3 tiers of Special Event Permits only cover staff time – no profit to the City; special events at short-term vacation rental (STVR) properties; number of violations issued during special events; County regulations for special events at STVRs; process, timeline, and evaluation for Special Event Permits (SPEVs); elimination of the 3 tiers of SPEV types; adding an additional fee for expedited approvals; applying violation strikes, fines, and bans on multiple violators; 6 large lots in the City having STVR permits; STVR large-lot permits versus SPEVs; distinguishing events requiring a SPEV versus family gatherings; limits on special event hours and longevity; special events selling tickets to attend not a distinction;

excess staff time being spent on SPEV issues; appeal processes for STVR violations; number of STVR and SPEV appeals in past year; and desire for consistency of strikes, fines, and appeals with STVRs and SPEVs.

PUBLIC SPEAKER: Melissa Labayog, La Quinta – asked what violations were issued for the March 2024 event at the Dupont Estate; stated special events do not belong in residential neighborhoods; supports raising fines, strikes, and suspensions; public comment should not be only at the tier three level; supports requiring cameras at special event properties with a direct feed to City; City should take a percentage of revenue special events make, and neighbors should be compensated too.

Council reached a consensus and directed staff to eliminate tiers; add fees for expedited approvals; revise strikes, fines, bans, and appeals to match those in the City's STVR Code section; return to Council with redline of Code amendments prior to bringing code changes to the Planning Commission for review.

MAYOR EVANS CALLED FOR A BRIEF RECESS AT 6:29 P.M.

MAYOR EVANS RECONVENED THE COUNCIL MEETING AT 6:38 P.M. WITH ALL MEMBERS PRESENT

2. DISCUSS FISCAL YEAR 2024/25 MARKETING AND ECONOMIC DEVELOPMENT STRATEGIES

Marketing Manager Graham presented the staff report, which is on file in the Clerk's Office.

Council discussed onsite means of identifying *Shop Local* participants; promotion of *Shop Local* by the Chamber; educating staff of *Shop Local* merchants; enhance media announcements of City events; direct flight marketing; marketing in cold climates; connect with Joshua Tree National Park visitors via billboards, etc.; City swag merchandise at local retailers and at SilverRock; explore promotions at area events; and design for new shirts and delivery timing.

Council reached a consensus and directed staff to work on City swag sale outlets; and explore promotion at Joshua Tree National Park entrances, the horse shows, and Thermal racetrack.

3. DISCUSS FISCAL YEAR 2024/25 PRELIMINARY PROPOSED BUDGET

Finance Director Martinez presented the staff report, which is on file in the Clerk's Office.

Mayor Evans noted that the WRITTEN PUBLIC COMMENTS from the La Quinta Financial Advisory Commission recommending revised project funding allocations utilizing Measure G revenues for the 5-year Capital Improvement Program encompassing

fiscal years 2024/25 through 2028/29, were received by Council, made public, published on the City's website, and included in the public record of this meeting.

Council discussed additional services for street sweeping due to winds and sand, and use of mulch to reduce blowing of sand; Financial Advisory Commission recommendations, and the value of the Commissioners' advice; appreciation for the Sheriff Department's well-managed funds from the City; the high cost of keeping La Quinta beautiful and to provide the top services residents and visitors expect; PERS liability paydown; and the extensive review process the budget goes through.

Council reached a consensus and directed staff to present a balanced budget at the next meeting; and present revenue and expenditure details on the Lighting and Landscaping District budget.

BUSINESS SESSION

1. APPROVE THE 2024 LEGISLATIVE POLICY GUIDE UPDATES

Director of Business Unit and Housing Development Villalpando presented the staff report, which is on file in the Clerk's Office.

PRESENTER VIA TELECONFERENCE: Jason Gonsalves, City Lobbyist with Gonsalves and Son – provided Council with a legislative update.

Council discussed Assembly Bill (AB) 86 regarding homelessness, and the accounting of funds State spent on homelessness; need for State to streamline the process of building affordable housing; need for State to focus on strengthening the economy to allow more people to buy homes; the status of Senate Bill 584; need for longer retention of automated license plate reader data; change in jaywalking laws; November initiative to rollback portions of Prop 47 and 57, and AB 109; and State minimum hour wage setting powers.

Council reached a consensus and directed staff to make the following changes to the revised 2024 Legislative Policy Guide distributed as a hand-out, as noted during Confirmation of Agenda:

- Under "I. Enhance Local Authority" – add "preserving and *retaining* local authority"
- Under "III. Foster Economic Development" – add "foster *and promote* economic development tools"
- Under "V. Support Public Safety" – revise "The City of La Quinta ~~strongly supports~~ ~~makes~~ ~~community safety a priority~~ ... *prioritizes public safety* by providing ..."
- Under "VI. Encourage Preservation of the Environment" – incorporate "*stewardship*" and "*sustainability*" where applicable in addition to preservation; add preservation of hillsides "... including *hillsides and* the Salton Sea"
- Under "Economic Development" – remove bullet no. 3 regarding redevelopment
- Under "Finance" – replace "relies on" with "*uses contract services*" under bullet no. 1
- Under "Housing" – replace "affordable housing" with "*workforce housing,*" "adults" with "*residents,*" and add "*mental health*"

- Under “Environment” – add “the preservation *and safeguarding* of our environment” under bullet no. 1; add “*stewardship*” and “*sustainability*” where applicable; add “*energy*”
- Under “Transportation and Infrastructure” – add “supports clean energy alternatives that are *reliable, affordable* and adequately funded” under bullet no. 2
- Under “Public Safety” – add “The City of La Quinta supports *ongoing education and preparedness for natural disasters*” under bullet no. 1; add bullet no. 4 “*The City advocates providing law enforcement with the resources to prevent crime and provide public safety*”
- Under “Tourism” – replace “The City of La Quinta *is strongly engaged supports* in attracting tourism;” and add “*oppose legislation that would compromise tourism programs which would negatively affect City revenue.*”

MOTION – A motion was made and seconded by Councilmembers Peña/McGarrey to revise the 2024 Legislative Policy Guide per Council’s comments noted above and bring it back for Council’s consideration at a future meeting. Motion passed unanimously.

2. APPROVE AGREEMENT FOR CONTRACT SERVICES WITH DESERT RECREATION DISTRICT (DRD) FOR MANAGEMENT AND OPERATIONS OF THE FRITZ BURNS POOL

MAYOR PRO TEM PEÑA RECUSED HIMSELF FROM DISCUSSION AND VOTE ON BUSINESS SESSION ITEM NO. 2 DUE TO A POTENTIAL CONFLICT OF INTEREST STEMMING FROM THE PROXIMITY OF HIS REAL PROPERTY INTEREST TO THE PROJECT LOCATION, AND LEFT THE DAIS AT 8:40 P.M.

Management Analyst Calderon presented the staff report, which is on file in the Clerk’s Office.

Council discussed feedback from users regarding a reduction in services in October, November, and December; increasing use, and attendance during winter months; promoting use of the pool for Ironman participants, scuba diving certifications, and private rentals; alternative ways to heat the pool; maintaining rates until attendance can be increased; researching basis for DRD fees; possibility of relocating the pool for greater accessibility; and possibility of deeding the pool to DRD.

MOTION – A motion was made and seconded by Councilmembers Fitzpatrick/Sanchez to approve Agreement for Contract Services with Desert Recreation District for management and operations of the Fritz Burns Pool, at 12 months full operations as presented under Option 1 in the staff report; and authorize the City Manager to execute the agreement as presented. Motion passed: ayes – 4, noes – 0, abstain – 0, absent – 1 (Peña).

MAYOR PRO TEM PEÑA RETURNED TO THE DAIS AT 8:58 P.M. FOR THE REMAINDER OF THE MEETING

PUBLIC HEARINGS – None

DEPARTMENTAL REPORTS – All reports are on file in the City Clerk’s Office.

MAYOR’S AND COUNCIL MEMBERS’ ITEMS

Councilmember Fitzpatrick reported on her attendance at the ribbon cutting at the Palm Springs Air Museum.

Mayor Evans reported on her presentation of a City certificate to Eagle Scout Xavier Campos of Scout Troop 1701.

Councilmember Sanchez reported on his attendance at the joint Chamber mixer; the Women Who Rule leadership luncheon; and California LAFCO Southern Region where he was appointed Vice Chair.

Councilmember McGarrey reported her attendance at a local Boy Scout event.

Council sent its sympathies to the Ramos family, and the families of the victims of the tragic accident on Highway 111.

REPORTS AND INFORMATIONAL ITEMS

La Quinta’s representative for 2024, Mayor Evans reported on her participation in the following organizations’ meetings:

- CVAG COACHELLA VALLEY CONSERVATION COMMISSION
- CVAG ENERGY AND SUSTAINABILITY COMMITTEE

La Quinta’s representative for 2024, Councilmember Fitzpatrick reported on her participation in the following organizations’ meetings:

- RIVERSIDE COUNTY TRANSPORTATION COMMISSION
- CVAG HOMELESSNESS COMMITTEE

La Quinta’s representative for 2024, Councilmember McGarrey reported on her participation in the following organizations’ meetings:

- COACHELLA VALLEY MOUNTAINS CONSERVANCY
- IID ENERGY CONSUMERS’ ADVISORY COMMITTEE
- LEAGUE OF CALIFORNIA CITIES

La Quinta’s representative for 2024, Mayor Pro Tem Peña reported on his participation in the following organizations’ meetings:

- CV MOSQUITO AND VECTOR CONTROL DISTRICT BOARD OF TRUSTEES
- CVAG PUBLIC SAFETY COMMITTEE
- CALIFORNIA JOINT POWERS INSURANCE AUTHORITY

La Quinta's representative for 2024, Councilmember Sanchez reported on his participation in the following organizations' meetings:

- ANIMAL CAMPUS COMMISSION
- CALIFORNIA JOINT POWERS INSURANCE AUTHORITY

Council repeated their concerns on League of California Cities position on policies; and directed staff to place an item for Council consideration at a future meeting to discuss the value of membership and return on investment; and, requested information on the Contract Cities organization.

CLOSED SESSION – Continued

- 1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION; INITIATION OF LITIGATION PURSUANT TO PARAGRAPH (4) OF SUBDIVISION (d) OF SECTION 54956.9 (NUMBER OF POTENTIAL CASES: 1)**

COUNCIL RECESSED THE OPEN SESSION PORTION OF THE MEETING AND MOVED INTO CLOSED SESSION AT 9:22 P.M.

MAYOR EVANS RECONVENED THE OPEN SESSION PORTION OF THE CITY COUNCIL MEETING AT 10:10 P.M. WITH ALL MEMBERS PRESENT

REPORT ON ACTION(S) TAKEN IN CLOSED SESSION:

City Attorney Ihrke reported the following pursuant to Government Code section 54957.1 (Brown Act):

- **CLOSED SESSION ITEM NO. 1** – no new reportable action on this matter. The authorization to initiate litigation as reported out for Closed Session Item No. 1 from the February 20, 2024 Council meeting, remains in place, and no new action was taken tonight for Closed Session Item No. 1 that requires additional reporting.

ADJOURNMENT

There being no further business, a motion was made and seconded by Councilmembers Peña/Sanchez to adjourn at 10:11 p.m. Motion passed unanimously.

Respectfully submitted,

MONIKA RADEVA, City Clerk
City of La Quinta, California

[CLICK HERE to Return to Agenda](#)

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: AUTHORIZE OVERNIGHT TRAVEL FOR MARKETING MANAGER TO ATTEND CALIFORNIA TRAVEL ASSOCIATION SUMMIT 2024 IN OCEANSIDE CALIFORNIA, SEPTEMBER 8-12, 2024

RECOMMENDATION

Authorize overnight travel for Marketing Manager to attend the California Travel Association Summit 2024 in Oceanside, California, September 8-12, 2024.

EXECUTIVE SUMMARY

- California Travel Association is the influential, unified voice that advocates for California's travel and tourism industry.

FISCAL IMPACT

Estimated cost will be \$3,200 which includes registration, travel, lodging, transportation, and meals. Funds are available in the 2024/25 Marketing Department's Travel and Training budget (Account No. 101-3007-60320).

BACKGROUND/ANALYSIS

California Travel Association is California's primary source for tourism industry news, intelligence, advocacy, and insight. It is a provider of high-quality, unique educational and networking opportunities through the CalTravel Summit, board meetings and PAC fund-raising events.

ALTERNATIVES

Council may elect not to authorize this request; however, since this training allows staff to stay current with communication techniques associated with marketing and branding, this alternative is not recommended.

Prepared by: Marcie Graham, Marketing Manager

Approved by: Gilbert Villalpando, Director of Business Unit & Housing Development

[CLICK HERE to Return to Agenda](#)

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: AUTHORIZE OVERNIGHT TRAVEL FOR MAYOR, FOUR COUNCILMEMBERS, CITY MANAGER, AND ONE DIRECTOR TO ATTEND THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE IN LONG BEACH, CALIFORNIA, OCTOBER 16-18, 2024

RECOMMENDATION

Authorize overnight travel for the Mayor, four Councilmembers, the City Manager, and one Director to attend the League of California Cities Annual Conference in Long Beach, California, October 16-18, 2024.

EXECUTIVE SUMMARY

- The League of California Cities (League) is an association of California cities that collaborates to exchange information and combine resources to influence state legislation.
- The League's Annual Conference (Conference) provides attendees the opportunity to participate in education sessions, discussion forums and networking.
- This item has been scheduled this far in advance so that attendees may obtain advance bookings at reduced rates.

FISCAL IMPACT

Estimated expenses are \$1,550 per attendee; this cost includes conference registration, travel, lodging and meals. Funds are included in the travel and training departments' budgets; City Council (101-1002-60320), City Manager (101-1002-60320), and Economic Development (247-000-60320).

BACKGROUND/ANALYSIS

The Conference provides an opportunity for local leaders to learn from leading experts as well as from their peers. Education sessions and forums will include topics such as economic development, housing, public safety, communication, and technology.

Further, the League's Annual Business Meeting, held during the General Assembly, acts on resolutions that establish League policy; Mayor Evans is the City's voting delegate. Additionally, the Regional Riverside Division holds a meeting during this time.

Staff is requesting Council consideration this far in advance as the League has already opened registration for the October 2024 Conference, and if members register now, they qualify for reduced registration and lodging rates.

ALTERNATIVES

Council may elect to reduce the number of attendees or not have anyone attend.

Prepared by: Jennifer Nelson, Management Specialist

Approved by: Jon McMillen, City Manager

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: EXCUSE ABSENCE OF COMMISSIONER GUERRERO FROM THE JUNE 11, 2024, PLANNING COMMISSION MEETING

RECOMMENDATION

Excuse absence of Commissioner Elisa Guerrero from the June 11, 2024, Planning Commission meeting.

EXECUTIVE SUMMARY

- Commissioner Guerrero requested to be excused from the June 11, 2024, Planning Commission meeting due to previously scheduled travel.
- Commissioner Guerrero has no excused or unexcused absences for fiscal year 2023/24.

FISCAL IMPACT

Absent members do not receive any meeting compensation.

BACKGROUND/ANALYSIS

Section 2.06.090 of the La Quinta Municipal Code states: "If any member of a board, commission or committee absents him or herself from two consecutive regular meetings, or absents him or herself from a total of three regular meetings within any fiscal year, his/her office shall become vacant and shall be filled as any other vacancy. A board, commission or committee member may request advance permission from the city council to be absent at one or more regular meetings due to extenuating circumstances, and/or may request the city council to excuse an absence after-the-fact where such extenuating circumstances prevented the member from seeking advance permission to be absent. If such permission or excuse is granted by the city council, the absence shall not be counted toward the above-stated limitations on absences."

ALTERNATIVES

Council may deny this request, which would result in the absence being counted toward the Commissioner's limitation on absences as noted above.

Prepared by: Laurie McGinley, Deputy City Clerk
Approved by: Monika Radeva, City Clerk

[CLICK HERE to Return to Agenda](#)

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: ADOPT RESOLUTION APPROVING FISCAL YEAR 2024/25 INVESTMENT POLICY

RECOMMENDATION

Adopt a resolution approving fiscal year 2024/25 Investment Policy.

EXECUTIVE SUMMARY

- The California Government Code requires the City Treasurer to submit an annual statement of investment policy, and City Code requires the policy be adopted by the end of June each year.
- As part of their work plan, and as stated in Section XVIII of the City's Investment Policy (the Policy), the Financial Advisory Commission (FAC) reviews the Policy annually.
- The FAC reviewed and approved the draft Policy for FY 2024/25 on June 5, 2024.

FISCAL IMPACT - None.

BACKGROUND

The City has been awarded the Investment Policy Certificate of Excellence from the Association of Public Treasurers of the United States and Canada (APT US&C), and the policy has been certified by the California Municipal Treasurers Association (CMTA). With these recognitions the City believes the policy is sound and generally not in need of major revisions. In addition, there were no new regulatory changes in FY 2023/24 that affected the City's policy and would need to be noted. Therefore, staff recommends only operational changes to the current policy that still remain within the legal bounds of California government code, protect the safety and liquidity of the portfolio, and allow staff to maximize yield when prudent. The following edits, along with punctuation or format changes and updates to the dates, are identified as red-lined in Exhibit A to the proposed Resolution:

- Section V Maximum Maturities: Added the ability to go up to 30 days past the 5-year maximum in order to allow for purchases of certain investments that have maturity dates more than 5 years beyond the settlement date. For example, if a 5-year Certificate of Deposit published in May 2024 with a maturity date of May 26, 2029, and settlement of May 24, 2024, technically the City would not currently be able to buy it as this is a 5-year plus 2-day timeframe.

- Section X Permissible Deposits and Investments: Staff is recommending that the annual limit for Government Agency Securities be raised from \$20 million to \$30 million per issuer. In order to allow for diversification, and to be able to purchase securities that offer the best yield for the City at any particular moment in time, the City needs additional purchasing power in these agency bonds. The City's portfolio has grown from approximately \$163 million in 2019 to \$222 million in 2024, and currently is at max in 2 of the 4 allowed agencies. This hinders staff's ability to select the best investment offered. There is no limit on this investment class in the California Government Code §53601(f). Additionally, the percentage limit for professionally managed accounts was removed.
- Section XI: Investment Pools: Listed additional examples of Joint Powers Authorities Pools.
- Edit to Appendix D-Approved Financial Institutions: Bank of the West was acquired by BMO and transition to the new name was completed in the Fall of 2023; BMO Commercial Bank was added to the list for 2023/24, and now Bank of the West is being removed. In addition, during 2023/24 the City transitioned its investment holdings from BNY Mellon to US Bank Trust Company, which was already an approved custodial bank for the City. BNY Mellon is being removed from the list.
- Edit Appendix C-Segregation of Major Investment Responsibilities: Aligned a job title to match City Authorized Positions list – changed Accounting Manager to Finance Manager.

ALTERNATIVES

The policy has been recognized by APT US&C and CMTA as being comprehensive as written, and therefore no alternatives are recommended at this time.

Prepared by: Rosemary Hallick, Principal Management Analyst
Approved by: Claudia Martinez, Finance Director

RESOLUTION NO. 2024 – XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA QUINTA, CALIFORNIA, APPROVING AND ADOPTING FISCAL YEAR 2024/2025 INVESTMENT POLICY

WHEREAS, the general purpose of the Investment Policy is to provide the rules and standards users must follow in investing funds of the City of La Quinta; and

WHEREAS, the primary objectives, in order of priority, of the City of La Quinta’s investment activity shall be:

Safety of principal is the foremost objective of the investment program. Investments of the City of La Quinta shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

The investment portfolio shall be designed with the objective of attaining a market rate of return or yield throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs; and

WHEREAS, authority to manage the City of La Quinta’s investment portfolio is derived from the City’s municipal code, management responsibility for the investment program is delegated to the City Treasurer, who shall establish and implement written procedures for the operation of the City’s investment program consistent with the Investment Policy for each Fiscal Year; and

WHEREAS, the Investment Policy will be adopted before the end of June of each year and amended as considered necessary.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of La Quinta as follows:

SECTION 1. This Resolution supersedes all prior Investment Policy resolutions adopted by the City Council.

SECTION 2. The City Council hereby adopts the Fiscal Year 2024/2025 Investment Policy attached hereto as “Exhibit A” and incorporated herewith by this reference.

SECTION 3. Severability – if any provisions of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other

Resolution No. 2024-XXX
Investment Policy for Fiscal Year 2024/2025
Adopted: June 18, 2024
Page 2 of 2

provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City Council hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

SECTION 4. This Resolution shall become effective upon adoption. The Investment Policy adopted by this Resolution shall go into effect July 1, 2024.

PASSED, APPROVED and ADOPTED at a regular meeting of the La Quinta City Council, held on this 18th day of June, 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

LINDA EVANS, Mayor
City of La Quinta, California

ATTEST:

MONIKA RADEVA, City Clerk
City of La Quinta, California



APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

CITY OF
LA QUINTA

2024/25



INVESTMENT POLICY



**Fiscal Year ~~2023-2024~~
2024/2025 Table of
Contents**

Section	Topic	Page
	Executive Summary	1
I	General Purpose	2
II	Investment Policy	2
III	Scope	2
IV	Objectives	3
V	Maximum Maturities	5
VI	Prudence	5
VII	Authority	5
VIII	Ethics and Conflicts of Interest	6
IX	Authorized Financial Dealers and Institutions	6
X	Permissible Deposits and Investments	7
XI	Investment Pools	10
XII	Payment and Custody	10
XIII	Interest Earning Distribution Policy	11
XIV	Internal Controls and Independent Auditors	11
XV	Reporting Standards	12
XVI	Review of Investment Portfolio	13
XVII	Financial Advisory Commission – City of La Quinta	13
XIII	Investment Policy Adoption	13
Appendices Topic		Page
A	Municipal Code Ordinance 2.70 – Financial Advisory Commission	14
B	Municipal Code Ordinance 3.08 – Investment of Moneys and Funds	16
C	Segregation of Major Investment Responsibilities	18
D	Listing of Approved Financial Institutions	19
E	Investment Management Process and Risk	20
F	Glossary	22

CITY OF LA QUINTA

**Investment Policy Fiscal
Year ~~2023/2024~~ 2024/2025**

EXECUTIVE SUMMARY

The general purpose of this Investment Policy is to provide the rules and standards that must be followed in administering the City of La Quinta's (the "City") deposits and investments.

The City's Investment Policy conforms to all state and local statutes and applies to all deposits and investments of the City, with the exception of bond proceeds and those noted in section III herein.

It is the City's policy to deposit and invest public funds in a manner that shall provide safety of principal, liquidity to meet the City's obligations and requirements that may be reasonably anticipated, and a risk-based market rate of return.

Authority to manage the City's investment portfolio is derived from the City Municipal Code. Management responsibility for the investment program is delegated to the City Treasurer, who shall establish and implement written procedures for the operation of the City's investment program consistent with the Investment Policy.

The City Manager, City Treasurer, and City employees involved in the City's banking and investment process shall conduct the City's business in an ethical manner and refrain from any activity or relationship that may be, or have the appearance of, a conflict of interest.

The Investment Policy shall be adopted by resolution of the La Quinta City Council on an annual basis, before the end of each fiscal year (June).

City of La Quinta

Statement of Investment Policy July 1, 2023 ~~4~~ through June 30, 2024 ~~5~~ Adopted by the City Council on June ~~20, 2023~~ ~~18, 2024~~

I. GENERAL PURPOSE

The general purpose of this document is to provide the rules and standards that must be followed in administering the City of La Quinta's deposits and investments.

II. INVESTMENT POLICY

It is the policy of the City of La Quinta to deposit and invest public funds in a manner that shall conform to all State and local statutes governing the investment of public funds and set forth the permissible deposits and investments of the City's funds and the limitations thereon.

III. SCOPE

Except noted below, this Investment Policy applies to all deposits and investments of the City of La Quinta, the Successor Agency to the City of La Quinta Redevelopment Agency, and the City of La Quinta Financing and Housing Authorities. These funds are reported in the City's Annual Comprehensive Financial Report (ACFR) and include all funds within the following fund types:

- General
- Special Revenue
- Capital Projects
- Debt Service
- Enterprise
- Internal Service
- Trust and Agency
- Any new fund types and fund(s) that may be created.

Financial assets and investment activity not subject to this policy

The City's Investment Policy **does not** apply to the following:

- Cash and Investments raised from Conduit Debt Financing;
- Funds held in trust in the City's name in pension or other post-retirement benefit programs;
- Cash and Investments held in lieu of retention by banks or other financial institutions for construction projects;
- Short or long-term loans made to other entities by the City or Agency;
- Short term (Due to/from) or long term (Advances from/to) obligations made either between the City and its funds or between the City and Agency; and
- Investment of bond proceeds. The City's Investment Policy shall not govern bond proceeds and bond reserve fund investments. California Code Section

5922(d) governs the investment of bond proceeds and reserve funds in accordance with bond indenture provisions.

Arbitrage Requirement - The US Tax Reform Act of 1986 requires the City to perform arbitrage calculations and return excess earnings to the US Treasury from investments of proceeds of bond issues sold after the effective date of this law. These arbitrage calculations may be contracted with an outside source to provide the necessary technical assistance to comply with this regulation. Investable funds subject to the 1986 Tax Reform Act will be kept segregated from other funds and records will be kept in a fashion to facilitate the calculations.

The City's investment position relative to the arbitrage restrictions is to continue pursuing the maximum yield on applicable investments while ensuring the safety of capital and liquidity, and to rebate excess earnings, if necessary.

IV. OBJECTIVES

The objectives of the City's investment activity, in order of priority and importance, are:

A. Safety of Principal

Safety of principal is the foremost objective of the City's investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of principal of the overall portfolio in accordance with the permissible deposits and investments.

The City shall endeavor to preserve its investment principal by making only permissible deposits and investments, undertaken in a controlled manner to minimize the possibility of loss or misappropriation through malfeasance or otherwise. Investments not backed by the full faith and credit of the United States Government shall be diversified by allocating assets between different types of permissible investments, maturities, and issuers as a means to mitigate credit risk and interest rate risk. Investment in any single security type or single financial institution shall be limited to the maximum percentages and/or dollar amounts as noted in Section X.

1. Credit Risk is the risk of loss from the failure of the security issuer or backer. Credit risk may be mitigated by:
 - Limiting investments to investment grade securities as permitted in Section X; and
 - Diversification- reducing concentration risk by limiting the total amount invested in individual issuers of securities in the investment portfolio so that potential losses due to issuer failure or securities downgrades may be minimized.
2. Interest Rate Risk is the risk that market values of securities in the portfolio will decline due to changes in general interest rates. Interest rate risk may be mitigated by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity; and
 - Investing operating funds primarily in shorter-term securities.
3. Liquidity Risk is the risk that a security cannot be liquidated because of its unique features or structure or because it is thinly traded. Liquidity risk is not a material issue for the City's portfolio because of the permissible deposits and investments (see Section X). A discussion of the City's investment process and risk is presented in Appendix E.

B. Provide Liquidity

The investment portfolio shall remain sufficiently liquid to meet all of the City's cash needs that may be reasonably anticipated. This is accomplished by structuring the portfolio so that sufficient liquid funds are available to meet anticipated demands. Furthermore, since all possible cash needs cannot be anticipated the portfolio should be diversified and consist of securities with active secondary or resale markets.

The City's policy is to generally hold securities and other investments to maturity. However, securities may be sold prior to maturity under certain circumstances as follows:

- A security with declining credit quality can be sold early to minimize loss of principal.
- Unanticipated liquidity needs of the portfolio require that one or more securities be sold.
- When a sale/repurchase is fiscally advantageous based on market conditions and fits the needs of the portfolio

C. Yield a Risk-Based Market Rate of Return

The City's investment portfolio shall be structured with the objective of yielding a risk-based market rate of return throughout budgetary and economic cycles. Return on investment is less important than the safety and liquidity objectives described above.

The City's Investment Policy does not specify a single benchmark as a goal or target yield for a rate of return on its investment portfolio. The portfolio's rates of return will be influenced by several factors, including actions by the Federal Reserve Board, the marketplace, and overall economic perceptions and conditions.

Performance Standards: As a basis for comparison only, the Treasurer's quarterly reports will display the rates of return on the three-month Bill, six-month Bill, the one and two-year U.S. Treasury Note, and the yield for the State Treasurer's Local Agency Investment Fund (LAIF). The Treasurer may use these or any other published rates of return that the Treasurer deems appropriate for comparison to the return on the City's investment portfolio.

The investment portfolio shall be designed with the objective of obtaining a market rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

V. MAXIMUM MATURITIES

It is the City's policy to generally hold securities and other investments until maturity. This buy-and-hold policy shall not prevent the sale of a security as listed in section IV.B

The general buy-and-hold strategy requires that the City's investment portfolio be structured so that sufficient liquid funds are available from maturing investments and other sources to meet all reasonably anticipated cash needs.

The City shall follow Title 5 of the California Government Code §53601 (the "State Code") regarding maximum maturities, in that "no investment shall be made in any security...that at the time of the investment has a term remaining to maturity in excess of five years, **unless the legislative body has granted express authority to make that investment either specifically or as part of an investment program approved by the legislative body no less than three months prior to the investments**". In order to accommodate the occasional occurrence of settlement dates slightly exceeding five (5) years to final maturity, the City may invest in any security that has a maturity of five (5) years plus up to thirty (30) days from settlement date.

VI. PRUDENCE and FIDUCIARY DUTY

The City shall follow the State Code §53600.3 regarding fiduciary duty and the Prudent Investor Standard as follows:

Except as provided in subdivision (a) of §27000.3, all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

VII. AUTHORITY

Authority to manage the City's investment portfolio is derived from Chapter 3.08 of the City's Municipal Code. Management responsibility for the investment program is delegated to the City Treasurer for a period of one year pursuant to the City Council's annual adoption of the Investment Policy.

The City Treasurer shall establish written procedures for the operation of the investment program consistent with the Investment Policy. Procedures should include reference to safekeeping, wire transfer agreements, banking service contracts, and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may

engage in an investment transaction except as provided under the terms of this Investment Policy (see Appendix C) and the procedures established by the City Treasurer. The City Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

VIII. ETHICS AND CONFLICTS OF INTEREST

The City Manager, City Treasurer, and City employees involved in the City's banking and investment process shall conduct the City's business in an ethical manner and refrain from any activity or relationship that may be, or have the appearance of, a conflict of interest. The City will maintain compliance with the procedures set forth in the Conflicts of Interest and Acceptance of Gifts and other Gratuities section of the City of La Quinta Personnel Manual and the City's Municipal Code Chapter 2.60 Conflicts of Interest. Any questionable activity or relationship shall be reported immediately; reporting must be made in accordance with the personnel policies of the City and, until resolved, the officer or employee shall refrain from participating in the City's business related to the matter.

The City Manager, City Treasurer, and City employees may conduct personal business with banks, brokers, and other financial institutions that are authorized to conduct business with the City provided that the terms of the activity to the account holder with the City are the same as those that are available to the public in general, or to all employees as a result of contract negotiations.

IX. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The City Treasurer maintains a listing of financial institutions which are approved for direct investment purposes, as well as a list of approved broker/dealers.

1. Broker/Dealers who desire to ~~become bidders for~~ offer direct investment transactions must supply the City with the following:
 - Current audited financial statements;
 - Proof of Financial Industry Regulatory Authority (FINRA) Certification;
 - Proof of State of California registration;
 - Resume of financial broker; and
 - Completion of the City of La Quinta Broker/Dealer Questionnaire, which contains a certification of having read the City's Investment Policy.

The City Treasurer or designee shall evaluate the documentation submitted by the broker/dealer and independently verify existing reports on file for any firm and/or individual(s) conducting investment related business.

The City Treasurer or designee may also contact the following agencies during the verification process:

- Financial Industry Regulatory Authority (FINRA) Public Disclosure Report File (1-800-289-9999).

- State of California Department of Financial Protection and Innovation (1- 866-275-2677).

A professional investment manager or management firm, if engaged by the City pursuant to Section X of this policy, may utilize their own list of approved broker/dealers on the condition that any such list is provided to the City upon request.

All Broker/Dealers and financial institutions that provide investment services will be subject to City Council approval.

An annual review of the financial condition and registrations of approved broker/dealers will be conducted by the City Treasurer or designee. Current audited financial statements and/or System and Organizational Controls (SOC-1 and/or SOC-2) internal control reports may be maintained on file for each financial institution and broker/dealer with which the City conducts business. Each mutual fund shall provide a prospectus and statement of additional information.

2. Financial Institutions will be required to meet the following criteria in order to receive City funds for deposit or investment (see Appendix D, "Listing of Approved Financial Institutions"):
 - Insurance - Public Funds shall be deposited only in financial institutions having accounts insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Share Insurance Fund (NCUSIF).
 - Disclosure - Each financial institution maintaining invested funds in excess of the FDIC insured amount shall furnish the City a copy of the most recent Call Report (Consolidated Reports of Condition and Income) if requested. These reports can also be found at: <https://cdr.ffiec.gov/public/ManageFacsimiles.aspx>

The City shall not invest or deposit in excess of the FDIC insured amount in banking institutions which do not disclose to the city a current listing of securities pledged for collateralization in public monies.

X. PERMISSIBLE DEPOSITS AND INVESTMENTS

It is the City's policy to follow Title 5 of the California Government Code (the "State Code") in regard to allowable securities, and to be sufficiently diversified with regard to security type and issuer. Permissible deposits and investments, as allowed by Chapter 4, Part 1, Division 2, Title 5 (hereinafter cited by §), include, but are not limited to, the following list. The State Code can be directly referenced at <https://leginfo.legislature.ca.gov/>

Checking, Savings, and Sweep Accounts - The City will only maintain checking and savings accounts with state or national banks, savings associations, federal associations, and/or credit unions in accordance with §53635.2.

- **Collateralization**: The amount of the City's deposits or investments not insured by the FDIC shall be collateralized by securities in accordance with §53652. The Treasurer may invest in an interest-bearing active deposit account as approved in §53632. The deposit account must be collateralized with securities that are in accordance with §53632.5. In addition, the market value of the collateralized securities must be maintained in accordance with §53652 and be held by a custodian in accordance with the requirements of §53656. The proportion of the City's share of the deposit account shall be determined in accordance with §53658.

Certificates of Deposit (Negotiable and Non-negotiable) – As authorized in §53601(i), the City may invest in Non-Negotiable and Negotiable Certificates of Deposits (CD) up to 30% of the overall portfolio. In no instance shall a CD or combined CDs with a single issuer exceed the FDIC or NCUSIF insurance limit of \$250,000.

U.S. Treasury Bills, Notes, and Bonds – As authorized in §53601(b), the City may invest in U.S. Treasury bills, notes, and bonds directly issued and backed by the full faith and credit of the U.S. Government. The City's Investment Policy provides for investments in U.S. Treasury issues of 100% of the portfolio.

U.S. Government Agency Securities and Federal Government Securities – As authorized in §53601(f), the City may invest in securities issued by U.S. Government instrumentalities and agencies (commonly referred to as government sponsored enterprises or GSE's). These securities may not be backed by the full faith and credit of the U.S. Government (with the exception of Government National Mortgage Association (GNMA) securities). Examples of GSE's include Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Bank (FHLB), Federal Farm Credit Banks Funding Corporation (FFCB), Federal Agricultural Mortgage Corporation (FAMC), Tennessee Valley Authority (TVA), and GNMA securities.

The City's Investment Policy allows investment only in securities of GNMA, FNMA, FHLMC, FHLB, and FFCB. For Fiscal Year ~~2022-23~~ 2024/25, the maximum face amount per issuer is \$~~20~~ 30 million and the maximum face amount per purchase is \$10 million.

Prime Commercial Paper – As authorized in §53601(h), a portion of the City's portfolio may be invested in commercial paper of the highest rating as provided for by a nationally recognized statistical rating organization (NRSRO) such as Moody's, Fitch, or Standard & Poor's (S&P). There are a number of other qualifications regarding investments in commercial paper based on the financial strength and size of the corporation and the size of the investment. The City limits on prime commercial paper are as defined in the State Code.

Local Agency Investment Fund (LAIF) – As authorized in §16429.1 and by LAIF policies, local government agencies are each authorized to invest up to the deposit limit as designated by the California State Treasurer. The City Treasurer may not invest more than the maximum amount per account as allowed by LAIF.

Money Market Mutual Funds – As authorized in §53601(l), local agencies are authorized to invest in shares of beneficial interest issued by diversified management companies (mutual funds) in an amount not to exceed 20% of the agency's portfolio. There are a number of other qualifications and restrictions regarding allowable investments in corporate notes and shares of beneficial interest issued by mutual funds which include (1) attaining the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest nationally recognized rating services, or (2) having an investment advisor registered with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations and with assets under management in excess of five hundred million dollars (\$500,000,000).

Corporate Notes – As authorized in §53601(k), local agencies may invest in corporate notes. The notes must be issued by corporations organized and operating in the United States or by depository institutions licensed by the United States or any other state and operating in the United States. The City's Investment Policy allows investment in corporate notes authorized by the Government Code with the following limitations:

- Maximum 30% of the portfolio;
- Maturities shall not exceed five years from date of purchase;
- Eligible notes shall be regularly quoted and traded in the marketplace;
- Eligible notes shall be in a rating category of "AA" or better by an NRSRO;
- The maximum aggregate investment in each issuer shall not exceed \$5 million (PAR value), or no more than 10% of the total investment assets in the commercial paper and the medium-term notes of any single issuer.

Professionally Managed Account(s) – The City Treasurer may place ~~up to 50%~~ of the portfolio with a professional portfolio management/investment management firm (firm). The firm will be approved by the City Council based upon the City Treasurer's recommendation pursuant to completion of a public request for proposal (RFP). The firm shall have:

- An established professional reputation for asset or investment management;
- Knowledge and working familiarity with State and Federal laws governing and restricting the investment of public funds;
- Substantial experience providing investment management services to local public agencies whose investment policies and portfolio size are similar to those of the City;
- Professional liability (errors and omissions) insurance and fidelity bonding in such amounts as are required by the City; and

- Registration with the Securities and Exchange Commission under the Investment Advisers Act of 1940

Before engagement by the City and except as may be specifically waived or revised, the firm shall commit to adhere to the provisions of the City's Investment Policy with the following exceptions:

- The firm may be granted the discretion to purchase and sell investment securities in accordance with this Investment Policy;
- The firm is not required to adhere to a buy-and-hold policy; and
- The firm does not need City Manager or City Treasurer approval to make permissible investments.

Local Agency Bonds and California Local Agency Obligations – As authorized in §53601(a) and §53601(e), the City may invest in California local agency obligations. §53601(a) pertains to investing in bonds issued by a local agency, or by the department, board, agency or authority of the local agency.

§53601(e) pertains to investing in bonds and other defined indebtedness of any local agency, or department, board, agency or authority of the local agency within the State of California. The Agency obligations must be invested in the long-term rating category of A or better by an NRSRO.

In the case of an initial public offering, including refinancings, the Treasurer may purchase directly from the Bond Underwriter. In the case of secondary issues, the Treasurer will rely on the approved Broker/Dealers.

XI. INVESTMENT POOLS

There are three (3) types of investment pools:

- State-run pools (e.g., LAIF);
- Pools that are operated by a political subdivision where allowed by law and the political subdivision is the trustee (e.g., County Pools, and Joint Powers Authorities such as the California Asset Management Program (CAMP), CalTrust, or California Class); and
- Pools that are operated for profit by third parties (e.g. money market funds).

The City's Investment Policy permits investment in pools and money market funds as authorized by State Code §16429.1, §53601(l) and §53601(p).

XII. PAYMENT AND CUSTODY

The City shall engage qualified third-party custodians to act in a fiduciary capacity to maintain appropriate evidence of the City's ownership of securities and other eligible investments. Such custodians shall disburse funds received from the City for a purchase to the broker, dealer or seller only after receiving evidence that the City has legal, record ownership of the securities.

Even though ownership is evidenced in book-entry form rather than by actual certificates, this procedure is commonly referred to as the delivery versus payment (DVP) method for the transfer of securities.

XIII. INTEREST EARNING DISTRIBUTION POLICY

Interest earnings are generated from pooled investments and specific investments. The following provisions apply to the calculation and distribution of interest earnings.

1. Pooled Investments – It is the general policy of the City to pool all available operating cash of the City of La Quinta, Successor Agency to the City of La Quinta Redevelopment Agency, La Quinta Financing Authority, and La Quinta Housing Authority, and to allocate interest earnings as a payment to each fund of an amount based on the month-end cash balance included in the common portfolio for the earning period.
2. Specific Investments – Specific investments purchased by a fund shall incur all earnings and expenses to that particular fund.

XIV. INTERNAL CONTROLS AND INDEPENDENT AUDITOR

The City Treasurer shall establish a system of internal controls to accomplish the following objectives:

- Safeguard assets;
- The orderly and efficient conduct of its business, including adherence to management policies;
- Prevention or detection of errors and fraud;
- The accuracy and completeness of accounting records; and
- Timely preparation of reliable financial information.

While no internal control system, however elaborate, can guarantee absolute assurance that the City's assets are safeguarded, it is the intent of the City's internal control to provide a reasonable assurance that management of the investment function meets the City's objectives.

The internal controls shall address the following:

- Control of collusion. Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
- Separation of transaction authority from accounting and record keeping. By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- Custodial safekeeping. Securities purchased from any bank or dealer including appropriate collateral (as defined by State Law) shall be placed with an independent third party for custodial safekeeping.
- Avoidance of physical delivery securities. Book entry securities are much easier to transfer and account for since actual delivery of a document never takes

place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.

- Clear delegation of authority to subordinate staff members. Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities as outlined in the Segregation of Major Investment Responsibilities (Appendix C).
- Written confirmation of telephone transactions for investments and wire transfers. Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions shall be supported by written communications or electronic confirmations and approved by the appropriate person. Written communications may be via fax or email if on letterhead and the safekeeping institution has a list of authorized signatures. Fax correspondence must be supported by evidence of verbal or written follow-up.
- Development of a wire transfer agreement with the City's bank and third-party custodian. This agreement should outline the various controls, security provisions, and delineate responsibilities of each party making and receiving wire transfers.

The system of internal controls developed by the City shall be reviewed annually by the independent auditor in connection with the annual audit of the City's Financial Statements. The independent auditor's letter on internal control over financial reporting and compliance as it pertains to cash and investments, if any, shall be directed to the City Manager who will direct the City Treasurer to provide a written response to the independent auditor's letter. The auditor's letter, as it pertains to cash and investment activities, and the City Treasurer's response shall be provided to the City's Financial Advisory Commission for their consideration. Following the completion of each annual audit, the independent auditor shall meet with the Financial Advisory Commission and discuss the auditing procedures performed and the review of internal controls for cash and investment activities. See Appendix C, "Segregation of Major Investment Responsibilities."

XV. REPORTING STANDARDS

The City Treasurer shall submit a quarterly Treasurer's Report to the City Council and the Financial Advisory Commission that includes all cash and investments under the authority of the Treasurer. In addition, the City Treasurer or designee shall ensure all investment transactions are reported on a monthly basis as they occur throughout the quarter. The Treasurer's Report shall summarize cash and investment activity and changes in balances and include the following:

- A certification by the City Treasurer;
- A listing of purchases and sales/maturities of investments;

- Cash and Investments categorized by authorized investments; LAIF will also be provided quarterly and show yield and maturity;
- Comparison of month-end actual holdings to Investment Policy limitations;
- A two-year list of historical interest rates.

XVI. REVIEW OF INVESTMENT PORTFOLIO

The securities held by the City must be in compliance with this Policy at the time of purchase. Due to market conditions, some securities may no longer comply subsequent to the date of purchase, therefore a quarterly review of the portfolio will be conducted to identify any securities which may have fallen out of compliance. Any major incidences of noncompliance identified during such review will be reported to the Financial Advisory Commission for confirmation of staff course of action.

XVII. FINANCIAL ADVISORY COMMISSION - CITY OF LA QUINTA

The Financial Advisory Commission (FAC) is composed of seven members from the public that are appointed by the City Council. The FAC's membership, qualifications, and powers and duties are prescribed in Chapter 2.70 of the La Quinta Municipal Code and included in this policy as Appendix A.

On an annual basis, in conjunction with the Political Reform Act disclosure statutes, or at any time if a change in circumstances warrants, each commissioner will provide the City Council with a disclosure statement which identifies any matters that have a bearing on the appropriateness of that member's service on the FAC. All commissioners shall report annually to the City Clerk on Form 700, Statement of Economic Interests, any activities, interests, or relationships that may be, or have the appearance of, a conflict of interest.

XVIII. INVESTMENT POLICY ADOPTION

The City's Investment Policy will be reviewed annually by the City's Financial Advisory Commission and the City Treasurer. The Financial Advisory Commission will forward the Investment Policy with any revisions to the City Manager and City Attorney for their review and comment. A joint meeting will be held with the Financial Advisory Commission, City Manager, City Attorney, and City Treasurer to review the Investment Policy and any comments prior to submission to the City Council for their consideration. The Investment Policy shall be adopted by resolution of the City Council annually before the end of June of each year.

City of La Quinta Municipal Code Chapter 2.70

FINANCIAL ADVISORY COMMISSION

2.70.010 General rules regarding the financial advisory commission. Except

as set out below, see Chapter 2.06 for general provisions.

2.70.020 Number of members.

The financial advisory commission ("FAC") shall initially consist of seven members appointed by, and serving at the will of, the city council. The city council may increase or decrease the number of members from time to time but in no event shall the membership exceed nine members or be less than five members.

2.70.30 Qualifications of members.

A. In addition to the qualification requirements set forth in Section 2.06.040 of this code, a minimum of three of the members shall be finance professionals and shall have a verifiable background in finance and/or securities, preferably with knowledge and/or experience in markets, financial controls and accounting for securities.

B. For those applying for the professional position, background information will be requested, and potential candidates must agree to a background check and verification by the city manager or designee.

2.70.040 Powers and duties.

A. The principal functions of the FAC are:

1. Review at least annually the city's investment policy and recommend appropriate changes;
2. Review at least quarterly the treasury report and note compliance with the investment policy and adequacy of cash and investments for anticipated obligations;
3. Receive and consider other reports provided by the city treasurer;
4. Meet with the independent auditor after completion of the annual audit of the city's financial statements, and receive and consider the auditor's comments on auditing procedures, internal controls, and findings for cash and investment activities;
5. Review at least annually the revenue derived from the one percent (1%) transactions and use tax instituted by voters in November 2016 to ensure these funds are used to provide services, programs and capital projects in the city of La Quinta.

6. Serve as a resource for the city treasurer on matters such as proposed investments, internal controls, use of or change of financial institutions, custodians, brokers and dealers.

B. The FAC will report to the city council after each meeting either in person or through correspondence at a regular city council meeting. (Ord. 556 § 1, 2017)

2.70.050 References to the Investment Advisory Board.

If any other chapter(s) or section(s) in this code refers to the Investment Advisory Board, that chapter(s) or section(s) shall be deemed to refer to the Financial Advisory Commission established by the ordinance amending chapter 2.70 of this code.

City of La Quinta Municipal Code Chapter 3.08

INVESTMENT OF MONEYS AND FUNDS

3.08.010 Investment of city moneys and deposit of securities.

Pursuant to, and in accordance with, and to the extent allowed by Sections 53607 and 53608 of the California Government Code, the authority to invest and reinvest moneys of the city, to sell or exchange securities, and to deposit them and provide for their safekeeping, is delegated to the city treasurer, which, for purposes of this chapter, is defined in Section 2.12.010 of this code. (Ord. 529 § 1, 2015; Ord. 2 § 1, 1982)

3.08.020 Authorized investments.

Pursuant to the delegation of authority in Section 3.08.010, the city treasurer is authorized to purchase, at their original sale or after they have been issued, securities which are permissible investments under the city council adopted city investment policy and any provision of state law relating to the investing of general city funds, including, but not limited to, Sections 53601 and 53635 of the California Government Code, as said sections now read or may hereafter be amended, from moneys in the city treasurer's custody which are not required for the immediate necessities of the city and as he or she may deem wise and expedient, and to sell or exchange for other eligible securities and reinvest the proceeds of the securities so purchased. (Ord. 529 § 1, 2015; Ord. 2 § 1, 1982)

3.08.030 Sales of Securities.

From time to time the city treasurer shall sell the securities in which city moneys have been invested pursuant to this chapter, so that the proceeds may, as appropriate, be applied to the purchase for which the original purchase money may have been designated or placed in the city treasury. (Ord.2 § 1 1982)

3.08.040 City bonds.

Bonds issued by the city and purchased pursuant to this chapter may be cancelled either in satisfaction of sinking fund obligations or otherwise if proper and appropriate; provided, however, that the bonds may be held uncanceled and while so held may be resold. (Ord. 2 § 1 (part), 1982)

3.08.050 Reports.

The city treasurer shall make a quarterly report to the city council of all investments made pursuant to the authority delegated in this chapter and as permitted by Section 53646(b)(1) of the Government Code. (Ord. 529 § 1, 2015; Ord. 2 § 1, 1982)

3.08.060 Deposits of securities.

Pursuant to the delegation of authority in Section 3.08.010, the city treasurer is authorized to deposit for safekeeping, the securities in which city moneys have been invested pursuant to this chapter, in any institution or depository authorized by the city council adopted investment policy and terms of any state law, including, but not limited to, Section 53608 of the Government Code, as it now reads or may hereafter be amended. In accordance with said section, the city treasurer shall take from the institution or depository a receipt for the securities so deposited and shall not be responsible for the securities delivered to and receipted for by the institution or depository until they are withdrawn therefrom by the city treasurer. (Ord. 529 § 1, 2015; Ord. 2 § 1, 1982)

3.08.070 Trust fund administration.

Any departmental trust fund established by the city council pursuant to Section 36523 of the Government Code shall be administered by the city treasurer in accordance with Section 36523 and 36524 of the Government Code and any other applicable provisions of law. (Ord. 2 § 1, 1982)

APPENDIX C

SEGREGATION OF MAJOR INVESTMENT RESPONSIBILITIES

Function	Responsible Parties
Develop and recommend modifications to the City's formal Investment Policy	City Treasurer, Principal Management Analyst, and Financial Advisory Commission
Review City's Investment Policy and recommend City Council action	City Manager and City Attorney
Adopt formal Investment Policy	City Council
Implement formal Investment Policy	City Treasurer
Review financial institutions and select investments	City Treasurer or Principal Management Analyst
Acknowledge investment selections	City Manager or his/her designee
Execute investment transactions	City Manager, City Treasurer, or Principal Management Analyst
Confirm wires	Accounting Finance Manager, Senior Accountant, or Administrative Technician
Record investment transactions in City's accounting records	Accounting Finance Manager or Senior Accountant
Investment certification- match broker confirmation to City's investment records	City Treasurer or Principal Management Analyst
Reconcile investment records to accounting records and bank statements	Principal Management Analyst Finance
Reconcile investment records to treasurer's report of investments	City Treasurer, Accounting Finance Manager, or Principal Management Analyst
Security of investments at City	Accounting Finance Manager or Administrative Technician
Security of investments outside of City	Third Party Custodian
Review internal control procedures	External Auditor

Listing of Approved Financial Institutions

Banking Services	<ul style="list-style-type: none"> -Bank of the West, San Francisco, CA (Banking Services) -Sunwest Bank, Irvine, CA (Banking Services - Dune Palms Mobile Estates) -BMO Commercial Bank
Custodian Services	<ul style="list-style-type: none"> -The Bank of New York Mellon/Pershing LLC U.S. Bank Trust Company, N.A. -Stifel
Deferred Compensation	<ul style="list-style-type: none"> -International City/County Management Association Retirement Corporation (ICMA-RC) dba MissionSquare Retirement
Broker/Dealer Services	<ul style="list-style-type: none"> -Stifel, Nicholas, & Company, Inc. -Higgins Capital Management, Inc. -Great Pacific Securities
Government/Joint Powers Authority Pools	<ul style="list-style-type: none"> -State of California Local Agency Investment Fund (LAIF) -California Asset Management Program (CAMP) -County of Riverside Pooled Investment Fund⁽¹⁾
Trustee Services	<ul style="list-style-type: none"> -U.S. Bank Trust Company, NA⁽²⁾
Other Post Employment Benefits (OPEB) Trust	<ul style="list-style-type: none"> -California Employers' Retirement Benefits Trust (CERBT)/CalPERS
Pension Trust - Administration	<ul style="list-style-type: none"> -Public Agency Retirement Services (PARS)

⁽¹⁾The County of Riverside Treasurer maintains one Pooled Investment Fund for all local jurisdictions having funds on deposit in the County Treasury. The City's fire funds, which are property taxes collected to fund fire services in the City, are kept in reserve with the County to be used as expenses are incurred.

⁽²⁾ U.S. Bank is the fiscal agent for all of the following bonds: ~~2013 (refunded in 2021), 2014 (refunded in 2021), 2016, and 2021 Successor Agency to the La Quinta Redevelopment Agency (RDA) Bonds.~~ **As of March 2024, U.S. Bank is the custodian for the City's investment portfolio.** U.S. Bank is also the trustee and asset custodian for the PARS pension trust. ~~As of January 29, 2022, U.S. Bank, National Association transitioned its Global Corporate Trust business to wholly owned subsidiary U.S. Bank Trust Company, National Association.~~

INVESTMENT MANAGEMENT PROCESS AND RISK

Except as provided for in Section 27000.3, Government Code Section 53600.3 declares as a trustee each person, treasurer, or governing body authorized to make investment decisions on behalf of local agencies. Trustees are subject to the prudent investor standard. These persons shall act with care, skill, prudence, and diligence under the circumstances then prevailing when investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing funds. Section 53600.5 further stipulates that the primary objective of any person investing public funds is to safeguard principal; secondly, to meet liquidity needs of the depositor; and lastly, to achieve a return or yield on invested funds (Government Code Section 27000.5 specifies the same objectives for county treasurers and board of supervisors).

Risk is inherent throughout the investment process. There is investment risk associated with any investment activity and opportunity risk related to inactivity. Market risk is derived from exposure to overall changes in the general level of interest rates while credit risk is the risk of loss due to the failure of the insurer of a security. The market value of a security varies inversely with the level of interest rates. If an investor is required to sell an investment with a five percent yield in a comparable seven percent rate environment, that security will be sold at a loss. The magnitude of that loss will depend on the amount of time until maturity.

Purchasing certain allowable securities with a maturity of greater than five years requires approval of the governing board (see Government Code Section 53601). Part of that approval process involves assessing and disclosing the risk and possible volatility of longer-term investments

Another element of risk is liquidity risk. Instruments with call features or special structures, or those issued by little known companies, are examples of "story bonds" and are often thinly traded. Their uniqueness often makes finding prospective buyers in a secondary market more difficult and, consequently, the securities' marketability and price are discounted. However, under certain market conditions, gains are also possible with these types of securities.

Default risk represents the possibility that the borrower may be unable to repay the obligation as scheduled. Generally, securities issued by the federal government and its agencies are considered the most secure, while securities issued by private corporations or negotiable certificates of deposit issued by commercial banks have a greater degree of risk. Securities with additional credit enhancements, such as bankers acceptances, collateralized repurchase agreements and collateralized bank deposits are somewhere between the two on the risk spectrum.

The vast majority of portfolios are managed within a buy and hold policy. Investments are purchased with the intent and capacity to hold that security until maturity. At times, market forces or operations may dictate swapping one security for another or

selling a security before maturity. Continuous analysis and fine tuning of the investment portfolio are considered prudent investment management.

The Government Code contains specific provisions regarding the types of investments and practices permitted after considering the broad requirement of preserving principal and maintaining liquidity before seeking yield. These provisions are intended to promote the use of reliable, diverse, and safe investment instruments to better ensure a prudently managed portfolio worthy of public trust.

Source: Chapter II. Fund Management from the Local Agency Investment Guidelines Issued by California Debt and Investment Advisory Commission

GLOSSARY

(Adopted from the Municipal Treasurers Association)

The purpose of this glossary is to provide the reader of the City of La Quinta investment policies with a better understanding of financial terms used in municipal investing.

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR): The official annual report for the City of La Quinta. It includes combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large- denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMMERCIAL PAPER: Short-term unsecured promissory notes issued by a corporation to raise working capital. These negotiable instruments are purchased at a discount to par value or at par value with interest bearing. Commercial paper is issued by corporations such as General Motors Acceptance Corporation, IBM, Bank America, etc.

CONDUIT FINANCING: A form of Financing in which a government or a government agency lends its name to a bond issue, although it is acting only as a conduit between a specific project and bond holders. The bond holders can look only to the revenues from the project being financed for repayment and not to the government or agency whose name appears on the bond.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest-bearing money market instruments that are issued at discount and redeemed at maturity for full face value

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

GOVERNMENT SPONSORED ENTERPRISES (GSEs): Privately held corporations with public purposes created by the U.S. Congress to reduce the cost of capital for certain borrowing sectors of the economy. Securities issues by GSEs carry the implicit backing of the U.S. Government, but they are not direct obligations of the U.S. Government. Typically referred to as 'Agency Bonds' or 'Agencies'.

FNMA or Fannie Mae (Federal National Mortgage Association) - Like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FHLBs (Federal Home Loan Bank) - Issued by the Federal Home Loan Bank System to help finance the housing industry. The notes and bonds provide liquidity and home mortgage credit to savings and loan associations, mutual savings banks, cooperative banks, insurance companies, and mortgage-lending institutions. They are issued irregularly for various maturities. The minimum denomination is \$5,000. The notes are issued with maturities of less than one year and interest is paid at maturity.

FFCBs (Federal Farm Credit Bank) – Debt instruments used to finance the short and intermediate term needs of farmers and the national agricultural industry. They are issued monthly with three- and six-month maturities. The FFCB issues larger issues (one to ten year) on a periodic basis. These issues are highly liquid.

FHLMCs or Freddie Mac (Federal Home Loan Mortgage Corporation) - a government sponsored entity established in 1970 to provide a secondary market for conventional home mortgages. Mortgages are purchased solely from the Federal Home Loan Bank System member lending institutions whose deposits are insured by agencies of the United States Government. They are issued for various maturities and in minimum denominations of \$10,000. Principal and interest is paid monthly.

FAMCs or Farmer Mac (Federal Agricultural Mortgage Corporation) - FAMC increases the availability and affordability of credit for the benefit of American agriculture and rural communities. They are the nation's premier secondary market for agricultural credit, providing financial solutions to a broad spectrum of the agricultural community, including agricultural lenders, agribusinesses, and other institutions that can benefit from access to flexible, low-cost financing and risk management tools. FAMC is regulated by the Farm Credit Administration.

Other federal agency issues are Small Business Administration notes (SBA's), Government National Mortgage Association notes (GNMA's), and Tennessee Valley Authority notes (TVA's).

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per deposit per entity.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., 12 regional banks and about 3,000 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FMHM mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

LAIF (Local Agency Investment Fund): - A special fund in the State Treasury which local agencies may use to deposit funds for investment. There is no minimum investment period, the minimum transaction is \$5,000 and the City follows the state guidance for maximum total balance. The City is restricted to a maximum of ten transactions per month. It offers high liquidity because deposits can be converted to cash in 24 hours and no interest is lost. All interest is distributed to those agencies participating on a proportionate share basis determined by the amounts deposited and the length of time

they are deposited. Interest is paid quarterly. The State retains an amount for reasonable costs of making the investments, not to exceed one-half of one percent of the earnings.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase-reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer- lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

NRSRO (NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION): A credit rating agency recognized by the Securities and Exchange Commission (SEC). Examples include Fitch Ratings, Inc., Moody's Investor's Services, Inc., and S&P Global Ratings, among others.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PORTFOLIO: Collection of all cash and securities under the direction of the City Treasurer, including Bond Proceeds.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks and a few unregulated firms.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (RP OR REPO) and REVERSE REPURCHASE

AGREEMENTS (RRP or RevRepo): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3-1: See Uniform Net Capital Rule.

SSAE 16: The Statement on Standards for Attestation Engagements No. 16 (SSAE 16) is a set of auditing standards and guidance on using the standards, published by the Auditing Standards Board (ASB) of the American Institute of Certified Public Accountants (AICPA) for redefining and updating how service companies report on compliance controls. The Service Organizational Control report (SOC-1) contains internal controls over financial reporting and is used by auditors and office controllers.

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, and derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

SURPLUS FUNDS: Section 53601 of the California Government Code defines surplus funds as any money not required for immediate necessities of the local agency. The City has defined immediate necessities to be payment due within one week.

TREASURY BILLS: A non-interest- bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

UNIFORM PRUDENT INVESTOR ACT: The State of California has adopted this Act. The Act contains the following sections: duty of care, diversification, review of assets, costs, compliance determinations, delegation of investments, terms of prudent investor rule, and application.

YIELD: The rate of annual return on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

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City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: APPROVE AGREEMENTS FOR CONTRACT SERVICES WITH LOZANO'S PAINTING, INC. AND COLOR NEW CO FOR ON-CALL PAINTING AND REFINISHING SERVICES

RECOMMENDATION

Approve agreements for contract services with Lozano's Painting, Inc. and Color New Co for on-call painting and refinishing services; and authorize the City Manager to execute the agreements.

EXECUTIVE SUMMARY

- Painting and refinishing services are needed to perform paint maintenance and minor repair services on an on-call, as-needed basis.
- Lozano's Painting, Inc. (Lozano's) and Color New Co are qualified to provide on-call painting and refinishing services and were selected through the competitive Request for Proposals (RFP) process completed in May 2024.
- Each agreement would be approved for an amount not to exceed \$150,000 per fiscal year (FY) for an initial three-year term, with an optional two-year extended term, which provides the flexibility to use one or both firms depending on work demand.

FISCAL IMPACT

Both agreements combined could cost up to \$150,000 per FY. Funds will be budgeted each FY in the City Building Repair account 501-0000-71103 through the term of the agreements.

BACKGROUND/ANALYSIS

In May 2024, staff published an RFP, and two proposals were received. The selection committee reviewed the proposals and both Lozano's and Color New Co were selected based on project size and availability.

The proposed agreements with Lozano's (Attachment 1) and Color New Co (Attachment 2), are for a three-year term, beginning July 1, 2024 through June 30, 2027, at a combined

not to exceed compensation amount of \$150,000 per FY, with an option to extend for one additional two-year term (extended term).

ALTERNATIVES

Council may elect not to approve or to modify either agreement.

Prepared by: Carley Escarrega, Administrative Technician
Alfred Berumen, M&O Superintendent
Approved by: Bryan McKinney, P.E., Public Works Director/City Engineer
Attachments: 1. Agreement for Contract Services with Lozano's
2. Agreement for Contract Services with Color New Co

AGREEMENT FOR CONTRACT SERVICES

THIS AGREEMENT FOR CONTRACT SERVICES (the “Agreement”) is made and entered into by and between the CITY OF LA QUINTA, (“City”), a California municipal corporation, and Lozano’s Painting, Inc., with a place of business at 33881 Pueblo Trail Apt A, Cathedral City, CA 92234 (“Contracting Party”). The parties hereto agree as follows:

1. SERVICES OF CONTRACTING PARTY.

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Contracting Party shall provide those services related to on-call painting and refinishing services, as specified in the “Scope of Services” attached hereto as “Exhibit A” and incorporated herein by this reference (the “Services”). Contracting Party represents and warrants that Contracting Party is a provider of first-class work and/or services and Contracting Party is experienced in performing the Services contemplated herein and, in light of such status and experience, Contracting Party covenants that it shall follow industry standards in performing the Services required hereunder, and that all materials, if any, will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase “industry standards” shall mean those standards of practice recognized by one or more first-class firms performing similar services under similar circumstances.

1.2 Compliance with Law. All Services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, regulations, and laws of the City and any Federal, State, or local governmental agency of competent jurisdiction.

1.3 Wage and Hour Compliance. Contracting Party shall comply with applicable Federal, State, and local wage and hour laws.

1.4 Licenses, Permits, Fees and Assessments. Except as otherwise specified herein, Contracting Party shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the Services required by this Agreement, including a City of La Quinta business license. Contracting Party and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for the performance of the Services required by this Agreement. Contracting Party shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the performance of the Services required by this Agreement, and shall indemnify, defend (with counsel selected by City), and hold City, its elected officials, officers, employees, and agents, free and harmless against any such fees, assessments, taxes, penalties, or interest levied, assessed, or imposed against City hereunder. Contracting Party shall be responsible for all subcontractors’ compliance with this Section.

1.5 Familiarity with Work. By executing this Agreement, Contracting Party warrants that (a) it has thoroughly investigated and considered the Services to be performed, (b) it has investigated the site where the Services are to be performed, if any, and fully acquainted itself with the conditions there existing, (c) it has carefully considered how the Services should be performed, and (d) it fully understands the facilities, difficulties, and restrictions attending performance of the Services under this Agreement. Should Contracting Party discover any latent or unknown conditions materially differing from those inherent in the Services or as represented by City, Contracting Party shall immediately inform City of such fact and shall not proceed except at Contracting Party's risk until written instructions are received from the Contract Officer, or assigned designee (as defined in Section 4.2 hereof).

1.6 Standard of Care. Contracting Party acknowledges and understands that the Services contracted for under this Agreement require specialized skills and abilities and that, consistent with this understanding, Contracting Party's work will be held to an industry standard of quality and workmanship. Consistent with Section 1.5 hereinabove, Contracting Party represents to City that it holds the necessary skills and abilities to satisfy the industry standard of quality as set forth in this Agreement. Contracting Party shall adopt reasonable methods during the life of this Agreement to furnish continuous protection to the Services performed by Contracting Party, and the equipment, materials, papers, and other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the Services by City, except such losses or damages as may be caused by City's own negligence. The performance of Services by Contracting Party shall not relieve Contracting Party from any obligation to correct any incomplete, inaccurate, or defective work at no further cost to City, when such inaccuracies are due to the negligence of Contracting Party.

1.7 Additional Services. In accordance with the terms and conditions of this Agreement, Contracting Party shall perform services in addition to those specified in the Scope of Services ("Additional Services") only when directed to do so by the Contract Officer, or assigned designee, provided that Contracting Party shall not be required to perform any Additional Services without compensation. Contracting Party shall not perform any Additional Services until receiving prior written authorization (in the form of a written change order if Contracting Party is a contractor performing the Services) from the Contract Officer, or assigned designee, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of Contracting Party. It is expressly understood by Contracting Party that the provisions of this Section shall not apply to the Services specifically set forth in the Scope of Services or reasonably contemplated therein. It is specifically understood and agreed that oral requests and/or approvals of Additional Services shall be barred and are unenforceable. Failure of Contracting Party to secure the Contract Officer's, or assigned designee's written authorization for Additional Services shall constitute a waiver of any and all right to adjustment of the Contract Sum or time to perform this Agreement, whether by way of compensation, restitution, quantum meruit, or the like, for Additional Services provided without the appropriate authorization from the Contract Officer, or assigned designee.

Compensation for properly authorized Additional Services shall be made in accordance with Section 2.3 of this Agreement.

1.8 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in "Exhibit D" (the "Special Requirements"), which is incorporated herein by this reference and expressly made a part hereof. In the event of a conflict between the provisions of the Special Requirements and any other provisions of this Agreement, the provisions of the Special Requirements shall govern.

2. COMPENSATION.

2.1 Contract Sum. For the Services rendered pursuant to this Agreement, Contracting Party shall be compensated in accordance with "Exhibit B" (the "Schedule of Compensation") in a total amount not to exceed One Hundred Fifty Thousand Dollars (\$150,000.00) per year for the life of the Agreement, encompassing the Initial and any Extended Terms (the "Contract Sum"), except as provided in Section 1.7. Contractor expressly acknowledges and agrees that the Contract Sum in this Agreement is the annual aggregate total amount covering this Agreement, that certain Agreement for Contract Services by and between the City and Color New Co of or about even date as this Agreement, such that the Contract Sum as defined herein is the maximum amount available for services provided under both agreements. The method of compensation set forth in the Schedule of Compensation may include a lump sum payment upon completion, payment in accordance with the percentage of completion of the Services, payment for time and materials based upon Contracting Party's rate schedule, but not exceeding the Contract Sum, or such other reasonable methods as may be specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contracting Party at all project meetings reasonably deemed necessary by City; Contracting Party shall not be entitled to any additional compensation for attending said meetings. Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, transportation expense, telephone expense, and similar costs and expenses when and if specified in the Schedule of Compensation. Regardless of the method of compensation set forth in the Schedule of Compensation, Contracting Party's overall compensation shall not exceed the Contract Sum, except as provided in Section 1.7 of this Agreement.

2.2 Method of Billing & Payment. Any month in which Contracting Party wishes to receive payment, Contracting Party shall submit to City no later than the tenth (10th) working day of such month, in the form approved by City's Finance Director, an invoice for Services rendered prior to the date of the invoice. Such invoice shall (1) describe in detail the Services provided, including time and materials, and (2) specify each staff member who has provided Services and the number of hours assigned to each such staff member. Such invoice shall contain a certification by a principal member of Contracting Party specifying that the payment requested is for Services performed in accordance with the terms of this Agreement. Upon approval in writing by the Contract Officer, or assigned designee, and subject to retention pursuant to Section 8.3, City will pay Contracting Party for all items stated thereon which are approved by City pursuant to

this Agreement no later than thirty (30) days after invoices are received by the City's Finance Department.

2.3 Compensation for Additional Services. Additional Services approved in advance by the Contract Officer, or assigned designee, pursuant to Section 1.7 of this Agreement shall be paid for in an amount agreed to in writing by both City and Contracting Party in advance of the Additional Services being rendered by Contracting Party. Any compensation for Additional Services amounting to five percent (5%) or less of the Contract Sum may be approved by the Contract Officer, or assigned designee. Any greater amount of compensation for Additional Services must be approved by the La Quinta City Council, the City Manager, or Department Director, depending upon City laws, regulations, rules and procedures concerning public contracting. Under no circumstances shall Contracting Party receive compensation for any Additional Services unless prior written approval for the Additional Services is obtained from the Contract Officer, or assigned designee, pursuant to Section 1.7 of this Agreement.

3. PERFORMANCE SCHEDULE.

3.1 Time of Essence. Time is of the essence in the performance of this Agreement. If the Services not completed in accordance with the Schedule of Performance, as set forth in Section 3.2 and "Exhibit C", it is understood that the City will suffer damage.

3.2 Schedule of Performance. All Services rendered pursuant to this Agreement shall be performed diligently and within the time period established in "Exhibit C" (the "Schedule of Performance"). Extensions to the time period specified in the Schedule of Performance may be approved in writing by the Contract Officer, or assigned designee.

3.3 Force Majeure. The time period specified in the Schedule of Performance for performance of the Services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of Contracting Party, including, but not restricted to, acts of God or of the public enemy, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, acts of any governmental agency other than City, and unusually severe weather, if Contracting Party shall within ten (10) days of the commencement of such delay notify the Contract Officer, or assigned designee, in writing of the causes of the delay. The Contract Officer, or assigned designee, shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the forced delay when and if in the Contract Officer's judgment such delay is justified, and the Contract Officer's determination, or assigned designee, shall be final and conclusive upon the parties to this Agreement. Extensions to time period in the Schedule of Performance which are determined by the Contract Officer, or assigned designee, to be justified pursuant to this Section shall not entitle the Contracting Party to additional compensation in excess of the Contract Sum.

3.4 Term. Unless earlier terminated in accordance with the provisions in Article 8.0 of this Agreement, the term of this agreement shall commence on July 1, 2024, and terminate on June 30, 2027 (“Initial Term”). This Agreement may be extended for two additional year(s) upon mutual agreement by both parties (“Extended Term”), and executed in writing.

4. COORDINATION OF WORK.

4.1 Representative of Contracting Party. The following principals of Contracting Party (“Principals”) are hereby designated as being the principals and representatives of Contracting Party authorized to act in its behalf with respect to the Services specified herein and make all decisions in connection therewith:

- (a) Jose Lozano
Lozano’s Painting, Inc.
Telephone No.: (760) 673-2934
Email: lozanospaintinginc@gmail.com

It is expressly understood that the experience, knowledge, capability, and reputation of the foregoing Principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing Principals shall be responsible during the term of this Agreement for directing all activities of Contracting Party and devoting sufficient time to personally supervise the Services hereunder. For purposes of this Agreement, the foregoing Principals may not be changed by Contracting Party and no other personnel may be assigned to perform the Services required hereunder without the express written approval of City.

4.2 Contract Officer. The “Contract Officer”, otherwise known as Bryan McKinney, PE, Public Works Director/City Engineer or assigned designee may be designated in writing by the City Manager of the City. It shall be Contracting Party’s responsibility to assure that the Contract Officer, or assigned designee, is kept informed of the progress of the performance of the Services, and Contracting Party shall refer any decisions, that must be made by City to the Contract Officer, or assigned designee. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer, or assigned designee. The Contract Officer, or assigned designee, shall have authority to sign all documents on behalf of City required hereunder to carry out the terms of this Agreement.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability, and reputation of Contracting Party, its principals, and its employees were a substantial inducement for City to enter into this Agreement. Except as set forth in this Agreement, Contracting Party shall not contract or subcontract with any other entity to perform in whole or in part the Services required hereunder without the express written approval of City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered, voluntarily or by operation of law, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control

of Contracting Party, taking all transfers into account on a cumulative basis. Any attempted or purported assignment or contracting or subcontracting by Contracting Party without City's express written approval shall be null, void, and of no effect. No approved transfer shall release Contracting Party of any liability hereunder without the express consent of City.

4.4 Independent Contractor. Neither City nor any of its employees shall have any control over the manner, mode, or means by which Contracting Party, its agents, or its employees, perform the Services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision, or control of Contracting Party's employees, servants, representatives, or agents, or in fixing their number or hours of service. Contracting Party shall perform all Services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Contracting Party shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Contracting Party in its business or otherwise or a joint venture or a member of any joint enterprise with Contracting Party. Contracting Party shall have no power to incur any debt, obligation, or liability on behalf of City. Contracting Party shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. Except for the Contract Sum paid to Contracting Party as provided in this Agreement, City shall not pay salaries, wages, or other compensation to Contracting Party for performing the Services hereunder for City. City shall not be liable for compensation or indemnification to Contracting Party for injury or sickness arising out of performing the Services hereunder. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contracting Party and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System ("PERS") as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Contracting Party agrees to pay all required taxes on amounts paid to Contracting Party under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Contracting Party shall fully comply with the workers' compensation laws regarding Contracting Party and Contracting Party's employees. Contracting Party further agrees to indemnify and hold City harmless from any failure of Contracting Party to comply with applicable workers' compensation laws. City shall have the right to offset against the amount of any payment due to Contracting Party under this Agreement any amount due to City from Contracting Party as a result of Contracting Party's failure to promptly pay to City any reimbursement or indemnification arising under this Section.

4.5 Identity of Persons Performing Work. Contracting Party represents that it employs or will employ at its own expense all personnel required for the satisfactory performance of any and all of the Services set forth herein. Contracting Party represents that the Services required herein will be performed by Contracting Party or under its direct

supervision, and that all personnel engaged in such work shall be fully qualified and shall be authorized and permitted under applicable State and local law to perform such tasks and services.

4.6 City Cooperation. City shall provide Contracting Party with any plans, publications, reports, statistics, records, or other data or information pertinent to the Services to be performed hereunder which are reasonably available to Contracting Party only from or through action by City.

5. INSURANCE.

5.1 Insurance. Prior to the beginning of any Services under this Agreement and throughout the duration of the term of this Agreement, Contracting Party shall procure and maintain, at its sole cost and expense, and submit concurrently with its execution of this Agreement, policies of insurance as set forth in "Exhibit E" (the "Insurance Requirements") which is incorporated herein by this reference and expressly made a part hereof.

5.2 Proof of Insurance. Contracting Party shall provide Certificate of Insurance to Agency along with all required endorsements. Certificate of Insurance and endorsements must be approved by Agency's Risk Manager prior to commencement of performance.

6. INDEMNIFICATION.

6.1 Indemnification. To the fullest extent permitted by law, Contracting Party shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officers, employees, agents, and volunteers as set forth in "Exhibit E" ("Indemnification") which is incorporated herein by this reference and expressly made a part hereof.

7. RECORDS AND REPORTS.

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

7.2 Records. Contracting Party shall keep, and require any subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports (including but not limited to payroll reports), studies, or other documents relating to the disbursements charged to City and the Services performed hereunder (the "Books and Records"), as shall be necessary to perform the Services required by this Agreement and enable the Contract Officer, or assigned designee, to evaluate the performance of such Services. Any and all such Books and Records shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer, or assigned designee, shall have full and free access to such Books and Records at all times during normal business hours of City, including the right to inspect, copy, audit, and make records and transcripts from such Books and Records. Such Books and Records shall be maintained for a period of three (3) years following completion of the Services hereunder, and City shall have access to such Books and Records in the event any audit is required. In the event of dissolution of Contracting Party's business, custody of the Books and Records may be given to City, and access shall be provided by Contracting Party's successor in interest. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds Ten Thousand Dollars (\$10,000.00), this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

7.3 Ownership of Documents. All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents, and other materials plans, drawings, estimates, test data, survey results, models, renderings, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings, digital renderings, or data stored digitally, magnetically, or in any other medium prepared or caused to be prepared by Contracting Party, its employees, subcontractors, and agents in the performance of this Agreement (the "Documents and Materials") shall be the property of City and shall be delivered to City upon request of the Contract Officer, or assigned designee, or upon the expiration or termination of this Agreement, and Contracting Party shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the Documents and Materials hereunder. Any use, reuse or assignment of such completed Documents and Materials for other projects and/or use of uncompleted documents without specific written authorization by Contracting Party will be at City's sole risk and without liability to Contracting Party, and Contracting Party's guarantee and warranties shall not extend to such use, revise, or assignment. Contracting Party may retain copies of such Documents and Materials for its own use. Contracting Party shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any Documents and Materials prepared by them, and in the event Contracting Party fails to secure such assignment, Contracting Party shall indemnify City for all damages resulting therefrom.

7.4 In the event City or any person, firm, or corporation authorized by City reuses said Documents and Materials without written verification or adaptation by Contracting Party for the specific purpose intended and causes to be made or makes any

changes or alterations in said Documents and Materials, City hereby releases, discharges, and exonerates Contracting Party from liability resulting from said change. The provisions of this clause shall survive the termination or expiration of this Agreement and shall thereafter remain in full force and effect.

7.5 Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, rights of reproduction, and other intellectual property embodied in the Documents and Materials. Contracting Party shall require all subcontractors, if any, to agree in writing that City is granted a non-exclusive and perpetual license for the Documents and Materials the subcontractor prepares under this Agreement. Contracting Party represents and warrants that Contracting Party has the legal right to license any and all of the Documents and Materials. Contracting Party makes no such representation and warranty in regard to the Documents and Materials which were prepared by design professionals other than Contracting Party or provided to Contracting Party by City. City shall not be limited in any way in its use of the Documents and Materials at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

7.6 Release of Documents. The Documents and Materials shall not be released publicly without the prior written approval of the Contract Officer, or assigned designee, or as required by law. Contracting Party shall not disclose to any other entity or person any information regarding the activities of City, except as required by law or as authorized by City.

7.7 Confidential or Personal Identifying Information. Contracting Party covenants that all City data, data lists, trade secrets, documents with personal identifying information, documents that are not public records, draft documents, discussion notes, or other information, if any, developed or received by Contracting Party or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Contracting Party to any person or entity without prior written authorization by City or unless required by law. City shall grant authorization for disclosure if required by any lawful administrative or legal proceeding, court order, or similar directive with the force of law. All City data, data lists, trade secrets, documents with personal identifying information, documents that are not public records, draft documents, discussions, or other information shall be returned to City upon the termination or expiration of this Agreement. Contracting Party's covenant under this section shall survive the termination or expiration of this Agreement.

8. ENFORCEMENT OF AGREEMENT.

8.1 California Law. This Agreement shall be interpreted, construed, and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and

Contracting Party covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Disputes. In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefore. The injured party shall continue performing its obligations hereunder so long as the injuring party commences to cure such default within ten (10) days of service of such notice and completes the cure of such default within forty-five (45) days after service of the notice, or such longer period as may be permitted by the Contract Officer, or assigned designee; provided that if the default is an immediate danger to the health, safety, or general welfare, City may take such immediate action as City deems warranted. Compliance with the provisions of this Section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's right to terminate this Agreement without cause pursuant to this Article 8.0. During the period of time that Contracting Party is in default, City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, City may, in its sole discretion, elect to pay some or all of the outstanding invoices during any period of default.

8.3 Retention of Funds. City may withhold from any monies payable to Contracting Party sufficient funds to compensate City for any losses, costs, liabilities, or damages it reasonably believes were suffered by City due to the default of Contracting Party in the performance of the Services required by this Agreement.

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

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

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

8.7 Termination Prior To Expiration of Term. This Section shall govern any termination of this Agreement, except as specifically provided in the following Section for

termination for cause. City reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to Contracting Party. Upon receipt of any notice of termination, Contracting Party shall immediately cease all Services hereunder except such as may be specifically approved by the Contract Officer, or assigned designee. Contracting Party shall be entitled to compensation for all Services rendered prior to receipt of the notice of termination and for any Services authorized by the Contract Officer, or assigned designee, thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, or assigned designee, except amounts held as a retention pursuant to this Agreement.

8.8 Termination for Default of Contracting Party. If termination is due to the failure of Contracting Party to fulfill its obligations under this Agreement, Contracting Party shall vacate any City-owned property which Contracting Party is permitted to occupy hereunder and City may, after compliance with the provisions of Section 8.2, take over the Services and prosecute the same to completion by contract or otherwise, and Contracting Party shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the compensation herein stipulated (provided that City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to Contracting Party for the purpose of setoff or partial payment of the amounts owed City.

8.9 Attorneys' Fees. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys' fees; provided, however, that the attorneys' fees awarded pursuant to this Section shall not exceed the hourly rate paid by City for legal services multiplied by the reasonable number of hours spent by the prevailing party in the conduct of the litigation. Attorneys' fees shall include attorneys' fees on any appeal, and in addition a party entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery, and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment. The court may set such fees in the same action or in a separate action brought for that purpose.

9. CITY OFFICERS AND EMPLOYEES; NONDISCRIMINATION.

9.1 Non-liability of City Officers and Employees. No officer, official, employee, agent, representative, or volunteer of City shall be personally liable to Contracting Party, or any successor in interest, in the event or any default or breach by City or for any amount which may become due to Contracting Party or to its successor, or for breach of any obligation of the terms of this Agreement.

9.2 Conflict of Interest. Contracting Party covenants that neither it, nor any officer or principal of it, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder

Contracting Party’s performance of the Services under this Agreement. Contracting Party further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent, or subcontractor without the express written consent of the Contract Officer, or assigned designee. Contracting Party agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to this Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. Contracting Party warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

9.3 Covenant against Discrimination. Contracting Party covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any impermissible classification including, but not limited to, race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry in the performance of this Agreement. Contracting Party shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry.

10. MISCELLANEOUS PROVISIONS.

10.1 Notice. Any notice, demand, request, consent, approval, or communication either party desires or is required to give the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

To City:

CITY OF LA QUINTA
Attention: Alfred Berumen
78495 Calle Tampico
La Quinta, California 92253

To Contracting Party:

Lozano’s Painting, Inc.
Attention: Jose Lozano
33881 Pueblo Trail Apt A
Cathedral City, CA 92234

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

10.3 Section Headings and Subheadings. The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

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

10.5 Integrated Agreement. This Agreement including the exhibits hereto is the entire, complete, and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements, and understandings, if any, between the parties, and none shall be used to interpret this Agreement.

10.6 Amendment. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by Contracting Party and by the City Council of City. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

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

10.8 Unfair Business Practices Claims. In entering into this Agreement, Contracting Party offers and agrees to assign to City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. § 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials related to this Agreement. This assignment shall be made and become effective at the time City renders final payment to Contracting Party without further acknowledgment of the parties.

10.9 No Third-Party Beneficiaries. With the exception of the specific provisions set forth in this Agreement, there are no intended third-party beneficiaries under this Agreement and no such other third parties shall have any rights or obligations hereunder.

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

any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

CITY OF LA QUINTA,
a California Municipal Corporation

CONTRACTING PARTY:

By: _____
Name: Jose Lozano
Title: CEO/President

JON McMILLEN, City Manager
City of La Quinta, California

Dated: _____

ATTEST:

By: _____
Name: _____
Title: _____

MONIKA RADEVA, City Clerk
City of La Quinta, California

APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

Exhibit A Scope of Services

Painting and refinishing services, including but not limited to paint maintenance and minor repair services on an on-call, as-needed basis. The services and tasks to be performed include the furnishing of all labor, materials, tools, equipment, supplies, tasks, and incidental and customary work necessary to competently perform painting services and minor repair work at various City facilities, projects and locations.

Examples of painting work include but are not limited to:

- Painting and general refinishing work of interior and exterior surfaces (drywall, stucco, metal work, and woodwork)
- Repair, refinish, and repainting existing stucco finishes, metal fencing, light posts, metal patio enclosures and handrail, wood trim and wood beams. To include all cracks, blemishes, and voids
- Pressure wash all stucco, metal fencing, handrails, patio enclosures and any surfaces to be painted
- Patch all stucco and wood cracks with approved exterior caulking or filler
- Apply (1) full coat of approved exterior or interior primer to work area
- Apply (2) full coats of approved interior or exterior paint to work area
- Other typical and common miscellaneous painting repairs and work
- The work should include all preparation, overspray protection, pressure washing, masking, and patching unless otherwise stated by the City
- All materials to be used will be approved by the Facilities Superintendent
- All work shall be to applicable codes and to the satisfaction of the City

Please Note: Some services may require associated stucco, metal and wood structure patching or repair (through contractor's forces or use of subcontractors).

ADDENDUM TO AGREEMENT

Re: Scope of Services

If the Scope of Services include construction, alteration, demolition, installation, repair, or maintenance affecting real property or structures or improvements of any kind appurtenant to real property, the following apply:

1. Prevailing Wage Compliance. If Contracting Party is a contractor performing public works and maintenance projects, as described in this Section 1.3, Contracting Party shall comply with applicable Federal, State, and local laws. Contracting Party is aware of the requirements of California Labor Code Sections 1720, *et seq.*, and 1770, *et seq.*, as well as California Code of Regulations, Title 8, Sections 16000, *et seq.*, (collectively, the "Prevailing Wage Laws"), and La Quinta Municipal Code Section 3.12.040, 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 construction work over twenty-five thousand dollars (\$25,000.00) and/or alterations, demolition, repair or maintenance work over fifteen thousand dollars (\$15,000.00) is entered into or extended on or after January 1, 2015 by this Agreement, Contracting Party agrees to fully comply with such Prevailing Wage Laws including, but not limited to, requirements related to the maintenance of payroll records and the employment of apprentices. Pursuant to California Labor Code Section 1725.5, no contractor or subcontractor may be awarded a contract for public work on a "Public works" project unless registered with the California Department of Industrial Relations ("DIR") at the time the contract is awarded. If the Services are being performed as part of an applicable "Public works" or "Maintenance" project, as defined by the Prevailing Wage Laws, this project is subject to compliance monitoring and enforcement by the DIR. Contracting Party will maintain and will require all subcontractors to maintain valid and current DIR Public Works contractor registration during the term of this Agreement. Contracting Party shall notify City in writing immediately, and in no case more than twenty-four (24) hours, after receiving any information that Contracting Party's or any of its subcontractor's DIR registration status has been suspended, revoked, expired, or otherwise changed. It is understood that it is the responsibility of Contracting Party to determine the correct salary scale. Contracting Party 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 Contracting Party's principal place of business and at the project site, if any. The statutory penalties for failure to pay prevailing wage or to comply with State wage and hour laws will be enforced. Contracting Party must forfeit to City TWENTY-FIVE DOLLARS (\$25.00) per day for each worker who works in excess of the minimum working hours when Contracting Party does not pay overtime. In accordance with the provisions of Labor Code Sections 1810 *et seq.*, eight (8) hours is the legal working day. Contracting Party also shall comply with State law requirements to maintain payroll records and shall provide for certified records and inspection of records as required by California Labor Code Section 1770 *et seq.*, including Section 1776. In addition to the other indemnities provided under this Agreement, Contracting Party shall defend (with counsel selected by City), indemnify, and hold 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. It is agreed by the parties that, in connection with performance of the Services, including, without limitation, any and all "Public works" (as defined by the Prevailing Wage Laws), Contracting Party shall bear all risks of payment or non-payment of prevailing wages under California law and/or the implementation of Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law. Contracting Party acknowledges and agrees that it shall be independently responsible for reviewing the applicable laws and regulations and effectuating compliance with such laws. Contracting Party shall require the same of all subcontractors.

2. Retention. Payments shall be made in accordance with the provisions of Article 2.0 of the Agreement. In accordance with said Sections, City shall pay Contracting Party a sum based upon ninety-five percent (95%) of the Contract Sum apportionment of the labor and materials incorporated into the Services under this Agreement during the month covered by said invoice. The remaining five percent (5%) thereof shall be retained as performance security to be paid to Contracting Party within sixty (60) days after final acceptance of the Services by the City Council of City, after Contracting Party has furnished City with a full release of all undisputed payments under this Agreement, if required by City. In the event there are any claims specifically excluded by Contracting Party from the operation of the release, City may retain proceeds (per Public Contract Code § 7107) of up to one hundred fifty percent (150%) of the amount in dispute. City's failure to deduct or withhold shall not affect Contracting Party's obligations under the Agreement.

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

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

(a) Contracting Party shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contracting Party believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) subsurface or latent physical conditions at the site different from those indicated by information about the site made available to bidders prior to the deadline for submitting bids; or (3) unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Agreement.

(b) City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in Contracting Party's cost of, or the time required for, performance of any part of the work shall issue a change order per Section 1.8 of the Agreement.

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

5. Safety. Contracting Party shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out the Services, Contracting Party 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.

6. Liquidated Damages. Since the determination of actual damages for any delay in performance of the Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, Contracting Party shall be liable for and shall pay to City the sum of One Thousand dollars (\$1,000.00) as liquidated damages for each working day of delay in the performance of any of the Services required hereunder, as specified in the Schedule of Performance. In addition, liquidated damages may be assessed for failure to comply with the emergency call out requirements, if any, described in the Scope of Services. City may withhold from any moneys payable on account of the Services performed by Contracting Party any accrued liquidated damages.

Exhibit B

Schedule of Compensation

With the exception of compensation for Additional Services, provided for in Section 2.3 of this Agreement, the maximum total compensation to be paid to Contracting Party under this Agreement is not to exceed One Hundred Fifty Thousand (\$ 150,000.00) per year for the life of the agreement, encompassing the Initial and any Extended Terms (“Contract Sum”). Contractor expressly acknowledges and agrees that the Contract Sum in this Agreement is the annual aggregate total amount covering this Agreement, that certain Agreement for Contract Services by and between the City and Color New Co of or about even date as this Agreement, such that the Contract Sum as defined herein is the maximum amount available for services provided under both agreements. The Contract Sum shall be paid to Contracting Party in installment payments made on a monthly basis and in an amount identified in Contracting Party’s schedule of compensation attached hereto for the work tasks performed and properly invoiced by Contracting Party in conformance with Section 2.2 of this Agreement.

Complete Pricing List:

Straight time: \$120 hourly
Overtime: \$180 hourly
Holiday & Sunday: \$200 hourly

Free Estimates

	<u>Initial Term:</u>
“Not to exceed” Year 1:	\$150,000.00
“Not to exceed” Year 2:	\$150,000.00
“Not to exceed” Year 3:	\$150,000.00

	<u>Possible Extended Term:</u>
“Not to exceed” Year 4:	\$150,000.00
“Not to exceed” Year 5:	\$150,000.00

Exhibit C
Schedule of Performance

Contracting Party shall complete all services identified in the Scope of Services, Exhibit A of this Agreement, as requested by City within the time allowed by the total contract sum.

Exhibit D
Special Requirements

None

Exhibit E
Insurance Requirements

E.1 Insurance. Prior to the beginning of and throughout the duration of this Agreement, the following policies shall be maintained and kept in full force and effect providing insurance with minimum limits as indicated below and issued by insurers with A.M. Best ratings of no less than A-VI:

Commercial General Liability (at least as broad as ISO CG 0001)
\$1,000,000 (per occurrence)
\$2,000,000 (general aggregate)

Must include the following endorsements:

General Liability Additional Insured
General Liability Primary and Non-contributory

Commercial Auto Liability (at least as broad as ISO CA 0001)
\$1,000,000 (per accident)

Auto Liability Additional Insured
Personal Auto Declaration Page if applicable

Workers' Compensation
(per statutory requirements)

Must include the following endorsements:

Workers Compensation with Waiver of Subrogation
Workers Compensation Declaration of Sole Proprietor if applicable

Contracting Party shall procure and maintain, at its cost, and submit concurrently with its execution of this Agreement, Commercial General Liability insurance against all claims for injuries against persons or damages to property resulting from Contracting Party's acts or omissions rising out of or related to Contracting Party's performance under this Agreement. The insurance policy shall contain a severability of interest clause providing that the coverage shall be primary for losses arising out of Contracting Party's performance hereunder and neither City nor its insurers shall be required to contribute to any such loss. An endorsement evidencing the foregoing and naming the City and its officers and employees as additional insured (on the Commercial General Liability policy only) must be submitted concurrently with the execution of this Agreement and approved by City prior to commencement of the services hereunder.

Contracting Party shall carry automobile liability insurance of \$1,000,000 per accident against all claims for injuries against persons or damages to property arising out of the use of any automobile by Contracting Party, its officers, any person directly or indirectly employed by Contracting Party, any subcontractor or agent, or anyone for whose acts any of them may be liable, arising directly or indirectly out of or related to Contracting Party's performance under this Agreement. If Contracting Party or Contracting Party's employees will use personal autos in any way on this project, Contracting Party shall provide evidence of personal auto liability coverage for each such

person. The term “automobile” includes, but is not limited to, a land motor vehicle, trailer or semi-trailer designed for travel on public roads. The automobile insurance policy shall contain a severability of interest clause providing that coverage shall be primary for losses arising out of Contracting Party’s performance hereunder and neither City nor its insurers shall be required to contribute to such loss.

Contracting Party shall carry Workers’ Compensation Insurance in accordance with State Worker’s Compensation laws with employer’s liability limits no less than \$1,000,000 per accident or disease.

If coverage is maintained on a claims-made basis, Contracting Party shall maintain such coverage for an additional period of three (3) years following termination of the contract.

Contracting Party shall provide written notice to City within ten (10) working days if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self-insured retention is increased. In the event any of said policies of insurance are cancelled, Contracting Party shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Exhibit to the Contract Officer. The procuring of such insurance or the delivery of policies or certificates evidencing the same shall not be construed as a limitation of Contracting Party’s obligation to indemnify City, its officers, employees, contractors, subcontractors, or agents.

E.2 Remedies. In addition to any other remedies City may have if Contracting Party fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option:

- a. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under this Agreement.
- b. Order Contracting Party to stop work under this Agreement and/or withhold any payment(s) which become due to Contracting Party hereunder until Contracting Party demonstrates compliance with the requirements hereof.
- c. Terminate this Agreement.

Exercise any of the above remedies, however, is an alternative to any other remedies City may have. The above remedies are not the exclusive remedies for Contracting Party’s failure to maintain or secure appropriate policies or endorsements. Nothing herein contained shall be construed as limiting in any way the extent to which Contracting Party may be held responsible for payments of damages to persons or property resulting from Contracting Party’s or its subcontractors’ performance of work under this Agreement.

E.3 General Conditions Pertaining to Provisions of Insurance Coverage by Contracting Party. Contracting Party and City agree to the following with respect to insurance provided by Contracting Party:

1. Contracting Party agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds City, its officials, employees, and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Contracting Party also agrees to require all contractors, and subcontractors to do likewise.

2. No liability insurance coverage provided to comply with this Agreement shall prohibit Contracting Party, or Contracting Party's employees, or agents, from waiving the right of subrogation prior to a loss. Contracting Party agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.

3. All insurance coverage and limits provided by Contracting Party and available or applicable to this Agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to City or its operations limits the application of such insurance coverage.

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

5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.

6. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises. Contracting Party shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City's protection without City's prior written consent.

7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all the coverages required and an additional insured endorsement to Contracting Party's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Contracting Party or deducted from sums due Contracting Party, at City option.

8. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Contracting Party or any subcontractor, is intended

to apply first and on a primary, non-contributing basis in relation to any other insurance or self-insurance available to City.

9. Contracting Party agrees to ensure that subcontractors, and any other party involved with the project that is brought onto or involved in the project by Contracting Party, provide the same minimum insurance coverage required of Contracting Party. Contracting Party agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contracting Party agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.

10. Contracting Party agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein (with the exception of professional liability coverage, if required) and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to City. If Contracting Party's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At that time the City shall review options with the Contracting Party, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.

11. The City reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required by giving the Contracting Party ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Contracting Party, the City will negotiate additional compensation proportional to the increased benefit to City.

12. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

13. Contracting Party acknowledges and agrees that any actual or alleged failure on the part of City to inform Contracting Party of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.

14. Contracting Party will renew the required coverage annually as long as City, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies whether the agreement is canceled or terminated for any reason. Termination of this obligation is not effective until City executes a written statement to that effect.

15. Contracting Party shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from

Contracting Party's insurance agent to this effect is acceptable. A certificate of insurance and an additional insured endorsement is required in these specifications applicable to the renewing or new coverage must be provided to City within five (5) days of the expiration of coverages.

16. The provisions of any workers' compensation or similar act will not limit the obligations of Contracting Party under this agreement. Contracting Party expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials, and agents.

17. Requirements of specific coverage features, or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be limiting or all-inclusive.

18. These insurance requirements are intended to be separate and distinct from any other provision in this Agreement and are intended by the parties here to be interpreted as such.

19. The requirements in this Exhibit supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Exhibit.

20. Contracting Party agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Contracting Party for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

21. Contracting Party agrees to provide immediate notice to City of any claim or loss against Contracting Party arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

Exhibit F
Indemnification

F.1 Indemnity for the Benefit of City.

a. Indemnification for Professional Liability. When the law establishes a professional standard of care for Contracting Party's Services, to the fullest extent permitted by law, Contracting Party shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officials, employees, and agents ("Indemnified Parties") from and against any and all claims, losses, liabilities of every kind, nature, and description, damages, injury (including, without limitation, injury to or death of an employee of Contracting Party or of any subcontractor), costs and expenses of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Contracting Party, its officers, agents, employees or subcontractors (or any entity or individual that Contracting Party shall bear the legal liability thereof) in the performance of professional services under this agreement. With respect to the design of public improvements, the Contracting Party shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Contracting Party.

b. Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Contracting Party shall indemnify, defend (with counsel selected by City), and hold harmless the Indemnified Parties from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses) incurred in connection therewith and costs of investigation, where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Contracting Party or by any individual or entity for which Contracting Party is legally liable, including but not limited to officers, agents, employees, or subcontractors of Contracting Party.

c. Indemnity Provisions for Contracts Related to Construction (Limitation on Indemnity). Without affecting the rights of City under any provision of this agreement, Contracting Party shall not be required to indemnify and hold harmless City for liability attributable to the active negligence of City, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where City is shown to have been actively negligent and where City's active negligence accounts for only a percentage of the liability involved, the obligation of Contracting Party will be for that entire portion or percentage of liability not attributable to the active negligence of City.

d. Indemnification Provision for Design Professionals.

1. Applicability of this Section F.1(d). Notwithstanding Section F.1(a) hereinabove, the following indemnification provision shall apply to a Contracting Party who constitutes a “design professional” as the term is defined in paragraph 3 below.

2. Scope of Indemnification. When the law establishes a professional standard of care for Contracting Party’s Services, to the fullest extent permitted by law, Contracting Party shall indemnify and hold harmless City and any and all of its officials, employees, and agents (“Indemnified Parties”) from and against any and all losses, liabilities of every kind, nature, and description, damages, injury (including, without limitation, injury to or death of an employee of Contracting Party or of any subcontractor), costs and expenses, including, without limitation, incidental and consequential damages, court costs, reimbursement of attorneys’ fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, to the extent same are caused by any negligent or wrongful act, error or omission of Contracting Party, its officers, agents, employees or subcontractors (or any entity or individual that Contracting Party shall bear the legal liability thereof) in the performance of professional services under this agreement. With respect to the design of public improvements, the Contracting Party shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Contracting Party.

3. Design Professional Defined. As used in this Section F.1(d), the term “design professional” shall be limited to licensed architects, registered professional engineers, licensed professional land surveyors and landscape architects, all as defined under current law, and as may be amended from time to time by Civil Code § 2782.8.

F.2 Obligation to Secure Indemnification Provisions. Contracting Party agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Exhibit F, as applicable to the Contracting Party, from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Contracting Party in the performance of this Agreement. In the event Contracting Party fails to obtain such indemnity obligations from others as required herein, Contracting Party agrees to be fully responsible according to the terms of this Exhibit. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth in this Agreement are binding on the successors, assigns or heirs of Contracting Party and shall survive the termination of this Agreement.

AGREEMENT FOR CONTRACT SERVICES

THIS AGREEMENT FOR CONTRACT SERVICES (the “Agreement”) is made and entered into by and between the CITY OF LA QUINTA, (“City”), a California municipal corporation, and Color New Co, with a place of business at 22855 Califa St., Woodland Hills, CA 91367 (“Contracting Party”). The parties hereto agree as follows:

1. SERVICES OF CONTRACTING PARTY.

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Contracting Party shall provide those services related to on-call painting and refinishing services, as specified in the “Scope of Services” attached hereto as “Exhibit A” and incorporated herein by this reference (the “Services”). Contracting Party represents and warrants that Contracting Party is a provider of first-class work and/or services and Contracting Party is experienced in performing the Services contemplated herein and, in light of such status and experience, Contracting Party covenants that it shall follow industry standards in performing the Services required hereunder, and that all materials, if any, will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase “industry standards” shall mean those standards of practice recognized by one or more first-class firms performing similar services under similar circumstances.

1.2 Compliance with Law. All Services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, regulations, and laws of the City and any Federal, State, or local governmental agency of competent jurisdiction.

1.3 Wage and Hour Compliance. Contracting Party shall comply with applicable Federal, State, and local wage and hour laws.

1.4 Licenses, Permits, Fees and Assessments. Except as otherwise specified herein, Contracting Party shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the Services required by this Agreement, including a City of La Quinta business license. Contracting Party and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for the performance of the Services required by this Agreement. Contracting Party shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the performance of the Services required by this Agreement, and shall indemnify, defend (with counsel selected by City), and hold City, its elected officials, officers, employees, and agents, free and harmless against any such fees, assessments, taxes, penalties, or interest levied, assessed, or imposed against City hereunder. Contracting Party shall be responsible for all subcontractors’ compliance with this Section.

1.5 Familiarity with Work. By executing this Agreement, Contracting Party warrants that (a) it has thoroughly investigated and considered the Services to be

performed, (b) it has investigated the site where the Services are to be performed, if any, and fully acquainted itself with the conditions there existing, (c) it has carefully considered how the Services should be performed, and (d) it fully understands the facilities, difficulties, and restrictions attending performance of the Services under this Agreement. Should Contracting Party discover any latent or unknown conditions materially differing from those inherent in the Services or as represented by City, Contracting Party shall immediately inform City of such fact and shall not proceed except at Contracting Party's risk until written instructions are received from the Contract Officer, or assigned designee (as defined in Section 4.2 hereof).

1.6 Standard of Care. Contracting Party acknowledges and understands that the Services contracted for under this Agreement require specialized skills and abilities and that, consistent with this understanding, Contracting Party's work will be held to an industry standard of quality and workmanship. Consistent with Section 1.5 hereinabove, Contracting Party represents to City that it holds the necessary skills and abilities to satisfy the industry standard of quality as set forth in this Agreement. Contracting Party shall adopt reasonable methods during the life of this Agreement to furnish continuous protection to the Services performed by Contracting Party, and the equipment, materials, papers, and other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the Services by City, except such losses or damages as may be caused by City's own negligence. The performance of Services by Contracting Party shall not relieve Contracting Party from any obligation to correct any incomplete, inaccurate, or defective work at no further cost to City, when such inaccuracies are due to the negligence of Contracting Party.

1.7 Additional Services. In accordance with the terms and conditions of this Agreement, Contracting Party shall perform services in addition to those specified in the Scope of Services ("Additional Services") only when directed to do so by the Contract Officer, or assigned designee, provided that Contracting Party shall not be required to perform any Additional Services without compensation. Contracting Party shall not perform any Additional Services until receiving prior written authorization (in the form of a written change order if Contracting Party is a contractor performing the Services) from the Contract Officer, or assigned designee, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of Contracting Party. It is expressly understood by Contracting Party that the provisions of this Section shall not apply to the Services specifically set forth in the Scope of Services or reasonably contemplated therein. It is specifically understood and agreed that oral requests and/or approvals of Additional Services shall be barred and are unenforceable. Failure of Contracting Party to secure the Contract Officer's, or assigned designee's written authorization for Additional Services shall constitute a waiver of any and all right to adjustment of the Contract Sum or time to perform this Agreement, whether by way of compensation, restitution, quantum meruit, or the like, for Additional Services provided without the appropriate authorization from the Contract Officer, or assigned designee. Compensation for properly authorized Additional Services shall be made in accordance with Section 2.3 of this Agreement.

1.8 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in "Exhibit D" (the "Special Requirements"), which is incorporated herein by this reference and expressly made a part hereof. In the event of a conflict between the provisions of the Special Requirements and any other provisions of this Agreement, the provisions of the Special Requirements shall govern.

2. COMPENSATION.

2.1 Contract Sum. For the Services rendered pursuant to this Agreement, Contracting Party shall be compensated in accordance with "Exhibit B" (the "Schedule of Compensation") in a total amount not to exceed One Hundred Fifty Thousand Dollars (\$150,000.00) per year, for the life of the Agreement, encompassing the Initial and any Extended Terms (the "Contract Sum"), except as provided in Section 1.7. Contractor expressly acknowledges and agrees that the Contract Sum in this Agreement is the annual aggregate total amount covering this Agreement, that certain Agreement for Contract Services by and between the City and Lozano's Painting, Inc. of or about even date as this Agreement, such that the Contract Sum as defined herein is the maximum amount available for services provided under both agreements. The method of compensation set forth in the Schedule of Compensation may include a lump sum payment upon completion, payment in accordance with the percentage of completion of the Services, payment for time and materials based upon Contracting Party's rate schedule, but not exceeding the Contract Sum, or such other reasonable methods as may be specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contracting Party at all project meetings reasonably deemed necessary by City; Contracting Party shall not be entitled to any additional compensation for attending said meetings. Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, transportation expense, telephone expense, and similar costs and expenses when and if specified in the Schedule of Compensation. Regardless of the method of compensation set forth in the Schedule of Compensation, Contracting Party's overall compensation shall not exceed the Contract Sum, except as provided in Section 1.7 of this Agreement.

2.2 Method of Billing & Payment. Any month in which Contracting Party wishes to receive payment, Contracting Party shall submit to City no later than the tenth (10th) working day of such month, in the form approved by City's Finance Director, an invoice for Services rendered prior to the date of the invoice. Such invoice shall (1) describe in detail the Services provided, including time and materials, and (2) specify each staff member who has provided Services and the number of hours assigned to each such staff member. Such invoice shall contain a certification by a principal member of Contracting Party specifying that the payment requested is for Services performed in accordance with the terms of this Agreement. Upon approval in writing by the Contract Officer, or assigned designee, and subject to retention pursuant to Section 8.3, City will pay Contracting Party for all items stated thereon which are approved by City pursuant to this Agreement no later than thirty (30) days after invoices are received by the City's Finance Department.

2.3 Compensation for Additional Services. Additional Services approved in advance by the Contract Officer, or assigned designee, pursuant to Section 1.7 of this Agreement shall be paid for in an amount agreed to in writing by both City and Contracting Party in advance of the Additional Services being rendered by Contracting Party. Any compensation for Additional Services amounting to five percent (5%) or less of the Contract Sum may be approved by the Contract Officer, or assigned designee. Any greater amount of compensation for Additional Services must be approved by the La Quinta City Council, the City Manager, or Department Director, depending upon City laws, regulations, rules and procedures concerning public contracting. Under no circumstances shall Contracting Party receive compensation for any Additional Services unless prior written approval for the Additional Services is obtained from the Contract Officer, or assigned designee, pursuant to Section 1.7 of this Agreement.

3. PERFORMANCE SCHEDULE.

3.1 Time of Essence. Time is of the essence in the performance of this Agreement. If the Services not completed in accordance with the Schedule of Performance, as set forth in Section 3.2 and "Exhibit C", it is understood that the City will suffer damage.

3.2 Schedule of Performance. All Services rendered pursuant to this Agreement shall be performed diligently and within the time period established in "Exhibit C" (the "Schedule of Performance"). Extensions to the time period specified in the Schedule of Performance may be approved in writing by the Contract Officer, or assigned designee.

3.3 Force Majeure. The time period specified in the Schedule of Performance for performance of the Services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of Contracting Party, including, but not restricted to, acts of God or of the public enemy, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, acts of any governmental agency other than City, and unusually severe weather, if Contracting Party shall within ten (10) days of the commencement of such delay notify the Contract Officer, or assigned designee, in writing of the causes of the delay. The Contract Officer, or assigned designee, shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the forced delay when and if in the Contract Officer's judgment such delay is justified, and the Contract Officer's determination, or assigned designee, shall be final and conclusive upon the parties to this Agreement. Extensions to time period in the Schedule of Performance which are determined by the Contract Officer, or assigned designee, to be justified pursuant to this Section shall not entitle the Contracting Party to additional compensation in excess of the Contract Sum.

3.4 Term. Unless earlier terminated in accordance with the provisions in Article 8.0 of this Agreement, the term of this agreement shall commence on July 1, 2024, and terminate on June 30, 2027 ("Initial Term"). This Agreement may be extended for

two additional year(s) upon mutual agreement by both parties (“Extended Term”), and executed in writing.

4. COORDINATION OF WORK.

4.1 Representative of Contracting Party. The following principals of Contracting Party (“Principals”) are hereby designated as being the principals and representatives of Contracting Party authorized to act in its behalf with respect to the Services specified herein and make all decisions in connection therewith:

- (a) Louis Loizu
Color New Co
Telephone No.: (818) 884-0856
Email: colornewco@yahoo.com

It is expressly understood that the experience, knowledge, capability, and reputation of the foregoing Principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing Principals shall be responsible during the term of this Agreement for directing all activities of Contracting Party and devoting sufficient time to personally supervise the Services hereunder. For purposes of this Agreement, the foregoing Principals may not be changed by Contracting Party and no other personnel may be assigned to perform the Services required hereunder without the express written approval of City.

4.2 Contract Officer. The “Contract Officer”, otherwise known as Bryan McKinney, PE, Public Works Director/City Engineer, or assigned designee may be designated in writing by the City Manager of the City. It shall be Contracting Party’s responsibility to assure that the Contract Officer, or assigned designee, is kept informed of the progress of the performance of the Services, and Contracting Party shall refer any decisions, that must be made by City to the Contract Officer, or assigned designee. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer, or assigned designee. The Contract Officer, or assigned designee, shall have authority to sign all documents on behalf of City required hereunder to carry out the terms of this Agreement.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability, and reputation of Contracting Party, its principals, and its employees were a substantial inducement for City to enter into this Agreement. Except as set forth in this Agreement, Contracting Party shall not contract or subcontract with any other entity to perform in whole or in part the Services required hereunder without the express written approval of City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered, voluntarily or by operation of law, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contracting Party, taking all transfers into account on a cumulative basis. Any attempted or purported assignment or contracting or subcontracting by Contracting Party without City’s express written approval shall be null, void, and of no effect. No approved

transfer shall release Contracting Party of any liability hereunder without the express consent of City.

4.4 Independent Contractor. Neither City nor any of its employees shall have any control over the manner, mode, or means by which Contracting Party, its agents, or its employees, perform the Services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision, or control of Contracting Party's employees, servants, representatives, or agents, or in fixing their number or hours of service. Contracting Party shall perform all Services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Contracting Party shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Contracting Party in its business or otherwise or a joint venture or a member of any joint enterprise with Contracting Party. Contracting Party shall have no power to incur any debt, obligation, or liability on behalf of City. Contracting Party shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. Except for the Contract Sum paid to Contracting Party as provided in this Agreement, City shall not pay salaries, wages, or other compensation to Contracting Party for performing the Services hereunder for City. City shall not be liable for compensation or indemnification to Contracting Party for injury or sickness arising out of performing the Services hereunder. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contracting Party and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System ("PERS") as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Contracting Party agrees to pay all required taxes on amounts paid to Contracting Party under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Contracting Party shall fully comply with the workers' compensation laws regarding Contracting Party and Contracting Party's employees. Contracting Party further agrees to indemnify and hold City harmless from any failure of Contracting Party to comply with applicable workers' compensation laws. City shall have the right to offset against the amount of any payment due to Contracting Party under this Agreement any amount due to City from Contracting Party as a result of Contracting Party's failure to promptly pay to City any reimbursement or indemnification arising under this Section.

4.5 Identity of Persons Performing Work. Contracting Party represents that it employs or will employ at its own expense all personnel required for the satisfactory performance of any and all of the Services set forth herein. Contracting Party represents that the Services required herein will be performed by Contracting Party or under its direct supervision, and that all personnel engaged in such work shall be fully qualified and shall be authorized and permitted under applicable State and local law to perform such tasks and services.

4.6 City Cooperation. City shall provide Contracting Party with any plans, publications, reports, statistics, records, or other data or information pertinent to the Services to be performed hereunder which are reasonably available to Contracting Party only from or through action by City.

5. INSURANCE.

5.1 Insurance. Prior to the beginning of any Services under this Agreement and throughout the duration of the term of this Agreement, Contracting Party shall procure and maintain, at its sole cost and expense, and submit concurrently with its execution of this Agreement, policies of insurance as set forth in "Exhibit E" (the "Insurance Requirements") which is incorporated herein by this reference and expressly made a part hereof.

5.2 Proof of Insurance. Contracting Party shall provide Certificate of Insurance to Agency along with all required endorsements. Certificate of Insurance and endorsements must be approved by Agency's Risk Manager prior to commencement of performance.

6. INDEMNIFICATION.

6.1 Indemnification. To the fullest extent permitted by law, Contracting Party shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officers, employees, agents, and volunteers as set forth in "Exhibit F" ("Indemnification") which is incorporated herein by this reference and expressly made a part hereof.

7. RECORDS AND REPORTS.

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

7.2 Records. Contracting Party shall keep, and require any subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports (including but not limited to payroll reports), studies, or other documents relating to the disbursements charged to City and the Services performed hereunder (the "Books and Records"), as shall be necessary to perform the Services required by this Agreement and

enable the Contract Officer, or assigned designee, to evaluate the performance of such Services. Any and all such Books and Records shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer, or assigned designee, shall have full and free access to such Books and Records at all times during normal business hours of City, including the right to inspect, copy, audit, and make records and transcripts from such Books and Records. Such Books and Records shall be maintained for a period of three (3) years following completion of the Services hereunder, and City shall have access to such Books and Records in the event any audit is required. In the event of dissolution of Contracting Party's business, custody of the Books and Records may be given to City, and access shall be provided by Contracting Party's successor in interest. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds Ten Thousand Dollars (\$10,000.00), this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

7.3 Ownership of Documents. All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents, and other materials plans, drawings, estimates, test data, survey results, models, renderings, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings, digital renderings, or data stored digitally, magnetically, or in any other medium prepared or caused to be prepared by Contracting Party, its employees, subcontractors, and agents in the performance of this Agreement (the "Documents and Materials") shall be the property of City and shall be delivered to City upon request of the Contract Officer, or assigned designee, or upon the expiration or termination of this Agreement, and Contracting Party shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the Documents and Materials hereunder. Any use, reuse or assignment of such completed Documents and Materials for other projects and/or use of uncompleted documents without specific written authorization by Contracting Party will be at City's sole risk and without liability to Contracting Party, and Contracting Party's guarantee and warranties shall not extend to such use, revise, or assignment. Contracting Party may retain copies of such Documents and Materials for its own use. Contracting Party shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any Documents and Materials prepared by them, and in the event Contracting Party fails to secure such assignment, Contracting Party shall indemnify City for all damages resulting therefrom.

7.4 In the event City or any person, firm, or corporation authorized by City reuses said Documents and Materials without written verification or adaptation by Contracting Party for the specific purpose intended and causes to be made or makes any changes or alterations in said Documents and Materials, City hereby releases, discharges, and exonerates Contracting Party from liability resulting from said change. The provisions of this clause shall survive the termination or expiration of this Agreement and shall thereafter remain in full force and effect.

7.5 Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, rights of reproduction, and other intellectual property embodied in the Documents and Materials. Contracting Party shall require all subcontractors, if any, to agree in writing that City is granted a non-exclusive and perpetual license for the Documents and Materials the subcontractor prepares under this Agreement. Contracting Party represents and warrants that Contracting Party has the legal right to license any and all of the Documents and Materials. Contracting Party makes no such representation and warranty in regard to the Documents and Materials which were prepared by design professionals other than Contracting Party or provided to Contracting Party by City. City shall not be limited in any way in its use of the Documents and Materials at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

7.6 Release of Documents. The Documents and Materials shall not be released publicly without the prior written approval of the Contract Officer, or assigned designee, or as required by law. Contracting Party shall not disclose to any other entity or person any information regarding the activities of City, except as required by law or as authorized by City.

7.7 Confidential or Personal Identifying Information. Contracting Party covenants that all City data, data lists, trade secrets, documents with personal identifying information, documents that are not public records, draft documents, discussion notes, or other information, if any, developed or received by Contracting Party or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Contracting Party to any person or entity without prior written authorization by City or unless required by law. City shall grant authorization for disclosure if required by any lawful administrative or legal proceeding, court order, or similar directive with the force of law. All City data, data lists, trade secrets, documents with personal identifying information, documents that are not public records, draft documents, discussions, or other information shall be returned to City upon the termination or expiration of this Agreement. Contracting Party's covenant under this section shall survive the termination or expiration of this Agreement.

8. ENFORCEMENT OF AGREEMENT.

8.1 California Law. This Agreement shall be interpreted, construed, and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and Contracting Party covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Disputes. In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefore. The injured party shall continue performing its obligations hereunder so long

as the injuring party commences to cure such default within ten (10) days of service of such notice and completes the cure of such default within forty-five (45) days after service of the notice, or such longer period as may be permitted by the Contract Officer, or assigned designee; provided that if the default is an immediate danger to the health, safety, or general welfare, City may take such immediate action as City deems warranted. Compliance with the provisions of this Section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's right to terminate this Agreement without cause pursuant to this Article 8.0. During the period of time that Contracting Party is in default, City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, City may, in its sole discretion, elect to pay some or all of the outstanding invoices during any period of default.

8.3 Retention of Funds. City may withhold from any monies payable to Contracting Party sufficient funds to compensate City for any losses, costs, liabilities, or damages it reasonably believes were suffered by City due to the default of Contracting Party in the performance of the Services required by this Agreement.

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

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

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

8.7 Termination Prior To Expiration of Term. This Section shall govern any termination of this Agreement, except as specifically provided in the following Section for termination for cause. City reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to Contracting Party. Upon receipt of any notice of termination, Contracting Party shall immediately cease all Services hereunder except such as may be specifically approved by the Contract Officer, or assigned designee. Contracting Party shall be entitled to compensation for all Services rendered prior to receipt of the notice of termination and for any Services

authorized by the Contract Officer, or assigned designee, thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, or assigned designee, except amounts held as a retention pursuant to this Agreement.

8.8 Termination for Default of Contracting Party. If termination is due to the failure of Contracting Party to fulfill its obligations under this Agreement, Contracting Party shall vacate any City-owned property which Contracting Party is permitted to occupy hereunder and City may, after compliance with the provisions of Section 8.2, take over the Services and prosecute the same to completion by contract or otherwise, and Contracting Party shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the compensation herein stipulated (provided that City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to Contracting Party for the purpose of setoff or partial payment of the amounts owed City.

8.9 Attorneys' Fees. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys' fees; provided, however, that the attorneys' fees awarded pursuant to this Section shall not exceed the hourly rate paid by City for legal services multiplied by the reasonable number of hours spent by the prevailing party in the conduct of the litigation. Attorneys' fees shall include attorneys' fees on any appeal, and in addition a party entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery, and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment. The court may set such fees in the same action or in a separate action brought for that purpose.

9. CITY OFFICERS AND EMPLOYEES; NONDISCRIMINATION.

9.1 Non-liability of City Officers and Employees. No officer, official, employee, agent, representative, or volunteer of City shall be personally liable to Contracting Party, or any successor in interest, in the event or any default or breach by City or for any amount which may become due to Contracting Party or to its successor, or for breach of any obligation of the terms of this Agreement.

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

No officer or employee of City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to this Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. Contracting Party warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

9.3 Covenant against Discrimination. Contracting Party covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any impermissible classification including, but not limited to, race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry in the performance of this Agreement. Contracting Party shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry.

10. MISCELLANEOUS PROVISIONS.

10.1 Notice. Any notice, demand, request, consent, approval, or communication either party desires or is required to give the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

To City:

CITY OF LA QUINTA
Attention: Alfred Berumen
78495 Calle Tampico
La Quinta, California 92253

To Contracting Party:

Color New Co
Attention: Louis Loizu
22855 Califa St.
Woodland Hills, CA 91367

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

10.3 Section Headings and Subheadings. The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

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

10.5 Integrated Agreement. This Agreement including the exhibits hereto is the entire, complete, and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements, and understandings, if any, between the parties, and none shall be used to interpret this Agreement.

10.6 Amendment. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by Contracting Party and by the City Council of City. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

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

10.8 Unfair Business Practices Claims. In entering into this Agreement, Contracting Party offers and agrees to assign to City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. § 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials related to this Agreement. This assignment shall be made and become effective at the time City renders final payment to Contracting Party without further acknowledgment of the parties.

10.9 No Third-Party Beneficiaries. With the exception of the specific provisions set forth in this Agreement, there are no intended third-party beneficiaries under this Agreement and no such other third parties shall have any rights or obligations hereunder.

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

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

CITY OF LA QUINTA,
a California Municipal Corporation

CONTRACTING PARTY:

By: _____

Name: Louis Loizu

Title: Owner

JON McMILLEN, City Manager
City of La Quinta, California

Dated: _____

ATTEST:

By: _____

Name: _____

Title: _____

MONIKA RADEVA, City Clerk
City of La Quinta, California

APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

Exhibit A Scope of Services

Painting and refinishing services, including but not limited to paint maintenance and minor repair services on an on-call, as-needed basis. The services and tasks to be performed include the furnishing of all labor, materials, tools, equipment, supplies, tasks, and incidental and customary work necessary to competently perform painting services and minor repair work at various City facilities, projects and locations.

Examples of painting work include but are not limited to:

- Painting and general refinishing work of interior and exterior surfaces (drywall, stucco, metal work, and woodwork)
- Repair, refinish, and repainting existing stucco finishes, metal fencing, light posts, metal patio enclosures and handrail, wood trim and wood beams. To include all cracks, blemishes, and voids
- Pressure wash all stucco, metal fencing, handrails, patio enclosures and any surfaces to be painted
- Patch all stucco and wood cracks with approved exterior caulking or filler
- Apply (1) full coat of approved exterior or interior primer to work area
- Apply (2) full coats of approved interior or exterior paint to work area
- Other typical and common miscellaneous painting repairs and work
- The work should include all preparation, overspray protection, pressure washing, masking, and patching unless otherwise stated by the City
- All materials to be used will be approved by the Facilities Superintendent
- All work shall be to applicable codes and to the satisfaction of the City

Please Note: Some services may require associated stucco, metal and wood structure patching or repair (through contractor's forces or use of subcontractors).

ADDENDUM TO AGREEMENT
Re: Scope of Services

If the Scope of Services include construction, alteration, demolition, installation, repair, or maintenance affecting real property or structures or improvements of any kind appurtenant to real property, the following apply:

1. Prevailing Wage Compliance. If Contracting Party is a contractor performing public works and maintenance projects, as described in this Section 1.3, Contracting Party shall comply with applicable Federal, State, and local laws. Contracting Party is aware of the requirements of California Labor Code Sections 1720, *et seq.*, and 1770, *et seq.*, as well as California Code of Regulations, Title 8, Sections 16000, *et seq.*, (collectively, the "Prevailing Wage Laws"), and La Quinta Municipal Code Section 3.12.040, 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 construction work over twenty-five thousand dollars (\$25,000.00) and/or alterations, demolition, repair or maintenance work over fifteen thousand dollars (\$15,000.00) is entered into or extended on or after January 1, 2015 by this Agreement, Contracting Party agrees to fully comply with such Prevailing Wage Laws including, but not limited to, requirements related to the maintenance of payroll records and the employment of apprentices. Pursuant to California Labor Code Section 1725.5, no contractor or subcontractor may be awarded a contract for public work on a "Public works" project unless registered with the California Department of Industrial Relations ("DIR") at the time the contract is awarded. If the Services are being performed as part of an applicable "Public works" or "Maintenance" project, as defined by the Prevailing Wage Laws, this project is subject to compliance monitoring and enforcement by the DIR. Contracting Party will maintain and will require all subcontractors to maintain valid and current DIR Public Works contractor registration during the term of this Agreement. Contracting Party shall notify City in writing immediately, and in no case more than twenty-four (24) hours, after receiving any information that Contracting Party's or any of its subcontractor's DIR registration status has been suspended, revoked, expired, or otherwise changed. It is understood that it is the responsibility of Contracting Party to determine the correct salary scale. Contracting Party 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 Contracting Party's principal place of business and at the project site, if any. The statutory penalties for failure to pay prevailing wage or to comply with State wage and hour laws will be enforced. Contracting Party must forfeit to City TWENTY-FIVE DOLLARS (\$25.00) per day for each worker who works in excess of the minimum working hours when Contracting Party does not pay overtime. In accordance with the provisions of Labor Code Sections 1810 *et seq.*, eight (8) hours is the legal working day. Contracting Party also shall comply with State law requirements to maintain payroll records and shall provide for certified records and inspection of records as required by California Labor Code Section 1770 *et seq.*, including Section 1776. In addition to the other indemnities provided under this Agreement, Contracting Party shall defend (with counsel selected by City), indemnify, and hold 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. It is agreed by the parties that, in connection with performance of the Services, including, without limitation, any and all "Public works" (as defined by the Prevailing Wage Laws), Contracting Party shall bear all risks of payment or non-payment of prevailing wages under California law and/or the implementation of Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law. Contracting Party acknowledges and agrees that it shall be independently responsible for reviewing the applicable laws and regulations and effectuating compliance with such laws. Contracting Party shall require the same of all subcontractors.

2. Retention. Payments shall be made in accordance with the provisions of Article 2.0 of the Agreement. In accordance with said Sections, City shall pay Contracting Party a sum based upon ninety-five percent (95%) of the Contract Sum apportionment of the labor and materials incorporated into the Services under this Agreement during the month covered by said invoice. The remaining five percent (5%) thereof shall be retained as performance security to be paid to Contracting Party within sixty (60) days after final acceptance of the Services by the City Council of City, after Contracting Party has furnished City with a full release of all undisputed payments under this Agreement, if required by City. In the event there are any claims specifically excluded by Contracting Party from the operation of the release, City may retain proceeds (per Public Contract Code § 7107) of up to one hundred fifty percent (150%) of the amount in dispute. City's failure to deduct or withhold shall not affect Contracting Party's obligations under the Agreement.

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

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

(a) Contracting Party shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contracting Party believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) subsurface or latent physical conditions at the site different from those indicated by information about the site made available to bidders prior to the deadline for submitting bids; or (3) unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Agreement.

(b) City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in Contracting Party's cost of, or the time required for, performance of any part of the work shall issue a change order per Section 1.8 of the Agreement.

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

5. Safety. Contracting Party shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out the Services, Contracting Party 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.

6. Liquidated Damages. Since the determination of actual damages for any delay in performance of the Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, Contracting Party shall be liable for and shall pay to City the sum of One Thousand dollars (\$1,000.00) as liquidated damages for each working day of delay in the performance of any of the Services required hereunder, as specified in the Schedule of Performance. In addition, liquidated damages may be assessed for failure to comply with the emergency call out requirements, if any, described in the Scope of Services. City may withhold from any moneys payable on account of the Services performed by Contracting Party any accrued liquidated damages.

Exhibit B

Schedule of Compensation

With the exception of compensation for Additional Services, provided for in Section 2.3 of this Agreement, the maximum total compensation to be paid to Contracting Party under this Agreement is not to exceed One Hundred Fifty Thousand (\$ 150,000.00) per year, for the life of the Agreement, encompassing the Initial and any Extended Terms (“Contract Sum”). Contractor expressly acknowledges and agrees that the Contract Sum in this Agreement is the annual aggregate total amount covering this Agreement, that certain Agreement for Contract Services by and between the City and Lozano’s Painting, Inc. of or about even date as this Agreement, such that the Contract Sum as defined herein is the maximum amount available for services provided under both agreements. The Contract Sum shall be paid to Contracting Party in installment payments made on a monthly basis and in an amount identified in Contracting Party’s schedule of compensation attached hereto for the work tasks performed and properly invoiced by Contracting Party in conformance with Section 2.2 of this Agreement.

Hourly Rates – Labor

- Item 1: Painter – Straight Time \$160.00
- Item 2: Painter – Overtime \$210.00
- Item 3: Painter – Holiday \$280.00
- Item 4: Painter – Sunday \$280.00

NOTE: Rates are subject to change due to prevailing wage changes.

Material

- Item 1: Invoice Cost + 15%

	<u>Initial Term:</u>
“Not to exceed” Year 1:	\$150,000.00
“Not to exceed” Year 2:	\$150,000.00
“Not to exceed” Year 3:	\$150,000.00

	<u>Possible Extended Term:</u>
“Not to exceed” Year 4:	\$150,000.00
“Not to exceed” Year 5:	\$150,000.00

Exhibit C
Schedule of Performance

Contracting Party shall complete all services identified in the Scope of Services, Exhibit A of this Agreement, as requested by City within the time allowed by the total contract sum.

Exhibit D
Special Requirements

None

Exhibit E
Insurance Requirements

E.1 Insurance. Prior to the beginning of and throughout the duration of this Agreement, the following policies shall be maintained and kept in full force and effect providing insurance with minimum limits as indicated below and issued by insurers with A.M. Best ratings of no less than A-VI:

Commercial General Liability (at least as broad as ISO CG 0001)
\$1,000,000 (per occurrence)
\$2,000,000 (general aggregate)

Must include the following endorsements:

General Liability Additional Insured
General Liability Primary and Non-contributory

Commercial Auto Liability (at least as broad as ISO CA 0001)
\$1,000,000 (per accident)

Auto Liability Additional Insured
Personal Auto Declaration Page if applicable

Workers' Compensation
(per statutory requirements)

Must include the following endorsements:

Workers Compensation with Waiver of Subrogation
Workers Compensation Declaration of Sole Proprietor if applicable

Contracting Party shall procure and maintain, at its cost, and submit concurrently with its execution of this Agreement, Commercial General Liability insurance against all claims for injuries against persons or damages to property resulting from Contracting Party's acts or omissions rising out of or related to Contracting Party's performance under this Agreement. The insurance policy shall contain a severability of interest clause providing that the coverage shall be primary for losses arising out of Contracting Party's performance hereunder and neither City nor its insurers shall be required to contribute to any such loss. An endorsement evidencing the foregoing and naming the City and its officers and employees as additional insured (on the Commercial General Liability policy only) must be submitted concurrently with the execution of this Agreement and approved by City prior to commencement of the services hereunder.

Contracting Party shall carry automobile liability insurance of \$1,000,000 per accident against all claims for injuries against persons or damages to property arising out of the use of any automobile by Contracting Party, its officers, any person directly or indirectly employed by Contracting Party, any subcontractor or agent, or anyone for whose acts any of them may be liable, arising directly or indirectly out of or related to Contracting Party's performance under this Agreement. If Contracting Party or Contracting Party's employees will use personal autos in any way on this project, Contracting Party shall provide evidence of personal auto liability coverage for each such

person. The term “automobile” includes, but is not limited to, a land motor vehicle, trailer or semi-trailer designed for travel on public roads. The automobile insurance policy shall contain a severability of interest clause providing that coverage shall be primary for losses arising out of Contracting Party’s performance hereunder and neither City nor its insurers shall be required to contribute to such loss.

a.

If coverage is maintained on a claims-made basis, Contracting Party shall maintain such coverage for an additional period of three (3) years following termination of the contract.

Contracting Party shall provide written notice to City within ten (10) working days if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self-insured retention is increased. In the event any of said policies of insurance are cancelled, Contracting Party shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Exhibit to the Contract Officer. The procuring of such insurance or the delivery of policies or certificates evidencing the same shall not be construed as a limitation of Contracting Party’s obligation to indemnify City, its officers, employees, contractors, subcontractors, or agents.

E.2 Remedies. In addition to any other remedies City may have if Contracting Party fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option:

a. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under this Agreement.

b. Order Contracting Party to stop work under this Agreement and/or withhold any payment(s) which become due to Contracting Party hereunder until Contracting Party demonstrates compliance with the requirements hereof.

c. Terminate this Agreement.

Exercise any of the above remedies, however, is an alternative to any other remedies City may have. The above remedies are not the exclusive remedies for Contracting Party’s failure to maintain or secure appropriate policies or endorsements. Nothing herein contained shall be construed as limiting in any way the extent to which Contracting Party may be held responsible for payments of damages to persons or property resulting from Contracting Party’s or its subcontractors’ performance of work under this Agreement.

E.3 General Conditions Pertaining to Provisions of Insurance Coverage by Contracting Party. Contracting Party and City agree to the following with respect to insurance provided by Contracting Party:

1. Contracting Party agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds City, its officials, employees, and agents, using standard ISO endorsement No. CG 2010 with an edition

prior to 1992. Contracting Party also agrees to require all contractors, and subcontractors to do likewise.

2. No liability insurance coverage provided to comply with this Agreement shall prohibit Contracting Party, or Contracting Party's employees, or agents, from waiving the right of subrogation prior to a loss. Contracting Party agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.

3. All insurance coverage and limits provided by Contracting Party and available or applicable to this Agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to City or its operations limits the application of such insurance coverage.

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

5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.

6. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises. Contracting Party shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City's protection without City's prior written consent.

7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all the coverages required and an additional insured endorsement to Contracting Party's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Contracting Party or deducted from sums due Contracting Party, at City option.

8. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Contracting Party or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self-insurance available to City.

9. Contracting Party agrees to ensure that subcontractors, and any other party involved with the project that is brought onto or involved in the project by Contracting Party, provide the same minimum insurance coverage required of Contracting Party. Contracting Party agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the

requirements of this section. Contracting Party agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.

10. Contracting Party agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein (with the exception of professional liability coverage, if required) and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to City. If Contracting Party's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At that time the City shall review options with the Contracting Party, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.

11. The City reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required by giving the Contracting Party ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Contracting Party, the City will negotiate additional compensation proportional to the increased benefit to City.

12. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

13. Contracting Party acknowledges and agrees that any actual or alleged failure on the part of City to inform Contracting Party of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.

14. Contracting Party will renew the required coverage annually as long as City, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies whether the agreement is canceled or terminated for any reason. Termination of this obligation is not effective until City executes a written statement to that effect.

15. Contracting Party shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Contracting Party's insurance agent to this effect is acceptable. A certificate of insurance and an additional insured endorsement is required in these specifications applicable to the renewing or new coverage must be provided to City within five (5) days of the expiration of coverages.

16. The provisions of any workers' compensation or similar act will not limit the obligations of Contracting Party under this agreement. Contracting Party expressly

agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials, and agents.

17. Requirements of specific coverage features, or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be limiting or all-inclusive.

18. These insurance requirements are intended to be separate and distinct from any other provision in this Agreement and are intended by the parties here to be interpreted as such.

19. The requirements in this Exhibit supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Exhibit.

20. Contracting Party agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Contracting Party for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

21. Contracting Party agrees to provide immediate notice to City of any claim or loss against Contracting Party arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

Exhibit F
Indemnification

F.1 Indemnity for the Benefit of City.

a. Indemnification for Professional Liability. When the law establishes a professional standard of care for Contracting Party's Services, to the fullest extent permitted by law, Contracting Party shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officials, employees, and agents ("Indemnified Parties") from and against any and all claims, losses, liabilities of every kind, nature, and description, damages, injury (including, without limitation, injury to or death of an employee of Contracting Party or of any subcontractor), costs and expenses of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Contracting Party, its officers, agents, employees or subcontractors (or any entity or individual that Contracting Party shall bear the legal liability thereof) in the performance of professional services under this agreement. With respect to the design of public improvements, the Contracting Party shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Contracting Party.

b. Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Contracting Party shall indemnify, defend (with counsel selected by City), and hold harmless the Indemnified Parties from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses) incurred in connection therewith and costs of investigation, where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Contracting Party or by any individual or entity for which Contracting Party is legally liable, including but not limited to officers, agents, employees, or subcontractors of Contracting Party.

c. Indemnity Provisions for Contracts Related to Construction (Limitation on Indemnity). Without affecting the rights of City under any provision of this agreement, Contracting Party shall not be required to indemnify and hold harmless City for liability attributable to the active negligence of City, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where City is shown to have been actively negligent and where City's active negligence accounts for only a percentage of the liability involved, the obligation of Contracting Party will be for that entire portion or percentage of liability not attributable to the active negligence of City.

d. Indemnification Provision for Design Professionals.

1. Applicability of this Section F.1(d). Notwithstanding Section F.1(a) hereinabove, the following indemnification provision shall apply to a Contracting Party who constitutes a “design professional” as the term is defined in paragraph 3 below.

2. Scope of Indemnification. When the law establishes a professional standard of care for Contracting Party’s Services, to the fullest extent permitted by law, Contracting Party shall indemnify and hold harmless City and any and all of its officials, employees, and agents (“Indemnified Parties”) from and against any and all losses, liabilities of every kind, nature, and description, damages, injury (including, without limitation, injury to or death of an employee of Contracting Party or of any subcontractor), costs and expenses, including, without limitation, incidental and consequential damages, court costs, reimbursement of attorneys’ fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, to the extent same are caused by any negligent or wrongful act, error or omission of Contracting Party, its officers, agents, employees or subcontractors (or any entity or individual that Contracting Party shall bear the legal liability thereof) in the performance of professional services under this agreement. With respect to the design of public improvements, the Contracting Party shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Contracting Party.

3. Design Professional Defined. As used in this Section F.1(d), the term “design professional” shall be limited to licensed architects, registered professional engineers, licensed professional land surveyors and landscape architects, all as defined under current law, and as may be amended from time to time by Civil Code § 2782.8.

F.2 Obligation to Secure Indemnification Provisions. Contracting Party agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Exhibit F, as applicable to the Contracting Party, from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Contracting Party in the performance of this Agreement. In the event Contracting Party fails to obtain such indemnity obligations from others as required herein, Contracting Party agrees to be fully responsible according to the terms of this Exhibit. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth in this Agreement are binding on the successors, assigns or heirs of Contracting Party and shall survive the termination of this Agreement.

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City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: APPROVE AGREEMENTS FOR CONTRACT SERVICES WITH HR GREEN PACIFIC AND NV5, INC. FOR ON-CALL PUBLIC WORKS DEVELOPMENT PLAN CHECK SERVICES

RECOMMENDATION

Approve agreements for contract services with HR Green Pacific and NV5, Inc. for on-call public works development plan check services; and authorize the City Manager to execute the agreements.

EXECUTIVE SUMMARY

- The Public Works Development Services Division uses on-call plan check consultants during peak workloads.
- Staff solicited proposals for on-call public works development services through the competitive Request for Proposals (RFP) process completed in May 2024. HR Green Pacific and NV5, Inc. were the best qualified firms to provide these services.
- Each agreement would be approved for a combined amount not to exceed \$100,000 per fiscal year (FY) for an initial three-year term, with an optional two-year extended term, which provides the flexibility to use one or both firms depending on work demand.

FISCAL IMPACT

Annual combined compensation is \$100,000 per FY. Funds will be budgeted each FY in the Public Works Development Plan Checking account 101-7002-60183 through the term of the agreements.

BACKGROUND/ANALYSIS

In May 2024, staff published an RFP, and five proposals were received. The selection committee reviewed the proposals and selected HR Green Pacific and NV5, Inc. as the most qualified firms.

The proposed agreements with HR Green Pacific (Attachment 1) and NV5, Inc. (Attachment 2) are for a three (3)-year term, beginning July 1, 2024, through June 30,

2027, at a combined not to exceed compensation amount of \$100,000 per FY, with an option to extend for one additional two-year term (extended term).

ALTERNATIVES

Council may elect not to approve or to modify the agreement.

Prepared by: Carley Escarrega, Administrative Technician
Amy Yu, Associate Engineer

Approved by: Bryan McKinney, P.E., Public Works Director/City Engineer

Attachments: 1. Agreement for Contract Services with HR Green
2. Agreement for Contract Services with NV5, Inc.

AGREEMENT FOR CONTRACT SERVICES

THIS AGREEMENT FOR CONTRACT SERVICES (the “Agreement”) is made and entered into by and between the CITY OF LA QUINTA, (“City”), a California municipal corporation, and HR Green Pacific, A Corporation, with a place of business at 44651 Village Court, Suite 123, Palm Desert, CA 92260 (“Contracting Party”). The parties hereto agree as follows:

1. SERVICES OF CONTRACTING PARTY.

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Contracting Party shall provide those services related to On-Call Public Works Development Plan Check, as specified in the “Scope of Services” attached hereto as “Exhibit A” and incorporated herein by this reference (the “Services”). Contracting Party represents and warrants that Contracting Party is a provider of first-class work and/or services and Contracting Party is experienced in performing the Services contemplated herein and, in light of such status and experience, Contracting Party covenants that it shall follow industry standards in performing the Services required hereunder, and that all materials, if any, will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase “industry standards” shall mean those standards of practice recognized by one or more first-class firms performing similar services under similar circumstances.

1.2 Compliance with Law. All Services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, regulations, and laws of the City and any Federal, State, or local governmental agency of competent jurisdiction.

1.3 Wage and Hour Compliance. Contracting Party shall comply with applicable Federal, State, and local wage and hour laws.

1.4 Licenses, Permits, Fees and Assessments. Except as otherwise specified herein, Contracting Party shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the Services required by this Agreement, including a City of La Quinta business license. Contracting Party and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for the performance of the Services required by this Agreement. Contracting Party shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the performance of the Services required by this Agreement, and shall indemnify, defend (with counsel selected by City), and hold City, its elected officials, officers, employees, and agents, free and harmless against any such fees, assessments, taxes, penalties, or interest levied, assessed, or imposed against City hereunder. Contracting Party shall be responsible for all subcontractors’ compliance with this Section.

1.5 Familiarity with Work. By executing this Agreement, Contracting Party warrants that (a) it has thoroughly investigated and considered the Services to be performed, (b) it has investigated the site where the Services are to be performed, if any, and fully acquainted itself with the conditions there existing, (c) it has carefully considered how the Services should be performed, and (d) it fully understands the facilities, difficulties, and restrictions attending performance of the Services under this Agreement. Should Contracting Party discover any latent or unknown conditions materially differing from those inherent in the Services or as represented by City, Contracting Party shall immediately inform City of such fact and shall not proceed except at Contracting Party's risk until written instructions are received from the Contract Officer, or assigned designee (as defined in Section 4.2 hereof).

1.6 Standard of Care. Contracting Party acknowledges and understands that the Services contracted for under this Agreement require specialized skills and abilities and that, consistent with this understanding, Contracting Party's work will be held to an industry standard of quality and workmanship. Consistent with Section 1.5 hereinabove, Contracting Party represents to City that it holds the necessary skills and abilities to satisfy the industry standard of quality as set forth in this Agreement. Contracting Party shall adopt reasonable methods during the life of this Agreement to furnish continuous protection to the Services performed by Contracting Party, and the equipment, materials, papers, and other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the Services by City, except such losses or damages as may be caused by City's own negligence. The performance of Services by Contracting Party shall not relieve Contracting Party from any obligation to correct any incomplete, inaccurate, or defective work at no further cost to City, when such inaccuracies are due to the negligence of Contracting Party.

1.7 Additional Services. In accordance with the terms and conditions of this Agreement, Contracting Party shall perform services in addition to those specified in the Scope of Services ("Additional Services") only when directed to do so by the Contract Officer, or assigned designee, provided that Contracting Party shall not be required to perform any Additional Services without compensation. Contracting Party shall not perform any Additional Services until receiving prior written authorization (in the form of a written change order if Contracting Party is a contractor performing the Services) from the Contract Officer, or assigned designee, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of Contracting Party. It is expressly understood by Contracting Party that the provisions of this Section shall not apply to the Services specifically set forth in the Scope of Services or reasonably contemplated therein. It is specifically understood and agreed that oral requests and/or approvals of Additional Services shall be barred and are unenforceable. Failure of Contracting Party to secure the Contract Officer's, or assigned designee's written authorization for Additional Services shall constitute a waiver of any and all right to adjustment of the Contract Sum or time to perform this Agreement, whether by way of compensation, restitution, quantum meruit, or the like, for Additional Services provided without the appropriate authorization from the Contract Officer, or assigned designee.

Compensation for properly authorized Additional Services shall be made in accordance with Section 2.3 of this Agreement.

1.8 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in “Exhibit D” (the “Special Requirements”), which is incorporated herein by this reference and expressly made a part hereof. In the event of a conflict between the provisions of the Special Requirements and any other provisions of this Agreement, the provisions of the Special Requirements shall govern.

2. COMPENSATION.

2.1 Contract Sum. For the Services rendered pursuant to this Agreement, Contracting Party shall be compensated in accordance with “Exhibit B” (the “Schedule of Compensation”) in a total amount not to exceed One Hundred Thousand Dollars (\$100,000.00) per year for the life of the Agreement, encompassing the Initial and any Extended Terms (the “Contract Sum”), except as provided in Section 1.7. Contractor expressly acknowledges and agrees that the Contract Sum in this Agreement is the annual aggregate total amount covering this Agreement, that certain Agreement for Contract Services by and between the City and NV5, Inc., of or about even date as this Agreement, such that the Contract Sum as defined herein is the maximum amount available for services provided under both agreements. The method of compensation set forth in the Schedule of Compensation may include a lump sum payment upon completion, payment in accordance with the percentage of completion of the Services, payment for time and materials based upon Contracting Party’s rate schedule, but not exceeding the Contract Sum, or such other reasonable methods as may be specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contracting Party at all project meetings reasonably deemed necessary by City; Contracting Party shall not be entitled to any additional compensation for attending said meetings. Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, transportation expense, telephone expense, and similar costs and expenses when and if specified in the Schedule of Compensation. Regardless of the method of compensation set forth in the Schedule of Compensation, Contracting Party’s overall compensation shall not exceed the Contract Sum, except as provided in Section 1.7 of this Agreement.

2.2 Method of Billing & Payment. Any month in which Contracting Party wishes to receive payment, Contracting Party shall submit to City no later than the tenth (10th) working day of such month, in the form approved by City’s Finance Director, an invoice for Services rendered prior to the date of the invoice. Such invoice shall (1) describe in detail the Services provided, including time and materials, and (2) specify each staff member who has provided Services and the number of hours assigned to each such staff member. Such invoice shall contain a certification by a principal member of Contracting Party specifying that the payment requested is for Services performed in accordance with the terms of this Agreement. Upon approval in writing by the Contract Officer, or assigned designee, and subject to retention pursuant to Section 8.3, City will pay Contracting Party for all items stated thereon which are approved by City pursuant to

this Agreement no later than thirty (30) days after invoices are received by the City's Finance Department.

2.3 Compensation for Additional Services. Additional Services approved in advance by the Contract Officer, or assigned designee, pursuant to Section 1.7 of this Agreement shall be paid for in an amount agreed to in writing by both City and Contracting Party in advance of the Additional Services being rendered by Contracting Party. Any compensation for Additional Services amounting to five percent (5%) or less of the Contract Sum may be approved by the Contract Officer, or assigned designee. Any greater amount of compensation for Additional Services must be approved by the La Quinta City Council, the City Manager, or Department Director, depending upon City laws, regulations, rules and procedures concerning public contracting. Under no circumstances shall Contracting Party receive compensation for any Additional Services unless prior written approval for the Additional Services is obtained from the Contract Officer, or assigned designee, pursuant to Section 1.7 of this Agreement.

3. PERFORMANCE SCHEDULE.

3.1 Time of Essence. Time is of the essence in the performance of this Agreement. If the Services not completed in accordance with the Schedule of Performance, as set forth in Section 3.2 and "Exhibit C", it is understood that the City will suffer damage.

3.2 Schedule of Performance. All Services rendered pursuant to this Agreement shall be performed diligently and within the time period established in "Exhibit C" (the "Schedule of Performance"). Extensions to the time period specified in the Schedule of Performance may be approved in writing by the Contract Officer, or assigned designee.

3.3 Force Majeure. The time period specified in the Schedule of Performance for performance of the Services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of Contracting Party, including, but not restricted to, acts of God or of the public enemy, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, acts of any governmental agency other than City, and unusually severe weather, if Contracting Party shall within ten (10) days of the commencement of such delay notify the Contract Officer, or assigned designee, in writing of the causes of the delay. The Contract Officer, or assigned designee, shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the forced delay when and if in the Contract Officer's judgment such delay is justified, and the Contract Officer's determination, or assigned designee, shall be final and conclusive upon the parties to this Agreement. Extensions to time period in the Schedule of Performance which are determined by the Contract Officer, or assigned designee, to be justified pursuant to this Section shall not entitle the Contracting Party to additional compensation in excess of the Contract Sum.

3.4 Term. Unless earlier terminated in accordance with the provisions in Article 8.0 of this Agreement, the term of this agreement shall commence on July 1, 2024, and terminate on June 30, 2027 (“Initial Term”). This Agreement may be extended for two (2) additional year(s) upon mutual agreement by both parties (“Extended Term”), and executed in writing.

4. COORDINATION OF WORK.

4.1 Representative of Contracting Party. The following principals of Contracting Party (“Principals”) are hereby designated as being the principals and representatives of Contracting Party authorized to act in its behalf with respect to the Services specified herein and make all decisions in connection therewith:

- (a) Tina York, PE
Telephone No.: (760) 262-4317
Email: tyork@hrgreen.com

- (b) George Wentz, PE, Vice President
Telephone No.: (855) 900-4742
Email: gwentz@hrgreen.com

It is expressly understood that the experience, knowledge, capability, and reputation of the foregoing Principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing Principals shall be responsible during the term of this Agreement for directing all activities of Contracting Party and devoting sufficient time to personally supervise the Services hereunder. For purposes of this Agreement, the foregoing Principals may not be changed by Contracting Party and no other personnel may be assigned to perform the Services required hereunder without the express written approval of City.

4.2 Contract Officer. The “Contract Officer”, otherwise known as Bryan McKinney, PE, Public Works Director/City Engineer, or assigned designee may be designated in writing by the City Manager of the City. It shall be Contracting Party’s responsibility to assure that the Contract Officer, or assigned designee, is kept informed of the progress of the performance of the Services, and Contracting Party shall refer any decisions, that must be made by City to the Contract Officer, or assigned designee. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer, or assigned designee. The Contract Officer, or assigned designee, shall have authority to sign all documents on behalf of City required hereunder to carry out the terms of this Agreement.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability, and reputation of Contracting Party, its principals, and its employees were a substantial inducement for City to enter into this Agreement. Except as set forth in this Agreement, Contracting Party shall not contract or subcontract with any other entity to perform in whole or in part the Services required hereunder without the express written approval of City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered,

voluntarily or by operation of law, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contracting Party, taking all transfers into account on a cumulative basis. Any attempted or purported assignment or contracting or subcontracting by Contracting Party without City's express written approval shall be null, void, and of no effect. No approved transfer shall release Contracting Party of any liability hereunder without the express consent of City.

4.4 Independent Contractor. Neither City nor any of its employees shall have any control over the manner, mode, or means by which Contracting Party, its agents, or its employees, perform the Services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision, or control of Contracting Party's employees, servants, representatives, or agents, or in fixing their number or hours of service. Contracting Party shall perform all Services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Contracting Party shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Contracting Party in its business or otherwise or a joint venture or a member of any joint enterprise with Contracting Party. Contracting Party shall have no power to incur any debt, obligation, or liability on behalf of City. Contracting Party shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. Except for the Contract Sum paid to Contracting Party as provided in this Agreement, City shall not pay salaries, wages, or other compensation to Contracting Party for performing the Services hereunder for City. City shall not be liable for compensation or indemnification to Contracting Party for injury or sickness arising out of performing the Services hereunder. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contracting Party and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System ("PERS") as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Contracting Party agrees to pay all required taxes on amounts paid to Contracting Party under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Contracting Party shall fully comply with the workers' compensation laws regarding Contracting Party and Contracting Party's employees. Contracting Party further agrees to indemnify and hold City harmless from any failure of Contracting Party to comply with applicable workers' compensation laws. City shall have the right to offset against the amount of any payment due to Contracting Party under this Agreement any amount due to City from Contracting Party as a result of Contracting Party's failure to promptly pay to City any reimbursement or indemnification arising under this Section.

4.5 Identity of Persons Performing Work. Contracting Party represents that it employs or will employ at its own expense all personnel required for the satisfactory performance of any and all of the Services set forth herein. Contracting Party represents that the Services required herein will be performed by Contracting Party or under its direct supervision, and that all personnel engaged in such work shall be fully qualified and shall be authorized and permitted under applicable State and local law to perform such tasks and services.

4.6 City Cooperation. City shall provide Contracting Party with any plans, publications, reports, statistics, records, or other data or information pertinent to the Services to be performed hereunder which are reasonably available to Contracting Party only from or through action by City.

5. INSURANCE.

5.1 Insurance. Prior to the beginning of any Services under this Agreement and throughout the duration of the term of this Agreement, Contracting Party shall procure and maintain, at its sole cost and expense, and submit concurrently with its execution of this Agreement, policies of insurance as set forth in "Exhibit E" (the "Insurance Requirements") which is incorporated herein by this reference and expressly made a part hereof.

5.2 Proof of Insurance. Contracting Party shall provide Certificate of Insurance to Agency along with all required endorsements. Certificate of Insurance and endorsements must be approved by Agency's Risk Manager prior to commencement of performance.

6. INDEMNIFICATION.

6.1 Indemnification. To the fullest extent permitted by law, Contracting Party shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officers, employees, agents, and volunteers as set forth in "Exhibit E" ("Indemnification") which is incorporated herein by this reference and expressly made a part hereof.

7. RECORDS AND REPORTS.

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

thereto and, if Contracting Party is providing design services, the estimated increased or decreased cost estimate for the project being designed.

7.2 Records. Contracting Party shall keep, and require any subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports (including but not limited to payroll reports), studies, or other documents relating to the disbursements charged to City and the Services performed hereunder (the "Books and Records"), as shall be necessary to perform the Services required by this Agreement and enable the Contract Officer, or assigned designee, to evaluate the performance of such Services. Any and all such Books and Records shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer, or assigned designee, shall have full and free access to such Books and Records at all times during normal business hours of City, including the right to inspect, copy, audit, and make records and transcripts from such Books and Records. Such Books and Records shall be maintained for a period of three (3) years following completion of the Services hereunder, and City shall have access to such Books and Records in the event any audit is required. In the event of dissolution of Contracting Party's business, custody of the Books and Records may be given to City, and access shall be provided by Contracting Party's successor in interest. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds Ten Thousand Dollars (\$10,000.00), this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

7.3 Ownership of Documents. All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents, and other materials plans, drawings, estimates, test data, survey results, models, renderings, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings, digital renderings, or data stored digitally, magnetically, or in any other medium prepared or caused to be prepared by Contracting Party, its employees, subcontractors, and agents in the performance of this Agreement (the "Documents and Materials") shall be the property of City and shall be delivered to City upon request of the Contract Officer, or assigned designee, or upon the expiration or termination of this Agreement, and Contracting Party shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the Documents and Materials hereunder. Any use, reuse or assignment of such completed Documents and Materials for other projects and/or use of uncompleted documents without specific written authorization by Contracting Party will be at City's sole risk and without liability to Contracting Party, and Contracting Party's guarantee and warranties shall not extend to such use, revise, or assignment. Contracting Party may retain copies of such Documents and Materials for its own use. Contracting Party shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any Documents and Materials prepared by them, and in the event Contracting Party fails to secure such assignment, Contracting Party shall indemnify City for all damages resulting therefrom.

7.4 In the event City or any person, firm, or corporation authorized by City reuses said Documents and Materials without written verification or adaptation by Contracting Party for the specific purpose intended and causes to be made or makes any changes or alterations in said Documents and Materials, City hereby releases, discharges, and exonerates Contracting Party from liability resulting from said change. The provisions of this clause shall survive the termination or expiration of this Agreement and shall thereafter remain in full force and effect.

7.5 Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, rights of reproduction, and other intellectual property embodied in the Documents and Materials. Contracting Party shall require all subcontractors, if any, to agree in writing that City is granted a non-exclusive and perpetual license for the Documents and Materials the subcontractor prepares under this Agreement. Contracting Party represents and warrants that Contracting Party has the legal right to license any and all of the Documents and Materials. Contracting Party makes no such representation and warranty in regard to the Documents and Materials which were prepared by design professionals other than Contracting Party or provided to Contracting Party by City. City shall not be limited in any way in its use of the Documents and Materials at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

7.6 Release of Documents. The Documents and Materials shall not be released publicly without the prior written approval of the Contract Officer, or assigned designee, or as required by law. Contracting Party shall not disclose to any other entity or person any information regarding the activities of City, except as required by law or as authorized by City.

7.7 Confidential or Personal Identifying Information. Contracting Party covenants that all City data, data lists, trade secrets, documents with personal identifying information, documents that are not public records, draft documents, discussion notes, or other information, if any, developed or received by Contracting Party or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Contracting Party to any person or entity without prior written authorization by City or unless required by law. City shall grant authorization for disclosure if required by any lawful administrative or legal proceeding, court order, or similar directive with the force of law. All City data, data lists, trade secrets, documents with personal identifying information, documents that are not public records, draft documents, discussions, or other information shall be returned to City upon the termination or expiration of this Agreement. Contracting Party's covenant under this section shall survive the termination or expiration of this Agreement.

8. ENFORCEMENT OF AGREEMENT.

8.1 California Law. This Agreement shall be interpreted, construed, and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising

out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and Contracting Party covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Disputes. In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefore. The injured party shall continue performing its obligations hereunder so long as the injuring party commences to cure such default within ten (10) days of service of such notice and completes the cure of such default within forty-five (45) days after service of the notice, or such longer period as may be permitted by the Contract Officer, or assigned designee; provided that if the default is an immediate danger to the health, safety, or general welfare, City may take such immediate action as City deems warranted. Compliance with the provisions of this Section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's right to terminate this Agreement without cause pursuant to this Article 8.0. During the period of time that Contracting Party is in default, City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, City may, in its sole discretion, elect to pay some or all of the outstanding invoices during any period of default.

8.3 Retention of Funds. City may withhold from any monies payable to Contracting Party sufficient funds to compensate City for any losses, costs, liabilities, or damages it reasonably believes were suffered by City due to the default of Contracting Party in the performance of the Services required by this Agreement.

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

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

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

8.7 Termination Prior To Expiration of Term. This Section shall govern any termination of this Agreement, except as specifically provided in the following Section for termination for cause. City reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to Contracting Party. Upon receipt of any notice of termination, Contracting Party shall immediately cease all Services hereunder except such as may be specifically approved by the Contract Officer, or assigned designee. Contracting Party shall be entitled to compensation for all Services rendered prior to receipt of the notice of termination and for any Services authorized by the Contract Officer, or assigned designee, thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, or assigned designee, except amounts held as a retention pursuant to this Agreement.

8.8 Termination for Default of Contracting Party. If termination is due to the failure of Contracting Party to fulfill its obligations under this Agreement, Contracting Party shall vacate any City-owned property which Contracting Party is permitted to occupy hereunder and City may, after compliance with the provisions of Section 8.2, take over the Services and prosecute the same to completion by contract or otherwise, and Contracting Party shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the compensation herein stipulated (provided that City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to Contracting Party for the purpose of setoff or partial payment of the amounts owed City.

8.9 Attorneys' Fees. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys' fees; provided, however, that the attorneys' fees awarded pursuant to this Section shall not exceed the hourly rate paid by City for legal services multiplied by the reasonable number of hours spent by the prevailing party in the conduct of the litigation. Attorneys' fees shall include attorneys' fees on any appeal, and in addition a party entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery, and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment. The court may set such fees in the same action or in a separate action brought for that purpose.

9. CITY OFFICERS AND EMPLOYEES; NONDISCRIMINATION.

9.1 Non-liability of City Officers and Employees. No officer, official, employee, agent, representative, or volunteer of City shall be personally liable to Contracting Party, or any successor in interest, in the event of any default or breach by City or for any amount which may become due to Contracting Party or to its successor, or for breach of any obligation of the terms of this Agreement.

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

No officer or employee of City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to this Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. Contracting Party warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

9.3 Covenant against Discrimination. Contracting Party covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any impermissible classification including, but not limited to, race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry in the performance of this Agreement. Contracting Party shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry.

10. MISCELLANEOUS PROVISIONS.

10.1 Notice. Any notice, demand, request, consent, approval, or communication either party desires or is required to give the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

To City:

CITY OF LA QUINTA
Attention: Bryan McKinney, PE
78495 Calle Tampico
La Quinta, California 92253

To Contracting Party:

HR Green Pacific
Tina York, PE
44651 Village Court, Suite 123
Palm Desert, CA 92260

10.2 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or

against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

10.3 Section Headings and Subheadings. The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

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

10.5 Integrated Agreement. This Agreement including the exhibits hereto is the entire, complete, and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements, and understandings, if any, between the parties, and none shall be used to interpret this Agreement.

10.6 Amendment. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by Contracting Party and by the City Council of City. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

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

10.8 Unfair Business Practices Claims. In entering into this Agreement, Contracting Party offers and agrees to assign to City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. § 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials related to this Agreement. This assignment shall be made and become effective at the time City renders final payment to Contracting Party without further acknowledgment of the parties.

10.9 No Third-Party Beneficiaries. With the exception of the specific provisions set forth in this Agreement, there are no intended third-party beneficiaries under this Agreement and no such other third parties shall have any rights or obligations hereunder.

10.10 Authority. The persons executing this Agreement on behalf of each of the parties hereto represent and warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party,

(iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

CITY OF LA QUINTA,
a California Municipal Corporation

CONTRACTING PARTY:

By: _____
Name: George A. Wentz
Title: Vice President

JON McMILLEN, City Manager
City of La Quinta, California

Dated: _____

ATTEST:

By: _____
Name: _____
Title: _____

MONIKA RADEVA, City Clerk
City of La Quinta, California

APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

Exhibit A Scope of Services

Improvement plan checking will include the review of plans submitted for subdivision (residential) improvements, commercial developments, and infrastructure improvements within the City's right of way. The plans shall be reviewed for conformance with local and other applicable (County, State and Federal) ordinances and standards with a strict attention to details. Plan check services may include, but are not limited to the following:

- Grading Plans including mass grading, rough grading and precise grading plans
- Street Improvement Plans including street widening, rehabilitation and new street plans
- Storm Drainage Plans
- Hydrology and Hydraulic Calculations and Reports
- Engineer's Cost Estimate for the related items of work for bonding purposes
- Engineer's Reports including Fugitive Dust Control (PM10) Plans, Storm Water Pollution and Prevention Plans
- Water Quality Management Plans
- Erosion and Sediment Control Plans

The tasks of the plan checker include:

- To check for design conformance to:
 - The approved Tentative Map
 - Related Specific Plans
 - General Plan and City Ordinances
 - Conditions of Approval
 - City Standards
 - Americans with Disabilities (ADA) Standards
 - The City's Subdivision Plan Check Lists
 - Other Agency Requirements such as Riverside County Flood Control District (RCFCD), Coachella Valley Water District (CVWD) and CalTrans
- To review plans for sound engineering practices.
- To check for accuracy of design in conformance with the City's most current Plan Check Lists.
- To check general mathematics and design criteria.
- To call for redesign of any portion of plans that:
 - Will not function due to poor engineering.
 - Is not consistent with the Approved Tentative Map or Conditions of Approval.
 - Will be potentially unsafe to the public.
 - Is impractical to construct.

Orientation:

Consultant shall meet with City staff to:

- learn the City development plan check process;
- acquire text files and boiler plate documents as they apply;
- acquire understanding of key issues that need attention during the plan check process;
- establish ongoing operating procedures between City staff and the Consultant for the on-call services.

On-Call Services:

- Report to City Hall when called upon to pick up project documents for review, and meet with city staff, as needed, to be briefed on project particulars;
- Field review project with City staff, as needed, to address unique aspects of the proposed project;
- Attend scheduled development review meetings, as needed, to brief City staff on findings and coordinate additional relevant details and preparation.

Specific Individual, not a Consulting Team:

- a. Regardless of how many qualified professionals employed by the consulting firm proposing to provide the on-call services, the firm shall designate a specific individual for the assignment. The City does not want a “team” of individuals assigned to provide the services. If the designated individual providing the on-call services leaves the firm, it shall be considered grounds for contract termination, at the City’s sole option.
- b. The individual assigned to provide the services must be a California Registered Engineer. The individual should possess a four-year civil engineering degree and have five (5) years of experience in plan checking, preferably in the municipal sector, and be well versed in the development plan check process.

ADDENDUM TO AGREEMENT

Re: Scope of Services

If the Scope of Services include construction, alteration, demolition, installation, repair, or maintenance affecting real property or structures or improvements of any kind appurtenant to real property, the following apply:

1. Prevailing Wage Compliance. If Contracting Party is a contractor performing public works and maintenance projects, as described in this Section 1.3, Contracting Party shall comply with applicable Federal, State, and local laws. Contracting Party is aware of the requirements of California Labor Code Sections 1720, *et seq.*, and 1770, *et seq.*, as well as California Code of Regulations, Title 8, Sections 16000, *et seq.*, (collectively, the "Prevailing Wage Laws"), and La Quinta Municipal Code Section 3.12.040, 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 construction work over twenty-five thousand dollars (\$25,000.00) and/or alterations, demolition, repair or maintenance work over fifteen thousand dollars (\$15,000.00) is entered into or extended on or after January 1, 2015 by this Agreement, Contracting Party agrees to fully comply with such Prevailing Wage Laws including, but not limited to, requirements related to the maintenance of payroll records and the employment of apprentices. Pursuant to California Labor Code Section 1725.5, no contractor or subcontractor may be awarded a contract for public work on a "Public works" project unless registered with the California Department of Industrial Relations ("DIR") at the time the contract is awarded. If the Services are being performed as part of an applicable "Public works" or "Maintenance" project, as defined by the Prevailing Wage Laws, this project is subject to compliance monitoring and enforcement by the DIR. Contracting Party will maintain and will require all subcontractors to maintain valid and current DIR Public Works contractor registration during the term of this Agreement. Contracting Party shall notify City in writing immediately, and in no case more than twenty-four (24) hours, after receiving any information that Contracting Party's or any of its subcontractor's DIR registration status has been suspended, revoked, expired, or otherwise changed. It is understood that it is the responsibility of Contracting Party to determine the correct salary scale. Contracting Party 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 Contracting Party's principal place of business and at the project site, if any. The statutory penalties for failure to pay prevailing wage or to comply with State wage and hour laws will be enforced. Contracting Party must forfeit to City TWENTY-FIVE DOLLARS (\$25.00) per day for each worker who works in excess of the minimum working hours when Contracting Party does not pay overtime. In accordance with the provisions of Labor Code Sections 1810 *et seq.*, eight (8) hours is the legal working day. Contracting Party also shall comply with State law requirements to maintain payroll records and shall provide for certified records and inspection of records as required by California Labor Code Section 1770 *et seq.*, including Section 1776. In addition to the other indemnities provided under this Agreement, Contracting Party shall defend (with counsel selected by City), indemnify, and hold 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. It is agreed by the parties that, in connection with performance of the Services, including, without limitation, any and all "Public works" (as defined by the Prevailing Wage Laws), Contracting Party shall bear all risks of payment or non-payment of prevailing wages under California law and/or the implementation of Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law. Contracting Party acknowledges and agrees that it shall be independently responsible for reviewing the applicable laws and regulations and effectuating compliance with such laws. Contracting Party shall require the same of all subcontractors.

2. Retention. Payments shall be made in accordance with the provisions of Article 2.0 of the Agreement. In accordance with said Sections, City shall pay Contracting Party a sum based upon ninety-five percent (95%) of the Contract Sum apportionment of the labor and materials incorporated into the Services under this Agreement during the month covered by said invoice. The remaining five percent (5%) thereof shall be retained as performance security to be paid to Contracting Party within sixty (60) days after final acceptance of the Services by the City Council of City, after Contracting Party has furnished City with a full release of all undisputed payments under this Agreement, if required by City. In the event there are any claims specifically excluded by Contracting Party from the operation of the release, City may retain proceeds (per Public Contract Code § 7107) of up to one hundred fifty percent (150%) of the amount in dispute. City's failure to deduct or withhold shall not affect Contracting Party's obligations under the Agreement.

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

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

(a) Contracting Party shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contracting Party believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) subsurface or latent physical conditions at the site different from those indicated by information about the site made available to bidders prior to the deadline for submitting bids; or (3) unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Agreement.

(b) City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in Contracting Party's cost of, or the time required for, performance of any part of the work shall issue a change order per Section 1.8 of the Agreement.

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

5. Safety. Contracting Party shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out the Services, Contracting Party 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.

6. Liquidated Damages. Since the determination of actual damages for any delay in performance of the Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, Contracting Party shall be liable for and shall pay to City the sum of One Thousand dollars (\$1,000.00) as liquidated damages for each working day of delay in the performance of any of the Services required hereunder, as specified in the Schedule of Performance. In addition, liquidated damages may be assessed for failure to comply with the emergency call out requirements, if any, described in the Scope of Services. City may withhold from any moneys payable on account of the Services performed by Contracting Party any accrued liquidated damages.

Exhibit B

Schedule of Compensation

With the exception of compensation for Additional Services, provided for in Section 2.3 of this Agreement, the maximum total compensation to be paid to Contracting Party under this Agreement is not to exceed One Hundred Thousand Dollars (**\$100,000.00**) (“Contract Sum”) per year for the life of the Agreement, encompassing the initial and any extended terms. Contractor expressly acknowledges and agrees that the Contract Sum in this Agreement is the annual aggregate total amount covering this Agreement, that certain Agreement for Contract Services by and between the City and NV5, Inc., of or about even date as this Agreement, such that the Contract Sum as defined herein is the maximum amount available for services provided under both agreements. The Contract Sum shall be paid to Contracting Party in installment payments made on a monthly basis and in an amount identified in Contracting Party’s schedule of compensation attached hereto for the work tasks performed and properly invoiced by Contracting Party in conformance with Section 2.2 of this Agreement.

	<u>Initial Term:</u>
“Not to exceed” Year 1:	\$100,000.00
“Not to exceed” Year 2:	\$100,000.00
“Not to exceed” Year 3:	\$100,000.00

	<u>Possible Extended Term:</u>
“Not to exceed” Year 4:	\$100,000.00
“Not to exceed” Year 5:	\$100,000.00

Plan Check Compensation

Plan check payment shall be made in full at a “fixed fee” rate of:

- \$ 900 per sheet (submittals with 1-5 sheets in quantity)
- \$ 875 per sheet (submittals with 6-15 sheets in quantity)
- \$ 850 per sheet (submittals with 16 or more sheets in quantity)

Sheet counts are based on the number of sheets submitted for plan check. Sheets may include title and detail sheets, street plans, storm drain plans, meandering sidewalk and parkway grading plans, rough & precise grading plans at 30, 40 or 50 feet per inch scale.

Consultant receives no additional compensation for review of supporting documents including, but not limited to hydrology and hydraulic calculation reports, soils reports & engineer’s cost estimates, conditions of approval, tentative tract and parcel maps.

Consultant receives no additional compensation for delivery or postage fees necessary to transmit or receive plans from City.

Consultant receives no additional compensation for travel to and from City Hall.

This rate shall be compensation for up to three (3) plan checks. Supplemental payment for additional plan checks after the third check or for special engineering reports including Water Quality Management Plans (WQMP) or other engineering reports, shall be in made at the rates listed in the Schedule of Billing Rates attached herewith for the actual hours submitted in conformance with Section 2.2 of the Agreement. An estimate of hours to complete the plan check (after the third plan check) or for special reports shall be made in writing to the Contract Officer for approval as specified in Section 1.6 - Additional Services of the Agreement.

Compensation for the first three plan checks shall be distributed at the following schedule:

First Plan Check	65% of the Total Plan Check Fee
Second Plan Check	20% of the Total Plan Check Fee
Third Plan Check	15% of the Total Plan Check Fee

The Consultant shall be compensated upon the completion of each plan check as indicated in the above schedule and in conformance with Section 2.2 of the Agreement. If a project is suspended, either definitely or indefinitely, the Consultant shall be compensated based on the last completed plan check. If the plan check process is completed prior to the third plan check, 100% of the plan check fee will be paid upon completion of the final plan check.

The Consultant shall separately invoice per plan and per plan check. No exceptions will be allowed to the payment schedule.

Consultant also may be requested to provide general civil consulting services for specific development related engineering projects for the City as applicable.

Payment shall be made in full at an hourly rate of:

\$ 225 per hour – no overtime, travel time, expenses or other administrative charges will be allowable over and above the stated hourly rate schedule.

Rates

Classification	Hourly Rate
Project Manager	\$285
Principal-in-Charge	\$295
QA/QC Manager	\$285
Assistant Project Manager	\$225
Senior Civil Plan Checker	\$215
Civil Plan Checker	\$155
Assistant Civil Plan Checker	\$135
Environmental Associate	\$175
Civil Plan Checker (Telecom/Fiber)	\$190
Engineering Technician	\$100

Our hourly fees/rates shall remain effective for one year from contract execution, and may be adjusted annually thereafter as negotiated with and agreed to by the agency.

Exhibit C Schedule of Performance

Contracting Party shall complete all services identified in the Scope of Services, Exhibit A of this Agreement, as requested by City within the time allowed by the total contract sum.

OFFICE HOURS

The Consultant shall maintain normal office hours between 8:00 a.m. and 5:00 p.m., Monday through Friday. The Consultant shall be available to meet with City Staff during normal working hours with 48 hours advance notice.

SCHEDULE

The Consultant shall adhere to the following plan check schedule:

Plan Submittal Plan Check Turn-Around (From Receipt from City Staff)

1st Plan Check 15 Working Days

2nd Plan Check 10 Working Days

3rd Plan Check 10 Working Days

For larger, more complex projects such as golf course developments, one (1) additional week for the 1st and 2nd plan check shall be provided, if necessary to complete a thorough plan check. The consultant shall advise the Contract Officer, in writing, if additional time is needed.

Exhibit D
Special Requirements

None

Exhibit E
Insurance Requirements

E.1 Insurance. Prior to the beginning of and throughout the duration of this Agreement, the following policies shall be maintained and kept in full force and effect providing insurance with minimum limits as indicated below and issued by insurers with A.M. Best ratings of no less than A-VI:

Commercial General Liability (at least as broad as ISO CG 0001)
\$1,000,000 (per occurrence)
\$2,000,000 (general aggregate)

Must include the following endorsements:

General Liability Additional Insured
General Liability Primary and Non-contributory

Commercial Auto Liability (at least as broad as ISO CA 0001)
\$1,000,000 (per accident)

Auto Liability Additional Insured
Personal Auto Declaration Page if applicable

Errors and Omissions Liability
\$1,000,000 (per claim and aggregate)

Workers' Compensation
(per statutory requirements)

Must include the following endorsements:

Workers Compensation with Waiver of Subrogation
Workers Compensation Declaration of Sole Proprietor if applicable

Contracting Party shall procure and maintain, at its cost, and submit concurrently with its execution of this Agreement, Commercial General Liability insurance against all claims for injuries against persons or damages to property resulting from Contracting Party's acts or omissions rising out of or related to Contracting Party's performance under this Agreement. The insurance policy shall contain a severability of interest clause providing that the coverage shall be primary for losses arising out of Contracting Party's performance hereunder and neither City nor its insurers shall be required to contribute to any such loss. An endorsement evidencing the foregoing and naming the City and its officers and employees as additional insured (on the Commercial General Liability policy only) must be submitted concurrently with the execution of this Agreement and approved by City prior to commencement of the services hereunder.

Contracting Party shall carry automobile liability insurance of \$1,000,000 per accident against all claims for injuries against persons or damages to property arising out of the use of any automobile by Contracting Party, its officers, any person directly or indirectly employed by Contracting Party, any subcontractor or agent, or anyone for whose acts any of them may be liable, arising directly or indirectly out of or related to Contracting Party's performance under this Agreement. If Contracting Party or

Contracting Party's employees will use personal autos in any way on this project, Contracting Party shall provide evidence of personal auto liability coverage for each such person. The term "automobile" includes, but is not limited to, a land motor vehicle, trailer or semi-trailer designed for travel on public roads. The automobile insurance policy shall contain a severability of interest clause providing that coverage shall be primary for losses arising out of Contracting Party's performance hereunder and neither City nor its insurers shall be required to contribute to such loss.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Contracting Party and "Covered Professional Services" as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

Contracting Party shall carry Workers' Compensation Insurance in accordance with State Worker's Compensation laws with employer's liability limits no less than \$1,000,000 per accident or disease.

Contracting Party shall procure and maintain Cyber Liability insurance with limits of \$1,000,000 per occurrence/loss which shall include the following coverage:

- a. Liability arising from the theft, dissemination and/or use of confidential or personally identifiable information; including credit monitoring and regulatory fines arising from such theft, dissemination or use of the confidential information.
- b. Network security liability arising from the unauthorized use of, access to, or tampering with computer systems.
- c. Liability arising from the failure of technology products (software) required under the contract for Consultant to properly perform the services intended.
- d. Electronic Media Liability arising from personal injury, plagiarism or misappropriation of ideas, domain name infringement or improper deep-linking or framing, and infringement or violation of intellectual property rights.
- e. Liability arising from the failure to render professional services.

If coverage is maintained on a claims-made basis, Contracting Party shall maintain such coverage for an additional period of three (3) years following termination of the contract.

Contracting Party shall provide written notice to City within ten (10) working days if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self-insured retention is increased. In the event any of said policies of insurance are cancelled, Contracting Party shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Exhibit to the Contract Officer. The procuring of such insurance or the delivery of policies or certificates evidencing the same shall not be construed as a limitation of Contracting Party's obligation to indemnify City, its officers, employees, contractors, subcontractors, or agents.

E.2 Remedies. In addition to any other remedies City may have if Contracting Party fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option:

- a. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under this Agreement.
- b. Order Contracting Party to stop work under this Agreement and/or withhold any payment(s) which become due to Contracting Party hereunder until Contracting Party demonstrates compliance with the requirements hereof.
- c. Terminate this Agreement.

Exercise any of the above remedies, however, is an alternative to any other remedies City may have. The above remedies are not the exclusive remedies for Contracting Party's failure to maintain or secure appropriate policies or endorsements. Nothing herein contained shall be construed as limiting in any way the extent to which Contracting Party may be held responsible for payments of damages to persons or property resulting from Contracting Party's or its subcontractors' performance of work under this Agreement.

E.3 General Conditions Pertaining to Provisions of Insurance Coverage by Contracting Party. Contracting Party and City agree to the following with respect to insurance provided by Contracting Party:

1. Contracting Party agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds City, its officials, employees, and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Contracting Party also agrees to require all contractors, and subcontractors to do likewise.

2. No liability insurance coverage provided to comply with this Agreement shall prohibit Contracting Party, or Contracting Party's employees, or agents, from waiving the right of subrogation prior to a loss. Contracting Party agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.

3. All insurance coverage and limits provided by Contracting Party and available or applicable to this Agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to City or its operations limits the application of such insurance coverage.

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

5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.

6. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises. Contracting Party shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City's protection without City's prior written consent.

7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all the coverages required and an additional insured endorsement to Contracting Party's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Contracting Party or deducted from sums due Contracting Party, at City option.

8. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Contracting Party or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self-insurance available to City.

9. Contracting Party agrees to ensure that subcontractors, and any other party involved with the project that is brought onto or involved in the project by Contracting Party, provide the same minimum insurance coverage required of Contracting Party. Contracting Party agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contracting Party agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.

10. Contracting Party agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein (with the exception of professional liability coverage, if required) and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement

to self-insure its obligations to City. If Contracting Party's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At that time the City shall review options with the Contracting Party, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.

11. The City reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required by giving the Contracting Party ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Contracting Party, the City will negotiate additional compensation proportional to the increased benefit to City.

12. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

13. Contracting Party acknowledges and agrees that any actual or alleged failure on the part of City to inform Contracting Party of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.

14. Contracting Party will renew the required coverage annually as long as City, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies whether the agreement is canceled or terminated for any reason. Termination of this obligation is not effective until City executes a written statement to that effect.

15. Contracting Party shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Contracting Party's insurance agent to this effect is acceptable. A certificate of insurance and an additional insured endorsement is required in these specifications applicable to the renewing or new coverage must be provided to City within five (5) days of the expiration of coverages.

16. The provisions of any workers' compensation or similar act will not limit the obligations of Contracting Party under this agreement. Contracting Party expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials, and agents.

17. Requirements of specific coverage features, or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be limiting or all-inclusive.

18. These insurance requirements are intended to be separate and distinct from any other provision in this Agreement and are intended by the parties here to be interpreted as such.

19. The requirements in this Exhibit supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Exhibit.

20. Contracting Party agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Contracting Party for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

21. Contracting Party agrees to provide immediate notice to City of any claim or loss against Contracting Party arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

Exhibit F
Indemnification

F.1 Indemnity for the Benefit of City.

a. Indemnification for Professional Liability. When the law establishes a professional standard of care for Contracting Party's Services, to the fullest extent permitted by law, Contracting Party shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officials, employees, and agents ("Indemnified Parties") from and against any and all claims, losses, liabilities of every kind, nature, and description, damages, injury (including, without limitation, injury to or death of an employee of Contracting Party or of any subcontractor), costs and expenses of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Contracting Party, its officers, agents, employees or subcontractors (or any entity or individual that Contracting Party shall bear the legal liability thereof) in the performance of professional services under this agreement. With respect to the design of public improvements, the Contracting Party shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Contracting Party.

b. Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Contracting Party shall indemnify, defend (with counsel selected by City), and hold harmless the Indemnified Parties from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses) incurred in connection therewith and costs of investigation, where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Contracting Party or by any individual or entity for which Contracting Party is legally liable, including but not limited to officers, agents, employees, or subcontractors of Contracting Party.

c. Indemnity Provisions for Contracts Related to Construction (Limitation on Indemnity). Without affecting the rights of City under any provision of this agreement, Contracting Party shall not be required to indemnify and hold harmless City for liability attributable to the active negligence of City, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where City is shown to have been actively negligent and where City's active negligence accounts for only a percentage of the liability involved, the obligation of Contracting Party will be for that entire portion or percentage of liability not attributable to the active negligence of City.

d. Indemnification Provision for Design Professionals.

1. Applicability of this Section F.1(d). Notwithstanding Section F.1(a) hereinabove, the following indemnification provision shall apply to a Contracting Party who constitutes a “design professional” as the term is defined in paragraph 3 below.

2. Scope of Indemnification. When the law establishes a professional standard of care for Contracting Party’s Services, to the fullest extent permitted by law, Contracting Party shall indemnify and hold harmless City and any and all of its officials, employees, and agents (“Indemnified Parties”) from and against any and all losses, liabilities of every kind, nature, and description, damages, injury (including, without limitation, injury to or death of an employee of Contracting Party or of any subcontractor), costs and expenses, including, without limitation, incidental and consequential damages, court costs, reimbursement of attorneys’ fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, to the extent same are caused by any negligent or wrongful act, error or omission of Contracting Party, its officers, agents, employees or subcontractors (or any entity or individual that Contracting Party shall bear the legal liability thereof) in the performance of professional services under this agreement. With respect to the design of public improvements, the Contracting Party shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Contracting Party.

3. Design Professional Defined. As used in this Section F.1(d), the term “design professional” shall be limited to licensed architects, registered professional engineers, licensed professional land surveyors and landscape architects, all as defined under current law, and as may be amended from time to time by Civil Code § 2782.8.

F.2 Obligation to Secure Indemnification Provisions. Contracting Party agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Exhibit F, as applicable to the Contracting Party, from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Contracting Party in the performance of this Agreement. In the event Contracting Party fails to obtain such indemnity obligations from others as required herein, Contracting Party agrees to be fully responsible according to the terms of this Exhibit. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth in this Agreement are binding on the successors, assigns or heirs of Contracting Party and shall survive the termination of this Agreement.

AGREEMENT FOR CONTRACT SERVICES

THIS AGREEMENT FOR CONTRACT SERVICES (the “Agreement”) is made and entered into by and between the CITY OF LA QUINTA, (“City”), a California municipal corporation, and NV5, Inc., a California Corporation, with a place of business at 42829 Cook Street, Suite 104, Palm Desert, CA 92211 (“Contracting Party”). The parties hereto agree as follows:

1. SERVICES OF CONTRACTING PARTY.

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Contracting Party shall provide those services related to On-Call Public Works Development Plan Check, as specified in the “Scope of Services” attached hereto as “Exhibit A” and incorporated herein by this reference (the “Services”). Contracting Party represents and warrants that Contracting Party is a provider of first-class work and/or services and Contracting Party is experienced in performing the Services contemplated herein and, in light of such status and experience, Contracting Party covenants that it shall follow industry standards in performing the Services required hereunder, and that all materials, if any, will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase “industry standards” shall mean those standards of practice recognized by one or more first-class firms performing similar services under similar circumstances.

1.2 Compliance with Law. All Services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, regulations, and laws of the City and any Federal, State, or local governmental agency of competent jurisdiction.

1.3 Wage and Hour Compliance. Contracting Party shall comply with applicable Federal, State, and local wage and hour laws.

1.4 Licenses, Permits, Fees and Assessments. Except as otherwise specified herein, Contracting Party shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the Services required by this Agreement, including a City of La Quinta business license. Contracting Party and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for the performance of the Services required by this Agreement. Contracting Party shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the performance of the Services required by this Agreement, and shall indemnify, defend (with counsel selected by City), and hold City, its elected officials, officers, employees, and agents, free and harmless against any such fees, assessments, taxes, penalties, or interest levied, assessed, or imposed against City hereunder. Contracting Party shall be responsible for all subcontractors’ compliance with this Section.

1.5 Familiarity with Work. By executing this Agreement, Contracting Party warrants that (a) it has thoroughly investigated and considered the Services to be performed, (b) it has investigated the site where the Services are to be performed, if any, and fully acquainted itself with the conditions there existing, (c) it has carefully considered how the Services should be performed, and (d) it fully understands the facilities, difficulties, and restrictions attending performance of the Services under this Agreement. Should Contracting Party discover any latent or unknown conditions materially differing from those inherent in the Services or as represented by City, Contracting Party shall immediately inform City of such fact and shall not proceed except at Contracting Party's risk until written instructions are received from the Contract Officer, or assigned designee (as defined in Section 4.2 hereof).

1.6 Standard of Care. Contracting Party acknowledges and understands that the Services contracted for under this Agreement require specialized skills and abilities and that, consistent with this understanding, Contracting Party's work will be held to an industry standard of quality and workmanship. Consistent with Section 1.5 hereinabove, Contracting Party represents to City that it holds the necessary skills and abilities to satisfy the industry standard of quality as set forth in this Agreement. Contracting Party shall adopt reasonable methods during the life of this Agreement to furnish continuous protection to the Services performed by Contracting Party, and the equipment, materials, papers, and other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the Services by City, except such losses or damages as may be caused by City's own negligence. The performance of Services by Contracting Party shall not relieve Contracting Party from any obligation to correct any incomplete, inaccurate, or defective work at no further cost to City, when such inaccuracies are due to the negligence of Contracting Party.

1.7 Additional Services. In accordance with the terms and conditions of this Agreement, Contracting Party shall perform services in addition to those specified in the Scope of Services ("Additional Services") only when directed to do so by the Contract Officer, or assigned designee, provided that Contracting Party shall not be required to perform any Additional Services without compensation. Contracting Party shall not perform any Additional Services until receiving prior written authorization (in the form of a written change order if Contracting Party is a contractor performing the Services) from the Contract Officer, or assigned designee, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of Contracting Party. It is expressly understood by Contracting Party that the provisions of this Section shall not apply to the Services specifically set forth in the Scope of Services or reasonably contemplated therein. It is specifically understood and agreed that oral requests and/or approvals of Additional Services shall be barred and are unenforceable. Failure of Contracting Party to secure the Contract Officer's, or assigned designee's written authorization for Additional Services shall constitute a waiver of any and all right to adjustment of the Contract Sum or time to perform this Agreement, whether by way of compensation, restitution, quantum meruit, or the like, for Additional Services provided without the appropriate authorization from the Contract Officer, or assigned designee.

Compensation for properly authorized Additional Services shall be made in accordance with Section 2.3 of this Agreement.

1.8 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in "Exhibit D" (the "Special Requirements"), which is incorporated herein by this reference and expressly made a part hereof. In the event of a conflict between the provisions of the Special Requirements and any other provisions of this Agreement, the provisions of the Special Requirements shall govern.

2. COMPENSATION.

2.1 Contract Sum. For the Services rendered pursuant to this Agreement, Contracting Party shall be compensated in accordance with "Exhibit B" (the "Schedule of Compensation") in a total amount not to exceed One Hundred Thousand Dollars (\$100,000.00) per year for the life of the Agreement, encompassing the Initial and any Extended Terms (the "Contract Sum"), except as provided in Section 1.7. Contractor expressly acknowledges and agrees that the Contract Sum in this Agreement is the annual aggregate total amount covering this Agreement, that certain Agreement for Contract Services by and between the City and HR Green Pacific, of or about even date as this Agreement, such that the Contract Sum as defined herein is the maximum amount available for services provided under both agreements. The method of compensation set forth in the Schedule of Compensation may include a lump sum payment upon completion, payment in accordance with the percentage of completion of the Services, payment for time and materials based upon Contracting Party's rate schedule, but not exceeding the Contract Sum, or such other reasonable methods as may be specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contracting Party at all project meetings reasonably deemed necessary by City; Contracting Party shall not be entitled to any additional compensation for attending said meetings. Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, transportation expense, telephone expense, and similar costs and expenses when and if specified in the Schedule of Compensation. Regardless of the method of compensation set forth in the Schedule of Compensation, Contracting Party's overall compensation shall not exceed the Contract Sum, except as provided in Section 1.7 of this Agreement.

2.2 Method of Billing & Payment. Any month in which Contracting Party wishes to receive payment, Contracting Party shall submit to City no later than the tenth (10th) working day of such month, in the form approved by City's Finance Director, an invoice for Services rendered prior to the date of the invoice. Such invoice shall (1) describe in detail the Services provided, including time and materials, and (2) specify each staff member who has provided Services and the number of hours assigned to each such staff member. Such invoice shall contain a certification by a principal member of Contracting Party specifying that the payment requested is for Services performed in accordance with the terms of this Agreement. Upon approval in writing by the Contract Officer, or assigned designee, and subject to retention pursuant to Section 8.3, City will pay Contracting Party for all items stated thereon which are approved by City pursuant to

this Agreement no later than thirty (30) days after invoices are received by the City's Finance Department.

