

*For further information on an agenda item, please contact
the City at 101 North "D" Street, or call (951) 943-6100*

**AGENDA
JOINT MEETING OF THE CITY COUNCIL, SUCCESSOR AGENCY
TO THE REDEVELOPMENT AGENCY, PUBLIC FINANCE AUTHORITY,
PUBLIC UTILITY AUTHORITY, HOUSING AUTHORITY, PERRIS JOINT POWERS
AUTHORITY AND PERRIS COMMUNITY ECONOMIC DEVELOPMENT
CORPORATION OF THE CITY OF PERRIS**

**PURSUANT TO GOVERNOR GAVIN NEWSOM'S EXECUTIVE ORDER N-15-21
THIS MEETING WILL ALSO BE CONDUCTED AS A REMOTE MEETING VIA
ZOOM**

Tuesday, September 28, 2021

6:30 P.M.

**City Council Chambers
(Corner of San Jacinto and Perris Boulevard)
101 North "D" Street
Perris, California**

CLOSED SESSION: 5:45 P.M.

ROLL CALL:

Corona, Rabb, Rogers, Nava, Vargas

A. Conference with Legal Counsel - Potential Litigation - Government
Code Section 54956.9 (d)(4) - 1 case

1. *CALL TO ORDER:* 6:30 P.M.

2. *ROLL CALL:*

Corona, Rabb, Rogers, Nava, Vargas

3. *INVOCATION:*

Father Eliseo "Loloy" Napiere
St. James the Less Roman Catholic Church
22190 Dunlap Dr, Perris, CA 92571

4. PLEDGE OF ALLEGIANCE:

Councilmember Corona will lead the Pledge of Allegiance.

5. REPORT ON CLOSED SESSION ITEMS:

6. PRESENTATIONS/ANNOUNCEMENTS:

At this time, the City Council may recognize citizens and organizations that have made significant contributions to the community, and it may accept awards on behalf of the City.

A. Recognition of the Junior Master Gardeners.

7. YOUTH ADVISORY COMMITTEE COMMUNICATIONS:

8. PUBLIC COMMENT/CITIZEN PARTICIPATION:

*This is the time when any member of the public may bring a matter to the attention of the Mayor and the City Council that is within the jurisdiction of the City Council. The Ralph M. Brown act limits the Mayor's, City Council's and staff's ability to respond to comments on non-agendized matters at the time such comments are made. Thus, your comments may be agendized for a future meeting or referred to staff. The City Council may discuss or ask questions for clarification, if desired, at this time. **Public comment is limited to three (3) minutes.***

9. APPROVAL OF MINUTES:

A. Consideration to approve the Minutes of the Regular Meeting held on September 14, 2021 of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Community Economic Development Corporation and the Perris Joint Powers Authority.

10. CONSENT CALENDAR:

*Consent Calendar items are normally enacted in one motion. The Mayor or City Council may remove a Consent Calendar item for separate action. **Public comment is limited to three (3) minutes.***

- A. Consideration to approve a Contract Services Agreement with LOR Geotechnical Group, Inc. for Geotechnical Investigation and Material Testing for the Placentia Avenue Widening Project (CIP# S-23).
- B. Consideration to approve a Contract Services Agreement with LOR Geotechnical Group, Inc. for Geotechnical Compaction and Material Testing for the 2021 Citywide Street Improvements Project (CIP# S-102 & S-075).
- C. Consideration to approve a Lease Agreement with Love 4 Life Association for property located at 11 S. D Street, APN 313-091-001.

- D. Consideration to approve the Joint Community Facilities Agreement between the City of Perris, Romoland School District, Tri Pointe Homes IE-SD, Inc., Richmond American Homes of Maryland, Inc. and Green Valley Recovery Acquisition, LLC.

11. PUBLIC HEARINGS:

*The public is encouraged to express your views on any matter set for public hearing. It is our procedure to first receive the staff report, then to ask for public testimony, first from those in favor of the project followed by testimony from those in opposition to it, and if there is opposition, to allow those in favor, rebuttal testimony only as to the points brought up in opposition. To testify on the matter, you need to simply come forward to the speaker's podium at the appropriate time, give your name and address and make your statement. After a hearing is closed, you may not further speak on the matter unless requested to do so or are asked questions by the Mayor or a Member of the City Council. **Public comment is limited to three (3) minutes.***

- A. Consideration to adopt Proposed Resolution Number (next in order) approving the City's Community Development Block Grant (CDBG) 2020-2021 Second Program Year Consolidated Annual Performance and Evaluation Report (CAPER).

The Proposed Resolution Number (next in order) is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS APPROVING THE 2020-2021 SECOND PROGRAM YEAR CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)

Introduced by: Economic Development and Housing Manager Michele Ogawa

PUBLIC COMMENT

12. BUSINESS ITEMS: (not requiring a "Public Hearing"):

*Public comment will be called for each non-hearing item. Please keep comments brief so that everyone who wishes to speak has the opportunity to do so. After public comment is closed, you may not further speak on the matter unless the Mayor or City Council requests further clarification of your statement. **Public Comment is limited to three (3) minutes.***

- A. Consideration to Receive and File the update and presentation regarding District Elections Educational Outreach.

Introduced by: Public Information Officer Stephen Hale

PUBLIC COMMENT

B. Consideration and Discussion regarding switching from At-Large City Council Elections to District Elections.

Introduced by: City Attorney Eric Dunn

PUBLIC COMMENT

13. COUNCIL COMMUNICATIONS:

(Committee Reports, Agenda Items, Meeting Requests and Review etc.)

This is an opportunity for the Mayor and City Councilmembers to report on their activities and the actions of the Committees upon which they sit, to bring a matter to the attention of the full Council and staff, and to request agenda items. Any matter that was considered during the public hearing portion is not appropriate for discussion in this section of the agenda. NO ACTION CAN BE TAKEN AT THIS TIME.

14. CITY MANAGER'S REPORT:

15. ADJOURNMENT:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact City Hall at (951) 943-6100. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

COVID-19 REMOTE PUBLIC COMMENT/CITIZEN PARTICIPATION

With the intent of adhering to the new community guidelines from the Center for Disease Control, the City of Perris will allow for remote public comment and participation at upcoming City Council meetings via Zoom. Public Comment is limited to three (3) minutes.

ZOOM MEETING INFORMATION

When: September 28, 2021 06:30 PM Pacific Time (US and Canada)

Topic: City Council Meeting

In order to provide Public Comment via Zoom, participants will be required to register at the following link:

https://us06web.zoom.us/webinar/register/WN_IbiEmSBLsnORTUtHeWaaHw

After registering, you will receive a confirmation email containing information about joining the meeting.

During the council meeting, if you wish to speak, via Zoom, for public comment on any item, please select the raise hand icon next to your name. The moderator will grant you access to speak. Public Comment is limited to (3) three minutes.

THE CITY COUNCIL MEETING IS ALSO AVAILABLE FOR VIEWING AT THE FOLLOWING:

City's Website:

<https://www.cityofperris.org/government/city-council/council-meetings>

YouTube:

<https://www.youtube.com/channel/UC24S1shebXkJFv3BnxdkPpg>

Facebook:

<https://www.facebook.com/PerrisToday/>

For cable subscribers only within Perris:

Spectrum: Channel 3

Frontier: Channel 16



CITY OF PERRIS

CITY COUNCIL

AGENDA SUBMITTAL

MEETING DATE: September 28, 2021

SUBJECT: Approval of Minutes

REQUESTED ACTION: Approve the Minutes of the Regular Joint City Council Meeting held on September 14, 2021.

CONTACT: Nancy Salazar, City Clerk

BACKGROUND/DISCUSSION: None

BUDGET (or FISCAL) IMPACT: None

Prepared by: Judy L. Haughney, CMC, Assistant City Clerk *JLH*

REVIEWED BY:

City Attorney _____
Assistant City Manager _____
Deputy City Manager _____

Attachments: 1. Minutes-September 14, 2021

Consent:
Public Hearing:
Business Item:
Presentation:
Other: Approval of Minutes

ATTACHMENT 1

Minutes-September 14, 2021 Regular City Council Meeting

CITY OF PERRIS

MINUTES:

Date of Meeting: September 14, 2021

06:30 PM

Place of Meeting: City Council Chambers

PURSUANT TO GOVERNOR GAVIN NEWSOM'S EXECUTIVE ORDER N-29-20 THIS MEETING WAS ALSO CONDUCTED AS A REMOTE MEETING VIA ZOOM

CLOSED SESSION

ROLL CALL

Present: Nava, Corona, Rabb, Rogers, Vargas

Staff Present: City Manager Miramontes, City Attorney Dunn, Deputy City Attorney Colin Tanner, Deputy City Manager Reyna and Director of Administrative Services Amozgar.

- A. Conference with Legal Counsel - Potential Litigation - Government Code Section 54956.9 (d)(2) - 3 cases
- B. Conference with Legal Counsel - Potential Litigation - Government Code Section 54956.9 (d)(4) - 1 case

1. CALL TO ORDER: 6:30 P.M.

Mayor Vargas called the Regular City Council meeting to order at 6:36 p.m.

2. ROLL CALL:

Present: Nava, Corona, Rabb, Rogers, Vargas

Staff Members Present: City Manager Miramontes, Deputy City Manager Reyna, City Attorney Dunn, City Engineer McKibbin, Police Captain Sims, Fire Chief Barnett, Chief Information Officer Cervantes, Director of Community Services Chavez, Interim Director of Development Services Neal, Director of Administrative Services Amozgar, Director of Public Works Hill, Assistant City Clerk Haughney and City Clerk Salazar.

3. INVOCATION:
Pastor Benjamin Briggs
Greater Light Community Church
3060 Barrett Ave. Perris, CA 92571

In the absence of Pastor Benjamin Briggs (due to technical difficulties) Councilmember Rita Rogers gave the Invocation.

4. PLEDGE OF ALLEGIANCE:

Councilmember Nava led the Pledge of Allegiance.

5. REPORT ON CLOSED SESSION ITEMS:

City Attorney Dunn reported that the City Council met in Closed Session to discuss the items listed on the agenda. He noted that an update was given, but no reportable action was taken.

6. PRESENTATIONS/ANNOUNCEMENTS: At this time, the City Council may recognize citizens and organizations that have made significant contributions to the community, and it may accept awards on behalf of the City.

A. Recognition of incoming and outgoing Youth Advisory Committee members.

7. YOUTH ADVISORY COMMITTEE COMMUNICATIONS:

There was no report from the Youth Advisory Committee.

8. PUBLIC COMMENT/CITIZEN PARTICIPATION:

There was no Public Comment.

9. APPROVAL OF MINUTES:

A. Approved the Minutes of the Special Meeting held on August 26, 2021, and the Regular Meeting held on August 31, 2021 of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Community Economic Development Corporation and the Perris Joint Powers Authority.

The Mayor called for a motion.

M/S/C: Moved by Rita Rogers, seconded by Malcolm Corona to Approve the Minutes, as presented.

AYES: Rita Rogers, Michael Vargas, Marisela Nava, Malcolm Corona, David Starr Rabb

NOES:

ABSENT:

ABSTAIN:

10. CONSENT CALENDAR:

Councilmember Rogers requested that Item 10.A. be pulled for a separate vote.

The Mayor called for Public Comment. There was no Public Comment.

- A. Adopted the Second Reading of Proposed Ordinance Number 1407 approving Ordinance Amendment 19-05147 a proposal to amend Perris Municipal Code (PMC) Chapters 5.54 Medical Marijuana Dispensary Regulatory Program and 5.58 Commercial Marijuana Operations Regulatory Program to allow cannabis lounges with on-site cannabis consumption at existing cannabis dispensaries. (Applicant: Stan Jakubowicz, Higher Point Cannabis)

The Second Reading of Ordinance Number 1407 is entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, ALLOWING AND REGULATING THE ESTABLISHMENT AND OPERATION OF THE CANNABIS LOUNGES IN MEDICAL MARIJUANA AND CANNABIS DISPENSARIES AMENDING PERRIS MUNICIPAL CODE SECTIONS 5.54.110(9), 5.54.110(11), 5.58.100(K)(1) AND 5.58.127(L) TO REMOVE PROHIBITIONS ON ON-SITE CONSUMPTION OF CANNABIS AND CANNABIS PRODUCTS AT MEDICAL CANNABIS DISPENSARIES AND ADULT-USE CANNABIS RETAILERS AND ADDING TO PERRIS MUNICIPAL CODE SECTIONS 5.54.030 AND 5.58.030 DEFINITIONS FOR ON-SITE CANNABIS CONSUMPTION AND CANNABIS LOUNGES AND CREATING PERRIS MUNICIPAL CODE SECTIONS 5.54.041, 5.54.042, 5.54.051, 5.54.061, 5.54.101, 5.54.110(k), 5.58.041, 5.58.042, 5.58.051, 5.58.061, 5.58.101, 5.54.100(k), AND 5.58.129

Councilmember Rogers requested that this item be pulled for a separate vote.

The Mayor called for a motion.

M/S/C: Moved by David Starr Rabb, seconded by Malcolm Corona to Approve the Second Reading of Ordinance Number 1407, as presented.

AYES: Michael Vargas, Malcolm Corona, David Starr Rabb

NOES: Rita Rogers, Marisela Nava

ABSENT:

ABSTAIN:

- B. Adopted Resolution Numbers 5847, 5848 and 5849 regarding Annexation of DPR 16-00014 to Maintenance District No. 84-1. DPR 16-00014 is located at the southwest corner of 10th Street and south D Street. APN 313-273-010. (Owner: SA Golden Investments Inc)

Resolution Number 5847 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF DPR 16-00014 INTO MAINTENANCE DISTRICT NUMBER 84-1

Resolution Number 5848 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, OF PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR ANNEXATION OF DPR 16-00014 TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1

Resolution Number 5849 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO MAINTENANCE DISTRICT NUMBER 84-1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF DPR 16-00014 TO MAINTENANCE DISTRICT NUMBER 84-1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON NOVEMBER 9, 2021

- C. Adopted Resolution Numbers 5850, 5851 and 5852 regarding Annexation of DPR 16-00014 to Landscape Maintenance District No. 1 (LMD 1). DPR 16-00014 is located at the southwest corner of 10th Street and south D Street. APN 313-273-010. (Owner: SA Golden Investments Inc)**

Resolution Number 5850 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF BENEFIT ZONE 159 DPR 16-00014 TO LANDSCAPE MAINTENANCE DISTRICT NUMBER 1

Resolution Number 5851 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, OF PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR ANNEXATION OF DPR 16-00014 TO BENEFIT ZONE 159, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1

Resolution Number 5852 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO BENEFIT ZONE 159, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR

BOUNDARIES OF THE AREA TO BE ANNEXED TO BENEFIT ZONE 159, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF DPR 16-00014 TO BENEFIT ZONE 159, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON NOVEMBER 9, 2021

- D. Adopted Resolution Numbers 5853, 5854 and 5855 regarding Annexation of PM 37760 to Landscape Maintenance District No. 1 (LMD 1). PM 37760 is located on the west frontage of Perris Boulevard, north of Orange Avenue. Portion of APN 305-080-070 (Owner: Brazen Group)

Resolution Number 5853 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF BENEFIT ZONE 157 PM 37760 TO LANDSCAPE MAINTENANCE DISTRICT NUMBER 1

Resolution Number 5854 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, OF PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR ANNEXATION OF PM 37760 TO BENEFIT ZONE 157, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1

Resolution Number 5855 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO BENEFIT ZONE 157, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO BENEFIT ZONE 157, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF PM 37760 TO BENEFIT ZONE 157, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON NOVEMBER 9, 2021

- E. Adopted Resolution Number 5856 regarding Annexation of PM 37760 into

CFD 2001-3, North Perris Public Safety District) – Annexation No. 44. PM 37760 is located on the west frontage of Perris Boulevard, north of Orange Avenue. Portion of APN 305-080-070 (Owner: Brazen Group)

Resolution Number 5856 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2001-3 (NORTH PERRIS PUBLIC SAFETY) OF THE CITY OF PERRIS DECLARING ITS INTENTION TO ANNEX CERTAIN TERRITORY THERETO [ANNEXATION NO. 44]

- F. Adopted the Plans and Specifications for the 2021 Citywide Street Improvements Project, awarded the Contract to Hardy & Harper, Inc. and rejected all other bids.
- G. Authorized Reimbursable Funding by the California Natural Resources Agency for the Urban Greening Grant Award.
- H. Approved a One-Year Extension and Termination Agreement with Inframark, LLC for the North and South Water System Operation and Maintenance Services.
- I. Awarded the Electrical Engineering Services Contract to Budlong & Associates, Inc. for the Sump Pump Replacement and Remote Monitoring System, located within two neighborhoods of the City and known as Monument Ranch Detention Basin and Ellis Detention Basin.
- J. Adopted Resolution Number 5857 approving the Annual Health Plan Premium Adjustment for Calendar Year 2022 and Fixing the Employer Contribution at the Equal Amount for Employees and Annuitants Under the Public Employees Medical and Hospital Care Act.

Resolution Number 5857 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, ADOPTING THE ANNUAL HEALTH PLAN PREMIUM ADJUSTMENT FOR CALENDAR YEAR 2022

- K. Adopted Resolution Number 5858 updating the Offices of Emergency Services (OES) Cal OES Form 130 designating Staff Positions to Execute Documents Requesting Disaster Assistance and Reimbursement.

Resolution Number 5858 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AUTHORIZING THE CITY MANAGER, ASSISTANT CITY MANAGER, AND DEPUTY CITY MANAGER TO EXECUTE THE APPLICATION FORM, PROJECT ASSURANCE FORMS, REIMBURSEMENT FORMS, AND ANY OTHER FORMS NECESSARY TO APPROVE FEDERAL DISASTER ASSISTANCE REIMBURSEMENTS

The Mayor called for a motion.

M/S/C: Moved by David Starr Rabb, seconded by Malcolm Corona to Approve the Consent Calendar, as presented, with the exception of item 10.A.

AYES: Rita Rogers, Michael Vargas, Marisela Nava, Malcolm Corona, David Starr Rabb

NOES:

ABSENT:

ABSTAIN:

11. PUBLIC HEARINGS:

- A. Adopted the First Reading of Proposed Ordinance Number 1408 approving Ordinance Amendment 21-05110 to comprehensively update Chapter 19.81 of the Zoning Code to regulate secondary dwelling units in compliance with State law and in support of the Regional Housing Needs Assessment of the City.

The First Reading of Ordinance Number 1408 is entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, RETITLING AND AMENDING, IN ITS ENTIRETY, CHAPTER 19.81 (SECOND DWELLING UNITS) OF TITLE 19 OF THE PERRIS MUNICIPAL CODE IN ORDER TO UPDATE THE CITY'S ACCESSORY DWELLING UNIT AND JUNIOR DWELLING UNIT REGULATIONS SO THAT SUCH REGULATIONS ARE CONSISTENT WITH GOVERNMENT CODE SECTIONS 65852.2 AND 65852.22; TO FINDING THAT THIS ORDINANCE IS STATUTORILY EXEMPT FROM CEQA PURSUANT TO PUBLIC RESOURCES CODE SECTION 21080.17; AND MAKING FINDINGS IN SUPPORT THERETO

Interim Director of Development Services Candida Neal gave the presentation on this item.

The Mayor opened the Public Hearing at 7:33 p.m.

There was no Public Comment.

The Mayor closed the Public Hearing at 7:33 p.m.

The following Councilmember's spoke:

Rabb

Corona

Nava

Rogers

Vargas

City Manager Clara Miramontes noted that the changes requested by the City Council would be incorporated into the Second Reading of the Ordinance at the next meeting.

The Mayor called for a motion.

M/S/C: Moved by Rita Rogers, seconded by Marisela Nava to Approve the First Reading of Ordinance Number 1408, with the changes requested being incorporated into the Second Reading of the Ordinance.

AYES: Rita Rogers, Michael Vargas, Marisela Nava, Malcolm Corona, David Starr Rabb

NOES:

ABSENT:

ABSTAIN:

12. BUSINESS ITEMS: (not requiring a "Public Hearing"):

There were no Business Items.

13. COUNCIL COMMUNICATIONS: (Committee Reports, Agenda Items, Meeting Requests and Review etc.)

The following Councilmember's spoke:

Corona

Nava

Rogers

Rabb

Vargas

14. CITY MANAGER'S REPORT:

15. ADJOURNMENT:

There being no further business Mayor Vargas adjourned the Regular City Council meeting at 7:41 p.m. in memory of Johnny James, Jr. who passed away in late August.

Respectfully Submitted,

Nancy Salazar, City Clerk



CITY OF PERRIS

CITY COUNCIL

AGENDA SUBMITTAL

MEETING DATE: September 28, 2021

SUBJECT: Placentia Avenue Widening Project (CIP # S-23)

REQUESTED ACTION: Approve the Contract Services Agreement with LOR Geotechnical Group, Inc. for Geotechnical Investigation and Material Testing; and authorize the City Manager to execute the agreement

CONTACT: Stuart E. McKibbin, Contract City Engineer

BACKGROUND/DISCUSSION:

The Placentia Avenue Widening Project involves the widening of Placentia Avenue from Indian Avenue to Perris Boulevard from two lanes to six lanes (three in each direction). The project includes intersection improvements, roadway widening, installation of sidewalk and storm drain facilities, modification of the existing traffic signal at the intersection of Placentia Avenue and Perris Boulevard, street lighting, the striping of Class II Bikeways, landscaping, and installation of a new traffic signal at the intersection of Placentia Avenue and Indian Avenue. In order to complete this project in place, geotechnical design investigation and construction testing services are required.

On September 3, 2021, three requests for proposal (RFPs) were sent out to LOR Geotechnical Group, Inc., Inland Foundation Engineering, Inc., and Construction Testing & Engineering, South, Inc. The proposals submitted via direct correspondence were scored, and LOR Geotechnical Group, Inc. was selected at a cost of \$57,618.00. LOR Geotechnical Group, Inc. has worked on and completed many projects for the city in the past, and their work is considered to be good by the City Engineer's office. We are currently in the design phase of the project. The project is scheduled to go out to bid in November 2021.

Finally, as the construction contract for Placentia Avenue Widening Project is over \$1 Million, LOR Geotechnical must provide a Letter of Assent to the Community Workforce Agreement.

This project is funded with RBBB funds as shown in the attached CIP Sheet S-23. Staff recommends Council to approve the Contract Services Agreement with LOR Geotechnical Group, Inc.; and authorize the City Manager to execute the agreement.

BUDGET (or FISCAL) IMPACT: Adopted Capital Improvements Program Sheet S-23 identifies adequate funds to cover the agreement.

Prepared by: Jesse Gauf, Assistant Engineer

REVIEWED BY:

City Attorney _____

Assistant City Manager _____

Deputy City Manager _____

Attachments: Vicinity Map
CIP Sheet S-23
Contract Services Agreement

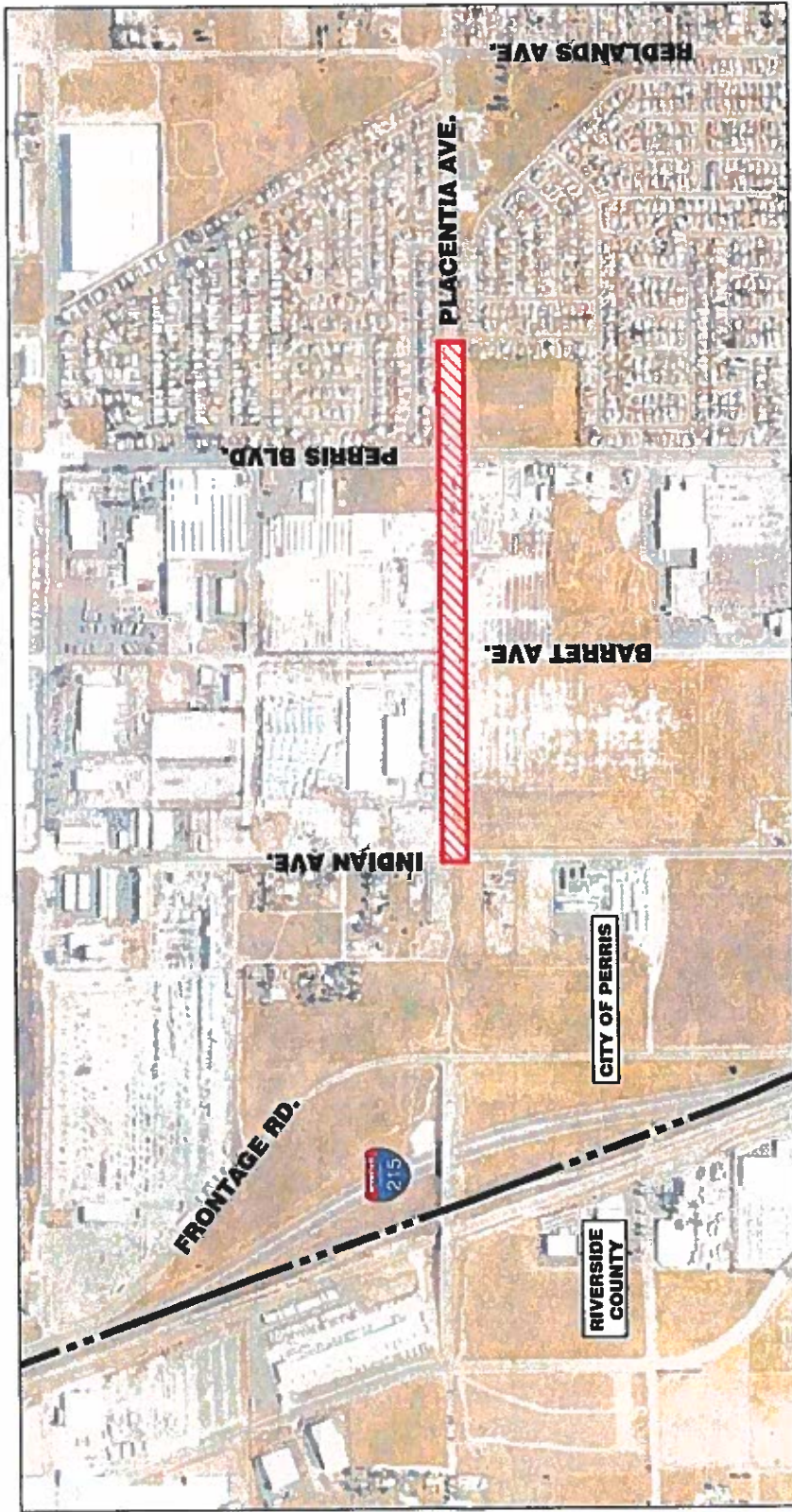
Consent: Yes
Public Hearing:
Business Item:
Presentation:
Other:

ATTACHMENT 1

Vicinity Map

PLACENTIA AVENUE WIDENING

VICINITY MAP



LEGEND:



PROJECT AREA



PERRIS CITY LIMITS



TRI LAKE
CONSULTANTS, INC.
CITY ENGINEER
S.C. - 0402 09/19/21

ATTACHMENT 2

CIP Sheet S-23

CITY OF PERRIS
Capital Improvement Program Project Details



Project Number: 5023
Project Title: Placentia / I-215
Managing Department: City Engineer

Project Description and/or Justification: Road Extension from Indian to Frontage Road.



Original Budget: 500,000
Budget Amendments: 7,183,291
Total Project Costs: 3,608,683
Available Funds: 4,074,608

Project Dates:
Begin: FY 04/05
Completion:
Total Budget Additions (Deletions): 3,310,000

Funding Sources:	Fund	Project to Date Available	Proposed Plan 2021/2022	Proposed Plan 2022/2023	Proposed Plan 2023/2024	Proposed Plan 2024/2025	Total
RBBB	133	4,074,608	2,600,000				\$ 6,674,608
Measure A Streets	142						\$ -
External Cont. (RCTC)	157		710,000				\$ 710,000
							\$ -
							\$ -
Total:		4,074,608	3,310,000	-	-	-	\$ 7,384,608

Budget Amendment Notes				
Date	Description / Action	Adopted Budget	Amendment	Amended Budget
2002/03	Budget Measure A	500,000		500,000
2006/07	Measure A Amendment		(5,749)	494,251
2016/17	Measure A Amendment		(420,960)	73,291
2016/17	RBBB Budget		1,000,000	1,073,291
2017/18	Ext. Cont-Loan from RCTC		3,300,000	4,373,291
	<i>(RCTC loan will need to be reimb. once proj. is completed)</i>			4,373,291
2018/19	Ext. Cont-Loan from RCTC		(3,300,000)	1,073,291
2018/19	RBBB Amendment		3,300,000	4,373,291
2021/22	RBBB		2,600,000	6,973,291
2021/22	Ext. Cont. - RCTC Contribution		710,000	7,683,291
				7,683,291
	The city did not proceed with loan from RCTC. RBBB will be used to fund this project. Expenditures charged against EXT. Cont. for the RCTC loan will be reallocated against RBBB budget.			7,683,291
				7,683,291
	* Negotiation of right-of-way is being done by the City Attorney			7,683,291
				7,683,291
Total:		\$ 500,000	\$ 7,183,291	\$ 7,683,291

S-23

As of 3/31/2021

ATTACHMENT 3

Contract Services Agreement

CITY OF PERRIS
CONTRACT SERVICES AGREEMENT FOR
PLACENTIA AVENUE WIDENING – GEOTECHNICAL INVESTIGATION &
MATERIALS TESTING

This Contract Services Agreement ("Agreement"), is made and entered into this 8TH day of September, 2021, by and between the City of Perris, a municipal corporation ("City"), and LOR Geotechnical Group, Inc., a California Corporation ("Consultant"). The term Consultant includes professionals performing in a consulting capacity. The parties hereto agree as follows:

1.0 SERVICES OF CONSULTANT

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Consultant shall provide the work and services specified in the "Scope of Services" attached hereto as *Exhibit "A"* and incorporated herein by this reference. Consultant warrants that all work or services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

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

1.3 Compliance with Law. All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency having jurisdiction.

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

1.5 Familiarity with Work. By executing this Agreement, Consultant warrants that Consultant (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the work and services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement.

1.6 Additional Services. City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No

such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to five percent (5%) of the Contract Sum or \$25,000, whichever is less, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor.

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

1.8 Environmental Laws. Consultant shall comply with all applicable environmental laws, ordinances, codes and regulations of Federal, State, and local governments. Consultant shall also comply with all applicable mandatory standards and policies relating to energy efficiency.

2.0 COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with the "Schedule of Compensation" attached hereto as *Exhibit "C"* and incorporated herein by this reference, but not exceeding the maximum contract amount of Fifty Seven Thousand Six Hundred Eighteen dollars (\$57,618.00) ("Contract Sum"), except as provided in Section 1.6. The method of compensation may include: (i) a lump sum payment upon completion, (ii) payment in accordance with the percentage of completion of the services, (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, but not exceeding the Contract Sum or (iv) such other methods as may be specified in the Schedule of Compensation. Compensation may include reimbursement for actual and necessary expenditures approved by the Contract Officer in advance if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City.

Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

2.2 Method of Payment. Unless some other method of payment is specified in the Schedule of Compensation, in any month in which Consultant wishes to receive payment, no later than the first (1st) working day of such month, Consultant shall submit to the City, in a form approved by the City's Director of Finance, an invoice for services rendered prior to the date of the invoice. Except as provided in Section 7.2, City shall pay Consultant for all expenses stated thereon which are approved by City pursuant to this Agreement generally within thirty (30) days, and no later than forty-five (45) days, from the submission of an invoice in an approved form.

2.3 Availability of Funds. It is mutually understood between the parties that this Agreement is valid and enforceable only if sufficient funds are made available by the City Council of the City for the purposes of this Agreement. The availability of funding is affected by matters outside the City's control, including other governmental entities. Accordingly, the City has the option to void the whole Agreement or to amend the Agreement to reflect unanticipated reduction in funding for any reason.

3.0 PERFORMANCE SCHEDULE

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

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

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

3.4 Term. Unless earlier terminated in accordance with Section 7.4 below, this Agreement shall continue in full force and effect until completion of the services no later than January 1, 2023.

4.0 COORDINATION OF WORK

4.1 Representative of Consultant. John P. Leuer is hereby designated as being the representative of Consultant authorized to act on its behalf with respect to the work or services specified herein and to make all decisions in connection therewith.

It is expressly understood that the experience, knowledge, capability and reputation of the representative was a substantial inducement for City to enter into this Agreement. Therefore, the representative shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the representative may not be replaced nor may his responsibilities be substantially reduced by Consultant without the express written approval of City.

4.2 Contract Officer. The City's City Manager is hereby designated as the representative of the City authorized to act in its behalf with respect to the work and services and to make all decisions in connection therewith ("Contract Officer"). It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. The City may designate another Contract Officer by providing written notice to Consultant.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred or assigned without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant taking all transfers into account on a cumulative basis. A prohibited transfer or assignment shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

4.4 Independent Contractor. Neither the City nor any of its employees shall have any control over the manner or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. Consultant shall perform all services required herein as an independent contractor of City and shall remain under only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant.

5.0 INSURANCE AND INDEMNIFICATION

5.1 Insurance. Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) **Commercial General Liability Insurance.** A policy of commercial general liability insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01, with an edition date prior to 2004, or the exact equivalent. Coverage for an additional insured shall not be limited to its vicarious liability. Defense costs must be paid in addition to limits. Limits shall be no less than \$1,000,000.00 per occurrence for all covered losses and no less than \$2,000,000.00 general aggregate.

(b) **Workers' Compensation Insurance.** A policy of workers' compensation insurance on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000.00 per accident for all covered losses.

(c) **Automotive Insurance.** A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than \$1,000,000.00 per accident, combined single limit. Said policy shall include coverage for owned, non owned, leased and hired cars.

(d) **Professional Liability or Error and Omissions Insurance.** A policy of Professional Liability insurance in an amount not less than \$1,000,000.00 per claim with respect to loss arising from the actions of Consultant performing professional services hereunder on behalf of the City.

All of the above policies of insurance shall be primary insurance. The general liability policy shall name the City, its officers, employees and agents ("City Parties") as additional insureds and shall waive all rights of subrogation and contribution it may have against the City and the City's Parties and their respective insurers. All of said policies of insurance shall provide that said insurance may be not cancelled without providing thirty (30) days prior written notice by registered mail to the City. In the event any of said policies of insurance are cancelled or amended, Consultant shall, prior to the cancellation or amendment date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until Consultant has provided City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by City.

Consultant agrees that the provisions of this Section 5.1 shall not be construed as limiting in any way the extent to which Consultant may be held responsible for the payment of damages to any persons or property resulting from Consultant's activities or the activities of any person or persons for which Consultant is otherwise responsible.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances.

In the event that the Consultant is authorized to subcontract any portion of the work or services provided pursuant to this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Consultant is required to maintain pursuant to this Section 5.1.

5.2 Indemnification.

(a) Indemnity for Professional Liability. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, defend and hold harmless City and the City's Parties from and against any and all losses, liabilities, damages, costs and expenses, including attorneys' fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees of subcontractors (or any entity or individual for which Consultant shall bear legal liability) in the performance of professional services under this Agreement.

(b) Indemnity for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City and City's Parties from and against any liability (including liability for claims, suits, actions, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, defense costs and expert witness fees), 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 Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

6.0 **RECORDS AND REPORTS**

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

6.2 Records. Consultant shall keep, and require subcontractors to keep, such books and records as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required.

6.3 Ownership of Documents. All drawings, specifications, reports, records, documents and other materials prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of such documents and materials. Consultant may retain

copies of such documents for its own use and Consultant shall have an unrestricted right to use the concepts embodied therein. Any use of such completed documents by City for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant and the City shall indemnify the Consultant for all damages resulting therefrom. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom.

7.0 ENFORCEMENT OF AGREEMENT

7.1 California Law. This Agreement shall be construed and interpreted 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 Consultant agrees to submit to the personal jurisdiction of such court in the event of such action.

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

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

7.4 Termination Prior to Expiration of Term. Either party may terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to the other party. Upon receipt of any notice of termination, Consultant shall immediately cease all work or services hereunder except such as may be specifically approved by the Contract Officer. Consultant shall be entitled to compensation for the reasonable value of the work product actually produced prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation and City shall be entitled to reimbursement for any compensation paid in excess of the services rendered.

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

7.6 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, shall be entitled to reasonable attorneys' fees, whether or not the matter proceeds to judgment, and to all other reasonable costs for investigating such action, taking depositions and discovery, including all other necessary costs the court allows which are incurred in such litigation.

8.0 CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

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

8.2 Conflict of Interest: City. No officer or employee of the City shall have any financial interest in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects his financial interest or the financial interest of any corporation, partnership or association in which he is interested, in violation of any State statute or regulation.

8.3 Conflict of Interest: Consultant. Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement. Consultant shall comply with all conflict of interest laws and regulations including, without limitation, City's Conflict of Interest Code which is on file in the City Clerk's office. Accordingly, should the City Manager determine that Consultant will be performing a specialized or general service for the City and there is substantial likelihood that the Consultant's work product will be presented, either written or orally, for the purpose of influencing a governmental decision, the Consultant and its officers, agents or employees, as applicable, shall be subject to the City's Conflict of Interest Code.

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

9.0 MISCELLANEOUS PROVISIONS

9.1 Notice. Any notice or other communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer, City of Perris, 101 North "D" Street, Perris, CA 92570, and in the case of the Consultant, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

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

9.3 Integration; Amendment. 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, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by an instrument in writing signed by both parties.

9.4 Severability. Should a portion of this Agreement be declared invalid or unenforceable by a judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

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

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

ATTEST:

"CITY"
CITY OF PERRIS

By: _____
Nancy Salazar, City Clerk

By: _____
Clara Miramontes, City Manager

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

By: _____
Eric L. Dunn, City Attorney

"CONSULTANT"
LOR GEOTECHNICAL GROUP, INC., a
California Corporation

By: _____
Signature
John P. Deuer, President
Print Name and Title

By: _____
Signature
Andrew A. Tardie, Corporate Secretary
Print Name and Title

(Corporations require two signatures; one from each of the following: A. Chairman of Board, President, any Vice President; AND B. Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or Chief Financial Officer.)

[END OF SIGNATURES]

EXHIBIT "A"

SCOPE OF SERVICES

[Insert or Attach]

August 31, 2021

City of Perris, Engineering
c/o Interwest Consulting Group
24 South D Street, Suite 100
Perris, California 92570

Reference No. 5898.P

Attention: Mr. Ryan Traylor

Subject: Proposal to Provide Geotechnical Services, Placentia Avenue Widening Project (P8-1288), City of Perris, California.

INTRODUCTION

In response to your request for proposal (RFP), LOR Geotechnical Group, Inc., (LOR) is pleased to provide you with this proposal and cost estimate to perform geotechnical services during the design and construction phases of the Placentia Avenue Widening Project. This project will feature construction of a new storm drain line, as well as widening 0.6 miles of Placentia Avenue between Indian Avenue and Perris Boulevard, within the City of Perris, California.

The 90 percent civil design plan (Tri-Lake, undated a) and the geotechnical investigation exhibit (Tri-Lake, undated b) that you provided with your RFP were used as references when appraising the proposed improvements. Based on these documents, and our recent experience with similar projects, we have prepared a preliminary scope of services and cost proposal for the geotechnical services that are anticipated to complete this project.

SUBSURFACE SOIL INVESTIGATION

The purpose of our investigation will be to determine the current subsurface conditions along the subject alignments. This will include measuring the current asphalt concrete and any aggregate base, where present. Subsurface soil samples will be obtained at select intervals for determination of soil engineering properties to assist the design and construction of storm drain design and construction, as well as to assist in the design and construction of the new roadway areas as well as the rehabilitation of the existing roadways, if feasible.

Scope of Services

The general scope of our services will include:

1. Review of available geologic/geotechnical reports conducted for the site and regional geologic data available from local, state, and federal agencies.
2. Obtain a no-fee permit from the City of Perris for our work on the project and coordinate the boring locations with you.
3. Traffic control will be provided by our licensed subconsultant, Full Traffic Maintenance. If detailed traffic control plans are required, an additional cost may be incurred.
4. Marking of the boring locations and contacting Underground Service Alert of Southern California.
5. A subsurface investigation of the site utilizing a truck mounted drill rig equipped with 8-inch diameter hollow stem augers to advance 3 exploratory borings, as requested to a maximum depth of approximately 15 feet or refusal within the currently proposed development area. We will repair borings within paved areas with cold-patch asphalt that meets or exceeds the existing pavement thickness.
6. Sampling and in-place density testing of the natural earth materials encountered within the exploratory borings placed at the site.
7. Laboratory testing of soil samples obtained during the field investigation including, but not limited to, in-place density and moisture content, laboratory compaction characteristics, direct shear, sieve analysis, sand equivalent, R-value, and corrosion potential.
8. Evaluate all data developed and formulate recommendations including groundwater mitigation, if any, trench wall stability, excavation characteristics, trench backfill and bedding, corrosion potential, and recommendations for new pavement, as well as various pavement rehabilitation methods, including but not limited to: full depth asphalt concrete, asphalt concrete over aggregate base, overlay, inlay, cold-in-place recycling, and full depth reclamation, will be provided, as appropriate

9. Prepare a detailed Subsurface Soil Investigation report presenting our findings, conclusions, and recommendations

COST

The total cost for the Subsurface Soil Investigation as described within this proposal document is Nine Thousand Dollars (\$9,000.00).

SCHEDULE AND DELIVERABLES

Our staff is prepared to begin work on this project immediately once notification to proceed and required retainer are received from you. Our Subsurface Soil Investigation report will contain our findings, conclusions, and general recommendations pertaining to geotechnical conditions. Our report will be submitted within approximately four to six weeks after the authorization to proceed is received in writing by our office, barring adverse weather or other conditions outside of our control. Four wet-signed and stamped and one PDF copy of our reports will be provided. The client is responsible for distributing these reports to any and all design consultants, local and/or state agencies. The client may request this firm to forward any of these copies *prior* to the mailing of the reports.

CONSTRUCTION PHASE PRELIMINARY SCOPE OF SERVICES

It is our understanding, that at this time, a preliminary soil investigation is proposed to assess the in-place conditions of the subject project. The results of this investigation could affect the type of geotechnical services that may be required during construction. Therefore, the following list is a preliminary scope of services that is based on the project information supplied to LOR to date and may need revision as more project information becomes available. The geotechnical services anticipated during construction of the subject project will include, but are not limited to, the following:

Attendance of pre-construction and progress meetings, as necessary, to consult with authorized employees, agents and representatives of our client, and other agencies having jurisdiction relative to the geotechnical services of the project.

Review of material submittal documentation to verify the proposed materials are in compliance with the project documents. The results of our submittal reviews will be presented within a letter that will be delivered to the City of Perris Engineering Department.

Representative sampling of onsite soil, aggregate base materials, Portland cement concrete (PCC) materials, and hot-mix asphalt (HMA) materials used during construction.

Laboratory testing of materials sampled onsite during construction. Testing will be completed to determine engineering properties and to verify compliance with the project documents.

Continuous observation and compaction testing during backfill operations for the trenches utilized to construct the proposed underground storm drain improvements.

Periodic geotechnical observations and compaction testing following preparation of subgrade and base grade materials for sidewalk, curb & gutter, cross gutter, spandrell, and commercial driveway approaches.

Continuous observation and compaction testing during HMA paving operations to surface the roadway.

Providing American Concrete Institute (ACI) certified technicians for sampling and testing of ready-mix Portland cement concrete (PCC) materials delivered to the project. This includes fabricating compressive strength specimens from PCC samples.

Laboratory curing and compressive strength testing of PCC specimens fabricated on the job site.

Preparation of daily field reports to document construction progress and compaction testing results. These reports will be submitted to the construction inspector daily.

Preparation and submittal of our final compaction and materials testing report, following the notice of completion from our client. This report will include the results of our compaction testing provided during construction, as well as the results of our laboratory testing for materials used on the project.

EXHIBIT "B"

SPECIAL REQUIREMENTS

Community Workforce Agreement

**CITY OF PERRIS
COMMUNITY WORKFORCE AGREEMENT**

This Community Workforce Agreement ("Agreement") is entered into effective as of _____, 2018, by and between the City of Perris, a municipal corporation ("City"), the San Bernardino/Riverside Counties Building and Construction Trades Council ("Trades Council"), and the signatory Craft Councils and Local Unions signing this Agreement (collectively, the "Union" or "Unions"). This Agreement establishes the labor relations policies and procedures for the City, the Contractors awarded contracts for Project Work and for the crafts persons employed by the Contractors and represented by the Unions engaged in the Project Work as more fully described below. The City, Trades Council and Unions are hereinafter referred to herein, as the context may require, as "Party" or "Parties."

It is understood by the Parties to this Agreement that for the duration of this Agreement, it shall be the policy of the City, to the extent permitted by law, for all Project Work (as defined in Sections 1.9 and 2.2.) to be contracted exclusively to Contractors who agree to execute and be bound by the terms of this Agreement, directly or through the Letter of Assent (a form of which is attached as "Attachment A"), and to require each of its subcontractors, of whatever tier, to become so bound. The City shall include, directly or by incorporation by reference, the requirements of this Agreement in the advertisement of and/or specifications for each and every contract for Project Work to be awarded by the City.

It is further understood that the City shall actively administer and enforce the obligations of this Agreement, again to the extent permitted by law, to ensure that the benefits envisioned from it flow to all Parties, the Contractors and crafts persons working under it, and the residents of the City. The City shall therefore designate a "CWA Administrator," either from its own staff or an independent contractor, to serve as the City's liaison for Contractors and other persons; monitor compliance with this Agreement; assist, as the authorized representative of the City, in developing and implementing the programs referenced herein, all of which are critical to fulfilling the intent and purposes of the Parties and this Agreement; and to otherwise implement and administer this Agreement.

**ARTICLE 1
DEFINITIONS**

Section 1.1 "Agreement" or "CWA" means this Community Workforce Agreement.

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

Section 1.3 "Construction Contract" or "Construction Contracts" means any contract entered into by the City, for the construction of Project Work as specified in Section 2.2.

Section 1.4 "Contractor" means any individual firm, partnership or corporation, or combination thereof, including joint ventures, which is an independent business enterprise and which has

entered into a Construction Contract with the City or any of its contractors or any of the City's or contractor's subcontractors of any tier, with respect to the construction of any part of a Project under contract terms and conditions approved by the City and which incorporate this Agreement.

Section 1.5 "City" means the City of Perris.

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

Section 1.7 "Letter of Assent" means the document that each Contractor (of any tier) must sign and submit to the City before beginning any Project Work, which formally binds such Contractor(s) to adherence to all the forms, requirements and conditions of this Agreement in the form attached hereto as "Attachment A."

Section 1.8 "CWA Administrator" means the City's authorized representative who will be the liaison between the City, Contractors, and the Unions; responds to inquiries about the CWA; charged with monitoring compliance with the CWA, developing and implementing programs set forth in the CWA including but not limited to grievance procedures.

Section 1.9 "Project", "Project Work" or "City Project" means the demolition and construction work to be performed on City property or within easements secured by the City consisting of the construction of public works, pursuant to a Construction Contract entered into by the City, that are estimated by the City to exceed One Million Dollars (\$1,000,000), as determined by the City. Projects that are estimated by the City not to exceed \$1,000,000 shall not be a Project, Project Work or City Project, and shall not be subject to this Agreement.

Section 1.10 "Specialty Contracts" means a contract for Project Work with a specialty contractor which is either limited to a particular single trade or craft or limited to a singular scope of work (i.e. installing a toilet.)

Section 1.11 "Master Labor Agreements" means the local collective bargaining agreements of the signatory Unions having jurisdiction over the Project Work and which have signed this Agreement.

Section 1.12 "Subscription Agreement" means the contract between a Contractor and a Union's Labor/Management Trust Fund(s) that allows the Contractor to make the appropriate fringe benefit contributions in accordance with the terms of the Master Labor Agreements.

Section 1.13 The use of masculine or feminine gender or titles in this Agreement should be construed as including both genders and not as gender limitations unless the Agreement clearly requires a different construction. Further, the use of Article titles and/or Section headings are for information only, and carry no legal significance.

ARTICLE 2
SCOPE OF THE AGREEMENT

Section 2.1 General This Agreement shall apply to all of the City's Project Work, as defined in Section 1.9, performed by those Contractor(s) of whatever tier that have contracts awarded for such work, for the development of the City's facilities which, jointly, constitute the Project, and have been designated by the City for construction or rehabilitation.

Section 2.2 Specific Project Work covered by this Agreement is defined and limited to:

2.2.1 All construction and major rehabilitation work pursuant to "prime multi-trade construction contracts" that exceed one million dollars (\$1,000,000) and all subcontracts flowing from these prime multi-trade contracts; and

2.2.2 All prime "Specialty Contracts," as defined in Section 1.10 that exceed one million dollars (\$1,000,000) and all subcontracts flowing from these specialty contracts; and

2.2.3 The City may, at any time and at its sole discretion, determine to build additional buildings, facilities, and other projects under this Agreement which are not otherwise covered as Project Work.

2.2.4 This Agreement is not intended to, and shall not apply to any work performed at any time prior to the effective date, or after the expiration or termination of this Agreement, except as otherwise provided herein. This Agreement shall in no way limit the City's right to terminate, modify or rescind any construction contract and/or any related subcontract or agreement. Should the City remove or terminate any contract or agreement for construction that does not fall within the scope of this Agreement and thereafter authorize that work be commenced on any contract for such construction, the contract for construction shall be performed under the terms of this Agreement.

Section 2.3 Bundling of Contracts

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

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

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

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

2.5.1 Work of non-manual employees, including but not limited to: superintendents; teachers; supervisors (except those covered by Master Labor Agreements above the level of general foreman); staff engineers; time keepers; mail carriers; clerks; office workers; messengers; guards; safety personnel; emergency medical and first aid technicians; and other professional, engineering, executive, administrative, supervisory and management employees;

2.5.2 Equipment and machinery owned or controlled and operated by the City;

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

2.5.4 All work performed by City employees, the CWA Administrator, design teams (including, but not limited to architects engineers and master planners), or any other consultants for the City (including, but not limited to, project managers and construction managers and their employees where not engaged in Project Work) and their sub-consultants, and other employees of professional service organizations, not performing manual labor within the scope of this Agreement; provided, however, that it is understood and agreed that Building/Construction Inspector and Field Soils and Materials Testers (Inspectors) are a covered craft under the Agreement. This inclusion applies to the scope of work defined in the State of California Wage Determination for said Craft. This shall also specifically include such work where it is referred to by utilization of such terms as "quality control" or "quality assurance." Every Inspector performing under the wage classification of Building/Construction Inspector and Field Soils and Material Testers under a professional services agreement or a construction contract shall be bound to all applicable requirements of the PLA. Covered Work as defined by this Agreement shall be performed pursuant to the terms and conditions of this Agreement regardless of the manner in which the work was awarded;

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

2.5.6 Off-site maintenance of leased equipment and on-site supervision of such work;

2.5.7 Work by employees of a manufacturer or vendor supervising the work of Craft employees under this Agreement, necessary to maintain such manufacturers or vendor's warranties or guaranty;

2.5.8 Non-construction support services contracted by the City, City consultants, the CWA Administrator, or Contractor in connection with a Project;

2.5.9 Laboratory work for testing.

2.5.10 Coverage Exception This Agreement shall not apply if the City receives funding or assistance from any Federal, State, local or other public entity for the Construction Contract if a requirement, condition or other term of receiving that funding or assistance, at the time of the awarding of the contract, is that the City not require bidders, contractors, or other persons or entities to enter into an agreement with one or more labor organizations. The City agrees that it will make reasonable efforts to establish the enforcement of this Agreement with any governmental agency or granting authority.

Section 2.6 Awarding of Contracts for Project Work

2.6.1 The City and/or the Contractors, as appropriate, have the absolute right to award contracts or subcontracts on Project Work to any Contractor notwithstanding the existence or non-existence of any agreements between such Contractor and any Union parties, provided only that such Contractor is ready, willing, and able to execute and comply with this Agreement should such Contractor be awarded work covered by this Agreement.

2.6.2 It is agreed that all Contractors of whatever tier, who have been awarded Project Work contracts, shall be required to accept and be bound to the terms and conditions of this Agreement, and shall evidence their acceptance by the execution of the Letter of Assent set forth in "Attachment A" hereto, prior to the commencement of any Project Work. At the time that any Contractor enters into a subcontract with any subcontractor of any tier providing for the performance of the construction contract, the Contractor shall provide a copy of this Agreement to said subcontractor and shall require the subcontractor, as a part of accepting the award of a construction subcontract, to agree in writing in the form of a Letter of Assent to be bound by each and every provision of this Agreement prior to the commencement of work on the Project. No Contractor or subcontractor shall commence Project Work without having first provided a copy of the Letter of Assent as executed by it to the CWA Administrator and to the Trades Council before the commencement of Project Work.

2.6.3 Under all circumstances, the City shall retain the absolute right to select the lowest reliable and responsible bidder for the award of contracts on all projects.

Section 2.7 Master Labor Agreements

2.7.1 The provisions of this Agreement, including the Master Labor Agreements as such may be changed from time-to-time and which also are incorporated herein by reference, shall apply to Project Work. This Agreement is not intended to supersede such Master Labor Agreements between any of the Employers performing construction work on the Project and a Union signatory thereto except to the extent the provisions of this Agreement are inconsistent with such Master Labor Agreements, in which event the provisions of this Agreement shall apply. However, such does not apply to work performed under the National Cooling Tower Agreement, the National Stack Agreement, the National Transit Division Agreement (NTD), work within the jurisdiction of the International Union of Elevator Constructors, and all instrument calibration and loop checking work performed under the terms of the UA/IBEW Joint

National Agreement for Instrument and Control Systems Technicians except that Article 9 dealing with Strikes, Work Stoppages and Lock-Outs, Work Assignments and Jurisdictional Disputes, and Settlement of Grievances and Disputes shall apply to such work. Where a subject is covered by the provisions of a Master Labor Agreement and not in conflict with the provisions of this Agreement, the provisions of the Master Labor Agreement shall apply. It is specifically agreed that no later agreement shall be deemed to have precedence over this Agreement unless signed by all parties signatory hereto who are then currently employed or represented at the Project. Any dispute as to the applicable source between this Agreement and any Master Labor Agreements for determining the wages, hours of working conditions of employees on this Project shall be resolved under the procedures established in Article 10.

2.7.2 It is understood that this Agreement, together with the referenced Master Labor Agreements, constitutes a self-contained, stand-alone agreement and by virtue of having become bound to this Agreement, the Contractor will not be obligated to sign any other local, area or national collective bargaining agreement as a condition of performing work within the scope of this Agreement (provided, however, that the Contractor may be required to sign a uniformly applied, non-discriminatory Subscription Agreement at the request of the trustees or administrator of a trust fund established pursuant to Section 302 of the Labor Management Relations Act, and to which such Contractor is bound to make contributions under this Agreement, provided that such Subscription Agreement does not purport to bind the Contractor beyond the terms and conditions of this Agreement and/or expand its obligation to make contributions pursuant thereto). It shall be the responsibility of the prime Contractor to have each of its subcontractors sign the appropriate Subscription Agreement, with the appropriate Craft Union prior to the subcontractor beginning work on Project Work.

Section 2.8 Binding Signatories Only This Agreement shall only be binding on the signatory Parties hereto, and shall not apply to the parents, affiliates, subsidiaries, or other ventures of any such Party not performing Project Work.

Section 2.9 Other City Work nothing contained herein shall be interpreted to prohibit, restrict, or interfere with the performance of any other operation, work or function not covered by this Agreement, which may be performed by City employees or contracted for by the City for its own account, on its property or in and around a Project site.