2.3 Compensation for Additional Services. Additional Services approved in advance by the Contract Officer, or assigned designee, pursuant to Section 1.7 of this Agreement shall be paid for in an amount agreed to in writing by both City and Contracting Party in advance of the Additional Services being rendered by Contracting Party. Any compensation for Additional Services amounting to five percent (5%) or less of the Contract Sum may be approved by the Contract Officer, or assigned designee. Any greater amount of compensation for Additional Services must be approved by the La Quinta City Council, the City Manager, or Department Director, depending upon City laws, regulations, rules and procedures concerning public contracting. Under no circumstances shall Contracting Party receive compensation for any Additional Services unless prior written approval for the Additional Services is obtained from the Contract Officer, or assigned designee, pursuant to Section 1.7 of this Agreement.

3. PERFORMANCE SCHEDULE.

3.1 Time of Essence. Time is of the essence in the performance of this Agreement. If the Services not completed in accordance with the Schedule of Performance, as set forth in Section 3.2 and "Exhibit C", it is understood that the City will suffer damage.

3.2 Schedule of Performance. All Services rendered pursuant to this Agreement shall be performed diligently and within the time period established in "Exhibit C" (the "Schedule of Performance"). Extensions to the time period specified in the Schedule of Performance may be approved in writing by the Contract Officer, or assigned designee.

3.3 Force Majeure. The time period specified in the Schedule of Performance for performance of the Services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of Contracting Party, including, but not restricted to, acts of God or of the public enemy, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, acts of any governmental agency other than City, and unusually severe weather, if Contracting Party shall within ten (10) days of the commencement of such delay notify the Contract Officer, or assigned designee, in writing of the causes of the delay. The Contract Officer, or assigned designee, shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the forced delay when and if in the Contract Officer's judgment such delay is justified, and the Contract Officer's determination, or assigned designee, shall be final and conclusive upon the parties to this Agreement. Extensions to time period in the Schedule of Performance which are determined by the Contract Officer, or assigned designee, to be justified pursuant to this Section shall not entitle the Contracting Party to additional compensation in excess of the Contract Sum.

3.4 Term. Unless earlier terminated in accordance with the provisions in Article 8.0 of this Agreement, the term of this agreement shall commence on July 1, 2024, and terminate on June 30, 2027 (“Initial Term”). This Agreement may be extended for two (2) additional year(s) upon mutual agreement by both parties (“Extended Term”), and executed in writing.

4. COORDINATION OF WORK.

4.1 Representative of Contracting Party. The following principals of Contracting Party (“Principals”) are hereby designated as being the principals and representatives of Contracting Party authorized to act in its behalf with respect to the Services specified herein and make all decisions in connection therewith:

- (a) Tamara O’Neal, PE, Director of Municipal Services
Telephone No.: (858) 385-0500
Email: tamara.oneal@nv5.com

It is expressly understood that the experience, knowledge, capability, and reputation of the foregoing Principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing Principals shall be responsible during the term of this Agreement for directing all activities of Contracting Party and devoting sufficient time to personally supervise the Services hereunder. For purposes of this Agreement, the foregoing Principals may not be changed by Contracting Party and no other personnel may be assigned to perform the Services required hereunder without the express written approval of City.

4.2 Contract Officer. The “Contract Officer”, otherwise known as Bryan McKinney, PE, Public Works Director/City Engineer, or assigned designee may be designated in writing by the City Manager of the City. It shall be Contracting Party’s responsibility to assure that the Contract Officer, or assigned designee, is kept informed of the progress of the performance of the Services, and Contracting Party shall refer any decisions, that must be made by City to the Contract Officer, or assigned designee. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer, or assigned designee. The Contract Officer, or assigned designee, shall have authority to sign all documents on behalf of City required hereunder to carry out the terms of this Agreement.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability, and reputation of Contracting Party, its principals, and its employees were a substantial inducement for City to enter into this Agreement. Except as set forth in this Agreement, Contracting Party shall not contract or subcontract with any other entity to perform in whole or in part the Services required hereunder without the express written approval of City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered, voluntarily or by operation of law, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contracting Party, taking all transfers into account on a cumulative basis. Any

attempted or purported assignment or contracting or subcontracting by Contracting Party without City's express written approval shall be null, void, and of no effect. No approved transfer shall release Contracting Party of any liability hereunder without the express consent of City.

4.4 Independent Contractor. Neither City nor any of its employees shall have any control over the manner, mode, or means by which Contracting Party, its agents, or its employees, perform the Services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision, or control of Contracting Party's employees, servants, representatives, or agents, or in fixing their number or hours of service. Contracting Party shall perform all Services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Contracting Party shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Contracting Party in its business or otherwise or a joint venture or a member of any joint enterprise with Contracting Party. Contracting Party shall have no power to incur any debt, obligation, or liability on behalf of City. Contracting Party shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. Except for the Contract Sum paid to Contracting Party as provided in this Agreement, City shall not pay salaries, wages, or other compensation to Contracting Party for performing the Services hereunder for City. City shall not be liable for compensation or indemnification to Contracting Party for injury or sickness arising out of performing the Services hereunder. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contracting Party and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System ("PERS") as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Contracting Party agrees to pay all required taxes on amounts paid to Contracting Party under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Contracting Party shall fully comply with the workers' compensation laws regarding Contracting Party and Contracting Party's employees. Contracting Party further agrees to indemnify and hold City harmless from any failure of Contracting Party to comply with applicable workers' compensation laws. City shall have the right to offset against the amount of any payment due to Contracting Party under this Agreement any amount due to City from Contracting Party as a result of Contracting Party's failure to promptly pay to City any reimbursement or indemnification arising under this Section.

4.5 Identity of Persons Performing Work. Contracting Party represents that it employs or will employ at its own expense all personnel required for the satisfactory performance of any and all of the Services set forth herein. Contracting Party represents that the Services required herein will be performed by Contracting Party or under its direct supervision, and that all personnel engaged in such work shall be fully qualified and shall

be authorized and permitted under applicable State and local law to perform such tasks and services.

4.6 City Cooperation. City shall provide Contracting Party with any plans, publications, reports, statistics, records, or other data or information pertinent to the Services to be performed hereunder which are reasonably available to Contracting Party only from or through action by City.

5. INSURANCE.

5.1 Insurance. Prior to the beginning of any Services under this Agreement and throughout the duration of the term of this Agreement, Contracting Party shall procure and maintain, at its sole cost and expense, and submit concurrently with its execution of this Agreement, policies of insurance as set forth in "Exhibit E" (the "Insurance Requirements") which is incorporated herein by this reference and expressly made a part hereof.

5.2 Proof of Insurance. Contracting Party shall provide Certificate of Insurance to Agency along with all required endorsements. Certificate of Insurance and endorsements must be approved by Agency's Risk Manager prior to commencement of performance.

6. INDEMNIFICATION.

6.1 Indemnification. To the fullest extent permitted by law, Contracting Party shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officers, employees, agents, and volunteers as set forth in "Exhibit E" ("Indemnification") which is incorporated herein by this reference and expressly made a part hereof.

7. RECORDS AND REPORTS.

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

7.2 Records. Contracting Party shall keep, and require any subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports

(including but not limited to payroll reports), studies, or other documents relating to the disbursements charged to City and the Services performed hereunder (the "Books and Records"), as shall be necessary to perform the Services required by this Agreement and enable the Contract Officer, or assigned designee, to evaluate the performance of such Services. Any and all such Books and Records shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed. The Contract Officer, or assigned designee, shall have full and free access to such Books and Records at all times during normal business hours of City, including the right to inspect, copy, audit, and make records and transcripts from such Books and Records. Such Books and Records shall be maintained for a period of three (3) years following completion of the Services hereunder, and City shall have access to such Books and Records in the event any audit is required. In the event of dissolution of Contracting Party's business, custody of the Books and Records may be given to City, and access shall be provided by Contracting Party's successor in interest. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds Ten Thousand Dollars (\$10,000.00), this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

7.3 Ownership of Documents. All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents, and other materials plans, drawings, estimates, test data, survey results, models, renderings, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings, digital renderings, or data stored digitally, magnetically, or in any other medium prepared or caused to be prepared by Contracting Party, its employees, subcontractors, and agents in the performance of this Agreement (the "Documents and Materials") shall be the property of City and shall be delivered to City upon request of the Contract Officer, or assigned designee, or upon the expiration or termination of this Agreement, and Contracting Party shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the Documents and Materials hereunder. Any use, reuse or assignment of such completed Documents and Materials for other projects and/or use of uncompleted documents without specific written authorization by Contracting Party will be at City's sole risk and without liability to Contracting Party, and Contracting Party's guarantee and warranties shall not extend to such use, revise, or assignment. Contracting Party may retain copies of such Documents and Materials for its own use. Contracting Party shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any Documents and Materials prepared by them, and in the event Contracting Party fails to secure such assignment, Contracting Party shall indemnify City for all damages resulting therefrom.

7.4 In the event City or any person, firm, or corporation authorized by City reuses said Documents and Materials without written verification or adaptation by Contracting Party for the specific purpose intended and causes to be made or makes any changes or alterations in said Documents and Materials, City hereby releases, discharges, and exonerates Contracting Party from liability resulting from said change.

The provisions of this clause shall survive the termination or expiration of this Agreement and shall thereafter remain in full force and effect.

7.5 Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, rights of reproduction, and other intellectual property embodied in the Documents and Materials. Contracting Party shall require all subcontractors, if any, to agree in writing that City is granted a non-exclusive and perpetual license for the Documents and Materials the subcontractor prepares under this Agreement. Contracting Party represents and warrants that Contracting Party has the legal right to license any and all of the Documents and Materials. Contracting Party makes no such representation and warranty in regard to the Documents and Materials which were prepared by design professionals other than Contracting Party or provided to Contracting Party by City. City shall not be limited in any way in its use of the Documents and Materials at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

7.6 Release of Documents. The Documents and Materials shall not be released publicly without the prior written approval of the Contract Officer, or assigned designee, or as required by law. Contracting Party shall not disclose to any other entity or person any information regarding the activities of City, except as required by law or as authorized by City.

7.7 Confidential or Personal Identifying Information. Contracting Party covenants that all City data, data lists, trade secrets, documents with personal identifying information, documents that are not public records, draft documents, discussion notes, or other information, if any, developed or received by Contracting Party or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Contracting Party to any person or entity without prior written authorization by City or unless required by law. City shall grant authorization for disclosure if required by any lawful administrative or legal proceeding, court order, or similar directive with the force of law. All City data, data lists, trade secrets, documents with personal identifying information, documents that are not public records, draft documents, discussions, or other information shall be returned to City upon the termination or expiration of this Agreement. Contracting Party's covenant under this section shall survive the termination or expiration of this Agreement.

8. ENFORCEMENT OF AGREEMENT.

8.1 California Law. This Agreement shall be interpreted, construed, and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and Contracting Party covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Disputes. In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefore. The injured party shall continue performing its obligations hereunder so long as the injuring party commences to cure such default within ten (10) days of service of such notice and completes the cure of such default within forty-five (45) days after service of the notice, or such longer period as may be permitted by the Contract Officer, or assigned designee; provided that if the default is an immediate danger to the health, safety, or general welfare, City may take such immediate action as City deems warranted. Compliance with the provisions of this Section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's right to terminate this Agreement without cause pursuant to this Article 8.0. During the period of time that Contracting Party is in default, City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, City may, in its sole discretion, elect to pay some or all of the outstanding invoices during any period of default.

8.3 Retention of Funds. City may withhold from any monies payable to Contracting Party sufficient funds to compensate City for any losses, costs, liabilities, or damages it reasonably believes were suffered by City due to the default of Contracting Party in the performance of the Services required by this Agreement.

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

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

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

8.7 Termination Prior To Expiration of Term. This Section shall govern any termination of this Agreement, except as specifically provided in the following Section for termination for cause. City reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to Contracting Party. Upon receipt of any notice of termination, Contracting Party shall immediately cease all

Services hereunder except such as may be specifically approved by the Contract Officer, or assigned designee. Contracting Party shall be entitled to compensation for all Services rendered prior to receipt of the notice of termination and for any Services authorized by the Contract Officer, or assigned designee, thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, or assigned designee, except amounts held as a retention pursuant to this Agreement.

8.8 Termination for Default of Contracting Party. If termination is due to the failure of Contracting Party to fulfill its obligations under this Agreement, Contracting Party shall vacate any City-owned property which Contracting Party is permitted to occupy hereunder and City may, after compliance with the provisions of Section 8.2, take over the Services and prosecute the same to completion by contract or otherwise, and Contracting Party shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the compensation herein stipulated (provided that City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to Contracting Party for the purpose of setoff or partial payment of the amounts owed City.

8.9 Attorneys' Fees. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys' fees; provided, however, that the attorneys' fees awarded pursuant to this Section shall not exceed the hourly rate paid by City for legal services multiplied by the reasonable number of hours spent by the prevailing party in the conduct of the litigation. Attorneys' fees shall include attorneys' fees on any appeal, and in addition a party entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery, and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment. The court may set such fees in the same action or in a separate action brought for that purpose.

9. CITY OFFICERS AND EMPLOYEES; NONDISCRIMINATION.

9.1 Non-liability of City Officers and Employees. No officer, official, employee, agent, representative, or volunteer of City shall be personally liable to Contracting Party, or any successor in interest, in the event of any default or breach by City or for any amount which may become due to Contracting Party or to its successor, or for breach of any obligation of the terms of this Agreement.

9.2 Conflict of Interest. Contracting Party covenants that neither it, nor any officer or principal of it, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Contracting Party's performance of the Services under this Agreement. Contracting Party further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent, or subcontractor without

the express written consent of the Contract Officer, or assigned designee. Contracting Party agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

No officer or employee of City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to this Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. Contracting Party warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

9.3 Covenant against Discrimination. Contracting Party covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any impermissible classification including, but not limited to, race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry in the performance of this Agreement. Contracting Party shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry.

10. MISCELLANEOUS PROVISIONS.

10.1 Notice. Any notice, demand, request, consent, approval, or communication either party desires or is required to give the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

To City:

CITY OF LA QUINTA
Attention: Bryan McKinney, PE
78495 Calle Tampico
La Quinta, California 92253

To Contracting Party:

NV5, Inc.
Attention: Tamara O’Neal, PE
42829 Cook Street, Suite 104
Palm Desert, California 92211

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

10.3 Section Headings and Subheadings. The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

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

10.5 Integrated Agreement. This Agreement including the exhibits hereto is the entire, complete, and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements, and understandings, if any, between the parties, and none shall be used to interpret this Agreement.

10.6 Amendment. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by Contracting Party and by the City Council of City. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

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

10.8 Unfair Business Practices Claims. In entering into this Agreement, Contracting Party offers and agrees to assign to City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. § 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials related to this Agreement. This assignment shall be made and become effective at the time City renders final payment to Contracting Party without further acknowledgment of the parties.

10.9 No Third-Party Beneficiaries. With the exception of the specific provisions set forth in this Agreement, there are no intended third-party beneficiaries under this Agreement and no such other third parties shall have any rights or obligations hereunder.

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

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

CITY OF LA QUINTA,
a California Municipal Corporation

CONTRACTING PARTY:

By: _____
Name: Jeffrey M. Cooper, PE
Title: EVP, Chief Operating Officer

JON McMILLEN, City Manager
City of La Quinta, California

Dated: _____

ATTEST:

By: _____
Name: _____
Title: _____

MONIKA RADEVA, City Clerk
City of La Quinta, California

APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

Exhibit A Scope of Services

Improvement plan checking will include the review of plans submitted for subdivision (residential) improvements, commercial developments, and infrastructure improvements within the City's right of way. The plans shall be reviewed for conformance with local and other applicable (County, State and Federal) ordinances and standards with a strict attention to details. Plan check services may include, but are not limited to the following:

- Grading Plans including mass grading, rough grading and precise grading plans
- Street Improvement Plans including street widening, rehabilitation and new street plans
- Storm Drainage Plans
- Hydrology and Hydraulic Calculations and Reports
- Engineer's Cost Estimate for the related items of work for bonding purposes
- Engineer's Reports including Fugitive Dust Control (PM10) Plans, Storm Water Pollution and Prevention Plans
- Water Quality Management Plans
- Erosion and Sediment Control Plans

The tasks of the plan checker include:

- To check for design conformance to:
 - The approved Tentative Map
 - Related Specific Plans
 - General Plan and City Ordinances
 - Conditions of Approval
 - City Standards
 - Americans with Disabilities (ADA) Standards
 - The City's Subdivision Plan Check Lists
 - Other Agency Requirements such as Riverside County Flood Control District (RCFCD), Coachella Valley Water District (CVWD) and CalTrans
- To review plans for sound engineering practices.
- To check for accuracy of design in conformance with the City's most current Plan Check Lists.
- To check general mathematics and design criteria.
- To call for redesign of any portion of plans that:
 - Will not function due to poor engineering.
 - Is not consistent with the Approved Tentative Map or Conditions of Approval.
 - Will be potentially unsafe to the public.
 - Is impractical to construct.

Orientation:

Consultant shall meet with City staff to:

- learn the City development plan check process;
- acquire text files and boiler plate documents as they apply;
- acquire understanding of key issues that need attention during the plan check process;
- establish ongoing operating procedures between City staff and the Consultant for the on-call services.

On-Call Services:

- Report to City Hall when called upon to pick up project documents for review, and meet with city staff, as needed, to be briefed on project particulars;
- Field review project with City staff, as needed, to address unique aspects of the proposed project;
- Attend scheduled development review meetings, as needed, to brief City staff on findings and coordinate additional relevant details and preparation.

Specific Individual, not a Consulting Team:

- a. Regardless of how many qualified professionals employed by the consulting firm proposing to provide the on-call services, the firm shall designate a specific individual for the assignment. The City does not want a “team” of individuals assigned to provide the services. If the designated individual providing the on-call services leaves the firm, it shall be considered grounds for contract termination, at the City’s sole option.
- b. The individual assigned to provide the services must be a California Registered Engineer. The individual should possess a four-year civil engineering degree and have five (5) years of experience in plan checking, preferably in the municipal sector, and be well versed in the development plan check process.

ADDENDUM TO AGREEMENT

Re: Scope of Services

If the Scope of Services include construction, alteration, demolition, installation, repair, or maintenance affecting real property or structures or improvements of any kind appurtenant to real property, the following apply:

1. Prevailing Wage Compliance. If Contracting Party is a contractor performing public works and maintenance projects, as described in this Section 1.3, Contracting Party shall comply with applicable Federal, State, and local laws. Contracting Party is aware of the requirements of California Labor Code Sections 1720, *et seq.*, and 1770, *et seq.*, as well as California Code of Regulations, Title 8, Sections 16000, *et seq.*, (collectively, the "Prevailing Wage Laws"), and La Quinta Municipal Code Section 3.12.040, 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 construction work over twenty-five thousand dollars (\$25,000.00) and/or alterations, demolition, repair or maintenance work over fifteen thousand dollars (\$15,000.00) is entered into or extended on or after January 1, 2015 by this Agreement, Contracting Party agrees to fully comply with such Prevailing Wage Laws including, but not limited to, requirements related to the maintenance of payroll records and the employment of apprentices. Pursuant to California Labor Code Section 1725.5, no contractor or subcontractor may be awarded a contract for public work on a "Public works" project unless registered with the California Department of Industrial Relations ("DIR") at the time the contract is awarded. If the Services are being performed as part of an applicable "Public works" or "Maintenance" project, as defined by the Prevailing Wage Laws, this project is subject to compliance monitoring and enforcement by the DIR. Contracting Party will maintain and will require all subcontractors to maintain valid and current DIR Public Works contractor registration during the term of this Agreement. Contracting Party shall notify City in writing immediately, and in no case more than twenty-four (24) hours, after receiving any information that Contracting Party's or any of its subcontractor's DIR registration status has been suspended, revoked, expired, or otherwise changed. It is understood that it is the responsibility of Contracting Party to determine the correct salary scale. Contracting Party 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 Contracting Party's principal place of business and at the project site, if any. The statutory penalties for failure to pay prevailing wage or to comply with State wage and hour laws will be enforced. Contracting Party must forfeit to City TWENTY-FIVE DOLLARS (\$25.00) per day for each worker who works in excess of the minimum working hours when Contracting Party does not pay overtime. In accordance with the provisions of Labor Code Sections 1810 *et seq.*, eight (8) hours is the legal working day. Contracting Party also shall comply with State law requirements to maintain payroll records and shall provide for certified records and inspection of records as required by California Labor Code Section 1770 *et seq.*, including Section 1776. In addition to the other indemnities provided under this Agreement, Contracting Party shall defend (with counsel selected by City), indemnify, and hold 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. It is agreed by the parties that, in connection with performance of the Services, including, without limitation, any and all "Public works" (as defined by the Prevailing Wage Laws), Contracting Party shall bear all risks of payment or non-payment of prevailing wages under California law and/or the implementation of Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law. Contracting Party acknowledges and agrees that it shall be independently responsible for reviewing the applicable laws and regulations and effectuating compliance with such laws. Contracting Party shall require the same of all subcontractors.

2. Retention. Payments shall be made in accordance with the provisions of Article 2.0 of the Agreement. In accordance with said Sections, City shall pay Contracting Party a sum based upon ninety-five percent (95%) of the Contract Sum apportionment of the labor and materials incorporated into the Services under this Agreement during the month covered by said invoice. The remaining five percent (5%) thereof shall be retained as performance security to be paid to Contracting Party within sixty (60) days after final acceptance of the Services by the City Council of City, after Contracting Party has furnished City with a full release of all undisputed payments under this Agreement, if required by City. In the event there are any claims specifically excluded by Contracting Party from the operation of the release, City may retain proceeds (per Public Contract Code § 7107) of up to one hundred fifty percent (150%) of the amount in dispute. City's failure to deduct or withhold shall not affect Contracting Party's obligations under the Agreement.

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

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

(a) Contracting Party shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contracting Party believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) subsurface or latent physical conditions at the site different from those indicated by information about the site made available to bidders prior to the deadline for submitting bids; or (3) unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Agreement.

(b) City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in Contracting Party's cost of, or the time required for, performance of any part of the work shall issue a change order per Section 1.8 of the Agreement.

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

5. Safety. Contracting Party shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out the Services, Contracting Party 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.

6. Liquidated Damages. Since the determination of actual damages for any delay in performance of the Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, Contracting Party shall be liable for and shall pay to City the sum of One Thousand dollars (\$1,000.00) as liquidated damages for each working day of delay in the performance of any of the Services required hereunder, as specified in the Schedule of Performance. In addition, liquidated damages may be assessed for failure to comply with the emergency call out requirements, if any, described in the Scope of Services. City may withhold from any moneys payable on account of the Services performed by Contracting Party any accrued liquidated damages.

Exhibit B

Schedule of Compensation

With the exception of compensation for Additional Services, provided for in Section 2.3 of this Agreement, the maximum total compensation to be paid to Contracting Party under this Agreement is not to exceed One Hundred Thousand Dollars (**\$100,000.00**) (“Contract Sum”) per year for the life of the Agreement, encompassing the initial and any extended terms. Contractor expressly acknowledges and agrees that the Contract Sum in this Agreement is the annual aggregate total amount covering this Agreement, that certain Agreement for Contract Services by and between the City and HR Green Pacific, of or about even date as this Agreement, such that the Contract Sum as defined herein is the maximum amount available for services provided under both agreements. The Contract Sum shall be paid to Contracting Party in installment payments made on a monthly basis and in an amount identified in Contracting Party’s schedule of compensation attached hereto for the work tasks performed and properly invoiced by Contracting Party in conformance with Section 2.2 of this Agreement.

	<u>Initial Term:</u>
“Not to exceed” Year 1:	\$100,000.00
“Not to exceed” Year 2:	\$100,000.00
“Not to exceed” Year 3:	\$100,000.00
	<u>Possible Extended Term:</u>
“Not to exceed” Year 4:	\$100,000.00
“Not to exceed” Year 5:	\$100,000.00

Plan Check Compensation

Plan check payment shall be made in full at a “fixed fee” rate of:

- \$ 595 per sheet (submittals with 1-5 sheets in quantity)
- \$ 625 per sheet (submittals with 6-15 sheets in quantity)
- \$ 675 per sheet (submittals with 16 or more sheets in quantity)

Sheet counts are based on the number of sheets submitted for plan check. Sheets may include title and detail sheets, street plans, storm drain plans, meandering sidewalk and parkway grading plans, rough & precise grading plans at 30, 40 or 50 feet per inch scale.

Consultant receives no additional compensation for review of supporting documents including, but not limited to hydrology and hydraulic calculation reports, soils reports & engineer’s cost estimates, conditions of approval, tentative tract and parcel maps.

Consultant receives no additional compensation for delivery or postage fees necessary to transmit or receive plans from City.

Consultant receives no additional compensation for travel to and from City Hall.

This rate shall be compensation for up to three (3) plan checks. Supplemental payment for additional plan checks after the third check or for special engineering reports including Water Quality Management Plans (WQMP) or other engineering reports, shall be in made at the rates listed in the Schedule of Billing Rates attached herewith for the actual hours submitted in conformance with Section 2.2 of the Agreement. An estimate of hours to complete the plan check (after the third plan check) or for special reports shall be made in writing to the Contract Officer for approval as specified in Section 1.6 - Additional Services of the Agreement.

Compensation for the first three plan checks shall be distributed at the following schedule:

First Plan Check	65% of the Total Plan Check Fee
Second Plan Check	20% of the Total Plan Check Fee
Third Plan Check	15% of the Total Plan Check Fee

The Consultant shall be compensated upon the completion of each plan check as indicated in the above schedule and in conformance with Section 2.2 of the Agreement. If a project is suspended, either definitely or indefinitely, the Consultant shall be compensated based on the last completed plan check. If the plan check process is completed prior to the third plan check, 100% of the plan check fee will be paid upon completion of the final plan check.

The Consultant shall separately invoice per plan and per plan check. No exceptions will be allowed to the payment schedule.

Consultant also may be requested to provide general civil consulting services for specific development related engineering projects for the City as applicable.

Payment shall be made in full at an hourly rate of:

\$ 205 per hour – no overtime, travel time, expenses or other administrative charges will be allowable over and above the stated hourly rate schedule.

12. SCHEDULE A - SERVICE TERM, SCHEDULE, & COST PROPOSAL (ATTACHMENT 6)



Hourly Rates

MUNICIPAL SERVICES	HOURLY RATE**
Program/Project Director	\$220
Project Manager	\$215
Senior Civil Engineer	\$205
City Engineer	\$190
Assistant Project Manager	\$190
Associate Engineer	\$175
Plan Check Engineer III	\$190
Plan Check Engineer II	\$175
Plan Check Engineer I	\$155
Public Works Technician	\$92
Permit Technician	\$92
REIMBURSABLE EXPENSES	COST
Reproduction	Cost
Consultant Services	Cost + 15%
Automobile Transportation	per IRS standard
Delivery, Freight, Courier	Cost
Agency Fees	Cost
Commercial Travel	Cost

* Assumes prevailing wages are applicable for field work.

** Regular rates. Work in excess of 8 hours and work on Saturdays will be billed at 1.5 times the regular rate. Work in excess of 12 hours and work on Sundays and Holidays will be billed at 2 times the regular rate.

Exhibit C Schedule of Performance

Contracting Party shall complete all services identified in the Scope of Services, Exhibit A of this Agreement, as requested by City within the time allowed by the total contract sum.

OFFICE HOURS

The Consultant shall maintain normal office hours between 8:00 a.m. and 5:00 p.m., Monday through Friday. The Consultant shall be available to meet with City Staff during normal working hours with 48 hours advance notice.

SCHEDULE

The Consultant shall adhere to the following plan check schedule:

Plan Submittal Plan Check Turn-Around (From Receipt from City Staff)

1st Plan Check 15 Working Days

2nd Plan Check 10 Working Days

3rd Plan Check 10 Working Days

For larger, more complex projects such as golf course developments, one (1) additional week for the 1st and 2nd plan check shall be provided, if necessary to complete a thorough plan check. The consultant shall advise the Contract Officer, in writing, if additional time is needed.

Exhibit D
Special Requirements

None

Exhibit E
Insurance Requirements

E.1 Insurance. Prior to the beginning of and throughout the duration of this Agreement, the following policies shall be maintained and kept in full force and effect providing insurance with minimum limits as indicated below and issued by insurers with A.M. Best ratings of no less than A-VI:

Commercial General Liability (at least as broad as ISO CG 0001)
\$1,000,000 (per occurrence)
\$2,000,000 (general aggregate)

Must include the following endorsements:

General Liability Additional Insured
General Liability Primary and Non-contributory

Commercial Auto Liability (at least as broad as ISO CA 0001)
\$1,000,000 (per accident)

Auto Liability Additional Insured
Personal Auto Declaration Page if applicable

Errors and Omissions Liability
\$1,000,000 (per claim and aggregate)

Workers' Compensation
(per statutory requirements)

Must include the following endorsements:

Workers Compensation with Waiver of Subrogation
Workers Compensation Declaration of Sole Proprietor if applicable

Contracting Party shall procure and maintain, at its cost, and submit concurrently with its execution of this Agreement, Commercial General Liability insurance against all claims for injuries against persons or damages to property resulting from Contracting Party's acts or omissions rising out of or related to Contracting Party's performance under this Agreement. The insurance policy shall contain a severability of interest clause providing that the coverage shall be primary for losses arising out of Contracting Party's performance hereunder and neither City nor its insurers shall be required to contribute to any such loss. An endorsement evidencing the foregoing and naming the City and its officers and employees as additional insured (on the Commercial General Liability policy only) must be submitted concurrently with the execution of this Agreement and approved by City prior to commencement of the services hereunder.

Contracting Party shall carry automobile liability insurance of \$1,000,000 per accident against all claims for injuries against persons or damages to property arising out of the use of any automobile by Contracting Party, its officers, any person directly or indirectly employed by Contracting Party, any subcontractor or agent, or anyone for whose acts any of them may be liable, arising directly or indirectly out of or related to Contracting Party's performance under this Agreement. If Contracting Party or

Contracting Party's employees will use personal autos in any way on this project, Contracting Party shall provide evidence of personal auto liability coverage for each such person. The term "automobile" includes, but is not limited to, a land motor vehicle, trailer or semi-trailer designed for travel on public roads. The automobile insurance policy shall contain a severability of interest clause providing that coverage shall be primary for losses arising out of Contracting Party's performance hereunder and neither City nor its insurers shall be required to contribute to such loss.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Contracting Party and "Covered Professional Services" as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

Contracting Party shall carry Workers' Compensation Insurance in accordance with State Worker's Compensation laws with employer's liability limits no less than \$1,000,000 per accident or disease.

If coverage is maintained on a claims-made basis, Contracting Party shall maintain such coverage for an additional period of three (3) years following termination of the contract.

Contracting Party shall provide written notice to City within ten (10) working days if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self-insured retention is increased. In the event any of said policies of insurance are cancelled, Contracting Party shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Exhibit to the Contract Officer. The procuring of such insurance or the delivery of policies or certificates evidencing the same shall not be construed as a limitation of Contracting Party's obligation to indemnify City, its officers, employees, contractors, subcontractors, or agents.

E.2 Remedies. In addition to any other remedies City may have if Contracting Party fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option:

- a. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under this Agreement.
- b. Order Contracting Party to stop work under this Agreement and/or withhold any payment(s) which become due to Contracting Party hereunder until Contracting Party demonstrates compliance with the requirements hereof.
- c. Terminate this Agreement.

Exercise any of the above remedies, however, is an alternative to any other remedies City may have. The above remedies are not the exclusive remedies for Contracting Party's failure to maintain or secure appropriate policies or endorsements. Nothing herein contained shall be construed as limiting in any way the extent to which Contracting Party may be held responsible for payments of damages to persons or property resulting from Contracting Party's or its subcontractors' performance of work under this Agreement.

E.3 General Conditions Pertaining to Provisions of Insurance Coverage by Contracting Party. Contracting Party and City agree to the following with respect to insurance provided by Contracting Party:

1. Contracting Party agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds City, its officials, employees, and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Contracting Party also agrees to require all contractors, and subcontractors to do likewise.

2. No liability insurance coverage provided to comply with this Agreement shall prohibit Contracting Party, or Contracting Party's employees, or agents, from waiving the right of subrogation prior to a loss. Contracting Party agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.

3. All insurance coverage and limits provided by Contracting Party and available or applicable to this Agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to City or its operations limits the application of such insurance coverage.

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

5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.

6. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises. Contracting Party shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City's protection without City's prior written consent.

7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all the coverages required and an additional insured endorsement to Contracting Party's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no

replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Contracting Party or deducted from sums due Contracting Party, at City option.

8. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Contracting Party or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self-insurance available to City.

9. Contracting Party agrees to ensure that subcontractors, and any other party involved with the project that is brought onto or involved in the project by Contracting Party, provide the same minimum insurance coverage required of Contracting Party. Contracting Party agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contracting Party agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.

10. Contracting Party agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein (with the exception of professional liability coverage, if required) and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to City. If Contracting Party's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At that time the City shall review options with the Contracting Party, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.

11. The City reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required by giving the Contracting Party ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Contracting Party, the City will negotiate additional compensation proportional to the increased benefit to City.

12. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

13. Contracting Party acknowledges and agrees that any actual or alleged failure on the part of City to inform Contracting Party of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.

14. Contracting Party will renew the required coverage annually as long as City, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies whether the agreement is canceled or terminated for

any reason. Termination of this obligation is not effective until City executes a written statement to that effect.

15. Contracting Party shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Contracting Party's insurance agent to this effect is acceptable. A certificate of insurance and an additional insured endorsement is required in these specifications applicable to the renewing or new coverage must be provided to City within five (5) days of the expiration of coverages.

16. The provisions of any workers' compensation or similar act will not limit the obligations of Contracting Party under this agreement. Contracting Party expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials, and agents.

17. Requirements of specific coverage features, or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be limiting or all-inclusive.

18. These insurance requirements are intended to be separate and distinct from any other provision in this Agreement and are intended by the parties here to be interpreted as such.

19. The requirements in this Exhibit supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Exhibit.

20. Contracting Party agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Contracting Party for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

21. Contracting Party agrees to provide immediate notice to City of any claim or loss against Contracting Party arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

Exhibit F
Indemnification

F.1 Indemnity for the Benefit of City.

a. Indemnification for Professional Liability. When the law establishes a professional standard of care for Contracting Party's Services, to the fullest extent permitted by law, Contracting Party shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officials, employees, and agents ("Indemnified Parties") from and against any and all claims, losses, liabilities of every kind, nature, and description, damages, injury (including, without limitation, injury to or death of an employee of Contracting Party or of any subcontractor), costs and expenses of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Contracting Party, its officers, agents, employees or subcontractors (or any entity or individual that Contracting Party shall bear the legal liability thereof) in the performance of professional services under this agreement. With respect to the design of public improvements, the Contracting Party shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Contracting Party.

b. Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Contracting Party shall indemnify, defend (with counsel selected by City), and hold harmless the Indemnified Parties from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses) incurred in connection therewith and costs of investigation, where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Contracting Party or by any individual or entity for which Contracting Party is legally liable, including but not limited to officers, agents, employees, or subcontractors of Contracting Party.

c. Indemnity Provisions for Contracts Related to Construction (Limitation on Indemnity). Without affecting the rights of City under any provision of this agreement, Contracting Party shall not be required to indemnify and hold harmless City for liability attributable to the active negligence of City, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where City is shown to have been actively negligent and where City's active negligence accounts for only a percentage of the liability involved, the obligation of Contracting Party will be for that entire portion or percentage of liability not attributable to the active negligence of City.

d. Indemnification Provision for Design Professionals.

1. Applicability of this Section F.1(d). Notwithstanding Section F.1(a) hereinabove, the following indemnification provision shall apply to a Contracting Party who constitutes a “design professional” as the term is defined in paragraph 3 below.

2. Scope of Indemnification. When the law establishes a professional standard of care for Contracting Party’s Services, to the fullest extent permitted by law, Contracting Party shall indemnify and hold harmless City and any and all of its officials, employees, and agents (“Indemnified Parties”) from and against any and all losses, liabilities of every kind, nature, and description, damages, injury (including, without limitation, injury to or death of an employee of Contracting Party or of any subcontractor), costs and expenses, including, without limitation, incidental and consequential damages, court costs, reimbursement of attorneys’ fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, to the extent same are caused by any negligent or wrongful act, error or omission of Contracting Party, its officers, agents, employees or subcontractors (or any entity or individual that Contracting Party shall bear the legal liability thereof) in the performance of professional services under this agreement. With respect to the design of public improvements, the Contracting Party shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Contracting Party.

3. Design Professional Defined. As used in this Section F.1(d), the term “design professional” shall be limited to licensed architects, registered professional engineers, licensed professional land surveyors and landscape architects, all as defined under current law, and as may be amended from time to time by Civil Code § 2782.8.

F.2 Obligation to Secure Indemnification Provisions. Contracting Party agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Exhibit F, as applicable to the Contracting Party, from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Contracting Party in the performance of this Agreement. In the event Contracting Party fails to obtain such indemnity obligations from others as required herein, Contracting Party agrees to be fully responsible according to the terms of this Exhibit. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth in this Agreement are binding on the successors, assigns or heirs of Contracting Party and shall survive the termination of this Agreement.

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: APPROVE AGREEMENT FOR CONTRACT SERVICES WITH TERRA NOVA PLANNING AND RESEARCH, INC. FOR ON-CALL PLANNING SERVICES

RECOMMENDATION

Approve Agreement for Contract Services with Terra Nova Planning and Research, Inc. for on-call planning services; and authorize the City Manager to execute the agreement.

EXECUTIVE SUMMARY

- The Planning Division uses on-call planning services during peak workloads and as needed for expertise on special and complex planning projects.
- Staff is proposing a Select Source contract with Terra Nova Planning and Research, Inc. (Terra Nova) due to ongoing planning services on the current Sphere of Influence study and other entitlement planning projects.

FISCAL IMPACT

Agreement costs are not to exceed \$60,000 per fiscal year (FY), for a 3-year term with the option to extend for 2 additional years, for a grand total of \$300,000 for the life of the agreement. Funds will be budgeted annually in accordance with the agreement in the Planning Professional Services account no. 101-6002-60103.

Fiscal Year (FY)	Cost
FY 2024-25	\$60,000
FY 2025-26	\$60,000
FY 2026-27	\$60,000
Initial Term Total:	\$180,000
FY 2027-28	\$60,000
FY 2028-29	\$60,000
Possible Extended Term Total:	\$120,000
Grand Total:	\$300,000

BACKGROUND/ANALYSIS

The Planning Division uses on-call planning services during peak workloads and as needed for expertise on special and complex planning projects.

In 2019, the City published a Request for Proposals (RFP) for on-call planning services and received 7 proposals; Terra Nova was selected as the top contender; and an agreement was executed which expires June 30, 2024.

Terra Nova provides the following services:

- Planning project management for specialized and complex projects.
- Prepares specialized planning studies and parking surveys.
- Prepares environmental review documents (California Environmental Quality Act and National Environmental Policy Act), for the Planning Division and Public Works Department.
- Conducts complex technical research and land use work activities including reviewing development applications.

Over the last contract term with Terra Nova, they have prepared several planning studies including the Housing Element update, Municipal Code updates, special environmental studies for several Capital Improvement Projects and have assisted with the processing of entitlement applications, acting in a contract staff capacity for several projects. They are currently preparing studies for and are assisting with research and outreach regarding the City's Sphere of Influence, which is ongoing. Based on Terra Nova's experience, past performance, competitive cost, and familiarity with the City's planning regulations and review process, staff is proposing a new agreement (Attachment 1) for a 3-year initial term with a 2-year extension option.

ALTERNATIVES

Council may elect not to approve the agreement or revise the term.

Prepared by: Cheri L. Flores, Planning Manager
Approved by: Danny Castro, Design and Development Director

Attachment: 1. Agreement for Contract Services with Terra Nova

AGREEMENT FOR CONTRACT SERVICES

THIS AGREEMENT FOR CONTRACT SERVICES (the “Agreement”) is made and entered into by and between the CITY OF LA QUINTA, (“City”), a California municipal corporation, and Terra Nova Planning and Research, Inc., a Corporation, (“Contracting Party”). The parties hereto agree as follows:

1. SERVICES OF CONTRACTING PARTY.

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Contracting Party shall provide those services related to special planning studies and on-call planning services as specified in the “Scope of Services” attached hereto as “Exhibit A” and incorporated herein by this reference (the “Services”). Contracting Party represents and warrants that Contracting Party is a provider of first-class work and/or services and Contracting Party is experienced in performing the Services contemplated herein and, in light of such status and experience, Contracting Party covenants that it shall follow industry standards in performing the Services required hereunder, and that all materials, if any, will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase “industry standards” shall mean those standards of practice recognized by one or more first-class firms performing similar services under similar circumstances.

1.2 Compliance with Law. All Services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, regulations, and laws of the City and any Federal, State, or local governmental agency of competent jurisdiction.

1.3 Wage and Hour Compliance. Contracting Party shall comply with applicable Federal, State, and local wage and hour laws.

1.4 Licenses, Permits, Fees and Assessments. Except as otherwise specified herein, Contracting Party shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the Services required by this Agreement, including a City of La Quinta business license. Contracting Party and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for the performance of the Services required by this Agreement. Contracting Party shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the performance of the Services required by this Agreement, and shall indemnify, defend (with counsel selected by City), and hold City, its elected officials, officers, employees, and agents, free and harmless against any such fees, assessments, taxes, penalties, or interest levied, assessed, or imposed against City hereunder. Contracting Party shall be responsible for all subcontractors’ compliance with this Section.

1.5 Familiarity with Work. By executing this Agreement, Contracting Party warrants that (a) it has thoroughly investigated and considered the Services to be

performed, (b) it has investigated the site where the Services are to be performed, if any, and fully acquainted itself with the conditions there existing, (c) it has carefully considered how the Services should be performed, and (d) it fully understands the facilities, difficulties, and restrictions attending performance of the Services under this Agreement. Should Contracting Party discover any latent or unknown conditions materially differing from those inherent in the Services or as represented by City, Contracting Party shall immediately inform City of such fact and shall not proceed except at Contracting Party's risk until written instructions are received from the Contract Officer, or assigned designee (as defined in Section 4.2 hereof).

1.6 Standard of Care. Contracting Party acknowledges and understands that the Services contracted for under this Agreement require specialized skills and abilities and that, consistent with this understanding, Contracting Party's work will be held to an industry standard of quality and workmanship. Consistent with Section 1.5 hereinabove, Contracting Party represents to City that it holds the necessary skills and abilities to satisfy the industry standard of quality as set forth in this Agreement. Contracting Party shall adopt reasonable methods during the life of this Agreement to furnish continuous protection to the Services performed by Contracting Party, and the equipment, materials, papers, and other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the Services by City, except such losses or damages as may be caused by City's own negligence. The performance of Services by Contracting Party shall not relieve Contracting Party from any obligation to correct any incomplete, inaccurate, or defective work at no further cost to City, when such inaccuracies are due to the negligence of Contracting Party.

1.7 Additional Services. In accordance with the terms and conditions of this Agreement, Contracting Party shall perform services in addition to those specified in the Scope of Services ("Additional Services") only when directed to do so by the Contract Officer, or assigned designee, provided that Contracting Party shall not be required to perform any Additional Services without compensation. Contracting Party shall not perform any Additional Services until receiving prior written authorization (in the form of a written change order if Contracting Party is a contractor performing the Services) from the Contract Officer, or assigned designee, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of Contracting Party. It is expressly understood by Contracting Party that the provisions of this Section shall not apply to the Services specifically set forth in the Scope of Services or reasonably contemplated therein. It is specifically understood and agreed that oral requests and/or approvals of Additional Services shall be barred and are unenforceable. Failure of Contracting Party to secure the Contract Officer's, or assigned designee's written authorization for Additional Services shall constitute a waiver of any and all right to adjustment of the Contract Sum or time to perform this Agreement, whether by way of compensation, restitution, quantum meruit, or the like, for Additional Services provided without the appropriate authorization from the Contract Officer, or assigned designee. Compensation for properly authorized Additional Services shall be made in accordance with Section 2.3 of this Agreement.

1.8 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in "Exhibit D" (the "Special Requirements"), which is incorporated herein by this reference and expressly made a part hereof. In the event of a conflict between the provisions of the Special Requirements and any other provisions of this Agreement, the provisions of the Special Requirements shall govern.

2. COMPENSATION.

2.1 Contract Sum. For the Services rendered pursuant to this Agreement, Contracting Party shall be compensated in accordance with "Exhibit B" (the "Schedule of Compensation") in a total amount not to exceed Sixty Thousand Dollars per year (\$60,000), for the life of the Agreement, encompassing the Initial and any Extended Terms (the "Contract Sum"), except as provided in Section 1.7. The method of compensation set forth in the Schedule of Compensation may include a lump sum payment upon completion, payment in accordance with the percentage of completion of the Services, payment for time and materials based upon Contracting Party's rate schedule, but not exceeding the Contract Sum, or such other reasonable methods as may be specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contracting Party at all project meetings reasonably deemed necessary by City; Contracting Party shall not be entitled to any additional compensation for attending said meetings. Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, transportation expense, telephone expense, and similar costs and expenses when and if specified in the Schedule of Compensation. Regardless of the method of compensation set forth in the Schedule of Compensation, Contracting Party's overall compensation shall not exceed the Contract Sum, except as provided in Section 1.7 of this Agreement.

2.2 Method of Billing & Payment. Any month in which Contracting Party wishes to receive payment, Contracting Party shall submit to City no later than the tenth (10th) working day of such month, in the form approved by City's Finance Director, an invoice for Services rendered prior to the date of the invoice. Such invoice shall (1) describe in detail the Services provided, including time and materials, and (2) specify each staff member who has provided Services and the number of hours assigned to each such staff member. Such invoice shall contain a certification by a principal member of Contracting Party specifying that the payment requested is for Services performed in accordance with the terms of this Agreement. Upon approval in writing by the Contract Officer, or assigned designee, and subject to retention pursuant to Section 8.3, City will pay Contracting Party for all items stated thereon which are approved by City pursuant to this Agreement no later than thirty (30) days after invoices are received by the City's Finance Department.

2.3 Compensation for Additional Services. Additional Services approved in advance by the Contract Officer, or assigned designee, pursuant to Section 1.7 of this Agreement shall be paid for in an amount agreed to in writing by both City and Contracting Party in advance of the Additional Services being rendered by Contracting Party. Any compensation for Additional Services amounting to five percent (5%) or less of the

Contract Sum may be approved by the Contract Officer, or assigned designee. Any greater amount of compensation for Additional Services must be approved by the La Quinta City Council, the City Manager, or Department Director, depending upon City laws, regulations, rules and procedures concerning public contracting. Under no circumstances shall Contracting Party receive compensation for any Additional Services unless prior written approval for the Additional Services is obtained from the Contract Officer, or assigned designee, pursuant to Section 1.7 of this Agreement.

3. PERFORMANCE SCHEDULE.

3.1 Time of Essence. Time is of the essence in the performance of this Agreement. If the Services not completed in accordance with the Schedule of Performance, as set forth in Section 3.2 and "Exhibit C", it is understood that the City will suffer damage.

3.2 Schedule of Performance. All Services rendered pursuant to this Agreement shall be performed diligently and within the time period established in "Exhibit C" (the "Schedule of Performance"). Extensions to the time period specified in the Schedule of Performance may be approved in writing by the Contract Officer, or assigned designee.

3.3 Force Majeure. The time period specified in the Schedule of Performance for performance of the Services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of Contracting Party, including, but not restricted to, acts of God or of the public enemy, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, acts of any governmental agency other than City, and unusually severe weather, if Contracting Party shall within ten (10) days of the commencement of such delay notify the Contract Officer, or assigned designee, in writing of the causes of the delay. The Contract Officer, or assigned designee, shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the forced delay when and if in the Contract Officer's judgment such delay is justified, and the Contract Officer's determination, or assigned designee, shall be final and conclusive upon the parties to this Agreement. Extensions to time period in the Schedule of Performance which are determined by the Contract Officer, or assigned designee, to be justified pursuant to this Section shall not entitle the Contracting Party to additional compensation in excess of the Contract Sum.

3.4 Term. Unless earlier terminated in accordance with the provisions in Article 8.0 of this Agreement, the term of this agreement shall commence on July 1, 2024, and terminate on June 30, 2027 ("Initial Term"). This Agreement may be extended for one additional two (2) year term upon mutual agreement by both parties ("Extended Term"), and executed in writing.

4. COORDINATION OF WORK.

4.1 Representative of Contracting Party. The following principals of Contracting Party (“Principals”) are hereby designated as being the principals and representatives of Contracting Party authorized to act in its behalf with respect to the Services specified herein and make all decisions in connection therewith:

- (a) Nicole Criste
Telephone No.: 760-341-4800
Email: ncriste@terranovaplanning.com

It is expressly understood that the experience, knowledge, capability, and reputation of the foregoing Principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing Principals shall be responsible during the term of this Agreement for directing all activities of Contracting Party and devoting sufficient time to personally supervise the Services hereunder. For purposes of this Agreement, the foregoing Principals may not be changed by Contracting Party and no other personnel may be assigned to perform the Services required hereunder without the express written approval of City.

4.2 Contract Officer. The “Contract Officer”, otherwise known as Cheri Flores, Planning Manager or assigned designee may be designated in writing by the City Manager of the City. It shall be Contracting Party’s responsibility to assure that the Contract Officer, or assigned designee, is kept informed of the progress of the performance of the Services, and Contracting Party shall refer any decisions, that must be made by City to the Contract Officer, or assigned designee. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer, or assigned designee. The Contract Officer, or assigned designee, shall have authority to sign all documents on behalf of City required hereunder to carry out the terms of this Agreement.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability, and reputation of Contracting Party, its principals, and its employees were a substantial inducement for City to enter into this Agreement. Except as set forth in this Agreement, Contracting Party shall not contract or subcontract with any other entity to perform in whole or in part the Services required hereunder without the express written approval of City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered, voluntarily or by operation of law, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contracting Party, taking all transfers into account on a cumulative basis. Any attempted or purported assignment or contracting or subcontracting by Contracting Party without City’s express written approval shall be null, void, and of no effect. No approved transfer shall release Contracting Party of any liability hereunder without the express consent of City.

4.4 Independent Contractor. Neither City nor any of its employees shall have any control over the manner, mode, or means by which Contracting Party, its agents, or its employees, perform the Services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision, or control of Contracting Party's employees, servants, representatives, or agents, or in fixing their number or hours of service. Contracting Party shall perform all Services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Contracting Party shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Contracting Party in its business or otherwise or a joint venture or a member of any joint enterprise with Contracting Party. Contracting Party shall have no power to incur any debt, obligation, or liability on behalf of City. Contracting Party shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. Except for the Contract Sum paid to Contracting Party as provided in this Agreement, City shall not pay salaries, wages, or other compensation to Contracting Party for performing the Services hereunder for City. City shall not be liable for compensation or indemnification to Contracting Party for injury or sickness arising out of performing the Services hereunder. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contracting Party and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System ("PERS") as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Contracting Party agrees to pay all required taxes on amounts paid to Contracting Party under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Contracting Party shall fully comply with the workers' compensation laws regarding Contracting Party and Contracting Party's employees. Contracting Party further agrees to indemnify and hold City harmless from any failure of Contracting Party to comply with applicable workers' compensation laws. City shall have the right to offset against the amount of any payment due to Contracting Party under this Agreement any amount due to City from Contracting Party as a result of Contracting Party's failure to promptly pay to City any reimbursement or indemnification arising under this Section.

4.5 Identity of Persons Performing Work. Contracting Party represents that it employs or will employ at its own expense all personnel required for the satisfactory performance of any and all of the Services set forth herein. Contracting Party represents that the Services required herein will be performed by Contracting Party or under its direct supervision, and that all personnel engaged in such work shall be fully qualified and shall be authorized and permitted under applicable State and local law to perform such tasks and services.

4.6 City Cooperation. City shall provide Contracting Party with any plans, publications, reports, statistics, records, or other data or information pertinent to the

Services to be performed hereunder which are reasonably available to Contracting Party only from or through action by City.

5. INSURANCE.

5.1 Insurance. Prior to the beginning of any Services under this Agreement and throughout the duration of the term of this Agreement, Contracting Party shall procure and maintain, at its sole cost and expense, and submit concurrently with its execution of this Agreement, policies of insurance as set forth in "Exhibit E" (the "Insurance Requirements") which is incorporated herein by this reference and expressly made a part hereof.

5.2 Proof of Insurance. Contracting Party shall provide Certificate of Insurance to Agency along with all required endorsements. Certificate of Insurance and endorsements must be approved by Agency's Risk Manager prior to commencement of performance.

6. INDEMNIFICATION.

6.1 Indemnification. To the fullest extent permitted by law, Contracting Party shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officers, employees, agents, and volunteers as set forth in "Exhibit E" ("Indemnification") which is incorporated herein by this reference and expressly made a part hereof.

7. RECORDS AND REPORTS.

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

7.2 Records. Contracting Party shall keep, and require any subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports (including but not limited to payroll reports), studies, or other documents relating to the disbursements charged to City and the Services performed hereunder (the "Books and Records"), as shall be necessary to perform the Services required by this Agreement and enable the Contract Officer, or assigned designee, to evaluate the performance of such Services. Any and all such Books and Records shall be maintained in accordance with

generally accepted accounting principles and shall be complete and detailed. The Contract Officer, or assigned designee, shall have full and free access to such Books and Records at all times during normal business hours of City, including the right to inspect, copy, audit, and make records and transcripts from such Books and Records. Such Books and Records shall be maintained for a period of three (3) years following completion of the Services hereunder, and City shall have access to such Books and Records in the event any audit is required. In the event of dissolution of Contracting Party's business, custody of the Books and Records may be given to City, and access shall be provided by Contracting Party's successor in interest. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds Ten Thousand Dollars (\$10,000.00), this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

7.3 Ownership of Documents. All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents, and other materials plans, drawings, estimates, test data, survey results, models, renderings, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings, digital renderings, or data stored digitally, magnetically, or in any other medium prepared or caused to be prepared by Contracting Party, its employees, subcontractors, and agents in the performance of this Agreement (the "Documents and Materials") shall be the property of City and shall be delivered to City upon request of the Contract Officer, or assigned designee, or upon the expiration or termination of this Agreement, and Contracting Party shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the Documents and Materials hereunder. Any use, reuse or assignment of such completed Documents and Materials for other projects and/or use of uncompleted documents without specific written authorization by Contracting Party will be at City's sole risk and without liability to Contracting Party, and Contracting Party's guarantee and warranties shall not extend to such use, revise, or assignment. Contracting Party may retain copies of such Documents and Materials for its own use. Contracting Party shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any Documents and Materials prepared by them, and in the event Contracting Party fails to secure such assignment, Contracting Party shall indemnify City for all damages resulting therefrom.

7.4 In the event City or any person, firm, or corporation authorized by City reuses said Documents and Materials without written verification or adaptation by Contracting Party for the specific purpose intended and causes to be made or makes any changes or alterations in said Documents and Materials, City hereby releases, discharges, and exonerates Contracting Party from liability resulting from said change. The provisions of this clause shall survive the termination or expiration of this Agreement and shall thereafter remain in full force and effect.

7.5 Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all

copyrights, designs, rights of reproduction, and other intellectual property embodied in the Documents and Materials. Contracting Party shall require all subcontractors, if any, to agree in writing that City is granted a non-exclusive and perpetual license for the Documents and Materials the subcontractor prepares under this Agreement. Contracting Party represents and warrants that Contracting Party has the legal right to license any and all of the Documents and Materials. Contracting Party makes no such representation and warranty in regard to the Documents and Materials which were prepared by design professionals other than Contracting Party or provided to Contracting Party by City. City shall not be limited in any way in its use of the Documents and Materials at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

7.6 Release of Documents. The Documents and Materials shall not be released publicly without the prior written approval of the Contract Officer, or assigned designee, or as required by law. Contracting Party shall not disclose to any other entity or person any information regarding the activities of City, except as required by law or as authorized by City.

7.7 Confidential or Personal Identifying Information. Contracting Party covenants that all City data, data lists, trade secrets, documents with personal identifying information, documents that are not public records, draft documents, discussion notes, or other information, if any, developed or received by Contracting Party or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Contracting Party to any person or entity without prior written authorization by City or unless required by law. City shall grant authorization for disclosure if required by any lawful administrative or legal proceeding, court order, or similar directive with the force of law. All City data, data lists, trade secrets, documents with personal identifying information, documents that are not public records, draft documents, discussions, or other information shall be returned to City upon the termination or expiration of this Agreement. Contracting Party's covenant under this section shall survive the termination or expiration of this Agreement.

8. ENFORCEMENT OF AGREEMENT.

8.1 California Law. This Agreement shall be interpreted, construed, and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and Contracting Party covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Disputes. In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefore. The injured party shall continue performing its obligations hereunder so long as the injuring party commences to cure such default within ten (10) days of service of such notice and completes the cure of such default within forty-five (45) days after service

of the notice, or such longer period as may be permitted by the Contract Officer, or assigned designee; provided that if the default is an immediate danger to the health, safety, or general welfare, City may take such immediate action as City deems warranted. Compliance with the provisions of this Section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's right to terminate this Agreement without cause pursuant to this Article 8.0. During the period of time that Contracting Party is in default, City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, City may, in its sole discretion, elect to pay some or all of the outstanding invoices during any period of default.

8.3 Retention of Funds. City may withhold from any monies payable to Contracting Party sufficient funds to compensate City for any losses, costs, liabilities, or damages it reasonably believes were suffered by City due to the default of Contracting Party in the performance of the Services required by this Agreement.

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

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

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

8.7 Termination Prior To Expiration of Term. This Section shall govern any termination of this Agreement, except as specifically provided in the following Section for termination for cause. City reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to Contracting Party. Upon receipt of any notice of termination, Contracting Party shall immediately cease all Services hereunder except such as may be specifically approved by the Contract Officer, or assigned designee. Contracting Party shall be entitled to compensation for all Services rendered prior to receipt of the notice of termination and for any Services authorized by the Contract Officer, or assigned designee, thereafter in accordance with

the Schedule of Compensation or such as may be approved by the Contract Officer, or assigned designee, except amounts held as a retention pursuant to this Agreement.

8.8 Termination for Default of Contracting Party. If termination is due to the failure of Contracting Party to fulfill its obligations under this Agreement, Contracting Party shall vacate any City-owned property which Contracting Party is permitted to occupy hereunder and City may, after compliance with the provisions of Section 8.2, take over the Services and prosecute the same to completion by contract or otherwise, and Contracting Party shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the compensation herein stipulated (provided that City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to Contracting Party for the purpose of setoff or partial payment of the amounts owed City.

8.9 Attorneys' Fees. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys' fees; provided, however, that the attorneys' fees awarded pursuant to this Section shall not exceed the hourly rate paid by City for legal services multiplied by the reasonable number of hours spent by the prevailing party in the conduct of the litigation. Attorneys' fees shall include attorneys' fees on any appeal, and in addition a party entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery, and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment. The court may set such fees in the same action or in a separate action brought for that purpose.

9. CITY OFFICERS AND EMPLOYEES; NONDISCRIMINATION.

9.1 Non-liability of City Officers and Employees. No officer, official, employee, agent, representative, or volunteer of City shall be personally liable to Contracting Party, or any successor in interest, in the event or any default or breach by City or for any amount which may become due to Contracting Party or to its successor, or for breach of any obligation of the terms of this Agreement.

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

No officer or employee of City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to this Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. Contracting Party warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

9.3 Covenant against Discrimination. Contracting Party covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any impermissible classification including, but not limited to, race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry in the performance of this Agreement. Contracting Party shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry.

10. MISCELLANEOUS PROVISIONS.

10.1 Notice. Any notice, demand, request, consent, approval, or communication either party desires or is required to give the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

To City:
CITY OF LA QUINTA
Attention: Cheri Flores
78495 Calle Tampico
La Quinta, California 92253

To Contracting Party:
Terra Nova Planning and Research
Nicole Criste
42635 Melanie Place, Ste 101
Palm Desert, CA 92211

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

10.3 Section Headings and Subheadings. The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

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

10.5 Integrated Agreement. This Agreement including the exhibits hereto is the entire, complete, and exclusive expression of the understanding of the parties. It is

understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements, and understandings, if any, between the parties, and none shall be used to interpret this Agreement.

10.6 Amendment. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by Contracting Party and by the City Council of City. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

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

10.8 Unfair Business Practices Claims. In entering into this Agreement, Contracting Party offers and agrees to assign to City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. § 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials related to this Agreement. This assignment shall be made and become effective at the time City renders final payment to Contracting Party without further acknowledgment of the parties.

10.9 No Third-Party Beneficiaries. With the exception of the specific provisions set forth in this Agreement, there are no intended third-party beneficiaries under this Agreement and no such other third parties shall have any rights or obligations hereunder.

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

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

CITY OF LA QUINTA,
a California Municipal Corporation

CONTRACTING PARTY:

By: _____

Name: _____

Title: _____

JON McMILLEN, City Manager
City of La Quinta, California

Dated: _____

ATTEST:

By: _____

Name: _____

Title: _____

MONIKA RADEVA, City Clerk
City of La Quinta, California

APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

Exhibit A
Scope of Services

[See Attached]

Exhibit B

Schedule of Compensation

With the exception of compensation for Additional Services, provided for in Section 2.3 of this Agreement, the maximum total compensation to be paid to Contracting Party under this Agreement is not to exceed Sixty Thousand Dollars (\$ 60,000) (“Contract Sum”) per year for the life of the contract including the initial and any extended terms. The Contract Sum shall be paid to Contracting Party in installment payments made on a monthly basis and in an amount identified in Contracting Party’s schedule of compensation attached hereto for the work tasks performed and properly invoiced by Contracting Party in conformance with Section 2.2 of this Agreement.

Initial Term:

“Not to exceed” Year 1:	\$60,000
“Not to exceed” Year 2:	\$60,000
“Not to exceed” Year 3:	\$60,000

Possible Extended Term:

“Not to exceed” Year 4:	\$60,000
“Not to exceed” Year 5:	\$60,000



TERRA NOVA PLANNING & RESEARCH, INC.®
42635 MELANIE PLACE, SUITE 101
PALM DESERT, CA 92211
760-341-4800

STANDARD FEE SCHEDULE
2024

Terra Nova invoices its clients on a cost-basis using an hourly billing system. The scope of each planning effort is typically broken down by task and assigned estimated necessary staff time and the applicable hourly rate.

TERRA NOVA STAFF	Hourly Rate
Principal Planner	\$ 195.00
Senior Planner	\$ 160.00
Associate Planner	\$ 140.00
Assistant Planner	\$ 115.00
Graphic Design/GIS Specialist	\$ 65.00
Administrative Assistant	\$ 45.00

REIMBURSABLES

Photo Copies	
(8.5" X 11" BW)	\$ 0.15 ea.
(8.5" X 11" Color)	\$ 0.30 ea.
(11" X 17" BW)	\$ 0.30 ea.
(11" X 17" Color)	\$ 0.60 ea.
Large Format Plots	
BW	\$ 1.00/S.F.
Color	\$ 5.00/S.F.
Telephone Toll Charges	Cost
FAX Transmittals	Cost
Reproduction, Special photographic services, document printing, aerial photogrammetry, postage, etc.	Cost

Exhibit C
Schedule of Performance

Contracting Party shall complete all services identified in the Scope of Services, Exhibit A of this Agreement, as directed by the City in the time allowed by the contract term.

Exhibit D
Special Requirements

None

Exhibit E
Insurance Requirements

E.1 Insurance. Prior to the beginning of and throughout the duration of this Agreement, the following policies shall be maintained and kept in full force and effect providing insurance with minimum limits as indicated below and issued by insurers with A.M. Best ratings of no less than A-VI:

Commercial General Liability (at least as broad as ISO CG 0001)
\$1,000,000 (per occurrence)
\$2,000,000 (general aggregate)

Must include the following endorsements:

General Liability Additional Insured
General Liability Primary and Non-contributory

Commercial Auto Liability (at least as broad as ISO CA 0001)
\$1,000,000 (per accident)

Auto Liability Additional Insured
Personal Auto Declaration Page if applicable

Errors and Omissions Liability
\$1,000,000 (per claim and aggregate)

Workers' Compensation
(per statutory requirements)

Must include the following endorsements:

Workers Compensation with Waiver of Subrogation
Workers Compensation Declaration of Sole Proprietor if applicable

Contracting Party shall procure and maintain, at its cost, and submit concurrently with its execution of this Agreement, Commercial General Liability insurance against all claims for injuries against persons or damages to property resulting from Contracting Party's acts or omissions rising out of or related to Contracting Party's performance under this Agreement. The insurance policy shall contain a severability of interest clause providing that the coverage shall be primary for losses arising out of Contracting Party's performance hereunder and neither City nor its insurers shall be required to contribute to any such loss. An endorsement evidencing the foregoing and naming the City and its officers and employees as additional insured (on the Commercial General Liability policy only) must be submitted concurrently with the execution of this Agreement and approved by City prior to commencement of the services hereunder.

Contracting Party shall carry automobile liability insurance of \$1,000,000 per accident against all claims for injuries against persons or damages to property arising out of the use of any automobile by Contracting Party, its officers, any person directly or indirectly employed by Contracting Party, any subcontractor or agent, or anyone for whose acts any of them may be liable, arising directly or indirectly out of or related to

Contracting Party's performance under this Agreement. If Contracting Party or Contracting Party's employees will use personal autos in any way on this project, Contracting Party shall provide evidence of personal auto liability coverage for each such person. The term "automobile" includes, but is not limited to, a land motor vehicle, trailer or semi-trailer designed for travel on public roads. The automobile insurance policy shall contain a severability of interest clause providing that coverage shall be primary for losses arising out of Contracting Party's performance hereunder and neither City nor its insurers shall be required to contribute to such loss.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Contracting Party and "Covered Professional Services" as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

Contracting Party shall carry Workers' Compensation Insurance in accordance with State Worker's Compensation laws with employer's liability limits no less than \$1,000,000 per accident or disease.

If coverage is maintained on a claims-made basis, Contracting Party shall maintain such coverage for an additional period of three (3) years following termination of the contract.

Contracting Party shall provide written notice to City within ten (10) working days if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self-insured retention is increased. In the event any of said policies of insurance are cancelled, Contracting Party shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Exhibit to the Contract Officer. The procuring of such insurance or the delivery of policies or certificates evidencing the same shall not be construed as a limitation of Contracting Party's obligation to indemnify City, its officers, employees, contractors, subcontractors, or agents.

E.2 Remedies. In addition to any other remedies City may have if Contracting Party fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option:

a. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under this Agreement.

b. Order Contracting Party to stop work under this Agreement and/or withhold any payment(s) which become due to Contracting Party hereunder until Contracting Party demonstrates compliance with the requirements hereof.

c. Terminate this Agreement.

Exercise any of the above remedies, however, is an alternative to any other remedies City may have. The above remedies are not the exclusive remedies for Contracting Party's failure to maintain or secure appropriate policies or endorsements. Nothing herein contained shall be construed as limiting in any way the extent to which Contracting Party may be held responsible for payments of damages to persons or property resulting from Contracting Party's or its subcontractors' performance of work under this Agreement.

E.3 General Conditions Pertaining to Provisions of Insurance Coverage by Contracting Party. Contracting Party and City agree to the following with respect to insurance provided by Contracting Party:

1. Contracting Party agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds City, its officials, employees, and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Contracting Party also agrees to require all contractors, and subcontractors to do likewise.

2. No liability insurance coverage provided to comply with this Agreement shall prohibit Contracting Party, or Contracting Party's employees, or agents, from waiving the right of subrogation prior to a loss. Contracting Party agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.

3. All insurance coverage and limits provided by Contracting Party and available or applicable to this Agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to City or its operations limits the application of such insurance coverage.

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

5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.

6. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises. Contracting Party shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City's protection without City's prior written consent.

7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all the coverages required and an additional insured endorsement to Contracting Party's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no

replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Contracting Party or deducted from sums due Contracting Party, at City option.

8. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Contracting Party or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self-insurance available to City.

9. Contracting Party agrees to ensure that subcontractors, and any other party involved with the project that is brought onto or involved in the project by Contracting Party, provide the same minimum insurance coverage required of Contracting Party. Contracting Party agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contracting Party agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.

10. Contracting Party agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein (with the exception of professional liability coverage, if required) and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to City. If Contracting Party's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At that time the City shall review options with the Contracting Party, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.

11. The City reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required by giving the Contracting Party ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Contracting Party, the City will negotiate additional compensation proportional to the increased benefit to City.

12. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

13. Contracting Party acknowledges and agrees that any actual or alleged failure on the part of City to inform Contracting Party of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.

14. Contracting Party will renew the required coverage annually as long as City, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies whether the agreement is canceled or terminated for

any reason. Termination of this obligation is not effective until City executes a written statement to that effect.

15. Contracting Party shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Contracting Party's insurance agent to this effect is acceptable. A certificate of insurance and an additional insured endorsement is required in these specifications applicable to the renewing or new coverage must be provided to City within five (5) days of the expiration of coverages.

16. The provisions of any workers' compensation or similar act will not limit the obligations of Contracting Party under this agreement. Contracting Party expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials, and agents.

17. Requirements of specific coverage features, or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be limiting or all-inclusive.

18. These insurance requirements are intended to be separate and distinct from any other provision in this Agreement and are intended by the parties here to be interpreted as such.

19. The requirements in this Exhibit supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Exhibit.

20. Contracting Party agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Contracting Party for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

21. Contracting Party agrees to provide immediate notice to City of any claim or loss against Contracting Party arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

Exhibit F
Indemnification

F.1 Indemnity for the Benefit of City.

a. Indemnification for Professional Liability. When the law establishes a professional standard of care for Contracting Party's Services, to the fullest extent permitted by law, Contracting Party shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officials, employees, and agents ("Indemnified Parties") from and against any and all claims, losses, liabilities of every kind, nature, and description, damages, injury (including, without limitation, injury to or death of an employee of Contracting Party or of any subcontractor), costs and expenses of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Contracting Party, its officers, agents, employees or subcontractors (or any entity or individual that Contracting Party shall bear the legal liability thereof) in the performance of professional services under this agreement. With respect to the design of public improvements, the Contracting Party shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Contracting Party.

b. Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Contracting Party shall indemnify, defend (with counsel selected by City), and hold harmless the Indemnified Parties from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses) incurred in connection therewith and costs of investigation, where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Contracting Party or by any individual or entity for which Contracting Party is legally liable, including but not limited to officers, agents, employees, or subcontractors of Contracting Party.

c. Indemnity Provisions for Contracts Related to Construction (Limitation on Indemnity). Without affecting the rights of City under any provision of this agreement, Contracting Party shall not be required to indemnify and hold harmless City for liability attributable to the active negligence of City, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where City is shown to have been actively negligent and where City's active negligence accounts for only a percentage of the liability involved, the obligation of Contracting Party will be for that entire portion or percentage of liability not attributable to the active negligence of City.

d. Indemnification Provision for Design Professionals.

1. Applicability of this Section F.1(d). Notwithstanding Section F.1(a) hereinabove, the following indemnification provision shall apply to a Contracting Party who constitutes a “design professional” as the term is defined in paragraph 3 below.

2. Scope of Indemnification. When the law establishes a professional standard of care for Contracting Party’s Services, to the fullest extent permitted by law, Contracting Party shall indemnify and hold harmless City and any and all of its officials, employees, and agents (“Indemnified Parties”) from and against any and all losses, liabilities of every kind, nature, and description, damages, injury (including, without limitation, injury to or death of an employee of Contracting Party or of any subcontractor), costs and expenses, including, without limitation, incidental and consequential damages, court costs, reimbursement of attorneys’ fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, to the extent same are caused by any negligent or wrongful act, error or omission of Contracting Party, its officers, agents, employees or subcontractors (or any entity or individual that Contracting Party shall bear the legal liability thereof) in the performance of professional services under this agreement. With respect to the design of public improvements, the Contracting Party shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Contracting Party.

3. Design Professional Defined. As used in this Section F.1(d), the term “design professional” shall be limited to licensed architects, registered professional engineers, licensed professional land surveyors and landscape architects, all as defined under current law, and as may be amended from time to time by Civil Code § 2782.8.

F.2 Obligation to Secure Indemnification Provisions. Contracting Party agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Exhibit F, as applicable to the Contracting Party, from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Contracting Party in the performance of this Agreement. In the event Contracting Party fails to obtain such indemnity obligations from others as required herein, Contracting Party agrees to be fully responsible according to the terms of this Exhibit. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth in this Agreement are binding on the successors, assigns or heirs of Contracting Party and shall survive the termination of this Agreement.

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: APPROVE AGREEMENT FOR CONTRACT SERVICES WITH NAI CONSULTING, INC. FOR CAPITAL IMPROVEMENT PROGRAM PROJECT MANAGEMENT AND PROFESSIONAL ENGINEERING SERVICES

RECOMMENDATION

Approve agreement for contract services with NAI Consulting, Inc. for Capital Improvement Program project management and professional engineering services; and authorize the City Manager to execute the agreement.

EXECUTIVE SUMMARY

- NAI Consulting, Inc. (NAI) provides project management and engineering services related to the City's Capital Improvement Program (CIP), which includes State, Federal, and Community Development Block Grant (CDBG) funded projects.
- NAI is best qualified to provide on-call project management and professional engineering services and was selected through the competitive Request for Proposals (RFP) process completed in May 2024.
- In 2019, following an RFP selection process, the City contracted with NAI, selected as the winning proposal, for these services; the existing agreement expires on June 30, 2024.

FISCAL IMPACT

Annual compensation is \$600,000 per fiscal year (FY). Funds will be budgeted in the CIP project budgets, and the Engineering Services Consultants account 101-7006-60104 for special projects, for each FY through the term of the agreement.

BACKGROUND/ANALYSIS

NAI is a local firm that has provided the City with contract project management, project design, and State and Federal funding administration services since 1997. NAI provides specialized technical expertise that staff does not possess.

In May 2024, staff published an RFP, and three proposals were received. NAI is the most cost effective and best qualified firm.

The proposed agreement with NAI, is for a three-year term, beginning July 1, 2024, through June 30, 2027, at a not to exceed compensation amount of \$600,000 per FY, with an option to extend for one additional two-year term (extended term) (Attachment 1).

ALTERNATIVES

Staff does not recommend an alternative.

Prepared by: Carley Escarrega, Administrative Technician
Approved by: Bryan McKinney, P.E., Public Works Director/City Engineer
Attachment: 1. Agreement for Contract Services

AGREEMENT FOR CONTRACT SERVICES

THIS AGREEMENT FOR CONTRACT SERVICES (the “Agreement”) is made and entered into by and between the CITY OF LA QUINTA, (“City”), a California municipal corporation, and NAI Consulting, Inc., A California Corporation, with a place of business at 68-955 Adelina Road, Cathedral City, CA 92234 (“Contracting Party”). The parties hereto agree as follows:

1. SERVICES OF CONTRACTING PARTY.

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Contracting Party shall provide those services related to CIP Project Management and Engineering Services, as specified in the “Scope of Services” attached hereto as “Exhibit A” and incorporated herein by this reference (the “Services”). Contracting Party represents and warrants that Contracting Party is a provider of first-class work and/or services and Contracting Party is experienced in performing the Services contemplated herein and, in light of such status and experience, Contracting Party covenants that it shall follow industry standards in performing the Services required hereunder, and that all materials, if any, will be of good quality, fit for the purpose intended. For purposes of this Agreement, the phrase “industry standards” shall mean those standards of practice recognized by one or more first-class firms performing similar services under similar circumstances.

1.2 Compliance with Law. All Services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, regulations, and laws of the City and any Federal, State, or local governmental agency of competent jurisdiction.

1.3 Wage and Hour Compliance. Contracting Party shall comply with applicable Federal, State, and local wage and hour laws.

1.4 Licenses, Permits, Fees and Assessments. Except as otherwise specified herein, Contracting Party shall obtain at its sole cost and expense such licenses, permits, and approvals as may be required by law for the performance of the Services required by this Agreement, including a City of La Quinta business license. Contracting Party and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for the performance of the Services required by this Agreement. Contracting Party shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the performance of the Services required by this Agreement, and shall indemnify, defend (with counsel selected by City), and hold City, its elected officials, officers, employees, and agents, free and harmless against any such fees, assessments, taxes, penalties, or interest levied, assessed, or imposed against City hereunder. Contracting Party shall be responsible for all subcontractors’ compliance with this Section.

1.5 Familiarity with Work. By executing this Agreement, Contracting Party warrants that (a) it has thoroughly investigated and considered the Services to be performed, (b) it has investigated the site where the Services are to be performed, if any, and fully acquainted itself with the conditions there existing, (c) it has carefully considered how the Services should be performed, and (d) it fully understands the facilities, difficulties, and restrictions attending performance of the Services under this Agreement. Should Contracting Party discover any latent or unknown conditions materially differing from those inherent in the Services or as represented by City, Contracting Party shall immediately inform City of such fact and shall not proceed except at Contracting Party's risk until written instructions are received from the Contract Officer, or assigned designee (as defined in Section 4.2 hereof).

1.6 Standard of Care. Contracting Party acknowledges and understands that the Services contracted for under this Agreement require specialized skills and abilities and that, consistent with this understanding, Contracting Party's work will be held to an industry standard of quality and workmanship. Consistent with Section 1.5 hereinabove, Contracting Party represents to City that it holds the necessary skills and abilities to satisfy the industry standard of quality as set forth in this Agreement. Contracting Party shall adopt reasonable methods during the life of this Agreement to furnish continuous protection to the Services performed by Contracting Party, and the equipment, materials, papers, and other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the Services by City, except such losses or damages as may be caused by City's own negligence. The performance of Services by Contracting Party shall not relieve Contracting Party from any obligation to correct any incomplete, inaccurate, or defective work at no further cost to City, when such inaccuracies are due to the negligence of Contracting Party.

1.7 Additional Services. In accordance with the terms and conditions of this Agreement, Contracting Party shall perform services in addition to those specified in the Scope of Services ("Additional Services") only when directed to do so by the Contract Officer, or assigned designee, provided that Contracting Party shall not be required to perform any Additional Services without compensation. Contracting Party shall not perform any Additional Services until receiving prior written authorization (in the form of a written change order if Contracting Party is a contractor performing the Services) from the Contract Officer, or assigned designee, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of Contracting Party. It is expressly understood by Contracting Party that the provisions of this Section shall not apply to the Services specifically set forth in the Scope of Services or reasonably contemplated therein. It is specifically understood and agreed that oral requests and/or approvals of Additional Services shall be barred and are unenforceable. Failure of Contracting Party to secure the Contract Officer's, or assigned designee's written authorization for Additional Services shall constitute a waiver of any and all right to adjustment of the Contract Sum or time to perform this Agreement, whether by way of compensation, restitution, quantum meruit, or the like, for Additional Services provided without the appropriate authorization from the Contract Officer, or assigned designee.

Compensation for properly authorized Additional Services shall be made in accordance with Section 2.3 of this Agreement.

1.8 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in "Exhibit D" (the "Special Requirements"), which is incorporated herein by this reference and expressly made a part hereof. In the event of a conflict between the provisions of the Special Requirements and any other provisions of this Agreement, the provisions of the Special Requirements shall govern.

2. COMPENSATION.

2.1 Contract Sum. For the Services rendered pursuant to this Agreement, Contracting Party shall be compensated in accordance with "Exhibit B" (the "Schedule of Compensation") in a total amount not to exceed Six Hundred Thousand Dollars **(\$600,000.00) per year**, for the life of the Agreement, encompassing the initial and any extended terms (the "Contract Sum"), except as provided in Section 1.7. The method of compensation set forth in the Schedule of Compensation may include a lump sum payment upon completion, payment in accordance with the percentage of completion of the Services, payment for time and materials based upon Contracting Party's rate schedule, but not exceeding the Contract Sum, or such other reasonable methods as may be specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contracting Party at all project meetings reasonably deemed necessary by City; Contracting Party shall not be entitled to any additional compensation for attending said meetings. Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, transportation expense, telephone expense, and similar costs and expenses when and if specified in the Schedule of Compensation. Regardless of the method of compensation set forth in the Schedule of Compensation, Contracting Party's overall compensation shall not exceed the Contract Sum, except as provided in Section 1.7 of this Agreement.

2.2 Method of Billing & Payment. Any month in which Contracting Party wishes to receive payment, Contracting Party shall submit to City no later than the tenth (10th) working day of such month, in the form approved by City's Finance Director, an invoice for Services rendered prior to the date of the invoice. Such invoice shall (1) describe in detail the Services provided, including time and materials, and (2) specify each staff member who has provided Services and the number of hours assigned to each such staff member. Such invoice shall contain a certification by a principal member of Contracting Party specifying that the payment requested is for Services performed in accordance with the terms of this Agreement. Upon approval in writing by the Contract Officer, or assigned designee, and subject to retention pursuant to Section 8.3, City will pay Contracting Party for all items stated thereon which are approved by City pursuant to this Agreement no later than thirty (30) days after invoices are received by the City's Finance Department.

2.3 Compensation for Additional Services. Additional Services approved in advance by the Contract Officer, or assigned designee, pursuant to Section 1.7 of this

Agreement shall be paid for in an amount agreed to in writing by both City and Contracting Party in advance of the Additional Services being rendered by Contracting Party. Any compensation for Additional Services amounting to five percent (5%) or less of the Contract Sum may be approved by the Contract Officer, or assigned designee. Any greater amount of compensation for Additional Services must be approved by the La Quinta City Council, the City Manager, or Department Director, depending upon City laws, regulations, rules and procedures concerning public contracting. Under no circumstances shall Contracting Party receive compensation for any Additional Services unless prior written approval for the Additional Services is obtained from the Contract Officer, or assigned designee, pursuant to Section 1.7 of this Agreement.

3. PERFORMANCE SCHEDULE.

3.1 Time of Essence. Time is of the essence in the performance of this Agreement. If the Services not completed in accordance with the Schedule of Performance, as set forth in Section 3.2 and "Exhibit C", it is understood that the City will suffer damage.

3.2 Schedule of Performance. All Services rendered pursuant to this Agreement shall be performed diligently and within the time period established in "Exhibit C" (the "Schedule of Performance"). Extensions to the time period specified in the Schedule of Performance may be approved in writing by the Contract Officer, or assigned designee.

3.3 Force Majeure. The time period specified in the Schedule of Performance for performance of the Services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of Contracting Party, including, but not restricted to, acts of God or of the public enemy, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, acts of any governmental agency other than City, and unusually severe weather, if Contracting Party shall within ten (10) days of the commencement of such delay notify the Contract Officer, or assigned designee, in writing of the causes of the delay. The Contract Officer, or assigned designee, shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the forced delay when and if in the Contract Officer's judgment such delay is justified, and the Contract Officer's determination, or assigned designee, shall be final and conclusive upon the parties to this Agreement. Extensions to time period in the Schedule of Performance which are determined by the Contract Officer, or assigned designee, to be justified pursuant to this Section shall not entitle the Contracting Party to additional compensation in excess of the Contract Sum.

3.4 Term. Unless earlier terminated in accordance with the provisions in Article 8.0 of this Agreement, the term of this agreement shall commence on July 1, 2024, and terminate on June 30, 2027 ("Initial Term"). This Agreement may be extended for two additional year(s) upon mutual agreement by both parties ("Extended Term"), and executed in writing.

4. COORDINATION OF WORK.

4.1 Representative of Contracting Party. The following principals of Contracting Party (“Principals”) are hereby designated as being the principals and representatives of Contracting Party authorized to act in its behalf with respect to the Services specified herein and make all decisions in connection therewith:

- (a) Lorissa Gruehl, PE, Senior Civil Engineer
Telephone No.: (760) 323-5344
Email: lgruehl@naiconsulting.com

It is expressly understood that the experience, knowledge, capability, and reputation of the foregoing Principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing Principals shall be responsible during the term of this Agreement for directing all activities of Contracting Party and devoting sufficient time to personally supervise the Services hereunder. For purposes of this Agreement, the foregoing Principals may not be changed by Contracting Party and no other personnel may be assigned to perform the Services required hereunder without the express written approval of City.

4.2 Contract Officer. The “Contract Officer”, otherwise known as Bryan McKinney, PE, Public Works Director/City Engineer, or assigned designee may be designated in writing by the City Manager of the City. It shall be Contracting Party’s responsibility to assure that the Contract Officer, or assigned designee, is kept informed of the progress of the performance of the Services, and Contracting Party shall refer any decisions, that must be made by City to the Contract Officer, or assigned designee. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer, or assigned designee. The Contract Officer, or assigned designee, shall have authority to sign all documents on behalf of City required hereunder to carry out the terms of this Agreement.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability, and reputation of Contracting Party, its principals, and its employees were a substantial inducement for City to enter into this Agreement. Except as set forth in this Agreement, Contracting Party shall not contract or subcontract with any other entity to perform in whole or in part the Services required hereunder without the express written approval of City. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered, voluntarily or by operation of law, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contracting Party, taking all transfers into account on a cumulative basis. Any attempted or purported assignment or contracting or subcontracting by Contracting Party without City’s express written approval shall be null, void, and of no effect. No approved transfer shall release Contracting Party of any liability hereunder without the express consent of City.

4.4 Independent Contractor. Neither City nor any of its employees shall have any control over the manner, mode, or means by which Contracting Party, its agents, or its employees, perform the Services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision, or control of Contracting Party's employees, servants, representatives, or agents, or in fixing their number or hours of service. Contracting Party shall perform all Services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Contracting Party shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Contracting Party in its business or otherwise or a joint venture or a member of any joint enterprise with Contracting Party. Contracting Party shall have no power to incur any debt, obligation, or liability on behalf of City. Contracting Party shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. Except for the Contract Sum paid to Contracting Party as provided in this Agreement, City shall not pay salaries, wages, or other compensation to Contracting Party for performing the Services hereunder for City. City shall not be liable for compensation or indemnification to Contracting Party for injury or sickness arising out of performing the Services hereunder. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contracting Party and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System ("PERS") as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits. Contracting Party agrees to pay all required taxes on amounts paid to Contracting Party under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Contracting Party shall fully comply with the workers' compensation laws regarding Contracting Party and Contracting Party's employees. Contracting Party further agrees to indemnify and hold City harmless from any failure of Contracting Party to comply with applicable workers' compensation laws. City shall have the right to offset against the amount of any payment due to Contracting Party under this Agreement any amount due to City from Contracting Party as a result of Contracting Party's failure to promptly pay to City any reimbursement or indemnification arising under this Section.

4.5 Identity of Persons Performing Work. Contracting Party represents that it employs or will employ at its own expense all personnel required for the satisfactory performance of any and all of the Services set forth herein. Contracting Party represents that the Services required herein will be performed by Contracting Party or under its direct supervision, and that all personnel engaged in such work shall be fully qualified and shall be authorized and permitted under applicable State and local law to perform such tasks and services.

4.6 City Cooperation. City shall provide Contracting Party with any plans, publications, reports, statistics, records, or other data or information pertinent to the

Services to be performed hereunder which are reasonably available to Contracting Party only from or through action by City.

5. INSURANCE.

5.1 Insurance. Prior to the beginning of any Services under this Agreement and throughout the duration of the term of this Agreement, Contracting Party shall procure and maintain, at its sole cost and expense, and submit concurrently with its execution of this Agreement, policies of insurance as set forth in "Exhibit E" (the "Insurance Requirements") which is incorporated herein by this reference and expressly made a part hereof.

5.2 Proof of Insurance. Contracting Party shall provide Certificate of Insurance to Agency along with all required endorsements. Certificate of Insurance and endorsements must be approved by Agency's Risk Manager prior to commencement of performance.

6. INDEMNIFICATION.

6.1 Indemnification. To the fullest extent permitted by law, Contracting Party shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officers, employees, agents, and volunteers as set forth in "Exhibit E" ("Indemnification") which is incorporated herein by this reference and expressly made a part hereof.

7. RECORDS AND REPORTS.

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

7.2 Records. Contracting Party shall keep, and require any subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports (including but not limited to payroll reports), studies, or other documents relating to the disbursements charged to City and the Services performed hereunder (the "Books and Records"), as shall be necessary to perform the Services required by this Agreement and enable the Contract Officer, or assigned designee, to evaluate the performance of such Services. Any and all such Books and Records shall be maintained in accordance with

generally accepted accounting principles and shall be complete and detailed. The Contract Officer, or assigned designee, shall have full and free access to such Books and Records at all times during normal business hours of City, including the right to inspect, copy, audit, and make records and transcripts from such Books and Records. Such Books and Records shall be maintained for a period of three (3) years following completion of the Services hereunder, and City shall have access to such Books and Records in the event any audit is required. In the event of dissolution of Contracting Party's business, custody of the Books and Records may be given to City, and access shall be provided by Contracting Party's successor in interest. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds Ten Thousand Dollars (\$10,000.00), this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

7.3 Ownership of Documents. All drawings, specifications, maps, designs, photographs, studies, surveys, data, notes, computer files, reports, records, documents, and other materials plans, drawings, estimates, test data, survey results, models, renderings, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings, digital renderings, or data stored digitally, magnetically, or in any other medium prepared or caused to be prepared by Contracting Party, its employees, subcontractors, and agents in the performance of this Agreement (the "Documents and Materials") shall be the property of City and shall be delivered to City upon request of the Contract Officer, or assigned designee, or upon the expiration or termination of this Agreement, and Contracting Party shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership use, reuse, or assignment of the Documents and Materials hereunder. Any use, reuse or assignment of such completed Documents and Materials for other projects and/or use of uncompleted documents without specific written authorization by Contracting Party will be at City's sole risk and without liability to Contracting Party, and Contracting Party's guarantee and warranties shall not extend to such use, revise, or assignment. Contracting Party may retain copies of such Documents and Materials for its own use. Contracting Party shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any Documents and Materials prepared by them, and in the event Contracting Party fails to secure such assignment, Contracting Party shall indemnify City for all damages resulting therefrom.

7.4 In the event City or any person, firm, or corporation authorized by City reuses said Documents and Materials without written verification or adaptation by Contracting Party for the specific purpose intended and causes to be made or makes any changes or alterations in said Documents and Materials, City hereby releases, discharges, and exonerates Contracting Party from liability resulting from said change. The provisions of this clause shall survive the termination or expiration of this Agreement and shall thereafter remain in full force and effect.

7.5 Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all

copyrights, designs, rights of reproduction, and other intellectual property embodied in the Documents and Materials. Contracting Party shall require all subcontractors, if any, to agree in writing that City is granted a non-exclusive and perpetual license for the Documents and Materials the subcontractor prepares under this Agreement. Contracting Party represents and warrants that Contracting Party has the legal right to license any and all of the Documents and Materials. Contracting Party makes no such representation and warranty in regard to the Documents and Materials which were prepared by design professionals other than Contracting Party or provided to Contracting Party by City. City shall not be limited in any way in its use of the Documents and Materials at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

7.6 Release of Documents. The Documents and Materials shall not be released publicly without the prior written approval of the Contract Officer, or assigned designee, or as required by law. Contracting Party shall not disclose to any other entity or person any information regarding the activities of City, except as required by law or as authorized by City.

7.7 Confidential or Personal Identifying Information. Contracting Party covenants that all City data, data lists, trade secrets, documents with personal identifying information, documents that are not public records, draft documents, discussion notes, or other information, if any, developed or received by Contracting Party or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Contracting Party to any person or entity without prior written authorization by City or unless required by law. City shall grant authorization for disclosure if required by any lawful administrative or legal proceeding, court order, or similar directive with the force of law. All City data, data lists, trade secrets, documents with personal identifying information, documents that are not public records, draft documents, discussions, or other information shall be returned to City upon the termination or expiration of this Agreement. Contracting Party's covenant under this section shall survive the termination or expiration of this Agreement.

8. ENFORCEMENT OF AGREEMENT.

8.1 California Law. This Agreement shall be interpreted, construed, and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and Contracting Party covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Disputes. In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefore. The injured party shall continue performing its obligations hereunder so long as the injuring party commences to cure such default within ten (10) days of service of such notice and completes the cure of such default within forty-five (45) days after service

of the notice, or such longer period as may be permitted by the Contract Officer, or assigned designee; provided that if the default is an immediate danger to the health, safety, or general welfare, City may take such immediate action as City deems warranted. Compliance with the provisions of this Section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's right to terminate this Agreement without cause pursuant to this Article 8.0. During the period of time that Contracting Party is in default, City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, City may, in its sole discretion, elect to pay some or all of the outstanding invoices during any period of default.

8.3 Retention of Funds. City may withhold from any monies payable to Contracting Party sufficient funds to compensate City for any losses, costs, liabilities, or damages it reasonably believes were suffered by City due to the default of Contracting Party in the performance of the Services required by this Agreement.

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

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

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

8.7 Termination Prior To Expiration of Term. This Section shall govern any termination of this Agreement, except as specifically provided in the following Section for termination for cause. City reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to Contracting Party. Upon receipt of any notice of termination, Contracting Party shall immediately cease all Services hereunder except such as may be specifically approved by the Contract Officer, or assigned designee. Contracting Party shall be entitled to compensation for all Services rendered prior to receipt of the notice of termination and for any Services authorized by the Contract Officer, or assigned designee, thereafter in accordance with

the Schedule of Compensation or such as may be approved by the Contract Officer, or assigned designee, except amounts held as a retention pursuant to this Agreement.

8.8 Termination for Default of Contracting Party. If termination is due to the failure of Contracting Party to fulfill its obligations under this Agreement, Contracting Party shall vacate any City-owned property which Contracting Party is permitted to occupy hereunder and City may, after compliance with the provisions of Section 8.2, take over the Services and prosecute the same to completion by contract or otherwise, and Contracting Party shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the compensation herein stipulated (provided that City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to Contracting Party for the purpose of setoff or partial payment of the amounts owed City.

8.9 Attorneys' Fees. If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys' fees; provided, however, that the attorneys' fees awarded pursuant to this Section shall not exceed the hourly rate paid by City for legal services multiplied by the reasonable number of hours spent by the prevailing party in the conduct of the litigation. Attorneys' fees shall include attorneys' fees on any appeal, and in addition a party entitled to attorneys' fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery, and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment. The court may set such fees in the same action or in a separate action brought for that purpose.

9. CITY OFFICERS AND EMPLOYEES; NONDISCRIMINATION.

9.1 Non-liability of City Officers and Employees. No officer, official, employee, agent, representative, or volunteer of City shall be personally liable to Contracting Party, or any successor in interest, in the event or any default or breach by City or for any amount which may become due to Contracting Party or to its successor, or for breach of any obligation of the terms of this Agreement.

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

No officer or employee of City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to this Agreement which effects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any State statute or regulation. Contracting Party warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement.

9.3 Covenant against Discrimination. Contracting Party covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any impermissible classification including, but not limited to, race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry in the performance of this Agreement. Contracting Party shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry.

10. MISCELLANEOUS PROVISIONS.

10.1 Notice. Any notice, demand, request, consent, approval, or communication either party desires or is required to give the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this Section.

To City:

CITY OF LA QUINTA
Attention: Bryan McKinney, PE
78495 Calle Tampico
La Quinta, California 92253

To Contracting Party:

NAI Consulting, Inc.
Attention: Lorissa Gruehl, PE
68955 Adelina Road
Cathedral City, CA 92234

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

10.3 Section Headings and Subheadings. The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

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

10.5 Integrated Agreement. This Agreement including the exhibits hereto is the entire, complete, and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements, and understandings, if any, between the parties, and none shall be used to interpret this Agreement.

10.6 Amendment. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by Contracting Party and by the City Council of City. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

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

10.8 Unfair Business Practices Claims. In entering into this Agreement, Contracting Party offers and agrees to assign to City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. § 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials related to this Agreement. This assignment shall be made and become effective at the time City renders final payment to Contracting Party without further acknowledgment of the parties.

10.9 No Third-Party Beneficiaries. With the exception of the specific provisions set forth in this Agreement, there are no intended third-party beneficiaries under this Agreement and no such other third parties shall have any rights or obligations hereunder.