Section 2.10 Separate Liability It is understood that the liability of the Contractor(s) and the liability of the separate Unions under this Agreement shall be several and not joint. The Unions agree that this Agreement does not have the effect of creating any joint employment status between or among the City or CWA Administrator and/or any Contractor.

Section 2.11 Completed Project Work As areas of Project Work are accepted by the City, this Agreement shall have no further force or effect on such items or areas except where the Contractor is directed by the City or its representatives to engage in repairs, modification, check-out and/or warranties functions required by its contract(s) with the City under the original contract.

ARTICLE 3

UNION RECOGNITION AND EMPLOYMENT

Section 3.1 Recognition The Contractor recognizes the Trades Council and the Unions as the sole and exclusive bargaining representative for the employees engaged in Project Work. Contractors further recognize that the Unions shall be the primary source of all craft labor employed on the Projects. In the event that a Contractor has its own core workforce, said Contractor shall follow the procedures outlined below.

Section 3.2 Contractor Selection of Employees The Contractor shall have the right to determine the competency of all employees, the number of employees required, the duties of such employees within their craft jurisdiction, and shall have the sole responsibility for selecting employees to be laid off, consistent with Section 3.3 and Section 4.3, below. The Contractor shall also have the right to reject any applicant referred by a Union for any reason, subject to any reporting pay required by Section 6.6; provided, however, that such right is exercised in good faith and not for the purpose of avoiding the Contractor's commitment to employ qualified workers through the procedures endorsed in this Agreement.

Section 3.3 Referral Procedures

3.3.1 For signatory Unions now having a job referral system contained in a Master Labor Agreement, the Contractor agrees to comply with such system and it shall be used exclusively by such Contractor, except as modified by this Agreement. Such job referral system will be operated in a nondiscriminatory manner and in full compliance with federal, state, and local laws and regulations which require equal employment opportunities and non-discrimination. All of the foregoing hiring procedures, including related practices affecting apprenticeship, shall be operated so as to consider the goals of the City to encourage employment of City residents and utilization of small local businesses on the Project, and to facilitate the ability of all Contractors to meet their employment needs.

3.3.2 The local Unions will exert their best efforts to recruit and refer sufficient numbers of skilled craft workers to fulfill the labor requirements of the Contractor, including specific employment obligations to which the Contractor may be legally and/or contractually obligated; and to refer apprentices as requested to develop a larger, skilled workforce. The Unions will work with their affiliated regional and national unions, and jointly with the CWA Administrator and others designated by the City, to identify and refer competent craft persons as needed for Project Work, and to identify and hire individuals, particularly residents of the City, for entrance into joint labor/management apprenticeship programs, or to participate in other identified programs and procedures to assist individuals in qualifying and becoming eligible for such apprenticeship programs, all maintained to increase the available supply of skilled craft personnel for Project Work and future construction of maintenance work to be undertaken by the City.

3.3.3 The Union shall not knowingly refer an employee currently employed by a Contractor on a covered Project to any other Contractor.

Section 3.4 Non-Discrimination in Referral, Employment, and Contracting The Unions and Contractors agree that they will not discriminate against any employee or applicant for

employment in hiring and dispatching on the basis of race, color, religion, sex, gender, national origin, age, membership in a labor organization, sexual orientation, political affiliation, marital status or disability. Further, it is recognized that the City has certain policies, programs, and goals for the utilization of local small business enterprises. The Parties shall jointly endeavor to assure that these commitments are fully met, and that any provisions of this Agreement which may appear to interfere with local small business enterprises successfully bidding for work within the scope of this Agreement shall be carefully reviewed, and adjustments made as may be appropriate and agreed upon among the Parties, to ensure full compliance with the spirit and letter of the City's policies and commitment to its goals for the significant utilization of local small businesses as direct Contractors or suppliers for Project Work.

Section 3.5 Employment of City Residents

3.5.1 The Unions and Contractors agree that, to the extent allowed by law, and as long as they possess the requisite skills and qualifications, the Unions will exert their best efforts to refer and/or recruit sufficient numbers of skilled craft "Local Residents" as defined herein, as well as Veterans, to fulfill the requirements of the Employers. In recognition of the fact that the City and the communities surrounding Project Work will be impacted by the construction of the Project Work, the parties agree to support the hiring of workers from the residents of these surrounding areas, as well as Veterans, for Project Work. Towards that end, the Unions shall exert their best efforts to encourage and provide referrals and utilization of qualified workers residing in those U. S. Postal Service zip codes which overlap all of the City of Perris, as set forth in "Attachment B" attached hereto, as well as Veterans, regardless of where they reside. If the Unions cannot provide the Contractors in the attainment of a sufficient number of Veterans and Local Residents from within the first tier zip codes, the Unions shall exert their best efforts to then recruit and identify for referral Local Residents residing within Riverside County.

3.5.2 A goal of 30% of the total work hours shall be performed from workers residing within the areas described in Section 3.5.1, as well as Veterans, regardless of where they reside.

3.5.3 The Unions agree to support the operation of pre-apprentice referral programs in the City. Further, the Unions agree to place on their referral roles or in their apprentice training programs, as appropriate and needed, qualified persons sent to them by designated City organizations or other organizations working with the City to increase construction industry work opportunities for City residents.

Section 3.6 Requirements on Contractors to facilitate the dispatch of Local Residents and Veterans, all Contractors will be required to utilize the Craft Employee Request Form whenever they are requesting the referral of any employee from a Union referral list for any Covered Project, a sample of which is attached as "Attachment C." When Local Residents and Veterans are requested by the Employers, the Unions will refer such workers regardless of their place in the Unions' hiring halls' list and normal referral procedures.

Section 3.7 Helmets to Hardhats

3.7.1 The Contractors and the Unions recognize a desire to facilitate the entry into the building and construction trades of Veterans who are interested in careers in the building and construction industry. The Contractors and Unions agree to utilize the services of non-profit Veterans support organizations, including but not limited to, the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the Parties. For purposes of this Agreement the term "Eligible Veteran" shall have the same meaning as the term "veteran" as defined under Title 5, Section 2108(1) of the United States Code as the same may be amended or re-codified from time to time. It shall be the responsibility of each qualified applicant to provide the Unions with proof of his/her status as an Eligible Veteran.

3.7.2 The Unions and Contractors agree to coordinate with non-profit Veteran organizations, including, the Center to create and maintain an integrated database of veterans interested in working on this Project Work and of apprenticeship and employment opportunities for working on Project Work. To the extent permitted by law, the Unions will give credit to such Veterans for bona fide, provable past experience.

Section 3.8 Core Employees

3.8.1 Contractors not currently signatory to a Master Labor Agreement may employ, as needed, first, a member of his core workforce, then an employee through a referral from the appropriate Union hiring hall, then a second core employee, then a second employee through the referral system, and so on until a maximum of five (5) core employees are employed, thereafter, all additional employees in the affected trade or craft shall be requisitioned from the craft hiring hall in accordance with Section 3.3. In the laying off of employees, the number of core employees shall not exceed one-half plus one of the workforce for an employer with 10 or fewer employees, assuming the remaining employees are qualified to undertake the work available. As part of this process, and in order to facilitate the contract administration procedures, as well as appropriate fringe benefit fund coverage, all Contractors shall require their core employees and any other persons employed other than through the referral process, to register with the appropriate Union hiring hall, if any, prior to their first day of employment at a project site.

3.8.2 The core work force is comprised of those employees whose names appeared on the Contractor's active payroll for sixty (60) of the one hundred (100) working days immediately before award of Project Work to the Contractor; who possess any license required by state or federal law for the Project Work to be performed; who have the ability to safely perform the basic functions of the applicable trade and who have been residing within Riverside County for the one hundred (100) working days immediately prior to the award of Project Work to the Contractor.

3.8.3 Prior to each Contractor performing any work on the Project, each Contractor shall provide a list of his core employees to the CWA Administrator and the Trades Council. Failure to do so will prohibit the Contractor from using any core employees. Upon request by any Party to this Agreement, the Contractor hiring any core employee shall provide satisfactory proof (i.e., payroll records, quarterly tax records, driver's license, voter registration, postal address and such

governmental documentation) evidencing the core employee's qualification as a core employee to the CWA Administrator and the Trades Council.

Section 3.9 Time for Referral If any Union's registration and referral system does not fulfill the requirements for specific classifications requested by any Contractor within forty-eight (48) hours (excluding Saturdays, Sundays and holidays), that Contractor may use employment sources other than the Union registration and referral services, and may employ applicants meeting such classification from any other available source. The Contractors shall inform the Union of any applicants hired from other sources and such applicants shall register with the appropriate hiring hall, if any, before commencing work.

Section 3.10 Lack of Referral Procedure If a signatory Union does not have a job referral system as set forth in Section 3.3 above, the Contractors shall give the Union equal opportunity to refer applicants. Contractors shall notify the Union of employees so hired, as set forth in Section 3.5.

Section 3.11 Union Membership No employee covered by this Agreement shall be required to join any Union as a condition of being employed, or remaining employed, for the completion of Project Work; provided, however, that any employee who is a member of the referring Union at the time of referral shall maintain that membership in good standing while employed under this Agreement. All employees shall, however, be required to comply with the Union security provisions of the applicable Master Labor Agreement for the period during which they are performing on-site Project Work to the extent, as permitted by law, of rendering payment of the applicable monthly and working dues only, as uniformly required of all craft employees while working on the Project and represented by the applicable signatory Union.

Section 3.12 Individual Seniority Except as provided in Section 4.3, individual seniority shall not be recognized or applied to employees working on Project Work; provided, however, that group and/or classification seniority in a Union's Master Labor Agreement as of the effective date of this Agreement shall be recognized for purposes of layoffs.

Section 3.13 Foremen The selection and number of craft foreman and/or general foreman shall be the responsibility of the Contractor. All foremen shall take orders exclusively from the designated Contractor representatives. Craft foreman shall be designated as working foreman at the request of the Contractors.

Section 3.14 Out of State Workers In determining compliance with the targeted hiring goals of Section 3.5 above, hours of Project Work performed by residents of states other than California will be excluded from the calculation.

ARTICLE 4 UNION ACCESS AND STEWARDS

Section 4.1 Access to Project Sites Authorized representatives of the Union shall have access to Project Work, provided that they do not interfere with the work of employees and further

provided that such representatives shall notify the person charged with on-site project supervision and fully comply with posted visitor, security and safety rules.

Section 4.2 Stewards

4.2.1 Each signatory Union shall have the right to dispatch a working journey person as a steward for each shift, and shall notify the Contractor in writing of the identity of the designated steward or stewards prior to the assumption of such person's duties as steward. Such designated steward or stewards shall not exercise any supervisory functions. There will be no non-working stewards. Stewards will receive the regular rate of pay for their respective crafts.

4.2.2 In addition to his/her work as an employee, the steward should have the right to receive, but not to solicit, complaints or grievances and to discuss and assist in the adjustment of the same with the employee's appropriate supervisor. Each steward should be concerned only with the employees of the steward's Contractor and, if applicable, subcontractor(s), and not with the employees of any other Contractor. A Contractor will not discriminate against the steward in the proper performance of his/her Union duties.

4.2.3 When a Contractor has multiple, non-contiguous work locations at one site, the Contractor may request and the Union shall appoint such additional working stewards as the Contractor requests to provide independent coverage of one or more such locations. In such cases, a steward may not service more than one work location without the approval of the Contractor.

4.2.4 The stewards shall not have the right to determine when overtime shall be worked or who shall work overtime.

Section 4.3 Steward Layoff/Discharge Contractor agrees to notify the appropriate Union twenty-four (24) hours before the layoff of a steward, except in the case of disciplinary discharge for just cause. If the steward is protected against such layoff by the provisions of the applicable Master Labor Agreement, such provisions shall be recognized when the steward possesses the necessary qualifications to perform the remaining work. In any case in which the steward is discharged or disciplined for just cause, the appropriate Union will be notified immediately by the Contractor, and such discharge or discipline shall not become final (subject to any later filed grievance) until twenty-four (24) hours after such notice has been given.

Section 4.4 Employees on Non-Project Work On work where the personnel of the City may be working in close proximity to the construction activities covered by this Agreement, the Union agrees that the Union representatives, stewards, and individual workers will not interfere with the City personnel, or with personnel employed by the any other employer not a Party to this Agreement.

**ARTICLE 5
WAGES AND BENEFITS**

Section 5.1 Wages All employees covered by this Agreement shall be classified in accordance with work performed and paid by the Contractors the hourly wage rates for those classifications in compliance with the applicable prevailing wage rate determination established pursuant to applicable law. If a prevailing rate increases under law, the Contractor shall pay that rate as of its effective date under the law. This Agreement does not relieve Contractors directly signatory to a Master Labor Agreement with one of the Unions signing this Agreement from paying all of the wages set forth in such Agreements.

Section 5.2 Benefits

5.2.1 Contractors shall pay contributions to the established employee benefit funds in the amounts designated in the appropriate Master Labor Agreement and make all employee-authorized deductions in the amounts designated in the appropriate Master Labor Agreement; however, such contributions shall not exceed the contribution amounts set forth in the applicable prevailing wage determination. This Agreement does not relieve Contractors directly signatory to one or more of the Master Labor Agreements from making all contributions set forth in those Master Labor Agreements without reference to the foregoing.

5.2.2 The Contractor adopts and agrees to be bound by the written terms of the applicable, legally established, trust agreement(s) specifying the detailed basis on which payments are to be made into, and benefits paid out of, such trust funds for its employees. The Contractor authorizes the Parties to such trust funds to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the Contractor.

5.2.3 Each Contractor and subcontractor is required to certify to the CWA Administrator that it has paid all benefit contributions due and owing to the appropriate Trust(s) prior to the receipt of its final payment and/or retention. Further, upon timely notification by a Union to the CWA Administrator, the CWA Administrator shall work with any prime Contractor or subcontractor who is delinquent in payments to assure that proper benefit contributions are made, to the extent of requesting the City or the prime Contractor to withhold payments otherwise due such Contractor, until such contributions have been made or otherwise guaranteed.

Section 5.3 Wage Premiums Wage premiums, including but not limited to pay based on height of work, hazard pay, scaffold pay and special skills shall not be applicable to work under this Agreement, except to the extent provided for in any applicable prevailing wage determination.

ARTICLE 6
HOURS OF WORK, OVERTIME, SHIFTS AND HOLIDAYS

Section 6.1 Hours of Work Eight (8) hours per day between the hours of 6:00 a.m. and 5:30 p.m., plus one-half (½) hour unpaid lunch approximately mid-way through the shift, shall constitute the standard work day. Forty (40) hours per week shall constitute a regular week's work. The work week will start on Sunday and conclude on Saturday. The foregoing provisions of this Article are applicable unless otherwise provided in the applicable prevailing wage determination, or unless changes are permitted by law and such are agreed upon by the Parties. Nothing herein

shall be construed as guaranteeing any employee eight (8) hours per day or forty (40) hours per week, or a Monday through Friday standard work schedule.

Section 6.2 Place of Work Employees shall be at their place of work (as designated by the Contractor), at the starting time and shall remain at their place of work, performing their assigned functions, until quitting time. The place of work is defined as the gang or tool box or equipment at the employee's assigned work location or the place where the foreman gives instructions. The Parties reaffirm their policy of a fair day's work for a fair day's wage. Except as provided in Section 6.6, there shall be no pay for time not worked unless the employee is otherwise engaged at the direction of the Contractor.

Section 6.3 Overtime Overtime shall be paid in accordance with the requirements of the applicable prevailing wage determination. There shall be no restriction on the Contractor's scheduling of overtime or the nondiscriminatory designation of employees who will work overtime. There shall be no pyramiding of overtime (payment of more than one form of overtime compensation for the same hour) under any circumstances.

Section 6.4 Shifts and Alternate Work Schedules

6.4.1 Alternate starting and quitting time and/or shift work may be performed at the option of the Contractor upon three (3) days' prior notice to the affected Union(s), unless a shorter notice period is provided for in the applicable Master Labor Agreement. If two shifts are worked, each shall consist of eight (8) hours of continuous work exclusive of a one-half (½) hour non-paid lunch period, for eight (8) hours pay. The last shift shall start on or before 6:00 p.m. The first shift starting at or after 6:00 a.m. is designated as the first shift, with the second shift following.

6.4.2 Contractors, the Trades Council and the Union recognize the economic impact upon the City and City residents of the Project being undertaken by the City and agree that all Parties to this Agreement desire and intend Project Work to be undertaken in a cost efficient and effective manner to the highest standard of quality and craftsmanship. Recognizing the economic conditions, the Parties agree that, except to the extent permitted by law, employees performing Project Work shall not be entitled to any differentials or additional pay based upon the shift or work schedule of the employees. Instead, all employees working on Project Work shall be paid at the same base rate regardless of shift or work schedule worked.

6.4.3 Because of operational necessities, the second shift may, at the City's direction, be scheduled without the preceding shift having been worked. It is recognized that the City's operations and/or mitigation obligations may require restructuring of normal work schedules. Except in an emergency or when specified in the City's bid specification, the Contractor shall give affected Union(s) at least three (3) days' notice of such schedule changes.

Section 6.5 Holidays Recognized holidays for Project Work shall be those set forth and governed by the prevailing wage determination(s) applicable to such Project Work.

Section 6.6 Show-up Pay

6.6.1 Except as otherwise required by State law, Employees reporting for work and for whom no work is provided, except when given prior notification not to report to work, shall receive two (2) hours pay at the regular straight time hourly rate. Employees who are directed to start work shall receive four (4) hours of pay at the regular straight time hourly rate. Employees who work beyond four (4) hours shall be paid for actual hours worked. Whenever reporting pay is provided for employees, they will be required to remain at the Project Site and available for work for such time as they receive pay, unless released earlier by the principal supervisor of the Contractor(s) or his/her designated representative. Each employee shall furnish his/her Contractor with his/her current address and telephone number, and shall promptly report any changes to the Contractor.

6.6.2 An employee called out to work outside of his/her shift shall receive a minimum of two (2) hours pay at the appropriate rate. This does not apply to time worked as an extension of (before or after) the employee's normal shift.

6.6.3 When an employee leaves the job or work location of his/her own volition, or is discharged for cause or is not working as a result of the Contractor's invocation of Section 12.3, the employee shall only be paid for actual time worked.

Section 6.7 Meal Periods The Contractor will schedule a meal period of no more than one-half hour duration at the work location at approximately mid-point of the schedule shift; provided, however, that the Contractor may, for efficiency of the operation, establish a schedule which coordinates the meal periods of two or more crafts. An employee may be required to work through his meal period because of an emergency or a threat to life or property, or for such other reasons as are in the applicable Master Labor Agreement, and if he is so required, he shall be compensated in the manner established in the applicable Master Labor Agreement.

Section 6.8 Make-up Days To the extent permitted by the applicable Master Labor Agreement (MLA) determination, when an employee has been prevented from working for reasons beyond the control of the employer, including, but not limited to inclement weather or other natural causes, during the regularly scheduled work week, a make-up day may be worked on a non-regularly scheduled work day for which an employee shall receive eight (8) hours pay at the straight time rate of pay or any premium rate required for such hours under the state prevailing wage law.

ARTICLE 7 WORK STOPPAGES AND LOCK-OUTS

Section 7.1 No Work Stoppages or Disruptive Activity The Trades Council and the Unions signatory hereto agree that neither they, and each of them, nor their respective officers or agents or representatives, shall incite or encourage, condone or participate in any strike, walk-out, slow-down, picketing, observing picket lines or other activity of any nature or kind whatsoever, for any cause or dispute whatsoever with respect to or in any way related to Project Work, or which interferes with or otherwise disrupts, Project Work, or with respect to or related to the City or Contractors, including, but not limited to, economic strikes, unfair labor practice strikes, safety strikes, sympathy strikes and jurisdictional strikes whether or not the underlying dispute is arbitrable. Any such actions by the Trades Council, or Unions, or their members, agents, representatives or the employees they represent shall constitute a violation of this Agreement. The

Trades Council and the Union shall take all steps necessary to obtain compliance with this Article and neither should be held liable for conduct for which it is not responsible.

Section 7.2 Employee Violations The Contractor may discharge any employee violating Section 7.1 above and any such employee will not be eligible for rehire under this Agreement.

Section 7.3 Standing to Enforce The City, the CWA Administrator, or any Contractor affected by an alleged violation of Section 7.1 shall have standing and the right to enforce the obligations established therein.

Section 7.4 Expiration of Master Labor Agreement If the Master Labor Agreement, or any local, regional, and other applicable collective bargaining agreements expire during the term of the Project, the Union(s) agree that there shall be no work disruption of any kind as described in Section 7.1 above as a result of the expiration of any such agreement(s) having application on this Project and/or failure of the involved Parties to that agreement to reach a new contract. Terms and conditions of employment established and set at the time of bid shall remain established and set. Otherwise to the extent that such agreement does expire and the Parties to that agreement have failed to reach concurrence on a new contract, work will continue on the Project on one of the following two (2) options, both of which will be offered by the Unions involved to the Contractors affected:

7.4.1 Each of the Unions with a contract expiring must offer to continue working on the Project under interim agreements that retain all the terms of the expiring contract, except that the Unions involved in such expiring contract may each propose wage rates and employer contribution rates to employee benefit funds under the prior contract different from what those wage rates and employer contributions rates were under the expiring contracts. The terms of the Union's interim agreement offered to Contractors will be no less favorable than the terms offered by the Union to any other employer or group of employers covering the same type of construction work in Riverside County.

7.4.2 Each of the Unions with a contract expiring must offer to continue working on the Project under all the terms of the expiring contract, including the wage rates and employer contribution rates to the employee benefit funds, if the Contractor affected by that expiring contract agrees to the following retroactive provisions: if a new Master Labor Agreement, local, regional or other applicable labor agreement for the industry having application at the Project is ratified and signed during the term of this Agreement and if such new labor agreement provides for retroactive wage increases, then each affected Contractor shall pay to its employees who performed work covered by this Agreement at the Project during the hiatus between the effective dates of such expired and new labor agreements, an amount equal to any such retroactive wage increase established by such new labor agreement, retroactive to whatever date is provided by the new labor agreement for such increase to go into effect, for each employee's hours worked on the Project during the retroactive period. All Parties agree that such affected Contractors shall be solely responsible for any retroactive payment to its employees.

7.4.3 Some Contractors may elect to continue to work on the Project under the terms of the interim agreement option offered under paragraph 7.4.1 and other Contractors may elect to

continue to work on the Project under the retroactivity option offered under paragraph 7.4.2. To decide between the two options, Contractors will be given one week after the particular labor agreement has expired or one week after the Union has personally delivered to the Contractors in writing its specific offer of terms of the interim agreement pursuant to paragraph 7.4.1, whichever is the later date. If the Contractor fails to timely select one of the two options, the Contractor shall be deemed to have selected the provisions of 7.4.2.

Section 7.5 No Lockouts Contractors shall not cause, incite, encourage, condone or participate in any lock-out of employees with respect to Project Work during the term of this Agreement. The term "lock-out" refers only to a Contractor's exclusion of employees in order to secure collective bargaining advantage, and does not refer to the discharge, termination or layoff of employees by the Contractor for any reason in the exercise of rights pursuant to any provision of this Agreement, or any other agreement, nor does "lock-out" include the City's decision to stop, suspend or discontinue any Project Work or any portion thereof for any reason.

Section 7.6 Best Efforts to End Violations

7.6.1 If a Contractor contends that there is any violation of this Article or Section 8.3, it shall notify, in writing, the Executive Secretary of the Trades Council, the Senior Executive of the involved Union(s) and the CWA Administrator. The Executive Secretary and the leadership of the involved Union(s) will immediately instruct, order and use their best efforts to cause the cessation of any violation of the relevant Article.

7.6.2 If the Union contends that any Contractor has violated this Article, it will notify that the Contractor and the CWA Administrator, setting forth the facts which the Union contends violate the Agreement, at least twenty-four (24) hours prior to invoking the procedures of Section 7.8. The CWA Administrator shall promptly order the involved Contractor(s) to cease any violation of the Article.

Section 7.7 Withholding of services for failure to pay wages and fringe benefits

7.7.1 Notwithstanding any provision of this Agreement to the contrary, it shall not be a violation of this Agreement for any Union to withhold the services of its members (but not the right to picket) from a particular Contractor who:

(a) Fails to timely pay its weekly payroll; or

(b) Fails to make timely payments to the Union's Joint Labor/Management Trust Funds in accordance with the provisions of the applicable Master Labor Agreements. Prior to withholding its members' services for the Contractor's failure to make timely payments to the Union's Joint Labor/Management Trust Funds, the Union shall give at least ten (10) days (unless a lesser period of time is provided in the Union's Master Labor Agreement, but in no event less than forty-eight (48) hours) written notice of such failure to pay by registered or certified mail, return receipt requested, and by facsimile transmission to the involved Contractor and to the City. Union will meet within the ten (10) day period to attempt to resolve the dispute.

7.7.2 Upon the payment of the delinquent Contractor of all monies due and then owing for wages and/or fringe benefit contributions, the Union shall direct its members to return to work and the Contractor shall return all such members back to work.

Section 7.8 **Expedited Enforcement Procedure** Any party, including the City, which the Parties agree is a Party to the Agreement for purposes of this Article and an intended beneficiary of this Article, or the CWA Administrator, may institute the following procedures, in lieu of or in addition to any other action at law or equity, when a breach of Section 7.1 or 7.5, above, or Section 8.3 is alleged.

7.8.1 The Party invoking this procedure shall notify Fred Horowitz, or Louis Zigman, [Subject to Confirmation] who have been selected by the negotiating Parties, and whom the Parties agree shall be the permanent arbitrators under this procedure. If the permanent arbitrators are unavailable at any time, any one of the permanent Arbitrators who is notified shall appoint his alternate to hear the matter. Expenses incurred in arbitration shall be borne equally by the Parties involved in the arbitration and the decision of the arbitrator shall be final and binding on the Parties, provided, however, that the arbitrator shall not have the authority to alter or amend or add to or delete from the provisions of this Agreement in any way. Notice to the arbitrator shall be by the most expeditious means available, with notices to the Parties alleged to be in violation, and to the Trades Council if it is a Union alleged to be in violation. For purposes of this Article, written notice may be given by telegram, facsimile, hand delivery or overnight mail and will be deemed effective upon receipt.

7.8.2 Upon receipt of said notice, the arbitrator named above or his/her alternate shall sit and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists, but not sooner than twenty-four (24) hours after notice has been dispatched to the Executive Secretary and the Senior Official(s) as required by Section 7.6, as above.

7.8.3 The arbitrator shall notify the Parties of the place and time chosen for this hearing. Said hearing shall be completed in one session, which, with appropriate recesses at the arbitrator's discretion, shall not exceed 24 hours unless otherwise agreed upon by all Parties. A failure of any Party or Parties to attend said hearings shall not delay the hearing of evidence or the issuance of any award by the arbitrator.

7.8.4 The sole issue at the hearing shall be whether or not a violation of Sections 7.1 or 7.5, above, or Section 8.3 has in fact occurred. The arbitrator shall have no authority to consider any matter in justification, explanation or mitigation of such violation. The award shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without an opinion. If any Party desires a written opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the Award. The arbitrator may order cessation of the violation of the Article and other appropriate relief, and such award shall be served on all Parties by hand or registered mail upon issuance.

7.8.5 Such award shall be final and binding on all Parties and may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to herein above in the following manner. Written notice of the filing of such enforcement

proceedings shall be given to the other Party. In any judicial proceeding to obtain a temporary order enforcing the arbitrator's award as issued under this Article, all Parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any Party's right to participate in a hearing for a final order of enforcement. The court's order or orders enforcing the arbitrator's award shall be served on all Parties by hand or by delivery to their address as shown on this Agreement (for a Union), as shown on their business contract for work under this Agreement (for a Contractor) and to the representing Union (for an employee), by certified mail by the Party or Parties first alleging the violation.

7.8.6 Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure or which interfere with compliance hereto are hereby waived by the Parties to whom they accrue.

7.8.7 The fees and expenses of the arbitrator shall be equally divided between the Party or Parties initiating this procedure and the respondent Party or Parties.

ARTICLE 8

WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES

Section 8.1 **Assignment of Work** The assignment of Project Work will be solely the responsibility of the Employer performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the "Plan") or any successor Plan.

Section 8.2 The Plan

8.2.1 All jurisdictional disputes on Project Work between or among the building and construction trades Unions and the Employers parties to this Agreement, shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Employers and Unions parties to this Agreement.

8.2.2 If a dispute arising under this Article involves the Southwest Regional Council of Carpenters or any of its subordinate bodies, an Arbitrator shall be chosen by the procedures specified in Article V, Section 5, of the Plan from a list composed of John Kagel, Thomas Angelo, Robert Hirsch, and Thomas Pagan, [Subject to Confirmation] and the Arbitrator's hearing on the dispute shall be held at the offices of the Trades Council within 14 days of the selection of the Arbitrator. All other procedures shall be as specified in the Plan.

Section 8.3 **No Work Disruption Over Jurisdiction** All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and the Employer's assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.

Section 8.4 Pre-Job Conferences As provided in Article 16, each Contractor will conduct a pre-job conference with the appropriate affected Union(s) prior to commencing work. The Trades Council and the CWA Administrator shall be advised in advance of all such conferences and may participate if they wish.

Section 8.5 Resolution of Jurisdictional Disputes If any actual or threatened strike, sympathy strike, work stoppage, slow down, picketing, hand-billing or otherwise advising the public that a labor dispute exists, or interference with the progress of Project Work by reason of a jurisdictional dispute or disputes occurs, the Parties shall exhaust the expedited procedures set forth in the Plan, if such procedures are in the plan then currently in effect, or otherwise as in Article 7 above.

ARTICLE 9 MANAGEMENT RIGHTS

Section 9.1 Contractor and City Rights The Contractors and the City have the sole and exclusive right and authority to oversee and manage construction operations on Project Work without any limitations unless expressly limited or required by a specific provision of this Agreement or an MLA. In addition to the following and other rights of the Contractors enumerated in this Agreement, the Contractors expressly reserve their management rights and all the rights conferred upon them by law. The Contractor's rights include, but are not limited to, the right to:

(a) Plan, direct and control operations of all work in the manner required by, and in compliance with, the contract document, including but not limited to, plans, specifications, and scope of work under contract;

(b) Hire, promote, transfer and layoff their own employees, respectively, as deemed appropriate to satisfy work and/or skill requirements;

(c) Promulgate and require all employees to observe reasonable job rules and security and safety regulations;

(d) Discharge, suspend or discipline their own employees for just cause;

(e) Utilize, in accordance with City approval, any work methods, procedures or techniques, and select, use and install any types or kinds of materials, apparatus or equipment, regardless of source of manufacture or construction; assign and schedule work at their discretion; and

(f) Assign overtime, determine when it will be worked and the number and identity of employees engaged in such work, subject to such provisions in the applicable Master Labor Agreement (s) requiring such assignments be equalized or otherwise made in a nondiscriminatory manner.

Section 9.2 Specific City Rights In addition to the following and other rights of the City enumerated in this Agreement, the City expressly reserves its management rights and all the rights conferred on it by law. The City's rights (and those of the Contract Administrator on its behalf) include but are not limited to the right to:

(a) Inspect any construction site or facility to ensure that the Contractor follows the applicable safety and other work requirements, and to insure compliance with contract documents, including but not limited to, plans, specifications, and scope of work under contract;

(b) Require Contractors to establish a different work week or shift schedule for particular employees as required to meet the operational needs of the Project Work at a particular location;

(c) At its sole option, terminate, delay and/or suspend any and all portions of the covered work at any time; prohibit some or all work on certain days or during certain hours of the day to accommodate the ongoing operations of the City's Facilities and/or to mitigate the effect of ongoing Project Work on businesses and residents in the neighborhood of the Project site; and/or require such other operational or schedule changes it deems necessary, in its sole judgment, to effectively maintain its primary mission and remain a good neighbor to those in the area of its facilities. (In order to permit the Contractors and Unions to make appropriate scheduling plans, the City will provide the CWA Administrator, and the affected Contractor(s) and Union(s) with reasonable notice of any changes it requires pursuant to this section; provided, however, that if notice is not provided in time to advise employees not to report for work, show-up pay shall be due pursuant to the provision of Article 6, Section 6.6);

(d) Approve any work methods, procedures and techniques used by Contractors whether or not these methods, procedures or techniques are part of industry practices or customs; and

(e) Investigate and process complaints, through the CWA Administrator, in the matter set forth in Articles 7 and 10.

Section 9.3 Use of Materials There should be no limitations or restriction by Union upon a Contractor's choice of materials or design, nor, regardless of source or location, upon the full use and utilization, of equipment, machinery, packaging, precast, prefabricated, prefinished, or preassembled materials, tools or other labor saving devices, subject to the application of the State Public Contracts and Labor Codes as required by law. The onsite installation or application of such items shall be performed by the craft having jurisdiction over such work.

Section 9.4 Special Equipment, Warranties and Guaranties

9.4.1 It is recognized that certain equipment of a highly technical and specialized nature may be installed at Project Work sites. The nature of the equipment, together with the requirements for manufacturer's warranties, may dictate that it be prefabricated pre-piped and/or pre-wired and that it be installed under the supervision and direction of the City's and/or manufacturer's personnel. The Unions agree to install such equipment without incident to insure compliance with the specifications for the equipment being installed and to insure compliance with contract documents, including but not limited to, plans, specifications, and scope of work under contract.

9.4.2 The Parties recognize that the Contractor will initiate from time to time the use of

new technology, equipment, machinery, tools, and other labor-savings devices and methods of performing Project Work. The Union agrees that they will not restrict the implementation of such devices or work methods. The Unions will accept and will not refuse to handle, install or work with any standardized and/or catalogue: parts, assemblies, accessories, prefabricated items, preassembled items, partially assembled items, or materials whatever their source of manufacture or construction.

9.4.3 If any disagreement between the Contractor and the Unions concerning the methods of implementation or installation of any equipment, or device or item, or method of work, arises, or whether a particular part or pre-assembled item is a standardized or catalog part or item, the work will precede as directed by the Contractor and the Parties shall immediately consult over the matter. If the disagreement is not resolved, the affected Union(s) shall have the right to proceed through the procedures set forth in Article 10.

Section 9.5 No Less Favorable Treatment The parties agree that Project Work will not receive less favorable treatment than that on any other project which the Unions, Contractors and employees work.

ARTICLE 10 SETTLEMENT OF GRIEVANCES AND DISPUTES

Section 10.1 Cooperation and Harmony on Site

10.1.1 This Agreement is intended to establish and foster continued close cooperation between management and labor. The Trades Council shall assign a representative to this Project for the purpose of assisting the local Unions, and working with the CWA Administrator, together with the Contractors, to complete the construction of the Project economically, efficiently, continuously and without any interruption, delays or work stoppages.

10.1.2 The CWA Administrator, the Contractors, Unions, and employees collectively and individually, realize the importance to all Parties of maintaining continuous and uninterrupted performance Project Work, and agree to resolve disputes in accordance with the grievance provisions set forth in this Article or, as appropriate, those of Article 7 or 8.

10.1.3 The CWA Administrator shall oversee the processing of grievances under this Article and Articles 7 and 8, including the scheduling and arrangements of facilities for meetings, selection of the arbitrator from the agreed-upon panel to hear the case, and any other administrative matters necessary to facilitate the timely resolution of any dispute; provided, however, it is the responsibility of the principal parties to any pending grievance to insure the time limits and deadlines are met.

Section 10.2 Processing Grievances Any questions arising out of and during the term of this Agreement involving its interpretation and application, which includes applicable provisions of the Master Labor Agreement, but not jurisdictional disputes or alleged violations of Section 7.1 and 7.4 and similar provisions, shall be considered a grievance and subject to resolution under the following procedures.

Step 1. Employee Grievances When any employee subject to the provisions of this Agreement feels aggrieved by an alleged violation of this Agreement, the employee shall, through his local Union business representative or, job steward, within ten (10) working days after the occurrence of the violation, give notice to the work site representative of the involved Contractor stating the provision(s) alleged to have been violated. A business representative of the local Union or the job steward and the work site representative of the involved Contractor shall meet and endeavor to resolve the matter within ten (10) working days after timely notice has been given. If they fail to resolve the matter within the prescribed period, the grieving party may, within ten (10) working days thereafter, pursue Step 2 of this grievance procedure provided the grievance is reduced to writing, setting forth the relevant information, including a short description thereof, the date on which the alleged violation occurred, and the provision(s) of the Agreement alleged to have been violated. Grievances and disputes settled at Step 1 shall be non-precedential except as to the parties directly involved.

Union or Contractor Grievances Should the Union(s) or any Contractor have a dispute with the other Party(ies) and, if after conferring within ten (10) working days after the disputing Party knew or should have known of the facts or occurrence giving rise to the dispute, a settlement is not reached within five (5) working days, the dispute shall be reduced to writing and processed to Step 2 in the same manner as outlined in Step 1 above for the adjustment of an employee complaint.

Step 2. The business manager of the involved Union or his designee, together with the site representative of the involved Contractor, and the labor relations representative of the CWA Administrator, shall meet within seven (7) working days of the referral of the dispute to this second step to arrive at a satisfactory settlement thereof. If the Parties fail to reach an agreement, the dispute may be appealed in writing in accordance with the provisions of Step 3 within seven (7) calendar days after the initial meeting at Step 2.

Step 3. (a) If the grievance shall have been submitted but not resolved under Step 2, either the Union or Contractor Party may request in writing to the CWA Administrator (with copy(ies) to the other Party(ies) within seven (7) calendar days after the initial Step 2 meeting, that the grievance be submitted to an arbitrator selected from the agreed upon list in "Attachment (D)" attached hereto, on a rotational basis in the order listed. The CWA Administrator shall notify the parties to the grievance of the date, time and location of the hearing. The failure of any party to attend said hearing shall not delay the hearing of evidence or the issuance of any decision by the arbitrator. The decision of the arbitrator shall be final and binding on all parties. Should any party seek confirmation of the award made by the arbitrator, the prevailing party shall be entitled to receive its reasonable attorney fees and costs.

(b) Failure of the grieving Party to adhere to the time limits established herein shall render the grievance null and void. The time limits established herein may be extended only by consent of the Parties involved at the particular step where the extension is agreed upon. The arbitrator shall have the authority to make decisions only on issues presented and shall not have the authority to change, amend, add to or detract from any of the provisions of this Agreement.

(c) The fees and expenses incurred by the arbitrator, as well as those jointly utilized by the Parties (i.e. conference room, court reporter, etc.) in arbitration, shall be divided equally by the Parties to the arbitration, including Union(s) and Contractor(s) involved.

Section 10.3 Limit on Use of Procedures The procedures contained in this Article shall not be applicable to any alleged violation of Articles 7 or 8, with a single exception that any employee discharged for violation of Section 7.2, or Section 8.3, may resort to the procedures of this Article to determine only if he/she was, in fact, engaged in that violation.

Section 10.4 Notice The CWA Administrator (and the City, in the case of any grievance regarding the Scope of this Agreement), shall be notified by the involved Contractor of all actions at Steps 2 and 3, and further, the CWA Administrator shall, upon its own request, be permitted to participate fully as a party in all proceedings at such steps.

ARTICLE 11 REGULATORY COMPLIANCE

Section 11.1 Compliance with All Laws The Trades Council and all Unions, Contractors, and their employees shall comply with all applicable federal and state laws, ordinances and regulations including, but not limited to, those relating to safety and health, employment and applications for employment. All employees shall comply with the safety regulations established by the City, the CWA Administrator or the Contractor. Employees must promptly report any injuries or accidents to a supervisor.

Section 11.2 Prevailing Wage Compliance All Contractors shall comply with the state laws and regulations. Compliance with this obligation may be enforced by the appropriate parties through Article 10 above, or by pursuing the remedies available under state law through the Labor Commissioner or the Department of Industrial Relations.

Section 11.3 Violations of Law Should there be a finding by the City or a Court or administrative tribunal of competent jurisdiction that a Contractor has violated federal and/or state law or regulation, the City, upon notice to the Contractor that it or its subcontractors is in such violation (including any finding of non-compliance with the California prevailing wage obligations as enforced pursuant to DIR regulations), and in the absence of the Contractor or subcontractor remedying such violation, may take such action as it is permitted by law or contract to encourage that Contractor to come into compliance, including, but not limited to, assessing fines and penalties and/or removing the offending Contractor from Project Work. Additionally, in accordance with the Agreement between the City and the Contractor, the City may cause the Contractor to remove from Project work any subcontractor who is in violation of state or federal law.

ARTICLE 12 SAFETY AND PROTECTION OF PERSON AND PROPERTY

Section 12.1 Safety

12.1.1 It shall be the responsibility of each Contractor to ensure safe working conditions and employee compliance with any safety rules contained herein or established by the City or the Contractor, whichever is most restrictive shall apply. It is understood that employees have an individual obligation to use diligent care to perform their work in a safe manner and to protect themselves and the property of the Contractor and the City.

12.1.2 Employees shall be bound by the safety, security and visitor rules established by the Contractor and/or the City. These rules will be published and posted. An employee's failure to satisfy his/her obligations under this section will subject him/her to discipline, up to and including discharge.

12.1.3 The Parties shall adopt the Substance Abuse Policy attached hereto as Attachment "E," which shall be the policy and procedure utilized under this Agreement.

Section 12.2 Suspension of Work for Safety A Contractor may suspend all or a portion of the job to protect the life and safety of employees. In such cases, employees will be compensated only for the actual time worked; provided, however, that where the Contractor requests employees to remain at the site and be available for work, the employees will be compensated for stand-by time at their basic hourly rate of pay.

Section 12.3 Water and Sanitary Facilities The Contractor shall provide adequate supplies of drinking water and sanitary facilities for all employees as required by state law or regulation.

**ARTICLE 13
TRAVEL AND SUBSISTENCE**

Travel expenses, travel time, subsistence allowances, zone rates and parking reimbursements shall be paid in accordance with the applicable Master Labor Agreement unless superseded by the applicable prevailing wage determination.

**ARTICLE 14
APPRENTICES**

Section 14.1 Importance of Training The Parties recognize the need to maintain continuing support of the programs designed to develop adequate numbers of competent workers in the construction industry, the obligation to capitalize on the availability of the local work force in the area served by the City, and the opportunities to provide continuing work under the construction program. To these ends, the Parties will facilitate, encourage, and assist local residents to commence and progress in Labor/Management Apprenticeship and/or training Programs in the construction industry leading to participation in such apprenticeship programs. The City and the Trades Council, will work cooperatively to identify, or establish and maintain, effective programs and procedures for persons interested in entering the construction industry and which will help

prepare them for the formal joint labor/management apprenticeship programs maintained by the signatory Unions.

Section 14.2 Use of Apprentices

14.2.1 Apprentices used on Projects under this Agreement shall be registered in Joint Labor Management Apprenticeship Programs approved by the State of California. Apprentices may comprise up to thirty percent (30%) of each craft's work force (calculated by hours worked) at any time, unless the standards of the applicable joint apprenticeship committee confirmed by the Division of Apprenticeship Standards ("DAS"), establish a lower or higher maximum percentage. Where the standards permit a higher percentage, such percentage shall apply on Project Work. Where the applicable standards establish a lower percentage, the applicable Union will use its best efforts with the Joint Labor Management apprenticeship committee and, if necessary, the DAS to permit up to thirty percent (30%) apprentices on the Project.

14.2.2 The Unions agree to cooperate with the Contractor in furnishing apprentices as requested up to the maximum percentage. The apprentice ratio for each craft shall be in compliance, at a minimum, with the applicable provisions of the Labor Code relating to utilization of apprentices. The City shall encourage such utilization, and, both as to apprentices and the overall supply of experienced workers, the CWA Administrator will work with the Trades Council to assure appropriate and maximum utilization of apprentices and the continuing availability of both apprentices and journey persons.

14.2.3 The Parties agree that apprentices will not be dispatched to Contractors working under this Agreement unless there is a journeyman working on the project where the apprentice is to be employed who is qualified to assist and oversee the apprentice's progress through the program in which he is participating.

14.2.4 All apprentices shall work under the direct supervision of a journeyman from the trade in which the apprentice is indentured. A journeyman shall be defined as set forth in the California Code of Regulations, Title 8 [apprenticeship] section 205, which defines a journeyman as a person who has either completed an accredited apprenticeship in his or her craft, or has completed the equivalent of an apprenticeship in length and content of work experience and all other requirements in the craft which has workers classified as journeyman in the apprenticeable occupation. Should a question arise as to a journeyman's qualification under this subsection, the Contractor shall provide adequate proof evidencing the worker's qualification as a journeyman to the Trades Council.

**ARTICLE 15
WORKING CONDITIONS**

Section 15.1 Meal and Rest Periods There will be no non-working times established during working hours except as may be required by applicable state law or regulations. Meal periods and Rest periods shall be as provided for in Wage Order 16. Individual coffee containers will be permitted at the employees' work location; however, there will be no organized coffee breaks.

Section 15.2 Work Rules The City, the CWA Administrator, and/or relevant Contractor shall establish such reasonable work rules as they deem appropriate and not inconsistent with this Agreement. These rules will be posted at the work sites by the Contractor and may be amended thereafter as necessary. Failure to observe these rules and regulations by employees may be grounds for discipline up to and including discharge.

Section 15.3 Emergency Use of Tools and Equipment There should be no restrictions on the emergency use of any tools by any qualified employee or supervisor, or on the use of any tools or equipment for the performance of work within the jurisdiction, provided the employee can safely use the tools and/or equipment involved and is compliance with applicable governmental rules and regulations.

Section 15.4 Access Restrictions for Cars Recognizing the nature of the work being conducted on the site, employee access by a private automobile may be limited to certain roads and/or parking areas.

ARTICLE 16 **PRE-JOB CONFERENCES**

Section 16.1 Each Primary Contractor which is awarded a Construction Contract by the City for Project Work shall conduct a Pre-Job conference with the appropriate affected Union(s) prior to commencing work. All Contractors who have been awarded contracts by the Primary Contractor shall attend the Pre-Job conference. The Trades Council and the CWA Administrator shall be advised in advance of all such conferences and may participate if they wish. All work assignments shall be disclosed by the Primary Contractor and all Contractors at the Pre-Job conference in accordance with industry practice. Should there be any formal jurisdictional dispute raised under Article 8, the CWA Administrator shall be promptly notified. Primary Contractor shall have available at the Pre-Job conference the plans and drawing for the work to be performed on the Project. Should additional Project Work not previously included within the scope of the Project Work be added, the Contractors performing such work will conduct a separate pre-job for such newly included work.

ARTICLE 17 **LABOR/MANAGEMENT COOPERATION**

Section 17.1 Joint Committee The Parties to this Agreement may establish a six (6) person Joint Administrative Committee (JAC). This JAC shall be comprised of three (3) representatives selected by the City and three (3) representatives selected by the Trades Council to monitor compliance with the terms and conditions of this Agreement and to recommend amendments to this Agreement, with the exception of the dollar threshold specified in Section 2.2(a) and the term of this Agreement under Section 22.1, when doing so would be to the mutual benefit of the Parties. Each representative shall designate an alternate who shall serve in his or her absence for any purpose contemplated by this Agreement. A quorum will consist of at least two (2) representatives selected by the City and at least two (2) representatives selected by the Trades Council. For voting purposes, only an equal number of City and Union representatives present may constitute a voting quorum.

Section 17.2 Functions of Joint Committee The Committee shall meet on a schedule to be determined by the Committee or at the call of the joint chairs, to discuss the administration of the Agreement, the progress of the Project, general labor management problems that may arise, and any other matters consistent with this Agreement. Substantive grievances or disputes arising under Articles 7, 8 or 10 shall not be reviewed or discussed by this Committee, but shall be processed pursuant to the provisions of the appropriate Article. The CWA Administrator shall be responsible for the scheduling of the meetings, the preparation of the agenda topics for the meetings, with input from the Unions the Contractors and the City. Notice of the date, time and place of meetings, shall be given to the Committee members at least three (3) days prior to the meeting. The CWA Administrator shall prepare quarterly reports on apprentice utilization and the training and employment of City residents, and a schedule of Project Work and estimated number of craft workers needed. The Committee or an appropriate subcommittee, may review such reports and make any recommendations for improvement, if necessary, including increasing the availability of skilled trades, and the employment of local residents or other individuals who should be assisted with appropriate training to qualify for apprenticeship programs.

ARTICLE 18
SAVINGS AND SEPARABILITY

Section 18.1 Savings Clause It is not the intention of the City, the CWA Administrator, Contractor or the Union parties to violate any laws governing the subject matter of this Agreement. The Parties hereto agree that in the event any provision of this Agreement is finally held or determined to be illegal or void as being in contravention of any applicable law or regulation, the remainder of the Agreement shall remain in full force and effect unless the part or parts so found to be void are wholly inseparable from the remaining portions of this Agreement. Further, the Parties agree that if and when any provision(s) of this Agreement is finally held or determined to be illegal or void by a court of competent jurisdiction, the Parties will promptly enter into negotiations concerning the substantive effect of such decision for the purposes of achieving conformity with the requirements of any applicable laws and the intent of the Parties hereto. If the legality of this Agreement is challenged and any form of injunctive relief is granted by any court, suspending temporarily or permanently the implementation of this Agreement, then the Parties agree that all Project Work that would otherwise be covered by this Agreement should be continued to be bid and constructed without application of this Agreement so that there is no delay or interference with the ongoing planning, bidding and construction of any Project Work.

Section 18.2 Effect of Injunctions or Other Court Orders The Parties recognize the right of the City to withdraw, at its absolute discretion, the utilization of the Agreement as part of any bid specification should a Court of competent jurisdiction issue any order, or any applicable statute which could result, temporarily or permanently in delay of the bidding, awarding and/or construction on the Project. Notwithstanding such an action by the City, or such court order or statutory provision, the Parties agree that the Agreement shall remain in full force and effect on covered Project Work to the maximum extent legally possible.

ARTICLE 19
WAIVER

A waiver of or a failure to assert any provisions of this Agreement by any or all of the Parties hereto shall not constitute a waiver of such provision for the future. Any such waiver shall not constitute a modification of the Agreement or change in the terms and conditions of the Agreement and shall not relieve, excuse or release any of the Parties from any of their rights, duties or obligations hereunder.

ARTICLE 20
AMENDMENTS

The provisions of this Agreement can be renegotiated, supplemented, rescinded or otherwise altered only by mutual agreement in writing, hereafter signed by the negotiating Parties hereto. In the event of any conflict or ambiguity between this Agreement and any Attachment or exhibit, the provisions of this Agreement shall govern.

ARTICLE 21
DURATION OF THE AGREEMENT

Section 21.1 Duration

21.1.1 This Agreement shall be effective from the date signed by all Parties and shall remain in effect for an initial period of five (5) years. Any covered Project Work awarded during the term of this Agreement shall continue to be covered hereunder, until completion of the Project Work, notwithstanding the expiration date of this Agreement.

21.1.2 This Agreement may be extended by written mutual consent of the City, as directed by the City Council and the signatory Unions for such further periods as the Parties shall agree to.

Section 22.2 Turnover and Final Acceptance of Completed Work

22.2.1 Construction of any phase, portion, section, or segment of Project Work shall be deemed complete when such phase, portion, section or segment has been turned over to the City by the Contractor and the City has accepted such phase, portion, section, or segment. As areas and systems of the Project are inspected and construction-tested and/or approved and accepted by the City or third parties with the approval of the City, the Agreement shall have no further force or effect on such items or areas, except when the Contractor is directed by the City to engage and repairs or modifications required by its contract(s) with the City.

22.2.2 Notice of each final acceptance received by the Contractor will be provided to the Trades Council with the description of what portion, segment, etc. has been accepted. Final acceptance may be subject to a "punch" list, and in such case, the Agreement will continue to apply to each such item on the list until it is completed to the satisfaction of the City and Notice of Completion is issued by the City or its representative to the Contractor. At the request of the Union, complete information describing any "punch" list work, as well as any additional work required

of a Contractor at the direction of the City pursuant to Section 22.2.1 above, involving otherwise turned-over and completed facilities which have been accepted by the City, will be available from the CWA Administrator.

[This section intentionally left blank]

[Signatures on Next Page]

IN WITNESS whereof the Parties have caused this Community Workforce Agreement to be executed as of the date and year above stated.

CITY OF PERRIS

SAN BERNARDINO/RIVERSIDE COUNTIES
BUILDING & CONSTRUCTION
TRADES COUNCIL

By: _____
Richard Belmudez, City Manager William J. Perez

By: _____
Executive Secretary/Business Manager

ATTEST:

By: _____
Nancy Salazar, City Clerk

APPROVED AS TO FORM:

Eric L. Dunn, City Attorney

**SAN BERNARDINO/RIVERSIDE COUNTIES BUILDING AND CONSTRUCTION
TRADES COUNCIL CRAFT UNIONS AND DISTRICT COUNCILS**

Signatory Unions:

Page 1 of 2

Boilermakers Local 92: _____

Bricklayers Local 4: _____

Cement Masons Local 500: _____

Drywall Finishers Local 1136/D.C. 36: _____

Electrical Workers Local 440: _____

Glaziers Local 636: _____

Heat & Frost Insulators: _____

Iron Workers Local 416: _____

Iron Workers Local 433: _____

Laborers Local 300: _____

Laborers Local 1184: _____

Operating Engineers Local 12: _____

Plasterers Local 200: _____

Plater Tenders 1414: _____

U.A. Local 345: _____

U.A. Local 364: _____

Resilient Floor Local 1247/D.C. 36: _____

Roofers Local 220: _____

Sheet Metal Local 105: _____

Road Sprinkler Fitters Local 669: _____

**SAN BERNARDINO/RIVERSIDE COUNTIES BUILDING AND CONSTRUCTION
TRADES COUNCIL CRAFT UNIONS AND DISTRICT COUNCILS**

Signatory Unions –
Page 2 of 2

Teamsters Local 166: _____

Southwest Regional Council of Carpenters

ATTACHMENT A -- LETTER OF ASSENT

**To be signed by all contractors awarded work covered by the City of Perris
Community Workforce Agreement prior to commencing work.**

**[Contractor's Letterhead]
CWA Administrator
City of PerrisPerris
101 North D Street
Perris, CA 92570
Attn: _____**

Re: Community Workforce Agreement - Letter of Assent

Dear Sir:

**This is to confirm that [name of company] agrees to be party to and bound by the City of Perris
Community Workforce Agreement effective _____, 2018, as such Agreement may, from time
to time, be amended by the negotiating parties or interpreted pursuant to its terms. Such
obligation to be a party and bound by this Agreement shall extend to all work covered by the
agreement undertaken by this Company on the project and this Company shall require all of its
contractors and subcontractors of whatever tier to be similarly bound for all work within the
scope of the Agreement by signing and furnishing to you an identical letter of assent prior to
their commencement of work.**

Sincerely.

[Name of Construction Company]

By: [_____] Name and Title of Authorized Executive

Contractor State License No.: _____

Business Address: _____

Business Phone: _____

**[Copies of this letter must be submitted to the CWA Administrator and to the Trades Council
Consistent with Section 2.6 (b).]**

ATTACHMENT B

**FIRST TIER ZIP
CODES (CITY
BOUNDARY)**

***Some Zip Codes shared
with neighboring cities**

ADD ZIP CODES

ATTACHMENT C
CITY OF PERRIS
CRAFT REQUEST FORM

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

The City of Perris Community Workforce Agreement establishes a goal that 30% of the total work hours shall be from Veterans, regardless of where they reside, and workers residing: first, in those first tier zip codes which overlap all of the City of Perris, as attached hereto, second, residing within Riverside County. For Dispatch purposes, employees residing within either of these two (2) areas, as well as Veterans, regardless of where they reside, shall be referred to as Local Residents.

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

CONTRACTOR USE ONLY

To: Union Local # _____ Fax# (____) _____ Date: _____
 Cc: CWA Administrator
 From: Company: _____ Issued By: _____
 Contact Phone: (____) _____ Contact Fax: (____) _____

PLEASE PROVIDE ME WITH THE FOLLOWING UNION CRAFT WORKERS.

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

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

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

UNION USE ONLY

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

WORKER REFERRED

Name:
Date worker was dispatched:
Is the worker referred a: (check all that apply)

JOURNEYMAN	Yes _____	No _____
APPRENTICE	Yes _____	No _____
LOCAL RESIDENT	Yes _____	No _____
VETERAN	Yes _____	No _____
GENERAL DISPATCH FROM OUT OF WORK LIST	Yes _____	No _____

ATTACHMENT D

**List of Neutral Arbitrators
[Subject to Confirmation]**

**Mark Burstein
Walter Daugherty
Fred Horowitz
Michael Prihar
Louis Zigman**

ATTACHMENT "E"

SUBSTANCE ABUSE POLICY

The Parties recognize the problems which drug and alcohol abuse have created in the construction industry and the need to develop drug and alcohol abuse prevention programs. Accordingly, the Parties agree that in order to enhance the safety of the work place and to maintain a drug and alcohol free work environment, individual Employers may require applicants or employees to undergo drug and alcohol testing.

1. It is understood that the use, possession, transfer or sale of illegal drugs, narcotics, or other unlawful substances, as well as being under the influence of alcohol and the possession or consuming alcohol is absolutely prohibited while employees are on the Employer's job premises or while working on any jobsite in connection with work performed under the Community Workforce Agreement ("CWA").

2. No Employer may implement a drug testing program which does not conform in all respects to the provisions of this Policy.

3. No Employer may implement drug testing at any jobsite unless written notice is given to the Union setting forth the location of the jobsite, a description of the project under construction, and the name and telephone number of the Project Work Supervisor. Said notice shall be addressed to the office of each Union signing the PLA. Said notice shall be delivered in person or by registered mail before the implementation of drug testing. Failure to give such notice shall make any drug testing engaged in by the Employer a violation of the PLA, and the Employer may not implement any form of drug testing at such jobsite for the following six months.

4. An employer who elects to implement drug testing pursuant to this Agreement shall require all employees on the Project Work to be tested. With respect to individuals who become employed on the Project Work subsequent to the proper implementation of this drug testing program, such test shall be administered upon the commencement of employment on the project, whether by referral from a Union Dispatch Office, transfer from another project, or another method. Individuals who were employed on the project prior to the proper implementation of this drug testing program may only be subjected to testing for the reasons set forth in Paragraph 5(f) (1) through 5(f) (3) of this Policy. Refusal to undergo such testing shall be considered sufficient grounds to deny employment on the project.

5. The following procedure shall apply to all drug testing:

a. The Employer may request urine samples only. The applicant or employee shall not be observed when the urine specimen is given. An applicant or employee, at his or her sole option, shall, upon request, receive a blood test in lieu of a urine test. No employee of the Employer shall draw blood from a bargaining unit employee, touch or handle urine specimens, or in any way become involved in the chain of custody of urine or blood specimens. A Union Business Representative, subject to the approval of the individual applicant or employee, shall be

permitted to accompany the applicant or employee to the collection facility to observe the collection, bottling, and sealing of the specimen.

b. The testing shall be done by a laboratory approved by the Substance Abuse & Mental Health Services Administration (SAMHSA), which is chosen by the Employer and the Union.

c. An initial test shall be performed using the Enzyme Multiplied Immunoassay Technique (EMZT). In the event a question or positive result arises from the initial test, a confirmation test must be utilized before action can be taken against the applicant or employee. The confirmation test will be by Gas Chromatography Mass Spectrometry (GC/MS). Cutoff levels for both the initial test and confirmation test will be those established by the SAMHSA. Should these SAMHSA levels be changed during the course of this agreement or new testing procedures are approved, then these new regulations will be deemed as part of this existing agreement. Confirmed positive samples will be retained by the testing laboratory in secured long-term frozen storage for a minimum of one year. Handling and transportation of each sample must be documented through strict chain of custody procedures.

d. In the event of a confirmed positive test result the applicant or employee may request, within forty-eight (48) hours, a sample of his/her specimen from the testing laboratory for purposes of a second test to be performed at a second laboratory, designated by the Union and approved by SAMHSA. The retest must be performed within ten (10) days of the request. Chain of custody for this sample shall be maintained by the Employer between the original testing laboratory and the Union's designated laboratory. Retesting shall be performed at the applicant's or employee's expense. In the event of conflicting test results the Employer may require a third test.

e. If, as a result of the above testing procedure, it is determined that an applicant or employee has tested positive, this shall be considered sufficient grounds to deny the applicant or employee his/her employment on the Project Work.

f. No individual who tests negative for drugs or alcohol pursuant to the above procedure and becomes employed on the Project Work shall again be subjected to drug testing with the following exceptions:

1. Employees who are involved in industrial accidents resulting in damage to plant, property or equipment or injury to him/herself or others may be tested pursuant to the procedures stated hereinabove.

2. The Employer may test employees following thirty (30) days advance written notice to the employee(s) to be tested and to the applicable Union. Notice to the applicable Union shall be as set forth in Paragraph 3 above and such testing shall be pursuant to the procedures stated hereinabove.

3. The Employer may test an employee where the Employer has reasonable cause to believe that the employee is impaired from performing his/her job.

Reasonable cause shall be defined as exhibiting aberrant or unusual behavior, the type of which is a recognized and accepted symptom of impairment (i.e., slurred speech, unusual lack of muscular coordination, etc.). Such behavior must be actually observed by at least two persons, one of whom shall be a Supervisor who has been trained to recognize the symptoms of drug abuse or impairment and the other of whom shall be the job steward. If the job steward is unavailable or there is no job steward on the project the other person shall be a member of the applicable Union's bargaining unit. Testing shall be pursuant to the procedures stated hereinabove. Employees who are tested pursuant to the exceptions set forth in this paragraph and who test positive will be removed from the Employer's payroll.

g. Applicants or employees who do not test positive shall be paid for all time lost while undergoing drug testing. Payment shall be at the applicable wage and benefit rates set forth in the applicable Union's Master Labor Agreement. Applicants who have been dispatched from the Union and who are not put to work pending the results of a test will be paid waiting time until such time as they are put to work. It is understood that an applicant must pass the test as a condition of employment. Applicants who are put to work pending the results of a test will be considered probationary employees.

6. The employers will be allowed to conduct periodic job site drug testing on the Project under the following conditions:

a. The entire jobsite must be tested, including any employee or subcontractor's employee who worked on that project three (3) working days before or after the date of the test;

b. Jobsite testing cannot commence sooner than thirty (30) days after start of the work on the Project;

c. Prior to start of periodic testing, a business representative will be allowed to conduct an educational period on company time to explain periodic jobsite testing program to affected employees;

d. Testing shall be conducted by a SAMHSA certified laboratory, pursuant to the provisions set forth in Paragraph 5 hereinabove.

e. Only two periodic tests may be performed in a twelve month period.

7. It is understood that the unsafe use of prescribed medication, or where the use of prescribed medication impairs the employee's ability to perform work, is a basis for the Employer to remove the employee from the jobsite.

8. Any grievance or dispute which may arise out of the application of this Agreement shall be subject to the grievance and arbitration procedures set forth in the PLA.

9. The establishment or operation of this Policy shall not curtail any right of any employee found in any law, rule or regulation. Should any part of this Agreement be found

unlawful by a court of competent jurisdiction or a public agency having jurisdiction over the parties, the remaining portions of the Agreement shall be unaffected and the parties shall enter negotiations to replace the affected provision.

10. Present employees, if tested positive, shall have the prerogative for rehabilitation program at the employee's expense. When such program has been successfully completed the Employer shall not discriminate in any way against the employee. If work for which the employee is qualified exists he/she shall be reinstated.

11. The Employer agrees that results of urine and blood tests performed hereunder will be considered medical records held confidential to the extent permitted or required by law. Such records shall not be released to any persons or entities other than designated Employer representatives and the applicable Union. Such release to the applicable Union shall only be allowed upon the signing of a written release and the information contained therein shall not be used to discourage the employment of the individual applicant or employee on any subsequent occasion.

12. The Employer shall indemnify and hold the Union harmless against any and all claims, demands, suits, or liabilities that may arise out of the application of this Agreement and/or any program permitted hereunder.

13. Employees who seek voluntary assistance for substance abuse may not be disciplined for seeking such assistance. Requests from employees for such assistance shall remain confidential and shall not be revealed to other employees or management personnel without the employee's consent. Employees enrolled in substance abuse programs shall be subject to all Employer rules, regulations and job performance standards with the understanding that an employee enrolled in such a program is receiving treatment for an illness.

14. This Memorandum, of Understanding shall constitute the only Agreement in effect between the parties concerning drug and alcohol abuse, prevention and testing. Any modifications thereto must be accomplished pursuant to collective bargaining negotiations between the parties.

DRUG ABUSE PREVENTION AND DETECTION

APPENDIX A

CUTOFF LEVELS

DRUG	SCREENING METHOD	SCREENING LEVEL **	CONFIRMATION METHOD	CONFIRMATION LEVEL
Alcohol	EMIT	0.02%	CG/MS	0.02%
Amphetamines	EMIT	1000 ng/m*	CG/MS	500 ng/ml*
Barbiturates	EMIT	300 ng/ml	CG/MS	200 ng/ml
Benzodiazepines	EMIT	300 ng/ml	CG/MS	300 ng/ml
Cocaine	EMIT	300 ng/ml*	CG/MS	150 ng/ml*
Methadone	EMIT	300 ng/ml	CG/MS	100 ng/ml
Methaqualone	EMIT	300 ng/ml	CG/MS	300 ng/ml
Opiates	EMIT	2000 ng/ml*	CG/MS	2000 ng/ml*
PCP (Phencyclidine)	EMIT	25 ng/ml*	CG/MS	25 ng/ml*
THC (Marijuana)	EMIT	50 ng/ml*	CG/MS	15 ng/ml*
Propoxyphene	EMIT	300 ng/ml	CG/MS	100 ng/ml

* SAMHSA specified threshold

** A sample reported positive contains the Indicated drug at or above the cutoff level for that drug. A negative sample either contains no drug or contains a drug below the cutoff level.

EMIT - Enzyme Immunoassay

CC/MS - Gas Chromatography/Mass Spectrometry

**SIDE LETTER OF AGREEMENT
TESTING POLICY FOR DRUG ABUSE**

It is hereby agreed between the parties hereto that an Employer who has otherwise properly implemented drug testing, as set forth in the Testing Policy for Drug Abuse, shall have the right to offer an applicant or employee a "quick" drug screening test. This "quick" screen test shall consist either of the "ICUP" urine screen or similar test or an oral screen test. The applicant or employee shall have the absolute right to select either of the two "quick" screen tests, or to reject both and request a full drug test.

An applicant or employee who selects one of the quick screen tests, and who passes the test, shall be put to work immediately. An applicant or employee who fails the "quick" screen test, or who rejects the quick screen tests, shall be tested pursuant to the procedures set forth in the Testing Policy for Drug Abuse. The sample used for the "quick" screen test shall be discarded immediately upon conclusion of the test. An applicant or employee shall not be deprived of any rights granted to them by the Testing Policy for Drug Abuse as a result of any occurrence related to the "quick" screen test.

EXHIBIT "C"

SCHEDULE OF COMPENSATION

[Insert or Attach]

FEE AND SCHEDULE OF HOURLY RATES

We propose to provide geotechnical, compaction testing, and material testing services on a time and materials basis and all charges will be billed only for the actual work conducted. There will be no obligation, and no penalty, for unused funds against the purchase order. Therefore, the costs of our services are highly dependent on actual field conditions which include the performance of the various contractors and the extent of our services required as determined by your project management team. Time charge tickets and daily reports will be prepared by our technicians for each site visit and will be given to the site superintendent for review and signature. The site superintendent will be supplied a copy of the time charge ticket and daily field report at that time.

The following table illustrates the cost of providing the geotechnical, compaction testing, and materials testing services anticipated for this project:

Placentia Avenue Widening Project
Construction Phase Geotechnical Services Cost Estimate

Description	Estimated Quantity	Per Unit	Extended Cost
Engineering: Construction Meetings, Materials Submittal Review, Etc.	12	\$145/hour	\$1,740.00
Technician: Compaction Testing & Sampling	340	\$127/hour	\$43,180.00
Storm Drain Backfill	100		
PCC Flatwork Improvements	80		
Roadway Subgrade and Base Grade	60		
HMA Paving	60		
PCC Sampling and Testing	20		
PCC Sample Pick-Up	10		
Miscellaneous	10		
10% Field Supervision and Equipment			\$4,318.00
Laboratory Compaction, Soil and Aggregate Base	8	\$190/unit	\$1,520.00
Laboratory Aggregate Base Quality Compliance	1	\$460/unit	\$460.00
Laboratory HMA Stability & Density	10	\$200/unit	\$2,000.00

Description	Estimated Quantity	Per Unit	Extended Cost
Laboratory HMA Gradation & Extraction	10	\$240/unit	\$2,400.00
Laboratory Compressive Strength, Concrete	20	\$25/unit	\$500.00
Compaction & Quality Compliance Report	1	\$1,500/unit	\$1,500.00
ESTIMATE:			\$57,618.00

COMMUNITY WORKFORCE AGREEMENT

It is unclear at this time if the construction phase of this project will be executed under a Community Workforce Agreement. If the City of Perris has made a CWA agreement with organized labor, LOR will sign a letter of assent and abide by the agreement. The increased costs of providing our services under a CWA agreement are reflected in our hourly rate. If a CWA agreement is not applicable to this project, our hourly rate will be lower than that shown in the preceding table.

OUR APPROACH

LOR has provided professional geotechnical consulting and construction materials testing services on over three thousand projects, to the private and public sectors in southern California for over 30-years. When our office is contacted to serve under the terms of a service agreement, our dispatch personnel will assign a qualified representative to perform the requested services. If additional technical support is required, our geologists and technicians have a direct line of communication to our principal engineer to discuss the details related to our projects. Additionally, our project managers maintain direct lines of communication with our field staff and our clients to help ensure projects run smoothly. All of our field personnel are certified by the Caltrans district engineer to provide the sampling and testing required to complete this project. All of our field staff have a company owned vehicle with a company logo displayed. In addition to providing a vehicle, we also provide our personnel with all of the equipment necessary to perform the requested services. LOR ensures that our field personnel have the most up-to-date tools, maintained in good working order, and calibrated as required.

In support of field personnel, our office has a full service, Caltrans certified, geotechnical laboratory that is fully staffed and capable of providing timely results.

EXHIBIT "D"
SCHEDULE OF PERFORMANCE

None



CITY OF PERRIS

CITY COUNCIL

AGENDA SUBMITTAL

10.B.

MEETING DATE: September 28, 2021

SUBJECT: 2021 Citywide Street Improvements Project (CIP # S-102 & S-075)

REQUESTED ACTION: Approve the Contract Services Agreement with LOR Geotechnical Group, Inc. for Geotechnical Compaction and Material Testing; and authorize the City Manager to execute the agreement

CONTACT: Stuart E. McKibbin, Contract City Engineer

BACKGROUND/DISCUSSION:

The 2021 Citywide Street Improvements Project involves roadway rehabilitation, sidewalk repair and other miscellaneous work throughout the city and for multiple Flood Benefit Zones. Project construction items include pavement rehabilitation, utilizing methods, full depth reclamation, grind and overlay, and slurry seal. Other project items include curb and gutter, sidewalk, cross gutters and driveway approaches. In order to complete this project in place, construction testing services are required.

On August 26, 2021, three requests for proposal (RFPs) were sent out to LOR Geotechnical Group, Inc., Inland Foundation Engineering, Inc., and Construction Testing & Engineering, South, Inc. The proposals submitted via direct correspondence were scored and LOR Geotechnical Group, Inc. was selected at a cost of \$48,449.00. LOR Geotechnical Group, Inc. has worked on and completed many projects for the City in the past, and their work is considered to be good by the City Engineer's office. The project was awarded on September 14, 2021 and construction is expected to start October 11, 2021.

Finally, as the construction contract for the 2021 Citywide Street Improvements Project is over \$1 Million, LOR Geotechnical must provide a Letter of Assent to the Community Workforce Agreement.

This project is funded with RMRA SB-1 and Flood Control Street Funds as shown in the attached CIP Sheet S-102 & Sheet S-075 respectively. Staff recommends Council to approve the Contract Services Agreement with LOR Geotechnical Group, Inc.; and authorize the City Manager to execute the agreement

BUDGET (or FISCAL) IMPACT: Adopted Capital Improvements Program Sheet S-102 & S-075 identifies adequate funds to cover the agreement.

Prepared by: Jesse Gauf, Assistant Engineer

REVIEWED BY:

City Attorney _____
Assistant City Manager _____
Deputy City Manager _____

Attachments: Vicinity Map
CIP Sheet S-102 & S-075
Contract Services Agreement

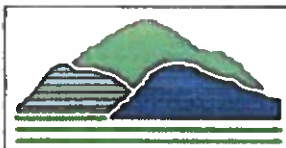
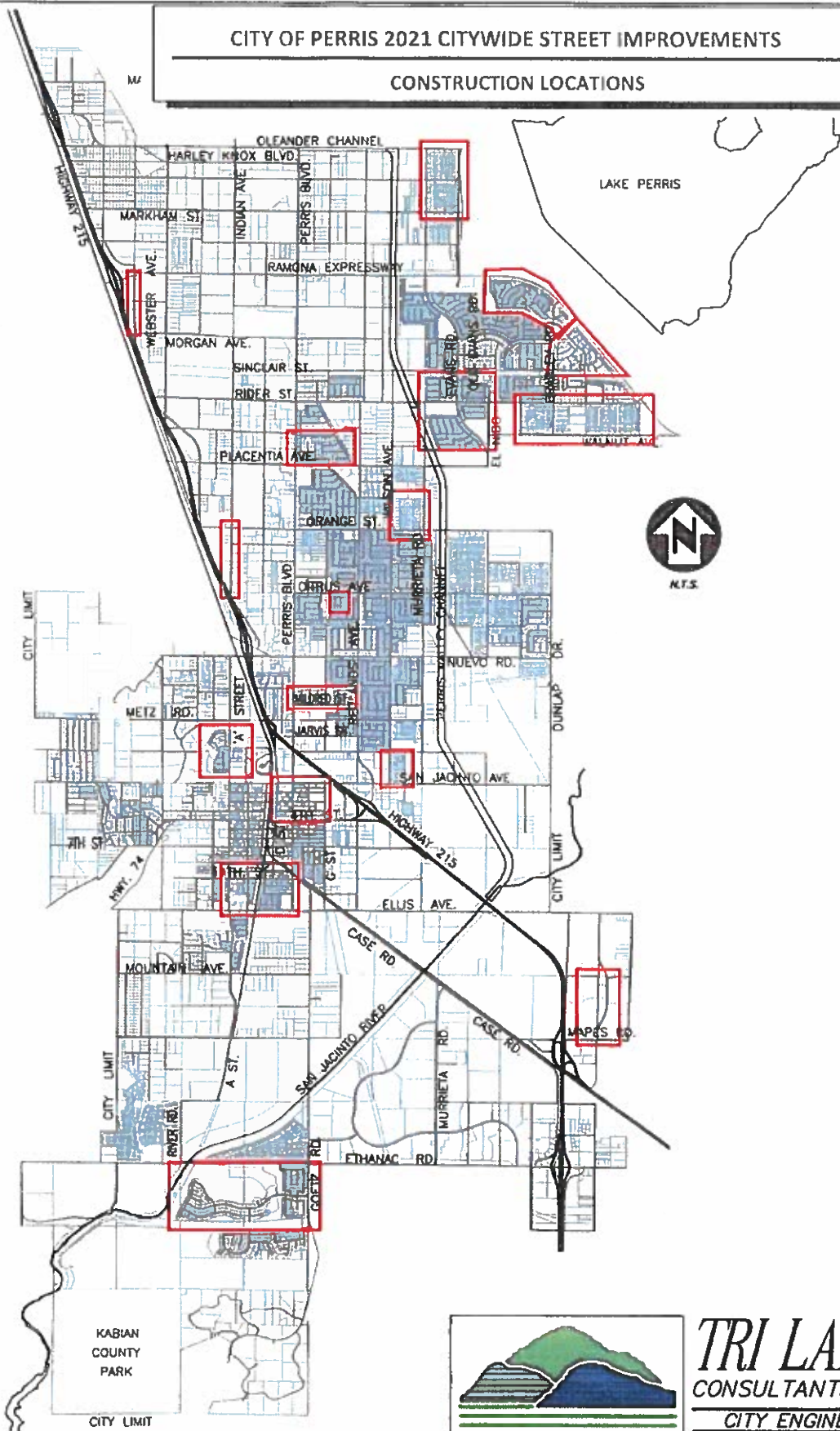
Consent: Yes
Public Hearing:
Business Item:
Presentation:
Other:

ATTACHMENT 1

Vicinity Map

CITY OF PERRIS 2021 CITYWIDE STREET IMPROVEMENTS

CONSTRUCTION LOCATIONS



TRI LAKE
CONSULTANTS, INC.
CITY ENGINEER

ATTACHMENT 2

CIP Sheets S-102 & S-075

CITY OF PERRIS Capital Improvement Program Project Details

Project Number: S102
 Project Title: Citywide Pavement Rehab
 Managing Department: City Engineer



Project Description and/or Justification:
 Pavement Rehabilitation for various City streets (utilizing SB1 funding).



Original Budget: 5,644,788
 Budget Amendments: (1,824,788)
 Total Project Costs: 2,187,914
 Available Funds: 1,632,086

Project Dates:
 Begin:
 Completion:

Total Additions (Deletions): 1,504,000

Funding Sources:	Fund	Project to Date Available	Proposed Plan 2021/2022	Proposed Plan 2022/2023	Proposed Plan 2023/2024	Proposed Plan 2024/2025	Total
State Grant	119	-					\$ -
RMRA SB1	140	1,632,086	1,504,000				\$ 3,136,086
							\$ -
							\$ -
Total:		1,632,086	1,504,000				\$ 3,136,086

Budget Amendment Notes				
Date	Description / Action	Adopted Budget	Amendment	Amended Budget
2016/17	Budget Amendment	397,000		397,000
2017/18	Budget Amendment		(397,000)	-
2017/18	Adopted Budget RMRA SB1	5,247,788.00		5,247,788
2018/19	Budget Amendment RMRA SB1		(2,727,788)	2,520,000
2019/20	Adopted Budget RMRA SB1		1,300,000	3,820,000
2021/22	RMRA SB1		1,504,000	5,324,000
				5,324,000
				5,324,000
	City is expecting to be awarded an estimate of \$2.1M from SB1 Grant Contract. Current budget of \$397K is to be removed as the State Grant will not be used to fund this project. Once SB1 Grant has been awarded, a budget amendment will be entered.			5,324,000
				5,324,000
				5,324,000
				5,324,000
				5,324,000
Total:		\$ 5,644,788	\$ (320,788)	\$ 5,324,000
S-102				

As of 3/31/2021

ATTACHMENT 3

Contract Services Agreement

CITY OF PERRIS

CONTRACT SERVICES AGREEMENT FOR

**2021 CITYWIDE STREET IMPROVEMENTS – GEOTECHNICAL
COMPACTION AND MATERIAL TESTING DURING CONSTRUCTION**

This Contract Services Agreement ("Agreement"), is made and entered into this 13TH day of September, 2021, by and between the City of Perris, a municipal corporation ("City"), and LOR Geotechnical Group, Inc., a California Corporation ("Consultant"). The term Consultant includes professionals performing in a consulting capacity. The parties hereto agree as follows:

1.0 SERVICES OF CONSULTANT

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Consultant shall provide the work and services specified in the "Scope of Services" attached hereto as *Exhibit "A"* and incorporated herein by this reference. Consultant warrants that all work or services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

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

1.3 Compliance with Law. All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency having jurisdiction.

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

1.5 Familiarity with Work. By executing this Agreement, Consultant warrants that Consultant (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the work and services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement.

1.6 Additional Services. City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No

such extra work may be undertaken unless a written order is first given by the Contract Officer to the Consultant, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to five percent (5%) of the Contract Sum or \$25,000, whichever is less, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor.

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

1.8 Environmental Laws. Consultant shall comply with all applicable environmental laws, ordinances, codes and regulations of Federal, State, and local governments. Consultant shall also comply with all applicable mandatory standards and policies relating to energy efficiency.

2.0 COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with the "Schedule of Compensation" attached hereto as *Exhibit "C"* and incorporated herein by this reference, but not exceeding the maximum contract amount of forty-eight thousand four hundred forty nine dollars (\$48,449.00) ("Contract Sum"), except as provided in Section 1.6. The method of compensation may include: (i) a lump sum payment upon completion, (ii) payment in accordance with the percentage of completion of the services, (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, but not exceeding the Contract Sum or (iv) such other methods as may be specified in the Schedule of Compensation. Compensation may include reimbursement for actual and necessary expenditures approved by the Contract Officer in advance if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City.

Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

2.2 Method of Payment. Unless some other method of payment is specified in the Schedule of Compensation, in any month in which Consultant wishes to receive payment, no later than the first (1st) working day of such month, Consultant shall submit to the City, in a form approved by the City's Director of Finance, an invoice for services rendered prior to the date of the invoice. Except as provided in Section 7.2, City shall pay Consultant for all expenses stated thereon which are approved by City pursuant to this Agreement generally within thirty (30) days, and no later than forty-five (45) days, from the submission of an invoice in an approved form.

2.3 Availability of Funds. It is mutually understood between the parties that this Agreement is valid and enforceable only if sufficient funds are made available by the City Council of the City for the purposes of this Agreement. The availability of funding is affected by matters outside the City's control, including other governmental entities. Accordingly, the City has the option to void the whole Agreement or to amend the Agreement to reflect unanticipated reduction in funding for any reason.

3.0 PERFORMANCE SCHEDULE

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

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

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

3.4 Term. Unless earlier terminated in accordance with Section 7.4 below, this Agreement shall continue in full force and effect until completion of the services no later than June 20, 2022.

4.0 COORDINATION OF WORK

4.1 Representative of Consultant. John P. Leuer is hereby designated as being the representative of Consultant authorized to act on its behalf with respect to the work or services specified herein and to make all decisions in connection therewith.

It is expressly understood that the experience, knowledge, capability and reputation of the representative was a substantial inducement for City to enter into this Agreement. Therefore, the representative shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the representative may not be replaced nor may his responsibilities be substantially reduced by Consultant without the express written approval of City.

4.2 Contract Officer. The City's City Manager is hereby designated as the representative of the City authorized to act in its behalf with respect to the work and services and to make all decisions in connection therewith ("Contract Officer"). It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. The City may designate another Contract Officer by providing written notice to Consultant.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred or assigned without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant taking all transfers into account on a cumulative basis. A prohibited transfer or assignment shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

4.4 Independent Contractor. Neither the City nor any of its employees shall have any control over the manner or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. Consultant shall perform all services required herein as an independent contractor of City and shall remain under only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant.

5.0 INSURANCE AND INDEMNIFICATION

5.1 Insurance. Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) Commercial General Liability Insurance. A policy of commercial general liability insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01, with an edition date prior to 2004, or the exact equivalent. Coverage for an additional insured shall not be limited to its vicarious liability. Defense costs must be paid in addition to limits. Limits shall be no less than \$1,000,000.00 per occurrence for all covered losses and no less than \$2,000,000.00 general aggregate.

(b) Workers' Compensation Insurance. A policy of workers' compensation insurance on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000.00 per accident for all covered losses.

(c) Automotive Insurance. A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than \$1,000,000.00 per accident, combined single limit. Said policy shall include coverage for owned, non owned, leased and hired cars.

(d) Professional Liability or Error and Omissions Insurance. A policy of Professional Liability insurance in an amount not less than \$1,000,000.00 per claim with respect to loss arising from the actions of Consultant performing professional services hereunder on behalf of the City.

All of the above policies of insurance shall be primary insurance. The general liability policy shall name the City, its officers, employees and agents ("City Parties") as additional insureds and shall waive all rights of subrogation and contribution it may have against the City and the City's Parties and their respective insurers. All of said policies of insurance shall provide that said insurance may be not cancelled without providing thirty (30) days prior written notice by registered mail to the City. In the event any of said policies of insurance are cancelled or amended, Consultant shall, prior to the cancellation or amendment date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until Consultant has provided City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by City.

Consultant agrees that the provisions of this Section 5.1 shall not be construed as limiting in any way the extent to which Consultant may be held responsible for the payment of damages to any persons or property resulting from Consultant's activities or the activities of any person or persons for which Consultant is otherwise responsible.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances.

In the event that the Consultant is authorized to subcontract any portion of the work or services provided pursuant to this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Consultant is required to maintain pursuant to this Section 5.1.

5.2 Indemnification.

(a) Indemnity for Professional Liability. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, defend and hold harmless City and the City's Parties from and against any and all losses, liabilities, damages, costs and expenses, including attorneys' fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees of subcontractors (or any entity or individual for which Consultant shall bear legal liability) in the performance of professional services under this Agreement.

(b) Indemnity for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City and City's Parties from and against any liability (including liability for claims, suits, actions, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, defense costs and expert witness fees), 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 Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

6.0 **RECORDS AND REPORTS**

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

6.2 Records. Consultant shall keep, and require subcontractors to keep, such books and records as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required.

6.3 Ownership of Documents. All drawings, specifications, reports, records, documents and other materials prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of such documents and materials. Consultant may retain

copies of such documents for its own use and Consultant shall have an unrestricted right to use the concepts embodied therein. Any use of such completed documents by City for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant and the City shall indemnify the Consultant for all damages resulting therefrom. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom.

7.0 ENFORCEMENT OF AGREEMENT

7.1 California Law. This Agreement shall be construed and interpreted 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 Consultant agrees to submit to the personal jurisdiction of such court in the event of such action.

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

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

7.4 Termination Prior to Expiration of Term. Either party may terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to the other party. Upon receipt of any notice of termination, Consultant shall immediately cease all work or services hereunder except such as may be specifically approved by the Contract Officer. Consultant shall be entitled to compensation for the reasonable value of the work product actually produced prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation and City shall be entitled to reimbursement for any compensation paid in excess of the services rendered.

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

7.6 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, shall be entitled to reasonable attorneys' fees, whether or not the matter proceeds to judgment, and to all other reasonable costs for investigating such action, taking depositions and discovery, including all other necessary costs the court allows which are incurred in such litigation.

8.0 CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

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

8.2 Conflict of Interest: City. No officer or employee of the City shall have any financial interest in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects his financial interest or the financial interest of any corporation, partnership or association in which he is interested, in violation of any State statute or regulation.

8.3 Conflict of Interest; Consultant. Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement. Consultant shall comply with all conflict of interest laws and regulations including, without limitation, City's Conflict of Interest Code which is on file in the City Clerk's office. Accordingly, should the City Manager determine that Consultant will be performing a specialized or general service for the City and there is substantial likelihood that the Consultant's work product will be presented, either written or orally, for the purpose of influencing a governmental decision, the Consultant and its officers, agents or employees, as applicable, shall be subject to the City's Conflict of Interest Code.

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

9.0 MISCELLANEOUS PROVISIONS

9.1 Notice. Any notice or other communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail. in the case of the City, to the City Manager and to the attention of the Contract Officer, City of Perris, 101 North "D" Street, Perris, CA 92570, and in the case of the Consultant, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

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

9.3 Integration: Amendment. 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, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by an instrument in writing signed by both parties.

9.4 Severability. Should a portion of this Agreement be declared invalid or unenforceable by a judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

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

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

ATTEST:

"CITY"
CITY OF PERRIS

By: _____
Nancy Salazar, City Clerk

By: _____
Clara Miramontes, City Manager

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

By: _____
Eric L. Dunn, City Attorney

"CONSULTANT"
LOR GEOTECHNICAL GROUP, INC., a
California Corporation

By: _____
Signature
John P. Leuer, President
Print Name and Title

By: _____
Signature
Andrew A. Tardie, Corporate Secretary
Print Name and Title

(Corporations require two signatures; one from each of the following: A. Chairman of Board, President, any Vice President; AND B. Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or Chief Financial Officer.)

[END OF SIGNATURES]

EXHIBIT "A"

SCOPE OF SERVICES

[Insert or Attach]

September 1, 2021

City of Perris, Engineering
c/o Interwest Consulting Group
24 South D Street, Suite 100
Perris, California 92570

Reference No. 5899.P

Attention: Mr. Ryan Traylor, Assistant Engineer

Subject: Proposal to Provide Geotechnical, Compaction Testing, and Materials Testing Services During Construction of the 2021 Citywide Improvements Project (P8-1398).

INTRODUCTION

In response to your request for proposal (RFP), LOR Geotechnical Group, Inc., (LOR) is pleased to provide you with this proposal and cost estimate to perform geotechnical, compaction testing, and materials testing services during the 2021 Citywide Street Improvements Project. This project will feature the rehabilitation of various local and collector roadways located throughout the City of Perris, California.

The project plans (Tri-Lake, undated a), bid documents (Tri-Lake, 2021), bid schedule (Tri-Lake, undated b), and Project Addendum No. 1 (Perris, 2021) were provided to LOR with your RFP and were used as a reference to appraise the proposed roadway improvements. Based on these documents, and our recent experience with similar projects, we have prepared a preliminary scope of services and cost proposal for the geotechnical services that are anticipated to complete this project.

According to the bid documents (Tri-Lake, 2021), this project is bound by the Community Workforce Agreement (CWA) that the City has made with organized labor. If selected as a consultant on this project LOR will sign a letter of assent and abide by the policies and procedures established within that agreement. The increased costs of providing our services under the terms of the CWA are reflected in our cost estimate.

PRELIMINARY SCOPE OF SERVICES

The geotechnical services anticipated during construction of the subject project will include, but are not limited to, the following:

- Attendance of pre-construction and progress meetings, as necessary, to consult with authorized employees, agents and representatives of our client, and other agencies having jurisdiction relative to the geotechnical services of the project.
- Review of material submittal documentation to verify the proposed materials are in compliance with the project documents. The results of our submittal reviews will be presented within a letter that will be delivered to the City of Perris Engineering Department.
- Our technician assigned to this project will register at the union hall and LOR will sign and return a letter of assent, as required by the CWA.
- Representative sampling of onsite soil, aggregate base materials, Portland cement concrete (PCC) materials, cement stabilized pulverized base (CSPB), and hot-mix asphalt (HMA) materials used during construction.
- Laboratory compaction characteristics testing of onsite soil and aggregate base materials to determine the maximum density and optimum moisture content of the tested materials. Our laboratory results will be used by our staff to calculate the relative compaction of soil and aggregate base materials tested onsite.
- Laboratory testing of CSPB materials to determine the maximum density, optimum moisture content, and to verify that the CSPB material meets project specifications for gradation and 7-day compressive strength.
- Periodic compaction testing of CSPB subgrade material to verify that the minimum specified relative compaction had been achieved.
- Periodic geotechnical observations and compaction testing following preparation of subgrade and base grade materials for sidewalk, curb & gutter, and driveway approaches.
- Batch plant sampling of the aggregate material used in the production of the HMA used on this project.
- Laboratory testing of the HMA material and the HMA batch plant aggregate to verify the materials meet project specifications.

- Continuous observation and compaction testing during HMA paving operations to surface the roadway.
- Providing American Concrete Institute (ACI) certified technicians for sampling and testing of ready-mix Portland cement concrete (PCC) materials delivered to the project. This includes fabricating compressive strength specimens from PCC samples.
- Laboratory curing and compressive strength testing of PCC specimens fabricated on the job site.
- Preparation of daily field reports to document construction progress and compaction testing results. These reports will be submitted to the construction inspector daily.
- Preparation and submittal of our final compaction and materials testing report, following the notice of completion from our client. This report will include the results of our compaction testing provided during construction, as well as the results of our laboratory testing for materials used on the project.

FEE AND SCHEDULE OF HOURLY RATES

We propose to provide geotechnical, compaction testing, and material testing services on a time and materials basis and all charges will be billed only for the actual work conducted. There will be no obligation, and no penalty, for unused funds against the purchase order. Therefore, the costs of our services are highly dependent on actual field conditions which include the performance of the various contractors and the extent of our services required as determined by your project management team. Time charge tickets and daily reports will be prepared by our technicians for each site visit and will be given to the site superintendent for review and signature. The site superintendent will be supplied a copy of the time charge ticket and daily field report at that time.

The following table illustrates the cost of providing the geotechnical, compaction testing, and materials testing services anticipated for this project:

EXHIBIT "B"

SPECIAL REQUIREMENTS

Community Workforce Agreement

COMMUNITY WORKFORCE AGREEMENT
BY AND BETWEEN
THE CITY OF PERRIS
AND
SAN BERNARDINO/RIVERSIDE COUNTIES
BUILDING AND CONSTRUCTION TRADES COUNCIL
AND THE SIGNATORY CRAFT COUNCILS AND UNIONS

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**CITY OF PERRIS
COMMUNITY WORKFORCE AGREEMENT**

This Community Workforce Agreement ("Agreement") is entered into effective as of _____, 2018, by and between the City of Perris, a municipal corporation ("City"), the San Bernardino/Riverside Counties Building and Construction Trades Council ("Trades Council"), and the signatory Craft Councils and Local Unions signing this Agreement (collectively, the "Union" or "Unions"). This Agreement establishes the labor relations policies and procedures for the City, the Contractors awarded contracts for Project Work and for the crafts persons employed by the Contractors and represented by the Unions engaged in the Project Work as more fully described below. The City, Trades Council and Unions are hereinafter referred to herein, as the context may require, as "Party" or "Parties."

It is understood by the Parties to this Agreement that for the duration of this Agreement, it shall be the policy of the City, to the extent permitted by law, for all Project Work (as defined in Sections 1.9 and 2.2.) to be contracted exclusively to Contractors who agree to execute and be bound by the terms of this Agreement, directly or through the Letter of Assent (a form of which is attached as "Attachment A"), and to require each of its subcontractors, of whatever tier, to become so bound. The City shall include, directly or by incorporation by reference, the requirements of this Agreement in the advertisement of and/or specifications for each and every contract for Project Work to be awarded by the City.

It is further understood that the City shall actively administer and enforce the obligations of this Agreement, again to the extent permitted by law, to ensure that the benefits envisioned from it flow to all Parties, the Contractors and crafts persons working under it, and the residents of the City. The City shall therefore designate a "CWA Administrator," either from its own staff or an independent contractor, to serve as the City's liaison for Contractors and other persons; monitor compliance with this Agreement; assist, as the authorized representative of the City, in developing and implementing the programs referenced herein, all of which are critical to fulfilling the intent and purposes of the Parties and this Agreement; and to otherwise implement and administer this Agreement.

**ARTICLE 1
DEFINITIONS**

Section 1.1 "Agreement" or "CWA" means this Community Workforce Agreement.

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

Section 1.3 "Construction Contract" or "Construction Contracts" means any contract entered into by the City, for the construction of Project Work as specified in Section 2.2.

Section 1.4 "Contractor" means any individual firm, partnership or corporation, or combination thereof, including joint ventures, which is an independent business enterprise and which has

entered into a Construction Contract with the City or any of its contractors or any of the City's or contractor's subcontractors of any tier, with respect to the construction of any part of a Project under contract terms and conditions approved by the City and which incorporate this Agreement.

Section 1.5 "City" means the City of Perris.

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

Section 1.7 "Letter of Assent" means the document that each Contractor (of any tier) must sign and submit to the City before beginning any Project Work, which formally binds such Contractor(s) to adherence to all the forms, requirements and conditions of this Agreement in the form attached hereto as "Attachment A."

Section 1.8 "CWA Administrator" means the City's authorized representative who will be the liaison between the City, Contractors, and the Unions; responds to inquiries about the CWA; charged with monitoring compliance with the CWA, developing and implementing programs set forth in the CWA including but not limited to grievance procedures.

Section 1.9 "Project", "Project Work" or "City Project" means the demolition and construction work to be performed on City property or within easements secured by the City consisting of the construction of public works, pursuant to a Construction Contract entered into by the City, that are estimated by the City to exceed One Million Dollars (\$1,000,000), as determined by the City. Projects that are estimated by the City not to exceed \$1,000,000 shall not be a Project, Project Work or City Project, and shall not be subject to this Agreement.

Section 1.10 "Specialty Contracts" means a contract for Project Work with a specialty contractor which is either limited to a particular single trade or craft or limited to a singular scope of work (i.e. installing a toilet.)

Section 1.11 "Master Labor Agreements" means the local collective bargaining agreements of the signatory Unions having jurisdiction over the Project Work and which have signed this Agreement.

Section 1.12 "Subscription Agreement" means the contract between a Contractor and a Union's Labor/Management Trust Fund(s) that allows the Contractor to make the appropriate fringe benefit contributions in accordance with the terms of the Master Labor Agreements.

Section 1.13 The use of masculine or feminine gender or titles in this Agreement should be construed as including both genders and not as gender limitations unless the Agreement clearly requires a different construction. Further, the use of Article titles and/or Section headings are for information only, and carry no legal significance.

ARTICLE 2
SCOPE OF THE AGREEMENT

Section 2.1 General This Agreement shall apply to all of the City's Project Work, as defined in Section 1.9, performed by those Contractor(s) of whatever tier that have contracts awarded for such work, for the development of the City's facilities which, jointly, constitute the Project, and have been designated by the City for construction or rehabilitation.

Section 2.2 Specific Project Work covered by this Agreement is defined and limited to:

2.2.1 All construction and major rehabilitation work pursuant to "prime multi-trade construction contracts" that exceed one million dollars (\$1,000,000) and all subcontracts flowing from these prime multi-trade contracts; and

2.2.2 All prime "Specialty Contracts," as defined in Section 1.10 that exceed one million dollars (\$1,000,000) and all subcontracts flowing from these specialty contracts; and

2.2.3 The City may, at any time and at its sole discretion, determine to build additional buildings, facilities, and other projects under this Agreement which are not otherwise covered as Project Work.

2.2.4 This Agreement is not intended to, and shall not apply to any work performed at any time prior to the effective date, or after the expiration or termination of this Agreement, except as otherwise provided herein. This Agreement shall in no way limit the City's right to terminate, modify or rescind any construction contract and/or any related subcontract or agreement. Should the City remove or terminate any contract or agreement for construction that does not fall within the scope of this Agreement and thereafter authorize that work be commenced on any contract for such construction, the contract for construction shall be performed under the terms of this Agreement.

Section 2.3 Bundling of Contracts

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

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

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

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

2.5.1 Work of non-manual employees, including but not limited to: superintendents; teachers; supervisors (except those covered by Master Labor Agreements above the level of general foreman); staff engineers; time keepers; mail carriers; clerks; office workers; messengers; guards; safety personnel; emergency medical and first aid technicians; and other professional, engineering, executive, administrative, supervisory and management employees;

2.5.2 Equipment and machinery owned or controlled and operated by the City;

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

2.5.4 All work performed by City employees, the CWA Administrator, design teams (including, but not limited to architects engineers and master planners), or any other consultants for the City (including, but not limited to, project managers and construction managers and their employees where not engaged in Project Work) and their sub-consultants, and other employees of professional service organizations, not performing manual labor within the scope of this Agreement; provided, however, that it is understood and agreed that Building/Construction Inspector and Field Soils and Materials Testers (Inspectors) are a covered craft under the Agreement. This inclusion applies to the scope of work defined in the State of California Wage Determination for said Craft. This shall also specifically include such work where it is referred to by utilization of such terms as "quality control" or "quality assurance." Every Inspector performing under the wage classification of Building/Construction Inspector and Field Soils and Material Testers under a professional services agreement or a construction contract shall be bound to all applicable requirements of the PLA. Covered Work as defined by this Agreement shall be performed pursuant to the terms and conditions of this Agreement regardless of the manner in which the work was awarded;

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

2.5.6 Off-site maintenance of leased equipment and on-site supervision of such work;

2.5.7 Work by employees of a manufacturer or vendor supervising the work of Craft employees under this Agreement, necessary to maintain such manufacturers or vendor's warranties or guaranty;

2.5.8 Non-construction support services contracted by the City, City consultants, the CWA Administrator, or Contractor in connection with a Project;

2.5.9 Laboratory work for testing.

2.5.10 Coverage Exception This Agreement shall not apply if the City receives funding or assistance from any Federal, State, local or other public entity for the Construction Contract if a requirement, condition or other term of receiving that funding or assistance, at the time of the awarding of the contract, is that the City not require bidders, contractors, or other persons or entities to enter into an agreement with one or more labor organizations. The City agrees that it will make reasonable efforts to establish the enforcement of this Agreement with any governmental agency or granting authority.

Section 2.6 Awarding of Contracts for Project Work

2.6.1 The City and/or the Contractors, as appropriate, have the absolute right to award contracts or subcontracts on Project Work to any Contractor notwithstanding the existence or non-existence of any agreements between such Contractor and any Union parties, provided only that such Contractor is ready, willing, and able to execute and comply with this Agreement should such Contractor be awarded work covered by this Agreement.

2.6.2 It is agreed that all Contractors of whatever tier, who have been awarded Project Work contracts, shall be required to accept and be bound to the terms and conditions of this Agreement, and shall evidence their acceptance by the execution of the Letter of Assent set forth in "Attachment A" hereto, prior to the commencement of any Project Work. At the time that any Contractor enters into a subcontract with any subcontractor of any tier providing for the performance of the construction contract, the Contractor shall provide a copy of this Agreement to said subcontractor and shall require the subcontractor, as a part of accepting the award of a construction subcontract, to agree in writing in the form of a Letter of Assent to be bound by each and every provision of this Agreement prior to the commencement of work on the Project. No Contractor or subcontractor shall commence Project Work without having first provided a copy of the Letter of Assent as executed by it to the CWA Administrator and to the Trades Council before the commencement of Project Work.

2.6.3 Under all circumstances, the City shall retain the absolute right to select the lowest reliable and responsible bidder for the award of contracts on all projects.

Section 2.7 Master Labor Agreements

2.7.1 The provisions of this Agreement, including the Master Labor Agreements as such may be changed from time-to-time and which also are incorporated herein by reference, shall apply to Project Work. This Agreement is not intended to supersede such Master Labor Agreements between any of the Employers performing construction work on the Project and a Union signatory thereto except to the extent the provisions of this Agreement are inconsistent with such Master Labor Agreements, in which event the provisions of this Agreement shall apply. However, such does not apply to work performed under the National Cooling Tower Agreement, the National Stack Agreement, the National Transit Division Agreement (NTD), work within the jurisdiction of the International Union of Elevator Constructors, and all instrument calibration and loop checking work performed under the terms of the UA/IBEW Joint

National Agreement for Instrument and Control Systems Technicians except that Article 9 dealing with Strikes, Work Stoppages and Lock-Outs, Work Assignments and Jurisdictional Disputes, and Settlement of Grievances and Disputes shall apply to such work. Where a subject is covered by the provisions of a Master Labor Agreement and not in conflict with the provisions of this Agreement, the provisions of the Master Labor Agreement shall apply. It is specifically agreed that no later agreement shall be deemed to have precedence over this Agreement unless signed by all parties signatory hereto who are then currently employed or represented at the Project. Any dispute as to the applicable source between this Agreement and any Master Labor Agreements for determining the wages, hours of working conditions of employees on this Project shall be resolved under the procedures established in Article 10.

2.7.2 It is understood that this Agreement, together with the referenced Master Labor Agreements, constitutes a self-contained, stand-alone agreement and by virtue of having become bound to this Agreement, the Contractor will not be obligated to sign any other local, area or national collective bargaining agreement as a condition of performing work within the scope of this Agreement (provided, however, that the Contractor may be required to sign a uniformly applied, non-discriminatory Subscription Agreement at the request of the trustees or administrator of a trust fund established pursuant to Section 302 of the Labor Management Relations Act, and to which such Contractor is bound to make contributions under this Agreement, provided that such Subscription Agreement does not purport to bind the Contractor beyond the terms and conditions of this Agreement and/or expand its obligation to make contributions pursuant thereto). It shall be the responsibility of the prime Contractor to have each of its subcontractors sign the appropriate Subscription Agreement, with the appropriate Craft Union prior to the subcontractor beginning work on Project Work.

Section 2.8 Binding Signatories Only This Agreement shall only be binding on the signatory Parties hereto, and shall not apply to the parents, affiliates, subsidiaries, or other ventures of any such Party not performing Project Work.

Section 2.9 Other City Work nothing contained herein shall be interpreted to prohibit, restrict, or interfere with the performance of any other operation, work or function not covered by this Agreement, which may be performed by City employees or contracted for by the City for its own account, on its property or in and around a Project site.

Section 2.10 Separate Liability It is understood that the liability of the Contractor(s) and the liability of the separate Unions under this Agreement shall be several and not joint. The Unions agree that this Agreement does not have the effect of creating any joint employment status between or among the City or CWA Administrator and/or any Contractor.

Section 2.11 Completed Project Work As areas of Project Work are accepted by the City, this Agreement shall have no further force or effect on such items or areas except where the Contractor is directed by the City or its representatives to engage in repairs, modification, check-out and/or warranties functions required by its contract(s) with the City under the original contract.

ARTICLE 3

UNION RECOGNITION AND EMPLOYMENT

Section 3.1 Recognition The Contractor recognizes the Trades Council and the Unions as the sole and exclusive bargaining representative for the employees engaged in Project Work. Contractors further recognize that the Unions shall be the primary source of all craft labor employed on the Projects. In the event that a Contractor has its own core workforce, said Contractor shall follow the procedures outlined below.

Section 3.2 Contractor Selection of Employees The Contractor shall have the right to determine the competency of all employees, the number of employees required, the duties of such employees within their craft jurisdiction, and shall have the sole responsibility for selecting employees to be laid off, consistent with Section 3.3 and Section 4.3, below. The Contractor shall also have the right to reject any applicant referred by a Union for any reason, subject to any reporting pay required by Section 6.6; provided, however, that such right is exercised in good faith and not for the purpose of avoiding the Contractor's commitment to employ qualified workers through the procedures endorsed in this Agreement.

Section 3.3 Referral Procedures

3.3.1 For signatory Unions now having a job referral system contained in a Master Labor Agreement, the Contractor agrees to comply with such system and it shall be used exclusively by such Contractor, except as modified by this Agreement. Such job referral system will be operated in a nondiscriminatory manner and in full compliance with federal, state, and local laws and regulations which require equal employment opportunities and non-discrimination. All of the foregoing hiring procedures, including related practices affecting apprenticeship, shall be operated so as to consider the goals of the City to encourage employment of City residents and utilization of small local businesses on the Project, and to facilitate the ability of all Contractors to meet their employment needs.

3.3.2 The local Unions will exert their best efforts to recruit and refer sufficient numbers of skilled craft workers to fulfill the labor requirements of the Contractor, including specific employment obligations to which the Contractor may be legally and/or contractually obligated; and to refer apprentices as requested to develop a larger, skilled workforce. The Unions will work with their affiliated regional and national unions, and jointly with the CWA Administrator and others designated by the City, to identify and refer competent craft persons as needed for Project Work, and to identify and hire individuals, particularly residents of the City, for entrance into joint labor/management apprenticeship programs, or to participate in other identified programs and procedures to assist individuals in qualifying and becoming eligible for such apprenticeship programs, all maintained to increase the available supply of skilled craft personnel for Project Work and future construction of maintenance work to be undertaken by the City.

3.3.3 The Union shall not knowingly refer an employee currently employed by a Contractor on a covered Project to any other Contractor.

Section 3.4 Non-Discrimination in Referral, Employment, and Contracting The Unions and Contractors agree that they will not discriminate against any employee or applicant for

employment in hiring and dispatching on the basis of race, color, religion, sex, gender, national origin, age, membership in a labor organization, sexual orientation, political affiliation, marital status or disability. Further, it is recognized that the City has certain policies, programs, and goals for the utilization of local small business enterprises. The Parties shall jointly endeavor to assure that these commitments are fully met, and that any provisions of this Agreement which may appear to interfere with local small business enterprises successfully bidding for work within the scope of this Agreement shall be carefully reviewed, and adjustments made as may be appropriate and agreed upon among the Parties, to ensure full compliance with the spirit and letter of the City's policies and commitment to its goals for the significant utilization of local small businesses as direct Contractors or suppliers for Project Work.

Section 3.5 Employment of City Residents

3.5.1 The Unions and Contractors agree that, to the extent allowed by law, and as long as they possess the requisite skills and qualifications, the Unions will exert their best efforts to refer and/or recruit sufficient numbers of skilled craft "Local Residents" as defined herein, as well as Veterans, to fulfill the requirements of the Employers. In recognition of the fact that the City and the communities surrounding Project Work will be impacted by the construction of the Project Work, the parties agree to support the hiring of workers from the residents of these surrounding areas, as well as Veterans, for Project Work. Towards that end, the Unions shall exert their best efforts to encourage and provide referrals and utilization of qualified workers residing in those U. S. Postal Service zip codes which overlap all of the City of Perris, as set forth in "Attachment B" attached hereto, as well as Veterans, regardless of where they reside. If the Unions cannot provide the Contractors in the attainment of a sufficient number of Veterans and Local Residents from within the first tier zip codes, the Unions shall exert their best efforts to then recruit and identify for referral Local Residents residing within Riverside County.

3.5.2 A goal of 30% of the total work hours shall be performed from workers residing within the areas described in Section 3.5.1, as well as Veterans, regardless of where they reside.

3.5.3 The Unions agree to support the operation of pre-apprentice referral programs in the City. Further, the Unions agree to place on their referral roles or in their apprentice training programs, as appropriate and needed, qualified persons sent to them by designated City organizations or other organizations working with the City to increase construction industry work opportunities for City residents.

Section 3.6 Requirements on Contractors to facilitate the dispatch of Local Residents and Veterans, all Contractors will be required to utilize the Craft Employee Request Form whenever they are requesting the referral of any employee from a Union referral list for any Covered Project, a sample of which is attached as "Attachment C." When Local Residents and Veterans are requested by the Employers, the Unions will refer such workers regardless of their place in the Unions' hiring halls' list and normal referral procedures.

Section 3.7 Helmets to Hardhats

3.7.1 The Contractors and the Unions recognize a desire to facilitate the entry into the building and construction trades of Veterans who are interested in careers in the building and construction industry. The Contractors and Unions agree to utilize the services of non-profit Veterans support organizations, including but not limited to, the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the Parties. For purposes of this Agreement the term "Eligible Veteran" shall have the same meaning as the term "veteran" as defined under Title 5, Section 2108(1) of the United States Code as the same may be amended or re-codified from time to time. It shall be the responsibility of each qualified applicant to provide the Unions with proof of his/her status as an Eligible Veteran.

3.7.2 The Unions and Contractors agree to coordinate with non-profit Veteran organizations, including, the Center to create and maintain an integrated database of veterans interested in working on this Project Work and of apprenticeship and employment opportunities for working on Project Work. To the extent permitted by law, the Unions will give credit to such Veterans for bona fide, provable past experience.