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

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

CITY OF LA QUINTA,
a California Municipal Corporation

CONTRACTING PARTY:

By: _____

Name: Lorissa Gruehl, PE

Title: Senior Civil Engineer

JON McMILLEN, City Manager
City of La Quinta, California

Dated: _____

ATTEST:

By: _____

Name: _____

Title: _____

MONIKA RADEVA, City Clerk
City of La Quinta, California

APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

Exhibit A Scope of Services

Design Engineering

Preparation of plans and specifications for capital improvement projects of varying complexity. Services may include civil engineering and structural design work, preparation of preliminary plans and cost estimates, necessary fieldwork, identification of alternatives, drafting, design, and other civil engineering related work as needed. Preparation of engineering reports and studies on a variety of subjects. Use of AutoCAD software to prepare project plans.

Project Management

The City is looking for a qualified engineering and project management firm to provide project management support to City Staff for various capital improvement projects (CIP), including State and Federally funded projects, projects of varying complexity, budget, and size, and all phases of design and project management. The consultant will be responsible for maintaining compliance with Caltrans Local Assistance Procedures Manual ("LAPM"), or other required agencies, for all State or Federally funded projects. It is expected that the identified project manager(s) will be the point of contact between the City and project consultants, including but not limited to design engineer and construction management firms. The project manager(s) will have authority and responsibility to act on the City's behalf in terms of interactions with the public and other project stakeholders.

Duties of the selected firm and their project manager(s) include, but are not limited to:

- Project scoping during the planning or preliminary design phase.
- Securing necessary right-of-way, easements, and/or grading permits required for projects.
- Preparation and acquisition of any required permits.
- Preparation of project plans and specifications for bidding; conducting prebid meetings, as needed; preparation of addendums to bid documents; and attending bid openings.
- Participate in procurement, selection and contract negotiation processes, and provide contract management of engineering design and other CIP project contracts.
- Identifying project stakeholders, both internal to the City and external, and engaging with them throughout the planning, design, and construction phases of the project as necessary.
- Preparation of, and/or support to staff, for grant applications, as needed.
- Preparation and submittal of all documents necessary for coordination, approvals, funding reimbursements and reporting to State and Federal funding agencies.
- Planning, conducting, and/or providing support/information to staff for public engagement meetings, as needed.

- Coordination with other City departments, local agencies, private utility companies, consultants, and members of the public, as needed.
- Survey coordination.
- Construction engineering support.
- Prepare and/or manage the City's Development Impact Fee Update, as needed.
- Provide support for issues associated with the Coachella Valley Transportation Uniform Mitigation Fee (TUMF) Program.
- Provide support for Measure A ½ Cent Sales Tax Capital Improvement Plan and Maintenance of Effort requirements.
- Provide support for preparation of the City's 5-Year Capital Improvement Plan.
- Any other items required for the successful design and/or execution of projects.
- Use of AutoCAD software to prepare project plans.

ADDENDUM TO AGREEMENT
Re: Scope of Services

If the Scope of Services include construction, alteration, demolition, installation, repair, or maintenance affecting real property or structures or improvements of any kind appurtenant to real property, the following apply:

1. Prevailing Wage Compliance. If Contracting Party is a contractor performing public works and maintenance projects, as described in this Section 1.3, Contracting Party shall comply with applicable Federal, State, and local laws. Contracting Party is aware of the requirements of California Labor Code Sections 1720, *et seq.*, and 1770, *et seq.*, as well as California Code of Regulations, Title 8, Sections 16000, *et seq.*, (collectively, the "Prevailing Wage Laws"), and La Quinta Municipal Code Section 3.12.040, 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 construction work over twenty-five thousand dollars (\$25,000.00) and/or alterations, demolition, repair or maintenance work over fifteen thousand dollars (\$15,000.00) is entered into or extended on or after January 1, 2015 by this Agreement, Contracting Party agrees to fully comply with such Prevailing Wage Laws including, but not limited to, requirements related to the maintenance of payroll records and the employment of apprentices. Pursuant to California Labor Code Section 1725.5, no contractor or subcontractor may be awarded a contract for public work on a "Public works" project unless registered with the California Department of Industrial Relations ("DIR") at the time the contract is awarded. If the Services are being performed as part of an applicable "Public works" or "Maintenance" project, as defined by the Prevailing Wage Laws, this project is subject to compliance monitoring and enforcement by the DIR. Contracting Party will maintain and will require all subcontractors to maintain valid and current DIR Public Works contractor registration during the term of this Agreement. Contracting Party shall notify City in writing immediately, and in no case more than twenty-four (24) hours, after receiving any information that Contracting Party's or any of its subcontractor's DIR registration status has been suspended, revoked, expired, or otherwise changed. It is understood that it is the responsibility of Contracting Party to determine the correct salary scale. Contracting Party 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 Contracting Party's principal place of business and at the project site, if any. The statutory penalties for failure to pay prevailing wage or to comply with State wage and hour laws will be enforced. Contracting Party must forfeit to City TWENTY-FIVE DOLLARS (\$25.00) per day for each worker who works in excess of the minimum working hours when Contracting Party does not pay overtime. In accordance with the provisions of Labor Code Sections 1810 *et seq.*, eight (8) hours is the legal working day. Contracting Party also shall comply with State law requirements to maintain payroll records and shall provide for certified records and inspection of records as required by California Labor Code Section 1770 *et seq.*, including Section 1776. In addition to the other indemnities provided under this Agreement, Contracting Party shall defend (with counsel selected by City), indemnify, and hold 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. It is agreed by the parties that, in connection with performance of the Services, including, without limitation, any and all "Public works" (as defined by the Prevailing Wage Laws), Contracting Party shall bear all risks of payment or non-payment of prevailing wages under California law and/or the implementation of Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law. Contracting Party acknowledges and agrees that it shall be independently responsible for reviewing the applicable laws and regulations and effectuating compliance with such laws. Contracting Party shall require the same of all subcontractors.

2. Retention. Payments shall be made in accordance with the provisions of Article 2.0 of the Agreement. In accordance with said Sections, City shall pay Contracting Party a sum based upon ninety-five percent (95%) of the Contract Sum apportionment of the labor and materials incorporated into the Services under this Agreement during the month covered by said invoice. The remaining five percent (5%) thereof shall be retained as performance security to be paid to Contracting Party within sixty (60) days after final acceptance of the Services by the City Council of City, after Contracting Party has furnished City with a full release of all undisputed payments under this Agreement, if required by City. In the event there are any claims specifically excluded by Contracting Party from the operation of the release, City may retain proceeds (per Public Contract Code § 7107) of up to one hundred fifty percent (150%) of the amount in dispute. City's failure to deduct or withhold shall not affect Contracting Party's obligations under the Agreement.

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

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

(a) Contracting Party shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contracting Party believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) subsurface or latent physical conditions at the site different from those indicated by information about the site made available to bidders prior to the deadline for submitting bids; or (3) unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Agreement.

(b) City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in Contracting Party's cost of, or the time required for, performance of any part of the work shall issue a change order per Section 1.8 of the Agreement.

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

5. Safety. Contracting Party shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out the Services, Contracting Party 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.

6. Liquidated Damages. Since the determination of actual damages for any delay in performance of the Agreement would be extremely difficult or impractical to determine in the event of a breach of this Agreement, Contracting Party shall be liable for and shall pay to City the sum of One Thousand dollars (\$1,000.00) as liquidated damages for each working day of delay in the performance of any of the Services required hereunder, as specified in the Schedule of Performance. In addition, liquidated damages may be assessed for failure to comply with the emergency call out requirements, if any, described in the Scope of Services. City may withhold from any moneys payable on account of the Services performed by Contracting Party any accrued liquidated damages.

EXPLANATION OF METHODOLOGY

Design Engineering Services

The following tasks detail our understanding and approach to a generic transportation project. This hypothetical scope of work program describes the effort needed for the preparation of construction documents, including final design plans, specifications, and construction cost estimates. NAI always will employ value engineering techniques to analyze design/construction alternatives that may improve the design or make the project more cost-efficient.



The following tasks are ones that NAI can carry out as the lead designer or as a project manager.

Project Coordination

To facilitate the review and approval process, we will work closely with the key individuals at the City who are responsible for the review of specific elements of the project and will submit draft copies of significant work items before the milestone submittal date. This gives us a clear understanding of what the reviewers expect, and they have a preview of what will be submitted before the actual submittal is made. Our past experience working on projects with City oversight has taught us the importance of maintaining accurate and detailed meeting minutes, decision logs, and action item lists during the project development process. Utilizing this technique documents decisions, ensures consistency in decisions, and provides a concise list of tasks to be accomplished by each participant and a specific time schedule to complete the task.

We will hold a meeting with the City prior to beginning any significant work. The purpose of this meeting is to:

- Solicit input regarding the goals for the project desired by each agency.
- Agree on the intended scope of the project.
- Agree on the basic design standards to be met.
- Review the status of design and plan preparation for other street improvements or development projects near or adjacent to the proposed project site and obtain any mapping and design file information that may be available for these other projects.

Review Existing Information

Once we have prepared the final scope documents and are issued a Notice to Proceed, we will begin the design phase of the project. This will consist of research and data collection, reviewing the documents provided by the City, coordination and investigation, field surveying, utility identification, and pavement evaluation.

We will prepare our preliminary plans based on information obtained from our research, data collection, survey, and pavement testing. After 65% review and approval by the City, we will incorporate comments and begin work on the final PS&E.

Field Survey

NAI can obtain a surveyor or NAI can coordinate with one of the City's on-call surveyors. We will coordinate encroachment permits for surveys, not within the City's right-of-way.

In addition to cross-section surveys, the surveying task will locate all existing structures and improvements within and behind existing street right-of-way and adjoining streets in areas of the proposed improvements that may be pertinent to or in conflict with the proposed design and identifying surface features that may not have been visible in aerial photographs. This may include such features as structures, utility poles, fire hydrants, catch basins, signs, water valves, manholes, driveways, and walkways.

Utility Conflict Map/ Utility Coordination

NAI will consult, coordinate, and perform related follow-ups with the affected utility companies regarding the specific project-imposed impact locations to identify design controls and considerations necessary for plan preparation and approvals. Requests for information will include requests for future utility projects that may be affected by the proposed improvements. We will keep the City informed of the contact with the utility companies. Plan submittals will be forwarded to the utility companies for verification of their facilities known by them. The existing franchise agreements with each affected utility will determine whether the plans indicate the necessary modifications/relocations to be performed as a part of the project or whether the utility company must perform and pay for their own work. This will be determined for each utility company and facility.

Right of Way and Permitting

If the project requires right of way, rights of entry, or encroachment permits, NAI can obtain a right of way consultant or surveyor as needed, or NAI can coordinate with the City's on-call surveyor. Typical information and procedures may include recommendations for impacted areas, negotiated agreements, and coordination with the property owner or agency.

Geotechnical Information

If the project requires a geotechnical recommendation or street borings, NAI can obtain a Geotech or NAI can coordinate with the City's on-call Geotech. Typical information and procedures may include recommendations for the location of borings, review of draft recommendations, and coordination.

Hydrology and/or Hydraulics

If the project requires a hydrology study and/or hydraulic calculations, NAI can obtain a firm to conduct the needed information. Typical information and procedures may include recommendations for the area of impact, proposed and existing roadway profile, recommendations for the size of storm to calculate, and coordination.

Geometric Base Maps

This task will include developing plans showing proposed geometry and other pertinent alignment data of the proposed engineering, including typical sections, profiles, superelevations, proposed right-of-way limits, approximate wall locations, and other clarifying information as necessary. They will be generated using the project report geometric plans. The geometric base maps (GBM) will be submitted to the City for approval before proceeding with the final design. The GBM will form the basis for the final design's skeleton sheets.

After the base sheets are developed, we will perform a field review to document existing field conditions and determine where additional information or field data may be required to provide adequate information to complete the conceptual widening alternatives and to confirm the location and type of utilities and other improvements.

Roadway Plans

NAI will prepare roadway design plans to satisfy the project requirements as follows:

- **Street Widening** – The plan set typically will include alignment, profile, and widening details. Utility relocations will be identified, and drainage improvements will be included as required. In most cases, roadway widening occurs in areas with existing improvements within the City's right of way. NAI will design the improvements to minimize conflicts to the furthest extent possible and will provide positive drainage at all driveways within the right of way to the furthest extent possible. NAI will also design the profile to minimize the amount of existing pavement to be reconstructed.
- **Pavement Rehabilitation and/or Reconstruction**– The plan set typically will include a plan view of the streets with the limits of each type of rehabilitation or reconstruction method, i.e., crack fill, slurry seal, grind and overlay, etc. NAI can make recommendations on the type of pavement rehabilitation/reconstruction method, or we can prepare the plans based on the recommendation of a geotechnical report. The plans will show all valves and manholes in the pavement that the Contractor will need to raise/lower or cover to protect in place depending on the rehabilitation method. For reconstruction projects the plan set will include an alignment, profile, and reconstruction details. The profile may be omitted depending on if the profile will be adjusted. If the profile changes significantly, the plans will identify utility line conflicts.
- **Median Addition** – The plan set will include an alignment and profile. The profile may be omitted depending on whether positive drainage can be maintained along the alignment if placed at the existing elevation on the road. This cannot be typically maintained at new left turn pockets since the curb is typically placed on the opposite side of the crown.

Where the City does not wish to reconstruct the pavement, a curb opening can be designed to prevent water from ponding at low spots. Where landscape medians are requested, NAI can contract with a Landscape Architect or coordinate with one of the City's on-call Landscape Architects. The plans will identify utility line conflicts.

- **ADA-Compliant Sidewalks and Access Ramps** – The plan set will include the limits and special details where required to reconstruct or install an ADA-compliant sidewalk. The scale to prepare sidewalk and access ramp plans is typically 1"=20' or 1"=10' depending on the length so that adequate detail can be shown. NAI will verify that the location where the sidewalk joins is ADA-compliant. NAI will verify that the sidewalk can be constructed to ADA standards. If it cannot, special details such as short retaining walls will be designed. NAI will inspect each existing ramp to determine the most cost-efficient way to bring the ramp into compliance. For instance, if a curb ramp meets all standards except it does not have truncated domes. The curb ramp will be protected, and domes will be added.

Traffic Plans

NAI is capable of preparing signing and striping, and traffic control plans for the roadway project we are designing. However, NAI can also coordinate with the City's on-call Traffic Engineer as needed.

Contract Specifications/Bid Documents

Project Specifications will conform to the requirements of the Standard Specifications for Public Works Construction, City, and Caltrans Standard Specifications as applicable.

NAI will use the City's boilerplate front-end documents and prepare final special provisions for items, details, materials, procedures, and other conditions not adequately covered by the City, Caltrans, or Public Works Standard Specifications. A listing and copy of all standard plans required for the project will be provided in the appendix, and copies of any plans used that are not standard will also be included. After incorporating the first plan check comments, we will prepare final technical specifications and/or special provisions for the proposed construction work.

Construction Cost Estimates

NAI will prepare a preliminary estimate of probable construction costs for the project that will include a proposed bid item list, estimated quantity, line-item cost estimates, and estimate of construction working days for the improvements in accordance with City format. At the first plan check, NAI will develop a preliminary estimate of probable construction costs for comparison with previous project budget estimates.

After incorporating the first plan check comments, NAI will prepare the final estimate of probable construction costs for the project, including a proposed estimate of construction working days for the improvements per City format. NAI will refine the preliminary estimate and provide quantity take-offs with appropriate unit prices and extensions.

Quality Assurance/Quality Control

Quality Assurance / Quality Control is a key element of NAI's overall approach to the management and control of the work. This helps ensure the City will be receiving a successful project on time and within budget.

As part of the program, a competent designer will review the work provided by the project engineer. During this review, the checker will mark up the plans and discuss any proposed changes with the project engineer. Changes to the plans, specifications, and calculations are only made after the differences are reconciled.

Final PS&E Package

After incorporating review comments for the plans, specifications, and cost estimate, NAI will submit an electronic copy of all documents prepared for the project. At the request of the City, NAI will also submit bond hard copies of the final package.

Bid Support/Construction Support

The NAI team will perform support services for the City during the advertising, bidding, and construction of the project as requested. These services will include written interpretation and clarification regarding the intent of the plans, specifications, and special provisions. NAI will provide a professional review of shop drawings and contractor submittals for conformance to the bid documents. NAI will also provide recommendations on progress pay estimates and change requests. Upon completion of construction, NAI will perform a field review, include the contractor's as-built redlines, and provide record drawings to the City.

PROJECT MANAGEMENT SERVICES

General Contract Management

As detailed in the requested services, NAI will actively manage the consultant contracts as assigned. This will include attending PDT meetings, reviewing schedules, approving consultant invoices, managing project submittals, and maintaining project budgets. Without this active management, we have found that many contacts will stagnate as the consultants lose direction of the project needs.

Coordination with Various Funding Partners

Administering regional, county, state, or federal funding begins with the grant application and does not end until the final report of expenditures is accepted and final payment is received by the city. NAI has successfully delivered several hundred million dollars' worth of projects partially funded with grant monies.

NAI's Project Team has a better than average understanding and working knowledge of the various grant requirements and/or procedures and stays current on the ever-changing environment. This knowledge and experience will ensure the successful delivery of capital projects that are partially funded with these restricted sources.

Our team knows that there are state and federal regulations that extend beyond the life of a single project. Every year the City must submit updated DBE and ADA forms specifying how the local agency is planning to comply with these federal requirements throughout the year. Every five years, the City must update its Quality Assurance Program (QAP) to ensure that the construction material testing and certifications are kept current.

We know all of these ancillary state and federal requirements and will assist the City in maintaining good standing with Caltrans Local Assistance. We will be responsible to track and update the DBE/ADA annual forms in accordance with LAPM Chapter 9 "Civil Rights and Disadvantaged Business Enterprises" and ensure the City's QAP is in compliance with Caltrans procedures outlined in the Caltrans QAP Manual.

Coordination with Other Agencies and Stakeholders

As a representative of the City for each assigned project, NAI will maintain a positive relationship with other impacted agencies, stakeholders, and the public. This includes utilities agencies, flood control districts, regulatory agencies, the Coachella Valley Association of Governments (CVAG) and adjoining jurisdictions that share public improvements. As part of this on-going coordination NAI will hold stakeholder or public engagement meetings as necessary to ensure the project is well received and meets the expectations of everyone involved.

Prepare and Track Project Schedules

At the beginning of the fiscal year the NAI Team will meet with city staff and assist in prioritizing the delivery of each project listed within the city's capital improvement program (CIP). NAI will prepare an overall critical path Gantt chart schedule which clearly illustrates when objectives for each project will be accomplished and the time relationship with other projects. This timeline "plan" is invaluable in managing staff workload, design consultant deliverables and anticipating approvals by city management and elected policy makers.

Assistance During Bidding and Contractor Procurement

This critical objective begins with the preparation of biddable specifications, constructible plans, and realistic engineer's estimate (PS&E) package. The NAI Team fully experienced with city procedures and will respond to contractor requests for information (RFI), prepare any necessary addenda to the bid documents, prepare bid comparison summaries that compare the bids received to the engineer's estimate and/or each other, perform due diligence on the low bidder, and prepare a staff report with award findings and recommendations for consideration by the City Council.

Project Scoping

When a project scope is complete and thorough, it is a powerful tool that can be used for many different documents, such as the CIP, staff reports, and funding applications. Typical items NAI prepares or coordinates are as follows:

1. Identify the project limits.
2. Identify above-ground utilities and other obstructions.
3. Identify existing right-of-way using parcel maps or other maps as available.
4. Research record drawings from the City's database.
5. Layout proposed improvements for quantities and other potential impacts (utilities and right of way).
6. Coordinate Preliminary Hydrology as needed.
7. Coordinate a Traffic Study as needed - Typical information may include recommendations for signal synchronization, signal optimization, interconnect, and coordination.
8. Prepare detailed scope and assumptions.
9. Prepare the engineer's estimate and add allowances for unknowns.

Consultant Procurement

The NAI Team has a strong working knowledge of the City's Consultant Selection Process for both small and large projects. We will draft a comprehensive Request for Proposal (RFP) and/or Request for Qualifications (RFQ) that clearly defines the project scope and intent and identifies critical path schedule or administrative issues. We will negotiate the consultant's scope of work, negotiate the right fee, prepare resultant professional services agreement, and prepare a staff report with consultant selection findings and recommendations for consideration by the City Council.

Project Status Coordination

The NAI Team will provide project-specific input to the department's "Master Schedule," which provides a status of critical path project issues. We will be prepared to report all project matters related to budget, expected expenditures, and deliver schedule in the Departments monthly Master Schedule meeting or any necessary impromptu meeting. We will also prepare for and attend the bi-monthly meeting with Finance Department staff.

Prepare Staff Reports for City Council Consideration

We understand that the City typically prepares the required staff reports with support from the NAI Team. However, when requested we will prepare the necessary staff reports to ensure the successful delivery of assigned capital projects.

Grant Applications

One quality that NAI provides above managing grant funded projects is the ability secure the regional, state, or federal funding. Besides CVAG's well known 75% project funding support for projects listed in the Transportation Project Prioritization Study (TPPS) report, there are numerous other grant opportunities that we will assist and manage in applying. Common transportation grant opportunities include:

1. TBA Article 3 (SB821) Bicycle and Pedestrian Facilities through RCTC;
2. Congestion Mitigation and Air Quality (CMAQ) through CVAG;
3. Surface Transportation Block Grant (STBG) through RCTC;
4. Highway Safety Improvement Program (HSIP) through Caltrans;
5. Active Transportation Program (ATP) through CTC;
6. Highway Bridge Program (HBP) through Caltrans; and
7. State Transportation Improvement Program (STIP) through CTC.

As grant opportunities arise, we will work with the City in drafting the language in the application. We will prepare all the information necessary for successful application.

5 Year Capital Improvement Program Updates

NAI Consulting understands that the City prepares the Capital Improvement Program (CIP) with the assistance of NAI; however, at the City's direction, NAI is ready, willing, and able to take the lead in preparing the CIP update yearly. We have prepared the City's CIP in the past and have an intimate knowledge of the process. We understand the impact of early and frequent coordination with the various departments in the City to ensure that all projects and funding sources are identified and that priority projects are fully scoped and ready for implementation. There are many moving parts when preparing a CIP including ensuring that all funding is being allocated correctly and that together with the CIP, Measure A and SB1 funds need to be reviewed, updated, and forecasted.

Assistance with the Measure A ½ Cent Sales Tax Capital Improvement Plan and Maintenance of Effort Requirements

The Measure A ½ Cent Sales Tax policies and procedures were also developed by CVAG in conjunction with its TUMF Program. NAI has full knowledge of these requirements and will continue to advise the City on any matter necessary to remain in compliance to ensure the City's local funding share is not forfeited.

Project Management and Control System

NAI utilizes a very basic but streamlined project management and control system. We track project history, deliverables, and action items with Microsoft Excel. This allows us to quickly update pertinent project information for minimal cost and very little training. To supplement the Project Status Sheets, we use Microsoft Project to track both a master schedule of all projects and a detailed schedule of individual projects.

By using Excel and Project, we ensure all of our clients have the same project management and control system tools to take over project delivery at any point. This approach fits with our vision of integrating seamlessly into our client support.

In addition to the project management and control system, NAI maintains a business cloud account with Citrix Sharefile. With Sharefile, we are able to provide our clients with unlimited cloud-based storage and document delivery as necessary. This service can be used to mirror all the NAI files associated with this as needed support so that the City can access everything NAI produces at any time.



ADDITIONAL GRANT ADMINISTRATION SERVICES

Agency Coordination

Throughout the contract period, NAI will work closely with the Riverside County Transportation Commission (RCTC), the California Department of Transportation (Caltrans), and the California Transportation Commission (CTC) to ensure the City's State and Federally funded projects are processed correctly.

Through RCTC, NAI will update the FTIP with appropriate project changes; provide a general City update to RCTC every two years; provide a list of projects to be included in the Regional Transportation Plan (RTP); and provide any funding, invoice, or other project related update request by RCTC.

In coordinating with the Caltrans Department of Local Assistance, NAI will document submittals, meeting requests, and maintaining an open communication channel. We will often contact Caltrans Local Assistance when preparing a document to discuss their initial feedback and to inform them of the pending submittal. If any comments are received, we are quick to correct the documents and return them to Caltrans so that our projects remain first in line.

For state funded projects, we will coordinate with the CTC to ensure correct and on-time submittals. In coordinating with the CTC, we work with both Caltrans and RCTC to ensure all project details are correctly outlined.

Assist with Consultant Selection for Federally Funded Projects

NAI will coordinate with the City to identify the services required for each contract. Whether planning, environmental, design, right of way, or construction management, NAI will develop the scope of work programs to include in a Request for Proposals (RFP). In addition, NAI will prepare an Independent Cost Estimate to use during negotiations. NAI will use this estimate to determine the Disadvantaged Business Enterprise (DBE) goal for the RFP.

In accordance with Chapter 10 – Consultant Selection of the LAPM, NAI will prepare the RFP to select the most qualified firm for the services required. This will include reviewing the City's standard RFP and adding any federal language necessary. NAI will also review the City's standard Professional Services Agreement and add any additional federal aid clauses that are required.

NAI will coordinate with the City's Consultant Selection Committee to ensure everyone has signed the Conflict-of-Interest Statements and is using the appropriate evaluation forms. As part of the Consultant Selection Committee, NAI will evaluate the submitted proposals and rank the consultants based on the evaluation form. NAI will review the scope and fee of the top ranked consultant and negotiate a fair and equitable price for the City.

For Contracts with federal reimbursement over \$1M, once NAI and the City have negotiated a final contract with the top ranked proposer, NAI will assist the prime consultant in compiling the necessary financial documents for submittal to Caltrans. NAI will prepare the 10-C Form for Caltrans review and approval before the City can execute the final agreement. This task will include compiling any additional information or forms necessary for the complete submittal.

Review PES and Environmental Technical Studies

Transportation projects using federal funds must meet the requirements of the National Environmental Policy Act (NEPA) in addition to CEQA. The NEPA document must be accepted by Caltrans as part of their stewardship agreement with FHWA. As such, the City must submit a Preliminary Environmental Study (PES) to Caltrans that outlines the environmental setting for the project.



As necessary, we will provide assistance in reviewing the PES form and any technical studies that may be required. We have thorough experience managing projects through the NEPA process and will provide invaluable experience on how to scope the environmental setting in the PES to avoid unnecessary and costly technical studies. We will also review technical studies to ensure the study is scoped properly to avoid unnecessary mitigation measures.

Our reviews will follow the guidelines outlined in LAPM Chapter 6, "Environmental Procedures", and the Caltrans Standard Environmental Reference (SER).

Review/Draft PS&E Certification

Prior to bidding any federally funded project the City must certify that the PS&E is prepared in accordance with all applicable local, state, and federal standards. Depending on the type of construction, whether or not the project is on the National Highway System (NHS), and the size of the project, Caltrans may or may not specify what design standards to use per LAPM Chapter 11, "Design Standards". This PS&E Certification also includes a checklist of federal contract language that must be included in the project specifications.

We will work with the consultant from the beginning of a design project to ensure proper design standards are used, and we will review existing PS&E documents to ensure all items in the PS&E Certifications are completed adequately. This may include securing any design exceptions or public interest findings as needed. The PS&E Certification will be completed in accordance with the guidelines outlined in LAPM Chapter 12, "Plans, Specifications, and Estimate".

Prepare City Boilerplate Specifications with State and Federal Provisions

Project Specifications for State and federal aid projects must include additional provisions, including establishing DBE goals, and bidder forms for the bid to remain eligible for federal reimbursement. NAI will work with the currently adopted standard specifications for the City to include the additional provisions and forms.

The additional clauses can either be inserted into the general specifications section or we can create a new section titled "Special Federal Specifications". All language will be added in accordance with LAPM Chapter 12, "Plans, Specifications, and Estimate".

Review/Draft Utility Agreements

For State or Federally funded transportation projects, the City must determine who is fiscally responsible for the utility relocation or adjustment and have a utility agreement defining the roles of each agency. If the utility is responsible for adjusting their facilities (City has prior rights) then a simple utility agreement is adequate. If the City is responsible for adjusting the facility (utility has prior rights) then a Caltrans-specific utility agreement is required along with Specific Authorization from FHWA for the relocation to be eligible for federal reimbursement.

Depending on the complexity of the project, we will either support the project by drafting utility agreements or we will review utility agreements prepared by others for conformance with Caltrans procedures. Utility agreements must be executed prior to receiving ROW Certification. All utility agreements will be prepared per the guidelines outlined in LAPM Chapter 14, "Utility Relocations."

Review/Draft ROW Certification

Before any federal project can begin the construction phase, the City must certify that it has secured all property rights and easements to all properties being accessed. This Right-of-Way (ROW) Certification is then submitted to Caltrans for review and approval. The ROW Certification could include full acquisitions with relocation assistance, possession and use agreements, temporary construction easements, and/or utility agreements among other items.

Depending on the complexity of the project, we will either support the project by drafting the ROW Certifications or we will review ROW Certifications prepared by others for conformance with Caltrans procedures. All ROW Certifications will be prepared per the guidelines outlined in LAPM Chapter 13, "Right of Way."

Assist with Bidding Procedures and Provide Construction Support

For federally funded projects, we understand the challenges that cities face once the authorization to proceed with construction (E-76) is received. Before construction begins, we will sit down with the City and outline all federal construction requirements. We will assist the City in establishing bid advertising procedures as required, attending any pre-bid meetings, reviewing bid documents for federal compliance, preparing bid summary sheets, reviewing DBE goals and good faith efforts, and submitting the award package to Caltrans. During construction we will manage the construction management team by reviewing subcontractor request forms, labor compliance, progress payments, and contract change orders. We will ensure that the City complies with all guidelines outlined in LAPM Chapter 15, "Advertise and Award Project", Chapter 16, "Administer Construction Contracts", and the Caltrans Construction Manual as needed.

Prepare and Submit Request for Federal Project Number

A federal project number is required for all federally funded projects. Before we can submit any documents for Caltrans approval, we will need to apply for a federal project number. The request for federal project number will follow the procedures outlined in LAPM Chapter 3, "Project Authorization". A field review form performed in accordance with LAPM Chapter 7, "Field Review", must be included with the request for federal project number.

Prepare and Submit Request for Allocation (State Funded Projects)

A request for funding allocation is required for all state funded phases of a project. Typical phases of a capital improvement project subject to state funding include the Project Approval and Environmental Document (PA&ED) Phase; the Plans, Specifications, and Estimate (PS&E) Phase, the Right-of-Way (ROW) Phase, and the Construction (CON) Phase. Allocation is required prior to performing any reimbursable work beginning with the date that the CTC meets to approve the allocation. The request for allocations will follow the currently adopted guidelines established in the LAPG for each particular state funding source.

Prepare and Submit RFA for Federally Funded Projects

The request for authorization (RFA) is required for all federally funded phases of a project. Typical phases of a capital improvement project subject to federal funding include Preliminary Engineering (PE), ROW, Utility Relocations, and CON. Authorization is required prior to beginning any reimbursable work beginning with the date that the FHWA representative signs the project authorization document (E-76). The RFA will follow the procedures outlined in LAPM Chapter 3, "Project Authorization". Each RFA requires differing levels of project information. We will work closely with the City to ensure proper documentation is provided.



Assist with Project Funding Cost Adjustments

Throughout the life of a capital improvement project, the funding may need to be adjusted. This could occur if the project has cost overruns and requires additional funding from the grant administrator, or if the project needs to adjust funds within a specific phase of work, i.e. from Construction Engineering to the Construction Contract. We will prepare the finance letter and other appropriate documentation required for the cost adjustments, including any backup documentation required.

Assist with State and Federal Project Invoicing

Throughout the project, any state or federally funded phase requires diligent project invoicing. We will work hard to make sure that the City receives the programmed reimbursement in a timely manner.

Caltrans reimbursement requests must be submitted at least once every six (6) months, but not more frequently than once per month. Submitted invoices will follow the procedures outlined in LAPM Chapter 5, "Invoicing". We will maintain a log of all invoices paid on the project to contractors and consultants for quick reference when preparing the request for reimbursement. We will prepare the invoice backup and tracking log and bring it to the City for signature prior to mailing to Caltrans. We will quickly respond to any Caltrans comment and keep the City informed of all progress.

Prepare and Submit Final Report of Expenditures

Upon project completion, NAI will prepare and submit the Final Report of Expenditures for federal aid projects. We will work with the City to ensure the material certification is filled out properly, noting any exceptions. We will compile the contract change order summary, final detail estimate, and final inspection form. We will ensure the contractor submits final DBE paperwork prior to issuing the Notice of Completion to include in the Final Report of Expenditures. A successful project closeout is contingent upon following proper federal procedures throughout the life of the project, and we will be there every step of the way.

Exhibit B

Schedule of Compensation

With the exception of compensation for Additional Services, provided for in Section 2.3 of this Agreement, the maximum total compensation to be paid to Contracting Party under this Agreement is not to exceed **Six Hundred Thousand (\$600,000.00)** per year for the life of the Agreement, encompassing the initial and any extended terms ("Contract Sum"). The Contract Sum shall be paid to Contracting Party in installment payments made on a monthly basis and in an amount identified in Contracting Party's schedule of compensation attached hereto for the work tasks performed and properly invoiced by Contracting Party in conformance with Section 2.2 of this Agreement.

Initial Term:

"Not to exceed" Year 1: \$600,000.00
"Not to exceed" Year 2: \$600,000.00
"Not to exceed" Year 3: \$600,000.00

Possible Extended Term:

"Not to exceed" Year 4: \$600,000.00
"Not to exceed" Year 5: \$600,000.00

NAI FEE SCHEDULE

<u>NAME</u>	<u>DISCIPLINE</u>	<u>HOURLY RATE</u>
Lorissa Nickerson	PRINCIPAL CIVIL ENGINEER	\$195.00
Josh Nickerson	PRINCIPAL CIVIL ENGINEER	\$195.00
Jose Cortez	ASSOCIATE ENGINEER	\$127.00
Erika Sinohuiz	ASSOCIATE PROJECT MANAGER	\$127.00
Diana Smith	ADMINISTRATIVE SUPPORT	\$95.00
Stephanie Milette	ADMINISTRATIVE SUPPORT	\$95.00

ADDITIONAL HOURLY FEES (WHEN APPLICABLE*)

<u>NAME</u>	<u>DISCIPLINE</u>	<u>HOURLY RATE</u>
	PROJECT MANAGER	\$145.00-\$175.00
	SENIOR ENGINEER	\$145.00-\$175.00
	ASSISTANT PROJECT MANAGER	\$110.00
	ASSISTANT ENGINEER	\$110.00
	ADMINISTRATIVE ASSISTANT	\$75.00

*Additional hourly fees will only apply upon approval from the Contract Manager.

Please note that NAI Consulting will provide the reimbursable expenses (reproduction, messenger service, and postage) at cost without markup.



Exhibit C
Schedule of Performance

Contracting Party shall complete all services identified in the Scope of Services, Exhibit A of this Agreement, as requested by City within the time allowed by the total contract sum.

Exhibit D
Special Requirements

Projects covered by this Agreement may be partially funded by various Program funds administered through the California Department of Transportation (Caltrans). As such, the Consultant shall comply with the requirements of 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31 et seq.; 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, and Caltrans Local Procedures Manual Processing Procedures for Implementing Federal and/or State Funded Local Public Transportation Projects.

Debarment And Suspension Certification.

TITLE 49, CODE OF FEDERAL REGULATIONS, PART 29

The Consultant's signature affixed to this Agreement shall constitute a certification, under penalty of perjury, that, except as noted below, he/she or any other person associated therewith in the capacity of owner, partner, director, officer, and manager:

- Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency;
- Has not been suspended, debarred, voluntarily excluded or determined ineligible by any federal agency within the past 3 years;
- Does not have a proposed debarment pending; and
- Has not been indicted, convicted, or had civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past 3 years.

If there are any exceptions to this certification, insert the exceptions in the following space.

None.

Exceptions will not necessarily result in denial of award, but will be considered in determining bidder responsibility. For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

Notes: Providing false information may result in criminal prosecution or administrative sanctions. The above certification is part of the Agreement. Signing this Agreement on the signature portion thereof shall also constitute signature of this Certification.

1. Rebates, Kickbacks Or Other Unlawful Consideration. The CONSULTANT warrants that this contract was not obtained or secured through rebates kickbacks or other unlawful consideration, either promised or paid to any LOCAL AGENCY employee. For breach or violation of this warranty, LOCAL AGENCY shall have the right in its discretion; to terminate the contract without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback or other unlawful consideration.
2. Prohibition Of Expending Local Agency State Or Federal Funds For Lobbying.
 - A. The CONSULTANT certifies to the best of his or her knowledge and belief that:
 - 1) No state, federal or local agency appropriated funds have been paid, or will be paid by-or-on behalf of the CONSULTANT to any person for influencing or attempting to influence an officer or employee of any state or federal agency; a Member of the State Legislature or United States Congress; an officer or employee of the Legislature or Congress; or any employee of a Member of the Legislature or Congress, in connection with the awarding of any state or federal contract; the making of any state or federal grant; the making of any state or federal loan; the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any state or federal contract, grant, loan, or cooperative agreement.
 - 2) If any funds other than federal appropriated funds have been paid, or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency; a Member of Congress; an officer or employee of Congress, or an employee of a Member of Congress; in connection with this federal contract, grant, loan, or cooperative agreement; the CONSULTANT shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 - B. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
 - C. The CONSULTANT also agrees by signing this document that he or she shall require that the language of this certification be included in all lower-tier subcontracts, which exceed \$100,000, and that all such sub recipients shall certify and disclose accordingly.

3. Certifications.

Caltrans LAPM Exhibits 10-F Certification of Consultant and 10-G Certification of Local Agency, are attached and a part of this Agreement.

4. Cost Principles.

- A. NAI agrees that the Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31.000 et seq., shall be used to determine the allowability of cost individual items.
- B. The NAI also agrees to comply with federal procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
- C. Any costs for which payment has been made to DESIGN PROFESSIONAL that are determined by subsequent audit to be unallowable under 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31.000 et seq., are subject to repayment by NAI to the City.

5. Retention of Records/Audit.

For the purpose of determining compliance with Public Contract Code 10115, et seq. and Title 21, California Code of Regulations, Chapter 21, Section 2500 et seq., when applicable and other matters connected with the performance of the contract pursuant to Government Code 8546.7; the CONSULTANT, subcontractors, and the City shall maintain all books, documents, papers, accounting records, and other evidence pertaining to the performance of the contract, including but not limited to, the costs of administering the contract. All parties shall make such materials available at their respective offices at all reasonable times during the contract period and for three years from the date of final payment under the contract. The state, the State Auditor, City, FHWA, or any duly authorized representative of the federal government shall have access to any books, records, and documents of the CONSULTANT that are pertinent to the contract for audit, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested. Subcontracts in excess of \$25,000 shall contain this provision.

Community Development Block Grant (CDBG) Project Regulations

CDBG funded work under this **Agreement for Contract Services** is subject to all applicable Federal, State, and local laws and regulations, including but not limited to the regulations pertaining to the Community Development Block Grant program (24 CFR and Part 570), Executive Order #11246, and other applicable requirements.

1. Access to Records and Records Retention:

The Consultant and any sub-consultants shall allow all duly authorized County, Federal, or State officials or authorized representatives access to the work area, as well as all books, documents, materials, papers, and records of the Consultant and any Sub-consultants that are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts, and transcriptions.

The Consultant and any sub-consultants further agree to maintain and keep such books, documents, materials, papers, and records, on a current basis, recording all transactions pertaining to this agreement in a form in accordance with generally acceptable accounting principles.

All such books and records shall be retained for such periods of time as required by law, provided, however, notwithstanding any shorter periods of retention, all books, records, and supporting detail shall be retained for a period of at least four (4) years after the expiration of the term of this Agreement.

2. Federal Employee Benefit Clause:

No member of or delegate to the congress of the United States, and no Resident Commissioner shall be admitted to any share or part of this agreement or to any benefit to arise from the same.

3. Equal Opportunity

The Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. Consultant will ensure that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and the employees are treated during employment, without regard to their race color, religion, sex, or national origin. Such actions shall include, but are not limited to, the following: employment, up-grading, demotion, or transfer; recruitment or recruitment advertising; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in a conspicuous place, available to employees and applicants for employment, notices to be provided by HUD setting forth the provisions of this non-discriminating clause.

4. Section 3 of the Housing and Community Development Act of 1968

Economic Opportunities for Section 3 Residents and Section 3 Business Concerns

Sec. 135.38 Section 3 clause.

All Section 3 covered contracts shall include the following clause (referred to as the Section 3 Clause):

- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
- E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
- F. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

- G. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- H. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

5. **Certifications and Reporting**

Contractor agrees to complete and submit the following reporting forms at the initiation of project activities:

- A. **Exhibit B-5/B-6:** BIDDER CERTIFICATION FOR AFFIRMATIVE ACTION
- B. **Exhibit B-8:** QUESTIONNAIRE REGARDING BIDDER
- C. **Exhibit PA-5:** SECTION 3 SUMMARY REPORT

Exhibit E
Insurance Requirements

E.1 Insurance. Prior to the beginning of and throughout the duration of this Agreement, the following policies shall be maintained and kept in full force and effect providing insurance with minimum limits as indicated below and issued by insurers with A.M. Best ratings of no less than A-VI:

Commercial General Liability (at least as broad as ISO CG 0001)
\$1,000,000 (per occurrence)
\$2,000,000 (general aggregate)

Must include the following endorsements:

General Liability Additional Insured
General Liability Primary and Non-contributory

Commercial Auto Liability (at least as broad as ISO CA 0001)
\$1,000,000 (per accident)

Auto Liability Additional Insured
Personal Auto Declaration Page if applicable

Errors and Omissions Liability
\$1,000,000 (per claim and aggregate)

Workers' Compensation
(per statutory requirements)

Must include the following endorsements:

Workers Compensation with Waiver of Subrogation
Workers Compensation Declaration of Sole Proprietor if applicable

Contracting Party shall procure and maintain, at its cost, and submit concurrently with its execution of this Agreement, Commercial General Liability insurance against all claims for injuries against persons or damages to property resulting from Contracting Party's acts or omissions rising out of or related to Contracting Party's performance under this Agreement. The insurance policy shall contain a severability of interest clause providing that the coverage shall be primary for losses arising out of Contracting Party's performance hereunder and neither City nor its insurers shall be required to contribute to any such loss. An endorsement evidencing the foregoing and naming the City and its officers and employees as additional insured (on the Commercial General Liability policy only) must be submitted concurrently with the execution of this Agreement and approved by City prior to commencement of the services hereunder.

Contracting Party shall carry automobile liability insurance of \$1,000,000 per accident against all claims for injuries against persons or damages to property arising out of the use of any automobile by Contracting Party, its officers, any person directly or indirectly employed by Contracting Party, any subcontractor or agent, or anyone for whose acts any of them may be liable, arising directly or indirectly out of or related to Contracting Party's performance under this Agreement. If Contracting Party or

Contracting Party's employees will use personal autos in any way on this project, Contracting Party shall provide evidence of personal auto liability coverage for each such person. The term "automobile" includes, but is not limited to, a land motor vehicle, trailer or semi-trailer designed for travel on public roads. The automobile insurance policy shall contain a severability of interest clause providing that coverage shall be primary for losses arising out of Contracting Party's performance hereunder and neither City nor its insurers shall be required to contribute to such loss.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Contracting Party and "Covered Professional Services" as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

Contracting Party shall carry Workers' Compensation Insurance in accordance with State Worker's Compensation laws with employer's liability limits no less than \$1,000,000 per accident or disease.

If coverage is maintained on a claims-made basis, Contracting Party shall maintain such coverage for an additional period of three (3) years following termination of the contract.

Contracting Party shall provide written notice to City within ten (10) working days if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self-insured retention is increased. In the event any of said policies of insurance are cancelled, Contracting Party shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Exhibit to the Contract Officer. The procuring of such insurance or the delivery of policies or certificates evidencing the same shall not be construed as a limitation of Contracting Party's obligation to indemnify City, its officers, employees, contractors, subcontractors, or agents.

E.2 Remedies. In addition to any other remedies City may have if Contracting Party fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option:

- a. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under this Agreement.
- b. Order Contracting Party to stop work under this Agreement and/or withhold any payment(s) which become due to Contracting Party hereunder until Contracting Party demonstrates compliance with the requirements hereof.
- c. Terminate this Agreement.

Exercise any of the above remedies, however, is an alternative to any other remedies City may have. The above remedies are not the exclusive remedies for Contracting Party's failure to maintain or secure appropriate policies or endorsements. Nothing herein contained shall be construed as limiting in any way the extent to which Contracting Party may be held responsible for payments of damages to persons or property resulting from Contracting Party's or its subcontractors' performance of work under this Agreement.

E.3 General Conditions Pertaining to Provisions of Insurance Coverage by Contracting Party. Contracting Party and City agree to the following with respect to insurance provided by Contracting Party:

1. Contracting Party agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds City, its officials, employees, and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Contracting Party also agrees to require all contractors, and subcontractors to do likewise.

2. No liability insurance coverage provided to comply with this Agreement shall prohibit Contracting Party, or Contracting Party's employees, or agents, from waiving the right of subrogation prior to a loss. Contracting Party agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.

3. All insurance coverage and limits provided by Contracting Party and available or applicable to this Agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to City or its operations limits the application of such insurance coverage.

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

5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.

6. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises. Contracting Party shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City's protection without City's prior written consent.

7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all the coverages required and an additional insured endorsement to Contracting Party's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no

replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Contracting Party or deducted from sums due Contracting Party, at City option.

8. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Contracting Party or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self-insurance available to City.

9. Contracting Party agrees to ensure that subcontractors, and any other party involved with the project that is brought onto or involved in the project by Contracting Party, provide the same minimum insurance coverage required of Contracting Party. Contracting Party agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contracting Party agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.

10. Contracting Party agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein (with the exception of professional liability coverage, if required) and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to City. If Contracting Party's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At that time the City shall review options with the Contracting Party, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.

11. The City reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required by giving the Contracting Party ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Contracting Party, the City will negotiate additional compensation proportional to the increased benefit to City.

12. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

13. Contracting Party acknowledges and agrees that any actual or alleged failure on the part of City to inform Contracting Party of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.

14. Contracting Party will renew the required coverage annually as long as City, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies whether the agreement is canceled or terminated for

any reason. Termination of this obligation is not effective until City executes a written statement to that effect.

15. Contracting Party shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Contracting Party's insurance agent to this effect is acceptable. A certificate of insurance and an additional insured endorsement is required in these specifications applicable to the renewing or new coverage must be provided to City within five (5) days of the expiration of coverages.

16. The provisions of any workers' compensation or similar act will not limit the obligations of Contracting Party under this agreement. Contracting Party expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials, and agents.

17. Requirements of specific coverage features, or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be limiting or all-inclusive.

18. These insurance requirements are intended to be separate and distinct from any other provision in this Agreement and are intended by the parties here to be interpreted as such.

19. The requirements in this Exhibit supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Exhibit.

20. Contracting Party agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Contracting Party for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

21. Contracting Party agrees to provide immediate notice to City of any claim or loss against Contracting Party arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

Exhibit F
Indemnification

F.1 Indemnity for the Benefit of City.

a. Indemnification for Professional Liability. When the law establishes a professional standard of care for Contracting Party's Services, to the fullest extent permitted by law, Contracting Party shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officials, employees, and agents ("Indemnified Parties") from and against any and all claims, losses, liabilities of every kind, nature, and description, damages, injury (including, without limitation, injury to or death of an employee of Contracting Party or of any subcontractor), costs and expenses of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Contracting Party, its officers, agents, employees or subcontractors (or any entity or individual that Contracting Party shall bear the legal liability thereof) in the performance of professional services under this agreement. With respect to the design of public improvements, the Contracting Party shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Contracting Party.

b. Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Contracting Party shall indemnify, defend (with counsel selected by City), and hold harmless the Indemnified Parties from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses) incurred in connection therewith and costs of investigation, where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Contracting Party or by any individual or entity for which Contracting Party is legally liable, including but not limited to officers, agents, employees, or subcontractors of Contracting Party.

c. Indemnity Provisions for Contracts Related to Construction (Limitation on Indemnity). Without affecting the rights of City under any provision of this agreement, Contracting Party shall not be required to indemnify and hold harmless City for liability attributable to the active negligence of City, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where City is shown to have been actively negligent and where City's active negligence accounts for only a percentage of the liability involved, the obligation of Contracting Party will be for that entire portion or percentage of liability not attributable to the active negligence of City.

d. Indemnification Provision for Design Professionals.

1. Applicability of this Section F.1(d). Notwithstanding Section F.1(a) hereinabove, the following indemnification provision shall apply to a Contracting Party who constitutes a “design professional” as the term is defined in paragraph 3 below.

2. Scope of Indemnification. When the law establishes a professional standard of care for Contracting Party’s Services, to the fullest extent permitted by law, Contracting Party shall indemnify and hold harmless City and any and all of its officials, employees, and agents (“Indemnified Parties”) from and against any and all losses, liabilities of every kind, nature, and description, damages, injury (including, without limitation, injury to or death of an employee of Contracting Party or of any subcontractor), costs and expenses, including, without limitation, incidental and consequential damages, court costs, reimbursement of attorneys’ fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, to the extent same are caused by any negligent or wrongful act, error or omission of Contracting Party, its officers, agents, employees or subcontractors (or any entity or individual that Contracting Party shall bear the legal liability thereof) in the performance of professional services under this agreement. With respect to the design of public improvements, the Contracting Party shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Contracting Party.

3. Design Professional Defined. As used in this Section F.1(d), the term “design professional” shall be limited to licensed architects, registered professional engineers, licensed professional land surveyors and landscape architects, all as defined under current law, and as may be amended from time to time by Civil Code § 2782.8.

F.2 Obligation to Secure Indemnification Provisions. Contracting Party agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Exhibit F, as applicable to the Contracting Party, from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Contracting Party in the performance of this Agreement. In the event Contracting Party fails to obtain such indemnity obligations from others as required herein, Contracting Party agrees to be fully responsible according to the terms of this Exhibit. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth in this Agreement are binding on the successors, assigns or heirs of Contracting Party and shall survive the termination of this Agreement.

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: APPROVE CONTRACT SERVICES AGREEMENT WITH ALPHA MEDIA FOR MARKETING SERVICES FOR FISCAL YEAR 2024/25

RECOMMENDATION

Approve Contract Services Agreement with Alpha Media for Marketing Services for Fiscal Year 2024/25; and authorize the City Manager to execute the agreement.

EXECUTIVE SUMMARY

- Alpha Media is a broadcast company providing media, entertainment, and digital marketing solutions.
- The City has utilized Alpha Media's services for radio and digital advertising to educate and inform the community on IRONMAN 70.3 event and to ensure compliance with AB 1383 through Cal Recycle for mandatory education on recycling and composting.

FISCAL IMPACT

The total not to exceed amount for this agreement for fiscal year (FY) 2024/25 is \$86,475 as detailed below.

The cost for Alpha Media's IRONMAN campaign is \$26,475. Funds will be budgeted in the FY 2024/25 Community Experiences account 101-3003-60149; costs have remained consistent with FY 2023/24 campaign.

The cost for Alpha Media's Recycling Education campaign is \$57,000, which includes both radio and connected television ads. Funds will be budgeted in FY 2024/25 AB 939 Recycling Solutions account 221-0000-60127; costs have increased from FY 2023/24 campaign as the proposed agreement, if approved, will provide for a full year of services versus a partial year period.

BACKGROUND/ANALYSIS

The City has previously partnered with Alpha Media for radio, connected TV, and digital marketing services to inform the community on IRONMAN, as well as recycling education.

The proposed agreement will expand to a full year of services for the recycling and connected tv campaign; as well as continue the IRONMAN event information.

This campaign will bring the total of the agreement to \$86,475 for fiscal year 2024/25.

ALTERNATIVES

Council may elect not to expand Alpha Media promotion services. Staff does not recommend an alternative action.

Prepared by: Marcie Graham, Marketing Manager

Approved by: Gilbert Villalpando, Director

- Attachments:
1. Alpha Media IRONMAN Proposal
 2. Alpha Media OTT Proposal
 3. Alpha Media Recycling Education Proposal



PRESENTED BY
Dayna Smith
April 30th, 2024

Radio Schedule: 09/23 -10/6, 10/14 - 10/27 and 11/11 - 12/8 (Monday - Sunday 7A-8P)

- 25 Thirty second commercials per week on 93.7 KCLB
- 25 Thirty second commercials per week on 98.5 The Bull
- 25 Thirty second commercials per week on 107.3 MOD
- 25 Thirty second commercials per week on 106.9 The Eagle
- 25 Thirty second commercials per week on U92.7
- 25 Thirty second commercials per week on 103.9 ESPN
- 25 Thirty second commercials per week on 94.3 KNWZ
- 25 Thirty second commercials per week on Mix 100.5
- 15 Fifteen second PSA's per week per station reminding people to check the map online for road closures and upcoming date of event
- On air interview



Digital Schedule: 09/30 - 12/08

- Rotating banner ads on all Alpha Media station websites with link to URL and map posted with Iron man route
- Mobile campaign - Mobile to social and targeted display advertising and performance tv (OTT/CTV)
 - polygon select gyms, athlete races, other fitness competitions pull a lookback on all locations
 - create lookalike audience from captured device ID's
 - Utilize fitness/health & wellness audiences in the Coachella Valley
 - Mobile retargeting
 - Social strategy - upload captured device ID list into FaceBook and Instagram, reach those individuals through their social profiles
 - Target audience on social - fitness junky, ironman, marathons, racing, crossfit, extreme sports, cycling, healthy lifestyle, active lifestyle, etc.
 - Place a FaceBook retargeting pixel

TOTAL INVESTMENT: \$26,475

Approved _____ Date _____

Business _____ Address _____ City _____ State _____ Zip _____

Start date _____ End date _____

Advertiser may cancel this agreement upon 14 days prior notice. This agreement is confidential.



From: Alpha Digital
 To: City of la Quinta
 Date: 5/14/2024
 Rep: Dayna Smith

[CLICK HERE to Return to Agenda](#)



Digital Advertising Media Planner for:

City of la Quinta

Product	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Total
TELEVISION TO WEB COMPANION AD DELIVERY: CONNECTED COMMERCIAL CONTENT DELIVERED TO TV SCREENS WITH POST IMPRESSION ACTION ANALYTICS													
AUDIENCE CRITERIA: BRANDING CAMPAIGN - PSA TO THOSE LIVING IN IDENTIFIED ZIP CODES FOR EDUCATIONAL MESSAGES ABOUT RECYCLING IN THEIR COMMUNITY													
Item													
Connected Television Ad Delivery	20,630	20,630	20,630	20,630	20,630	20,630	20,630	20,630	20,630	20,630	20,630	20,630	247,560
OTT Ad Delivery	15,480	15,480	15,480	15,480	15,480	15,480	15,480	15,480	15,480	15,480	15,480	15,480	185,760
Viewable Display RT to Exposed HH's	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	28,800
	38,510	462,120											
CPM													
Connected Television Ad Delivery	\$ 48.00	\$ 48.00	\$ 48.00	\$ 48.00	\$ 48.00	\$ 48.00	\$ 48.00	\$ 48.00	\$ 48.00	\$ 48.00	\$ 48.00	\$ 48.00	\$ 48.00
OTT Ad Delivery	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00	\$ 31.00
Viewable Display RT to Exposed HH's	\$ 12.50	\$ 12.50	\$ 12.50	\$ 12.50	\$ 12.50	\$ 12.50	\$ 12.50	\$ 12.50	\$ 12.50	\$ 12.50	\$ 12.50	\$ 12.50	\$ 12.50
Cost													
Connected Television Ad Delivery	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 990	\$ 11,883
OTT Ad Delivery	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ 480	\$ 5,759
Viewable Display RT to Exposed HH's	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 360
	\$ 1,500	\$ 18,001											
Effective Audience CPM													
Reach of Audience at Effective CPM	\$ 39	\$ 39	\$ 39	\$ 39	\$ 39	\$ 39	\$ 39	\$ 39	\$ 39	\$ 39	\$ 39	\$ 39	\$ 39

TARGET MARKET PROJECTIONS

Zip Codes = 92253, 92210, 92247, 92248

*Due to small population size, budgets may need to be shifted between video products during program

City of La Quinta

ATTACHMENT 3



July 1st, 2024 - June 30th, 2025

- You choose the two stations.
- 160x + 160x Paid **thirty** second commercials on two radio stations of your choice.
- 160x + 160x + 160x Bonus **thirty** second commercials on three additional stations of your choice.
- 800x Total

Total Annual Contract: \$42,000

Approved _____ Date _____ Start: 07/01/24 End:06/30/25

*Commercials will be scheduled Monday through Sunday 6a-10p.

Stations: U92.7, 93.7, 106.9,100.5 and 98.5

- pricing based on a 4 week month

Monthly Package \$3,500 /Month

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: APPROVE AMENDMENT NO. 4 TO REIMBURSEMENT AGREEMENT WITH COACHELLA VALLEY ASSOCIATION OF GOVERNMENTS FOR AVENUE 48 ARTS AND MUSIC LINE PROJECT NO. 2020-08

RECOMMENDATION

Approve Amendment No. 4 to the Reimbursement Agreement with the Coachella Valley Association of Governments for the Avenue 48 Arts and Music Line Project No. 2020-08; and authorize the City Manager to execute the amendment.

EXECUTIVE SUMMARY

- Coachella Valley Association of Governments (CVAG) is the lead agency for the Avenue 48 Arts and Music Line project improvements and has contracted Webb and Associates to design the project (Attachment 1).
- In March 2020 the City approved a reimbursement agreement with CVAG along with the Cities of Coachella and Indio. The participating cities' local share of the design cost is determined by their respective linear mileage of the project.
- CVAG was successful in receiving an Active Transportation Program (ATP) grant in the amount of \$36.483 million for the construction.
- Amendment No. 1 updated the cost share associated with the design, Amendment No. 2 added additional design to the agreement, and Amendment No. 3 incorporated construction management costs and added the non-infrastructure services to the agreement.
- Amendment No. 4 authorizes additional scope of services for Albert A. Webb Associates for the design of the project.

FISCAL IMPACT

Amendment No. 4 will revise CVAG's 75% total regional share under the agreement to \$5,640,394, and the 25% local share to \$1,881,131. The total project cost is allocated as follows:

	Executed	Amendment Amount	Regional Share	Local Share
Original Contract	March 18, 2020	\$2,731,897	\$2,048,923	\$682,974
Amendment No. 1	February 28, 2022	\$0.00	\$0.00	\$0.00
Amendment No. 2	December 5, 2022	\$1,060,000	\$795,000	\$265,000
Amendment No. 3	December 4, 2023	\$1,494,063	\$1,120,547	\$373,516
Amendment No. 4	April 29, 2024	\$2,234,565	\$1,675,924	\$558,641
	Total Contract not-to-exceed	\$7,520,525	\$5,640,394	\$1,880,131

The 25%, or \$1,880,131, local share is divided between the Cities of La Quinta, Indio, and Coachella based on their respective linear mileage of the project; each city’s share is detailed in the table below. The City’s total share of the 25% is \$470,033, which includes an additional \$139,660 for Amendment No. 4. There is sufficient funding in the project budget (401-0000-60188-202008-D) for the additional cost to the City.

La Quinta	Indio	Coachella	Total Local Share (25%)
\$470,033 (25%)	\$1,259,688 (67%)	\$150,410 (8%)	\$1,880,131 (100%)

BACKGROUND/ANALYSIS

CVAG coordinated with the cities of La Quinta, Coachella, Indio, and Riverside County to develop the 10-mile project. The Arts and Music Line is a community connector to the CV Link that’s located primarily along Avenue 48 between Highway 86 and Washington Street. The eastern end will extend along Dillon Road to the Spotlight 29 Casino. The western end will extend southward along Washington Street and then further west and south along Eisenhower Drive, connecting to the Bear Creek Trailhead at the western terminus of Calle Tampico.

The project’s design will incorporate both light and sound, and provide pedestrians and cyclists safe access to the music and art festivals at the Empire Polo Grounds. Partnerships with two school districts and Golden Voice, provides an opportunity to feature students’ art and music along the route.

In March 2020, the City executed a reimbursement agreement with CVAG and the cities of Indio and Coachella for the design of the project. The Avenue 48 Arts and Music Line is a priority identified in CVAG’s Transportation Project Prioritization Study (TPPS) and was therefore eligible for regional transportation funding. By designing this project, CVAG was able to secure a \$36.483M ATP grant for construction.

Amendment No. 1, executed February 2022, revised the cost share after a portion of the La Quinta improvements was removed to improve the chances of receiving ATP grant funding. Amendment No. 2, executed December 2022, included additional design costs.

Amendment No. 3 extended the term of the agreement through December 31, 2025, incorporated the costs associated with pre-construction and construction management services per CVAG's agreements with Anser Advisory Management, LLC and T.Y. Lin International, and added non-infrastructure services per CVAG's agreement with Chen Ryan Associates.

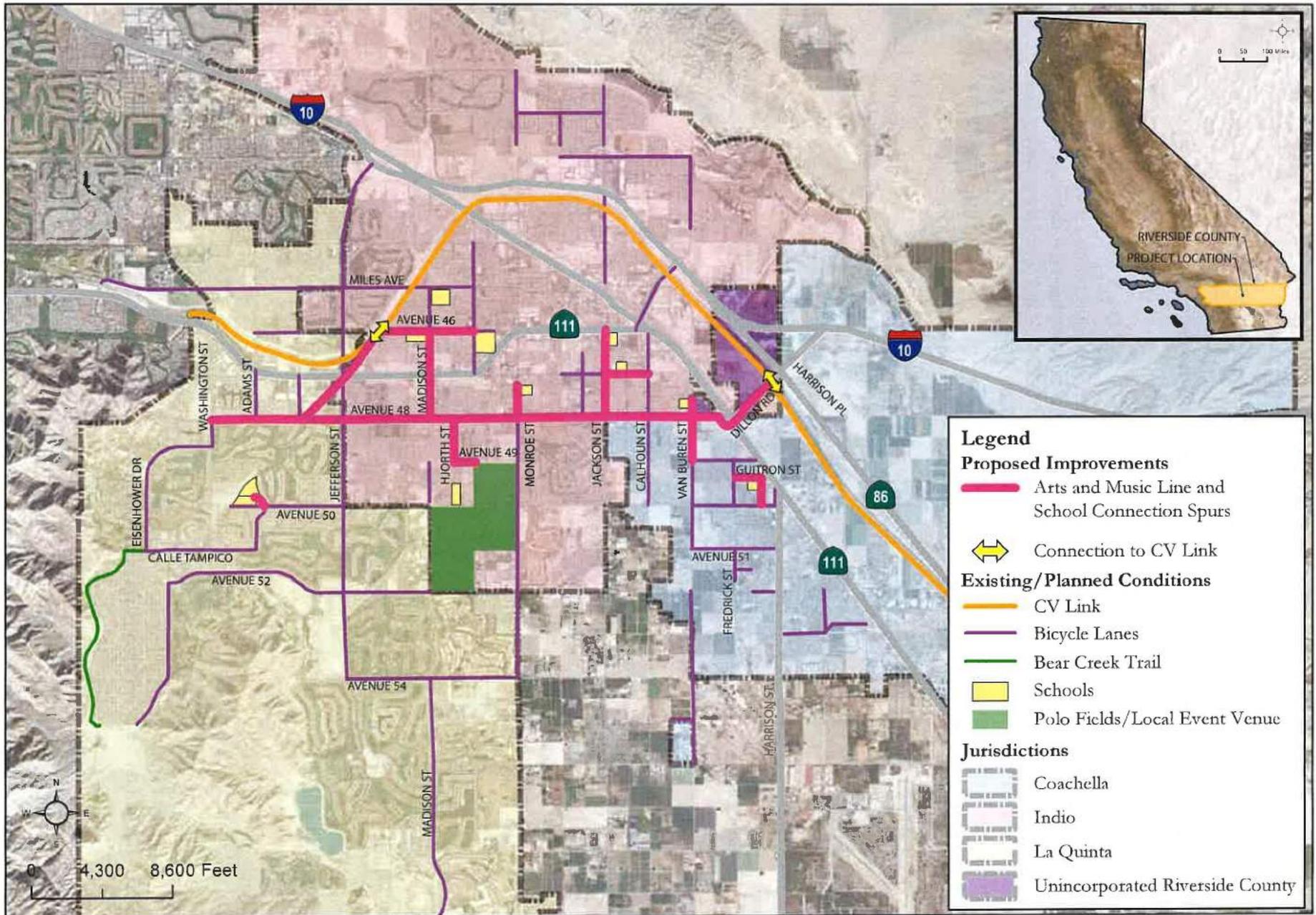
Proposed Amendment No. 4 authorizes the additional scope of services in accordance with the attached Albert A. Webb Associates letter dated March 11, 2024, for the not-to-exceed amount of \$2,234,565. The total amount payable shall not exceed \$7,520,525.

ALTERNATIVES

Council may elect not to approve this amendment.

Prepared by: Carley Escarrega, Administrative Technician
Approved by: Bryan McKinney, PE, Public Works Director/City Engineer

Attachments: 1. Avenue 48 Arts and Music Line Project Map
2. Amendment No. 4 to Reimbursement Agreement With CVAG



CVAG Arts and Music Line
 Active Transportation Program Cycle 6 Grant Application

Project Location Map

Contract No. CVAG-20-018-04
 Project: ATP – Arts and Music Line

**AMENDMENT NUMBER FOUR
 TO THE
 REIMBURSEMENT AGREEMENT BY AND BETWEEN
 CVAG AND THE CITY OF LA QUINTA
 FOR THE
 ATP – ARTS AND MUSIC LINE**

This **AMENDMENT NUMBER FOUR** is made and entered into this 29th day of April 2024, by and between the **Coachella Valley Association of Governments**, a California joint powers agency (CVAG), the **City of La Quinta** (Agency) and is made with reference to the following background facts and circumstances. All other terms and conditions shall remain the same as stated in the original agreement dated March 18, 2020 for the ATP – Arts and Music Line Project.

1. **This Amendment Number Four authorizes the additional scope of services in accordance with the attached Albert A. Webb Associates letter dated March 11, 2024 for the not-to-exceed amount of \$2,234,565. The total amount payable shall not exceed \$6,026,462.**
2. **This Amendment Number Four increases CVAG’s Regional Share to \$5,640,394, and the Local Share to \$1,880,131.**
3. **This Amendment Number Four authorizes CVAG to amend the cost-sharing agreements between CVAG and the Cities of La Quinta, Indio and Coachella for design costs related to the ATP - Arts and Music Line, by adding \$2,234,565 to the total costs for a revised total of \$7,520,525 which represents an additional \$1,675,924 totaling \$5,640,394 for the 75 percent CVAG share and an additional \$558,641 totaling \$1,880,131 for the 25 percent local share.**

	CVAG Approval Date	Amendment Amount	Regional Share (75%)	Local Share (25%)
Original Contract	March 18, 2020	\$2,731,897	\$2,048,923	\$682,974
Amendment Number One	February 28, 2022	No Cost	\$0	\$0
Amendment Number Two	December 5, 2022	\$1,060,000	\$795,000	\$265,000
Amendment Number Three	December 4, 2023	\$1,494,063	\$1,120,547	\$373,516
Amendment Number Four	April 29, 2024	\$2,234,565	\$1,675,924	\$558,641
Total Contract not-to-exceed		\$7,520,525	\$5,640,394	\$1,880,131

Based on the revised additional \$558,641 to the local share, the revised 25 percent local share, totals \$1,880,131 per this amendment, which will be split between the cities of La Quinta, Coachella and Indio as follows:

La Quinta	Indio	Coachella	Total Local Share (25%)
\$470,033	\$1,259,688	\$150,410	\$1,880,131
(25%)	(67%)	(8%)	(100%)

SIGNATURES ON NEXT PAGE

The parties hereto have caused this **Amendment Number Four** to be executed by their duly authorized representatives on the above-reference date.

ATTEST

CITY OF LA QUINTA

By: _____
Monika Radeva, City Clerk

By: _____
Jon McMillen, City Manager

ATTEST

**COACHELLA ASSOCIATION OF
GOVERNMENTS**

By: _____
Allen McMillen, Contracts Analyst II

By: _____
Tom Kirk, CVAG Executive Director

Attachment A-1

Albert A. Webb Associates – Arts & Music Line Amendment No. 3

Additional Scope of Services and Compensation

Please refer to the following Albert A. Webb Associates letter dated March 11, 2024



Corporate Headquarters
3788 McCray Street
Riverside, CA 92506
951.686.1070

Murrieta Office
41870 Kalmia Street #160
Murrieta, CA 92562
T: 951.686.1070

March 11, 2024

Mr. Randy Bowman
Program Manager - Transportation
Coachella Valley Association of Governments
74-199 El Paseo, Suite 100
Palm Desert, CA 92260

RE: CVAG' s Arts & Music Line Contract Amendment

Dear Randy:

Albert A. Webb Associates (WEBB) is requesting a budget amendment for Arts & Music Line to provide additional professional services related to additional engineering and additional environmental documentation according to the National Environmental Policy Act (NEPA).

The Scope of Services is described in Exhibit A, and the Compensation for Additional Work is described in Exhibit B.

We look forward to continuing to work with CVAG on this project.

Sincerely,

Albert A. Webb Associates

A handwritten signature in blue ink that reads "Dilesh Sheth".

Dilesh Sheth, PE, TE
Senior Vice President



EXHIBIT A - SCOPE OF SERVICES

Task 1 – Additional NEPA Services

NEPA Technical Studies

Additional effort associated with the Caltrans NEPA document coordination and technical studies.

HRER

- Æ will prepare an Historic Resource Evaluation Report (HRER) to the standards outlined in Caltrans Standard Environmental Reference (SER), Volume 2, Cultural Resources.
- Æ will include additional time for Caltrans' second review of the Historic Properties Survey Report (HPSR) packet to accommodate two rounds of comments for the HRER.
- WEBB will include additional time for Caltrans review and coordination.

La Quinta Evacuation Channel East Bank

Address the change in project design from the west to the east bank of the channel:

- Æ will conduct a pedestrian spot-check survey of the east side of the La Quinta Evacuation Channel.
- Æ will update the HRER, Archaeological Survey Report (ASR), Area of Potential Effects (APE) map, and HPSR with the revised project description and survey results.
- Æ will include additional time for a third round of review and comments of the HPSR packet by Caltrans.
- WSP will conduct a site visit of east bank and prepare a memorandum for Caltrans review and approval to supplement the approved Natural Environment Study – Minimal Impacts (NES-MI) and Jurisdictional Delineation.
- WEBB will include additional time for Caltrans review and coordination.

Water Quality Technical Memorandum

- WEBB will address the comments from Caltrans requesting additional detail in the Water Quality Technical Memorandum (WQTM).
- A Risk Level Assessment will be conducted and requested calculations of disturbed surface will be provided for the entire project and the east bank alignment change.
- WEBB will include additional time for Caltrans review and coordination.

Traffic Study

Analyze additional intersections for traffic signal warrants.

- Youngs Lane & Avenue 48
- Solano Avenue/Sundial Street & Avenue 48
- Oasis Street & Avenue 48
- Rancho Las Flores Park Driveway & Van Buren Street
- Van Buren Street with an RRFB or Pedestrian Hybrid Beacon at Martin Van Buren Elementary
- Avenue 49 and Braley Court, a Pedestrian Hybrid Beacon

Task 2 – Geotechnical and Drainage Analyses for the Bike Barrier Mitigations

Avenue 48 within the boundaries of the City of Indio and the City of Coachella currently does not have the Master Drainage System in place. Consequently, it frequently experiences significant water accumulation on the street during rainstorms. In response to this issue, both cities have sought drainage solutions to address the reduced capacity resulting from the proposed bike barrier on the street's north side. As part of our inquiry, we have pinpointed medians near Solano Avenue as potential locations for implementing underground storm drain systems. Our scope of service is as follows:

- We will prepare drainage analysis to determine the loss of capacity due to bike barriers along Avenue 48 between Washington Street and Dillon Road.
- We will prepare drainage analysis to determine the mitigation stormwater volume at the downstream end of Avenue 48 to keep the flow depth to the previous condition.
- We will prepare drainage analysis to determine the underground drainage system needed to mitigate the additional flow.
- We will perform hand excavation of four percolation borings to depths up to 10 feet below the ground surface. Collect soil samples for grain size analyses. Set percolation pipe in the percolation borings and pre-saturate the test locations.
- We will perform percolation testing in accordance with the Riverside County Handbook. Upon test completion, we will pull the percolation pipe and loosely backfill the borings with native soil.
- We will perform laboratory testing, which is anticipated to include grain size analyses. The final laboratory test program will depend on the soil conditions encountered during the investigation.
- We will prepare a limited percolation test report for the project, including a discussion of the soil types encountered, grain size analyses test results, percolation test data with calculated infiltration rates, and a figure depicting the percolation test locations.

Task 3 – La Quinta Evacuation Channel Connector (LQEC Connector) Technical Memorandum, Alignment and Design Changes

Assess five potential alignment options for the LQEC connector and draft a technical memorandum outlining the rationale behind selecting the preferred option.

In response to a request from CVWD staff during the December 18th meeting, relocate the LQEC Connector to the east bank and ensure the Channel Connector remains outside of a 100-year flood zone. Our scope of service includes:

- We will prepare preliminary alignment and profile for the east bank LQEC Connector. Prepare preliminary retaining wall profile to keep the 100-year flood. Prepare preliminary drainage analysis for before and after conditions.

- We will provide coordination with the CVWD and their consultant for preliminary design and drainage analysis approval.
- We will prepare the final alignment and profile for the east bank LQEC Connector. Prepare the final retaining wall profile design to keep the 100-year flood. Prepare final drainage analysis for before and after conditions. Prepare scour analysis per CVWD requirements.
- We will prepare a structural design for the retaining wall and the LQEC Connector.
- We will prepare electrical design alternatives and final electrical design plans.
- We will prepare plans for the safety features (phone booth, surveillance camera, and sensors).
- We will coordinate with the CVWD and their consultant to approve the final design, drainage, and scour analysis.

Task 4 – Hjorth Street Alignment Extension to Avenue 50

The Mountain Vista Elementary School (School) is located between Avenue 49 and Avenue 50 on Hjorth Street. To enhance student benefits, CVAG has chosen to extend the Arts and Music Line to connect with the school. Our scope of service is outlined as follows:

Collect traffic and parking data at the school site.

- We will prepare school connector alternatives with Class IV, Class III, and Class II bike facilities, as well as different parking configurations, and provide traffic calming features.
- We will coordinate with the City of Indio and obtain approval for preferred alternatives.
- We will prepare final street improvement and signing & striping plans

Task 5 - Prepare Improvement Plans for New Traffic Signals

As listed within the NEPA traffic study, additional intersections are supported for traffic signal warrant analysis, including pedestrian bicycle treatments. Our scope of service includes the final design of the following intersections:

- Youngs Lane & Avenue 48
- Solano Avenue/Sundial Street & Avenue 48
- Oasis Street & Avenue 48
- Rancho Las Flores Park Driveway & Van Buren Street
- Van Buren Street with an RRFB or Pedestrian Hybrid Beacon at Martin Van Buren Elementary
- Avenue 49 and Braley Court, a Pedestrian Hybrid Beacon

Task 6 – Revise Signing and Striping Plans

Due to the modifications of the traffic study operational analysis and civil adjustments of curb and gutter, several iterations impacted the final design elements of the signing and striping layouts at the proximity of the intersections and transitions to and from existing conditions. Our scope of service is outlined as follows:

- We will utilize traffic simulation tools to evaluate the impact of proposed signing and identified areas for enhancement or revision.
- Local, regional, and state regulations from the CA-MUTCD had been updated during the design process. The team will implement modifications to account for design impacts.
- We will modify sight lines and placement of signs to minimize overlapping.
- We will determine appropriate signage placement and types, considering factors such as visibility, readability, and driver comprehension.

Task 7 – Prepare Signing, Striping, and Pavement Marking Plans for the School Connector Spurs

- We reviewed inventory of existing bike signing, striping, and markings along the school connector spurs.
- We reviewed the City of Indio's grind and overlay project signing & striping plans.
- We provided recommendations for improvements based on existing and after grind and overlay project completion.
- We Prepared signing, striping, and marking improvement plans for the following roadways.
 - Avenue 46 from Shields Road to Clinton Street
 - Madison Street from Avenue 48 to Avenue 46
 - Monroe Street from Avenue 48 to Dr. Carreon Boulevard
 - Jackson Street from Jackson Street to Highway 111
 - Dr. Carreon Boulevard from Jackson Street to Calhoun Street
 - Moon River Drive from Avenue 50 to La Quinta Middle School

Task 8 – Additional Effort for the Project Lighting

Connector Mock Up

- We will coordinate Mockups with the consultant team and agencies to provide location and costs for Mockup Demo of lighting fixtures.
- We will coordination with Manufacturers for product costs and delivery

- We will coordinate with the controls team to run night-time demonstrations of the color-changing capabilities of proposed light fixtures.
- We will coordinate for a power source to run proposed light fixtures.

Connector Lighting Consultation Revisions

- We will provide a new lighting scheme along Dillon Rd. from Ave 48 to Cabazon Rd. Lighting shall be incorporated into the raised concrete barrier. Coordinate pricing and cost estimate updates with BABA-compliant lighting fixtures. Lighting designs shall be a collaborative effort between lighting designer, civil engineer, and project artist.
- We will provide a new lighting scheme along Hjorth St. from Avenue 48 to Avenue 49, on Van Buren St. from Avenue 48 to the project boundary, and along Dillon Rd. from Cabazon to the freeway overpass. Lighting shall be incorporated into the concrete path per Circular Dimensions request. Coordinate pricing and cost estimate updates. Lighting designs shall be a collaborative effort between the lighting designer, civil engineer, and artist. Provide a new lighting scheme along the channel connector to the project boundary/CV link connection bridge. Lighting shall be incorporated per the direction of Circular Dimensions. Coordinate pricing and cost estimate updates. Lighting designs shall be a collaborative effort between the lighting designer, civil engineer, and artist.
- Additional team meetings for lighting design coordination with artist and agencies.

Connector Electrical Construction Document Revisions

- We will update existing electrical construction documents to include the new lighting designs along Dillon Rd. from Ave 48 to Cabazon Rd., along Hjorth St. from Ave 48 to Avenue 49, on Van Buren St. from Avenue 48 to the project boundary, along Dillon Rd. from Cabazon to the freeway overpass and along the channel connector to the project boundary/CV link connection bridge. Provide electrical engineering services for additional electrical systems and lighting controls for new lights, modify panel schedules, details, and fixture schedules, and coordinate drafting services.
- We will have additional coordination with the team for an additional electrical meter pedestal and lighting control cabinet. Three (3) anticipated.
- We will Provide CSI 'Book' specifications for all light fixtures.

Connector Baba Compliance coordination

- We will provide consultation and coordination to provide alternate BABA-compliant light fixtures per CVAG request. Lighting concepts and budgets were established before BABA compliance requirements.

- Before the construction, WEBB will organize a lighting demonstration event for the project. This is to ensure that all stakeholders have a clear understanding of the proposed lighting solutions.

Connector Fiber Connection Coordination/Plan Revisions.

- We will provide coordination and design changes to the electrical documents, including fiber drops into the lighting control cabinets. Additional coordination with the lighting commissioning team is needed to determine the fiber switch interface with lighting control equipment.
- We will have additional team meetings for control cabinet locations and lighting control requirements.

Task 9 – Coordination with the CV Sync Project

CVAG is implementing Phase 2 of the CV Sync project along Avenue 48, spanning from Washington Street to Dillon Road. The construction of the CV Sync project will precede Arts and Music Line. It's imperative to coordinate efforts with the CV Sync project to reduce the need for reconstructing the CV Sync facility and to ensure its compatibility as communication infrastructure for the Arts and Music Line.

Task 10 – Revise Street Improvements and Intersection Improvement Plans

- We will prepare street improvement plans for the Dr. Carreon segment from Jackson St to Calhoun St in Indio.
- We will update the intersection of Washington Street and Avenue 48 to minimize the reconstruction and acquisition of additional right-of-way.
- We will update street improvement plans for bike barrier saw-cut lines.
- We will update ramps around adjusted traffic signal poles to meet ADA guidelines.
- We will update Van Buren street improvements to accommodate IID pole relocation requirements.

Task 11 – Revise Art Treatment Plans

- WEBB will revise art treatment plans to reduce the color concrete.

Task 12 – Research and Recommend Cost Effective Alternate to the Color Concrete

WEBB will conduct a thorough analysis of costs associated with alternative pavement coating options, providing stakeholders with insights into the financial/ maintenance and constructability implications. Additionally, a memorandum will outline the advantages and disadvantages of using alternative coating pavement compared to the originally proposed

colored concrete, facilitating informed decision-making.

Task 13 – Additional Graphics, Animation, and Presentation Preparation Services

- We obtained drone footage for the La Quinta Evacuation Channel.
- We Prepared three animations (at-grade, undercrossing, and overcrossing for the LQEC west bank connector.
- We Prepared two animations for the LQEC east bank connector with different lighting options.
- We will prepare and assist with presentations for CVWD, Safety Personnel, and the school district.

Task 14 – Prepare Tree Planting Exhibit for the Urban Greening Program Grant

WEBB assisted the CVAG with preparing an exhibit for tree-planting along the Arts and Music alignment. WEBB reviewed existing landscaping, trees, opportunities, and constraints along the corridor and recommended the proposed trees.

Task 15 – Prepare Additional Legal and Plats and Provide Additional Right-of-Way Effort

We have estimated that approximately 15 legal and plats are needed for the project. After 65% plan preparation, it is determined that an additional 35 legal and plats are required. We will prepare additional legal and plats.

WEBB will provide additional appraisals, acquisitions, negotiations, and escrow coordination services.

Task 16 – Utility Potholing and Utility Relocation

- We estimated approximately 20 potholes are needed for the project. After 65% plan preparation, it is determined that an additional 30 potholes are needed for the project.
- We will coordinate with IID to relocate power poles along Van Buren.
- We will coordinate with the Valley Sanitary District for manholes located within the bike barrier.

Task 17 – Additional Field Survey

- WEBB conducted further research on ROW and titles for the existing easements along Ave 48, including locations at Adams St, Endless Sky, Dune Palms Rd, Miraflores Blvd, Bougainvillea St, Jefferson St, Hjorth St, Calle Conejo, Coronado Dr, Desert Grove Dr, Arabia St, Oasis St, and intersections at Ave 49/Hjorth St, Ave 49/Braley Ct, Van Buren St, Las Flores Park, as well as along Dillon Rd.
- WEBB conducted additional field topo and ROW delineation research at Solano Ave and the parkway spanning between Monroe St and Arabia St, to facilitate the installation of a new signal location and for drainage mitigation purposes.

- WEBB also conducted extra field topo at intersections along Ave 48, including Jackson St, Madison St, Monroe St, Outdoor Resort, Shields Ave, and Youngs Ln, to ensure compliance with ADA curb ramp designs.
- Furthermore, WEBB will conduct field topo and ROW research along the Dr. Carreon segment between Jackson St and Mangrove St. This is intended to support roadway widening efforts aimed at accommodating buffered Class II bike lanes at this segment.

Task 18 – Wayfinding Signages and Bike Amenities Hubs

Wayfinding Signages & Project Specific Signs

- As part of enhancing accessibility and navigation within the project area, WEBB will prepare the wayfinding signage plan. This plan will optimize the placement and design of signages to facilitate smooth movement for bicyclists along the corridor.
- WEBB will design the street name signs explicitly tailored for the project, contributing to a cohesive and visually appealing streetscape that enhances the overall aesthetics and functionality of the project.

Bicycle Amenities Data Review and Design

- We will review the project bike amenities matrix at 9 locations and make recommendations on needed improvements. The recommendations will take into account the condition of each amenity type, required maintenance, needed utility infrastructure, or other specifics.
- The team will develop a memorandum that reflects the specifications for each amenity type, inventory results, recommendations to be shown at the 9 locations (amenities layouts), and submit the results for CVAG acceptance.
- We will develop a layout and submittal for each of the nine locations including specific location for each amenity type.
- Results for the task will be presented via a virtual meeting and the task assumes one round of revisions. Attend up to two (2) meetings with the project team.
- WEBB will provide the landscape themed plan sheets for the proposed bike amenities locations.

Task 19 – Additional Project Management and Coordination

WEBB will provide additional project management and coordination. WEBB will schedule, chair, and prepare meeting agendas and meeting minutes. WEBB will collaborate closely with Golden Voice and the School District to facilitate and design the connection between Ave 49 and 50.

Task 20 – Additional Specification and Cost Estimate

WEBB will provide project specifications and cost estimates, including various options like colored concrete or pavement coating alternative for the bike pathway, as well as alternatives for the raised bike barrier.

EXHIBIT B - COMPENSATION FOR ADDITIONAL SCOPE OF SERVICES

Services described in our Scope of Work (Exhibit "A") shall be provided on a time and material basis not to exceed **\$2,234,565**.

Compensation Breakdown

Task 1-Additional NEPA Effort	\$ 87,441
Task 2-Geotechnical and Drainage Analyses for the Bike Barrier Mitigation	\$ 28,457
Task 3-La Quinta Evacuation Channel Connector (LQEC Connector)	\$ 358,989
Task 4-Hjorth Street Alignment Extension to Ave 50	\$ 47,000
Task 5-Prepare Improvement Plans for New Traffic Signal	\$ 203,500
Task 6-Revise Signing and Striping Plans	\$ 165,000
Task 7-Prepare Signing, Striping, and Pavement Marking Plans for the School Connector Spur	\$ 25,000
Task 8- Additional Effort for the Project Lighting	\$ 88,705
Task 9-Coordination with the CV Sync Project	\$ 10,000
Task 10-Resive Street Improvement & Intersection Improvement Plans	\$ 250,000
Task 11-Revise Art Treatment Plans	\$ 25,000
Task 12-Research & Recommend Alternate for Color Concrete	\$ 20,000
Task 13-Additional Graphics, Animation & Presentation Preparation	\$ 87,660
Task 14-Prepare Tree Planting Exhibit for Urban Greening Grant	\$ 12,000
Task 15-Prepare Additional Legal & Plats & Additional ROW	\$ 320,643
Task 16-Utility Potholing and Utility Relocation	\$ 189,670
Task 17-Additional Field Survey	\$ 30,000
Task 18-Wayfinding Signage and Bike Amenities Hubs	\$ 80,000
Task 19-Additional Project Management and Coordination	\$ 163,500
Task 20-Specifications and Cost Estimate	\$ 42,000
	<hr/>
	\$ 2,234,565

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: APPROVE AMENDMENT NO. 3 TO AGREEMENT FOR CONTRACT SERVICES WITH HGA TO ALLOCATE FUNDING FOR ADDITIONAL DESIGN SERVICES FOR CULTURAL CAMPUS PROJECT NO. 2019-01

RECOMMENDATION

Approve Amendment No. 3 to Agreement for Contract Services with HGA to allocate funding for additional design services for Cultural Campus Project No. 2019-01 in the amount of \$18,718; and authorize the City Manager to execute the amendment.

EXECUTIVE SUMMARY

- On March 1, 2022, Council approved an Agreement for Contract Services (Agreement) with Hammel, Green, and Abrahamson (HGA) to provide master planning and preliminary design services for the La Quinta Cultural Campus Project (Project).
- HGA collaborated with staff and stakeholders to design the Project, and on April 16, 2024, Council approved the preliminary design plans.
- Amendment No. 3 (Attachment 1) to the Agreement proposes an \$18,718 increase in compensation for the design of additional Project components that were not included in the original Project scope.

FISCAL IMPACT

Project budget reallocation of \$18,718 into the master planning and preliminary design services category, for a total of \$550,832, is requested due to costs related to additional Project components that were not included in the original design scope.

The Project budget was allocated in fiscal years (FY) 2019/20 and 2020/21 Capital Improvement Program (CIP). The current Project budget of \$3,310,000 is available for FY 2023/24. FY 2024/25 proposes to include an additional \$1,500,000 for design and construction. The following is the Project budget:

	Current Project Budget	Proposed Project Budget
Professional	\$ 190,182	\$ 190,182
Master Planning/Design	\$ 550,832	\$ 1,032,114
Construction	\$ 2,053,636	\$ 3,053,636
Inspection/Testing/Survey	\$ 217,705	\$ 217,705
Contingency	\$ 297,645	\$ 316,363
TOTAL:	\$ 3,310,000	\$ 4,810,000

BACKGROUND/ANALYSIS

The components of the La Quinta Cultural Campus include the La Quinta Museum, Lumberyard, casita, archive, and art plaza/gathering space referred to as the “oasis” (Attachment 2). In March 2022, an agreement was approved with HGA to provide master planning and preliminary design services for the Project with a focus on the following areas:

- Creating a more welcoming and clearly defined museum entrance
- Improving museum flow and functionality
- Creating an inviting outdoor space for small events, art opportunities, and educational workshops
- Expanding and enhancing archive space

Project preliminary design plans were prepared by HGA based on requests and feedback provided by staff and stakeholders, including the La Quinta Historical Society and a Cahuilla Tribal Consultant. HGA presented updates to Council in June 2022, and March and July 2023 for direction and feedback.

On April 16, 2024, Council approved the preliminary design plans for the Project and authorized staff to move forward to the construction drawing phase.

Amendment No. 3, if approved, will use contingency funds to increase compensation for master planning and preliminary design services by \$18,718, for a total of \$550,832 of the Project budget, for costs related to additional Project components, specifically an enclosed hallway near the Museum entrance and a window in the Museum office area, added at staff’s request, which were not included in the original Project scope.

ALTERNATIVES

Council may deny and/or revise the proposed amendment.

Prepared by: Michael Calderon, Management Analyst
 Approved by: Christina Calderon, Community Services Deputy Director

Attachments: 1. Amendment No. 3
 2. Cultural Campus Rendering

AMENDMENT NO. 3 TO AGREEMENT FOR CONTRACT SERVICES WITH HGA

This Amendment No. 3 (“Amendment 2”) to Agreement for Contract Services (“Agreement”) is made and entered into as of the 18 day of June 2024, (“Effective Date”) by and between the CITY OF LA QUINTA (“City”), a California municipal corporation and HGA, a Corporation (“Contracting Party”).

RECITALS

WHEREAS, on or about March 2, 2022, the City and Contracting Party entered into an Agreement to provide Master Planning and Preliminary Design for the La Quinta Cultural Campus Project No. 2019-01, for a total not to exceed amount of \$457,300. The term of the Agreement expired on June 30, 2023 (“Initial Term”); and

WHEREAS, on or about June 27, 2023, the City and Contracting Party executed Amendment No. 1 and mutually agreed to extend the term of the Agreement for one additional year, from July 1, 2023, through June 30, 2024 (“Extended Term”); and

WHEREAS, on or about September 11, 2023, the City and Contracting Party executed Amendment No. 2 and mutually agreed to amend Section 2.1 Contract Sum of the Agreement by an additional amount of \$16,250 for preliminary design work initially scheduled for Phase 2 of the project, for a total not to exceed amount of \$473,550: and

WHEREAS, the City and Contracting Party mutually agree to amend Section 2.1 Contract Sum of the Agreement by an additional \$18,718 for additional design work not included in the original scope of the project, for a total not to exceed amount of \$492,268.

NOW THEREFORE, in consideration of the mutual covenant herein contained, the parties agree as follows:

AMENDMENT

In consideration of the foregoing Recitals and the covenants and promises hereinafter contained, and for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree as follows:

1. Section 2.1 is amended to read as follows:

Section 2.1 Contract Sum. For the Services rendered pursuant to this Agreement, Contracting Party shall be compensated in accordance with “Exhibit B” (the “Schedule of Compensation”) in a total amount not to exceed Four Hundred Ninety Two Thousand Two Hundred Sixty Eight Dollars (\$492,268) (the “Contract Sum”), except as provided in Section 1.7. The method of compensation set forth in the Schedule of Compensation may include a lump sum payment upon completion, payment in accordance with the percentage of completion of the Services, payment for time and materials based upon Contracting Party’s rate schedule, but not exceeding the Contract Sum, or such other reasonable methods as may be specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Contracting Party at all project meetings reasonably

deemed necessary by City; Contracting Party shall not be entitled to any additional compensation for attending said meetings. Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, transportation expense, telephone expense, and similar costs and expenses when and if specified in the Schedule of Compensation. Regardless of the method of compensation set forth in the Schedule of Compensation, Contracting Party's overall compensation shall not exceed the Contract Sum, except as provided in Section 1.7 of this Agreement.

In all other respects, the original Agreement shall remain in effect.

IN WITNESS WHEREOF, the City and Contracting Party have executed this Amendment No. 3 to the Agreement on the respective dates set forth below.

CITY OF LA QUINTA
a California municipal corporation

HGA

JON McMILLEN, City Manager
City of La Quinta, California

KEVIN DONAGHEY, Principal
HGA

Dated: _____

Dated: _____

ATTEST:

MONIKA RADEVA, City Clerk
City of La Quinta, California

APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

Exhibit A Scope of Services

SCOPE OF SERVICES

Professional design services for this effort are as listed below, and will be provided by HGA unless noted otherwise):

1. Architectural / Planning
2. Civil
3. Landscape
4. Structural
5. Electrical
6. Lighting Design
7. IT / Security (Low Voltage)
8. Cost Estimating
9. Tribal Liaison – Major Robinson

PROJECT PHASES:

The scope of work includes the following project phases by percentage:

1. Master Planning – 40%
2. Preliminary Design – 60%

SCOPE DESCRIPTION (FROM RFP):

Phase 1 – Master Planning

- Utilize information found in the Village Build-out Plan and accompanying EIR to create a master plan of the Cultural Campus components to be integrated with La Quinta Community Park owned by DRD and the surrounding Village.
- Open up the lumberyard property to create access to the Village Promenade.
- Identify walkability/connectivity opportunities between the Cultural Campus and other points of interest in the Village (Old Town, other shopping centers, parks, neighborhoods, etc.)
- Identify parking for the Cultural Campus.
- Improve the flow in the existing Museum and create a natural walkway space between the Cultural Campus components.
- Conduct community outreach (both virtual and in-person)
- Develop Cultural Campus Master Plan consistent with Village Commercial District and Village Build-out Plan Area (codified in the La Quinta Zoning Code).
- Establish standards for architectural materials, landscape planting/hardscape palettes
- Confirm scope extents for Phase 2 work (including museum archiving resources)

Phase 2 – Preliminary Design

Site Improvements (Conceptual Options and Preliminary Plans)

Provide up to three (3) options to create spaces as identified below (Art Exhibition, Garden, Connectivity), and prepare preliminary plans from the City-approved option that include floor plans, elevations, site improvements, seismic analysis, landscape layout, irrigation layout with point of connection, parking layout, specifications, cost estimate, and utility layout with point of connections. In addition:

- Consult the information found in the seismic review and historic assessment of the properties previously conducted by the City and implement the findings in the design.
- Based on seismic retrofit, utilize the window view corridors of the lumberyard as exhibit opportunities and/ or utilize the lumberyard outdoor area as covered outdoor event space.
- Incorporate trees throughout the campus.
- Improve Casita back entry to allow easier access from Museum.
- Create a main entrance that is connected and inviting, in order to improve wayfinding for entrances to the Museum.
- Incorporate breezeways to connect spaces.
- Create a shaded space for outdoor art installations, performances, and entertainment.
- Create new indoor and outdoor exhibit space to house temporary and/or permanent art exhibits and installations including opportunities for Art in Public Places pieces.
- Improve the audio/visual and wifi components to allow interactive/digital displays
- Create a space for non-archive storage.
- Enhance the lighting on the interior/exterior of the buildings.
- Incorporate amenities and infrastructure to provide sound and music throughout the space.
- Identify easily maintained plants at the Cahuilla garden.
- Coordinate with utility companies to underground utility poles located on the south side of the property (reroute scope NIC, to be carried out by utility company)
- Coordinate with Coachella Valley Water District to procure a point of connection for irrigation water.