Section 3.8 Core Employees

3.8.1 Contractors not currently signatory to a Master Labor Agreement may employ, as needed, first, a member of his core workforce, then an employee through a referral from the appropriate Union hiring hall, then a second core employee, then a second employee through the referral system, and so on until a maximum of five (5) core employees are employed, thereafter, all additional employees in the affected trade or craft shall be requisitioned from the craft hiring hall in accordance with Section 3.3. In the laying off of employees, the number of core employees shall not exceed one-half plus one of the workforce for an employer with 10 or fewer employees, assuming the remaining employees are qualified to undertake the work available. As part of this process, and in order to facilitate the contract administration procedures, as well as appropriate fringe benefit fund coverage, all Contractors shall require their core employees and any other persons employed other than through the referral process, to register with the appropriate Union hiring hall, if any, prior to their first day of employment at a project site.

3.8.2 The core work force is comprised of those employees whose names appeared on the Contractor's active payroll for sixty (60) of the one hundred (100) working days immediately before award of Project Work to the Contractor; who possess any license required by state or federal law for the Project Work to be performed; who have the ability to safely perform the basic functions of the applicable trade and who have been residing within Riverside County for the one hundred (100) working days immediately prior to the award of Project Work to the Contractor.

3.8.3 Prior to each Contractor performing any work on the Project, each Contractor shall provide a list of his core employees to the CWA Administrator and the Trades Council. Failure to do so will prohibit the Contractor from using any core employees. Upon request by any Party to this Agreement, the Contractor hiring any core employee shall provide satisfactory proof (i.e., payroll records, quarterly tax records, driver's license, voter registration, postal address and such

governmental documentation) evidencing the core employee's qualification as a core employee to the CWA Administrator and the Trades Council.

Section 3.9 Time for Referral If any Union's registration and referral system does not fulfill the requirements for specific classifications requested by any Contractor within forty-eight (48) hours (excluding Saturdays, Sundays and holidays), that Contractor may use employment sources other than the Union registration and referral services, and may employ applicants meeting such classification from any other available source. The Contractors shall inform the Union of any applicants hired from other sources and such applicants shall register with the appropriate hiring hall, if any, before commencing work.

Section 3.10 Lack of Referral Procedure If a signatory Union does not have a job referral system as set forth in Section 3.3 above, the Contractors shall give the Union equal opportunity to refer applicants. Contractors shall notify the Union of employees so hired, as set forth in Section 3.5.

Section 3.11 Union Membership No employee covered by this Agreement shall be required to join any Union as a condition of being employed, or remaining employed, for the completion of Project Work; provided, however, that any employee who is a member of the referring Union at the time of referral shall maintain that membership in good standing while employed under this Agreement. All employees shall, however, be required to comply with the Union security provisions of the applicable Master Labor Agreement for the period during which they are performing on-site Project Work to the extent, as permitted by law, of rendering payment of the applicable monthly and working dues only, as uniformly required of all craft employees while working on the Project and represented by the applicable signatory Union.

Section 3.12 Individual Seniority Except as provided in Section 4.3, individual seniority shall not be recognized or applied to employees working on Project Work; provided, however, that group and/or classification seniority in a Union's Master Labor Agreement as of the effective date of this Agreement shall be recognized for purposes of layoffs.

Section 3.13 Foremen The selection and number of craft foreman and/or general foreman shall be the responsibility of the Contractor. All foremen shall take orders exclusively from the designated Contractor representatives. Craft foreman shall be designated as working foreman at the request of the Contractors.

Section 3.14 Out of State Workers In determining compliance with the targeted hiring goals of Section 3.5 above, hours of Project Work performed by residents of states other than California will be excluded from the calculation.

ARTICLE 4 **UNION ACCESS AND STEWARDS**

Section 4.1 Access to Project Sites Authorized representatives of the Union shall have access to Project Work, provided that they do not interfere with the work of employees and further

provided that such representatives shall notify the person charged with on-site project supervision and fully comply with posted visitor, security and safety rules.

Section 4.2 Stewards

4.2.1 Each signatory Union shall have the right to dispatch a working journeyman as a steward for each shift, and shall notify the Contractor in writing of the identity of the designated steward or stewards prior to the assumption of such person's duties as steward. Such designated steward or stewards shall not exercise any supervisory functions. There will be no non-working stewards. Stewards will receive the regular rate of pay for their respective crafts.

4.2.2 In addition to his/her work as an employee, the steward should have the right to receive, but not to solicit, complaints or grievances and to discuss and assist in the adjustment of the same with the employee's appropriate supervisor. Each steward should be concerned only with the employees of the steward's Contractor and, if applicable, subcontractor(s), and not with the employees of any other Contractor. A Contractor will not discriminate against the steward in the proper performance of his/her Union duties.

4.2.3 When a Contractor has multiple, non-contiguous work locations at one site, the Contractor may request and the Union shall appoint such additional working stewards as the Contractor requests to provide independent coverage of one or more such locations. In such cases, a steward may not service more than one work location without the approval of the Contractor.

4.2.4 The stewards shall not have the right to determine when overtime shall be worked or who shall work overtime.

Section 4.3 Steward Layoff/Discharge Contractor agrees to notify the appropriate Union twenty-four (24) hours before the layoff of a steward, except in the case of disciplinary discharge for just cause. If the steward is protected against such layoff by the provisions of the applicable Master Labor Agreement, such provisions shall be recognized when the steward possesses the necessary qualifications to perform the remaining work. In any case in which the steward is discharged or disciplined for just cause, the appropriate Union will be notified immediately by the Contractor, and such discharge or discipline shall not become final (subject to any later filed grievance) until twenty-four (24) hours after such notice has been given.

Section 4.4 Employees on Non-Project Work On work where the personnel of the City may be working in close proximity to the construction activities covered by this Agreement, the Union agrees that the Union representatives, stewards, and individual workers will not interfere with the City personnel, or with personnel employed by the any other employer not a Party to this Agreement.

ARTICLE 5 WAGES AND BENEFITS

Section 5.1 Wages All employees covered by this Agreement shall be classified in accordance with work performed and paid by the Contractors the hourly wage rates for those classifications in compliance with the applicable prevailing wage rate determination established pursuant to applicable law. If a prevailing rate increases under law, the Contractor shall pay that rate as of its effective date under the law. This Agreement does not relieve Contractors directly signatory to a Master Labor Agreement with one of the Unions signing this Agreement from paying all of the wages set forth in such Agreements.

Section 5.2 Benefits

5.2.1 Contractors shall pay contributions to the established employee benefit funds in the amounts designated in the appropriate Master Labor Agreement and make all employee-authorized deductions in the amounts designated in the appropriate Master Labor Agreement; however, such contributions shall not exceed the contribution amounts set forth in the applicable prevailing wage determination. This Agreement does not relieve Contractors directly signatory to one or more of the Master Labor Agreements from making all contributions set forth in those Master Labor Agreements without reference to the foregoing.

5.2.2 The Contractor adopts and agrees to be bound by the written terms of the applicable, legally established, trust agreement(s) specifying the detailed basis on which payments are to be made into, and benefits paid out of, such trust funds for its employees. The Contractor authorizes the Parties to such trust funds to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the Contractor.

5.2.3 Each Contractor and subcontractor is required to certify to the CWA Administrator that it has paid all benefit contributions due and owing to the appropriate Trust(s) prior to the receipt of its final payment and/or retention. Further, upon timely notification by a Union to the CWA Administrator, the CWA Administrator shall work with any prime Contractor or subcontractor who is delinquent in payments to assure that proper benefit contributions are made, to the extent of requesting the City or the prime Contractor to withhold payments otherwise due such Contractor, until such contributions have been made or otherwise guaranteed.

Section 5.3 Wage Premiums Wage premiums, including but not limited to pay based on height of work, hazard pay, scaffold pay and special skills shall not be applicable to work under this Agreement, except to the extent provided for in any applicable prevailing wage determination.

**ARTICLE 6
HOURS OF WORK, OVERTIME, SHIFTS AND HOLIDAYS**

Section 6.1 Hours of Work Eight (8) hours per day between the hours of 6:00 a.m. and 5:30 p.m., plus one-half (½) hour unpaid lunch approximately mid-way through the shift, shall constitute the standard work day. Forty (40) hours per week shall constitute a regular week's work. The work week will start on Sunday and conclude on Saturday. The foregoing provisions of this Article are applicable unless otherwise provided in the applicable prevailing wage determination, or unless changes are permitted by law and such are agreed upon by the Parties. Nothing herein

shall be construed as guaranteeing any employee eight (8) hours per day or forty (40) hours per week, or a Monday through Friday standard work schedule.

Section 6.2 Place of Work Employees shall be at their place of work (as designated by the Contractor), at the starting time and shall remain at their place of work, performing their assigned functions, until quitting time. The place of work is defined as the gang or tool box or equipment at the employee's assigned work location or the place where the foreman gives instructions. The Parties reaffirm their policy of a fair day's work for a fair day's wage. Except as provided in Section 6.6, there shall be no pay for time not worked unless the employee is otherwise engaged at the direction of the Contractor.

Section 6.3 Overtime Overtime shall be paid in accordance with the requirements of the applicable prevailing wage determination. There shall be no restriction on the Contractor's scheduling of overtime or the nondiscriminatory designation of employees who will work overtime. There shall be no pyramiding of overtime (payment of more than one form of overtime compensation for the same hour) under any circumstances.

Section 6.4 Shifts and Alternate Work Schedules

6.4.1 Alternate starting and quitting time and/or shift work may be performed at the option of the Contractor upon three (3) days' prior notice to the affected Union(s), unless a shorter notice period is provided for in the applicable Master Labor Agreement. If two shifts are worked, each shall consist of eight (8) hours of continuous work exclusive of a one-half (½) hour non-paid lunch period, for eight (8) hours pay. The last shift shall start on or before 6:00 p.m. The first shift starting at or after 6:00 a.m. is designated as the first shift, with the second shift following.

6.4.2 Contractors, the Trades Council and the Union recognize the economic impact upon the City and City residents of the Project being undertaken by the City and agree that all Parties to this Agreement desire and intend Project Work to be undertaken in a cost efficient and effective manner to the highest standard of quality and craftsmanship. Recognizing the economic conditions, the Parties agree that, except to the extent permitted by law, employees performing Project Work shall not be entitled to any differentials or additional pay based upon the shift or work schedule of the employees. Instead, all employees working on Project Work shall be paid at the same base rate regardless of shift or work schedule worked.

6.4.3 Because of operational necessities, the second shift may, at the City's direction, be scheduled without the preceding shift having been worked. It is recognized that the City's operations and/or mitigation obligations may require restructuring of normal work schedules. Except in an emergency or when specified in the City's bid specification, the Contractor shall give affected Union(s) at least three (3) days' notice of such schedule changes.

Section 6.5 Holidays Recognized holidays for Project Work shall be those set forth and governed by the prevailing wage determination(s) applicable to such Project Work.

Section 6.6 Show-up Pay

6.6.1 Except as otherwise required by State law, Employees reporting for work and for whom no work is provided, except when given prior notification not to report to work, shall receive two (2) hours pay at the regular straight time hourly rate. Employees who are directed to start work shall receive four (4) hours of pay at the regular straight time hourly rate. Employees who work beyond four (4) hours shall be paid for actual hours worked. Whenever reporting pay is provided for employees, they will be required to remain at the Project Site and available for work for such time as they receive pay, unless released earlier by the principal supervisor of the Contractor(s) or his/her designated representative. Each employee shall furnish his/her Contractor with his/her current address and telephone number, and shall promptly report any changes to the Contractor.

6.6.2 An employee called out to work outside of his/her shift shall receive a minimum of two (2) hours pay at the appropriate rate. This does not apply to time worked as an extension of (before or after) the employee's normal shift.

6.6.3 When an employee leaves the job or work location of his/her own volition, or is discharged for cause or is not working as a result of the Contractor's invocation of Section 12.3, the employee shall only be paid for actual time worked.

Section 6.7 Meal Periods The Contractor will schedule a meal period of no more than one-half hour duration at the work location at approximately mid-point of the schedule shift; provided, however, that the Contractor may, for efficiency of the operation, establish a schedule which coordinates the meal periods of two or more crafts. An employee may be required to work through his meal period because of an emergency or a threat to life or property, or for such other reasons as are in the applicable Master Labor Agreement, and if he is so required, he shall be compensated in the manner established in the applicable Master Labor Agreement.

Section 6.8 Make-up Days To the extent permitted by the applicable Master Labor Agreement (MLA) determination, when an employee has been prevented from working for reasons beyond the control of the employer, including, but not limited to inclement weather or other natural causes, during the regularly scheduled work week, a make-up day may be worked on a non-regularly scheduled work day for which an employee shall receive eight (8) hours pay at the straight time rate of pay or any premium rate required for such hours under the state prevailing wage law.

ARTICLE 7 WORK STOPPAGES AND LOCK-OUTS

Section 7.1 No Work Stoppages or Disruptive Activity The Trades Council and the Unions signatory hereto agree that neither they, and each of them, nor their respective officers or agents or representatives, shall incite or encourage, condone or participate in any strike, walk-out, slow-down, picketing, observing picket lines or other activity of any nature or kind whatsoever, for any cause or dispute whatsoever with respect to or in any way related to Project Work, or which interferes with or otherwise disrupts, Project Work, or with respect to or related to the City or Contractors, including, but not limited to, economic strikes, unfair labor practice strikes, safety strikes, sympathy strikes and jurisdictional strikes whether or not the underlying dispute is arbitrable. Any such actions by the Trades Council, or Unions, or their members, agents, representatives or the employees they represent shall constitute a violation of this Agreement. The

Trades Council and the Union shall take all steps necessary to obtain compliance with this Article and neither should be held liable for conduct for which it is not responsible.

Section 7.2 Employee Violations The Contractor may discharge any employee violating Section 7.1 above and any such employee will not be eligible for rehire under this Agreement.

Section 7.3 Standing to Enforce The City, the CWA Administrator, or any Contractor affected by an alleged violation of Section 7.1 shall have standing and the right to enforce the obligations established therein.

Section 7.4 Expiration of Master Labor Agreement If the Master Labor Agreement, or any local, regional, and other applicable collective bargaining agreements expire during the term of the Project, the Union(s) agree that there shall be no work disruption of any kind as described in Section 7.1 above as a result of the expiration of any such agreement(s) having application on this Project and/or failure of the involved Parties to that agreement to reach a new contract. Terms and conditions of employment established and set at the time of bid shall remain established and set. Otherwise to the extent that such agreement does expire and the Parties to that agreement have failed to reach concurrence on a new contract, work will continue on the Project on one of the following two (2) options, both of which will be offered by the Unions involved to the Contractors affected:

7.4.1 Each of the Unions with a contract expiring must offer to continue working on the Project under interim agreements that retain all the terms of the expiring contract, except that the Unions involved in such expiring contract may each propose wage rates and employer contribution rates to employee benefit funds under the prior contract different from what those wage rates and employer contributions rates were under the expiring contracts. The terms of the Union's interim agreement offered to Contractors will be no less favorable than the terms offered by the Union to any other employer or group of employers covering the same type of construction work in Riverside County.

7.4.2 Each of the Unions with a contract expiring must offer to continue working on the Project under all the terms of the expiring contract, including the wage rates and employer contribution rates to the employee benefit funds, if the Contractor affected by that expiring contract agrees to the following retroactive provisions: if a new Master Labor Agreement, local, regional or other applicable labor agreement for the industry having application at the Project is ratified and signed during the term of this Agreement and if such new labor agreement provides for retroactive wage increases, then each affected Contractor shall pay to its employees who performed work covered by this Agreement at the Project during the hiatus between the effective dates of such expired and new labor agreements, an amount equal to any such retroactive wage increase established by such new labor agreement, retroactive to whatever date is provided by the new labor agreement for such increase to go into effect, for each employee's hours worked on the Project during the retroactive period. All Parties agree that such affected Contractors shall be solely responsible for any retroactive payment to its employees.

7.4.3 Some Contractors may elect to continue to work on the Project under the terms of the interim agreement option offered under paragraph 7.4.1 and other Contractors may elect to

continue to work on the Project under the retroactivity option offered under paragraph 7.4.2. To decide between the two options, Contractors will be given one week after the particular labor agreement has expired or one week after the Union has personally delivered to the Contractors in writing its specific offer of terms of the interim agreement pursuant to paragraph 7.4.1, whichever is the later date. If the Contractor fails to timely select one of the two options, the Contractor shall be deemed to have selected the provisions of 7.4.2.

Section 7.5 No Lockouts Contractors shall not cause, incite, encourage, condone or participate in any lock-out of employees with respect to Project Work during the term of this Agreement. The term "lock-out" refers only to a Contractor's exclusion of employees in order to secure collective bargaining advantage, and does not refer to the discharge, termination or layoff of employees by the Contractor for any reason in the exercise of rights pursuant to any provision of this Agreement, or any other agreement, nor does "lock-out" include the City's decision to stop, suspend or discontinue any Project Work or any portion thereof for any reason.

Section 7.6 Best Efforts to End Violations

7.6.1 If a Contractor contends that there is any violation of this Article or Section 8.3, it shall notify, in writing, the Executive Secretary of the Trades Council, the Senior Executive of the involved Union(s) and the CWA Administrator. The Executive Secretary and the leadership of the involved Union(s) will immediately instruct, order and use their best efforts to cause the cessation of any violation of the relevant Article.

7.6.2 If the Union contends that any Contractor has violated this Article, it will notify that the Contractor and the CWA Administrator, setting forth the facts which the Union contends violate the Agreement, at least twenty-four (24) hours prior to invoking the procedures of Section 7.8. The CWA Administrator shall promptly order the involved Contractor(s) to cease any violation of the Article.

Section 7.7 Withholding of services for failure to pay wages and fringe benefits

7.7.1 Notwithstanding any provision of this Agreement to the contrary, it shall not be a violation of this Agreement for any Union to withhold the services of its members (but not the right to picket) from a particular Contractor who:

(a) Fails to timely pay its weekly payroll; or

(b) Fails to make timely payments to the Union's Joint Labor/Management Trust Funds in accordance with the provisions of the applicable Master Labor Agreements. Prior to withholding its members' services for the Contractor's failure to make timely payments to the Union's Joint Labor/Management Trust Funds, the Union shall give at least ten (10) days (unless a lesser period of time is provided in the Union's Master Labor Agreement, but in no event less than forty-eight (48) hours) written notice of such failure to pay by registered or certified mail, return receipt requested, and by facsimile transmission to the involved Contractor and to the City. Union will meet within the ten (10) day period to attempt to resolve the dispute.

7.7.2 Upon the payment of the delinquent Contractor of all monies due and then owing for wages and/or fringe benefit contributions, the Union shall direct its members to return to work and the Contractor shall return all such members back to work.

Section 7.8 **Expedited Enforcement Procedure** Any party, including the City, which the Parties agree is a Party to the Agreement for purposes of this Article and an intended beneficiary of this Article, or the CWA Administrator, may institute the following procedures, in lieu of or in addition to any other action at law or equity, when a breach of Section 7.1 or 7.5, above, or Section 8.3 is alleged.

7.8.1 The Party invoking this procedure shall notify Fred Horowitz, or Louis Zigman, [Subject to Confirmation] who have been selected by the negotiating Parties, and whom the Parties agree shall be the permanent arbitrators under this procedure. If the permanent arbitrators are unavailable at any time, any one of the permanent Arbitrators who is notified shall appoint his alternate to hear the matter. Expenses incurred in arbitration shall be borne equally by the Parties involved in the arbitration and the decision of the arbitrator shall be final and binding on the Parties, provided, however, that the arbitrator shall not have the authority to alter or amend or add to or delete from the provisions of this Agreement in any way. Notice to the arbitrator shall be by the most expeditious means available, with notices to the Parties alleged to be in violation, and to the Trades Council if it is a Union alleged to be in violation. For purposes of this Article, written notice may be given by telegram, facsimile, hand delivery or overnight mail and will be deemed effective upon receipt.

7.8.2 Upon receipt of said notice, the arbitrator named above or his/her alternate shall sit and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists, but not sooner than twenty-four (24) hours after notice has been dispatched to the Executive Secretary and the Senior Official(s) as required by Section 7.6, as above.

7.8.3 The arbitrator shall notify the Parties of the place and time chosen for this hearing. Said hearing shall be completed in one session, which, with appropriate recesses at the arbitrator's discretion, shall not exceed 24 hours unless otherwise agreed upon by all Parties. A failure of any Party or Parties to attend said hearings shall not delay the hearing of evidence or the issuance of any award by the arbitrator.

7.8.4 The sole issue at the hearing shall be whether or not a violation of Sections 7.1 or 7.5, above, or Section 8.3 has in fact occurred. The arbitrator shall have no authority to consider any matter in justification, explanation or mitigation of such violation. The award shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without an opinion. If any Party desires a written opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the Award. The arbitrator may order cessation of the violation of the Article and other appropriate relief, and such award shall be served on all Parties by hand or registered mail upon issuance.

7.8.5 Such award shall be final and binding on all Parties and may be enforced by any court of competent jurisdiction upon the filing of this Agreement and all other relevant documents referred to herein above in the following manner. Written notice of the filing of such enforcement

proceedings shall be given to the other Party. In any judicial proceeding to obtain a temporary order enforcing the arbitrator's award as issued under this Article, all Parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any Party's right to participate in a hearing for a final order of enforcement. The court's order or orders enforcing the arbitrator's award shall be served on all Parties by hand or by delivery to their address as shown on this Agreement (for a Union), as shown on their business contract for work under this Agreement (for a Contractor) and to the representing Union (for an employee), by certified mail by the Party or Parties first alleging the violation.

7.8.6 Any rights created by statute or law governing arbitration proceedings inconsistent with the above procedure or which interfere with compliance hereto are hereby waived by the Parties to whom they accrue.

7.8.7 The fees and expenses of the arbitrator shall be equally divided between the Party or Parties initiating this procedure and the respondent Party or Parties.

ARTICLE 8

WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES

Section 8.1 **Assignment of Work** The assignment of Project Work will be solely the responsibility of the Employer performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the "Plan") or any successor Plan.

Section 8.2 The Plan

8.2.1 All jurisdictional disputes on Project Work between or among the building and construction trades Unions and the Employers parties to this Agreement, shall be settled and adjusted according to the present Plan established by the Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Employers and Unions parties to this Agreement.

8.2.2 If a dispute arising under this Article involves the Southwest Regional Council of Carpenters or any of its subordinate bodies, an Arbitrator shall be chosen by the procedures specified in Article V, Section 5, of the Plan from a list composed of John Kagel, Thomas Angelo, Robert Hirsch, and Thomas Pagan, [Subject to Confirmation] and the Arbitrator's hearing on the dispute shall be held at the offices of the Trades Council within 14 days of the selection of the Arbitrator. All other procedures shall be as specified in the Plan.

Section 8.3 **No Work Disruption Over Jurisdiction** All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and the Employer's assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.

Section 8.4 Pre-Job Conferences As provided in Article 16, each Contractor will conduct a pre-job conference with the appropriate affected Union(s) prior to commencing work. The Trades Council and the CWA Administrator shall be advised in advance of all such conferences and may participate if they wish.

Section 8.5 Resolution of Jurisdictional Disputes If any actual or threatened strike, sympathy strike, work stoppage, slow down, picketing, hand-billing or otherwise advising the public that a labor dispute exists, or interference with the progress of Project Work by reason of a jurisdictional dispute or disputes occurs, the Parties shall exhaust the expedited procedures set forth in the Plan, if such procedures are in the plan then currently in effect, or otherwise as in Article 7 above.

ARTICLE 9 MANAGEMENT RIGHTS

Section 9.1 Contractor and City Rights The Contractors and the City have the sole and exclusive right and authority to oversee and manage construction operations on Project Work without any limitations unless expressly limited or required by a specific provision of this Agreement or an MLA. In addition to the following and other rights of the Contractors enumerated in this Agreement, the Contractors expressly reserve their management rights and all the rights conferred upon them by law. The Contractor's rights include, but are not limited to, the right to:

(a) Plan, direct and control operations of all work in the manner required by, and in compliance with, the contract document, including but not limited to, plans, specifications, and scope of work under contract;

(b) Hire, promote, transfer and layoff their own employees, respectively, as deemed appropriate to satisfy work and/or skill requirements;

(c) Promulgate and require all employees to observe reasonable job rules and security and safety regulations;

(d) Discharge, suspend or discipline their own employees for just cause;

(e) Utilize, in accordance with City approval, any work methods, procedures or techniques, and select, use and install any types or kinds of materials, apparatus or equipment, regardless of source of manufacture or construction; assign and schedule work at their discretion; and

(f) Assign overtime, determine when it will be worked and the number and identity of employees engaged in such work, subject to such provisions in the applicable Master Labor Agreement (s) requiring such assignments be equalized or otherwise made in a nondiscriminatory manner.

Section 9.2 Specific City Rights In addition to the following and other rights of the City enumerated in this Agreement, the City expressly reserves its management rights and all the rights conferred on it by law. The City's rights (and those of the Contract Administrator on its behalf) include but are not limited to the right to:

(a) Inspect any construction site or facility to ensure that the Contractor follows the applicable safety and other work requirements, and to insure compliance with contract documents, including but not limited to, plans, specifications, and scope of work under contract;

(b) Require Contractors to establish a different work week or shift schedule for particular employees as required to meet the operational needs of the Project Work at a particular location;

(c) At its sole option, terminate, delay and/or suspend any and all portions of the covered work at any time; prohibit some or all work on certain days or during certain hours of the day to accommodate the ongoing operations of the City's Facilities and/or to mitigate the effect of ongoing Project Work on businesses and residents in the neighborhood of the Project site; and/or require such other operational or schedule changes it deems necessary, in its sole judgment, to effectively maintain its primary mission and remain a good neighbor to those in the area of its facilities. (In order to permit the Contractors and Unions to make appropriate scheduling plans, the City will provide the CWA Administrator, and the affected Contractor(s) and Union(s) with reasonable notice of any changes it requires pursuant to this section; provided, however, that if notice is not provided in time to advise employees not to report for work, show-up pay shall be due pursuant to the provision of Article 6, Section 6.6);

(d) Approve any work methods, procedures and techniques used by Contractors whether or not these methods, procedures or techniques are part of industry practices or customs; and

(e) Investigate and process complaints, through the CWA Administrator, in the matter set forth in Articles 7 and 10.

Section 9.3 Use of Materials There should be no limitations or restriction by Union upon a Contractor's choice of materials or design, nor, regardless of source or location, upon the full use and utilization, of equipment, machinery, packaging, precast, prefabricated, prefinished, or preassembled materials, tools or other labor saving devices, subject to the application of the State Public Contracts and Labor Codes as required by law. The onsite installation or application of such items shall be performed by the craft having jurisdiction over such work.

Section 9.4 Special Equipment, Warranties and Guaranties

9.4.1 It is recognized that certain equipment of a highly technical and specialized nature may be installed at Project Work sites. The nature of the equipment, together with the requirements for manufacturer's warranties, may dictate that it be prefabricated pre-piped and/or pre-wired and that it be installed under the supervision and direction of the City's and/or manufacturer's personnel. The Unions agree to install such equipment without incident to insure compliance with the specifications for the equipment being installed and to insure compliance with contract documents, including but not limited to, plans, specifications, and scope of work under contract.

9.4.2 The Parties recognize that the Contractor will initiate from time to time the use of

new technology, equipment, machinery, tools, and other labor-savings devices and methods of performing Project Work. The Union agrees that they will not restrict the implementation of such devices or work methods. The Unions will accept and will not refuse to handle, install or work with any standardized and/or catalogue: parts, assemblies, accessories, prefabricated items, preassembled items, partially assembled items, or materials whatever their source of manufacture or construction.

9.4.3 If any disagreement between the Contractor and the Unions concerning the methods of implementation or installation of any equipment, or device or item, or method of work, arises, or whether a particular part or pre-assembled item is a standardized or catalog part or item, the work will precede as directed by the Contractor and the Parties shall immediately consult over the matter. If the disagreement is not resolved, the affected Union(s) shall have the right to proceed through the procedures set forth in Article 10.

Section 9.5 No Less Favorable Treatment The parties agree that Project Work will not receive less favorable treatment than that on any other project which the Unions, Contractors and employees work.

ARTICLE 10 SETTLEMENT OF GRIEVANCES AND DISPUTES

Section 10.1 Cooperation and Harmony on Site

10.1.1 This Agreement is intended to establish and foster continued close cooperation between management and labor. The Trades Council shall assign a representative to this Project for the purpose of assisting the local Unions, and working with the CWA Administrator, together with the Contractors, to complete the construction of the Project economically, efficiently, continuously and without any interruption, delays or work stoppages.

10.1.2 The CWA Administrator, the Contractors, Unions, and employees collectively and individually, realize the importance to all Parties of maintaining continuous and uninterrupted performance Project Work, and agree to resolve disputes in accordance with the grievance provisions set forth in this Article or, as appropriate, those of Article 7 or 8.

10.1.3 The CWA Administrator shall oversee the processing of grievances under this Article and Articles 7 and 8, including the scheduling and arrangements of facilities for meetings, selection of the arbitrator from the agreed-upon panel to hear the case, and any other administrative matters necessary to facilitate the timely resolution of any dispute; provided, however, it is the responsibility of the principal parties to any pending grievance to insure the time limits and deadlines are met.

Section 10.2 Processing Grievances Any questions arising out of and during the term of this Agreement involving its interpretation and application, which includes applicable provisions of the Master Labor Agreement, but not jurisdictional disputes or alleged violations of Section 7.1 and 7.4 and similar provisions, shall be considered a grievance and subject to resolution under the following procedures.

Step 1. Employee Grievances When any employee subject to the provisions of this Agreement feels aggrieved by an alleged violation of this Agreement, the employee shall, through his local Union business representative or, job steward, within ten (10) working days after the occurrence of the violation, give notice to the work site representative of the involved Contractor stating the provision(s) alleged to have been violated. A business representative of the local Union or the job steward and the work site representative of the involved Contractor shall meet and endeavor to resolve the matter within ten (10) working days after timely notice has been given. If they fail to resolve the matter within the prescribed period, the grieving party may, within ten (10) working days thereafter, pursue Step 2 of this grievance procedure provided the grievance is reduced to writing, setting forth the relevant information, including a short description thereof, the date on which the alleged violation occurred, and the provision(s) of the Agreement alleged to have been violated. Grievances and disputes settled at Step 1 shall be non-precedential except as to the parties directly involved.

Union or Contractor Grievances Should the Union(s) or any Contractor have a dispute with the other Party(ies) and, if after conferring within ten (10) working days after the disputing Party knew or should have known of the facts or occurrence giving rise to the dispute, a settlement is not reached within five (5) working days, the dispute shall be reduced to writing and processed to Step 2 in the same manner as outlined in Step 1 above for the adjustment of an employee complaint.

Step 2. The business manager of the involved Union or his designee, together with the site representative of the involved Contractor, and the labor relations representative of the CWA Administrator, shall meet within seven (7) working days of the referral of the dispute to this second step to arrive at a satisfactory settlement thereof. If the Parties fail to reach an agreement, the dispute may be appealed in writing in accordance with the provisions of Step 3 within seven (7) calendar days after the initial meeting at Step 2.

Step 3. (a) If the grievance shall have been submitted but not resolved under Step 2, either the Union or Contractor Party may request in writing to the CWA Administrator (with copy(ies) to the other Party(ies) within seven (7) calendar days after the initial Step 2 meeting, that the grievance be submitted to an arbitrator selected from the agreed upon list in "Attachment (D)" attached hereto, on a rotational basis in the order listed. The CWA Administrator shall notify the parties to the grievance of the date, time and location of the hearing. The failure of any party to attend said hearing shall not delay the hearing of evidence or the issuance of any decision by the arbitrator. The decision of the arbitrator shall be final and binding on all parties. Should any party seek confirmation of the award made by the arbitrator, the prevailing party shall be entitled to receive its reasonable attorney fees and costs.

(b) Failure of the grieving Party to adhere to the time limits established herein shall render the grievance null and void. The time limits established herein may be extended only by consent of the Parties involved at the particular step where the extension is agreed upon. The arbitrator shall have the authority to make decisions only on issues presented and shall not have the authority to change, amend, add to or detract from any of the provisions of this Agreement.

(c) The fees and expenses incurred by the arbitrator, as well as those jointly utilized by the Parties (i.e. conference room, court reporter, etc.) in arbitration, shall be divided equally by the Parties to the arbitration, including Union(s) and Contractor(s) involved.

Section 10.3 Limit on Use of Procedures The procedures contained in this Article shall not be applicable to any alleged violation of Articles 7 or 8, with a single exception that any employee discharged for violation of Section 7.2, or Section 8.3, may resort to the procedures of this Article to determine only if he/she was, in fact, engaged in that violation.

Section 10.4 Notice The CWA Administrator (and the City, in the case of any grievance regarding the Scope of this Agreement), shall be notified by the involved Contractor of all actions at Steps 2 and 3, and further, the CWA Administrator shall, upon its own request, be permitted to participate fully as a party in all proceedings at such steps.

ARTICLE 11 REGULATORY COMPLIANCE

Section 11.1 Compliance with All Laws The Trades Council and all Unions, Contractors, and their employees shall comply with all applicable federal and state laws, ordinances and regulations including, but not limited to, those relating to safety and health, employment and applications for employment. All employees shall comply with the safety regulations established by the City, the CWA Administrator or the Contractor. Employees must promptly report any injuries or accidents to a supervisor.

Section 11.2 Prevailing Wage Compliance All Contractors shall comply with the state laws and regulations. Compliance with this obligation may be enforced by the appropriate parties through Article 10 above, or by pursuing the remedies available under state law through the Labor Commissioner or the Department of Industrial Relations.

Section 11.3 Violations of Law Should there be a finding by the City or a Court or administrative tribunal of competent jurisdiction that a Contractor has violated federal and/or state law or regulation, the City, upon notice to the Contractor that it or its subcontractors is in such violation (including any finding of non-compliance with the California prevailing wage obligations as enforced pursuant to DIR regulations), and in the absence of the Contractor or subcontractor remedying such violation, may take such action as it is permitted by law or contract to encourage that Contractor to come into compliance, including, but not limited to, assessing fines and penalties and/or removing the offending Contractor from Project Work. Additionally, in accordance with the Agreement between the City and the Contractor, the City may cause the Contractor to remove from Project work any subcontractor who is in violation of state or federal law.

ARTICLE 12 SAFETY AND PROTECTION OF PERSON AND PROPERTY

Section 12.1 Safety

12.1.1 It shall be the responsibility of each Contractor to ensure safe working conditions and employee compliance with any safety rules contained herein or established by the City or the Contractor, whichever is most restrictive shall apply. It is understood that employees have an individual obligation to use diligent care to perform their work in a safe manner and to protect themselves and the property of the Contractor and the City.

12.1.2 Employees shall be bound by the safety, security and visitor rules established by the Contractor and/or the City. These rules will be published and posted. An employee's failure to satisfy his/her obligations under this section will subject him/her to discipline, up to and including discharge.

12.1.3 The Parties shall adopt the Substance Abuse Policy attached hereto as Attachment "E," which shall be the policy and procedure utilized under this Agreement.

Section 12.2 Suspension of Work for Safety A Contractor may suspend all or a portion of the job to protect the life and safety of employees. In such cases, employees will be compensated only for the actual time worked; provided, however, that where the Contractor requests employees to remain at the site and be available for work, the employees will be compensated for stand-by time at their basic hourly rate of pay.

Section 12.3 Water and Sanitary Facilities The Contractor shall provide adequate supplies of drinking water and sanitary facilities for all employees as required by state law or regulation.

**ARTICLE 13
TRAVEL AND SUBSISTENCE**

Travel expenses, travel time, subsistence allowances, zone rates and parking reimbursements shall be paid in accordance with the applicable Master Labor Agreement unless superseded by the applicable prevailing wage determination.

**ARTICLE 14
APPRENTICES**

Section 14.1 Importance of Training The Parties recognize the need to maintain continuing support of the programs designed to develop adequate numbers of competent workers in the construction industry, the obligation to capitalize on the availability of the local work force in the area served by the City, and the opportunities to provide continuing work under the construction program. To these ends, the Parties will facilitate, encourage, and assist local residents to commence and progress in Labor/Management Apprenticeship and/or training Programs in the construction industry leading to participation in such apprenticeship programs. The City and the Trades Council, will work cooperatively to identify, or establish and maintain, effective programs and procedures for persons interested in entering the construction industry and which will help

prepare them for the formal joint labor/management apprenticeship programs maintained by the signatory Unions.

Section 14.2 Use of Apprentices

14.2.1 Apprentices used on Projects under this Agreement shall be registered in Joint Labor Management Apprenticeship Programs approved by the State of California. Apprentices may comprise up to thirty percent (30%) of each craft's work force (calculated by hours worked) at any time, unless the standards of the applicable joint apprenticeship committee confirmed by the Division of Apprenticeship Standards ("DAS"), establish a lower or higher maximum percentage. Where the standards permit a higher percentage, such percentage shall apply on Project Work. Where the applicable standards establish a lower percentage, the applicable Union will use its best efforts with the Joint Labor Management apprenticeship committee and, if necessary, the DAS to permit up to thirty percent (30%) apprentices on the Project.

14.2.2 The Unions agree to cooperate with the Contractor in furnishing apprentices as requested up to the maximum percentage. The apprentice ratio for each craft shall be in compliance, at a minimum, with the applicable provisions of the Labor Code relating to utilization of apprentices. The City shall encourage such utilization, and, both as to apprentices and the overall supply of experienced workers, the CWA Administrator will work with the Trades Council to assure appropriate and maximum utilization of apprentices and the continuing availability of both apprentices and journey persons.

14.2.3 The Parties agree that apprentices will not be dispatched to Contractors working under this Agreement unless there is a journeyman working on the project where the apprentice is to be employed who is qualified to assist and oversee the apprentice's progress through the program in which he is participating.

14.2.4 All apprentices shall work under the direct supervision of a journeyman from the trade in which the apprentice is indentured. A journeyman shall be defined as set forth in the California Code of Regulations, Title 8 [apprenticeship] section 205, which defines a journeyman as a person who has either completed an accredited apprenticeship in his or her craft, or has completed the equivalent of an apprenticeship in length and content of work experience and all other requirements in the craft which has workers classified as journeyman in the apprenticeable occupation. Should a question arise as to a journeyman's qualification under this subsection, the Contractor shall provide adequate proof evidencing the worker's qualification as a journeyman to the Trades Council.

ARTICLE 15
WORKING CONDITIONS

Section 15.1 Meal and Rest Periods There will be no non-working times established during working hours except as may be required by applicable state law or regulations. Meal periods and Rest periods shall be as provided for in Wage Order 16. Individual coffee containers will be permitted at the employees' work location; however, there will be no organized coffee breaks.

Section 15.2 Work Rules The City, the CWA Administrator, and/or relevant Contractor shall establish such reasonable work rules as they deem appropriate and not inconsistent with this Agreement. These rules will be posted at the work sites by the Contractor and may be amended thereafter as necessary. Failure to observe these rules and regulations by employees may be grounds for discipline up to and including discharge.

Section 15.3 Emergency Use of Tools and Equipment There should be no restrictions on the emergency use of any tools by any qualified employee or supervisor, or on the use of any tools or equipment for the performance of work within the jurisdiction, provided the employee can safely use the tools and/or equipment involved and is compliance with applicable governmental rules and regulations.

Section 15.4 Access Restrictions for Cars Recognizing the nature of the work being conducted on the site, employee access by a private automobile may be limited to certain roads and/or parking areas.

ARTICLE 16 **PRE-JOB CONFERENCES**

Section 16.1 Each Primary Contractor which is awarded a Construction Contract by the City for Project Work shall conduct a Pre-Job conference with the appropriate affected Union(s) prior to commencing work. All Contractors who have been awarded contracts by the Primary Contractor shall attend the Pre-Job conference. The Trades Council and the CWA Administrator shall be advised in advance of all such conferences and may participate if they wish. All work assignments shall be disclosed by the Primary Contractor and all Contractors at the Pre-Job conference in accordance with industry practice. Should there be any formal jurisdictional dispute raised under Article 8, the CWA Administrator shall be promptly notified. Primary Contractor shall have available at the Pre-Job conference the plans and drawing for the work to be performed on the Project. Should additional Project Work not previously included within the scope of the Project Work be added, the Contractors performing such work will conduct a separate pre-job for such newly included work.

ARTICLE 17 **LABOR/MANAGEMENT COOPERATION**

Section 17.1 Joint Committee The Parties to this Agreement may establish a six (6) person Joint Administrative Committee (JAC). This JAC shall be comprised of three (3) representatives selected by the City and three (3) representatives selected by the Trades Council to monitor compliance with the terms and conditions of this Agreement and to recommend amendments to this Agreement, with the exception of the dollar threshold specified in Section 2.2(a) and the term of this Agreement under Section 22.1, when doing so would be to the mutual benefit of the Parties. Each representative shall designate an alternate who shall serve in his or her absence for any purpose contemplated by this Agreement. A quorum will consist of at least two (2) representatives selected by the City and at least two (2) representatives selected by the Trades Council. For voting purposes, only an equal number of City and Union representatives present may constitute a voting quorum.

Section 17.2 Functions of Joint Committee The Committee shall meet on a schedule to be determined by the Committee or at the call of the joint chairs, to discuss the administration of the Agreement, the progress of the Project, general labor management problems that may arise, and any other matters consistent with this Agreement. Substantive grievances or disputes arising under Articles 7, 8 or 10 shall not be reviewed or discussed by this Committee, but shall be processed pursuant to the provisions of the appropriate Article. The CWA Administrator shall be responsible for the scheduling of the meetings, the preparation of the agenda topics for the meetings, with input from the Unions the Contractors and the City. Notice of the date, time and place of meetings, shall be given to the Committee members at least three (3) days prior to the meeting. The CWA Administrator shall prepare quarterly reports on apprentice utilization and the training and employment of City residents, and a schedule of Project Work and estimated number of craft workers needed. The Committee or an appropriate subcommittee, may review such reports and make any recommendations for improvement, if necessary, including increasing the availability of skilled trades, and the employment of local residents or other individuals who should be assisted with appropriate training to qualify for apprenticeship programs.

ARTICLE 18 SAVINGS AND SEPARABILITY

Section 18.1 Savings Clause It is not the intention of the City, the CWA Administrator, Contractor or the Union parties to violate any laws governing the subject matter of this Agreement. The Parties hereto agree that in the event any provision of this Agreement is finally held or determined to be illegal or void as being in contravention of any applicable law or regulation, the remainder of the Agreement shall remain in full force and effect unless the part or parts so found to be void are wholly inseparable from the remaining portions of this Agreement. Further, the Parties agree that if and when any provision(s) of this Agreement is finally held or determined to be illegal or void by a court of competent jurisdiction, the Parties will promptly enter into negotiations concerning the substantive effect of such decision for the purposes of achieving conformity with the requirements of any applicable laws and the intent of the Parties hereto. If the legality of this Agreement is challenged and any form of injunctive relief is granted by any court, suspending temporarily or permanently the implementation of this Agreement, then the Parties agree that all Project Work that would otherwise be covered by this Agreement should be continued to be bid and constructed without application of this Agreement so that there is no delay or interference with the ongoing planning, bidding and construction of any Project Work.

Section 18.2 Effect of Injunctions or Other Court Orders The Parties recognize the right of the City to withdraw, at its absolute discretion, the utilization of the Agreement as part of any bid specification should a Court of competent jurisdiction issue any order, or any applicable statute which could result, temporarily or permanently in delay of the bidding, awarding and/or construction on the Project. Notwithstanding such an action by the City, or such court order or statutory provision, the Parties agree that the Agreement shall remain in full force and effect on covered Project Work to the maximum extent legally possible.

ARTICLE 19
WAIVER

A waiver of or a failure to assert any provisions of this Agreement by any or all of the Parties hereto shall not constitute a waiver of such provision for the future. Any such waiver shall not constitute a modification of the Agreement or change in the terms and conditions of the Agreement and shall not relieve, excuse or release any of the Parties from any of their rights, duties or obligations hereunder.

ARTICLE 20
AMENDMENTS

The provisions of this Agreement can be renegotiated, supplemented, rescinded or otherwise altered only by mutual agreement in writing, hereafter signed by the negotiating Parties hereto. In the event of any conflict or ambiguity between this Agreement and any Attachment or exhibit, the provisions of this Agreement shall govern.

ARTICLE 21
DURATION OF THE AGREEMENT

Section 21.1 Duration

21.1.1 This Agreement shall be effective from the date signed by all Parties and shall remain in effect for an initial period of five (5) years. Any covered Project Work awarded during the term of this Agreement shall continue to be covered hereunder, until completion of the Project Work, notwithstanding the expiration date of this Agreement.

21.1.2 This Agreement may be extended by written mutual consent of the City, as directed by the City Council and the signatory Unions for such further periods as the Parties shall agree to.

Section 22.2 Turnover and Final Acceptance of Completed Work

22.2.1 Construction of any phase, portion, section, or segment of Project Work shall be deemed complete when such phase, portion, section or segment has been turned over to the City by the Contractor and the City has accepted such phase, portion, section, or segment. As areas and systems of the Project are inspected and construction-tested and/or approved and accepted by the City or third parties with the approval of the City, the Agreement shall have no further force or effect on such items or areas, except when the Contractor is directed by the City to engage and repairs or modifications required by its contract(s) with the City.

22.2.2 Notice of each final acceptance received by the Contractor will be provided to the Trades Council with the description of what portion, segment, etc. has been accepted. Final acceptance may be subject to a "punch" list, and in such case, the Agreement will continue to apply to each such item on the list until it is completed to the satisfaction of the City and Notice of Completion is issued by the City or its representative to the Contractor. At the request of the Union, complete information describing any "punch" list work, as well as any additional work required

of a Contractor at the direction of the City pursuant to Section 22.2.1 above, involving otherwise turned-over and completed facilities which have been accepted by the City, will be available from the CWA Administrator.

[This section intentionally left blank]

[Signatures on Next Page]

IN WITNESS whereof the Parties have caused this Community Workforce Agreement to be executed as of the date and year above stated.

CITY OF PERRIS

SAN BERNARDINO/RIVERSIDE COUNTIES
BUILDING & CONSTRUCTION
TRADES COUNCIL

By: _____
Richard Belmudez, City Manager William J. Perez

By: _____
Executive Secretary/Business Manager

ATTEST:

By: _____
Nancy Salazar, City Clerk

APPROVED AS TO FORM:

Eric L. Dunn, City Attorney

**SAN BERNARDINO/RIVERSIDE COUNTIES BUILDING AND CONSTRUCTION
TRADES COUNCIL CRAFT UNIONS AND DISTRICT COUNCILS**

Signatory Unions:

Page 1 of 2

Boilermakers Local 92: _____

Bricklayers Local 4: _____

Cement Masons Local 500: _____

Drywall Finishers Local 1136/D.C. 36: _____

Electrical Workers Local 440: _____

Glaziers Local 636: _____

Heat & Frost Insulators: _____

Iron Workers Local 416: _____

Iron Workers Local 433: _____

Laborers Local 300: _____

Laborers Local 1184: _____

Operating Engineers Local 12: _____

Plasterers Local 200: _____

Plater Tenders 1414: _____

U.A. Local 345: _____

U.A. Local 364: _____

Resilient Floor Local 1247/D.C. 36: _____

Roofers Local 220: _____

Sheet Metal Local 105: _____

Road Sprinkler Fitters Local 669: _____

**SAN BERNARDINO/RIVERSIDE COUNTIES BUILDING AND CONSTRUCTION
TRADES COUNCIL CRAFT UNIONS AND DISTRICT COUNCILS**

Signatory Unions --
Page 2 of 2

Teamsters Local 166: _____

Southwest Regional Council of Carpenters

ATTACHMENT A - LETTER OF ASSENT

**To be signed by all contractors awarded work covered by the City of Perris
Community Workforce Agreement prior to commencing work.**

**[Contractor's Letterhead]
CWA Administrator
City of PerrisPerris
101 North D Street
Perris, CA 92570
Attn: _____**

Re: Community Workforce Agreement - Letter of Assent

Dear Sir:

This is to confirm that [name of company] agrees to be party to and bound by the City of Perris Community Workforce Agreement effective _____, 2018, as such Agreement may, from time to time, be amended by the negotiating parties or interpreted pursuant to its terms. Such obligation to be a party and bound by this Agreement shall extend to all work covered by the agreement undertaken by this Company on the project and this Company shall require all of its contractors and subcontractors of whatever tier to be similarly bound for all work within the scope of the Agreement by signing and furnishing to you an identical letter of assent prior to their commencement of work.

Sincerely,

[Name of Construction Company]

By: [_____] Name and Title of Authorized Executive

Contractor State License No.: _____

Business Address: _____

Business Phone: _____

**[Copies of this letter must be submitted to the CWA Administrator and to the Trades Council
Consistent with Section 2.6 (b).]**

ATTACHMENT B

**FIRST TIER ZIP
CODES (CITY
BOUNDARY)**

***Some Zip Codes shared
with neighboring cities**

ADD ZIP CODES

ATTACHMENT C
CITY OF PERRIS
CRAFT REQUEST FORM

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

The City of Perris Community Workforce Agreement establishes a goal that 30% of the total work hours shall be from Veterans, regardless of where they reside, and workers residing: first. In those first tier zip codes which overlap all of the City of Perris, as attached hereto, second, residing within Riverside County. For Dispatch purposes, employees residing within either of these two (2) areas, as well as Veterans, regardless of where they reside, shall be referred to as Local Residents.

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

CONTRACTOR USE ONLY

To: Union Local # _____ Fax# (____) _____ Date: _____
 Cc: CWA Administrator
 From: Company: _____ Issued By: _____
 Contact Phone: (____) _____ Contact Fax: (____) _____

PLEASE PROVIDE ME WITH THE FOLLOWING UNION CRAFT WORKERS.

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

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

Project Name: _____ Site: _____ Address: _____

Report to: _____ On-site Tel: _____ On-site Fax: _____

Comment or Special Instructions: _____

UNION USE ONLY

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

WORKER REFERRED

Name:
Date worker was dispatched:
Is the worker referred a: (check all that apply)

JOURNEYMAN	Yes	No
APPRENTICE	Yes ____	No ____
LOCAL RESIDENT	Yes	No
VETERAN	Yes ____	No ____
GENERAL DISPATCH FROM OUT OF WORK LIST	Yes ____	No ____

ATTACHMENT D

**List of Neutral Arbitrators
[Subject to Confirmation]**

**Mark Burstein
Walter Daugherty
Fred Horowitz
Michael Prihar
Louis Zigman**

ATTACHMENT "E"

SUBSTANCE ABUSE POLICY

The Parties recognize the problems which drug and alcohol abuse have created in the construction industry and the need to develop drug and alcohol abuse prevention programs. Accordingly, the Parties agree that in order to enhance the safety of the work place and to maintain a drug and alcohol free work environment, individual Employers may require applicants or employees to undergo drug and alcohol testing.

1. It is understood that the use, possession, transfer or sale of illegal drugs, narcotics, or other unlawful substances, as well as being under the influence of alcohol and the possession or consuming alcohol is absolutely prohibited while employees are on the Employer's job premises or while working on any jobsite in connection with work performed under the Community Workforce Agreement ("CWA").

2. No Employer may implement a drug testing program which does not conform in all respects to the provisions of this Policy.

3. No Employer may implement drug testing at any jobsite unless written notice is given to the Union setting forth the location of the jobsite, a description of the project under construction, and the name and telephone number of the Project Work Supervisor. Said notice shall be addressed to the office of each Union signing the PLA. Said notice shall be delivered in person or by registered mail before the implementation of drug testing. Failure to give such notice shall make any drug testing engaged in by the Employer a violation of the PLA, and the Employer may not implement any form of drug testing at such jobsite for the following six months.

4. An employer who elects to implement drug testing pursuant to this Agreement shall require all employees on the Project Work to be tested. With respect to individuals who become employed on the Project Work subsequent to the proper implementation of this drug testing program, such test shall be administered upon the commencement of employment on the project, whether by referral from a Union Dispatch Office, transfer from another project, or another method. Individuals who were employed on the project prior to the proper implementation of this drug testing program may only be subjected to testing for the reasons set forth in Paragraph 5(f) (1) through 5(f) (3) of this Policy. Refusal to undergo such testing shall be considered sufficient grounds to deny employment on the project.

5. The following procedure shall apply to all drug testing:

a. The Employer may request urine samples only. The applicant or employee shall not be observed when the urine specimen is given. An applicant or employee, at his or her sole option, shall, upon request, receive a blood test in lieu of a urine test. No employee of the Employer shall draw blood from a bargaining unit employee, touch or handle urine specimens, or in any way become involved in the chain of custody of urine or blood specimens. A Union Business Representative, subject to the approval of the individual applicant or employee, shall be

permitted to accompany the applicant or employee to the collection facility to observe the collection, bottling, and sealing of the specimen.

b. The testing shall be done by a laboratory approved by the Substance Abuse & Mental Health Services Administration (SAMHSA), which is chosen by the Employer and the Union.

c. An initial test shall be performed using the Enzyme Multiplied Immunoassay Technique (EMZT). In the event a question or positive result arises from the initial test, a confirmation test must be utilized before action can be taken against the applicant or employee. The confirmation test will be by Gas Chromatography Mass Spectrometry (GC/MS). Cutoff levels for both the initial test and confirmation test will be those established by the SAMHSA. Should these SAMHSA levels be changed during the course of this agreement or new testing procedures are approved, then these new regulations will be deemed as part of this existing agreement. Confirmed positive samples will be retained by the testing laboratory in secured long-term frozen storage for a minimum of one year. Handling and transportation of each sample must be documented through strict chain of custody procedures.

d. In the event of a confirmed positive test result the applicant or employee may request, within forty-eight (48) hours, a sample of his/her specimen from the testing laboratory for purposes of a second test to be performed at a second laboratory, designated by the Union and approved by SAMHSA. The retest must be performed within ten (10) days of the request. Chain of custody for this sample shall be maintained by the Employer between the original testing laboratory and the Union's designated laboratory. Retesting shall be performed at the applicant's or employee's expense. In the event of conflicting test results the Employer may require a third test.

e. If, as a result of the above testing procedure, it is determined that an applicant or employee has tested positive, this shall be considered sufficient grounds to deny the applicant or employee his/her employment on the Project Work.

f. No individual who tests negative for drugs or alcohol pursuant to the above procedure and becomes employed on the Project Work shall again be subjected to drug testing with the following exceptions:

1. Employees who are involved in industrial accidents resulting in damage to plant, property or equipment or injury to him/herself or others may be tested pursuant to the procedures stated hereinabove.

2. The Employer may test employees following thirty (30) days advance written notice to the employee(s) to be tested and to the applicable Union. Notice to the applicable Union shall be as set forth in Paragraph 3 above and such testing shall be pursuant to the procedures stated hereinabove.

3. The Employer may test an employee where the Employer has reasonable cause to believe that the employee is impaired from performing his/her job.

Reasonable cause shall be defined as exhibiting aberrant or unusual behavior, the type of which is a recognized and accepted symptom of impairment (i.e., slurred speech, unusual lack of muscular coordination, etc.). Such behavior must be actually observed by at least two persons, one of whom shall be a Supervisor who has been trained to recognize the symptoms of drug abuse or impairment and the other of whom shall be the job steward. If the job steward is unavailable or there is no job steward on the project the other person shall be a member of the applicable Union's bargaining unit. Testing shall be pursuant to the procedures stated hereinabove. Employees who are tested pursuant to the exceptions set forth in this paragraph and who test positive will be removed from the Employer's payroll.

g. Applicants or employees who do not test positive shall be paid for all time lost while undergoing drug testing. Payment shall be at the applicable wage and benefit rates set forth in the applicable Union's Master Labor Agreement. Applicants who have been dispatched from the Union and who are not put to work pending the results of a test will be paid waiting time until such time as they are put to work. It is understood that an applicant must pass the test as a condition of employment. Applicants who are put to work pending the results of a test will be considered probationary employees.