Cultural/Historical Archiving Resources (Conceptual Options and Preliminary Plans)

Provide up to three (3) options to construct a permanent archive location that meets artifact and Museum standards, with locations considered within one of the existing buildings or as a separate building located within the Cahuilla Gardens, and prepare preliminary plans from the City-approved option that will include floor plans, elevations, site improvements, seismic analysis, specifications, cost estimate, and utility layout with points of connections.

In addition, coordinate requirements for Archiving Space that include:

- Storage area protection from exterior environment and light, and ability to consistently maintain a small range of temperature/light/humidity
- Location away from pipes/water heaters, etc. that can leak, emit heat/light
- Specify shelving/cabinets secured to floors and walls

- Temperature control in space that meet archive standards by means of system that heats, cools, humidifies and dehumidifies to maintain proper conditions.
- Locate area to be separated from exterior walls/doors, by corridors/offices, etc. (no windows/doors opening to the exterior in storage space)
- Extra storage space to accommodate future needs
- Work/processing space within the storage area
- Storage space for archive/preservation materials
- Archivist office space
- Research space for public/researchers to view collections items
- Archive security, such as surveillance and access control
- Coordinate with Coachella Valley Water District as needed to procure a point of connection for water and sewer.

MEETINGS:

HGA will facilitate and/or attend the following meetings at each project phase. See attached project schedule for approximate timeframe. For each workshop, HGA can facilitate separate sessions as needed to accommodate the various project stakeholders and components, but it is assumed that this will not exceed four (4) separate sessions per workshop.

Meetings are assumed to be virtual unless otherwise noted or specifically required by La Quinta.

Master Planning:

1. Initial Kick-Off / Visioning (*In-Person*):
 - Tour Facility; Establish Goals; Confirm Roles/Responsibilities and Project Extents
2. Planning Workshop #1
 - Recap Visioning Goals and Confirm Priorities; Review Constraints and Opportunities
3. Planning Workshop #2 (*In-Person*)
 - Re-Confirm Priorities, Constraints and Opportunities; Benchmarking; Planning Options
4. Planning Workshop #3
 - Review Updated Planning Options, Material/Planting Palettes; Select Final Scheme
5. MP Final Presentation (*In-Person*)
6. Weekly progress check-ins with LQ team as desired

Preliminary Design:

1. Preliminary Design Kick-Off
 - Establish Goals of Phase; Review Extent of Deliverables; Re-Confirm Scope
2. Preliminary Design Workshop #1 (*In-Person*)
 - Recap Goals and Confirm Schedule; Design/Systems Options
3. Preliminary Design Workshop #2
 - Recap Goals and Confirm Schedule; Design/Systems Progress Updates
4. Preliminary Design Workshop #3 (*In-Person*)
 - Recap Goals and Confirm Schedule; Final Selection of Design/Systems
5. Final Presentation to Stakeholders
6. Presentation to Planning Commission (*In-Person*)
7. Meetings with Public Works, Fire Department, and Coachella Valley Water District as needed (*In-Person*)
8. Weekly or bi-weekly progress check-ins with LQ team as desired

In addition to the meetings listed above, HGA will facilitate incremental internal A/E team meetings for interdisciplinary coordination as necessary to complete the scope of services described herein.

SUBMITTALS:

The project will include the following milestone submissions:

1. Master Planning Report (Draft + Final)
2. 100% Preliminary Design Drawings and Specifications (Draft + Final)
3. Progress diagrams, plans, etc as needed to facilitate planning, design and engineering reviews with city agencies

All milestone submissions will be digital unless noted otherwise.

SCHEDULE:

The following is HGA's proposed schedule to complete the work described herein:

1. Master Planning – 3.5 Months
2. Preliminary Design – 4 Months (following LQ approval of MP and notice to proceed for PD phase)

See attached schedule exhibit for additional information. Efforts will be made by all parties and HGA to streamline these durations if possible.

ASSUMPTIONS

1. All services shall be performed in accordance with the professional standard of care applicable to those who provide services of the type called for in the Agreement for projects of a scope and complexity comparable to the Project. Whenever a covenant or statement is made by Design Consultant in the Agreement or elsewhere concerning the services or deliverables to be provided by Design Consultant, such covenant or statement is made or agreed subject to the standard of care set forth in this paragraph. No express warranties concerning any matter or thing have been made by Design Consultant, and any implied warranties relating to services or work product of Architect are expressly disclaimed.
2. The owner shall provide the design team with all existing documentation including site surveys, site utility information, as-built site drawings, topographic maps, design standards, geotechnical evaluation reports, and all proposed or adopted development plans in the areas that will be addressed by this project. Survey work is excluded.
3. Geotechnical surveys are excluded. HGA consultants shall have no responsibility for the discovery, presence, handling, removal or disposal of or exposure of persons or property to hazardous materials or toxic substances in any form at the Project site.
4. Changes to the project scope requested by the owner that are contrary to previous steering committee/user group direction can be provided as an Additional Service to this scope.

5. Any consulting services other than the disciplines outlined in this proposal will be considered as additional services.
6. Presentation renderings, animations and presentation models in addition to those listed in this proposal will be considered additional. It is assumed that (4) 3D exterior-view renderings will be developed, in addition to diagrams and other supporting graphics to convey the proposed planning/design strategies.
7. CEQA-related services are not included.
8. Sustainable design measures will be explored; however, LEED registration/administration services are excluded.
9. Survey and documentation of existing project conditions is excluded.
10. Deliverables for the Master Planning phase will include a report that includes an executive summary; goals and visioning for the project; project context; proposed planning strategies; record of community outreach and feedback (incl Cahuilla Tribe); systems narratives (mechanical, electrical, plumbing, civil, structural, low voltage, lighting, sustainability); landscape narrative and diagrams; cost estimate and project schedule; meeting minutes
11. Deliverables for the Preliminary Design phase will include schematics-level drawings and specifications; updated cost estimate and project schedule; updated 3D renderings (assumed to be same views from planning phase); material/finish palettes
12. All deliverables are assumed to be digital, unless noted otherwise
13. The Tribal Liaison is assumed to make (2) visits to La Quinta for outreach and engagement with the Cahuilla community – each visit assumed to be (2) days maximum
14. The design team will facilitate in-person meetings no less than one per month; all other workshops, meetings, and community engagement will be virtual
15. Design services related to this effort will not extend beyond November 15, 2022
16. All services to be performed pursuant to the Standard Form of Design Consultant Services Agreement shall be performed in accordance with the professional standard of care applicable to those who provide services of the type called for in the Agreement for projects of a scope and complexity comparable to the Project. Whenever a covenant or statement is made by Design Consultant in the Agreement or elsewhere concerning the services or deliverables to be provided by Design Consultant, such covenant or statement is made or agreed subject to the standard of care set forth in this paragraph. No express warranties concerning any matter or thing have been made by Design Consultant, and any implied warranties relating to services or work product of Architect are expressly disclaimed.
17. Arborist assessment of existing trees or plants within the project site boundary is not included
18. Selection of art pieces to be included in any part of the project scope is not included. It is assumed that the City will provide HGA with all information needed to coordinate the provisions needed for any art pieces to be included in the project.
19. *Seismic analysis for the existing Lumberyard structure in the Preliminary Design stage will include review of as-builts and visual assessment of the existing structure by the structural engineer, and identification of noted deficiencies and potential upgrade measures necessary for code compliance through written narrative, which will be used for the cost estimate. This effort will not include detailed structural calculations/modeling, which is recommended as part of the construction document phase to confirm and refine proposed seismic upgrade measures. The effort does not include seismic upgrades to the existing Museum or Casita structures.*

Exhibit B
Schedule of Compensation

With the exception of compensation for Additional Services, provided for in Section 2.3 of this Agreement, the maximum total compensation to be paid to Contracting Party under this Agreement in Fiscal Year 2023/2024 is Four Hundred Ninety Two Thousand Two Hundred Sixty Eight Dollars (\$492,268) (“Contract Sum”).



[CLICK HERE to Return to Agenda](#)

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: AWARD CONTRACT TO DESERT CONCEPTS CONSTRUCTION, INC. FOR CITYWIDE LANDSCAPE MAINTENANCE WITHIN LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT 89-1, PROJECT NO. 2023-28; AND AUTHORIZE THE PUBLIC WORKS DEPARTMENT TO UTILIZE DESERT CONCEPTS CONSTRUCTION, INC. AS A SELECT SOURCE FOR EXTRA WORK AND ON-CALL MAINTENANCE SERVICES

RECOMMENDATION

Award a contract to Desert Concepts Construction, Inc. for Citywide Landscape Maintenance Services within the Landscape and Lighting Assessment District 89-1, Project No. 2023-28; authorize the Public Works Department to utilize Desert Concepts Construction, Inc. as a select source for extra work and on-call landscape maintenance services for up to \$300,000 in fiscal year 2024-25; and authorize the City Manager to execute the contract.

EXECUTIVE SUMMARY

- The City contracts landscape maintenance services for public medians, parkways, retention basins, and fire stations, to maintain aesthetically pleasing streetscapes throughout the City.
- On April 2, 2024, the City posted a Request for Qualifications (RFQ) for citywide landscape maintenance services within the Landscape and Lighting Assessment District 89-1 (L&L) including on-call services; received 3 responses; and the selection committee recommends contracting with Desert Concepts Construction, Inc. (Desert Concepts) based on their qualifications and experience.
- Staff requests authority to utilize Desert Concepts as a select source for additional on-call maintenance services within the L&L areas for landscape maintenance and renovations outside of the scope of this contract for fiscal year (FY) 2024-25.

FISCAL IMPACT

The contract is for an initial 1-year term and may be extended for 6 additional years based on satisfactory performance by Desert Concepts. The total cost for FY 2024/25 is \$1,380,000, allocated between the L&L Fund account 215-7004-60112 at \$1,320,000 and Fire Fund account 101-2002-60112 at \$60,000. At this time, staff seeks authorization for a 3-year period, should the available extended terms be executed. The costs are detailed below:

Fiscal Year – L&L AD 89-1 Landscape Maintenance Services	Cost
FY 2024-25	\$1,380,000
FY 2025-26	\$1,380,000
FY 2026-27	\$1,380,000
Contingency at 5% (compounded year-over-year for CPI per Section 1240)	\$ 210,450
Grand Total:	\$4,350,450

Staff requests Council approval for additional spending authority up to \$300,000 in FY 2024/25 for extra work and on-call services. The \$300,000 would be charged in increments as needed to the appropriate budgeted maintenance services account(s) L&L 215-7004-60691; Fire Stations 101-2002-60112; Museum 202-3006-60112; Library 202-3004-60112; Parks 101-3005-60691; for weed abatement, landscape or field maintenance and/or renovation on City property.

BACKGROUND/ANALYSIS

The City contracts citywide landscape maintenance within the L&L for daily, weekly and monthly maintenance of all landscaped areas located within the City’s right-of-ways and Fire Stations.

On April 2, 2024, an RFQ was posted for citywide landscape maintenance and on-call landscape maintenance services. The RFQ included increased service levels, arboricultural services, and higher staffing levels. A mandatory pre-proposal meeting was held on April 16, 2024; 5 contractors attended; and 3 proposals were received.

On May 8, 2024, the selection committee reviewed the proposals and recommends contracting with Desert Concepts based on their qualifications and experience.

The proposed contract (Attachment 1) includes landscape maintenance of public medians, parkways, retention basins, and fire stations. Section 1240 of the contract also allows for extra work for landscape renovation and improvements on an on-call as-needed basis. On-call services is not guaranteed work, however, utilizing the same contractor as a select source for extra work would ensure continuity and consistency of maintenance and improvements in areas with aged and deferred landscape maintenance and at City property not located within the contracted maintenance areas. This work may include modifications to the irrigation system, replacement of trees, shrubs, ground cover, accident damage, vandalism repair, weed abatement, storm debris cleanup, and irrigation repair and assessments.

Staff requests Council approval for additional spending authority with Desert Concepts for extra work and on-call services up to \$300,000 in FY 2024/25.

The contract would be for an initial one-year term, effective July 1, 2024, through June 30, 2025. The contract may be extended for 6 additional years, renewable at 1, 2, or 3-year terms, to be executed at the beginning of a FY through FYs 2030/31, at the City's discretion, should the contractor perform in a satisfactory manner. Staff will seek Council approval for additional spending authority annually and provide an update on the status of the contract and on the L&L landscape maintenance costs for each FY.

ALTERNATIVES

Council may direct staff to choose the next most qualified proposer or, direct staff to prepare new specifications and re-advertise for citywide landscape services. However, that would cause a delay in services.

Prepared by: Dianne Hansen, Maintenance & Operations Superintendent

Approved by: Bryan McKinney, Public Works Director/City Engineer

Attachment: 1. Contract with Desert Concepts

**SECTION 1300
CONTRACT**

THIS CONTRACT, by and between the CITY OF LA QUINTA, a municipal corporation, herein referred to as "City," and Desert Concepts Construction, Inc., herein referred to as, "Contractor."

WITNESSETH:

In consideration of their mutual covenants, the parties hereto agree as follows:

1. Contractor shall furnish all necessary labor, material, equipment, transportation, and services to perform **Landscape Maintenance Services for Landscape and Lighting Assessment District 89-1, Project No. 2023-28 and On-Call Landscape Maintenance Services** in the City of La Quinta, California pursuant to the Request For Qualifications (RFQ) the project Specifications, and Contractor's Proposal, all of which documents shall be considered a part hereof as though fully set herein.

Should any provisions of Contractor's Proposal be in conflict with the Notice Inviting Proposals, Specifications, or this Contract, then the provisions of said Contract, Specifications, the Request for proposal shall be controlling in that order of precedence. The time frame for work shall be in accordance with that specified in the RFQ.

2. Contractor will comply with all Federal, State, County, and La Quinta Municipal Code Regulations, which are, amended from time to time, incorporated herein by reference.

3. All work shall be done in a manner satisfactory to the Maintenance & Operations Superintendent.

4. Contractor shall commence work on July 1, 2024 after the issuance of a written Notice to Proceed.

5. In consideration of said work, City agrees to pay Contractor such sums as shall be approved by the Maintenance & Operations Superintendent at monthly sums and/or unit prices stated in the Contractor's Proposal, the base consideration (\$ 1,380,000.00). All payments shall be subject to approval by the Maintenance & Operations Superintendent and shall be in accordance with the terms, conditions, and procedures provided in the Specifications.

6. The Contractor shall not knowingly pay less than the general prevailing rate for per diem wages, as determined by the State of California Department of Industrial Relations and referred to in the RFP, to any workman employed for the work to be performed under this contract; and the Contractor shall forfeit as a penalty to the City the sum of Twenty-Five Dollars (\$25.00) for each calendar day, or fraction thereof, for such workman paid by him or by any subcontractor under him in violation of this provision (Sections 1770-1777, Labor Code of California).

Pursuant to Section 1770, et. seq., of the California Labor Code, the successful proposer shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. These wage rates are available from the California Department of Industrial Relations' Internet website at <http://www.dir.ca.gov>.

Pursuant to Section 1725.5 of the California Labor Code, no contractor or subcontractor may be awarded a contract for public work on a public works project unless registered with the Department of Industrial Relations at the time the contract is awarded. Contractors and subcontractors may find additional information for registering at the Department of Industrial Relations website at <http://www.dir.ca.gov/Public-Works/PublicWorks.html>.

Pursuant to Labor Code section 1771.1, no contractor or subcontractor may be listed on the proposal for a public works project submitted on or after March 1, 2015 unless registered with the Department of Industrial Relations. Furthermore, all proposers and contractors are hereby notified that no contractor or subcontractor may be awarded, on or after April 1, 2015, a contract for public work on a public works project unless registered with the Department of Industrial Relations.

Pursuant to Labor Code section 1771.4, all proposers are hereby notified that this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

7. Concurrently with the execution of this Contract, Contractor shall furnish a Performance bond and a Payment Bond of a surety satisfactory to City, as provided in said Specifications or RFP, the cost of which shall be paid by Contractor.

8. Except for the gross negligence or willful misconduct of an Indemnified Party (as hereinafter defined), the Contractor hereby assumes liability for and agrees to defend (at Indemnified Parties' option), indemnify, protect and hold harmless City and its Project Consultants, and Engineers, officers, agents, and employees ("Indemnified Parties") from and against any and all claims, charges, damages, demands, actions, proceedings, losses, stop notices, costs, expenses (including counsel fees), judgments, civil fines and penalties, liabilities of any kind or nature whatsoever, which may be sustained or suffered by or secured against the Indemnified Parties arising out of or encountered in connection with this Contract or the performance of the Work including, but not limited to, death of or bodily or personal injury to persons or damage to property, including property owned by or under the care and custody of City, and for civil fines and penalties, that may arise from or be caused, in whole or in part, by any negligent or other act or omission of Contractor, its officers, agents, employees or Subcontractors including, but not limited to, liability arising from:

1. Any dangerous, hazardous, unsafe or defective condition of, in or on the premises, of any nature whatsoever, which may exist by reason of any act, omission, neglect, or any use or occupation of the premises by Contractor, its officers, agents, employees, or subcontractors;
2. Any operation conducted upon or any use or occupation of the premises by Contractor, its officers, agents, employees, or subcontractors under or pursuant to the provisions of this contract or otherwise;
3. Any act, omission or negligence of Contractor, its officers, agents, employees, or Subcontractors;
4. Any failure of Contractor, its officers, agents or employees to comply with any of the terms or conditions of this Contract or any applicable federal, state, regional, or municipal law, ordinance, rule or regulation; and
5. The conditions, operations, uses, occupations, acts, omissions or negligence referred to in Sub-subsections (1), (2), (3), and (4), existing or conducted upon or arising

from the use or occupation by Contractor on any other premises in the care, custody and control of City.

The Contractor also agrees to Indemnify City and pay for all damages or loss suffered by City including but not limited to damage to or loss of City property, to the extent not insured by City and loss of City revenue from any source, caused by or arising out of the conditions, operations, uses, occupations, acts, omissions or negligence referred to in Sub-subsections (1), (2), (3), (4) and (5).

Contractor's obligations under this Section apply regardless of whether or not such claim, charge, damage, demand, action, proceeding, loss, stop notice, cost expense, judgment, civil fine or penalty, or liability was caused in part or contributed to by an Indemnified Party. However, without affecting the rights of City under any provision of this Contract, Contractor shall not be required to indemnify and hold harmless City for liability attributable to the active negligence of City, provided such active negligence is determined by Contract between the parties or by the findings of a court of competent jurisdiction. In instances where City is shown to have been actively negligent and where City's active negligence accounts for only a percentage of the liability involved, the obligation of Contractor will be for that entire portion or percentage of liability not attributable to the active negligence of City.

Contractor agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Contractor in the performance of this Contract. In the event Contractor fails to obtain such indemnity obligations from others as required here, Contractor agrees to be fully responsible according to the terms of this section.

Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to Indemnify and defend City as set forth here is binding on the successors, assigns or heirs of Contractor and shall survive the termination of this Contract or this section.

This indemnity shall survive termination of the Contract or Final Payment hereunder. This Indemnity is in addition to any other rights or remedies that the Indemnified Parties may have under the law or under any other Contract Documents or Agreements. In the event of any claim or demand made against any party which is entitled to be indemnified hereunder, City may, in its sole discretion, reserve, retain or apply any monies to the Contractor under this Contract for the purpose of resolving such claims; provided, however, City may release such funds if the Contractor provides City with reasonable assurance of protection of the Indemnified Parties' interests. City shall, in its sole discretion, determine whether such assurances are reasonable.

Approval of any insurance contracts by the City does not relieve the Contractor or subcontractors from liability under Section 1340-1.0, Indemnification of the Specifications. The City will not be liable for any accident, loss, or damage to the work prior to its completion and acceptance.

9. Contractor shall hold the County of Riverside, its officers, agents and employees free and harmless from any liability whatsoever, including wrongful death, based or asserted upon any act or omission of principal, its officers, agents, employees or sub-contractors relating to or in any way connected with or arising from the accomplishment of the work, whether or not such acts or omissions were in furtherance of the work requires by the Contract Documents and agrees to defend at his expense, including attorney fees, City of La Quinta, County of Riverside,

its officers, agents, employees and Independent Architect in any legal action based on any such alleged acts or omissions.

10. Except as otherwise required, Contractor shall concurrently with the execution of this contract, furnish the City satisfactory evidence of insurance of the kinds and in the amounts provided in said Specifications, Section 1340-2.0, Insurance Requirements. This insurance shall be kept in full force and effect by Contractor during this entire contract and all premiums thereon shall be promptly paid by it. Each policy shall further state that it cannot be canceled without 30 days unconditional written notice to the City and shall name the City as an additional insured on the Commercial General Liability policy only. Contractor shall furnish evidence of having in effect and shall maintain Workers Compensation Insurance coverage of not less than the statutory amount or otherwise show a certificate of self-insurance, in accordance with the Workers Compensation laws of the State of California. Failure to maintain the required amounts and types of coverage throughout the duration of this Contract shall constitute a material breach of this Contract.

11. Contractor shall forfeit as a penalty to City \$25.00 for each laborer, workman, or mechanic employed in the execution of this Contract by said Contractor, or any subcontractor under it, upon any of the work herein mentioned, for each calendar day during which such laborer, workman, or mechanic is required or permitted to work at other than a rate of pay provided by law for more than 8 hours in any one calendar day and 40 hours in any one calendar week, in violation of the provisions of Sections 1810-1815 of the Labor Code of the State of California.

12. In accepting this Contract, Contractor certifies that in the conduct of its business it does not deny the right of any individual to seek, obtain and hold employment without discrimination because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, sex or age as provided in the California Fair Employment Practice Act (Government Code Sections 12900, et seq.) Contractor agrees that a finding by the State Fair Employment Practices Commission that Contractor has engaged during the term of this Contract in any unlawful employment practice shall be deemed a breach of this Contract and Contractor shall pay to City \$1,607.00 liquidated damages for each such breach committed under this contract.

13. Contractor also agrees that for contracts in excess of \$30,000 and more than 20 calendar days duration, that apprentices will be employed without discrimination in an approved program in a ratio established in the apprenticeship standards of the craft involved (Sections 1777.5 and 1777.6, Labor Code of California). Contractors who willfully fail to comply will be denied the right to submit a proposal on public projects for a period of six months in addition to other penalties provided by law.

14. This Contract shall not be assignable by Contractor without the written consent of City.

15. In accepting this Contract, Contractor certifies that no member or officer of the firm or corporation is an officer or employee of the City except to the extent permitted by law.

16. Contractor certifies that it is the holder of any necessary California State Contractor's License and authorized to undertake the above work.

17. The City, or its authorized auditors or representatives, shall have access to and the right to audit and reproduce any of the Contractor records to the extent the City deems necessary to insure it is receiving all money to which it is entitled under the contract and/or is paying only the

amounts to which Contractor is properly entitled under the Contract or for other purposes relating to the Contract.

18. The Contractor shall maintain and preserve all such records for a period of at least three years after termination of the contract.

19. The Contractor shall maintain all such records in the City of La Quinta. If not, the Contractor shall, upon request, promptly deliver the records to the City or reimburse the City for all reasonable and extra costs incurred in conducting the audit at a location other than at City offices including, but not limited to, such additional (out of the City) expenses for personnel, salaries, private auditors, travel, lodging, meals and overhead.

20. The further terms, conditions, and covenants of the Contract are set forth in the Contract Documents, each of which is by this reference made a part hereof.

IN WITNESS WHEREOF, the parties have executed this Contract as of the dates stated below.

"CITY"

CITY OF LA QUINTA,
a California municipal corporation

Dated: _____

By: _____
Jon McMillen, City Manager

ATTEST:

Monika Radeva, City Clerk

Dated: _____

APPROVED AS TO FORM:

City Attorney

Dated: _____

"CONTRACTOR"
(If corporation, affix seal)

Dated: 05/28/24

By: _____
Signature

Name: Julio Castro

Title: President

Address:

79775 Ave 40, Indio, CA 92203
Street Address City State Zip Code

E-mail: mail@desertconcepts.net

Dated: 05/28/24

By: _____
Signature

Name: Regina Castro

Title: Vice President

Address:

79775 Ave 40, Indio, CA 92203
Street Address City State Zip Code

E-mail: mail@desertconcepts.net

**SECTION 1240
SUMMATION - FORM**

**CITYWIDE LANDSCAPE MAINTENANCE SERVICES
LANDSCAPE & LIGHTING ASSESSMENT DISTRICT 89-1**

PROJECT NO. 2023-28

RETENTION BASINS, MEDIAN ISLANDS, PARKWAYS, AND CIVIC FACILITIES

Item No.	Description	Unit	Quantity	Unit Price	Annual Price
1	Turf	SF	814,085		
2	Shrubs and Ground Cover	SF	2,578,612		
3	Irrigation	SF	3,337,697		
TOTAL					

FIRE STATIONS – WEEKLY SERVICE

Item No.	Description – Fire Stations	Unit	Quantity	Unit Price	Annual Price
1	Turf	SF	14,054		
2	Shrubs and Ground Cover	SF	83,494		
3	Irrigation	SF	103,748		
TOTAL					

TOTAL BASE PROPOSAL INCLUDING RETENTION BASINS, MEDIAN ISLANDS, PARKWAYS, AND FIRE STATIONS _____
(IN WORDS)

(\$_____)

- A. Initial Annual Contract Period will be for one year (12 months) from July 1, 2024, until June 30, 2025.
- B. The City may elect to exercise an extension to renew this contract for six (6) additional terms with a ninety (90)-day notice, contingent upon satisfactory work of the Contractor.
- C. The City may authorize a maximum increase per fiscal year to the above listed contract amount based on the Local Consumer Price Index for Riverside, San Bernardino, and Ontario areas.
- D. Authorized extra work and services may be requested in an annual amount to be determined at the City’s discretion and approved by City Council for landscape restoration and/or additional On-Call Landscape Maintenance services within the L&L, non-contracted maintenance areas, other City Facilities, and parks.

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: AWARD CONTRACT TO HORIZON LIGHTING, INC. FOR CITYWIDE LIGHTING MAINTENANCE WITHIN THE LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT 89-1, PROJECT NO. 2023-29; AND AUTHORIZE THE PUBLIC WORKS DEPARTMENT TO UTILIZE HORIZON LIGHTING, INC. AS A SELECT SOURCE FOR EXTRA WORK AND ON-CALL ELECTRICAL SERVICES

RECOMMENDATION

Award a contract to Horizon Lighting, Inc. for Citywide Lighting Maintenance within the Landscape and Lighting Assessment District 89-1, Project No. 2023-29; authorize the Public Works Department to utilize Horizon Lighting, Inc. as a select source for extra work and on-call electrical Services for up to \$200,000 in fiscal year 2024/25; and authorize the City Manager to execute the contract.

EXECUTIVE SUMMARY

- The City contracts citywide landscape lighting maintenance services (Lighting Maintenance) within the Landscape and Lighting Assessment District 89-1 (L&L).
- On April 2, 2024, the City posted a Request for Qualifications (RFQ) for Lighting Maintenance within the L&L, including on-call services; received 2 responses; and the selection committee recommends contracting with Horizon Lighting, Inc. (Horizon) based on their qualifications and experience.
- Staff requests authority to utilize Horizon as a select source for additional on-call electrical services within the L&L areas for lighting improvements outside of the scope of this contract for fiscal year (FY) 2024/25.

FISCAL IMPACT

The total cost for FY 2024/25 is \$79,927 allocated in L&L fund (account 215-7004-60104). The total cost for this agreement, over the initial 1-year term and optional 6-year extensions is detailed below:

Fiscal Year – L&L AD 89-1 Lighting Maintenance Services	Cost
FY 2024-25	\$79,927
FY 2025-26	\$79,927
FY 2026-27	\$79,927
FY 2027-28	\$79,927
FY 2028-29	\$79,927
FY 2029-30	\$79,927
FY 2030-31	\$79,927
Contingency at 5% (compounded year-over-year for CPI per Section 1240)	\$91,278
Grand Total:	\$650,767

Staff requests Council approval for additional spending authority up to \$200,000 in FY 2024/25 for extra work and on-call services. The \$200,000 would be charged in increments as needed to the appropriate budgeted maintenance services account(s); L&L 215-7004-60691; Parks 101-3005-60691; and Buildings 101-3008-60691 for lighting maintenance and/or electrical repairs on City property.

BACKGROUND/ANALYSIS

The City contracts citywide monthly Lighting Maintenance within the L&L, which includes the City’s right-of-ways, Fire Stations, and parking lots.

On April 2, 2024, an RFQ was posted for Lighting Maintenance and on-call electrical services. A mandatory pre-proposal meeting was held on April 16, 2024; 5 contractors attended; and 2 proposals were received.

On May 8, 2024, the selection committee reviewed the proposals and recommends contracting with Horizon located in Indio, based on their qualifications and experience.

The proposed contract (Attachment 1) includes Lighting Maintenance service within the L&L for medians, parkways, parking lots, and fire stations. The contract also allows for extra electrical services, maintenance and repairs on an on-call as-needed basis. On-call services is not guaranteed work, however, utilizing the same contractor as a select source for extra work within these areas ensures continuity and consistency of services, and completion of work in a timely manner in City buildings and other non-contracted areas. This work may include electrical repairs, LED conversions, new lighting installation, meter pedestal/panel replacements, and panel upgrades.

Staff requests Council approval for additional spending authority with Horizon for extra work and on-call services up to \$200,000 in FY 2024/25.

The contract would be for an initial one-year term, effective July 1, 2024, through June 30, 2025. The contract may be extended for 6 additional years, renewable at 1, 2, or 3-year

terms, to be executed at the beginning of a FY through FYs 2030/31 at the City's discretion if the contractor perform in a satisfactory manner.

ALTERNATIVES

Council may direct staff to choose the next most qualified proposer or, direct staff to prepare new specifications and re-advertise for citywide Lighting Maintenance services. However, that would cause a delay in services.

Prepared by: Dianne Hansen, Maintenance & Operations Superintendent

Approved by: Bryan McKinney, Public Works Director/City Engineer

Attachment: 1. Contract with Horizon

ATTACHMENT 1

**SECTION 1300
CONTRACT**

THIS CONTRACT, by and between the CITY OF LA QUINTA, a municipal corporation, herein referred to as "City," and Horizon Lighting Inc., herein referred to as, "Contractor."

WITNESSETH:

In consideration of their mutual covenants, the parties hereto agree as follows:

1. Contractor shall furnish all necessary labor, material, equipment, transportation, and services to perform **Landscape Lighting and Maintenance Services for Landscape and Lighting Assessment District 89-1, Project No. 2023-29 and for On-Call Electrical Maintenance Services** within the L&L, Parks, Buildings, and Facilities maintenance areas in the City of La Quinta, California pursuant to the Request for Qualifications and Proposal (RFP), the project Specifications, and Contractor's Proposal, all of which documents shall be considered a part hereof as though fully set herein.

Should any provisions of Contractor's Proposal be in conflict with the RFP, Specifications, or this Contract, then the provisions of said Contract, Specifications, and RFP shall be controlling in that order of precedence. The time frame for work shall be in accordance with that specified in the RFP.

2. Contractor will comply with all Federal, State, County, and La Quinta Municipal Code Regulations, which are, amended from time to time, incorporated herein by reference.

3. All work shall be done in a manner satisfactory to the Public Works Manager.

4. Contractor shall commence work on July 1, 2024 after the issuance of a written Notice to Proceed.

5. In consideration of said work, City agrees to pay Contractor such sums as shall be approved by Public Works Manager at monthly sums and/or unit prices stated in the Contractor's Proposal, the base consideration (\$79,927.00). All payments shall be subject to approval by the Public Works Manager and shall be in accordance with the terms, conditions, and procedures provided in the Specifications.

6. The Contractor shall not knowingly pay less than the general prevailing rate for per diem wages, as determined by the State of California Department of Industrial Relations and referred to in the RFP, to any workman employed for the work to be performed under this contract; and the Contractor shall forfeit as a penalty to the City the sum of Twenty-Five Dollars (\$25.00) for each calendar day, or fraction thereof, for such workman paid by him or by any subcontractor under him in violation of this provision (Sections 1770-1777, Labor Code of California).

Pursuant to Section 1770, et. seq., of the California Labor Code, the successful proposer shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. These wage rates are available from the California Department of Industrial Relations' Internet website at <http://www.dir.ca.gov>.

Pursuant to Section 1725.5 of the California Labor Code, no contractor or subcontractor may be awarded a contract for public work on a public works project unless registered with the Department of Industrial Relations at the time the contract is awarded. Contractors and subcontractors may find additional information for registering at the Department of Industrial Relations website at <http://www.dir.ca.gov/Public-Works/PublicWorks.html>.

Pursuant to Labor Code section 1771.1, no contractor or subcontractor may be listed on a proposal for a public works project submitted on or after March 1, 2015 unless registered with the Department of Industrial Relations. Furthermore, all proposers and contractors are hereby notified that no contractor or subcontractor may be awarded, on or after April 1, 2015, a contract for public work on a public works project unless registered with the Department of Industrial Relations.

Pursuant to Labor Code section 1771.4, all proposers are hereby notified that this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

7. Concurrently with the execution of this Contract, Contractor shall furnish a Performance Bond and a Payment Bond of a surety satisfactory to City, as provided in said Specifications or Request for Proposal, the cost of which shall be paid by Contractor.

8. Except for the gross negligence or willful misconduct of an Indemnified Party (as hereinafter defined), the Contractor hereby assumes liability for and agrees to defend (at Indemnified Parties' option), indemnify, protect and hold harmless City and its Project Consultants, and Engineers, officers, agents, and employees ("Indemnified Parties") from and against any and all claims, charges, damages, demands, actions, proceedings, losses, stop notices, costs, expenses (including counsel fees), judgments, civil fines and penalties, liabilities of any kind or nature whatsoever, which may be sustained or suffered by or secured against the Indemnified Parties arising out of or encountered in connection with this Contract or the performance of the Work including, but not limited to, death of or bodily or personal injury to persons or damage to property, including property owned by or under the care and custody of City, and for civil fines and penalties, that may arise from or be caused, in whole or in part, by any negligent or other act or omission of Contractor, its officers, agents, employees or Subcontractors including, but not limited to, liability arising from:

1. Any dangerous, hazardous, unsafe or defective condition of, in or on the premises, of any nature whatsoever, which may exist by reason of any act, omission, neglect, or any use or occupation of the premises by Contractor, its officers, agents, employees, or subcontractors;
2. Any operation conducted upon or any use or occupation of the premises by Contractor, its officers, agents, employees, or subcontractors under or pursuant to the provisions of this contract or otherwise;
3. Any act, omission or negligence of Contractor, its officers, agents, employees, or Subcontractors;
4. Any failure of Contractor, its officers, agents or employees to comply with any of the terms or conditions of this Contract or any applicable federal, state, regional, or municipal law, ordinance, rule or regulation; and
5. The conditions, operations, uses, occupations, acts, omissions or negligence referred to in Sub-subsections (1), (2), (3), and (4), existing or conducted upon or arising

from the use or occupation by Contractor on any other premises in the care, custody and control of City.

The Contractor also agrees to indemnify City and pay for all damages or loss suffered by City including but not limited to damage to or loss of City property, to the extent not insured by City and loss of City revenue from any source, caused by or arising out of the conditions, operations, uses, occupations, acts, omissions or negligence referred to in Sub-subsections (1), (2), (3), (4) and (5).

Contractor's obligations under this Section apply regardless of whether or not such claim, charge, damage, demand, action, proceeding, loss, stop notice, cost expense, judgment, civil fine or penalty, or liability was caused in part or contributed to by an Indemnified Party. However, without affecting the rights of City under any provision of this Contract, Contractor shall not be required to indemnify and hold harmless City for liability attributable to the active negligence of City, provided such active negligence is determined by Contract between the parties or by the findings of a court of competent jurisdiction. In instances where City is shown to have been actively negligent and where City's active negligence accounts for only a percentage of the liability involved, the obligation of Contractor will be for that entire portion or percentage of liability not attributable to the active negligence of City.

Contractor agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Contractor in the performance of this Contract. In the event Contractor fails to obtain such indemnity obligations from others as required here, Contractor agrees to be fully responsible according to the terms of this section.

Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth here is binding on the successors, assigns or heirs of Contractor and shall survive the termination of this Contract or this section.

This indemnity shall survive termination of the Contract or Final Payment hereunder. This Indemnity is in addition to any other rights or remedies that the Indemnified Parties may have under the law or under any other Contract Documents or Agreements. In the event of any claim or demand made against any party which is entitled to be indemnified hereunder, City may, in its sole discretion, reserve, retain or apply any monies to the Contractor under this Contract for the purpose of resolving such claims; provided, however, City may release such funds if the Contractor provides City with reasonable assurance of protection of the Indemnified Parties' interests. City shall, in its sole discretion, determine whether such assurances are reasonable.

Approval of any insurance contracts by the City does not relieve the Contractor or subcontractors from liability under Section 1340-1.0, Indemnification of the Specifications. The City will not be liable for any accident, loss, or damage to the work prior to its completion and acceptance.

9. Contractor shall hold the County of Riverside, its officers, agents and employees free and harmless from any liability whatsoever, including wrongful death, based or asserted upon any act or omission of principal, its officers, agents, employees or sub-contractors relating to or in any way connected with or arising from the accomplishment of the work, whether or not such acts or omissions were in furtherance of the work requires by the Contract Documents and agrees to defend at his expense, including attorney fees, City of La Quinta, County of Riverside,

its officers, agents, employees and Independent Architect in any legal action based on any such alleged acts or omissions.

10. Except as otherwise required, Contractor shall concurrently with the execution of this contract, furnish the City satisfactory evidence of insurance of the kinds and in the amounts provided in said Specifications, Section 1340-2.0, Insurance Requirements. This insurance shall be kept in full force and effect by Contractor during this entire contract and all premiums thereon shall be promptly paid by it. Each policy shall further state that it cannot be canceled without 30 days unconditional written notice to the City and shall name the City as an additional insured on the Commercial General Liability policy only. Contractor shall furnish evidence of having in effect, and shall maintain Workers Compensation Insurance coverage of not less than the statutory amount or otherwise show a certificate of self-insurance, in accordance with the Workers Compensation laws of the State of California. Failure to maintain the required amounts and types of coverage throughout the duration of this Contract shall constitute a material breach of this Contract.

11. Contractor shall forfeit as a penalty to City \$25.00 for each laborer, workman, or mechanic employed in the execution of this Contract by said Contractor, or any subcontractor under it, upon any of the work herein mentioned, for each calendar day during which such laborer, workman, or mechanic is required or permitted to work at other than a rate of pay provided by law for more than 8 hours in any one calendar day and 40 hours in any one calendar week, in violation of the provisions of Sections 1810-1815 of the Labor Code of the State of California.

12. In accepting this Contract, Contractor certifies that in the conduct of its business it does not deny the right of any individual to seek, obtain and hold employment without discrimination because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, sex or age as provided in the California Fair Employment Practice Act (Government Code Sections 12900, et seq.) Contractor agrees that a finding by the State Fair Employment Practices Commission that Contractor has engaged during the term of this Contract in any unlawful employment practice shall be deemed a breach of this Contract and Contractor shall pay to City \$1,607.00 liquidated damages for each such breach committed under this contract.

13. Contractor also agrees that for contracts in excess of \$30,000 and more than 20 calendar days duration, that apprentices will be employed without discrimination in an approved program in a ratio established in the apprenticeship standards of the craft involved (Sections 1777.5 and 1777.6, Labor Code of California). Contractors who willfully fail to comply will be denied the right to submit a proposal on public projects for a period of six months in addition to other penalties provided by law.

14. This Contract shall not be assignable by Contractor without the written consent of City.

15. In accepting this Contract, Contractor certifies that no member or officer of the firm or corporation is an officer or employee of the City except to the extent permitted by law.

16. Contractor certifies that it is the holder of any necessary California State Contractor's License and authorized to undertake the above work.

17. The City, or its authorized auditors or representatives, shall have access to and the right to audit and reproduce any of the Contractor records to the extent the City deems necessary to

insure it is receiving all money to which it is entitled under the contract and/or is paying only the amounts to which Contractor is properly entitled under the Contract or for other purposes relating to the Contract.

18. The Contractor shall maintain and preserve all such records for a period of at least three years after termination of the contract.

19. The Contractor shall maintain all such records in the City of La Quinta. If not, the Contractor shall, upon request, promptly deliver the records to the City or reimburse the City for all reasonable and extra costs incurred in conducting the audit at a location other than at City offices including, but not limited to, such additional (out of the City) expenses for personnel, salaries, private auditors, travel, lodging, meals and overhead.

20. The further terms, conditions, and covenants of the Contract are set forth in the Contract Documents, each of which is by this reference made a part hereof.

IN WITNESS WHEREOF, the parties have executed this Contract as of the dates stated below.

"CITY"

CITY OF LA QUINTA,
a California municipal corporation

Dated: _____

By: _____
Jon McMillen, City Manager

ATTEST:

Monika Radeva, City Clerk

Dated: _____

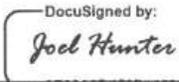
APPROVED AS TO FORM:

City Attorney

Dated: _____

"CONTRACTOR"
(If corporation, affix seal)

Dated: 5/7/2024

By: 

Signature

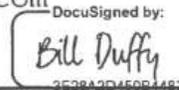
Name: Joel Hunter

Title: President

Address: 2351 McGaw Ave. Irvine CA 92614
Street Address City State Zip Code

E-mail: jhunter@horizonlightinginc.com

Dated: 5/7/2024

By: 

Signature

Name: Bill Duffy

Title: Vice President

Address: 2351 McGaw Ave. Irvine CA 92614
Street Address City State Zip Code

E-mail: bill@horizonlightinginc.com Phone No: (949) 336-4336

SECTION 1245
Base Proposal Items 1 - 69
Landscape Lighting Maintenance Services

Project No. 2023-29

Item No.	Monthly Facility / Lighting Inspection	Unit	Price/Month	Price/Annual
1	Acacia Median (Seeley Dr)	LS		
2	Acacia Perimeter (Miles Ave)	LS		
3	Adams Bridge	LS		
4	Adams St Median (Ave 48-Hwy 111)	LS		
5	Airport Blvd/Ave 56 (Madison to Monroe)	LS		
6	Auto Center Dr Median/Round-A-Bout	LS		
7	Ave 50 Median (Eisenhower Dr-Washington St)	LS		
8	Ave 50 Median (Evac Channel-Jefferson St.)	LS		
9	Ave 52/Sinaloa Median (Eisenhower to Desert Club)	LS		
10	Ave 52 Median (Washington to Jefferson)	LS		
11	Ave 54 Median (Jefferson St-Madison St)	LS		
12	Avenida Bermudas (Ave 52 to Main St.)	LS		
13	Avenida Bermudas Median(Montezuma to Tampico)	LS		
14	Avenida La Fonda (Avenida Bermudas-Desert Club)	LS		
15	Avenida Montezuma at Avenida Navarro	LS		
16	Avenida Montezuma/Bermudas City Parking Lot	LS		
17	Cactus Flower Entrances (Dune Palms Rd)	LS		
18	Cactus Flower Perimeter (Fred Waring & Dune Palms Rd)	LS		
19	Calle Estado Median (Avenida Bermudas-Desert Club)	LS		
20	Calle Tampico Median (Eisenhower Dr-Washington)	LS		
21	Civic Center Perimeter (Calle Tampico/Washington)	LS		
22	Del Rey L.Q. Norte Perimeter (Miles Ave)	LS		
23	Desert Club Dr (Ave 52 to Tampico)	LS		
24	Desert Club Manor/ Saguaro Park (Saguaro Rd)	LS		
25	Eisenhower Dr Median (Bermudas to Madrid)	LS		
26	Eisenhower Dr Median (Madrid to Colima)	LS		
27	Eisenhower Dr Median (Colima to Nogales)	LS		
28	Eisenhower Dr Median (Nogales- Tampico)	LS		
29	Eisenhower Dr Median (Tampico to Ave 50)	LS		
30	Eisenhower Dr. Median (Fernando to Coachella Dr)	LS		
31	Eisenhower Dr. (Coachella Dr to Washington St)	LS		
32	Entrance Monument (Home Depot) Hwy 111/Jefferson	LS		
33	Entrance Monument (Hwy 111/Plaza La Quinta)	LS		
34	Fire Station - #93 (Adams St N or Miles Ave)	LS		
35	Fire Station #70 - P.G.A. West Perimeter (Ave 54/Madison St)	LS		
36	Fire Station 32 (Ave 52 @ Desert Club)	LS		
37	Village Electrical System (Estado/Bermudas)	LS		

Item No.	Monthly Facility / Lighting Inspection	Unit	Price/Month	Price/Annual
38	Village Electrical System (Estado/Desert Club)	LS		
39	Village Electrical System (La Fonda/Bermudas)	LS		
40	Village & Electrical System (La Fonda/Desert Club)	LS		
41	Fountain (Hwy111 @ Washington) LG's	LS		
42	APP Dancing Fairies & Elect. Sys. (78495 Tampico) City Hall	LS		
43	Fred Waring Drive (Palm Royal Drive to Jefferson)	LS		
44	Hwy 111 Medians (West of Adams to Jefferson)	LS		
45	Jefferson St Median (Hwy 111-Ave 54)	LS		
46	Jefferson St Median (Hwy 111-Westward Ho)	LS		
47	Jefferson St Bridge	LS		
48	Library Parking Lot & Perimeter	LS		
49	L.Q. Del Oro Perimeter & Median (Via Sevilla)	LS		
50	L.Q. Del Oro Perimeter (Washington St)	LS		
51	L.Q. Highlands Perimeter & Median (Las Vistas Dr)	LS		
52	L.Q. Highlands Perimeter (Fred Waring Dr)	LS		
53	Maintenance Yard & Parking lot	LS		
54	Madison St. Median (Airport to Ave 58)	LS		
55	Madison St, Ave 54 to Ave 56	LS		
56	Madison St, Ave 52 to Ave 54	LS		
57	Marbella Perimeter (Miles Ave/Adams St)	LS		
58	Quinterra Perimeter (Miles Ave & Adams St.)	LS		
59	Rancho Ocotillo Perimeter (Adams St)	LS		
60	Rancho Ocotillo Perimeter (Fred Waring Dr)	LS		
61	Wellness Center Parking Facilities (Avenida La Fonda/Calle Guatemala)	LS		
62	Wellness Center Perimeter (Avenida La Fonda/Calle Guatemala)	LS		
63	Topaz Perimeter (Dune Palms Rd & Miles Ave)	LS		
64	Washington St Median (Ave 52 to Ave 50)	LS		
65	Washington St Median (Ave 50-Ave 48)	LS		
66	Washington St. Median (Ave 48 to Ave 47)	LS		
67	Washington St Median (Miles Ave to Fred Waring)	LS		
68	YMCA Parking Lot (Moon River)	LS		
	Total Amount of Base Proposal Items 1 - 68	LS		

TOTAL BASE Proposal

_____ (IN WORDS)

(\$_____)

Proposal amount of each of the above Proposal Items must be filled in and completed. It is understood that the quantities shown hereon are but estimates and the proposer is responsible to verify quantities prior to submitting a proposal. Final payment will be based upon actual work performed, subject to such adjustments and alterations as elsewhere provided herein.

A. Initial Annual Contract Period will be for one year (12 months) from July 1, 2024, until June 30, 2025.

B. The City may elect to exercise an extension to renew this contract for six (6) additional terms with ninety (90)-day notice, contingent upon satisfactory work of the Contractor.

C. The City may authorize a maximum increase per fiscal year to the above listed contract amount based on the Local Consumer Price Index for Riverside, San Bernardino, and Ontario.

D. Authorized extra work and services may be requested in an annual amount to be determined at the City's discretion and approved by City Council for lighting/landscape restoration and/or additional On-Call Electrical Maintenance services within the L&L, Parks, Buildings, and Facilities maintenance areas.

Signature of Proposer (Ink)

Name of Proposer (Printed or Typed)

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: AWARD CONTRACT TO DESERT CONCEPTS CONSTRUCTION, INC. FOR PARK LANDSCAPE MAINTENANCE, PROJECT NO. 2023-30; AND AUTHORIZE THE PUBLIC WORKS DEPARTMENT TO UTILIZE DESERT CONCEPTS CONSTRUCTION, INC. AS A SELECT SOURCE FOR EXTRA WORK AND ON-CALL MAINTENANCE SERVICES

RECOMMENDATION

Award a contract to Desert Concepts Construction, Inc. for Park Landscape Maintenance Services, Project No. 2023-30; authorize the Public Works Department to utilize Desert Concepts Construction, Inc. as a select source for extra work and on-call maintenance services for up to \$300,000 in fiscal year 2024-25; and authorize the City Manager to execute the contract.

EXECUTIVE SUMMARY

- The City contracts landscape maintenance services (LSM) for public parks, retention basins, and civic facilities to maintain aesthetically pleasing landscapes citywide.
- On April 2, 2024, the City posted a Request for Qualifications (RFQ) for LSM including on-call services; received 3 responses; and the selection committee recommends contracting with Desert Concepts Construction, Inc. (Desert Concepts) based on their experience and qualifications.
- Staff requests authority to utilize Desert Concepts as a select source for additional on-call landscape renovation and maintenance services within parks and areas not located within the scope of this contract for fiscal year (FY) 2024/25.

FISCAL IMPACT

The contract is for an initial 1-year term and may be extended for 6 additional years based on satisfactory performance by Desert Concepts. The total cost for FY 2024/25 is allocated between 4 fund accounts as follows:

Fund Account	FY 2024/25
Park Fund (101-3005-60112)	\$ 918,400
L&L Fund (215-7004-60112)	\$ 204,000
Museum Fund (202-3006-60112)	\$ 24,000
Library Fund (202-3004-60112)	\$ 33,600
Total:	\$ 1,180,000

At this time, staff seeks authorization for a 3-year period, should the available extended terms be executed. The costs are detailed below:

Fiscal Year Landscape Maintenance Services	Cost
FY 2024-25	\$1,180,000
FY 2025-26	\$1,180,000
FY 2026-27	\$1,180,000
Contingency at 5% (compounded year-over-year for CPI per Section 1240)	\$ 179,950
Grand Total:	\$3,719,950

Staff requests Council approval for additional spending authority up to \$300,000 in FY 2024/25 for extra work and on-call services. The \$300,000 would be charged in increments as needed to the appropriate budgeted maintenance services account(s) Parks (101-3005-60691); L&L (215-7004-60691); Museum (202-3006-60112); and Library (202-3004-60112) for landscape maintenance and/or renovation of City property.

BACKGROUND/ANALYSIS

The City contracts landscape maintenance within the parks, retention basins, the YMCA, Library, and Museum, for daily, weekly and monthly maintenance of all landscaped areas.

On April 2, 2024, an RFQ was posted for LSM and on-call landscape maintenance services. A mandatory pre-proposal meeting was held on April 16, 2024; 9 contractors attended; 3 proposals were received; and the selection committee recommends contracting with Desert Concepts, located in Indio, based on their qualifications and experience.

The proposed contract (Attachment 1) includes landscape maintenance service for parks, retention basins, the YMCA, the Museum and Library. Section 1240 of the contract also allows for extra work for landscape maintenance on an on-call as-needed basis. On-call services is not guaranteed work, however, utilizing the same contractor as a select source for extra work would ensure continuity and consistency of landscape maintenance and improvements in areas with aged and deferred landscape maintenance and at City property not located within the contracted areas. This work may include modifications to the irrigation system, replacement of trees, shrubs, ground cover, accident damage, vandalism repair, weed abatement, storm debris cleanup, irrigation assessments, and landscape or field improvements at other City maintenance areas on request.

Staff requests Council approval for additional spending authority with Desert Concepts for extra work and on-call services up to \$300,000 in FY 2024/25.

The contract would be for an initial one-year term, effective July 1, 2024, through June 30, 2025. The contract may be extended for 6 additional years, at 1, 2, or 3-year terms, to be executed at the beginning of a FY through 2030/31 at the City's discretion, should the contractor perform in a satisfactory manner. Staff will seek Council approval for additional spending authority annually and provide an update on the status of the contract and on the LSM costs for each FY.

ALTERNATIVES

Council may direct staff to choose the next most qualified proposer or, direct staff to prepare new specifications and re-advertise for Citywide landscape services. However, that would cause a delay in services.

Prepared by: Dianne Hansen, Maintenance & Operations Superintendent
Approved by: Bryan McKinney, Public Works Director/City Engineer

Attachment: 1. Contract with Desert Concepts

ATTACHMENT 1

**SECTION 1300
CONTRACT**

THIS CONTRACT, by and between the CITY OF LA QUINTA, a municipal corporation, herein referred to as "**City**," and Desert Concepts Construction, Inc. herein referred to as, "**Contractor**."

W I T N E S S E T H:

In consideration of their mutual covenants, the parties hereto agree as follows:

1. Contractor shall furnish all necessary labor, material, equipment, transportation and services to perform **Project No. 2023-30, Park Landscape Maintenance Services and On-Call Landscape Maintenance Services** in the City of La Quinta, California pursuant to the Request For Proposal (RFP), the project Specifications, and Contractor's Proposal, all of which documents shall be considered a part hereof as though fully set herein.

Should any provisions of Contractor's Proposal be in conflict with the Notice Inviting Proposals, Specifications, or this Contract, then the provisions of said Contract, Specifications, and Invitation to Propose shall be controlling in that order of precedence. The time frame for work shall be in accordance with that specified in the Requests for Qualifications and Proposals.

2. Contractor will comply with all Federal, State, County, and La Quinta Municipal Code Regulations, which are, as amended from time to time, incorporated herein by reference.

3. All work shall be done in a manner satisfactory to the Parks M&O Superintendent.

4. Contractor shall commence work on July 1, 2024, after the issuance of a written Notice to Proceed.

5. In consideration of said work, City agrees to pay Contractor such sums as shall be approved by Parks M&O Superintendent at monthly sums and/or unit prices stated in the Contractor's Proposal, the base consideration (\$ 1,180,000.00). All payments shall be subject to approval by the Parks M&O Superintendent and shall be in accordance with the terms, conditions, and procedures provided in the Specifications.

6. The Contractor shall not knowingly pay less than the general prevailing rate for per diem wages, as determined by the State of California Department of Industrial Relations and referred to in the Invitation to Propose, to any workman employed for the work to be performed under this contract; and the Contractor shall forfeit as a penalty to the City the sum of Twenty-Five Dollars (\$25.00) for each calendar day, or fraction thereof, for such workman paid by him or by any subcontractor under him in violation of this provision (Sections 1770-1777, Labor Code of California).

Pursuant to Section 1770, et. seq., of the California Labor Code, the successful proposer shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. These wage rates are available from the California Department of Industrial Relations' Internet website at <http://www.dir.ca.gov>.

Pursuant to Section 1725.5 of the California Labor Code, no contractor or subcontractor may be awarded a contract for public work on a public works project unless registered with the Department of Industrial Relations at the time the contract is awarded. Contractors and

subcontractors may find additional information for registering at the Department of Industrial Relations website at <http://www.dir.ca.gov/Public-Works/PublicWorks.html>.

Pursuant to Labor Code section 1771.1, no contractor or subcontractor may be listed on a bid proposal for a public works project submitted on or after March 1, 2015 unless registered with the Department of Industrial Relations. Furthermore, all proposers and contractors are hereby notified that no contractor or subcontractor may be awarded, on or after April 1, 2015, a contract for public work on a public works project unless registered with the Department of Industrial Relations.

Pursuant to Labor Code section 1771.4, all proposers are hereby notified that this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

7. Concurrently with the execution of this Contract, Contractor shall furnish bonds of a surety satisfactory to City, as provided in said Specifications or Invitation to Propose, the cost of which shall be paid by Contractor.

8. Except for the gross negligence or willful misconduct of an Indemnified Party (as hereinafter defined), the Contractor hereby assumes liability for and agrees to defend (at Indemnified Parties' option), indemnify, protect and hold harmless City and its Project Consultants, and Engineers, officers, agents, and employees ("Indemnified Parties") from and against any and all claims, charges, damages, demands, actions, proceedings, losses, stop notices, costs, expenses (including counsel fees), judgments, civil fines and penalties, liabilities of any kind or nature whatsoever, which may be sustained or suffered by or secured against the Indemnified Parties arising out of or encountered in connection with this Contract or the performance of the Work including, but not limited to, death of or bodily or personal injury to persons or damage to property, including property owned by or under the care and custody of City, and for civil fines and penalties, that may arise from or be caused, in whole or in part, by any negligent or other act or omission of Contractor, its officers, agents, employees or Subcontractors including, but not limited to, liability arising from:

1. Any dangerous, hazardous, unsafe or defective condition of, in or on the premises, of any nature whatsoever, which may exist by reason of any act, omission, neglect, or any use or occupation of the premises by Contractor, its officers, agents, employees, or subcontractors;
2. Any operation conducted upon or any use or occupation of the premises by Contractor, its officers, agents, employees, or subcontractors under or pursuant to the provisions of this contract or otherwise;
3. Any act, omission or negligence of Contractor, its officers, agents, employees, or Subcontractors;
4. Any failure of Contractor, its officers, agents or employees to comply with any of the terms or conditions of this Contract or any applicable federal, state, regional, or municipal law, ordinance, rule or regulation; and
5. The conditions, operations, uses, occupations, acts, omissions or negligence referred to in Sub-subsections (1), (2), (3), and (4), existing or conducted upon or arising from the use or occupation by Contractor on any other premises in the care, custody and control of City.

The Contractor also agrees to indemnify City and pay for all damages or loss suffered by City including but not limited to damage to or loss of City property, to the extent not insured by City

and loss of City revenue from any source, caused by or arising out of the conditions, operations, uses, occupations, acts, omissions or negligence referred to in Sub-subsections (1), (2), (3), (4) and (5).

Contractor's obligations under this Section apply regardless of whether or not such claim, charge, damage, demand, action, proceeding, loss, stop notice, cost expense, judgment, civil fine or penalty, or liability was caused in part or contributed to by an Indemnified Party. However, without affecting the rights of City under any provision of this Contract, Contractor shall not be required to indemnify and hold harmless City for liability attributable to the active negligence of City, provided such active negligence is determined by Contract between the parties or by the findings of a court of competent jurisdiction. In instances where City is shown to have been actively negligent and where City's active negligence accounts for only a percentage of the liability involved, the obligation of Contractor will be for that entire portion or percentage of liability not attributable to the active negligence of City.

Contractor agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Contractor in the performance of this Contract. In the event Contractor fails to obtain such indemnity obligations from others as required here, Contractor agrees to be fully responsible according to the terms of this section.

Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth here is binding on the successors, assigns or heirs of Contractor and shall survive the termination of this Contract or this section.

This indemnity shall survive termination of the Contract or Final Payment hereunder. This Indemnity is in addition to any other rights or remedies that the Indemnified Parties may have under the law or under any other Contract Documents or Agreements. In the event of any claim or demand made against any party which is entitled to be indemnified hereunder, City may, in its sole discretion, reserve, retain or apply any monies to the Contractor under this Contract for the purpose of resolving such claims; provided, however, City may release such funds if the Contractor provides City with reasonable assurance of protection of the Indemnified Parties' interests. City shall, in its sole discretion, determine whether such assurances are reasonable.

Approval of any insurance contracts by the City does not relieve the Contractor or subcontractors from liability under Section 1340-1.0, Indemnification of the Specifications. The City will not be liable for any accident, loss, or damage to the work prior to its completion and acceptance.

9. Contractor shall hold the County of Riverside, its officers, agents and employees free and harmless from any liability whatsoever, including wrongful death, based or asserted upon any act or omission of principal, its officers, agents, employees or sub-contractors relating to or in any way connected with or arising from the accomplishment of the work, whether or not such acts or omissions were in furtherance of the work requires by the Contract Documents and agrees to defend at his expense, including attorney fees, City of La Quinta, County of Riverside, its officers, agents, employees and Independent Architect in any legal action based on any such alleged acts or omissions.

10. Except as otherwise required, Contractor shall concurrently with the execution of this contract, furnish the City satisfactory evidence of insurance of the kinds and in the amounts provided in said Specifications, Section 1340-2.0, Insurance Requirements. This insurance shall be kept in full force and effect by Contractor during this entire contract and all premiums thereon shall be promptly paid by it. Each policy shall further state that it cannot be canceled without 30

days unconditional written notice to the City and shall name the City as an additional insured on the Commercial General Liability policy only. Contractor shall furnish evidence of having in effect and shall maintain Workers Compensation Insurance coverage of not less than the statutory amount or otherwise show a certificate of self-insurance, in accordance with the Workers Compensation laws of the State of California. Failure to maintain the required amounts and types of coverage throughout the duration of this Contract shall constitute a material breach of this Contract.

11. Contractor shall forfeit as a penalty to City \$25.00 for each laborer, workman, or mechanic employed in the execution of this Contract by said Contractor, or any subcontractor under it, upon any of the work herein mentioned, for each calendar day during which such laborer, workman, or mechanic is required or permitted to work at other than a rate of pay provided by law for more than 8 hours in any one calendar day and 40 hours in any one calendar week, in violation of the provisions of Sections 1810-1815 of the Labor Code of the State of California.

12. In accepting this Contract, Contractor certifies that in the conduct of its business it does not deny the right of any individual to seek, obtain and hold employment without discrimination because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, sex or age as provided in the California Fair Employment Practice Act (Government Code Sections 12900, et seq.) Contractor agrees that a finding by the State Fair Employment Practices Commission that Contractor has engaged during the term of this Contract in any unlawful employment practice shall be deemed a breach of this Contract and Contractor shall pay to City \$1,607.00 liquidated damages for each such breach committed under this contract.

13. Contractor also agrees that for contracts in excess of \$30,000 and more than 20 calendar days duration, that apprentices will be employed without discrimination in an approved program in a ratio established in the apprenticeship standards of the craft involved (Sections 1777.5 and 1777.6, Labor Code of California). Contractors who willfully fail to comply will be denied the right to submit proposals for public projects for a period of six months in addition to other penalties provided by law.

14. This Contract shall not be assignable by Contractor without the written consent of City.

15. In accepting this Contract, Contractor certifies that no member or officer of the firm or corporation is an officer or employee of the City except to the extent permitted by law.

16. Contractor certifies that it is the holder of any necessary California State Contractor's License and authorized to undertake the above work.

17. The City, or its authorized auditors or representatives, shall have access to and the right to audit and reproduce any of the Contractor records to the extent the City deems necessary to insure it is receiving all money to which it is entitled under the contract and/or is paying only the amounts to which Contractor is properly entitled under the Contract or for other purposes relating to the Contract.

18. The Contractor shall maintain and preserve all such records for a period of at least three years after termination of the contract.

19. The Contractor shall maintain all such records in the City of La Quinta. If not, the Contractor shall, upon request, promptly deliver the records to the City or reimburse the City for all reasonable and extra costs incurred in conducting the audit at a location other than at City

offices including, but not limited to, such additional (out of the City) expenses for personnel, salaries, private auditors, travel, lodging, meals and overhead.

20. The further terms, conditions, and covenants of the Contract are set forth in the Contract Documents, each of which is by this reference made a part hereof.

SECTION 1240
PARK LANDSCAPE MAINTENANCE SERVICES, PROJECT NO. 2023-30
SUMMATION – PROPOSAL FORM
PARKS AND CIVIC FACILITIES

	Park Facility	Unit Price	Annual Price
1	Adams Park		
2	Bear Creek Trail		
3	North Bear Creek Trail Head		
4	Nature Preserve (Ensenada to Tecate)		
5	Civic Center Campus: Park		
	City Hall		
	Library		
	Wellness Center		
	La Fonda Open Area		
	Tampico		
6	Colonel Mitchell Paige Middle School Sports Fields		
7	Cove Oasis: Trailhead		
8	Entryway (corner of Calle Tecate and Avenida Madero)		
9	Parking Lots (at Calle Tecate & Avenida Bermudas)		
10	Desert Pride Park		
11	Eisenhower Park Mini Park		
12	Fred Wolff Nature Preserve		
13	Fritz Burns Park and Dog Park		
14	La Quinta Park		
15	Monticello Park (excluding Retention Basin)		
16	Museum		
17	Lumber Yard		
18	Pioneer Park and Dog Park		
19	Saguaro Park		
20	Seasons Dog park		
21	Sports Complex		
22	Velasco Mini Park		
23	X-Park		
	Total Combined Projects		

TOTAL BASE PROPOSAL FOR PARKS AND CIVIC FACILITIES:

(IN WORDS)

(\$ _____)

**SECTION 1240
PARK LANDSCAPE MAINTENANCE SERVICES, PROJECT NO. 2023-30
SUMMATION – PROPOSAL FORM**

RETENTION BASINS/OTHER AREAS

	Retention Basins/Other Areas	Unit Price	Annual Price
1	Youth Center (YMCA) (Moon River Dr. and Ave. 50)		
2	Perimeter – Moon River east side LS West side trees (North of Ave 50)		
3	Retention Basin – Adams Park (44425 Adams Street)		
4	Retention Basin – Seasons (Cloud View Way)		
	Total Combined Projects:		

TOTAL BASE PROPOSAL FOR RETENTION BASINS AND OTHER AREAS:

_____ (IN WORDS)

(\$ _____)

SUMMATION – PROPOSAL FORM

**PARK LANDSCAPE MAINTENANCE SERVICES, PROJECT NO. 2023-30
COMBINED PARKS AND CIVIC FACILITIES AND RETENTION BASINS**

Item No.	Description	Unit	Quantity	Unit Price	Annual Price
1	PARKS AND CIVIC FACILITIES	LS	23		
2	RETENTION BASINS/OTHER AREAS	LS	4		
TOTAL					

TOTAL COMBINED BASE PROPOSAL ITEMS:

_____ (IN WORDS)

(\$ _____)

- A. Initial Annual Contract Period will be for one year (12 months) from July 1, 2024, until June 30, 2025.
- B. The City may elect to exercise an extension to renew this contract for six additional terms with a ninety (90)-day notice, contingent upon satisfactory work of the Contractor.
- C. The City may authorize a maximum increase per fiscal year to the above listed contract amount based on the Local Consumer Price Index for Riverside, San Bernardino, and Ontario areas.
- D. Authorized extra work and services may be requested in an annual amount to be determined at the City’s discretion and approved by City Council for landscape restoration, and/or additional On-Call Landscape Maintenance services on City property and/or within other maintenance areas for parks, Facilities and/or Landscape & Lighting Assessment District 89-1.

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: AWARD CONTRACT TO VINTAGE ASSOCIATES, INC. FOR SILVERROCK LANDSCAPE MAINTENANCE, PROJECT NO. 2023-31; AND AUTHORIZE THE PUBLIC WORKS DEPARTMENT TO UTILIZE VINTAGE ASSOCIATES, INC. AS A SINGLE SOURCE FOR EXTRA WORK AND ON-CALL MAINTENANCE SERVICES

RECOMMENDATION

Award a contract to Vintage Associates, Inc. for SilverRock Landscape Maintenance Services, Project No. 2023-31; authorize the Public Works Department to utilize Vintage Associates, Inc as a select source for extra work and on-call landscape maintenance services for up to \$300,000 in fiscal year 2024/25; and authorize the City Manager to execute the contract.

EXECUTIVE SUMMARY

- The City contracts landscape maintenance services for public parks, medians, parkways, and retention basins throughout the City.
- On April 2, 2024, the City posted a Request for Qualifications (RFQ) for SilverRock landscape maintenance services (SRR LSM) including on-call landscape maintenance services; received 5 responses; and the selection committee recommends contracting with Vintage Associates, Inc. (Vintage) based on their experience and qualifications.
- Staff requests authority to utilize Vintage as a select source for additional on-call landscape maintenance services for fiscal year (FY) 2024/25 that is not included in the scope of the contracted SRR LSM areas.

FISCAL IMPACT

The contract is for an initial 1-year term and may be extended for 6 additional years based on satisfactory performance by Vintage. The total cost for FY 2024/25 is allocated between 3 fund accounts as follows:

Fund Account	FY 2024/25
Park Fund (101-7004-60112)	\$ 170,176
L&L Fund (215-7004-60112)	\$ 47,600
SRR Parkways (215-7004-60146)	\$ 82,000
Total:	\$ 299,776

At this time, staff seeks authorization for a 3-year period, should the available extended terms be executed. The costs are detailed below:

Fiscal Year Landscape Maintenance Services	Cost
FY 2024-25	\$299,776
FY 2025-26	\$299,776
FY 2026-27	\$299,776
Contingency at 5% (compounded year-over-year for CPI per Section 1240)	\$ 45,716
Grand Total:	\$945,044

Staff requests Council approval for additional spending authority up to \$300,000 in FY 2024/25 for extra work and on-call services. The \$300,000 would be charged in increments as needed to the appropriate budgeted maintenance services account(s) in Parks (101-3005-60691); and L&L (215-7004-60691 and 215-7004-60673) for landscape maintenance, renovation, weed abatement, tree removal, and storm damage cleanup of City property.

[BACKGROUND/ANALYSIS](#)

The City contracts landscape maintenance for daily, weekly and monthly maintenance of landscaped areas located within City parks, retention basins, and parkways. The purpose of SRR LSM is to increase service levels at the SilverRock (SRR) Event Park and landscape improvements at the parkways located on Avenue 52 and Jefferson Street.

On April 2, 2024, an RFQ was posted for SRR LSM services and on-call services. A mandatory pre-proposal meeting was held on April 10, 2024; 7 contractors attended; received 5 proposals; and the Selection Committee recommends contracting with Vintage, located in Bermuda Dunes, based on their experience and qualifications.

The proposed contract (Attachment 1) includes landscape maintenance services for SRR Event Park, retention basin, and perimeter parkways located on Avenue 52, Jefferson Street, and Avenue 54. Section 1240 of the contract also allows for extra work for landscape maintenance on an on-call as-needed basis. On-call services is not guaranteed work, however, utilizing the same contractor as a select source for extra work would ensure continuity and consistency of landscape maintenance and improvements in areas with aged and deferred landscape maintenance and at City property not located within the contracted areas. This work may include modifications to the irrigation system, replacement of trees, shrubs, ground cover, accident damage, vandalism repair, weed abatement, storm debris cleanup, irrigation assessments, and landscape or field improvements at other City maintenance areas on request.

Staff requests Council approval for additional spending authority with Vintage for extra work within the SRR LSM areas and on-call services up to \$300,000 in FY 2024/25.

The contract would be for an initial one-year term, effective July 1, 2024, through June 30, 2025. The contract may be extended for 6 additional years, renewable at 1, 2, or 3-year terms, to be executed at the beginning of a FY through 2030/31, at the City's discretion should the contractor perform in a satisfactory manner. Staff will seek Council approval for additional spending authority annually and provide an update on the status of the contract and on the SRR LSM landscape maintenance costs for each FY.

ALTERNATIVES

City Council may direct staff to choose the next most qualified proposer or, direct staff to prepare new specifications and re-advertise for SRR landscape maintenance services. However, that would cause a delay in services.

Prepared by: Dianne Hansen, Maintenance & Operations Superintendent

Approved by: Bryan McKinney, Public Works Director/City Engineer

Attachment: 1. Contract with Vintage

ATTACHMENT 1**SECTION 1300
CONTRACT**

THIS CONTRACT, by and between the CITY OF LA QUINTA, a municipal corporation, herein referred to as "City," and VINTAGE ASSOCIATES, INC., herein referred to as, "Contractor."

WITNESSETH:

In consideration of their mutual covenants, the parties hereto agree as follows:

1. Contractor shall furnish all necessary labor, material, equipment, transportation and services to perform **Project No. 2023-31, SilverRock Landscape Maintenance Services and On-Call Landscape Maintenance Services** in the City of La Quinta, California pursuant to the Request For Qualifications (RFQ), the project Specifications, and Contractor's Proposal, all of which documents shall be considered a part hereof as though fully set herein.

Should any provisions of Contractor's Proposal be in conflict with the Notice Inviting Proposals, Specifications, or this Contract, then the provisions of said Contract, Specifications, and Invitation to Propose shall be controlling in that order of precedence. The time frame for work shall be in accordance with that specified in the Requests for Qualifications.

2. Contractor will comply with all Federal, State, County, and La Quinta Municipal Code Regulations, which are, as amended from time to time, incorporated herein by reference.

3. All work shall be done in a manner satisfactory to the Parks M&O Superintendent.

4. Contractor shall commence work on July 1, 2024, after the issuance of a written Notice to Proceed.

5. In consideration of said work, City agrees to pay Contractor such sums as shall be approved by Parks M&O Superintendent at monthly sums and/or unit prices stated in the Contractor's Proposal, the base consideration (\$ 299,776.00). All payments shall be subject to approval by the Parks M&O Superintendent and shall be in accordance with the terms, conditions, and procedures provided in the Specifications.

6. The Contractor shall not knowingly pay less than the general prevailing rate for per diem wages, as determined by the State of California Department of Industrial Relations and referred to in the Invitation to Propose, to any workman employed for the work to be performed under this contract; and the Contractor shall forfeit as a penalty to the City the sum of Twenty-Five Dollars (\$25.00) for each calendar day, or fraction thereof, for such workman paid by him or by any subcontractor under him in violation of this provision (Sections 1770-1777, Labor Code of California).

Pursuant to Section 1770, et. seq., of the California Labor Code, the successful proposer shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations. These wage rates are available from the California Department of Industrial Relations' Internet website at <http://www.dir.ca.gov>.

Pursuant to Section 1725.5 of the California Labor Code, no contractor or subcontractor may be awarded a contract for public work on a public works project unless registered with the Department of Industrial Relations at the time the contract is awarded. Contractors and

subcontractors may find additional information for registering at the Department of Industrial Relations website at <http://www.dir.ca.gov/Public-Works/PublicWorks.html>.

Pursuant to Labor Code section 1771.1, no contractor or subcontractor may be listed on a bid proposal for a public works project submitted on or after March 1, 2015 unless registered with the Department of Industrial Relations. Furthermore, all proposers and contractors are hereby notified that no contractor or subcontractor may be awarded, on or after April 1, 2015, a contract for public work on a public works project unless registered with the Department of Industrial Relations.

Pursuant to Labor Code section 1771.4, all proposers are hereby notified that this project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

7. Concurrently with the execution of this Contract, Contractor shall furnish bonds of a surety satisfactory to City, as provided in said Specifications or Invitation to Propose, the cost of which shall be paid by Contractor.

8. Except for the gross negligence or willful misconduct of an Indemnified Party (as hereinafter defined), the Contractor hereby assumes liability for and agrees to defend (at Indemnified Parties' option), indemnify, protect and hold harmless City and its Project Consultants, and Engineers, officers, agents, and employees ("Indemnified Parties") from and against any and all claims, charges, damages, demands, actions, proceedings, losses, stop notices, costs, expenses (including counsel fees), judgments, civil fines and penalties, liabilities of any kind or nature whatsoever, which may be sustained or suffered by or secured against the Indemnified Parties arising out of or encountered in connection with this Contract or the performance of the Work including, but not limited to, death of or bodily or personal injury to persons or damage to property, including property owned by or under the care and custody of City, and for civil fines and penalties, that may arise from or be caused, in whole or in part, by any negligent or other act or omission of Contractor, its officers, agents, employees or Subcontractors including, but not limited to, liability arising from:

1. Any dangerous, hazardous, unsafe or defective condition of, in or on the premises, of any nature whatsoever, which may exist by reason of any act, omission, neglect, or any use or occupation of the premises by Contractor, its officers, agents, employees, or subcontractors;
2. Any operation conducted upon or any use or occupation of the premises by Contractor, its officers, agents, employees, or subcontractors under or pursuant to the provisions of this contract or otherwise;
3. Any act, omission or negligence of Contractor, its officers, agents, employees, or Subcontractors;
4. Any failure of Contractor, its officers, agents or employees to comply with any of the terms or conditions of this Contract or any applicable federal, state, regional, or municipal law, ordinance, rule or regulation; and
5. The conditions, operations, uses, occupations, acts, omissions or negligence referred to in Sub-subsections (1), (2), (3), and (4), existing or conducted upon or arising from the use or occupation by Contractor on any other premises in the care, custody and control of City.

The Contractor also agrees to indemnify City and pay for all damages or loss suffered by City including but not limited to damage to or loss of City property, to the extent not insured by City

and loss of City revenue from any source, caused by or arising out of the conditions, operations, uses, occupations, acts, omissions or negligence referred to in Sub-subsections (1), (2), (3), (4) and (5).

Contractor's obligations under this Section apply regardless of whether or not such claim, charge, damage, demand, action, proceeding, loss, stop notice, cost expense, judgment, civil fine or penalty, or liability was caused in part or contributed to by an Indemnified Party. However, without affecting the rights of City under any provision of this Contract, Contractor shall not be required to indemnify and hold harmless City for liability attributable to the active negligence of City, provided such active negligence is determined by Contract between the parties or by the findings of a court of competent jurisdiction. In instances where City is shown to have been actively negligent and where City's active negligence accounts for only a percentage of the liability involved, the obligation of Contractor will be for that entire portion or percentage of liability not attributable to the active negligence of City.

Contractor agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Contractor in the performance of this Contract. In the event Contractor fails to obtain such indemnity obligations from others as required here, Contractor agrees to be fully responsible according to the terms of this section.

Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth here is binding on the successors, assigns or heirs of Contractor and shall survive the termination of this Contract or this section.

This indemnity shall survive termination of the Contract or Final Payment hereunder. This Indemnity is in addition to any other rights or remedies that the Indemnified Parties may have under the law or under any other Contract Documents or Agreements. In the event of any claim or demand made against any party which is entitled to be indemnified hereunder, City may, in its sole discretion, reserve, retain or apply any monies to the Contractor under this Contract for the purpose of resolving such claims; provided, however, City may release such funds if the Contractor provides City with reasonable assurance of protection of the Indemnified Parties' interests. City shall, in its sole discretion, determine whether such assurances are reasonable.

Approval of any insurance contracts by the City does not relieve the Contractor or subcontractors from liability under Section 1340-1.0, Indemnification of the Specifications. The City will not be liable for any accident, loss, or damage to the work prior to its completion and acceptance.

9. Contractor shall hold the County of Riverside, its officers, agents and employees free and harmless from any liability whatsoever, including wrongful death, based or asserted upon any act or omission of principal, its officers, agents, employees or sub-contractors relating to or in any way connected with or arising from the accomplishment of the work, whether or not such acts or omissions were in furtherance of the work requires by the Contract Documents and agrees to defend at his expense, including attorney fees, City of La Quinta, County of Riverside, its officers, agents, employees and Independent Architect in any legal action based on any such alleged acts or omissions.

10. Except as otherwise required, Contractor shall concurrently with the execution of this contract, furnish the City satisfactory evidence of insurance of the kinds and in the amounts provided in said Specifications, Section 1340-2.0, Insurance Requirements. This insurance shall be kept in full force and effect by Contractor during this entire contract and all premiums thereon shall be promptly paid by it. Each policy shall further state that it cannot be canceled without 30

days unconditional written notice to the City and shall name the City as an additional insured on the Commercial General Liability policy only. Contractor shall furnish evidence of having in effect and shall maintain Workers Compensation Insurance coverage of not less than the statutory amount or otherwise show a certificate of self-insurance, in accordance with the Workers Compensation laws of the State of California. Failure to maintain the required amounts and types of coverage throughout the duration of this Contract shall constitute a material breach of this Contract.

11. Contractor shall forfeit as a penalty to City \$25.00 for each laborer, workman, or mechanic employed in the execution of this Contract by said Contractor, or any subcontractor under it, upon any of the work herein mentioned, for each calendar day during which such laborer, workman, or mechanic is required or permitted to work at other than a rate of pay provided by law for more than 8 hours in any one calendar day and 40 hours in any one calendar week, in violation of the provisions of Sections 1810-1815 of the Labor Code of the State of California.

12. In accepting this Contract, Contractor certifies that in the conduct of its business it does not deny the right of any individual to seek, obtain and hold employment without discrimination because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, sex or age as provided in the California Fair Employment Practice Act (Government Code Sections 12900, et seq.) Contractor agrees that a finding by the State Fair Employment Practices Commission that Contractor has engaged during the term of this Contract in any unlawful employment practice shall be deemed a breach of this Contract and Contractor shall pay to City \$1,607.00 liquidated damages for each such breach committed under this contract.

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16. Contractor certifies that it is the holder of any necessary California State Contractor's License and authorized to undertake the above work.

17. The City, or its authorized auditors or representatives, shall have access to and the right to audit and reproduce any of the Contractor records to the extent the City deems necessary to insure it is receiving all money to which it is entitled under the contract and/or is paying only the amounts to which Contractor is properly entitled under the Contract or for other purposes relating to the Contract.

18. The Contractor shall maintain and preserve all such records for a period of at least three years after termination of the contract.

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offices including, but not limited to, such additional (out of the City) expenses for personnel, salaries, private auditors, travel, lodging, meals and overhead.

20. The further terms, conditions, and covenants of the Contract are set forth in the Contract Documents, each of which is by this reference made a part hereof.

IN WITNESS WHEREOF, the parties have executed this Contract as of the dates stated below.

"CITY"

CITY OF LA QUINTA,
a California municipal corporation

Dated: _____

By: _____
Jon McMillen, City Manager

ATTEST:

Monika Radeva, City Clerk

Dated: _____

APPROVED AS TO FORM:

City Attorney

Dated: _____

"CONTRACTOR"
(If corporation, affix seal)

Dated: 5/28/2024

By: 
Signature

Name: Kyle Gritters

Title: CEO

Address:

78755 Darby Rd Bermuda Dunes CA 92203
Street Address City State Zip Code

E-mail: Kyleg@thevintageca.com

Dated: 5/28/2024

By: _____
Signature

Name: _____

Title: _____

Address:

Street Address City State Zip Code

E-mail: _____

SECTION 1240
PARK LANDSCAPE MAINTENANCE SERVICES, PROJECT NO. 2023-30
SUMMATION – PROPOSAL FORM
PARKS AND CIVIC FACILITIES

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	La Fonda Open Area		
	Tampico		
6	Colonel Mitchell Paige Middle School Sports Fields		
7	Cove Oasis: Trailhead		
8	Entryway (corner of Calle Tecate and Avenida Madero)		
9	Parking Lots (at Calle Tecate & Avenida Bermudas)		
10	Desert Pride Park		
11	Eisenhower Park Mini Park		
12	Fred Wolff Nature Preserve		
13	Fritz Burns Park and Dog Park		
14	La Quinta Park		
15	Monticello Park (excluding Retention Basin)		
16	Museum		
17	Lumber Yard		
18	Pioneer Park and Dog Park		
19	Saguaro Park		
20	Seasons Dog park		
21	Sports Complex		
22	Velasco Mini Park		
23	X-Park		
	Total Combined Projects		

TOTAL BASE PROPOSAL FOR PARKS AND CIVIC FACILITIES:

(IN WORDS)

(\$ _____)

**SECTION 1240
PARK LANDSCAPE MAINTENANCE SERVICES, PROJECT NO. 2023-30
SUMMATION – PROPOSAL FORM**

RETENTION BASINS/OTHER AREAS

	Retention Basins/Other Areas	Unit Price	Annual Price
1	Youth Center (YMCA) (Moon River Dr. and Ave. 50)		
2	Perimeter – Moon River east side LS West side trees (North of Ave 50)		
3	Retention Basin – Adams Park (44425 Adams Street)		
4	Retention Basin – Seasons (Cloud View Way)		
	Total Combined Projects:		

TOTAL BASE PROPOSAL FOR RETENTION BASINS AND OTHER AREAS:

_____ (IN WORDS)

(\$ _____)

SUMMATION – PROPOSAL FORM

**PARK LANDSCAPE MAINTENANCE SERVICES, PROJECT NO. 2023-30
COMBINED PARKS AND CIVIC FACILITIES AND RETENTION BASINS**

Item No.	Description	Unit	Quantity	Unit Price	Annual Price
1	PARKS AND CIVIC FACILITIES	LS	23		
2	RETENTION BASINS/OTHER AREAS	LS	4		
TOTAL					

TOTAL COMBINED BASE PROPOSAL ITEMS:

_____ (IN WORDS)

(\$ _____)

- A. Initial Annual Contract Period will be for one year (12 months) from July 1, 2024, until June 30, 2025.
- B. The City may elect to exercise an extension to renew this contract for six additional terms with a ninety (90)-day notice, contingent upon satisfactory work of the Contractor.
- C. The City may authorize a maximum increase per fiscal year to the above listed contract amount based on the Local Consumer Price Index for Riverside, San Bernardino, and Ontario areas.
- D. Authorized extra work and services may be requested in an annual amount to be determined at the City’s discretion and approved by City Council for landscape restoration, and/or additional On-Call Landscape Maintenance services on City property and/or within other maintenance areas for parks, Facilities and/or Landscape & Lighting Assessment District 89-1.

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: ALLOCATE FUNDING AND AWARD CONTRACT TO SUPERIOR ROOFING FOR THE CITY HALL ROOF REPAIR PROJECT NO. 2023-32, LOCATED AT THE CITY OF LA QUINTA CITY HALL

RECOMMENDATION

Allocate \$264,000 in Building Replacement/Repair Fund; award contract to Superior Roofing for the City Hall Roof Repair Project No. 2023-32, located at the City of La Quinta City Hall; and authorize the City Manager to execute the contract and approve future change orders within the project budget amount.

EXECUTIVE SUMMARY

- This project will repair the main section of tiled roof on the east side of City Hall and the tiled roof above the Council Chamber (Attachment 1). Work will include removing the existing tile, replacing the roof paper, replacing plywood as needed, placing back the existing tile, replacing all mortared tile, fixing trim as needed, and replacing the tie wire system that holds the tiles in place.
- Superior Roofing of San Marcos, California, submitted the only responsible and responsive bid at \$464,000.00 for the base bid (Attachment 2).

FISCAL IMPACT

The project is a part of the City’s ongoing maintenance budget for City building replacement/repair account no. 501-0000-71103. The current available budget of \$250,000 does not meet the need for repairs. Staff recommends allocating \$264,000 in Building Replacement/Repair Fund funding to meet the lowest responsible and responsive bid. The following is the anticipated overall project budget:

	Total Budget
Design/Professional:	\$ 10,000
Construction:	\$ 464,000
Contingency:	\$ 40,000
Total Budget:	\$ 514,000

BACKGROUND/ANALYSIS

Following several heavy rainstorms over the past year, leaks in the roof on the east side of the building have become a significant maintenance issue that requires a more extensive project to repair properly. Without these roof repairs, the leaks are anticipated to increase, potentially escalating repair costs in the future.

On May 23, 2024, staff solicited construction bids from qualified contractors. The City received one (1) bid on June 12, 2024. Superior Roofing of San Marcos, California, submitted the only responsible and responsive bid at \$464,000.00. During the bidding phase it was discovered that there is an existing tie wire system that holds the tiles in place. The replacement of this system was added to the bid documents, which increased the amount of labor needed to replace the tiles and ultimately increased the cost.

Contingent upon approval to award the project on June 18, 2024, the following is the anticipated project schedule.

Council Considers Project Award	June 18, 2024
Execute Contract and Mobilize	June 19, 2024, to June 28, 2024
Construction (20 Working Days)	July 01, 2024, to July 29, 2024
Accept Improvements	August 2024

ALTERNATIVES

Staff does not recommend an alternative.

Prepared by: Ubaldo Ayón, Assistant Construction Manager

Approved by: Bryan McKinney, P.E., Public Works Director/City Engineer

- Attachments: 1. Vicinity Map
2. Bid Comparison Summary

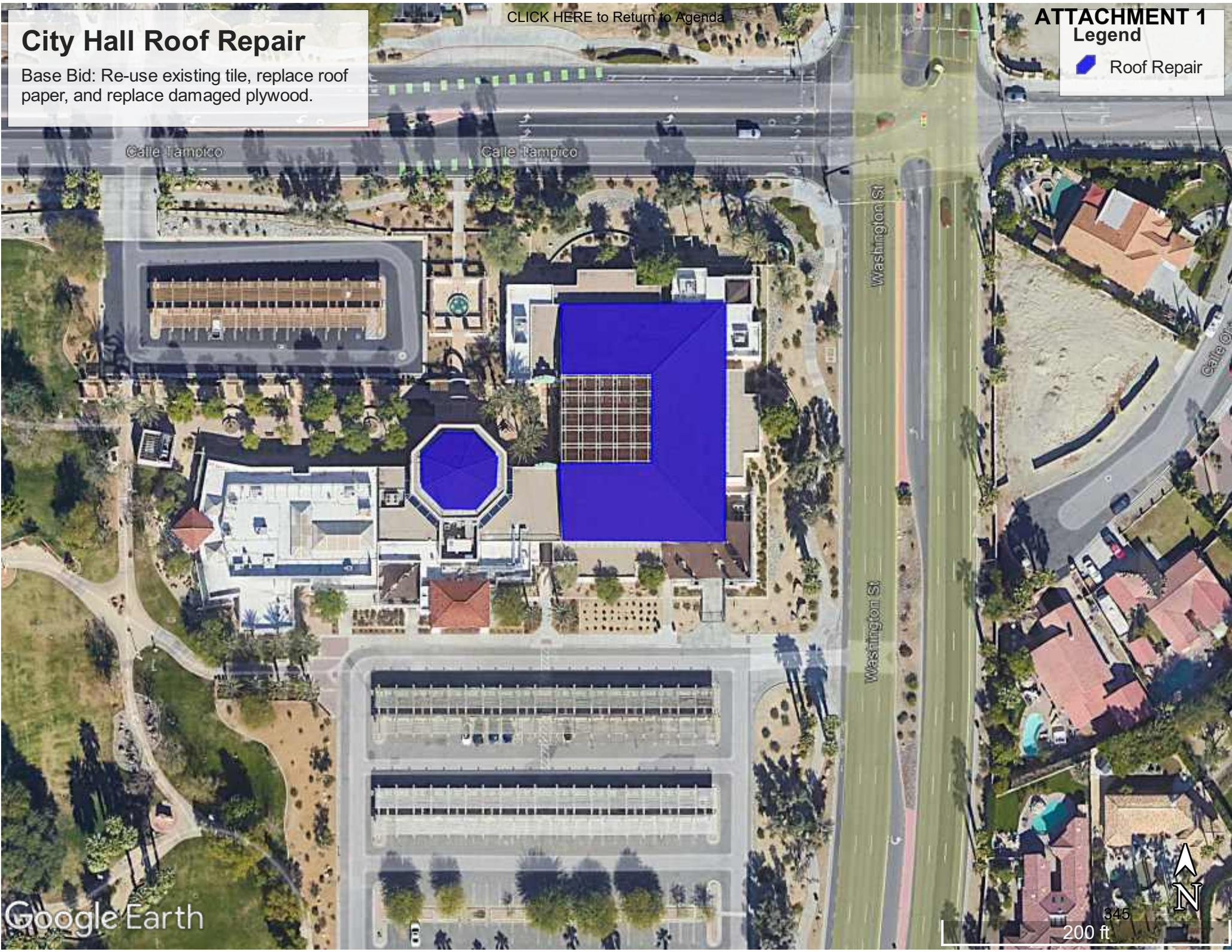
City Hall Roof Repair

Base Bid: Re-use existing tile, replace roof paper, and replace damaged plywood.

[CLICK HERE to Return to Agenda](#)

ATTACHMENT 1 Legend

 Roof Repair



Bid Opening Date: 06/12/2024

**City Hall Roof Repair Project
City Project No. 2023-32**

ATTACHMENT 2

Engineer's Estimate - Base Bid						Superior Roofing	
Item	Item Description	Unit	Quantity	Unit Price	Total Cost	Unit Price	Total Cost
1	Mobilization	LS	1	\$ 5,000.00	\$ 5,000.00	\$ 3,000.00	\$ 3,000.00
2	Site Control	LS	1	\$ 5,000.00	\$ 5,000.00	\$ 2,000.00	\$ 2,000.00
3	Tile Roof Repair	LS	1	\$ 265,000.00	\$ 265,000.00	\$ 455,400.00	\$ 455,400.00
4	Furnish New Roofing Tiles	EA	200	\$ 7.00	\$ 1,400.00	\$ 6.00	\$ 1,200.00
5	Remove and Replace Damaged Sheathing	SF	300	\$ 5.00	\$ 1,500.00	\$ 6.00	\$ 1,800.00
6	Furnish New Bird Stop Tiles	EA	100	\$ 5.00	\$ 500.00	\$ 6.00	\$ 600.00
Sub-Total Base Bid:					\$ 278,400.00		\$ 464,000.00

Grand Total Base Bid : \$ 278,400.00

\$ 464,000.00

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: ADOPT RESOLUTION APPROVING AMENDMENT NO. 2 TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF LA QUINTA AND THE LA QUINTA CITY EMPLOYEES' ASSOCIATION

RECOMMENDATION

Adopt a Resolution approving Amendment No. 2 to the Memorandum of Understanding between the City of La Quinta and the La Quinta City Employees' Association.

EXECUTIVE SUMMARY

- The current Memorandum of Understanding (MOU) between the City of La Quinta (City) and the La Quinta City Employee's Association (Association) provides for a meet and confer reopener to determine annual World at Work salary plan/schedule adjustments.
- The City and the Association met and discussed fiscal year (FY) 2024/2025 World at Work salary plan/schedule adjustments and updates to FY 2024/2025 salary plan/schedule and Vacation Leave Transfer Policy.
- Amendment No. 2 proposes to approve a 2.8% World at Work salary plan/schedule adjustment for FY 2024/2025, updated FY 2024/2025 salary plan/schedule, and Vacation Leave Transfer Policy revisions, as a result of the reopener.

FISCAL IMPACT

FY 2024/2025 cost to implement the 2.8% World at Work salary plan/schedule adjustment and FY 2024/2025 salary plan/schedule updates for represented membership would be approximately \$480,000. Funds are available in the Contingency for Staffing account (101-1007-50115).

BACKGROUND/ANALYSIS

The City and the Association entered into a five-year MOU in August 2022. The current MOU provides for a meet and confer reopener to discuss and determine annual World at Work salary plan/schedule adjustments, which are determined by the World at Work Salary Budget survey report that reflected a 2.8% salary plan/schedule adjustment.

Staff met with the Association to discuss the annual World at Work reopener and updates to the FY 2024/2025 salary plan/schedule and Vacation Leave Transfer policy in the Personnel Policy, adopted in June 2019. The City and Association have mutually agreed on the following terms effective July 1, 2024:

- 2.8% World at Work salary plan/schedule adjustment.
- FY 2024/2025 salary plan/schedule updates to reflect eight (8) steps from the previously approved ten (10) steps for DBM's A through B and ten (10) steps from the previously approved fourteen (14) steps for DBM's C through F.
- Renaming section 8.2.5 of the Personnel Policy to Leave Transfer Policy and adding language to provide the ability for employees to donate sick leave in addition to vacation leave and compensatory time to any regular full-time City employee who has exhausted all earned leave while out on an approved leave of absence.

Except as modified by Amendment No. 2, the MOU remains in full force and effect according to its terms.

[ALTERNATIVES](#)

The City and Association have worked in the true spirit of cooperation to serve the needs of both parties equitably. Approval of Amendment No. 2 will conclude a successful labor negotiation process. Staff does not recommend any alternatives.

Prepared by: Carla Triplett, Human Resources Manager

Approved by: Jon McMillen, City Manager

RESOLUTION NO. 2024 – XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA QUINTA, CALIFORNIA, APPROVING AMENDMENT NO. 2 TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF LA QUINTA AND THE LA QUINTA EMPLOYEES' ASSOCIATION

WHEREAS, Council adopted Resolution No. 2022-029 on August 2, 2022, approving the current five-year Memorandum of Understanding (“MOU”) between the City of La Quinta (“City”) and the La Quinta Employees’ Association (Association), expiring on June 30, 2027; and

WHEREAS, Council adopted Resolution No. 2023-021 on June 20, 2023, approving Amendment No. 1 to the MOU, providing a 2.7% World at Work salary plan/schedule adjustment effective July 1, 2023, and recognition of Christmas Eve as a designated paid holiday observed December 22, 2023; and

WHEREAS, the current MOU between the City and the Association provides for an annual meet and confer reopener to determine annual World at Work salary plan/schedule adjustments; and

WHEREAS, the City and the Association, the recognized organization representing its members, have met and conferred over wages, hours, terms, and conditions of employment pursuant to Government Code 3500, as amended; and

WHEREAS, the City and the Association have negotiated and mutually agreed upon a 2.8% World at Work salary plan/schedule adjustment and updates to the Fiscal Year 2024/2025 salary plan/schedule and Vacation Leave Transfer Policy effective July 1, 2024.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of La Quinta, California, as follows:

SECTION 1. The City Council hereby ratifies and approves the implementation of the economic benefit and right set forth in Amendment No. 2 between the City and Association, attached and incorporated herewith as Exhibit “A,” to the extent the City may legally ratify and approve the economic benefit and right in Amendment No. 2 within the terms of the MOU.