6. The employers will be allowed to conduct periodic job site drug testing on the Project under the following conditions:

a. The entire jobsite must be tested, including any employee or subcontractor's employee who worked on that project three (3) working days before or after the date of the test;

b. Jobsite testing cannot commence sooner than thirty (30) days after start of the work on the Project;

c. Prior to start of periodic testing, a business representative will be allowed to conduct an educational period on company time to explain periodic jobsite testing program to affected employees;

d. Testing shall be conducted by a SAMHSA certified laboratory, pursuant to the provisions set forth in Paragraph 5 hereinabove.

e. Only two periodic tests may be performed in a twelve month period.

7. It is understood that the unsafe use of prescribed medication, or where the use of prescribed medication impairs the employee's ability to perform work, is a basis for the Employer to remove the employee from the jobsite.

8. Any grievance or dispute which may arise out of the application of this Agreement shall be subject to the grievance and arbitration procedures set forth in the PLA.

9. The establishment or operation of this Policy shall not curtail any right of any employee found in any law, rule or regulation. Should any part of this Agreement be found

unlawful by a court of competent jurisdiction or a public agency having jurisdiction over the parties, the remaining portions of the Agreement shall be unaffected and the parties shall enter negotiations to replace the affected provision.

10. Present employees, if tested positive, shall have the prerogative for rehabilitation program at the employee's expense. When such program has been successfully completed the Employer shall not discriminate in any way against the employee. If work for which the employee is qualified exists he/she shall be reinstated.

11. The Employer agrees that results of urine and blood tests performed hereunder will be considered medical records held confidential to the extent permitted or required by law. Such records shall not be released to any persons or entities other than designated Employer representatives and the applicable Union. Such release to the applicable Union shall only be allowed upon the signing of a written release and the information contained therein shall not be used to discourage the employment of the individual applicant or employee on any subsequent occasion.

12. The Employer shall indemnify and hold the Union harmless against any and all claims, demands, suits, or liabilities that may arise out of the application of this Agreement and/or any program permitted hereunder.

13. Employees who seek voluntary assistance for substance abuse may not be disciplined for seeking such assistance. Requests from employees for such assistance shall remain confidential and shall not be revealed to other employees or management personnel without the employee's consent. Employees enrolled in substance abuse programs shall be subject to all Employer rules, regulations and job performance standards with the understanding that an employee enrolled in such a program is receiving treatment for an illness.

14. This Memorandum, of Understanding shall constitute the only Agreement in effect between the parties concerning drug and alcohol abuse, prevention and testing. Any modifications thereto must be accomplished pursuant to collective bargaining negotiations between the parties.

DRUG ABUSE PREVENTION AND DETECTION

APPENDIX A

CUTOFF LEVELS

DRUG	SCREENING METHOD	SCREENING LEVEL **	CONFIRMATION METHOD	CONFIRMATION LEVEL
Alcohol	EMIT	0.02%	CG/MS	0.02%
Amphetamines	EMIT	1000 ng/ml*	CG/MS	500 ng/ml*
Barbiturates	EMIT	300 ng/ml	CG/MS	200 ng/ml
Benzodiazepines	EMIT	300 ng/ml	CG/MS	300 ng/ml
Cocaine	EMIT	300 ng/ml*	CG/MS	150 ng/ml*
Methadone	EMIT	300 ng/ml	CG/MS	100 ng/ml
Methaqualone	EMIT	300 ng/ml	CG/MS	300 ng/ml
Opiates	EMIT	2000 ng/ml*	CG/MS	2000 ng/ml*
PCP (Phencyclidine)	EMIT	25 ng/ml*	CG/MS	25 ng/ml*
THC (Marijuana)	EMIT	50 ng/ml*	CG/MS	15 ng/ml*
Propoxyphene	EMIT	300 ng/ml	CG/MS	100 ng/ml

* SAMHSA specified threshold

** A sample reported positive contains the Indicated drug at or above the cutoff level for that drug. A negative sample either contains no drug or contains a drug below the cutoff level.

EMIT - Enzyme Immunoassay
CC/MS - Gas Chromatography/Mass Spectrometry

**SIDE LETTER OF AGREEMENT
TESTING POLICY FOR DRUG ABUSE**

It is hereby agreed between the parties hereto that an Employer who has otherwise properly implemented drug testing, as set forth in the Testing Policy for Drug Abuse, shall have the right to offer an applicant or employee a "quick" drug screening test. This "quick" screen test shall consist either of the "ICUP" urine screen or similar test or an oral screen test. The applicant or employee shall have the absolute right to select either of the two "quick" screen tests, or to reject both and request a full drug test.

An applicant or employee who selects one of the quick screen tests, and who passes the test, shall be put to work immediately. An applicant or employee who fails the "quick" screen test, or who rejects the quick screen tests, shall be tested pursuant to the procedures set forth in the Testing Policy for Drug Abuse. The sample used for the "quick" screen test shall be discarded immediately upon conclusion of the test. An applicant or employee shall not be deprived of any rights granted to them by the Testing Policy for Drug Abuse as a result of any occurrence related to the "quick" screen test.

EXHIBIT "C"
SCHEDULE OF COMPENSATION

[Insert or Attach]

2021 Citywide Street Improvements Project, City of Perris, California
Construction Phase Geotechnical Services Cost Estimate

Description	Estimated Quantity	Per Unit	Extended Cost
Engineering: Construction Meetings, Materials Submittal Review, Etc.	12	\$145/hour	\$1,740.00
Technician: Compaction Testing & Sampling	270	\$127/hour	\$34,290.00
Roadway CSPB Sampling & Testing	80		
PCC Flatwork Improvements	40		
HMA Paving	100		
Batch Plant Sampling of HMA Aggregate	20		
PCC Sampling and Testing	10		
PCC Sample Pick-Up	10		
Miscellaneous	10		
10% Field Supervision and Equipment			\$3,429.00
Laboratory Compaction for Soil and Aggregate Base	8	\$190/unit	\$1,520.00
Laboratory Aggregate Base Quality Control Testing	1	\$110/unit	\$110.00
Laboratory CSPB Gradation Testing	6	\$110/unit	\$660.00
Laboratory HMA Stability & Density Testing	10	\$200/unit	\$2,000.00
Laboratory HMA Gradation & Extraction Testing	10	\$240/unit	\$2,400.00
Laboratory CSPB Compressive Strength Testing	12	\$25/unit	\$300.00
Laboratory Compressive Strength, Concrete	20	\$25/unit	\$500.00
Compaction & Quality Compliance Report	1	\$1,500/unit	\$1,500.00
ESTIMATE:			\$48,449.00

OUR APPROACH

LOR has provided professional geotechnical consulting and construction materials testing services on over three thousand projects, to the private and public sectors in southern California for over 30-years. When our office is contacted to serve under the terms of an

EXHIBIT "D"

SCHEDULE OF PERFORMANCE

None



10.C.

CITY OF PERRIS

CITY COUNCIL

AGENDA SUBMITTAL

MEETING DATE: September 28, 2021

SUBJECT: Lease Agreement for property located at 11 South D Street, APN 313-091-001

REQUESTED ACTION: **1) Approve** a Lease Agreement for property located at 11 South D Street, APN 313-091-001, with Love 4 Life Association; and **2) Authorize** the City Manager or her designee to finalize and execute the agreement as to form approved by the City Attorney.

CONTACT: Michele Ogawa, Economic Development and Housing Manager *MO*

BACKGROUND/DISCUSSION:

On July 27, 2021, the City Council approved the final lease agreements for the existing tenants in the 11 South D Street property. Currently, the Perris Valley Chamber of Commerce, EQUUS Workforce Solutions, Garth D. Moore Insurance Agency, SIATech, The Grove Community Church, and Operation Safehouse occupy the building. One office space (Suite 3) remains vacant for City use. Staff was contacted by the Love 4 Life Association to express their interest in leasing space in the building. Being that the remaining office is currently not being utilized by City staff, staff proposes a Lease Agreement with the Love 4 Life Association for the remaining 80 sq-ft of office space.

Attached to this report is the Lease Agreement, which establishes the terms and rent for one year commencing October 1, 2021. The Lease is subject to renewal negotiations before the expiration of the Lease Agreement. Approval of this lease will fill the building's remaining office space. Attachment 2 depicts the lease space area for the tenant. Staff is recommending that the City Council approve the attached Lease Agreement and authorize the City Manager or her designee to finalize and execute the agreement as to form approved by the City Attorney.

BUDGET (or FISCAL) IMPACT: Lease Agreement revenues will generate approximately \$1,980.00 to the General Fund 2021-2022, and approximately \$660.00 to the General Fund 2022-2023.

Prepared by: Armando Panchi, Management Analyst

REVIEWED BY:

City Attorney _____

Assistant City Manager _____

Finance Director _____

- Attachments:
1. Site Plan
 2. Lease Space Floor Plan
 3. Lease Agreement with Love 4 Life Association

Consent: September 28, 2021

Public Hearing:

Business Item:

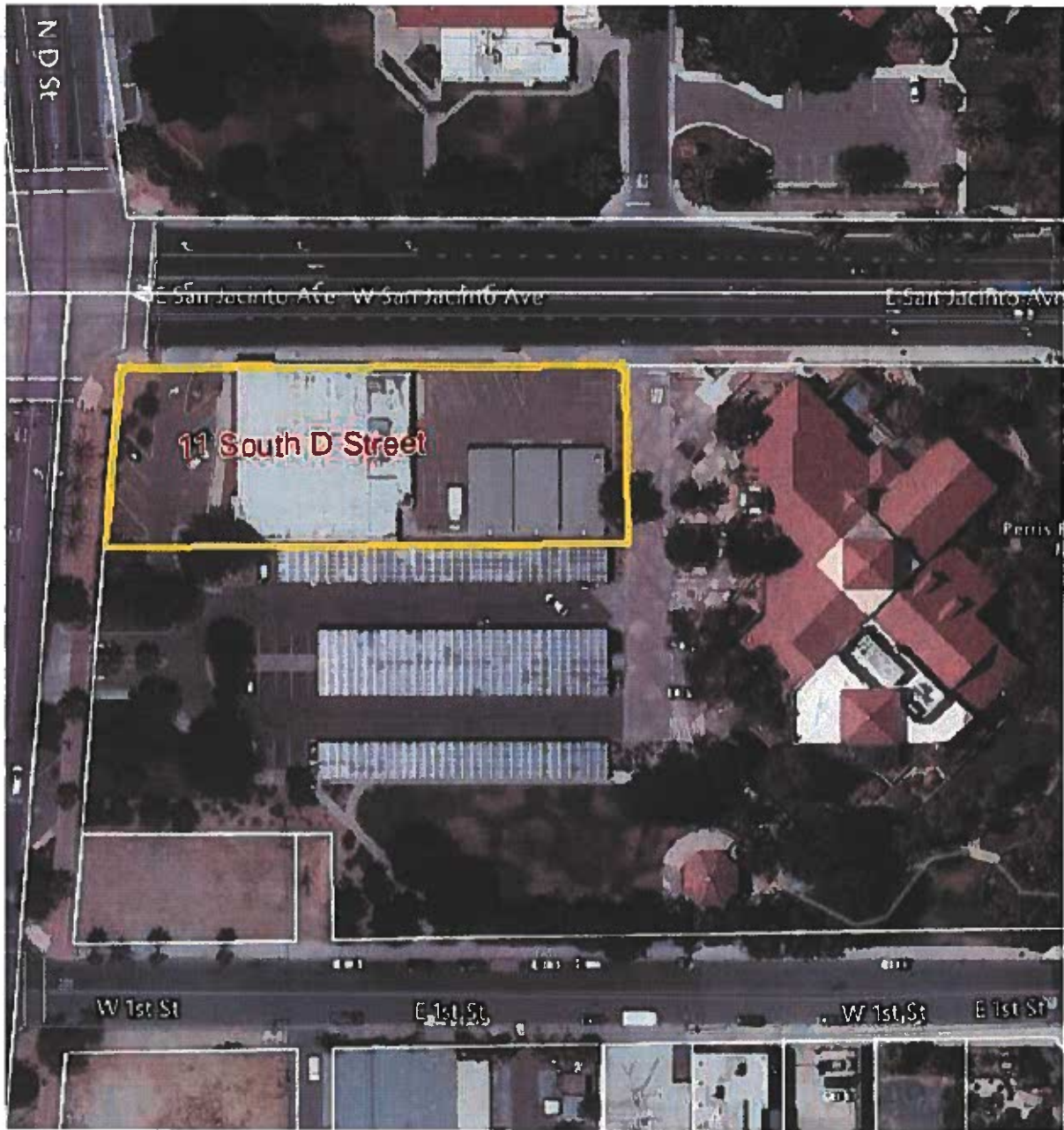
Presentation:

Other:

ATTACHMENT 1

Site Plan

Site Plan

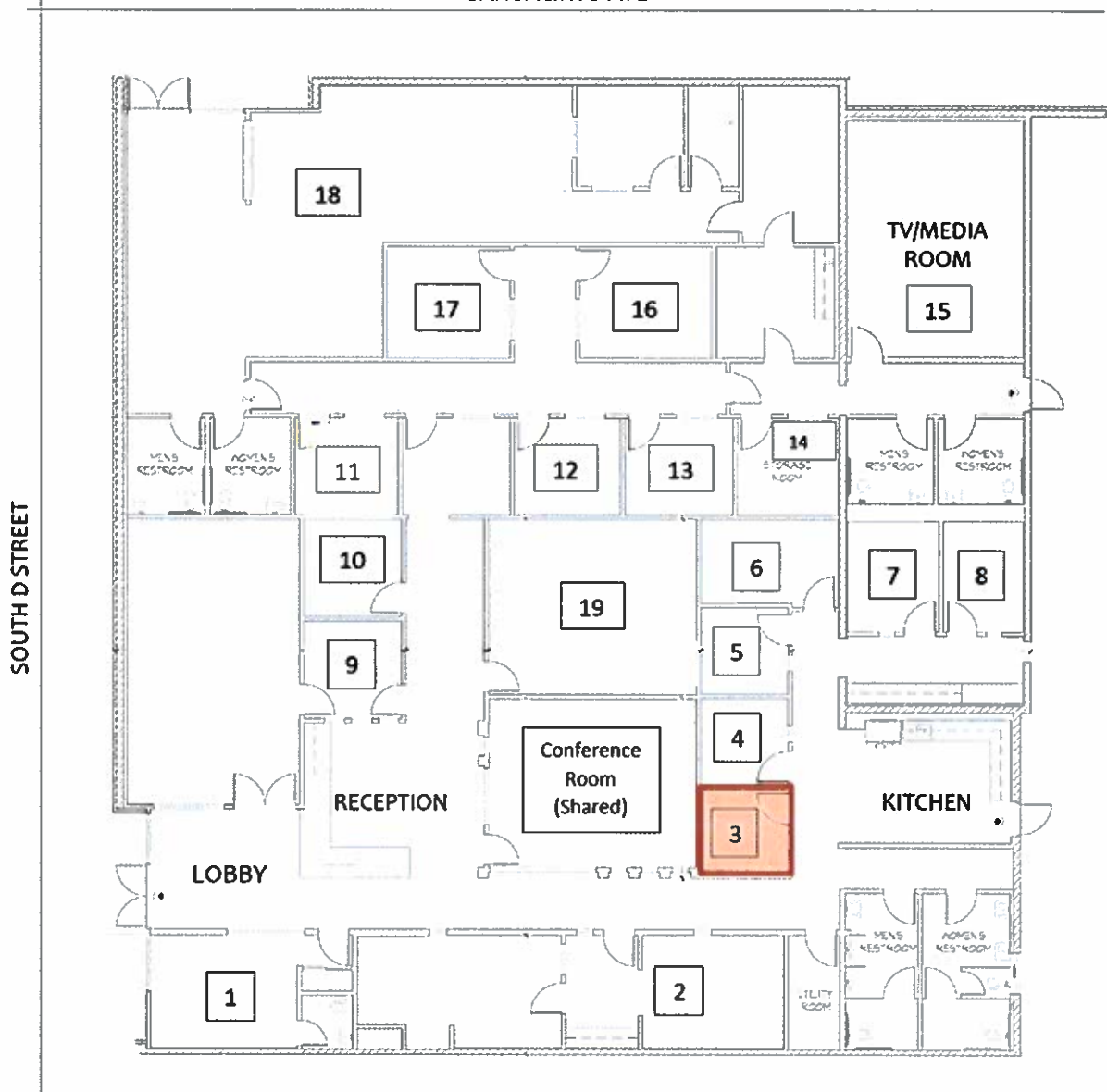


ATTACHMENT 2
Lease Space Floor Plan

Lease Space Floorplan 11 South D Street



SAN JACINTO AVE



Lease Rate: \$2.75/SF
Total SF: 80
Total Monthly Lease Revenue: \$220.00

ATTACHMENT 3
Lease Agreement with
Love 4 Life Association

LEASE AGREEMENT

By and Between

THE CITY OF PERRIS

and

LOVE 4 LIFE ASSOCIATION

11 South D Street, Perris, CA 92570

LEASE AGREEMENT

THIS LEASE AGREEMENT (“**Lease**”) is entered into as of October 1, 2021, Love 4 Life Association, a 501(c)(3) non-profit organization (“**Tenant**”) and the City of Perris (“**City**”), a California Municipal Corporation (“**Landlord**”).

RECITALS

- A. This Lease involves certain improved real property in the City of Perris, County of Riverside, California, commonly known as 11 South D Street, Perris (“**Property**”) as shown on Exhibit A.
- B. Tenant desires to lease the space identified as Suite 3, on the Property (“**Premises**”), as shown in Exhibit B – Floor Plan, and Landlord desires to lease the Premises to Tenant.

NOW THEREFORE, for good and valuable consideration the receipt and adequacy of which are acknowledged, the parties agree as follows:

Section 1. Lease of Premises

(a) Lease

Landlord leases to Tenant and Tenant leases from Landlord the Premises on the terms and conditions set forth in this Lease. Tenant agrees that it accepts the Property “As-Is” and “Where-is” without any representations or warranties of any nature or kind whatsoever from Landlord.

(b) Floor Area

For purposes of calculations based upon square footage in this Lease, the Premises contains approximately 80 square feet of floor area. Tenant agrees that it has been given an opportunity to verify the square footage of the Premises and Tenant is in agreement with the square footage provided in this Lease for the Premises.

Section 2. Use

Tenant agrees to use the Premises for administrative office use for the purpose of locating and operating the tenant’s services and programs on the Premises and for no other use.

Section 3. Term

The term of this Lease (“**Term**”) shall commence on October 1, 2021 (“**Commencement Date**”), and shall terminate on September 30, 2022, unless terminated sooner in accordance with the provision of this Lease. Should the Term commence on a date other than the first day of a calendar month, the Term shall be extended by this fractional month.

Section 4. Rent and Expenses

Rent is payable monthly for the Term of this Lease due on the 1st day of every month beginning October 1st, 2021. Tenant shall pay to Landlord during the Term of this Lease as monthly rent for the Premises for a sum of \$2.75 per square foot of lease space, as shown in Exhibit B – Floor Plan, per month. (“**Monthly Rent**”), totaling to \$220.00 per month. All Monthly Rent to be paid by Tenant to Landlord shall be paid in lawful money of the United States of America and shall be paid without deduction or offset, prior notice or demand at the address designated in Section 27.

Section 5. Utilities

Landlord agrees to provide, at its cost, water, electricity, gas, sewer and trash pick-up services; but Tenant shall pay during the Term all charges for Tenant’s telephone, communication services, internet, and janitorial services for the Premises. Tenant shall arrange for services not provided by Landlord to be supplied and shall contract for all of such services in Tenant’s name prior to the Commencement Date. In the event that any of the services not provided by the Landlord cannot be separately billed or metered to Tenant, the cost of such services shall be an Operating Expense and Tenant shall pay such cost to the Landlord, as additional rent. Furthermore, if there is evidence of utility over-usage, Tenant shall be responsible to pay the difference to the Landlord as additional rent.

Section 6. Real Property Taxes

(a) Real Property Taxes Defined

As used in this Lease, the term “**Real Property Taxes**” shall include any form of tax or assessment, license fee, license tax, possessory interest tax, tax or excise on rental or gross receipts, or any other levy, charge, expense or imposition imposed by any Federal, state, county or city authority having jurisdiction, or any political subdivision thereof, or any school, agricultural, lighting, drainage or other improvement or special assessment district on any interest of Landlord or Tenant (including any legal or equitable interest of Landlord) in the Premises or the Property.

(b) Tenant Responsible for Real Property Taxes

Separate from Tenant’s other responsibilities in this Lease, Tenant is responsible for all Real Property Taxes on the Premises and shall cause and/or work with the Landlord as necessary to cause the Premises to be separately assessed and billed from the remainder of the Property. If the Tenant is separately billed for Real Property Taxes on the Premises, Tenant shall pay all Real Property Taxes prior to delinquency.

If the Tenant is not separately billed for Real Property Taxes, the Tenant shall pay to Landlord Tenant’s pro rata share of the annual Real Property Taxes, and taxes in lieu of real property taxes. This amount shall be payable within ten (10) days after receipt of a semi-annual statement to be sent by Landlord to Tenant setting forth the amount of the Real Property Taxes based upon the actual tax bill received by Landlord; or Landlord, at Landlord’s option, shall have the right to estimate the amount of taxes next due and to collect and impound from Tenant on a monthly or quarterly basis the amount of Tenant’s estimated tax obligation.

(c) Tenant Acknowledgement of Notice on Tax Treatment

Tenant understands that this Lease may create a taxable possessory interest and that it may be liable to pay that tax, and Tenant acknowledges that the City has recommended that Tenant review any tax implications with a qualified attorney or tax specialist. Tenant acknowledges that the City has made no representation concerning Tenant's ability to avoid creation of a taxable interest under this Lease.

Section 7. Personal Property Taxes

During the Term, Tenant shall pay all taxes assessed against and levied upon fixtures, furnishings, equipment, and all other personal property of Tenant contained in the Premises prior to delinquency, and when possible Tenant shall cause these fixtures, furnishings, equipment, and other personal property to be assessed and billed separately from the real property of Landlord. If any of Tenant's fixtures, furnishings, equipment, and other personal property is assessed and taxed with Landlord's real property, Tenant shall pay to Landlord Tenant's share of the taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of the taxes applicable to Tenant's property.

Section 8. Parking and Common Areas

(a) Tenant's Right to Common Areas and Parking Spaces

Landlord agrees that the Common Areas of the Property, including the parking spaces on the Property, shall be available for the nonexclusive use of Tenant during the full Term of this Lease and any extension of the Term.

Section 9. Uses Prohibited

Tenant shall not use, nor permit the Premises, nor any part of the Premises, to be used for any purpose other than the purpose set forth in Section 2. No use shall be made or permitted to be made of the Premises, nor acts done, that will increase the existing rate of insurance upon the Property (once this rate is established), or cause a cancellation of any insurance policy covering the Property or any part of the Property, nor shall Tenant sell or permit to be kept, used, or sold in or about the Premises any article that may be prohibited by standard form of fire insurance policies. Tenant shall, at Tenant's sole cost, comply with all requirements pertaining to the use of the Premises, of any insurance organization or company necessary for the maintenance of reasonable fire and public liability insurance, covering the building and appurtenances.

Section 10. Alterations

(a) Landlord Consent Required for Alterations

Tenant shall not make or suffer to be made, any alterations of the Premises, or any part of the Premises, without the prior written consent of Landlord.

(b) Improvements Become Property of Landlord

Any additions to, alterations, or improvements to the premises within the tenant lease space is the responsibility of the Tenant including, but not limited to, light fixtures, floor coverings and

partitions, wall openings and other items, and shall be subject to approval by the Landlord. Such improvements shall be deemed to be the property of Landlord upon installation. Tenant shall be responsible for obtaining construction plans, permits, inspections and payment for improvements.

(c) Requirements

Tenant, at its cost, shall obtain all required construction plans and design, governmental permits and approvals for all alterations, copies of which shall be delivered to Landlord prior to the commencement of the applicable alterations, and all such alterations (structural and non-structural) shall be performed strictly in accordance with all applicable laws, ordinances, rules or regulations of any public authority. All alterations shall be performed in a good and workmanlike manner. All alterations shall be diligently prosecuted to completion. Construction work in connection with any alterations shall be performed in such manner as not to obstruct the access to any part of the Property or otherwise interfere with the operation of business or occupancy by any other occupant of the Property.

Section 11. Maintenance and Repair

(a) Landlord's Maintenance Responsibilities

Unless otherwise expressly provided in this Lease, Landlord shall maintain in good order, condition and repair the structural components and foundations, and exterior surfaces of the exterior walls and windows, maintain the parking lot and landscaping of the Property, including all Common Areas within the building; provided, however, if any repairs or replacements are necessitated by the negligence or willful acts of Tenant or anyone claiming under Tenant or by reason of Tenant's failure to observe or perform any conditions or agreements contained in this Lease, or caused by alterations, additions or improvements made by Tenant or anyone claiming under Tenant, the cost of same shall be the sole responsibility of Tenant. Landlord shall not be required to make any repairs as required by this Lease unless Tenant has notified Landlord in writing of the need for repairs and Landlord shall have had a reasonable period of time to commence and complete the repairs.

(b) Tenant's Maintenance Responsibilities

Tenant shall be responsible for cleaning the Premises interior, exterior surfaces of the doors, door-frames, door checks, windows, and window frames of the Premises. Tenant, at its sole cost and expense, shall keep the Premises and all utility facilities and systems exclusively serving the Premises ("**Tenant Utility Facilities**") in first class order, condition and repair and shall make replacements necessary to keep the Premises and Tenant Utility Facilities in such condition. All replacements shall be of a quality equal to or exceeding that of the original. Tenant acknowledges that Tenant is leasing the Premises on an "as is" basis. By entering into the Premises, Tenant shall be deemed to have accepted the Premises as being in good and sanitary order, condition, and repair, and Tenant agrees on the last day of the Term or on sooner termination of this Lease to surrender the Premises with appurtenances, in the same condition as when received, reasonable use and wear and damage by fire, act of God, or by the elements excepted.

If Tenant fails to commence a repair within the Tenant's responsibilities within ten (10) days after written notice from Landlord of the need for such work (or if more than ten (10) days shall be required because of the nature of the work, if Tenant shall fail to diligently proceed to commence

to perform after written notice), the Landlord may perform work to prevent waste or deterioration in connection with the Premises. If Landlord makes any repairs after notice is given provided in this subsection, Tenant shall pay the cost of such repairs to Landlord, within ten (10) days of receipt of a bill from Landlord.

(c) Tenant's Special Maintenance Obligations [Reserved]

Section 12. Compliance with Law

Tenant shall, at Tenant's sole cost, comply with all of the requirements of all municipal, state, and federal authorities now in force or that may later be in force pertaining to the use of the Premises, and shall faithfully observe in this use all municipal ordinances and state and federal statutes now in force or that shall later be in force. Tenant shall not commit, or suffer to be committed, any waste upon the Premises, or any nuisance or other act or thing that may disturb the quiet enjoyment of any other Tenant on the Property.

Section 13. Tenant Improvements

Any future improvements shall be made at the sole cost and expense of Tenant in accordance with Section 10 related to alterations.

Section 14. Tenant's Insurance; Indemnification of Landlord

(a) Tenant's Insurance Requirements

Throughout the Lease Term, Tenant shall, at its sole cost and expense, keep or cause to be kept insured for the mutual benefit of Tenant and Landlord all improvements located on or appurtenant to the Premises against loss or damage by fire and such other risks as are now or hereafter included. The amount of the insurance shall be sufficient to prevent either Landlord or Tenant from becoming a coinsurer under the provisions of the policy, but in no event shall the amount be less than eighty percent (80%) of the then-actual replacement cost, excluding costs of replacing excavations and foundations, but without deduction for depreciation.

Beginning on the Commencement Date hereof and throughout the Term, Tenant shall at its sole cost and expense keep or cause to be kept in force for the mutual benefit of Landlord and Tenant comprehensive broad form general public liability insurance against claims and liability for personal injury or death arising from the use, occupancy, disuse or condition of the Premises, improvements or adjoining areas or ways, or for property damage, in an amount not less than \$1,000,00.00 per occurrence for all covered losses, including bodily injury, death and property damage, and no less than \$2,000,000.00 general aggregate. Defense costs must be paid in addition to limits.

Tenant may procure and maintain any insurance not required by this Lease, but all such insurance shall be subject to all of the provisions hereof pertaining to insurance and shall be for the benefit of Lessor and Lessee.

(b) Policy Form

All insurance required to be provided by Tenant by the express provisions hereof shall be carried only by responsible insurance companies licensed to do business by California, and with a minimum policy holder rating of "A" or "A+" and of financial category Class XI status or better in the most recent edition of Best's Insurance Guide or similar rating system acceptable to Landlord. All such policies shall contain language, to the extent obtainable, to the effect that (i) any loss shall be payable notwithstanding any act of negligence of Landlord that might otherwise result in the forfeiture of the insurance, (ii) the insurer waives the right of subrogation against Landlord and against Landlord's agents and representatives; (iii) the policies are primary and noncontributing with any insurance that may be carried by Landlord; and (iv) the policies cannot be cancelled or materially changed except after thirty (30) days' notice in writing by the insurer to Landlord or Landlord's designated representative. The general liability policy shall name Landlord, its officers, employees and agents as additional insureds. Tenant shall furnish Landlord with copies of all such policies promptly on receipt of them, or with certificates evidencing the insurance. Landlord shall be named as an additional insured on all policies of insurance required to be procured by the terms of this Lease.

(c) Indemnity

"Landlord" for the purposes of this Section 14 shall mean and include Landlord and Landlord's officers, employees, agents, contractors, and licensees. To the fullest extent permitted by law, Tenant covenants with Landlord that Landlord shall not be liable for any damage or liability of any kind or for any injury to or death of persons or damage to equipment or other personal property, trade fixtures and leasehold improvements of Tenant or any other person occurring from and after Tenant takes possession from any cause whatsoever related to the use, occupancy or enjoyment of the Premises by Tenant or any person thereon or holding under Tenant including, but not limited to, damages resulting from any labor dispute.

Tenant shall pay for, defend (with an attorney approved by Landlord), indemnify, and hold Landlord harmless against and from any real or alleged damage or injury and from all actions, suits, claims, judgments, damages, liabilities, costs, losses, penalties, obligations, errors, omissions or liabilities and expenses, including attorney's fees and costs, arising out of or connected with the use of the Premises and its facilities, or any repairs, alterations or improvements, which may be made or caused to be made upon the Premises by Tenant, any subtenant of Tenant or any of their respective employees, agents, contractors, invitees or visitors (collectively, the "**Tenant Parties**"), any breach of this Lease by Tenant and any loss or interruption of business or loss of rental income resulting from any of the foregoing. The obligations to indemnify set forth in this Section shall include all attorneys' fees, litigation costs, investigation costs and court costs and all other costs, expenses and liabilities incurred by the indemnified party from the first notice that any claim or demand is to be made or may be made. All indemnity obligations under this Section shall survive the expiration or termination of this Lease. Tenant shall promptly pay any judgment rendered against the Landlord for any such claim or liability.

(e) Waiver of Subrogation

Landlord and Tenant each waive any rights each may have against the other on account of any loss or damage occasioned to Landlord or Tenant, as the case may be, their respective property, the Premises or its contents, or to other portions of the Property arising from any liability, loss, damage or injury caused by fire or other casualty for which property insurance is carried or required to be carried pursuant to this Lease. The insurance policies obtained by Landlord and Tenant pursuant to this Lease shall contain endorsements waiving any right of subrogation, which the insurer may otherwise have against the non-insuring party. The Landlord's waiver of subrogation is only effective to the extent the Tenant maintains insurance pursuant to this Section 14.

(f) Failure by Tenant to Maintain Insurance

If Tenant refuses or neglects to secure and maintain insurance policies complying with the provisions of this Section 14, or to provide copies of policies or certificates or copies of renewal policies or certificates within the time provided in Subsection 14(b) and the same is not cured within five (5) days following Tenant's receipt of written notice thereof from Landlord, then Landlord may, after providing written notice to Tenant of its intention to do so, secure the appropriate insurance policies and Tenant shall pay, upon thirty (30) days following demand, the cost of the insurance policies to the Landlord.

Section 15. Free From Liens

Tenant shall not permit any mechanic's, materialman's, contractor's, subcontractor's or other lien arising from any work or improvement, for any labor done, services performed, or materials, appliances, transportation, or power used or furnished, however it may arise, to stand against the Premises or the Property or any improvement thereon. If any such lien shall be filed or arise against the Premises, Property, or improvements, Tenant (i) shall immediately notify the Landlord in writing, and (ii) shall cause the same to be discharged within forty-five (45) days after such filing, by payment, deposit, or bond and shall save and hold the Landlord and the Premises and the Property free and harmless from any and all such claims, liens, or suits. If an action to foreclose such lien has been filed before Tenant discharges in full such lien, and a lis pendens or, similar encumbrance on the Premises or the Property has been recorded in connection with such action, Tenant shall, at the time it discharges such lien, take all measures necessary to procure the removal of such encumbrance from the record title of the Premises or Property. If Tenant shall fail to discharge any such lien, the Landlord may, but shall not be obligated to, discharge the same and any amount so paid or deposited by the Landlord and any expenses so incurred by the Landlord, including reasonable attorney's fees, shall become immediately due and payable by Tenant to Landlord together with interest as provided hereunder. Tenant may in good faith and at Tenant's own expense contest the validity of any such asserted lien, claim or demand, provided Tenant has furnished a required bond, any amendment thereof or any law of similar import hereafter enacted providing for a bond freeing a premise from such lien claim. Tenant shall give Landlord at least ten (10) days' written notice of the date of commencement of any construction, alteration, addition, or improvement or repair costing in excess of Ten Thousand Dollars (\$10,000.00) so that Landlord may post appropriate Notices of Non-responsibility. Authorized agents of the Landlord shall at all times have the right to go upon the Premises to post, and keep posted thereon, Notices of Non-responsibility provided by Section 8222 of the California Civil Code. No mechanic's or

materialman's liens or mortgages, deeds of trust, or other liens of any character whatsoever created or suffered by Tenant shall in any way or to any extent affect the interests or rights of Landlord in the improvements on the Premises or Property or attach to or affect Landlord's rights in the Premises or Property.

Section 16. Abandonment

Tenant shall not vacate or abandon the Premises at any time during the Term; and if Tenant shall abandon, vacate, or surrender the Premises or be dispossessed by process of law, or otherwise, any personal property belonging to Tenant and left on the Premises shall, at the option of Landlord, be deemed abandoned.

Section 17. Signs

Tenant shall not allow to be affixed upon the exterior of the Premises or the Property any sign, advertising placard, name, insignia, trademark, descriptive material or other like item (collectively, the "**Exterior Signs**"), unless the Exterior Signs (i) comply with all governmental requirements, City of Perris Sign Code under the Downtown Specific Plan and (ii) are approved by Landlord. All of the Exterior Signs shall be erected by Tenant at its sole cost and expense, and Tenant shall maintain all of its Exterior Signs in good condition and repair during the Term. Tenant shall not allow any signage or advertising placard except those which shall have been approved in writing, in advance by Landlord, to be affixed or maintained upon the glass panes or supports of the show windows or doors. All signage shall be professionally prepared and maintained in a neat manner, shall comply with all applicable laws, ordinances and regulations.

Section 18. Entry

Subject to reasonable prior notice to Tenant, Tenant shall permit Landlord and Landlord's agents to enter into and upon the Premises at all reasonable times to inspect them or to maintain the building in which the Premises are situated, or for making repairs, alterations, or additions to any other portion of the building, including the erection and maintenance of scaffolding, canopy, fences, and props as may be required, or for posting notices of nonliability for alterations, additions, or repairs, or for placing any usual or ordinary "For Sale" or "For Lease" signs upon the property in which the premises are located. Landlord shall be permitted to do any of these actions without any rebate of rent and without any liability to Tenant for any loss of occupation or quiet enjoyment of the Premises they might cause. Tenant shall permit Landlord, at any time within thirty (30) days prior to the expiration of this Lease, to place upon the Premises any usual or ordinary "For Lease" signs, and during the thirty (30) day period Landlord or Landlord's agents may, during normal business hours, enter upon the Premises and exhibit them to prospective Tenants.

Section 19. Damage and Destruction

(a) Landlord Elects to Repair

In the event of partial or complete damage and destruction of the Premises, wherein the Landlord has elected to repair and restore the damaged or destroyed premises and the Landlord has not otherwise elected to terminate the Lease, the Tenant shall be required to repair and restore any damage to Tenant's improvements as soon as the premises are made available.

(b) Abatement of Rent

Rent will be abated to the extent that Tenant is prevented from occupying the Premises, unless the damage or destruction was caused by the Tenant and/or the Tenant's agents, employees, or contractors and the Landlord is not otherwise receiving any loss of rental income insurance.

(c) No Liability for Loss of Use

Other than rent abatement provided in Section 19(b), Tenant shall not be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises or Tenant's personal property or any inconvenience or annoyance occasioned by such damage, repair, reconstruction or restoration.

Section 20. Assignment and Subletting

Tenant shall not assign this Lease, or any interest in this Lease, and shall not sublet the Premises or any part of them, or any right or privilege appurtenant to them, or permit any other person other than the agents and servants of Tenant to occupy or use the Premises without the prior written consent of the Landlord.

An assignment as used in this section shall include any sale, transfer, lease, assignment, hypothecation or encumbrance of the Premises and the transfer to any person or group of persons acting in concert of more than fifty percent (50%) of the present ownership and/or control of Tenant in the aggregate, taking all transfers into account on a cumulative basis. In the event the Tenant or its successor is a corporation or trust, such transfer shall refer to the transfer of the issued and outstanding capital stock of the Tenant, or the beneficial interests of such trust; in the event that Tenant is a limited or general partnership, such transfer shall refer to the transfer of more than twenty-five percent (25%) of the ownership and/or control of any such joint venture partner, taking all transfers into account on a cumulative basis.

Section 21. Tenant's Default

(a) Event of Default

Each of the following shall constitute an event of default ("**Event of Default**") under this Lease:

- (i) if Tenant fails to make any payment required by the provisions of this Lease, when due;
- (ii) if Tenant fails within thirty (30) days after written notice to correct any breach or default of the other covenants, terms, or conditions of this Lease;
- (iii) if Tenant abandons the Premises before the end of the Term. Abandonment will be deemed to occur fourteen (14) days after the Landlord gives notice required in Civil Code § 1951.3; if Tenant makes any assignment or sublet of the Premises without the consent of the Landlord, including for the benefit of creditors to avoid bankruptcy;
- (iv) if the Tenant files a voluntary petition in bankruptcy or the adjudication of the Tenant as a bankrupt;
- (v) if a receiver is appointed to take possession of all or substantially all of the assets of the Tenant located at the Premises or of the Tenant's leasehold interest in the Premises;
- (vi) the filing of any creditor of the Tenant of an involuntary petition in bankruptcy which is not dismissed within sixty (60) days after filing;
- (vii) the attachment, execution or other judicial seizure of all or substantially all of the assets of the Tenant or the Tenant's leasehold interest where such an attachment, execution or seizure is not discharged within sixty (60) days.

(b) Landlord's Rights Upon Default

Upon the occurrence of an Event of Default, Landlord shall have the right at any time afterwards to elect to terminate the Lease and Tenant's right to possession under the Lease. Upon this termination, Landlord shall have the right to recover against Tenant:

- (i) The worth at the time of award of the unpaid rent that had been earned at the time of termination;
- (ii) The worth at the time of award of the amount by which the unpaid rent that would have been earned after termination until the time of award exceeds the amount of this rental loss that Tenant proves could have been reasonably avoided;
- (iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount

of this rental loss that Tenant proves could be reasonably avoided; and

- (iv) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform Tenant's obligations under the Lease or that in the ordinary course of things would be likely to result. The "worth at the time of award" of the amounts referred to in the previous subsections shall be computed by allowing interest at ten percent (10%) per annum.

(c) Landlord's Mitigation is Not Waiver

Any actions or efforts the Landlord may make to mitigate the damages caused by Tenant's breach of this Lease shall not constitute a waiver of Landlord's right to recover damages against Tenant, nor shall anything contained in this Lease affect Landlord's right to indemnification against Tenant for any liability arising prior to the termination of this Lease for personal injuries or property damage, and Tenant agrees to indemnify and hold Landlord harmless from any injuries and damages, including all reasonable attorney's fees and costs incurred by Landlord in defending any action brought against Landlord for any recovery, and in enforcing the terms and provisions of this indemnification against Tenant.

(d) Assignment of Profits; Right to Enter and Take Possession

As security for the performance by Tenant of all duties and obligations under the Lease, Tenant assigns to Landlord the right, power, and authority, during the continuance of this Lease, to collect the rents, issues, and profits of the Premises, reserving to Tenant the right, prior to any breach or default by Tenant under this Lease, to collect and retain the rents, (solely in the case of a sublease previously approved by Landlord) issues, and profits, from the operation of Tenant's approved business use, as they become due and payable, and so long as payments to Landlord are also kept current.

Upon any breach or default, Landlord shall have the right at any time afterward, without notice except as provided for previously, either in person, by agent, or by a receiver to be appointed by a court, enter and take possession of the Premises and collect rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any secured indebtedness, and in an order as Landlord may determine.

(e) Landlord's Acts of Maintenance/Preservation Not Termination

The parties agree that acts of maintenance or preservation or efforts to sublease the premises, or the appointment of a receiver upon the initiative of Landlord to protect interests under this Lease shall not constitute a termination of Tenant's right of possession for the purposes of this section unless accompanied by a written notice from Landlord to Tenant of Landlord's election to so terminate.

Section 22. Operations; Landlord's Right to Recapture if Tenant Goes Dark

Subject to the provisions of Sections 19, 21 and 25, Tenant shall continuously during the entire Term conduct Tenant's business in the Premises and shall keep the Premises open for business and

cause Tenant's business to be conducted during the usual business hours of each business day as is customary for businesses of similar character in the city in which the Premises are located to be open for business; provided, however, that this provision shall not apply if the Premises should be closed and the business of Tenant temporarily discontinued for causes beyond the reasonable control of Tenant, or closed for not more than three (3) days out of respect to the memory of any deceased officer or employee of Tenant, or a deceased relative.

Notwithstanding the foregoing, if Tenant fails to continuously conduct and carry on its business in the entire Premises at any time before the expiration of the Term for more than ten (10) consecutive business days or fifteen (15) business days in any month (except for a Permitted Discontinuance, as defined below) then in any such event the Landlord may, at its option exercised by thirty (30) days written notice to Tenant, terminate the Lease, and upon the termination date specified in the Landlord's notice, this Lease shall terminate, Tenant shall vacate the Premises and surrender possession thereof to Landlord in the condition required under this Lease, and the parties shall have no further obligations hereunder, except for those accrued but unpaid as of the termination date, and for insurance and indemnity obligations, or any other requirement that expressly survives termination of the Lease.

Permitted Discontinuances means any discontinuance occasioned by an event of force majeure, a temporary discontinuance as a result of permitted alterations, casualty damage, condemnation, or interruption of services as otherwise provided in this Lease.

Section 23. Tenant's Performance

If Tenant shall fail within any time limits that may be provided in this Lease to complete any work or perform any other requirements to be performed by Tenant prior to the commencement of the Term, or if Tenant shall cause a delay in the completion of any work, Landlord may send Tenant written notice of this default and if this default is not corrected within ten (10) days afterwards, Landlord may, by written notice prior to the curing of this default, terminate this Lease. Landlord shall be entitled to retain as liquidated damages all deposits made under this Lease and those improvements as Tenant may have annexed to the realty that cannot be removed without damage.

Section 24. Holding Over

Any holding over after the expiration of the Term, with the consent of Landlord, shall be construed to be a tenancy from month-to-month, cancellable upon thirty (30) days' written notice, and a rental and upon terms and conditions as existing during the last year of the Term. Any holding over after the expiration of the Term, without the consent of Landlord, shall be construed to be a tenancy-at-will at a Monthly Rent of two hundred percent (200%) of the Monthly Rent as existing during the last year of the Term, but otherwise on the terms and conditions in this Lease.

Section 25. Condemnation

If a condemnation or a transfer in lieu thereof occurs on all or any portion of the Premises or Property, Landlord or Tenant may, upon written notice given within thirty (30) days after the taking or transfer in lieu thereof, terminate this Lease. Tenant shall not be entitled to share in any

portion of the award, and Tenant expressly waives any right or claim to any part of the award. Tenant shall, however, have the right to claim and recover, only from the condemning authority, any amounts necessary to reimburse Tenant for the cost of removing stock and fixtures.

Section 26. Hazardous Materials

Tenant agrees in addition to all other provisions in this Lease to all of the following:

(a) Hazardous Substances

Tenant represents and warrants that there exists no "Hazardous Materials" (as such term is herein defined) nor oil wells, underground storage tanks, or pipelines in, on, under, or about the Premises. Tenant understands and agrees that in the event Tenant incurs any loss or liability concerning Hazardous Materials and/or oil wells and/or underground storage tanks and/or pipelines whether attributable to events occurring prior to or following the date this Lease is executed, Tenant may look to the prior owners of the Premises, but under no circumstances shall Tenant look to the Landlord for any liability or indemnification regarding Hazardous Materials and/or oil wells and/or underground storage tanks and/or pipelines. Further, Tenant shall have the sole responsibility for complying with all Environmental Laws during the term of this Lease.

(b) Waiver of Environmental Cleanup Liability

Tenant hereby waives, releases, acquits and forever discharges the Landlord and its officers, officials, employees, and agents, and their respective heirs, successors, personal representatives and assigns, of and from any and all Environmental Claims, Environmental Cleanup Liability and Environmental Compliance Costs, as those terms are defined below, and from any and all actions, suits, legal or administrative orders or proceedings, demands, actual damages, punitive damages, loss, costs, liabilities and expenses, which concern or in any way relate to the physical or environmental conditions of the Premises or the Property, the existence of any Hazardous Material thereon, or the release or threatened release of Hazardous Materials therefrom, whether existing prior to, at or after the date this Lease was executed. It is the intention of the parties pursuant to this release that any and all responsibilities and obligations of the Landlord, and any and all rights, claims, rights of action, causes of action, demands or legal rights of any kind of the Tenant, its successors, assigns or any affiliated entity of Tenant, arising by virtue of the physical or environmental condition of the Premises or Property, the existence of any Hazardous Materials thereon, or any release or threatened release of Hazardous Material therefrom, whether existing prior to, at or after the date this Lease was executed, are by this release provision declared null and void and of no present or future force and effect as to the parties. In connection therewith, Tenant and each of the entities constituting Tenant, expressly agree to waive any and all rights which said party may have under Section 1542 of the California Civil Code which provides as follows:

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

Tenant Initials _____

(c) Indemnity

Tenant and each of the entities constituting Tenant, shall, defend, indemnify and hold harmless Landlord, and its respective officers, directors, employees, agents and representatives (collectively, the “**Indemnified Parties**”) from and against any and all Environmental Claims, Environmental Cleanup Liability, Environmental Compliance Costs, and any other claims, actions, suits, legal or administrative orders or proceedings, demands or other liabilities resulting at any time from the physical and/or environmental conditions of the Premises or the Property whether before or after the date this Lease was executed or from the existence of any Hazardous Materials or the release or threatened release of any Hazardous Materials of any kind whatsoever, in, on or under the Premises or the Property occurring at any time whether before or after the date this Lease was executed, including but not limited to, all foreseeable and unforeseeable damages, fees, costs, losses and expenses, including any and all attorneys’ fees and environmental consultant fees and investigation costs and expenses, directly or indirectly arising therefrom, and including fines and penalties of any nature whatsoever, assessed, levied or asserted against any Indemnified Parties to the extent that the fines and/or penalties are the result of a violation or an alleged violation of any Environmental Law. Tenant further agrees that in the event Tenant obtains, from former or present owners of the Premises or the Property or any other persons or entities, releases from liability, indemnities, or other forms of hold harmless relating to the subject matter of this Section, Tenant shall use its diligent efforts to obtain for Landlord the same releases, indemnities, and other comparable provisions.

(d) Definitions

For purposes of this Section, the following terms shall have the following meanings:

“Environmental Claim” means any claim for personal injury, death and/or property damage made, asserted or prosecuted by or on behalf of any third party, including, without limitation, any governmental entity, relating to the Premises or its operations and arising or alleged to arise under any Environmental Law.

“Environmental Cleanup Liability” means any cost or expense of any nature whatsoever incurred to contain, remove, remedy, clean up, or abate any contamination or any Hazardous Materials on or under all or any part of the Premises, including the ground water thereunder, including, without limitation, (i) any direct costs or expenses for investigation, study, assessment, legal representation, cost recovery by governmental agencies, or ongoing monitoring in connection therewith and (ii) any cost, expense, loss or damage incurred with respect to the Premises or its operation as a result of actions or measures necessary to implement or effectuate any such containment, removal, remediation, treatment, cleanup or abatement.

“Environmental Compliance Cost” means any cost or expense of any nature whatsoever necessary to enable the Premises to comply with all applicable Environmental Laws in effect.

“Environmental Compliance Cost” shall include all costs necessary to demonstrate that the Premises is capable of such compliance.

“Environmental Law” means any federal, state or local statute, ordinance, rule, regulation, order, consent decree, judgment or common-law doctrine, and provisions and conditions of permits, licenses and other operating authorizations relating to (i) pollution or protection of the environment, including natural resources, (ii) exposure of persons, including employees, to Hazardous Materials or other products, raw materials, chemicals or other substances, (iii) protection of the public health or welfare from the effects of byproducts, wastes, emissions, discharges or releases of chemical substances from industrial or commercial activities, or (iv) regulation of the manufacture, use or introduction into commerce of chemical substances, including, without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal.

“Hazardous Material” is defined to include any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of California, or the United States Government. The term “Hazardous Material” includes, without limitation, any material or substance which is: (i) petroleum or oil or gas or any direct or derivative product or by-product thereof; (ii) defined as a “hazardous waste,” “extremely hazardous waste” or “restricted hazardous waste” under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (iii) defined as a “hazardous substance” under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (iv) defined as a “hazardous material,” “hazardous substance,” or “hazardous waste” under Sections 25501(n)(1) – (2) of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (v) defined as a “hazardous substance” under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (vi) “used oil” as defined under Section 25250.1 of the California Health and Safety Code; (vii) asbestos; (viii) listed under Article 9 or defined as hazardous or extremely hazardous pursuant to Article 1 of Title 22 of the California Code of Regulations, Division 4, Chapter 30; (ix) defined as waste or a hazardous substance pursuant to the Porter-Cologne Act, Section 13050 of the California Water Code; (x) designated as a “toxic pollutant” pursuant to the Federal Water Pollution Control Act, 33 U.S.C. § 1317; (xi) defined as a “hazardous waste” pursuant to the Federal Resource Conservation and Recovery Act, 42 U.S.C. S 6901 et seq. (42 U.S.C. § 6903); (xii) defined as a “hazardous substance” pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601); (xiii) defined as “Hazardous Material” pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq.; or (xiv) defined as such or regulated by any “Superfund” or “Superlien” law, or any other federal, state or local law, statute, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning Hazardous Materials and/or oil wells and/or underground storage tanks and/or pipelines, as now, or at any time hereafter, in effect.

Notwithstanding any other provision of this Lease, Tenant's release and indemnification as set forth in the provisions of this Section, as well as all provisions of this Section shall survive the termination of this Lease and shall continue in perpetuity.

Section 27. Miscellaneous

(a) Attorney Fees

If either Landlord or Tenant shall commence any legal proceedings against the other with respect to any of the terms and conditions of this Lease, the non-prevailing party shall pay to the other all expenses of the litigation, including reasonable attorney's fees as may be fixed by the court having jurisdiction over the matter.

(b) Notices

Formal notices, demands, and communications between Landlord and Tenant shall be sufficiently given if: (i) personally delivered; (ii) delivered by overnight courier (acknowledged by receipt); or (iii) dispatched by registered or certified mail, postage prepaid, return receipt requested, to the addresses set forth below:

Agency: City of Perris
101 N. D Street
Perris, CA 92570
Attention: Michele Ogawa, Economic Development and Housing Manager

A copy to: Aleshire & Wynder, LLP
3880 Lemon Street, Suite 520
Riverside, CA 92501
Attn: Eric L. Dunn

Tenant: Love 4 Life Association
3023 Avishan Dr
Perris CA 92571
Attention: Wendy Romero, Chief Executive Officer

All notices shall be deemed to be received as of the earlier of actual receipt by the addressee thereof or the expiration of forty-eight (48) hours after depositing in the United States Postal System in the manner described in this Section.

(c) Successors in Interest

The covenants in this Lease shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators, and assigns of all the parties to this Lease; and all of the parties to this Lease shall be jointly and severally liable.

(d) Force Majeure

If either party shall be delayed or prevented from the performance of any act required under this Lease by reason of acts of God, strikes, lockouts, labor troubles, inability to procure materials, restrictive governmental laws or regulations, or other cause without fault and beyond the control of the party obligated, performance of this act shall be excused for the period of the deal and the period for the performance of any act shall be extended for a period equivalent to the period of the delay; provided, however, nothing in this Section shall excuse Tenant from the prompt payment of any rental or other charge required of Tenant except as may be provided elsewhere in this Lease.

(e) Partial Invalidity

If any term, covenant, condition, or provision of this Lease is held by a court of competent jurisdiction to be void or unenforceable, the remainder of the provisions of this Lease shall remain in full force and shall in no way be affected, impaired, or invalidated.

(f) Captions

The various headings and numbers in this Lease and the grouping of the provisions of this Lease into separate sections and paragraphs are for the purpose of convenience only and shall not be considered a part of this Lease.

(g) Time

Time is of the essence in this Lease.

(h) No Oral Agreements

This Lease includes in full each agreement of every kind between the parties concerning the Premises, and all preliminary negotiations and agreements of any kind or nature are merged in this Lease, and there are no oral agreements or implied covenants made in connection with this Lease.

(i) Governing Law; Venue

This Lease shall be governed by and construed in accordance with the laws of the State of California. In the event of a dispute between the parties arising out of or related to this Lease, legal actions shall be instituted in the Superior Court of the County of Riverside, State of California, in any other appropriate court in that county, or in the United States District Court for the Central District of California. Tenant agrees to submit to the personal jurisdiction of such court.

(j) Non Discrimination

Tenant agrees by and for itself, its successors, assigns and for all persons claiming under or through it that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, ancestry

or national origin in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the Premises nor shall the Tenant or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number use or occupancy of invitees, employees, tenants, sublessees, subtenants, or vendees in, on or upon the Premises. Tenant acknowledges that this Lease was made and accepted upon and subject to the provisions of this Section.

(k) Due Execution

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

(l) Counterparts

This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but any number of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Lease on the day and year first above written.