PASSED, APPROVED, and ADOPTED at a regular meeting of the La Quinta City Council held on this 18th day of June 2024 by the following vote:

AYES:

NOES:

Resolution No. 2024 – XXX
Amendment No. 2 to MOU with La Quinta City Employee Association
Adopted: June 18, 2024
Page 2 of 2

ABSENT:

ABSTAIN:

LINDA EVANS, Mayor
City of La Quinta, California

ATTEST:

MONIKA RADEVA, City Clerk
City of La Quinta, California



APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

AMENDMENT NO. 2
TO MEMORANDUM OF UNDERSTANDING

This AMENDMENT NO. 2 (AMENDMENT) is made by and between the CITY OF LA QUINTA (CITY) and the LA QUINTA CITY EMPLOYEES' ASSOCIATION (ASSOCIATION) as of June 18, 2024.

RECITALS

WHEREAS, City Council adopted Resolution No. 2022-029 on August 2, 2022, approving the current five-year Memorandum of Understanding (MOU) between the CITY and the ASSOCIATION covering the period from August 2, 2022, through June 30, 2027, and

WHEREAS, City Council adopted Resolution No. 2023-021 on June 20, 2023, approving Amendment No. 1 to the MOU providing a 2.7% World at Work salary plan/schedule adjustment effective July 1, 2023, and recognition of Christmas Eve as a designated paid holiday observed December 22, 2023; and

WHEREAS, Section 2.2 of the MOU provides for an annual meet and confer reopener to determine World at Work salary plan/schedule adjustments; and

WHEREAS, in May 2024, the CITY and ASSOCIATION began labor negotiations to meet and confer over wages, hours, terms, and conditions of employment, pursuant to Government Code 3500; and

WHEREAS, the CITY and ASSOCIATION met and considered fiscal year (FY) 2024/2025 salary plan/schedule and World at Work salary structure adjustments and Vacation Leave Transfer Policy revisions.

NOW, THEREFORE, it is agreed by and among the parties as follows:

1. The foregoing Recitals are true and correct and incorporated in full as part of this AMENDMENT.
2. The CITY and the ASSOCIATION have negotiated and agreed upon a 2.8% World at Work salary plan/schedule adjustment effective July 1, 2024, attached hereto as "Exhibit 1.
3. The reopener referenced in Section 2.2 of the MOU is concluded/closed for purposes of the FY 2024/2025 salary plan/schedule adjustments.
4. The CITY and the ASSOCIATION have negotiated and agreed upon FY 2024/2025 salary plan/schedule revisions, updating the salary plan/schedule to reflect eight (8) steps for Decision Band Methods (DBMs) A through B and ten (10) steps for DBMs C through F.
5. The CITY and the ASSOCIATION have negotiated and mutually agreed

upon the revisions below to Personnel Policy Section 8.2.5:

Section 8.2.5. ~~Vacation~~ Leave Transfer Policy

The conditions for participation in the ~~Vacation~~ Leave Transfer Policy (~~V~~LTP) are as follows:

- a. If a Regular Full-time City Employee has been granted leave under the Federal Family and Medical Leave Act (FMLA) ~~of 1993~~, which is for a period of up to twelve (12) weeks, due to injury or illness of themselves or an immediate family member, and the Employee has exhausted all earned leave: sick, vacation, administrative, and compensatory time off, the Employee can request approval to take part in the ~~V~~LTP, wherein fellow Employees can donate sick leave, vacation leave, or compensatory time to enable Employees in these situations to continue to receive their regular pay. An Employee is eligible to participate in the ~~V~~LTP when they have been employed at least 12 months, completed their Probationary Period, and worked for at least 1,250 hours during the 12-month period immediately preceding the request for ~~V~~LTP.
- b. To participate in the ~~V~~LTP, a request must be submitted specifically on the ~~V~~LTP Request Form to the Department Director and then to the Employee Relations Officer for approval of donated sick leave, vacation leave, or compensatory time from fellow Employees. Any appeal or a denial of a request to participate in the ~~V~~LTP will be resolved by the City Manager. The decision of the City Manager shall be final, not grievable and not subject to further appeal.
- c. The Employee Relations Officer shall manage all aspects of the ~~V~~LTP.
- d. If a request for donated sick leave, vacation leave, or compensatory time is approved by the Employee Relations Officer, a notice will be posted informing City Employees of the particular Employee in need of donation assistance through the ~~V~~LTP.
- e. Any Employee wishing to contribute sick leave, vacation leave, or compensatory time must sign an authorization form specifying the Employee to which the donation will be made and acknowledging that the donation is irrevocable.
- f. The application rate of an Employee's sick leave, vacation leave, or compensatory time donation will be on an hour-for-hour basis with no adjustment for dollar value.
- g. All donations will be voluntary and confidential.
- h. Except for the notice and memorandum notifying Employees of a specific Employee's leave transfer need, no City Employee may solicit

donations from any other Employee (general discussion of voluntary donation versus solicitation at Employee Association meetings is exempted).

- i. No Supervisor shall make workplace decisions based on any Employee's participation or non-participation in the ~~V~~LTP.
- j. Finance will set up a trust account for all approved Employee sick leave, vacation leave, or compensatory time donation requests in the requesting Employee's name, into which each donating Employee's sick leave, vacation leave, or compensatory time will be noted and used as needed.
- k. Employees on ~~V~~LTP shall be paid at regularly scheduled City pay periods from the trust account Finance establishes. The amount of payment shall be the total monetary amount of sick leave, vacation leave, or compensatory time donated up to a maximum of 100% of the Employee's regular pay, less:
 - 1. Any disability benefit offered through the City, Worker's Compensation Benefit, or other short or long-term disability payments the Employee is receiving during the pay period; and
 - 2. Regular taxes.
- l. Group health insurance coverage and other negotiated benefits shall be provided to all Employees while on the ~~V~~LTP, as long as the Employee's total FMLA and ~~V~~LTP time does not exceed twelve (12) working weeks or as set forth in the family and medical care leave or pregnancy leave policies. If the Employee is not on paid status by virtue of continuing to utilize at least half (50%) of the hours needed per pay period to receive a full paycheck through the use of their accrued sick leave, vacation, compensatory time-off, administrative leave allowances, or leave donated under this Section, the Employee will be required to personally fund this benefit if the Employee wishes to retain it. If the Employee uses less than 50% of the hours needed per pay period to receive a full paycheck through the use of their accruals, the Employee will be required to personally fund their medical premium payments if the Employee wishes to retain group health insurance coverage.
- m. Attendance and Payroll records of Employees on ~~V~~LTP shall denote a "DL," standing for Donated Leave, for time paid to Employees while on this program.
- n. No sick leave, vacation leave, holiday credits, administrative leave, compensatory time, deferred compensation, CalPERS (PERS), or any other applicable benefits shall accrue to the receiving Employee for any hours provided by donating through the ~~V~~LTP.

- o. Sick leave, vvacation leave, or compensatory time donations shall in no way affect or modify the receiving Employee's employment status with the City, nor shall it affect or modify the application of applicable City policies, rules, and ordinances.
- p. Employees on vLTP who remain on an authorized unpaid leave of absence after FMLA is exhausted may continue to receive assigned donated vacation leave and compensatory time from other regular city Employees until the Employee returns to work, is terminated, or meets the maximum hours under subsection t, below.
- q. Availability of sick leave, vvacation leave, or compensatory time shall in no way delay or prevent the City from taking action to medically separate or disability-retire an Employee.
- r. Donated but unused sick, vvacation, and compensatory time shall "expire" once the requesting Employee returns to work on a full-time basis.
- s. The recipient Employee must be unable to work in any capacity as a result of a serious injury or illness to the Employee or their immediate family member in order to be eligible to receive donations under the vLTP.
- t. The total amount of hours donated to any individual shall not exceed two hundred forty (240) hours in any calendar year.
- u. Only the recipient Employee for whom the vLTP has been established may receive donated hours from the said plan. Such donated hours will be added to the Employee's sick leave balance as needed.
- v. The plan will be administered so that hours will be used only as needed and in the order donated.

Except as modified by this Agreement, the MOU remains in full force and effect according to its terms.

CITY OF LA QUINTA

LA QUINTA CITY EMPLOYEES'
ASSOCIATION

By: _____
Its Mayor

By: _____
Its President



CLICK HERE to Return to Agenda
 2024/2025
 Salary Schedule

EXHIBIT 1

Resolution No. 2024 – XXX
 Adopted: June 18, 2024

FULL-TIME EMPLOYEES (ANNUAL)											
WORKING TITLE	DBM	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8		
Administrative Assistant	A11	\$ 43,431.96	\$ 45,944.81	\$ 48,457.66	\$ 50,970.51	\$ 53,483.36	\$ 55,996.21	\$ 58,509.06	\$ 61,021.91		
Maintenance & Operations Worker	A12	\$ 47,784.37	\$ 50,549.04	\$ 53,313.70	\$ 56,078.37	\$ 58,843.04	\$ 61,607.70	\$ 64,372.37	\$ 67,137.04		
Sr. Maintenance & Operations Worker	A13	\$ 52,136.78	\$ 55,153.26	\$ 58,169.75	\$ 61,186.23	\$ 64,202.72	\$ 67,219.20	\$ 70,235.69	\$ 73,252.17		
Administrative Technician	B21	\$ 56,502.26	\$ 59,771.32	\$ 63,040.38	\$ 66,309.44	\$ 69,578.50	\$ 72,847.56	\$ 76,116.62	\$ 79,385.68		
Administrative Technician											
Code Compliance Officer	B22	\$ 60,854.67	\$ 64,375.55	\$ 67,896.42	\$ 71,417.30	\$ 74,938.18	\$ 78,459.06	\$ 81,979.93	\$ 85,500.81		
Finance Technician											
Human Resources Technician											
Permit Technician											
Building Inspector											
Community Services Specialist											
Construction Inspector	B23	\$ 65,207.09	\$ 68,979.78	\$ 72,752.48	\$ 76,525.18	\$ 80,297.87	\$ 84,070.57	\$ 87,843.26	\$ 91,615.96		
Maintenance & Operations Technician											
Sr. Code Compliance Officer											
Sr. Finance Technician											
Sr. Permit Technician											
Jr. Accountant											
Maintenance & Operations Coordinator	B24	\$ 71,206.90	\$ 75,326.72	\$ 79,446.55	\$ 83,566.38	\$ 87,686.21	\$ 91,806.03	\$ 95,925.86	\$ 100,045.69		
Maintenance & Operations Crew Leader											
Marketing & Communications Specialist											
Sr. Building Inspector											
Sr. Community Services Specialist											
Accountant											
Executive Specialist	B25	\$ 78,589.90	\$ 83,136.89	\$ 87,683.87	\$ 92,230.86	\$ 96,777.85	\$ 101,324.84	\$ 105,871.82	\$ 110,418.81		
Plans Examiner											
Management Specialist											
	B31	\$ 71,206.90	\$ 75,326.72	\$ 79,446.55	\$ 83,566.38	\$ 87,686.21	\$ 91,806.03	\$ 95,925.86	\$ 100,045.69		
	B32	\$ 78,589.90	\$ 83,136.89	\$ 87,683.87	\$ 92,230.86	\$ 96,777.85	\$ 101,324.84	\$ 105,871.82	\$ 110,418.81		
FULL-TIME EMPLOYEES (ANNUAL)											
WORKING TITLE	DBM	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10
Associate Planner											
Animal Control/Code Compliance Supervisor	C42	\$ 84,917.93	\$ 89,682.77	\$ 94,447.61	\$ 99,212.45	\$ 103,977.29	\$ 108,742.13	\$ 113,506.97	\$ 118,271.81	\$ 123,036.64	\$ 127,801.48
Deputy Building Official											
Management Analyst											
Sr. Accountant											
Assistant Construction Manager	C43	\$ 89,574.69	\$ 94,600.82	\$ 99,626.96	\$ 104,653.09	\$ 109,679.23	\$ 114,705.36	\$ 119,731.50	\$ 124,757.63	\$ 129,783.77	\$ 134,809.90
Maintenance & Operations Superintendent											
Senior Management Analyst											
Associate Engineer											
Principal Management Analyst	C44	\$ 95,406.15	\$ 100,759.50	\$ 106,112.84	\$ 111,466.19	\$ 116,819.53	\$ 122,172.88	\$ 127,526.22	\$ 132,879.57	\$ 138,232.91	\$ 143,586.26
Senior Planner											
Building Official											
Finance Manager	D61	\$ 108,229.76	\$ 114,302.65	\$ 120,375.55	\$ 126,448.44	\$ 132,521.33	\$ 138,594.22	\$ 144,667.12	\$ 150,740.01	\$ 156,812.90	\$ 162,885.79
Hub Manager											
Marketing Manager											
Planning Manager											
Community Services Deputy Director											
Human Resources Deputy Director	D63	\$ 119,323.32	\$ 126,018.69	\$ 132,714.05	\$ 139,409.41	\$ 146,104.78	\$ 152,800.14	\$ 159,495.51	\$ 166,190.87	\$ 172,886.23	\$ 179,581.60
Maintenance & Operations Deputy Director											
Public Safety Deputy Director											
City Clerk											
Design & Development Director											
Director (Business Unit/Housing Development)	E82	\$ 143,729.53	\$ 151,794.36	\$ 159,859.18	\$ 167,924.00	\$ 175,988.83	\$ 184,053.65	\$ 192,118.47	\$ 200,183.30	\$ 208,248.12	\$ 216,312.95
Finance Director/City Treasurer											
Public Works Director/City Engineer											
City Manager	F101*	\$ 195,557.92	\$ 206,530.89	\$ 217,503.86	\$ 228,476.84	\$ 239,449.81	\$ 250,422.78	\$ 261,395.75	\$ 272,368.73	\$ 283,341.70	\$ 294,314.67
PART-TIME EMPLOYEES (HOURLY)											
Recreation Leader	A11	\$ 20.88	\$ 22.09	\$ 23.30	\$ 24.51	\$ 25.71	\$ 26.92	\$ 28.13	\$ 29.34		
Senior Recreation Leader	A12	\$ 22.97	\$ 24.30	\$ 25.63	\$ 26.96	\$ 28.29	\$ 29.62	\$ 30.95	\$ 32.28		
Data Reporting Specialist	B24	\$ 34.23	\$ 36.21	\$ 38.20	\$ 40.18	\$ 42.16	\$ 44.14	\$ 46.12	\$ 48.10		

Elected Official Positions (per La Quinta Municipal Code Section 2.04.050)	Monthly
Mayor	\$ 2,800.00
Council Members	\$ 2,300.00

City Council Approval
 6/18/2024

Effective
 Date
 7/1/2024

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City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: ADOPT RESOLUTION APPROVING BENEFIT, CLASSIFICATION, AND SALARY PLAN/SCHEDULE FOR FISCAL YEAR 2024/2025.

RECOMMENDATION

Adopt a Resolution approving the benefit, classification plan, and salary plan/schedule for Fiscal Year 2024/2025, effective July 1, 2024.

EXECUTIVE SUMMARY

- The City of La Quinta's (City) benefit, classification plan, and salary/plan schedule must be approved by the City Council and adopted by resolution in accordance with the City's Personnel Policy.
- The City of La Quinta Employees' Association (Association) met and conferred on matters pertaining to the annual reopener to determine fiscal year (FY) 2024/2025 World at Work salary schedule adjustments and updates to the FY 2024/2025 salary plan/schedule and revisions to the Vacation Leave Transfer Policy.
- The Association accepted the 2.8% World at Work salary schedule adjustment effective July 1, 2024, and revisions to the FY 2024/2025 salary plan/schedule and Vacation Leave Transfer Policy.
- The Association's acceptance also affects non-represented regular full-time employees.

FISCAL IMPACT

The FY 2024/2025 cost to implement the 2.8% World at Work salary plan/schedule adjustment and FY 2024/2025 salary plan/schedule updates is \$280,000 for non-represented. Funds are available in the Contingency for Staffing account (101-1007-50115).

BACKGROUND/ANALYSIS

Historically, when the City elects to change benefits for Association members, it also provides non-represented regular full-time employees the same benefits. Staff

recommends that the City provide non-represented regular full-time employees with the same benefits that the City and the Association have agreed upon below.

- FY 2024/2025 2.8% World at Work salary plan/schedule adjustment effective July 1, 2024.
- FY 2024/2025 salary plan/schedule updates to reflect eight (8) steps from the previously approved ten (10) steps for DBM's A through B and ten (10) steps from the previously approved fourteen (14) steps for DBM's C through F.
- Renaming section 8.2.5 of the Personnel Policy to Leave Transfer Policy and adding language to allow employees to donate sick leave in addition to vacation leave and compensatory time to any regular full-time city employee who has exhausted all earned leave while out on an approved leave of absence.

To implement the above agreed-upon terms and any salary/plan schedule, classification, and benefit plan updates, the Council must approve the City's Classification Plan and Salary Plan/Schedule for non-represented regular full-time employees. Approval of the Classification Plan and Salary Plan/Schedule will help the City to provide non-represented regular full-time employees with the same benefits as represented Association members.

ALTERNATIVES

The Council may elect not to provide the same benefit adjustment changes to the unrepresented regular full-time employees.

Prepared by: Carla Triplett, Human Resources Manager
Approved by: Jon McMillen, City Manager

RESOLUTION NO. 2024 – XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA QUINTA, CALIFORNIA, APPROVING THE BENEFIT, CLASSIFICATION, AND SALARY/PLAN SCHEDULE FOR FISCAL YEAR 2024/2025

WHEREAS, the benefit, classification plan, and salary plan/schedule of the City of La Quinta must be approved by the City Council and adopted by resolution in accordance with the City of La Quinta's ("City") Personnel Policy; and

WHEREAS, the City desires to implement an updated classification plan, 2.8% World at Work salary/plan schedule adjustment, Fiscal Year (FY) 2024/2025 salary plan/schedule updates, and Vacation Leave Transfer Policy revisions effective July 1, 2024.

WHEREAS, the City desires to establish a fair and equitable classification plan; and

WHEREAS, this document will supersede any prior resolutions and amendments and may be changed only upon approval of the City Council.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of La Quinta, California, as follows:

SECTION 1. The City Council hereby approves to implement the City's FY 2024/2025 Classification Plan, attached hereto as Exhibit A and incorporated herewith by this reference, for all non-represented regular full-time employees.

SECTION 2. The City Council hereby approves to implement the City's FY 2024/2025 Salary Plan/Schedule, attached hereto as Exhibit B and incorporated herewith by this reference, for all non-represented regular full-time employees.

SECTION 3. The City Council hereby approves the revisions to Personnel Policy section 8.2.5;

Section 8.2.5. ~~Vacation~~ Leave Transfer Policy

The conditions for participation in the ~~Vacation~~ Leave Transfer Policy (~~VLTP~~) are as follows:

- a. If a Regular Full-time City Employee has been granted leave under the Federal Family and Medical Leave Act (FMLA) ~~of 1993~~, which is for a period of up to twelve (12) weeks, due to injury or illness of themselves or an immediate family member, and the Employee has exhausted all earned leave: sick, vacation, administrative, and compensatory time off,

the Employee can request approval to take part in the VLTP, wherein fellow Employees can donate sick leave, vacation leave, or compensatory time to enable Employees in these situations to continue to receive their regular pay. An Employee is eligible to participate in the VLTP when they have been employed at least 12 months, completed their Probationary Period, and worked for at least 1,250 hours during the 12-month period immediately preceding the request for VLTP.

- b. To participate in the VLTP, a request must be submitted specifically on the VLTP Request Form to the Department Director and then to the Employee Relations Officer for approval of donated sick leave, vacation leave, or compensatory time from fellow Employees. Any appeal or a denial of a request to participate in the VLTP will be resolved by the City Manager. The decision of the City Manager shall be final, not grievable and not subject to further appeal.
- c. The Employee Relations Officer shall manage all aspects of the VLTP.
- d. If a request for donated sick leave, vacation leave, or compensatory time is approved by the Employee Relations Officer, a notice will be posted informing City Employees of the particular Employee in need of donation assistance through the VLTP.
- e. Any Employee wishing to contribute sick leave, vacation leave, or compensatory time must sign an authorization form specifying the Employee to which the donation will be made and acknowledging that the donation is irrevocable.
- f. The application rate of an Employee's sick leave, vacation leave, or compensatory time donation will be on an hour-for-hour basis with no adjustment for dollar value.
- g. All donations will be voluntary and confidential.
- h. Except for the notice and memorandum notifying Employees of a specific Employee's leave transfer need, no City Employee may solicit donations from any other Employee (general discussion of voluntary donation versus solicitation at Employee Association meetings is exempted).
- i. No Supervisor shall make workplace decisions based on any Employee's participation or non-participation in the VLTP.
- j. Finance will set up a trust account for all approved Employee sick leave, vacation leave, or compensatory time donation requests in the requesting Employee's name, into which each donating Employee's sick

leave, vacation leave, or compensatory time will be noted and used as needed.

- k. Employees on VLTP shall be paid at regularly scheduled City pay periods from the trust account Finance establishes. The amount of payment shall be the total monetary amount of sick leave, vacation leave, or compensatory time donated up to a maximum of 100% of the Employee's regular pay, less:
 1. Any disability benefit offered through the City, Worker's Compensation Benefit, or other short or long-term disability payments the Employee is receiving during the pay period; and
 2. Regular taxes.
- l. Group health insurance coverage and other negotiated benefits shall be provided to all Employees while on the VLTP, as long as the Employee's total FMLA and VLTP time does not exceed twelve (12) working weeks or as set forth in the family and medical care leave or pregnancy leave policies. If the Employee is not on paid status by virtue of continuing to utilize at least half (50%) of the hours needed per pay period to receive a full paycheck through the use of their accrued sick leave, vacation, compensatory time-off, administrative leave allowances, or leave donated under this Section, the Employee will be required to personally fund this benefit if the Employee wishes to retain it. If the Employee uses less than 50% of the hours needed per pay period to receive a full paycheck through the use of their accruals, the Employee will be required to personally fund their medical premium payments if the Employee wishes to retain group health insurance coverage.
- m. Attendance and Payroll records of Employees on VLTP shall denote a "DL," standing for Donated Leave, for time paid to Employees while on this program.
- n. No sick leave, vacation leave, holiday credits, administrative leave, compensatory time, deferred compensation, CalPERS (PERS), or any other applicable benefits shall accrue to the receiving Employee for any hours provided by donating through the VLTP.
- o. Sick leave, vvacation leave, or compensatory time donations shall in no way affect or modify the receiving Employee's employment status with the City, nor shall it affect or modify the application of applicable City policies, rules, and ordinances.
- p. Employees on VLTP who remain on an authorized unpaid leave of

absence after FMLA is exhausted may continue to receive assigned donated vacation leave and compensatory time from other regular city Employees until the Employee returns to work, is terminated, or meets the maximum hours under subsection t, below.

- q. Availability of sick leave, vacation leave, or compensatory time shall in no way delay or prevent the City from taking action to medically separate or disability-retire an Employee.
- r. Donated but unused sick, vacation, and compensatory time shall "expire" once the requesting Employee returns to work on a full-time basis.
- s. The recipient Employee must be unable to work in any capacity as a result of a serious injury or illness to the Employee or their immediate family member in order to be eligible to receive donations under the VLTP.
- t. The total amount of hours donated to any individual shall not exceed two hundred forty (240) hours in any calendar year.
- u. Only the recipient Employee for whom the VLTP has been established may receive donated hours from the said plan. Such donated hours will be added to the Employee's sick leave balance as needed.
- v. The plan will be administered so that hours will be used only as needed and in the order donated.

PASSED, APPROVED, and ADOPTED at a regular meeting of the La Quinta City Council held on this 18th day of June 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

LINDA EVANS, Mayor
City of La Quinta, California

Resolution No. 2024 – xxx
FY 2024/2025 Benefit, Classification, and Salary Plan/Schedule
Adopted: June 18, 2024
Page 5 of 5

ATTEST:

MONIKA RADEVA, City Clerk
City of La Quinta, California



APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

<u>CLASSIFICATION SERIES</u>	<u>CLASSIFICATION SPECIFICATION</u>	<u>AUTHORIZED WORKING TITLE</u>	<u>RATING</u>
<u>Administrative</u>			
	<i>Administrative Assistant</i>	Administrative Assistant	A12
	<i>Administrative Technician</i>	Administrative Technician	B21/B22
	<i>Executive Specialist</i>	Executive Specialist	B25/B32
<u>Building</u>			
	<i>Building Inspector</i>	Building Inspector	B23
	<i>Senior Building Inspector</i>	Sr. Building Inspector	B24/B31
	<i>Plans Examiner</i>	Plans Examiner	B25/B32
	<i>Deputy Building Official</i>	Deputy Building Official	C42
<u>Centralized Services</u>			
	<i>Permit Technician</i>	Permit Technician	B22
	<i>Senior Permit Technician</i>	Sr. Permit Technician	B23
<u>City Clerk</u>			
	<i>Deputy City Clerk</i>	Deputy City Clerk	B25/B32
<u>Code</u>			
	<i>Code Compliance Officer</i>	Code Compliance Officer	B22
	<i>Senior Code Compliance Officer</i>	Sr. Code Compliance Officer	B23
	<i>Animal Control/Code Compliance Supervisor</i>	Animal Control/Code Compliance Supervisor	C42
<u>Community Services</u>			
	<i>Recreation Leader</i>	Recreation Leader	A11
	<i>Senior Recreation Leader</i>	Sr. Recreation Leader	A12
	<i>Community Services Specialist</i>	Community Services Specialist	B23
	<i>Senior Community Services Specialist</i>	Sr. Community Services Specialist	B24
<u>Data Administration</u>			
	<i>Data Reporting Specialist</i>	Data Reporting Specialist	B24/B32
<u>Engineering</u>			
	<i>Construction Inspector</i>	Construction Inspector	B23
	<i>Assistant Construction Manager</i>	Assistant Construction Manager	C43
	<i>Associate Engineer</i>	Associate Engineer	C44/C51
<u>Finance</u>			
	<i>Finance Technician</i>	Finance Technician	B22
	<i>Senior Finance Technician</i>	Sr. Finance Technician	B23
	<i>Junior Accountant</i>	Jr. Accountant	B24
	<i>Accountant</i>	Accountant	B25/B32
	<i>Senior Accountant</i>	Sr. Accountant	C42
<u>Human Resources</u>			
	<i>Human Resources Technician</i>	HR Technician	B22
<u>Maintenance & Operations</u>			
	<i>Maintenance & Operations Worker</i>	Maintenance & Operations Worker	A12
	<i>Senior Maintenance & Operations Worker</i>	Sr. Maintenance & Operations Worker	A13
	<i>Maintenance & Operations Technician</i>	Maintenance & Operations Technician	B23
	<i>Maintenance & Operations Coordinator</i>	Maintenance & Operations Coordinator	B24/B31
	<i>Maintenance & Operations Crew Leader</i>	Maintenance & Operations Crew Leader	B24/B31
	<i>Maintenance & Operations Superintendent</i>	Maintenance & Operations Superintendent	C43
<u>Management</u>			
	<i>Manager</i>	Building Official	D61
	<i>Manager</i>	Finance Manager	D61
	<i>Manager</i>	Hub Manager	D61
	<i>Manager</i>	Marketing Manager	D61
	<i>Manager</i>	Planning Manager	D61
	<i>Deputy Director</i>	Community Services Deputy Director	D63
	<i>Deputy Director</i>	Human Resources Deputy Director	D63
	<i>Deputy Director</i>	Public Safety Deputy Director	D63

CLICK HERE to Return to Agenda
CITY OF LA QUINTA
2024/2025 CLASSIFICATION PLAN
EFFECTIVE JULY 1, 2024

<u>CLASSIFICATION SERIES</u>	<u>CLASSIFICATION SPECIFICATION</u>	<u>AUTHORIZED WORKING TITLE</u>	<u>RATING</u>
<u>Management (continued)</u>			
	<i>Director</i>	City Clerk	E82
	<i>Director</i>	Design & Development Director	E82
	<i>Director</i>	Director (Business Unit/Housing Development)	E82
	<i>Director</i>	Finance Director/Treasurer	E82
	<i>Director</i>	Public Works Director/City Engineer	E82
	<i>City Manager</i>	City Manager	F101*
<u>Management Administration</u>			
	<i>Management Specialist</i>	Management Specialist	B25
	<i>Management Analyst</i>	Management Analyst	C42
	<i>Senior Management Analyst</i>	Senior Management Analyst	C43
	<i>Principal Management Analyst</i>	Principal Management Analyst	C44/C51
<u>Marketing/Communications</u>			
	<i>Marketing & Communications Specialist</i>	Marketing & Communications Specialist	B24/B31
<u>Planning</u>			
	<i>Assistant Planner</i>	Assistant Planner	B25
	<i>Associate Planner</i>	Associate Planner	C42
	<i>Senior Planner</i>	Sr. Planner	C44/C51
<u>Traffic</u>			
	<i>Traffic Signal Technician</i>	Traffic Signal Technician	B22

* City Manager salary is determined by City Council contract



CLICK HERE to Return to Agenda
2024/2025
Salary Schedule

EXHIBIT B
 Resolution No. 2024 – XXX
 Adopted: June 18, 2024

FULL-TIME EMPLOYEES (ANNUAL)											
WORKING TITLE	DBM	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8		
Administrative Assistant	A11	\$ 43,431.96	\$ 45,944.81	\$ 48,457.66	\$ 50,970.51	\$ 53,483.36	\$ 55,996.21	\$ 58,509.06	\$ 61,021.91		
Maintenance & Operations Worker	A12	\$ 47,784.37	\$ 50,549.04	\$ 53,313.70	\$ 56,078.37	\$ 58,843.04	\$ 61,607.70	\$ 64,372.37	\$ 67,137.04		
Sr. Maintenance & Operations Worker	A13	\$ 52,136.78	\$ 55,153.26	\$ 58,169.75	\$ 61,186.23	\$ 64,202.72	\$ 67,219.20	\$ 70,235.69	\$ 73,252.17		
Administrative Technician	B21	\$ 56,502.26	\$ 59,771.32	\$ 63,040.38	\$ 66,309.44	\$ 69,578.50	\$ 72,847.56	\$ 76,116.62	\$ 79,385.68		
Administrative Technician											
Code Compliance Officer	B22	\$ 60,854.67	\$ 64,375.55	\$ 67,896.42	\$ 71,417.30	\$ 74,938.18	\$ 78,459.06	\$ 81,979.93	\$ 85,500.81		
Finance Technician											
Human Resources Technician											
Permit Technician											
Building Inspector											
Community Services Specialist											
Construction Inspector	B23	\$ 65,207.09	\$ 68,979.78	\$ 72,752.48	\$ 76,525.18	\$ 80,297.87	\$ 84,070.57	\$ 87,843.26	\$ 91,615.96		
Maintenance & Operations Technician											
Sr. Code Compliance Officer											
Sr. Finance Technician											
Sr. Permit Technician											
Jr. Accountant											
Maintenance & Operations Coordinator	B24	\$ 71,206.90	\$ 75,326.72	\$ 79,446.55	\$ 83,566.38	\$ 87,686.21	\$ 91,806.03	\$ 95,925.86	\$ 100,045.69		
Maintenance & Operations Crew Leader											
Marketing & Communications Specialist											
Sr. Building Inspector											
Sr. Community Services Specialist											
Accountant											
Executive Specialist	B25	\$ 78,589.90	\$ 83,136.89	\$ 87,683.87	\$ 92,230.86	\$ 96,777.85	\$ 101,324.84	\$ 105,871.82	\$ 110,418.81		
Plans Examiner											
Management Specialist											
	B31	\$ 71,206.90	\$ 75,326.72	\$ 79,446.55	\$ 83,566.38	\$ 87,686.21	\$ 91,806.03	\$ 95,925.86	\$ 100,045.69		
	B32	\$ 78,589.90	\$ 83,136.89	\$ 87,683.87	\$ 92,230.86	\$ 96,777.85	\$ 101,324.84	\$ 105,871.82	\$ 110,418.81		
FULL-TIME EMPLOYEES (ANNUAL)											
WORKING TITLE	DBM	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10
Associate Planner											
Animal Control/Code Compliance Supervisor	C42	\$ 84,917.93	\$ 89,682.77	\$ 94,447.61	\$ 99,212.45	\$ 103,977.29	\$ 108,742.13	\$ 113,506.97	\$ 118,271.81	\$ 123,036.64	\$ 127,801.48
Deputy Building Official											
Management Analyst											
Sr. Accountant											
Assistant Construction Manager	C43	\$ 89,574.69	\$ 94,600.82	\$ 99,626.96	\$ 104,653.09	\$ 109,679.23	\$ 114,705.36	\$ 119,731.50	\$ 124,757.63	\$ 129,783.77	\$ 134,809.90
Maintenance & Operations Superintendent											
Senior Management Analyst											
Associate Engineer											
Principal Management Analyst	C44	\$ 95,406.15	\$ 100,759.50	\$ 106,112.84	\$ 111,466.19	\$ 116,819.53	\$ 122,172.88	\$ 127,526.22	\$ 132,879.57	\$ 138,232.91	\$ 143,586.26
Senior Planner											
Building Official											
Finance Manager	D61	\$ 108,229.76	\$ 114,302.65	\$ 120,375.55	\$ 126,448.44	\$ 132,521.33	\$ 138,594.22	\$ 144,667.12	\$ 150,740.01	\$ 156,812.90	\$ 162,885.79
Hub Manager											
Marketing Manager											
Planning Manager											
Community Services Deputy Director											
Human Resources Deputy Director	D63	\$ 119,323.32	\$ 126,018.69	\$ 132,714.05	\$ 139,409.41	\$ 146,104.78	\$ 152,800.14	\$ 159,495.51	\$ 166,190.87	\$ 172,886.23	\$ 179,581.60
Maintenance & Operations Deputy Director											
Public Safety Deputy Director											
City Clerk											
Design & Development Director											
Director (Business Unit/Housing Development)	E82	\$ 143,729.53	\$ 151,794.36	\$ 159,859.18	\$ 167,924.00	\$ 175,988.83	\$ 184,053.65	\$ 192,118.47	\$ 200,183.30	\$ 208,248.12	\$ 216,312.95
Finance Director/City Treasurer											
Public Works Director/City Engineer											
City Manager	F101*	\$ 195,557.92	\$ 206,530.89	\$ 217,503.86	\$ 228,476.84	\$ 239,449.81	\$ 250,422.78	\$ 261,395.75	\$ 272,368.73	\$ 283,341.70	\$ 294,314.67
PART-TIME EMPLOYEES (HOURLY)											
Recreation Leader	A11	\$ 20.88	\$ 22.09	\$ 23.30	\$ 24.51	\$ 25.71	\$ 26.92	\$ 28.13	\$ 29.34		
Senior Recreation Leader	A12	\$ 22.97	\$ 24.30	\$ 25.63	\$ 26.96	\$ 28.29	\$ 29.62	\$ 30.95	\$ 32.28		
Data Reporting Specialist	B24	\$ 34.23	\$ 36.21	\$ 38.20	\$ 40.18	\$ 42.16	\$ 44.14	\$ 46.12	\$ 48.10		

Elected Official Positions (per La Quinta Municipal Code Section 2.04.050)	Monthly
Mayor	\$ 2,800.00
Council Members	\$ 2,300.00

City Council Approval
 6/18/2024

Effective
 Date
 7/1/2024

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: ADOPT RESOLUTION APPROVING THE CITY’S PROJECT LIST FOR FISCAL YEAR 2024/25 FOR SENATE BILL 1 - ROAD REPAIR AND ACCOUNTABILITY ACT 2017 FUNDING

RECOMMENDATION

Adopt a resolution approving the City’s project list for fiscal year 2024/25 to receive estimated funds from Senate Bill 1, Road Repair and Accountability Act of 2017; and supersede existing resolution 2024-015.

EXECUTIVE SUMMARY

- On April 2, 2024, Council provided direction on Senate Bill 1 (SB-1) funding through the Capital Improvement Program (CIP) study session discussion.
- To receive the SB-1 funds, the City must comply with the following requirements:
 - Demonstrate an annual Maintenance of Effort (MOE) expenditure from the City’s General Fund in the amount of \$1,786,109; and
 - Submit a Council resolution which lists the projects to be funded in the following fiscal year with SB-1 funds, including a project description, location, schedule of completion, and estimated useful life of the improvements.
- On April 16, 2024, Council adopted Resolution No. 2024-015 approving the City’s project list for fiscal year (FY) 2024/25 to receive estimated funds from SB-1, Road Repair and Accountability Act of 2017.
- The City’s estimated funds apportionment for FY 2024/25 was revised by the state in late May from \$950,000 to \$983,639, and Staff has revised the project list for FY 2024/25 to the \$983,639 estimate.

FISCAL IMPACT

The following table lists the total amount to be expended per FY based on the currently identified SB-1 funded CIP projects:

2024/25	2025/26	2026/27	2027/28	2028/29	TOTAL
\$983,639	\$950,000	\$1,000,000	\$994,367	\$998,053	\$4,926,059

BACKGROUND/ANALYSIS

SB-1 created new permanent funding for road maintenance and rehabilitation projects. Each city and county must submit a project list to the California Transportation Commission by July 1, 2024, to be eligible for SB-1 funding for the following FY.

On April 16, 2024, Council adopted Resolution No. 2024-015 approving the City’s SB-1 project list for FY 2024/25. In late May the City’s estimated funds apportionment for FY 2024/25 was revised by the state from \$950,000 to \$983,639, and Staff has revised the project list for FY 2024/25 to the \$983,639 estimate by increasing the proposed SB-1 funding for the Highway 111 Resurfacing Project, for the portion within the City’s limits, from \$950,000 to \$983,639.

The revised draft FY 2024/25 through 2028/29 CIP proposes to use SB-1 funding for the following transportation improvements:

Project Description	2024/25	2025/26	2026/27	2027/28	2028/29	Total
Highway 111 Resurfacing Project (City limits)	\$983,639					\$983,639
Cove Area Slurry Seal Improvements Phase 2		\$950,000				\$950,000
Citywide Arterial Slurry Seal Improvements			\$1,000,000			\$1,000,000
Washington Street Pavement Rehabilitation Project (Sagebrush Lane to Fred Waring Drive)				\$994,367	\$998,053	\$1,992,420
TOTAL:	\$983,639	\$950,000	\$1,000,000	\$994,367	\$998,053	\$4,926,059

ALTERNATIVES

Council may elect not to approve the revised SB-1 Resolution and decline SB-1 funds.

Prepared by: Carley Escarrega, Administrative Technician
 Approved by: Bryan McKinney, P.E., Public Works Director/City Engineer

RESOLUTION NO. 2024 – XXX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LA QUINTA, CALIFORNIA, ADOPTING A LIST OF
PROJECTS FOR FISCAL YEAR 2024/25 FUNDED BY SB 1:
THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017**

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the California legislature and signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of the City of La Quinta (City) are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City must adopt by resolution a list of projects proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City, will receive an estimated \$983,639 in RMRA funding in Fiscal Year 2024-25 from SB 1; and

WHEREAS, this is the seventh year in which the City is receiving SB 1 funding and will enable the City to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB 1; and

WHEREAS, the City has undergone a robust public process to ensure public input into our community's transportation priorities/the project list through three (3) public meeting opportunities; and

WHEREAS, the City used a Pavement Management System to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the community's priorities for transportation investment; and

WHEREAS, the funding from SB 1 will help the City maintain and rehabilitate one street/road project in the City this year and other similar projects into the future; and

WHEREAS, the City's current Pavement Management Plan found that the City's streets and roads are in a "very good" condition and are currently ranked with an overall 80 Pavement Condition Index (PCI). This revenue will assist the City in maintaining the very good roadway system condition over the next decade and beyond; and

WHEREAS, the SB 1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide; and

WHEREAS, on June 18, 2024, by a majority vote of the City Council of the City of La Quinta, California, the following project was selected:

<u>Project Name</u>	<u>Fiscal Year</u>	<u>Amount</u>
1. Highway 111 Resurfacing	2024/25	\$983,639

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of La Quinta, California, as follows:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The following list of proposed projects will be funded in-part or solely with fiscal year 2024/25 Road Maintenance and Rehabilitation Account revenues:

<u>Project Name</u>	<u>Fiscal Year</u>	<u>Amount</u>
1. Highway 111 Resurfacing	2024/25	\$983,639

Title: Highway 111 Resurfacing (City Limits)

Description: The proposed improvements on Highway 111 include resurfacing of Highway 111 within the city limits and construction of ADA curb ramp improvements.

Estimated Useful Life: 20 Years.

Estimated Completion Date: December 31, 2024

SECTION 3. This resolution shall go into effect upon adoption and shall supersede Resolution No. 2024-015 adopted on April 16, 2024.

PASSED, APPROVED, and ADOPTED at a regular meeting of the La Quinta City Council held on this 18th day of June 2024, by the following vote:

AYES:

NOES:

ABSENT:

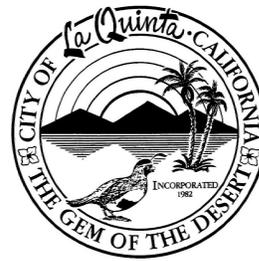
ABSTAIN:

Resolution No. 2024 - XXX
The Road Repair and Accountability Act of 2017 – Fiscal Year 2024-25 (SB-1)
Adopted: June 18, 2024
Page 3 of 3

LINDA EVANS, Mayor
City of La Quinta, California

ATTEST:

MONIKA RADEVA, City Clerk
City of La Quinta, California



APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

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City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: APPROVE DEMAND REGISTERS DATED MAY 31, AND JUNE 7, 2024

RECOMMENDATION

Approve demand registers dated May 31, and June 7, 2024.

EXECUTIVE SUMMARY – None

FISCAL IMPACT

Demand of Cash:

City	\$	2,757,956.35
Successor Agency of RDA	\$	900.00
Housing Authority	\$	263,464.78
	\$	<u>3,022,321.13</u>

BACKGROUND/ANALYSIS

Routine bills and payroll must be paid between Council meetings. Attachment 1 details the weekly demand registers for May 31, and June 7, 2024.

Warrants Issued:

213991-214036	\$	2,034,898.57
EFT #148	\$	194.66
EFT #149	\$	2,424.00
214038-214083	\$	280,176.39
Wire Transfers	\$	418,868.87
Payroll Direct Deposit	\$	234,940.38
Payroll Tax Transfers	\$	50,818.26
	\$	<u>3,022,321.13</u>

*Check number 214037, payable to Southern California Gas Company, will be reported on the Southern California Gas Company Demand Register Report dated 06/18/2024.

Vendor	Account Name	Amount	Purpose
Riverside County Sheriff Department	Various	\$1,161,741.77	March Police Services
Flock Safety	Public Safety Camera System Maintenance	\$172,500.00	Safety Cameras Software Licenses
Coachella Valley Association Governments ⁽¹⁾	Various	\$118,063.78	Homelessness Assistance & Arts and Music Line Share Payment
PWLC II, Inc. ⁽¹⁾	Maintenance/Services	\$114,830.00	Tree Removal & Plant Replacement Services
Martha's Village Kitchen	Homelessness Assistance	\$100,000.00	Homelessness Assistance
Coachella Valley Rescue Mission	Homelessness Assistance	\$100,000.00	Homelessness Assistance

(1) Payments were made 05/31/24 & 06/07/24

Wire Transfers: Nine transfers totaled \$418,869. Of this amount, \$208,846 was for Landmark and \$191,258 was to CalPERS (See Attachment 2 for a complete listing).

Investment Transactions: Full details of investment transactions, as well as total holdings, are reported quarterly in the Treasurer's Report.

Transaction	Issuer	Type	Par Value	Settle Date	Coupon Rate	YTM
Maturity	Live Oak Banking	CD	\$ 248,000.00	5/28/2024	1.800%	1.800%
Purchase	Valley National Bank	CD	\$ 244,000.00	5/29/2024	4.950%	4.950%
Maturity	Century Next Bank	CD	\$ 248,000.00	5/29/2024	2.500%	2.500%
Purchase	CFS Bank	CD	\$ 244,000.00	5/30/2024	4.700%	4.700%
Maturity	United States Treasury	T-Bill	\$ 2,000,000.00	5/30/2024	0.000%	5.330%
Purchase	Washington Financial	CD	\$ 244,000.00	5/31/2024	4.500%	4.500%
Maturity	United States Treasury	Treasury Note	\$ 1,000,000.00	5/31/2024	2.000%	2.736%
Purchase	United States Treasury	Treasury Note	\$ 2,000,000.00	5/31/2024	4.500%	4.540%
Purchase	United States Treasury	Treasury Note	\$ 1,000,000.00	5/31/2024	4.125%	4.670%
Purchase	Bank of America, NA	CD	\$ 243,000.00	6/6/2024	5.200%	5.200%
Purchase	Enterprise Bank	CD	\$ 248,000.00	6/7/2024	4.600%	4.600%
Purchase	Oregon Community Credit Union	CD	\$ 248,000.00	6/7/2024	4.850%	4.850%
Maturity	Plains Community Bank	CD	\$ 245,000.00	6/7/2024	2.550%	2.550%

Prepared by: Jesse Batres, Finance Technician
 Approved by: Rosemary Hallick, Principal Management Analyst

Attachments: 1. Demand Registers
 2. Wire Transfers

Demand Register



City of La Quinta

Packet: APPKT03819 - 05/31/2024 JB

Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
Fund: 101 - GENERAL FUND					
PALMS TO PINES PRINTING	214024	BALL CAPS	Promotional Items	101-3007-60134	133.79
PALMS TO PINES PRINTING	214024	BALL CAPS	Uniforms	101-6003-60690	133.79
PALMS TO PINES PRINTING	214024	DRAWSTRING BAGS	Promotional Items	101-3007-60134	1,277.46
RODRIGUEZ, OLIVIA	148	FY 23/24 ANNUAL WELLNESS DOLLARS ...	Annual Wellness Dollar Reim...	101-1004-50252	194.66
FLORES, TANIA	214006	SPRING 2024 TUITION REIMB T.FLORES	Training & Education/MOU	101-1004-60322	3,500.00
PALMS TO PINES PRINTING	214024	STAFF NAME BADGES	Promotional Items	101-3007-60134	210.38
VIRAMONTES, ADAM R	214036	FY 23/24 ANNUAL WELLNESS DOLLARS A...	Annual Wellness Dollar Reim...	101-1004-50252	200.00
COACHELLA VALLEY RESCUE...	214000	FY 23/24 HOMELESS PREVENTION & ASS...	Homelessness Assistance	101-3001-60532	16,667.00
SOUTHWEST AQUATICS INC	214031	05/2024 - LAKE MAINTENANCE SERVICES	Civic Center Lake Maintenan...	101-3005-60117	1,350.00
SOUTHWEST AQUATICS INC	214031	05/2024 - LAKE MAINTENANCE SERVICES	SilverRock Lake Maintenance	101-3005-60189	1,350.00
ABTS POLO VILLAS LLC	213991	PM 10 DEPOSIT REFUND TM 33085	Developer Deposits	101-0000-22810	8,800.00
TOWER ENERGY GROUP	214035	PM 10 DEPOSIT REFUND VUP2012-045	Developer Deposits	101-0000-22810	964.00
DELGADO AGUILERA, JOSE A	214003	FY 23/24 ANNUAL WELLNESS DOLLARS ...	Annual Wellness Dollar Reim...	101-1004-50252	41.05
MARTHA'S VILLAGE KITCHEN	214016	FY 23/24 HOMELESS PREVENTION & ASS...	Homelessness Assistance	101-3001-60532	16,666.00
COACHELLA VALLEY ASSOC O...	213999	FY 23/24 HOMELESS PREVENTION & ASS...	Homelessness Assistance	101-3001-60532	16,667.00
AYON, UBALDO	213994	FY 23/24 ANNUAL WELLNESS DOLLARS ...	Annual Wellness Dollar Reim...	101-1004-50252	200.00
AVIDON, YEV	213993	TOT OVERPAYMENT REFUND STVR 1001...	TBID Due to VGPS	101-0000-20303	15.21
AVIDON, YEV	213993	TOT OVERPAYMENT REFUND STVR 1001...	TOT - Short Term Vac. Rentals	101-0000-41401	152.12
CLAYTON JR., DUANE	213998	ICC BUILDING INSPECTION CERTIFICATE ...	Travel & Training	101-6003-60320	140.00
FROSTY'S AIR CONDITIONING...	214007	LQ PARK ICE MACHINE REPAIRS	Maintenance/Services	101-3008-60691	895.00
JOE A GONSALVES & SON	214013	06/2024 LOBBYIST SERVICES	Contract Services - Administr...	101-1002-60101	3,500.00
HR GREEN PACIFIC INC	214009	04/2024 ONCALL PLAN CHECK SVCS ENG...	Map/Plan Checking	101-7002-60183	6,756.50
NAI CONSULTING INC	214020	04/2024 CAPITAL IMPROVEMENT PLAN	Consultants	101-7006-60104	700.00
MADDEN MEDIA	214015	05/2024 - MEDIA SERVICES	Marketing & Tourism Promot...	101-3007-60461	46,501.66
INTL. BOARD OF CREDENTIAL...	214012	CITYWIDE AUTISM TRAINING	Travel & Training	101-1004-60320	4,087.00
BIO-TOX LABORATORIES	213996	BLOOD ALCOHOL ANALYSIS	Blood/Alcohol Testing	101-2001-60174	585.90
BIO-TOX LABORATORIES	213996	BLOOD ALCOHOL ANALYSIS	Blood/Alcohol Testing	101-2001-60174	606.00
MISSION LINEN SUPPLY	214018	LOGO SHIRTS	Operating Supplies	101-6001-60420	278.60
MISSION LINEN SUPPLY	214018	LOGO SHIRTS	Operating Supplies	101-6006-60420	184.29
MISSION LINEN SUPPLY	214018	LOGO SHIRTS	Operating Supplies	101-6006-60420	395.47
MISSION LINEN SUPPLY	214018	LOGO SHIRTS	Operating Supplies	101-6001-60420	89.66
MISSION LINEN SUPPLY	214018	LOGO SHIRTS	Operating Supplies	101-6006-60420	179.32
AMERICAN FORENSIC NURSE...	213992	BLOOD ALCOHOL ANALYSIS	Blood/Alcohol Testing	101-2001-60174	948.00
MERCHANTS BUILDING MAI...	214017	WC CARPET CLEANING	Janitorial	101-3008-60115	350.00
T MOBILE USA INC	214033	4/27-4/30/24 POLICE GPS LOCATE	Special Enforcement Funds	101-2001-60175	115.00
T MOBILE USA INC	214033	04/27-05/03/24 POLICE GPS LOCATE	Special Enforcement Funds	101-2001-60175	115.00
T MOBILE USA INC	214033	4/02-5/31/24 - POLICE GPS LOCATE & T...	Special Enforcement Funds	101-2001-60175	165.00
PWLC II, INC	214026	05/2024 - L&L MONTHLY MAINTENANCE	Landscape Contract	101-2002-60112	1,616.00
BARBARA SINATRA CHILDREN..	213995	04/12/24 PHYSICAL EXAM LA240780020	Sexual Assault Exam Fees	101-2001-60193	231.00
IMPERIAL IRRIGATION DIST	214010	ELECTRICITY SERVICES	Electricity - Utilities	101-2002-61101	315.60
IMPERIAL IRRIGATION DIST	214010	ELECTRICITY SERVICES	Electric - Civic Center Park - U..	101-3005-61103	1,941.37
IMPERIAL IRRIGATION DIST	214010	ELECTRICITY SERVICES	Electric - Fritz Burns Park - Uti..	101-3005-61105	145.63
IMPERIAL IRRIGATION DIST	214010	ELECTRICITY SERVICES	Electricity - Utilities	101-3008-61101	18,844.82
COACHELLA VALLEY WATER D..	214001	WATER SERVICE	Water - Civic Center Park - Uti..	101-3005-61202	2,783.34
FIRST CHOICE A/C & HEATING..	214004	FS #32 HVAC MAINTENANCE	Maintenance/Services	101-2002-60691	977.50
RIVERSIDE COUNTY FLOOD ...	214027	FY 23/24 WHITEWATER NPDES COST SH...	Professional Services	101-7002-60103	43,864.68
FIRST CHOICE A/C & HEATING..	214004	CH HVAC REPLACEMENT CIRCUIT BOARD	HVAC	101-3008-60667	1,284.00
PACIFIC WEST AIR CONDITIO...	214023	5/1/24 CH WATER TREATMENT	HVAC	101-3008-60667	125.00
T & G GLOBAL, LLC	214032	CITY CHRISTMAS TREE PURCHASE	Community Experiences	101-3003-60149	54,373.91
FLOCK SAFETY	214005	7/1/24-5/19/25 AUTOMATED LICENSE R...	Prepaid Expense	101-0000-13600	152,178.20
FLOCK SAFETY	214005	5/20-06/30/24 AUTOMATED LICENSE R...	Public Safety Camera System...	101-2001-60692	20,321.80
OCEAN SPRINGS TECH INC	214021	FB POOL CONTROLLERS REPLACEMENT	Fritz Burns Pool Maintenance	101-3005-60184	7,600.77
COUNTY OF RIVERSIDE PUBL...	214002	04/2024 - RADIO MAINTENANCE	Operating Supplies	101-2001-60420	273.66

Demand Register

Packet: APPKT03819 - 05/31/2024 JB

Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
IMPERIAL IRRIGATION DIST	214010	ELECTRICITY SERVICE	Electricity - Charging Stations	101-3008-61102	2,788.52
COACHELLA VALLEY WATER D..	214001	WATER SERVICE	Water - Utilities	101-2002-61200	201.87
COACHELLA VALLEY WATER D..	214001	WATER SERVICE	Water -Eisenhower Park - Util..	101-3005-61203	84.39
COACHELLA VALLEY WATER D..	214001	WATER SERVICE	Water -Velasco Park - Utilities	101-3005-61205	64.71
HARRISON, NICOLE L	214008	GARAGE SALE PERMIT REFUND GS2024-...	Garage Sale Permits	101-0000-42405	10.00
ROADPOST USA INC.	214029	05/23-06/22/24 - EOC SATELLITE PHON...	Mobile/Cell Phones/Satellites	101-2002-61304	200.85
RIVERSIDE COUNTY SHERIFF ...	214028	03/07-04/03/24 - BP #10 POLICE SERVIC...	Sheriff Patrol	101-2001-60161	628,087.68
RIVERSIDE COUNTY SHERIFF ...	214028	03/07-04/03/24 - BP #10 POLICE SERVIC...	Police Overtime	101-2001-60162	33,386.34
RIVERSIDE COUNTY SHERIFF ...	214028	03/07-04/03/24 - BP #10 POLICE SERVIC...	Target Team	101-2001-60163	153,548.69
RIVERSIDE COUNTY SHERIFF ...	214028	03/07-04/03/24 - BP #10 POLICE SERVIC...	Community Services Officer	101-2001-60164	59,577.93
RIVERSIDE COUNTY SHERIFF ...	214028	03/07-04/03/24 - BP #10 POLICE SERVIC...	Gang Task Force	101-2001-60166	17,150.40
RIVERSIDE COUNTY SHERIFF ...	214028	03/07-04/03/24 - BP #10 POLICE SERVIC...	Narcotics Task Force	101-2001-60167	17,150.40
RIVERSIDE COUNTY SHERIFF ...	214028	03/07-04/03/24 - BP #10 POLICE SERVIC...	Motor Officer	101-2001-60169	132,406.63
RIVERSIDE COUNTY SHERIFF ...	214028	03/07-04/03/24 - BP #10 POLICE SERVIC...	Dedicated Sargeants	101-2001-60170	42,417.00
RIVERSIDE COUNTY SHERIFF ...	214028	03/07-04/03/24 - BP #10 POLICE SERVIC...	Dedicated Lieutenant	101-2001-60171	25,496.00
RIVERSIDE COUNTY SHERIFF ...	214028	03/07-04/03/24 - BP #10 POLICE SERVIC...	Sheriff - Mileage	101-2001-60172	35,755.50
RIVERSIDE COUNTY SHERIFF ...	214028	03/07-04/03/24 - BP #10 POLICE SERVIC...	Special Enforcement Funds	101-2001-60175	7,419.57
RIVERSIDE COUNTY SHERIFF ...	214028	03/25-04/24/24 - MOTOR FUEL CHARGES	Sheriff - Other	101-2001-60176	903.86
TERRA NOVA PLANNING & R...	214034	03/1-4/30/24 - ONCALL PLANNING SERV...	Professional Services	101-6002-60103	7,309.20
Fund 101 - GENERAL FUND Total:					1,605,951.68

Fund: 201 - GAS TAX FUND

NAI CONSULTING INC	214020	04/2024 HURRICANE HILARY EMERGEN...	Road Improvements	201-7003-72111	525.00
MISSION LINEN SUPPLY	214018	UNIFORMS	Uniforms	201-7003-60690	258.60
IMPERIAL IRRIGATION DIST	214010	ELECTRICITY SERVICE	Electricity - Utilities	201-7003-61101	871.63
Fund 201 - GAS TAX FUND Total:					1,655.23

Fund: 202 - LIBRARY & MUSEUM FUND

IMPERIAL IRRIGATION DIST	214010	ELECTRICITY SERVICES	Electricity - Utilities	202-3004-61101	4,849.67
PACIFIC WEST AIR CONDITIO...	214023	5/1/24 LIBRARY WATER TREATMENT	HVAC	202-3004-60667	125.00
Fund 202 - LIBRARY & MUSEUM FUND Total:					4,974.67

Fund: 212 - SLESA (COPS) FUND

RIVERSIDE COUNTY SHERIFF ...	214028	03/07-04/03/24 - BP #10 POLICE SERVIC...	COPS Burglary/Theft Prevent...	212-0000-60179	8,441.77
Fund 212 - SLESA (COPS) FUND Total:					8,441.77

Fund: 215 - LIGHTING & LANDSCAPING FUND

ROTO-LITE, INC	214030	PALM TREE LIGHT CHANGING COLOR SE...	Maintenance/Services	215-7004-60691	300.00
MISSION LINEN SUPPLY	214018	UNIFORMS	Uniforms	215-7004-60690	52.07
MISSION LINEN SUPPLY	214018	UNIFORMS	Uniforms	215-7004-60690	258.61
MACIAS NURSERY, INC.	214014	TREES	Materials/Supplies	215-7004-60431	11,978.81
MACIAS NURSERY, INC.	214014	PLANTS	Materials/Supplies	215-7004-60431	2,508.05
MACIAS NURSERY, INC.	214014	TREES	Materials/Supplies	215-7004-60431	1,522.50
PWLC II, INC	214026	05/2024 - L&L MONTHLY MAINTENANCE	Landscape Contract	215-7004-60112	62,674.00
PWLC II, INC	214026	4/29-4/30/24 PLANT REPLACEMENT AVE..	Maintenance/Services	215-7004-60691	11,840.00
IMPERIAL IRRIGATION DIST	214010	ELECTRICITY SERVICE	Electric - Utilities	215-7004-61116	1,802.04
IMPERIAL IRRIGATION DIST	214010	ELECTRICITY SERVICE	Electric - Medians - Utilities	215-7004-61117	600.34
COACHELLA VALLEY WATER D..	214001	WATER SERVICE	Water - Medians - Utilities	215-7004-61211	4,650.02
Fund 215 - LIGHTING & LANDSCAPING FUND Total:					98,186.44

Fund: 243 - RDA LOW-MOD HOUSING FUND

COACHELLA VALLEY RESCUE...	214000	FY 23/24 HOMELESS PREVENTION & ASS...	Homelessness Assistance	243-0000-60532	83,333.00
COACHELLA VALLEY ASSOC O...	213999	FY 23/24 HOMELESS PREVENTION & ASS...	Homelessness Assistance	243-0000-60532	83,333.00
MARTHA'S VILLAGE KITCHEN	214016	FY 23/24 HOMELESS PREVENTION & ASS...	Homelessness Assistance	243-0000-60532	83,334.00
Fund 243 - RDA LOW-MOD HOUSING FUND Total:					250,000.00

Fund: 401 - CAPITAL IMPROVEMENT PROGRAMS

NAI CONSULTING INC	214020	04/2024 PAVEMENT MANAGEMENT PL...	Professional Services	401-0000-60103	1,400.00
NAI CONSULTING INC	214020	04/2024 FRITZ BURN PARK IMPROVEM...	Professional Services	401-0000-60103	1,875.00
NAI CONSULTING INC	214020	04/2024 DRA CITYWIDE DRAINAGE ENH...	Professional Services	401-0000-60103	525.00
NAI CONSULTING INC	214020	04/2024 AVE 48 ART AND MUSIC LINE	Professional Services	401-0000-60103	1,400.00
NAI CONSULTING INC	214020	04/2024 LQ LANDSCAPE IMPROVEMENTS	Professional Services	401-0000-60103	2,112.50
NAI CONSULTING INC	214020	04/2024 DUNE PALMS BRIDGE IMPROV...	Professional Services	401-0000-60103	2,650.00
NAI CONSULTING INC	214020	04/2024 HWY 111 REHABILITATION	Professional Services	401-0000-60103	9,580.00

Demand Register

Packet: APPKT03819 - 05/31/2024 JB

Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
NAI CONSULTING INC	214020	04/2024 HIGHWAY 111 CORRIDOR	Professional Services	401-0000-60103	750.00
NAI CONSULTING INC	214020	04/2024 VILLAGE ART/CULTURAL PLAZA	Professional Services	401-0000-60103	3,612.50
NAI CONSULTING INC	214020	04/2024 AVE 50 WIDENING IMPROVEM...	Professional Services	401-0000-60103	350.00
NAI CONSULTING INC	214020	04/2024 LA QUINTA PARKS PHASE 1	Professional Services	401-0000-60103	350.00
NAI CONSULTING INC	214020	04/2024 CITYWIDE MISCELLANEOUS AD...	Professional Services	401-0000-60103	387.50
NAI CONSULTING INC	214020	04/2024 DUNE PALMS RD PAVEMENT R...	Professional Services	401-0000-60103	3,860.00
NAI CONSULTING INC	214020	04/2024 PAVEMENT MANAGEMENT PL...	Professional Services	401-0000-60103	9,735.00
NAI CONSULTING INC	214020	04/2024 EISENHOWER RETENTION BASI...	Professional Services	401-0000-60103	637.50
NAI CONSULTING INC	214020	04/2024 AVE 50 BRIDGE	Professional Services	401-0000-60103	762.50
MSA CONSULTING INC	214019	FB PARK ONCALL SURVEY SERVICES	Construction	401-0000-60188	16,838.75
Fund 401 - CAPITAL IMPROVEMENT PROGRAMS Total:					56,826.25
Fund: 501 - FACILITY & FLEET REPLACEMENT					
BMW MOTORCYCLES OF RIV...	213997	MOTORCYCLE REPAIRS A1154	Motorcycle Repair & Mainte...	501-0000-60679	2,095.04
PACIFIC MOBILE STRUCTURES..	214022	06/2024 - PW TRAILER RENTAL	Building Leases	501-0000-71032	3,088.51
POWERPLAN BF	214025	BACKHOE REPAIRS	Vehicle Repair & Mainten...	501-0000-60676	873.64
Fund 501 - FACILITY & FLEET REPLACEMENT Total:					6,057.19
Fund: 502 - INFORMATION TECHNOLOGY					
INTELESYSONE	214011	06/01-06/30/24 - PHONE SYSTEM MAIN...	Technical	502-0000-60108	3,000.00
Fund 502 - INFORMATION TECHNOLOGY Total:					3,000.00
Grand Total:					2,035,093.23

Fund Summary

Fund	Expense Amount
101 - GENERAL FUND	1,605,951.68
201 - GAS TAX FUND	1,655.23
202 - LIBRARY & MUSEUM FUND	4,974.67
212 - SLESA (COPS) FUND	8,441.77
215 - LIGHTING & LANDSCAPING FUND	98,186.44
243 - RDA LOW-MOD HOUSING FUND	250,000.00
401 - CAPITAL IMPROVEMENT PROGRAMS	56,826.25
501 - FACILITY & FLEET REPLACEMENT	6,057.19
502 - INFORMATION TECHNOLOGY	3,000.00
Grand Total:	2,035,093.23

Account Summary

Account Number	Account Name	Expense Amount
101-0000-13600	Prepaid Expense	152,178.20
101-0000-20303	TBID Due to VGPS	15.21
101-0000-22810	Developer Deposits	9,764.00
101-0000-41401	TOT - Short Term Vac. R...	152.12
101-0000-42405	Garage Sale Permits	10.00
101-1002-60101	Contract Services - Admi...	3,500.00
101-1004-50252	Annual Wellness Dollar ...	635.71
101-1004-60320	Travel & Training	4,087.00
101-1004-60322	Training & Education/M...	3,500.00
101-2001-60161	Sheriff Patrol	628,087.68
101-2001-60162	Police Overtime	33,386.34
101-2001-60163	Target Team	153,548.69
101-2001-60164	Community Services Offi...	59,577.93
101-2001-60166	Gang Task Force	17,150.40
101-2001-60167	Narcotics Task Force	17,150.40
101-2001-60169	Motor Officer	132,406.63
101-2001-60170	Dedicated Sargeants	42,417.00
101-2001-60171	Dedicated Lieutenant	25,496.00
101-2001-60172	Sheriff - Mileage	35,755.50
101-2001-60174	Blood/Alcohol Testing	2,139.90
101-2001-60175	Special Enforcement Fu...	7,814.57
101-2001-60176	Sheriff - Other	903.86
101-2001-60193	Sexual Assault Exam Fees	231.00
101-2001-60420	Operating Supplies	273.66
101-2001-60692	Public Safety Camera Sys...	20,321.80
101-2002-60112	Landscape Contract	1,616.00
101-2002-60691	Maintenance/Services	977.50
101-2002-61101	Electricity - Utilities	315.60
101-2002-61200	Water - Utilities	201.87
101-2002-61304	Mobile/Cell Phones/Sate...	200.85
101-3001-60532	Homelessness Assistance	50,000.00
101-3003-60149	Community Experiences	54,373.91
101-3005-60117	Civic Center Lake Maint...	1,350.00
101-3005-60184	Fritz Burns Pool Mainten...	7,600.77
101-3005-60189	SilverRock Lake Mainten...	1,350.00
101-3005-61103	Electric - Civic Center Pa...	1,941.37
101-3005-61105	Electric - Fritz Burns Park...	145.63
101-3005-61202	Water - Civic Center Park...	2,783.34
101-3005-61203	Water -Eisenhower Park ...	84.39
101-3005-61205	Water -Velasco Park - Uti...	64.71
101-3007-60134	Promotional Items	1,621.63
101-3007-60461	Marketing & Tourism Pr...	46,501.66
101-3008-60115	Janitorial	350.00
101-3008-60667	HVAC	1,409.00
101-3008-60691	Maintenance/Services	895.00
101-3008-61101	Electricity - Utilities	18,844.82

Account Summary

Account Number	Account Name	Expense Amount
101-3008-61102	Electricity - Charging Stat...	2,788.52
101-6001-60420	Operating Supplies	368.26
101-6002-60103	Professional Services	7,309.20
101-6003-60320	Travel & Training	140.00
101-6003-60690	Uniforms	133.79
101-6006-60420	Operating Supplies	759.08
101-7002-60103	Professional Services	43,864.68
101-7002-60183	Map/Plan Checking	6,756.50
101-7006-60104	Consultants	700.00
201-7003-60690	Uniforms	258.60
201-7003-61101	Electricity - Utilities	871.63
201-7003-72111	Road Improvements	525.00
202-3004-60667	HVAC	125.00
202-3004-61101	Electricity - Utilities	4,849.67
212-0000-60179	COPS Burglary/Theft Pre...	8,441.77
215-7004-60112	Landscape Contract	62,674.00
215-7004-60431	Materials/Supplies	16,009.36
215-7004-60690	Uniforms	310.68
215-7004-60691	Maintenance/Services	12,140.00
215-7004-61116	Electric - Utilities	1,802.04
215-7004-61117	Electric - Medians - Utilit...	600.34
215-7004-61211	Water - Medians - Utiliti...	4,650.02
243-0000-60532	Homelessness Assistance	250,000.00
401-0000-60103	Professional Services	39,987.50
401-0000-60188	Construction	16,838.75
501-0000-60676	Vehicle Repair & Maint...	873.64
501-0000-60679	Motorcycle Repair & Ma...	2,095.04
501-0000-71032	Building Leases	3,088.51
502-0000-60108	Technical	3,000.00
Grand Total:		2,035,093.23

Project Account Summary

Project Account Key	Project Account Name	Project Name	Expense Amount
None	**None**	**None**	1,841,890.03
111205P	Professional Expense	Dune Palms Bridge Imp/BRLKS-54	2,650.00
15-001E	TOWER ENERGY GRP EXP	TOWER ENERGY GROUP	964.00
201603P	Professional Expense	La Quinta Landscape Renovation	2,112.50
201804E	Landscape & Lighting Median Islan...	Landscape & Lighting Median Isla	27,849.36
201901P	Professional Expense	Village Art Plaza Promenade & Cu	3,612.50
201902P	Professional Expense	Avenue 50 Bridge Spanning the E	762.50
201905P	Professional Expense	Highway 111 Corridor Area Plan I	750.00
202008P	Professional Expense	Avenue 48 Art and Music Line Pr	1,400.00
202101P	Professional Expense	Dune Palms Rd Pavement Rehab-	3,860.00
202102P	Professional Expense	Fritz Burns Park Improvements	1,875.00
202102T	Technical Expense	Fritz Burns Park Improvements	16,838.75
202205P	Professional Expense	Avenue 50 Widening Improveme	350.00
202225P	Professional Expense	Highway 111 Rehabilitation Proje	9,580.00
202306P	Professional Expense	La Quinta Parks Phase I (Sports C	350.00
202307P	Professional Expense	Citywide Miscellaneous ADA Imp	387.50
202315P	Professional Expense	FY22/23 Pavement Management	1,400.00
202316P	Professional Expense	FY23/24 Pavement Management	9,735.00
202320P	Cyclone Hilary Professional Expense	Tropical Cyclone Hilary	525.00
202322P	Eisenhower Retention Basin Slope...	Eisenhower Retention Basin Slop	637.50
23003E	ABTS POLO VILLAS, LLC EXPENSE	ABTS POLO VILLAS, LLC	8,800.00
2324DRAP	Professional Expense	FY 23/24 Citywide Drainage Enha	525.00
CSA152E	CSA 152 Expenses	CSA 152 Project Tracking	43,864.68

Project Account Summary

Project Account Key	Project Account Name	Project Name	Expense Amount
TREEE	Tree Lighting Ceremony Expense	Tree Lighting Ceremony	54,373.91
	Grand Total:	2,035,093.23	

*Project codes are generally used to track Capital Improvement Program (CIP) projects, other large public works projects, developer deposits, or city-wide events. Normal operational expenditures are not project coded and, therefore, will report as "none" in this section.

Demand Register



City of La Quinta

Packet: APPKT03826 - 06/07/2024 JB

Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
Fund: 101 - GENERAL FUND					
CHARTER COMMUNICATIONS..	214044	05/16-06/15/24 - FS #70 CABLE (1860)	Cable/Internet - Utilities	101-2002-61400	48.25
CHARTER COMMUNICATIONS..	214044	05/16-06/15/24 - FS #32 CABLE (8152)	Cable/Internet - Utilities	101-2002-61400	99.91
PANE IN THE GLASS	214067	WC COURTYARD DOORS GLASS REPLAC...	Maintenance/Services	101-3008-60691	1,976.00
ULLOA, TONY	214077	FY 23/24 ANNUAL WELLNESS DOLLARS ...	Annual Wellness Dollar Reim...	101-1004-50252	200.00
LORETT, LORI	214064	FY 23/24 ANNUAL WELLNESS DOLLARS	Annual Wellness Dollar Reim...	101-1004-50252	199.19
LIMA, JACK VINCENT	214062	FY 23/24 ANNUAL WELLNESS DOLLARS ...	Annual Wellness Dollar Reim...	101-1004-50252	200.00
CALIFORNIA STATE SHERIFFS'...	214043	CALIF SHERIFFS' ASSOCIATION SPONSO...	Sponsorships/Advertising	101-3007-60450	1,000.00
VINTAGE E & S INC	214081	CITY PARKS CANOPY LIGHTING	Maintenance/Services	101-3005-60691	1,569.84
VINTAGE E & S INC	214081	PIONEER PARK LIGHTS SERVICE CALL	Maintenance/Services	101-3005-60691	1,282.26
PROPER SOLUTIONS INC	214070	05/24/24 TEMP AGENCY SERVICES R.IB...	Temporary Agency Services	101-1004-60125	1,707.60
JOE A GONSALVES & SON	214060	11/2024 LOBBYIST SERVICES	Contract Services - Administr...	101-1002-60101	3,500.00
DECKARD TECHNOLOGIES, I...	214049	06/2024 - RENTALSCAPE	Professional Services	101-1005-60103	3,750.00
VERITAS TECHNOLOGIES LLC	214079	04/2024 - DATA BACK UP FOR LASERFIC...	Professional Services	101-1005-60103	1,029.60
VINTAGE ASSOCIATES	214080	TREE REMOVAL AT SRR EVENT PARK	Tree Maintenance	101-3005-60557	500.00
VINTAGE ASSOCIATES	214080	PLANT FLOWERS AT CITY PARKS	Materials/Supplies	101-3005-60431	1,514.61
ALL PRO BEVERAGE INC	214039	LOBBY COFFEE SUPPLIES	Citywide Supplies	101-1007-60403	651.27
PAX FITNESS REPAIR	214068	WC RECLINE BIKE REPAIRS	Operating Supplies	101-3002-60420	308.32
HAYES, SARA	214056	FACILITY RENTAL DEPOSIT REFUND	Miscellaneous Deposits	101-0000-22830	500.00
JENSEN, SHARLA W	149	1 DAY SESSION CLASS	Instructors	101-3002-60107	48.00
JENSEN, SHARLA W	149	PERSONAL TRAINING 3 SESSIONS CLASS...	Instructors	101-3002-60107	264.00
JENSEN, SHARLA W	149	PERSONAL TRAINING 6 SESSIONS CLASS...	Instructors	101-3002-60107	2,112.00
WILLIAMS, BILLEE	214083	YOGA FLOW CLASSES	Instructors	101-3002-60107	54.60
WILLIAMS, BILLEE	214083	YOGA FLOW CLASS	Instructors	101-3002-60107	12.60
SHIRY, TERESA	214072	BALLROOM BEGINNING DI CLASSES	Instructors	101-3002-60107	63.00
WILLIAMS, BILLEE	214083	PILATES CLASS	Instructors	101-3002-60107	409.50
WILLIAMS, BILLEE	214083	MAT PILATES DI CLASSES	Instructors	101-3002-60107	37.80
HEWETT, ATSUKO YAMANE	214057	DEEP STRETCH DI CLASSES	Instructors	101-3002-60107	49.00
DESERT RECREATION DISTRI...	214052	04/2024 - FB POOL OPERATIONS & PRO...	Fritz Burns Pool Programming	101-3003-60184	2,475.53
ODP BUSINESS SOLUTIONS, L...	214066	BATTERIES, KEYBOARDS, MARKERS	Office Supplies	101-1005-60400	247.10
ODP BUSINESS SOLUTIONS, L...	214066	LABEL TAPE	Office Supplies	101-1005-60400	43.49
ODP BUSINESS SOLUTIONS, L...	214066	PRINTER TONER	Office Supplies	101-6004-60400	149.64
GRAINGER	214055	VEHICLE INSPECTION FORM, STORAGE C...	Tools/Equipment	101-7003-60432	154.01
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electricity - Utilities	101-2002-61101	2,487.90
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electric - Monticello Park - Uti..	101-3005-61102	13.74
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electric - Fritz Burns Park - Uti..	101-3005-61105	485.46
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electric - Sports Complex - Uti..	101-3005-61106	3,990.41
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electric - Colonel Paige - Utilit..	101-3005-61108	648.83
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electric - Community Park - U...	101-3005-61109	7,154.79
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electric - Adams Park - Utiliti...	101-3005-61110	38.40
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electric - Velasco Park - Utiliti...	101-3005-61111	14.33
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electric - Eisenhower Park - U...	101-3005-61113	19.90
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electric - Desert Pride - Utiliti...	101-3005-61114	13.74
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electricity - Utilities	101-3008-61101	465.36
COACHELLA VALLEY WATER D..	214047	WATER SERVICE	Water -Community Park - Util..	101-3005-61209	2,698.35
COACHELLA VALLEY WATER D..	214047	WATER SERVICE	PM 10 - Dust Control	101-7006-60146	228.32
COACHELLA VALLEY ASSOC O...	214046	02/2024 - ARTS AND MUSIC LINE SHARE...	Contributions to Other Agenc...	101-7006-60480	15,645.51
COACHELLA VALLEY ASSOC O...	214046	02/2024 - ARTS AND MUSIC LINE SHARE...	Contributions to Other Agenc...	101-7006-60480	1,212.79
COACHELLA VALLEY ASSOC O...	214046	03/2024 - ARTS AND MUSIC LINE SHARE...	Contributions to Other Agenc...	101-7006-60480	110.00
COACHELLA VALLEY ASSOC O...	214046	03/2024 - ARTS AND MUSIC LINE SHARE...	Contributions to Other Agenc...	101-7006-60480	1,095.48
DESERT RESORT MANAGEM...	214053	05/2024 - SECURITY PATROL SERVICES	Professional Services	101-6004-60103	4,018.43
IMPERIAL IRRIGATION DIST	214058	FY 23/24 R/C ELECTRICITY SERVICE TO 1...	Electricity - Utilities	101-3008-61101	-780.07
IMPERIAL IRRIGATION DIST	214058	FY 23/24 R/C ELECTRICITY SERVICE FR 1...	Electricity - Utilities	101-2002-61101	780.07
SPRING CITY ELECTRICAL	214074	SALES TAX	Sales Taxes Payable	101-0000-20304	-1,145.55

Demand Register

Packet: APPKT03826 - 06/07/2024 JB

Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
SUNLINE TRANSIT AGENCY	214075	03/2024 - SUNLINE BUS PASSES	Due to SunLine	101-0000-20305	185.00
SUNLINE TRANSIT AGENCY	214075	03/2024 - SUNLINE BUS PASSES	Miscellaneous Revenue	101-0000-42301	-9.75
DISH NETWORK	214054	05/22-06/21/24 - EOC CABLE	Cable/Internet - Utilities	101-2002-61400	106.71
KILEY & ASSOCIATES	214061	05/2024 - FEDERAL LOBBYIST SERVICES	Contract Services - Administr...	101-1002-60101	3,500.00
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electric - SilverRock Event Sit...	101-3005-61115	2,661.74
COACHELLA VALLEY WATER D..	214047	WATER SERVICE	Water -Fritz Burns Park - Utili...	101-3005-61204	2,070.90
COACHELLA VALLEY WATER D..	214047	WATER SERVICE	Water - Utilities	101-3008-61200	535.38
CV PIPELINE CORP	214048	5/23/24 STORMWATER PIPE INSPECTIO...	Professional Services	101-7003-60103	1,020.00
BIO SOCAL	214042	TRAFFIC ACCIDENT CLEAN UP LA241350...	Special Enforcement Funds	101-2001-60175	3,963.40
Fund 101 - GENERAL FUND Total:					79,386.69

Fund: 201 - GAS TAX FUND

TOPS' N BARRICADES INC	214076	TRAFFIC CONTROL SIGNS	Traffic Control Signs	201-7003-60429	150.08
TOPS' N BARRICADES INC	214076	TRAFFIC CONTROL SIGNS	Traffic Control Signs	201-7003-60429	145.07
TOPS' N BARRICADES INC	214076	TRAFFIC CONTROL SIGNS	Traffic Control Signs	201-7003-60429	93.53
UNDERGROUND SERVICE AL...	214078	06/01/24 - DIG ALERT SERVICES	Materials/Supplies	201-7003-60431	83.50
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electricity - Utilities	201-7003-61101	4,215.74
Fund 201 - GAS TAX FUND Total:					4,687.92

Fund: 202 - LIBRARY & MUSEUM FUND

IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electricity - Utilities	202-3006-61101	811.72
Fund 202 - LIBRARY & MUSEUM FUND Total:					811.72

Fund: 215 - LIGHTING & LANDSCAPING FUND

VINTAGE E & S INC	214081	5/20/24 - REPAIRED BROKEN CONDUIT	Maintenance/Services	215-7004-60691	759.74
VINTAGE E & S INC	214081	LA FONDA LIGHT FIXTURES REPAIRS	Maintenance/Services	215-7004-60691	3,835.11
DESERT GROWERS NURSERY	214051	PALM	Materials/Supplies	215-7004-60431	179.44
DESERT GROWERS NURSERY	214051	PLANTS	Materials/Supplies	215-7004-60431	91.35
SMITH PIPE & SUPPLY CO	214073	PVC IRRIGATION PARTS	Materials/Supplies	215-7004-60431	156.27
SMITH PIPE & SUPPLY CO	214073	PVC IRRIGATION PARTS	Materials/Supplies	215-7004-60431	1,179.58
SMITH PIPE & SUPPLY CO	214073	IRRIGATION PARTS	Materials/Supplies	215-7004-60431	867.00
PWLC II, INC	214071	TREE REMOVAL SERVICE	Maintenance/Services	215-7004-60691	5,100.00
PWLC II, INC	214071	5/6-5/11/24 - PLANT REPLACEMENT AVE..	Maintenance/Services	215-7004-60691	11,840.00
PWLC II, INC	214071	5/20-5/24/24 - PLANT REPLACEMENT A...	Maintenance/Services	215-7004-60691	10,880.00
PWLC II, INC	214071	5/1-5/17/24 - PLANT REPLACEMENT AVE..	Maintenance/Services	215-7004-60691	10,880.00
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electric - Utilities	215-7004-61116	2,068.72
COACHELLA VALLEY WATER D..	214047	WATER SERVICE	Water - Medians - Utilities	215-7004-61211	4,815.92
IMPERIAL IRRIGATION DIST	214058	ELECTRICITY SERVICE	Electric - Utilities	215-7004-61116	1,162.25
Fund 215 - LIGHTING & LANDSCAPING FUND Total:					53,815.38

Fund: 249 - SA 2011 LOW/MOD BOND FUND (Refinanced in 2016)

NV5	214065	PARCEL MAP WAIVER SVC APN 600-020...	Affordable Housing Project D...	249-0000-80050	900.00
Fund 249 - SA 2011 LOW/MOD BOND FUND (Refinanced in 2016) Total:					900.00

Fund: 270 - ART IN PUBLIC PLACES FUND

ALLSTRUCTURE ENGINEERIN...	214040	ENGINEERING SERVICES SRR ART PEDES...	APP Maintenance & Display	270-0000-60683	600.00
ALLSTRUCTURE ENGINEERIN...	214040	ENGINEERING SERVICES SRR ART PEDES...	APP Maintenance & Display	270-0000-60683	312.50
Fund 270 - ART IN PUBLIC PLACES FUND Total:					912.50

Fund: 401 - CAPITAL IMPROVEMENT PROGRAMS

ITERIS	214059	DUNE PALMS ROAD AND DESERT CREST...	Construction	401-0000-60188	25,631.45
PLANIT REPROGRAPHICS SYS...	214069	CH HALL ROOF REPAIR BID AD	Construction	401-0000-60188	23.75
SPRING CITY ELECTRICAL	214074	LIGHT POLE AT AVE 52 AND EISENHOW...	Construction	401-0000-60188	1,145.55
SPRING CITY ELECTRICAL	214074	LIGHT POLE AT AVE 52 AND EISENHOW...	Construction	401-0000-60188	13,092.00
Fund 401 - CAPITAL IMPROVEMENT PROGRAMS Total:					39,892.75

Fund: 501 - FACILITY & FLEET REPLACEMENT

CLUB CAR LLC	214045	DIFFERENTIAL GUARD	Vehicles, Purchased	501-0000-71031	29.40
CLUB CAR LLC	214045	TEMPO AC-LI 2+2 W/B&S PACK	Vehicles, Purchased	501-0000-71031	12,564.00
CLUB CAR LLC	214045	RADIAL, KENDA HOLD-N-1 18X8.50R8 W...	Vehicles, Purchased	501-0000-71031	44.80
CLUB CAR LLC	214045	19.2 MPH HSP	Vehicles, Purchased	501-0000-71031	45.00
CLUB CAR LLC	214045	CLUB CAR TRUCK FREIGHT LESS THAN T...	Vehicles, Purchased	501-0000-71031	773.44
CLUB CAR LLC	214045	STANDARD LIGHTS-HEADLIGHTS,TAIL LI...	Vehicles, Purchased	501-0000-71031	40.60
CLUB CAR LLC	214045	ON BOARD CHARGER MOUNTED TO THE...	Vehicles, Purchased	501-0000-71031	552.30
CLUB CAR LLC	214045	COMP DISC LITHIUM 4 B	Vehicles, Purchased	501-0000-71031	-785.34

Demand Register

Packet: APPKT03826 - 06/07/2024 JB

Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
CLUB CAR LLC	214045	ESTIMATED SALES TAXES	Vehicles, Purchased	501-0000-71031	1,174.40
CLUB CAR LLC	214045	4 PASSENGER PREMIUM FIXED CAMELL...	Vehicles, Purchased	501-0000-71031	788.90
CLUB CAR LLC	214045	RADIAL, KENDA HOLD-N-1 18X8.50R8 W...	Vehicles, Purchased	501-0000-71031	44.80
CLUB CAR LLC	214045	TINTED HINGED WINDSHIELD KIT	Vehicles, Purchased	501-0000-71031	142.10
WEX BANK	214082	04/26-05/25/24 - FUEL	Fuel & Oil	501-0000-60674	9,667.73
Fund 501 - FACILITY & FLEET REPLACEMENT Total:					25,082.13
Fund: 502 - INFORMATION TECHNOLOGY					
CHARTER COMMUNICATIONS..	214044	04/15-05/14/24 - WC CABLE (8105)	Cable/Internet - Utilities	502-0000-61400	166.60
CHARTER COMMUNICATIONS..	214044	05/20-06/19/24 - WC CABLE	Cable/Internet - Utilities	502-0000-61400	13.22
ACORN TECHNOLOGY SERVI...	214038	05/2024 - IT SERVICES	Consultants	502-0000-60104	29,304.00
ACORN TECHNOLOGY SERVI...	214038	PURCHASE PHONE EQUIPMENT	Consultants	502-0000-60104	35,284.33
LOBBYCENTRAL	214063	06/30/24-06/03/25 - CLOUD ANNUAL S...	Prepaid Expense	502-0000-13600	1,026.00
ACORN TECHNOLOGY SERVI...	214038	FY23/24 R/C SECUREWORKS SUBSCRIP ...	Consultants	502-0000-60104	-16,275.00
ACORN TECHNOLOGY SERVI...	214038	FY23/24 R/C SECUREWORKS SUBSCRIP ...	Software Licenses	502-0000-60301	16,275.00
Fund 502 - INFORMATION TECHNOLOGY Total:					65,794.15
Fund: 503 - PARK EQUIP & FACILITY FUND					
BELSON OUTDOORS LLC	214041	PARK EQUIPMENT	Parks	503-0000-71060	430.65
Fund 503 - PARK EQUIP & FACILITY FUND Total:					430.65
Fund: 601 - SILVERROCK RESORT					
DESERT FIRE EXTINGUISHER ...	214050	Silver Rock Fire Sprinkler System mainte...	Repair & Maintenance	601-0000-60660	10,886.50
Fund 601 - SILVERROCK RESORT Total:					10,886.50
Grand Total:					282,600.39

Fund Summary

Fund	Expense Amount
101 - GENERAL FUND	79,386.69
201 - GAS TAX FUND	4,687.92
202 - LIBRARY & MUSEUM FUND	811.72
215 - LIGHTING & LANDSCAPING FUND	53,815.38
249 - SA 2011 LOW/MOD BOND FUND (Refinanced in 20...	900.00
270 - ART IN PUBLIC PLACES FUND	912.50
401 - CAPITAL IMPROVEMENT PROGRAMS	39,892.75
501 - FACILITY & FLEET REPLACEMENT	25,082.13
502 - INFORMATION TECHNOLOGY	65,794.15
503 - PARK EQUIP & FACILITY FUND	430.65
601 - SILVERROCK RESORT	10,886.50
Grand Total:	282,600.39

Account Summary

Account Number	Account Name	Expense Amount
101-0000-20304	Sales Taxes Payable	-1,145.55
101-0000-20305	Due to SunLine	185.00
101-0000-22830	Miscellaneous Deposits	500.00
101-0000-42301	Miscellaneous Revenue	-9.75
101-1002-60101	Contract Services - Admi...	7,000.00
101-1004-50252	Annual Wellness Dollar ...	599.19
101-1004-60125	Temporary Agency Servi...	1,707.60
101-1005-60103	Professional Services	4,779.60
101-1005-60400	Office Supplies	290.59
101-1007-60403	Citywide Supplies	651.27
101-2001-60175	Special Enforcement Fu...	3,963.40
101-2002-61101	Electricity - Utilities	3,267.97
101-2002-61400	Cable/Internet - Utilities	254.87
101-3002-60107	Instructors	3,050.50
101-3002-60420	Operating Supplies	308.32
101-3003-60184	Fritz Burns Pool Progra...	2,475.53
101-3005-60431	Materials/Supplies	1,514.61
101-3005-60557	Tree Maintenance	500.00
101-3005-60691	Maintenance/Services	2,852.10
101-3005-61102	Electric - Monticello Park...	13.74
101-3005-61105	Electric - Fritz Burns Park...	485.46
101-3005-61106	Electric - Sports Complex...	3,990.41
101-3005-61108	Electric - Colonel Paige - ...	648.83
101-3005-61109	Electric - Community Par...	7,154.79
101-3005-61110	Electric - Adams Park - Ut..	38.40
101-3005-61111	Electric - Velasco Park - ...	14.33
101-3005-61113	Electric - Eisenhower Par...	19.90
101-3005-61114	Electric - Desert Pride - U...	13.74
101-3005-61115	Electric - SilverRock Even...	2,661.74
101-3005-61204	Water -Fritz Burns Park -...	2,070.90
101-3005-61209	Water -Community Park ...	2,698.35
101-3007-60450	Sponsorships/Advertising	1,000.00
101-3008-60691	Maintenance/Services	1,976.00
101-3008-61101	Electricity - Utilities	-314.71
101-3008-61200	Water - Utilities	535.38
101-6004-60103	Professional Services	4,018.43
101-6004-60400	Office Supplies	149.64
101-7003-60103	Professional Services	1,020.00
101-7003-60432	Tools/Equipment	154.01
101-7006-60146	PM 10 - Dust Control	228.32
101-7006-60480	Contributions to Other A...	18,063.78
201-7003-60429	Traffic Control Signs	388.68
201-7003-60431	Materials/Supplies	83.50
201-7003-61101	Electricity - Utilities	4,215.74

Account Summary

Account Number	Account Name	Expense Amount
202-3006-61101	Electricity - Utilities	811.72
215-7004-60431	Materials/Supplies	2,473.64
215-7004-60691	Maintenance/Services	43,294.85
215-7004-61116	Electric - Utilities	3,230.97
215-7004-61211	Water - Medians - Utiliti...	4,815.92
249-0000-80050	Affordable Housing Proj...	900.00
270-0000-60683	APP Maintenance & Disp...	912.50
401-0000-60188	Construction	39,892.75
501-0000-60674	Fuel & Oil	9,667.73
501-0000-71031	Vehicles, Purchased	15,414.40
502-0000-13600	Prepaid Expense	1,026.00
502-0000-60104	Consultants	48,313.33
502-0000-60301	Software Licenses	16,275.00
502-0000-61400	Cable/Internet - Utilities	179.82
503-0000-71060	Parks	430.65
601-0000-60660	Repair & Maintenance	10,886.50
Grand Total:		282,600.39

Project Account Summary

Project Account Key	Project Account Name	Project Name	Expense Amount
None	**None**	**None**	173,922.05
201804E	Landscape & Lighting Median Islan...	Landscape & Lighting Median Isla	36,833.38
202008CB	Contribution Expense	Avenue 48 Art and Music Line Pr	18,063.78
202215E	Landscape Maintenance Refurbis...	Landscape Maint Refurbishment-	5,100.00
202332CT	Construction Expense	City Hall Roof Repair	23.75
2324TMICT	Construction Expense	FY23/24 Traffic Maintenance Imp	39,869.00
CSA152E	CSA 152 Expenses	CSA 152 Project Tracking	1,020.00
STVRE	Short Term Vacation Rental Expen...	Short Term Vacation Rental Track	7,768.43
Grand Total:			282,600.39

*Project codes are generally used to track Capital Improvement Program (CIP) projects, other large public works projects, developer deposits, or city-wide events. Normal operational expenditures are not project coded and, therefore, will report as "none" in this section.

City of La Quinta

Bank Transactions 05/27/2024-06/07/2024

Wire Transaction

Listed below are the wire transfers from 05/27/2024-06/07/2024.

Wire Transfers:

05/28/2024 - WIRE TRANSFER - CALPERS	\$5,802.02
05/28/2024 - WIRE TRANSFER - CALPERS	\$15,238.18
05/28/2024 - WIRE TRANSFER - CALPERS	\$30,657.27
05/29/2024 - WIRE TRANSFER - STERLING	\$1,337.47
06/03/2024 - WIRE TRANSFER - LANDMARK	\$208,846.35
06/07/2024 - WIRE TRANSFER - CALPERS	\$139,560.39
06/07/2024 - WIRE TRANSFER - LQCEA	\$459.00
06/07/2024 - WIRE TRANSFER - MISSION SQUARE	\$4,025.00
06/07/2024 - WIRE TRANSFER - MISSION SQUARE	\$12,943.19
TOTAL WIRE TRANSFERS OUT	<u>\$418,868.87</u>

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: APPROVE DEMAND REGISTERS FOR SOUTHERN CALIFORNIA GAS COMPANY DATED APRIL 12, MAY 10 AND 31, 2024

RECOMMENDATION

Approve demand registers for Southern California Gas Company dated April 12, May 10 and 31, 2024.

EXECUTIVE SUMMARY – None

FISCAL IMPACT

Demand of Cash:

City	\$	28,696.13
Successor Agency of RDA	\$	-
Housing Authority	\$	-
	\$	<u>28,696.13</u>

BACKGROUND/ANALYSIS

Routine bills and payroll must be paid between Council meetings. Attachment 1 details the weekly demand registers for Southern California Gas Company dated April 12, May 10, and May 31, 2024.

Warrants Issued:

213622	\$	492.03
213878	\$	27,129.66
214037	\$	1,074.44
	\$	<u>28,696.13</u>

Prepared by: Jesse Batres, Finance Technician
 Approved by: Rosemary Hallick, Principal Management Analyst

Attachment: 1. Demand Registers

Demand Register



City of La Quinta

Packet: APPKT03776 - 04/12/2024 SOCAL GAS

Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
Fund: 101 - GENERAL FUND					
THE GAS COMPANY	213622	02/20-03/20/24 - FS #32 GAS SVC	Gas - Utilities	101-2002-61100	63.44
THE GAS COMPANY	213622	02/20-03/20/24 - CH GAS SVC	Gas - Utilities	101-3008-61100	54.66
THE GAS COMPANY	213622	02/20-03/20/24 - FB POOL GAS SVC	Gas-Utilities FB Pool	101-3005-61100	14.30
THE GAS COMPANY	213622	02/20-03/20/24 - WC GAS SVC	Gas - Utilities	101-3008-61100	195.07
THE GAS COMPANY	213622	02/27-03/24/24 - FS #93 GAS SVC	Gas - Utilities	101-2002-61100	137.26
Fund 101 - GENERAL FUND Total:					464.73
Fund: 202 - LIBRARY & MUSEUM FUND					
THE GAS COMPANY	213622	02/20-03/20/24 - LIBRARY GAS SVC	Gas - Utilities	202-3004-61100	14.30
Fund 202 - LIBRARY & MUSEUM FUND Total:					14.30
Fund: 501 - FACILITY & FLEET REPLACEMENT					
THE GAS COMPANY	213622	02/2024 SWEEPER FUEL	Street Sweeper	501-0000-60678	13.00
Fund 501 - FACILITY & FLEET REPLACEMENT Total:					13.00
Grand Total:					492.03

Fund Summary

Fund	Expense Amount
101 - GENERAL FUND	464.73
202 - LIBRARY & MUSEUM FUND	14.30
501 - FACILITY & FLEET REPLACEMENT	13.00
Grand Total:	492.03

Account Summary

Account Number	Account Name	Expense Amount
101-2002-61100	Gas - Utilities	200.70
101-3005-61100	Gas-Utilities FB Pool	14.30
101-3008-61100	Gas - Utilities	249.73
202-3004-61100	Gas - Utilities	14.30
501-0000-60678	Street Sweeper	13.00
	Grand Total:	492.03

Project Account Summary

Project Account Key	Project Account Name	Project Name	Expense Amount
None	**None**	**None**	479.03
CSA152E	CSA 152 Expenses	CSA 152 Project Tracking	13.00
	Grand Total:	492.03	

*Project codes are generally used to track Capital Improvement Program (CIP) projects, other large public works projects, developer deposits, or city-wide events. Normal operational expenditures are not project coded and, therefore, will report as "none" in this section.

Demand Register



City of La Quinta

Packet: APPKT03802 - 05/10/2024 SOCAL GAS

Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
Fund: 101 - GENERAL FUND					
THE GAS COMPANY	213878	03/20-04/18/24 - FS #32 GAS SVC	Gas - Utilities	101-2002-61100	48.52
THE GAS COMPANY	213878	03/20-04/18/24 - CH GAS SVC	Gas - Utilities	101-3008-61100	16.29
THE GAS COMPANY	213878	10/19/23-04/18/24 - FB POOL GAS SVC	Gas-Utilities FB Pool	101-3005-61100	26,792.30
THE GAS COMPANY	213878	03/20-04/18/24 - WC GAS SVC	Gas - Utilities	101-3008-61100	133.11
THE GAS COMPANY	213878	03/27-04/25/24 - FS #93 GAS SVC	Gas - Utilities	101-2002-61100	97.16
Fund 101 - GENERAL FUND Total:					27,087.38
Fund: 202 - LIBRARY & MUSEUM FUND					
THE GAS COMPANY	213878	03/20-04/18/24 - LIBRARY GAS SVC	Gas - Utilities	202-3004-61100	16.01
Fund 202 - LIBRARY & MUSEUM FUND Total:					16.01
Fund: 501 - FACILITY & FLEET REPLACEMENT					
THE GAS COMPANY	213878	04/2024 SWEEPER FUEL	Street Sweeper	501-0000-60678	13.18
THE GAS COMPANY	213878	03/2024 - SWEEPER FUEL	Street Sweeper	501-0000-60678	13.09
Fund 501 - FACILITY & FLEET REPLACEMENT Total:					26.27
Grand Total:					27,129.66

Fund Summary

Fund	Expense Amount
101 - GENERAL FUND	27,087.38
202 - LIBRARY & MUSEUM FUND	16.01
501 - FACILITY & FLEET REPLACEMENT	26.27
Grand Total:	27,129.66

Account Summary

Account Number	Account Name	Expense Amount
101-2002-61100	Gas - Utilities	145.68
101-3005-61100	Gas-Utilities FB Pool	26,792.30
101-3008-61100	Gas - Utilities	149.40
202-3004-61100	Gas - Utilities	16.01
501-0000-60678	Street Sweeper	26.27
Grand Total:		27,129.66

Project Account Summary

Project Account Key	Project Account Name	Project Name	Expense Amount
None	**None**	**None**	27,103.39
CSA152E	CSA 152 Expenses	CSA 152 Project Tracking	26.27
Grand Total:			27,129.66

*Project codes are generally used to track Capital Improvement Program (CIP) projects, other large public works projects, developer deposits, or city-wide events. Normal operational expenditures are not project coded and, therefore, will report as "none" in this section.

Demand Register



City of La Quinta

Packet: APPKT03820 - 05/31/2024 SOCAL GAS JB

Vendor Name	Payment Number	Description (Item)	Account Name	Account Number	Amount
Fund: 101 - GENERAL FUND					
THE GAS COMPANY	214037	04/18-05/17/24 - FS #32 GAS SVC	Gas - Utilities	101-2002-61100	34.36
THE GAS COMPANY	214037	04/18-05/17/24 - CH GAS SVC	Gas - Utilities	101-3008-61100	14.41
THE GAS COMPANY	214037	04/18-05/17/24 - FB POOL GAS SVC	Gas-Utilities FB Pool	101-3005-61100	830.46
THE GAS COMPANY	214037	04/18-05/17/24 - WC GAS SVC	Gas - Utilities	101-3008-61100	89.57
THE GAS COMPANY	214037	04/25-05/24/24 - FS #93 GAS SVC	Gas - Utilities	101-2002-61100	91.23
Fund 101 - GENERAL FUND Total:					1,060.03
Fund: 202 - LIBRARY & MUSEUM FUND					
THE GAS COMPANY	214037	04/18-05/17/24 - LIBRARY GAS SVC	Gas - Utilities	202-3004-61100	14.41
Fund 202 - LIBRARY & MUSEUM FUND Total:					14.41
Grand Total:					1,074.44

Fund Summary

Fund	Expense Amount
101 - GENERAL FUND	1,060.03
202 - LIBRARY & MUSEUM FUND	14.41
Grand Total:	1,074.44

Account Summary

Account Number	Account Name	Expense Amount
101-2002-61100	Gas - Utilities	125.59
101-3005-61100	Gas-Utilities FB Pool	830.46
101-3008-61100	Gas - Utilities	103.98
202-3004-61100	Gas - Utilities	14.41
Grand Total:		1,074.44

Project Account Summary

Project Account Key	Project Account Name	Project Name	Expense Amount
None	**None**	**None**	1,074.44
	Grand Total:	1,074.44	

*Project codes are generally used to track Capital Improvement Program (CIP) projects, other large public works projects, developer deposits, or city-wide events. Normal operational expenditures are not project coded and, therefore, will report as "none" in this section.

[CLICK HERE to Return to Agenda](#)

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: APPROVE MEMORANDUM OF UNDERSTANDING WITH COUNTY OF RIVERSIDE FOR LIBRARY, MUSEUM, AND MAKERSPACE MANAGEMENT

RECOMMENDATION

Approve Memorandum of Understanding with County of Riverside for Library, Museum, and Makerspace management.

EXECUTIVE SUMMARY

- The City has a Memorandum of Understanding (MOU) with the County of Riverside (County) to manage the La Quinta Library (Library), Makerspace, and La Quinta Museum (Museum). The current agreement and subsequent amendments expire June 30, 2024.
- The proposed 5-year MOU (Attachment 1) will continue services from fiscal year (FY) 2024/25 through 2028/29.

FISCAL IMPACT

Cost of Library, Museum, and Makerspace management for FY 2024/25 is \$1,334,045. A 3% increase is added to each remaining year of the agreement to account for increased costs to operate and staff the facilities. Funds are available in the County Government revenue account (202-0000-41720). Proposed compensation is as follows:

Library, Makerspace, and Museum Management

Facility	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29
Library Management	\$927,000	\$954,810	\$983,454	\$1,012,957	\$1,043,345
Museum Management	\$221,450	\$228,093	\$234,936	\$241,984	\$249,243
Makerspace Management	\$185,595	\$191,163	\$196,898	\$202,805	\$208,889
Total	\$1,334,045	\$1,374,066	\$1,415,288	\$1,457,746	\$1,501,477

BACKGROUND/ANALYSIS

The County collects about \$3 million annually in library tax credits for the Library, Makerspace, and Museum. Since 2004, the City has contracted with the County to manage the Library and the MOU has since been amended to include Museum and Makerspace management. The MOU provides for the County to contract management services with Library Systems and Services Inc. (LSSI) who oversees day-to-day operations, programming, and events. The current MOU expires June 30, 2024.

The proposed MOU, if approved, will continue to allow the City to work with the County on direct purchasing processes for LSSI to access the funding allocations that the City has provided for cultural programs/events/exhibits, operating supplies, and equipment maintenance for Makerspace. This streamlined process will then allow the County to bill the City for these funds as part of the regular quarterly bill cycle. The City will also continue to work with the County on facility improvements (including furniture, fixtures, and shelving), and new programs/exhibits.

ALTERNATIVES

Council may modify and/or deny the MOU with the County.

Prepared by: Michael Calderon, Community Services Management Analyst

Approved by: Christina Calderon, Community Services Deputy Director

Attachment: 1. Riverside County MOU

**MEMORANDUM OF UNDERSTANDING (MOU)
TERMS AND CONDITIONS TO PROVIDE MANAGEMENT
AND OPERATIONS OF THE LA QUINTA BRANCH LIBRARY
AND THE LA QUINTA MUSEUM**

This Memorandum of Understanding (“MOU”) is made and entered into by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California (“COUNTY”), and the CITY OF LA QUINTA, a California municipal corporation (“City”).

RECITALS

WHEREAS, the COUNTY has entered into an agreement with Library Systems & Services, LLC, a Maryland limited liability company (“LSS”), for contracted services for the Riverside County Library System (“RCLS”) for the provision of library services; and

WHEREAS, the City and COUNTY desire to enhance the delivery of library and museum services within the City, and have reached an agreement that they wish to set forth in writing in the form of this MOU.

NOW THEREFORE, for good and valuable consider, the receipt and adequacy of which are hereby acknowledged, the City and COUNTY hereby agree as follows:

SECTION 1: TERM

This MOU shall take effect on July 1, 2024, and shall remain in effect through and including June 30, 2029 (the “Term”). The City or COUNTY may request an extension of this MOU with modified terms. If either the City or COUNTY desires to extend the Term of this MOU on modified terms, the City and County shall negotiate in good faith to extend this MOU. Unless otherwise agreed to by the City and COUNTY, any extension to this MOU would use the then existing service levels, building size, etc. as the floor of acceptable standards for the future library and museum service. The City fully reserves its rights to withdraw from the RCLS and/or management contract of museum pursuant to existing laws and regulations, effective with the

1 expiration of this MOU or subsequent extensions. Any extension(s) shall be memorialized by
2 written amendment.

3 **SECTION 2: HOURS OF OPERATION – LA QUINTA BRANCH LIBRARY**

4 During the Term of this MOU, the La Quinta Branch Library, located at 78-275 Calle
5 Tampico (“La Quinta Library” or “La Quinta Branch Library”), shall be open: a minimum of seven
6 (7) days per week, including four (4) evenings; and be open a minimum of fifty-two (52) hours
7 per week.
8

9 **2.1 HOURS OF OPERATION – LA QUINTA MUSEUM**

10 Using contract staff provided by LSS, the County will provide forty (40) hours per week
11 of management services to the City for the purpose of operating the La Quinta Museum.

12 **SECTION 3: LIBRARY COLLECTION**

13 The City has elected to purchase additional collections and materials for use at La Quinta
14 Library. Upon prior written approval and authorization by the City, City agrees to reimburse the
15 County for County’s actual costs of purchasing additional new library materials for La Quinta
16 Library from the City’s Library Fund, in a total amount not to exceed \$120,000.00 per year
17 (“Library Collection Not to Exceed Amount”). Library materials purchased with City Library
18 monies shall be and remain the property of City. In the event that the City withdraws from the
19 RCLS, these library materials purchased with City Library Funds shall remain the property of the
20 City. The City shall participate in the acquisition determinations of collection materials through
21 LSS. Collection materials purchased for the La Quinta Branch Library shall be the property of the
22 City and be housed at the La Quinta Branch Library. Such collection materials shall not be
23 permanently transferred or moved from the La Quinta Library without the expressed written
24 consent of the City.
25
26
27
28

1 City shall allocate from the \$120,000 Library Collection Not to Exceed Amount, as defined
2 in the preceding paragraph, the amount of \$20,000 to be used for Library Community and Cultural
3 Programming and Events.

4 **SECTION 4: LIBRARY FUNDING AND SERVICE**

5 COUNTY, through LSS, shall work cooperatively with the City to identify funding/grant
6 opportunities for various programs and services connected with the library facility.

7
8 COUNTY shall have a minimum of one (1) Librarian holding a Master's Degree in Library
9 Sciences serving full-time at the La Quinta Branch Library. COUNTY and City will work together
10 on appropriate: A) staffing levels, B) hours of operation, and C) levels of service; all commensurate
11 with the needs of the 20,000 square-foot library. Final determination on A, B, and C shall be at
12 the sole discretion of the City based upon input of COUNTY and LSS.

13 During each fiscal year, COUNTY shall expend one hundred percent (100%) of City
14 Library Revenues (defined below) on library services at the La Quinta Library until the end of that
15 fiscal year, when any remaining City Library Revenues shall be allocated to the City Library Fund
16 (defined below) pursuant to this MOU.

17
18 Notwithstanding any provisions in the MOU to the contrary, City's obligation to provide
19 library revenues from any funding source whatsoever shall be subject to City's annual budget and
20 appropriation process for each fiscal year, and, for each fiscal year during the Term, shall not
21 exceed the following amounts for the following services (the "City Library Revenues"):

- 22 (1) For Library Management, City's obligation shall not to exceed the lesser of either
23 (a) \$927,000.00, of which no more than \$206,000.00 is to be used or attributed to COUNTY
24 overhead costs, or (b) the income and revenues available to the City for Library Management
25 services at the La Quinta Library in the fiscal year, with an annual escalator of three percent (3%)
26 per fiscal year for each remaining fiscal year; and
27
28

1 (2) For Library Materials, City's obligation not to exceed the lesser of either (a)
2 \$120,000.00, or (b) the income and revenues available to the City for Library Materials at the La
3 Quinta Library in the fiscal year.

4 For purposes of this MOU, "Library Management" means staffing, use of utilities,
5 customer service and check out, reference and research services, collection and circulation
6 services, and year round library programs appropriate for all ages, "Library Materials" means
7 books, e-books, audio books, DVDs and all other types of publications in whatever media that
8 may be used in the La Quinta Library as determined by City and consistent with the provisions in
9 Section 3 of this MOU. In explanation of the foregoing library revenues, estimated expenditures
10 including staffing, utilities, collections and materials for Fiscal Year 2024/2025 are \$927,000,
11 including estimated COUNTY operating expenditures for Fiscal Year 2024/2025 of \$206,000.00,
12 with an annual escalator of three percent (3%) per fiscal year for each remaining fiscal year, and,
13 in no event shall City incur any liability under this MOU exceeding income and revenues provided
14 for any fiscal year during the Term of this MOU. COUNTY shall allocate applicable COUNTY
15 operating expenses for the La Quinta Library.

16 At the end of each fiscal year during the Term of the MOU, once all City Library Revenues
17 are paid or deducted for COUNTY-incurred expenses pursuant to this MOU, one hundred percent
18 (100%) of the remaining balance of the library revenues from that fiscal year shall be transferred
19 to the City Library Fund, maintained and administered by City (the "City Library Fund").
20 COUNTY shall present said expenses to the City for review prior to transferring funds to the City
21 Library Fund. The first transfer to the City Library Fund shall be made by February 15 of each
22 fiscal year. A second transfer will be made by August 15 of the fiscal year immediately subsequent
23 to the prior fiscal year. A final reconciliation and payment shall be completed by September 30 of
24 the fiscal year immediately subsequent to the prior fiscal year to allow for any year-end fiscal
25 closing procedures of either City or COUNTY related to the prior fiscal year. Late transfers or
26
27
28

1 payments by COUNTY to the City Library Fund shall result in the City charging COUNTY
2 interest, at the City pooled rate during the time of delinquency, based on the amount of the payment
3 and the number of days the payment is late. Once deposited, the funds in the City Library Fund
4 shall be the sole property and shall be under the exclusive control of the City. The City shall have
5 the right, at its sole discretion, to withdraw and use the moneys in the City Library Fund on any
6 and all library-related expenditures including, but not limited to: (1) reimbursement for any City-
7 paid cost and expense for the La Quinta Branch Library, including but not limited to perimeter
8 landscape installation, maintenance or replacement, lighting, custodial services, utilities,
9 maintenance, replacement, and repair expenses relating to the La Quinta Branch Library, including
10 replacement funds; (2) artwork or other enhancement expenditure in or around the La Quinta
11 Branch Library; and (3) any and all other library-related expenses as deemed appropriate by the
12 City.
13

14 In the event that State Library revenues decrease significantly, City and County reserve the
15 right to revisit and/or renegotiate this MOU.
16

17 **SECTION 5: MUSEUM SCOPE OF WORK**

18 **5.1** Using contract staff provided by LSS, the County shall provide forty (40) hours per
19 week of management services to City for the purpose of operating the La Quinta Museum located
20 at 77-885 Avenida Montezuma (“La Quinta Museum”). COUNTY shall provide a museum
21 manager who shall have a Bachelor of Science in Museum Management or closely related field
22 (such as History, Humanities) (the “Museum Manager”), who shall have expertise in the following
23 areas:
24

- 25 a) Local history
- 26 b) Cultural programming
- 27 c) Facilities management
- 28 d) Personnel management

- e) Budgeting
- f) Community Relations
- g) Outreach and volunteers coordination
- h) Customer Services
- i) Working with numerous outside organizations

5.2 During the period of management the Museum Manager shall perform the following tasks:

- a) Onsite management of the daily operations of the Museum forty (40) hours per week
- b) Hire and manage the Museum staff
- c) Direct special projects, including the installation of special exhibits
- d) Stewardship of the assets of the Museum and museum collections
- e) Represent the Museum to the public, press, local government, local history groups, and other organizations and individuals
- f) Manage the work of museum volunteers
- g) Publicize and promote museum activities, programs and exhibits
- h) Advise the City on matters pertaining to the operation of the Museum
- i) Other tasks associated with the operation of the Museum as required by the City

5.3 The Museum Manager provided by LSS shall report to the City's Director of Community Services. The Museum Manager shall meet and coordinate with the City's Director of Community Services on an as needed basis. While the day-to-day operations of the Museum shall be carried out by the Museum Manager, the overall management of the Museum shall be under the direction of the ~~Deputy City Manager or~~ City Manager appointee.

SECTION 6: MUSEUM EXPENSES

1 **6.1** The parties acknowledge and agree that monies from the City Library Fund shall
2 be used for all Museum operating expenses, including the payment of the fee outlined in Section
3 7, below.

4 **6.2** The Museum Manager shall work with the ~~City's Deputy~~ City Manager or City
5 Manager appointee to prepare an annual operating budget and maintain expenses within the
6 budget.

7 **6.3** Any sales from the museum store and admissions will be deposited into the La
8 Quinta Museum revenue accounts maintained and administered by City (the "Museum revenue
9 accounts") and shall be the sole property of the City. All expenses for inventory of the store shall
10 be included within the approved operating budget. All pricing for museum store items will be
11 approved by the City's Director of Community Services.

12
13 **SECTION 7: MUSEUM FEE SCHEDULE**

14 Notwithstanding any provisions in the MOU to the contrary, City's obligation to provide
15 museum management revenues from any funding source whatsoever shall be subject to City's
16 annual budget and appropriation process for each fiscal year and, for each fiscal year during the
17 Term, shall not exceed (~~the "Museum Not to Exceed Amount"~~) the lesser of either (a)
18 \$221,450.00, or (b) the income and revenues available to the City for museum management
19 services at the La Quinta Museum in the fiscal year ("City Museum Management Revenues"). In
20 explanation of the foregoing, the total cost of museum management will be approximately
21 \$221,450.00 for FY 24-25 with an annual escalator of three percent (3%) per fiscal year for the
22 remaining fiscal years, and, in no event shall City incur any liability under this MOU exceeding
23 income and revenues provided for any fiscal year during the Term of this MOU.

24 City Museum Management Revenues shall be used by COUNTY for employment of the
25 Museum Manager and by City for costs of administration of the La Quinta Museum incurred by
26 City, including for time allocated to such administration by the ~~Deputy~~ City Manager or an

1 appointee of the City Manager. CITY shall allocate from the Museum Not To Exceed Amount,
2 the amount of \$20,000.00 to be used for Museum Community and Cultural Programming and
3 Events. COUNTY shall deliver invoices or bills to City for museum management services
4 authorized under this MOU; provided, however, that City's obligation to pay COUNTY for any
5 bill or invoice is subject to the maximum amount of City Museum Management Revenues
6 authorized for a fiscal year pursuant to this MOU. This cost assumes all contract staff and
7 operational expenses for the museum.
8

9 City shall be responsible for landscape maintenance, custodial services, replacement or
10 maintenance of lighting, utilities, and repair or replacement relating to the museum.

11 **SECTION 8: MAKERSPACE FEE SCHEDULE**

12 Notwithstanding any provisions in the MOU to the contrary, CITY's obligation to provide
13 Makerspace Management revenues from any funding source whatsoever shall be subject to
14 CITY's annual budget and appropriation process for each fiscal year and, for each fiscal year
15 during the Term, shall not exceed (the "Makerspace Not To Exceed Amount") the lesser of either
16 (a) \$185,595.00, or (b) the income and revenues available to CITY for Makerspace Management
17 services at the Makerspace in the fiscal year ("Makerspace Revenue(s)"). In explanation of the
18 foregoing, the total cost of Makerspace Management will be approximately \$185,595.00 for FY
19 24-25 with an annual escalator of three percent (3%) per fiscal year for each remaining fiscal year,
20 but in no event shall CITY incur any liability under this MOU exceeding the Makerspace revenues
21 available in any fiscal year during the Term of this MOU.
22
23

24 CITY Makerspace revenues shall be used by COUNTY for employment of the Makerspace
25 Manager, additional technical staff, and by CITY for costs of administration of the Makerspace
26 incurred by CITY, including time allocated to such administration by City Manager or their
27 appointee. COUNTY shall deliver invoices or bills to CITY for Makerspace Management services
28 authorized under this MOU; provided, however, that CITY's obligation to pay COUNTY for any

1 bill or invoice is subject to the maximum amount of CITY Makerspace Management revenues
2 authorized for a fiscal year pursuant to this MOU. This cost assumes all contract staff and
3 operational expenses for the Makerspace.

4 CITY shall be responsible for landscape maintenance, replacement or maintenance of
5 lighting, utilities, and repair or replacement to the Makerspace.

6 CITY shall allocate from the Makerspace Not to Exceed Amount, as defined above, the
7 amount of \$10,000.00 to be used for Makerspace Operating Supplies and the amount of \$5,000.00
8 to be used for Equipment Maintenance.
9

10 **SECTION 9: REPORTS/MEETINGS**

11 COUNTY shall provide City staff quarterly reports appropriate for City Council review.
12 The reports shall be comprehensive and include a status on important library and museum matters
13 such as MOU payment schedule, all related expenditures, collections, programs, service levels,
14 and other matters of interest. Quarterly reports shall be due on or about the following dates:
15 September 15, December 15, March 15, and June 15 of each fiscal year of this MOU. In addition,
16 the County Librarian or his/her designee shall attend quarterly meetings at a mutually agreed upon
17 time with City Hall to review submitted reports before City staff forwards such reports to City
18 Council.
19

20 **SECTION 10: CITY WITHDRAWAL FROM COUNTY LIBRARY SYSTEM; 21 STATUS OF LIBRARY COLLECTION, FURNISHINGS, FURNITURE, ETC.**

22 **10.1** All items purchased with City revenues (including City Library Revenues and City
23 Museum Management Revenues) shall be the sole property of the City. In addition, if the City
24 decides at a future date to withdraw from the RCLS, City shall be granted the ownership of the
25 then existing collection, equipment, furniture, or furnishings or for any collection materials,
26 equipment, furniture or furnishing purchased prior to or during the term of this MOU for use at the
27 La Quinta Branch Library.
28

1 City and COUNTY have agreed that in recognition of the City of La Quinta's contributions
2 to the RCLS, over the past years, City will be given full credit for the value of the library collection
3 and equipment and will be granted ownership of the then existing collection and equipment
4 without additional payment.

5 **10.2** To ensure seamless access to the City's library collection by RCLS patrons, if the
6 City withdraws from the RCLS at the expiration of this MOU, City will strongly consider options
7 to link its automated collection management system with COUNTY'S either (i) by contracting
8 with COUNTY for operation of the City's system, or (ii) by the City paying all costs to establish
9 a fully interactive link between the City's automated system and COUNTY'S system.
10

11 **10.3** If the City withdraws from the RCLS at the expiration of this MOU, the City will
12 endeavor to become a member of the Inland Library System preserving their citizens' access to
13 holdings in other public libraries in the Inland area (and vice versa).
14

15 **SECTION 11: DEFAULT OF COUNTY**

16 **11.1** Pursuant to the terms of this MOU, COUNTY'S failure to comply with the
17 provisions of this MOU shall constitute a default. In the event that COUNTY is in default under
18 the terms of the MOU, City shall have no obligation or duty to continue compensating COUNTY
19 for any work performed after the date of default and can terminate this MOU immediately by
20 written notice to COUNTY. If such failure by COUNTY to make progress in the performance of
21 work hereunder arises out of causes beyond COUNTY'S control, and without fault or negligence
22 of COUNTY, it shall not be considered a default.
23

24 **11.2** If the City Manager or designee determines that COUNTY is in default in the
25 performance of any of the terms of conditions of this MOU, City shall serve COUNTY with written
26 notice of the default. COUNTY shall have (10) business days after service upon it of said notice
27 in which to cure the default by rendering a satisfactory performance. In the event that COUNTY
28 fails to cure its default within such period of time, City shall have the right, notwithstanding any

1 other provision of this MOU, to terminate this MOU without further notice and without prejudice
2 to any other remedy to which it may be entitled at law, in equity or under this MOU.

3 **SECTION 12: INDEMNIFICATION AND HOLD HARMLESS**

4 **12.1 Indemnification by City.** City shall indemnify and hold COUNTY, LSS, their
5 officers, agents, employees and independent contractors free and harmless from any claim or
6 liability whatsoever, based or asserted upon any act or omission of City, its officers, agents,
7 employees, volunteers subcontractors, or independent contractors, for property damage, bodily
8 injury or death, or any other element of damage of any kind or nature arising out of the performance
9 of this MOU to the extent that such liability is imposed on COUNTY by the provisions of
10 California Government Code Section 895.2 or other applicable law, and City shall defend at its
11 expense, including attorney fees, COUNTY, LSS, their officers, agents, and employees and
12 independent contractors in any legal action or claim of any kind based upon such alleged acts or
13 omissions.
14

15 **12.2 Indemnification by COUNTY.** COUNTY shall indemnify and hold City, its
16 officers, agents, employees and independent contractors free and harmless from any claim or
17 liability whatsoever, based or asserted upon any act or omission of COUNTY, LSS, their officers,
18 agents, employees, volunteers, subcontractors, or independent contractors, for property damage,
19 bodily injury or death, or any other element of damage of any kind or nature arising out of the
20 performance of this MOU to the extent that such liability is imposed on City by the provisions of
21 California Government Code Section 895.2 or other applicable law, and COUNTY shall defend at
22 its expense, including attorney fees, City, its officers, agents, employees and independent
23 contractors in any legal action or claim of any kind based upon such alleged acts or omissions.
24

25 **SECTION 13: INSURANCE**
26
27
28

1 Both COUNTY and City maintain programs of self-insurance. In the event either party
2 shall cease such program, then that party shall be required to procure insurance which would be
3 typical for its obligations under this MOU.

4 **SECTION 14: NOTICES**

5 Any notices which either party may desire to give to the other party under this MOU must
6 be in writing and may be given either by (i) personal service (ii) delivery by reputable document
7 delivery service, such as but not limited to, Federal Express, that provides a receipt showing the
8 date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid,
9 return receipt requested, addressed to the address of the party as set forth below or at any other
10 address as that party may later designate by Notice. Notice shall be effective upon delivery to the
11 addresses specified below or on the third business day following deposit with the document
12 delivery service or United States Mail as provided above.
13

14
15 To City: City of La Quinta
16 Mailing Address:
17 78-495 Calle Tampico
18 La Quinta, California 92247-1504
19 Attn: Community Services Director

20 To County: County of Riverside
21 3403 10th Street, Suite 400
22 Riverside, CA 92501
23 Attn: COUNTY Library Administrator

24 **SECTION 15: COMPLETE AGREEMENT**

25 Notwithstanding the foregoing, it is intended that this MOU sets forth the full and entire
26 understanding of the parties regarding the matters set forth herein.

27 Any agreement, alteration, understanding, variation, waiver, or modification of any of the
28 terms or provisions contained herein shall not be binding upon the parties hereto unless made and

1 executed in writing by all parties hereto, and if required, approved, and implemented by the La
2 Quinta City Council and the County Board of Supervisors.

3 The waiver of any breach, term, or condition of this MOU by either party shall not
4 constitute a precedent in the future enforcement of all its terms and provisions.

5 The invalidity of any provision in this MOU as determined by a court of competent
6 jurisdiction shall in no way affect the validity of any other provision hereof.

7
8 This Agreement may be executed in any number of counterparts, each of which will be an
9 original, but all of which together will constitute one instrument. Each party of this Agreement
10 agrees to the use of electronic signatures, such as digital signatures that meet the requirements of
11 the California Uniform Electronic Transactions Act (“CUETA”) Cal. Civ. Code §§ 1633.1 to
12 1633.17), for executing this Agreement. The parties further agree that the electronic signatures of
13 the parties included in this Agreement are intended to authenticate this writing and to have the
14 same force and effect as manual signatures. Electronic signature means an electronic sound,
15 symbol, or process attached to or logically associated with an electronic record and executed or
16 adopted by a person with the intent to sign the electronic record pursuant to the CUETA as
17 amended from time to time. The CUETA authorizes use of an electronic signature for transactions
18 and contracts among parties in California, including a government agency. Digital signature means
19 an electronic identifier, created by computer, intended by the party using it to have the same force
20 and effect as the use of a manual signature, and shall be reasonably relied upon by the parties. For
21 purposes of this section, a digital signature is a type of "electronic signature" as defined in
22 subdivision (i) of Section 1633.2 of the Civil Code.
23
24

25 Any action at law or in equity brought by either of the parties hereto for the purpose of
26 enforcing a right or rights provided for by this MOU shall be tried in a court of competent
27 jurisdiction in the County of Riverside, State of California, and the parties hereby waive all
28 provisions of law providing for a change of venue in such proceedings to any other county.

1 The MOU is hereby executed and/or ratified by and between the following authorized
2 representatives of the City and County.

3 ///

4 ///

5 IN WITNESS WHEREOF, County and City have caused this MOU to be duly executed
6 this _____ day of _____, 2024.

7
8 COUNTY OF RIVERSIDE:

CITY OF LA QUINTA:

9
10 By: _____
11 Chuck Washington, Chairman
12 Board of Supervisors

By: _____
Jon McMillen, City Manager

13 ATTEST:
14 Kimberly A. Rector
15 Clerk of the Board

ATTEST:
Monika Radeva
City Clerk

16 By: _____
17 Deputy

By: _____
Clerk

18 APPROVED AS TO FORM:
19 Minh C. Tran
20 County Counsel

APPROVED AS TO FORM:

21 By: _____
22 Ryan Yabko
23 Deputy County Counsel

By: _____
William H. Ihrke, City Attorney

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: APPROVE COMMUNITY AWARDS PROGRAM CRITERIA AND APPLICATIONS

RECOMMENDATION

Approve Community Awards Program criteria and applications.

EXECUTIVE SUMMARY

- In 2001, Council established the Pillars of the Community, Distinguished Artists, and Distinguished Athletes awards programs (Awards).
- In an effort to enhance the Awards, the Arts and Community Services Commission (ACSC) recommended revisions to the Awards process, criteria, and applications.
- If approved, staff will promote the new Awards accordingly and encourage community members to submit applications.

FISCAL IMPACT – None.

BACKGROUND/ANALYSIS

In 2001, Council approved the criteria for the City's Awards programs. After several years of implementing the Awards, the ACSC noticed a decline in nominations and a general lack of interest in the Awards.

In June 2022, ACSC formed a subcommittee to assess the Awards criteria, review the process for obtaining nominations, and identify opportunities for enhancements. The subcommittee presented their recommendations to the ACSC and then to Council as a Study Session in September 2023. On December 11, 2023 the ACSC discussed new Awards criteria and reached a consensus to recommend the changes to Council.

Incorporating input from Council and the ACSC, staff has developed updated Awards criteria (Attachment 1). Significant changes to the Awards criteria and process include:

- Modifications to Pillar of the Community eligibility
- Establishment of the Distinguished Citizen, Junior Inspiration/Youth Achievement, and Community Service Award
- Guidelines for recognition processes

Additionally, the Awards applications were updated to reflect the new criteria and include new questions regarding Award nominators (Attachment 2).

On May 20, 2024 the ACSC reached a consensus to recommend the updated Awards applications to Council. By revamping the Awards and increasing outreach efforts, the ACSC hopes to restore interest and generate a pool of candidates eligible for the various levels of recognition. If approved, staff will promote the updated Awards and encourage community members to submit applications.

ALTERNATIVES

Council may modify and/or deny the criteria and/or applications.

Prepared by: Michael Calderon, Community Services Management Analyst

Approved by: Christina Calderon, Community Services Deputy Director

Attachments: 1. Awards Criteria
2. Awards Applications



City of La Quinta Community Awards Programs

The City of La Quinta's community awards programs were developed to recognize the individuals who have made significant impacts in La Quinta through their acts of service, kindness, leadership, and dedication to serving the community. Citizens are encouraged to nominate individuals they feel are deserving of these awards based on the criteria listed below. Nominees are assessed and reviewed on a case-by-case basis and awarded at the discretion of City staff, Arts and Community Services Commission (ACSC), and/or City Council. The City of La Quinta reserves the right to approve or deny any and all awards nominees.

Pillar of the Community

Qualifications:

1. Candidates must be or have been a resident of La Quinta for a minimum of three (3) years.
2. Candidates must have dedicated a minimum of three (3) years of service to the community of La Quinta in one or more of the following areas:
 - Community Engagement & Leadership – Taking part and/or leading efforts to improve the local community and address community issues.
 - Volunteer Efforts & Philanthropy – Donation of time or services to local organizations including nonprofits, charities, schools, animal shelters, senior centers, sports leagues, churches, and/or youth organizations.
 - Public service – Employment or involvement in public service fields including education, law enforcement, emergency services, healthcare, and/or local government.

Recognition Process:

- Nominations are accepted year-round.
- SIA (Senior Inspiration Awards) recipients are not automatically inducted as Pillars of the Community.
- Candidates may have received prior recognition from the City in one or more of the following areas:
 - Distinguished Citizen Award
 - Community Services Award
 - Junior Inspiration/Youth Achievement Award
- Nominees are vetted by City staff, recommended by ACSC, and approved by City Council.
- Recipients are presented with an award and/or plaque during a special Pillars of the Community Ceremony in the City Hall Council Chamber.
- Recipient names are permanently added to the perpetual plaque located in the City Hall lobby.
- Recipients are acknowledged at the City Picnic, and/or additional City Events.

- Recipients are featured on the City's social media and mentioned in The Gem community magazine.

Recognition Timeframe (subject to change):

- June – Nominees reviewed by ACSC
- July – Nominees approved/denied by City Council
- September – Pillars of the Community Ceremony

Junior Inspiration & Youth Achievement Award

Qualifications:

1. Candidates must be five (5) to eighteen (18) years of age.
2. Candidates must be or have been a La Quinta resident or attended a La Quinta school (public, private, or homeschool) for a minimum of one (1) year.
3. Candidates must have contributed significantly to the community of La Quinta. Examples may include:
 - Academic Achievement – Accomplishments attained in an academic setting include outstanding test scores, research outcomes, scholarships, academic honors, and/or continued education.
 - Acts of Kindness or Service – Helping others, organizing fundraisers, planting trees, leading a community clean-up event, and/or any other acts of selfless service that positively impact the community.
 - Artistic Achievement – Accomplishments in the field of visual, literary, or performing arts including awards, scholarships, productions, and overall achievements in the arts.
 - Athletic Achievement – Accomplishments in the field of sports including outstanding athletic performance (team or individual), scholarships, and/or tournament/championship game performances.
 - Community Engagement & Leadership – Taking part and/or leading efforts to improve the local community and address community issues. Help to build self-esteem and be a good role model for their peers.
 - Volunteer Efforts – Donation of time or services to local organizations including nonprofits, charities, schools, animal shelters, senior centers, sports leagues, churches, and/or youth organizations.

Recognition Process:

- Nominations are accepted year-round.
- Nominees are vetted by City staff and chosen by ACSC.
- Recipients are presented with an award/certificate during a City Council meeting. To allow for instantaneous recognition, recipients will be honored at a Council

meeting immediately following the ACSC meeting during which they were approved for the award.

- Recipients are acknowledged at the City Picnic, and/or additional City Events.
- Recipients are acknowledged on the City's social media.

Distinguished Citizen

Qualifications:

1. Candidates must be or have been a resident of La Quinta for a minimum of one (1) year.
2. Candidates must have contributed to the community of La Quinta and/or Coachella Valley through their acts of service or involvement with community organizations, athletics, or the local art scene. Examples may include:
 - Volunteering or involvement with nonprofits, charities, schools, animal shelters, food banks, senior centers, etc.
 - Coaches, referees, professional/collegiate athletes, involvement with youth sports organizations, etc.
 - Painters, sculptors, performing artists, musicians, writers, etc.

Recognition Process:

- Nominations are accepted year-round.
- Nominees are vetted by City staff, recommended by ACSC, and approved by City Council.
- Recipients are presented with an award/plaque during a City Council meeting.
- Recipients are acknowledged at the City Picnic, and/or additional City Events.
- Recipients are acknowledged on the City's social media.
- Recipient names are engraved on the Distinguished Citizen/Artists & Athletes monument in Civic Center Campus

Recognition Timeframe (subject to change):

- June – Nominees reviewed by ACSC
- July – Nominees approved/denied by City Council
- September – Pillars of the Community Ceremony

Community Service Award

Qualifications:

1. Candidates must be a current resident of La Quinta for a minimum of one (1) year.
2. Candidates must have demonstrated acts of kindness or service to the community of La Quinta through their time, actions, talents, or dedication. Examples may include:
 - Leadership
 - Social Responsibility
 - Mentorship
 - Positive Change
 - Selfless Service to the Community
3. Candidates should serve as a role model for compassion and strive to make the community of La Quinta a better place.

Recognition Process:

- Nominations are accepted year-round.
- Nominees are vetted by City staff and approved by ACSC.
- Recipients are presented with a certificate during a City Council meeting.
- Recipients are acknowledged at the City Picnic, and/or additional City Events.
- Recipients are acknowledged on the City's social media.

What is a Pillar?

The Pillar of the Community award is a prestigious recognition given to individuals who have made exceptional and sustained contributions to the well-being and betterment of their community. The award recognizes the “Gems” of the desert who have made significant contributions to the beautiful City of La Quinta.

For Questions please contact:

Michael Calderon

Email: mcalderon@laquintaca.gov

Phone: 760.777.7014

La Quinta

GEM of the DESERT

78495 Calle Tampico | La Quinta, CA 92253

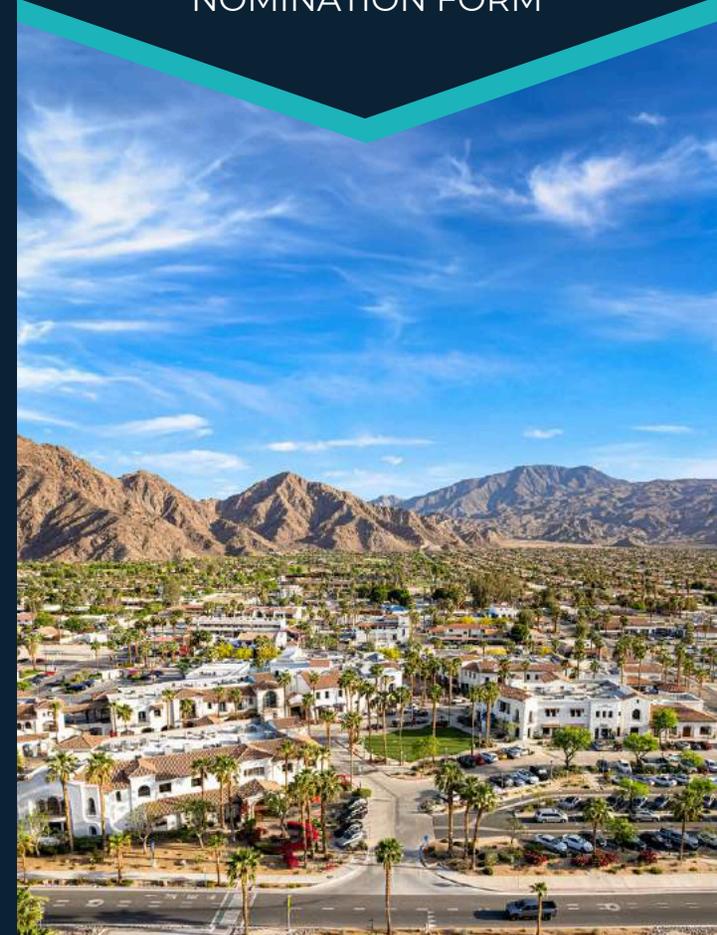
Award Qualifications:

1. Candidates must be or have been a resident of La Quinta for a minimum of (3) three years.
2. Candidates must have dedicated a minimum of (3) three years of service to the community of La Quinta in one or more of the following areas:
 - **Community Engagement & Leadership** - Taking part and/or leading efforts to improve the local community and address community issues.
 - **Public Service** - Employment or involvement in public service fields.
 - **Volunteer Efforts & Philanthropy** - Donation of time or services to local organizations.



PILLAR OF THE COMMUNITY

NOMINATION FORM



Junior Inspiration and Youth Achievement

The Junior Inspiration and Youth Achievement award seeks to recognize outstanding La Quinta students who have emerged as leaders to their peers through their scholastic, athletic, and/or artistic achievements and community engagement. The award showcases the positive impacts La Quinta youth are making on their community and their ability to inspire future generations to play an active role in making a difference for others. Recipients of the award are selected by the Arts and Community Services Commission and recognized during a City Council meeting.

For Questions please contact:

Michael Calderon

Email: mcalderon@laquintaca.gov

Phone: 760.777.7014



GEM of the DESERT

Award Qualifications:

1. Candidates must be five (5) to eighteen (18) years of age.
2. Candidates must be or have been a La Quinta resident or attended a La Quinta school (public, private, or homeschool) for a minimum of one (1) year.
3. Candidates must have contributed significantly to the community of La Quinta. Examples may include:
 - **Academic Achievement** – Accomplishments attained in an academic setting include outstanding test scores, research outcomes, scholarships, academic honors, and/or continued education.
 - **Acts of Kindness or Service** – Helping others, organizing fundraisers, planting trees, leading a community clean-up event, and/or any other acts of selfless service that positively impact the community.
 - **Artistic Achievement** – Accomplishments in the field of visual, literary, or performing arts including awards, scholarships, productions, and overall achievements in the arts.
 - **Athletic Achievement** – Accomplishments in the field of sports including outstanding athletic performance (team or individual), scholarships, and/or tournament/championship game performances.
 - **Community Engagement & Leadership** – Taking part and/or leading efforts to improve the local community and address community issues.
 - **Volunteer Efforts** – Donation of time or services to local organizations including nonprofits, charities, schools, animal shelters, senior centers, sports leagues, churches, and/or youth organizations.



JUNIOR INSPIRATION/YOUTH ACHIEVEMENT AWARD

NOMINATION FORM



Distinguished Citizen

La Quinta's Distinguished Citizens are special individuals who have distinguished themselves as community leaders through their volunteer efforts, involvement with local organizations, athletic achievements, and/or achievements in the arts. Recipients of the Distinguished Citizen Award are recognized by the City during a City Council meeting and their names are permanently engraved on the Distinguished Citizens Acknowledgement Monument in Civic Center Park.

For Questions please contact:
Michael Calderon
Email: mcalderon@laquintaca.gov
Phone: 760.777.7014



Award Qualifications:

1. Candidates must be or have been a resident of La Quinta for a minimum of one (1) year.
2. Candidates must have contributed to the community of La Quinta and/or Coachella Valley through their acts of service or involvement with community organizations, athletics, or the local art scene. Examples may include:
 - Volunteering or involvement with nonprofits, charities, schools, animal shelters, food banks, senior centers, etc.
 - Coaches, referees, professional/collegiate athletes, involvement with youth sports organizations, etc.
 - Painters, sculptors, performing artists, musicians, writers, etc.



DISTINGUISHED CITIZEN

NOMINATION FORM



Community Service Award

Recipients of the Community Service Award have demonstrated leadership and positive change through their acts of kindness and selfless service to the community. By recognizing these exceptional individuals, the City hopes to inspire local citizens to continue doing their part to improve the lives of La Quinta residents and visitors.

Recipients of the award are selected by the Arts and Community Services Commission and recognized during a City Council meeting.

For Questions please contact:

Michael Calderon

Email: mcalderson@laquintaca.gov

Phone: 760.777.7014



Award Qualifications:

1. Candidates must be a current resident of La Quinta for a minimum of one (1) year.

2. Candidates must have demonstrated acts of kindness or service to the community of La Quinta through their time, actions, talents, or dedication. Examples may include:

- **Leadership**
- **Social Responsibility**
- **Mentorship**
- **Positive Change**
- **Selfless Service to the Community**

3. Candidates should serve as a role model for compassion and strive to make the community of La Quinta a better place.



COMMUNITY SERVICE AWARD

NOMINATION FORM



City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: INTRODUCE FOR FIRST READING AN ORDINANCE ADDING CHAPTER 11.82 TO TITLE 11 OF THE LA QUINTA MUNICIPAL CODE ESTABLISHING REGULATIONS PROHIBITING THE UNLAWFUL POSSESSION OF CATALYTIC CONVERTER(S)

RECOMMENDATION

- A) Move to take up Ordinance No. ____ by title and number only and waive further reading.
- B) Move to introduce at first reading Ordinance No. ____ adding Chapter 11.82 to Title 11 of the La Quinta Municipal Code establishing regulations prohibiting the unlawful possession of catalytic converter(s).

EXECUTIVE SUMMARY

- Catalytic converter thefts from automobiles over the past several years have been on the rise due to, among other reasons, the ease of theft, profitability, and legislation that may hamper prosecution.
- Currently, the City does not have its own catalytic converter regulations.
- County of Riverside and the Cities of Palm Desert, Indian Wells, Palm Springs, and Cathedral City have recently adopted regulations prohibiting the illegal possession of catalytic converters.

FISCAL IMPACT – None.

BACKGROUND/ANALYSIS

A catalytic converter is an exhaust emissions control device located between the exhaust manifold and the muffler of an automobile. The purpose of a catalytic converter is to convert most of a vehicle's emissions into less harmful byproducts, which ultimately improves both air quality and vehicle performance. As part of their construction, catalytic converters contain valuable materials such as platinum, palladium, and rhodium, some of which are valued at several thousand dollars per ounce on the recyclables market.

Catalytic converter thefts have become a statewide problem causing many municipalities to adopt regulations to combat these thefts. Catalytic converter thefts are on the rise due to the ease and undetectable nature of committing these thefts, and ability to recycle catalytic converters at scrap yards for \$200 to \$1,200 per stolen unit.

There were 51 catalytic converter thefts in La Quinta in 2022, and 38 thefts in 2023, with the month of September spiking at 13 thefts. The financial burden on the residents of La Quinta was approximately \$133,000 in loss for both years.

State legislation has been enacted to address catalytic converter thefts, with a recent law, Assembly Bill 641 (Stats. 2023, Ch. 537, Fong (AB 641)) intended to combat catalytic converter thefts and unlicensed dismantling. AB 641 makes it unlawful to possess six or more catalytic converters before enforcement can be initiated. Recognizing the scope of the problem and the lack of effective state legislation, Riverside County adopted Ordinance No. 987 making it a crime to illegally possess a single catalytic converter without proof of ownership. Also, the Cities of Palm Desert, Indian Wells, Palm Springs, and Cathedral City have recently adopted regulations prohibiting the illegal possession of catalytic converters.

By criminalizing the possession of an unattached catalytic converter without proof of ownership or lawful possession, the proposed Ordinance would combat thefts and increase deterrence by establishing zero-tolerance through:

- Establishing criminal penalties for the possession of stolen catalytic converters.
- Prohibiting the falsification of information in documents and records used to verify ownership or lawful possession of a catalytic converter.
- Preventing criminals from profiting from the sale and recycling of stolen catalytic converters.
- Providing indirect justice to the victims of catalytic converter theft cases that have gone unsolved.
- Minimizing the fiscal and personnel impact on the Riverside County Sheriff's Department by reducing the time invested in deterring and investigating catalytic converter thefts.

The proposed Ordinance would require “documentation” or “proof” to verify lawful possession of catalytic converters, which may include the following:

- Bill of sale from the original owner with the signature of the vehicle owner authorizing the removal of the catalytic converter, as well as the name, address, and telephone number of the vehicle owner.
- Documentation from an auto-body shop or similar business proving that the owner relinquished the catalytic converter to the auto-body shop or similar business.
- Verifiable electronic communication from the previous owner to the possessor relinquishing ownership of the catalytic converter.

- Photographs of the vehicle from which the catalytic converter originated, clearly showing the license plate number and vehicle identification number (VIN) of the car from which the catalytic converter was removed.

The proposed Ordinance, if adopted, would make it unlawful to falsify or cause to be falsified any information in any documentation or other proof intended to show valid proof of ownership or possession of a catalytic converter.

ALTERNATIVES

Council may introduce the proposed Ordinance as submitted, or revise the proposed regulations and introduce the Ordinance as revised.

Prepared by: Lisa Chastain, Management Analyst, Public Safety

Approved by: Martha Mendez, Public Safety Deputy Director

Attachment: 1. Riverside County Sheriff's Support Letter, dated May 7, 2024

ORDINANCE NO. XXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA QUINTA, CALIFORNIA, ADDING CHAPTER 11.82 TO TITLE 11 OF THE LA QUINTA MUNICIPAL CODE, ESTABLISHING REGULATIONS PROHIBITING THE UNLAWFUL POSSESSION OF A CATALYTIC CONVERTER(S)

WHEREAS, La Quinta citizens have experienced rising catalytic converter thefts from automobiles over the past several years. In 2022, there were 51 catalytic converter thefts in La Quinta, 38 thefts in 2023, with the month of September spiking at 13 thefts. The financial burden on the residents of La Quinta was approximately \$133,000 in loss for both years; and

WHEREAS, currently, the City of La Quinta (“City”) does not have applicable regulation under the La Quinta Municipal Code to define and punish catalytic converter thefts absent an identifiable victim; and

WHEREAS, currently, there is no City, State, or Federal legislation applicable within the City of La Quinta requiring individuals discovered to be in possession of detached catalytic converters to provide proof to law enforcement as to how they obtained catalytic converters, thus limiting law enforcement’s ability to: (1) protect the public by preventing catalytic converter thefts; and (2) seize suspected stolen catalytic converters when no victim is present; and

WHEREAS, the California legislature has enacted, and the Governor of California has signed into law, Senate Bill 1087 [Stats. 2022, Ch. 514, SB 1087, Gonzalez] (SB 1087) and Assembly Bill 1740 [Stats. 2022, Ch. 513, AB 1740, Muratsuchi] (AB 1740), which generally prohibit: (1) individuals from purchasing a used catalytic converter from anyone other than certain specified sellers, including automobile dismantlers, automotive repair dealers, or an individual possessing documentation, as specified, that they are the lawful owner of the catalytic converter; and (2) requires core recyclers to keep a detailed written record, including the year, make, and model of the car from which a catalytic converter was removed, as well as a copy of the vehicle’s title, prior to purchasing a catalytic converter from a seller; and

WHEREAS, the California legislature has not expressed its intent, whether explicitly or impliedly, to occupy the field of catalytic converter theft legislation; and

WHEREAS, pursuant to Article XI, Section 5 of the California Constitution, the City, as a charter city, has broad discretionary power to make and enforce within its limits all ordinances and regulations in respect to municipal affairs; and

WHEREAS, catalytic converter thefts have been on the rise for multiple reasons including, but not limited to:

- (1) the ease and undetectable nature of committing such thefts, potentially in a matter of seconds and through the use of common tools such as a reciprocating saw;
- (2) the ability to recycle catalytic converters at scrap metal yards for high dollar returns ranging from \$200 to \$1,200 per catalytic converter;
- (3) legislation that may hamper prosecution of catalytic converter theft unless a victim can be identified; and

WHEREAS, preventing these crimes at present is difficult due to the ease and speed with which catalytic converter thefts can be committed and the difficulty of tracing a particular catalytic converter back to its prior owner because catalytic converters typically have no identifying markers; and

WHEREAS, the City of La Quinta seeks to adopt legislation criminalizing the possession of catalytic converters absent proof of ownership or lawful possession, for multiple reasons including, but not limited to, the following:

- (1) achieving deterrence by establishing zero-tolerance for catalytic converter thefts;
- (2) establishing sanctions for possessing stolen catalytic converters;
- (3) preventing criminals from profiting from the sale and recycling of stolen catalytic converters;
- (4) providing indirect justice to the victims of catalytic converter theft cases that have gone or will go unsolved for the reasons noted above;
- (5) minimizing the fiscal and personnel impact to the City by reducing the time invested in deterring and investigating catalytic converter thefts; and

WHEREAS, individuals who are in possession of stolen catalytic converters recycle them for substantial profit while victims of these thefts suffer from potentially costly repairs and inconvenience, as well as from the secondary effects from a perception of a lack of safety or security for their personal property (automobiles and vehicles); and

WHEREAS, the City desires to regulate the possession of detached catalytic converters within its jurisdiction in order to better protect its citizens, their property, and their community; and

WHEREAS, regulating possession of detached catalytic converters neither contradicts nor duplicates the statutes adopted by the California legislature on the topic of catalytic converters; and

WHEREAS, this Ordinance is necessary to provide the City and all law enforcement personnel, including the Riverside County Sheriff's Department, legal authority to better protect the public and deter the criminal activity relating to catalytic converter thefts; and

WHEREAS, all other legal prerequisites to the adoption of the Ordinance have occurred.

NOW, THEREFORE, the City Council of the City of La Quinta does ordain as follows:

SECTION 1. ADOPTION: Chapter 11.82 is hereby approved and adopted by the City Council and shall be added to Title 11 of the La Quinta Municipal Code as written in “Exhibit A” attached hereto and incorporated herein by this reference.

SECTION 2. RECITALS: The Recitals set forth above are incorporated herein and made an operative part of this Ordinance.

SECTION 3. CEQA: The City Council finds that adoption of this Ordinance is exempt from the California Environmental Quality Act, Public Resources Code section 21000 *et seq.* (“CEQA”) and implementing regulations, California Code of Regulations, Title 14, Section 15000 *et seq.* (“CEQA Guidelines”), as it is not a “Project” as defined by CEQA. (CEQA Guidelines, § 15060(c)(3).) Pursuant to CEQA Guidelines Section 15378(a), a “Project” means the whole of an action, which has a potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. The requested action is to amend the La Quinta Municipal Code to create a new criminal offense and is exempt from CEQA under the “common sense” exemption (CEQA Guidelines, § 15061(b)(3)), as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The requested action is further exempt under CEQA Guidelines Section 15060(c)(2), as it will not result in a direct or reasonably foreseeable indirect physical change in the environment.

SECTION 4. EFFECTIVE DATE: This Ordinance shall be in full force and effect thirty (30) days after its adoption.

SECTION 5. POSTING: The City Clerk shall, within 15 days after passage of this Ordinance, cause it to be posted in at least three public places designated by resolution of the City Council (Resolution No. 2022-027), shall certify to the adoption and posting of this Ordinance, and shall cause this Ordinance and its certification, together with proof of posting to be entered into the permanent record of Ordinances of the City of La Quinta.

SECTION 6. CORRECTIVE AMENDMENTS: The City Council does hereby grant the City Clerk the ability to make minor amendments and corrections of typographical or clerical errors to “Exhibit A” to ensure consistency of all approved text amendments prior to the publication in the La Quinta Municipal Code.

SECTION 7. SEVERABILITY: If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each and every section,

Ordinance No. XXX
Adding Chapter X.XX Catalytic Converter(s) to Title 11 of the La Quinta Municipal Code
Adopted: July ____, 2024
Page 4 of 7

subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more section, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared unconstitutional.

PASSED, APPROVED and ADOPTED, at a regular meeting of the La Quinta City Council held this ____ day of July 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

LINDA EVANS, Mayor
City of La Quinta, California

ATTEST:

MONIKA RADEVA, City Clerk
City of La Quinta, California



APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

EXHIBIT A

CHAPTER 11.82 CATALYTIC CONVERTER(S)

11.82.010 Purpose.

The purpose of this chapter is to regulate the possession of detached catalytic converters absent proof of ownership or lawful possession, to assist in deterring future thefts, establish sanctions for possession stolen catalytic converters, and minimize the fiscal and personal impact on the City of La Quinta and law enforcement personnel, including the Riverside County Sheriff's Department, by reduction of the time invested in deterring and investigating catalytic converter thefts.

11.82.020 Definitions.

For the purposes of this chapter, the following meanings shall apply:

- A. "Lawful possession" includes (1) being the lawful owner of the catalytic converter or (2) in possession of the catalytic converter with the lawful owner's written consent. It is not required to prove the catalytic converter was stolen to establish the possession is not a "lawful possession."
- B. "Documentation" or "proof" means written documentation(s) that clearly identify the vehicle from which the catalytic converter originated based on the totality of the circumstances and includes, but is not limited to, the following types of documents:
 - 1) Bill of sale from the original owner with the signature of the vehicle owner authorizing removal of the catalytic converter, as well as the name, address, and telephone of the vehicle owner,
 - 2) Documentation from an auto-body shop or similar business proving that the owner relinquished the catalytic converter to the auto-body shop or similar business.
 - 3) Verifiable electronic communication from the previous owner to the possessor, relinquishing ownership of the catalytic converter.
 - 4) Photographs of the vehicle from which the catalytic converter originated clearly showing the license plate number and vehicle identification number (VIN) of the car from which the catalytic converter was removed.

11.82.030 Unlawful possession of a catalytic converter prohibited.

- A. It shall be unlawful to possess any catalytic converter that is not attached to a vehicle, unless the possessor has valid documentation or proof to verify that they are in lawful possession of the catalytic converter.
- B. It is unlawful for any person to falsify or cause to be falsified any information, documentation or other proof intended to show valid proof of ownership or possession of a catalytic converter.

11.82.040 Violations – Misdemeanor

- A. Each and every violation of this section shall constitute a separate violation and shall be subject to all remedies and enforcement measures authorized by the La Quinta Municipal Code. Each and every catalytic converter unlawfully possessed is a separate violation of this section.
- B. Any person who violates any provision of this chapter is guilty of a misdemeanor, and upon conviction punished by a fine not to exceed one thousand dollars (\$1,000), or by imprisonment for a term not exceeding six months, or both.
- C. The remedies provided herein are not to be construed as exclusive remedies. The City is authorized to pursue any proceeding or remedies provided by the law.

Ordinance No. XXX
Adding Chapter X.XX Catalytic Converter(s) to Title 11 of the La Quinta Municipal Code
Adopted: July ____, 2024
Page 7 of 7

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF LA QUINTA)

I, MONIKA RADEVA, City Clerk of the City of La Quinta, California, do hereby certify the foregoing to be a full, true, and correct copy of Ordinance No. (enter number) which was introduced at a regular meeting on the ____ day of June, 2024, and was adopted at a regular meeting held on the ____ day of July, 2024, not being less than 5 days after the date of introduction thereof.

I further certify that the foregoing Ordinance was posted in three places within the City of La Quinta as specified in the Rules of Procedure adopted by City Council Resolution No. 2022-027.

MONIKA RADEVA, City Clerk
City of La Quinta, California

DECLARATION OF POSTING

I, MONIKA RADEVA, City Clerk of the City of La Quinta, California, do hereby certify that the foregoing ordinance was posted on the ____ day of July, 2024, pursuant to Council Resolution.

MONIKA RADEVA, City Clerk
City of La Quinta, California



**RIVERSIDE COUNTY SHERIFF'S DEPARTMENT
CHAD BIANCO, SHERIFF**

To: Jon McMillen (La Quinta City Manager)

From: Lieutenant Francisco Velasco *FV*

Date: May 7, 2024

RE: City of La Quinta Adoption of Unlawful Possession of Catalytic Converter Municipal Code

Catalytic converter thefts have become a statewide problem causing many municipalities to create city ordinances to combat these thefts that leave many of its residents with a financial burden. Catalytic converter thefts are on the rise due to the ease and undetectable nature of committing these thefts, the ability to recycle catalytic converters at scrap yards for high dollar amounts due to the precious metals contained within the catalytic converter yielding thieves \$200 to \$1,200 per stolen unit, and loopholes in the penal code and legislation protecting criminals from prosecution unless a victim can be identified.

Currently, the state legislator is proposing AB641 to combat catalytic converter thefts and unlicensed dismantling. This assembly bill makes it unlawful to possess six or more catalytic converters before enforcement can be initiated. Recognizing the scope of the problem and the lack of effective state legislation, Riverside County created and codified Ordinance No. 987, which makes it a crime to illegally possess one catalytic converter without proof of ownership. Other cities within Riverside County such as Jurupa Valley, Temecula, Calimesa, Norco, and Moreno Valley have instituted similar municipal codes to combat Catalytic Converter thefts.

If a catalytic converter is stolen, it may take hours before the victim realizes their vehicle's catalytic converter is missing. Currently, if a person is stopped in the city of La Quinta with less than six catalytic converters in his vehicle, the deputy conducting the traffic stop has no recourse to seize the catalytic converter and must allow the driver to proceed. With cities such as Palm Springs, Cathedral City and Palm Desert having recently adopted an unlaw possession of a catalytic converter municipal code, their police officers and deputies have recourse to seize the catalytic converter and potentially find the victim. This would allow law enforcement agencies the ability to identify and solve catalytic converter thefts and identify groups of thieves committing these thefts. The city of Rancho Mirage is currently going through the administrative process to adopt a similar municipal code. If the city of La Quinta adopts a city municipal code like the above listed cities, it would create a cohesive enforcement barrier that stretches along Hwy. 111, which is a major thoroughfare.

In 2022, the city of La Quinta had 51 catalytic converter thefts, and in 2023, the city had 38 thefts with the month of September spiking at 13 thefts. The fiduciary burden on the residents of La Quinta was approximately \$133k in loss for both years.

By criminalizing the mere possession of an unattached catalytic converter absent proof of ownership or lawful possession, this ordinance would combat this criminal practice and potentially achieve deterrence by establishing zero-tolerance for catalytic converter thefts.

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: ADOPT RESOLUTION APPROVING FISCAL YEAR 2024/25 BUDGET AND ESTABLISH THE CITY'S APPROPRIATIONS LIMIT

RECOMMENDATION

Adopt a resolution approving the Fiscal Year 2024/25 Budget and establish the City's appropriations limit.

EXECUTIVE SUMMARY

- The 2024/25 Proposed Budget consists of the City, Housing Authority, Financing Authority, and Capital Improvement budgets and incorporates Council direction provided during study sessions.
- At the June 5, 2024 meeting, the Financial Advisory Commission (FAC) approved the use of additional Measure G reserves funding in the amount of \$4 million for FY 2024/25 capital improvement projects.
- The Capital Improvement Program (CIP) is a five-year program that identifies the scope, budget, and schedule for capital projects encompassing street, park, facility, and infrastructure projects; only year one is funded with this action (\$28,118,109).
- The Financial Advisory Commission and Housing Authority Commission have unanimously approved the recommended budget (Attachment 1).

FISCAL IMPACT

The Proposed Budget anticipates total revenues of \$136,752,447 and total expenditures of \$141,391,783 for all funds operated by the City. Funds with expenses greater than revenues are utilizing fund balance. A summary of revenues and expenses by fund is in Attachment 1, Exhibit C.

BACKGROUND/ANALYSIS

Attachment 1 provides a narrative of the 2024/25 Proposed Budget and includes the following exhibits:

- A – General Fund Revenues and Expenditures by Department/Division
- B – Measure G Revenues and Expenditures Summary

- C – Summary of Revenues and Expenditures by Fund for 2024/25
- D – Fiscal Year 2024/25 CIP Summary
- E – Appropriations Limitation Calculation (Gann Limit)
- F – Fiscal Year 2024/25 Personnel Schedule

ALTERNATIVES

Council may further adjust the various appropriations included in the recommended 2024/25 Operating and Capital Improvement Program budgets.

Prepared by: Claudia Martinez, Finance Director/City Treasurer
Approved by: Jon McMillen, City Manager

Attachment: 1. 2024/25 Proposed Budget Overview

RESOLUTION NO. 2024 - XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA QUINTA, CALIFORNIA, ESTABLISHING THE CITY'S APPROPRIATION LIMIT FOR FISCAL YEAR 2024/25 AND APPROVING A BUDGET FOR FISCAL YEAR 2024/25

WHEREAS, each year the La Quinta City Council adopts a budget for Revenues and Expenditures for the upcoming Fiscal Year; and

WHEREAS, the City Council desires to make provisions for a level of services commensurate with the needs of the City; and

WHEREAS, the City Council has reviewed said budget and capital improvement program and has had several public meetings to receive public input; and

WHEREAS, the City Council has, after due deliberation and consideration, made such amendments in the proposed budget and capital improvement program as it considers desirable; and

WHEREAS, Section 7910 of the Government Code of the State of California provides that each year the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following fiscal year; and

WHEREAS, Section 7902(b) of the Government Code sets forth the method for determining the said appropriations limit, to be based upon the limit applicable for the prior fiscal year and adjusted for changes in the cost-of-living and in City population.

NOW, THEREFORE, BE IT RESOLVED by the City of La Quinta to adopt, as follows:

SECTION 1. The appropriations limit for the City of La Quinta established in accordance with Section 7902(b) of the California Government Code, for Fiscal Year 2024/25 is \$179,170,357.

SECTION 2. It is hereby found and determined that in compliance with Government Code Section 7910, the documentation used in the determination of said appropriations limit for Fiscal Year 2024/25 was available to the public in the Finance Department of the City and in the Office of the City Clerk at least fifteen days prior to this date.

SECTION 3. The Fiscal Year 2024/25 budget and capital improvement program which is on file with the City Clerk is hereby approved.

SECTION 4. Continuing Appropriations which remain unspent and were authorized by Council in Fiscal Year 2023/24 are approved in the Fiscal Year 2024/25 budget in an amount not to exceed \$4,450,000 (Exhibit A).

SECTION 5. Budget adjustment procedures are approved as follows:

- A. Additional appropriations and the transfer of cash or unappropriated fund balance from one fund to another shall be made only upon City Council approval.
- B. Transfers of budgeted appropriations between funds or capital projects shall be made only upon City Council approval.
- C. Transfers of budgeted appropriations between accounts within a department or capital project may be made with the approval of the City Manager or his designee.
- D. Prior year budget continuing Appropriations and Encumbrances for unexpended capital project and grant appropriations remaining from uncompleted prior year capital projects and grant programs shall be made with City Manager approval. These carry-over appropriations are for prior year Council approved capital projects and shall not exceed the approved project budget.

SECTION 6. The City Council, recognizing the need for maintaining Fund Balance reserves has established a Reserve Policy. These funds cannot be appropriated without the explicit approval of the City Council. Exhibit B General Fund Reserves Overview shows estimated amounts, final amounts will be published in the Fiscal Year 2023/24 Annual Comprehensive Financial Report “ACFR.”

SECTION 7. The City Manager shall render a monthly report to the City Council on the status of City operations as it relates to the approved budget and any amendments thereto.

PASSED, APPROVED, and ADOPTED at a regular meeting of the La Quinta City Council held on this 18th day of June 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Resolution No. 2024 – XXX
Budget Approval FY 2024/25
Adopted: June 18, 2024
Page 3 of 3

LINDA EVANS, Mayor
City of La Quinta, California

ATTEST:

MONIKA RADEVA, City Clerk
City of La Quinta, California



APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

CITY OF LA QUINTA

Continuing Appropriations/Carryovers from 2023/24 to 2024/25

Description/Program	Account Number	Account Name	Estimated
Marketing efforts to attract group business to hotels	101-1007-60536	TOT Resort Rebate Program	\$ 350,000
Fire ladder truck purchase	101-2002-80101	Machinery & Equipment	\$ 400,000
Sidewalk repair	101-7003-60103	Professional Services	\$ 150,000
GENERAL FUND CARRYOVERS			\$ 900,000
Emergency road repair	201-7003-72111	Road Improvements	\$ 500,000
Heavy machinery/equipment purchase	201-7003-80100	Machinery & Equipment	\$ 450,000
Painting exterior of Library	202-3004-72110	Building Improvements	\$ 150,000
Median upgrades	215-7004-60431	Materials/Supplies	\$ 400,000
Tree maintenance	215-7004-60673	Tree Maintenance/Palm Trees	\$ 400,000
Dune Palms Mobile Estates improvements	241-9104-72110	Building/Site Improvements	\$ 500,000
Vehicle upgrades	501-0000-60675	Parts, Accessories and Uplifts	\$ 130,000
Painting/repairs	501-0000-71103	City Bldg Repl/Repair	\$ 175,000
Heavy machinery/equipment purchase	501-0000-80100	Machinery & Equipment	\$ 145,000
Park supplies and upgrades	503-0000-71060	Parks	\$ 700,000
SPECIAL FUNDS CARRYOVERS			\$ 3,550,000
TOTAL CARRYOVERS FOR ALL FUNDS			\$ 4,450,000

NOTE: In June 2024 when the budget is adopted, all carryovers are estimates based on projected invoices to end fiscal year 2023/24. Upon completion of the final audit, Finance verifies account balances and makes additional carryover recommendations based on current budgetary needs.

CARRYOVER TOTALS BY FUND

	ESTIMATED
General Fund (101)	\$ 900,000
Gas Tax Fund (201)	\$ 950,000
Library and Museum Fund (202)	\$ 150,000
Lighting & Landscape Fund (215)	\$ 800,000
Housing Authority Fund (241)	\$ 500,000
Facility & Fleet Replacement Fund (501)	\$ 450,000
Park Equipment & Facility Fund (503)	\$ 700,000
TOTAL CARRYOVERS BY FUND	\$ 4,450,000

CITY OF LA QUINTA
GENERAL FUND RESERVES OVERVIEW
Based on Proposed Budget for 2024/25
ESTIMATED FOR 6-30-2025

<i>ESTIMATED COMMITTED & UNASSIGNED FUND BALANCE</i>	ESTIMATED AT 6-30-2024	LOAN PAYMENT TO GENERAL FUND FROM SUCCESSOR AGENCY	OPERATING SURPLUS /(SHORTFALL)	ESTIMATED AT 6-30-2025
NATURAL DISASTER	\$ 15,000,000			\$ 15,000,000
ECONOMIC DISASTER	\$ 13,000,000			\$ 13,000,000
CASH FLOW	\$ 5,000,000			\$ 5,000,000
CAPITAL REPLACEMENT	\$ 12,000,000			\$ 12,000,000
UNAPPROPRIATED	\$ 49,000,000	\$ 2,804,654	\$ 3,382,635	\$ 55,187,289
TOTAL ESTIMATED RESERVES	\$ 94,000,000	\$ 2,804,654	\$ 3,382,635	\$ 100,187,289

SUMMARY	
RESERVES 6/30/24	\$ 94,000,000
NET CHANGE	\$ 6,187,289
RESERVES 6/30/24	\$ 100,187,289



CALCULATION FOR FORMER REDEVELOPMENT AGENCY LOAN REPAYMENT				
FY 2024/25 Approved Repayment				
	Fund	Total Repayment	Distribution %	Distribution \$
	General Fund	\$ 3,505,817	x 80% =	2,804,654
	Housing Fund	\$ 3,505,817	x 20% =	701,163
				\$ 3,505,817

<i>ESTIMATED ASSIGNED FUND BALANCE</i>	ESTIMATED AT 6-30-2024	ADDITIONS	DELETIONS	ESTIMATED AT 6-30-2025
SALES TAX (MEASURE G)	\$ 33,700,000	\$ -	\$ (4,000,000)	\$ 29,700,000
PUBLIC SAFETY FIRE SERVICE TRUST	\$ 14,800,000	\$ -	\$ -	\$ 14,800,000
CARRYOVERS AND CAPITAL PROJECTS (GENERAL FUND ONLY)	\$ 25,950,000	\$ -	\$ -	\$ 25,950,000
PENSION TRUST FUND	\$ 5,400,000	\$ 200,000	\$ -	\$ 5,600,000
OTHER POST EMPLOYMENT BENEFITS TRUST FUND	\$ 2,000,000	\$ 40,000	\$ -	\$ 2,040,000
TOTAL ASSIGNED RESERVES	\$ 81,850,000	\$ 240,000	\$ (4,000,000)	\$ 78,090,000



2024/25 PROPOSED BUDGET SUMMARY

The General Fund is the primary operating fund of the City and provides funding for police, fire protection, community programs, parks, public buildings, and administrative operations. The proposed budget has a projected surplus of \$3,382,635, a summary of revenues by category and expenses by department is in Exhibit A. Upon adoption, Finance will prepare the final budget document which will be available to the public on the City’s website.

The City’s proposed FY 2024/25 budget represents a continuation of significant investments in addressing the needs of the community such as public safety, road improvements, and city parks and facilities. The City’s strategic approach of implementing cost containment measures during the pandemic followed by strong economic recovery led to a healthy financial standing. This approach led to the City increasing reserve levels, investing in aging City infrastructure, and paying down increasing pension costs. To continue delivering outstanding services to our residents, businesses and visitors, the City has developed a conservative budget that compliments the City’s strong fiscal foundation. As the City faces new challenges ahead, such as increasing costs outpacing revenue growth and a volatile economy, strategic planning will be vital in ensuring the City’s continued long-term financial stability.

GENERAL FUND FY 2024/25 PROPOSED BUDGET SUMMARY	
Revenues	\$ 82,714,300
Less Operating/CIP Expenses	(83,331,665)
Preliminary Budget Deficit	(617,365)
Use of Measure G Reserves	4,000,000
BUDGET SURPLUS \$ 3,382,635	

The 2024/25 proposed budget was presented at various public meetings held between April and June. Since the June 4, 2024, study session, the following items have been incorporated into the 2024/25 budget.

- Due to the utilization of Measure G reserves in the amount of \$4 million, the City’s updated budget surplus reflects the use of Measure G over the General Fund for capital improvement projects as recommended by the Financial Advisory Commission (FAC). This allocation resulted in a General Fund budget surplus of \$3,382,635 to be used for upcoming projects and will allow for flexibility of programs for the upcoming fiscal year.
- In addition, an increase of \$665,000 to account for an additional capital improvement project and to continue the City’s efforts of staff development and

succession planning, managing PERS increases, responding to labor market adjustments, and to address staffing needs

MEASURE G SUMMARY

The Financial Advisory Commission was presented the Operating and Capital Improvement budgets and unanimously approved the budgetary uses of Measure G funds which is summarized below, including the utilization of Measure G reserves of \$4 million for additional capital improvement projects. A historical summary is provided in Exhibit B.

MEASURE G SALES TAX SUMMARY	
Measure G Sales Tax Revenue	\$ 15,500,000
Police Services	(7,300,000)
Capital Improvements	(12,200,000)
Available for Appropriation	\$ (4,000,000)

OTHER FUNDS

The City operates 33 Special Revenue Funds, 4 Internal Service Funds, 2 Enterprise Funds and 3 Trust Funds. These funds are legally required to be held separately from the General Fund and are restricted for road repairs, recycling programs, art in public places, police programs, housing programs, bond requirements, golf course operations, internally administered services, and retiree benefits. A summary of revenue and expenses for all Funds is located in Exhibit C.

CAPITAL IMPROVEMENT PROGRAM (CIP)

The Capital Improvement Program budget reflects the five-year plan adopted by Council and a summary of funded projects is located in Exhibit D.

2024/25 APPROPRIATIONS LIMIT CALCULATION

Annually, the City is required to prepare an Appropriations Limit Calculation (Gann Limit) in accordance with Article XIII B of the State Constitution. The Gann initiative limits the growth in government spending to changes in population and inflation. The Gann Limit for 2024/25 is \$179,170,357. This means that the City must not spend revenues in excess of this limitation. City revenues subject to the Gann Limit are \$78,469,200; therefore, the City is significantly below the limit by a margin of \$100,701,157 (Exhibit E).

2024/25 PERSONNEL SCHEDULE

Exhibit F summarizes the citywide personnel schedule for 2024/25 and includes 100 full-time and 6.79 part-time positions.

2024/25 BUDGET RESOLUTION

The list of estimated continuing appropriations/carryovers (Exhibit A to the Budget Resolution) reflects City commitments to projects, services or purchases that were made in 2023/24 but will not be completed, fulfilled, or paid for by the end of the fiscal year. The continuing appropriations total is \$4,450,000; of this amount \$900,000 are General Fund carryovers and \$3,550,000 are Special Funds. These unexpended funds remain available, but Council approval is needed to re-appropriate them for use in 2024/25 (since all appropriations lapse at the end of the fiscal year). Capital project and grant carryovers are not included as they are part of the year-end auditing process and will be included in the 2023/24 year-end budget report.

Exhibit B to the Budget Resolution depicts total General Fund reserves currently estimated to end 2023/24 at \$94 million with a projected increase of \$6.1 million to \$100.1 million during fiscal year 2024/25. Project fund balances for Measure G sales tax, public safety fund, fire services trust fund, carryovers/capital projects, pension and other employee benefit trusts are also provided.

The FY 2024/25 budget was prepared to balance City Council and community priorities with a sustainable and sound financial plan. This fiscally conservative budget balances immediate priorities along with the need for long-term investments. With strong leadership and financial position, the City of La Quinta will be able to effectively manage challenges in the future. The City is committed to adopting a structurally balanced budget, any changes based on discussions during this meeting will be incorporated in the final adopted budget.

CITY OF LA QUINTA		
GENERAL FUND REVENUES AND EXPENDITURES BY DEPARTMENT/DIVISION		
FISCAL YEAR 2024/25 ADOPTED BUDGET		
ESTIMATED CURRENT RESOURCES:		
REVENUES:		
TAXES	\$	63,270,000
LICENSES & PERMITS		2,386,500
INTERGOVERNMENTAL		11,253,000
CHARGES FOR SERVICES		1,028,700
FINES & ASSESSMENTS		341,000
OTHER/MISCELLANEOUS		4,435,100
TOTAL ESTIMATED CURRENT RESOURCES	\$	82,714,300
ESTIMATED CURRENT REQUIREMENTS:		
EXPENDITURES:		
CITY COUNCIL	\$	346,400
CITY MANAGER DEPARTMENT		4,319,600
<i>CITY MANAGER'S DIVISION</i>	1,641,100	
<i>HUMAN RESOURCES</i>	745,900	
<i>MARKETING/COMMUNITY RELATIONS</i>	1,932,600	
CITY ATTORNEY		800,000
CITY CLERK DEPARTMENT		1,406,570
COMMUNITY SERVICES		3,356,000
<i>CS ADMINISTRATION</i>	716,400	
<i>WELLNESS CENTER OPERATIONS</i>	683,600	
<i>RECREATION PROGRAMS/SPECIAL EVENTS</i>	1,956,000	
PUBLIC SAFETY		32,306,640
<i>POLICE</i>	19,643,300	
<i>FIRE</i>	10,572,110	
<i>CODE COMPLIANCE/ANIMAL CONTROL</i>	1,821,340	
<i>PUBLIC SAFETY ADMINISTRATION</i>	269,890	
PUBLIC WORKS		10,060,180
<i>PARKS MAINTENANCE</i>	4,538,300	
<i>PUBLIC BUILDINGS</i>	1,875,750	
<i>PUBLIC WORKS ADMINISTRATION</i>	835,797	
<i>DEVELOPMENT SERVICES</i>	539,383	
<i>STREETS- TRAFFIC</i>	1,036,550	
<i>ENGINEERING SERVICES</i>	1,234,400	
DESIGN & DEVELOPMENT		4,697,175
<i>D&D ADMINISTRATION</i>	826,800	
<i>PLANNING</i>	856,900	
<i>BUILDING</i>	1,513,600	
<i>THE HUB</i>	1,499,875	
FISCAL SERVICES		26,039,100
<i>FINANCE</i>	2,103,500	
<i>CENTRAL SERVICES (Includes CIP)</i>	23,935,600	
TOTAL ESTIMATED CURRENT REQUIREMENTS	\$	83,331,665
PRELIMINARY BUDGET DEFICIT	\$	(617,365)
USE OF MEASURE G SALES TAX RESERVES		4,000,000
BUDGET SURPLUS/(DEFICIT)	\$	3,382,635

MEASURE G REVENUES AND USES SUMMARY						
Fiscal Year (FY)						
REVENUES						
2016/17	Actual		\$	1,462,650		
2017/18	Actual			9,967,657		
2018/19	Actual			10,958,118		
2019/20	Actual			10,310,526		
2020/21	Actual			12,594,389		
2021/22	Actual			15,615,802		
2022/23	Actual			16,088,087		
2023/24	Budget (Current)			15,700,000		
2024/25	Budget (Proposed)			15,500,000		
			TOTAL	\$ 108,197,229		
MEASURE G USES						
Year Earned	Project Description	Operational	Capital	Reserves	Total by Year	
2016/17	Eisenhower Dr. Retention Basin		750,000			
	Washington St. Connector to Art & Music Line		712,650			
2017/18	Public Safety Fund	300,000			1,462,650	
	North La Quinta Landscape Improvements		1,802,576			
	Citywide Drainage Enhancements		2,407,373			
	La Quinta Village Road Diet Project		1,972,158			
	X-Park Funding		147,350			
	Alongi Building Improvements		800,000			
	SilverRock Event Site		321,900			
	SilverRock Event Site		244,700			
	Alongi Building at SilverRock Event Site		160,000			
	SilverRock Event Site		290,000			
	SilverRock Event Site Retention Basin		10,000			
	SilverRock Event Site Retention Basin		427,250			
	Measure G Reserves 17/18			1,084,350	9,967,657	
2018/19	Public Safety Fund	850,000				
	Public Safety Contract Services	2,100,000				
	Citywide Drainage Enhancements		194,730			
	North La Quinta Landscape Improvements		2,129,613			
	SilverRock Event Site		1,300,000			
	Measure G Reserves 18/19			4,383,775	10,958,118	
2019/20	Public Safety Contract Services	2,750,000				
	Corporate Yard Administration/Crew Quarters		411,013			
	Highway 111 Corridor Improvements		1,000,000			
	North La Quinta Landscape Improvements		3,703,369			
	Village Art Plaza Promenade		310,000			
	Measure G Reserves 19/20			2,136,144	10,310,526	
2020/21	Public Safety Contract Services	4,545,000				
	X-Park Landscaping		275,000			
	Highway 111 Corridor Improvements		250,000			
	Measure G Reserves 2020/21			7,524,389	12,594,389	
2021/22	Public Safety Contract Services	5,163,000				
	Landscape Renovation Improvements		1,408,356			
	Highway 111 Corridor Improvements		1,000,000			
	Fritz Burns Park Improvements		350,000			
	Allocate Bridge Funding		7,468,061			
	Measure G Reserves 2021/22			226,385	15,615,802	
2022/23	Public Safety Contract Services	5,100,000				
	Landscape Renovation Improvements		500,000			
	Sports Complex Lighting		300,000			
	Village Underground Utilities Feasibility		100,000			
	ADA Transition Plan Update		150,000			
	Village Parking Lot		500,000			
	Phase II Public Safety Camera System		1,797,000			
	Smart Infrastructure Feasibility		250,000			
	Highway 111 Corridor Improvements		1,000,000			
	Dune Palms Bridge Advance Funding Reimbursement		(7,468,061)			
	Measure G Reserves 2022/23			13,859,148	16,088,087	
2023/24	Public Safety Contract Services	5,100,000				
	Highway 111 Corridor Improvements		1,000,000			
	Avenue 48 Art and Music Line		2,400,000			
	Fritz Burns Park Improvements		1,500,000			
	Highway 111 Event Site- Reprogrammed to Fritz Burns Park, see FY 24-25		-			
	Washington St. Connector to Art & Music Line		1,200,000			
	Measure G Reserves 2023/24			4,500,000	15,700,000	
2024/25	Public Safety Contract Services	7,300,000				
	Pavement Management Plan Street Improvements		1,000,000			
	Maintenance & Operations Yard		900,000			
	Cultural Campus		1,000,000			
	Highway 111 Corridor Area Plan Implementation		3,050,000			
	Fritz Burns Park Improvements		5,000,000			
	Citywide Dog Park Improvements		500,000			
	Welcome Center Improvements		750,000			
	Measure G Reserves 2024/25		-	(4,000,000)	15,500,000	
		TOTAL	\$ 33,208,000	\$ 45,275,038	\$ 29,714,191	\$ 108,197,229
			31%	42%	27%	

SUMMARY OF REVENUES AND EXPENDITURES BY FUND FOR 2024/25				
FUND #	FUND NAME	TOTAL REVENUES	TOTAL EXPENSES	SURPLUS / (DEFICIT)
101	GENERAL FUND	82,714,300	83,331,665	(617,365)
105	DISASTER RECOVERY FUND	30,000	-	30,000
201	GAS TAX FUND	2,589,000	3,443,100	(854,100)
202	LIBRARY & MUSEUM FUND	3,143,000	2,555,615	587,385
203	PUBLIC SAFETY FUND	5,000	-	5,000
210	FEDERAL ASSISTANCE FUND (CDBG)	190,000	198,500	(8,500)
212	SLESF (COPS)	103,000	100,000	3,000
215	LIGHTING & LANDSCAPING FUND	4,000,500	3,957,700	42,800
220	QUIMBY FUND	-	-	-
221	AB 939 - CALRECYCLE	80,000	200,000	(120,000)
223	MEASURE A FUND	2,025,000	2,335,000	(310,000)
225	INFRASTRUCTURE FUND	1,000	-	1,000
226	EMERGENCY MANAGEMENT PERFORMANCE FUND	13,000	12,000	1,000
227	STATE HOMELAND SECURITY PROGRAM	5,500	5,000	500
230	CASp FUND, AB 1379	21,000	5,500	15,500
235	SO COAST AIR QUALITY FUND	54,500	40,000	14,500
241	HOUSING AUTHORITY FUND	1,452,000	1,715,440	(263,440)
243	RDA LOW-MOD HOUSING FUND	60,000	250,000	(190,000)
247	ECONOMIC DEVELOPMENT FUND	40,000	31,500	8,500
249	SA 2011 LOW/MOD BOND	18,000	250,000	(232,000)
250	TRANSPORTATION DIF	540,000	1,579,109	(1,039,109)
251	PARKS & RECREATION DIF	253,000	-	253,000
252	CIVIC CENTER DIF	103,000	-	103,000
253*	LIBRARY DEVELOPMENT DIF	50,000	15,000	35,000
254	COMMUNITY CENTER DIF	105,000	500,000	(395,000)
255	STREET FACILITY DIF	1,000	-	1,000
256	PARK FACILITY DIF	100	-	100
257	FIRE PROTECTION DIF	53,000	-	53,000
259	MAINTENANCE FACILITIES DIF FUND	47,000	100,000	(53,000)
270	ART IN PUBLIC PLACES FUND	158,000	233,000	(75,000)
275	LQ PUBLIC SAFETY OFFICER FUND	3,000	-	3,000
310	LQ FINANCE AUTHORITY FUND	1,500	1,500	-
401	CAPITAL IMPROVEMENT PROGRAMS	27,218,109	27,218,109	-
405	SA PA1 CAPITAL IMPROVEMENT BOND	500	-	500
501	FACILITY & FLEET REPLACEMENT FUND	1,705,000	1,628,750	76,250
502	INFORMATION TECHNOLOGY FUND	2,276,708	3,217,945	(941,237)
503	PARK EQUIP & FACILITY FUND	500,000	2,000,000	(1,500,000)
504	INSURANCE FUND	1,363,230	1,058,000	305,230
601	SILVERROCK RESORT FUND	5,484,500	5,365,000	119,500
602	SILVERROCK GOLF RESERVE FUND	98,000	-	98,000
760	SUPPLEMENTAL PENSION PLAN	7,000	12,850	(5,850)
761	CERBT OPEB TRUST (HEALTH BENEFITS)	40,000	1,500	38,500
762	PARS PENSION TRUST	200,000	30,000	170,000
GRAND TOTAL		136,752,447	141,391,783	(4,639,336)

* This fund has an outstanding inter-agency loan due to the Successor Agency.

Project No.	Project	Total Funding
2425ADA	ADA Accessible Ramps - Various Locations	\$ 20,000
2425CPM	Citywide Preventative Maintenance Plan Improvements	\$ 50,000
2425PMP	Pavement Management Plan Street Improvements	\$ 1,000,000
2425PMP	Pavement Management Plan Street Improvements	\$ 1,000,000
2425STI	Sidewalks - Various Locations	\$ 55,000
2425TMI	Citywide Traffic Signal Maintenance Improvements	\$ 235,000
2425DRA	Citywide Drainage Enhancements	\$ 477,000
201702	Developer Reimbursement for DIF Eligible Improvements	\$ 400,000
201804	Landscape and Lighting Median Island Improvements	\$ 500,000
201805	Maintenance and Operations Yard	\$ 900,000
201805	Maintenance and Operations Yard	\$ 100,000
201901	Cultural Campus	\$ 1,000,000
201901	Cultural Campus	\$ 500,000
201905	Highway 111 Corridor Area Plan Implementation	\$ 3,050,000
201905	Highway 111 Corridor Area Plan Implementation	\$ 984,000
201905	Highway 111 Corridor Area Plan Implementation	\$ 4,000,000
202101	Dune Palms Pavement Rehabilitation	\$ 200,000
202102	Fritz Burns Park Improvements	\$ 5,000,000
202205	Avenue 50 Widening Improvements (Jefferson Street to Madison Street)	\$ 579,109
202333	Bridge Preventative Maintenance Program	\$ 165,000
202401	Avenue 50 Sidewalk Improvements (Washington Street to Avenida Montero)	\$ 400,000
202402	Washington Street Sidewalk Improvements (Calle Tampico to Avenue 52)	\$ 478,000
202403	Cove Area Slurry Seal Improvements Phase 1	\$ 1,000,000
202404	City Hall Drainage Improvements	\$ 1,000,000
202405	Citywide Miscellaneous ADA Improvements	\$ 175,000
202406	Citywide Miscellaneous Concrete Improvements	\$ 1,000,000
202407	Citywide Dog Park Improvements	\$ 1,000,000
202407	Citywide Dog Park Improvements	\$ 500,000
202408	Village Parking Lot Utility Undergrounding	\$ 500,000
202409	Welcome Center Improvements	\$ 750,000
202410	Avenue 52 at Jefferson Street Roundabout Safety Improvements	\$ 600,000
202411	SilverRock Way Slurry Seal Improvements	\$ 500,000
TOTAL:		\$ 28,118,109
Color Key TEAL: Measure G Funds \$12,200,000 (43.4%) ORANGE: General Funds \$5,717,000 (20.3%) WHITE: Measure A and SB1 RMRA Funds \$3,797,000 (13.5%) Special Revenue Funds \$6,404,109 (22.8%)		

\$ 28,118,109 2024/25 CIP Program
 (500,000) Funding allocated in the Lighting and Landscape Fund
 (400,000) Funding allocated in the Transportation DIF Fund
\$ 27,218,109 TOTAL CIP FUND BUDGETED EXPENSES

CITY OF LA QUINTA

City of La Quinta
Gann Limit Appropriation Calculation
FY 2024/25

(Page 1 of 2)

Year	(1) (\$) Prior Year Gann Limit	(2) City's Previous Year's Population	(3) City's Current Year's Population	(4) Population % Change	(5) U.S. CPI Annual % Change	(6) % Change in Local Non-Residential Construction	(7) % Change In Per Capita Income	(8) (\$) Current Year Gann Limit	(9) (\$) Compliance Amounts
92-93	14,240,507	12,932	14,840	14.80%	N/A	0.68%	-0.64%	16,452,801	4,452,292
93-94	16,452,801	14,840	15,693	5.75%	N/A	0.16%	2.72%	17,871,744	5,301,754
94-95	16,452,801	15,693	16,634	6.00%	N/A	0.14%	0.71%	19,077,886	6,561,880
95-96	19,077,886	16,634	17,101	2.81%	N/A	N/A	4.72%	20,539,255	7,762,496
96-97	20,539,255	17,101	18,045	5.52%	N/A	N/A	4.67%	22,685,183	8,257,148
97-98	22,685,183	18,045	19,217	6.49%	N/A	N/A	4.67%	25,286,762	9,667,831
98-99	25,286,762	19,217	20,444	6.38%	N/A	N/A	4.15%	28,017,719	12,222,332
99-00	28,017,719	20,444	21,763	6.45%	N/A	N/A	4.53%	31,176,447	9,801,749
00-01	31,176,447	21,763	24,240	10.77%	N/A	N/A	4.91%	36,229,777	10,785,551
01-02	36,229,777	24,240	26,321	12.66%	N/A	N/A	7.82%	44,008,314	12,181,391
02-03	44,008,314	26,321	28,715	10.52%	N/A	N/A	-1.27%	48,020,286	14,233,708
03-04	48,020,286	28,715	30,452	5.99%	N/A	N/A	2.31%	52,072,415	14,547,338
04-05	52,072,415	30,452	32,522	5.90%	N/A	N/A	3.28%	56,953,433	16,507,192
05-06	56,953,433	32,522	36,145	9.19%	N/A	N/A	5.26%	65,458,514	22,777,443
06-07	65,458,514	36,145	38,340	5.40%	N/A	N/A	3.96%	71,725,407	27,384,580
07-08	71,725,407	38,340	41,092	6.44%	N/A	N/A	4.42%	79,718,951	32,163,100
08-09	79,718,951	41,092	42,743	4.46%	N/A	N/A	4.29%	86,846,889	33,562,980
09-10	86,846,889	42,743	43,778	2.42%	N/A	N/A	0.62%	89,500,065	33,519,652
10-11	89,500,065	43,778	37,307	(1) 1.35%	N/A	N/A	-2.54%	88,404,325	30,055,388
11-12	88,404,325	37,307	37,836	(1) 1.42%	N/A	N/A	2.51%	91,910,124	29,884,568
12-13	91,910,124	37,836	38,075	(2) 1.03%	N/A	N/A	3.77%	96,357,500	31,954,838
13-14	96,357,500	38,190	38,412	0.55%	N/A	N/A	5.12%	101,848,105	33,412,900
14-15	101,848,105	38,412	39,032	1.61%	N/A	N/A	-0.23%	103,249,837	35,982,642
15-16	103,249,837	39,032	39,694	1.72%	N/A	N/A	3.82%	109,037,717	37,391,100
16-17	109,037,717	39,694	39,977	1.69%	N/A	N/A	5.37%	116,834,735	39,339,800
17-18	116,834,735	39,977	40,677	(2) 1.25%	N/A	N/A	3.69%	122,660,261	48,021,600
18-19	122,660,261	40,605	41,753	1.48%	N/A	N/A	3.67%	129,043,889	51,452,200
19-20	129,043,889	41,753	42,098	(2) 0.83%	N/A	N/A	3.85%	135,124,379	56,851,900
20-21	135,124,379	40,389	40,660	(2) 0.67%	N/A	N/A	3.73%	141,103,621	49,433,000
21-22	141,103,621	40,906	41,247	(2) 0.83%	N/A	N/A	5.73%	150,427,126	57,775,110
22-23	150,427,126	37,949	37,860	(2) -0.23%	N/A	N/A	7.55%	161,412,270	67,321,000
23-24	161,412,270	37,562	37,979	(2) 1.11%	N/A	N/A	4.44%	170,450,479	75,918,000
24-25	170,450,479	37,824	38,370	(2) 1.44%	N/A	N/A	3.62%	179,170,357	78,469,200

The Gann Limit is adjusted annually by multiplying the "Prior Year Gann Limit" (column 1) by the "% Change in Population" (column 4) and then by the greater of the "% Change in New Local Non-residential Construction or % Change in California Per Capita Income" (column 6 or 7). This Gann adjustment figure is then added to the prior year's limit amount to obtain the current year Gann limit amount in column 8. The U.S. CPI factor (column 5) was used in place of the non-residential construction (column 6) amount and the lower of the two factors, the U.S. CPI or Per Capita Income, for the calculation prior to FY 1990-91. The City has elected in column (2) and (3) to use the City population method versus the change in County population.