LANDLORD:

The City of Perris, a California
municipal corporation

By: _____
Name: Clara Miramontes
Its: City Manager

TENANT:

Love 4 Life Association
a Domestic 501(c)(3) non-profit organization

By: _____
Name: Wendy Romero
Its: Chief Executive Officer

EXHIBIT "A"

PROPERTY

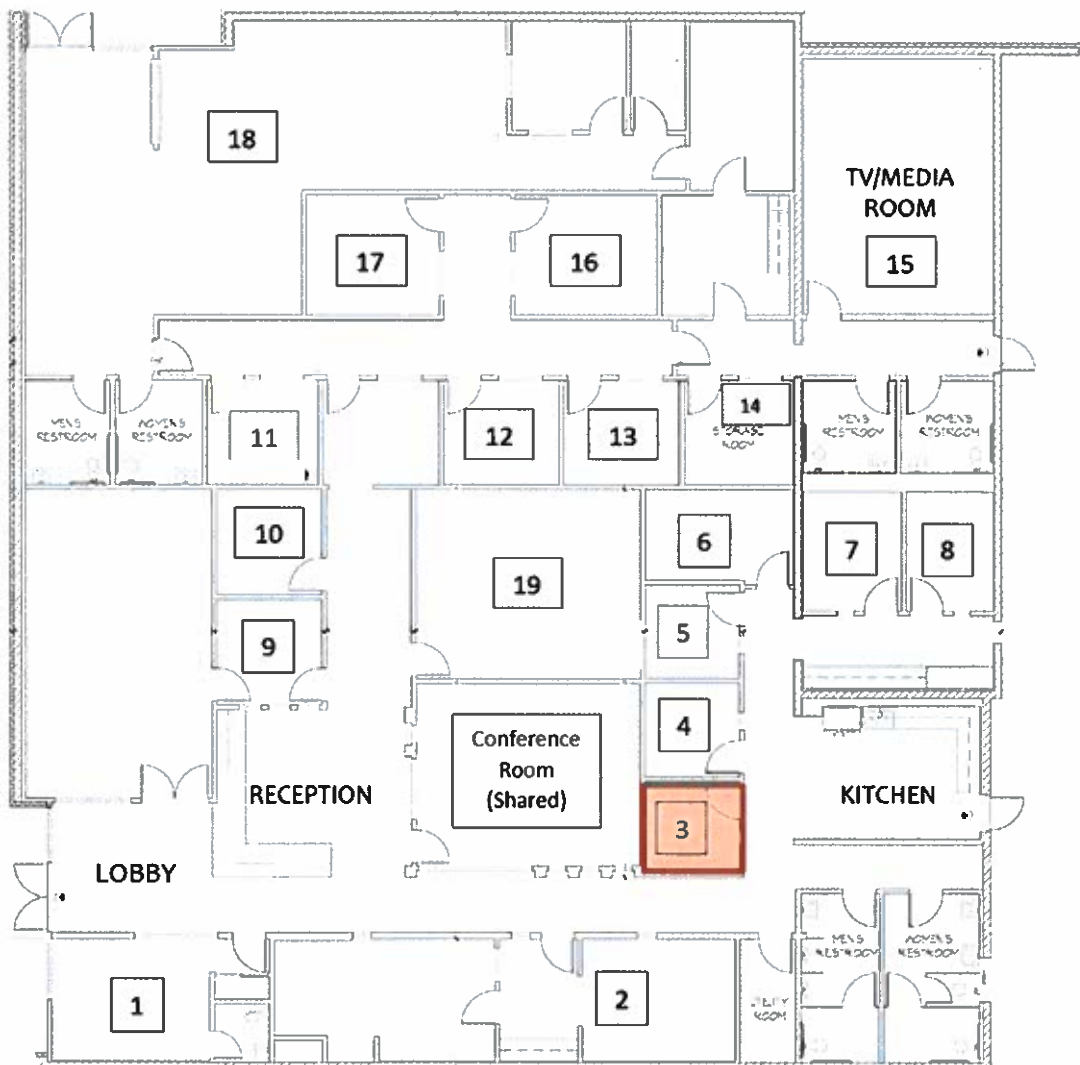


EXHIBIT "B"
PREMISES



SAN JACINTO AVE

SOUTH D STREET



Lease Rate: \$2.75/SF
Total SF: 80
Total Monthly Lease Revenue: \$220.00



10.D.

CITY OF PERRIS

CITY COUNCIL AGENDA SUBMITTAL

MEETING DATE: September 28, 2021

SUBJECT: Joint Community Facilities Agreement

REQUESTED ACTION: Approve the Joint Community Facilities Agreement between the City of Perris, Romoland School District, Tri Pointe Homes IE-SD, Inc., Richmond American Homes of Maryland, Inc. and Green Valley Recovery Acquisition, LLC.

CONTACT: Ernie Reyna, Deputy City Manager *ER*

BACKGROUND/DISCUSSION:

At the September 16, 2021 Ways & Means Committee meeting, consultants Nick Johnson and Matt Villalobos of Green Valley Recovery Acquisition, LLC. introduced a Joint Communities Facility Agreement (JCFA) between the City of Perris, Romoland School District, Tri Pointe Homes IE-SD, Inc., and Richmond American Homes of Maryland, Inc. The purpose of this JCFA is to finance the acquisition of the Green Valley Romoland School site, the construction of the Green Valley Regional Park, and other City Fees and public facilities to be owned by the City and the School District within the Green Valley Community Facilities District. The Committee reviewed the information presented by the consultants, and at the conclusion of the Ways & Means meeting, approved and recommended that the item be forwarded to the City Council at its September 28 meeting.

The benefits to this JCFA are many and include the acquisition and development of the Green Valley school site. The financing of this JCFA will allow the School District to acquire the school site at the earliest opportunity and begin the planning, design, and development of the school as additional residences are completed and families look for a neighborhood school within walking and biking distance to their homes.

Another benefit of this proposed JCFA is the financing for the design and construction of the new Green Valley Regional Park. The Parks & Recreation Committee approved the conceptual design for the Park last fall and the engineering design will start in the coming weeks. The Park is on track to begin construction in Spring of 2022 and families could begin enjoying the facilities of the Park by Summer of 2023.

Lastly, this JCFA will allow the financing of City development fees and public facilities with no administrative burden to the City. The School District has the legal authority to assist in the financing and acquisition and/or construction of the City facilities that benefit residents. Green

Valley Recovery Acquisition (GVRA) partnered with the City in 2013 to assist with its financial obligations on the Green Valley Specific Plan development and since that time, GVRA has invested and developed over \$70 million of backbone infrastructure and community facilities on behalf of the City.

The City's current Local Goals and Policies do not allow any annual escalation of special taxes over the life of the bonds and require a \$1,000 fee to the City per residential unit. By approving the JCFA, the City would be waiving these requirements by allowing a 2% annual escalation of special taxes over the life of the debt and not collecting the \$1,000 fee per residential unit for each of the five improvement areas (tract maps).

BUDGET (or FISCAL) IMPACT: None.

Prepared by:

REVIEWED BY:

City Attorney _____
Assistant City Manager _____
Deputy City Manager _____

Attachments:

1. Green Valley Letter to the Ways & Means Committee dated September 10, 2021
2. Joint Community Facilities Agreement Relating to Community Facilities District No. 2021-1 (Green Valley) of the Romoland School District Improvement Area No. 5
3. Joint Community Facilities Agreement Relating to Community Facilities District No. 2021-1 (Green Valley) of the Romoland School District Improvement Area Nos. 1, 2, 3, and 4

Consent: X
Public Hearing:
Business Item:
Presentation:
Other:

ATTACHMENT 1

**GREEN VALLEY LETTER TO THE WAYS &
MEANS COMMITTEE DATED SEPTEMBER 10,
2021**



PERRIS, CALIFORNIA

September 10, 2021

Honorable Councilmember Marisela Nava and Honorable Councilmember Rita Rogers
City Council, Ways & Means Committee
City of Perris
101 North D Street
Perris, CA 92570

Subject: Benefits of Joint Community Facilities Agreements to the City of Perris

Dear Councilmember Nava and Councilmember Rogers:

Before the Ways & Means Committee are two Joint Community Facilities Agreements (JCFA) by and among Romoland School District, the City of Perris, home builders and Green Valley Recovery Acquisition, LLC for your consideration to recommend to the full Perris City Council for approval. The purpose of these JCFA is to finance the acquisition of the Green Valley Romoland School site, the construction of the Green Valley Regional Park, and other City Fees and public facilities to be owned by the City and the School District within the Green Valley Community Facilities District (CFD).

New Neighborhood School Site. These JCFA provide significant benefits to the City and the School District that will serve the existing and future residents of Green Valley, South Perris and the City for generations to come. Chief among these benefits is the acquisition and development of the Green Valley school site. Through extensive coordination between the City, Romoland School District, the Riverside County Airport Land Use Commission, the Perris Valley Airport owners and the Property Owners, a school site was selected that will best support the community needs and is compatible with the safe operation of the Perris Valley Airport. This financing will allow the School District to acquire the school site at the earliest opportunity and begin the planning, design and development of the school as additional residences are completed and families look for a neighborhood school within walking and biking distance of their homes.

Green Valley Regional Park. A second major public benefit of these JCFA is the financing for the design and construction of the new Green Valley Regional Park. The Parks & Recreation Committee of the City Council approved the conceptual design for the Park last fall and the engineering design will start in the coming weeks. Current plans, made possible by these Agreements, show Park construction beginning Spring 2022 and families enjoying the new Park facilities by Summer of 2023.

Public Facilities Without City Administrative Costs. An added benefit of these JCFA is the financing of City development fees and public facilities with no administrative burden to the City. The School District has the legal authority¹ to assist in the financing and acquisition and/or construction of City facilities that benefit residents. Green Valley Recovery Acquisition (GVRA) partnered with the City in 2013 to assist the City with its financial obligations on the Green Valley Specific Plan development. Since that original investment in the City, GVRA has

¹ Mellow-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Title 5 of the California Government Code.

Letter to Perris Ways & Means Committee
Benefits of Joint Community Facilities Agreements to the City of Perris
September 10, 2021
Page 2 of 2

invested and developed over \$70 million of backbone infrastructure and community facilities on behalf of the City to make the Green Valley community of South Perris come to life. This current involvement of the Romoland School District and Green Valley home builders help to make a significant leap forward in the completion of the community.

On behalf of the entire Green Valley team, thank you for the opportunity to present these JCFA to your Committee. We stand ready to continue our partnership with the City in service to the residents of the Romoland School District and the City of Perris.

Sincerely,



[Matt Villalobos \(Sep 11, 2021 16:07 MDT\)](#)

Matthew Villalobos
for Green Valley Recovery Acquisition, LLC

Cc: Clara Miramontes, City Manager
Ernie Reyna, Deputy City Manager
Trevor Painton, Superintendent Romoland School District
Chris Willis, Tri Pointe Homes IE-SD, Inc.
Alex Wong, Richmond American Homes of Maryland, Inc.

Attachments:

- A. Joint Community Facilities Agreement by and among Romoland School District, City of Perris and Green Valley Recovery Acquisition, LLC relating to Community Facilities District No. 2021-1 (Green Valley) of the Romoland School District Improvement Area Nos. 1,2,3 and 4.
- B. Joint Community Facilities Agreement by and among Romoland School District, City of Perris, Tri Pointe Homes IE-SD, Inc, Richmond American Homes of Maryland, Inc and Green Valley Recovery Acquisition, LLC relating to Community Facilities District No. 2021-1 (Green Valley) of the Romoland School District Improvement Area No. 5.

ATTACHMENT 2

JOINT COMMUNITY FACILITIES AGREEMENT RELATING TO COMMUNITY FACILITIES DISTRICT NO. 2021-1 (GREEN VALLEY) OF THE ROMOLAND SCHOOL DISTRICT IMPROVEMENT AREA NO. 5

JOINT COMMUNITY FACILITIES AGREEMENT

by and among

ROMOLAND SCHOOL DISTRICT,

CITY OF PERRIS,

TRI POINTE HOMES IE-SD, INC.,

RICHMOND AMERICAN HOMES OF MARYLAND, INC. and

GREEN VALLEY RECOVERY ACQUISITION, LLC

relating to

**COMMUNITY FACILITIES DISTRICT NO. 2021-1 (GREEN VALLEY)
OF THE ROMOLAND SCHOOL DISTRICT
IMPROVEMENT AREA NO. 5**

JOINT COMMUNITY FACILITIES AGREEMENT

THIS JOINT COMMUNITY FACILITIES AGREEMENT (the "Agreement") is entered into effective as of the ____ day of _____, 2021, by and among ROMOLAND SCHOOL DISTRICT, a California school district (the "School District"), the City of Perris, a California general law city ("City"), TRI POINTE HOMES IE-SD, INC., a California corporation ("Tri Pointe"), RICHMOND AMERICAN HOMES OF MARYLAND, INC., a Maryland corporation ("Richmond American") and GREEN VALLEY RECOVERY ACQUISITION, LLC, a Delaware limited liability company ("GVRA"). Tri Pointe and Richmond American may each be referred to individually as a "Property Owner" and, collectively, as the "Property Owners." This Agreement relates to Community Facilities District No. 2021-1 (Green Valley) of the Romoland School District (the "CFD") and Improvement Area No. 5 therein (the "Improvement Area"), for the purpose of financing the construction of certain facilities to be owned by City and certain fees incurred as a consequence of the development within the Improvement Area to be used by City to construct facilities to be owned and operated by City from the proceeds of special taxes of, and bonds issued by, the CFD for the Improvement Area.

RECITALS:

A. The property within Tract Nos. 37722 and 37816 is described and depicted in Exhibit A hereto (the "Property"). The Property is located in the City of Perris, County of Riverside, State of California, and constitutes all of the land within the boundaries of the Improvement Area. Tract No. 37722 is owned by Richmond American and is included in Zone 1 of the Improvement Area. Tract No. 37816 is owned by Tri Pointe and is included in Zone 2 of the Improvement Area.

B. Property Owners have petitioned School District to form the CFD and the Improvement Area for the purpose of financing, among other things, certain fees incurred as a consequence of development within the Improvement Area to be used by City for the construction of various public facilities to be owned and operated by City as described in Exhibit B hereto, which facilities will benefit the Property in whole or in part, including certain public facilities to be constructed, owned and operated by City (the "City Fee Facilities") in lieu of the payment of City Fees (defined below), and to finance the acquisition of certain facilities to be constructed by GVRA and acquired by City ("Acquisition Facilities" and together with the City Fee Facilities, "City Facilities").

C. The Parties (defined below) hereto acknowledge that the purpose of this Agreement is to satisfy the requirements of the Act (defined below).

D. In conjunction with the issuance of building permits for the construction of homes within the Property and/or receipt of final inspections or occupancy certificates for such homes, each Property Owner, or its successors or assigns, may elect to advance City Fee Facilities costs in lieu of payment of City Fees (the "Advances") at such times as Bond Proceeds are not available in a sufficient amount to pay for City Fee Facilities. In such case, Property Owner shall be entitled to (i) reimbursement of such Advances and (ii) credit for payments made to City from Bond Proceeds against City Fees which would otherwise be due to City in conjunction with the development of the Property, all as further described herein.

E. In addition to the City Facilities, certain facilities to be owned and operated by School District (the "School District Facilities") are also expected to be funded from Bond Proceeds.

F. School District will have sole discretion and responsibility for the formation and administration of the CFD and the Improvement Area.

G. School District is authorized by Section 53313.5 of the Act to assist in the financing of the acquisition and/or construction of the City Facilities. This Agreement constitutes a joint community facilities agreement, within the meaning of Section 53316.2 of the Act, by and among City, Property Owners, GVRA and School District, pursuant to which the Improvement Area will be authorized to finance the acquisition and/or construction of all or a portion of the City Facilities. As authorized by Section 53316.6 of the Act, responsibility for constructing, providing for, and operating the City Fee Facilities is delegated to City.

H. The Parties hereto find and determine that the residents residing within the boundaries of City, School District, and the Improvement Area will be benefited by the construction and/or acquisition of the School District Facilities and City Facilities and that this Agreement is beneficial to the interests of such residents.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the Parties hereto agree as follows:

1. Recitals. Each of the above recitals is incorporated herein and is true and correct.

2. Definitions. Unless the context clearly otherwise requires, the terms defined in this Section shall, for all purposes of this Agreement, have the meanings herein specified.

(a) "Acquisition Facilities" means those City facilities listed on Exhibit B hereto, which are eligible to be constructed by GVRA, acquired by the City and paid for with Bond Proceeds.

(b) "Acquisition Facilities Allocation" shall have the meaning given such term in Section 4(c) herein.

(c) "Acquisition Price" means the amount to be paid out of Bond Proceeds for an Acquisition Facility.

(d) "Act" means the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code.

(e) "Actual Costs" means the following costs with respect to an Acquisition Facility as approved by the City: (i) the actual hard construction costs including labor, materials and equipment costs; (ii) the costs incurred in design, engineering and preparation of plans and specifications; (iii) the fees paid to consultants and government agencies in connection with and for obtaining permits, licenses or other required governmental approvals; (iv) construction management fee of 5% of the costs described in clause (i) above; (v) professional costs such as engineering, legal, accounting, inspection, construction staking, materials testing and similar professional services; (vi) costs of payment, performance of maintenance bonds, and insurance costs (including the costs of any title insurance); and (vii) the value of any real property or interests therein that (1) are required for the construction of the Acquisition Facility such as temporary construction easements, haul roads,

etc. and (2) are required to be conveyed with such Acquisition Facility in an amount equal to the fair market value of such real property or interests therein.

(f) "Advance" means an amount advanced by a Property Owner to City for City Fee Facilities in lieu of payment of City Fees prior to the availability of sufficient Bond Proceeds.

(g) "Bonds" shall mean those bonds, or other securities, issued by, or on behalf of, the CFD for the Improvement Area in one or more series, as authorized by the qualified electors within the Improvement Area.

(h) "Bond Proceeds" shall mean those funds generated by the sale of each series of Bonds secured by the Special Taxes, net of costs of issuance, reserve fund, capitalized interest and administrative expenses.

(i) "Bond Resolution" means that resolution, resolution supplement, fiscal agent agreement, indenture of trust or other equivalent document(s) providing for the issuance of the Bonds.

(j) "City Acquisition Account of the Improvement Fund" means the fund, account, or subaccount, of the CFD (regardless of its actual designation within the Bond Resolution) into which a portion of the Bond Proceeds may be deposited in accordance with the Bond Resolution to finance Acquisition Facilities.

(k) "City Facilities" means City Fee Facilities and Acquisition Facilities.

(l) "City Facilities Account of the Improvement Fund" means the fund, account or sub-account of the CFD (regardless of its actual designation within the Bond Resolution) into which a portion of the Bond Proceeds may be deposited in accordance with the Bond Resolution to finance City Fee Facilities, which shall have a subaccount for each Zone.

(m) "City Fees" means fees the City development impact fees, and all components thereof, imposed by City as a consequence of development of any portion of the Property to finance City Fee Facilities; as further described in Exhibit B hereto.

(n) "City Fee Facilities" means those City capital improvements eligible to be financed with City Fees.

(o) "City Representative" means the City Manager or his designee.

(p) "Contractors" shall have the meaning given such term in Section 4(a)(ii) herein.

(q) "Disbursement Request" means a request for payment relating to City Fee Facilities in the form attached hereto as Exhibit C or for Acquisition Facilities in the form attached hereto as Exhibit D.

(r) "Improvement Area" means Improvement Area No. 5 of Community Facilities District No. 2021-1 (Green Valley) of the Romoland School District.

(s) "Party" or "Parties" shall mean any or all of the parties to this Agreement.

(t) "Rate and Method" means the Rate and Method of Apportionment of the Special Tax for the Improvement Area authorizing the levy and collection of Special Taxes within the Improvement Area pursuant to proceedings undertaken for the formation of the CFD pursuant to the Act.

(u) "School District Facilities" means those public improvements to be owned, operated, or maintained by School District identified in proceedings to form the CFD that are eligible to be financed with Bond Proceeds.

(v) "Special Taxes" means the special taxes authorized to be levied and collected within the Improvement Area pursuant to the Rate and Method.

(w) "State" means the State of California.

(x) "Substantially Complete" or "Substantial Completion" with respect to an Acquisition Facility means that such Acquisition Facility is substantially complete in accordance with its plans and specifications and is available for use by the public for its intended purpose, notwithstanding any final "punch list" items still required to be completed, unless such items are required for the safe operation of such Acquisition Facility, and shall be based upon approval of City's inspectors, which shall not be unreasonably withheld.

(y) "Zone" means each of Zone 1 and Zone 2 within the Improvement Area as identified in the Rate and Method; "Zones" means, collectively, Zone 1 and Zone 2.

3. Sale of Bonds and Use of Bond Proceeds. The Board of Trustees of School District acting as the legislative body of the CFD may, in its sole discretion, finance City Facilities by issuing one or more series of Bonds secured by Special Taxes. To the extent that the CFD and Property Owners determine that Bond Proceeds are available to finance City Facilities, School District shall notify City of the amount of such Bond Proceeds deposited in each Zone's subaccount of the City Facilities Account of the Improvement Fund that is available for such purpose. It is currently anticipated that sufficient Bond Proceeds will be available to fund all City Fee Facilities and all or a portion of the Acquisition Facilities. As Bond Proceeds are transferred to City to fund City Fee Facilities as described in Section 5 below, the Zone with respect to which such transfer was made shall receive a credit in the amount transferred against the payment of City Fees. Nothing herein shall supersede the obligation of each Property Owner to make Advances or otherwise pay City Fees to City when due. The purpose of this Agreement is to provide a mechanism by which the CFD may issue the Bonds to provide a source of funds to finance Acquisition Facilities and City Fee Facilities in lieu of the payment of City Fees. In the event that Bond Proceeds are not available or sufficient to satisfy all City Fees with respect to a Zone, then the corresponding Property Owner shall remain obligated to make Advances or otherwise pay City Fees to City as required by City in accordance with applicable law.

The Bonds shall be issued only if, in its sole discretion, the Board of Trustees of School District determines that all requirements of State and Federal law and all School District policies have been satisfied or have been waived by School District. Nothing in this Agreement shall confer upon City or any owner of the Property, including Property Owners, a right to compel the issuance of the Bonds or the disbursement of Bond Proceeds to fund City Facilities except in accordance with the terms of this Agreement or any applicable other agreement between the School District and Property Owners.

4. The Parties acknowledge that the City may require GVRA to design, construct and dedicate to the City one or more of the Acquisition Facilities. The following provisions of this Section 4 shall apply solely with respect to those Acquisition Facilities to be constructed by GVRA and acquired by the City with Bond Proceeds.

a. Construction of Acquisition Facilities.

i) GVRA will complete the plans and specifications for such Acquisition Facilities. The plans and specifications shall include the City's standard specifications and shall be subject to City approval, which shall not be unreasonably withheld. City agrees to process any plans and specifications for approval with reasonable diligence and in a timely manner. GVRA may proceed with the construction of any such Acquisition Facilities in accordance with the provisions of Section 4(b) hereof.

ii) The cost of all surveying, compaction testing and report costs associated with such Acquisition Facilities furnished and constructed by any contractors or sub-contractors (collectively, "Contractors") shall be included among the Actual Costs which are eligible to be paid from the City Acquisition Account of the Improvement Fund upon City approval.

iii) The City shall not be responsible for conducting any environmental, archaeological, biological, or cultural studies or any mitigation requirements related to the Acquisition Facilities to be constructed by GVRA that may be requested by appropriate Federal, State, and/or local agencies. Any such work shall be paid for and such work shall be conducted by, or on behalf of GVRA and the Actual Costs of such work shall be eligible to be paid from the City Acquisition Account of the Improvement Fund.

b. Public Works Requirements. In order to insure that the Acquisition Facilities to be constructed by GVRA and acquired with Bond Proceeds will be constructed as if they had been constructed under the direction and supervision, or under the authority of, the City, so that they may be acquired by the City pursuant to Government Code Section 53313.5, GVRA shall comply with all of the following requirements:

i) GVRA shall solicit a minimum of three (3) bids from firms reasonably determined to be qualified to construct the Acquisition Facilities in conformance with the plans and specifications (for purposes of clarification, the requirement is to solicit three bids; it shall not be a violation of this provision if less than three bids are actually received); and

ii) The contract or contracts for the construction of such Acquisition Facilities shall be awarded to the responsible bidder(s) submitting the lowest responsive bid(s) for the construction of such Acquisition Facilities; and

iii) GVRA shall require all Contractors to pay prevailing wages and to otherwise comply with applicable provisions of the Labor Code, Government Code and Public Contract Code relating to public works projects to the extent expressly applicable to a non-governmental entity constructing infrastructure to be acquired by a public entity; and

iv) All such Contractors shall be required to provide proof of insurance coverage throughout the term of the construction of such Acquisition Facilities which they will construct in conformance with the approved plans and specifications.

c. Inspection; Completion of Construction.

i) The City shall have primary responsibility for providing inspection of the construction of the Acquisition Facilities constructed by GVRA to ensure that the construction is accomplished in accordance with the plans and specifications. City's personnel shall have access to the site of the work at all reasonable times for the purpose of accomplishing such inspection. Upon Substantial Completion of the construction of such Acquisition Facilities by GVRA, GVRA shall notify the City in writing that the construction of such Acquisition Facilities has been Substantially Completed.

ii) Any actual costs reasonably incurred by the City in inspecting and approving the construction of any Acquisition Facilities by GVRA not previously paid by GVRA shall be an Actual Cost eligible to be reimbursed from the City Acquisition Account of the Improvement Fund or paid directly by GVRA.

iii) If GVRA incurs costs that (1) apply to more than one Acquisition Facility (e.g., soft costs) or (2) apply to both Acquisition Facilities and improvements other than the Acquisition Facilities (e.g., grading), GVRA shall allocate, or cause the contractor to reasonably allocate, such costs between the Acquisition Facilities (in the case of clause (1)) or between the Acquisition Facilities and the improvements other than the Acquisition Facilities (in the case of clause (2)) (the "Acquisition Facilities Allocation"). The Acquisition Facilities Allocation shall be presumed to be reasonable and shall be accepted for all purposes of this Agreement unless the City notifies GVRA of its good-faith reasonable disapproval of the allocation within five (5) days of submittal of the Disbursement Request. If the City has properly disapproved the Acquisition Facilities Allocation, then the City and GVRA shall promptly allocate such costs, on a reasonable basis, between the Acquisition Facilities (in the case of clause (1)) or between the Acquisition Facilities and the improvements other than the Acquisition Facilities (in the case of clause (2)) (the "Agreed-Upon Allocation"). Based on the Acquisition Facilities Allocation or the Agreed-Upon Allocation, as applicable, the City shall include the costs allocated to a specific Acquisition Facility as part of the Actual Costs of such Acquisition Facility when such Acquisition Facility is subject to a Disbursement Request.

d. Liens.

i) Upon the expiration of the time for the recording of claim of liens as prescribed by Sections 3115 and 3116 of the Civil Code, GVRA shall provide to the City such evidence or proof as the City shall require that all persons, firms and corporations supplying work, labor, materials, supplies and equipment on behalf of GVRA for the construction of any Acquisition Facilities have been paid, and that no claims of liens have been recorded by or on behalf of any such person, firm or corporation.

e. Acquisition, Acquisition Price; Source of Funds.

i) Provided GVRA has complied with the requirements of this Agreement, the City agrees to acquire the Acquisition Facilities from GVRA. Notwithstanding the above, nothing herein shall be construed as requiring GVRA to construct and deliver any Acquisition Facility. The price to be paid by the CFD for the acquisition of such Acquisition Facilities by the City (the "Acquisition Price") shall be the lesser of (a) the value of the Acquisition Facilities determined

pursuant to Section 4(e)ii or (b) the total of the Actual Costs of the Acquisition Facilities as approved by the City. GVRA shall transfer ownership of the Acquisition Facilities to the City by grant deed, bill of sale or such other documentation as the City may require. Upon the transfer of ownership of the Acquisition Facilities or any portion thereof from GVRA to the City, the City shall be responsible for the maintenance of the Acquisition Facilities or the portion transferred.

ii) For purposes of determining the Acquisition Price to be paid by the CFD for the acquisition of the Acquisition Facilities by the City, the value of such improvements shall be presumed to be the amount determined by the City engineer to be the value of the Acquisition Facilities based on the Actual Costs submitted by the Property Owner, as hereinbefore specified; provided, however, that if the City engineer determines that such Actual Costs, or any of them, are excessive and that the value of the Acquisition Facilities is less than the total amount of such Actual Costs, the Acquisition Price to be paid by the CFD for the acquisition of the Acquisition Facilities shall be the value thereof as determined by the City engineer.

iii) Upon completion of the construction of any Acquisition Facilities by GVRA, GVRA shall deliver to the City copies of the contract(s) with the Contractor(s) who have constructed the Acquisition Facilities or other relevant documentation with regard to the payments made to such Contractor(s) and each of them for the construction of such Acquisition Facilities, and shall also provide to the City copies of all invoices and purchase orders with respect to all supplies and materials purchased for the construction of such Acquisition Facilities. The City shall require the City engineer to complete its determination of the value of the Acquisition Facilities as promptly as is reasonably possible.

iv) To the extent funds are available therein, the Acquisition Price of any Acquisition Facilities may be determined and paid out of the City Acquisition Account of the Improvement Fund upon a determination of Substantial Completion of such Acquisition Facility. GVRA shall submit a Disbursement Request form to the CFD, pursuant to Section 5 below, which must also contain therewith approval of the City, which approval shall not be unreasonably withheld.

v) Notwithstanding the preceding provisions of this section, the sole source of funds for the acquisition by the City of the Acquisition Facilities or any portion thereof shall be the Bond Proceeds. If for any reason beyond the City's control, Bond Proceeds are not available, the City shall not be required to acquire any Acquisition Facilities from GVRA. In such event, GVRA shall complete the design and construction and offer to the City ownership of such portions of the Acquisition Facilities as are required to be constructed by GVRA as a condition to recordation of subdivision maps for the Property or any other agreement between GVRA and the City, but need not construct any portion of the Acquisition Facilities which it is not so required to construct.

f. Easements. GVRA shall, at the time the City acquires the Acquisition Facilities as provided in Section 4(e) hereof, grant to the City, by appropriate instruments prescribed by the City, all easements on private property which may be reasonably necessary for the proper operation and maintenance of such Acquisition Facilities, or any part thereof.

g. Maintenance. Prior to the transfer of ownership of an Acquisition Facility by GVRA to the City, GVRA shall be responsible for the maintenance thereof and shall maintain and transfer such Acquisition Facility to the City in as good condition as the Acquisition

Facility was in at the time GVRA notified the City that construction of same had been completed in accordance with the plans and specifications.

h. Responsibility for Acquisition Facilities. The Parties acknowledge and agree that all responsibility and obligation for the design, construction and dedication of such Acquisition Facilities to the City, in accordance with all applicable statutes and the City rules and regulations, shall be and remain the responsibility of GVRA.

5. Disbursements.

(a) Upon the funding of a Zone's subaccount of the City Facilities Account of the Improvement Fund, the corresponding Property Owner may execute and submit a Disbursement Request to School District or the CFD requesting disbursement to Property Owner, or its written designee, from the Zone's subaccount of the City Facilities Account of the Improvement Fund of an amount equal to all or a portion of the Advances. The sole source of funds from which a Property Owner will be entitled to receive reimbursement of the Advances and payment of the Acquisition Price shall be Bond Proceeds or Special Taxes deposited in the corresponding Zone subaccount of the City Facilities Account of the Improvement Fund.

(b) From time to time following the funding of a Zone's subaccount of the City Facilities Account of the Improvement Fund, the corresponding Property Owner may notify City in writing and City and Property Owner shall jointly request a disbursement from the City Facilities Account of the Improvement Fund to fund City Fee Facilities by executing and submitting to the CFD a Disbursement Request in substantially the form attached hereto as Exhibit C. Upon receipt of such Disbursement Request completed in accordance with the terms of this Agreement, the CFD shall wire transfer or otherwise pay to City, or its designee, such requested funds to the extent that Bond Proceeds are then available, or subsequently become available, in the Zone subaccount of the City Facilities Account of the Improvement Fund for such purpose. Upon such notice and City's receipt of such disbursement relating to City Fee Facilities, the Property Owner shall be deemed to have satisfied the applicable City Fees with respect to the number of dwelling units or lots for which City Fees would otherwise have been required in an amount equal to the amount of such disbursement divided by the per lot or unit amount of the applicable City Fees.

(c) City agrees that prior to submitting a Disbursement Request requesting payment from the CFD for City Fee Facilities it shall review and approve all costs included in its request and will have already paid contractually or incurred such costs of City Fee Facilities from its own funds subsequent to the date of this Agreement, or will disburse such amounts to pay the costs of the City Fee Facilities following receipt of funds from the CFD. In the event that City does not disburse any Bond Proceeds received by it to third parties within five banking days of receipt, it will trace and report to the CFD all earnings, if any, earned by City, from the date of receipt of such Bond Proceeds by City to the date of expenditure by City for capital costs of the City Fee Facilities. Such report shall be delivered at least semiannually until all Bond Proceeds are expended by City.

(d) From time to time, GVRA and City may jointly request a disbursement from the City Acquisition Account of the Improvement Fund by executing and submitting to the CFD a Disbursement Request in substantially the form attached hereto as Exhibit D. Upon receipt of such Disbursement Request completed in accordance with the terms of this Agreement, the CFD shall wire transfer or otherwise pay to GVRA, or its designee, such requested funds to the extent that Bond

Proceeds are then available in the City Acquisition Account of the Improvement Fund or subsequently become available.

(e) Subject to Section 5(f) below, City agrees to maintain adequate internal controls over its payment function and to maintain accounting records in accordance with generally accepted accounting procedures. City will, upon request, provide School District and/or Property Owner with access to City's records related to the City Fee Facilities and will provide to School District its annual financial report certified by an independent certified public accountant for purposes of assisting School District in calculating the arbitrage rebate obligation of the CFD, if any.

(f) At the City's discretion, the City may elect to satisfy the tracing and accounting of Bond Proceeds requirements set forth in Section 5 of this Agreement by selecting and depositing unexpended Bond Proceeds with a commercial bank, savings bank, savings and loan association or other financial institution which is authorized by law to accept, hold, trace and account for deposits of money (the "Deposit Institution"). Property Owner shall pay for all costs and expenses associated with such Deposit Institution and shall pay said costs and expenses as provided in the written direction of the City.

(g) School District or the CFD agrees to maintain full and accurate records of all amounts, and investment earnings, if any, expended from each Zone's subaccount of the City Facilities Account of the Improvement Fund. School District or the CFD will, upon request, provide City and Property Owner with access to School District's or the CFD's records related to the City Facilities Account of the Improvement Fund.

6. Ownership of City Facilities. The City Fee Facilities and Acquisition Facilities, once owned by the City, shall be and remain the property of City.

7. Indemnification.

(a) **Indemnification by School District and the CFD.** School District shall assume the defense of, indemnify and save harmless, City and its respective officers, employees, and agents, and each and every one of them, from and against all actions, damages, claims, losses, or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of School District with respect to this Agreement and the issuance of and Bonds; provided, however, that School District shall not be required to indemnify any person or entity as to damages resulting from negligence or willful misconduct of such person or entity or their officers, agents, or employees.

(b) **Indemnification by Property Owners.** Each Property Owner shall assume the defense of, indemnify and save harmless, School District, the CFD, and City, their respective officers, employees, and agents, and each and every one of them, from and against all actions, damages, claims, losses, or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of Property Owner with respect to this Agreement; provided, however, that Property Owner shall not be required to indemnify any person or entity as to damages resulting from willful misconduct of such person or entity or their officers, agents, or employees.

(c) **Indemnification by GVRA.** GVRA shall assume the defense of, indemnify and save harmless, School District, the CFD, and City, their respective officers, employees, and agents,

and each and every one of them, from and against all actions, damages, claims, losses, or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of GVRA with respect to this Agreement; provided, however, that GVRA shall not be required to indemnify any person or entity as to damages resulting from willful misconduct of such person or entity or their officers, agents, or employees.

(d) **Indemnification by City.** City shall assume the defense of, indemnify and save harmless, School District, the CFD and their respective officers, employees, and agents, and each and every one of them, from and against all actions, damages, claims, losses, or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of City with respect to this Agreement, and the design, engineering, and construction of the City Fee Facilities constructed by City; provided, however, that City shall not be required to indemnify any person or entity as to damages resulting from negligence or willful misconduct of such person or entity or their officers, agents, or employees. In addition to the obligations set forth in Section 7(b) above, Property Owner shall indemnify the City, their respective officers, employees, and agents, and each and every one of them, from and against all actions, damages, claims, losses, or expenses of every type as a result of the City indemnifying School District and/or the CFD under this Section 7(c).

8. Allocation of Special Taxes. The Board of Trustees of School District, as the legislative body of the CFD, shall annually levy the Special Tax as provided for in the formation proceedings of the CFD. The entire amount of any Special Tax levied by the CFD to repay Bonds, or to fund other obligations, shall be allocated to the CFD.

9. Amendment and Assignment. This Agreement may be amended at any time but only in writing signed by each Party hereto. This Agreement may be assigned, in whole or in part, by Property Owner to the purchaser of any parcel of land within the Property, and GVRA may assign its rights under this Agreement to any third party; provided, however, such assignments shall not be effective unless and until City and School District have been notified, in writing, of such assignment.

10. Entire Agreement. This Agreement contains the entire agreement between the Parties with respect to the matters provided for herein with respect to the CFD and the Improvement Area and supersedes all prior agreements and negotiations between the Parties with respect to the subject matter of this Agreement.

11. Notices. Any notice, payment, or instrument required or permitted by this Agreement to be given or delivered to either Party shall be deemed to have been received when personally delivered or seventy two hours following deposit of the same in any United States Post Office in California, registered or certified, postage prepaid, addressed as follows:

School District:	Romoland School District 25900 Leon Road Homeland, California 92548 Attention: Superintendent
------------------	--

with a copy to: Stradling Yocca Carlson & Rauth, a Professional Corporation
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attention: Bradley R. Neal

City: City of Perris
101 N. D Street
Perris, CA 92570
Attention: Ernie Reyna, Deputy City Manager

Property Owners: Tri Pointe Homes IE-SD, Inc.
1250 Corona Pointe Court, Suite 650
Corona, California 92879
Attention: Chris Willis

Richmond American Homes of Maryland, Inc.
391 N. Main Street #205
Corona, California 92880
Attention: Edgar Gomez, VP Land Project Management

GVRA: Green Valley Recovery Acquisition, LLC
2753 Camino Capistrano, Suite A-201
San Clemente, California 92672
Attention: Matt Villalobos

Each Party may change its address for delivery of notice by delivering written notice of such change of address to the other Parties hereto.

12. Exhibits. All exhibits attached hereto are incorporated into this Agreement by reference.

13. Attorneys' Fees. In the event of the bringing of any action or suit by any Party against any other Party arising out of this Agreement, the Party in whose favor final judgment shall be entered shall be entitled to recover from the losing Party all costs and expenses of suit, including reasonable attorneys' fees.

14. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

15. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

16. Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by any other Party hereto, or the failure by a Party to exercise its rights

upon the default of any other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the terms of this Agreement thereafter.

17. No Third Party Beneficiaries. No person or entity other than the CFD shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than City, School District, CFD, GVRA, and Property Owners (and their respective successors and assigns, exclusive of individual homebuyers), any rights, remedies, obligations, or liabilities under or by reason of this Agreement.

18. Singular and Plural; Gender. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

19. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute but one instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year written above.

ROMOLAND SCHOOL DISTRICT

By: _____
Superintendent

ATTEST:

Chief Business Official

CITY OF PERRIS

Mayor, Michael M. Vargas

ATTEST:

By: _____
City Clerk, Nancy Salazar

**APPROVED AS TO FORM:
CITY ATTORNEY OF THE CITY OF PERRIS**

By: _____

PROPERTY OWNERS

TRI POINTE HOMES IE-SD, INC., a California corporation

By: _____
Name: _____
Title: _____

RICHMOND AMERICAN HOMES OF MARYLAND, INC., a Maryland corporation

By: _____
Name: _____
Title: _____

GVRA

GREEN VALLEY RECOVERY ACQUISITION, LLC, a Delaware limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT A
DESCRIPTION OF PROPERTY

Real property in the City of Perris, County of Riverside, State of California, described as follows:

BOUNDARY MAP

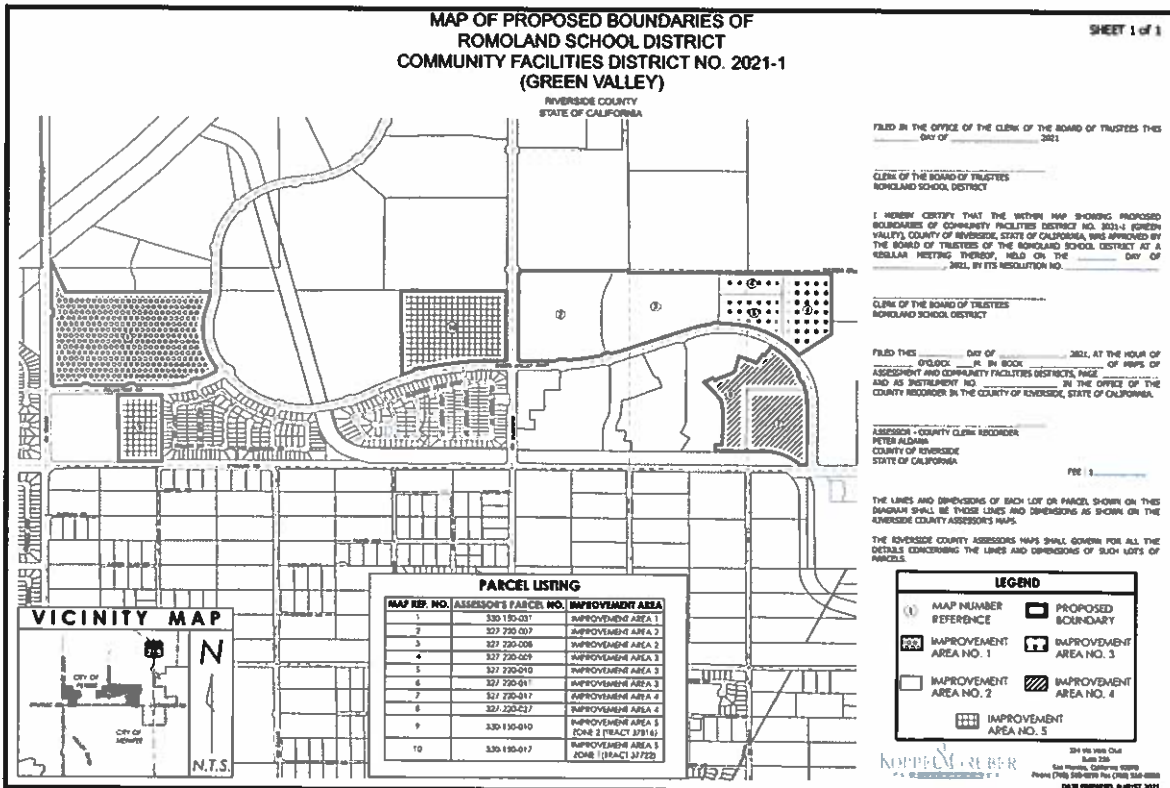


EXHIBIT B

CITY FEES

The type of City Fee Facilities eligible to be financed by the CFD under the Act are the capital improvements authorized to be financed with City development impact fees imposed pursuant to the City's Municipal Code and implementing Resolutions, as described below.

Development Impact Fee	Rate per DU^(a)
Single Family – Public Safety Facilities – Police	\$ 59.00
Single Family – Public Safety Facilities – Fire	\$ 362.00
Single Family – Community Amenities	\$ 1,120.00
Single Family – Government Facilities	\$ 576.00
Single Family – Transportation Facilities	\$ 4,025.00
Single Family – Administration	\$ 29.00
Total per DU	\$ 6,170.00
Multi-Family – Public Safety Facilities – Police	\$ 53.50
Multi-Family – Public Safety Facilities – Fire	\$ 327.50
Multi-Family – Community Amenities	\$ 1,014.00
Multi-Family – Government Facilities	\$ 522.00
Multi-Family – Transportation Facilities	\$ 2,817.00
Multi-Family – Administration	\$ 24.00
Total per Multi-Family DU	\$ 4,758.00
Single Family – TUMF Fee	\$ 9,810.00
Single Family Park DIF (Tract Nos. 37262, 37722, 37223)	\$ 8,348.01
Multi-Family Park DIF (Tract Nos. 37816, 37817, 37818)	\$ 7,382.94

Notes:

(a) The amount of the development impact fees is subject to change and the amount financed shall be net of any credit received pursuant to a fee credit agreement with the City.

ACQUISITION FACILITIES

Acquisition Facilities include the construction, purchase, modification, expansion, improvement and/or rehabilitation of public facilities to be owned by the City of Perris, and all

appurtenances and appurtenant work in connection with the foregoing including the cost of engineering, planning, designing, materials testing, coordination, construction staking, construction management and supervision for such facilities and any other expense incidental to the construction, acquisition, modification, expansion or rehabilitation of such facilities. The Acquisition Facilities currently anticipated to be financed with Bond Proceeds include the following:

Facilities Description	Estimated Cost
Backbone Storm Drain Connections (Ethanac, Murrieta, Green Valley Parkway)	\$1,353,750
Green Valley Parkway Storm Drain	3,360,000
Ethanac Traffic Signals	1,392,500
Goetz Traffic Signal	367,500
Street Lighting in Ethanac, Goetz, West Elm, Green Valley Parkway, Murrieta and Watson	3,732,500
Master Backbone Landscaping – Architectural Details	3,570,000
Master Backbone Landscaping	9,765,000
Dry Utilities in Green Valley Parkway, Murrieta, West Elm and Watson	8,610,000
Underground Ethanac, Murrieta and Watson Power Lines	7,000,000
Green Valley Parkway Bridge	4,987,500
Ethanac Road (Median, Road Contribution, Fencing, Sidewalk)	6,972,000
Watson Street Improvements	2,000,000
West Elm Street Improvements	1,732,000
Green Valley Parkway Street Improvements (Murrieta to Ethanac)	4,000,000
Goetz Street Improvements	2,200,000
Murrieta Road	2,200,000
City Park	<u>11,600,000</u>
Total	<u>\$74,843,250</u>

Footnotes:

(a) The estimated costs for the Acquisition Facilities are preliminary in nature. The Acquisition Price to be paid for any Acquisition Facility listed in this Exhibit shall equal its Actual Cost.

EXHIBIT C

**DISBURSEMENT REQUEST FORM
(CITY FEE FACILITIES)**

1. Community Facilities District No. 2021-1 (Green Valley) of the Romoland School District ("CFD") is hereby requested to pay from Bond Proceeds to the City of Perris ("City"), as Payee, the sum set forth in 3 below.

2. The undersigned certifies that the amount requested for City Fee Facilities is due and payable, has not formed the basis of prior request or payment, and is being made with respect to the property described in Exhibit A to the Joint Community Facilities Agreement by and among Romoland School District, City of Perris, Tri Pointe Homes IE-SD, Inc., Richmond American Homes of Maryland, Inc. and Green Valley Recovery Acquisition, LLC, dated as of _____, 2021 (the "JCFA").

3. Amount requested: \$ _____
For Tract / Lot Nos: _____

4. The amount set forth in 3 above is authorized and payable pursuant to the terms of the JCFA. Capitalized terms not defined herein shall have the meaning set forth in the JCFA.

PROPERTY OWNER

By: _____
Name: _____
Title: _____

CITY OF PERRIS

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
City Clerk, Nancy Salazar

cc: City Finance Dept.

EXHIBIT D

**DISBURSEMENT REQUEST FORM
(ACQUISITION FACILITIES)**

City of Perris ("City"), Romoland School District ("School District"), Tri Pointe Homes IE-SD, Inc. and Richmond American Homes of Maryland, Inc. (each, a "Property Owner") are parties to the Amended and Restated Joint Community Facilities Agreement, dated as of _____ (the "City JCFA"). Capitalized undefined terms used herein shall have the meanings ascribed thereto in the City JCFA. Pursuant to the City JCFA, GVRA hereby requests approval of the Acquisition Price of the Acquisition Facility(ies) described in Attachment A attached hereto.

Community Facilities District No. 2021-1 (Green Valley) of the Romoland School District is hereby requested to pay from Bond Proceeds the Acquisition Price. In connection with this Disbursement Request, GVRA hereby represents and warrants to the City as follows:

(a) The person executing this Disbursement Request is qualified to execute this Disbursement Request on behalf of Property Owner and knowledgeable as to the matters set forth herein.

(b) The Acquisition Facility(ies) have been constructed in accordance with the plans therefor, and in accordance with all applicable City standards and the requirements of the City JCFA.

(c) The true and correct Actual Cost of the Acquisition Facility(ies) is set forth in Attachment A.

(d) GVRA has submitted or submits herewith to the City documents and other evidence of Actual Costs which are in sufficient detail to allow the City Representative to verify the Actual Cost of the Acquisition Facility(ies) for which payment is requested.

(e) There are no liens, rights to lien or attachment upon, or claims affecting the right to receive the payment requested herein which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by operation of law.

Property Owner hereby requests that the Acquisition Price be paid to the person or entity, in the amount set forth in Attachment B hereto.

**GREEN VALLEY RECOVERY ACQUISITION,
LLC**

By: _____

Name: _____

Title: _____

CONFIRMATION AND APPROVAL BY CITY

The City has (a) confirmed that the Acquisition Facility(ies) described in Attachment A is/are complete and was constructed in accordance with the plans therefor, and (b) reviewed, verified and approved the Acquisition Price of such Acquisition Facility(ies). Such Acquisition Facility(ies) is/are complete and the Acquisition Price therefor eligible for payment is \$_____. The amount to be paid and the payee(s) is/are described in Attachment B.

Date:

**AUTHORIZED REPRESENTATIVE OF
CITY**

By: _____

ATTACHMENT B

ACQUISITION PRICE PAYMENT INSTRUCTIONS

[Include name and address of payee and wire transfer instructions]

**FOR DEVELOPER USE
WHEN SUBMITTING
DISBURSEMENT REQUEST**

ATTACHMENT 3

JOINT COMMUNITY FACILITIES AGREEMENT RELATING TO COMMUNITY FACILITIES DISTRICT NO. 2021-1 (GREEN VALLEY) OF THE ROMOLAND SCHOOL DISTRICT IMPROVEMENT AREA NO. 1, 2, 3, AND 4

JOINT COMMUNITY FACILITIES AGREEMENT

by and among

ROMOLAND SCHOOL DISTRICT,

CITY OF PERRIS

and

GREEN VALLEY RECOVERY ACQUISITION, LLC

relating to

**COMMUNITY FACILITIES DISTRICT NO. 2021-1 (GREEN VALLEY)
OF THE ROMOLAND SCHOOL DISTRICT
IMPROVEMENT AREA NOS. 1, 2, 3 AND 4**

JOINT COMMUNITY FACILITIES AGREEMENT

THIS JOINT COMMUNITY FACILITIES AGREEMENT (the "Agreement") is entered into effective as of the ____ day of _____, 2021, by and among ROMOLAND SCHOOL DISTRICT, a California school district (the "School District"), the City of Perris, a California general law city ("City") and GREEN VALLEY RECOVERY ACQUISITION, LLC, a Delaware limited liability company ("Property Owner"). This Agreement relates to Community Facilities District No. 2021-1 (Green Valley) of the Romoland School District (the "CFD"), and Improvement Area Nos. 1 through 4 therein (each an "Improvement Area" and, collectively, the "Improvement Areas"), for the purpose of financing the construction of certain facilities to be owned by City and certain fees incurred as a consequence of the development within the Improvement Areas to be used by City to construct facilities to be owned and operated by City from the proceeds of special taxes of, and bonds issued by, the CFD or an Improvement Area.

RECITALS:

A. The property within Tract Nos. 37262, 37223, 37817 and 37818 is described and depicted in Exhibit A hereto (the "Property"). The Property is located in the City of Perris, County of Riverside, State of California, and constitutes all of the land within the boundaries of the Improvement Areas.

B. Property Owner has petitioned School District to form the CFD and the Improvement Areas for the purpose of financing, among other things, certain fees incurred as a consequence of development within the CFD to be used by City for the construction of various public facilities to be owned and operated by City as described in Exhibit B hereto, which facilities will benefit the Property in whole or in part, including certain public facilities to be constructed, owned and operated by City (the "City Fee Facilities") in lieu of the payment of City Fees (defined below), and to finance the acquisition of certain facilities to be constructed by Property Owner and acquired by City ("Acquisition Facilities" and together with the City Fee Facilities, "City Facilities").

C. The Parties (defined below) hereto acknowledge that the purpose of this Agreement is to satisfy the requirements of the Act (defined below).

D. In conjunction with the issuance of building permits for the construction of homes within the Property and/or receipt of final inspections or occupancy certificates for such homes, Property Owner, or its successors or assigns, may elect to advance City Fee Facilities costs in lieu of payment of City Fees (the "Advances") at such times as Bond Proceeds are not available in a sufficient amount to pay for City Fee Facilities. In such case, Property Owner shall be entitled to (i) reimbursement of such Advances and (ii) credit for payments made to City from Bond Proceeds against City Fees which would otherwise be due to City in conjunction with the development of the Property, all as further described herein.

E. In addition to the City Facilities, certain facilities to be owned and operated by School District (the "School District Facilities") are also expected to be funded from Bond Proceeds.

F. School District will have sole discretion and responsibility for the formation and administration of the CFD and each Improvement Area.

G. School District is authorized by Section 53313.5 of the Act to assist in the financing of the acquisition and/or construction of the City Facilities. This Agreement constitutes a joint community facilities agreement, within the meaning of Section 53316.2 of the Act, by and among City, Property Owner, and School District, pursuant to which the CFD and each Improvement Area will be authorized to finance the acquisition and/or construction of all or a portion of the City Facilities. As authorized by Section 53316.6 of the Act, responsibility for constructing, providing for, and operating the City Fee Facilities is delegated to City.

H. The Parties hereto find and determine that the residents residing within the boundaries of City, School District, and the CFD and each Improvement Area therein will be benefited by the construction and/or acquisition of the School District Facilities and City Facilities and that this Agreement is beneficial to the interests of such residents.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the Parties hereto agree as follows:

1. Recitals. Each of the above recitals is incorporated herein and is true and correct.
2. Definitions. Unless the context clearly otherwise requires, the terms defined in this Section shall, for all purposes of this Agreement, have the meanings herein specified.
 - (a) "Acquisition Facilities" means those City facilities listed on Exhibit B hereto, which are eligible to be constructed by the Property Owner, acquired by the City and paid for with Bond Proceeds.
 - (b) "Acquisition Facilities Allocation" shall have the meaning given such term in Section 4(d) herein.
 - (c) "Acquisition Price" means the amount to be paid out of Bond Proceeds for an Acquisition Facility.
 - (d) "Act" means the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code.
 - (e) "Actual Costs" means the following costs with respect to an Acquisition Facility as approved by the City: (i) the actual hard construction costs including labor, materials and equipment costs; (ii) the costs incurred in design, engineering and preparation of plans and specifications; (iii) the fees paid to consultants and government agencies in connection with and for obtaining permits, licenses or other required governmental approvals; (iv) construction management fee of 5% of the costs described in clause (i) above; (v) professional costs such as engineering, legal, accounting, inspection, construction staking, materials testing and similar professional services; (vi) costs of payment, performance of maintenance bonds, and insurance costs (including the costs of any title insurance); and (vii) the value of any real property or interests therein that (1) are required for the construction of the Acquisition Facility such as temporary construction easements, haul roads, etc. and (2) are required to be conveyed with such Acquisition Facility in an amount equal to the fair market value of such real property or interests therein.

(f) “Advance” means an amount advanced by Property Owner to City for City Fee Facilities in lieu of payment of City Fees prior to the availability of sufficient Bond Proceeds.

(g) “Bonds” shall mean those bonds, or other securities, issued by, or on behalf of, the CFD for an Improvement Area in one or more series, as authorized by the qualified electors within the CFD and the applicable Improvement Area.

(h) “Bond Proceeds” shall mean those funds generated by the sale of each series of Bonds secured by the Special Taxes, net of costs of issuance, reserve fund, capitalized interest and administrative expenses.

(i) “Bond Resolution” means that resolution, resolution supplement, fiscal agent agreement, indenture of trust or other equivalent document(s) providing for the issuance of the Bonds.

(j) “City Facilities” means City Fee Facilities and Acquisition Facilities.

(k) “City Facilities Account of the Improvement Fund” means the fund, account or sub-account of the CFD (regardless of its actual designation within the Bond Resolution) into which a portion of the Bond Proceeds may be deposited in accordance with the Bond Resolution to finance City Facilities and which may have subaccounts.

(l) “City Fees” means fees the City development impact fees, and all components thereof, imposed by City as a consequence of development of any portion of the Property to finance City Fee Facilities; as further described in Exhibit B hereto.

(m) “City Fee Facilities” means those City capital improvements eligible to be financed with City Fees.

(n) “City Representative” means the City Manager or his designee.

(o) “Contractors” shall have the meaning given such term in Section 4(a)(ii) herein.

(p) “Disbursement Request” means a request for payment relating to City Fee Facilities in the form attached hereto as Exhibit C or for Acquisition Facilities in the form attached hereto as Exhibit D.

(q) “Improvement Area” means each of Improvement Area No. 1, Improvement Area No. 2, Improvement Area No. 3 or Improvement Area No. 4 of Community Facilities District No. 2021-1 (Green Valley) of the Romoland School District.

(r) “Improvement Areas” means all of Improvement Area Nos. 1 through 4 of Community Facilities District No. 2021-1 (Green Valley) of the Romoland School District.

(s) “Party” or “Parties” shall mean any or all of the parties to this Agreement.

(t) “Rate and Method” means the Rate and Method of Apportionment of the Special Tax for an Improvement Area authorizing the levy and collection of Special Taxes within

such Improvement Area pursuant to proceedings undertaken for the formation of the CFD pursuant to the Act.

(u) "School District Facilities" means those public improvements to be owned, operated, or maintained by School District identified in proceedings to form the CFD that are eligible to be financed with Bond Proceeds.

(v) "Special Taxes" means the special taxes authorized to be levied and collected within the Improvement Area or Improvement Areas pursuant to the applicable Rate and Method.

(w) "State" means the State of California.

(x) "Substantially Complete" or "Substantial Completion" with respect to an Acquisition Facility means that such Acquisition Facility is substantially complete in accordance with its plans and specifications and is available for use by the public for its intended purpose, notwithstanding any final "punch list" items still required to be completed, unless such items are required for the safe operation of such Acquisition Facility, and shall be based upon approval of City's inspectors, which shall not be unreasonably withheld.

3. Sale of Bonds and Use of Bond Proceeds. The Board of Trustees of School District acting as the legislative body of the CFD may, in its sole discretion, finance City Facilities by issuing one or more series of Bonds secured by Special Taxes levied in an Improvement Area. To the extent that the CFD and Property Owner determine that Bond Proceeds are available to finance City Facilities, School District shall notify City of the amount of such Bond Proceeds deposited in the City Facilities Account of the Improvement Fund that is available for such purpose. It is currently anticipated that sufficient Bond Proceeds will be available to fund all City Fee Facilities and all or a portion of the Acquisition Facilities. As Bond Proceeds are transferred to City to fund City Fee Facilities as described in Section 5 below, the portion of the Property with respect to which such transfer was made shall receive a credit in the amount transferred against the payment of City Fees. Nothing herein shall supersede the obligation of Property Owner to make Advances or otherwise pay City Fees to City when due. The purpose of this Agreement is to provide a mechanism by which the CFD may issue the Bonds to provide a source of funds to finance Acquisition Facilities and City Fee Facilities in lieu of the payment of City Fees. In the event that Bond Proceeds are not available or sufficient to satisfy all City Fees, then Property Owner shall remain obligated to make Advances or otherwise pay City Fees to City as required by City in accordance with applicable law.

The Bonds shall be issued only if, in its sole discretion, the Board of Trustees of School District determines that all requirements of State and Federal law and all School District policies have been satisfied or have been waived by School District. Nothing in this Agreement shall confer upon City or any owner of the Property, including Property Owner, a right to compel the issuance of the Bonds or the disbursement of Bond Proceeds to fund City Facilities except in accordance with the terms of this Agreement.

4. The Parties acknowledge that the City may require the Property Owner to design, construct and dedicate to the City the Acquisition Facilities. The following provisions of this Section 4 shall apply solely with respect to those Acquisition Facilities to be constructed by Property Owner and acquired by the City with Bond Proceeds.

a. Construction of Acquisition Facilities.

i) The Property Owner will complete the plans and specifications for such Acquisition Facilities. The plans and specifications shall include the City's standard specifications and shall be subject to City approval, which shall not be unreasonably withheld. City agrees to process any plans and specifications for approval with reasonable diligence and in a timely manner. The Property Owner may proceed with the construction of any such Acquisition Facilities in accordance with the provisions of Section 4(b) hereof.

ii) The cost of all surveying, compaction testing and report costs associated with such Acquisition Facilities furnished and constructed by any contractors or sub-contractors (collectively, "Contractors") shall be included among the Actual Costs which are eligible to be paid from the City Facilities Accounts upon City approval.

iii) The City shall not be responsible for conducting any environmental, archaeological, biological, or cultural studies or any mitigation requirements related to the Acquisition Facilities to be constructed by Property Owner that may be requested by appropriate Federal, State, and/or local agencies. Any such work shall be paid for and such work shall be conducted by, or on behalf of Property Owner and the Actual Costs of such work shall be eligible to be paid from the City Facilities Account of the Improvement Fund.

b. Public Works Requirements. In order to insure that the Acquisition Facilities to be constructed by the Property Owner and acquired with Bond Proceeds will be constructed as if they had been constructed under the direction and supervision, or under the authority of, the City, so that they may be acquired by the City pursuant to Government Code Section 53313.5, the Property Owner shall comply with all of the following requirements:

i) The Property Owner shall solicit a minimum of three (3) bids from firms reasonably determined to be qualified to construct the Acquisition Facilities in conformance with the plans and specifications (for purposes of clarification, the requirement is to solicit three bids; it shall not be a violation of this provision if less than three bids are actually received); and

ii) The contract or contracts for the construction of such Acquisition Facilities shall be awarded to the responsible bidder(s) submitting the lowest responsive bid(s) for the construction of such Acquisition Facilities; and

iii) The Property Owner shall require all Contractors to pay prevailing wages and to otherwise comply with applicable provisions of the Labor Code, Government Code and Public Contract Code relating to public works projects to the extent expressly applicable to a non-governmental entity constructing infrastructure to be acquired by a public entity; and

iv) All such Contractors shall be required to provide proof of insurance coverage throughout the term of the construction of such Acquisition Facilities which they will construct in conformance with the approved plans and specifications.

c. Inspection; Completion of Construction.

i) The City shall have primary responsibility for providing inspection of the construction of the Acquisition Facilities constructed by the Property Owner to

ensure that the construction is accomplished in accordance with the plans and specifications. City's personnel shall have access to the site of the work at all reasonable times for the purpose of accomplishing such inspection. Upon Substantial Completion of the construction of such Acquisition Facilities by Property Owner, the Property Owner shall notify the City in writing that the construction of such Acquisition Facilities has been Substantially Completed.

ii) Any actual costs reasonably incurred by the City in inspecting and approving the construction of any Acquisition Facilities by Property Owner not previously paid by the Property Owner shall be an Actual Cost eligible to be reimbursed from the City Facilities Account of the Improvement Fund or paid directly by Property Owner.

iii) Allocation of Costs. If Property Owner incurs costs that (1) apply to more than one Acquisition Facility (e.g., soft costs) or (2) apply to both Acquisition Facilities and improvements other than the Acquisition Facilities (e.g., grading), Property Owner shall allocate, or cause the contractor to reasonably allocate, such costs between the Acquisition Facilities (in the case of clause (1)) or between the Acquisition Facilities and the improvements other than the Acquisition Facilities (in the case of clause (2)) (the "Acquisition Facilities Allocation"). The Acquisition Facilities Allocation shall be presumed to be reasonable and shall be accepted for all purposes of this Agreement unless the City notifies Property Owner of its good-faith reasonable disapproval of the allocation within five (5) days of submittal of the Disbursement Request. If the City has properly disapproved the Acquisition Facilities Allocation, then the City and Property Owner shall promptly allocate such costs, on a reasonable basis, between the Acquisition Facilities (in the case of clause (1)) or between the Acquisition Facilities and the improvements other than the Acquisition Facilities (in the case of clause (2)) (the "Agreed-Upon Allocation"). Based on the Acquisition Facilities Allocation or the Agreed-Upon Allocation, as applicable, the City shall include the costs allocated to a specific Acquisition Facility as part of the Actual Costs of such Acquisition Facility when such Acquisition Facility is subject to a Disbursement Request.

d. Liens.

i) Upon the expiration of the time for the recording of claim of liens as prescribed by Sections 3115 and 3116 of the Civil Code, the Property Owner shall provide to the City such evidence or proof as the City shall require that all persons, firms and corporations supplying work, labor, materials, supplies and equipment on behalf of Property Owner for the construction of any Acquisition Facilities have been paid, and that no claims of liens have been recorded by or on behalf of any such person, firm or corporation.

e. Acquisition, Acquisition Price; Source of Funds.

i) Provided the Property Owner has complied with the requirements of this Agreement, the City agrees to acquire the Acquisition Facilities from the Property Owner. Notwithstanding the above, nothing herein shall be construed as requiring Property Owner to construct and deliver any Acquisition Facility. The price to be paid by the CFD for the acquisition of such Acquisition Facilities by the City (the "Acquisition Price") shall be the lesser of (a) the value of the Acquisition Facilities determined pursuant to Section 4(e)ii or (b) the total of the Actual Costs of the Acquisition Facilities as approved by the City. The Property Owner shall transfer ownership of the Acquisition Facilities to the City by grant deed, bill of sale or such other documentation as the City may require. Upon the transfer of ownership of the Acquisition Facilities

or any portion thereof from the Property Owner to the City, the City shall be responsible for the maintenance of the Acquisition Facilities or the portion transferred.

ii) For purposes of determining the Acquisition Price to be paid by the CFD for the acquisition of the Acquisition Facilities by the City, the value of such improvements shall be presumed to be the amount determined by the City engineer to be the value of the Acquisition Facilities based on the Actual Costs submitted by the Property Owner, as hereinbefore specified; provided, however, that if the City engineer determines that such Actual Costs, or any of them, are excessive and that the value of the Acquisition Facilities is less than the total amount of such Actual Costs, the Acquisition Price to be paid by the CFD for the acquisition of the Acquisition Facilities shall be the value thereof as determined by the City engineer.

iii) Upon completion of the construction of any Acquisition Facilities by Property Owner, the Property Owner shall deliver to the City copies of the contract(s) with the Contractor(s) who have constructed the Acquisition Facilities or other relevant documentation with regard to the payments made to such Contractor(s) and each of them for the construction of such Acquisition Facilities, and shall also provide to the City copies of all invoices and purchase orders with respect to all supplies and materials purchased for the construction of such Acquisition Facilities. The City shall require the City engineer to complete its determination of the value of the Acquisition Facilities as promptly as is reasonably possible.

iv) To the extent funds are available therein, the Acquisition Price of any Acquisition Facilities may be determined and paid out of the City Facilities Account of the Improvement Fund upon a determination of Substantial Completion of such Acquisition Facility. Property Owner shall submit a Disbursement Request form to the CFD, pursuant to Section 5 below, which must also contain therewith approval of the City, which approval shall not be unreasonably withheld.

v) Notwithstanding the preceding provisions of this section, the sole source of funds for the acquisition by the City of the Acquisition Facilities or any portion thereof shall be the Bond Proceeds. If for any reason beyond the City's control, Bond Proceeds are not available, the City shall not be required to acquire any Acquisition Facilities from the Property Owner. In such event, the Property Owner shall complete the design and construction and offer to the City ownership of such portions of the Acquisition Facilities as are required to be constructed by the Property Owner as a condition to recordation of subdivision maps for the Property or any other agreement between Property Owner and the City, but need not construct any portion of the Acquisition Facilities which it is not so required to construct.

f. Easements. The Property Owner shall, at the time the City acquires the Acquisition Facilities as provided in Section 4(e) hereof, grant to the City, by appropriate instruments prescribed by the City, all easements on private property which may be reasonably necessary for the proper operation and maintenance of such Acquisition Facilities, or any part thereof.

g. Maintenance. Prior to the transfer of ownership of an Acquisition Facility by the Property Owner to the City, Property Owner shall be responsible for the maintenance thereof and shall maintain and transfer such Acquisition Facility to the City in as good condition as the Acquisition Facility was in at the time the Property Owner notified the City that construction of same had been completed in accordance with the plans and specifications.

h. Responsibility for Acquisition Facilities. The Parties acknowledge and agree that all responsibility and obligation for the design, construction and dedication of such Acquisition Facilities to the City, in accordance with all applicable statutes and the City rules and regulations, shall be and remain the responsibility of the Property Owner.

5. Disbursements.

(a) Upon the funding of the City Facilities Account of the Improvement Fund, Property Owner may execute and submit a Disbursement Request to School District or the CFD requesting disbursement to Property Owner, or its written designee, from the City Facilities Account of the Improvement Fund of an amount equal to all or a portion of the Advances or the Acquisition Price of an Acquisition Facility. The sole source of funds from which Property Owner will be entitled to receive reimbursement of the Advances and payment of the Acquisition Price shall be Bond Proceeds or Special Taxes deposited in the City Facilities Account of the Improvement Fund.

(b) From time to time following the funding of the City Facilities Account of the Improvement Fund, Property Owner may notify City in writing and City and Property Owner shall jointly request a disbursement from the City Facilities Account of the Improvement Fund to fund City Facilities by executing and submitting a Disbursement Request, in substantially the form attached hereto as Exhibit C or Exhibit D as applicable. Upon receipt of such Disbursement Request completed in accordance with the terms of this Agreement, the CFD shall wire transfer or otherwise pay to City, or its designee, such requested funds to the extent that Bond Proceeds are then available, or subsequently become available, in the City Facilities Account of the Improvement Fund for such purpose. Upon such notice and City's receipt of such disbursement relating to City Fees, Property Owner shall be deemed to have satisfied the applicable City Fees with respect to the number of dwelling units or lots for which City Fees would otherwise have been required in an amount equal to the amount of such disbursement divided by the per lot or unit amount of the applicable City Fees.

(c) City agrees that prior to submitting a Disbursement Request requesting payment from the CFD for City Fee Facilities it shall review and approve all costs included in its request and will have already paid contractually or incurred such costs of City Fee Facilities from its own funds subsequent to the date of the Original Agreement, or will disburse such amounts to pay the costs of the City Fee Facilities following receipt of funds from the CFD. In the event that City does not disburse any Bond Proceeds received by it to third parties within five banking days of receipt, it will trace and report to the CFD all earnings, if any, earned by City, from the date of receipt of such Bond Proceeds by City to the date of expenditure by City for capital costs of the City Fee Facilities. Such report shall be delivered at least semiannually until all Bond Proceeds are expended by City.

(d) Subject to Section 5(e) below, City agrees to maintain adequate internal controls over its payment function and to maintain accounting records in accordance with generally accepted accounting procedures. City will, upon request, provide School District and/or Property Owner with access to City's records related to the City Fee Facilities and will provide to School District its annual financial report certified by an independent certified public accountant for purposes of assisting School District in calculating the arbitrage rebate obligation of the CFD, if any.

(e) At the City's discretion, the City may elect to satisfy the tracing and accounting of Bond Proceeds requirements set forth in Section 5 of this Agreement by selecting and depositing unexpended Bond Proceeds with a commercial bank, savings bank, savings and loan association or

other financial institution which is authorized by law to accept, hold, trace and account for deposits of money (the "Deposit Institution"). Property Owner shall pay for all costs and expenses associated with such Deposit Institution and shall pay said costs and expenses as provided in the written direction of the City.

(f) School District or the CFD agrees to maintain full and accurate records of all amounts, and investment earnings, if any, expended from each City Facilities Account of the Improvement Fund. School District or the CFD will, upon request, provide City and Property Owner with access to School District's or the CFD's records related to the City Facilities Account of the Improvement Fund.

6. Ownership of City Facilities. The City Fee Facilities and Acquisition Facilities, once owned by the City, shall be and remain the property of City.

7. Indemnification.

(a) **Indemnification by School District and the CFD.** School District shall assume the defense of, indemnify and save harmless, City and its respective officers, employees, and agents, and each and every one of them, from and against all actions, damages, claims, losses, or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of School District with respect to this Agreement and the issuance of and Bonds; provided, however, that School District shall not be required to indemnify any person or entity as to damages resulting from negligence or willful misconduct of such person or entity or their officers, agents, or employees.

(b) **Indemnification by Property Owner.** Property Owner shall assume the defense of, indemnify and save harmless, School District, the CFD, and City, their respective officers, employees, and agents, and each and every one of them, from and against all actions, damages, claims, losses, or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of Property Owner with respect to this Agreement; provided, however, that Property Owner shall not be required to indemnify any person or entity as to damages resulting from willful misconduct of such person or entity or their officers, agents, or employees.

(c) **Indemnification by City.** City shall assume the defense of, indemnify and save harmless, School District, the CFD and their respective officers, employees, and agents, and each and every one of them, from and against all actions, damages, claims, losses, or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of City with respect to this Agreement, and the design, engineering, and construction of the City Fee Facilities constructed by City; provided, however, that City shall not be required to indemnify any person or entity as to damages resulting from negligence or willful misconduct of such person or entity or their officers, agents, or employees. In addition to the obligations set forth in Section 7(b) above, Property Owner shall indemnify the City, their respective officers, employees, and agents, and each and every one of them, from and against all actions, damages, claims, losses, or expenses of every type as a result of the City indemnifying School District and/or the CFD under this Section 7(c).

8. Allocation of Special Taxes. The Board of Trustees of School District, as the legislative body of the CFD, shall annually levy the Special Tax as provided for in the formation

proceedings of the CFD. The entire amount of any Special Tax levied by the CFD to repay Bonds, or to fund other obligations, shall be allocated to the CFD.

9. Amendment and Assignment. This Agreement may be amended at any time but only in writing signed by each Party hereto. This Agreement may be assigned, in whole or in part, by Property Owner to the purchaser of any parcel of land within the Property provided, however, such assignment shall not be effective unless and until City and School District have been notified, in writing, of such assignment.

10. Entire Agreement. This Agreement contains the entire agreement between the Parties with respect to the matters provided for herein with respect to the CFD and the Improvement Areas and supersedes all prior agreements and negotiations between the Parties with respect to the subject matter of this Agreement.

11. Notices. Any notice, payment, or instrument required or permitted by this Agreement to be given or delivered to either Party shall be deemed to have been received when personally delivered or seventy two hours following deposit of the same in any United States Post Office in California, registered or certified, postage prepaid, addressed as follows:

School District:	Romoland School District 25900 Leon Road Homeland, California 92548 Attention: Superintendent
with a copy to:	Stradling Yocca Carlson & Rauth, a Professional Corporation 660 Newport Center Drive, Suite 1600 Newport Beach, California 92660 Attention: Bradley R. Neal
City:	City of Perris 101 N. D Street Perris, CA 92570 Attention: Director of Finance
Property Owner:	Green Valley Recovery Acquisition, LLC 2753 Camino Capistrano, Suite A-201 San Clemente, California 92672 Attention: Matt Villalobos

Each Party may change its address for delivery of notice by delivering written notice of such change of address to the other Parties hereto.

12. Exhibits. All exhibits attached hereto are incorporated into this Agreement by reference.

13. Attorneys' Fees. In the event of the bringing of any action or suit by any Party against any other Party arising out of this Agreement, the Party in whose favor final judgment shall

be entered shall be entitled to recover from the losing Party all costs and expenses of suit, including reasonable attorneys' fees.

14. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

15. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

16. Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by any other Party hereto, or the failure by a Party to exercise its rights upon the default of any other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the terms of this Agreement thereafter.

17. No Third Party Beneficiaries. No person or entity other than the CFD or an Improvement Area shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than City, School District, the CFD, each Improvement Area, and Property Owner (and their respective successors and assigns, exclusive of individual homebuyers), any rights, remedies, obligations, or liabilities under or by reason of this Agreement.

18. Singular and Plural; Gender. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

19. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute but one instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year written above.

ROMOLAND SCHOOL DISTRICT

By: _____
Superintendent

ATTEST:

Chief Business Official

CITY OF PERRIS

Mayor, Michael M. Vargas

ATTEST:

By: _____
City Clerk, Nancy Salazar

APPROVED AS TO FORM:

CITY ATTORNEY OF THE CITY OF PERRIS

By: _____

PROPERTY OWNER

**GREEN VALLEY RECOVERY ACQUISITION,
LLC, a Delaware limited liability company**

By: _____

Its: _____

EXHIBIT A
DESCRIPTION OF PROPERTY

Real property in the City of Perris, County of Riverside, State of California, described as follows:

BOUNDARY MAP

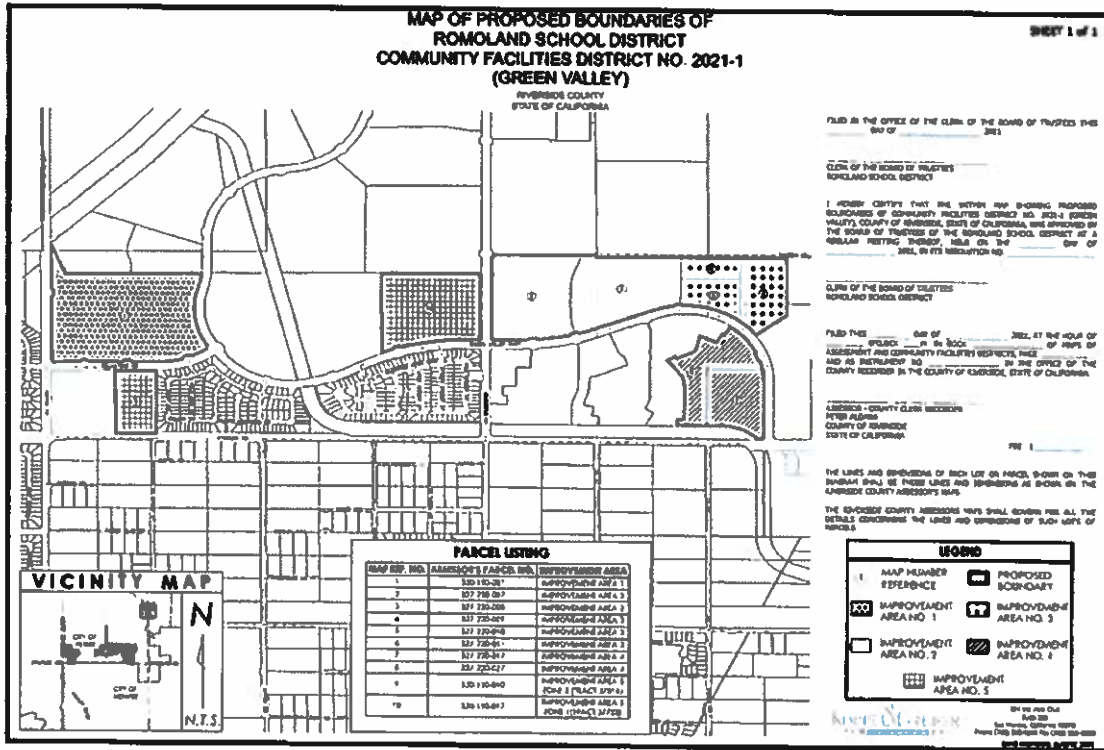


EXHIBIT B

CITY FEES

The type of City Fee Facilities eligible to be financed by the CFD under the Act are the capital improvements authorized to be financed with City development impact fees imposed pursuant to the City's Municipal Code and implementing Resolutions, as described below:

Development Impact Fee	Rate per DU ^(a)
Single Family – Public Safety Facilities – Police	\$ 59.00
Single Family – Public Safety Facilities – Fire	\$ 362.00
Single Family – Community Amenities	\$ 1,120.00
Single Family – Government Facilities	\$ 576.00
Single Family – Transportation Facilities	\$ 4,025.00
Single Family – Administration	\$ 29.00
Total per DU	\$ 6,170.00
Multi-Family – Public Safety Facilities – Police	\$ 53.50
Multi-Family – Public Safety Facilities – Fire	\$ 327.50
Multi-Family – Community Amenities	\$ 1,014.00
Multi-Family – Government Facilities	\$ 522.00
Multi-Family – Transportation Facilities	\$ 2,817.00
Multi-Family – Administration	\$ 24.00
Total per Multi-Family DU	\$ 4,758.00
Single Family – TUMF Fee	\$ 9,810.00
Single Family Park DIF (Tract Nos. 37262, 37722, 37223)	\$ 8,348.01
Multi-Family Park DIF (Tract Nos. 37816, 37817, 37818)	\$ 7,382.94

Notes:

(a) The amount of the development impact fees is subject to change and the amount financed shall be net of any credit received pursuant to a fee credit agreement with the City.

ACQUISITION FACILITIES

Acquisition Facilities include the construction, purchase, modification, expansion, improvement and/or rehabilitation of public facilities to be owned by the City of Perris, and all

appurtenances and appurtenant work in connection with the foregoing including the cost of engineering, planning, designing, materials testing, coordination, construction staking, construction management and supervision for such facilities and any other expense incidental to the construction, acquisition, modification, expansion or rehabilitation of such facilities. The Acquisition Facilities currently anticipated to be financed with Bond Proceeds include the following:

Facilities Description	Estimated Cost
Backbone Storm Drain Connections (Ethanac, Murrieta, Green Valley Parkway)	\$1,353,750
Green Valley Parkway Storm Drain	3,360,000
Ethanac Traffic Signals	1,392,500
Goetz Traffic Signal	367,500
Street Lighting in Ethanac, Goetz, West Elm, Green Valley Parkway, Murrieta and Watson	3,732,500
Master Backbone Landscaping – Architectural Details	3,570,000
Master Backbone Landscaping	9,765,000
Dry Utilities in Green Valley Parkway, Murrieta, West Elm and Watson	8,610,000
Underground Ethanac, Murrieta and Watson Power Lines	7,000,000
Green Valley Parkway Bridge	4,987,500
Ethanac Road (Median, Road Contribution, Fencing, Sidewalk)	6,972,000
Watson Street Improvements	2,000,000
West Elm Street Improvements	1,732,000
Green Valley Parkway Street Improvements (Murrieta to Ethanac)	4,000,000
Goetz Street Improvements	2,200,000
Murrieta Road	2,200,000
City Park	<u>11,600,000</u>
Total	<u>\$74,843,250</u>

Footnotes:

- (a) The estimated costs for the Acquisition Facilities are preliminary in nature. The Acquisition Price to be paid for any Acquisition Facility listed in this Exhibit shall equal its Actual Cost.

EXHIBIT C

**DISBURSEMENT REQUEST FORM
(CITY FEE FACILITIES)**

1. Community Facilities District No. 2021-1 (Green Valley) of the Romoland School District ("CFD") is hereby requested to pay from Bond Proceeds to the City of Perris ("City"), as Payee, the sum set forth in 3 below.

2. The undersigned certifies that the amount requested for City Fee Facilities is due and payable, has not formed the basis of prior request or payment, and is being made with respect to the property described in Exhibit A to the Joint Community Facilities Agreement by and among Romoland School District, City of Perris, and Raintree Investment Corporation, dated as of _____, 2021 (the "JCFA").

3. Amount requested: \$ _____

For Tract / Lot Nos: _____

4. The amount set forth in 3 above is authorized and payable pursuant to the terms of the JCFA. Capitalized terms not defined herein shall have the meaning set forth in the JCFA.

PROPERTY OWNER

By: _____

Name: _____

Title: _____

CITY OF PERRIS

By: _____

Name: _____

Title: _____

ATTEST:

By: _____
Clerk of the City

cc: City Finance Dept.

EXHIBIT D

**DISBURSEMENT REQUEST FORM
(ACQUISITION FACILITIES)**

City of Perris ("City"), Romoland School District ("School District") and Raintree Investment Corporation ("Property Owner") are parties to the Amended and Restated Joint Community Facilities Agreement, dated as of _____ (the "City JCFA"). Capitalized undefined terms used herein shall have the meanings ascribed thereto in the City JCFA. Pursuant to the City JCFA, Property Owner hereby requests approval of the Acquisition Price of the Acquisition Facility(ies) described in Attachment A attached hereto.

Community Facilities District No. 2021-1 (Green Valley) of the Romoland School District is hereby requested to pay from Bond Proceeds the Acquisition Price. In connection with this Disbursement Request, Property Owner hereby represents and warrants to the City as follows:

(a) The person executing this Disbursement Request is qualified to execute this Disbursement Request on behalf of Property Owner and knowledgeable as to the matters set forth herein.

(b) The Acquisition Facility(ies) have been constructed in accordance with the plans therefor, and in accordance with all applicable City standards and the requirements of the City JCFA.

(c) The true and correct Actual Cost of the Acquisition Facility(ies) is set forth in Attachment A.

(d) Property Owner has submitted or submits herewith to the City documents and other evidence of Actual Costs which are in sufficient detail to allow the City Representative to verify the Actual Cost of the Acquisition Facility(ies) for which payment is requested.

(e) There are no liens, rights to lien or attachment upon, or claims affecting the right to receive the payment requested herein which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by operation of law.

Property Owner hereby requests that the Acquisition Price be paid to the person or entity, in the amount set forth in Attachment B hereto.

PROPERTY OWNER

By: _____

Name: _____

Title: _____

CONFIRMATION AND APPROVAL BY CITY

The City has (a) confirmed that the Acquisition Facility(ies) described in Attachment A is/are complete and was constructed in accordance with the plans therefor, and (b) reviewed, verified and approved the Acquisition Price of such Acquisition Facility(ies). Such Acquisition Facility(ies) is/are complete and the Acquisition Price therefor eligible for payment is \$_____. The amount to be paid and the payee(s) is/are described in Attachment B.

Date:

**AUTHORIZED REPRESENTATIVE OF
CITY**

By: _____

ATTACHMENT B

ACQUISITION PRICE PAYMENT INSTRUCTIONS

[Include name and address of payee and wire transfer instructions]

ATTACHMENT B

ACQUISITION PRICE PAYMENT INSTRUCTIONS

[Include name and address of payee and wire transfer instructions]

**FOR DEVELOPER USE
WHEN SUBMITTING
DISBURSEMENT REQUEST**



CITY OF PERRIS

CITY COUNCIL

AGENDA SUBMITTAL

11.A.

MEETING DATE: September 28, 2021

SUBJECT: CDBG 2020-2021 Second Program Year Consolidated Annual Performance and Evaluation Report (CAPER).

REQUESTED ACTION: 1) Adopt Resolution No. (next in order) approving the City's CDBG 2020-2021 Second Program Year Consolidated Annual Performance and Evaluation Report (CAPER); and 2) Direct staff to submit the 2020-2021 Second Program Year CAPER to HUD, as amended.

CONTACT: Michele Ogawa, Economic Development & Housing Manager

BACKGROUND/DISCUSSION:

The City of Perris receives Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD) annually. As a requirement of receiving these funds, the City must submit an application known as the Consolidated Plan every five years, an Action Plan annually, and a Consolidated Annual Performance and Evaluation Report (CAPER) within 90 days following the close out of the City CDBG Program year.

The 2020-2021 CAPER represents the second performance report for the approved 2019-2024 Five-Year Consolidated Plan and the 2020-2021 Program Year Annual Action Plan. It reports progress of the CDBG Program period from July 1, 2020 through June 30, 2021.

The CAPER meets all of the content requirements established by HUD and is consistent with the City's approved 2019-2024 Five-Year Consolidated Plan.

The CAPER is intended to outline and evaluate the overall progress the City has made in carrying out its goals and objectives in utilizing the annual federal CDBG Entitlement Funds awarded during FY 2019-2020.

The CAPER was made available for public review for a 15-day public comment period as prescribed by HUD, commencing on September 8, 2021 and is presented to City Council for approval prior to submitting to HUD.

Highlights of CDBG Program for Fiscal Year 2020-2021:

During FY 2020-2021, the City received \$912,689 in federal CDBG Entitlement funds, which were used to accomplish various goals and objectives outlined in the 2019-2024 Five-Year Consolidated Plan and the First Program Year Annual Action Plan, including:

- The Fair Housing Council of Riverside County (FHCRC) provided residents with services to investigate allegations of housing discrimination, and landlord tenant complaint mediation, as well as advocacy services education and training. The FHCRC assisted 1,481 residents during this reporting period. This represents 89% of thier goal of assisting 1,660 residents.
- The Boys & Girls Club of Menifee Vally (BGCMV) provided 23 youths out of 61 with a variety of life enhancing programs such as homework assistance, fitness, tutoring, sports, day camps and special event field trips for the program year. BGCMV operations were affected by COVID.
- Family Service Association (FSA) provided 92 out of 105 Perris senior citizens, aged 62 and over, with nutritious meals at the Perris Senior Center five days a week. In response to COVID safety guidelines, FSA was able to adjust their services by providing meals as a drive-through pick up service at the Senior Center.
- Perris Community Services Department- Inclusive Programming were not able to serve any residents due to COVID. Program staff worked with community agencies to extensively promote the program. However, due to COVID safety concerns and program documentation requirements, several home health aids were unable to assist their clients complete the reauirements for program participation.
- Life Lifters International (LLI) provided 44 residents out of their targeted 45 with art and crafting classes. LLI provided virtual lessons via Zoom to their participants.
- North County Health Project provided 99 residents out of their goal of 402 with health, dental, and behavioral health services. Due to COVID safety regulations and this being their first time funded under CDBG, the subrecipient had to make internal administrative changes to meet the requirements of the program.
- Love 4 Life Association provided 31 youths out of their targeted 30 with monthly educational workshops on bullying and suicide prevention. Love 4 Life Association was provided thier monthly workshops virtually via Zoom.
- Habitat for Humanity Inland Valley completed 2 senior home repairs. The properties rehabilitated included termite repairs, exterior home painting, replacement of HVAC system, and installation of new smoke detectors and carbon monoxide detectors.
- Completion of the FY 19-20 GEAR program which provided 6.6 miles of Class III bikeways in the downtown CDBG target area.

As required by HUD, all public noticing requirements have been met and program performance data made available to the public. Therefore, it is recommended that the City Council adopt the FY 2020-2021 Consolidated Annual Performance and Evaluation Report (CAPER) prior to submittal to the U.S. Department of Housing and Urban Development (HUD).

BUDGET (or FISCAL) IMPACT: None.

Prepared by: Sara Cortés de Pavón, Principal Management Analyst

REVIEWED BY:

City Attorney _____

Assistant City Manager _____

Deputy City Manager _____

Attachments: 1. Resolution, including FY 2020-2021 CAPER

Public Hearing: X

ATTACHMENT 1

**Resolution, including
FY 2020-2021 CAPER**

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS
APPROVING THE 2020-2021 SECOND PROGRAM YEAR
CONSOLIDATED ANNUAL PERFORMANCE
AND EVALULATION REPORT (CAPER)**

WHEREAS, the City of Perris (the “City”) operated the Community Development Block Grant Program (CDBG) for the 2020-2021 Program Year; and

WHEREAS, the City is required to submit a CAPER, to the U.S. Department of Housing and Urban Development (HUD) for the activities and expenditures for the 2020-2021 Program Year; and

WHEREAS, the City Council must also certify that it is complying with HUD requirements for the use of CDBG funds; and

WHEREAS, the City has spent \$366,684.58 in CDBG funds during the 2020-2021 Program Year, and 100% of its funds were used for activities that benefitted low and moderate-income persons; and

WHEREAS, the City Manager is the certifying official for all HUD reports and transactions; and

WHEREAS, the City has held a public hearing to hear public testimony of all interested parties regarding the 2020-2021 Second Program Year CAPER; and

NOW THEREFORE, IT IS HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF PERRIS AS FOLLOWS:

Section 1: Subsequent to hearing and consideration of all testimony, the City Council hereby adopts the 2020-2021 Consolidated Annual Performance Report (CAPER), a copy of which is on file with the City Clerk of the City of Perris, and authorizes the City Manager to submit the same to HUD on behalf of the City of Perris.

PASSED, APPROVED, AND ADOPTED ON SEPTEMBER 28, 2021, BY THE FOLLOWING VOTE:

MAYOR, MICHAEL M. VARGAS

ATTEST:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, City Clerk of the City of Perris, do hereby certify that the foregoing Resolution Number _____ was duly adopted by the City Council of the City of Perris at a public hearing thereof held on the 28TH day of September 2021, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

City Clerk, Nancy Salazar

EXHIBIT A

FY 2020-2021 CAPER

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

PROGRESS MADE IN CARRYING OUT PLANNED ACTIVITIES:

The FY 2020-2021 Consolidated Annual Performance Evaluation Report (CAPER) is the second-year submission of accomplishments related to the 2019-2024 Consolidated Plan by the City of Perris. The City has worked with community agencies, internal departments, the general public and others to carry out its CDBG Program with the HUD resources indicated in the Consolidated Plan. The City provided all requested certifications of consistency in its Annual Action Plan, in a fair and impartial manner. More importantly, the City did not hinder Consolidated Plan implementation by action or willful inaction.

Standardized Reallocation Process and Amendments to the Five-Year Consolidated Plan/Annual Action Plan

During the fiscal year, the City assessed the status of its CDBG funded activities and projects. As a result, one public hearing was conducted to amend the Annual Action Plan. This action allowed the City to reprogram funds to provide funding to projects ready to move forward and to encourage timely expenditure of funds. All actions support the City's Five-Year community development and housing objectives as identified in the City's Consolidated Plan.

Date	Project/Activity	General Description
10-27-20	Substantial Amendment to 2019-2024 Con Plan And 2020-2021 Annual Action Plan	Reallocation of funds for new program. Allocation of CDBG-CV Funds round 3
03-30-21	Substantial Amendment to 2019-2024 Con Plan And 2020-2021 Annual Action Plan	Reallocation of funds for new program. CDBG-CV Admin & Planning activity

COMPARISON OF PROPOSED VERSUS ACTUAL OUTCOMES, PRIORITY NEEDS AND SPECIFIC OBJECTIVES

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

See Table 1C (attached): Table of Specific Annual Objectives and Relationship to Five-Year Consolidated Plan Goals. This Table provides an assessment of the City in attaining the goals and objectives for the reporting period. It also provides as breakdown of the priority needs, as well as funds allocated and expended on grant activities for each goal and objective.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected - Strategic Plan	Actual - Strategic Plan	Percent Complete	Expected - Program Year	Actual - Program Year	Percent Complete
Affordable Housing Development	Affordable Housing	CDBG: \$0	Rental units constructed	Household Housing Unit	0	0		0	0	
CDBG PROGRAM ADMINISTRATION	PROGRAM MANAGEMENT	CDBG: \$152,250.80	Other	Other	1	1	100.00%	1	0	0.00%
ED Opportunities - Business Attraction	Non-Housing Community Development	CDBG: \$0	Other	Other	0	0				

ED Opportunities - Commercial Assistance	Non-Housing Community Development	CEDC: \$800,000	Other	Other	1	1	430%	43	43	430%	43	430%
ED Opportunities - Commercial Facade Improvement	Non-Housing Community Development	CDBG: \$0	Other	Other	0	0	0.00%			0.00%		
ED Opportunities - Job Creation	Non-Housing Community Development	CDBG: \$0	Other	Other	0	0	0.00%			0.00%		
Fair Housing	Fair Housing Services	CDBG: \$30,287	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1400	1481	89%	1481	1660	89%	1481	89%
Foreclosure Acquisition Program	Affordable Housing	CDBG: \$0	Direct Financial Assistance to Homebuyers	Households Assisted	0	0	0.00%			0.00%		
Homeless Street Outreach Program	Homeless	CDBG: \$0	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	379	0	0.00%			0.00%		
Homeowner Housing Rehabilitation - (OORP)	Affordable Housing	CDBG: \$0	Homeowner Housing Rehabilitated	Household Housing Unit	0	0	0.00%			0.00%		

Homeowner Housing Rehabilitation - Senior Repair	Non-Housing Community Development	CDBG: \$211,400	Homeowner Housing Rehabilitated	Household Housing Unit	30	30	7%	2	2	7%
Homeownership Assistance Program	Affordable Housing	CDBG: \$0	Direct Financial Assistance to Homebuyers	Households Assisted	32	0	0%			
Lead-Based Paint Remediation	Affordable Housing	CDBG: \$0	Homeowner Housing Rehabilitated	Household Housing Unit	0	0				
Public Facility Improvement -	Non-Housing Community Development	CDBG: \$0	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1	1	0%	0	0	0%
Public Facility Improvement -	Non-Housing Community Development	CDBG: \$122,088	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	88440	1	100%	10,755	10,755	100%

Public Infrastructure Improvements	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure other than Low/Moderate Income Housing Benefit	Persons Assisted		0%			
Public Services	Public Services	CDBG: \$136,903.35	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	300	590%	1770	1770	590%
Public Services	Public Services	CDBG: \$0	Homeless Person Overnight Shelter	Persons Assisted	0		0	0	

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

The City's use of funds is based on several factors including, but not limited to priority needs, Consolidated and Action Plan Objectives and available financial resources. Through the various meetings with community stakeholders, residents and non-profit agencies, the City works to identify the high priority community development and housing needs. Subsequently, annual funding may be limited and addressing specific objectives with high priority needs is given special attention by the City Council. The City Council assesses the highest needs, along with the available resources and the specific objectives to be achieved and allocates

funding to agencies that submitted proposals in alignment with the goals and objectives outlined in the City's Consolidated Plan.

During FY 2020-2021, measurable progress was made on the majority of the goals established in the Five-Year Consolidated Plan. See Appendix A: Table 1C - Summary of Goals, Objectives and Accomplishments



CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

	CDBG
White	1029
Black or African American	573
Asian	85
American Indian or American Native	94
Native Hawaiian or Other Pacific Islander	
Total	1,770
Hispanic	948
Not Hispanic	822

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

The City of Perris identifies priority need and offers services and programs to eligible households regardless of race or ethnicity. The breakdown above is inclusive of persons assisted through Public Service activities where some of the beneficiaries were above 80% AMI, but where the total served is 51% AMI.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	\$912,689	\$366,684.58

Table 3 - Resources Made Available

Narrative

Per the City of Perris Housing Authority, the amount of CDBG funding made available was \$912,689 and the expended was \$366,684.58 which includes roll over funds expended from previous fiscal years for non-public service activities. This is reflected in the table above and includes all expenditures from July 1, 2020 through June 30, 2021. As a granting entity, it is important that the City give much consideration to capacity, experience, community needs, other community resources and leveraging ability of the Subrecipients. Many of the same organizations do receive funding from year to year, however, each year their programs are scrutinized to determine if it continues to meet the priority needs outlined in the 2019-2024 Consolidated Plan. Table 1C, included at the end of this Report, identifies Federal resources provided to the City during FY 2020-2021 to meet housing and community development goals.

OTHER FEDERAL/HUD RESOURCES

<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
------------------------	---------------

State Allocated HOME Funds	\$99,000.00 of Program Income*
Total	\$99,000

*Line of Equity and Program Income

The figures above identify Federal entitlement and competitive grant resources available to the City during FY 2020-2021 to meet housing and community development needs.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
CITY OF PERRIS - CITYWIDE	100%	100%	LOCAL TARGET AREA

Table 4 – Identify the geographic distribution and location of investments

Narrative

The City of Perris currently does not exclusively target geographic areas for its federal funds. These funds are made available to non-profit organizations, projects and programs citywide. Funds are used where the impact will be the greatest and where opportunity presents for projects consistent with goals set forth in the 2019-2024 Consolidated Plan. Priorities for funding can be found in the City's annual Notice of Funds Available (NOFA) and its 2019-2024 Consolidated Plan.

GEOGRAPHIC DISTRIBUTION

The City of Perris, while under the jurisdiction of Riverside County, established a Target Area determined by census data. Using U.S. Census Bureau 2010 CHAS data, the City identified census tracts within the City in which 51% or more of the residents were of low to moderate income. The Target Areas are those eligible Census Tracts: 426.17, 436.20, 427.06, 427.09, 427.19, 427.30, 428.00, 429.01, 429.02, 429.04 The Target Area is characterized by high concentrations of low- and moderate-income families, high unemployment, and deferred home maintenance, and deteriorating infrastructure. Also, because the entire City of Perris is greater than 51% low to moderate-income, an Area Wide Benefit has been determined to apply within the Target Area; therefore, CDBG funds have been targeted for some activities serving an area wide benefit.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The City of Perris leveraged Federal Resources with other public and private resources to assist the City in reaching its community development goals identified in the FY 2020-2021 Action Plan. Certainly the need of our community far out paces the funds available. As such, we encourage our subrecipients to collaborate, partner and leverage funding and resources where possible. The CDBG Entitlement Program does not require matching funds. Other public and private funding sources include, but are not limited to the following:

1. General Funds
2. Street Lighting District Funds
3. Gas Tax Funds
4. Park Development Funds
5. Construction Funds
6. Development Impact Fees (DIF)
7. Park Industrial and Residential Impact Fees
8. City of Perris Housing Funds
9. Road Bridge Benefit District (RBBD) Funds

OTHER FEDERAL FUNDS

Other funds included in the resources above are: HOME Non-Entitlement funds received through the State funds.

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

The following sections summarize the progress in meeting proposed goals for providing affordable housing, including the number of extremely low, low and moderate-income households that were assisted during the reporting period by income level.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	20
Number of Non-Homeless households to be provided affordable housing units	37	5
Number of Special-Needs households to be provided affordable housing units	0	0
Total	37	25

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	26
Number of households supported through The Production of New Units	0	1
Number of households supported through Rehab of Existing Units	37	0
Number of households supported through Acquisition of Existing Units	0	0
Total	37	27

Table 6 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

Overall, the largest impact on the identified housing and community development goals and outcomes has been the level of funding compared to the number of households in need of assistance. However, for the program year 2020-2021 the City achieved the majority of its goals for activities that have a one-year contract term. Of the activities that are multi-year, the City believes it is on track. The City remains proactive in addressing any concerns on meeting the intended goals for both the 5-Year Consolidated Plan and Annual Action plan. Furthermore, the coronavirus (COVID-19) pandemic brought about economic hardships for several of or residents. The City received CDBG-CV round 1 funding which assisted in providing rental/mortgage assistance and utility assistance for those eligible households affected by the pandemic.

Affordable housing units are consistently a top City priority. During program year 2020-2021, the City did not have any new affordable housing projects underway specifically for the homeless or special needs populations. When referring to homeless persons obtaining affordable units, the challenge increases exponentially. Recently homeless persons do not have a stable credit history and oftentimes face personal challenges such as mental health issues, domestic violence and drug and alcohol addictions. The "affordable housing units" in this case are overnight shelter figures. The construction of a new affordable home for rent was completed during FY 2020-2021 and rented to a low-income household. This project utilized previously committed NSP funds.

The City has been successful in meeting most of its goals as evidence in the outcomes (See Appendix A: Table 1C - Statement of Specific Annual Goals, Objectives and Outcomes).

Discuss how these outcomes will impact future annual action plans.

Outcomes impact future Annual Action Plans as they provide an assessment of the City's success in meeting established goals and outcomes. For future Action Plans the City will continue to reevaluate community needs, worst case housing needs, projects or types of activities where the City did not meet its goals, and progress of existing projects. The goals stated by the City in the 2019-2024 Consolidated Plan were based on estimates from the community needs and market analysis that were conducted at the time. The City has begun to conduct

an annual community needs survey to solicit input and help determine the actual goals for action plans. This process aides in meeting future stated goals.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income ($\leq 30\%$)	408	0
Low-income ($>30\%$ and $\leq 50\%$)	834	0
Moderate-income ($>50\%$ and $\leq 80\%$)	528	0
Non-Low Moderate income ($>80\%$)	0	0
Total	1770	0

Table 7 – Number of Households Served

Narrative Information

As a condition of receiving Federal funds, the City has certified that 70% of its CDBG expenditures will benefit low- and moderate-income persons. This meets the 70% threshold required by CDBG indicating the City's CDBG expenditures are meeting the goal of serving the intended residents. This count also includes persons served who are 'presumed' low-income such as the 'More Than a Meal' program by Family Service Association which serves lunches to senior citizens aged 62 years of age or older at the Perris Senior Center. The City has been successful in meeting most of its goals as evidence in the outcomes (See Appendix A: Table 1C - Statement of Specific Annual Goals, Objectives and Outcomes.

“WORST-CASE NEEDS”: Worst case housing needs are defined as low-income renter households who pay more than half of their income for rent, live in seriously substandard housing or have been involuntarily displaced. The City of Perris provided assistance to rental households during FY 2020-2021 under the round 1 and round 3 of the CDBG-CV CARES Act funds received. However, for those households who did not meet the CDBG-CV rental assistance program criteria, the Perris Family Resource Center offered a variety of services to residents, including rental housing assistance and utility assistance for renters. The Perris

Family Resource center, along with other non-profit partners such as the Social Work Action Group, (SWAG), Riverside County's Special Education Local Plan Areas, RI International, De Novo Full-Service Partnership, and the Basic Occupational Training Center, provides non-residential and housing assistance to persons with disabilities. Such services include, but are not limited to: substance abuse assistance, health resources or referrals, job placement and housing assistance.

NEED OF PERSONS WITH DISABILITES: The Perris Family Resource center, along with other non-profit partners such as the Social Work Action Group (SWAG), Riverside County's Special Education Local Plan Areas, RI International, De Novo Full Service Partnership, Catholic Charities, Lutheran Social Services, and the Basic Occupational Training Center, provides non-residential and housing assistance to persons with disabilities. Such services include, but are not limited to: substance abuse assistance, health resources or referrals, job placement and housing assistance.

DRAFT

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Due to COVID, the City did not conduct a 2021 Point in Time (PIT) count of homeless persons. However, Based on 2019 PIT count of homeless persons residing in Riverside County conducted by the County's Continuum of Care (CoC), the City of Perris had 77 unsheltered homeless persons residing within its City limits. During the 2020 "Point In Time" (PIT) count, the City of Perris had 52 unsheltered homeless persons residing within its City limits. This is an 38.75% decrease from 2019. The City has a Homeless Sub-Committee comprised of City of Perris Housing Authority staff, Code Enforcement, the Social Work Action Group (SWAG), Riverside County Sheriff's Department, and two City Council Members which meets every other month at 6:00 pm in the City Council Chambers. The public is notified of the meetings through postings by the City Clerk's office at Perris City Hall, the City website, and on all City social media platforms. Homeless issues that exist in the City and the resources available to assist the homeless population are provided to the public through the Homeless Sub-Committee meetings, City counter services, and on the City website.

The City continued to contract with the Social Work Action Group (SWAG) to reach out to homeless persons, assessing and addressing their individual emergency/ housing needs. To reach the individuals, the City utilized Housing funds for SWAG, a non-profit community-based organization, who in turn provides the direct services including street outreach, case management, housing search assistance, emergency housing/motel vouchers, food, and counseling. Additionally, SWAG provided the following services during the 2020-2021 program year:

1. Conduct Homeless Street Outreach in partnership with law enforcement to address specific "hot spot" areas as identified by SWAG, City of Perris staff, and the Riverside Sherriff's Department.

- a. Respond to homeless service requests made by city staff, law enforcement, businesses and concerned residents.
 - b. Include in the "by-name census," specifically for the City of Perris, names of all individuals encountered.
 - c. Facilitate bus trips home -- family reunification for individuals wanting to reunite with an identified support system that is out of the Perris area.
 - d. Assist individuals found living on the street to obtain transportation and admittance to emergency shelter and transitional program options.
 - e. Conduct Riverside County housing assessments (VI-SPDAT when applicable) to unsheltered homeless individuals and families and provide navigation services.
 - f. Participate in weekly Coordinated Entry Housing Navigation meetings to ensure clients are being linked to Riverside County Continuum of Care housing resources.
2. Provide strategic outreach services in partnership with City of Perris Housing Authority and Perris School Districts to identify individuals and families, who are homeless and at-risk of becoming homeless, and connect them to applicable services.
 3. Facilitate community asset mapping for strategic coordination and alignment of community resources that serve at-risk/homeless population.
 4. Facilitate Monthly Homeless Task Force Meetings.
 5. Participate in City-sponsored community events.
 6. Connect homeless population to appropriate housing solutions throughout Riverside County.
 7. Develop informational content including material for the Compassionate Giving Campaign and for dissemination throughout the community. The Campaign will encourage stakeholders, faith-based groups, community groups, businesses, and concerned residents to discourage well-intended activities that enable the chronically homeless to remain on the streets and focus their efforts on long-term solutions.
 8. Coordinate a series of lectures open and available to the public.
 9. Provide support to the City of Perris through training, presentations and sharing updates related to trends in regional homeless efforts.

10. Provide monthly and quarterly data collection of key activities and results, community partners/businesses engaged.

11. Attend and participate in City Council meetings as requested.

SWAG is often the primary source for referrals and assistance to homeless persons, and primary contact for unsheltered individuals.

During 2020-2021, SWAG managed a comprehensive street outreach program for homeless individuals/families and those in danger of becoming homeless. SWAG conducted outreach services that specifically focus on people and families staying in encampments, on the street, and/or living in cars. SWAG assisted with access to community and family shelters providing services for persons otherwise unsheltered. The program involves assessment and engagement activities as well as provision of overnight beds, transportation and service referrals. Each individual or family is assessed to determine vulnerability and community resources to respond. Outreach develops relationships and provides connections with emergency shelter and other supportive services identified as needs by clients.

Aside from providing housing and shelter placement, SWAG provided individuals with mental/physical health services, provided 6 individuals with substance abuse services, and miscellaneous services. Miscellaneous services are services such as transportation, vital Document, help with veteran services.

The specific Homeless Needs Objectives outlined in the FY 2020-2021 Action Plan are two pronged and include:

- Participating in the Riverside County Continuum of Care for the Homeless; and
- Supplementing the Riverside County Continuum of Care with the City homeless outreach program through The Social Work Action Group (SWAG).

Addressing the emergency shelter and transitional housing needs of homeless persons

The City has an established referral system in place with the Social Work Action Group (SWAG) and the Riverside County Continuum of Care. SWAG's response time for homeless assistance calls are within an hour and they are able to assess

and individual through the Riverside County housing assessments (VI-SPDAT when applicable) to identify appropriate housing , shelter placements or treatment centers for those identified as in need of emergency, transitional housing or substance abuse treatment. The CoC maintains a list of available bed locations and identifies as well, the type of facility (i.e. mental illness, family, single, veterans) that has vacancies.

The City does not have an ESG Program. Also, the City did not obtain any Federal funds from the Homeless SuperNOFA.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

In order to prevent families and individuals from falling into homelessness, the City has an established referral system in place with the Social Work Action Group (SWAG) and the Riverside County Continuum of Care. SWAG's response time for homeless assistance calls are within an hour and they are able to identify appropriate housing, shelter placements or treatment centers for those identified as in need of emergency, transitional housing or substance abuse treatment. The CoC maintains a list of available bed locations and identifies as well, the type of facility (i.e. mental illness, family, single, veterans) that has vacancies. Additionally, the City of Perris utilized CDBG funds to fund Community Connect 211 to access homeless prevention and housing assistance programs. Based upon annual income guidelines, individuals and families that are faced with imminent eviction or termination of utilities are referred to organizations that may aid them with rental assistance and security deposit assistance to move into a more affordable unit, or assistance with utility deposits/costs.