- (1) The population for FY 2010/2011 and FY 2011/2012 are adjusted to the Federal 2010 Census counts.
- (2) The previous population is furnished by the Department of Finance.

The Shaded boxes indicate the calculation factor that was used to calculate that year's Gann Limit.

GANN APPROPRIATION LIMIT ANALYSIS

In 1979, Proposition 4, the "Gann" initiative, was passed. The Proposition created Article XIII B of the State Constitution placing limits on the amount of revenue which can be spent by all entities of Government.

The Gann limit is adjusted annually by the following two factors:

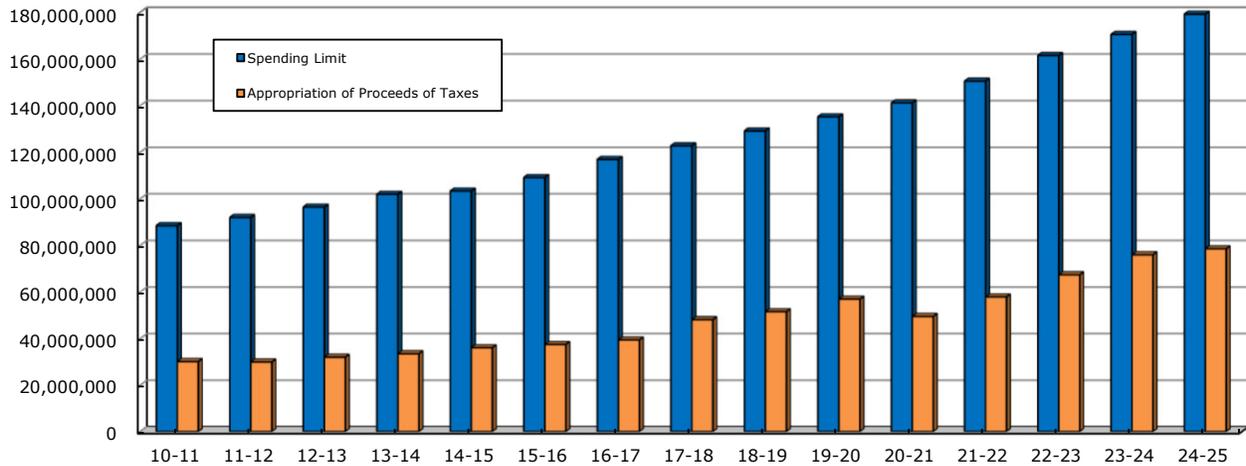
Annual population change and the greater of the change in:

- 1) State Per Capita Income, or
- 2) The Local Assessment roll for local non-residential construction.

When a City reaches this limit, excess tax revenue must be returned to the State or Citizens through a process of refunds, rebates, or other means that may be defined at that time. The Gann limit for the City of La Quinta has increased steadily since 1984 and still provides the City with a comfortable operating margin. The revenue collection and spending limit for City of La Quinta FY 2024/25 is \$179.2 million. "Proceeds of taxes" are projected to be \$78.5 million in FY 2024/25 allowing the City a margin of \$100.7 million.

On the graph below, the highest bars represent the spending limit and the lower bars represent the appropriation of proceeds of taxes for fifteen years.

CITY OF LA QUINTA
SPENDING LIMIT VERSUS APPROPRIATION OF PROCEEDS OF TAXES



CITY COUNCIL				
Funding Source	Personnel Schedule	Adopted 2022/23	Adopted 2023/24	Proposed 2024/25
General Fund	Mayor & City Council	5	5	5
TOTAL		5	5	5

CITY CLERK				
Funding Source	Personnel Schedule	Adopted 2022/23	Adopted 2023/24	Proposed 2024/25
General Fund	Administrative Assistant	1	0	0
General Fund	Administrative Technician	0	2	2
General Fund	City Clerk Director	0.9	0.9	0.9
Housing Authority	City Clerk Director	0.1	0.1	0.1
General Fund	Deputy City Clerk	1	1	1
General Fund	Management Assistant	1	0	0
General Fund	Management Specialist	0	0	1
General Fund	Permit Technician	2	1	1
General Fund	Senior Permit Technician	0	1	0
TOTAL		6	6	6

CITY MANAGER				
Funding Source	Personnel Schedule	Adopted 2022/23	Adopted 2023/24	Proposed 2024/25
General Fund	Administrative Technician	0	0.2	0.2
Housing Authority	Administrative Technician	0	0.8	0.8
General Fund	Human Resources Manager	0	1	0
General Fund	Human Resources Deputy Director	0	0	1
General Fund	Human Resources Technician	0	2	2
General Fund	City Manager	0.8	0.8	0.8
Housing Authority	City Manager	0.2	0.2	0.2
General Fund	Marketing & Communications Specialist	0	2	2
General Fund	Director (Business Unit & Housing Development)	0.6	0.6	0.6
Housing Authority	Director (Business Unit & Housing Development)	0.4	0.4	0.4
General Fund	Executive Specialist	0	1	1
Housing Authority	Management Analyst	0.6	0.6	0
Information Technology	Management Analyst	0.4	0.4	0
General Fund	Management Assistant	0.2	0	0
Housing Authority	Management Assistant	0.8	0	0
General Fund	Management Specialist	2.4	0.4	0.4
Housing Authority	Management Specialist	0.6	0.6	0.6
General Fund	Marketing Manager	1	1	1
General Fund	Senior Code Compliance Officer	0	1	1
Housing Authority	Senior Management Analyst	0	0	0.6
Information Technology	Senior Management Analyst	0	0	0.4
TOTAL		8	13	13

COMMUNITY RESOURCES				
Funding Source	Personnel Schedule	Adopted 2022/23	Adopted 2023/24	Proposed 2024/25
General Fund	Administrative Assistant	2	0	0
General Fund	Administrative Technician	2.8	0	0
Library & Museum	Administrative Technician	0.2	0	0
General Fund	Animal Control/Code Compliance Supervisor	1	0	0
General Fund	Code Compliance Officer I	2	0	0
General Fund	Code Compliance Officer II	4	0	0
General Fund	Community Resources Coordinator	1	0	0
General Fund	Community Resources Director	0.7	0	0

COMMUNITY RESOURCES (continued)				
Funding Source	Personnel Schedule	Adopted 2022/23	Adopted 2023/24	Proposed 2024/25
General Fund	Community Resources Director	0.15	0	0
Library & Museum	Community Resources Director	0.15	0	0
General Fund	Community Resources Manager	0.4	0	0
Wellness Center	Community Resources Manager	0.4	0	0
Library & Museum	Community Resources Manager	0.2	0	0
General Fund	Community Resources Specialist	1	0	0
General Fund	Human Resources Analyst	1	0	0
General Fund	Community Resources Analyst	0.8	0	0
Library & Museum	Community Resources Analyst	0.2	0	0
General Fund	Management Assistant	1	0	0
General Fund	Public Safety Manager	0.8	0	0
General Fund	Public Safety Manager	0.2	0	0
General Fund	Part-Time Administrative Technician	0	0	0
General Fund	Part-Time Recreation Leader	5.96	0	0
General Fund	Part-Time Senior Recreation Leader	1.94	0	0
General Fund	Senior Emergency Management Coordinator	1	0	0
TOTAL		28.9	0	0

COMMUNITY SERVICES				
Funding Source	Personnel Schedule	Adopted 2022/23	Adopted 2023/24	Proposed 2024/25
General Fund	Administrative Technician	0	5	5
General Fund	Community Services Deputy Director	0	0.4	0.4
Library & Museum	Community Services Deputy Director	0	0.2	0.2
Wellness Center	Community Services Deputy Director	0	0.4	0.4
General Fund	Community Services Specialist	0	1	1
General Fund	Management Analyst	0	0.8	0
Library & Museum	Management Analyst	0	0.2	0
General Fund	Part-Time Recreation Leader	5.96	5.82	5.82
General Fund	Part-Time Senior Recreation Leader	1.94	0.97	0.97
General Fund	Senior Management Analyst	0	0	0.8
General Fund	Senior Management Analyst	0	0	0.2
General Fund	Senior Community Services Specialist	0	1	1
TOTAL		7.9	15.79	15.79

PUBLIC SAFETY				
Funding Source	Personnel Schedule	Adopted 2022/23	Adopted 2023/24	Proposed 2024/25
General Fund	Administrative Technician	0	2	2
General Fund	Animal Control/Code Compliance Supervisor	0	1	1
General Fund	Code Compliance Officer	0	2	3
General Fund	Management Analyst	0	1	1
General Fund	Public Safety Deputy Director	0	0.8	0.8
General Fund	Public Safety Deputy Director	0	0.2	0.2
General Fund	Senior Code Compliance Officer	0	3	2
TOTAL		0	10	10

PUBLIC WORKS				
Funding Source	Personnel Schedule	Adopted 2022/23	Adopted 2023/24	Proposed 2024/25
General Fund	Administrative Assistant	1	1	1
General Fund	Administrative Technician	0	1	1
General Fund	Assistant Construction Manager	1	1	1

PUBLIC WORKS (continued)				
Funding Source	Personnel Schedule	Adopted 2022/23	Adopted 2023/24	Proposed 2024/25
General Fund	Associate Engineer	1	1	1
General Fund	Public Works Director/City Engineer	1	1	1
General Fund	Construction Inspector	2	2	2
General Fund	Facilities Deputy Director	0.5	0	0
General Fund	Facilities Deputy Director	0.5	0	0
Gas Tax Fund	Maintenance Foreman	1	0	0
General Fund	Maintenance & Operations Coordinator	1	1	1
General Fund	Maintenance & Operations Crew Leader	0	1.5	1.5
Lighting & Landscape	Maintenance & Operations Crew Leader	0	0.5	0.5
General Fund	Maintenance & Operations Deputy Director	0	0.5	0.5
General Fund	Maintenance & Operations Deputy Director	0	0.5	0.5
General Fund	Maintenance & Operations Superintendent	0	2.5	2.5
Gas Tax Fund	Maintenance & Operations Superintendent	0	1	1
Lighting & Landscape	Maintenance & Operations Superintendent	0	0.5	0.5
Gas Tax Fund	Maintenance & Operations Worker	0	4	4
General Fund	Maintenance & Operations Worker	0	2.5	2.5
Lighting & Landscape	Maintenance & Operations Worker	0	1.5	1.5
Gas Tax Fund	Maintenance Worker I	2	0	0
General Fund	Maintenance Worker I	2.5	0	0
Lighting & Landscape	Maintenance Worker I	1.5	0	0
Gas Tax Fund	Maintenance Worker II	2	0	0
General Fund	Maintenance Worker II	0.5	0	0
Lighting & Landscape	Maintenance Worker II	0.5	0	0
General Fund	Maintenance & Operations Technician	1	1	1
General Fund	Management Analyst	2.5	1	1
Lighting & Landscape	Management Analyst	0.5	0	0
General Fund	Management Assistant	1	0	0
General Fund	Parks/L&L Foreman	0.5	0	0
Lighting & Landscape	Parks/L&L Foreman	0.5	0	0
Gas Tax Fund	Senior Maintenance & Operations Worker	0	2	2
General Fund	Senior Maintenance & Operations Worker	0	1.5	1.5
Lighting & Landscape	Senior Maintenance & Operations Worker	0	0.5	0.5
General Fund	Traffic Operations Analyst	1	0	0
General Fund	Traffic Signal Technician	2	2	2
TOTAL		27	31	31

DESIGN AND DEVELOPMENT				
Funding Source	Personnel Schedule	Adopted 2022/23	Adopted 2023/24	Proposed 2024/25
General Fund	Administrative Assistant	2	2	2
General Fund	Administrative Technician	1	1	1
General Fund	Assistant Planner	0	0	1
General Fund	Associate Planner	1	1	1
General Fund	Building Inspector	0	1	1
General Fund	Building Inspector I	1	0	0
General Fund	Building Inspector II	2	0	0
General Fund	Building Official	1	1	1
General Fund	Data Reporting Specialist	0	0.97	1
General Fund	Deputy Building Official	0	1	1
General Fund	Design & Development Director	1	1	1
General Fund	Hub Manager	1	1	1
General Fund	Part-Time Software Program Report Writer	0.97	0	0

DESIGN AND DEVELOPMENT (continued)				
Funding Source	Personnel Schedule	Adopted 2022/23	Adopted 2023/24	Proposed 2024/25
General Fund	Permit Technician	6	6	4
General Fund	Planning Manager	1	1	1
General Fund	Plans Examiner	1	1	1
General Fund	Senior Building Inspector	0	2	2
General Fund	Senior Building Inspector/Plans Examiner	1	0	0
General Fund	Senior Permit Technician	0	1	1
General Fund	Senior Planner	1	1	1
TOTAL		20.97	21.97	21

FINANCE				
Funding Source	Personnel Schedule	Adopted 2022/23	Adopted 2023/24	Proposed 2024/25
General Fund	Accounting Manager	1	0	0
General Fund	Account Technician	3	0	0
General Fund	Accountant	1	1	1
General Fund	Administrative Technician	0	1	1
General Fund	Finance Director	0.9	0.9	0.9
Housing Authority	Finance Director	0.1	0.1	0.1
General Fund	Finance Manager	0	1	1
General Fund	Finance Technician	0	2	2
General Fund	Financial Services Analyst	1	0	0
General Fund	Junior Accountant	1	1	1
General Fund	Management Assistant	1	0	0
General Fund	Principal Management Analyst	0	1	1
General Fund	Senior Accountant	0	1	1
General Fund	Senior Finance Technician	0	1	1
TOTAL		9	10	10

TOTAL NUMBER OF ELECTED OFFICIALS	5	5	5
TOTAL NUMBER OF PART-TIME EMPLOYEES	8.87	7.76	6.79
TOTAL NUMBER OF FULL-TIME EMPLOYEES	91	100	100
TOTAL NUMBER OF EMPLOYEES	104.87	112.76	111.79

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: ADOPT RESOLUTION APPROVING FISCAL YEARS 2024/25 THROUGH 2028/29 CAPITAL IMPROVEMENT PROGRAM

RECOMMENDATION

Adopt a resolution approving fiscal years 2024/25 through 2028/29 Capital Improvement Program.

EXECUTIVE SUMMARY

- The Capital Improvement Program (CIP) is a five-year program that identifies the scope, budget, and schedule for street, park, facility, and infrastructure projects.
- Staff presented fiscal year (FY) 2024/25 projects on April 2, 2024 to the Council and on April 3, 2024 to the Financial Advisory Commission (FAC).
- 26 projects are identified for FY 2024/25 with an estimated cost of \$28 million. This first year of the CIP Program is called the “Capital Budget”.
- The 2024/25 projects have been incorporated for appropriation into the Operating and Capital Budget.
- The 2024 project list was presented to the Planning Commission on June 11, 2024 and was found consistent with the General Plan.
- Pursuant to the Government Code, Council must hold a public hearing on the CIP and consider its adoption by resolution after a public hearing.

FISCAL IMPACT

While the Council is requested to approve the five-year CIP, only FY 2024/25 projects are funded as follows:

Project No.	Project	Total Funding
2425ADA	ADA Accessible Ramps - Various Locations	\$ 20,000
2425CPM	Citywide Preventative Maintenance Plan Improvements	\$ 50,000
2425PMP	Pavement Management Plan Street Improvements	\$ 1,000,000
2425PMP	Pavement Management Plan Street Improvements	\$ 1,000,000
2425STI	Sidewalks - Various Locations	\$ 55,000
2425TMI	Citywide Traffic Signal Maintenance Improvements	\$ 235,000
2425DRA	Citywide Drainage Enhancements	\$ 477,000
201702	Developer Reimbursement for DIF Eligible Improvements	\$ 400,000
201804	Landscape and Lighting Median Island Improvements	\$ 500,000
201805	Maintenance and Operations Yard	\$ 900,000
201805	Maintenance and Operations Yard	\$ 100,000
201901	Cultural Campus	\$ 1,000,000
201901	Cultural Campus	\$ 500,000
201905	Highway 111 Corridor Area Plan Implementation	\$ 3,050,000
201905	Highway 111 Corridor Area Plan Implementation	\$ 984,000
201905	Highway 111 Corridor Area Plan Implementation	\$ 4,000,000
202101	Dune Palms Pavement Rehabilitation	\$ 200,000
202102	Fritz Burns Park Improvements	\$ 5,000,000
202205	Avenue 50 Widening Improvements (Jefferson Street to Madison Street)	\$ 579,109
202333	Bridge Preventative Maintenance Program	\$ 165,000
202401	Avenue 50 Sidewalk Improvements (Washington Street to Avenida Montero)	\$ 400,000
202402	Washington Street Sidewalk Improvements (Calle Tampico to Avenue 52)	\$ 478,000
202403	Cove Area Slurry Seal Improvements Phase 1	\$ 1,000,000
202404	City Hall Drainage Improvements	\$ 1,000,000
202405	Citywide Miscellaneous ADA Improvements	\$ 175,000
202406	Citywide Miscellaneous Concrete Improvements	\$ 1,000,000
202407	Citywide Dog Park Improvements	\$ 1,000,000
202407	Citywide Dog Park Improvements	\$ 500,000
202408	Village Parking Lot Utility Undergrounding	\$ 500,000
202409	Welcome Center Improvements	\$ 750,000
202410	Avenue 52 at Jefferson Street Roundabout Safety Improvements	\$ 600,000
202411	SilverRock Way Slurry Seal Improvements	\$ 500,000
TOTAL:		\$ 28,118,109
Color Key TEAL: Measure G Funds \$12,200,000 (43.4%) ORANGE: General Funds \$5,717,000 (20.3%) WHITE: Measure A and SB1 RMRA Funds \$3,797,000 (13.5%) Special Revenue Funds \$6,404,109 (22.8%)		

BACKGROUND/ANALYSIS

The CIP presents a five-year assessment of the community’s infrastructure, facility and equipment needs; a five-year funding strategy is also outlined. It is updated annually, and the current year CIP projects are included in the Operating and Capital Budget. Funds are appropriated and the City then implements the current year CIP projects.

The CIP process starts in January of each year and involves the community, Council, and the FAC. Staff presented 2024/25 CIP projects to the Council during study session on April 2, 2024 and to the FAC on April 3, 2024.

The following is a summary of the 2024/25 projects:

2024/25 CIP Projects

- Transportation - Roadway
 - ✓ Pavement Management Plan
 - ✓ Highway 111 Corridor Area Plan Implementation
 - ✓ Dune Palms Pavement Rehabilitation (Miles Avenue to Fred Waring Drive)
 - ✓ Avenue 50 Widening Improvements (Jefferson Street to Madison Street)
 - ✓ Bridge Preventative Maintenance Program
 - ✓ Cove Area Slurry Seal Improvements Phase 1
 - ✓ Avenue 52 at Jefferson Street Roundabout Safety Improvements
 - ✓ SilverRock Way Slurry Seal Improvements

- Transportation - Pedestrian
 - ✓ ADA Accessible Ramps – Various Locations
 - ✓ Sidewalks – Various Locations
 - ✓ Citywide Miscellaneous ADA Improvements
 - ✓ ADA Transition Plan Update
 - ✓ Avenue 50 Sidewalk Improvements (Washington Street to Avenida Montero)
 - ✓ Washington Street Sidewalk Improvements (Calle Tampico to Avenue 52)
 - ✓ Citywide Miscellaneous Concrete Improvements

- Parks and Facilities
 - ✓ Maintenance and Operations Yard
 - ✓ Citywide Dog Park Improvements
 - ✓ Welcome Center Improvements
 - ✓ Citywide Preventative Maintenance Improvements
 - ✓ Fritz Burns Park Improvements
 - ✓ Village Parking Lot Utility Undergrounding
 - ✓ Cultural Campus

- Landscape Improvements
 - ✓ Landscape and Lighting Median Island Improvements

- Drainage Enhancements
 - ✓ Citywide Drainage Enhancements

- Reimbursement Agreements
 - ✓ Developer Reimbursement for DIF Eligible Improvements

- Traffic Signal Improvements
 - ✓ Citywide Traffic Signal Maintenance Improvements

The Capital Budget is based on existing funds and projected revenues. Projects slated for subsequent years are approved on a planning basis and do not receive expenditure

authority until they are incorporated in the Capital Budget.

Those projects designated as “Additional Projects” in Attachment 1 do not have identified funding sources. In the case of Development Impact Fee (DIF) funded projects, a long-term collection period is required to accumulate funds before projects are implemented.

Notice of public hearing was advertised in The Desert Sun newspaper on June 5, 2024.

ALTERNATIVES

Council may modify the 2024/25 through 2028/29 CIP.

Prepared by: Carley Escarrega, Administrative Technician

Approved by: Bryan McKinney, P.E., Public Works Director/City Engineer

Attachments: 1. 2021-26 Pavement Management – 5-year plan
 2. CIP Unfunded Additional Projects Expenditure Summary

RESOLUTION NO. 2024 - XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA QUINTA, CALIFORNIA, APPROVING THE FISCAL YEAR 2024/2025 THROUGH 2028/2029 CAPITAL IMPROVEMENT PROGRAM

WHEREAS, pursuant to Government Code Section 66002, the City of La Quinta (“City”) is required to review and approve a Capital Improvement Program (“CIP”); and

WHEREAS, the City is required to conduct a noticed public hearing for consideration and approval of the CIP; and

WHEREAS, notice of the public hearing has been given pursuant to Government Code Section 65090, specifically, the required notice was published on June 5, 2024 in *The Desert Sun*; and

WHEREAS, the CIP is a five-year planning instrument used by the City to identify capital improvement needs and to coordinate financing and timing of those needs in a manner that maximizes the return to the public; and

WHEREAS, the CIP is a statement of the City’s goals, objectives and priorities for a five-year plan and the financial commitments required to accomplish those objectives; and

WHEREAS, the Fiscal Year 2024/2025 through 2028/2029 Program proposes approximately \$67.9 million in improvement projects and identifies \$61.3 million of unfunded additional improvement projects over the five-year period, commencing on July 1, 2024 and ending June 30, 2029; and

WHEREAS, the amount allocated for the CIP for first-year projects, called the “Capital Budget,” proposes \$28.1 million in improvements, which will become effective on July 1, 2024; and

WHEREAS, it would be in the best interest of the public to completely fund all improvements identified within the Capital Budget.

NOW THEREFORE, BE IT RESOLVED, by the La Quinta City Council, as follows:

SECTION 1. The above recitations are true and correct.

SECTION 2. The City Council hereby approves the Fiscal Year 2024/2025 through 2028/2029 Capital Improvement Program “Exhibit A” and confirms the inclusion of the Capital Budget into the Fiscal Year 2024/2025 operating budget, which appropriates funds for specific facilities, equipment and improvements.

Resolution No. 2024 - XXX
Capital Improvement Program for Fiscal Years 2024/25 through 2028/29
Adopted: June 18, 2024
Page 2 of 2

PASSED, APPROVED and ADOPTED at a regular meeting of the La Quinta City Council held on this 18th day of June 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

LINDA EVANS, Mayor
City of La Quinta, California

ATTEST:

MONIKA RADEVA, City Clerk
City of La Quinta, California



APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California

CLICK HERE to Return to Agenda
CITY OF LA QUINTA
CAPITAL IMPROVEMENT PROGRAM
REVENUE SUMMARY

RESOLUTION NO. 2024-XXX
EXHIBIT A
ADOPTED JUNE 18, 2024

Project #	Project Description	General Fund Operating	Measure G Sales Tax	Community /Cultural Center DIF	SB 1 Road Maint/Rehab	DIF Transportation	Maintenance and Facilities DIF	Measure A	Other Revenue	Other Revenue Source	Total
2024/2025											
2425ADA	ADA Accessible Ramps - Various Locations	20,000									20,000
2425CPM	Citywide Preventative Maintenance Plan Improvements								50,000	Equip Replacement Fund	50,000
2425PMP	Pavement Management Plan Street Improvements	1,000,000	1,000,000								2,000,000
2425STI	Sidewalks - Various Locations	55,000									55,000
2425TMI	Citywide Traffic Signal Maintenance Improvements							235,000			235,000
2425DRA	Citywide Drainage Enhancements	477,000								No Earmark Funding Anticipated	477,000
201702	Developer Reimbursement for DIF Eligible Improvements					400,000					400,000
201804	Landscape and Lighting Median Island Improvements	500,000									500,000
201805	Maintenance and Operations Yard		900,000						100,000		1,000,000
201901	Cultural Campus		1,000,000	500,000							1,500,000
201905	Highway 111 Corridor Area Plan Implementation (for 2022-25)		3,050,000		984,000				4,000,000	Earmark Funding 2024	8,034,000
202101	Dune Palms Pavement Rehabilitation (Miles Avenue to Fred Waring Drive)							200,000			200,000
202102	Fritz Burns Park Improvements		5,000,000							Reprogram project 202304 HWY 111 Event Site (MG \$500k)	5,000,000
202205	Avenue 50 Widening Improvements (Jefferson Street to Madison Street)					579,109					579,109
202333	BPMP Bridge Preventative Maintenance Program	165,000									165,000
202401	Avenue 50 Sidewalk Improvements (Washington Street to Avenida Montero)							400,000			400,000
202402	Washington Street Sidewalk Improvements (Calle Tampico to Avenue 52)				478,000					Reprogram of 23/24 SB1 funds	478,000
202403	Cove Area Slurry Seal Improvements Phase 1							1,000,000			1,000,000
202404	City Hall Drainage Improvements	1,000,000									1,000,000
202405	Citywide Miscellaneous ADA Improvements								175,000	CDBG	175,000
202406	Citywide Miscellaneous Concrete Improvements	1,000,000									1,000,000
202407	Citywide Dog Park Improvements	1,000,000	500,000							Reprogram project 202310 SRR Dust Control (GF \$1M)	1,500,000
202408	Village Parking Lot Utility Undergrounding	500,000									500,000
202409	Welcome Center Improvements		750,000								750,000
202410	Avenue 52 at Jefferson Street Roundabout Safety Improvements					600,000					600,000
202411	SilverRock Way Slurry Seal Improvements							500,000			500,000
FY 2024/2025 SUBTOTAL:		5,717,000	12,200,000	500,000	1,462,000	1,579,109	100,000	2,335,000	4,225,000		28,118,109

CLICK HERE to Return to Agenda
CITY OF LA QUINTA
CAPITAL IMPROVEMENT PROGRAM
REVENUE SUMMARY

Project #	Project Description	General Fund Operating	Measure G Sales Tax	Community /Cultural Center DIF	SB 1 Road Maint/Rehab	DIF Transportation	Maintenance and Facilities DIF	Measure A	Other Revenue	Other Revenue Source	Total
2025/2026											
2526ADA	ADA Accessible Ramps - Various Locations	20,000									20,000
2526CPM	Citywide Preventative Maintenance Plan Improvements								50,000	Equip Replacement Fund	50,000
2526PMP	Pavement Management Plan Street Improvements	1,000,000	1,000,000								2,000,000
2526STI	Sidewalks - Various Locations	55,000									55,000
2526TMI	Citywide Traffic Signal Maintenance Improvements							235,000			235,000
2425DRA	Citywide Drainage Enhancements	477,000									477,000
201702	Developer Reimbursement for DIF Eligible Improvements					400,000					400,000
201804	Landscape and Lighting Median Island Improvements	500,000									500,000
201805	Maintenance and Operations Yard		7,500,000								7,500,000
201905	Highway 111 Corridor Area Plan Implementation		1,000,000								1,000,000
202501	Citywide Striping Refresh							500,000			500,000
202502	Highway 111/Simon Drive Dual Left Turn Lanes							700,000			700,000
202503	Cove Area Slurry Seal Improvements Phase 2				950,000						950,000
202504	Avenue 47 Pavement Rehabilitation (Washington Street to Adams Street)							525,000			525,000
202505	Phase III Public Safety Camera System		3,000,000								3,000,000
202506	Washington Street at Lake La Quinta Drive (New Traffic Signal)					430,000					430,000
202507	Francis Hack Lane Pavement Rehabilitation (Avenida Bermudas to Cul-De-Sac)							580,000			580,000
202508	Corporate Centre Drive Gap Closure					1,000,000					1,000,000
202509	5-Year PMPUpdate							75,000			75,000
202510	Washington Street Pavement Rehabilitation Project (Eisenhower Drive to northern city limit)								3,100,000	Federal Earmark Funding	3,100,000
FY 2025/2026 SUBTOTAL:		2,052,000	12,500,000	0	950,000	1,830,000		2,615,000	3,150,000		23,097,000
2026/2027											
2627ADA	ADA Accessible Ramps - Various Locations	20,000									20,000
2627CPM	Citywide Preventative Maintenance Plan Improvements								50,000	Equip Replacement Fund	50,000
2627PMP	Pavement Management Plan Street Improvements	1,000,000	1,000,000								2,000,000
2627STI	Sidewalks - Various Locations	55,000									55,000
2627TMI	Citywide Traffic Signal Maintenance Improvements							235,000			235,000
2627DRA	Citywide Drainage Enhancements	477,000									477,000
201702	Developer Reimbursement for DIF Eligible Improvements					400,000					400,000
201804	Landscape and Lighting Median Island Improvements	500,000									500,000
201905	Highway 111 Corridor Area Plan Implementation		1,000,000								1,000,000
202601	North La Quinta Slurry Seal Improvements/Pavement Repair							1,500,000			1,500,000
202602	Citywide Arterial Slurry Seal Improvements				1,000,000						1,000,000
FY 2026/2027 SUBTOTAL:		2,052,000	2,000,000	0	1,000,000	400,000		1,735,000	50,000		7,237,000
2027/2028											
2728ADA	ADA Accessible Ramps - Various Locations	20,000									20,000
2728CPM	Citywide Preventative Maintenance Plan Improvements								50,000	Equip Replacement Fund	50,000
2728PMP	Pavement Management Plan Street Improvements	1,000,000	1,000,000								2,000,000
2728STI	Sidewalks - Various Locations	55,000									55,000
2728TMI	Citywide Traffic Signal Maintenance Improvements							235,000			235,000
2728DRA	Citywide Drainage Enhancements	477,000									477,000
201702	Developer Reimbursement for DIF Eligible Improvements					400,000					400,000
201804	Landscape and Lighting Median Island Improvements	500,000									500,000
201905	Highway 111 Corridor Area Plan Implementation		1,000,000								1,000,000
FY 2027/2028 SUBTOTAL:		2,052,000	2,000,000	0	0	400,000		235,000	50,000		4,737,000
2028/2029											
2829ADA	ADA Accessible Ramps - Various Locations	20,000									20,000
2829CPM	Citywide Preventative Maintenance Plan Improvements								50,000	Equip Replacement Fund	50,000
2829PMP	Pavement Management Plan Street Improvements	1,000,000	1,000,000								2,000,000
2829STI	Sidewalks - Various Locations	55,000									55,000
2829TMI	Citywide Traffic Signal Maintenance Improvements							235,000			235,000
2829DRA	Citywide Drainage Enhancements	477,000									477,000
201702	Developer Reimbursement for DIF Eligible Improvements					400,000					400,000
201804	Landscape and Lighting Median Island Improvements	500,000									500,000

[CLICK HERE to Return to Agenda](#)
CITY OF LA QUINTA
CAPITAL IMPROVEMENT PROGRAM
REVENUE SUMMARY

Project #	Project Description	General Fund Operating	Measure G Sales Tax	Community /Cultural Center DIF	SB 1 Road Maint/Rehab	DIF Transportation	Maintenance and Facilities DIF	Measure A	Other Revenue	Other Revenue Source	Total
201905	Highway 111 Corridor Area Plan Implementation		1,000,000								1,000,000
FY 2028/2029 SUBTOTAL:		2,052,000	2,000,000	0	0	400,000		235,000	50,000		4,737,000
TOTAL FISCAL YEARS 2024/25 THROUGH 2028/29:		13,925,000	30,700,000	500,000	3,412,000	4,609,109	100,000	7,155,000	7,525,000		67,926,109

CLICK HERE to Return to Agenda
CITY OF LA QUINTA
CAPITAL IMPROVEMENT PROGRAM
EXPENDITURE SUMMARY

Project #	Project Description	Engineering/ Design	Construction	Inspection/ Testing/ Survey	Professional	Contingency	Other	Other Expenditure	Total
2024/2025									
2425ADA	ADA Accessible Ramps - Various Locations	1,450	14,000	1,350	1,200	2,000			20,000
2425CPM	Citywide Preventative Maintenance Plan Improvements	3,625	35,000	3,375	3,000	5,000			50,000
2425PMP	Pavement Management Plan Street Improvements	145,000	1,400,000	135,000	120,000	200,000			2,000,000
2425STI	Sidewalks - Various Locations	3,988	38,500	3,713	3,300	5,500			55,000
2425TMI	Citywide Traffic Signal Maintenance Improvements	0	235,000	0	0	0			235,000
2425DRA	Citywide Drainage Enhancements	34,583	333,900	32,198	28,620	47,700			477,000
201702	Developer Reimbursement for DIF Eligible Improvements	0	0	0	0	0	400,000	Reimbursement	400,000
201804	Landscape and Lighting Median Island Improvements	0	500,000	0	0	0			500,000
201805	Maintenance and Operations Yard	72,500	700,000	67,500	60,000	100,000			1,000,000
201901	Cultural Campus	108,750	1,050,000	101,250	90,000	150,000			1,500,000
201905	Highway 111 Corridor Area Plan Implementation (for 2022-25)	582,465	5,623,800	542,295	482,040	803,400			8,034,000
202101	Dune Palms Pavement Rehabilitation (Miles Avenue to Fred Waring Drive)	0	200,000	0	0	0			200,000
202102	Fritz Burns Park Improvements	0	5,000,000	0	0	0			5,000,000
202205	Avenue 50 Widening Improvements (Jefferson Street to Madison Street)	41,985	405,376	39,090	34,747	57,911			579,109
202333	BPMP Bridge Preventative Maintenance Program	165,000	0	0	0	0			165,000
202401	Avenue 50 Sidewalk Improvements (Washington Street to Avenida Montero)	29,000	280,000	27,000	24,000	40,000			400,000
202402	Washington Street Sidewalk Improvements (Calle Tampico to Avenue 52)	450,000	0	0	28,000	0			478,000
202403	Cove Area Slurry Seal Improvements Phase 1	72,500	700,000	67,500	60,000	100,000			1,000,000
202404	City Hall Drainage Improvements	72,500	700,000	67,500	60,000	100,000			1,000,000
202405	Citywide Miscellaneous ADA Improvements	12,688	122,500	11,813	10,500	17,500			175,000
202406	Citywide Miscellaneous Concrete Improvements	72,500	700,000	67,500	60,000	100,000			1,000,000
202407	Citywide Dog Park Improvements	108,750	1,050,000	101,250	90,000	150,000			1,500,000
202408	Village Parking Lot Utility Undergrounding	36,250	350,000	33,750	30,000	50,000			500,000
202409	Welcome Center Improvements	54,375	525,000	50,625	45,000	75,000			750,000
202410	Avenue 52 at Jefferson Street Roundabout Safety Improvements	43,500	420,000	40,500	36,000	60,000			600,000
202411	SilverRock Way Slurry Seal Improvements	36,250	350,000	33,750	30,000	50,000			500,000
FY 2024/2025 SUBTOTAL:		2,147,658	20,733,076	1,426,957	1,296,407	2,114,011			28,118,109
2025/2026									
2526ADA	ADA Accessible Ramps - Various Locations	1,450	14,000	1,350	1,200	2,000			20,000
2526CPM	Citywide Preventative Maintenance Plan Improvements	3,625	35,000	3,375	3,000	5,000			50,000
2526PMP	Pavement Management Plan Street Improvements	145,000	1,400,000	135,000	120,000	200,000			2,000,000
2526STI	Sidewalks - Various Locations	3,988	38,500	3,713	3,300	5,500			55,000
2526TMI	Citywide Traffic Signal Maintenance Improvements	0	235,000	0	0	0			235,000
2425DRA	Citywide Drainage Enhancements	34,583	333,900	32,198	28,620	47,700			477,000
201702	Developer Reimbursement for DIF Eligible Improvements	0	0	0	0	0	400,000	Reimbursement	400,000
201804	Landscape and Lighting Median Island Improvements	36,250	350,000	33,750	30,000	50,000			500,000
201805	Maintenance and Operations Yard	543,750	5,250,000	506,250	450,000	750,000			7,500,000

EXPENDITURE SUMMARY							
201905	Highway 111 Corridor Area Plan Implementation	72,500	700,000	67,500	60,000	100,000	1,000,000
202501	Citywide Striping Refresh	36,250	350,000	33,750	30,000	50,000	500,000
202502	Highway 111/Simon Drive Dual Left Turn Lanes	50,750	490,000	47,250	42,000	70,000	700,000
202503	Cove Area Slurry Seal Improvements Phase 2	68,875	665,000	64,125	57,000	95,000	950,000
202504	Avenue 47 Pavement Rehabilitation (Washington Street to Adams Street)	38,063	367,500	35,438	31,500	52,500	525,000
202505	Phase III Public Safety Camera System	217,500	2,100,000	202,500	180,000	300,000	3,000,000
202506	Washington Street at Lake La Quinta Drive (New Traffic Signal)	31,175	301,000	29,025	25,800	43,000	430,000
202507	Francis Hack Lane Pavement Rehabilitation (Avenida Bermudas to Cul-De-Sac)	42,050	406,000	39,150	34,800	58,000	580,000
202508	Corporate Centre Drive Gap Closure	72,500	700,000	67,500	60,000	100,000	1,000,000
202509	5-Year PMPUpdate						75,000
202510	Washington Street Pavement Rehabilitation Project (Eisenhower Drive to northern city limit)						3,100,000

FY 2025/2026 SUBTOTAL: 1,398,308 13,735,900 1,301,873 1,157,220 1,928,700 400,000 23,097,000

2026/2027

2627ADA	ADA Accessible Ramps - Various Locations	1,450	14,000	1,350	1,200	2,000	20,000
2627CPM	Citywide Preventative Maintenance Plan Improvements	3,625	35,000	3,375	3,000	5,000	50,000
2627PMP	Pavement Management Plan Street Improvements	145,000	1,400,000	135,000	120,000	200,000	2,000,000
2627STI	Sidewalks - Various Locations	3,988	38,500	3,713	3,300	5,500	55,000
2627TMI	Citywide Traffic Signal Maintenance Improvements	0	235,000	0	0	0	235,000
2627DRA	Citywide Drainage Enhancements	34,583	333,900	32,198	28,620	47,700	477,000
201702	Developer Reimbursement for DIF Eligible Improvements	0	0	0	0	0	400,000 Reimbursement
201804	Landscape and Lighting Median Island Improvements	36,250	350,000	33,750	30,000	50,000	500,000
201905	Highway 111 Corridor Area Plan Implementation	72,500	700,000	67,500	60,000	100,000	1,000,000
202601	North La Quinta Slurry Seal Improvements/Pavement Repair	108,750	1,050,000	101,250	90,000	150,000	1,500,000
202602	Citywide Arterial Slurry Seal Improvements	72,500	700,000	67,500	60,000	100,000	1,000,000

FY 2026/2027 SUBTOTAL: 478,645 4,856,400 445,635 396,120 660,200 400,000 7,237,000

2027/2028

2728ADA	ADA Accessible Ramps - Various Locations	1,450	14,000	1,350	1,200	2,000	20,000
2728CPM	Citywide Preventative Maintenance Plan Improvements	3,625	35,000	3,375	3,000	5,000	50,000
2728PMP	Pavement Management Plan Street Improvements	145,000	1,400,000	135,000	120,000	200,000	2,000,000
2728STI	Sidewalks - Various Locations	3,988	38,500	3,713	3,300	5,500	55,000
2728TMI	Citywide Traffic Signal Maintenance Improvements	0	235,000	0	0	0	235,000
2728DRA	Citywide Drainage Enhancements	34,583	333,900	32,198	28,620	47,700	477,000
201702	Developer Reimbursement for DIF Eligible Improvements	0	0	0	0	0	400,000 Reimbursement
201804	Landscape and Lighting Median Island Improvements	36,250	350,000	33,750	30,000	50,000	500,000
201905	Highway 111 Corridor Area Plan Implementation	72,500	700,000	67,500	60,000	100,000	1,000,000

FY 2027/2028 SUBTOTAL: 803,228 7,990,300 747,833 664,740 1,107,900 800,000 4,737,000

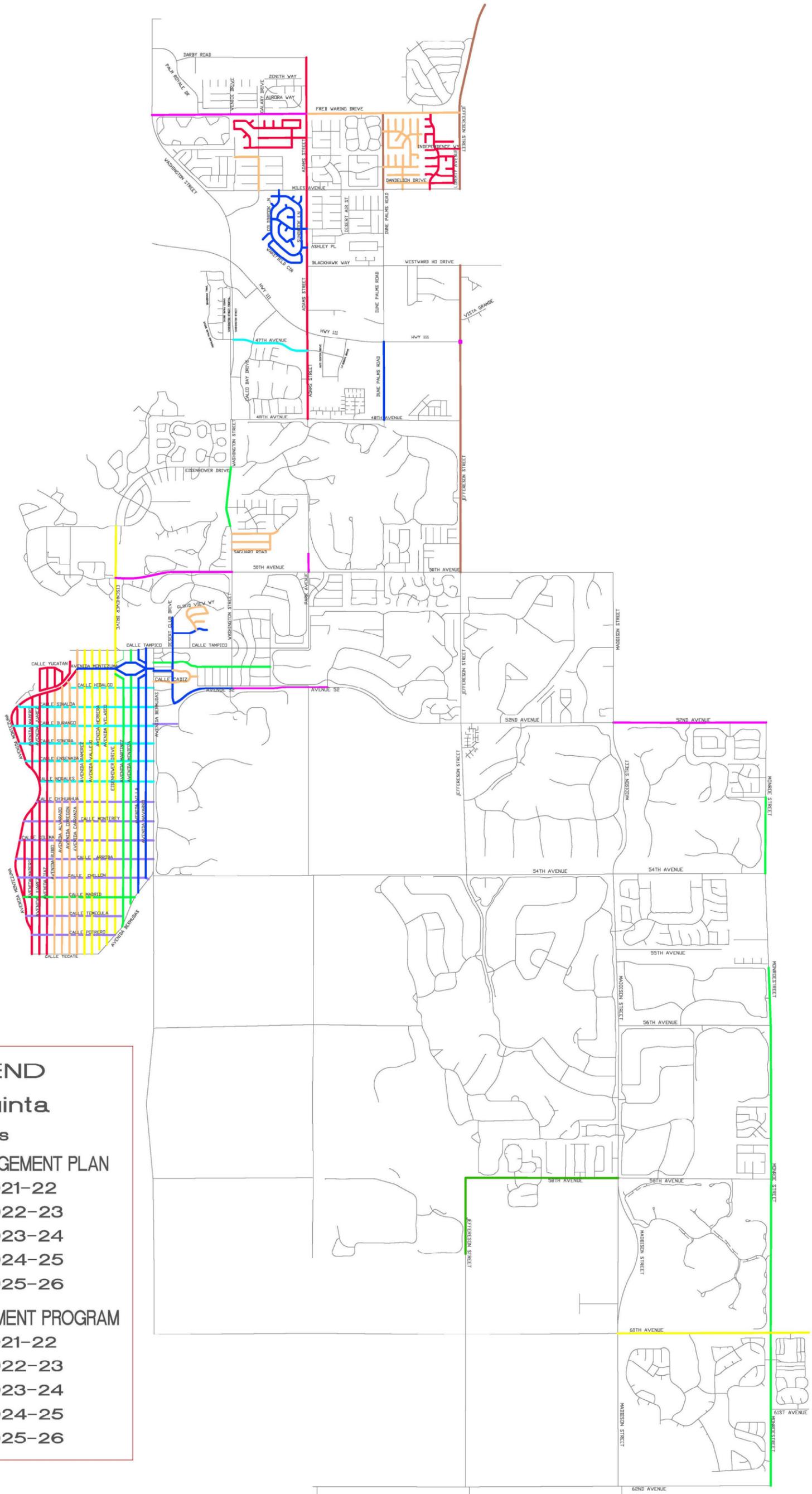
2028/2029

2829ADA	ADA Accessible Ramps - Various Locations	1,450	14,000	1,350	1,200	2,000	20,000
2829CPM	Citywide Preventative Maintenance Plan Improvements	3,625	35,000	3,375	3,000	5,000	50,000
2829PMP	Pavement Management Plan Street Improvements	145,000	1,400,000	135,000	120,000	200,000	2,000,000
2829STI	Sidewalks - Various Locations	3,988	38,500	3,713	3,300	5,500	55,000
2829TMI	Citywide Traffic Signal Maintenance Improvements	0	235,000	0	0	0	235,000
2829DRA	Citywide Drainage Enhancements	34,583	333,900	32,198	28,620	47,700	477,000
201702	Developer Reimbursement for DIF Eligible Improvements	0	0	0	0	0	400,000 Reimbursement
201804	Landscape and Lighting Median Island Improvements	36,250	350,000	33,750	30,000	50,000	500,000

CLICK HERE to Return to Agenda
 CITY OF LA QUINTA
 CAPITAL IMPROVEMENT PROGRAM
 EXPENDITURE SUMMARY

201905	Highway 111 Corridor Area Plan Implementation	72,500	700,000	67,500	60,000	100,000		1,000,000
FY 2028/2029 SUBTOTAL:		297,395	3,106,400	276,885	246,120	410,200	400,000	4,737,000
TOTAL FISCAL YEARS 2024/25 THROUGH 2028/29:		5,125,233	50,422,076	4,199,182	3,760,607	6,221,011	2,000,000	67,926,109

CITY OF LA QUINTA PAVEMENT MAINTENANCE AND REHABILITATION BUDGET MAP 2021-26



LEGEND	
—	Streets
PAVEMENT MANAGEMENT PLAN	
—	2021-22
—	2022-23
—	2023-24
—	2024-25
—	2025-26
CAPITAL IMPROVEMENT PROGRAM	
—	2021-22
—	2022-23
—	2023-24
—	2024-25
—	2025-26

**CITY OF LA QUINTA
CAPITAL IMPROVEMENT PROGRAM
UNFUNDED ADDITIONAL PROJECTS - REVENUE SUMMARY**

Project #	Project Description	Quimby Funds	DIF Transportation	DIF Parks/Rec	DIF Maint Facility	DIF Fire	Other	Other Revenue Source	Total
BRIDGE IMPROVEMENTS									
AD 1	Washington Street Bridge Railing (Replacement)						1,070,355	TBD/City of Indian Wells	1,070,355
DRAINAGE IMPROVEMENTS									
MISCELLANEOUS IMPROVEMENTS									
AD 2	Village Area Parking Structure						10,000,000	TBD	10,000,000
AD 3	Village Area Parking Lot						2,500,000	TBD	2,500,000
PUBLIC FACILITIES									
AD 4	City Hall Solar Panels						1,000,000	TBD	1,000,000
AD 5	Library/Wellness Center Solar Panels						1,000,000	TBD	1,000,000
AD 6	Southeast Area Fire Station					2,198,500	2,198,500	County of Riverside	4,397,000
PARKS									
AD 7	Sports Complex Field Improvements						5,551,129	TBD	5,551,129
AD 8	SilverRock Park Venue Phase II						4,369,439	TBD	4,369,439
STREET IMPROVEMENTS									
AD 9	Avenue 62 Street Improvements (Monroe Street to Madison Street)						1,949,000	Dev Contribution	1,949,000
AD 10	Highway 111 at La Quinta Center Drive (Dual Left Turn Lanes)						703,000	TBD	703,000
AD 11	Jefferson Street Extension (Avenue 58 to Avenue 60)		1,000,000				2,064,160	Dev Contribution	3,064,160
STREET IMPROVEMENTS - BICYCLE PATHS									
AD 12	Citywide Bicycle Path Improvements						8,600,000	TBD	8,600,000
STREET IMPROVEMENTS - ROUNDABOUTS									
AD 13	Madison Street at Avenue 58 Two Lane Roundabout		2,388,000						2,388,000
AD 14	Madison Street at Avenue 60 Two Lane Roundabout		2,388,000						2,388,000
AD 15	Monroe Street at Avenue 54 Two Lane Roundabout		1,194,000				1,194,000	County of Riverside	2,388,000
AD 16	Monroe Street at Avenue 58 Two Lane Roundabout		1,194,000				1,194,000	County of Riverside	2,388,000
AD 17	Monroe Street at Avenue 60 Two Lane Roundabout		2,388,000						2,388,000
AD 18	Monroe Street at Avenue 62 Two Lane Roundabout		597,000				1,791,000	TBD/County of Riverside	2,388,000
AD 19	Jefferson Street at Avenue 54 Roundabout		1,791,000				597,000	Dev Contribution	2,388,000
STREET IMPROVEMENTS - TRAFFIC SIGNALS									
AD 20	Avenue 50 at Orchard Lane (New Traffic Signal)		107,500				322,500	Dev Contribution	430,000
TOTAL ADD PROJECTS:		0	13,047,500	0	0	2,198,500	46,104,083		61,350,083

**CITY OF LA QUINTA
CAPITAL IMPROVEMENT PROGRAM
UNFUNDED ADDITIONAL PROJECTS - EXPENDITURE SUMMARY**

Project #	Project Description	Engineering	Construction	Inspection	Professional	Contingency	Other	Total
BRIDGE IMPROVEMENTS								
AD 1	Washington Street Bridge Railing (Replacement)	107,036	800,090	82,953	26,759	53,518		1,070,355
DRAINAGE IMPROVEMENTS								
MISCELLANEOUS IMPROVEMENTS								
AD 2	Village Area Parking Structure	1,000,000	7,475,000	775,000	250,000	500,000		10,000,000
AD 3	Village Area Parking Lot	250,000	1,868,750	193,750	62,500	125,000		2,500,000
PUBLIC FACILITIES								
AD 4	City Hall Solar Panels	50,000	950,000					1,000,000
AD 5	Library/Wellness Center Solar Panels	50,000	950,000					1,000,000
AD 6	Southeast Area Fire Station	439,700	3,286,758	340,768	109,925	219,850		4,397,000
PARKS								
AD 7	Sports Complex Field Improvements	555,113	4,149,469	430,212	138,778	277,556		5,551,129
AD 8	SilverRock Park Venue Phase II	436,944	3,266,156	338,632	109,236	218,472		4,369,439
STREET IMPROVEMENTS								
AD 9	Avenue 62 Street Improvements (Monroe Street to Madison Street)	194,900	1,456,878	151,048	48,725	97,450		1,949,000
AD 10	Highway 111 at La Quinta Center Drive (Dual Left Turn Lanes)	70,300	525,493	54,483	17,575	35,150		703,000
AD 11	Jefferson Street Extension (Avenue 58 to Avenue 60)	306,416	2,290,460	237,472	76,604	153,208		3,064,160
STREET IMPROVEMENTS - BICYCLE PATHS								
AD 12	Citywide Bicycle Path Improvements	860,000	6,428,500	666,500	215,000	430,000		8,600,000
STREET IMPROVEMENTS - ROUNDABOUTS								
AD 13	Madison Street at Avenue 58 Two Lane Roundabout	238,800	1,785,030	185,070	59,700	119,400		2,388,000
AD 14	Madison Street at Avenue 60 Two Lane Roundabout	238,800	1,785,030	185,070	59,700	119,400		2,388,000
AD 15	Monroe Street at Avenue 54 Two Lane Roundabout	238,800	1,785,030	185,070	59,700	119,400		2,388,000
AD 16	Monroe Street at Avenue 58 Two Lane Roundabout	238,800	1,785,030	185,070	59,700	119,400		2,388,000
AD 17	Monroe Street at Avenue 60 Two Lane Roundabout	238,800	1,785,030	185,070	59,700	119,400		2,388,000
AD 18	Monroe Street at Avenue 62 Two Lane Roundabout	238,800	1,785,030	185,070	59,700	119,400		2,388,000
AD 19	Jefferson Street at Avenue 54 Roundabout	238,800	1,785,030	185,070	59,700	119,400		2,388,000
STREET IMPROVEMENTS - TRAFFIC SIGNALS								
AD 20	Avenue 50 at Orchard Lane (New Traffic Signal)	43,000	321,425	33,325	10,750	21,500		430,000
SUBTOTAL ADD PROJECTS		6,035,008	46,264,187	4,599,631	1,483,752	2,967,504	-	61,350,083

[CLICK HERE to Return to Agenda](#)

City of La Quinta

CITY COUNCIL MEETING: June 18, 2024

STAFF REPORT

AGENDA TITLE: ADOPT RESOLUTION CONFIRMING THE ASSESSMENT AND DISTRICT DIAGRAM FOR FISCAL YEAR 2024/25 LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT 89-1

RECOMMENDATION

Adopt a resolution confirming the Assessment and District Diagram for the Landscape and Lighting Assessment District 89-1 for fiscal year 2024/25, pursuant to the Engineer's report.

EXECUTIVE SUMMARY

- Annually, Council must take certain actions pertaining to Citywide Landscape and Lighting Assessment District 89-1 (District) to allow the City to levy annual assessments.
- These assessments fund 25% of the citywide landscape, lighting, median, and parkway maintenance costs. Fiscal year (FY) 2024/25 assessment rate will remain at \$35.60 per dwelling/parcel also identified as an Equivalent Benefit Unit (EBU). This has been the rate since 1997.
- Adopting this resolution is necessary for the Riverside County Assessor to place the assessment on the tax roll for FY 2024/25.

FISCAL IMPACT

FY 2024/25 estimated cost for retention basin and right-of-way maintenance (landscaping and lighting maintenance for medians and parkways) is \$4,000,700.

The assessment charge will generate an estimated \$997,118. The City will also receive \$150,000 from County Service Area 152, levied by Riverside County, to fund retention basin maintenance. The combined income is projected to be \$1,147,118; this leaves a shortfall of \$2,853,582 to be funded by the General Fund.

BACKGROUND/ANALYSIS

In 1989, the Council formed a District to fund costs associated with the maintenance, construction and servicing of landscape areas, streetlights and traffic signals. The District was modified in 1997 to conform to Proposition 218, which required the removal of

maintenance costs for facilities that provide general benefit to the public such as parks, fire stations, and public buildings. Since 1997, the City's District has only included maintenance costs for streets, streetlights, traffic signals, landscape medians, parkways and retention basins since these costs are considered "exempt" under Proposition 218. Beginning in 1997, maintenance of "non-exempt" items (i.e., facilities providing general benefit) were shown separately but still shown as part of the overall landscape maintenance budget.

Proposition 218 requires that any assessment rate increase be supported by a benefits analysis and Citywide vote in favor of the increase. These requirements locked the assessment rate at \$35.60 since 1997, while maintenance costs have more than quadrupled.

On June 4, 2024, the Council adopted the following resolutions:

- Resolution No. 2024-019 approving the Preliminary Engineer's Report for FY 2024/25 in connection with the District.
- Resolution No. 2024-020 declaring intention to levy annual assessment for construction, maintenance, and servicing landscape and lighting improvements within the boundaries of the territory included in the citywide District and giving notice thereof.

The engineer's report must contain the following information:

1. A description of the services to be provided throughout the District;
2. Total costs necessary to provide all services described in the engineer's report;
3. A diagram showing the boundaries of the District, including special benefit zones; and
4. An assessment schedule.

The final engineer's report (Attachment 1) has been completed and establishes the maintenance budget and number of benefitting parcels. The chart below compares the projected FY 2024/25 data with FY 2023/24 data:

	<u>2024/25</u>	<u>2023/24</u>
City wide Benefit Zone	Yes	Yes
Number of Local Benefit Units	6	6
Number of Equivalent Benefit Units (EBUs)	28,009	27,782
EBU Rate	\$35.60/EBU	\$35.60/EBU
District Revenue	\$997,118	\$989,016

The City's consultant, Willdan Financial Services, projects an increase of 227 EBU's from 2023/24 to 2024/25; actuals will be based on the final FY 2024/25 County Secured Tax Roll.

This public hearing affords an opportunity for impacted property owners to ask questions regarding the District and to provide public testimony regarding any proposed changes. No

changes are proposed at this time. The City Council may adopt FY 2024/25 assessment fees only after the public hearing has been conducted.

Should the Council receive testimony through the public meeting/hearing that warrants a change to the assessment level, the Council can lower the assessment by a majority vote. If lowered, the reduction in assessment level would impact the revenues necessary to fund the District's 2024/25 operational budget. Council may also increase the assessment level but only by a special-benefit analysis and vote through a property-owner ballot.

If service levels are not adjusted accordingly, the General Fund would be required to make up the difference.

ALTERNATIVES

The Council can direct staff to adjust the engineer's report to reflect any changes resulting from the public hearing. Should Council direct amendments to the engineer's report, an amended report and impacts of the amendments would be submitted for approval at the July 16, 2024, Council meeting.

Prepared by: Dianne Hansen, Maintenance & Operations Superintendent

Approved by: Bryan McKinney, Public Works Director/City Engineer

Attachment: 1. FY 2024/25 Engineers Annual Levy Report

RESOLUTION NO. 2024 – XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA QUINTA, CALIFORNIA, CONFIRMING THE DIAGRAM AND ASSESSMENTS FOR FISCAL YEAR 2024/2025 LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT 89-1 (PURSUANT TO THE LANDSCAPE AND LIGHTING ACT OF 1972)

WHEREAS, maintenance of landscape improvements in roadways and drainage facilities is a very important service in our community. Landscaping, if well maintained, provides beautification and enhancement to the surroundings, along with a positive effect on property values; and

WHEREAS, the annual assessments generated by the existing 1972 Act City of La Quinta Landscaping and Lighting District will fund the cost of providing installation, servicing, maintenance, and operation of landscaping, lighting and appurtenant facilities within the City of La Quinta that are exempt under provisions of Proposition 218 voted in by the California residents during the November 1996 election; and

WHEREAS, on June 4, 2024, the City Council adopted the following resolutions:

- Resolution No. 2024-019, approving the Preliminary Engineer’s Report for Fiscal Year 2024/2025 in connection with Landscape and Lighting Assessment District 89-1;
- Resolution No. 2024-020, declaring intention to levy annual assessments for construction, maintenance, and servicing landscape and lighting improvements within the boundaries of the territory included in the City-wide Landscape and Lighting Assessment District 89-1, and giving notice thereof; and

WHEREAS, a Notice of a Public Hearing to Adopt a Resolution Confirming the Diagram and Assessments for Fiscal Year 2024/2025 Landscape and Lighting Assessment District 89-1 was published in *The Desert Sun* newspaper on June 7, 2024.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of La Quinta, California, as follows:

SECTION 1. Pursuant to Chapter 3 of the Landscaping and Lighting Act of 1972, the City Council directed the City Engineer to prepare and file an annual report for Fiscal Year 2024/2025.

SECTION 2. The City filed an annual report on June 4, 2024, and the City Council adopted a Resolution of Intention to Levy and Collect Assessments within

Resolution No. 2024-XXX
FY 2024/25 Landscape and Lighting Assessment District 89-1
Adopted: June 18, 2024
Page 2 of 3

Landscape and Lighting Assessment District 89-1 for Fiscal Year 2024/2025 (Resolution No. 2024-020) and set a Public Meeting/Hearing date of June 18, 2024 at the La Quinta City Council Chamber, 78495 Calle Tampico, La Quinta, California. Notice of the Public Meeting/Hearing was given in the time and manner required by law.

SECTION 3. On June 18, 2024, a Public Meeting/Hearing for which notice was given, was conducted at which every interested person was given an opportunity to object to the proposed assessment in writing or orally, and the City Council has considered each protest.

SECTION 4. On June 18, 2024, the City Council found that written protests against the proposed assessment had not been made by owners representing more than one-half of the area of the land to be assessed.

SECTION 5. The City Council hereby confirms the diagram and assessment as set forth in the annual report of the Engineer of Work and hereby levies the assessment set forth for Fiscal Year 2024/2025.

SECTION 6. This Resolution shall go into effect upon adoption.

SECTION 7. The City Council authorizes and directs the City Clerk to (i) submit certified copies of this Resolution to the County of Riverside and (ii) take such other and further actions as may be necessary and proper for the County Assessor to place this assessment on the tax roll.

PASSED, APPROVED and ADOPTED at a regular meeting of the La Quinta City Council held on this 18th day of June 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

LINDA EVANS, Mayor
City of La Quinta, California

Resolution No. 2024-XXX
FY 2024/25 Landscape and Lighting Assessment District 89-1
Adopted: June 18, 2024
Page 3 of 3

ATTEST:

MONIKA RADEVA, City Clerk
City of La Quinta, California



APPROVED AS TO FORM:

WILLIAM H. IHRKE, City Attorney
City of La Quinta, California



City of La Quinta

Street Lighting and Landscape District No. 89-1

2024/2025 ENGINEER'S ANNUAL LEVY REPORT

Intent Meeting: June 4, 2024

Public Hearing: June 18, 2024

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AFFIDAVIT FOR THE ENGINEER'S ANNUAL LEVY REPORT

**City of La Quinta
Street Lighting and Landscape District No. 89-1
Riverside County, State of California**

This Report and the enclosed diagrams show the exterior boundaries of the District therein including the improvements, budgets, parcels and assessments to be levied for Fiscal Year 2024/2025, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Riverside County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 6th day of June, 2024.

Willdan Financial Services
Assessment Engineer
On Behalf of the City of La Quinta

By: *Daniel Louie*

Daniel Louie
Project Manager, District Administration Services

By: *Tyrone Peter*

Tyrone Peter
P.E. # C 81888



ENGINEER'S REPORT

CITY OF LA QUINTA STREET LIGHTING AND LANDSCAPE DISTRICT NO. 89-1

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment Roll thereto attached was filed with me on the ____ day of _____, 2024.

BY: Monika Radeva, City Clerk
City of La Quinta
Riverside County, California

I HEREBY CERTIFY that the enclosed Engineer's Report, together with Assessment Roll thereto attached, was approved and confirmed by the City Council of the City of La Quinta, California, on the ____ day of _____, 2024.

BY: Monika Radeva, City Clerk
City of La Quinta
Riverside County, California

I HEREBY CERTIFY that the enclosed Assessment Roll was filed with the County Auditor of the County of Riverside, on the ____ day of _____, 2024.

BY: Monika Radeva, City Clerk
City of La Quinta
Riverside County, California

TABLE OF CONTENTS

<i>I. OVERVIEW</i>	1
A. INTRODUCTION	1
B. COMPLIANCE WITH CURRENT LEGISLATION	1
C. HISTORICAL BACKGROUND AND LEGISLATION	2
<i>II. DESCRIPTION OF THE DISTRICT</i>	2
A. DISTRICT BOUNDARIES AND SPECIFIC AREAS OF IMPROVEMENT	2
B. IMPROVEMENTS AUTHORIZED BY THE 1972 ACT	2
C. IMPROVEMENTS WITHIN THE DISTRICT	4
<i>III. METHOD OF APPORTIONMENT</i>	5
A. GENERAL	5
B. BENEFIT ANALYSIS	5
C. METHODOLOGY	6
<i>IV. DISTRICT BUDGETS</i>	10
A. DESCRIPTION OF BUDGET ITEMS	10
B. 2024/2025 DISTRICT BUDGET	11
APPENDIX A – DISTRICT ASSESSMENT DIAGRAM	14
APPENDIX B – 2024/2025 COLLECTION ROLL	15

I. OVERVIEW

A. INTRODUCTION

The City of La Quinta (the “City”) annually levies and collects special assessments in order to provide and maintain the facilities, improvements and services within Street Lighting and Landscape District No. 89-1 (the “District”). The District was formed in 1989 pursuant to the Landscaping and Lighting Act of 1972 (the “1972 Act”), Part 2 of Division 15 of the Streets and Highways Code and authorizes the Agency to annually levy and collect assessments to maintain the services and improvements related thereto.

This Engineer’s Annual Levy Report (the “Report”) describes the District, any changes to the District, and the proposed assessments for Fiscal Year 2024/2025. The proposed assessments are based on the estimated cost to maintain improvements that provide special benefit to properties assessed within the District. The various improvements within the District and the costs of those improvements are identified and budgeted separately, including expenditures, deficits, surpluses, revenues, and reserves. The word “parcel,” for the purposes of this Report, refers to an individual property assigned its own Assessor Parcel Number (“APN”) by the Riverside County Assessor’s Office. The Riverside County Auditor/Controller uses Assessor Parcel Numbers and specific fund numbers on the tax roll to identify properties assessed for special district benefit assessments. Each parcel within the District is assessed proportionately for those improvements provided by the District and from which the parcel receives special benefit.

Following consideration of public comments, written protests at a noticed public hearing and review of the Report, the City Council may order amendments to the Report or confirm the Report as submitted. Following final approval of the Report, and confirmation of the assessments, the City Council may order the levy and collection of assessments for Fiscal Year 2024/2025 pursuant to the 1972 Act. In such case, the assessment information will be submitted to the Riverside County Auditor/Controller and included on the property tax roll for each benefiting parcel for Fiscal Year 2024/2025.

B. COMPLIANCE WITH CURRENT LEGISLATION

The District was formed in 1989 pursuant to the 1972 Act. As such, the City has determined that pursuant to California Constitution Article XIII D Section 5 Subsection A the existing assessments are exempt from the substantive and procedural requirements of Proposition 218. Any new or increased assessments above the maximum assessment rates previously approved and levied by the City Council would be subject to both the substantive and procedural requirements of the Proposition.

C. HISTORICAL BACKGROUND AND LEGISLATION

The assessments for the District provide a special benefit to the parcels assessed, and the City utilizes General Fund Revenues to fund improvements and services that are considered general benefit.

This District was formed pursuant to the 1972 Act, which permits the establishment of assessment districts by cities for the purpose of providing for the maintenance of certain public improvements, which include the facilities existing within the District, as those improvements provide a special benefit to parcels.

The City Council reviews the current and projected years' costs for the construction, operation, maintenance, and servicing of the District facilities and sets the assessment for the ensuing fiscal year, which runs between July 1 and June 30.

II. DESCRIPTION OF THE DISTRICT

A. DISTRICT BOUNDARIES AND SPECIFIC AREAS OF IMPROVEMENT

The boundaries of the District are coterminous with the boundaries of the City. The Diagram of the District showing the exterior boundaries has been submitted to the City Clerk at the City and is included by reference.

B. IMPROVEMENTS AUTHORIZED BY THE 1972 ACT

As applicable or may be applicable to this District, the 1972 Act defines improvements to mean one or any combination of the following:

- The installation or planting of landscaping.
- The installation or construction of statuary, fountains, and other ornamental structures and facilities.
- The installation or construction of public lighting facilities.
- The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof, including, but not limited to, grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities.
- The maintenance or servicing, or both, of any of the foregoing.

- The acquisition of any existing improvement otherwise authorized pursuant to this section.

Incidental expenses associated with the improvements including, but not limited to:

- The cost of preparation of the Report, including plans, specifications, estimates, diagram, and assessment;
- The costs of printing, advertising, and the publishing, posting and mailing of notices;
- Compensation payable to the Riverside County (the "County") for collection of assessments;
- Compensation of any engineer or attorney employed to render services;
- Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
- Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
- Costs associated with any elections held for the approval of a new or increased assessment.

The 1972 Act defines "Maintain" or "maintenance" to mean furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement, including:

- Repair, removal, or replacement of all or any part of any improvement.
- Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury.
- The removal of trimmings, rubbish, debris, and other solid waste.
- The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti.

C. IMPROVEMENTS WITHIN THE DISTRICT

The District improvements are the operation, servicing and maintenance of landscaping, lighting and appurtenant facilities, including, but not limited to, personnel, electrical energy, water, materials, contracting services, and other items necessary for the satisfactory operation of these services described as follows:

- **Landscaping and Appurtenant Facilities** include, but are not limited to, landscaping, planting, shrubbery, trees, irrigation systems, hardscapes, fixtures, sidewalk maintenance and appurtenant facilities, located within the public street rights-of-way, medians, trails, and dedicated street, drainage or sidewalk easements within the boundary of the District.
- **Lighting and Appurtenant Facilities** include, but are not limited to, poles, fixtures, bulbs, conduits, equipment including guys, anchors, posts and pedestals, metering devices, controllers and appurtenant facilities as required to provide safety lighting and traffic signals within public street rights-of-way and easements within the boundaries of the District.
- **Maintenance** is defined as the furnishing of services and materials for the operation and usual maintenance, operation and servicing of the landscaping, public lighting facilities and appurtenant facilities, including repair, removal or replacement of landscaping, public lighting facilities, or appurtenant facilities; providing for the life, growth, health and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing and treating for disease or injury; and the removal of trimmings, rubbish, debris and other solid waste.
- **Servicing** is defined as the furnishing of water for the irrigation of the landscaping and the furnishing of electric current or energy, gas or other illuminating agent for the public lighting facilities, or for the lighting or operation of landscaping or appurtenant facilities.

The plans and specifications for the improvements are on file in the office of the City Engineer and are by reference made a part of this Report.

III. METHOD OF APPORTIONMENT

A. GENERAL

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements that include the construction, maintenance and servicing of public lights, landscaping and appurtenant facilities. The 1972 Act further requires that the cost of these improvements be levied according to benefit rather than assessed value:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

The formula used for calculating assessments in this District therefore reflects the composition of the parcels, and the improvements and services provided, to apportion the costs based on benefit to each parcel.

B. BENEFIT ANALYSIS

Properties within the District boundary are found to derive a special benefit from the improvements provided by the District. These properties include single family residential, non-residential, vacant residential and non-residential, golf courses, agricultural and hillside conservation properties, vacant and remote non-residential and rural and estate residential properties.

Special Benefits

The method of apportionment (method of assessment) is based on the premise that each assessed parcel receives special benefit from the improvements maintained and funded by the assessments, specifically, landscaping and lighting improvements installed in connection with the development of these parcels. The desirability of properties within the District is enhanced by the presence of well-maintained landscaping and lighting improvements in close proximity to those properties.

The annual assessments outlined in this Report are based on the estimated costs to provide necessary services, operation, administration, and maintenance required to ensure the satisfactory condition and quality of each improvement.

The special benefits associated with the landscaping improvements are specifically:

- Enhanced desirability of properties through association with the

improvements.

- Improved aesthetic appeal of properties within the District providing a positive representation of the area.
- Enhanced adaptation of the urban environment within the natural environment from adequate green space and landscaping.
- Environmental enhancement through improved erosion resistance, and dust and debris control.
- Increased sense of pride in ownership of property within the District resulting from well-maintained improvements associated with the properties.
- Reduced criminal activity and property-related crimes (especially vandalism) against properties in the District through well-maintained surroundings and amenities.
- Enhanced environmental quality of the parcels by moderating temperatures, providing oxygenation and attenuating noise.

The special benefits of street lighting are the convenience, safety, and security of property, improvements, and goods, specifically:

- Enhanced deterrence of crime – an aid to police protection.
- Increased nighttime safety on roads and highways.
- Improved visibility of pedestrians and motorists.
- Improved ingress and egress to and from property.
- Reduced vandalism, damage to improvements or property, and other criminal acts.
- Improved traffic circulation and reduced nighttime accidents and personal property loss.
- Increased promotion of business during nighttime hours in the case of commercial properties.

The preceding special benefits contribute to a specific enhancement and desirability of each of the assessed parcels within the District.

C. METHODOLOGY

Pursuant to the 1972 Act, the costs of the District may be apportioned by any formula or method that distributes the net amount to be assessed among the assessable parcels in proportion to the estimated special benefits to be received by each such parcel from the improvements. The special benefit formula used within the District should reflect the composition of the parcels - and the

improvements and services provided therein - to apportion the costs based on estimated special benefit to each parcel.

The cost to provide maintenance and service of the improvements within the District shall be equitably distributed among each assessable parcel based on the estimated special benefit received by each parcel.

Equivalent Benefit Units

To equitably spread special benefit to each parcel, it is necessary to establish a relationship between the various types of properties within the District and the improvements that benefit those properties. Each parcel within the District is assigned an Equivalent Benefit Unit (“EBU”) factor that reflects its land use, size and development, or development potential. Parcels that receive special benefit from the various District improvements are proportionately assessed for the cost of those improvements based on their calculated EBU. The EBU method assessment for this District uses the Single-Family Residential parcel as the basic unit of assessment. A Single Family Residential (“SFR”) parcel equals one EBU. Every other land-use is assigned an EBU factor based on an assessment formula that equates the property’s specific land-use and relative special benefits compared to the Single-Family Residential parcel.

The EBU method of apportioning special benefits is typically seen as the most appropriate and equitable assessment methodology for districts formed under the 1972 Act, as the benefits to each parcel from the improvements are apportioned as a function of land use type, size, and development. The following table provides a listing of land use types, the EBU factors applied to that land use and the multiplying factor used to calculate each parcel’s individual EBU for each improvement provided in the District.

During the formation of the District, a methodology was developed to calculate the EBUs for other residential and non-residential land use parcels, which are outlined below for reference. Every land use is assigned EBUs based on the assessment formula approved for the District. Parcels which have been determined to receive greater benefit than the SFR parcel are assigned more than 1 EBU and parcels that are determined to receive lesser benefit than SFR parcels are assigned less than 1 EBU as reflected in the Assessment Methodology.

Land Use	EBU Factor
Exempt Parcels	0.0
Single Family Residential Parcels	1.0 per unit
Multi-Family Residential Parcels	0.5 per unit
Non-Residential Parcels	5.0 per acre; 1.0 minimum
Vacant Residential Parcels	0.33 per unit
Vacant Non-Residential Parcels	1.65 per acre for first 20 acres only
Golf Course Parcels	0.50 per acre; 1.0 minimum
Agricultural Parcels	0.25 per acre; 1.0 minimum
Hillside Conservative Zone Parcels	0.10 per acre
Vacant & Remote Parcels	0.825 per acre for first 20 acres only
Rural/Estate Residential	1.0 + 0.33 per acre in excess 1 acre

Single-Family Residential

The City’s General Plan allows up to one acre of area for subdivided residential lots. The subdivided single-family lot equal to or less than one acre in size is the basic unit for calculation of the benefit assessments. Parcels less than one acre in size zoned for single-family residential use are assessed one (1) EBU.

Multi-Family Residential

Multi-Family Residential parcels are assessed one-half (0.5) EBU per unit.

Non-Residential

The factor used for converting nonresidential is based on the average number of typical single-family residential lots of five per acre. Therefore, non-residential parcels will be assessed five (5) EBUs per acre with a minimum number per parcel of one (1) EBU.

Vacant Residential

Parcels defined as single family residential parcels less than one acre and having no structure will be assessed 33 percent (33%) of a single-family dwelling, or 0.33 EBU per parcel.

Vacant Non-Residential

Parcels not considered single family residential parcels less than one acre and having no structure will be assessed based on acreage. The typical development in La Quinta occurs in increments of twenty (20) acres or less. The first twenty (20) acres of a Vacant Non-Residential parcel will be assessed at a rate of 33 percent (33%) of developed nonresidential properties, or 1.65 EBU per acre or any portion of an acre. The minimum number of EBUs per parcel is one (1) EBU. Any parcel of land greater than twenty (20) acres is considered open space and exempt from assessment until such time as parcel subdivision or development occurs.

Golf Courses

Properties identified as golf courses will be assessed a rate of 10 percent (10%) of the developed nonresidential properties, or 0.50 EBU per acre or any portion of an acre. The minimum number per parcel is one (1) EBU.

Agricultural

Properties identified as agricultural will be assessed a rate of 5 percent (5%) of developed nonresidential properties, or 0.25 EBU per acre or any portion of an acre. The minimum number per parcel is one (1) EBU.

Hillside Conservation

Parcels located in areas zoned Hillside Conservation per the City's Official Zoning Map will be assessed on the basis of allowable development within the Hillside Conservation Zone. The parcel will be assessed as one dwelling unit per ten (10) acres or 0.10 EBU per acre or any portion of an acre.

Vacant and Remote Non-Residential Parcels (LAFCO Annexation No. 9)

Parcels not considered single family residential parcels less than one (1) acre and do not contain structures, will be assessed based on acreage. The City defines Vacant and Remote Non-Residential as parcels physically separated from City services and not readily able to develop due to difficult access and utility limitations. The land values are typically one half the value of other Vacant Non-Residential parcels because of the high cost of constructing appropriate access and utility infrastructures necessary. The Vacant and Remote Non-Residential parcels are assessed a rate of 0.825 EBUs per acre or portion thereof, for the first twenty (20) acres, with a minimum of one (1) EBU per parcel.

Rural/Estate Residential

Parcels of one acre or more in size, but having only one residential unit are identified as Rural/Estate Residential. These parcels will be assessed a rate of one (1) EBU for the first acre and 0.33 EBUs for each additional acre or portion of an acre.

Exempt Property

Publicly owned property and utility rights-of-way are exempt from assessment, as well as parcels of land shown on the County Assessor's records as Vacant Desert Land, Vacant Mountain Land, Agricultural Preserve and Public Utility owned land.

This Report does not propose an increase in the District's assessment rates for Fiscal Year 2024/2025 over or above the maximum rate established. The proposed rate per EBU for Fiscal Year 2024/2025 is the same rate assessed for Fiscal Year 2023/2024. The base assessment rate to be approved for Fiscal Year 2024/2025 is \$35.60.

The maximum assessment rate per EBU may not increase without a vote of the property owners in the District. Therefore, the assessment is proposed to remain at the maximum amount of \$35.60 per EBU. This equates to total projected assessment revenue of \$997,118.

The City proposes the remaining \$7,652,882 be funded through a General Fund contribution of \$7,502,882 and \$150,000 of revenue from CSA 152.

IV. DISTRICT BUDGETS

A. DESCRIPTION OF BUDGET ITEMS

The 1972 Act requires that a special fund be established and maintained for the revenues and expenditures of the District. Funds raised by assessment shall be used only for the purposes as stated herein. A contribution to the District by the City may be made to reduce assessments, as the City Council deems appropriate. The following describes the services and costs that are funded through the District, shown in the District Budgets.

District Costs

Personnel – Reflects relevant City Staff salaries, wages and benefits, and also includes Worker’s Compensation Insurance, Stand-By, and Overtime Labor.

Contract Services – Includes contracted labor, such as the County Tax Roll Administration Fees, maintenance and repair of traffic signals, tree trimming, and security service.

Rental Services – Reflects funds used for the purpose of uniform rental.

Vehicle Operations – Includes the maintenance of fleet vehicles.

Utilities – Includes the electric, telephone, and water services.

Travel Training & Meetings – Reflects the funds used for the purposes of training and meetings.

Information Technology – Includes computers, printers, and other related items and services.

Operating Supplies – This item includes plant replacement, safety gear, field materials, and the materials used for the purposes of removing graffiti.

Small Tools/Equipment – Includes non-capital small tools and equipment.

District Administration – The cost for providing the coordination of District services and operations, response to public concerns and education, as well as procedures associated with the levy and collection of assessments. This item also includes the costs of contracting with professionals to provide any additional administrative, legal or engineering services specific to the District including any required notices, mailings or property owner protest ballot proceedings.

B. 2024/2025 DISTRICT BUDGET

For the purpose of estimating costs for the maintenance and servicing, actual costs are used where possible. However, where the improvements are new, or where actual maintenance experience is lacking, cost estimates will be used to determine costs. The Budget of estimated cost of operation, servicing, and maintenance for Fiscal Year 2024/2025 is summarized on the next page in Table 1.



Table 1 - Fiscal Year 2024/2025 Budget

Category	Description	Estimated Expenditures	Funding	
		Fiscal Year 2024/2025	L & L Assessments	General Fund– Parks
Personnel	Salaries-Permanent Full Time	\$616,600	\$266,500	\$350,100
	Other Benefits & Deductions	259,750	124,800	134,950
	Stand By	0	0	0
	Stand By Overtime	0	0	0
	Overtime	500	500	0
	Total Personnel	\$876,850	\$391,800	\$485,050
Contract Services	Annual Lighting & Landscape Report	\$0	\$0	\$0
	Civic Center Campus Lake Maintenance	30,000	0	30,000
	Lighting Contract Services	80,000	80,000	0
	Financial Services Admin. Fee	0	0	0
	Citywide Maintenance Contract	2,830,000	1,630,000	1,200,000
	Undeveloped Parks PM10 Services	0	0	0
	Maintenance & Repair	790,000	300,000	490,000
	CVWD Lease-Pioneer Dog Park	0	0	0
	Tree Trimming	510,000	500,000	10,000
	Janitorial Services	0	0	0
	Security Service - Corporation Yard	0	0	0
	Fritz Burns Park	180,000	0	180,000
	Lighting Service	1,000	0	1,000
	SilverRock Way Landscaping	85,000	65,000	20,000
	Total Contract Services	\$4,506,000	\$2,575,000	\$1,931,000
Rental Services	Uniforms	\$8,500	\$3,500	\$5,000
	Total Rental Services	\$8,500	\$3,500	\$5,000
Park Equipment Vehicle Operations	Facilities Charges	\$0	\$0	\$0
	Fleet Maintenance	213,700	58,300	155,400
	Facility & Equipment Depreciation	1,000,000	0	1,000,000
	Total Operations	\$1,213,700	\$58,300	\$1,155,400
Utilities	Gas	\$0	\$0	\$0
	Electric	377,350	120,000	257,350
	Phone	\$1,000	\$0	\$1,000
	Water	499,100	215,000	284,100
	Total Utilities	\$877,450	\$335,000	\$542,450
Travel Training & Meetings		\$9,500	\$4,500	\$5,000
	Total Travel Training & Meetings	\$9,500	\$4,500	\$5,000
Information Technology	Computers Printers and Services	\$187,700	\$86,600	\$101,100
	Total Information Technology	\$187,700	\$86,600	\$101,100
Operating Supplies	Plant Replacement	\$900,000	\$500,000	\$400,000
	Graffiti Removal	25,000	10,000	15,000
	Safety Gear	3,800	2,500	1,300
	Field Materials	21,000	15,000	6,000
	Total Operating Supplies	\$949,800	\$527,500	\$422,300
Small Tools / Equipment	Non-Capital	\$5,000	\$3,000	\$2,000
	Total Small Tools/Equipment	\$5,000	\$3,000	\$2,000
Total Landscape & Lighting Budget		\$8,634,500	\$3,985,200	\$4,649,300
District Administration	Public Works Administration	\$0	\$0	\$0
	Citywide Administration	\$15,500	\$15,500	\$0
	Total District Administration	\$15,500	\$15,500	\$0
Total Landscape & Lighting Expenditures		\$8,650,000	\$4,000,700	\$4,649,300
	Less CSA 152 Revenue	\$150,000	\$150,000	\$0
	Less General Fund Contribution	7,502,882	2,853,582	4,649,300
	Balance to Levy	\$997,118	\$997,118	
	Total EBU	28,009.35		
	Levy Per EBU	\$35.60		

The following information was obtained from the Riverside County Assessor's Secured Roll, Assessor's Parcel Maps, and the City's Planning Department. The land use categories were developed to classify the different land use types in the City.

Table 2

Land Use	FY 2024/2025 Parcel Count	County Acres	Prior Year EBU	Prior Year Levy	FY 2024/2025 EBU	FY 2024/2025 Levy ⁽¹⁾
Agricultural	17	371.44	93.22	3,318.60	93.22	\$3,318.60
Exempt	51	102.23	0.00	0.00	0.00	\$0.00
Golf Course	284	3,498.08	1,806.17	64,298.16	1,806.17	\$64,298.16
Hillside Conservation	13	318.93	31.89	1,135.28	31.89	\$1,135.28
Multi-Family Residential	34	94.93	635.00	22,606.00	635.00	\$22,606.00
Non-Residential	284	592.95	2,923.75	104,085.50	2,979.55	\$106,071.98
Rural/ Estate	54	111.70	90.86	3,234.20	90.86	\$3,234.20
Vacant/ Remote	15	146.20	120.62	4,293.80	120.62	\$4,293.80
Single Family Residential	21,272	3,914.36	21,272.00	757,283.20	21,272.00	\$757,283.20
Vacant Residential	1,391	884.97	460.02	16,365.62	461.67	\$16,424.32
Vacant Non-Residential	194	531.23	485.63	17,286.68	518.37	\$18,452.00
Total	23,609	10,567.02	27,919.17	\$993,907.04	28,009.35	\$997,117.54

(1) The difference in the "Balance to Levy" amount in Table 1 and the total FY 2024/2025 Levy amount in Table 2 is a rounding difference due to the County even penny requirement for each charged parcel.

Actuals will be based on the final County Secured Roll for Fiscal Year 2024/2025. Differences are generally due to changes in County Land Use Classifications or Assessor's Parcel Number changes.

APPENDIX A – DISTRICT ASSESSMENT DIAGRAM

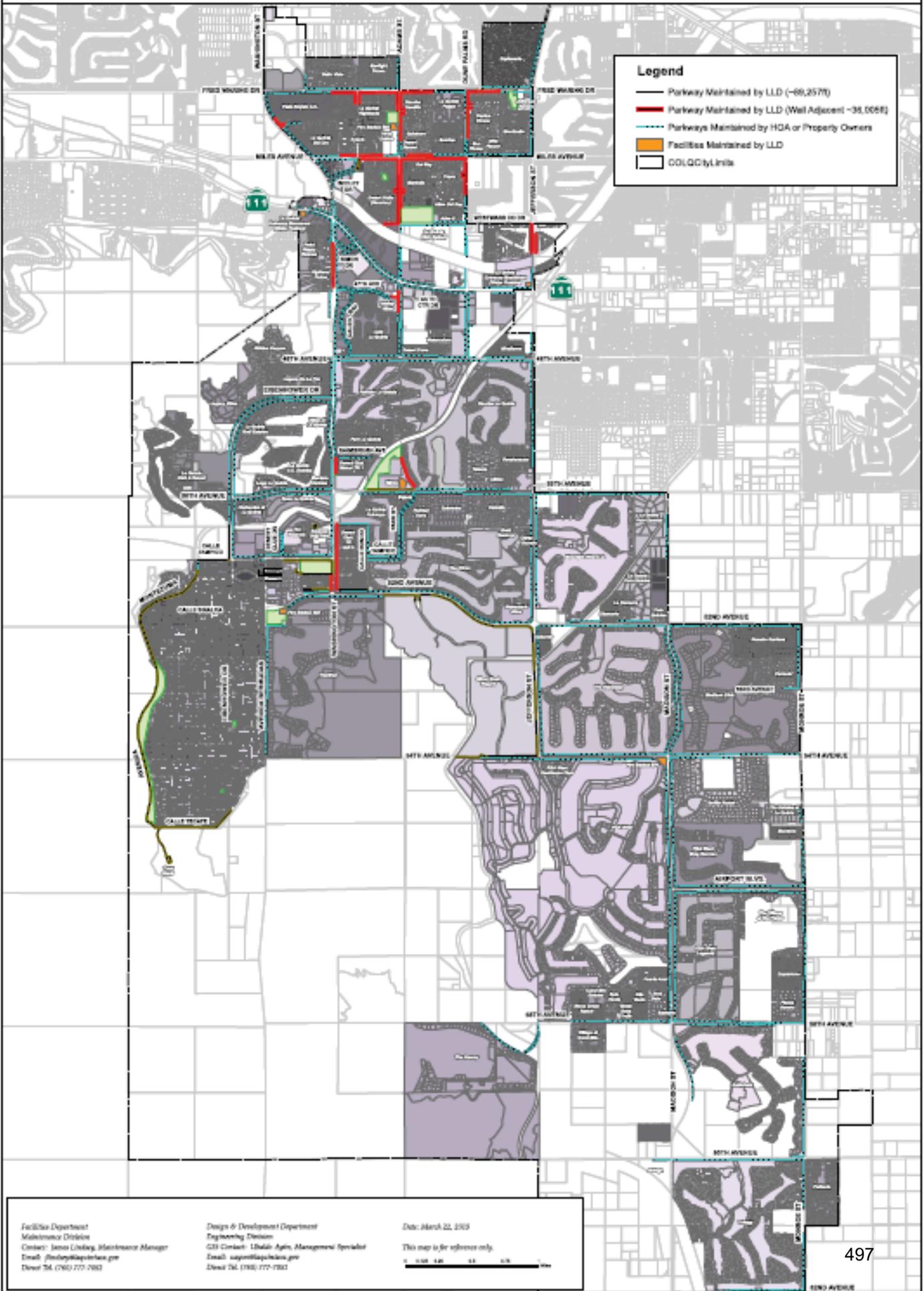
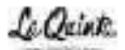
The Boundary Diagrams for the original districts have previously been submitted to the Clerk of the City in the format required under the 1972 Act and are made part of this Report by reference.

The parcel identification, lines and dimensions of each parcel within the District are those lines and dimensions shown on the Assessor's Maps of Riverside County for the year in which this Report was prepared and is incorporated by reference and made part of this Report.

The attached Landscape Maintenance Map displays the landscape maintenance areas within the City.



Landscape Maintenance Map



APPENDIX B – 2024/2025 COLLECTION ROLL

Parcel identification, for each lot or parcel within the District, shall be the parcel as shown on the Riverside County Assessor's Parcel Maps and/or the Riverside County Secured Tax Roll for the year in which this Report is prepared.

Non-assessable lots or parcels may include government owned land, public utility owned property, land principally encumbered with public right-of-ways or easements and dedicated common areas. These parcels will not be assessed.

A listing of parcels within the District, along with the proposed assessment amounts, has been submitted to the City Clerk and, by reference, is made part of this Report.

Upon approval of the Report and confirmation of the assessments, the assessment information will be submitted to the County Auditor/Controller and included on the property tax roll in Fiscal Year 2024/2025. If the parcels or APNs within the District and referenced in this Report, are re-numbered, re-apportioned or changed by the County Assessor's Office after approval of the Report, the new parcel or APNs with the appropriate assessment amount will be submitted to the County Auditor/Controller. If the parcel change made by the County includes a parcel split, parcel merger or tax status change, the assessment amount submitted on the new parcels or APNs will be based on the method of apportionment and levy amount approved in this Report by the City Council.



**FINANCIAL ADVISORY COMMISSION
MINUTES
WEDNESDAY, MAY 8, 2024**

CALL TO ORDER

A regular meeting of the La Quinta Financial Advisory Commission (Commission) was called to order at 4:00 p.m. by Vice-Chair Anderson.

PRESENT: Commissioners Batavick, Kiehl, Mast, Mills, Way, and Vice-Chair Anderson
ABSENT: Chairperson Dorsey

PLEDGE OF ALLEGIANCE

Commissioner Batavick led the audience in the Pledge of Allegiance.

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA – None

CONFIRMATION OF AGENDA – Confirmed

ANNOUNCEMENTS, PRESENTATIONS, AND WRITTEN COMMUNICATIONS – None

CONSENT CALENDAR ITEMS

1. APPROVE MEETING MINUTES DATED APRIL 3, 2024

Motion – A motion was made and seconded by Commissioners Mast/Batavick to approve meeting minutes dated April 3, 2024, as submitted. Motion passed: ayes – 5, noes – 0, abstain – 1 (Mills), absent – 1 (Dorsey).

2. RECEIVE AND FILE REVENUE AND EXPENDITURE REPORTS DATED FEBRUARY 29, 2024

Motion – A motion was made and seconded by Commissioners Mills/Batavick to receive and file revenue and expenditure reports dated February 29, 2024, as submitted. Motion passed: ayes – 6, noes – 0, abstain – 0, absent – 1 (Dorsey).

BUSINESS SESSION

1. APPROVE THE FISCAL YEAR 2024/25 MEETING DATES

Finance Director Martinez presented the staff report, which is on file in the Finance Department.

The Commission discussed changing some of the regular quarterly meeting dates and proposed special meeting dates from the second Wednesday of the month to the first, and the Commission's regular quarterly meetings start time from 4:00 p.m. to an earlier time. Staff said a business session item will be agendized for Commission's consideration at the next meeting.

Motion – A motion was made and seconded by Commissioners Mast/Way to amend the Commission's meeting dates per the Commission's discussions above, and propose an earlier regular quarterly meeting start time, and bring this item back for Commission consideration at the next Commission meeting. Motion passed: ayes – 6, noes – 0, abstain – 0, absent – 1 (Dorsey).

STUDY SESSION

1. DISCUSS THE FISCAL YEAR 2024/25 INVESTMENT POLICY (Policy)

Principal Management Analyst Hallick presented the staff report, which is on file in the Finance Department.

The Commission and staff discussed federal agency securities.

Commissioner Kiehl recommended the following changes to the fiscal year 2024/25 Investment Policy:

- Professionally managed account allotted 50% for placing their investment portfolio with a professional portfolio management/investment management firm, listed on page 9 of Policy, be eliminated or changed to 100%.
- Adding additional investment pool examples under Section XI Investment Pools of the Polity, listed on page 10.

The Commission reached a consensus and concurred with these recommendations to allow for flexibility, contingent upon Council direction.

Further discussion followed on the pros and cons of having a professionally managed portfolio versus staff managing it for the City and the timeline for adopting the Policy.

2. DISCUSS THE FISCAL YEAR 2024/25 PRELIMINARY PROPOSED BUDGET

Finance Director Martinez presented the staff report, which is on file in the Finance Department.

The Commission and Staff discussed general fund revenue changes; decline of short-term vacation rental permits due to the permanent ban; changes in general fund expenditures; public safety (police and fire) services costs, anticipated cost increases, and current level of services for police; and timeline for budget adoption.

The Commission inquired about the status of the Talus project, formerly SilverRock, and the City's obligations under the Purchase, Sale, and Development Agreement with

SilverRock Development Company; Staff noted negotiations are underway and any available updates will be provided at future Council meetings.

Additional discussion followed on position allocations; total current positions; and Measure G fund allocations for Highway 111 Corridor Area Plan implementation, which includes the road improvements; and Welcome Center improvements projects at the recently acquired property by the City, formerly La Quinta Palms Realty office.

DEPARTMENTAL REPORTS – *taken out of agenda order*

Staff requested to present Departmental Report Item No. 2 before Departmental Report Item No. 1; the Commission concurred.

2. FOURTH QUARTER 2023 (OCTOBER-DECEMBER) SALES TAX UPDATE FOR THE CITY OF LA QUINTA >> > *taken out of Agenda order*

Staff provided an economic update for sales tax for the City of La Quinta.

1. FINANCE DEPARTMENT CURRENT AND FUTURE INITIATIVES

Staff provided an update on current and upcoming Finance Department projects and City events.

The Commission and staff discussed expenditures for the Highway 111 Corridor project; reasons for delays in the audit for the completion of the City's Annual Comprehensive Financial Report for fiscal year ending June 30, 2023; and any anticipated budget adjustment changes.

The Commission inquired about upcoming vacancies on the Financial Advisory Commission. Vice-Chair Anderson confirmed the four seats available.

COMMISSIONERS' ITEMS

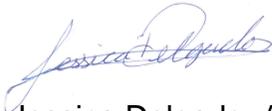
1. COMMISSION RECOMMENDED CHANGES TO THE 5-YEAR CAPITAL IMPROVEMENT PROGRAM (CIP)

Commissioner Batavick provided the Commission with a breakdown on recommended changes to the 5-year CIP (Handout 1) as well as a redlined CIP revenue summary chart (Handout 2) showing the recommended changes for use of Measure G funds to be provided for Council's consideration. Further discussion followed on the allocated reserves balance for Measure G funds and the timeline for providing the Commission's recommended changes to the 5-year CIP and Measure G fund allocations for Council's consideration.

ADJOURNMENT

There being no further business, it was moved and seconded by Commissioners Mills/Mast to adjourn this meeting at 5:57 p.m. Motion passed: ayes – 6, noes – 0, abstain – 0, absent – 1 (Dorsey).

Respectfully submitted,



Jessica Delgado, Administrative Technician/Commission Secretary
City of La Quinta, California