The City does not have an ESG Program. Also, the City did not obtain any Federal funds from the Homeless SuperNOFA.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living,

including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

A Chronically homeless person or family is defined as one who has been living in a place not meant for human habitation, a safe haven, or emergency shelter continuously for at least one year or on at least four separate occasions in the last three years. Such persons or families must also be diagnosed with a specific disabling condition. These combined factors often lead to isolation and a survival mentality. Moving individuals from chronic homelessness to living in and maintaining housing requires multi-level solutions. In addition to suitable, acceptable and affordable housing, on-going supportive services are required to help the individual learn to live in the mainstream of society, to develop goals, and a budget addressing disabling conditions, and often modify behaviors developed for survival on the streets. Addressing chronic homelessness requires consistent and patient outreach. Therefore, the City has an established referral system in place with the Social Work Action Group (SWAG) and the Riverside County Continuum of Care. SWAG's response time for homeless assistance calls are within an hour and they are able to identify appropriate housing, shelter placements or treatment centers for those identified as in need of emergency, transitional housing or substance abuse treatment. The CoC maintains a list of available bed locations and identifies as well, the type of facility (i.e. mental illness, family, single, veterans) that has vacancies.

The City does not have an ESG Program. Also, the City did not obtain any Federal funds from the Homeless SuperNOFA.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

N/A - The City of Perris does not have any public housing.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

N/A - The City of Perris does not have any public housing.

Actions taken to provide assistance to troubled PHAs

N/A - The City of Perris does not have any public housing.

DRAFT

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment.
91.220 (j); 91.320 (i)

The City did not have any new actions for FY 2020-2021, however, the City's updated Housing Element for the 2014-2021 cycle included the following actions to help remove barriers to affordable housing which remain in effect:

- Continue to encourage opportunities for development of housing in lower density land use designations through various Overlay Zone alternatives (Senior Housing, Planned Development, Downtown Design) or with the density bonus incentives.
- While the City did not receive applications for new housing development near transit stops, the City has reduced parking standards for senior and affordable housing developments that are located in proximity to transit stops. The City would consider a 25% parking reduction through a Minor Adjustment application if located adjacent to a transit stop.
- To encourage the development of residential and mixed-use projects within the Downtown Specific Plan area, the City offers incentives such as a reduction in development standards (i.e. lot size, parking, and open space requirements) and with assistance from the Perris Housing Authority, subsidize a portion of development fees to encourage lot consolidation and to promote more intense residential and mixed-use development on vacant and underutilized sites within the Downtown Specific Plan area.

The City will continue to take actions to remove barriers to affordable housing by implementing programs or through partnerships that address the following:

- Continue to seek additional funding resources to address affordable housing;
- Maintain/improve conditions of existing stock through housing rehabilitation programs;
- Increase the supply of affordable housing through new construction;
- Increase the supply of affordable housing through rental assistance;
- Increase affordable housing opportunities through homebuyer assistance;
- Continue to work with non-profit and for-profit housing developers to create

- affordable housing; and
- Update the City's Limited English Proficiency (LEP) Plan to reflect changing demographics in the community and adjust language skills of staff and outreach materials accordingly.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

The City of Perris continues to expend CDBG funds on a variety of activities that meet underserved needs. These programs provided new or expanded accessibility, affordability and sustainability to decent housing, improved public facilities, and a suitable living environment for low income persons. Such programs included: youth recreational and educational programs, and fair housing services.

The City of Perris will continue to determine where underserved populations are located through results from the Analysis of Impediments to Fair Housing and annual community needs survey. To reduce the number of obstacles keeping the City from meeting the needs of the underserved populations in the community and help improve service delivery, the Perris Housing Authority will continue to participate and facilitate city-wide collaborations in coordinating the work of social service organizations, eliminating duplication of efforts, spearheading community-wide solutions to local needs and disseminating information, news, and data that will assist all participant organizations in this collaborative effort. The City of Perris Housing Authority conducts public bi-monthly Homeless Sub-Committee meetings with two City Council members, Perris Code Enforcement, the Social Work Action Group (SWAG), the Riverside County Sheriff's Department, and members of the public to discuss how we can collectively address homelessness.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

The City of Perris is committed to reducing lead-based paint hazards citywide with an emphasis on housing units occupied by low- and moderate-income households. The City's Housing Authority notifies all residential rehabilitation program applicants about the hazards of lead-based paint. The City participates in and supports the regional lead poisoning prevention program administered by the County of Riverside, Department of Public Health, which educates the public about the dangers of lead by conducting health education presentations and

distributing health education materials; assists property owners and families in eliminating sources of lead in their homes, through testing, incentives, and home visits; and provides a Childhood Lead Poisoning Prevention Program, which provides medical testing of children for lead poisoning on a sliding fee scale based on family income and assists parents in treating children identified with lead poisoning. The City will undertake the following actions, as required for implementation of Federal housing programs:

- Conduct Inspections and Risk Assessments in conjunction with all housing programs affected by Federal Lead-Based Paint regulations at 24 CFR 35, 24 CFR 570.608 and 24 CFR 982.401.
- Remediate and/or abate lead hazards when identified.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

Most activities undertaken by the City of Perris with CDBG funds are efforts to reduce persons in poverty and improve the quality of life for residents, either directly or indirectly. Programs that directly influence the poverty level include direct services to homeless or those at risk of homelessness. Projects that indirectly affect poverty include those that upgrade the community and aid in affordable and or accessibility to housing.

During FY 2020-2021, the following action was taken in an effort to assist and possibly alleviate financial hardships for persons below the poverty line:

- The City funded public service programs or activities in order to provide free access/availability to extremely low and low-income persons, including but not limited to the youth recreation & education programming, senior citizen nutrition program, employment education, and fair housing services.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The City has an inclusive institutional structure approach that uses a variety of organizations and departments within the City to carry out its housing, homeless, and community development plan. To eliminate gaps in institutional structures and enhance coordination, the City remains actively involved with internal City departments, outside agencies, and regional entities, including those that

receive CDBG funding for public services, infrastructure improvements, economic development, and those involved in the Continuum of Care (CoC). Strengths and gaps regarding the institutional structure emerged from stakeholder and community meetings, community needs surveys, and other coordinated communication. The City continues to streamline and to make improvements to the delivery system to best serve the community through activities and services. As the needs of low- to- moderate- income residents change, the demand for types of services and programs will also change. The City provided technical assistance and capacity building to agencies to increase their effectiveness in implementing programs to address the City's housing and community development needs. In its effort for citizen participation, the City has several standing committee's which are open to the public, allowing for residents to voice their concerns and ideas. These committee's are the:

1. Economic Development Ad Hoc Committee
2. Ways and Means Committee
3. Homeless Sub-Committee

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

During the program year, the City conducted the following activities to enhance coordination and eliminate gaps in the institutional structure:

1. Continue to be a member of the Housing & Homeless Coalition for Riverside County (CoC);
2. Continue to work with the CoC and other agencies on regional homeless issues;
3. Continue to work with the Riverside County Housing Authority to ensure consistency between Consolidated Planning and Authority Planning requirements;
4. Continue to promote fair housing;
5. Coordinate with the Riverside County Sheriff's Department in the provision of services related to crime prevention, code enforcement and community policing;
6. Coordinate with the Public Works Department in the provision of infrastructure delivery; and
7. Coordinate with the Community Services Department and external agencies in the provision of public services.
8. Continue providing Responsible Compassion for the Homeless information in the City Newsletters which provides the public with the

Do's and Don'ts of Responsible Compassion when rendering assistance to homeless individuals.

9. Look for additional funding resources to develop affordable housing units due to the high cost of housing production and construction;
10. Look at the needs of the senior population and plan for future services; and
11. Look at the needs of youth and family populations and plan for future programs and services.
- 12.

By working in a collaborative partnership with service providers, other federal/state government agencies and the private sector on all community development programs; the City believes that good collaboration and coordination of programs, services and budgets will result in healthier communities. The City also enhanced its efforts in the dissemination of information to the public by utilizing social media platforms to improve the distribution of helpful program information and updates to the public. This included:

1. The Economic Development Department updating marketing and demographic materials to attract businesses and workforce development opportunities;
2. Promotion of Healthy & Green initiatives including the Chef in the Garden series and the Junior Master Gardeners; and
3. Promotion of the City's annual health initiatives which provide health education to the public as well as resources for residents.

Identify actions taken to overcome the effects of any impediments identified in the jurisdiction's analysis of impediments to fair housing choice. 91.520(a)

The City has an Analysis of Impediments (AI) to Fair Housing Choice that was updated for the 5-year period of 2019-2024. To ensure consistency with the policies and programs recommended by the Consolidated Plan and to ensure continued compliance with the Fair Housing Certification found at 24 CFR 91.225 (a)(1), the City adheres to recommendations made in its approved Analysis of Impediments to Fair Housing Choice (AI).

Impediments to Fair Housing Choice

Impediments are defined as:

- Any action, omission, or decision taken because of race, color, religion,

sex, disability, familial status or national origin which restrict housing choices or the availability of housing choices, or

- Any action, omission, or decision which have the effect of restricting housing choices or the availability of housing choices on the basis of race, color, religion, sex, disability, familial status, or national origin; or
- An assessment of the availability of affordable, accessible housing in a range of unit sizes.

During 2020-2021, the City continued to contract with the Fair Housing Council of Riverside County for the operation of a comprehensive fair housing services to further equal housing opportunities for all residents and households. The mission of the Fair Housing Council is "To provide comprehensive services which affirmatively address and promote fair housing (anti-discrimination) rights and further other housing opportunities for all persons without regard to race, color, national origin, religion, age, sex, familial status (i.e., presence of children), disability, ancestry, marital status, age, source of income, sexual orientation, genetic information, or other arbitrary factors." The City and the Fair Housing Council continue to work in partnership to address on-going concerns with housing discrimination and landlord-tenant mediation in Perris including identified impediments particularly as they impact low-income and minority households. Services provided by the Fair Housing Council include housing discrimination complaint processing, tenant-landlord information and mediation, fair housing educational presentations, and community-wide outreach through the dissemination of literature. During 2020-2021, the Fair Housing Council provided assistance with discrimination and landlord tenant mediation to 1,481 persons.

Additionally, along with assisting households with discrimination and landlord/tenant mediation, the Fair Housing Council conducted a wide range of education and outreach activities throughout the year. These services included: First Time Homebuyer Workshops that included information on predatory lending practices; City Council Presentations; trained testers which greatly increased capacity to identify and investigate discrimination within Riverside County rental units; Fair Housing Training Course for property owners and managers; and Foreclosure Prevention Workshops. All of the workshops conducted by the Fair Housing Council are available in English and Spanish. All literature distributed by the Fair Housing Council is provided in English and Spanish and is located at all public counters in the City.

Actions taken during 2020-2021 to overcome the effects of any impediments identified in the Analysis of Impediments include the following:

- Continued collaboration with the Social Work Action Group (SWAG) to identify appropriate housing, shelter placements or treatment centers for those identified as in need of emergency, transitional housing or substance abuse treatment for at-risk/homeless individuals and families; and
- Continued government and private collaboration from the Homeless Sub-Committee.

DRAFT

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City's Housing Authority has all administration and monitoring responsibilities for its CDBG Federal Entitlement Program. The City operates in accordance with the monitoring plan development for the CDBG Program, including an annual single audit in conformance with 24 CFR PART 2.

The performance of planned activities and projects of these CDBG funds are monitored in a variety of ways, depending on the type of program and requirements and includes desk audits, telephone contact, reports, and on-site visits. The following is a description of the monitoring activities that the City conducts, in order to identify technical assistance needs and promote quality performance:

- Financial monitoring through monthly desk audits and an annual financial audit, as well as annual financial file monitoring
- Performance monitoring, including annual on-site monitoring
- Davis-Bacon Compliance monitoring, including an annual desk audit of Bid Specs and Documents
- Minority Business Enterprise/Women's Business Enterprise (MBE/WBE) contracting is encouraged for all Federally funded contracts. Bid specifications include a questionnaire regarding business ownership. Contractor/Subcontractor information, including MBE/WBE status is collected quarterly and reported to HUD as such.
- The City of Perris supports the employment and training of low-income persons. Section 3 Compliance activities include a desk review, discussion with project managers for contracts in excess of \$100,000, and a review of the City's Section 3 Plan prior to project commencement to ensure an understanding of requirements. Section compliance is monitored through quarterly reporting from project managers.
- Continual communication and coordination with the local HUD representative located in Los Angeles

Monitoring activities are intended to be proactive so that deficiencies can be

detected early and immediately corrected, and performance can be continually improved. The City Principle Management Analyst acts as the Project Monitor and reviews all program activities on a monthly basis. Financial management activities are monitored by the Principle Management Analyst, Housing Manager, and the Accounting Supervisor of the Finance Department.

In addition, all project costs are paid on a reimbursement basis; not in advance. Requests for reimbursement are required to be accompanied by proper documentation so that expenditures are verified before they are paid.

Public Service agencies are required to submit a quarterly program status reports. These quarterly program status reports are then used to input data into the IDIS system, which helps the Project Monitor to see how program goals are being met and assists in the preparation and completion of required annual reports.

As outlined above, CDBG Program projects are required to be monitored to ensure conformance with Davis-Bacon requirements. The City requires all contractors to be licensed and checks with both the state board and HUD's debarred list on HUD's home page to ensure compliance. Applicable Performance Records are to be kept in the associated project file.

On-site monitoring visits for 2020-2021 were not conducted due to COVID-19. However, the Principle Management Analyst continued monthly desk monitoring for all subrecipients to ensure compliance.

Finally, each budgeted project is reviewed for compliance with the National Environmental Protection Agency (NEPA) and California Environmental Quality Act (CEQA) regulations to determine applicability and ensure compliance. Once environmental clearance has been obtained, the project can move forward to City Council and/or bid, etc., as appropriate. The supervisor monitors all Environmental Reviews. The City conducted required NEPA and CEQA reviews on all federally funded projects during 2020-2021.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

Federal Regulations mandate a 15-day public comment period prior to submission of the CAPER to HUD. The City published its notice for public comment regarding the CAPER on September 8, 2021, in the Perris Progress newspaper and on September 2, 2021 in the Spanish Language based newspaper La Opinion.

Plan Development

The public is afforded a 15-day comment period to comment on the CAPER. A public hearing is also held regarding the performance report where additional public input may be received.

Public Hearings and/or Meetings

Public hearings provide a major source of citizen input on proposed programs and activities. On September 28, 2021 at 6:30 pm the City conducted a public hearing and held a public Council meeting in order to address housing and community development needs. Both were held before the proposed Consolidated Plan/Annual Plan and CAPER were adopted. Due to the COVID-19 pandemic, the public was provided the following link https://us06web.zoom.us/webinar/register/WN_lbiEmSBLsnORTUHeWaaHw in the City Council agenda allowing for citizen participation and an opportunity to comment while maintaining social distancing. After registering, a confirmation email containing information about joining the meeting was provided.

Public Notification

To ensure that all City residents had ample opportunity to take notice of all scheduled public hearings, all notices regarding such hearings, including the date, time and location, were published in a local newspaper of general circulation at least fifteen (15) days prior to the date of public hearing.

Access to Meetings: All public hearings were conducted at the following location:

City of Perris, City Hall Council Chambers
101 N. D Street
Perris, CA 92570

Due to the COVID-19 pandemic, the public was provided the following link https://us06web.zoom.us/webinar/register/WN_lbiEmSBLsnORTUHeWaaHw in

the City Council agenda allowing for citizen participation and an opportunity to comment while maintaining social distancing. After registering, a confirmation email containing information about joining the meeting was provided.

Spanish translation is available at all public hearings if requested 72 hours in advance of meeting. However, no translation services were requested.

Evaluation/Review and Comment

Citizens were given the opportunity to review and comment on the Draft CAPER from September 8, 2021 through September 28, 2021. The City published a public notice in the local newspaper informing interested persons about the CAPER review/comment period.

Access to Information/Availability to the Public

As required by Federal regulations, the Consolidated Plan, the Annual Action Plan, the CAPER, and substantial amendments are made available at the following location:

City Perris Housing Authority
135 North D. Street
Perris, CA 92570

This location is in compliance with the American with Disabilities Act (ADA).

Written Comments

Public comments were solicited through public notices for the public hearings.
[insert public comments here]

Substantial Amendments

Substantial amendments to the Consolidated Plan/Action Plan are defined as:

1. A new activity to be funded that was not contained in the final Annual Action Plan;
2. An existing approved activity which is cancelled; or
3. CDBG funds will be moved from an existing eligible activity to another in an amount greater than 50% of the existing activity allocation.

A substantial change in funding is herein defined as any amendment that exceeds 50 percent of the project/activity award for that program year.

In the event that an amendment to the Plan qualifies as a substantial change, citizens will be given an opportunity to participate in the planning process. This opportunity will be afforded to the citizens in the following manner:

1. Publication of Information for 30-day Comment Period and
2. Adoption of change through public hearing process

There were two substantial amendments during FY 2020-2021 and include the following:

1. CDBG-CV round 3 funds awarded to the City in the amount of \$442,432 which was taken to City Council on October 27, 2020.
2. Creation of CDBG-CV round 3 Administration and Planning activity on March 30, 2021. This included \$90,000 of CDBG-CV round 1 funds from the Utility Assistance Program for CDBG-CV Administrative and Planning use.

Technical Assistance

The City conducted three (3) technical assistance workshops during the development of the 2020-2021 Annual Action Plan to assist agencies or City departments choosing to assist low-income persons develop proposals for the CDBG Program. These workshops were held on November 7, 2019; December 2, 2019; and January 6, 2020. The technical assistance included:

1. Providing information on Federal programs, including the amount of Federal funds available;
2. A review of proposal guidelines and requirements for submission of proposals;
3. Answering questions regarding the Consolidated Plan and Annual action Plan Development process and/or the proposal process.

A technical assistance workshop for sub-recipients awarded funding for the 2020-2021 program year was conducted on May 8, 2020 and May 28, 2020. The technical assistance included:

1. CDBG Agreements;
2. Financial Systems;
3. Record Keeping;
4. Procurement & Contracting;

5. Reporting;
6. Reimbursements;
7. Monitoring; and
8. Other federal requirements

Complaints/Grievance Procedure

Citizens are encouraged to submit concerns or complaints in writing. All complaints should be submitted to: City of Perris Housing Authority 135 North D. Street, Perris, CA 92570. During the actual development of the CAPER, Consolidated Plan, and Annual Action Plan submission, written concerns or complaints regarding the Plans shall initiate a written response indicating assessment of the complaint and/or proposals and actions taken to address the complaints and/or proposals before final submission of the Plan to HUD. The City shall ensure that reasonable attempts are made to respond to questions or complaints in a timely manner, usually within fifteen (15) working days after receipt of the inquiry.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

During program year 2020-2021, like several jurisdictions, the City experienced challenges in implementing its programming due to the coronavirus COVID-19. However, the majority of its program objectives were achieved. The City continues to monitor CDBG program performance to assess whether or not changes in program objectives are necessary. Any changes in program objectives would constitute an amendment to the Consolidated Plan and Annual Action Plan.

The City continues to carry out its CDBG Program with the HUD resources indicated in the Consolidated Plan and the waivers/guidance provided during the coronavirus COVID-19 pandemic. The City provided all requested certifications of consistency in its Annual Action Plan, in a fair and impartial manner. More importantly, the City did not hinder Consolidated Plan implementation by action or willful inaction.

The City's first five-year consolidated plan was deliberately established to create

a simple framework upon which a more extensive and comprehensive structure can be developed in future years. The Consolidated Plan focuses on the same types of activities and projects that comprised the City's CDBG program under the County of Riverside. Public agencies, non-profit organizations, and for-profit organizations all contribute to the provision of affordable housing, community development, and support services in Perris.

Outside agencies implemented approximately 70% of the CDBG projects and programs comprising 2020-2021. A detailed assessment of the City's progress in meeting priority needs and specific objectives is included as Attachment Table 1C – Statement of Specific Annual Objectives in Relationship to 5-Year Consolidated Plan Goals.

Impact On Identified Needs

Overall, the largest impact on the identified housing and community development needs has been the level of funding compared to number of households in need of assistance. The City continues to fund those projects and activities that address the highest and greatest need within the community. Nonetheless, the strategies outlined in the Consolidated Plan and the activities undertaken in 2020-2021 were able to have an impact on identified needs. CDBG-CV funds provided through the CARES Act provided rental/mortgage assistance, utility assistance payments, and homeless services during the coronavirus COVID-19 pandemic to low-income households financially affected by the pandemic.

Barriers To Fulfilling Strategies

The CDBG Program was affected by the coronavirus COVID-19 health pandemic and proved to be a barrier by causing delays or in fulfillment of some of the strategies identified in the FY 2020-2021 Annual Action Plan.

Apart from the pandemic, the greatest barrier to fulfilling strategies is the lack of available public and private financial resources. Needs identified in the Consolidated Plan include, but are not limited to: additional public services, infrastructure and facility improvements, affordable housing, senior housing, and transitional housing.

While CDBG funds have had a significant impact on meeting community

development and housing needs, the demand for services is enormous. The City continues to fund those projects and activities that address the highest and greatest needs as indicated by resident input, community leaders and consultation with community stakeholders. Further, CDBG-CV funds provided through the CARES Act provided rental/mortgage assistance, utility assistance payments, and homeless services during the coronavirus COVID-19 pandemic to low-income households financially affected by the pandemic.

As FY 2020-2021 was the City's second year of program implementation under the 2019-2024 Consolidated Plan; overall, major goals are on target.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No – The City does not have any Brownfields.

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

N/A- not applicable.

DRAFT

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

During program year 2020-2021, the City experienced changes in program objectives due to the coronavirus COVID-19 pandemic. This City met its stated program objectives. The City continues to monitor CDBG program performance to assess whether or not changes in program objectives are necessary. Any changes in program objectives would constitute an amendment to the Consolidated Plan and Annual Action Plan.

The City continues to carry out its CDBG Program with the HUD resources indicated in the Consolidated Plan. The City provided all requested certifications of consistency in its Annual Action Plan, in a fair and impartial manner. More importantly, the City did not hinder Consolidated Plan implementation by action or willful inaction.

The City's first five-year consolidated plan was deliberately established to create a simple framework upon which a more extensive and comprehensive structure can be developed in future years. The Consolidated Plan focuses on the same types of activities and projects that comprised the City's CDBG program under the County of Riverside. Public agencies, non-profit organizations, and for-profit organizations all contribute to the provision of affordable housing, community development, and support services in Perris.

Outside agencies implemented approximately 70% of the CDBG projects and programs comprising 2020-2021. A detailed assessment of the City's progress in meeting priority needs and specific objectives is included as Attachment Table 1C – Statement of Specific Annual Objectives in Relationship to 5-Year Consolidated Plan Goals.

Impact On Identified Needs

Overall, the largest impact on the identified housing and community development needs has been the level of funding compared to number of households in need of assistance. The City continues to fund those projects and activities that address the highest and greatest need within the community. Nonetheless, the strategies outlined in the Consolidated Plan and the activities

undertaken in 2020-2021 were able to have an impact on identified needs. CDBG funds provided availability and accessibility to housing and services that may not have ordinarily been available or available at a cost to low-income persons.

Barriers To Fulfilling Strategies

The CDBG Program was affected by the coronavirus COVID-19 health pandemic and proved to be a barrier to fulfilling the strategies identified in the FY 2020-2021 Annual Action Plan.

Apart from the pandemic, the greatest barrier to fulfilling strategies is the lack of available public and private financial resources. Needs identified in the Consolidated Plan include, but are not limited to: additional public services, infrastructure and facility improvements, affordable housing, senior housing, and transitional housing.

While CDBG funds have had a significant impact on meeting community development and housing needs, the demand for services is enormous. The City continues to fund those projects and activities that address the highest and greatest needs as indicated by resident input, community leaders and consultation with community stakeholders. Further, CDBG-CV funds provided through the CARES Act provided rental/mortgage assistance, utility assistance payments, and homeless services during the coronavirus COVID-19 pandemic to low-income households financially affected by the pandemic.

As FY 2020-2021 was the City's second year of program implementation under the 2019-2024 Consolidated Plan; overall, major goals are on target.

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No – The City does not have any Brownfields.

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

N/A- not applicable.



CITY OF PERRIS

CITY COUNCIL AGENDA SUBMITTAL

MEETING DATE: September 28, 2021

SUBJECT: District Elections Update

REQUESTED ACTION: Receive and file presentation regarding District Elections Educational Outreach

CONTACT: Clara Miramontes, City Manager

BACKGROUND/DISCUSSION:

At the February 9, 2021, City Council meeting, the City Council recommended that staff begin a community educational outreach for residents regarding district elections. The City contracted with Tripepi Smith Consulting to launch a community outreach effort to provide information to residents about how it elects its City Council, and to obtain feedback. The exploratory district formation effort began in early August 2021. The consultant has been working with staff in facilitating all forums, both in-person and virtual, for the public engagement.

Included in this effort were increased social media postings and two workshops, one virtual meeting held on August 24th and one in-person meeting held on September 7th. Staff also coordinated with the Perris Valley Chamber of Commerce on distribution of this survey. An online portal was set up during the months of August and September to receive resident feedback, as well as an email account for questions and feedback. Staff made general announcements in the weekly newscast on the topic of district elections. Most recently, a community survey was distributed virtually on social media platforms from September 14th – September 23rd.

The survey asked respondents general questions on the benefits of at-large elections versus the benefits of moving to districts, geographical location as it pertains to the City of Perris, and questions about previous voting practices from the 2020 election. The primary question of this survey asked if the City of Perris should continue to use the current at-large election system or move to district elections. The survey found that 53.3% of respondents voted to remain at-large, while 33.3% responded in favor of district elections and 13.3% requested more information. Participants were also able to provide comments on the proposed changes as to the process, as well. The survey also found that 88% percent of Perris voters voted for both the Mayor and the City Council member vacancies, eight percent voted for only Mayor vacancies, and four percent voted for only City Council member vacancies.

BUDGET (or FISCAL) IMPACT:

Cost for staff preparation of this item is covered in the current budget.

Prepared by: Stephen Hale, Public Information Officer

Attachment: 1. Survey Results

REVIEWED BY:

City Attorney _____

Deputy City Manager _____

Finance Director _____

Consent:

Public Hearing:

Business Item: September 28, 2021

Presentation:

Other:

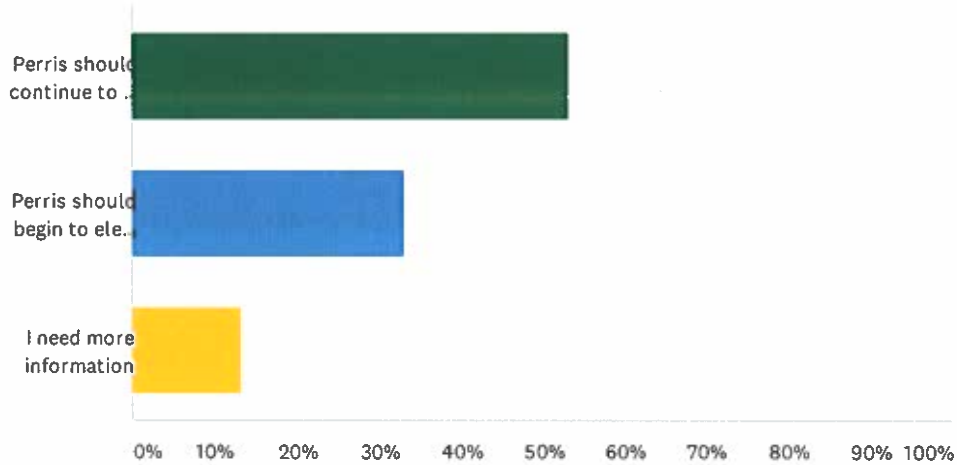
ATTACHMENT 1

SURVEY RESULTS

District Elections

Q1 Should the City of Perris continue to use an at-large City Council election system or begin electing City Council Members by-district?

Answered: 30 Skipped: 0



ANSWER CHOICES

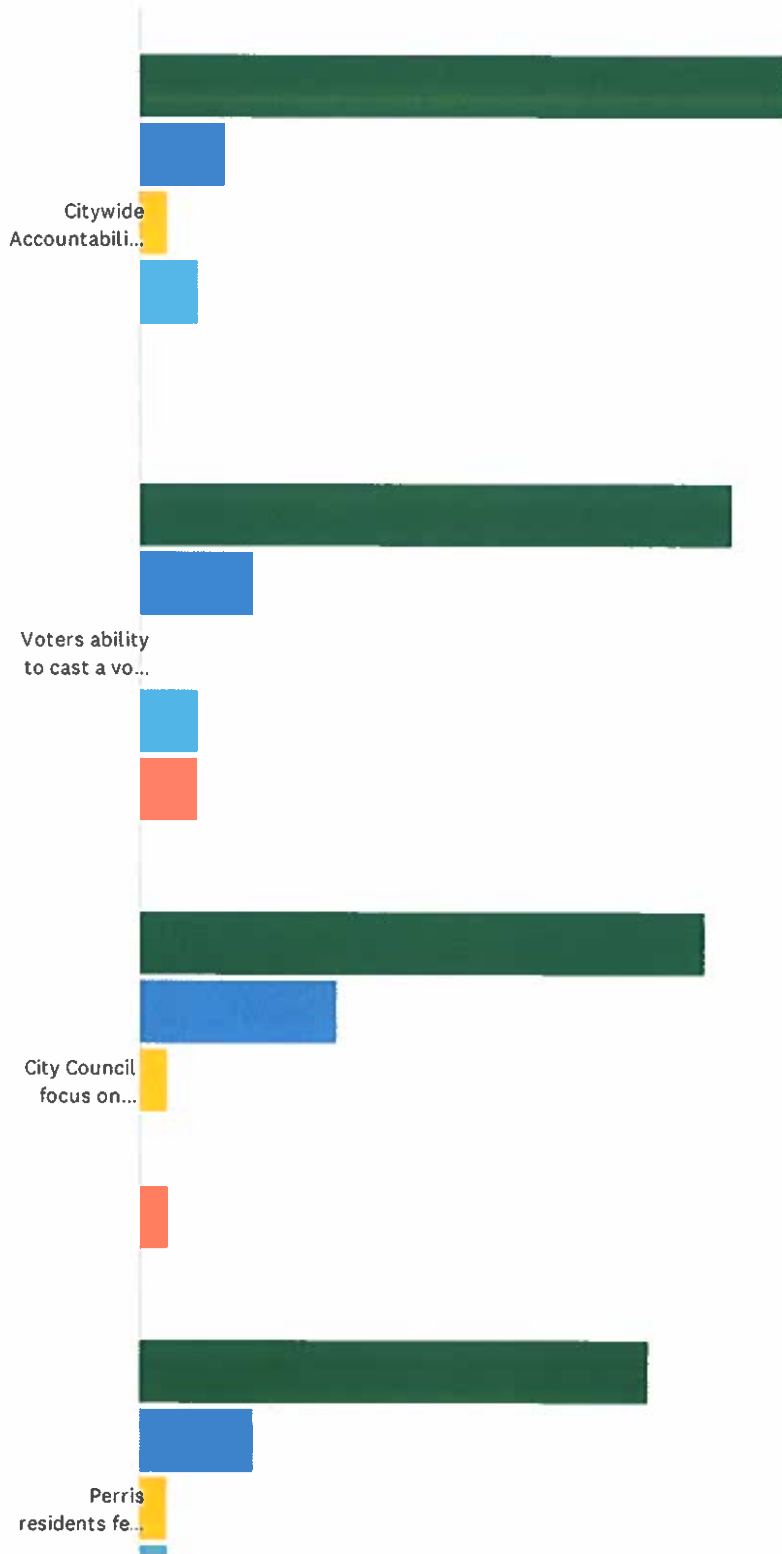
RESPONSES

Perris should continue to use an at-large election system	53.33%	16
Perris should begin to elect City Council Members by-district	33.33%	10
I need more information	13.33%	4
TOTAL		30

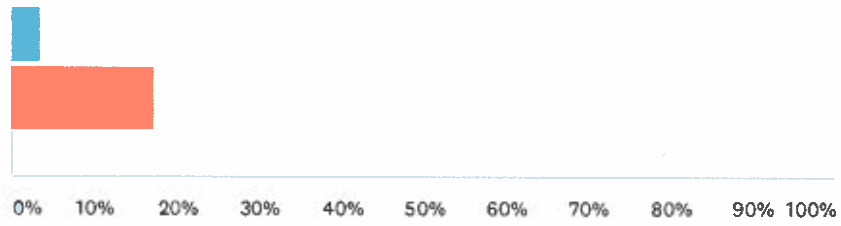
District Elections

Q2 What do you see as the benefits of at-large City Council elections in the City of Perris? Please rank the benefits in order of importance:

Answered: 29 Skipped: 1



District Elections



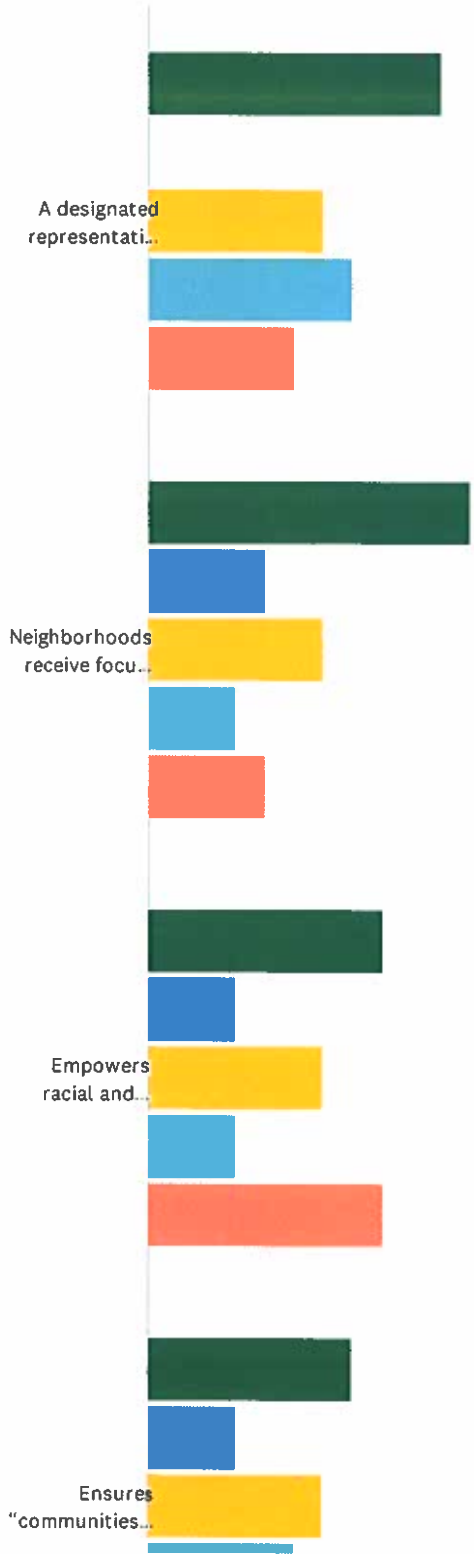
■ Very Important
 ■ Somewhat Important
 ■ Important
■ Somewhat Unimportant
 ■ Not Important at All

	VERY IMPORTANT	SOMEWHAT IMPORTANT	IMPORTANT	SOMEWHAT UNIMPORTANT	NOT IMPORTANT AT ALL	TOTAL	WEIGHTED AVERAGE
Citywide Accountability for each Council Member	79.31% 23	10.34% 3	3.45% 1	6.90% 2	0.00% 0	29	1.38
Voters ability to cast a vote in every City Council election	72.41% 21	13.79% 4	0.00% 0	6.90% 2	6.90% 2	29	1.62
City Council focus on broader community, citywide issues	68.97% 20	24.14% 7	3.45% 1	0.00% 0	3.45% 1	29	1.45
Perris residents feel empowered by the current system	62.07% 18	13.79% 4	3.45% 1	3.45% 1	17.24% 5	29	2.00

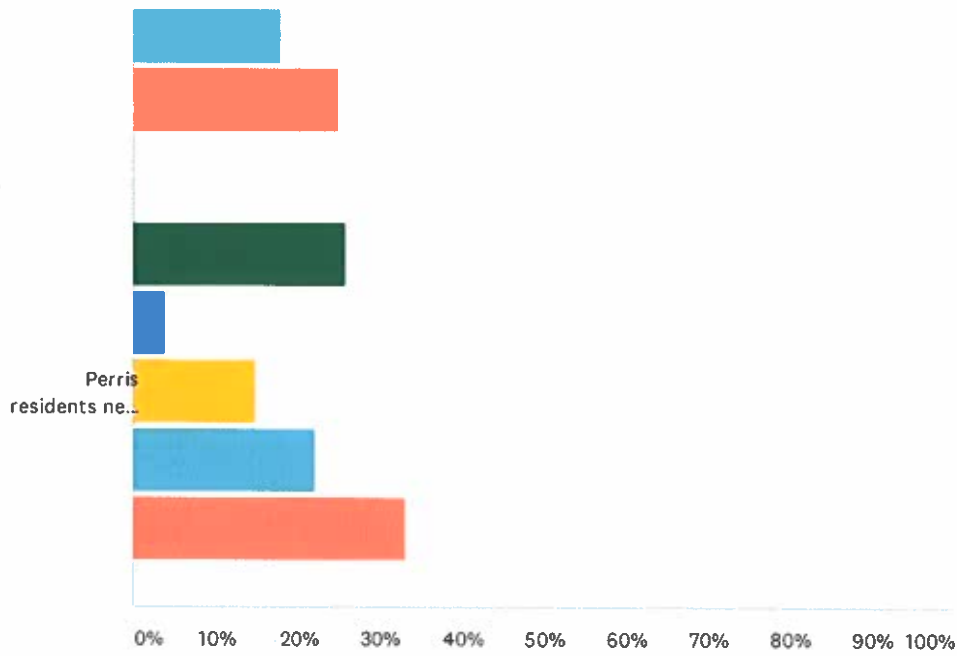
District Elections

Q3 What do you see as the benefits of by-district City Council elections in the City of Perris? Please rank the benefits in order of importance:

Answered: 28 Skipped: 2



District Elections



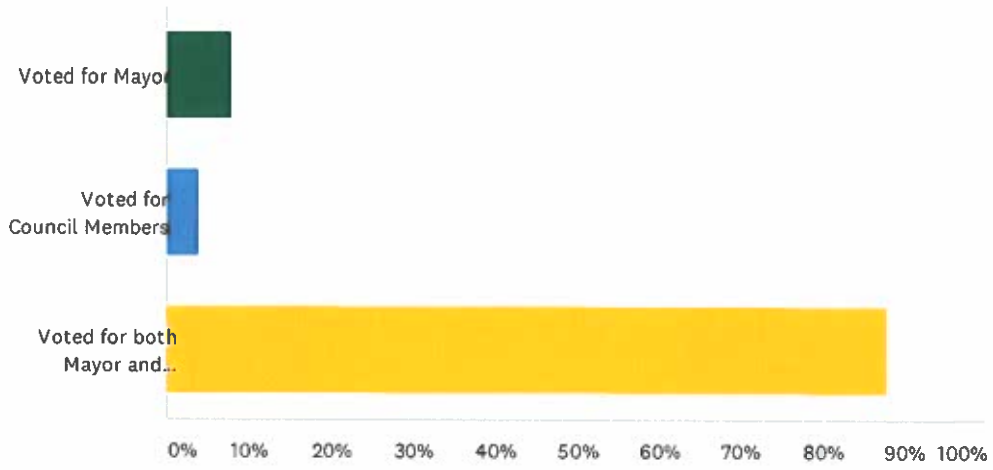
■ Very Important
 ■ Somewhat Important
 ■ Important
■ Somewhat Unimportant
 ■ Not Important At All

	VERY IMPORTANT	SOMEWHAT IMPORTANT	IMPORTANT	SOMEWHAT UNIMPORTANT	NOT IMPORTANT AT ALL	TOTAL	WEIGHTED AVERAGE
A designated representative of a specific area	35.71% 10	0.00% 0	21.43% 6	25.00% 7	17.86% 5	28	2.89
Neighborhoods receive focused attention	39.29% 11	14.29% 4	21.43% 6	10.71% 3	14.29% 4	28	2.46
Empowers racial and ethnic population centers	28.57% 8	10.71% 3	21.43% 6	10.71% 3	28.57% 8	28	3.00
Ensures "communities of interest" are respected and grouped together in voting districts (ie: common schools, places of worship, cultural heritage, socioeconomic status)	25.00% 7	10.71% 3	21.43% 6	17.86% 5	25.00% 7	28	3.07
Perris residents need a new system for electing City Council Members	25.93% 7	3.70% 1	14.81% 4	22.22% 6	33.33% 9	27	3.33

District Elections

Q4 Did you vote in the 2020 local elections for the City of Perris

Answered: 25 Skipped: 5

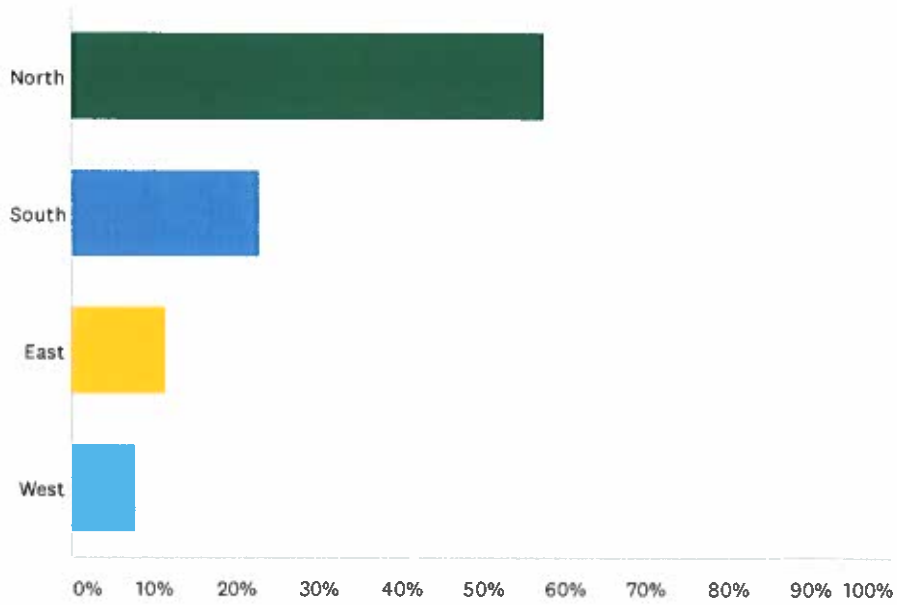


ANSWER CHOICES	RESPONSES	
Voted for Mayor	8.00%	2
Voted for Council Members	4.00%	1
Voted for both Mayor and Council Members	88.00%	22
TOTAL		25

District Elections

Q5 Which part of town do you live in?

Answered: 26 Skipped: 4

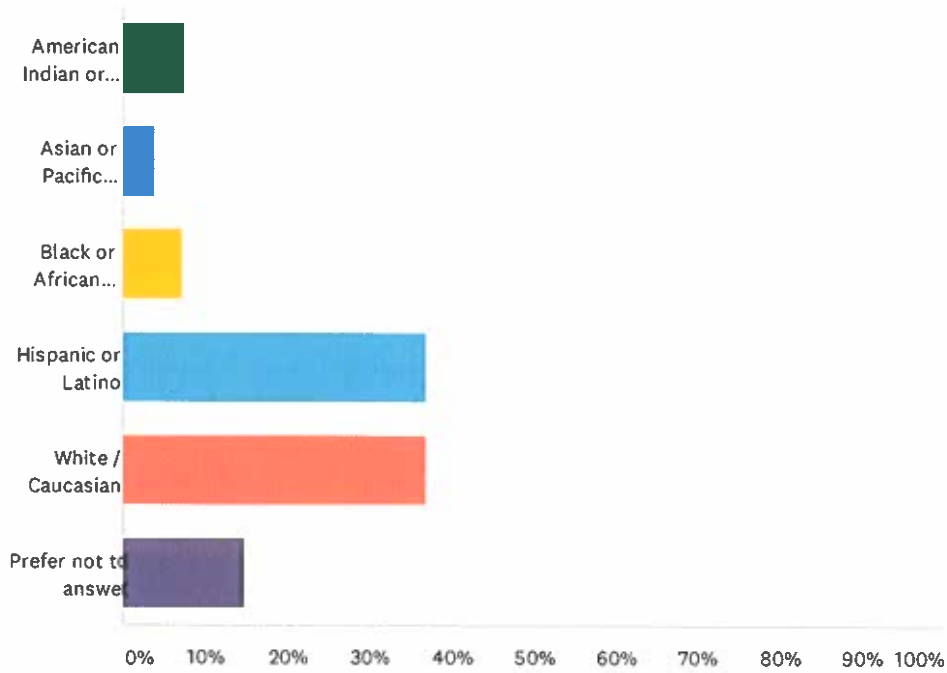


ANSWER CHOICES	RESPONSES	
North	57.69%	15
South	23.08%	6
East	11.54%	3
West	7.69%	2
TOTAL		26

District Elections

Q6 What is your ethnicity?

Answered: 27 Skipped: 3



ANSWER CHOICES

RESPONSES

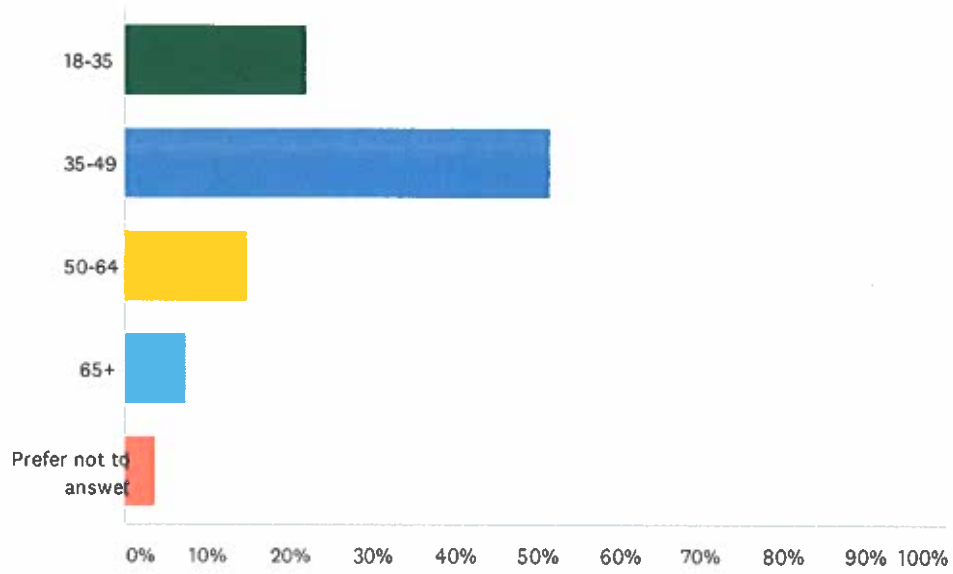
ANSWER CHOICES	RESPONSES	
American Indian or Alaskan Native	7.41%	2
Asian or Pacific Islander	3.70%	1
Black or African American	7.41%	2
Hispanic or Latino	37.04%	10
White / Caucasian	37.04%	10
Prefer not to answer	14.81%	4

Total Respondents: 27

District Elections

Q7 What is your current age?

Answered: 27 Skipped: 3

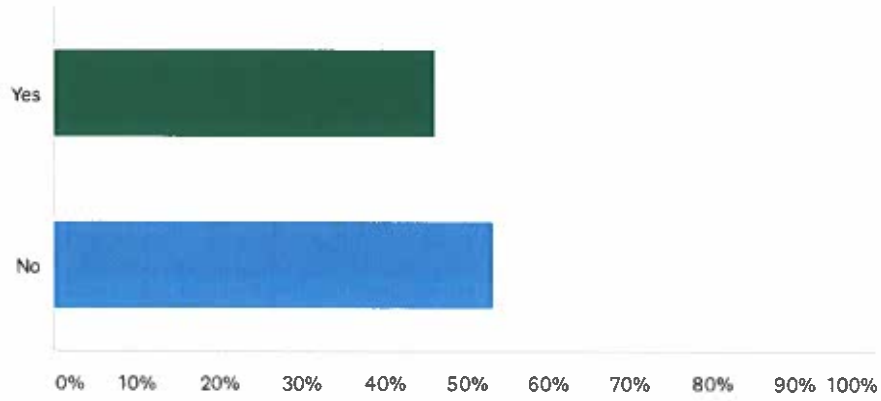


ANSWER CHOICES	RESPONSES	
18-35	22.22%	6
35-49	51.85%	14
50-64	14.81%	4
65+	7.41%	2
Prefer not to answer	3.70%	1
TOTAL		27

District Elections

Q8 Do you want to receive more information about district elections?

Answered: 28 Skipped: 2



ANSWER CHOICES

Yes

No

TOTAL

RESPONSES

46.43%

53.57%

13

15

28

District Elections

Q9 Is there anything else you'd like to add about district elections?

Answered: 16 Skipped: 14

#	RESPONSES	DATE
1	I am not qualified to submit an opinion since I am not a resident	9/18/2021 5:50 PM
2	Elect 2 At-Large and 3 district. This way the good of all the people is represented without specific areas favored or implied.	9/17/2021 12:09 PM
3	If the city does move to districts, that the districts be cut up in a correct way that makes sense and not one that preserves incumbents	9/16/2021 3:38 PM
4	I believe that voting by district would ensure that all regions of the city have representation on the Council.	9/16/2021 9:35 AM
5	I am against this new proposed systems. Perris should be spending more time and money in getting the Perris Residents involved in registering to vote and actually voting.	9/15/2021 8:50 PM
6	They can have a racially biased agenda and certain segments of the city's population can be ignored and not represented.	9/15/2021 4:34 PM
7	City made council members accountable to all residents	9/15/2021 4:27 PM
8	I believe that Perris is not large enough, population wise, to support district elections and it will limit the number of people who would become involved in the City if the City were to move to districts. I prefer to be able to go to any council person and make my requests.	9/15/2021 3:11 PM
9	Focused attention should happen where the most need is. This does NOT mean 100% attention, just until the needs are met. Realizing that some areas will always need a little more.	9/14/2021 10:49 PM
10	Fix Ramona Expressway! Why are we doing median landscaping when the road is complete garbage!?	9/14/2021 6:02 PM
11	Whoever wants to be a part of council, should be allowed. No need to divide us up!	9/14/2021 5:26 PM
12	I believe atlarge elections give the residents more say during city council elections.	9/14/2021 4:04 PM
13	Don't change the election process. I want to be able to vote for every position in the election. I would not like not having a say who is on our council just because I don't live in that area.	9/14/2021 3:57 PM
14	More info and more clarity	9/14/2021 3:06 PM
15	N/A	9/14/2021 3:05 PM
16	No	9/14/2021 3:03 PM



12.B.

CITY OF PERRIS

CITY COUNCIL AGENDA SUBMITTAL

MEETING DATE: September 28, 2021

SUBJECT: Switching from At-Large City Council Elections to District Elections

REQUESTED ACTION: That the City Council consider and discuss switching from At-Large City Council elections to District Elections and provide direction to staff

CONTACT: Eric L. Dunn, City Attorney

BACKGROUND/DISCUSSION:

I. Introduction

The City recently held two public informational and outreach workshops on districting on August 24, 2021 (virtual) and September 7, 2021 (in-person). The general process is outlined below along with some limitations due to the pending completion of the decennial census. The Registrar of Voters has informed us that the process must be completed by April 17, 2022 to be effective for the November 2022 election. Therefore, if the Council chooses to proceed for the November 2022 election the process will need to begin soon. Alternatively, the Council could choose to proceed for the November 2024 election.

II. Switching to District Elections

A. Ordinance Procedure and Drafting Maps

In order to switch to district elections, an ordinance must be drafted that states “the number of legislative districts and whether members of the legislative body shall be elected by districts, from districts, by districts with an elective mayor, or from districts with an elective mayor.” (Government Code Section 34872.) This ordinance may be adopted by the City Council itself or may be submitted to the voters. (Government Code Sections 34871 and 34886.) However, because the Perris voters previously adopted the directly-elected mayor position, in our opinion any changes to the directly-elected mayor would have to be made by the voters and cannot be made by a City Council ordinance.

“From districts” means that a candidate must live in a particular district, but the entire city votes. “By districts” means that a candidate must live in a particular district, but only the voters in that district vote. This report presumes the Council will discuss “by district” elections.

The process for switching from at-large to district elections is contained in Elections Code Section 10010 which generally requires several public hearings as follows:

Prior to drawing of potential district maps, the City must hold at least two public hearings over a period of no more than 30 days, at which the public is invited to provide input regarding the composition of the districts.

After all draft maps are drawn, the City must then publish and make available for release at least one draft map and, if City Council members will be elected in their districts at different times to provide for staggered terms of office, the potential sequence of the elections.

The City must also hold at least two additional hearings over a period of no more than 45 days, at which the public is invited to provide input regarding the content of the draft map or maps and the proposed sequence of elections, if applicable. The first version of a draft map must be published at least seven days before consideration at a hearing. If a draft map is revised at or following a hearing, it shall be published and made available to the public for at least seven days before being adopted.

B. Drawing and Redrawing Maps

Elections Code Section 21601 of recently enacted Assembly Bill No. 849 ("AB 849") provides that "Following a city's decision to elect its council using district-based elections, or following each federal decennial census for a city whose council is already elected using district-based elections, the council shall, by ordinance or resolution, adopt boundaries for all of the council districts of the city so that the council districts shall be substantially equal in population as required by the United States Constitution." District boundaries must comply with the United States Constitution, the California Constitution, and the federal Voting Rights Act of 1965. AB 849 further establishes the following criteria for drawing maps (in order of priority):

(1) To the extent practicable, council districts shall be geographically contiguous. Areas that meet only at the points of adjoining corners are not contiguous. Areas that are separated by water and not connected by a bridge, tunnel, or regular ferry service are not contiguous.

(2) To the extent practicable, the geographic integrity of any local neighborhood or local community of interest shall be respected in a manner that minimizes its division. A "community of interest" is a population that shares common social or economic interests that should be included within a single district for purposes of its effective and fair representation. Communities of interest do not include relationships with political parties, incumbents, or political candidates.

(3) Council district boundaries should be easily identifiable and understandable by residents. To the extent practicable, council districts shall be bounded by natural and artificial barriers, by streets, or by the boundaries of the city.

(4) To the extent practicable, and where it does not conflict with the preceding criteria in this subdivision, council districts shall be drawn to encourage geographical compactness in a manner that nearby areas of population are not bypassed in favor of more distant populations.

Further, districts boundaries cannot favor or discriminate against a political party. Elections Code Section 21605(a) provides that "After redistricting or districting pursuant to [Elections Code] Section 21601 or 21603, a council shall not adopt new council district boundaries until after the

next federal decennial census ..." except in certain cases such as a court order to redistrict.

III. Requested Action

The City Council is requested to consider and discuss switching to district elections and provide direction to staff on this question and the timing.

BUDGET (or FISCAL) IMPACT: The process will require legal and staff costs to prepare documents and hearings, as well as hiring a demographic consultant to assist in the analysis and drawing of the maps.

Prepared by: Robert Khuu, Assistant City Attorney

REVIEWED BY:

City Attorney X
Assistant City Manager
Deputy City Manager

Attachments:

Consent:
Public Hearing:
Business Item: X
Presentation:
Other: