



AGENDA OF A REGULAR MEETING - NATIONAL CITY CITY COUNCIL/
COMMUNITY DEVELOPMENT COMMISSION – HOUSING AUTHORITY OF
THE CITY OF NATIONAL CITY
ONLINE ONLY MEETING

<https://www.nationalcityca.gov/webcast>

LIVE WEBCAST
COUNCIL CHAMBERS
CIVIC CENTER

1243 NATIONAL CITY BOULEVARD
NATIONAL CITY, CALIFORNIA
TUESDAY, MARCH 16, 2021 – 6:00 PM

ALEJANDRA SOTELO-SOLIS
Mayor

JOSE RODRIGUEZ
Vice Mayor

MARCUS BUSH
Councilmember

RON MORRISON
Councilmember

MONA RIOS
Councilmember

NOTICE: The health and well-being of National City residents, visitors, and employees during the COVID-19 outbreak remains our top priority. The City of National City is coordinating with the County of San Diego Health Human Services Agency, and other agencies to take measures to monitor and reduce the spread of the novel coronavirus (COVID-19). **The World Health Organization has declared the outbreak a global pandemic and local and state emergencies have been declared providing reprieve from certain public meeting laws such as the Brown Act.**

As a result, the City Council Meeting will occur only online to ensure the safety of City residents, employees and the communities we serve. A live webcast of the meeting may be viewed on the city's website at www.nationalcityca.gov. For Public Comments see "PUBLIC COMMENTS" section below

ORDER OF BUSINESS: Public sessions of all Regular Meetings of the City Council / Community Development Commission - Housing Authority (hereafter referred to as Elected Body) begin at 6:00 p.m. on the first and third Tuesday of each month. Public Hearings begin at 6:00 p.m. unless otherwise noted. Closed Meetings begin in Open Session at 5:00 p.m. or such other time as noted, and after announcing closed session items, convenes into a Closed Meeting. If a workshop is scheduled, the subject and time of the workshop will appear on the agenda. The Mayor and Council members also sit as the Chairperson and Members of the Board of the Community Development Commission (CDC).

REPORTS: All open session agenda items and reports as well as all documents and writings distributed to the Elected Body less than 72 hours prior to the meeting, are available for review on the City's website at www.nationalcityca.gov. Regular Meetings of the Elected Body are webcast and archived on the City's website at www.nationalcityca.gov.

PUBLIC COMMENTS: There are multiple ways you can make sure your opinions are heard and considered by our City Council as outlined below:

Submit your public comment prior to the meeting: To submit a comment in writing, email PublicComment@nationalcityca.gov, provide the agenda item number and title of the item in the subject line of your email. Public comments or testimony is limited to up to three (3) minutes. If the comment is not related to a specific agenda item,

1243 National City Blvd.
National City, CA 91950
619-336-4240

Meeting agendas and
minutes available on the
City's website at
WWW.NATIONALCITYCA.GOV

indicate General Public Comment in the subject line. All email comments received by 4:00 p.m. on the day of the meeting will be emailed to the City Council Members and made a part of the official record.

***Please note that email comments received prior to the meeting will no longer be read into the meeting's record but will be distributed to the City Council. If you would like to share your comments live during the meeting, please follow the instructions below.

Register online and participate in live public comment during the meeting: To provide live public comment during the meeting, you must pre-register on the City's website at <https://www.nationalcityca.gov/publiccomment> by 4:00 p.m. on the day of the regular meeting to join the City Council Meeting.

***Please note that you do not need to pre-register to watch the meeting online, but you must pre-register if you wish to speak.

Once registered, you will receive an email with a link from Zoom to join the live meeting. You can participate by phone or by computer. Please allow yourself time to log into Zoom before the start of the meeting to ensure you do not encounter any last-minute technical difficulties.

***Please note that members of the public will not be shown on video; they will be able to watch and listen and speak when called upon. Public microphones will be muted until it is your turn to comment.

Each speaker is allowed up to three (3) minutes to address the City Council. Please be aware that the Mayor may limit the comments' length due to the number of persons wishing to speak or if comments become repetitious or unrelated.

All comments are subject to the same rules as would otherwise govern speaker comments at the meeting. Speakers are asked to be respectful and courteous. Please address your comments to the City Council as a whole and avoid personal attacks against members of the public, City Council, and city staff.

Questions about public comment or City Council protocols? Please contact the City Clerk's Office at (619) 336-4228 or via email at Clerk@nationalcityca.gov.

INTERPRETATION SERVICES: To use the Zoom interpretation feature you must first Pre-Register on Zoom. Once logged into Zoom to use the interpretation feature, please scroll to the bottom of the Zoom screen (where the meeting controls are), click on the interpretation icon (world), and select English as your language. If you are joining using the Zoom mobile app (cell phone, tablet, etc.), please press the ellipsis (...), then Interpretation, and then choose your language.

WRITTEN AGENDA: With limited exceptions, the Elected Body may take action only upon items appearing on the written agenda. Items not appearing on the agenda must be brought back on a subsequent agenda unless they are of a demonstrated emergency or urgent nature, and the need to take action on such items arose after the agenda was posted.

CONSENT CALENDAR: Consent calendar items involve matters which are of a routine or noncontroversial nature. All consent items are adopted by approval of a single motion by the City Council. Prior to such approval, any item may be removed from the consent portion of the agenda

and separately considered, upon request of a Councilmember, a staff member, or a member of the public.

Upon request, this agenda can be made available in appropriate alternative formats to persons with a disability in compliance with the Americans with Disabilities Act. Please contact the City Clerk's Office at (619) 336-4228 to request a disability-related modification or accommodation. Notification 24-hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

AVISO: La salud y el bienestar de los residentes, visitantes y empleados de National City durante el brote de COVID-19 sigue siendo nuestra máxima prioridad. El Ayuntamiento de la Ciudad de National City se está coordinando con la Agencia de Salud y Servicios Humanos del Condado de San Diego y otras agencias para tomar medidas con el fin de monitorear y reducir la propagación del nuevo coronavirus (COVID-19). La Organización Mundial de la Salud declaró el brote como una pandemia global y se han manifestado emergencias locales y estatales que resultan en la suspensión de ciertas leyes de reuniones públicas, tal como la Ley Brown.

Como resultado de ello, la junta del Concejo Municipal del Ayuntamiento se llevará a cabo solamente en línea para garantizar la seguridad de los residentes, empleados y comunidades locales que atendemos. Se podrá ver una transmisión en vivo de la junta en el sitio web del Ayuntamiento en www.nationalcityca.gov. Para comentarios públicos, vea la sección “COMENTARIOS PÚBLICOS” más adelante.

ORDEN DEL DÍA: Las sesiones públicas de todas las juntas ordinarias del Concejo Municipal/Comisión de Desarrollo Comunitario - Autoridad de Vivienda (en lo sucesivo denominado Órgano Electo) inician a las 6:00 p.m. el primer y tercer martes de cada mes. Las audiencias públicas inician a las 6:00 p.m., a menos que se indique lo contrario. Las juntas cerradas inician en sesión abierta a las 5:00 p.m. o en cualquier otro momento que se indique, y tras anunciar los temas de la sesión cerrada, la junta se realiza como sesión cerrada. Si se programa una reunión de discusión y análisis, el tema y la hora de la misma aparecerán en la agenda. La Alcaldesa y los Concejales se reúnen por igual que el Presidente y los integrantes del Consejo de la Comisión de Desarrollo Comunitario.

INFORMES: Todos los temas e informes de la agenda de la sesión abierta, así como todos los documentos y escritos entregados al Órgano Electo menos de 72 horas antes de la sesión, aparecerán en el sitio web del Ayuntamiento. Las juntas ordinarias del Órgano Electo se transmiten por Internet y se archivan en el sitio web del Ayuntamiento en www.nationalcityca.gov.

COMENTARIOS PÚBLICOS: Hay varias formas en las que puede asegurarse de que sus opiniones sean escuchadas y consideradas por nuestro Concejo Municipal como se describe a continuación:

Envíe su comentario público antes de la sesión: Para enviar un comentario por escrito, envíe un correo electrónico a PublicComment@nationalcityca.gov, proporcione el número del tema o asunto de la agenda y el título del tema o asunto en la línea de asunto de su correo electrónico. Los comentarios o testimonios públicos se limitan a tres (3) minutos. Si el comentario no se relaciona con un tema o asunto específico de la agenda, indique Comentario Público General en la línea de asunto. Todos los comentarios por correo electrónico recibidos antes de las 4:00 p.m. del día de la sesión se enviarán por correo electrónico a los miembros del Concejo Municipal y formarán parte del acta oficial.

***Tenga en cuenta que los comentarios por correo electrónico recibidos antes de la sesión ya no se leerán en el registro de la sesión, sino que se distribuirán al Concejo Municipal. Si desea compartir sus comentarios en vivo durante la sesión, siga las instrucciones a continuación.

Regístrese en línea y participe en los comentarios públicos en vivo durante la sesión: Para proporcionar comentarios públicos en vivo durante la sesión, debe registrarse previamente en el sitio web del Ayuntamiento en <https://www.nationalcityca.gov/publiccomment> **antes de las 4:00 p.m.** del día de la junta ordinaria para incorporarse a la sesión del Concejo Municipal.

***Tenga presente que no necesita registrarse previamente para ver la sesión en línea, pero debe registrarse previamente si desea hablar.

Una vez registrado, recibirá un correo electrónico con un enlace de Zoom para integrarse a la sesión en vivo. Puede participar por teléfono o por computadora. Tómese el tiempo necesario para iniciar la reunión en Zoom antes del inicio de la sesión para asegurarse de no encontrar dificultades técnicas de último momento.

***Tenga presente que las personas del público no se mostrarán en vídeo; podrán observar, escuchar y hablar cuando se les solicite. Los micrófonos públicos se silenciarán hasta que sea su turno de comentar.

Cada orador tiene hasta tres (3) minutos para dirigirse al Concejo Municipal. Tenga en cuenta que la Alcaldesa puede limitar la extensión de los comentarios debido a la cantidad de personas que deseen hablar o si los comentarios se vuelven repetitivos o no relacionados.

Todos los comentarios están sujetos a las mismas reglas que de otro modo regirían los comentarios de los oradores en la sesión. Se pide a los oradores que sean respetuosos y corteses. Dirija sus comentarios al Concejo Municipal en su conjunto y evite ataques personales contra personas del público, el Concejo Municipal y el personal del Ayuntamiento.

¿Preguntas sobre comentarios públicos o protocolos del Concejo Municipal? Comuníquese con la Oficina de la Secretaria del Ayuntamiento al teléfono (619) 336-4228, o por correo electrónico a Clerk@nationalcityca.gov.

SERVICIO DE INTERPRETACIÓN: Para utilizar la función de interpretación zoom primero debe registrarse previamente en el sitio web de Zoom. Una vez que haya iniciado sesión en zoom para utilizar la función de interpretación, favor de desplazarse a la parte inferior de la pantalla de Zoom (donde aparecen los controles). Haga clic en el ícono de interpretación (globo terráqueo), y seleccione "*Spanish*" (español). Si está utilizando la aplicación móvil de Zoom (celular, tableta, etc.), presione los puntos suspensivos (...), luego "*interpretation*" y luego el idioma.

AGENDA ESCRITA: Con contadas excepciones, el Órgano Electo puede tomar medidas únicamente sobre los temas que aparecen en la agenda escrita. Los temas que no aparezcan en la agenda deben aparecer en una agenda subsecuente, a menos que sean de emergencia o urgencia demostrada, y la necesidad de tomar medidas sobre esos temas haya surgido después de haber sido publicada la agenda.

CALENDARIO DE CONSENTIMIENTO: Los temas del calendario de consentimiento implican cuestiones de naturaleza rutinaria o no controvertida. Todos los temas de consentimiento se adoptan mediante la aprobación de una sola moción del Concejo Municipal. Antes de la aprobación, cualquier

tema puede eliminarse de la parte de consentimiento de la agenda y considerarse aparte, a petición de un concejal, individuo del personal del Ayuntamiento o persona del público.

Previa solicitud, esta agenda puede estar disponible en formatos alternativos apropiados para personas con discapacidades, en observancia de la Ley de Estadounidenses con Discapacidades. Llame al teléfono (619) 336-4228 de la Oficina del Secretario del Ayuntamiento para solicitar una modificación o adaptación de acceso relativa a la discapacidad. Notificar 24 horas antes de la sesión permitirá al Ayuntamiento hacer arreglos razonables para garantizar la accesibilidad a esta junta.

OPEN TO THE PUBLIC

A. CITY COUNCIL

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE TO THE FLAG

PUBLIC COMMENTS (THREE-MINUTE TIME LIMIT)

PROCLAMATIONS AND CERTIFICATES

1. [National City Celebrates Women's History Month.](#)

AWARDS AND RECOGNITIONS

2. [Employee of the Quarter 2021 - Lizza Galindo-Rojas, Administrative Secretary. \(Human Resources\)](#)

PRESENTATIONS (FIVE-MINUTE TIME LIMIT)

INTERVIEWS / APPOINTMENTS

REGIONAL BOARDS AND COMMITTEE REPORTS (FIVE-MINUTE TIME LIMIT)

CONSENT CALENDAR

3. [Motion of the City Council of the City of National City approving the waiving of the reading of the text of the Ordinances or Resolutions that are having a Public Hearing considered at this meeting and providing that such Ordinances or Resolutions shall be introduced and/or adopted after a reading of the title only. \(City Clerk\)](#)
4. [Approval of the Minutes of the Virtual Regular Meeting of the City Council and Community Development Commission - Housing Authority of the City of National City - Virtual Regular Meeting: February 2, 2021. \(City Clerk\)](#)
5. [Resolution of the City Council of the City of National City authorizing the installation of 606 feet of "No Parking" signage on both sides of Paraiso Court to provide fire access and travel clearance for emergency response vehicles \(TSC No. 2021-01\). \(Engineering/Public Works\)](#)
6. [Resolution of the City Council of the City of National City authorizing the installation of a blue curb disabled persons parking space with sign in front of the residence located at 32 "D" Avenue \(TSC No. 2021-02\). \(Engineering/Public Works\)](#)

7. [Resolution of the City Council of the City of National City finding APR Construction, Inc. in default of the contract for the Civic Center ADA Accessibility Project, CIP No. 19-45 for materially violating the contract provisions by providing false information, consistent with Section 6.4.1 of the contract documents. \(Engineering/Public Works\)](#)
8. [Resolution of the City Council of the City of National City ratifying the Agreement between the City of National City and Meyers Nave for legal services in consultation with the City Attorney on matters related to the implementation of a commercial cannabis structure and program for the total not to exceed amount of \\$25,000.00 and approving the City Attorney's execution of same. \(City Attorney\)](#)
9. [Warrant Register #32 for the period of 2/03/21 through 2/09/21 in the amount of \\$2,455,294.45. \(Finance\)](#)
10. [Warrant Register #33 for the period of 2/10/21 through 2/16/21 in the amount of \\$261,842.17. \(Finance\)](#)

PUBLIC HEARINGS: ORDINANCES AND RESOLUTIONS

11. [Public Hearing No. 1 of 2 for the U.S Department of Housing and Urban Development \(HUD\) 2021-2022 Annual Action Plan and the allocation of 2021-2022 HUD entitlement grant funds, program income, and funds remaining from completed projects to Community Development Block Grant \(CDBG\) and HOME Investment Partnerships \(HOME\) Program activities proposed for 2021-2022 Annual Action Plan. \(Housing Authority\)](#)

NON CONSENT RESOLUTIONS

12. [Resolution of the City Council of the City of National City authorizing, 1\) the City \(Buyer\) to utilize cooperative purchasing established through Sourcwell previously known as National Joint Powers Alliance \(NJPA\), consistent with Municipal Code Section 2.60.260 for cooperative purchasing, to purchase Tyler Technologies New World Computer Aided Dispatch \(CAD\) based on their member number 17730; and 2\) finance through Capital Innovations for a seven \(7\) year lease purchase agreement; and 3\) the Mayor to execute the Agreement with Tyler Technologies and Capital Innovations to replace outdated current police department CAD for a lease purchase agreement in the amount of \\$1,060,000. \(Police\)](#)
13. [Resolution of the City Council of the City of National City authorizing various Fiscal Year 2021 mid-year budget adjustments. \(Finance\)](#)

NEW BUSINESS

14. [City of National City Comprehensive Annual Financial Report \(CAFR\) for the fiscal year ended June 30, 2020. \(Finance\)](#)

15. [Update on American Rescue Plan Act. \(City Manager\)](#)
16. [2020 Housing Element Annual Progress Report pursuant to California Code Section 654000. \(Planning\)](#)

B. COMMUNITY DEVELOPMENT COMMISSION - HOUSING AUTHORITY

CONSENT RESOLUTIONS - HOUSING AUTHORITY

PUBLIC HEARINGS: RESOLUTIONS - HOUSING AUTHORITY

NON CONSENT RESOLUTIONS - HOUSING AUTHORITY

NEW BUSINESS - HOUSING AUTHORITY

C. REPORTS

STAFF REPORTS

17. [City Manager Report. \(City Manager\)](#)

MAYOR AND CITY COUNCIL

18. [Discussion regarding Public Comment at City Council Meetings. \(City Manager\)](#)

CLOSED SESSION

CLOSED SESSION REPORT

ADJOURNMENT

Regular Meeting of the City Council and Community Development Commission - Housing Authority of the City of National City - Tuesday - April 6, 2021 - 6:00 p.m. - Council Chambers - National City, California.

The following page(s) contain the backup material for Agenda Item: [National City Celebrates Women's History Month](#).

Please scroll down to view the backup material.

Item # ____
03/16/21

National City Celebrates Women's History Month

The following page(s) contain the backup material for Agenda Item: [Employee of the Quarter 2021 - Lizza Galindo-Rojas, Administrative Secretary. \(Human Resources\)](#)
Please scroll down to view the backup material.



CITY OF NATIONAL CITY
M E M O R A N D U M

DATE: March 4, 2021

TO: Brad Raulston, City Manager

FROM: Robert J. Meteau, Jr., Human Resources Director

SUBJECT: EMPLOYEE OF THE QUARTER PROGRAM

The Employee Recognition Program communicates the City's appreciation for outstanding performance. In doing so, it recognizes employees who maintain high standards of personal conduct and make significant contributions to the workplace and community.

The employee to be recognized for the 1st Quarter of calendar year 2021 is:

Lizza Galindo-Rojas, Administrative Secretary

By copy of this memo, the employee is invited to attend the Council meeting on Tuesday, March 16, 2021 to be recognized for her achievement and service.

Attachment

cc: Lizza Galindo-Rojas
Mayor's Confidential Assistant
Human Resources – Office File



Performance Recognition Award
Nomination Form

I nominate **Lizza Galindo-Rojas, Administrative Secretary** for the Performance Recognition Award for the following reasons:

Please state reason why your nominee should receive an award, (i.e., examples of service beyond requirements of position, exemplary service to the public, outstanding job performance, etc). Do not to exceed 150 total words. Please be as specific as possible when giving your examples.

It is my pleasure to share how Lizza Rojas consistently contributes to the effectiveness of our organization and beyond the requirements of her position. With 16 years of service this past November, Lizza demonstrates pride in her duties and her community. Lizza is a true ambassador for National City and embodies the 7 C's of our organization.

As the Administrative Secretary of our fast-paced HR department, Lizza remains enthusiastic and committed while meeting competing deadlines. An example of outstanding job performance by Lizza was a last minute change revising and resubmitting the HR staff report for the City Council agenda and the new MOU. Just like the energizer bunny, Lizza made a difficult task look easy, all while having fun and a smile on her face.

If you were to ask Lizza where she works, she would say with "Team HR in the MLK building." But in reality, Lizza works and contributes everywhere! You may have first seen Lizza as a new employee or official when you received your city ID, or seen Lizza setting-up HR training materials in the Fire Station and the Police Station. Or you may even have seen Lizza in the Library or Public Works facility while performing department visits with Team HR.

Combined with her outgoing personality and commitment to customer service, Lizza embodies the community and culture of National City. It is my honor to present to you Lizza Galindo-Rojas.

FORWARD COMPLETED NOMINATION TO:

National City Performance Recognition Program
Human Resources Department

Nominated by: Robert J. Meteau, Human Resources Director

Signature:  Date: 02/22/21

The following page(s) contain the backup material for Agenda Item: [Motion of the City Council of the City of National City approving the waiving of the reading of the text of the Ordinances or Resolutions that are having a Public Hearing considered at this meeting and providing that such Ordinances or Resolutions shall be introduced and/or adopted after a reading of the title only. \(City Clerk\)](#)

Please scroll down to view the backup material.

Item # ____
03/16/21

MOTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY APPROVING THE WAIVING OF THE READING OF THE TEXT OF THE ORDINANCES OR RESOLUTIONS THAT ARE HAVING A PUBLIC HEARING CONSIDERED AT THIS MEETING AND PROVIDING THAT SUCH ORDINANCES OR RESOLUTIONS SHALL BE INTRODUCED AND/OR ADOPTED AFTER A READING OF THE TITLE ONLY.

(City Clerk)

The following page(s) contain the backup material for Agenda Item: [Approval of the Minutes of the Virtual Regular Meeting of the City Council and Community Development Commission - Housing Authority of the City of National City - Virtual Regular Meeting: February 2, 2021. \(City Clerk\)](#)

Please scroll down to view the backup material.

Item # _____

03-16-2021

APPROVAL OF THE MINUTES OF THE REGULAR MEETINGS

**MINUTES OF THE VIRTUAL REGULAR MEETING OF THE
CITY COUNCIL AND COMMUNITY DEVELOPMENT COMMISSION –
HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY**

Virtual Regular Meeting: February 2, 2021

(City Clerk)



**MINUTES OF THE VIRTUAL REGULAR MEETING OF THE
CITY COUNCIL AND COMMUNITY DEVELOPMENT COMMISSION –
HOUSING AUTHORITY OF THE CITY OF NATIONAL CITY**

February 2, 2021

This meeting was conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order N-29-20 dated March 17, 2020, regarding the COVID-19 pandemic.

The City Council minutes are prepared and ordered to correspond to the City Council Agenda. Agenda Items can be taken out of order during the meeting. The Agenda Items were considered in the order presented.

A. CITY COUNCIL

CALL TO ORDER

The meeting was called to order at 6:04 p.m. by Mayor Sotelo-Solis.

ROLL CALL

Councilmembers present: Bush, Morrison, Rios, Rodriguez, Sotelo-Solis

Councilmembers absent: None

Other Elected Officials present: Beauchamp, Molina

Administrative Officials present: Raulston, Winney, Bell, Chapel, Parra, Vergara, Denham, Aguirre, Lopez, Tellez, Becerra, Meteau, Davies, Yano, Rose Williams, Duong, and Olson.

Meeting briefly paused due to Councilmember Bush having technical difficulties. 6:05 p.m. – 6:07 p.m.

Roll Call was called again by City Clerk Molina with all members present. Councilmember Bush still having camera issues did confirm verbally his attendance. Councilmember Bush was available on camera at 6:18 p.m.

PLEDGE OF ALLEGIANCE TO THE FLAG

Councilmember Morrison led the Pledge of Allegiance.

PUBLIC COMMENTS

Two (2) public comments received: Moon Coyote (cannabis support) and Rebecca Rapp (cannabis opposition). Read into the record by City Clerk Molina.

PROCLAMATIONS AND CERTIFICATES

No agenda items.

AWARDS AND RECOGNITIONS

No agenda items.

PRESENTATION

1. County of San Diego Partnership on Vaccine Rollout.

City Manager Raulston provided a video presentation and introduced Chief of Emergency Services Parra and County of San Diego and Health and Human Services Agency (COSD HHSA) representative Barbara Jimenez who provided an update and information on the COVID-19 vaccination efforts within the National City community and the San Diego County partnership on vaccine roll-out and testing.

INTERVIEWS / APPOINTMENTS

No agenda items.

REGIONAL BOARDS AND COMMITTEE REPORTS

None.

CONSENT CALENDAR

Councilmember Bush pulled Item 4 from the Consent Calendar for discussion.

Public Comments: None

ACTION: Motion by Councilmember Morrison, seconded by Councilmember Rios, to approve the Consent Calendar Items 2, 3, and 5 through 7. Motion carried by unanimous vote.

2. Motion of the City Council of the City of National City approving the waiving of the reading of the text of the Ordinances or Resolutions that are having a Public Hearing considered at this meeting and providing that such Ordinances or Resolutions shall be introduced and/or adopted after a reading of the title only.
3. Adopted Resolution No. 2021-03. Resolution of the City Council of the City of National City: 1) accepting the work performed by Portillo Concrete, Inc. for the Division Street – Euclid Avenue to Harbison Avenue Bicycle Improvements, CIP No. 19-17; 2) approving the final contract amount of \$531,571.79; 5) ratifying the release of retention in the amount of \$26,578.59; and 6) ratifying the signing of the Notice of Completion for the project.
5. Ratified Warrant Register #25 for the period of 12/16/20 through 12/22/20 in the amount of \$552,952.55.
6. Ratified Warrant Register #26 for the period of 12/23/20 through 12/29/20 in the amount of \$1,113,274.01.
7. Ratified Warrant Register #27 for the period of 12/30/20 through 1/05/21 in the amount of \$1,334,676.58.

ITEM PULLED FROM CONSENT CALENDAR FOR DISCUSSION

4. Resolution of the City Council of the City of National City waiving the formal bid process pursuant to National City Municipal Code Section 2.60.260 regarding cooperative purchasing and authorizing the City to piggyback onto the County of San Diego's Purchase Order 562779-0 with Ford of Chula Vista for the purchase of three (3) new 2021 Ford AWD Police Interceptor K8A PEG 500A SUVs in an amount not to exceed \$118,881.03.

Councilmember Bush asked questions of Staff regarding the need and timing for this purchase for Item 4. Chief of Police Tellez and City Manager Raulston provided responses for Council.

Public Comment: One (1) public comment received from Moon Coyote (in opposition). Read into the record by City Clerk Molina.

ACTION: Motion by Mayor Sotelo-Solis, seconded by Councilmember Morrison, to adopt Resolution No. 2021-04. Motion carried by 4-1 vote with Councilmember Bush voting No.

PUBLIC HEARINGS: ORDINANCES AND RESOLUTIONS

No agenda items.

NON CONSENT RESOLUTIONS

8. Resolution of the City Council of the City of National City: (1) approving an Affordable Housing Density Bonus Agreement with Kimball Apartments, LLC, a California limited liability company, restricting the rent and occupancy of five (5) units to moderate income households in exchange for one density bonus concession pursuant to California Government Code Sections 65915 – 65918 for the development of 52 housing units located at 1126 E 8th Street in National City; and (2) approving a Subordination and Intercreditor Agreement with Citizens Business Bank subordinating said Affordable Housing Density Bonus Agreement.

City Manager Raulston pulled the Item from the agenda to be heard at a future meeting.

Public Comments: None

ACTION: Motion by Mayor Sotelo-Solis, seconded by Councilmember Morrison, to continue the Item at a future Council meeting. Motion carried by unanimous vote.

9. Resolution of the City Council of the City of National City: 1) authorizing the Mayor to execute a Power Your Drive for Parks Public Electric Vehicle Charging Program Participation Agreement with San Diego Gas & Electric Company (SDG&E) for the installation of six Electric Vehicle Charging Stations, associated equipment and infrastructure, at Las Palmas Park (located at 1810 E. 22nd Street) to be used by the public, at their own expense, as part of SDG&E's "Power Your Drive for Parks" Program, and 2) granting and authorizing the recordation of an easement on parcel No. 561-360-35-00 to SDG&E for the installation of electric vehicle charging station infrastructure.

City Manager Raulston introduced the Item. Director Yano, Deputy City Engineer Lopez, along with representatives of SDG&E Clean Transportation Customer Solutions: Manager Lianna Rios and Project Manager Anthony Aguirre gave the report and presentation.

Public Comments: None

ACTION: Motion by Councilmember Bush, seconded by Councilmember Morrison, to adopt the Resolution No. 2021-06. Motion carried by 4-1 vote with Vice-Mayor Rodriguez absent.

Vice-Mayor Rodriguez away from the dais at 7:42 p.m. – returned 7:44 p.m.

10. Resolution of the City Council of the City of National City: 1) awarding a contract to Eagle Paving Company, Inc. in the not-to-exceed amount of \$1,086,911.00 for the Sweetwater Road Safety Enhancement Project, CIP No. 19-12; 2) authorizing a 15% contingency in the amount of \$163,036.65 for any unforeseen changes; and 3) authorizing the Mayor to execute the contract.

Mayor Sotelo-Solis introduced the Item and Director of Engineering Yano gave the report and PowerPoint Presentation.

Public Comments: None

ACTION: Motion by Councilmember Morrison, seconded by Councilmember Bush, to adopt the Resolution No. 2021-07. Motion carried by unanimous vote.

11. Resolution of the City Council of the City of National City, California, approving update to City Council Policy No. 107 entitled: Appointments to Boards, Commissions and Committees.

Item continued from the January 19, 2021, City Council Meeting.

Mayor Sotelo-Solis introduced the Item and Assistant City Manager Winney who gave the report and PowerPoint Presentation.

Public Comments: Two (2) public comments received from Moon Coyote (opposition) and Ted Godshalk (opposition). Read into the record by City Clerk Molina.

ACTION: Motion by Councilmember Rios, seconded by Councilmember Bush, to adopt the Resolution with amendments to include:

- 1) If a mayoral appointment is not approved by Council confirmation, then that applicant is to be removed from the candidate pool and the appointment is to return to a future Council meeting for substitute mayoral appointment.
- 2) Changes to Policy #107, Section D #8, Council Appointments, Interview Process:
 - (a) Subsection a - Remove the language "...and the two (2) questions will be asked of each applicant on behalf of the City Council",
 - (b) Subsection b - Change time each applicant is given for introductions from one (1) minute to two (2) minutes,
 - (c) Remove Subsections C through G of draft, and

(d) Add new Subsection c “Mayor and City Councilmembers will ask questions of each applicant. All applicants must be asked the same questions.”

- 3) Add to Section D #13 that in addition to the requirement that the Chair be a resident of the City, City Council added that the Vice-Chairperson must also be a resident.

Councilmember Morrison made a substitute motion to bring this item back to Council in October 2021, seconded by Vice-Mayor Rodriguez. Motion failed by 2-3 vote.

Ayes: Morrison, Rodriguez

Noes: Bush, Rios, Sotelo-Solis

Original motion to adopt the Resolution with amendments was considered. Motion passed by 3-2 vote.

Ayes: Bush, Rios, Sotelo-Solis

Noes: Morrison, Rodriguez

NEW BUSINESS

There were no items.

B. COMMUNITY DEVELOPMENT COMMISSION – HOUSING AUTHORITY

No agenda items.

C. REPORTS

STAFF REPORTS

12. Presentation on City-owned Real Property available for future development.

Mayor Sotelo-Solis introduced City Manager Raulston gave the report and PowerPoint Presentation along with Director of Housing Authority Aguirre and Property Agent Greg Rose.

Received and Filed.

13. City Manager Report.

City Manager Raulston gave an update on the COVID-19, regarding restaurant opening, vaccine roll-outs and testing.

Received and Filed.

MAYOR AND CITY COUNCIL

City Treasurer Beauchamp spoke about the COVID-19 vaccine. He received the vaccine at the MLK site in National City. He thanked City Staff for the work on roads and parking. He pointed out the moneys paid for health insurance to pensioners, per the warrants brought forth at this meeting.

Councilmember Bush wished the community a Happy Black History Month. He highlighted the need to talk about race issues and acknowledged the local Black leaders in National City's history.

Councilmember Morrison commented on the trends seen in COVID-19 cases and looks forward to observing the affects based on increased inoculations.

Councilmember Rios provided an update on Sweetwater Authority's planned tests and alerted the community that changes in odor and color may occur. Encouraged residents to contact the Sweetwater Authority if change is noticed. She also brought to Staff's attention the federal funds available to cities, through FEMA, for eligible reimbursements of COVID-19 services.

Vice-Mayor Rodriguez wished the community a Happy Black History Month. He acknowledged historical moments addressing human rights in National City.

Mayor Sotelo-Solis shared that a proclamation to formally recognize Black History Month in National City is forthcoming. She reminded the community about the distribution of COVID-19 safety kits occurring February 4, 2021. One-thousand (1000) kits will be provided on a first-come-first-served basis. She acknowledged the partnerships that make this possible for National City residents.

CLOSED SESSION

No agenda items.

CLOSED SESSION REPORT

No agenda items.

ADJOURNMENT

Mayor Sotelo-Solis adjourned the meeting to the next Regular Meeting of the City Council and Community Development Commission of the City of National City to be held Tuesday, February 16, 2021 at 6:00 PM via teleconference.

The meeting adjourned at 9:24 p.m.

City Clerk

The foregoing minutes were approved at the Regular Meeting of March 16, 2021.

Mayor

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City authorizing the installation of 606 feet of “No Parking” signage on both sides of Paraiso Court to provide fire access and travel clearance for emergency response vehicles \(TSC No. 2021-01\). \(Engineering/Public Works\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

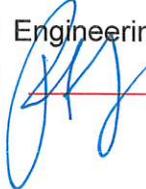
AGENDA ITEM NO.

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing the installation of 606 feet of "No Parking" signage on both sides of Paraiso Court to provide fire access and travel clearance for emergency response vehicles (TSC No. 2021-01).

PREPARED BY: Carla Hutchinson, Assistant Engineer - Civil *C.H.* **DEPARTMENT:** Engineering/Public Works

PHONE: 619-336-4388

APPROVED BY: _____ 

EXPLANATION:

See attached.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

| N/A |

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION: **FINAL ADOPTION:**

STAFF RECOMMENDATION:

Adopt Resolution authorizing installation of 606 feet of "No Parking" signage on both sides of Paraiso Court to provide fire access & travel clearance for emergency response vehicles.

BOARD / COMMISSION RECOMMENDATION:

At their meeting on February 10, 2021, the Traffic Safety Committee approved staff's recommendation to install "No Parking" signage on both sides of Paraiso Court.

ATTACHMENTS:

1. Explanation w/ Exhibit
2. Staff Report to the Traffic Safety Committee on February 10, 2021 (TSC No. 2021-01)
3. Resolution

EXPLANATION

The City's Parking Enforcement Division has requested the installation of "No Parking" signs on both sides of Paraiso Court. Parking Enforcement staff expressed concerns that Paraiso Court is too narrow and that vehicles park on both sides of the street, which does not allow access for emergency response vehicles. Parking Enforcement proposed the installation of a "No Parking" signage, which would enhance access and travel clearance for emergency response vehicles, on Paraiso Court.

Staff visited site. Paraiso Court is located in a residential area between Norton Avenue and Palm Avenue and is a 2-lane local roadway with unrestricted parallel parking on both sides of the street.

Staff took measurements on Paraiso Court and confirmed that this street is 20 feet wide. California's 2019 Fire Code, Chapter 5, Section 503.1.1 states: "*The required width of emergency fire apparatus access roads shall not be obstructed in any manner, including parking of vehicles. All access roads shall be no less than 20 feet wide...*" Staff observed that when vehicles are parked on both sides of Paraiso Court, the travel way narrows to 12 feet or less. Therefore, parking must be restricted on both sides of the street to ensure compliance with the California Fire Code. Staff recommends the installation of "No Parking" signage on both sides of Paraiso Court.

Staff sent notices to area property owners and tenants, inviting them to attend the Traffic Safety Committee Meeting and/or contact staff with any questions.

This item was presented to the Traffic Safety Committee on February 10, 2021. Staff presented the results of the site evaluation and after discussion, the Traffic Safety Committee voted to approve staff's recommendation to install "No Parking" signage on both sides of Paraiso Court to provide fire access & travel clearance for emergency response vehicles.

If approved by City Council, all work will be performed by City Public Works.

Location Map with Recommended Enhancements (TSC Item: 2021-01)



**NATIONAL CITY TRAFFIC SAFETY COMMITTEE
AGENDA REPORT FOR FEBRUARY 10, 2021**

ITEM NO. 2021-01

ITEM TITLE: REQUEST TO INSTALL 606 FEET OF "NO PARKING" SIGNAGE ON BOTH SIDES OF PARAIISO COURT TO PROVIDE FIRE ACCESS & TRAVEL CLEARANCE FOR EMERGENCY RESPONSE VEHICLES.

PREPARED BY: Carla Hutchinson, Assistant Engineer - Civil Engineering & Public Works Department

DISCUSSION:

The City's Parking Enforcement Division has requested the installation of "No Parking" signs on both sides of Paraiso Court. Parking Enforcement staff expressed concerns that Paraiso Court is too narrow and that vehicles park on both sides of the street, which does not allow access for emergency response vehicles. Parking Enforcement proposed the installation of a "No Parking" signage, which would enhance access and travel clearance for emergency response vehicles, on Paraiso Court.

Staff visited site. Paraiso Court is located in a residential area between Norton Avenue and Palm Avenue and is a 2-lane local roadway with unrestricted parallel parking on both sides of the street.

Staff took measurements on Paraiso Court and confirmed that this street is 20 feet wide. California's 2019 Fire Code, Chapter 5, Section 503.1.1 states: *"The required width of emergency fire apparatus access roads shall not be obstructed in any manner, including parking of vehicles. All access roads shall be no less than 20 feet wide..."* Staff observed that when vehicles are parked on both sides of Paraiso Court, the travel way narrows to 12 feet or less. Therefore, parking must be restricted on both sides of the street to ensure compliance with the California Fire Code. Staff recommends the installation of "No Parking" signage on both sides of Paraiso Court.

Staff sent notices to area property owners and tenants, inviting them to attend the Traffic Safety Committee Meeting and/or contact staff with any questions.

STAFF RECOMMENDATION:

Based on the evaluation of existing conditions, staff recommends the installation of 606 feet of "No Parking" signage on both sides of Paraiso Court to provide access and travel clearance for emergency response vehicles.

If approved by City Council, all work will be performed by City Public Works.

EXHIBITS:

- 1. Public Request
- 2. Public Notice
- 3. Location Map
- 4. Photos

Carla Hutchinson

From: Tirza Gonzales on behalf of Engineering
Sent: Monday, June 15, 2020 2:22 PM
To: Carla Hutchinson; Luca Zappiello
Subject: FW: 1400Blk Paraiso Ct.
Attachments: 20200612_080524.jpg; 20200612_080807.jpg; 20200612_080731.jpg

Follow Up Flag: Follow up
Flag Status: Completed

Please see below. Code Enforcement officer reporting street is potentially too narrow for emergency vehicles.

Tirza Gonzales
Management Analyst II
City of National City
Engineering & Public Works Department
1243 National City Blvd.
National City, CA 91950

Office: (619) 336-4380
Direct: (619) 336-4318
Fax: (619) 336-4397
Email: tgonzales@nationalcityca.gov

The City of National City is open Monday through Thursday from 7:00 a.m. – 6:00 p.m.; Offices are closed on Fridays.
For more information, please visit www.nationalcityca.gov. For more information regarding Capital Projects, please visit www.nationalcityprojects.com.



From: Dionisia Trejo
Sent: Monday, June 15, 2020 10:20 AM
To: Engineering <Engineering@nationalcityca.gov>
Subject: FW: 1400Blk Paraiso Ct.

FYI

From: Lena Propps
Sent: Friday, June 12, 2020 8:51 AM
To: Dionisia Trejo <DTrejo@nationalcityca.gov>
Cc: Joe Olson <jolson@nationalcityca.gov>; Armando Vergara <AVergara@nationalcityca.gov>; Alfredo Cabal <acabal@nationalcityca.gov>; Luz Quezada <lquezada@nationalcityca.gov>
Subject: 1400Blk Paraiso Ct.

Dio,

Unfortunately there is nothing I can legally do regarding vehicles parking on both sides of the street. This would be an engineering issue, for them to evaluate. I have enclosed some photos to show how difficult it would be for a fire truck to get through to the homes in the back, or to dump trash cans. Please forward this email to engineering.

Thanks Lena



Sent from my Verizon, Samsung Galaxy smartphone
Get [Outlook for Android](#)

From: Dionisia Trejo <DTrejo@nationalcityca.gov>
Sent: Thursday, June 11, 2020 7:14:03 AM
To: Lena Propps <lpropps@nationalcityca.gov>
Cc: Joe Olson <jolson@nationalcityca.gov>; Armando Vergara <AVergara@nationalcityca.gov>; Alfredo Cabal <acabal@nationalcityca.gov>; Luz Quezada <lquezada@nationalcityca.gov>
Subject: MAIN LINE VM

Paraiso Ct. off of Norton Avenue
People park on both sides of street
Trash truck was not able to get in and left.
A fire truck will not be able to get thru if needed.
6/10 @ 8:50 am



-9-



February 3, 2021

Resident/Property Owner

Subject: TRAFFIC SAFETY COMMITTEE (TSC) ITEM NO. 2021-01

REQUEST TO INSTALL "NO PARKING" SIGNS ON BOTH SIDES OF PARAISO COURT TO PROVIDE FIRE ACCESS & TRAVEL CLEARANCE FOR EMERGENCY RESPONSE VEHICLES.

Dear Sir/Madame:

The City of National City would like to invite you to our next public Traffic Safety Committee Conference Call scheduled for **Wednesday, February 10, 2021, at 1:00 P.M.** via Zoom. Please use the following information to call-in to the meeting during the scheduled time:

Join Zoom Meeting from computer

<https://zoom.us/j/92648548029?pwd=TERNMXRmQTFjbHJhaThXNVUvUzV6QT09>

Join Zoom Meeting by phone

+1 669-900-9128

Meeting ID: 926 4854 8029

Passcode: 816340

If you have any questions, comments, and/or concerns, please contact the Engineering Department at 619-336-4380 and reference Traffic Safety Committee Item Number 2021-01.

Sincerely,

Roberto Yano, P.E.
City Engineer/Director of Public Works

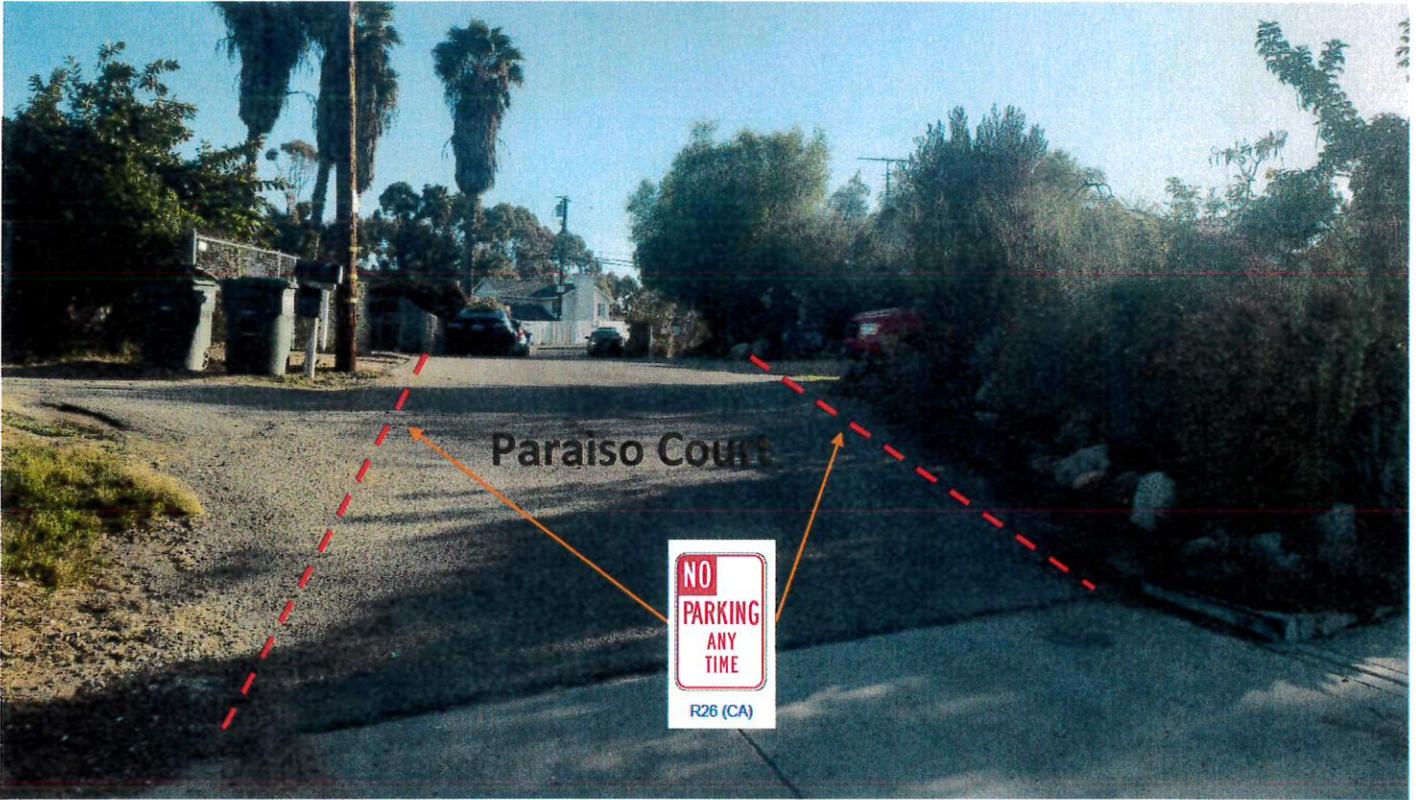
RY:ch

Enclosure: Location Map

2021-01

Location Map with Recommended Enhancements (TSC Item: 2021-01)





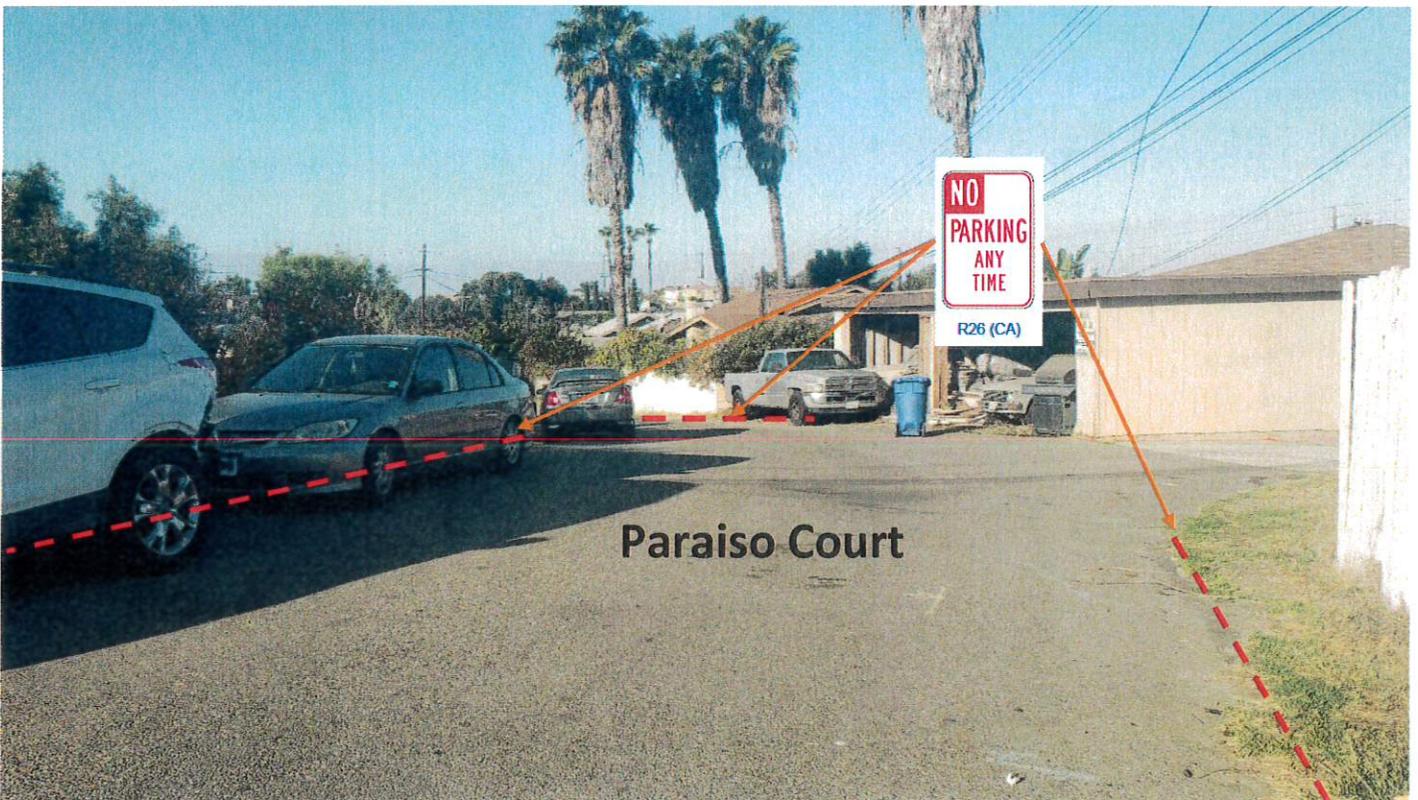
Location of proposed "No Parking" signs on both sides of Paraiso Court (looking east)



Location of proposed "No Parking" signs on both sides of Paraiso Court (looking east)



Location of proposed "No Parking" signs on both sides of Paraiso Court (looking south)



Location of proposed "No Parking" signs on both sides of Paraiso Court (looking north)



Location of proposed "No Parking" signs on both sides of Paraiso Court (looking west)

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, AUTHORIZING THE INSTALLATION OF 606 FEET OF “NO PARKING” SIGNAGE ON BOTH SIDES OF PARAISO COURT TO PROVIDE FIRE ACCESS AND TRAVEL CLEARANCE FOR EMERGENCY RESPONSE VEHICLES (TSC NO. 2021-01)

WHEREAS, the City of National City’s Parking Enforcement Division proposes the installation of a “No Parking” signage, to enhance access and travel clearance for emergency response vehicles on Paraiso Court; and

WHEREAS, City staff visited the site and confirmed that Paraiso Court is located in a residential area between Norton Avenue and Palm Avenue and is a 2-lane local roadway with unrestricted parallel parking on both sides of the street; and

WHEREAS, City staff took measurements on Paraiso Court and confirmed that this street is 20 feet wide and when vehicles are parked on both sides of Paraiso Court, the travel way narrows to 12 feet or less; and

WHEREAS, City staff recommends parking be restricted on both sides of the street to ensure compliance with the California Fire Code; and

WHEREAS, on February 10, 2021, the City of National City Traffic Safety Committee voted unanimously to approve the installation of “No Parking” signage on both sides of Paraiso Court to provide fire access and travel clearance for emergency response vehicles; and

WHEREAS, City staff recommends the installation of 606 feet of “No Parking” signage on both sides of Paraiso Court to provide fire access and travel clearance for emergency response vehicles.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: That the City Council hereby authorizes the installation of 606 feet of “No Parking” signage on both sides of Paraiso Court to provide fire access and travel clearance for emergency response vehicles (TSC No. 2021-01).

Section 2: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 16th day of March 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City authorizing the installation of a blue curb disabled persons parking space with sign in front of the residence located at 32 “D” Avenue \(TSC No. 2021-02\). \(Engineering/Public Works\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

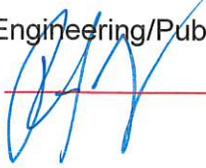
AGENDA ITEM NO.

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing the installation of a blue curb disabled persons parking space with sign in front of the residence located at 32 "D" Avenue (TSC No. 2021-02).

PREPARED BY: Carla Hutchinson, Assistant Engineer - Civil *C.H.* **DEPARTMENT:** Engineering/Public Works

PHONE: 619-336-4388

APPROVED BY: 

EXPLANATION:

See attached.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

|N/A|

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: **INTRODUCTION:** **FINAL ADOPTION:**

STAFF RECOMMENDATION:

Adopt Resolution authorizing installation of a blue curb disabled persons parking space with sign in front of the residence located at 32 "D" Avenue.

BOARD / COMMISSION RECOMMENDATION:

At their meeting on February 10, 2021, the Traffic Safety Committee approved staff's recommendation to install a blue curb disabled persons parking space with sign in front of the residence located at 32 "D" Avenue.

ATTACHMENTS:

1. Explanation w/ Exhibit
2. Staff Report to the Traffic Safety Committee on February 10, 2021 (TSC No. 2021-02)
3. Resolution

EXPLANATION

The resident of 32 “D” Avenue, has requested a blue curb disabled persons parking space in front of her residence. The resident possesses a valid disabled persons placard from the California Department of Motor Vehicles. The resident stated that it is difficult for her to find parking in front of her property due to the high demand of parking in the area and that a disabled persons parking space in front of her house would provide easier access to the house.

Staff visited the site and observed that the resident’s residence has a driveway entrance and a garage. With her permission and supervision, staff measured the driveway and garage. The driveway is 18 feet long by 18 feet wide with a slope of approximately 8%. The garage is 16 feet long by 10 feet wide with negligible slope. In order to accommodate a vehicle with a disabled driver or passenger, the slope must be 2% or less. The minimum dimensions for a garage or driveway to accommodate a vehicle with a disabled driver or passenger is 20 feet long by 12 feet wide. These two conditions are not met since the dimensions of the garage and driveway do not meet the minimum parking requirements for disabled persons. In addition, the maximum slope condition is not met since the slope of the driveway exceeds 2%.

The City Council has adopted a policy which is used to evaluate requests for disabled persons parking spaces. The City Council Disabled Persons Parking Policy requirements for “Special Hardship” cases are as follows:

1. Applicant (or guardian) must be in possession of valid license plates or placard for “disabled persons” or “disabled veterans”. *This condition is met.*
2. The proposed disabled parking space must be in front (or side if on a corner lot) of the applicant’s (or guardian’s) place of residence. *This condition is met.*
3. The residence must not have useable off-street parking available or an off-street space available that may be converted into disabled parking. *This condition is met.*

This item was presented to the Traffic Safety Committee on February 10, 2021. Staff presented the results of the site evaluation and after discussion, the Traffic Safety Committee voted to approve staff’s recommendation to install a blue curb disabled persons parking space with sign, since all three conditions of the City Council Disabled Persons Parking Policy for “Special Hardship” cases are met.

The applicant was informed that handicap parking spaces do not constitute “personal reserved parking” and that any person with valid “disabled persons” license plates or placards may park in handicap spaces.

If approved by City Council, all work will be performed by City Public Works

Location Map with Recommended Enhancements (TSC Item: 2021-02)



NATIONAL CITY TRAFFIC SAFETY COMMITTEE
AGENDA REPORT FOR FEBRUARY 10, 2021

ITEM NO. 2021-02

ITEM TITLE: REQUEST FOR INSTALLATION OF A BLUE CURB DISABLED PERSONS PARKING SPACE WITH SIGNAGE IN FRONT OF THE RESIDENCE AT 32 "D" AVENUE

PREPARED BY: Carla Hutchinson, Assistant Engineer – Civil Engineering & Public Works Department

DISCUSSION:

The resident of 32 "D" Avenue, has requested a blue curb disabled persons parking space in front of her residence. The resident possesses a valid disabled persons placard from the California Department of Motor Vehicles. The resident stated that it is difficult for her to find parking in front of her property due to the high demand of parking in the area and that a disabled persons parking space in front of her house would provide easier access to the house.

Staff visited the site and observed that the resident's residence has a driveway entrance and a garage. With her permission and supervision, staff measured the driveway and garage. The driveway is 18 feet long by 18 feet wide with a slope of approximately 8%. The garage is 16 feet long by 10 feet wide with negligible slope. In order to accommodate a vehicle with a disabled driver or passenger, the slope must be 2% or less. The minimum dimensions for a garage or driveway to accommodate a vehicle with a disabled driver or passenger is 20 feet long by 12 feet wide. These two conditions are not met since the dimensions of the garage and driveway do not meet the minimum parking requirements for disabled persons. In addition, the maximum slope condition is not met since the slope of the driveway exceeds 2%.

The City Council has adopted a policy which is used to evaluate requests for disabled persons parking spaces. The City Council Disabled Persons Parking Policy requirements for "Special Hardship" cases are as follows:

1. Applicant (or guardian) must be in possession of valid license plates or placard for "disabled persons" or "disabled veterans". *This condition is met.*
2. The proposed disabled parking space must be in front (or side if on a corner lot) of the applicant's (or guardian's) place of residence. *This condition is met.*
3. The residence must not have useable off-street parking available or an off-street space available that may be converted into disabled parking. *This condition is met.*

It shall be noted that disabled persons parking spaces do not constitute "personal reserved parking" and that any person with valid "disabled persons" license plates or placards may park in handicap spaces.

STAFF RECOMMENDATION:

Since all three conditions of the City Council Disabled Persons Parking Policy for "Special Hardship" cases are met, staff recommends the installation of a blue curb disabled persons parking space with signage in front of the residence at 32 "D Avenue.

EXHIBITS:

1. Public Request Form
2. Public Notice
3. Location Map
4. Photos
5. City Council Disabled Persons Parking Policy

2021-02

RECEIVED
ENG & P/MEDES FOR BLUE CURB DISABLED PERSONS PARKING SPACE

200 AUG 32 P 12:19

NAME OF DISABLED PERSON: CITY OF NATIONAL CITY

NAME OF REPRESENTATIVE FOR DISABLED PERSON (if different from above): _____

ADDRESS: 32 D Ave

EMAIL: _____

PHONE NUMBER: _____

Please answer the following questions, which will assist Engineering staff, the Traffic Safety Committee, and your City Council in determining if you are qualified to have a blue curb disabled persons parking space placed in front of your residence. Please be informed that all blue curb parking spaces are considered public parking. Therefore, any registered vehicle in possession of a disabled persons placard or license plate is legally allowed to park in the blue curb space for up to 72 continuous hours.

1) Do you possess a valid disabled person's placard issued by the California Department of Motor Vehicles (DMV)? YES NO

If YES, please include a copy of the placard, which contains your name, address, placard number, and expiration date.

2) Does your residence have a garage? YES NO

If YES, is the garage large enough to park a vehicle (minimum of 20' x 12')? YES NO

3) Does your residence have a driveway? YES NO

If YES, a) Is the driveway large enough to park a vehicle? (minimum of 20' x 12') YES NO

b) Is the driveway level? YES NO

c) Is the driveway sloped/inclined? YES NO

4) Please write any additional comments here (optional).

My son is autistic. Yes we do a large driveway but we also have several cars, so we don't always get home in time to park in the driveway. So it'd be extremely helpful to have a space in front of the house so we can park nearby instead of around the corner.



February 3, 2021

Resident/Property Owner

Subject: TRAFFIC SAFETY COMMITTEE (TSC) ITEM NO. 2021-02

REQUEST TO INSTALL BLUE CURB DISABLED PERSONS PARKING SPACE WITH SIGNAGE IN FRONT OF THE RESIDENCE LOCATED AT 32 "D" AVENUE.

Dear Sir/Madame:

The City of National City would like to invite you to our next public Traffic Safety Committee Conference Call scheduled for **Wednesday, February 10, 2021, at 1:00 P.M.** via Zoom. Please use the following information to call-in to the meeting during the scheduled time:

Join Zoom Meeting from computer

<https://zoom.us/j/92648548029?pwd=TERNMXRmQTFjbHJhaThXNVUvUzV6QT09>

Join Zoom Meeting by phone

+1 669-900-9128

Meeting ID: 926 4854 8029

Passcode: 816340

If you have any questions, comments, and/or concerns, please contact the Engineering Department at 619-336-4380 and reference Traffic Safety Committee Item Number 2021-02.

Sincerely,

Roberto Yano, P.E.
City Engineer/Director of Public Works

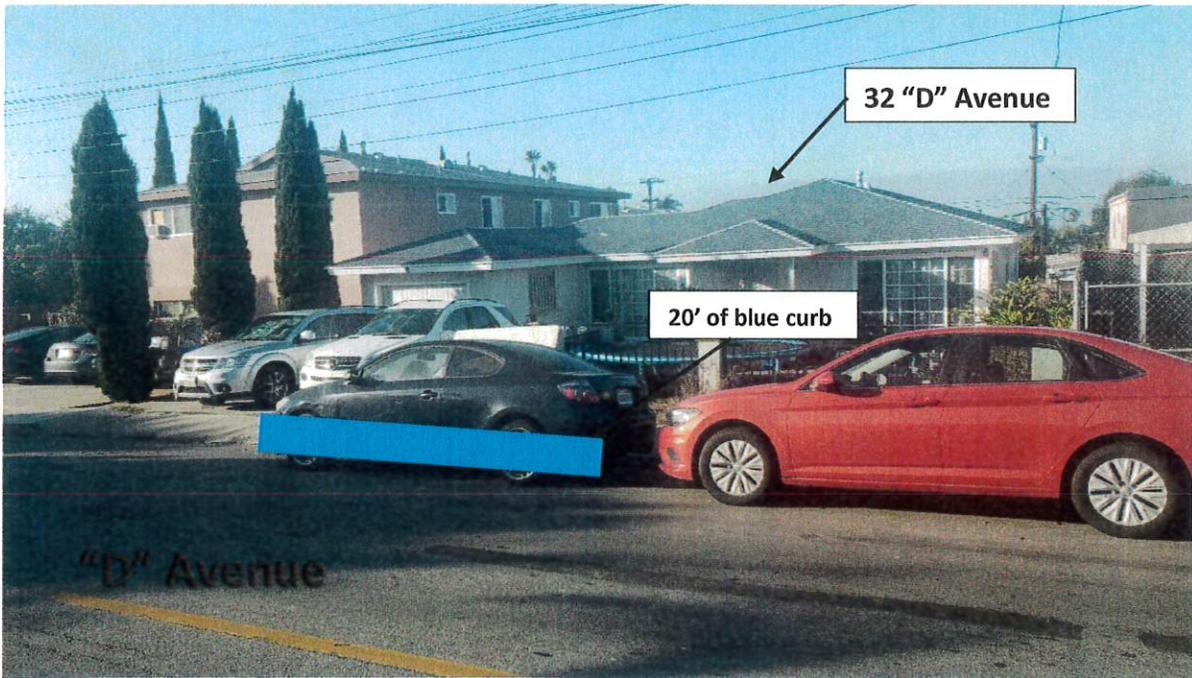
RY:ch

Enclosure: Location Map
2021-02

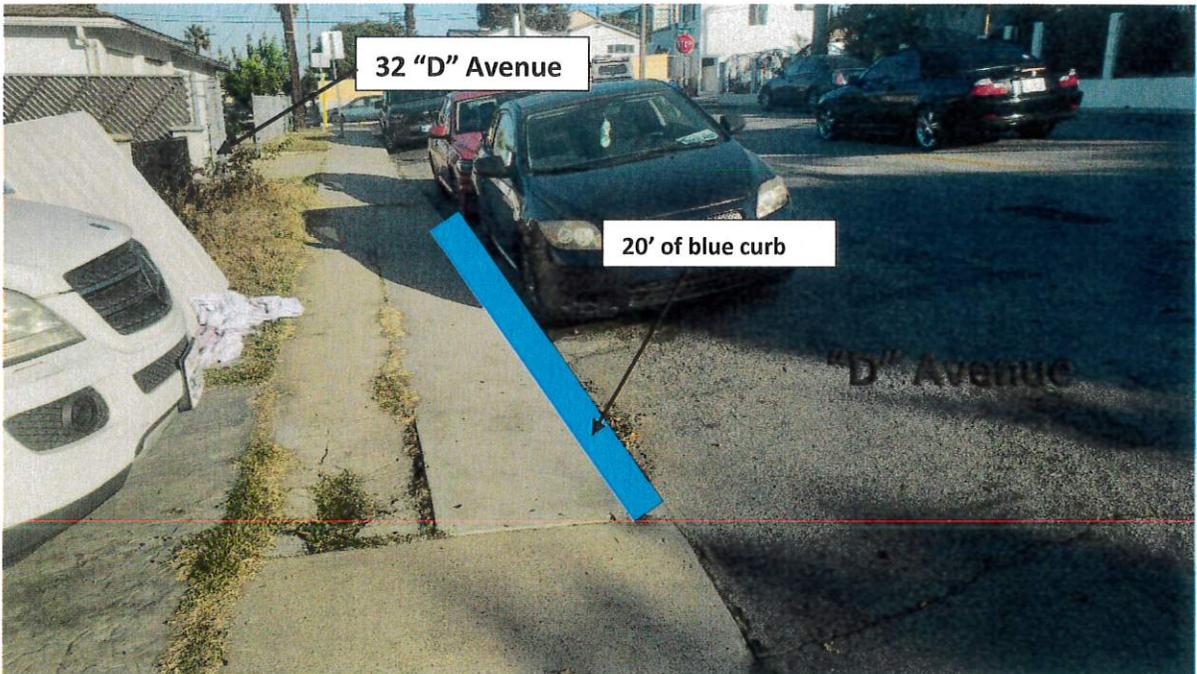
1234 National City Boulevard, National City, CA 91950-6530
(619) 336-4380 Fax (619) 336-4397 engineering@nationalcityca.gov

Location Map with Recommended Enhancements (TSC Item: 2021-02)





Location of proposed blue curb disabled persons parking space in front of 32 "D" Avenue (looking west)



Location of proposed blue curb disabled persons parking space in front of 32 "D" Avenue (looking north)

DISABLED PERSONS PARKING POLICY

The purpose of a disabled persons parking zone is to provide designated parking spaces at major points of assembly for the exclusive use of physically disabled persons whose vehicle displays a distinguishing license plate as authorized by the California Department of Motor Vehicles.

The City Council may upon recommendation of the City Engineer, designate specially marked and posted on-street parking spaces for disabled persons pursuant to California Vehicle Code 21101, et seq. at the following facilities:

1. Government buildings serving the public such as administration buildings, public employment offices, public libraries, police stations, etc.
2. Hospitals and convalescent homes with more than 75-bed capacity.
3. Medical facilities and doctors' offices staffed by a maximum of five practitioners. Zones shall be located to serve a maximum number of facilities on one block.
4. Community service facilities such as senior citizens service centers, etc.
5. Accredited vocational training and educational facilities where no off-street parking is provided for disabled persons.
6. Employment offices for major enterprises employing more than 200 persons.
7. Public recreational facilities including municipal swimming pools, recreation halls, museums, etc.
8. Public theaters, auditoriums, meeting halls, arenas, stadiums with more than 300 seating capacity.
9. Other places of assembly such as schools and churches.
10. Commercial and/or office building(s) with an aggregate of more than 50,000 square feet of usable floor space. Zone shall be located to serve a maximum number of facilities on one block.
11. Hotels catering to daily guests, maintaining a ground floor lobby and a switchboard that is operated 24 hours per day.

12. A hotel or apartment house catering to weekly or monthly guests and containing more than 30 separate living units.

In addition, disabled persons parking spaces may be provided within all publicly owned, leased or controlled off-street parking facilities as specified in the General Requirements.

General Requirements

Each disabled persons parking space shall be indicated by blue paint and a sign (white on blue) showing the international symbol of accessibility (a profile view of a wheelchair with occupant).

Where installed under the above criteria the total number of disabled persons curb parking spaces will be limited to 3% of the total number of on-street parking spaces available in the area and shall be distributed uniformly within the area.

Disabled persons parking will not be installed at locations with a full-time parking prohibition. When a disabled persons parking zone is installed where a part-time parking prohibition is in effect, the disabled persons parking zone will have the same time restrictions as the part-time parking prohibition.

The cost of installing disabled persons parking will be assumed by the City on public streets and public off-street parking facilities.

In establishing on-street parking facilities for the disabled there shall be a reasonable determination made that the need is of an on-going nature. The intent is to prevent the proliferation of special parking stalls that may be installed for a short-term purpose but later are seldom used. Unjustified installation of such parking stalls unnecessarily increases the City's maintenance and operations costs, reduce available on-street parking for the general public, and detract from the overall effectiveness of the disabled persons parking program.

Special Hardship Cases

It is not the intention of the City to provide personal reserved parking on the public right-of-way, especially in residential areas. However, exceptions may be made, in special hardship cases, provided all of the following conditions exists:

- (1) Applicant (or guardian) must be in possession of valid license plates for "disabled persons" or "disabled veterans."
- (2) The proposed disabled parking space must be in front of the applicant's (or guardian's) place of residence.

- (3) Subject residence must not have useable off-street parking available or off-street space available that may be converted into disabled parking.

NOTE: It must be emphasized that such parking spaces do not constitute "personal reserved parking" and that any person with valid "disabled persons" license plates may park in the above stalls.

Jha:p

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, AUTHORIZING THE INSTALLATION OF A BLUE CURB DISABLED PERSONS PARKING SPACE WITH SIGN IN FRONT OF THE RESIDENCE LOCATED AT 32 "D" AVENUE (TSC NO. 2021-02)

WHEREAS, a resident of 32 "D" Avenue possesses a valid Disabled Person Placard from the State of California Department of Motor Vehicles and has requested the installation of a blue curb disabled persons parking space in front of the residence to provide easier and safer access to the home because the demand for parking is high making it difficult to find on-street parking; and

WHEREAS, after conducting an inspection and review, City staff has determined that all conditions have been met for the property to qualify for a blue curb disabled persons parking space in front of the home; and

WHEREAS, on February 10, 2021, the City of National City Traffic Safety Committee voted unanimously to approve the installation of a blue curb disabled persons parking space with signage in front of the residence located at 32 "D" Avenue.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: That the City Council hereby authorizes the installation of a blue curb disabled persons parking space with sign in front of the residence located at 32 "D" Avenue (TSC No. 2021-02).

Section 2: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 16th day of March 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City finding APR Construction, Inc. in default of the contract for the Civic Center ADA Accessibility Project, CIP No. 19-45 for materially violating the contract provisions by providing false information, consistent with Section 6.4.1 of the contract documents. \(Engineering/Public Works\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

AGENDA ITEM NO.

ITEM TITLE:

Resolution of the City Council of the City of National City finding APR Construction, Inc. in default of the contract for the Civic Center ADA Accessibility Project, CIP No. 19-45 for materially violating the contract provisions by providing false information, consistent with Section 6.4.1 of the contract documents.

PREPARED BY: Roberto Yano, Director of Public Works/City Engineer

DEPARTMENT: Engineering/Public Works

PHONE: 619-336-4383

APPROVED BY: 

EXPLANATION:

See attached.

FINANCIAL STATEMENT:

APPROVED: _____ Finance

ACCOUNT NO.

APPROVED: _____ MIS

ENVIRONMENTAL REVIEW:

ORDINANCE: INTRODUCTION: FINAL ADOPTION:

STAFF RECOMMENDATION:

Adopt Resolution finding APR Construction, Inc. in default of the contract for the Civic Center ADA Accessibility Project, CIP No. 19-45 for materially violating the contract provisions by providing false information, consistent with Section 6.4.1 of the contract documents.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

1. Explanation
2. Resolution 2021-10
3. Resolution

EXPLANATION

On February 16, 2021 City Council adopted Resolution 2021-10 which found APR Construction, Inc. in default of the Contract for materially violating the contract provisions by providing false information, consistent with Section 6.4.1 of the contract documents. One public comment (see attached) in regards to this item was inadvertently missed at this meeting. The City Attorney has reviewed the letter received from the APR Construction, Inc. representatives and has determined that the contents of the letter present no new facts and that the fundamental issues of this case remain unchanged. Therefore, staff is returning the item to ensure all public comments submitted be heard, and request that City Council revote.

Staff continues to recommends that the City Council of the City of National City find APR Construction, Inc. in default of the Contract for materially violating the contract provisions by providing false information, consistent with Section 6.4.1 of the contract documents

Based on the action taken on February 16, 2021, staff has issued a written Notice of Termination for Default to the Contractor and its Surety to terminate the Contractor's right to perform under the Contract, and is coordinating with Surety to assume all rights, obligations, and liabilities of the Contractor under the Contract.

If City Council adopts resolution, then pursuant to our Contract, within 15 Working Days of receipt of the second written notice of termination for default, the Surety shall submit to the City a written plan detailing the course of action it intends to take to remedy the default. The City will review the plan and notify the Surety if the plan is satisfactory. If the Surety fails to submit a satisfactory plan, or if the Surety fails to maintain progress according to the plan accepted by the City, the City may, upon 48 hours written notice, exclude the Surety from the premises, take possession of all material and equipment, and complete the Work in any way the City deems to be expedient. The cost of completing the Work by the City shall be charged against the Surety and may be deducted from any monies due, or which would become due, the Surety. If the amounts due under the Contract are insufficient for completion, the Surety shall pay to the City, within 30 days after the City submits an invoice, all costs in excess of the remaining Contract Price.

Staff will work with the Surety to identify a contractor to diligently prosecute the work to completion, per the original intent of the Contract. Once a contractor is determined, staff will return to City Council to enter into a construction contract for the project.

In an effort to prevent a similar scenario from occurring, a standalone email address has been created for the submittal of public comments. The email address is publiccomment@nationalcityca.gov.

RESOLUTION NO. 2021 - 10

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, (1) FINDING APR CONSTRUCTION, INC. IN DEFAULT OF THE CONTRACT FOR THE CIVIC CENTER ADA ACCESSIBILITY PROJECT, CIP NO. 19-45 FOR MATERIALLY VIOLATING THE CONTRACT PROVISIONS BY PROVIDING FALSE INFORMATION, CONSISTENT WITH SECTION 6.4.1 OF THE CONTRACT DOCUMENTS AND (2) AUTHORIZING CITY STAFF TO PROVIDE WRITTEN NOTICE OF TERMINATION FOR DEFAULT OF THE CONTRACTOR'S RIGHT TO PERFORM UNDER THE CONTRACT

WHEREAS, on June 16, 2020, City Council adopted Resolution No. 2020-113 awarding a contract to APR Construction, Inc. ("Contractor") for the construction of the Civic Center ADA Improvements project, CIP No. 19-45; and

WHEREAS, per National City Municipal Code Section 2.63, Ordinance No. 2018-2450, Capital Improvement Projects (CIP) require the Contractor has to complete a Contractor Responsibility Questionnaire ("Questionnaire") to determine if the bidder is responsible and has the capability to perform the contract; and

WHEREAS, the Contractor responded "negative" to all of the questions; and

WHEREAS, after contract award, the City's Construction Manager, Innovative Construction Consulting Services ("Consultant"), conducted additional research on the Contractor and discovered that the Contractor had numerous legal issues that included contract terminations and other bonding disputes; and

WHEREAS, City staff recommends the City Council find the Contractor in default of the contract for materially violating the contract provisions by providing false information, consistent with Section 6.4.1 of the contract documents; and

WHEREAS, City staff further recommends the City Council authorize City Staff to provide written notice of termination for default of the Contractor's right to perform under the contract.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: That the City Council hereby finds APR Construction, Inc. in default of the contract for the Civic Center ADA Accessibility Project, CIP No. 19-45, for materially violating the contract provisions by providing false information, consistent with Section 6.4.1 of the contract documents.

Section 2: That the City Council hereby authorizes City staff to provide written notice of termination for default of the Contractor's right to perform under the contract.

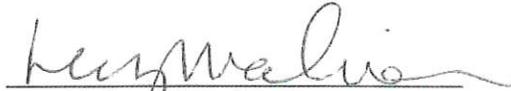
Section 3: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 16th day of February 2021.

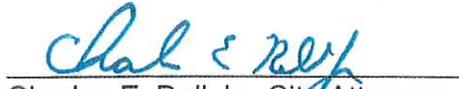


Alejandra Sotelo-Solis, Mayor

ATTEST:


Luz Molina, City Clerk

APPROVED AS TO FORM:


Charles E. Bell Jr., City Attorney

Passed and adopted by the Council of the City of National City, California, on February 16, 2021, by the following vote, to-wit:

Ayes: Sotelo-Solis, Rodriguez, Bush, Morrison, Rios.

Nays: None.

Absent: None.

Abstain: None.

AUTHENTICATED BY: ALEJANDRA SOTELO-SOLIS
Mayor of the City of National City, California

LUZ MOLINA
City Clerk of the City of National City, California

BY: Shelley Chapel
Shelley Chapel, Deputy City Clerk

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. 2021-10 of the City of National City, California, passed and adopted by the Council of said City on February 16, 2021.



Luz Molina
City Clerk of the City of National City, California

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, FINDING APR CONSTRUCTION, INC. IN DEFAULT OF THE CONTRACT FOR THE CIVIC CENTER ADA ACCESSIBILITY PROJECT, CIP NO. 19-45 FOR MATERIALLY VIOLATING THE CONTRACT PROVISIONS BY PROVIDING FALSE INFORMATION, CONSISTENT WITH SECTION 6.4.1 OF THE CONTRACT DOCUMENTS

WHEREAS, on June 16, 2020, City Council adopted Resolution No. 2020-113 awarding a contract to APR Construction, Inc. (“Contractor”) for the construction of the Civic Center ADA Improvements project, CIP No. 19-45; and

WHEREAS, per National City Municipal Code Section 2.63, Ordinance No. 2018-2450, Capital Improvement Projects (CIP) require the Contractor has to complete a Contractor Responsibility Questionnaire (“Questionnaire”) to determine if the bidder is responsible and has the capability to perform the contract; and

WHEREAS, the Contractor responded “negative” to all of the questions; and

WHEREAS, after contract award, the City’s Construction Manager, Innovative Construction Consulting Services (“Consultant”), conducted additional research on the Contractor and discovered that the Contractor had numerous legal issues that included contract terminations and other bonding disputes; and

WHEREAS, on February 16, 2021 City Council adopted Resolution 2021-10 which found APR Construction, Inc. in default of the Contract for materially violating the contract provisions by providing false information, consistent with Section 6.4.1 of the contract documents; and

WHEREAS, based on the action taken during the February 16, 2021 City Council Meeting, City staff issued a written Notice of Termination for Default to the Contractor and its Surety to terminate the Contractor’s right to perform under the Contract, and is coordinating with Surety to assume all rights, obligations, and liabilities of the Contractor under the Contract; and

WHEREAS, after the February 16, 2021, City Council Meeting, the City Clerk notified City staff that one (1) public comment submitted by APR Construction, Inc. in regards to this item was inadvertently missed during the February 16, 2021 City Council Meeting; and

WHEREAS, to ensure that the City Council was provided an opportunity to consider APR Construction, Inc.’s public comment, City staff brought this matter back before the City Council on March 16, 2021; and

WHEREAS, City staff reiterates its recommendation the City Council to find APR Construction, Inc. in default of the Contract for materially violating the contract provisions by providing false information, consistent with Section 6.4.1 of the contract documents; and

WHEREAS, City staff further recommends the City Council authorize City staff to provide a second written notice of termination for default of the Contractor’s right to perform under the contract.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: That the City Council hereby finds APR Construction, Inc. in default of the contract for the Civic Center ADA Accessibility Project, CIP No. 19-45 for materially violating the contract provisions by providing false information, consistent with Section 6.4.1 of the contract documents.

Section 2: That the City Council hereby authorizes City staff to provide a second written notice of termination for default of the Contractor’s right to perform under the contract.

Section 3: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 16th day of March 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City ratifying the Agreement between the City of National City and Meyers Nave for legal services in consultation with the City Attorney on matters related to the implementation of a commercial cannabis structure and program for the total not to exceed amount of \\$25,000.00 and approving the City Attorney's execution of same. \(City Attorney\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: 3/16/2021

AGENDA ITEM NO. |

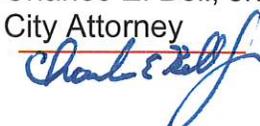
ITEM TITLE:

Resolution of the City Council of the City of National City ratifying the Agreement between the City of National City and Meyers Nave for legal services in consultation with the City Attorney on matters related to the implementation of a commercial cannabis structure and program for the total not to exceed amount of \$25,000.00 and approving the City Attorney's execution of same.

PREPARED BY: Charles E. Bell, Jr., City Attorney

DEPARTMENT: Charles E. Bell, Jr.,
City Attorney

PHONE: 4222

APPROVED BY: 

EXPLANATION:

The City Attorney Office negotiated a new retainer agreement with Meyers Nave. See the attached Agreement for legal services with Meyers Nave, to provide legal services in consultation with the City Attorney on matters related to the implementation of a commercial cannabis structure and program. Meyers Nave will also provide advice and counsel to the City Council, the Economic Development Department and communications with City staff for an amount not to exceed \$25,000.00.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION:

FINAL ADOPTION:

STAFF RECOMMENDATION:

Adopt Resolution authorizing the City Attorney enter into the agreement with Meyers Nave for legal services for the implementation of a commercial cannabis structure and program.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

- Agreement
- Resolution

**AGREEMENT FOR LEGAL SERVICES
BY AND BETWEEN
THE CITY OF NATIONAL CITY
AND
MEYERS NAVE**

THIS AGREEMENT FOR LEGAL SERVICES (the “Agreement”) is made as of the _____ day of March, 2021 between THE CITY OF NATIONAL CITY, a municipal corporation, (the “CITY”) and MEYERS NAVE , (the “FIRM”). This Agreement sets forth the parties’ mutual understanding concerning legal services to be provided by the FIRM and the fee arrangement for said services.

Article 1. Retainer. The CITY hereby retains the FIRM to assist in representing the CITY in connection with litigation and government claims issues, subject to this Agreement.

Article 2. Effective Date and Term. This Agreement shall be effective on [insert date above] and continue until written notice of cancellation. This Agreement may be terminated at any time by either party with sixty (60) days’ written notice to the other. Notice of termination by the FIRM shall be given to the City Attorney.

Article 3. Scope of Services. The CITY shall have the right in its sole discretion to determine the particular services to be performed by the FIRM under this Agreement. These services may include the following: consultation with the City Attorney on matters related to the implementation of a commercial cannabis structure and program in the CITY as per the Engagement Letter attached as Exhibit A, advice and counsel to the City Council, and communications with City staff (“LEGAL SERVICES”). It is expected that the FIRM will work with the City Attorney and CITY staff.

Article 4. Compensation. Compensation paid under this Agreement shall be as set forth in the Engagement Letter attached as Exhibit A.

A. The FIRM shall not use more than one attorney for the same specific task without the CITY’S approval. The FIRM may use the minimum number of attorneys for this engagement consistent with good professional practice after consulting with and obtaining approval by the CITY.

B. The FIRM agrees to document a plan and budget consistent with the scope of services described above in Article 3 to be agreed to by the City Attorney and the FIRM. The CITY shall not be obligated to pay the FIRM amounts not discussed, budgeted, and agreed to before being incurred by the FIRM.

C. The CITY has appropriated or otherwise duly authorized the payment of an amount not to exceed \$25,000.00 for LEGAL SERVICES and out-of-pocket disbursements pursuant to this Agreement. In no event shall the total fees plus out-of-pocket disbursements exceed this amount without written authorization of the CITY.

D. The FIRM shall keep the CITY advised monthly as to the level of attorney hours and client services performed under Article 1. The FIRM will not charge the CITY for travel time; however, the FIRM may charge for work performed for the CITY during any travel time.

E. The CITY further agrees to reimburse the FIRM, in accordance with the procedures set forth in this Article, for telephone, fax, mail, messengers, federal express deliveries, document reproduction, client-requested clerical overtime, lodging, and similar out-of-pocket expenses charged by the FIRM as a standard practice to its clients generally, with the exception of travel and meals. In any billing for disbursements, the FIRM shall provide the CITY with a statement breaking down the amounts by category of expense. The following items shall not be reimbursed, unless the CITY has specifically agreed otherwise:

(1) Word Processing, clerical or secretarial charges, whether expressed as a dollar disbursement or time charge.

(2) Storage of open or closed files, rent, electricity, local telephone, postage, receipts or transmission of telecopier documents, or any other items traditionally associated with overhead.

(3) Photocopy charges in excess of \$.15 (fifteen cents) per page.

(4) Auto mileage rates in excess of the rate approved by the Internal Revenue Service for income tax purposes.

(5) Secretarial overtime. Where case requirements demand overtime, the CITY will consider reimbursement on a case-by-case basis. The CITY will not reimburse overtime incurred for the convenience of the FIRM'S failure to meet deadlines known in advance.

(6) Equipment, books, periodicals, research materials, Westlaw/Lexis or like items.

(7) Express charges, overnight mail charges, messenger services or the like, without the CITY'S prior consent. The CITY expects these expenses to be incurred in emergency situations only. Where case necessity requires the use of these services, the CITY will consider reimbursement on a case-by-case basis.

(8) Travel and meals.

(9) Late payment charge or interest. Due to the nature of the CITY'S payment process, the CITY will not pay any late charges or interest charges to bills. Every effort will be made to pay bills promptly.

F. Bills from the FIRM should be submitted to Charles E. Bell, Jr., City Attorney, 1243 National City Boulevard, National City, CA 91950-4301. The individual time and disbursement records customarily maintained by the FIRM for billing evaluation and review purposes shall be made available to the CITY in support of bills rendered by the FIRM.

G. The FIRM agrees to forward to the CITY a statement of account for each one-month period of services under this Agreement, and the CITY agrees to compensate the FIRM on this basis. The FIRM will consult monthly with the CITY as to the number of attorney hours and client disbursements which have been incurred to date under this Agreement, and as to future expected levels of hours and disbursements.

H. Billing Format. Each billing entry must be complete, discrete and appropriate.

(1) Complete.

(a) Each entry must name the person or persons involved. For instance, telephone calls must include the names of all participants.

(b) The date the work was performed must be included.

(c) The hours should be billed in .10 hour increments.

(d) The specific task performed should be described, and the related work product should be reference (“telephone call re: trial brief,” “interview in preparation for deposition”).

(e) The biller’s professional capacity (partner, associate, paralegal, etc.) should be included.

(2) Discrete: Each task must be set out as a discrete billing entry; neither narrative nor block billing is acceptable.

(3) Appropriate.

(a) The CITY does not pay for clerical support, administrative costs, overhead costs, outside expenses or excessive expenses. For example, the CITY will not pay for secretarial time, word processing time, air conditioning, rental of equipment, including computers, meals served at meetings, postage, online research, or the overhead costs of sending or receiving faxes. Neither will the CITY pay for outside expenses such as messenger delivery fees, outside photocopying, videotaping of depositions, investigative services, outside computer litigation support services, or overnight mail.

(b) Due to the nature of the CITY’S payment process, the CITY will not pay any late charges. Every effort will be made to pay bills promptly.

I. Staffing. Every legal matter should have a primarily responsible attorney and a paralegal assigned. Ultimately, staffing is a CITY decision, and the CITY’S representative may review staffing to insure that it is optimal to achieve the goals of the engagement at the least cost.

(1) Paralegals are to be used to the maximum extent possible to enhance efficiency and cost-effectiveness. All tasks typically considered associate work should be considered for assignment to a paralegal. Written authorization from the CITY must be had before associate hours billed exceed paralegal hours billed.

(2) Once an attorney is given primary responsibility for an engagement, that person should continue on the legal matter until the matter is concluded or the attorney leaves the FIRM. The CITY will not pay the costs of bringing a new attorney up to speed.

(3) If more than one attorney is going to perform the same task, prior approval from the CITY must be had. This includes document review.

Article 5. Independent Contractor. The FIRM shall perform services as an independent contractor. It is understood that this contract is for unique professional services. Accordingly, the duties specified in this Agreement may not be assigned or delegated by the FIRM without prior written consent of the CITY. Retention of the FIRM is based on the particular professional expertise of the individuals rendering the services required in the Scope of Services.

Article 6. Confidentiality of Work. All work performed by the FIRM including but not limited to all drafts, data, correspondence, proposals, reports, and estimates compiled or composed by the FIRM pursuant to this Agreement is for the sole use of the CITY. All such work product shall be confidential and not released to any third party without the prior written consent of the CITY.

Article 7. Compliance with Controlling Law. The FIRM shall comply with all applicable laws, ordinances, regulations, and policies of the federal, state, and local governments as they pertain to this Agreement. In addition, the FIRM shall comply immediately with any and all directives issued by the CITY or its authorized representatives under authority of any laws statutes, ordinances, rules, or regulations. The laws of the State of California shall govern and control the terms and conditions of this Agreement.

Article 8. Acceptability of Work. The CITY shall decide any and all questions which may arise as to the quality or acceptability of the services performed and the manner of performance, the acceptable completion of this Agreement and the amount of compensation due. If the FIRM and the CITY cannot agree to the quality or acceptability of the work, the manner of performance, or the compensation payable to the FIRM in this Agreement, the CITY or the FIRM shall give to the other written notice. Within ten (10) business days, the FIRM and the CITY shall each prepare a report which supports their position and file the same with the other party. The CITY shall, with reasonable diligence, determine the quality or acceptability of the work, the manner of performance or the compensation payable to the FIRM.

Article 9. Indemnification. The FIRM agrees to indemnify, defend, and hold the CITY and its agents, officers, employees, and volunteers harmless from and against all claims asserted or liability established for damages or injuries to any person or property, including injury to the FIRM'S employees, agents, or officers, which arise from or are connected with or caused or claimed to be caused by the acts or omissions of the FIRM and its agents, officers, or employees in performing the work or other obligations under this Agreement, and all expenses of investigating and defending against same; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the CITY, its agents, officers, employees, or volunteers.

Article 10. Insurance. The FIRM, at its sole cost and expense, shall purchase and maintain throughout the term of this Agreement, the following insurance policies:

A. **Professional Liability** Insurance (errors and omissions) with minimum limits of \$1,000,000 per claim.

B. **Automobile Insurance** covering all bodily injury and property damage incurred during the performance of this Agreement, with a minimum coverage of \$1,000,000 combined single limit per accident. Such automobile insurance shall include owned, non-owned, and hired vehicles. The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided.

C. **Commercial General Liability Insurance**, with minimum limits of either \$2,000,000 per occurrence and \$4,000,000 aggregate, or \$1,000,000 per occurrence and \$2,000,000 aggregate with a \$2,000,000 umbrella policy, covering all bodily injury and property damage arising out of its operations, work, or performance under this Agreement. The policy shall name the CITY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to the “location”. The “location” should be noted with specificity on an endorsement that shall be incorporated into the policy.

D. **Workers’ Compensation Insurance** in an amount sufficient to meet statutory requirements covering all of FIRM’S employees and employers’ liability insurance with limits of at least \$1,000,000 per accident. In addition, the policy shall be endorsed with a waiver of subrogation in favor of the CITY. Said endorsement shall be provided prior to commencement of work under this Agreement.

E. The aforesaid policies shall constitute primary insurance as to the CITY, its officers, officials, employees, and volunteers, so that any other policies held by the CITY shall not contribute to any loss under said insurance. Said policies shall provide for thirty (30) days prior written notice to the CITY’S Risk Manager, at the address listed in subsection G below, of cancellation or material change.

F. If required insurance coverage is provided on a “claims made” rather than “occurrence” form, the FIRM shall maintain such insurance coverage for three years after expiration of the term (and any extensions) of this Agreement. In addition, the “retro” date must be on or before the date of this Agreement.

G. The Certificate Holder for all policies of insurance required by this Section shall be:

City of National City
c/o Risk Manager
1243 National City Boulevard
National City, CA 91950-4397

H. Insurance shall be written with only insurers authorized to conduct business in California that hold a current policy holder’s alphabetic and financial size category rating of not less than A:VII according to the current Best’s Key Rating Guide, or a company of equal financial stability that is approved by the CITY’S Risk Manager. In the event coverage is provided by non-admitted “surplus lines” carriers, they must be included on the most recent List of Approved Surplus Line Insurers (“LASLI”) and otherwise meet rating requirements.

I. This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with and approved by the CITY'S Risk Manager. If the FIRM does not keep all insurance policies required by this Article 10 in full force and effect at all times during the term of this Agreement, the CITY may treat the failure to maintain the requisite insurance as a breach of this Agreement and terminate the Agreement as provided herein.

J. All deductibles and self-insured retentions in excess of \$10,000 must be disclosed to and approved by the CITY. CITY reserves the right to modify the insurance requirements of this Article 10, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

K. If the FIRM maintains broader coverage or higher limits (or both) than the minimum limits shown above, the CITY shall be entitled to the broader coverage or higher limits (or both) maintained by the FIRM. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the CITY.

Article 11. Drug Free Work Place. The FIRM agrees to comply with the CITY'S Drug-Free Workplace requirements. Every person awarded a contract by the CITY for the provision of services shall certify to the CITY that it will provide a drug-free workplace. Any subcontract entered into by the FIRM pursuant to this Agreement shall contain this provision.

Article 12. Non-Discrimination Provisions. The FIRM shall not discriminate against any subcontractor, vendor, employee or applicant for employment because of age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. The FIRM will take positive action to insure that applicants are employed without regard to their age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The FIRM agrees to post in conspicuous places available to employees and applicants for employment any notices provided by the CITY setting forth the provisions of this non-discrimination clause.

Article 13. Notification of Change in Form. The FIRM has the right to effect changes in form including but not limited to: the change in form from a partnership to a professional law corporation; the change in form of any partner or partners from an individual or individuals to a professional law corporation; the change in form of any corporate partner or partners to any individual partners. The CITY shall be promptly notified in writing of any change in form.

Article 14. Notices. In all cases where written notice is to be given under this Agreement, service shall be deemed sufficient if said notice is deposited in the United States mail, postage paid. When so given, such notice shall be effective from the date of mailing of the notice. Unless otherwise provided by notice in writing from the respective parties, notice to the Agency shall be addressed to:

City Attorney
City of National City
1243 National City Boulevard
National City, CA 91950-4397

cc: Executive Assistant to the City Attorney
City of National City
1243 National City Boulevard
National City, CA 91950-4397

and to: cbell@nationalcityca.gov
leahm@nationalcityca.gov

Notice to the FIRM shall be addressed to:

Eric Casher
Meyers Nave
1999 Harrison Street, 9th Floor
Oakland, CA 94612

cc: Melanie Meneses, Assistant to Eric Casher
Meyers Nave
1999 Harrison Street, 9th Floor
Oakland, CA 94612

and to: ecasher@meyersnave.com
mmeneses@meyersnave.com

Nothing contained in this Agreement shall preclude or render inoperative service or such notice in the manner provided by law.

Article 15. Administrative Provisions.

A. *Time of Essence.* Time is of the essence for each provision of this Agreement.

B. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument.

C. *Headings.* Any captions to, or headings of, the sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

D. *California Law.* This Agreement shall be construed and interpreted in accordance with the laws of the State of California. The venue for any legal action arising under this Agreement shall be in either state or federal court in the County of San Diego, State of California.

E. *Integrated Agreement.* This Agreement including attachments and exhibits contains all of the agreements of the parties and all prior negotiations and agreements are merged in this Agreement. This Agreement cannot be amended or modified except by written agreement, and mutually agreed upon by the CITY and the FIRM.

F. *Severability.* The unenforceability, invalidity, or illegality of any provision of this Agreement shall not render the other provisions unenforceable, invalid, or illegal.

G. *Waiver.* The failure of the CITY to enforce a particular condition or provision of this Agreement shall not constitute a waiver of that condition or provision or its enforceability.

H. *Conflict of Interest.* During the term of this Agreement, the FIRM shall not perform services of any kind for any person or entity whose interests conflict in any way with those of the CITY. This prohibition shall not preclude the CITY from expressly agreeing to a waiver of a potential conflict of interest under certain circumstances.

I. *No Obligations to Third Parties.* Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, or obligate any of the parties hereto, to any person or entity other than the parties hereto.

J. *Exhibits and Schedules.* The Exhibits and Schedules attached hereto are hereby incorporated herein by this reference for all purposes. To the extent any exhibits, schedules, or provisions thereof conflict or are inconsistent with the terms and conditions contained in this Agreement, the terms and conditions of this Agreement shall control.

K. *Construction.* The parties acknowledge and agree that (i) each party is of equal bargaining strength, (ii) each party has actively participated in the drafting, preparation and negotiation of this Agreement, and (iii) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

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

CITY OF NATIONAL CITY

MEYERS NAVE

(Corporation – signatures of two corporate officers)

By: _____

Charles E. Bell, Jr.
City Attorney

By:  _____, Esq.

Title: Principal

By: _____, Esq.

Title: _____

1999 Harrison Street, 9th Floor
Oakland, California 94612
tel (510) 808-2000
fax (510) 444-1108
www.meyersnave.com

Eric S. Casher
Attorney at Law
ecasher@meyersnave.com



February 17, 2021

Via Electronic Mail

PERSONAL & CONFIDENTIAL

Charles E. Bell Jr.
City Attorney
National City
1243 National City Blvd.
National City, CA 91950-4397
E-Mail: cebell@nationalcityca.gov

Re: Engagement of Legal Services

Dear Mr. Bell:

Thank you for retaining Meyers Nave (“Meyers Nave”) to perform legal services in connection with National City (“Client”) for which you are the City Attorney. We appreciate the opportunity to serve as your lawyers and look forward to working with you.

This letter sets forth our agreement concerning the legal services we will provide and our fee arrangements for those services. Please read this entire agreement before signing and returning it to us.

1. Scope of Engagement. We will provide the legal services reasonably required to represent and advise you in connection with the drafting of related documents including but not limited to an Operating or Development Agreement, and assist with the implementation of a commercial cannabis structure and program in the City. Our work is limited to such services. We will also provide legal services for additional matters that you request of us, provided we agree to perform that additional work. A letter confirming such additional work shall bring such work within the scope of this agreement.

2. Fees and Personnel. As compensation for our services, our fees will be based on our current standard billing rate for the personnel performing services under this agreement at the time such services are rendered. Our standard billing rates for attorneys and paralegals are attached as Attachment 1.

I will be the principal in charge of representing your interests. If other attorneys and/or paralegals are assigned to work on your matter, the then current hourly rates of those

individuals will be utilized. This agreement retains the legal services of our law firm and not of a particular attorney. Hourly rates are subject to reasonable change, usually at the beginning of each year.

3. Retainer. As discussed, the Firm will not require a retainer to commence services related to this matter. However, the Firm reserves the right to require a retainer in the future if it determines that circumstances warrant.

4. Disbursements and Expenses. In addition to hourly fees, we may incur out-of-pocket expenses related to your representation. Our Statement of Fee and Billing Information, which sets forth the details of our disbursement and expense policy, is attached as Attachment 2.

5. Billing and Payment Responsibilities. We will send monthly statements which are due within 30 days of receipt. If you have any questions about an invoice, please promptly telephone or write me so that we may discuss these matters. Our Statement of Fee and Billing Information sets forth the details of our fee and billing policy.

6. Termination of Services. You may terminate our services at any time by written notice. After receiving such notice, we will cease providing services. We will cooperate with you in the orderly transfer of all related files and records to your new counsel.

We may terminate our services at any time with your consent or for good cause. Good cause exists if (a) any statement is not paid within 60 days of its date; (b) you fail to meet any other obligation under this agreement and continue in that failure for 15 days after we send written notice to you; (c) you have misrepresented or failed to disclose material facts to us, refused to cooperate with us, refused to follow our advice on a material matter, or otherwise made our representation unreasonably difficult; or (d) any other circumstance exists in which ethical rules of the legal profession mandate or permit termination, including situations where a conflict of interest arises. If we terminate our services, you agree to execute a substitution of attorneys promptly and otherwise cooperate in effecting that termination.

Termination of our services, whether by you or by us, will not relieve the obligation to pay for services rendered and costs incurred before our services formally ceased.

7. Insurance. During the term of this engagement, this law firm shall take out and maintain general liability and property damage insurance in amounts not less than \$1,000,000; professional errors and omissions insurance, in amounts not less than \$2,000,000 per occurrence; and \$4,000,000 aggregate, which insurance may not be canceled or reduced in required limits of liability unless at least ten days advance written notice be given to you.

8. No Guarantee of Outcome. Any comments made by us about the potential outcome of this matter are expressions of opinion only and are not guarantees or promises about any outcome or results.

9. Dispute Resolution. In the event you become dissatisfied with any aspect of our relationship, we encourage you to bring such concerns to our attention immediately. If we are unable to resolve any dispute, either arising out of or in connection with this Agreement or relating to the services performed by our firm or any of its attorneys, to our mutual satisfaction, our firm will first comply with any mandatory dispute resolution procedures that may apply to any such dispute.

If we are unable to resolve any dispute, and after mandatory dispute resolution procedures have been waived or exhausted, the parties shall submit such dispute to final and binding arbitration in San Diego County, California before the American Arbitration Association, pursuant to its then prevailing rules, unless the parties agree in writing to a different arbitration method or forum.

By signing this agreement, you acknowledge and agree that you have read and understand this arbitration provision. You understand that by agreeing to arbitration we each give up the right to present our claims or defenses for trial by a judge or jury, and we also give up the right to an appeal. The initial resort to the courts by either party shall not be considered a waiver of that party's right to compel binding arbitration under this provision. This agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws.

10. Document Retention. In the course of the Firm's representation of National City, you may provide us with and we may obtain documents that are relevant to the representation. Some of those documents may be important to you and so that there is no confusion we find that it is useful at the inception of the representation for us to communicate our Document Retention Policy. Meyers Nave is committed to using less paper and eliminating unnecessary copies of documents. Documents of Record can be either hard copies or digital, regardless of the form they took originally when created or received by the Firm. Whenever it is proper and practicable, the Firm prefers Documents of Record (official version) to be in a digital format. Further, if record is stored electronically, then paper copies may be deemed duplicative and may be purged. This helps us manage information, helps the environment and helps us control costs. The materials pertaining to this matter belong to you and you may access them or have duplicates provided to you at any time during your representation with the exception of certain Meyers Nave Firm and accounting information. At the conclusion of this matter, no further representation will be provided and we recommend that you make arrangements to retrieve all original documents.

It is the Firm's general policy that we maintain records for a period of seven (7) years after conclusion of the matter, although due to certain practical considerations that is not always possible. Additionally, while we take steps to ensure that all records are held in strict confidence and maintained in a secure location, we cannot guarantee that something beyond our control will not occur resulting in damage to client records.

Thus, if in the course of our representation you provide us with original documents that you consider important or desire to keep, we recommend that, first, you inform us in writing that the documents are important. And second, we ask that you take immediate possession of such documents upon the conclusion of our representation. If we do not hear from you, we will generally retain only the documents and materials pertaining to this matter which we designate as vital for a period of seven (7) years. After which such documents will be destroyed unless, before that time, you notify us in writing that you wish to take possession of them.

11. Entire Agreement; Full Understanding; Modifications in Writing. This letter contains our entire agreement about our representation. Any modifications or additions to this letter agreement must be made in writing.

12. Joint Representation. Our firm maintains of counsel agreements with certain legal specialists. Because these individuals are deemed independent contractors under the applicable provisions of the tax laws and not employees of our firm, it is necessary that you consent to dual representation by our firm and the specialist in the event the matter which you have engaged us to handle requires the use of that specialist. This arrangement has no effect whatsoever on the cost of your legal services, rather it is an ethical requirement that we disclose this fact and that you consent. You are consenting by signing this letter.

13. Conflicts. Our firm represents many public agencies in California, Nevada and Arizona. Since 1986, we have represented over seven hundred public clients, including numerous cities, redevelopment agencies, special districts, counties and other public entities, and we are accepting new engagements all the time. It is virtually inevitable that we will work on projects from other clients having different governmental or political objectives, beliefs or views from National City.

In view of the fact that National City is a City, this letter confirms that the services which we are rendering to you are limited in scope and for the benefit of National City only. Meyers Nave performs a variety of professional services for its clients and it is possible that we will represent public agency clients which are adverse to you on other matters. To avoid potential problems, you agree that you expressly waive any actual or potential conflicts that might arise from such representation, that you will not attempt to disqualify Meyers Nave on such matters, and that our firm is free to represent its clients on such matters.

By signing this letter and returning it to us, you acknowledge that we have discussed these matters and you confirm that National City does not object to our representation of clients on matters where their legal, governmental or political objectives and/or positions may be different from or adverse to those of National City, and that National City waives any conflict of interests with respect to our representation of such clients with differing legal, governmental or political interests. You further confirm that National City will not assert any conflict of interest concerning such representation or attempt to disqualify this firm from representing such clients notwithstanding such adversity. While you would certainly be free

to terminate our relationship, you agree that this firm nonetheless would be free to represent such clients even on those matters which you consider adverse, and that you waive any conflict of interest in connection therewith.

Needless to say, these acknowledgments do not permit our firm to represent another client in opposing the specific project for which you engage us without your specific written consent.

You may wish, and we encourage you, to consult legal counsel regarding the effect of this conflict waiver.

We would request that you review this letter carefully and, if it is consistent with your understanding of our respective responsibilities, please so indicate by returning a signed copy of this letter to me at your earliest convenience. Enclosed is an additional copy of this letter which you should retain for your records. Again, we thank you for allowing us the opportunity to serve as your lawyers.

Sincerely,



Eric S. Casher
Principal

ESC:MCM
Enclosures

c: Conflicts Department
Billing Department

These terms are accepted and agreed to as of the date of this letter.

National City

By: _____
Charles E. Bell Jr.
City Attorney of National City

3691383.1

ATTACHMENT 1

MEYERS, NAVE, RIBACK, SILVER & WILSON
RATE SHEET

Principal	\$395
Of Counsel	\$340
Associate	\$300

ATTACHMENT 2

MEYERS, NAVE, RIBACK, SILVER & WILSON STATEMENT OF FEE AND BILLING INFORMATION

The following is a general description of our fee and billing policies. These general policies may be modified by the specific engagement letter or agreement to which this summary is attached.

Professional Fees. Our fees for professional services are based on the fair value of the services rendered. To help us determine the value of our services, our attorneys and paralegals maintain time records for each client and matter. Our attorneys and paralegals are assigned hourly rates which are based on years of experience, specialization, training and level of professional attainment. We adjust our rates periodically (usually at the beginning of each year) to take into account inflation and the increased experience of our professional personnel.

To keep professional fees at a minimum, legal work that does not require more experienced attorneys will be performed, where feasible, by attorneys with lower billing rates. Of course, the quality of the work is paramount, and we do not sacrifice quality to economy.

Before undertaking a particular assignment, we will, if requested, provide you with a fee estimate to the extent possible. Estimates are not possible for some matters, however, and cannot be relied on in many others because the scope of our work will not be clear at the outset. When a fee estimate is given, it is only an estimate; it is not a maximum or minimum fee quotation. The actual fee may be more or less than the quoted estimate.

Retainer. Our normal practice is to require a retainer to cover a portion of the anticipated attorneys' fees and costs. Any retainer will be placed in the firm's trust account. At the conclusion of our services, we will return to our client any unapplied retainer, after deducting payment for charges billed or to-be-billed for services and any remaining out-of-pocket expenses.

Billing And Payment Procedures. Unless other arrangements are made at the time of the engagement, invoices will be sent monthly. Invoices for outside services exceeding \$100 may be billed separately. Occasionally, however, we may defer billing for a given month or months if the accrued fees and costs do not warrant current billing or if other circumstances would make it appropriate to defer billing.

Our invoices contain a brief narrative description of the work performed; if requested, the initials of the attorney who performed the work will appear on the statement. The invoice will include a line item reflecting in-house administrative costs. The firm's in-house administrative costs include, but are not limited to, duplicating, facsimile charges, telephone charges, E-mail, postage, mileage and other administrative expenses. We have determined that the most effective method of accounting for these administrative costs is to charge a flat 5% of the professional fees incurred.

The firm will be reimbursed for all outside services incurred in the course of providing legal services to our client(s). Outside services will include, but are not limited to, all third-party expenses, delivery charges, travel expenses, outside research services, filing fees, expert witness and expert consultant fees. To defray the firm's costs for administering these services, there will be an additional cost advance charge of 2% for all outside services of \$100 or more.

If you have any questions regarding an invoice, the Finance Director or Executive Director is available to answer your questions. For any unresolved matters, the Bar Association has an arbitration mechanism that can be used to resolve such matters.

Late Payments. Statements for services are payable upon presentation and, in all events, within thirty (30) days after receipt. Occasionally a client has difficulty in making timely payments. To avoid burdening those clients who pay their statements promptly with the added costs we incur as a result of late payments, a late charge will be assessed on statements not paid within thirty (30) days. The maximum monthly late payment charge will be 1.5% per month. In the unlikely event we are required to institute legal proceedings to collect fees and costs, the prevailing party will be entitled to reasonable attorneys' fees and other costs of collection.

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, RATIFYING THE AGREEMENT BETWEEN THE CITY OF NATIONAL CITY AND MEYERS NAVE FOR LEGAL SERVICES IN CONSULTATION WITH THE CITY ATTORNEY ON MATTERS RELATED TO THE IMPLEMENTATION OF A COMMERCIAL CANNABIS STRUCTURE AND PROGRAM FOR THE TOTAL NOT TO EXCEED AMOUNT OF \$25,000.00 AND APPROVING THE CITY ATTORNEY'S EXECUTION OF SAME

WHEREAS, the City of National City's City Attorney Office negotiated a new retainer agreement with Meyers Nave to provide legal services in consultation with the City Attorney on matters related to the implementation of a commercial cannabis structure and program; and

WHEREAS, Meyers Nave will also provide advice and counsel to the City Council, the Economic Development Department and communicate with City staff; and

WHEREAS, the cost for said legal services is for the total not-to-exceed amount of \$25,000.00.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: That the City Council of the City of National City hereby ratifies the Agreement between the City of National City and Meyers Nave for legal services in consultation with the City Attorney on matters related to the implementation of a commercial cannabis structure and program for the total not to exceed amount of \$25,000.00 and approving the City Attorney's execution of same.

Section 2: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolution

PASSED and ADOPTED this 16th day of March, 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Warrant Register #32 for the period of 2/03/21 through 2/09/21 in the amount of \\$2,455,294.45. \(Finance\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

AGENDA ITEM NO.:

ITEM TITLE:

Warrant Register #32 for the period of 2/03/21 through 2/09/21 in the amount of \$2,455,294.45.
(Finance)

PREPARED BY: Karla Apalategui, Senior Accounting Assistant

DEPARTMENT: Finance

PHONE: 619-336-4572

APPROVED BY: 

EXPLANATION:

Per Government Section Code 37208, below are the payments issued for period 2/03/21 - 2/09/21. Consistent with Department of Finance's practice, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
CALPERS	351229	56,042.16	2021 Replacement Charges for Benefits
Health Net Inc	351259	85,518.25	Grp# R1192A – January 2021
Health Net Inc	351260	82,025.94	Grp# R1192A – February 2021
Kaiser Foundation	351265	185,651.28	Grp 104220-0002 – Dec 2020
Portillo Concrete	351280	59,820.25	CIP 18-10 Euclid Bike & Ped Enhancemnt
Project Professionals	351282	132,677.06	CIP 19-43 P1 Sewer Upsizing – Eng/PW
Tyler Technologies	351312	62,436.13	Eden Annual Support 1/1/21 – 12/31/21
Whillock Contracting	351318	309,294.69	CIP 18-07 Paradise Creek Park Site

FINANCIAL STATEMENT:

APPROVED:  **FINANCE**

ACCOUNT NO.

APPROVED: _____ **MIS**

Warrant total \$2,455,294.45.

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION FINAL ADOPTION

STAFF RECOMMENDATION:

Ratify warrants totaling \$2,455,294.45.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

Warrant Register # 32



**WARRANT REGISTER # 32
2/9/2021**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
A&B SAW & LAWNMOWER	HUSQUAVERNA ANTIVIBRATION SPRING / FIRE	351217	2/9/21	27.96
ADMINSURE INC	AGREEMENT TO PROVIDE MONTHLY SERVICES	351218	2/9/21	7,872.50
AETNA BEHAVIORAL HEALTH	EMPLOYEE ASSISTANCE PROGRAM - FEBRUARY	351219	2/9/21	973.76
ALTA LANGUAGE SERVICES INC	EMPLOYEE BILINGUAL TESTING	351220	2/9/21	66.00
AT&T	AT&T SBC ANNUAL PHONE SERVICE FOR FY21	351221	2/9/21	1,934.67
AT&T	AT&T SBC ANNUAL PHONE SERVICE FOR FY21	351222	2/9/21	71.83
AZTECA SYSTEMS LLC	SEELCLICKFIX INTEGRATION MEETING	351223	2/9/21	200.00
BLUE PACIFIC ENGINEERING	CIP 18-14 SWEETWATER BIKEWAY CONNECTION	351224	2/9/21	2,092.38
BMI	MUSIC PERFORMANCE AGREEMENT BMI	351225	2/9/21	651.60
BUREAU VERITAS N AMERICA INC	INSPECTION SERVICES - BUREAU VERITAS	351226	2/9/21	24,500.00
C A P F	JANUARY 2021 - FIRE LTD	351227	2/9/21	1,003.00
CALIFORNIA LAW ENFORCEMENT	JANUARY 2021 - PD LTD	351228	2/9/21	2,058.00
CALPERS - FINANCIAL REPORTING	2021 REPLACEMENT CHGS TO REPLACE BENEFIT	351229	2/9/21	56,042.16
CALPERS - FINANCIAL REPORTING	2021 REPLACEMENT CHGS/REPLACEMENT BENEFIT	351230	2/9/21	8,026.36
CANON SOLUTIONS AMERICA INC.	PLOTWAVE 345 PRINTER MAINTENANCE	351231	2/9/21	82.38
CARLOMAGNO, A	TRAINING ADV POST SUB FTO UPDATE	351232	2/9/21	384.00
CARTEGRAPH SYSTEMS INC	CARTEGRAPH ANNUAL RENEWAL / MIS	351233	2/9/21	39,000.00
CHEN RYAN ASSOCIATES INC	24TH ST TODO - ENG/PW	351234	2/9/21	25,669.50
CITY OF LEMON GROVE	LIABILITY CLAIM COST	351235	2/9/21	1,030.13
COX COMMUNICATIONS	COX DATA VIDEO SERVICES FOR FY21	351236	2/9/21	711.78
DALEY & HEFT LLP	LIABILITY CLAIM COST	351237	2/9/21	1,720.00
DAY WIRELESS SYSTEMS	COMPANY MAINTENANCE CONTRACT /FIRE	351238	2/9/21	549.00
DELL MARKETING L P	DELL LATITUDE 7200 2-IN-1 TABLET	351239	2/9/21	10,139.25
DELTA DENTAL	JAN 2021 GRP 05-0908600000	351240	2/9/21	14,620.51
DELTA DENTAL	DECEMBER 2020 05-0908600000	351241	2/9/21	14,233.84
DELTA DENTAL	FEB 2021 GRP 05-0908600000	351242	2/9/21	5,724.74
DELTA DENTAL	JAN 2021 GRP 05-0908601002	351243	2/9/21	774.07
DELTA DENTAL	DECEMBER 2020 GRP 05-0908601002	351244	2/9/21	416.11
DELTA DENTAL INSURANCE CO	DEC 2020 GRP 05-7029600000	351245	2/9/21	2,475.66
DELTA DENTAL INSURANCE CO	JAN 2021 GRP 05-7029600000	351246	2/9/21	2,426.16
DELTA DENTAL INSURANCE CO	FEB 2021 GRP 05-7029600000	351247	2/9/21	1,136.68
EPLASTICS	CLEAR EXTRUDED PLEXIGLASS ACRYLIC SHEET	351248	2/9/21	5,565.07
ESGIL CORPORATION	PERMIT TECH SERVICES - ESGIL	351249	2/9/21	27,475.14
EXPERIAN	CREDIT CHECKS	351250	2/9/21	249.28
FACTORY MOTOR PARTS	WINDOW REG ADDY FOR EQUIPMENT	351251	2/9/21	67.53
HAMEL, K	EDUCATION REIMBURSEMENT	351252	2/9/21	413.35
HEALTH NET	GRP #R1192Q - JANUARY 2021	351253	2/9/21	1,969.92
HEALTH NET	GRP #R1192Q - FEBRUARY 2021	351254	2/9/21	1,969.92
HEALTH NET	GRP N7177A - JAN 2021	351255	2/9/21	2,692.72
HEALTH NET	GRP N7177A - FEB 2021	351256	2/9/21	2,692.72
HEALTH NET	GRP #N7176F - JANUARY 2021	351257	2/9/21	1,598.46
HEALTH NET	GRP #N7176F - FEBRUARY 2021	351258	2/9/21	1,598.46
HEALTH NET INC	GRP #R1192A - JANUARY 2021	351259	2/9/21	85,518.25
HEALTH NET INC	GRP #R1192A - FEBRUARY 2021	351260	2/9/21	82,025.94
HEALTH NET INC	GRP #LB439A - FEBRUARY 2021	351261	2/9/21	5,983.61
HEALTH NET INC	GRP #LB439A - JANUARY 2021	351262	2/9/21	2,946.00
HOME DEPOT CREDIT SERVICES	WEATHERGUARD TRUCK BOX	351263	2/9/21	984.42
INNOVATIVE CONSTRUCTION	CIP 18-14 SWEETWATER BIKE PATH - ENG/PW	351264	2/9/21	34,694.00



**WARRANT REGISTER # 32
2/9/2021**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
KAISER FOUNDATION HEALTH PLANS	GRP 104220-0002 DEC 2020	351265	2/9/21	185,651.28
KAISER FOUNDATION HEALTH PLANS	GRP 104220-01, 06, 07 - NOV 2020	351266	2/9/21	20,445.28
KAISER FOUNDATION HEALTH PLANS	GRP 104220-01, 06, 07 - DEC 2020	351267	2/9/21	20,445.28
KAISER FOUNDATION HEALTH PLANS	GRP 104220-03, 09 - NOV 2020	351268	2/9/21	6,797.28
KAISER FOUNDATION HEALTH PLANS	GRP 104220-03, 09 - DEC 2020	351269	2/9/21	6,797.28
KAISER FOUNDATION HEALTH PLANS	GRP 104220-0005 DEC 2020	351270	2/9/21	5,830.46
KAISER FOUNDATION HEALTH PLANS	GRP 104220-7002 - NOV 2020	351271	2/9/21	591.62
KAISER FOUNDATION HEALTH PLANS	GRP 104220-7002 DEC 2020	351272	2/9/21	591.62
LASER SAVER INC	MOP 04840 TONER PD	351273	2/9/21	678.22
LEFORT'S SMALL ENGINE REPAIR	MOP 80702 AUTO SUPPLIES - PW	351274	2/9/21	22.29
LIEBERT CASSIDY WHITMORE	PERSONNEL MATTER	351275	2/9/21	2,605.00
NATIONAL CITY CAR WASH	CARWASH SERVICES FOR FLEET FY 2021	351276	2/9/21	200.00
OFFICE SOLUTIONS BUSINESS	MOP OFFICE SUPPLIES FOR SECTION 8	351277	2/9/21	457.58
PARTS AUTHORITY METRO LLC	MOP 75943 AUTO SUPPLIES - PW	351278	2/9/21	757.63
PENSKE FORD	R&M CITY VEHICLES FY 2021	351279	2/9/21	1,104.62
PORTILLO CONCRETE INC	CIP 18-10 EUCLID AVE BIKE AND PED ENHANCEMNT	351280	2/9/21	59,820.25
PRO BUILD COMPANY	MOP 45707 GENERAL SUPPLIES - PW	351281	2/9/21	456.79
PROJECT PROFESSIONALS CORP	CIP 19-43 P1 SEWER UPSIZING - ENG/PW	351282	2/9/21	132,677.06
PRUDENTIAL OVERALL SUPPLY	MOP 45742 LAUNDRY SERVICES - PW	351283	2/9/21	349.60
RAMIREZ, O	TRAINING REIM SLI 1	351284	2/9/21	320.85
RANDALL LAMB ASSOCIATES INC	CITY OF NC CIVIC CENTER EOC POWER UPGRADE	351285	2/9/21	3,312.50
RELIANCE STANDARD	OCT 2020 - VOL LIFE VAI1826233, VCI80114	351286	2/9/21	7,956.86
RELY ENVIRONMENTAL	NC PUBLIC WORKS CONSULTING - ENG/PW	351287	2/9/21	603.50
SAINZ, L	ICC CERTIFICATION RENEWALS REIMBURSEMENT	351288	2/9/21	120.00
SAKAMOTO, C	TRAINING ADV POST SUB	351289	2/9/21	1,280.00
SAN DIEGO MIRAMAR COLLEGE	TRAINING TUITION 124PD ACADMY / PD	351290	2/9/21	690.00
SAN DIEGO MIRAMAR COLLEGE	TRAINING 124TH REG ACADEMY / PD	351291	2/9/21	207.00
SAN DIEGO MIRAMAR COLLEGE	TRAINING TUITION 124 REG ACADEMY / PD	351292	2/9/21	184.00
SAN DIEGO MIRAMAR COLLEGE	/ PDTRAINING TUITION 124 ACADEMY / PD	351293	2/9/21	92.00
SAN DIEGO MIRAMAR COLLEGE	TRAINING TUITION BASIC TRAFF TAPIA / PD	351294	2/9/21	46.00
SAN DIEGO MIRAMAR COLLEGE	TRAINING TUITION TC RADAR / PD	351295	2/9/21	46.00
SAN DIEGO PET SUPPLY	MOP 02975 K9 SUPPLIES PD	351296	2/9/21	637.23
SASI	DEBIT CHGS 1/1/21-1/31/21 TRUST ACCTING	351297	2/9/21	110.00
SCANLON, D	TRAINING POST ADV SUB	351298	2/9/21	1,280.00
SDG&E	GAS AND ELECTRIC UTILITIES FOR STREETS	351299	2/9/21	29,102.72
SEECLICKFIX INC	SEECLICKFIX ANNUAL RENEWAL	351300	2/9/21	17,516.14
SHARP ELECTRONICS CORPORATION	MAINTENANCE 20 SHARP COPIERS FOR FY21	351301	2/9/21	1,150.29
STAPLES BUSINESS ADVANTAGE	STAPLES MOP FY21	351302	2/9/21	1,054.77
STAPLES BUSINESS ADVANTAGE	STAPLES MOP FY21	351303	2/9/21	2,404.71
STINNETT, R	TRAINING ADV SUB POST	351304	2/9/21	1,280.00
SWAGIT PRODUCTION LLC	SWAGIT WEBCASTING FOR FY21	351305	2/9/21	1,920.83
SWEETWATER AUTHORITY	WATER BILL FOR PARKS DIVISION FY 2021	351306	2/9/21	3,949.40
THE LINCOLN NATIONAL LIFE INS	GRP #415491-FEBRUARY 2021	351307	2/9/21	9,856.23
THE LINCOLN NATIONAL LIFE INS	GRP #415491- JANUARY 2021	351308	2/9/21	445.62
THE STAR NEWS	ADVERTISING NOTICES FOR FY2021 FOR SEC 8	351309	2/9/21	148.63
TINOSA INC	20PPM CO TEST GAS (P/N CYL-0016)	351310	2/9/21	319.06
TOPECO PRODUCTS	MOP 63849 AUTO SUPPLIES - PW	351311	2/9/21	260.08
TYLER TECHNOLOGIES INC	EDEN ANNUAL RENEWAL 1/1/21-12/31/21	351312	2/9/21	62,436.13



**WARRANT REGISTER # 32
2/9/2021**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
U S BANK	CREDIT CARD EXPENSES/FIRE DEPARTMENT,CHR	351313	2/9/21	2,728.83
US BANK	9 EXTENDED WARRANTIES FOR 9 HEADSETS	351314	2/9/21	346.07
VELARDE SALES	LICENSE REIMBURSEMENT	351315	2/9/21	75.00
VERIZON WIRELESS	VERIZON CELLULAR SERVICES FOR FY21	351316	2/9/21	8,134.34
VISION SERVICE PLAN	DEC 20/JAN 21 - VISION SVC PLAN	351317	2/9/21	1,645.22
WHILLOCK CONTRACTING	CIP 18-07 PARADISE CREEK PARK SITE	351318	2/9/21	309,294.69
WILLY'S ELECTRONIC SUPPLY	ELECTRONICS ITEMS / MIS	351319	2/9/21	279.45

A/P Total 1,402,572.11

PAYROLL				
Pay period	Start Date	End Date	Check Date	
3	1/12/2021	1/25/2021	2/3/2021	1,052,722.34

GRAND TOTAL \$ 2,455,294.45

Certification

IN ACCORDANCE WITH SECTION 37202, 37208, 372059 OF THE GOVERNMENT CODE, WE HEREBY CERTIFY TO THE ACCURACY OF THE DEMANDS LISTED ABOVE AND TO THE AVAILABILITY OF FUNDS FOR THE PAYMENT THEREOF AND FURTHER THAT THE ABOVE CLAIMS AND DEMANDS HAVE BEEN AUDITED AS REQUIRED BY LAW.



PHILLIP DAVIS, FINANCE

BRAD RAULSTON, CITY MANAGER

FINANCE COMMITTEE

ALEJANDRA SOTELO-SOLIS, MAYOR-CHAIRWOMAN

JOSE RODRIGUEZ, VICE-MAYOR

MARCUS BUSH, COUNCIL MEMBER

RONALD J. MORRISON, COUNCIL MEMBER

MONA RIOS, COUNCIL MEMBER

I HEREBY CERTIFY THAT THE FOREGOING CLAIMS AND DEMANDS WERE APPROVED AND THE CITY TREASURER IS AUTHORIZED TO ISSUE SAID WARRANTS IN PAYMENT THEREOF BY THE CITY COUNCIL ON THE 16th OF MARCH, 2021.

AYES _____

NAYS _____

ABSENT _____

The following page(s) contain the backup material for Agenda Item: [Warrant Register #33 for the period of 2/10/21 through 2/16/21 in the amount of \\$261,842.17. \(Finance\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

AGENDA ITEM NO.:

ITEM TITLE:

Warrant Register #33 for the period of 2/10/21 through 2/16/21 in the amount of \$261,842.17. (Finance)

PREPARED BY: Karla Apalategui, Senior Accounting Assistant

DEPARTMENT: Finance

PHONE: 619-336-4572

APPROVED BY: 

EXPLANATION:

Per Government Section Code 37208, below are the payments issued for period 2/10/21 - 2/16/21. Consistent with Department of Finance's practice, listed below are all payments above \$50,000.

<u>Vendor</u>	<u>Check/Wire</u>	<u>Amount</u>	<u>Explanation</u>
Countywide Mechanical	351329	51,537.19	Citywide on-site HVAC Services
SDG&E	351348	74,937.69	Gas and Electric Utilities

FINANCIAL STATEMENT:

APPROVED:  **FINANCE**

ACCOUNT NO.

APPROVED: _____ **MIS**

Warrant total \$261,842.17.

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION FINAL ADOPTION

STAFF RECOMMENDATION:

Ratify warrants totaling \$261,842.17.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

Warrant Register # 33



**WARRANT REGISTER # 33
2/16/2021**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
ACOSTA, V	REIMBURSEMENT FOR SAFETY BOOTS / PW	351320	2/16/21	125.00
ALDEMCO	FOOD / NUTRITION	351321	2/16/21	5,042.19
ALL FRESH PRODUCTS	COVID 19 CONSUMABLES	351322	2/16/21	1,710.68
BIBLIOTHECA LLC	ANNUAL SUPPORT AND MAINTENANCE - RFID	351323	2/16/21	10,876.89
CALIFORNIA ASSOCIATION OF CODE	CACEO COURSE / NSD	351324	2/16/21	129.00
CHICANO FEDERATION OF	LIABILITY CLAIM COST	351325	2/16/21	5,000.00
CORBIN & ASSOCIATES, INC	TRAINING TUITION SRO MCCLURE / PD	351327	2/16/21	385.00
COUNTY OF SAN DIEGO	CEQA NOTICE OF EXEMPTION FILING - KIMBALL	351328	2/16/21	100.00
COUNTYWIDE MECHANICAL SYSTEMS	CITYWIDE ON-SITE HVAC SERVICES	351329	2/16/21	51,537.19
CSA SAN DIEGO COUNTY	CDBG AGREEMENT WITH CSA SAN DIEGO	351330	2/16/21	2,921.64
ENTERPRISE FLEET MANAGEMENT	ENTERPRISE FLEET LEASE - ENG/PW	351331	2/16/21	16,396.09
HDL COREN & CONE	CONTRACT SVCS PROPERTY TAX: JAN-MAR2021	351332	2/16/21	2,979.83
HINDERLITER DE LLAMAS	AUDIT SVCS-TRANSACTION TAX / ALLOCATION	351333	2/16/21	362.29
HOME DEPOT CREDIT SERVICES	GENERAL SUPPLIES FOR FY 2021	351334	2/16/21	533.07
JANI-KING OF CALIFORNIA INC	CLEANING SERVICES FOR NUTRITION CENTER	351335	2/16/21	11,965.79
KIMLEY HORN	8TH & ROOSEVELT ATP - ENG/PW	351336	2/16/21	31,326.88
MAAC PROJECT	CARES ACT CDBG-CV AGREEMENT WITH MAAC	351337	2/16/21	4,778.74
MC CLURE JR, S	TRAINING ADV POST SUBSISTENCE	351338	2/16/21	640.00
MENDIOLA, S	MILEAGE REIMBURSEMENT	351339	2/16/21	30.18
METEAU JR, R	EDUCATION REIMBURSEMENT	351340	2/16/21	1,227.00
MV CHENG & ASSOCIATES INC.	CONSULTING SVCS FOR JANUARY 2021	351341	2/16/21	10,800.00
NAN MCKAY AND ASSOCIATES INC	PROFESSIONAL FEES, OTHER DIRECT COST	351342	2/16/21	4,980.00
OFFICE SOLUTIONS BUSINESS	MOP PURCHASE 83778 / FIRE ADMIN SUPPLIES	351343	2/16/21	117.37
PALMA, A	REFUND/MOVIE CANCELLED DUE TO COVID19	351344	2/16/21	10.00
PRO BUILD COMPANY	MOP # 45707 - CHRISTMAS LIGHT SUPPLIES	351345	2/16/21	389.60
PRUDENTIAL OVERALL SUPPLY	UNIFORM CLEANING SERVICE	351346	2/16/21	200.80
ROBERTS, M	FORMER EMPLOYEE REIMBURSEMENT / FINANCE	351347	2/16/21	682.45
SDG&E	GAS AND ELECTRIC UTILITIES	351348	2/16/21	74,937.69
SHRED-IT	DECEMBER SHEDDING FOR SECTION 8	351349	2/16/21	205.62
SMART & FINAL	CASA DE SALUD SNACKS FOR TEEMNS	351350	2/16/21	218.83
SMART SOURCE OF CALIFORNIA LLC	MOP #63845 BUSINESS CARD / COUNCIL	351351	2/16/21	290.00
SOUTH BAY COMMUNITY SERVICES	CARES ACT CDBG-CV AGREEMENT	351352	2/16/21	9,481.00
STAPLES BUSINESS ADVANTAGE	OFFICE SUPPLIES / PD	351353	2/16/21	128.98
SYSCO SAN DIEGO INC	FOOD / NUTRITION	351354	2/16/21	7,178.70
T-MOBILE MOBILE USA INC.	ACCOUNT 972016943 - MONTHLY CHARGES / LIB	351355	2/16/21	34.32
TODD PIPE & SUPPLY LLC	CITYWIDE PLUMBING MATERIALS & PARTS	351356	2/16/21	524.04
U S BANK	TRAINING CREDIT CARD	351357	2/16/21	1,789.18
WAXIE SANITARY SUPPLY	JANITORIAL SUPPLIES / FIRE DEPT	351358	2/16/21	1,806.13
			A/P Total	261,842.17
			GRAND TOTAL	\$ 261,842.17

Certification

IN ACCORDANCE WITH SECTION 37202, 37208, 372059 OF THE GOVERNMENT CODE, WE HEREBY CERTIFY TO THE ACCURACY OF THE DEMANDS LISTED ABOVE AND TO THE AVAILABILITY OF FUNDS FOR THE PAYMENT THEREOF AND FURTHER THAT THE ABOVE CLAIMS AND DEMANDS HAVE BEEN AUDITED AS REQUIRED BY LAW.



PHILLIP DAVIS, FINANCE

BRAD RAULSTON, CITY MANAGER

FINANCE COMMITTEE

ALEJANDRA SOTELO-SOLIS, MAYOR-CHAIRWOMAN

JOSE RODRIGUEZ, VICE-MAYOR

MARCUS BUSH, COUNCIL MEMBER

RONALD J. MORRISON, COUNCIL MEMBER

MONA RIOS, COUNCIL MEMBER

I HEREBY CERTIFY THAT THE FOREGOING CLAIMS AND DEMANDS WERE APPROVED AND THE CITY TREASURER IS AUTHORIZED TO ISSUE SAID WARRANTS IN PAYMENT THEREOF BY THE CITY COUNCIL ON THE 16th OF MARCH, 2021.

AYES _____

NAYS _____

ABSENT _____

The following page(s) contain the backup material for Agenda Item: [Public Hearing No. 1 of 2 for the U.S Department of Housing and Urban Development \(HUD\) 2021-2022 Annual Action Plan and the allocation of 2021-2022 HUD entitlement grant funds, program income, and funds remaining from completed projects to Community Development Block Grant \(CDBG\) and HOME Investment Partnerships \(HOME\) Program activities proposed for 2021-2022 Annual Action Plan. \(Housing Authority\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

AGENDA ITEM NO.

ITEM TITLE:

Public Hearing No. 1 of 2 for the U.S Department of Housing and Urban Development (HUD) 2021-2022 Annual Action Plan and the allocation of 2021-2022 HUD entitlement grant funds, program income, and funds remaining from completed projects to Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) Program activities proposed for 2021-2022 Annual Action Plan.

PREPARED BY: Angelita Palma, Housing Programs Manager

DEPARTMENT: Housing Authority

PHONE: (619) 336-4219

APPROVED BY: 

EXPLANATION:

In accordance with the federal regulations at 24 CFR, Part 91, the City of National City (City) is required to prepare and submit an Annual Action Plan for its Housing and Community Development Entitlement Programs funded by the U.S. Department of Housing and Urban Development (HUD). The Second-Year Action Plan for program year 2021-2022 outlines how the City intends to spend \$733,391.00 in federal Community Development Block Grant (CDBG) and \$328,323.00 in federal HOME Investment Partnerships (HOME) Program entitlement funds. In addition to the funding sources noted above, the City will reprogram \$52,270.65 remaining from previously completed projects for CDBG as well as reprogram \$187,637.91 in HOME program income received.

A second Public Hearing will be conducted at the regularly scheduled City Council meeting on May 4, 2021 to review public comments received during a 30-day public review period from March 19 through April 18, 2021, on the draft 2021-2022 Annual Action Plan; and to provide interested persons and community groups with one last opportunity to share their thoughts regarding the Plan and the CDBG and HOME Program activities being proposed for program year 2021-2022. After all public comments have been considered at the Public Hearing on May 4, 2021, the City Council will adopt the Second-Year Action Plan.

A detailed explanation of the CDBG and HOME Programs and process is explained in Attachment No. 2.

FINANCIAL STATEMENT:

ACCOUNT NO.

The City will receive \$733,391.00 in CDBG and \$313,035.00 in HOME Program funds for FY 2022. In addition, the City will reprogram to FY 2022 \$52,270.65 of CDBG funds from completed projects and \$187,637.91 in HOME program income received.

APPROVED: 

APPROVED:

Finance

MIS

ENVIRONMENTAL REVIEW:

Not applicable.

ORDINANCE: INTRODUCTION:

FINAL ADOPTION:

STAFF RECOMMENDATION:

Conduct the Public Hearing and approve recommendations for the CDBG and HOME funding allocations from the sources identified in the Financial Statement above.

BOARD / COMMISSION RECOMMENDATION:

Not applicable to this report.

ATTACHMENTS:

Attachment No. 1: 2021-2022 Action Plan Funding Recommendations

Attachment No. 2: Explanation

Attachment No. 3: 2020-2024 Overview of Consolidated Plan Priorities and Goals

Attachment No. 4: Notice of Public Hearing



**Community Development Block Grant &
HOME Investment Partnerships Program's
Annual Action Plan Funding Recommendations for
HUD Program Year 2021
City Fiscal Year 2021-2022**

CDBG Entitlement:	\$733,391.00	HOME Entitlement:	\$328,323.00
CDBG Reallocation	\$ 52,270.65	HOME Program Income :	\$187,637.91
Total CDBG funds available:	\$785,661.65	Total HOME funds available:	\$516,460.91

A summary of the applications with the eligibility analysis is available at www.nationalcityca.gov/cdbg-home.

Community Development Block Grant (CDBG) Program

Public Service Funds Available: \$82,091.15

Applicant Name	Program Name	Funding Request	FY 2021 Staff Recommendation	FY 2020 Award
Community Services Department	Casa de Salud Youth Afterschool Program	\$ 91,011.00	\$ 20,000.00	\$ 48,818.00
National City Public Library	Literacy Services Program	\$ 52,000.00	\$ 43,000.00	\$ 52,000.00
SBCS	NCPD Support Service: Domestic Violence Response Team	\$ 20,000.00	\$ 19,091.15	\$ 17,500.05
TIP San Diego	Trauma Intervention Programs	\$ 14,168.15	\$ -	\$ -
Police Department	AEDs for Police Vehicles	\$ 39,992.70	\$ -	\$ -
Public Service Total:		\$ 177,179.15	\$ 82,091.15	\$ 118,318.05

Non-Public Services Funds Available: \$556,892.50

Applicant Name	Program Name	Funding Request	FY 2021 Staff Recommendation	FY 2020 Award
Neighborhood Services Division	Housing Inspection Program	\$ 52,270.65	\$ -	\$ 120,981.39
Fire Department	Fire Station 34 Section 108 Loan Payment	\$ 556,892.50	\$ 556,892.50	\$ 532,804.00
Non-Public Service Total:		\$ 609,163.15	\$ 556,892.50	\$ 653,785.39

Planning and Administration Funds Available: \$146,678.20

Applicant Name	Program Name	Funding Request	FY 2021 Staff Recommendation	FY 2020 Award
National City Housing Authority	CDBG Program Administration	\$ 105,678.00	\$ 105,678.00	\$ 122,757.40
CSA San Diego County	Fair Housing and Tenant-Landlord Education	\$ 41,000.00	\$ 41,000.00	\$ 35,000.00
Planning & Admin Total:		\$ 146,678.00	\$ 146,678.00	\$ 157,757.40
CDBG Total:		\$ 933,020.30	\$ 785,661.65	\$ 929,860.84

HOME Investment Partnerships (HOME) Program

Project Funds Available: \$464,364.91

Applicant Name	Program Name	Funding Request	FY 2021 Staff Recommendation	FY 2020 Award
South Bay Community Services	Tenant Based Rental Assistance Program	\$ 356,532.00	\$ 415,116.00	\$ 446,940.99
National City Housing Authority set-aside for a Community Housing Development Organization (CHDO)	CHDO Set-Aside	\$ 49,248.45	\$ 49,248.91	\$ 88,600.00
Total:		\$ 405,780.45	\$ 464,364.91	\$ 535,540.99

Planning & Administration Funds Available: \$51,596.09

Applicant Name	Program Name	Funding Request	FY 2021 Staff Recommendation	FY 2020 Award
National City Housing Authority	HOME Program Administration	\$ 51,596.09	\$ 51,596.00	\$ 50,120.89
HOME Total:		\$ 457,376.54	\$ 515,960.91	\$ 585,661.88

City of National City
March 16, 2021
Staff Report Explanation

Public Hearing No. 1 of 2 for the U.S Department of Housing and Urban Development (HUD) 2021-2022 Annual Action Plan and the allocation of 2021-2022 HUD entitlement grant funds, program income, and funds remaining from completed projects to Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) Program activities proposed for 2021-2022 Annual Action Plan.

OVERVIEW: The U.S. Department of Housing and Urban Development (HUD) provides annual grants on a formula basis to entitlement cities and counties, including the City of National City for its Community Planning and Development Programs (CPD). The City of National City (City) receives Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) Program funds on an annual basis. The statutory primary objectives of the CDBG Program are to develop viable urban communities by providing decent housing, a suitable living environment, and by expanding economic opportunities, principally for low and moderate-income persons. The intent of the HOME Program is to expand the supply of decent, safe, sanitary, and affordable housing.

The 2020-2024 Consolidated Plan is the framework for the HUD CDBG and HOME entitlement programs. The Consolidated Plan outlines the City's housing and non-housing community development needs and priorities over five years. An overview of the Consolidated Plan's goals and priorities is attached to this staff report (Attachment No. 3). The entire Consolidated Plan, as well as additional program information, can be found at www.nationalcityca.gov/cdbg-home.

PUBLIC NOTICING: Public participation is an essential part of the development of the Annual Action Plan. All noticing for this process which sets forth the City's policies and procedures for citizen participation is described in the Citizen and Community Participation Plan per City Council Resolution 2020-84 and can be found at www.nationalcityca.gov/cdg-home.

FUNDING AVAILABILITY: Each year the City anticipates receiving approximately \$775,000 to 790,000 in CDBG entitlement funds. Of that amount, a maximum of 15% of the total allocation may be made available for public services programs and projects. Another 20% of the CDBG allocation is reserved for administration and mandatory fair housing requirements, and the remainder (after reduction for required Section 108 debt service payments), will be available for non-public service programs such public facilities and infrastructure projects. Each year the Section 108 loan payment increases which means fewer dollars can be allocated to public services, facilities, and infrastructure projects. For this reason applications are only opened to City Departments. The Section 108 loan final loan payment will be paid made in fiscal year 2023-2024.

HOME entitlement funds range from \$323,000 to \$357,000 each year. Of that amount, a maximum of 15% is set aside for Community Housing Development Organizations (CHDO). Another 20% of the HOME allocation is reserved for administration. The remaining amount is typically allocated to tenant-based rental assistance and homeownership assistance programs.

In addition to the entitlement funds discussed above, funds remaining from previously completed programs and program income will be reallocated each program year to CDBG and HOME activities.

City of National City
March 16, 2021
Staff Report Explanation

ELIGIBLE APPLICANTS: In consideration of funding availability described above and stated in CDBG Program Guidelines posted online at www.nationalcityca.gov/cdg-home, City Departments can sponsor non-profit agencies to carry out a CDBG public service or HOME activity by inviting qualified agencies to apply for funding to address the City and Consolidated Plan priorities. Agencies considered for funding should already provide a similar service, and appear to be capable of deploying the service following the City's program guidelines, and HUD rules and regulations found at 24 CFR Part 570 and 24 CFR Part 92.

NOTICE OF FUNDING: The City Council was notified of the 2021-2022 Action Plan development during the November 17, 2020 meeting. Applications were made available for eligible City programs and projects that could meet CDBG and HOME program objectives. On November 24, 2020, a Notice of Funding Availability (NOFA) was sent to City departments. The process would allow City departments to "sponsor" a non-profit organization. These organizations would work directly with City departments to meet the Consolidated Plan goals and priorities.

APPLICATION REVIEW PROCESS: Submitted applications are first determined to be eligible under CDBG and HOME rules and regulations, Consolidated Plan goals and priorities, and were further evaluated based on the following criteria:

- Demonstrated organizational or community need
- Experience with administering CDBG/HOME or federal grant funds
- Organization's capacity, experience with projects of similar type
- Budget and value of proposed work and deliverables for dollars invested
- Quality of the approach, clarity, rationale, and feasibility

FUNDING RECOMMENDATIONS/ANNUAL ACTION PLAN APPROVAL: Project and Program funding recommendations for the CDBG and HOME entitlement grant funds, program income, and funds from previously completed projects will be presented at the first public hearing held on March 16, 2021. A second Public Hearing will be conducted on May 4, 2021, to review public comments received during a 30-day public review period (March 19 through April 18, 2021) of the draft 2021-2022 Annual Action Plan; and to provide interested persons and community groups with one last opportunity to share their thoughts regarding the Plan and the CDBG and HOME Program activities being proposed. After all public comments have been considered at the Public Hearing on May 4, 2021, the City Council will adopt the 2021-2022 Action Plan and proposed CDBG and HOME Program funding recommendations.

HUD REVIEW: Upon receipt of the 2021-2022 Action Plan, HUD has 45 days to review and accept the Plan, specifically details the City's utilization of its CDBG and HOME program funds. HUD acceptance notices will be received in mid to late July.

City of National City
 March 16, 2021
 Staff Report Explanation

ANNUAL ACTION PLAN TIMELINE CDBG & HOME PROGRAMS	
Date	Action
November 24	CDBG/HOME Notice of funding availability to City departments and grant funding applications available for distribution
December 1	Virtual Application Workshop
January - April	Drafting of the 2021-2022 Action Plan
January 21	Application submission deadline for CDBG and HOME FY 2022 funding 6 p.m.
February	Application Review Period
March 5 to March 15	10-day Notice of Public Review Period and Notice of Public Hearing for the Draft 2021-2022 Action Plan
March 16	Public Hearing No. 1 on the 2021-2022 Action Plan and applicant funding recommendations to the City Council
March 19 to April 18	30-day Notice of Public Review Period and Notice of Public Hearing for the Draft 2021-2022 Action Plan
May 4	Virtual Public Hearing No. 2 (Final) to Approve the Draft 2021-2022 Action Plan
May 18	Submission of the 2021-2022 Action Plan to HUD
May	Applicant Award Notification
June-July	Begin contract negotiations with selected CDBG and HOME subrecipients and initiate environmental reviews.
July 1	Begin Program Year
All dates listed herein are tentative and are subject to change. Persons relying on this Schedule must contact the CDBG and HOME Program Administer at 619-336-4219 to confirm the actual date of each event listed above as the timeframe nears.	

Consolidated Plan Goals 2020-2024

The 2020-2024 Consolidated Plan is the framework for the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) Program entitlement programs. The Plan outlines the City's housing and non-housing community development needs and priorities over five years.

1. Goal: Provide Decent and Affordable Housing

- **Priority: Conserve and Improve Existing Affordable Housing**
 - Assistance to aid in the rehabilitation of single-family and multi-family housing units.
 - Acquisition, with or without rehabilitation, of multi-family projects.
 - Conservation of affordable housing at risk of converting to market-rate housing.
- **Priority: Provide Homeownership Assistance**
 - Assistance to low-moderate income households to achieve homeownership
 - Assistance to developers for the acquisition and re-sale of housing units to low-moderate income homebuyers.
- **Priority: Assist in the Development of Affordable Housing**
 - Assistance to developers in the development of affordable housing, including acquisition, land assemblage, construction, conversion, purchase of affordability covenants, or other mechanisms.

2. Goal: Provide Community Facilities and Infrastructure

- **Priority: Provide for Community Facilities and Infrastructure**
 - Provide for new and improve existing community facilities and infrastructure. These may include, but are not limited to: parks and recreation facilities; fire equipment; facilities prioritized on the City's ADA Transition Plan; community facilities; and public streets, sidewalks, curbs, and rights-of-way.
 - Repayment of Fire Station 34 Section 108 loan. Assess the need for and (when determined to be warranted) pursue section 108 loans for large-scale public improvement and revitalization projects.

3. Goal: Provide Community and Supportive Services

- **Priority: Provide Community and Supportive Services**
 - Provide for a variety of community and supportive services, with special emphasis on crime awareness and prevention programs such as code enforcement, services for the homeless, seniors, at-risk youth, the disabled, and other persons with special needs.

4. Goal: Support Initiatives that Reduce Homelessness

- **Priority: Support Initiatives that Reduce Homelessness**
 - Tenant-based rental assistance that targets families that are homeless or housing insecure, and families experiencing domestic violence.

- Participate in the San Diego County Regional Task Force on the Homeless (RTFH) and South Bay Homeless Alliance to assess needs and coordinate efforts to address needs.

5. Goal: Promote Equal Housing Opportunity

- ***Priority: Promote Equal Housing Opportunity***
 - Promote fair housing services provided by the City's fair housing services provider.
 - Comply with fair housing planning requirements (as identified in the Analysis of Impediments to Fair Housing Choice).

6. Goal: Planning and Administration

- ***Priority: Planning and Administration***
 - Invest in the planning and administration of the CDBG and HOME programs.



PUBLIC NOTICE
CITY OF NATIONAL CITY

**FIRST PUBLIC HEARING FOR THE DRAFT FISCAL YEAR 2021-2022
ANNUAL ACTION PLAN**

In accordance with the federal regulations at 24 CFR, Part 91, the City of National City (City) is required to prepare and submit an Annual Action Plan for its Housing and Community Development Entitlement Programs funded by the U.S. Department of Housing and Urban Development (HUD). The 2020-2024 Consolidated Plan outlines the City's housing and non-housing community development needs and priorities over five years. The Action Plan 2021-2022 outlines how the City intends to spend \$733,391 in federal Community Development Block Grant (CDBG) and approximately \$328,323 in federal HOME Investment Partnerships (HOME) Program entitlement funds. In addition to the funding sources noted above, the City anticipates reprogramming \$52,270.65 from CDBG activities and allocating \$187,637.91 in program income earned from previous years HOME activities to fund activities listed under the proposed Action Plan.

Notice is hereby given that the City Council of the City of National City will hold the first of two Public Hearings on Tuesday, March 16, 2021, at 6:00 p.m. The purpose of the Public Hearing is to provide an opportunity for public comment on the recommendations made to the City Council for funding of the CDBG and HOME Program activities listed under the 2021-2022 Action Plan. The Consolidated Plan is available for review on the City's website www.nationalcityca.gov/cdbg-home. Hardcopies are available at the office of the City Clerk (1243 National City Boulevard, National City, CA 91950)

A second Public Hearing will be conducted at the regularly scheduled City Council meeting on May 4, 2021, to review public comments received during a 30-day public review period (March 19 through April 18, 2021) of the draft 2021-2022 Annual Action Plan; and to provide interested persons and community groups with one last opportunity to share their thoughts regarding the Plan and the CDBG and HOME Program activities being proposed. After all public comments have been considered at the Public Hearing on May 4, 2021, the City Council will adopt the 2021-2022 Action Plan and proposed CDBG and HOME Program funding recommendations.

Public participation is an essential part of the development of the Annual Action Plan. Interested persons and community groups are invited to watch and participate in these hearings. Both Public Hearings will be held online at www.nationalcityca.gov/webcast.

Public comment may be submitted prior to the meeting in writing by email at PublicComment@nationalcityca.gov; please provide the agenda item number and title of the item in the subject line of the email. Public comments or testimony is limited to up to three (3) minutes. All email comments received by 4:00 p.m. on the day of the meeting will be emailed to the City Council Members and made a part of the official record. To provide live public comment during the meeting, you must pre-register on the City's website at <https://www.nationalcityca.gov/publiccomment> by 4:00 p.m. on the day of the regular meeting to join the City Council Meeting. For more information regarding this process, please contact the City Clerk's Office at (619) 336-4228 or by email at Clerk@nationalcityca.gov. Hearing-impaired persons, please use the CAL Relay Service Number 711. Asistencia en Español: Para que le interpreten la información en español, llame al (619) 336-4391.

Brad Raulston, City Manager
City of National City
March 5, 2021

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City authorizing, 1\) the City \(Buyer\) to utilize cooperative purchasing established through Sourcewell previously known as National Joint Powers Alliance \(NJPA\), consistent with Municipal Code Section 2.60.260 for cooperative purchasing, to purchase Tyler Technologies New World Computer Aided Dispatch \(CAD\) based on their member number 17730; and 2\) finance through Capital Innovations for a seven \(7\) year lease purchase agreement; and 3\) the Mayor to execute the Agreement with Tyler Technologies and Capital Innovations to replace outdated current police department CAD for a lease purchase agreement in the amount of \\$1,060,000. \(Police\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

AGENDA ITEM NO.:

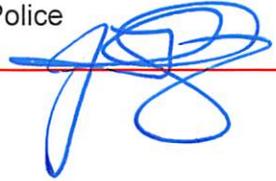
ITEM TITLE:

Resolution of the City Council of the City of National City authorizing, 1) the City (Buyer) to utilize cooperative purchasing established through Sourcewell previously known as National Joint Powers Alliance (NJPA), consistent with Municipal Code Section 2.60.260 for cooperative purchasing, to purchase Tyler Technologies New World Computer Aided Dispatch (CAD) based on their member number 17730; and 2) finance through Capital Innovations for a seven (7) year lease purchase agreement; and 3) the Mayor to execute the Agreement with Tyler Technologies and Capital Innovations to replace outdated current police department CAD for a lease purchase agreement in the amount of \$1,060,000.

PREPARED BY: Jose Tellez, Chief of Police

DEPARTMENT: Police

PHONE: (619) 336-4511

APPROVED BY: 

EXPLANATION:

See attached.

FINANCIAL STATEMENT:

APPROVED:  **FINANCE**

ACCOUNT NO. 629-403-082-281-0000

APPROVED: _____ **MIS**

As part of our existing agreement with TriTech/Central Square will receive \$97,000 in FY21, with an average increase of an additional \$5,000 per year based on the recent annual increases that have occurred. A seven year estimate cost of the current CAD for 2021 – 2027 is \$784,000, or an average annual cost of \$112,000. In comparison, the seven year lease purchase agreement with Tyler/Capital Innovations for 2021 – 2027 will average \$151,400 annually (in arrears), a total of \$1,060,002.

ENVIRONMENTAL REVIEW:

ORDINANCE: INTRODUCTION FINAL ADOPTION

STAFF RECOMMENDATION:

Approve Resolution

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

1. Explanation / Staff Report (Attachment "A")
2. PowerPoint Presentation – NCPD CAD (Attachment "B")
3. TheCapital Innovations Sample Credit Application (Attachment "C")
4. Capital Innovations Purchase Quote (Attachment "D")
5. Tyler Technologies LSA Agreement (Attachment "E")
6. Sample Master Lease Purchase Agreement (Attachment "F")



DATE: February 16, 2021

TO: Brad Raulston, City Manager

FROM: Jose Tellez, Chief of Police

SUBJECT: Resolution of the City Council of the City of National City to authorize the waiver of the bid process to purchase a Computer Aided Dispatch (CAD) product from Tyler Technologies

SUMMARY:

It is recommended the City Council approve the Resolution of the City Council of the City of National City to waive the bid process to purchase a Computer Aided Dispatch (CAD) system from Tyler Technologies as part of a needed technology upgrade to the Police Department's Communications Center.

BACKGROUND:

A Computer Aided Dispatch (CAD) system is the foundation and brains of a police department communications center. CAD is the primary system used by dispatchers to receive, document, and dispatch police officers to service calls. CAD also archives all aspects of service calls to include location, disposition, the names and IDs of officers, and those residents contacted by officers during the call. As technology advances, it is essential that police communications systems maintain pace. In recent years, the National City Police Department has experienced challenges as demands on systems connectivity and threats of ransomware cyber-attacks have increased.

The CAD system in the Communications Center is over twenty years old. The system is TriTech, owned by Central Square, and was designed to be used primarily by Fire departments and Paramedics. Throughout the time TriTech has been used by the Police Department, police dispatchers have found it to be inefficient, difficult to navigate, and lacks the connectivity between other essential law enforcement data systems. As such, dispatchers need to run multiple systems independently and simultaneously from each other to accomplish the same task capable by modern police CAD systems. While other police departments in the county have modernized their communications systems, the National City Police Department continues to work at a disadvantage given all the features now available in new CAD systems.

The current system, TriTech, was designed for fire and paramedic applications. Over the years, maintenance and version upgrades have taken place, however, the system

has not been able to keep up with modern CAD systems currently employed by other police departments. Police Dispatchers often have to create workarounds to enter or attach essential information to calls or search for archived information. TriTech lacks the configurability needed by dispatchers to reduce the time required to run multiple screens and programs simultaneously. Some of TriTech's fire / medic CAD features, which are not related to or needed for police use, cannot be disabled or removed. In short the Police Department's CAD system is antiquated, not designed for police use, is cumbersome to operate and negatively affects dispatch efficiency while handling critical calls when time or information sharing is of the essence.

From the fall of 2019 through September 2020, the Police Department conducted extensive research regarding CAD manufacturers. Police personnel met with vendors, visited allied police communication centers and met with team members (dispatchers, police officers, administrative and IT support staff) to collect information regarding the various CAD systems in use by other agencies. As a result of this effort, the Tyler Technologies New World CAD stood out as the best system suited for the National City Police Department. Tyler Technologies is a mainstay, locally and nationally, in the CAD industry and in use by departments our size, specifically the El Cajon and La Mesa Police Departments. From the information gleaned from El Cajon and La Mesa, the Tyler Technologies New World CAD system is robust while remaining nimble to allow for customization to each agency's specific needs and preferences. The ability to interface with other products and the connectivity with established law enforcement data systems, provide technology currently not in place at the National City Police Department.

The Tyler Technologies CAD provides the following:

- Fully customizable features to improve dispatch work flow
- Law Enforcement query data, on persons and property through various systems, is added to calls for service without additional steps by dispatchers
- Call for Service entry screen is designed to agency preference, prioritizing information improving efficiency
- Detailed map layers with Pictometry (aerial image process showing the fronts / sides of building and locations on the ground)
- Officer and Vehicle GPS Tracking system
- Enhanced capabilities:
 - Geo-fencing – useful during reverse 911, Problem Oriented Policing (POP), tracking patrol data for high crime areas that may not generate specific calls for service.
 - Live vehicle / officer tracking – useful during vehicle / pedestrian pursuits to enhance officer safety and to provide immediate assistance to emergency situations where communications may not be possible.
- Connectivity of map and navigation features to call screens, eliminating the need to access internet map programs

- Proximity Dispatching capabilities to send the closest unit to an emergency call based on GPS
- Ability to research, redact, and produce call information for various needs like Public Records Requests (PRA), crime statistics, or city reports
- Interface with SPIDRTech Software allows dispatch to send information and updates to citizens who have contacted the police department for assistance.
- Ability to attach metadata information through an interface feature with Taser International Inc. body worn cameras (BWC) of service call types, location, times, and case or incident numbers

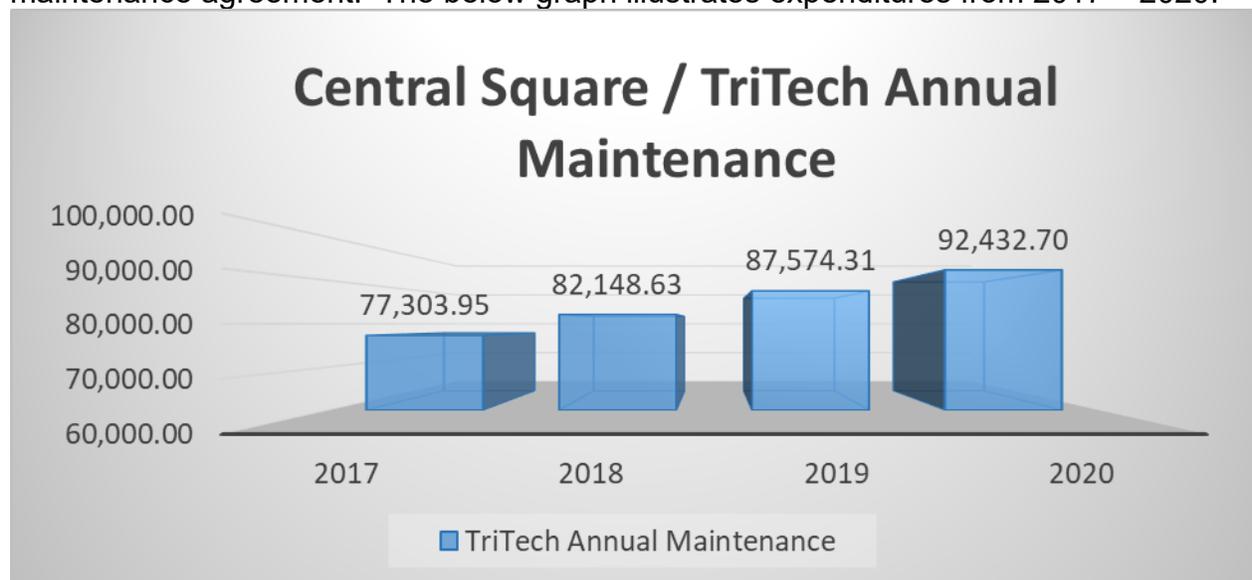
As mentioned, Tyler Technologies New World CAD systems are in use by other agencies in the county with additional departments considering the product. While the standardization of police CAD systems currently does not exist in San Diego County, we do have the ability to learn from each agencies' experiences with various systems and vendor customer service. The Tyler Technologies New World CAD product has received excellent reviews by the agencies that use it and was preferred by members of our police department during an interactive product demonstration, prior to the pandemic.

If the contract is approved by the City Council, Tyler Technologies will develop / build the CAD software starting immediately. The anticipated go-live date for the CAD system is approximately one-year.

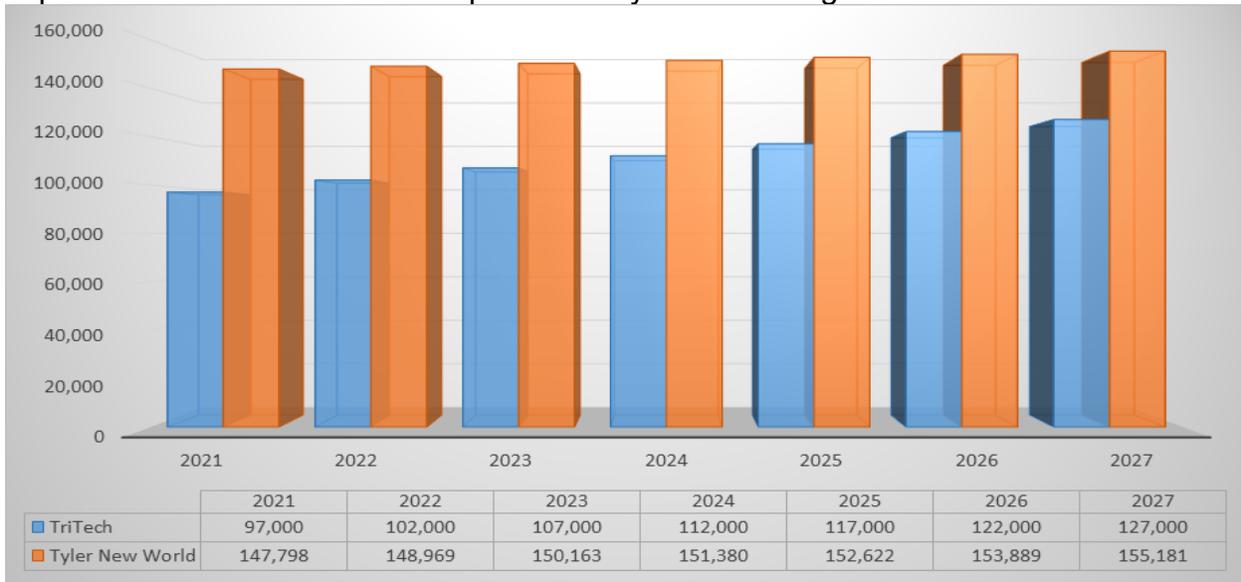
FISCAL IMPACT:

The contract with Tyler Technologies for full implementation is attached (Attachment A).

Currently, the city's financial obligation for TriTech involves a recurring annual maintenance agreement. The below graph illustrates expenditures from 2017 – 2020:



The following graph illustrates the comparison projected Annual Maintenance expenditures between Central Square and Tyler Technologies.



Note: TriTech maintenance costs are projected based on the average of annual increases of approximately \$5,000 per year.

The police department is requesting to waive the competitive formal bid requirement and requests authorization to enter into a seven (7) year contract / financing option with Tyler Technologies.

The below graphic illustrates the CAD purchase and maintenance fees. The maintenance fees are recurring after conclusion of the 7 year contract / financing option.



FUNDING:

In 2020, the city paid Central Square \$97,000 as the annual maintenance fee. The city will continue to pay an additional \$5,000 (average) per year, based on past increases. In 2026, the projected annual maintenance cost is approximately \$122,000.

The projected cost difference between the annual maintenance of TriTech and the actual purchase of a new CAD system plus annual maintenance with Tyler Technologies, is approximately \$50,000 in Year One and approximately \$30,000 in Year Seven.

The project may be funded by using General Funds in combination with revenue generated by the False Alarm Program permits and false alarm fines.

ADDITIONAL INFORMATION:

- Over the course of the last two years, the police department has taken steps to enhance technology, modernize existing equipment, and upgrade the work environment necessary for the dispatchers to effectively and efficiently perform the required duties of their job.

The following is a list of improvements that have been completed in the Communications Center:

- January 2020 – 911 Phone System Upgraded
 - The VESTA telephone system was upgraded to accept Text to 911 calls for service - Next Generation (NG911) 911 compliant.
 - January 5, 2021, all San Diego County police communications center went live and began officially accepting Text to 911 calls for service.
- July 2020 – Communications Center Remodel and Upgrade
 - For three weeks the dispatchers worked in temporary workplaces while the Communications Center was completely gutted and remodeled. During the remodel, the following improvements were completed:
 - Flooring replaced, removing all of the original carpeting from the center. Long lasting, static preventing carpet was installed.
 - Fully Ergonomic Workstations were installed. The new workstations allow the dispatcher the flexibility to sit or stand during their 12 hour shifts.
- Ongoing – P25 Radio Upgrade
 - The County Radio System is mid-way through an upgrade to be P25 compliant. The interoperability of our radio system has drastically improved over the years and this new phase, when completed, will improve communications by transitioning law enforcement radios from analog to digital.

ENVIRONMENTAL IMPACT:

This proposed activity has been reviewed for compliance with the California Environmental Quality Act (CEQA) found under the **California Code of Regulations, Title 14, Division 6, Chapter 3, Article 20, Section 15378** and is has been determined that the activity is not a “Project” as defined under the Code because it will not result in a physical change in the environment. In addition, the activity does not constitute a “Project” within the meaning of the California Public Resources Code Section 21065 in that it has no potential cause to either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the acting is not subject to CEQA. Thus, no environmental review is necessary.

ATTACHMENTS:

1. PowerPoint Presentation – NCPD CAD (Attachment “B”)
2. Capital Innovations Sample Credit Application (Attachment “C”)
3. Capital Innovations Purchase Quote (Attachment “D”)
4. Tyler Technologies LSA Agreement (Attachment “E”)
5. Sample Master Lease Purchase Agreement (Attachment “F”)

National City Police Department
1200 National City Boulevard, National City, CA 91950
619/ 336-4400/Fax 619/ 336-4525 www.nationalcitypd.org



Computer Aided Dispatch (CAD) Project

March 16, 2021

Jose Tellez,
Chief of Police

Amber Lashbrook,
Support Services Manager

Background

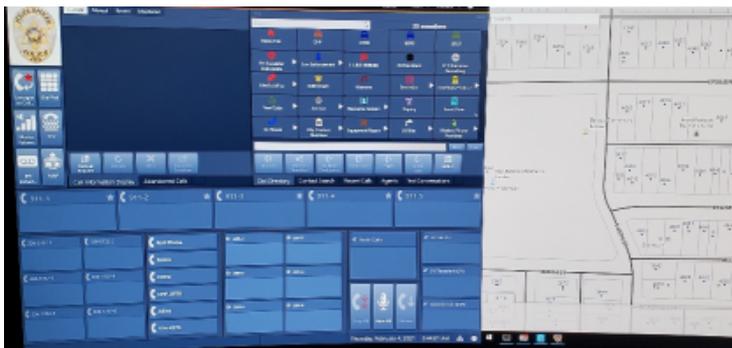
- ❖ **National City Police Communications Center has a CAD system that is over 20 years old.**
- ❖ **Central Square, formerly Tri-Tech, was designed for Fire Department and Medical / Paramedic use.**
- ❖ **Over time, Dispatchers, Records personnel, and our Crime Analyst have found workarounds and have adapted to the system not originally designed for Police use.**
- ❖ **The Communications Center is falling further behind compared to other agencies in the County as technology continues to advance.**
- ❖ **The addition of new software / systems are creating efficiency challenges and placing Dispatchers at a disadvantage.**

21st Century Dispatching

Prior to 2019, National City Police Department had not made significant technological advances to upgrade the Communications Center.

Recent upgrades include:

- ❖ January 2020 – Vesta 911 Phone Upgrade. Text to 911 and NG911 compliant (State funded).
- ❖ July 2020 – Dispatch Remodel. Ergonomic workstations and chairs, modernized appearance (primarily funded by State and asset forfeiture).
- ❖ September 2020 – MDC upgrade for Police vehicles (grant funded).





Calls for Service

Central Square

Tyler New World

Incident Viewer- Incident ID [628] Master Incident Number [2021012804477]

Address 124 N Drexel Av Location Name: 144 N DREXEL
 Apt/Ste: Building: Location Type:
 City: NATIONAL CITY Cross Street: E DIVISION ST/CERVANTES AV
Nature/Problem: CHECK THE WELFARE URGEN Priority: P2 URGENT
 Caller Name: ESMERALDA Phone: 619- Ext: License Plate Information: ANI(ALI)
 Called From: SAME View Case # Send To Q
 Caller Type: FAMILY MEMBER Snapshot Cancel
 Method Recv/d: 911 Show All Duplicate Call Exit
 Call Taken: 1/28/2021 10:25:27 REESE, AUDREY Beat: 21 Big

Additional Information | Assignments | Activities | Call Backs | Comments/Notes | Edit Log | Times | Transport Info | User Data | Attachments

Date	Time	Initial	OC	Comment
1/28/2021	11:33:51	AR	Y	[31] [Query] Name/DOB Check: []
1/28/2021	10:59:22	AR	Y	[30] 121J ENRT TO CJ WITH ONE FOR F
1/28/2021	10:50:11	AR	Y	[29] 120PT 10-16 LAST OF []
1/28/2021	10:48:09	AR	Y	[28] 121J 10-16
1/28/2021	10:48:00	AR	Y	[27] Requested Case Number(s) issued for Incident #[2021012804477] Jurisdiction: NATIONAL CITY POLICE. Case Number(s): 2100529.
1/28/2021	10:40:55	AR	Y	[26] 120PT CAUTION NOTE FOR []
1/28/2021	10:39:16	AR	Y	[25] 121Z SUBJ DETAINED
1/28/2021	10:38:09	AR	Y	[24] Secondary Location for 123J: 144 N DREXEL
1/28/2021	10:37:54	AR	Y	[23] 123J OUT ON THE SUBJ 144 N DREXEL
1/28/2021	10:36:01	123J CRU	Y	[22] 123J CRUZ At Scene at 01/28/2021 10:36:01. Latitude: 32.6905543333333. Longitude: -117.081349833333
1/28/2021	10:35:58	121J TEC	Y	[21] 121J TEC At Scene at 01/28/2021 10:35:58. Latitude: 32.6903856666667. Longitude: -117.0820505

Add Cancel
Notify Save

CFS #853

Created On: 01/28/2021 11:41:42 Alerts Cancel Clear
 Call Location: Verified Location Qualifier Venue
 CEDAR ST / MAYBERRY LN El Cajon Override
 Location Type: Intersection
 Additional Info
 602T 602T - TRANSIENT TRESPASSING Priority 4 District 2 Zoom
 CHICO, JEAN (619) 792-0591 Business - Non Emergency
 Callers Address / Phone
 Call Taker: syeager Detail Report

Narrative

0 Associated Calls	Dispositions	Personnel	Questionnaire	Service Vehicle Rotation	GIS	Linked Calls
1 Narrative	2 Vehicles	3 People	4 NCIC	5 E911	6 Incidents	7 SRI
8 Logs	9 Alerts					

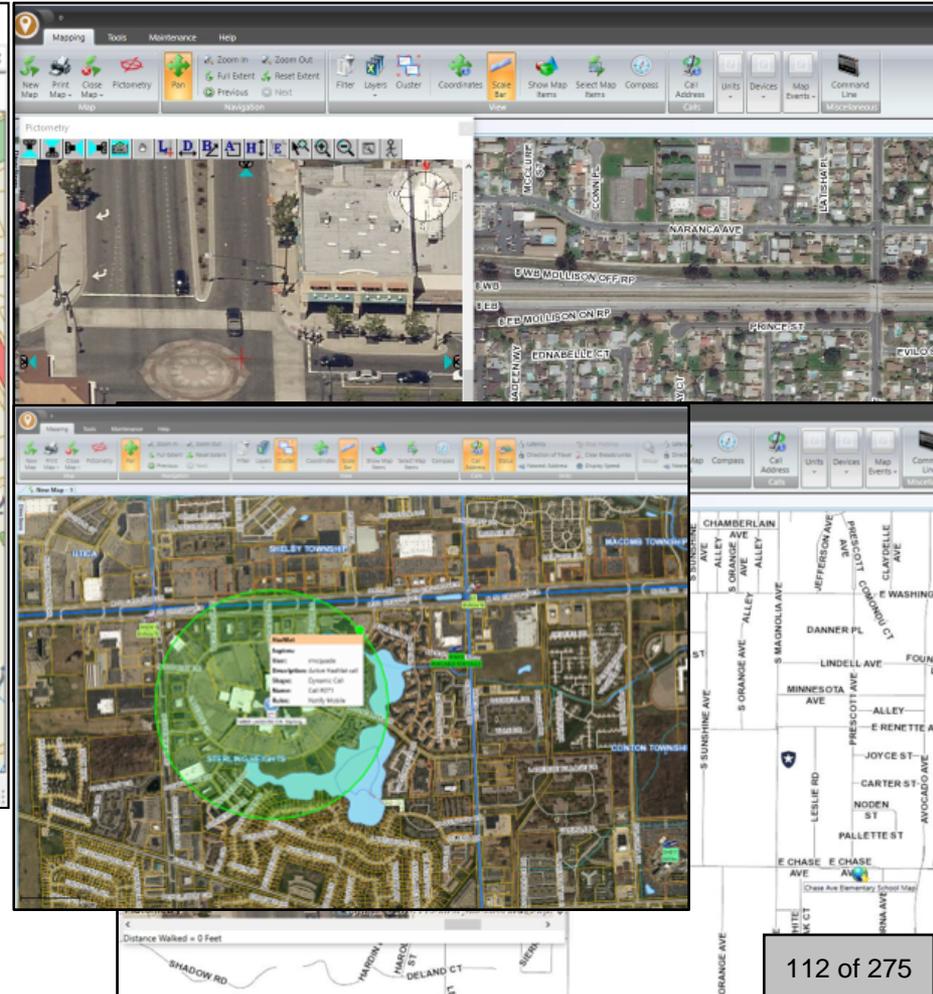
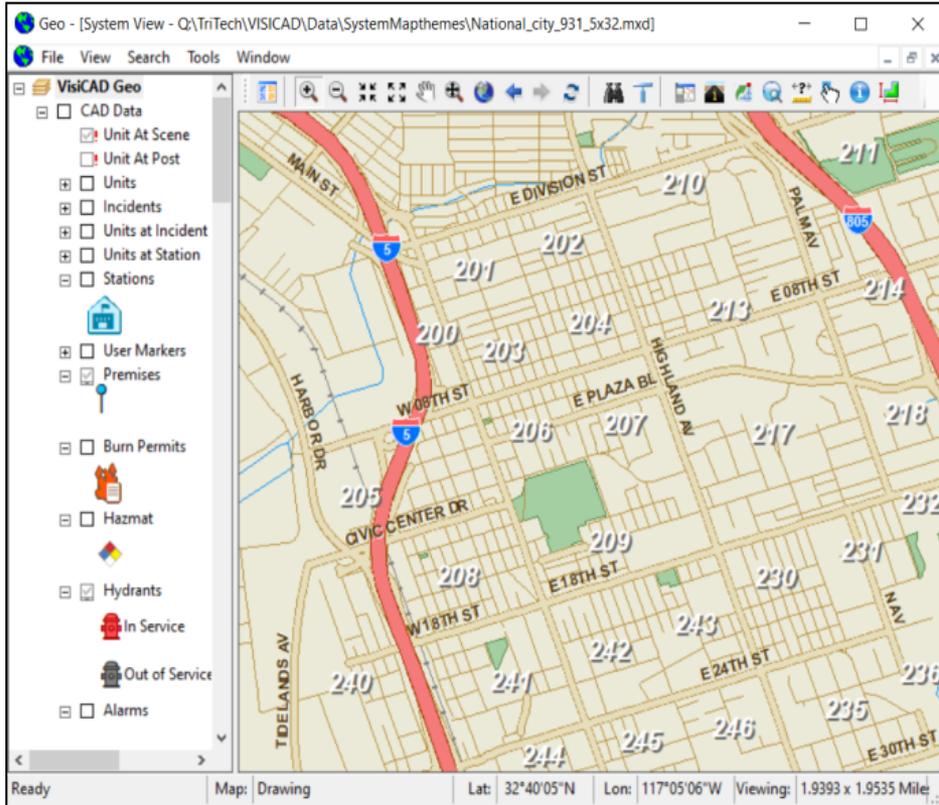
Call Narrative

Date	Entered By	Narrative	Critical	Restriction
01/28/2021 11:50:15	syeager	RP IS CONCERNED BECAUSE HE IS STARTING FIRE TO KEEP WARM AND COOK	No	General
01/28/2021 11:43:24	syeager	A HOMELESS SUBJ HAS SET CAMP AT THE VERY END OF CEDAR	No	General

Mapping

Central Square

Tyler New World





Tyler New World Additional Features & Training

- ❖ On site training for the system builds and go-live for all modules.
- ❖ Tyler University – online training resource available 24/7.
- ❖ Annual training conference
- ❖ Annual statewide user training provided by those who use the software.
- ❖ Event Ticker – Providing real time data on all incoming calls in one location.
- ❖ One Stop Query Capabilities – All records checks required by the Dispatchers can be performed with one command.
- ❖ Rapid SOS Integration with CAD Software
- ❖ Enhanced Search & Print Capabilities
- ❖ CAD to CAD Interoperability
- ❖ BOLO Capabilities with picture and video attachments

Tyler New World What Else Do We Get?

In addition to CAD and Mobile, Tyler New World provides:

- ❖ **Shieldforce** – Mobile application for smart phones providing call data to units in the field and real time GPS locations.
- ❖ **Brazos** – Citation, Field Interview and AB953 required forms in one application on the officers smartphone stored in our databases.
- ❖ **CAD Web View** – Real time status monitor for employees not working at a CAD or Mobile workstation.





National City

7 C's Pledge & Strategic Plan

- ❖ **Customer Service**
responding to
Improve efficiency in
calls for service.
Ability to locate and respond to
those needing help.
- ❖ **Courtesy**
backs
Responsive by providing call
and updates to callers.
- ❖ **Collaboration**
information
and manage
events.
Ability to share critical
with other agencies
critical
- ❖ **Public Safety**
Improve operational readiness.



Questions

Application for Equipment Lease

Legal Name of Lessee (Applicant)	Tax ID #	Web address (if, applicable)	
Address	City	State	Zip

Person(s) to Contact for Clarification Regarding Project

Name	Title	Phone
Name	Title	Phone
Email	Fax	

Obligations / Economics

Bank Qualified Non-Bank Qualified

Are the Applicant's obligations bank qualified (i.e., expected to issue less than \$10 Million in tax-exempt financing this calendar year)?

Moody's Investors Service: _____ Standard & Poor's: _____ Fitch: _____

Please list the Applicant's current underlying bond rating from the rating agencies listed above (if applicable)

Discuss the Applicant's economic trends (stable, positive, negative) and reasons for any variation

Yes No

Has the Applicant ever defaulted or non-appropriated on an obligation?

If Yes,

Please explain

Demographic Information

Please provide the following demographic information (please attach any applicable demographic statistics)

Approx square mile	Population	Increasing or Decreasing Population?
Cities, Towns and Counties		

If Decreasing,

Please explain

Educational Applicants Only

Enrollment _____ Increasing or Decreasing Enrollment?

Please also answer the above question regarding the resident city

If Decreasing,

Please explain

Elementary: _____ Middle: _____ High School: _____ Other: _____

How many schools make up the district (please list the number and type of each school)?

THIS DOCUMENT IS NOT A COMMITMENT OR AN OFFER TO PROVIDE FINANCING

Essential Use Form

Purchase Description (please be specific and attach any applicable equipment lists or invoices available) Est. Equipment Delivery Date

Are any of the Lease Proceeds for reimbursement of prior purchases? If yes, has a Reimbursement Resolution been approved by the Governing Body?

Yes [] No []

Is the Equipment replacing existing equipment?

If Yes.

Please state how long you have currently used the Equipment and the reason you are replacing the Equipment

What will the Applicant do with the old equipment that is being replaced?

If No.

Please state the reason additional equipment is needed

What will the Applicant do with the old equipment that is being replaced?

Please describe in detail the following (please be specific)

What will the Equipment be used for?

Describe the essential nature of the equipment financed

List the specific department that will be the primary user of the Equipment

Lease Payments

Yes [] No []

Will the lease payments be made from Applicant's General Fund?

If No.

From which Special Fund will the lease payments be made?

Yes [] No []

Will any federal grant or loan monies be used? If so, please describe

Yes [] No []

Has the first payment been appropriated?

Terms and Conditions

Total Cost of Equipment Advance payment Amount to Finance

Term (in years) Annual [] Semi-Annual [] Quarterly [] Monthly [] Frequency (choose one):

Advance [] Arrears [] Remittance (choose one): Equipment Delivery Date

Insurance Company Name or indicate Self Insured Amount of Liability Insurance Amount of Property Damage Insurance

The undersigned hereby certifies that all the information in the above Application for Equipment Lease and Essential Use Form is true, complete and correct.

Applicable Signature

Title Date

2

THIS DOCUMENT IS NOT A COMMITMENT OR AN OFFER TO PROVIDE FINANCING

capital innovations

equipment financing

300 Village Drive, Suite 303
King of Prussia, PA 19406
(800) 635-3273 Toll Free
(888) 810-4200 facsimile

October 29, 2020

Tax Exempt Lease Purchase Quotation prepared especially for:

National City (CA)

We appreciate the opportunity to provide you with a quote for Tax Exempt Municipal Financing in conjunction with Tyler Technologies.

Project Cost: \$562,605.00

Options:

5 annual payments of \$122,111.72 due in arrears (2.79%)

7 annual payments of \$ 89,279.86 due in arrears (2.79%)

Document Fee: \$495.00

Escrow Fee: \$795.00

This Transaction must be designated as tax-exempt under section 103 of the Internal Revenue Code of 1986 as amended. We can include documentation and escrow fee in financing or may be paid separately. Please contact your representative for more information. 10-year terms may not allow non-appropriation language.

Lessee total amount of Tax-Exempt debt to be issued in this calendar year will not exceed the \$10,000,000 limit. If that amount exceeds \$10,000,000 please advise as that may impact pricing.

This is a proposal only and is not a commitment to finance. This proposal is subject to review and approval of execution of mutually acceptable documentation. The quotation includes a placement fee, which may be capitalized into the project cost at the discretion of the investor. Quotation based on Treasury Swaps as of October 14, 2020. Quote valid good through 11/13/2020

Please contact me at (877) 725-3100 with any questions or if you would like us to alter the structure in any way. We look forward to working with you.

Thank you,

Stuart G. Brown

Stuart G. Brown
President/CEO
877-725-3100/direct dial

cc:file



LICENSE AND SERVICES AGREEMENT

This License and Services Agreement is made between Tyler Technologies, Inc. and Client.

WHEREAS, Client selected Tyler to license the software products and perform the services set forth in the Investment Summary and Tyler desires to perform such actions under the terms of this Agreement;

WHEREAS, Client is a member of Sourcewell (formerly known as National Joint Powers Alliance) ("Sourcewell") under member number 17730.

WHEREAS, Tyler participated in the competitive bid process in response to Sourcewell RFP #090320 by submitting a proposal, on which Sourcewell awarded Tyler a Sourcewell contract, numbered 090320-TTI (hereinafter, the "Sourcewell Contract");

WHEREAS, documentation of the Sourcewell competitive bid process, as well as Tyler's contract with and pricing information for Sourcewell is available at <https://sourcewell-mn.gov/cooperative-purchasing/>; and

WHEREAS Client desires to purchase off the Sourcewell contract to procure public safety software functionality from Tyler, which Tyler agrees to deliver pursuant to the Sourcewell Contract and under the terms and conditions set forth below;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and promises set forth in this Agreement, Tyler and Client agree as follows:

SECTION A – DEFINITIONS

- **"Agreement"** means this License and Services Agreement.
- **"Business Travel Policy"** means our business travel policy. A copy of our current Business Travel Policy is attached as Schedule 1 to Exhibit B.
- **"Client"** means **City of National City, CA**.
- **"Defect"** means a failure of the Tyler Software to substantially conform to the functional descriptions set forth in our written proposal to you, or their functional equivalent. Future functionality may be updated, modified, or otherwise enhanced through our maintenance and support services, and the governing functional descriptions for such future functionality will be set forth in our then-current Documentation.
- **"Developer"** means a third party who owns the intellectual property rights to Third Party Software.
- **"Documentation"** means any online or written documentation related to the use or functionality of the Tyler Software that we provide or otherwise make available to you, including instructions, user guides, manuals and other training or self-help documentation.
- **"Effective Date"** means the date on which your authorized representative signs the Agreement.
- **"Force Majeure"** means an event beyond the reasonable control of you or us, including, without limitation, governmental action, war, riot or civil commotion, fire, natural disaster, or any other cause that could not with reasonable diligence be foreseen or prevented by you or us.
- **"Investment Summary"** means the agreed upon cost proposal for the software, products, and services attached as Exhibit A.

- **“Invoicing and Payment Policy”** means the invoicing and payment policy. A copy of our current Invoicing and Payment Policy is attached as Exhibit B.
- **“Maintenance and Support Agreement”** means the terms and conditions governing the provision of maintenance and support services to all of our customers. A copy of our current Maintenance and Support Agreement is attached as Exhibit C.
- **“Support Call Process”** means the support call process applicable to all of our customers who have licensed the Tyler Software. A copy of our current Support Call Process is attached as Schedule 1 to Exhibit C.
- **“Third Party Terms”** means, if any, the end user license agreement(s) or similar terms for the Third Party Software, as applicable and attached as Exhibit D.
- **“Third Party Hardware”** means the third party hardware, if any, identified in the Investment Summary.
- **“Third Party Products”** means the Third Party Software and Third Party Hardware.
- **“Third Party Software”** means the third party software, if any, identified in the Investment Summary.
- **“Third Party Services”** means the third party services, if any, identified in the Investment Summary.
- **“Tyler”** means Tyler Technologies, Inc., a Delaware corporation, as successor-in-interest to New World Systems.
- **“Tyler Software”** means our proprietary software, including any integrations, custom modifications, and/or other related interfaces identified in the Investment Summary and licensed by us to you through this Agreement.
- **“we”, “us”, “our”** and similar terms mean Tyler.
- **“you”** and similar terms mean Client.

SECTION B – SOFTWARE LICENSE

1. License Grant and Restrictions.

- 1.1 We grant to you a license to use the Tyler Software for your internal business purposes only, in the scope of the internal business purposes disclosed to us as of the Effective Date. You may make copies of the Tyler Software for backup and testing purposes, so long as such copies are not used in production and the testing is for internal use only. Your rights to use the Tyler Software are perpetual but may be revoked if you do not comply with the terms of this Agreement.
- 1.2 The Documentation is licensed to you and may be used and copied by your employees for internal, non-commercial reference purposes only.
- 1.3 You may not: (a) transfer or assign the Tyler Software to a third party; (b) reverse engineer, decompile, or disassemble the Tyler Software; (c) rent, lease, lend, or provide commercial hosting services with the Tyler Software; or (d) publish or otherwise disclose the Tyler Software or Documentation to third parties.
- 1.4 The license terms in this Agreement apply to updates and enhancements we may provide to you or make available to you through your Maintenance and Support Agreement.
- 1.5 The right to transfer the Tyler Software to a replacement hardware system is included in your license. You will give us advance written notice of any such transfer and will pay us for any required or requested technical assistance from us associated with such transfer.
- 1.6 We reserve all rights not expressly granted to you in this Agreement. The Tyler Software and Documentation are protected by copyright and other intellectual property laws and treaties. We own the title, copyright, and other intellectual property rights in the Tyler Software and the Documentation.

The Tyler Software is licensed, not sold.

2. License Fees. You agree to pay us the license fees in the amounts set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy.
3. Escrow. We maintain an escrow agreement with a third party under which we place the source code for each major release of the Tyler Software. You may be added as a beneficiary to the escrow agreement by completing a standard beneficiary enrollment form and paying the annual beneficiary fee set forth in the Investment Summary. You will be responsible for maintaining your ongoing status as a beneficiary, including payment of the then-current annual beneficiary fees. Release of source code for the Tyler Software is strictly governed by the terms of the escrow agreement.
4. Limited Warranty. We warrant that the Tyler Software will be without Defect(s) as long as you have a Maintenance and Support Agreement in effect. If the Tyler Software does not perform as warranted, we will use all reasonable efforts, consistent with industry standards, to cure the Defect as set forth in the Maintenance and Support Agreement.
5. Affiliated Organizations for the Tyler Software.
 - 5.1 Access by Affiliated Organizations. We will permit you to grant each Affiliated Organization access to the Tyler Software hosted from your servers. You understand and agree that you are solely responsible for making the Tyler Software available to any Affiliated Organizations, and that we do not warrant, and are not responsible for, the performance of your servers or any Affiliated Organization's access thereto.
 - 5.2 Application of this Agreement. Each Affiliated Organization must abide by the terms and conditions of this Agreement, and you are responsible for any breach hereof by an Affiliated Organization accessing the Tyler Software hosted from your servers.
 - 5.3 Termination of Access of an Affiliated Organization. You agree to deny an Affiliated Organization's access to the Tyler Software upon written notice from us that the applicable Affiliated Organization has violated the terms of this Agreement.

SECTION C – PROFESSIONAL SERVICES

1. Services. We will provide you the various implementation-related services itemized in the Investment Summary.
2. Professional Services Fees. You agree to pay us the professional services fees in the amounts set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy. You acknowledge that the fees stated in the Investment Summary are good-faith estimates of the amount of time and materials required for your implementation. We will bill you the actual fees incurred based on the in-scope services provided to you. Any discrepancies in the total values set forth in the Investment Summary will be resolved by multiplying the applicable hourly rate by the quoted hours.
3. Additional Services. The Investment Summary contains, and the Statement of Work describes, the scope of services and related costs (including programming and/or interface estimates) required for the project based on our understanding of the specifications you supplied. If additional work is required, or if you use or request additional services, we will provide you with an addendum or change order, as applicable, outlining the costs for the additional work. The price quotes in the addendum or change order will be valid

for thirty (30) days from the date of the quote.

4. Cancellation. We make all reasonable efforts to schedule our personnel for travel, including arranging travel reservations, at least two (2) weeks in advance of commitments. Therefore, if you cancel services less than two (2) weeks in advance (other than for Force Majeure or breach by us), you will be liable for all (a) non-refundable expenses incurred by us on your behalf, and (b) daily fees associated with cancelled professional services if we are unable to reassign our personnel. We will make all reasonable efforts to reassign personnel in the event you cancel within two (2) weeks of scheduled commitments.
5. Services Warranty. We will perform the services in a professional, workmanlike manner, consistent with industry standards. In the event we provide services that do not conform to this warranty, we will re-perform such services at no additional cost to you.
6. Site Access and Requirements. At no cost to us, you agree to provide us with full and free access to your personnel, facilities, and equipment as may be reasonably necessary for us to provide implementation services, subject to any reasonable security protocols or other written policies provided to us as of the Effective Date, and thereafter as mutually agreed to by you and us. You further agree to provide a reasonably suitable environment, location, and space for the installation of the Tyler Software and any Third Party Products, including, without limitation, sufficient electrical circuits, cables, and other reasonably necessary items required for the installation and operation of the Tyler Software and any Third Party Products.
7. Client Assistance. You acknowledge that the implementation of the Tyler Software is a cooperative process requiring the time and resources of your personnel. You agree to use all reasonable efforts to cooperate with and assist us as may be reasonably required to meet the agreed upon project deadlines and other milestones for implementation. This cooperation includes at least working with us to schedule the implementation-related services outlined in this Agreement. We will not be liable for failure to meet any deadlines and milestones when such failure is due to Force Majeure or to the failure by your personnel to provide such cooperation and assistance (either through action or omission).

SECTION D – MAINTENANCE AND SUPPORT

This Agreement includes the period of free maintenance and support services identified in the Invoicing and Payment Policy. If you have purchased ongoing maintenance and support services, and continue to make timely payments for them according to our Invoicing and Payment Policy, we will provide you with maintenance and support services for the Tyler Software under the terms of our standard Maintenance and Support Agreement.

If you have opted not to purchase ongoing maintenance and support services for the Tyler Software, the Maintenance and Support Agreement does not apply to you. Instead, you will only receive ongoing maintenance and support on the Tyler Software on a time and materials basis. In addition, you will:

- (i) receive the lowest priority under our Support Call Process;
- (ii) be required to purchase new releases of the Tyler Software, including fixes, enhancements and patches;
- (iii) be charged our then-current rates for support services, or such other rates that we may consider necessary to account for your lack of ongoing training on the Tyler Software;
- (iv) be charged for a minimum of two (2) hours of support services for every support call; and
- (v) not be granted access to the support website for the Tyler Software or the Tyler Community Forum.

SECTION E – THIRD PARTY PRODUCTS

To the extent there are any Third Party Products set forth in the Investment Summary, the following terms and conditions will apply:

1. Third Party Hardware. We will sell and deliver onsite the Third Party Hardware, if you have purchased any, for the price set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy.
2. Third Party Software. Upon payment in full of the Third Party Software license fees, you will receive a non-transferable license to use the Third Party Software and related documentation for your internal business purposes only. Your license rights to the Third Party Software will be governed by the Third Party Terms.
 - 2.1 If the Developer charges a fee for future updates, releases, or other enhancements to the Third Party Software, you will be required to pay such additional future fee.
 - 2.2 The right to transfer the Third Party Software to a replacement hardware system is governed by the Developer. You will give us advance written notice of any such transfer and will pay us for any required or requested technical assistance from us associated with such transfer.
3. Third Party Products Warranties.
 - 3.1 We are authorized by each Developer to grant or transfer the licenses to the Third Party Software.
 - 3.2 The Third Party Hardware will be new and unused, and upon payment in full, you will receive free and clear title to the Third Party Hardware.
 - 3.3 You acknowledge that we are not the manufacturer of the Third Party Products. We do not warrant or guarantee the performance of the Third Party Products. However, we grant and pass through to you any warranty that we may receive from the Developer or supplier of the Third Party Products.
4. Third Party Services. If you have purchased Third Party Services, those services will be provided independent of Tyler by such third-party at the rates set forth in the Investment Summary and in accordance with our Invoicing and Payment Policy.
5. Maintenance. If you have a Maintenance and Support Agreement in effect, you may report defects and other issues related to the Third Party Software directly to us, and we will (a) directly address the defect or issue, to the extent it relates to our interface with the Third Party Software; and/or (b) facilitate resolution with the Developer, unless that Developer requires that you have a separate, direct maintenance agreement in effect with that Developer. In all events, if you do not have a Maintenance and Support Agreement in effect with us, you will be responsible for resolving defects and other issues related to the Third Party Software directly with the Developer.

SECTION F – INVOICING AND PAYMENT; INVOICE DISPUTES

1. Invoicing and Payment. We will invoice you for all fees set forth in the Investment Summary per our Invoicing and Payment Policy, subject to Section F(2).
2. Invoice Disputes. If you believe any delivered software or service does not conform to the warranties in this Agreement, you will provide us with written notice within thirty (30) days of your receipt of the applicable

invoice. The written notice must contain reasonable detail of the issues you contend are in dispute so that we can confirm the issue and respond to your notice with either a justification of the invoice, an adjustment to the invoice, or a proposal addressing the issues presented in your notice. We will work with you as may be necessary to develop an action plan that outlines reasonable steps to be taken by each of us to resolve any issues presented in your notice. You may withhold payment of the amount(s) actually in dispute, and only those amounts, until we complete the action items outlined in the plan. If we are unable to complete the action items outlined in the action plan because of your failure to complete the items agreed to be done by you, then you will remit full payment of the invoice. We reserve the right to suspend delivery of all services, including maintenance and support services, if you fail to pay an invoice not disputed as described above within fifteen (15) days of notice of our intent to do so.

SECTION G – TERMINATION

1. For Cause. If you believe we have materially breached this Agreement, you will invoke the Dispute Resolution clause set forth in Section I(3). You may terminate this Agreement for cause in the event we do not cure, or create a mutually agreeable action plan to address, a material breach of this Agreement within the thirty (30) day window set forth in Section I(3). In the event of termination for cause, you will pay us for all undisputed fees and expenses related to the software, products, and/or services you have received, or we have incurred or delivered, prior to the effective date of termination.
2. Lack of Appropriations. If you should not appropriate or otherwise receive funds sufficient to purchase, lease, operate, or maintain the software or services set forth in this Agreement, you may unilaterally terminate this Agreement effective on the final day of the fiscal year through which you have funding. You will make every effort to give us at least thirty (30) days written notice prior to a termination for lack of appropriations. In the event of termination due to a lack of appropriations, you will pay us for all undisputed fees and expenses related to the software and/or services you have received, or we have incurred or delivered, prior to the effective date of termination. Any disputed fees and expenses must have been submitted to the Invoice Dispute process set forth in Section F(2) at the time of termination in order to be withheld at termination. You will not be entitled to a refund or offset of previously paid license and other fees.
3. Force Majeure. Neither party will be liable, you or we may terminate this Agreement if a Force Majeure event suspends performance of scheduled tasks for a period of forty-five (45) days or more. In the event of termination due to Force Majeure, you will pay us for all undisputed fees and expenses related to the software and/or services you have received, or we have incurred or delivered, prior to the effective date of termination. Any disputed fees and expenses must have been submitted to the Invoice Dispute process set forth in Section F(2) at the time of termination in order to be withheld at termination. You will not be entitled to a refund or offset of previously paid license and other fees.

SECTION H – INDEMNIFICATION, LIMITATION OF LIABILITY AND INSURANCE

1. Intellectual Property Infringement Indemnification.
 - 1.1 We will defend you against any third party claim(s) that the Tyler Software or Documentation infringes that third party's patent, copyright, or trademark, or misappropriates its trade secrets, and will pay the amount of any resulting adverse final judgment (or settlement to which we consent). You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.

- 1.2 Our obligations under this Section H(1) will not apply to the extent the claim or adverse final judgment is based on your: (a) use of a previous version of the Tyler Software and the claim would have been avoided had you installed and used the current version of the Tyler Software, and we provided notice of that requirement to you; (b) combining the Tyler Software with any product or device not provided, contemplated, or approved by us; (c) altering or modifying the Tyler Software, including any modification by third parties at your direction or otherwise permitted by you; (d) use of the Tyler Software in contradiction of this Agreement, including with non-licensed third parties; or (e) willful infringement, including use of the Tyler Software after we notify you to discontinue use due to such a claim.
- 1.3 If we receive information concerning an infringement or misappropriation claim related to the Tyler Software, we may, at our expense and without obligation to do so, either: (a) procure for you the right to continue its use; (b) modify it to make it non-infringing; or (c) replace it with a functional equivalent, in which case you will stop running the allegedly infringing Tyler Software immediately. Alternatively, we may decide to litigate the claim to judgment, in which case you may continue to use the Tyler Software consistent with the terms of this Agreement.
- 1.4 If an infringement or misappropriation claim is fully litigated and your use of the Tyler Software is enjoined by a court of competent jurisdiction, in addition to paying any adverse final judgment (or settlement to which we consent), we will, at our option, either: (a) procure the right to continue its use; (b) modify it to make it non-infringing; (c) replace it with a functional equivalent; or (d) terminate your license and refund the license fees paid for the infringing Tyler Software, as depreciated on a straight-line basis measured over seven (7) years from the Effective Date. We will pursue those options in the order listed herein. This section provides your exclusive remedy for third party copyright, patent, or trademark infringement and trade secret misappropriation claims.

2. General Indemnification.

- 2.1 We will indemnify and hold harmless you and your agents, officials, and employees from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for (a) personal injury or property damage to the extent caused by our negligence or willful misconduct; or (b) our violation of a law applicable to our performance under this Agreement. You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.
- 2.2 To the extent permitted by applicable law, you will indemnify and hold harmless us and our agents, officials, and employees from and against any and all third-party claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees and costs) for personal injury or property damage to the extent caused by your negligence or willful misconduct; or (b) your violation of a law applicable to your performance under this Agreement. We will notify you promptly in writing of the claim and will give you sole control over its defense or settlement. We agree to provide you with reasonable assistance, cooperation, and information in defending the claim at your expense.

3. **DISCLAIMER. EXCEPT FOR THE EXPRESS WARRANTIES PROVIDED IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WE HEREBY DISCLAIM ALL OTHER WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES, DUTIES, OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

4. **LIMITATION OF LIABILITY.** EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, OUR LIABILITY FOR DAMAGES ARISING OUT OF THIS AGREEMENT, WHETHER BASED ON A THEORY OF CONTRACT OR TORT, INCLUDING NEGLIGENCE AND STRICT LIABILITY, SHALL BE LIMITED TO YOUR ACTUAL DIRECT DAMAGES, NOT TO EXCEED (A) PRIOR TO FORMAL TRANSITION TO MAINTENANCE AND SUPPORT, THE TOTAL ONE-TIME FEES SET FORTH IN THE INVESTMENT SUMMARY; OR (B) AFTER FORMAL TRANSITION TO MAINTENANCE AND SUPPORT, THE THEN-CURRENT ANNUAL MAINTENANCE AND SUPPORT FEE. THE PARTIES ACKNOWLEDGE AND AGREE THAT THE PRICES SET FORTH IN THIS AGREEMENT ARE SET IN RELIANCE UPON THIS LIMITATION OF LIABILITY AND TO THE MAXIMUM EXTENT ALLOWED UNDER APPLICABLE LAW, THE EXCLUSION OF CERTAIN DAMAGES, AND EACH SHALL APPLY REGARDLESS OF THE FAILURE OF AN ESSENTIAL PURPOSE OF ANY REMEDY. THE FOREGOING LIMITATION OF LIABILITY SHALL NOT APPLY TO CLAIMS THAT ARE SUBJECT TO SECTIONS H(1) AND H(2).
5. **EXCLUSION OF CERTAIN DAMAGES.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL WE BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
6. **Insurance.** During the course of performing services under this Agreement, we agree to maintain the following levels of insurance: (a) Commercial General Liability of at least \$1,000,000; (b) Automobile Liability of at least \$1,000,000; (c) Professional Liability of at least \$1,000,000; (d) Workers Compensation complying with applicable statutory requirements; and (e) Excess/Umbrella Liability of at least \$5,000,000. We will add you as an additional insured to our Commercial General Liability and Automobile Liability policies, which will automatically add you as an additional insured to our Excess/Umbrella Liability policy as well. We will provide you with copies of certificates of insurance upon your written request.

SECTION I – GENERAL TERMS AND CONDITIONS

1. **Additional Products and Services.** You may purchase additional products and services at the rates set forth in the Investment Summary for twelve (12) months from the Effective Date, and thereafter at our then-current list price, by executing a mutually agreed addendum. If no rate is provided in the Investment Summary, or those twelve (12) months have expired, you may purchase additional products and services at our then-current list price, also by executing a mutually agreed addendum. The terms of this Agreement will control any such additional purchase(s), unless otherwise specifically provided in the addendum.
2. **Optional Items.** Pricing for any listed optional products and services in the Investment Summary will be valid for twelve (12) months from the Effective Date.
3. **Dispute Resolution.** You agree to provide us with written notice within thirty (30) days of becoming aware of a dispute. You agree to cooperate with us in trying to reasonably resolve all disputes, including, if requested by either party, appointing a senior representative to meet and engage in good faith negotiations with our appointed senior representative. Senior representatives will convene within thirty (30) days of the written dispute notice, unless otherwise agreed. All meetings and discussions between senior representatives will be deemed confidential settlement discussions not subject to disclosure under Federal Rule of Evidence 408 or any similar applicable state rule. If we fail to resolve the dispute, then the parties shall participate in non-binding mediation in an effort to resolve the dispute. If the dispute remains unresolved after mediation, then either of us may assert our respective rights and remedies in a court of competent jurisdiction. Nothing in this section shall prevent you or us from seeking necessary injunctive relief during the dispute resolution procedures.
4. **Taxes.** The fees in the Investment Summary do not include any taxes, including, without limitation, sales, use, or excise tax. If you are a tax-exempt entity, you agree to provide us with a tax-exempt certificate.

Otherwise, we will pay all applicable taxes to the proper authorities and you will reimburse us for such taxes. If you have a valid direct-pay permit, you agree to provide us with a copy. For clarity, we are responsible for paying our income taxes, both federal and state, as applicable, arising from our performance of this Agreement.

5. Nondiscrimination. We will not discriminate against any person employed or applying for employment concerning the performance of our responsibilities under this Agreement. This discrimination prohibition will apply to all matters of initial employment, tenure, and terms of employment, or otherwise with respect to any matter directly or indirectly relating to employment concerning race, color, religion, national origin, age, sex, sexual orientation, ancestry, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight, marital status, or political affiliation. We will post, where appropriate, all notices related to nondiscrimination as may be required by applicable law.
6. E-Verify. We have complied, and will comply, with the E-Verify procedures administered by the U.S. Citizenship and Immigration Services Verification Division for all of our employees assigned to your project.
7. Subcontractors. We will not subcontract any services under this Agreement without your prior written consent, not to be unreasonably withheld.
8. Binding Effect; No Assignment. This Agreement shall be binding on, and shall be for the benefit of, either your or our successor(s) or permitted assign(s). Neither party may assign this Agreement without the prior written consent of the other party; provided, however, your consent is not required for an assignment by us as a result of a corporate reorganization, merger, acquisition, or purchase of substantially all of our assets.
9. Force Majeure. Except for your payment obligations, neither party will be liable for delays in performing its obligations under this Agreement to the extent that the delay is caused by Force Majeure; provided, however, that within ten (10) business days of the Force Majeure event, the party whose performance is delayed provides the other party with written notice explaining the cause and extent thereof, as well as a request for a reasonable time extension equal to the estimated duration of the Force Majeure event.
10. No Intended Third Party Beneficiaries. This Agreement is entered into solely for the benefit of you and us. No third party will be deemed a beneficiary of this Agreement, and no third party will have the right to make any claim or assert any right under this Agreement. This provision does not affect the rights of third parties under any Third Party Terms.
11. Entire Agreement; Amendment. This Agreement represents the entire agreement between you and us with respect to the subject matter hereof, and supersedes any prior agreements, understandings, and representations, whether written, oral, expressed, implied, or statutory. Purchase orders submitted by you, if any, are for your internal administrative purposes only, and the terms and conditions contained in those purchase orders will have no force or effect. This Agreement may only be modified by a written amendment signed by an authorized representative of each party.
12. Severability. If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will be considered valid and enforceable to the fullest extent permitted by law.
13. No Waiver. In the event that the terms and conditions of this Agreement are not strictly enforced by either party, such non-enforcement will not act as or be deemed to act as a waiver or modification of this Agreement, nor will such non-enforcement prevent such party from enforcing each and every term of this Agreement thereafter.
14. Independent Contractor. We are an independent contractor for all purposes under this Agreement.

15. Notices. All notices or communications required or permitted as a part of this Agreement, such as notice of an alleged material breach for a termination for cause or a dispute that must be submitted to dispute resolution, must be in writing and will be deemed delivered upon the earlier of the following: (a) actual receipt by the receiving party; (b) upon receipt by sender of a certified mail, return receipt signed by an employee or agent of the receiving party; (c) upon receipt by sender of proof of email delivery; or (d) if not actually received, five (5) days after deposit with the United States Postal Service authorized mail center with proper postage (certified mail, return receipt requested) affixed and addressed to the other party at the address set forth on the signature page hereto or such other address as the party may have designated by proper notice. The consequences for the failure to receive a notice due to improper notification by the intended receiving party of a change in address will be borne by the intended receiving party.
16. Client Lists. You agree that we may identify you by name in client lists, marketing presentations, and promotional materials.
17. Confidentiality. Both parties recognize that their respective employees and agents, in the course of performance of this Agreement, may be exposed to confidential information and that disclosure of such information could violate rights to private individuals and entities, including the parties. Confidential information is nonpublic information that a reasonable person would believe to be confidential and includes, without limitation, personal identifying information (e.g., social security numbers) and trade secrets, each as defined by applicable state law. Each party agrees that it will not disclose any confidential information of the other party and further agrees to take all reasonable and appropriate action to prevent such disclosure by its employees or agents. The confidentiality covenants contained herein will survive the termination or cancellation of this Agreement. This obligation of confidentiality will not apply to information that:
- (a) is in the public domain, either at the time of disclosure or afterwards, except by breach of this Agreement by a party or its employees or agents;
 - (b) a party can establish by reasonable proof was in that party's possession at the time of initial disclosure;
 - (c) a party receives from a third party who has a right to disclose it to the receiving party; or
 - (d) is the subject of a legitimate disclosure request under the open records laws or similar applicable public disclosure laws governing this Agreement; provided, however, that in the event you receive an open records or other similar applicable request, you will give us prompt notice and otherwise perform the functions required by applicable law.
18. Business License. In the event a local business license is required for us to perform services hereunder, you will promptly notify us and provide us with the necessary paperwork and/or contact information so that we may timely obtain such license.
19. Governing Law. This Agreement will be governed by and construed in accordance with the laws of your state of domicile, without regard to its rules on conflicts of law.
20. Multiple Originals and Authorized Signatures. This Agreement may be executed in multiple originals, any of which will be independently treated as an original document. Any electronic, faxed, scanned, photocopied, or similarly reproduced signature on this Agreement or any amendment hereto will be deemed an original signature and will be fully enforceable as if an original signature. Each party represents to the other that the signatory set forth below is duly authorized to bind that party to this Agreement.
21. Cooperative Procurement. To the maximum extent permitted by applicable law, we agree that this Agreement may be used as a cooperative procurement vehicle by eligible jurisdictions. We reserve the right

to negotiate and customize the terms and conditions set forth herein, including but not limited to pricing, to the scope and circumstances of that cooperative procurement.

22. Contract Documents. This Agreement includes the following exhibits:

- Exhibit A Investment Summary
- Exhibit B Invoicing and Payment Policy
Schedule 1: Business Travel Policy
- Exhibit C Maintenance and Support Agreement
Schedule 1: Support Call Process
- Exhibit D Third Party End User License Agreement(s)
- Exhibit E Implementation and Training Support Services
Schedule 1: Data File Conversion Assistance
Schedule 2: Customer Requested Standard Software Enhancement/Modifications
And/or Custom Software
- Exhibit F Additional Terms for New World Public Safety and Brazos Hosted Components
Schedule 1: Service Level Agreement for Hosted Components

IN WITNESS WHEREOF, a duly authorized representative of each party has executed this Agreement as of the date(s) set forth below.

Tyler Technologies, Inc.

City of National City, CA

By: 
Bryan Proctor (Feb 25, 2021 15:56 EST)

By: _____

Name: Bryan Proctor

Name: _____

Title: President, Public Safety Division

Title: _____

Date: February 25, 2021

Date: _____

Address for Notices:

Tyler Technologies, Inc.
One Tyler Drive
Yarmouth, ME 04096
Attention: Chief Legal Officer

Address for Notices:

National City Police Department
1200 national City Blvd.
National City, CA 91950-4302
Attention: _____



Exhibit A

Investment Summary

The following Investment Summary details the software, products, and services to be delivered by us to you under the Agreement. This Investment Summary is effective as of the Effective Date. Capitalized terms not otherwise defined will have the meaning assigned to such terms in the Agreement.

Investment Summary prepared in accordance with Sourcewell Contract #090320-tti

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK



Quoted By: Rob Simonds
 Date: 11/6/2020
 Quote Expiration: 12/18/2020
 Quote Name: National City CAD/Mobile
 Quote Number: 2020-31128-2
 Quote Description: CAD.Mobile

Sales Quotation For
 National City Police Department
 1200 National City Blvd
 National City , CA 91950-4302
 Phone: +1 (619) 336-4400

Tyler Software

Description	License	Discount	License Total	Year One Maintenance
Computer Aided Dispatch				
New World Enterprise Single Jurisdiction Law Enforcement CAD	\$47,800	\$23,900	\$23,900	\$5,019
BOLOs	\$7,200	\$3,600	\$3,600	\$756
CAD Auto Routing	\$7,200	\$3,600	\$3,600	\$756
CAD AVL	\$7,200	\$3,600	\$3,600	\$756
Service Vehicle Rotation (Wrecker, Ambulance)	\$7,200	\$3,600	\$3,600	\$756
Unit Management	\$9,600	\$4,800	\$4,800	\$1,008
Web CAD Monitor	\$16,000	\$8,000	\$8,000	\$1,680
Tyler CAD to Tyler CAD Interface	\$0	\$0	\$0	\$0
E-911 Interface	\$7,200	\$3,600	\$3,600	\$756
CAD NCIC Interface	\$13,600	\$6,800	\$6,800	\$1,428
CAD CFS (xml) Export Interface	\$14,400	\$7,200	\$7,200	\$1,512
Telestaff Interface	\$14,400	\$7,200	\$7,200	\$1,512
Law Enforcement Records Management System				
Ticket Writer Interface (Supports Brazos)	\$0	\$0	\$0	\$0
Fire Records Management System				
New World Fire Records Software/Pre-Plans Only	\$14,800	\$7,400	\$7,400	\$1,554
Mobile				
New World Mobile Server	\$68,000	\$34,000	\$34,000	\$7,140
MCT Ticket Writer Interface (supports Brazos)	\$0	\$0	\$0	\$0
Law Enforcement Mobile Site License (85) ShieldForce LE Dispatch	\$46,750	\$0	\$46,750	\$9,818

2020-31128-2 - CAD.Mobile

CONFIDENTIAL

1 of 6



LE Dispatch/Messaging/State/NCIC
 Drivers License Mag Stripe Reader/Barcode Reader Interface
 Mugshot Image Download
 LE In-Car Mapping / AVL
 LE In-Car Routing

Other Software				
CAD Data Mart / Includes 2 users	\$3,200	\$1,600	\$1,600	\$336
Brazos				
Device Level Interface: New World Mobile	\$0	\$0	\$0	\$0
Interface: Tyler Odyssey Court Case Mgmt System	\$0	\$0	\$0	\$0
Task: Field Interview	\$3,250	\$650	\$2,600	\$546
Task: CA AB953 Demographic Profiling	\$0	\$0	\$0	\$0
Interface: Motorola NET RMS Records Mgmt System	\$3,250	\$650	\$2,600	\$546
eCitation - Brazos Rapid Extension Framework - PDA (60)	\$45,000	\$9,000	\$36,000	\$7,560
<i>Sub-Total:</i>	<i>\$336,050</i>	<i>\$129,200</i>	<i>\$206,850</i>	<i>\$43,439</i>
<i>Less Discount:</i>	<i>\$129,200</i>			<i>\$43,439</i>
TOTAL:	\$206,850		\$206,850	\$0

Annual/SaaS

Description	Quantity	Fee	Discount	Annual
MOD: Spatial Mapping Report and GeoLocation	1	\$2,500	\$0	\$2,500
Brazos Adhoc Reporting	1	\$1,250	\$0	\$1,250
Mobility Hosting Annual Fee	1	\$3,000	\$0	\$3,000
Brazos Hosting Fee	1	\$3,605	\$0	\$3,605
TOTAL:				\$10,355

Services

Description	Quantity	Unit Price	Discount	Total
Project Management	1	\$50,560	\$0	\$50,560
High Availability System Assurance and Software Installation (2 environments)	1	\$20,880	\$0	\$20,880
Mobility Implementation	1	\$2,320	\$0	\$2,320
GIS Implementation	1	\$22,620	\$0	\$22,620
NCIC Installation	1	\$14,500	\$0	\$14,500
Decision Support Software Implementation	1	\$4,350	\$0	\$4,350
Web CAD Monitor Installation	1	\$1,160	\$0	\$1,160
Tyler CAD to Tyler CAD Interface Installation	1	\$0	\$0	\$0
E-911 Interface Installation	1	\$1,160	\$0	\$1,160

2020-31128-2 - CAD.Mobile

CONFIDENTIAL

2 of 6

CAD Export Installation	1	\$2,320	\$0	\$2,320
Telestaff Interface Installation	1	\$1,160	\$0	\$1,160
Law Enforcement CAD Configuration	1	\$8,700	\$0	\$8,700
CAD Training (10 users ea.)	2	\$4,350	\$0	\$8,700
CAD Go-Live	1	\$13,050	\$0	\$13,050
Ticket Writer Interface (Supports Brazos) Installation	1	\$0	\$0	\$0
Law Enforcement Mobile Messaging Configuration	1	\$4,350	\$0	\$4,350
Law Enforcement Mobile Messaging Training (includes 10 trainers ea.)	1	\$4,350	\$0	\$4,350
Law Enforcement Mobile Messaging Go-Live	1	\$8,700	\$0	\$8,700
Fire Pre-Plans Installation Fee	1	\$1,160	\$0	\$1,160
Custom Interface to SDLaw Wants and Warrants	1	\$28,800	\$0	\$28,800
Custom Interface to NetRMS	1	\$14,400	\$0	\$14,400
Custom Interface to ARJIS	1	\$14,400	\$0	\$14,400
Brazos Set Up & Config	1	\$14,500	\$0	\$14,500
Brazos Project Mgmt (plus per diem as needed if not remote)	1	\$3,000	\$0	\$3,000
Brazos Training	1	\$2,000	\$0	\$2,000
Brazos Device Level Interface: Set Up & Configuration	1	\$0	\$0	\$0
Brazos Odyssey Interface: Set Up & Configuration	1	\$0	\$0	\$0
Conversions				\$23,400
TOTAL:				\$270,540

Third Party Hardware, Software and Services

Description	Quantity	Unit Price	Total	Unit Maintenance	Year One Maintenance
Embedded Third Party Software	1	\$16,500	\$16,500	\$3,465	\$3,465
Geo-File Maintenance Software (ArcGIS for Desktop Standard) / per Workstation	1	\$6,000	\$6,000	\$1,260	\$1,260
Red Hat Enterprise Linux Server (3-year subscription)	1	\$2,500	\$2,500	\$0	\$0
207803-001 / Brother, Warranty, Rugged Jet, 3 year (Assure Premier Service; initial service plus three additional years).	15	\$152	\$2,280	\$0	\$0
Lantronix UDS-1100	1	\$175	\$175	\$0	\$0
LB3690 / Brother, PocketJet, Rugged Jet, Vehicle Adapter-Cigarette Plug, 3 ft.	15	\$23	\$345	\$0	\$0
LB3834 / Brother, Pocketjet, Rugged Jet, AC Charger	15	\$50	\$750	\$0	\$0
RDM02U5 / Brother, Rugged Jet, Paper, Thermal, premium, 36 rolls per case	15	\$142	\$2,130	\$0	\$0
RJ4230BL / Brother, Printer, Rugged Jet 4, Bluetooth	15	\$569	\$8,535	\$0	\$0
<i>3rd Party Hardware Sub-Total:</i>			<i>\$14,215</i>		<i>\$0</i>
<i>3rd Party Software Sub-Total:</i>			<i>\$25,000</i>		<i>\$4,725</i>

2020-31128-2 - CAD.Mobile

CONFIDENTIAL

3 of 6

Less Discount:
TOTAL:

\$39,215 \$4,725
\$0

Summary

	One Time Fees	Recurring Fees
Total Tyler Software	\$206,850	\$43,439
Total Annual Fees		\$10,355
Total Tyler Services	\$270,540	
Total Other Costs	\$0	
Total Third Party Hardware, Software and Services	\$39,215	\$4,725
Travel and Living Expenses	\$46,000	
Summary Total	\$562,605	\$58,519

Detailed Breakdown of Conversions (Included in Summary Total)

Description	Quantity	Unit Price	Discount	Total
Data File Conversion				
Data Conversion Analysis and Assessment	1	\$3,000	\$0	\$3,000
Base Conversion (One Source); Master Files including Master Name (Jackets); Addresses; and Narratives / Includes one source of data. Does not include everything the Name is linked to (e.g. tickets, arrests, etc.)	1	\$15,000	\$0	\$15,000
Address Re-Verification	1	\$5,400	\$0	\$5,400
TOTAL:				\$23,400



Assumptions

Personal Computers must meet the minimum hardware requirements for New World products. Microsoft Windows 7/8.1/10 32/64 bit or later is required for all client machines. Windows Server 2012/2016 and SQL Server 2012/2014/2016 are required for the Application and Database Server(s).

New World product requires Microsoft Windows Server 2012/2016 and SQL Server 2012/2016, including required Client Access Licenses (CALs) for applicable Microsoft products. Servers must meet minimum hardware requirements provided by Tyler. The supported Microsoft operating system and SQL versions are specific to Tyler's release versions.

New World product requires Microsoft Excel or Windows Search 4.0 for document searching functionality; Microsoft Word is required on the application server for report formatting.

Tyler recommends a 100/1000MB (GB) Ethernet network for the local area network. Wide area network requirements vary based on system configuration, Tyler will provide further consultation for this environment.

Does not include servers, workstations, or any required third-party hardware or software unless specified in this Investment Summary. Client is responsible for any third-party support.

Licensed Software, and third-party software embedded therein, if any, will be delivered in a machine readable form to Client via an agreed upon network connection. Any taxes or fees imposed are the responsibility of the purchaser and will be remitted when imposed.

Tyler's GIS implementation services are to assist the Client in preparing the required GIS data for use with the Licensed New World Software. Depending upon the Licensed Software the Client at a minimum will be required to provide an accurate street centerline layer and the appropriate polygon layers needed for Unit Recommendations and Run Cards in an industry standard Esri file format (Personal Geodatabase, File Geodatabase, Shape Files). Client is responsible for having clearly defined boundaries for Police Beats, EMS Districts and Fire Quadrants. If necessary Tyler will assist Client in creating the necessary polygon layers (Police Beats, EMS Districts and Fire Quadrants) for Unit Recommendations and Run Cards. Tyler is not responsible for the accuracy of or any ongoing maintenance of the GIS data used within the Licensed New World Software.

Client is responsible for any ongoing annual maintenance on third-party products, and is advised to contact the third-party vendor to ensure understanding of and compliance with all maintenance requirements

All Tyler Clients are required to use Esri's ArcGIS Suite to maintain GIS data. All maintenance, training and ongoing support of this product will be contracted with and conducted by Esri. Maintenance for Esri's ArcGIS suite of products that are used for maintaining Client's GIS data will be contracted by Client separately with Esri.

CAD Maintenance includes 24/7 Support.

When Custom interface is included, Custom interface will be operational with existing third-party software. Any subsequent changes to third-party applications may require additional services.

When State/NCIC is included, Client is responsible for obtaining the necessary State approval and any non-Tyler hardware and software. Includes state-specific standard forms developed by Tyler. Additional forms can be provided for an additional fee.

Unless a Workstation License is included, New World CAD includes 8 licenses.



Exhibit B Invoicing and Payment Policy

We will provide you with the software and services set forth in the Investment Summary. Capitalized terms not otherwise defined will have the meaning assigned to such terms in the Agreement.

Invoicing: We will invoice you for the applicable license and services fees in the Investment Summary as set forth below. Your rights to dispute any invoice are set forth in the Agreement.

1. Tyler Software.

1.1 *License Fees:* License fees will be invoiced 100% on the Effective Date.

1.2 *Maintenance and Support Fees (including Esri and Embedded Third Party Software):* Year 1 maintenance and support fees are waived one (1) year from the Effective Date. Year 2 maintenance and support fees, at the rate listed in the Investment Summary, are payable one year from the Effective Date. Subsequent maintenance and support fees, at our then-current rates, are invoiced annually in advance of each anniversary thereof.

1.3 *Subscription Fees:* Your initial 3-year subscription fees for RedHat, as identified in Exhibit 1, will be invoiced when we make the product available to you. Subsequent subscription fees for Red Hat are renewable directly through Red Hat Support (renewals@redhat.com).

2. Professional Services.

2.1 *Implementation and Other Professional Services (including training):* Implementation and other professional services (including training) are billed and invoiced as delivered, at the rates set forth in the Investment Summary.

2.2 *Conversions:* Fixed-fee conversions are invoiced 50% upon acceptance of the Conversion Analysis Document, and 50% upon initial delivery of converted data into Live/Production environment, by conversion option. Where conversions are quoted as estimated, we will bill you the actual services delivered on a time and materials basis.

2.3 *Requested Custom Software Interfaces:* Requested custom software interfaces are invoiced 100% upon initial delivery of the interface.

2.4 *Other Fixed Price Services:* Except as otherwise provided, other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where "Project Planning Services" are provided, payment will be due upon delivery of the Implementation Planning

document. Dedicated Project Management services, if any, will be billed monthly in arrears, beginning on the tenth day of the month immediately following initiation of project planning.

3. Other Services and Fees.

3.1 *Brazos Hosting Fees:* Hosting fees for the Brazos software are invoiced annually in advance, beginning on the Effective Date. Year 1 fees are at the rates set forth in the Investment Summary. Subsequent annual fees will be at our then-current rates.

3.2 *New World Hosting Fees:* Hosting Fees for the Tyler Software identified on the Investment Summary are invoiced annually in advance on the Effective Date and will renew automatically for additional one (1) year terms at our then-current Hosting Services fee, unless terminated in writing by either party at least thirty (30) days prior to the end of the then-current term.

4. Third Party Products.

4.1 *Third Party Software License Fees:* License fees for Third Party Software, if any, are invoiced when we make it available to you for downloading.

4.2 *Third Party Software Maintenance (excluding Esri and Embedded Third Party Software):* The first year maintenance fees for the Third Party Software, if any, is invoiced when we make that Third Party Software available to you for downloading.

4.3 *Third Party Hardware:* Third Party Hardware costs, if any, are invoiced upon delivery.

4.4 *Third Party Services:* Fees for Third Party Services, if any, are invoiced as delivered, along with applicable expenses, at the rates set forth in the Investment Summary.

5. Expenses. The service rates in the Investment Summary include travel expenses for Tyler delivered services. Expenses will be billed as incurred and only in accordance with our then-current Business Travel Policy, plus a 10% travel agency processing fee. Our current Business Travel Policy is attached to this Exhibit B at Schedule 1. Copies of receipts will be provided upon request; we reserve the right to charge you an administrative fee depending on the extent of your requests. Receipts for miscellaneous items less than twenty-five dollars and mileage logs are not available.

Payment. Payment for undisputed invoices is due within forty-five (45) days of the invoice date. We prefer to receive payments electronically. Our electronic payment information is available by contacting AR@tylertech.com.



Exhibit B
Schedule 1
Business Travel Policy

1. Air Travel

A. Reservations & Tickets

The Travel Management Company (TMC) used by Tyler will provide an employee with a direct flight within two hours before or after the requested departure time, assuming that flight does not add more than three hours to the employee's total trip duration and the fare is within \$100 (each way) of the lowest logical fare. If a net savings of \$200 or more (each way) is possible through a connecting flight that is within two hours before or after the requested departure time and that does not add more than three hours to the employee's total trip duration, the connecting flight should be accepted.

Employees are encouraged to make advanced reservations to take full advantage of discount opportunities. Employees should use all reasonable efforts to make travel arrangements at least two (2) weeks in advance of commitments. A seven (7) day advance booking requirement is mandatory. When booking less than seven (7) days in advance, management approval will be required.

Except in the case of international travel where a segment of continuous air travel is six (6) or more consecutive hours in length, only economy or coach class seating is reimbursable. Employees shall not be reimbursed for "Basic Economy Fares" because these fares are non-refundable and have many restrictions that outweigh the cost-savings.

B. Baggage Fees

Reimbursement of personal baggage charges are based on trip duration as follows:

- Up to five (5) days = one (1) checked bag
- Six (6) or more days = two (2) checked bags

Baggage fees for sports equipment are not reimbursable.

2. Ground Transportation

A. Private Automobile

Mileage Allowance – Business use of an employee’s private automobile will be reimbursed at the current IRS allowable rate, plus out of pocket costs for tolls and parking. Mileage will be calculated by using the employee's office as the starting and ending point, in compliance with IRS regulations. Employees who have been designated a home office should calculate miles from their home.

B. Rental Car

Employees are authorized to rent cars only in conjunction with air travel when cost, convenience, and the specific situation reasonably require their use. When renting a car for Tyler business, employees should select a “mid-size” or “intermediate” car. “Full” size cars may be rented when three or more employees are traveling together. Tyler carries leased vehicle coverage for business car rentals; except for employees traveling to Alaska and internationally (excluding Canada), additional insurance on the rental agreement should be declined.

C. Public Transportation

Taxi or airport limousine services may be considered when traveling in and around cities or to and from airports when less expensive means of transportation are unavailable or impractical. The actual fare plus a reasonable tip (15-18%) are reimbursable. In the case of a free hotel shuttle to the airport, tips are included in the per diem rates and will not be reimbursed separately.

D. Parking & Tolls

When parking at the airport, employees must use longer term parking areas that are measured in days as opposed to hours. Park and fly options located near some airports may also be used. For extended trips that would result in excessive parking charges, public transportation to/from the airport should be considered. Tolls will be reimbursed when receipts are presented.

3. Lodging

Tyler’s TMC will select hotel chains that are well established, reasonable in price, and conveniently located in relation to the traveler's work assignment. Typical hotel chains include Courtyard, Fairfield Inn, Hampton Inn, and Holiday Inn Express. If the employee has a discount rate with a local hotel, the hotel reservation should note that discount and the employee should confirm the lower rate with the hotel upon arrival. Employee memberships in travel clubs such as AAA should be noted in their travel profiles so that the employee can take advantage of any lower club rates.

“No shows” or cancellation fees are not reimbursable if the employee does not comply with the hotel’s cancellation policy.

Tips for maids and other hotel staff are included in the per diem rate and are not reimbursed separately.

Employees are not authorized to reserve non-traditional short-term lodging, such as Airbnb, VRBO, and HomeAway. Employees who elect to make such reservations shall not be reimbursed.

4. Meals and Incidental Expenses

Employee meals and incidental expenses while on travel status within the continental U.S. are in accordance with the federal per diem rates published by the General Services Administration. Incidental expenses include tips to maids, hotel staff, and shuttle drivers and other minor travel expenses. Per diem rates are available at www.gsa.gov/perdiem.

Per diem for Alaska, Hawaii, U.S. protectorates and international destinations are provided separately by the Department of Defense and will be determined as required.

A. Overnight Travel

For each full day of travel, all three meals are reimbursable. Per diems on the first and last day of a trip are governed as set forth below.

Departure Day

Depart before 12:00 noon	Lunch and dinner
Depart after 12:00 noon	Dinner

Return Day

Return before 12:00 noon	Breakfast
Return between 12:00 noon & 7:00 p.m.	Breakfast and lunch
Return after 7:00 p.m.*	Breakfast, lunch and dinner

*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner.

The reimbursement rates for individual meals are calculated as a percentage of the full day per diem as follows:

- Breakfast 15%
- Lunch 25%
- Dinner 60%

B. Same Day Travel

Employees traveling at least 100 miles to a site and returning in the same day are eligible to claim lunch on an expense report. Employees on same day travel status are eligible to claim dinner in the event they return home after 7:00 p.m.*

*7:00 p.m. is defined as direct travel time and does not include time taken to stop for dinner.

5. Internet Access – Hotels and Airports

Employees who travel may need to access their e-mail at night. Many hotels provide free high speed internet access and Tyler employees are encouraged to use such hotels whenever possible. If an employee's hotel charges for internet access it is reimbursable up to \$10.00 per day. Charges for internet access at airports are not reimbursable.

6. International Travel

All international flights with the exception of flights between the U.S. and Canada should be reserved through TMC using the "lowest practical coach fare" with the exception of flights that are six (6) or more consecutive hours in length. In such event, the next available seating class above coach shall be reimbursed.

When required to travel internationally for business, employees shall be reimbursed for photo fees, application fees, and execution fees when obtaining a new passport book, but fees related to passport renewals are not reimbursable. Visa application and legal fees, entry taxes and departure taxes are reimbursable.

The cost of vaccinations that are either required for travel to specific countries or suggested by the U.S. Department of Health & Human Services for travel to specific countries, is reimbursable.

Section 4, Meals & Incidental Expenses, and Section 2.b., Rental Car, shall apply to this section.



Exhibit C Maintenance and Support Agreement

We will provide you with the following maintenance and support services for the Tyler Software. Capitalized terms not otherwise defined will have the meaning assigned to such terms in the Agreement.

1. **Term.** We provide maintenance and support services on an annual basis. The initial term commences on the Effective Date, and remains in effect for one (1) year. The term will renew automatically for additional one (1) year terms unless terminated in writing by either party at least thirty (30) days prior to the end of the then-current term.
2. **Maintenance and Support Fees.** Your year 1 maintenance and support fees for the Tyler Software are listed in the Investment Summary, and your payment obligations are set forth in the Invoicing and Payment Policy. We reserve the right to suspend maintenance and support services if you fail to pay undisputed maintenance and support fees within thirty (30) days of our written notice. We will reinstate maintenance and support services only if you pay all past due maintenance and support fees, including all fees for the periods during which services were suspended.
3. **Maintenance and Support Services.** As long as you are not using the Help Desk as a substitute for our training services on the Tyler Software, and you timely pay your maintenance and support fees, we will, consistent with our then-current Support Call Process:
 - 3.1 perform our maintenance and support obligations in a professional, good, and workmanlike manner, consistent with industry standards, to resolve Defects in the Tyler Software (subject to any applicable release life cycle policy); provided, however, that if you modify the Tyler Software without our consent, our obligation to provide maintenance and support services on and warrant the Tyler Software will be void;
 - 3.2 provide support during our established support hours, currently Monday through Friday from 8:00 a.m. to 9:00 p.m. (Eastern Time Zone). Emergency 24-hours per day, 7 days per week, support for New World Public Safety CAD only. After 9:00 p.m., the New World CAD phone support will be provided via pager and a support representative will respond to CAD service calls within 30 minutes of call initiation.
 - 3.3 maintain personnel that are sufficiently trained to be familiar with the Tyler Software and Third Party Software, if any, in order to provide maintenance and support services;
 - 3.4 provide you with a copy of all releases to the Tyler Software (including updates and enhancements) that we make generally available without additional charge to customers who have a maintenance and support agreement in effect; and
 - 3.5 provide non-Defect resolution support of prior releases of the Tyler Software in accordance with any applicable release life cycle policy.

4. Client Responsibilities. We will use all reasonable efforts to perform any maintenance and support services remotely. Currently, we use a third-party secure unattended connectivity tool called Bomgar, as well as GotoAssist by Citrix. Therefore, you agree to maintain a high-speed internet connection capable of connecting us to your PCs and server(s). You agree to provide us with a login account and local administrative privileges as we may reasonably require to perform remote services. We will, at our option, use the secure connection to assist with proper diagnosis and resolution, subject to any reasonably applicable security protocols. If we cannot resolve a support issue remotely, we may be required to provide onsite services. In such event, we will be responsible for our travel expenses, unless it is determined that the reason onsite support was required was a reason outside our control. Either way, you agree to provide us with full and free access to the Tyler Software, working space, adequate facilities within a reasonable distance from the equipment, and use of machines, attachments, features, or other equipment reasonably necessary for us to provide the maintenance and support services, all at no charge to us. We strongly recommend that you also maintain a VPN for backup connectivity purposes.
5. Hardware and Other Systems. If you are a self-hosted customer and, in the process of diagnosing a software support issue, it is discovered that one of your peripheral systems or other software is the cause of the issue, we will notify you so that you may contact the support agency for that peripheral system. We cannot support or maintain Third Party Products except as expressly set forth in the Agreement.

In order for us to provide the highest level of software support, you bear the following responsibility related to hardware and software:

- (a) All infrastructure executing Tyler Software shall be managed by you;
 - (b) You will maintain support contracts for all non-Tyler software associated with Tyler Software (including operating systems and database management systems, but excluding Third-Party Software, if any); and
 - (c) You will perform daily database backups and verify that those backups are successful.
6. Other Excluded Services. Maintenance and support fees do not include fees for the following services: (a) initial installation or implementation of the Tyler Software; (b) onsite maintenance and support (unless Tyler cannot remotely correct a Defect in the Tyler Software, as set forth above); (c) application design; (d) other consulting services; (e) maintenance and support of an operating system or hardware, unless you are a hosted customer; (f) support outside our normal business hours as listed in our then-current Support Call Process; or (g) installation, training services, or third party product costs related to a new release. Requested maintenance and support services such as those outlined in this section will be billed to you on a time and materials basis at our then current rates. You must request those services with at least one (1) weeks' advance notice.
 7. Current Support Call Process. Our current Support Call Process for the Tyler Software is attached to this Exhibit C at Schedule 1.



Exhibit C Schedule 1 Support Call Process

If, after you have cut over to live production use of the Tyler Software, you believe that the Tyler Software is Defective, as “Defect” is defined in the Agreement, then you will notify us by phone, in writing, by email, or through the support website. Please reference <http://www.tylertech.com/client-support> for information on how to use these various means of contact.

Documented examples of the claimed Defect must accompany each notice. We will review the documented notice and when there is a Defect, we shall resolve it at no additional cost to you beyond your then-current maintenance and support fees.

In receiving and responding to Defect notices and other support calls, we will follow the priority categorizations below. These categories are assigned based on your determination of the severity of the Defect and our reasonable analysis. If you believe a priority categorization needs to be updated, you may contact us again, via the same methods outlined above, to request the change.

In each instance of a Priority 1 or 2 Defect, prior to final Defect correction, the support team may offer you workaround solutions, including patches, configuration changes, and operational adjustments, or may recommend that you revert back to the prior version the Tyler Software pending Defect correction.

- (a) **Priority 1:** *A Defect that renders the Tyler Software inoperative; or causes the Tyler Software to fail catastrophically.*

After initial assessment of the Priority 1 Defect, if required, we shall assign a qualified product technical specialist(s) within one business (1) hour. The technical specialist(s) will then work to diagnose the Defect and to correct the Defect, providing ongoing communication to you concerning the status of the correction until the Tyler Software is operational without Priority 1 defect.

The goal for correcting a Priority 1 Defect is 24 hours or less.

- (b) **Priority 2:** *A Defect that substantially degrades the performance of the Tyler Software, but does not prohibit your use of the Tyler Software.*

We shall assign a qualified product technical specialist(s) within four (4) business hours of our receipt of your notice. The product technical specialist will then work to diagnose and correct the Defect. We shall work diligently to make the correction, and shall provide ongoing communication to you concerning the status of the correction until the Tyler Software is operational without Priority 2 Defect.

The goal for correcting a Priority 2 event is to include a correction in the next Tyler Software release.

(c) **Priority 3:** *A Defect which causes only a minor impact on the use of the Tyler Software.*

We may include a correction in subsequent Tyler Software releases.



Exhibit D
Third Party End User License Agreement

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

**END USER LICENSE AGREEMENT
RED HAT® ENTERPRISE LINUX® AND RED HAT APPLICATIONS**



PLEASE READ THIS END USER LICENSE AGREEMENT CAREFULLY BEFORE USING SOFTWARE FROM RED HAT. BY USING RED HAT SOFTWARE, YOU SIGNIFY YOUR ASSENT TO AND ACCEPTANCE OF THIS END USER LICENSE AGREEMENT AND ACKNOWLEDGE YOU HAVE READ AND UNDERSTAND THE TERMS. AN INDIVIDUAL ACTING ON BEHALF OF AN ENTITY REPRESENTS THAT HE OR SHE HAS THE AUTHORITY TO ENTER INTO THIS END USER LICENSE AGREEMENT ON BEHALF OF THAT ENTITY. IF YOU DO NOT ACCEPT THE TERMS OF THIS AGREEMENT, THEN YOU MUST NOT USE THE RED HAT SOFTWARE. THIS END USER LICENSE AGREEMENT DOES NOT PROVIDE ANY RIGHTS TO RED HAT SERVICES SUCH AS SOFTWARE MAINTENANCE, UPGRADES OR SUPPORT. PLEASE REVIEW YOUR SERVICE OR SUBSCRIPTION AGREEMENT(S) THAT YOU MAY HAVE WITH RED HAT OR OTHER AUTHORIZED RED HAT SERVICE PROVIDERS REGARDING SERVICES AND ASSOCIATED PAYMENTS.

This end user license agreement ("EULA") governs the use of any of the versions of Red Hat Enterprise Linux, certain other Red Hat software applications that include or refer to this license, and any related updates, source code, appearance, structure and organization (the "Programs"), regardless of the delivery mechanism.

- 1. License Grant.** Subject to the following terms, Red Hat, Inc. ("Red Hat") grants to you a perpetual, worldwide license to the Programs (most of which include multiple software components) pursuant to the GNU General Public License v.2. The license agreement for each software component is located in the software component's source code and permits you to run, copy, modify, and redistribute the software component (subject to certain obligations in some cases), both in source code and binary code forms, with the exception of (a) certain binary only firmware components and (b) the images identified in Section 2 below. The license rights for the binary only firmware components are located with the components themselves. This EULA pertains solely to the Programs and does not limit your rights under, or grant you rights that supersede, the license terms of any particular component.
- 2. Intellectual Property Rights.** The Programs and each of their components are owned by Red Hat and other licensors and are protected under copyright law and under other laws as applicable. Title to the Programs and any component, or to any copy, modification, or merged portion shall remain with Red Hat and other licensors, subject to the applicable license. The "Red Hat" trademark and the "Shadowman" logo are registered trademarks of Red Hat in the U.S. and other countries. This EULA does not permit you to distribute the Programs or their components using Red Hat's trademarks, regardless of whether the copy has been modified. You may make a commercial redistribution of the Programs only if (a) permitted under a separate written agreement with Red Hat authorizing such commercial redistribution, or (b) you remove and replace all occurrences of Red Hat trademarks. Modifications to the software may corrupt the Programs. You should read the information found at <http://www.redhat.com/about/corporate/trademark/> before distributing a copy of the Programs.
- 3. Limited Warranty.** Except as specifically stated in this Section 3, a separate agreement with Red Hat, or a license for a particular component, to the maximum extent permitted under applicable law, the Programs and the components are provided and licensed "as is" without warranty of any kind, expressed or implied, including the implied warranties of merchantability, non-infringement or fitness for a particular purpose. Red Hat warrants that the media on which the Programs and the components are provided will be free from defects in materials and manufacture under normal use for a period of 30 days from the date of delivery to you. Neither Red Hat nor its affiliates warrants that the functions contained in the Programs will meet your requirements or that the operation of the Programs will be entirely error free, appear or perform precisely as described in the accompanying documentation, or comply with regulatory requirements. This warranty extends only to the party that purchases subscription services for the Programs from Red Hat and/or its affiliates or a Red Hat authorized distributor.
- 4. Limitation of Remedies and Liability.** To the maximum extent permitted by applicable law, your exclusive remedy under this EULA is to return any defective media within 30 days of delivery along with a copy of your payment receipt and Red Hat, at its option, will replace it or refund the money you paid for the media. To the maximum extent permitted under applicable law, under no circumstances will Red Hat, its affiliates, any Red Hat authorized distributor, or the licensor of any component provided to you under this EULA be liable to you for any incidental or consequential damages, including lost profits or lost savings arising out of the use or inability to use the Programs or any component, even if Red Hat, its affiliates, an authorized distributor and/or licensor has been advised of the possibility of such damages. In no event shall Red Hat's or its affiliates' liability, an authorized distributor's liability or the liability of the licensor of a component provided to you under this EULA exceed the amount that you paid to Red Hat for the media under this EULA.
- 5. Export Control.** As required by the laws of the United States and other countries, you represent and warrant that you: (a) understand that the Programs and their components may be subject to export controls under the U.S. Commerce Department's Export Administration Regulations ("EAR"); (b) are not located in a prohibited destination country under the EAR or U.S. sanctions regulations (currently Cuba, Iran, Iraq, North Korea, Sudan and Syria, subject to change as posted by the United States government); (c) will not export, re-export, or transfer the Programs to any prohibited destination or persons or entities on the U.S. Bureau of Industry and Security Denied Parties List or Entity List, or the U.S. Office of Foreign Assets Control list of Specially Designated Nationals and Blocked Persons, or any similar lists maintained by other countries, without the necessary export license(s) or authorization(s); (d) will not use or transfer the Programs for use in connection with any nuclear, chemical or biological weapons, missile technology, or military end-uses where prohibited by an applicable arms embargo, unless authorized by the relevant government agency by regulation or specific license; (e) understand and agree that if you are in the United States and export or transfers the Programs to eligible end users, you will, to the extent required by EAR Section 740.17(e), submit semi-annual reports to the Commerce Department's Bureau of Industry and Security, which include the name and address (including country) of each transferee; and (f) understand that countries including the United States may restrict the import, use, or export of encryption products (which may include the Programs and the components) and agree that you shall be solely responsible for compliance with any such import, use, or export restrictions.

6. **Third Party Programs.** Red Hat may distribute third party software programs with the Programs that are not part of the Programs. These third party programs are not required to run the Programs, are provided as a convenience to you, and are subject to their own license terms. The license terms either accompany the third party software programs or can be viewed at <http://www.redhat.com/licenses/thirdparty/eula.html>. If you do not agree to abide by the applicable license terms for the third party software programs, then you may not install them. If you wish to install the third party software programs on more than one system or transfer the third party software programs to another party, then you must contact the licensor of the applicable third party software programs.
7. **General.** If any provision of this EULA is held to be unenforceable, the enforceability of the remaining provisions shall not be affected. Any claim, controversy or dispute arising under or relating to this EULA shall be governed by the laws of the State of New York and of the United States, without regard to any conflict of laws provisions. The rights and obligations of the parties to this EULA shall not be governed by the United Nations Convention on the International Sale of Goods.

Copyright © 2010 Red Hat, Inc. All rights reserved. "Red Hat" and the Red Hat "Shadowman" logo are registered trademarks of Red Hat, Inc. "Linux" is a registered trademark of Linus Torvalds. All other trademarks are the property of their respective owners.



Exhibit E Professional Services

1. Project Management Services

We shall act as Project Manager to assist you in implementing the Tyler Software. Project Management Services include:

- a) Developing an Implementation Plan;
- c) Providing revised Implementation Plans (if required);
- d) Providing monthly project status reports; and
- e) Facilitating project status meetings
 - a project review (kickoff) meeting at your location
 - progress status meeting(s) during implementation via telephone conference or at your location; and
 - a project close-out meeting at your location to conclude the project.
- f) Consultation with other vendors or third parties, if necessary.

2. Implementation and Training Support Services

Implementation and training support services have been allocated for this project as described in the Investment Summary. Avoiding or minimizing custom or modified features will aid in keeping the support costs to the amount allocated. The recommended implementation and training support services include:

- a) implementation of the Tyler Software;
- b) Training you or assisting with your training on the Tyler Software; and
- c) tailoring of Tyler Software by our technical staff and/or consultation with our technical staff.

The project management, implementation and training support services provided by us may be performed at your premises and/or at our headquarters in Troy, Michigan (e.g., portions of project management are performed in Troy).

3. Interface and/or Fixed Installation Services

We shall provide interface installation services as described in the Investment Summary.

Our GIS implementation services are to assist you in preparing the required GIS data for use with the Tyler Software. At a minimum, you will be required to provide an accurate street centerline layer and the appropriate polygon layers needed for Unit Recommendations and Run Cards in an industry standard ESRI file format (Personal

Geodatabase, File Geodatabase, Shape Files). You are responsible for having clearly defined boundaries for Police Beats, EMS Districts and Fire Quadrants. If necessary, we will assist you in creating the necessary polygon layers (Police Beats, EMS Districts and Fire Quadrants) for Unit Recommendations and Run Cards. We are not responsible for the accuracy of or any ongoing maintenance of the GIS data used within the Tyler Software.

4. Hardware Quality Assurance Service

We shall provide Hardware Systems Assurance of your server(s).

a) Hardware Quality Assurance Services (High Availability Environment):

Hardware Systems Assurance and Software Installation:

- Assist with High Level System Design/Layout
- Validate Hardware Configuration and System Specifications
- Validate Network Requirements, including Windows Domain
- Physical Installation of our Application Servers
- Install Operating System and Apply Updates
- Install SQL Server Standard and Apply Updates
- Install New World Applications Software and Apply Updates
- Establish Base SQL Database Structure
- Configure System for Electronic Customer Support (i.e. NetMeeting)
- Tune System Performance Including Operating System and SQL Resources
- Provide Basic System Administrator Training and Knowledge Transfer
- Document Installation Process and System Configuration

5. Message Switch Operating System Assurance Service

We shall provide Message Switch Operating System Assurance, which includes:

a) Message Switch Operating System Assurance Services:

Operating System Assurance and Software Installation Services:

- Install and update Red Hat Linux Operating System
- Build system user-ids and applicable authorizations
- Migrate all Message Switch data from the old server to the new server (if applicable)
- Verify all scripts are adjusted for new machine
- Migrate all source code from old machine to the new machine
- Compile New World Message Switch programs
- Assure Message Switch operation in the live environment
- Adjust any tables as needed during the assurance phase



Exhibit E
Schedule 1
Data File Conversion Assistance

We will provide conversion assistance to you to help convert the existing data files specified below. If additional files are identified after contract execution, estimates will be provided to you prior to us beginning work on those newly identified files.

General

1. A data conversion analysis and assessment to verify the scope of effort for the project will be conducted. A revised cost estimate for the data conversion may be provided at the conclusion of the assessment. You may elect to cancel or proceed with the conversion effort based on the revised estimate.
2. This conversion effort includes data coming from one unique database or source, not multiple sources.
3. No data cleansing, consolidation of records, or editing of data will be part of the data conversion effort. Any data cleansing, removal of duplicate records, or editing must take place by you prior to providing the data to us.

Our Responsibilities

1. We will create and provide you with a conversion design document for signoff prior to beginning development work on the data conversion. No conversion programming by us will commence until you approve this document.
2. We will provide the data conversion programs to convert your data from a single data source to the Tyler Software for the specified files that contain 500 or more records.
3. As provided in the approved project plan for conversions, we will schedule on-site trips to your location in order to conduct the following:
 - a. Conversion Analysis,
 - b. Assistance for Mapping and Testing, and
 - c. Conversion Go-Live Implementation and Support

You will be responsible for travel expenses as set forth in the Invoicing and Payment Policy.

4. We will provide you up to three (3) test iterations of converted data. One test iteration consists of:
 - a. Running a conversion test in your test environment,

- b. Your reviewing a conversion test and responding in writing to us (see Client responsibilities paragraph 3 below),
 - c. We correct or otherwise respond to issues discovered and reported by you,
 - d. We will conduct internal testing to verify corrections, and
 - e. Both parties planning for the next test iteration and/or the live implementation.
5. Tyler will provide warranty coverage for any conversion-procedure-related issue reported by Client to Tyler within thirty (30) days after the conversion is run in the live database.

Client Responsibilities

1. Provide a current copy of the databases to be converted in one of the following formats:
 - a. Microsoft SQL Server database
 - b. Microsoft Access database
 - c. Microsoft Excel spreadsheet
 - d. An ASCII format delimited text file, including embedded column headers and text delimiters.
2. You will respond to each test iteration in writing, on a form provided by us, either:
 - a. Indicating acceptance that the Data Conversion Process is ready for the final conversion, or
 - b. Indicating a list of changes that need to be applied to the Data Conversion Process for the next test iteration.

Up to three (3) test iterations are provided as part of the Data Conversion Process. After the third (3rd) test iteration, you shall pay our then-current flat fee for each additional test iteration. You will promptly review each test iteration when delivered by us. Prompt review by you will reduce the likelihood that a need for additional test iteration(s) may arise due to an extended delay between delivery of a test iteration and its review.

3. If available, provide a data dictionary (data descriptors) of the databases being converted.
4. As provided in the project plan for conversions, you will provide a dedicated resource in each application area to focus on conversion mapping and testing. This includes dedicating a support person(s) whenever our staff is on site regarding conversions. Roughly a one to one ratio exists for your commitment and our commitment. You understand that thorough and timely testing of the converted data by your personnel is a key part of a successful data conversion.
5. You agree to promptly review and signoff on both the conversion design document, and on the final conversions after appropriate review.

Only one data source will be converted for each of the files described in the Investment Summary, unless otherwise noted.



Exhibit E Schedule 2

Customer Requested Standard Software Enhancements and/or Custom Software

1. Definition

We will provide you requested standard software enhancements and/or custom software services as discussed below. You agree to cooperate in limiting the scope of those modifications and enhancements, as described below.

An analysis and assessment to verify the scope of effort for these services will be conducted. A revised estimate for the enhancements/customizations may be provided at the conclusion of the assessment. You may elect to cancel or proceed with the enhancements/customizations based on the revised estimate.

Capabilities included in the initial scope:

- a) Custom Software/Interface(s)
While we will provide reasonable consultation, you are responsible for obtaining technical contacts and/or technical specifications from the third parties involved.
 - (1) SDLaw Warrant Lookup
 - (2) NetRMS Call-for-Service Export
 - (3) ARJIS Call for Service Export

2. Methodology to Provide Enhancements and/or Custom Software

a) Our Responsibility

As part of our delivery of these services, we will:

- (1) Review the required features for the items set forth in paragraph 1, above, with you.
- (2) Prepare a Requirements Document (RD) to include:
 - Detailed description of the required feature
 - menu samples
 - screen samples
 - report samples

- (3) Conduct the programming and programming test.
- (4) Provide the associated in-scope training, testing and/or other support services.

For an enhancement or custom software requiring over seven (7) days of services, we will utilize the design document procedure described below. For enhancements or custom software that require less than seven (7) days of services, we will use a Request for Service (RFS) procedure. Both procedures are reviewed with you at a pre-installation planning meeting. The RFS procedure utilizes a form with a narrative description and supporting documentation if applicable to define the work to be done.

b) Design and Development Procedure

<u>Activity</u>	<u>Targeted Time Period</u>
(1) We will work with your staff in completing the RD. You agree to be reasonable and flexible in not attempting to design the modifications to be more extensive than called for in the scope (cost and schedule) of this project.	To be determined
(2) We submit completed RD to you.	To be determined
(3) You will review and sign off on the RD. Once you sign off on the RD, any subsequent changes must be documented along with the impact on pricing and schedule, if any. No programming will be done by us until the formal sign-off and your authorization to proceed in writing.	To be determined
(4) We complete programming from RD and provide the associated deliverable to you.	To be determined
(5) You test software modification based on RD.	To be determined

3. Third Party Responsibilities

- a) The third-party will provide a documented API that will allow access to required data via a file transfer, web service, or TCP/IP.
- b) We will not be responsible for making any modification in the 3rd party software to support this interface.
- c) The third-party will work with us and you to test the interface.

The custom interfaces we agree to deliver to you under this Agreement are set forth in the Investment Summary and in the Interface Control Document(s) (ICD) listed below.

Interface Control Document (ICD)

National City, CA

Interface	SDLaw Warrant Lookup
<i>Direction</i>	Query
<i>Third Party</i>	SDLaw
<i>Record Type</i>	NA
<i>Detailed Description</i>	Tyler Technologies will provide an interface that will allow users to query warrant data through the New World NCIC functionality.
<i>Assumptions</i>	<ol style="list-style-type: none"> 1. The third-party will provide a documented API that will allow access to required data via a file transfer, web service, or TCP/IP. 2. Tyler Technologies will not be responsible for making any modification in the 3rd party software to support this interface. 3. The third-party will work with Tyler Technologies and the customer to test the interface.
For Internal Use Only:	
<i>Practice Manager</i>	Craig Salyers
<i>Design and Development Hours</i>	140
<i>Deployment Hours</i>	40
<i>Trips Required</i>	0

Interface	NetRMS Call-for-Service Export
<i>Direction</i>	Export
<i>Third Party</i>	NetRMS
<i>Record Type</i>	Call for Service
<i>Detailed Description</i>	<p>Tyler Technologies will provide an interface that will export call for service data from New World Public Safety to NetRMS.</p> <p>The transfer of data will be an automated batch process that will occur at a frequency configurable by the customer. The interface will support one transfer method and format. Data may be transmitted as a file, through a web service, as a TCP message or other agreed upon protocol.</p> <p>The interface will be limited to fields that exist in the New World module. No new fields will be added to the database or user screen.</p>
<i>Assumptions</i>	<ol style="list-style-type: none"> 1. The third-party will provide a documented API that will allow access to required data via a file transfer, web service, or TCP/IP. 2. Tyler Technologies will not be responsible for making any modification in the 3rd party software to support this interface. 3. The third-party will work with Tyler Technologies and the customer to test the interface.

For Internal Use Only:	
<i>Practice Manager</i>	Craig Salyers
<i>Design and Development Hours</i>	60
<i>Deployment Hours</i>	30
<i>Trips Required</i>	0

Interface	ARJIS Call for Service Export
<i>Direction</i>	Export
<i>Third Party</i>	ARJIS
<i>Record Type</i>	Call for Service
<i>Detailed Description</i>	<p>Tyler Technologies will provide an interface that will export call for service data from New World Public Safety to ARJIS.</p> <p>The transfer of data will be an automated batch process that will occur at a frequency configurable by the customer. The interface will support one transfer method and format. Data may be transmitted as a file, through a web service, as a TCP message or other agreed upon protocol.</p> <p>The interface will be limited to fields that exist in the New World module. No new fields will be added to the database or user screen.</p>
<i>Assumptions</i>	<ol style="list-style-type: none"> 1. The third-party will provide a documented API that will allow access to required data via a file transfer, web service, or TCP/IP. 2. Tyler Technologies will not be responsible for making any modification in the 3rd party software to support this interface. 3. The third-party will work with Tyler Technologies and the customer to test the interface.

For Internal Use Only:	
<i>Practice Manager</i>	Craig Salyers
<i>Design and Development Hours</i>	60
<i>Deployment Hours</i>	30
<i>Trips Required</i>	0



Exhibit F

Additional Terms for New World Public Safety and Brazos Hosted Components

We will provide you with the New World Public Safety and Brazos hosted components of Tyler Software indicated in the Investment Summary of this Agreement. The terms and conditions contained in this document only apply to our provision of those applications. Capitalized terms not otherwise defined will have the meaning assigned to such terms in your License and Services Agreement.

1. Additional Definitions. The following definitions shall apply to this Exhibit:
 - 1.1. **"Hosted Components"** means the New World Public Safety and Brazos hosted components of Tyler Software identified in the Investment Summary.
 - 1.2. **"Hosting Services"** means the hosting services Tyler will provide for the Hosted Components for the fees set forth in the Investment Summary. Terms and Conditions for the Hosting Services are set forth in this Exhibit F.
 - 1.3. **"SLA"** means the service level agreement applicable to the Hosting Services. A copy of Tyler's current SLA is attached hereto as Schedule 1.
 - 1.4. **"Third Party Services"** means the services provided by third parties, if any, identified in the Investment Summary.
2. Hosting Terms for the Hosted Components.
 - 2.1. We will either host or engage Third Party Services in order to host the Hosted Components set forth in the Investment Summary for the fees set forth therein. You agree to pay those fees according to the terms of the Invoicing and Payment Policy. In exchange for those fees, we agree to provide the Hosting Services according to the terms and conditions set forth in this Exhibit F, and the other applicable terms of the Agreement. If you fail to pay those fees, we reserve the right to suspend delivery of the applicable Hosting Services after advance written notice to you of our intention to do so.
 - 2.2. In our sole discretion, we may elect to migrate the Hosting Services to a replacement system (including our own) and will undertake reasonable efforts to complete such transfer during maintenance windows as set forth in the SLA. We will undertake reasonable efforts to provide you with advance written notice of any such transfer. You agree to provide all reasonable assistance and access in connection with any such transfer. In the event the Hosted Components are transferred to our data center and we provide hosting services directly to you, the terms of the SLA will also apply.
 - 2.3. The initial term for the Hosting Services is one (1) year. Thereafter, the term will renew automatically for additional one (1) year terms, unless terminated by either party at least thirty (30) days in advance of the upcoming renewal date.
 - 2.4. Where applicable, we will perform or cause to have performed upgrades of the applications, hardware,

and operating systems that support the Hosting Services. These upgrades are performed in commercially reasonable timeframes and in coordination with third-party releases and certifications. We will make available information on industry-standard minimum requirements and supported browsers for accessing the Hosting Services.



Exhibit F Schedule 1 Service Level Agreement for Hosted Components

Agreement Overview

This SLA outlines the information technology service levels that we will provide to you to ensure the availability of the Hosting Services that you have requested us to provide. All other support services are documented in the applicable Support Call Process. All defined terms not defined below have the meaning set forth in the Agreement.

Definitions

Attainment: The percentage of time a service is available during a billing cycle, with percentages rounded to the nearest whole number.

Client Error Incident: Any service unavailability resulting from your applications, content or equipment, or the acts or omissions of any of your service users or third-party providers over whom we exercise no control.

Downtime: Those minutes during which the applicable software products are materially unavailable for your use. Downtime does not include those instances in which only a Defect is present.

Service Availability: The total number of minutes in a billing cycle that a given service is capable of receiving, processing, and responding to requests, excluding maintenance windows, Client Error Incidents and Force Majeure.

Service Availability

The Service Availability of the applicable software products is intended to be 24/7/365. We set Service Availability goals and measures whether we have met those goals by tracking Attainment.

Client Responsibilities

Whenever you experience Downtime, you must make a support call according to the procedures outlined in the applicable Support Call Process exhibit. You may escalate through the hosting hotline. You will receive a support incident number. Any Downtime is measured from the time we intake your support incident.

To track attainment, you must document, in writing, all Downtime that you have experienced during a billing cycle. For purposes of this Service Level Agreement, billing cycle shall be based on each calendar quarter. You must deliver such documentation to Tyler within thirty (30) days of a billing cycle's end.

The documentation you provide must substantiate the Downtime. It must include, for example, the support incident number(s) and the date, time and duration of the Downtime(s).

Tyler Responsibilities

When our support team receives a call from you that a Downtime has occurred or is occurring, we will work with you to identify the cause of the Downtime (including whether it may be the result of a Client Error Incident or Force Majeure). We will also work with you to resume normal operations.

Upon timely receipt of your Downtime report, outlined above, we will compare that report to our own outage logs and support tickets to confirm that a Downtime for which Tyler was responsible indeed occurred.

We will respond to your Downtime report within thirty (30) days of receipt. To the extent we have confirmed Downtime for which we are responsible, we will provide you with the relief set forth below.

Client Relief

When a Service Availability goal is not met due to your confirmed Downtime, we will provide you with relief that corresponds to the percentage amount by which that goal was not achieved, as set forth in the Client Relief Schedule below.

Notwithstanding the above, the total amount of all relief that would be due under this SLA will not exceed 5% of the fee for any one billing cycle. Issuing of such credit does not relieve us of our obligations under the Agreement to correct the problem which created the service interruption. A correction may occur in the billing cycle following the service interruption. In that circumstance, if service levels do not meet the corresponding goal for that later billing cycle, your total credits will be doubled, with equal relief being provided in that later billing cycle.

Client Relief Schedule

Targeted Attainment	Actual Attainment	Client Relief
100%	98-99%	Remedial action will be taken at no additional cost to you.
100%	95-97%	Remedial action will be taken at no additional cost to you. 4% credit of fee for affected billing cycle will be posted to next billing cycle
100%	<95%	Remedial action will be taken at no additional cost to you. 5% credit of fee for affected billing cycle will be posted to next billing cycle

You may request a report from us that documents the preceding billing cycle’s Service Availability, Downtime, any

remedial actions that have been/will be taken, and any credits that may be issued. That report is available by contacting the hosting hotline through the support portal(s).

Applicability

The commitments set forth in this SLA do not apply during maintenance windows, Client Error Incidents, and Force Majeure.

We perform maintenance during limited windows that are historically known to be reliably low-traffic times. If and when maintenance is predicted to occur during periods of higher traffic, we will provide advance notice of those windows and will coordinate to the greatest extent possible with you. When maintenance is scheduled to occur, we will provide approximately two (2) weeks' advance written notice to the contact information that you supply on your notification form. When emergency maintenance is scheduled, you will receive an email at that same contact point.

Force Majeure

You will not hold us responsible for meeting service levels outlined in this SLA to the extent any failure to do so is caused by Force Majeure. In the event of Force Majeure, we will file with you a signed request that said failure be excused. That writing will include the details and circumstances supporting our request for relief with clear and convincing evidence pursuant to this provision. You will not unreasonably withhold your acceptance of such a request.

Updated: National City CA LSA Agreement 110620 (002)

Final Audit Report

2021-02-25

Created:	2021-02-25
By:	Ruth Ann Hines (ruthann.hines@tylertech.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAArd8RXLXGfyvURBrj0oNHsystpCj9M6Ym

"Updated: National City CA LSA Agreement 110620 (002)" History

-  Document created by Ruth Ann Hines (ruthann.hines@tylertech.com)
2021-02-25 - 8:48:58 PM GMT- IP address: 68.40.141.227
-  Document emailed to Bryan Proctor (bryan.proctor@tylertech.com) for signature
2021-02-25 - 8:50:53 PM GMT
-  Email viewed by Bryan Proctor (bryan.proctor@tylertech.com)
2021-02-25 - 8:55:07 PM GMT- IP address: 166.216.159.232
-  Document e-signed by Bryan Proctor (bryan.proctor@tylertech.com)
Signature Date: 2021-02-25 - 8:56:05 PM GMT - Time Source: server- IP address: 166.216.159.232
-  Agreement completed.
2021-02-25 - 8:56:05 PM GMT

[LESSEE]
\$ _____
Lease Purchase Financing
[Closing Date]

Closing Documents

1. Master Lease Purchase Agreement – attached for execution
2. Lease Schedule No. 1 – attached for execution
 - a. Equipment Description
 - b. Payment Schedule – *In order to avoid a potential rate adjustment, all closing documents must be returned by _____.*
3. Acceptance Certificate – attached for future use
4. Escrow Agreement – attached for execution
5. Pay Proceeds Letter – attached for execution
6. Tax Certificate – attached for execution
7. Incumbency Certificate of Lessee – attached for execution
8. Approval of Governing Body of Lessee – *Lessee to provide to closing*
9. Opinion of Counsel to Lessee – *Lessee to provide prior to closing*
10. IRS Form 8038-G – *Lessee to provide a signed copy prior to closing*
 - a. Evidence of filing Form 8038-G – *Lessee to file the original with the IRS, then provide Lessor with proof of mailing (post-closing)*
11. Evidence of Insurance – *Lessee to provide prior to any escrow disbursement*

if applicable:

Vehicle MSO/Title application – *Lessee to provide prior to any disbursement*
Lienholder: BciCapital, Inc.
Address: 390 N. Orange Ave., Ste. 2600, Orlando, FL 32801

Vendor Contract – *Lessee to provide fully-executed version prior to any disbursement*

Payment/Performance Bond – *Lessee to provide original prior to any disbursement*
Dual-obligee: BciCapital, Inc.

MASTER LEASE PURCHASE AGREEMENT

This Master Lease Purchase Agreement (this "Agreement"), dated as of _____, 2020, is made and entered into by and between BciCapital, Inc. ("Lessor"), and the _____, a political subdivision of the State of _____ ("Lessee").

In consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. LEASE OF EQUIPMENT; FUNDING

1.1. Lease; Possession and Use. Lessor hereby agrees to sell, transfer and lease to Lessee, and Lessee hereby agrees to acquire, purchase and lease from Lessor the property described in each Lease Schedule (defined herein) executed and delivered by Lessor and Lessee, upon the terms and conditions set forth herein, together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto (the "Equipment"). Each Lease executed and delivered by Lessor and Lessee pursuant to this Agreement shall constitute a separate and independent lease and installment purchase of the Equipment described therein. This Agreement is not a commitment by Lessor to enter into any Lease and nothing in this Master Lease shall be construed to impose any obligation upon Lessor to enter into any proposed Lease. The decision whether Lessor enters into any Lease is within Lessor's sole discretion. As used herein, (i) "Lease Schedule" means a schedule substantially in the form attached as Exhibit A to this Agreement, together with all addenda, riders, attachments, certificates and exhibits thereto, as the same may from time to time be amended, modified or supplemented, and (ii) "Lease" means a Lease Schedule each together with this Agreement the terms and conditions of which are incorporated therein.

1.2. Funding. Unless otherwise provided in the applicable Lease Schedule, in order to provide financing to pay the costs to acquire and install the Equipment set forth in the applicable Lease Schedule (the "Purchase Price"), Lessor and Lessee shall execute and deliver an escrow agreement relating to such Schedule in form and substance and with an escrow agent satisfactory to Lessor (an "Escrow Agreement"). If all conditions set forth in Section 1.3 have been satisfied in full or waived, then Lessor will deposit or cause to be deposited into an escrow fund under the related Escrow Agreement, or pay to Lessee an amount (which may include estimated investment earnings thereon) equal to the Purchase Price for the Equipment to be financed under the related Lease Schedule.

1.3. Funding Requirements. The funding of the Purchase Price and the performance by Lessor of any of its obligations pursuant to any Lease, are subject to the satisfaction or waiver of the following:

(a) Lessor has received all of the following documents, which shall be reasonably satisfactory, in form and substance, to Lessor: (1) evidence of insurance coverage or self-insurance as required by the Lease; (2) an opinion of Lessee's counsel and/or bond counsel to Lessee; (3) waivers of third parties holders of interests in the real property where the Equipment will be located, as Lessor may deem necessary; (4) copies of resolutions by Lessee's governing body, duly authorizing the Lease and the Escrow Agreement and incumbency certificates for the person(s) executing the Lease and the Escrow Agreement; (5) such documents and certificates as Lessor may request relating to federal tax-exemption of interest payable under the Lease, including (without limitation) IRS Form 8038-G or 8038-GC and evidence of the adoption of a reimbursement resolution or other official action in the event that Lessee is to be reimbursed for expenditures that it has paid more than 60 days prior to the funding of the Purchase Price; (6) if the Purchase Price will be paid to Lessee (or vendor(s) or supplier(s) of the Equipment on behalf of Lessee), an acceptance certificate for the Equipment (substantially in the form attached as Exhibit B to this Agreement) (an "Acceptance Certificate"), and (7) such other documents and information previously identified by Lessor or otherwise reasonably requested by Lessor.

- (b) Lessee has executed and delivered to Lessor the Lease Schedule, its related Payment Schedule and the related Escrow Agreement (if applicable);
- (c) no Event of Default shall have occurred and be continuing under any Lease;
- (d) no material adverse change shall have occurred in the financial condition of Lessee;
- (e) the Equipment is reasonably satisfactory to Lessor and is free and clear of any Liens (defined herein) other than the respective rights of Lessor and Lessee as herein provided; and
- (f) all representations of Lessee in the Lease remain true, accurate and complete.

1.4. Delivery, Installation and Acceptance of Equipment. Lessee shall order each Equipment, shall cause the Equipment to be delivered and installed at the locations specified under the applicable Lease Schedule and shall pay all taxes, delivery costs and installation costs, if any, in connection therewith. If the Purchase Price is deposited under an Escrow Agreement for the acquisition of the Equipment, such funds shall be disbursed as provided therein. The insufficiency of proceeds of any Lease to pay all costs of the Equipment subject thereto shall not affect Lessee's obligations under this Section. When the Equipment described in such Lease Schedule is delivered, installed and accepted, Lessee shall promptly execute and deliver to Lessor an Acceptance Certificate for the Equipment.

2. TERM

2.1. Term. The term of each Lease (the "Lease Term") shall commence on the Lease Date set forth in the applicable Lease Schedule and shall terminate upon payment of the all Rental Payments, unless sooner terminated pursuant to the Lease.

3. RENTAL PAYMENTS

3.1. Rental Payments. Lessee agrees to pay the rent payments ("Rental Payments") in the amounts and on the dates (each a "Payment Date") as specified in the Payment Schedule attached to each Lease Schedule. A portion of each Rental Payment is paid as interest as specified in the Payment Schedule for each Lease. All Rental Payments shall be paid to Lessor, at such places as Lessor may from time to time designate by written notice to Lessee. Lessee shall pay the Rental Payments with lawful money of the United States of America from moneys legally available therefor.

3.2. Current Expense. The obligations of Lessee, including its obligation to pay the Rental Payments due in any fiscal year shall constitute a current expense of Lessee for such fiscal year and shall not constitute an indebtedness of Lessee within the meaning of the Constitution and laws of the State of _____ (the "State"). THE RENTAL PAYMENTS ARE TO BE MADE ONLY FROM LESSEE'S LEGALLY AVAILABLE REVENUES APPROPRIATED ON AN ANNUAL BASIS, AND NEITHER LESSEE, THE STATE, NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF SHALL BE OBLIGATED TO PAY ANY SUMS DUE UNDER A LEASE FROM THE COMPELLED LEVY OF AD VALOREM OR OTHER TAXES EXCEPT FROM THOSE LEGALLY AVAILABLE REVENUES APPROPRIATED BY LESSEE ON AN ANNUAL BASIS. Nothing herein shall constitute a pledge by Lessee of the full faith and credit or taxing power of the Lessee. The person or entity in charge of preparing Lessee's budget will include in the budget request for each fiscal year the Rental Payments to become due during such fiscal year, and will use all reasonable and lawful means available to secure the appropriation of money for such fiscal year sufficient to pay all Rental Payments coming due therein. Lessor acknowledges that appropriation for Rental Payments is a governmental function which Lessee cannot

contractually commit itself in advance to perform. Lessee reasonably believes that moneys in an amount sufficient to make all Rental Payments can and will lawfully be appropriated and made available to permit Lessee's continued utilization of the Equipment in the performance of its essential functions during the applicable Lease Terms.

3.3. Unconditional Rental Payments. Subject to Section 3.4 hereof: (a) Lessee's obligation to make Rental Payments and any other payments hereunder shall be absolute and unconditional; (b) Lessee shall make these payments when due and shall not withhold any of these payments pending final resolution of any disputes; (c) Lessee shall not assert any right of set-off or counterclaim against its obligation to make these payments; (d) Lessee's obligation to make Rental Payments or other payments shall not be abated through accident, unforeseen circumstances, failure of the Equipment to perform as desired, damage or destruction to the Equipment, loss of possession of the Equipment or obsolescence of the Equipment; and (e) Lessee shall be obligated to continue to make payments required of it by this Agreement if title to, or temporary use of, the Equipment or any part thereof shall be taken under exercise of the power of eminent domain.

3.4. Nonappropriation. If during the then current fiscal year of Lessee, sufficient funds are not appropriated to make Rental Payments required under a Lease for the following fiscal year (an "Event of Nonappropriation"), Lessee shall be deemed not to have renewed such Lease for the following fiscal year, and the Lease shall terminate at the end of the then current fiscal year, and Lessee shall not be obligated to make Rental Payments under the Lease beyond the then current fiscal year for which funds have been appropriated. Upon an Event of Nonappropriation, Lessee shall return the Equipment subject to the Lease to Lessor in accordance with the requirements of Section 11.3. Lessee shall notify Lessor in writing no later than 30 days following an Event of Nonappropriation, but failure to provide such notice shall not operate to extend the Lease Term. If Lessee fails to return the applicable Equipment or otherwise comply with Section 11.3, the termination shall nevertheless be effective, but Lessee shall be responsible for the payment of damages in an amount equal to the amount of the Rental Payments that would thereafter have come due if the Lease had not been terminated and which are attributable to the number of days after which Lessee fails to comply with Lessor's instructions and for any other loss suffered by Lessor as a result of Lessee's failure to take such actions as required. In addition, Lessor may, by written instructions to any escrow agent who is holding proceeds of the Lease, instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor.

3.5 Security Interest. As security for Lessee's obligations to pay all Rental Payments and all other amounts due and payable under each Lease and to perform and observe all covenants, agreements and conditions (direct or indirect, absolute or contingent, due or to become due or existing or hereafter arising) of Lessee under such Lease, Lessee hereby grants to Lessor a first priority, security interest in any and all of the Equipment (now existing or hereafter acquired) under each Lease, moneys and investments held from time to time the Escrow Fund under each Escrow Agreement and any and all proceeds of any of the foregoing. Lessee agrees to execute and deliver to Lessor all necessary documents to evidence and perfect such security interest, including, without limitation, Uniform Commercial Code financing statements and any amendments thereto and certificates of title or certificates of origin (or applications thereof) noting Lessor's interest thereon.

4. PURCHASE AND PREPAYMENT

4.1. End of Lease Term. Lessee shall have the option to purchase all of the Equipment under a Lease upon the expiration of the Lease Term and payment in full of all Rental Payments then due and all other amounts then owing under the Lease, and the payment of \$1.00 to Lessor.

4.2. Optional Prepayment. Lessee shall have the option to prepay its obligations under any Lease in whole but not in part on any Payment Date as set forth in the applicable Payment Schedule, but only if and to the extent the Lease Schedule provides for such prepayment. Lessee shall give written notice to Lessor of its intention to exercise its option not less than thirty (30) days prior to the Payment Date on which the option will be exercised and shall pay to Lessor not later than such Payment Date an amount equal to all Rental Payments and any other amounts then due or past due under such Lease, including the Rental Payment due on the Payment Date on which the option shall be effective, and the applicable Prepayment Price set forth in the applicable Payment Schedule (the "Prepayment Price").

4.3. Excess Proceeds. Lessee's obligations under a Lease shall be prepaid in part from the excess proceeds of the Lease on the terms set forth in any Escrow Agreement pursuant to which proceeds of the Lease are being held.

4.4. Release of Lessor's Interest. Upon timely receipt, in collected funds, of all amounts required for the purchase of the Equipment subject to any Lease pursuant to Section 4.1 or the prepayment in whole of any Lease pursuant to Section 4.2, such Lease shall terminate, all of Lessor's right, title and interest in and to the Equipment shall terminate, and Lessor shall deliver to Lessee all such documents and instruments as Lessee may reasonably request to evidence the termination of the Lease and Lessor's interest in the Equipment, without warranty by or recourse to Lessor.

5. REPRESENTATION, WARRANTIES AND COVENANTS.

5.1. Representations and Warranties. Lessee shall be deemed to make the following representations and warranties to Lessor with respect to each Lease, in each case as of the Lease Date for such Lease:

(a) Lessee is a state or political subdivision of the State within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "Code"), duly organized and existing under the Constitution and laws of the State, and is authorized under the Constitution and laws of the State to enter into this Agreement, the Lease and the transactions contemplated hereby and thereby, and to perform all of its obligations under this Agreement and the Lease.

(b) The execution and delivery of this Agreement and the Lease Schedule have been duly authorized by all necessary action of Lessee's governing body and such action is in compliance with all public bidding and other State and federal laws applicable to this Agreement and the acquisition and financing of the Equipment by Lessee.

(c) This Agreement and the Lease Schedule have been duly executed and delivered by and constitute the valid and binding obligations of Lessee, enforceable against Lessee in accordance with their respective terms.

(d) The execution, delivery and performance of this Agreement and the Lease Schedule by Lessee does not (i) violate any State or federal law or local law or ordinance, or any order, writ, injunction, decree, or regulation of any court or other governmental agency or body applicable to Lessee, or (ii) conflict with or result in the breach or violation of any term or provision of, or constitute a default under, any note, bond, mortgage, indenture, agreement, deed of trust, lease or other obligation to which Lessee is bound.

(e) There is no action, suit, proceeding, claim, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of Lessee's knowledge, threatened against or affecting Lessee, challenging Lessee's authority to enter into this

Agreement or the Lease Schedule or any other action wherein an unfavorable ruling or finding would adversely affect the enforceability of this Agreement or the Lease Schedule.

(f) Lessee or Lessee's governing body has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments during the current fiscal year, and such moneys will be applied in payment of all Rental Payments due and payable during such current fiscal year.

(g) Lessee has an immediate need for, and expects to make immediate use of, the Equipment, which need is not temporary or expected to diminish during the applicable Lease Term.

5.2. Tax Covenants.

(a) Lessee covenants and agrees that it will (i) complete and timely file an information reporting return with the Internal Revenue Service ("IRS") in accordance with Section 149(e) of the Code; (ii) not permit the Equipment to be directly or indirectly used for a private business use within the meaning of Section 141 of the Code including, without limitation, use by private persons or entities pursuant to contractual arrangements which do not satisfy IRS guidelines for permitted management contracts, as the same may be amended from time to time; (iii) invest and reinvest moneys on deposit in the any escrow fund related to each Lease from time to time in a manner that will not cause such Lease to be classified as an "arbitrage bond" within the meaning of Section 148(a) of the Code; (iv) rebate an amount equal to excess earnings in any such escrow fund to the federal government if required by, and in accordance with, Section 148(f) of the Code and make the determinations and maintain the records required by the Code; and (v) comply with all provisions and regulations applicable to establishing and maintaining the excludability of the interest component of the Rental Payments under each Lease from federal gross income pursuant to Section 103 of the Code.

(b) If Lessor either (i) receives notice, in any form, from the IRS; or (ii) reasonably determines, based on an opinion of independent tax counsel selected by Lessor that Lessor may not exclude the interest component of any Rental Payment under a Lease from federal gross income, then Lessee shall pay to Lessor, within thirty (30) days after Lessor notifies Lessee of such determination, the amount which, with respect to Rental Payments previously paid and taking into account all penalties, fines, interest and additions to tax (including all federal, state and local taxes imposed on the interest component of all Rental Payments under the Lease due through the date of such event) that are imposed on Lessor as a result of the loss of the exclusion, will restore to Lessor the same after tax yield on the transaction evidenced by such Lease (assuming tax at the highest marginal corporate tax rate) that it would have realized had the exclusion not been lost. Additionally, Lessee agrees that upon the occurrence of such an event, it shall pay additional rent to Lessor on each succeeding Rental Payment due date in such amount as will maintain such after tax yield to Lessor. Lessor's determination of the amount necessary to maintain its after-tax yield as provided in this subsection (b) shall be conclusive (absent manifest error).

6. INSURANCE; CASUALTY AND CONDEMNATION

6.1. Liability and Property Insurance. Lessee shall, at its own expense, procure and maintain continuously in effect during each Lease Term: (a) public liability insurance for death or injuries to persons, or damage to property arising out of or in any way connected to the Equipment sufficient to protect Lessor and its assigns from liability in all events, with a coverage of not less than \$1,000,000 per occurrence unless specified differently in the related Lease Schedule, and (b) insurance against such hazards as Lessor may require, including, but not limited to, all-risk casualty and property insurance, in an amount equal to the greater of the full replacement cost of the Equipment or the applicable Prepayment Price.

6.2. Insurance Requirements. All insurance policies required by Section 6.1 shall be taken out and maintained with insurance companies acceptable to Lessor and shall contain a provision that thirty (30) days prior to any change in the coverage (including cancellation) the insurer must provide written notice to the insured parties. No insurance shall be subject to any co-insurance clause. Each liability insurance policy shall be endorsed to name Lessor and its assigns as an additional insured party and each casualty and property insurance policy shall be endorsed to name Lessor and its assigns as loss payee, in each case regardless of any breach of warranty or other act or omission of Lessee. Lessee may self-insure against the risks described in Section 6.1 with the prior written consent of Lessor.

7. ADDITIONAL OBLIGATIONS

7.1. Use and Maintenance of Equipment. Lessee shall, at its own expense, maintain the Equipment in good condition and proper working order, and shall make all necessary repairs and replacements to keep the Equipment in such condition. The Equipment will be used by Lessee only for the purpose of performing Lessee's essential governmental functions. Lessee shall not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any manufacturer's guidelines or in violation of any applicable law or regulation or in a manner contrary to that contemplated by this Agreement. Lessee shall obtain and maintain all permits and licenses necessary for the installation and operation of the Equipment. Lessee shall have sole responsibility to maintain and repair the Equipment. Lessee shall keep (or in the case of Equipment constituting motor vehicles, house) the Equipment at the address specified in the related Lease Schedule; provided that Lessee may change the location at which any Equipment is kept (or housed) with thirty (30) days prior written notice to Lessor specifying the address of the new location. Lessee shall provide Lessor access at all reasonable times to examine and inspect the Equipment and provide Lessor with such access to the Equipment as may be reasonably necessary to perform maintenance on the Equipment in the event of failure by Lessee to perform its obligations hereunder. If Lessor reasonably determines that Lessee is not maintaining any of the Equipment in accordance with this Section, Lessor may (in addition to any other remedies it may have) require Lessee to enter into maintenance contracts for such Equipment in form approved by Lessor and with approved providers.

7.2. Taxes. Lessee shall pay all taxes, assessments and other charges which are assessed or levied against the Equipment or any part thereof, during the Lease Term, whether assessed against Lessee or Lessor. With respect to any taxes or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during the then current fiscal year of the Lease Term for such Equipment.

7.3. Modification of Equipment. Lessee will not, without the prior written consent of Lessor, affix or install any accessory equipment or device on any of the Equipment if such addition will change or impair the originally intended value, function or use of the Equipment.

7.4. Liens. Lessee shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or other claim with respect to the Equipment (each, a "Lien"), other than the respective rights of Lessor and Lessee as herein provided. Lessee shall promptly, at its own expense, take such actions as may be necessary duly to discharge or remove any such claim if the same shall arise at any time.

7.5. Financial Information. Lessee shall deliver to Lessor (i) its annual audited financial statements within 210 days after the end of each fiscal year, (ii) its annual budget the each fiscal year promptly following approval thereof, and (iii) such other financial statements and information relating to the ability of Lessee to satisfy its obligations under this Agreement and the Lease as may be reasonably requested by Lessor from time to time.

8. TITLE; NO WARRANTIES BY LESSOR

8.1. Title. During the Lease Term, legal title to all Equipment shall be in Lessee, subject to Lessor's interests under the applicable Lease Schedule and this Agreement. Upon an Event of Default or an Event of Nonappropriation, title shall immediately vest in Lessor, free and clear of any right, title or interest of Lessee.

8.2. Personal Property. The Equipment is and shall at all times be and remain personal property and not fixtures.

8.3. No Warranties. LESSEE ACQUIRES AND LEASES THE EQUIPMENT UNDER EACH LEASE "AS IS." LESSEE ACKNOWLEDGES THAT LESSOR DID NOT MANUFACTURE THE EQUIPMENT UNDER ANY LEASE. LESSOR DOES NOT REPRESENT THE MANUFACTURER, SUPPLIER, OWNER OR DEALER, AND LESSEE SELECTED THE EQUIPMENT BASED UPON LESSEE'S OWN JUDGMENT. LESSOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE OR AS TO THE EQUIPMENT'S VALUE, DESIGN, CONDITION, USE, CAPACITY OR DURABILITY. LESSEE AGREES THAT REGARDLESS OF CAUSE, LESSOR IS NOT RESPONSIBLE FOR AND LESSEE WILL NOT MAKE ANY CLAIM AGAINST LESSOR FOR, ANY DAMAGES, WHETHER CONSEQUENTIAL, DIRECT, SPECIAL OR INDIRECT INCURRED BY LESSEE IN CONNECTION WITH THE EQUIPMENT UNDER ANY LEASE. NEITHER THE MANUFACTURER, SUPPLIER OR DEALER NOR ANY SALESPERSON, EMPLOYEE OR AGENT OF THE MANUFACTURER, SUPPLIER OR DEALER IS LESSOR'S AGENT OR HAS ANY AUTHORITY TO SPEAK FOR LESSOR OR TO BIND LESSOR IN ANY WAY. For and during the Lease Term under each Lease, Lessor assigns to Lessee any manufacturer's or Supplier's product warranties, express or implied, applicable to any Equipment and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's sole expense. Lessee agrees that (a) all Equipment will have been purchased by Lessor for the benefit of the Lessee in accordance with Lessee's specifications from suppliers selected by Lessee, (b) Lessor is not a manufacturer or dealer of any Equipment and has no liability for the delivery or installation of any Equipment, (c) Lessor assumes no obligation with respect to any manufacturer's or Supplier's product warranties or guaranties, (d) no manufacturer or Supplier or any representative of said parties is an agent of Lessor, (e) any warranty, representation, guaranty or agreement made by any manufacturer or supplier or any representative of said parties shall not be binding upon Lessor, and (f) the Lessor shall cause the supplier to identify the Lessee as an intended beneficiary of its warranty, if any.

9. RISK OF LOSS; CASUALTY

9.1. Risk of Loss. As between Lessee and Lessor, Lessee bears the entire risk of loss, theft, damage or destruction of any Equipment in whole or in part for any reason whatsoever. No loss to any Equipment shall relieve Lessee from the obligation to make any Rental Payments or to perform any other obligation under any Lease. Proceeds of any insurance recovery will be applied to Lessee's obligations under this Section 9.

9.2. Notice of Loss. If a casualty occurs to any Equipment, Lessee shall immediately notify Lessor of the same and Lessee shall, unless otherwise directed by Lessor, immediately repair the same.

9.3. Application of Proceeds. If Lessor determines that any item of Equipment has suffered a casualty loss is beyond repair, then Lessee shall either: (a) immediately replace such Equipment with similar equipment in good repair, condition and working order free and clear of any liens and deliver to Lessor a purchase order, bill of sale or other evidence of sale to Lessee covering the replacement equipment,

in which event such replacement equipment shall automatically be Equipment under the applicable Lease, or (b) on the next scheduled Payment Date, pay Lessor (i) all amounts owed by Lessee under the applicable Lease, including the Rental Payment due on such date, plus (ii) an amount equal to the applicable Prepayment Price set forth in the Payment Schedule to the applicable Lease. If Lessee is making such payment with respect to less than all of the Equipment under a Lease, then Lessor will provide Lessee with the pro rata amount of the Prepayment Price to be paid by Lessee with respect to the such Equipment.

9.4. Claims and Expenses. Lessee shall bear the risk of loss for, shall pay directly and shall defend against any and all claims, liabilities, proceedings, actions, expenses (including reasonable attorney's fees), damages or losses arising under or related to any Equipment, including, but not limited to, the possession, ownership, lease, use or operation thereof. These obligations of Lessee shall survive any expiration or termination of any Lease. Lessee shall not bear the risk of loss of, nor pay for, any claims, liabilities, proceedings, actions, expenses (including attorney's fees), damages or losses which arise directly from events occurring after any Equipment has been returned by Lessee to Lessor in accordance with the terms of the applicable Lease or which arise directly from the gross negligence or willful misconduct of Lessor.

10. ASSIGNMENT

10.1. Assignment by Lessor. Lessor may assign its rights, title and interest in and to any Lease, any Equipment or any Escrow Agreement (including the escrow fund thereunder), and/or may grant or assign a security interest in any Lease, its Equipment or any Escrow Agreement (including the escrow fund thereunder), in whole or in part, to any party at any time and from time to time without Lessee's consent. Any such assignee or lien holder (an "Assignee") shall have all of the rights of Lessor under the applicable Lease and Escrow Agreement. LESSEE AGREES NOT TO ASSERT AGAINST ANY ASSIGNEE ANY CLAIMS, ABATEMENTS, SETOFFS, COUNTERCLAIMS, RECOUPMENT OR ANY OTHER SIMILAR DEFENSES WHICH LESSEE MAY HAVE AGAINST LESSOR. Unless otherwise agreed by Lessee in writing, any such assignment transaction shall not release Lessor from any of Lessor's obligations under the applicable Lease. An assignment or reassignment of any of Lessor's right, title or interest in a Lease, its Equipment or any Escrow Agreement (including the Escrow Fund thereunder) shall be enforceable against Lessee only after Lessee receives a written notice of assignment that discloses the name and address of each such Assignee. Lessee shall keep a complete and accurate record of all such assignments in the form necessary to comply with Section 149(a) of the Code. Lessee agrees to acknowledge in writing any such assignments if so requested.

10.2. Assignment and Subleasing by Lessee. Neither this Agreement nor any Lease or any Equipment may be assigned, subleased, sold, transferred, pledged or mortgaged by Lessee.

11. EVENTS OF DEFAULT; REMEDIES

11.1. Events of Default Defined. The occurrence of any of the following events with respect to a Lease shall constitute an Event of Default under the Lease:

- (a) Lessee's failure to pay any Rental Payment or other amount required to be paid to Lessor under the Lease within ten (10) days following the due date thereof, other than by reason of an Event of Nonappropriation;
- (b) Lessee fails to perform or observe any of its obligations under Section 6, 7.4 or 10.2 hereof;
- (c) With the exception of the above clauses (a) or (b), Lessee's failure to perform or abide by any condition, agreement or covenant with respect to the Lease for a period of thirty (30) days after written

notice by Lessor to Lessee specifying such failure and requesting that it be remedied, unless Lessor shall agree in writing to an extension of time prior to its expiration;

(d) Lessee shall be in default with respect to the payment or performance of any indebtedness, liability or obligation to Lessor or any of its affiliates under any note, loan agreement, security agreement, lease, title retention or conditional sales agreement or any other instrument or agreement (including the occurrence of any Event of Default under any other Lease then held by Lessor), whether accelerated or otherwise and any applicable grace period with respect thereto has expired;

(e) any statement, representation or warranty made by Lessee in the Lease or in any writing delivered by Lessee pursuant thereto or in connection therewith proves at any time to have been false, misleading or erroneous in any material respect as of the time when made; or

(f) Lessee applies for or consents to the appointment of a receiver, trustee, conservator or liquidator of Lessee or of all or a substantial part of its assets, or a petition for relief is filed by Lessee under any federal or state bankruptcy, insolvency, moratorium or similar law.

11.2. Remedies on Default. Upon the occurrence of any Event of Default with respect to a Lease, Lessor shall have the right, at its option and without any further demand or notice to one or more or all of the following remedies with respect to the Lease:

(a) Lessor, with or without terminating the Lease, may declare all Rental Payments payable under the Lease to the end of the then-current fiscal year of Lessee to be immediately due and payable by Lessee, whereupon such Rental Payments shall be immediately due and payable.

(b) Lessor may require Lessee to promptly return all Equipment to Lessor in the manner set forth in Section 11.3 (and Lessee agrees that it shall so return the Equipment), or Lessor may, at its option, enter upon the premises where any Equipment is located and repossess such Equipment without demand, without any court order or other process of law and without liability for any damage occasioned by such repossession; and Lessor may thereafter dispose of the Equipment. If Lessor terminates the Lease and disposes of any or all of the Equipment, Lessor shall apply the proceeds of any such disposition to pay the following items in the following order: (i) all costs and expenses (including, but not limited to, attorneys' fees) incurred in securing possession of the Equipment; (ii) all costs and expenses incurred in completing the disposition of the Equipment; (iii) any sales or transfer taxes incurred in the disposition of the Equipment; (iv) any Rental Payments payable under the Lease to the end of the then-current fiscal year of Lessee; (v) the outstanding principal component of Rental Payments under the Lease; and (vi) any other amounts then due under the Lease. Any disposition proceeds remaining after the requirements of clauses (i), (ii), (iii), (iv), (v) and (vi) have been met shall be paid to Lessee. No deficiency shall be allowed against Lessee, except with respect to any unpaid Rental Payments to the end of the then-current fiscal year of Lessee and unpaid costs and expenses incurred by Lessor in connection with the repossession and disposition of the Equipment.

(c) By written notice to any escrow agent that is holding proceeds of the Lease under an Escrow Agreement, Lessor may instruct such escrow agent to release all such proceeds and any earnings thereon to Lessor, such sums to be credited to payment of Lessee's obligations under the Lease; or

(d) Lessor may exercise any other remedy available, at law or in equity, with respect to such Event of Default. Lessee shall pay the reasonable attorneys' fees and expenses incurred by Lessor in exercising any remedy hereunder.

11.3. Return of Equipment; Release of Lessee's Interest. Upon termination of any Lease prior to the payment of all Rental Payments or the applicable Prepayment Price (whether as result of an Event of Nonappropriation or Event of Default) thereunder, Lessee shall, within ten (10) days after such termination, at its own expense: (a) perform any testing and repairs required to place the related Equipment in the condition required by Section 7; (b) if deinstallation, disassembly or crating is required, cause such Equipment to be deinstalled, disassembled and crated by an authorized manufacturer's representative or such other service person as is satisfactory to Lessor; (c) return such Equipment to a location in the continental United States specified by Lessor, freight and insurance prepaid by Lessee; and (d) comply with any additional return conditions specified in the Lease Schedule. Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of legal title and ownership to Lessor and termination of Lessee's interest in the Equipment.

With respect to any provision of the Agreement requiring Lessee to return all or any portion of the Equipment to Lessor or to transfer title to all or any portion of the equipment to Lessor, Lessee agrees to voluntarily do so. In the event that Lessee fails or refuses to return or transfer the Equipment or title thereto voluntarily as set forth above, Lessor acknowledges that the Agreement does not and shall not create a right in Lessor to involuntarily dispossess Lessee of title to or possession of all or any item of the Equipment. .

11.4. Late Charge. To the extent permitted by applicable law, Lessee shall pay Lessor a charge on any Rental Payment not paid on the date such payment is due at a rate equal to the interest rate set forth in the applicable Lease Schedule plus 5% per annum or the maximum amount permitted by law, whichever is less (the "Default Rate"), from such date.

11.5. No Remedy Exclusive. Each of the rights and remedies under this Agreement and each Lease is cumulative and may be enforced separately or concurrently. No course of dealing or conduct between Lessor and Lessee shall be effective to amend, modify or change any provisions of this Agreement or any Lease. No failure or delay by Lessor to insist upon the strict performance of any term, covenant or agreement of the Agreement or any Lease, or to exercise any right, power or remedy consequent upon a breach thereof, shall constitute a waiver of any such term, covenant or agreement or of any such breach, or preclude Lessor from exercising any such right, power or remedy at any later time or times.

11.6. Costs and Attorneys' Fees. Upon the occurrence of an Event of Default, Lessee agrees to pay to Lessor or reimburse Lessor for, in addition to all other amounts payable hereunder, all of Lessor's costs of collection, including reasonable attorneys' fees, whether or not suit or action is filed thereon. Any such costs shall be immediately due and payable upon written notice and demand given to Lessee, shall be secured by this Agreement until paid, and shall bear interest at the Default Rate. In the event suit or action is instituted to enforce any of the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorneys' fees at trial and on appeal of such suit or action or in any bankruptcy proceeding, in addition to all other sums provided by law.

12. MISCELLANEOUS PROVISIONS

12.1. Notices. All written notices to be given under this Agreement shall be given (a) personally, (b) by mail in registered or certified form, with postage prepaid, or (c) by overnight courier, charges prepaid, in each case to the party entitled thereto at its address specified beneath each party's signature, or at such address as the party may provide to the other parties hereto in writing from time to time, and to any assignee at its address as it appears on the registration books maintained by Lessee. Any such notice shall be deemed to have been received 72 hours after deposit in the United States mail, 24 hours after deposit with a courier, or, if given by other means, when delivered.

12.2. Binding Effect. This Agreement and each Lease hereunder shall be binding upon and shall inure to the benefit of Lessor and Lessee and their respective successors and assigns. Specifically, as used herein the term "Lessor" means, with respect to a Lease, any person or entity to whom Lessor has assigned its right to receive Rental Payments under such Lease.

12.3. Severability. In the event any provision of this Agreement or any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

12.4. Entire Agreement; Amendments. Each Lease constitutes the entire agreement of the parties with respect to the subject matter thereof and supersedes all prior and contemporaneous writings, understandings, agreements, solicitation documents and representations, express or implied. Each Lease may be amended or modified only by written documents duly authorized, executed and delivered by Lessor and Lessee.

12.5. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions, Articles, Sections or clauses hereof.

12.6. Further Assurances and Corrective Instruments. Lessor and Lessee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required to perfect, confirm, establish, reestablish, continue or complete the interests of Lessor in this Agreement and each Lease, to consummate the transactions contemplated hereby and thereby, and to carry out the purposes and intentions of this Agreement and each Lease.

12.7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

12.8. Usury. It is the intention of the parties hereto to comply with any applicable usury laws; accordingly, it is agreed that, notwithstanding any provisions to the contrary herein or in any Lease Schedule, in no event shall this Agreement or any Lease hereunder require the payment or permit the collection of interest or any amount in the nature of interest or fees in excess of the maximum amount permitted by applicable law. Any such excess interest or fees shall first be applied to reduce principal, and when no principal remains, refunded to Lessee. In determining whether the interest paid or payable exceeds the highest lawful rate, the total amount of interest shall be spread through the applicable Lease Term so that the interest is uniform through such term.

12.9. Waiver of Jury Trial. To the extent permitted by applicable law, Lessor and Lessee hereby waive any right to trial by jury in any action or proceeding with respect to, in connection with or arising out of this Agreement.

12.10. USA Patriot Act Compliance Notification. Lessor hereby notifies Lessee that pursuant to the requirements of the USA PATRIOT Act (the "Patriot Act"), it is required to obtain, verify and record information that identifies Lessee, which information includes the name and address of Lessee and other information that will allow Lessor to identify Lessor in accordance with the Patriot Act. Lessee shall, promptly upon Lessor's request, provide all documentation and other information that Lessor requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

12.11. Relationship of Parties. Lessee acknowledges and agrees that (i) this Agreement and each Lease and the transactions related thereto is an arm's-length commercial transaction between Lessor and Lessee, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, Lessor is and has been acting solely as a principal and is not acting as the agent, advisor or fiduciary of Lessee, (iii) Lessor has not assumed an advisory or fiduciary responsibility in favor of Lessee with respect to the transactions contemplated hereby or the discussions, undertakings, and procedures leading thereto (regardless of whether Lessor or any affiliate thereof has provided other services or is currently providing other services to Lessee on other matters) and Lessor has no obligation to Lessee with respect to the transactions contemplated hereby except the obligations expressly set forth in this Agreement and any Lease, and (iv) Lessee has consulted its own legal, financial, and other advisors to the extent it has deemed appropriate.

12.12. Filing of Leases. Lessee shall not file or submit, or permit the filing or submission, of all or any portion this Agreement or any Lease, any document related to this Agreement or any Lease, any default, event of acceleration, termination event, waiver, modification of terms or other similar events relating to this Agreement or any Lease or any summary of the foregoing with the Municipal Securities Rulemaking Board ("MSRB") (or any successor to the MSRB or similar entity or service) unless such document or portion thereof has been provided to the Lessor in advance for review and redaction to the extent required by the Lessor and otherwise permitted under applicable MSRB rules or federal securities law, if any. Lessor is not responsible for the Lessee's or any other entity's compliance with any continuing disclosure obligations under any applicable securities law or related agreement or undertaking.

12.13. Counterparts. This Agreement and any Lease Schedules may be executed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument, and in making proof of this Agreement and any Lease Schedules it shall not be necessary to produce or account for more than one such counterpart.

12.14. Electronic Signatures. The parties agree that the electronic signature of a party to this Agreement and any Lease Schedule shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement and such Lease Schedule(s). The parties agree that any electronically signed document (including this Agreement and any Lease Schedule) shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or "printouts", if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a "pdf" (portable document format) or other replicating image attached to an e mail message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

[The remainder of this page is intentionally blank. Signature page follows.]

IN WITNESS WHEREOF, Lessor has caused this Agreement to be executed in its corporate name by its duly authorized officer, and Lessee has caused this Agreement to be executed in its name by its duly authorized officer.

Lessee

BCICAPITAL, INC.
Lessor

By: _____
Name:
Title:

Address:

Attention:

Telephone:
E-mail address:

By: _____
Name:
Title:

Address: 390 N. Orange Ave., Suite 2600
Orlando, FL 32801

Attn: Michael Powers
Senior Vice President

Telephone: (410) 458-5747
E-mail address: mike.powers@bcicmg.com

LEASE SCHEDULE NO. _
to Master Lease Purchase Agreement

Dated [DATE]

This Lease Schedule (this "Lease Schedule") relates to the Master Lease Purchase Agreement dated as of [DATE] (the "Agreement") between the undersigned Lessor and Lessee, together with the terms and conditions of the Agreement incorporated herein by reference, constitutes a Lease. Unless otherwise defined herein, capitalized terms will have the same meaning ascribed to them in the Agreement. All terms and conditions of the Agreement are incorporated herein by reference.

1. Equipment Description. As used in the Lease, "Equipment" means all of the property described in Exhibit 1 attached to this Lease Schedule and all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto.
2. Purchase Price. The Purchase Price for the Equipment is \$[---], which amount shall be deposited in the Escrow Fund established pursuant to that certain Escrow Agreement dated as of [DATE] among Lessor, Lessee and City National Bank of Florida, as escrow agent.
3. Rental Payments; Lease Term. The Rental Payments to be paid by Lessee to Lessor, the Lease Date of this Lease and the Lease Term of this Lease are set forth on the Payment Schedule attached to this Lease Schedule as Exhibit 2.
4. Essential Use; Current Intent of Lessee. Lessee represents that (a) the use of the Equipment is essential to Lessee's proper, efficient and economic functioning or to the services that Lessee provides to its citizens, (b) the Equipment will be used by Lessee only for the purpose of performing its governmental or proprietary functions consistent with the permissible scope of its authority and will not be used in a trade or business of any person or entity, and (c) the useful life of the Equipment is not less than the stated full Lease Term of this Lease. Lessee has determined that a present need exists for the Equipment which need is not temporary or expected to diminish in the near future. Lessee currently intends for the full Lease Term: to use the Equipment; and to continue this Lease.
5. Representations, Warranties and Covenants. Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Agreement are true and correct as though made on the date of execution of this Lease Schedule.
6. Bank Qualified. Lessee certifies that it has designated this Lease as a qualified tax-exempt obligation in accordance with Section 265(b)(3) of the Code, that it has not designated more than \$10,000,000 of its obligations as qualified tax-exempt obligations in accordance with such Section for the current calendar year and that it reasonably anticipates that the total amount of tax-exempt obligations to be issued by Lessee during the current calendar year will not exceed \$10,000,000.

IN WITNESS WHEREOF, Lessor has caused this Lease Schedule to be executed in its corporate name by its duly authorized officer, and Lessee has caused this Lease Schedule to be executed in its name by its duly authorized officer.

Lessee

BCICAPITAL, INC.
Lessor

By: _____
Name:
Title:

Address:
Attention:

Telephone:
E-mail address:

By: _____
Name:
Title:

Address: 390 N. Orange Ave., Suite 2600
Orlando, FL 32801
Attn: Michael Powers
Senior Vice President

Telephone: (410) 458-5747
E-mail address: mike.powers@bcicmg.com

SAMPLE

Equipment Description

[Describe Equipment and Purchase Price]

Location of Equipment: _____

SAMPLE

Payment Schedule

Annual Rate: _____%

Payment Date	Payment Amount	Interest	Principal	Balance	Prepayment Amount
[Closing Date]				\$ _____	\$ _____
[Due Date]	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
[Due Date]	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
[Due Date]	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
TOTALS:	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

SAMPLE

Form of
ACCEPTANCE CERTIFICATE

BciCapital, Inc.
390 N. Orange Ave., Suite 2600
Orlando, FL 32801

Re: Lease Schedule No. ___ dated [DATE] (the "Lease Schedule") to that certain Master Lease Purchase Agreement dated as of [Date] (the "Agreement" and together with the Lease Schedule, the "Lease") between BciCapital, Inc., as Lessor, and _____, as Lessee

Ladies and Gentlemen:

I, the undersigned, hereby certify that I am the duly qualified and acting officer of Lessee identified below and, with respect to the above-referenced Lease Schedule, that:

1. The Equipment subject to the Lease Schedule and the Lease has been delivered and installed, is in good working order and is fully operational and has been fully accepted by Lessee on or before the date hereof.

2. Attached hereto are true and correct copies of the manufacturers' and dealers' invoices for the Equipment.

3. Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Lease during the current fiscal year of Lessee. Such moneys will be applied in payment of all such Rental Payments due and payable during such current fiscal year.

4. No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Lease) exists at the date

hereof. Date of Acceptance: _____

Lessee

By: _____

Name:

Title:

ESCROW AGREEMENT

This Escrow Agreement (this "Agreement"), dated as of _____, 2018, by and among BciCapital, Inc. (and any successors and permitted assigns "Lessor"), _____, a body corporate and politic and a political subdivision existing under the laws of the State of _____ ("Lessee"), and City National Bank of Florida, in its capacity as escrow agent hereunder ("Escrow Agent").

Reference is made to that certain Lease Schedule No. 1 dated _____, 2018 to that certain Master Lease Purchase Agreement dated as of ____, 2018, each between Lessor and Lessee (hereinafter collectively referred to as the "Lease"), covering the acquisition and lease of certain Equipment described therein (the "Equipment"). It is a requirement of the Lease that the Purchase Price (\$ _____) be deposited into a segregated escrow account under terms satisfactory to Lessor, for the purpose of fully funding the Lease, and providing a mechanism for the application of such amounts to the purchase of and payment for the Equipment.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Creation of Escrow Account.

(a) There is hereby created an escrow fund to be known as the "_____ Escrow Account" (the "Escrow Account") to be held by the Escrow Agent for the purposes stated herein, for the benefit of Lessor and Lessee, to be held, disbursed and returned in accordance with the terms hereof.

(b) The Escrow Agent shall place all escrow funds in a demand deposit account or as otherwise agreed upon between the parties.

(c) Unless the Escrow Account is earlier terminated in accordance with the provisions of paragraph (d) below, amounts in the Escrow Account shall be disbursed by the Escrow Agent in payment of amounts described in Section 2 hereof upon receipt of written instruction(s) from Lessor, as is more fully described in Section 2 hereof. If the amounts in the Escrow Account are insufficient to pay such amounts, Lessee shall deposit into the Escrow Account any funds needed to complete the acquisition of the Equipment. Any moneys remaining in the Escrow Account on or after the earlier of (i) , 201_ ("Termination Date") and (ii) the date on which Lessee executes an Acceptance Certificate shall be applied as provided in Section 4 hereof.

(d) The Escrow Account shall be terminated at the earliest of (i) the final distribution of amounts in the Escrow Account or (ii) written notice given by Lessor of the occurrence of a default or termination of the Lease due to non-appropriation.

(e) The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Escrow Agent, and for the disposition of the same in accordance herewith. In the event conflicting instructions as to the disposition of all or any portion of the Escrow Account are at any time given by Lessor and Lessee, the Escrow Agent shall abide by the instructions or entitlement orders given by Lessor without consent of the Lessee.

(f) Unless the Escrow Agent is guilty of gross negligence or willful misconduct with regard to its duties hereunder, Lessee agrees to and does hereby release and indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this agreement; and in connection therewith, does to the extent permitted by law indemnify the Escrow Agent against any and all expenses; including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim.

(g) If Lessee and Lessor shall be in disagreement about the interpretation of the Lease, or about the rights and obligations, or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, but shall not be required to, file an appropriate civil action including an interpleader action to resolve the disagreement. The Escrow Agent shall be reimbursed by Lessee for all costs in connection with such civil action, and shall be fully protected in suspending all or part of its activities under the Lease until a final judgment in such action is received.

(h) The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. Lessee shall reimburse the Escrow Agent for all such reasonable costs and expenses. The Escrow Agent shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct.

(i) Lessee shall reimburse the Escrow Agent for all reasonable costs and expenses, including those of the Escrow Agent's attorneys, agents and employees incurred for non-routine administration of the Escrow Account and the performance of the Escrow Agent's powers and duties hereunder in connection with any Event of Default under the Lease, or in connection with any dispute between Lessor and Lessee concerning the Escrow Account.

(j) The Escrow Agent or any successor may at any time resign by giving mailed notice to Lessee and Lessor of its intention to resign and of the proposed date of resignation (the "Effective Date"), which shall be a date not less than 60 days after such notice is delivered to an express carrier, charges prepaid, unless an earlier resignation date and the appointment of a successor shall have been approved by the Lessee and Lessor. After the Effective Date, the Escrow Agent shall be under no further obligation except to hold the Escrow Account in accordance with the terms of this Agreement, pending receipt of written instructions from Lessor regarding further disposition of the Escrow Account.

(k) The Escrow Agent shall have no responsibilities, obligations or duties other than those expressly set forth in this Agreement and no implied duties responsibilities or obligations shall be read into this Agreement.

2. Acquisition of Equipment.

(a) Acquisition Contracts. Lessee will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition of the Equipment, with moneys available in the Escrow Account. Lessee represents the estimated costs of the Equipment are within the funds estimated to be available therefor, and Lessor makes no warranty or representation with respect thereto. Lessor shall have no liability under any of the acquisition or construction contracts. Lessee shall obtain all necessary permits and approvals, if any, for the acquisition, equipping and installation of the Equipment, and the operation and maintenance thereof. Escrow Agent shall have no duty to monitor or enforce Lessee's compliance with the foregoing covenant.

(b) Authorized Escrow Account Disbursements. It is agreed as between Lessee and Lessor that Disbursements from the Escrow Account shall be made for the purpose of paying (including the reimbursement to Lessee for advances from its own funds to accomplish the purposes hereinafter described) the cost of acquiring the Equipment.

(c) Requisition Procedure. No disbursement from the Escrow Account shall be made unless and until Lessor has approved such requisition. Prior to disbursement from the Escrow Account there shall be filed with the Escrow Agent a requisition for such payment in the form of Disbursement Request attached hereto as Schedule I, stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due and the manner of disbursement (check or wire).

Each such requisition shall be signed by an authorized representative of Lessee (an "Authorized Representative") and by Lessor, and shall be subject to the following conditions, which Escrow Agent shall conclusively presume have been satisfied at such time as a requisition executed by Lessee and Lessor is delivered to it:

1. Delivery to Lessor of an executed Disbursement Request in the form attached hereto as Schedule I; and
2. Delivery to Lessor true and correct copies of invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement) and bills of sale (if title to such Equipment has passed to Lessee) therefor as required by Section 1.3 of the Lease and any additional documentation reasonably requested by Lessor.

Lessee and Lessor agree that their execution of the form attached hereto as Schedule I and delivery of the executed form to Escrow Agent confirms that all of the requirements and conditions with respect to disbursements set forth in this Section 2 have been satisfied.

3. Deposit to Escrow Account. Upon satisfaction of the conditions specified in Section 1.3 of the Lease, Lessor will cause the Purchase Price to be deposited in the Escrow Account. Lessee agrees to pay any costs with respect to the Equipment in excess of amounts available therefor in the Escrow Account.

4. Excessive Escrow Account. Lessor shall provide Escrow Agent written instructions and a representation that one of the following conditions has been satisfied, (upon which representation Escrow Agent shall conclusively rely,) (a) the Termination Date; or (b) the date on which Lessee executes an Acceptance Certificate; or (c) upon a termination of the Escrow Account as otherwise provided herein. Upon receipt of such written instructions, any funds remaining in the Escrow Agreement shall be distributed by the Escrow Agent first, ten percent (10%) of the funds then remaining in the Escrow Account shall be disbursed to the Escrow Agent as its escrow agent fees ("Fees") and second, the remaining balance after deducting the Fees shall be disbursed to the Lessor and Lessor shall apply such funds to amounts owed by Lessee under the Lease.

5. Security Interest. The Escrow Agent and Lessee acknowledge and agree that the Escrow Account and all proceeds thereof are being held by Escrow Agent for disbursement or return as set forth herein. Lessee hereby grants to Lessor a first priority perfected security interest in the Escrow Account, and all proceeds thereof.

6. Control of Escrow Account. In order to perfect Lessor's security interest by means of control in (i) the Escrow Account established hereunder, (ii) all funds now or hereafter credited to the Escrow Account, (iii) all of Lessee's rights in respect of the Escrow Account, and (iv) all products, proceeds

and revenues of and from any of the foregoing personal property (collectively, the "Collateral"), Lessor, Lessee and Escrow Agent further agree as follows:

(a) All terms used in this Section 6 which are defined in the Commercial Code of the State of Florida ("Commercial Code") but are not otherwise defined herein shall have the meanings assigned to such terms in the Commercial Code, as in effect on the date of this Agreement.

(b) Escrow Agent will comply with all entitlement orders originated by Lessor with respect to the Collateral, or any portion of the Collateral, without further consent by Lessee.

(c) Provided that account investments shall be held in the name of the Escrow Agent, Escrow Agent hereby represents and warrants (a) that the records of Escrow Agent show that Lessee is the sole owner of the Collateral, (b) that Escrow Agent has not been served with any notice of levy or received any notice of any security interest in or other claim to the Collateral, or any portion of the Collateral, other than Lessor's claim pursuant to this Agreement, and (c) that Escrow Agent is not presently obligated to accept any entitlement order from any person with respect to the Collateral, except for entitlement orders that Escrow Agent is obligated to accept from Lessor under this Agreement and entitlement orders that Escrow Agent, subject to the provisions of paragraph (e) below, is obligated to accept from Lessee.

(d) Without the prior written consent of Lessor, Escrow Agent will not enter into any agreement by which Escrow Agent agrees to comply with any entitlement order of any person other than Lessor or, subject to the provisions of paragraph (e) below, Lessee, with respect to any portion or all of the Collateral. Escrow Agent shall promptly notify Lessor if any person requests Escrow Agent to enter into any such agreement or otherwise asserts or seeks to assert a lien, encumbrance or adverse claim against any portion or all of the Collateral.

(e) Except as otherwise provided in this paragraph (e) and subject to Section 1(b) hereof, Lessee may affect the form of deposit account for the Collateral within the Escrow Account, but will not, without the prior written consent of Lessor, withdraw any Collateral from the Escrow Account. Escrow Agent acknowledges that Lessor reserves the right, by delivery of written notice to Escrow Agent, to prohibit Lessee from effecting any withdrawals (including interest income), transfers or exchanges of any Collateral held in the Escrow Account. Further, Escrow Agent hereby agrees to comply with any and all written instructions delivered by Lessor to Escrow Agent (once it has had a reasonable opportunity to comply therewith) and has no obligation to, and will not, investigate the reason for any action taken by Lessor, the amount of any obligations of Lessee to Lessor, the validity of any of Lessor's claims against or agreements with Lessee, the existence of any defaults under such agreements, or any other matter.

(f) Lessee hereby irrevocably authorizes Escrow Agent to comply with all instructions and entitlement orders delivered by Lessor to Escrow Agent.

(g) Escrow Agent will not attempt to assert control, and does not claim and will not accept any security or other interest in, any part of the Collateral, and Escrow Agent will not exercise, enforce or attempt to enforce any right of setoff against the Collateral, or otherwise charge or deduct from the Collateral any amount whatsoever.

(h) Escrow Agent and Lessee hereby agree that any property held in the Escrow Account shall be treated as a financial asset under such section of the Commercial Code as corresponds with Section 8-102 of the Uniform Commercial Code, notwithstanding any contrary provision of any other agreement to which Escrow Agent may be a party.

(i) Escrow Agent is hereby authorized and instructed, and hereby agrees, to send to Lessor at its address set forth in Section 8 below, concurrently with the sending thereof to Lessee, duplicate copies of any and all monthly Escrow Account statements or reports issued or sent to Lessee with respect to the Escrow Account.

7. Information Required Under USA PATRIOT ACT. The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA PATRIOT Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Agreement agree that they will provide to the Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements of the USA PATRIOT Act, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

8. Miscellaneous. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease. This agreement may not be amended except in writing signed by all parties hereto. This agreement may be executed in one or more counterparts, each of which shall be deemed to be an original instrument and each shall have the force and effect of an original and all of which together constitute, and shall be deemed to constitute, one and the same instrument. Notices hereunder shall be made in writing and shall be deemed to have been duly given when personally delivered or when deposited in the mail, first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below.

Notices and other communications hereunder may be delivered or furnished by electronic mail; provided that any formal notice be attached to an email message in PDF format; and provided further that any notice or other communication sent to an e-mail address shall be deemed received upon and only upon the sender's receipt of affirmative acknowledgement or receipt from the intended recipient. For purposes hereof no acknowledgement of receipt generated on an automated basis shall be deemed sufficient for any purpose hereunder or admissible as evidence of receipt.

If to Lessor: BciCapital, Inc.
390 N. Orange Ave., Suite 2600
Orlando, FL 32801
Attention: Michael Powers

If to Lessee: _____

Attention: _____

If to Escrow Agent: City National Bank of Florida
25 West Flagler Street
Miami, FL 33130
Attention: Account Services

9. This Agreement shall be governed by and construed in accordance with the laws of the State of_____.

10. Any bank or corporation into which the Escrow Agent may be merged or with which it may be consolidated, or any bank or corporation to whom the Escrow Agent may transfer a substantial amount of its escrow business, shall be the successor to the Escrow Agent without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding. Any bank or corporation into which the Lessor may be merged or with which it may be consolidated, or any bank or corporation to whom the Lessor may transfer a substantial amount of its business, shall be the successor to the Lessor without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding.

11. This Agreement may be amended, modified, and/or supplemented only by an instrument in writing executed by all parties hereto.

[Signature Page Follows]

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

BCICAPITAL, INC.
as Lessor

as Lessee

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

CITY NATIONAL BANK OF FLORIDA
as Escrow Agent

By: _____
Name: _____
Title: _____

[Signature Page to Escrow Agreement]

**SCHEDULE I
to the Escrow Agreement**

FORM OF DISBURSEMENT REQUEST

Re: Lease Schedule No. __ dated [DATE] to that certain Master Lease Purchase Agreement dated as of [DATE], each between Lessor and Lessee (hereinafter collectively referred to as the "Lease") (Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease.)

In accordance with the terms of the Escrow Agreement, dated as of [DATE] (the "Escrow Agreement") by and among BciCapital, Inc., as lessor (and its successors and permitted assigns, "Lessor"), [LESSEE] ("Lessee") and City National Bank of Florida, as escrow agent (the "Escrow Agent"), the undersigned hereby requests the Escrow Agent pay the following persons the following amounts from the Escrow Account created under the Escrow Agreement for the following purposes:

Payee's Name and Address (if disbursement via wire, must include wire transfer instructions)	Invoice Number	Dollar Amount	Purpose

(i) (a) Each obligation specified in the foregoing table has been incurred by Lessee in the stated amount, (b) the same is a proper charge against the Escrow Account for costs relating to the Equipment identified in the Lease, and (c) has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof).

(ii) Each item of Equipment relating to an obligation specified in the foregoing table has been delivered, installed and accepted by Lessee. Attached hereto is a true and correct copy of the invoice with respect to such obligation.

(iii) The undersigned, as authorized representative of Lessee, has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

(iv) This requisition contains no item representing payment on account, or any retained percentages which Lessee is, at the date hereof, entitled to retain (except to the extent such amounts represent a reimbursement to Lessee).

(v) The Equipment is insured in accordance with the Lease.

(vi) No Event of Default, and no event which with notice or lapse of time, or both, would become an Event of Default, under the Lease has occurred and is continuing at the date hereof.

(vii) The representations, warranties and covenants of Lessee set forth in the Lease are true and correct as of the date hereof.

(viii) No material adverse change has occurred since the date of the execution and delivery of the Lease.

Dated: _____

[LESSEE]

By: _____
Name:
Title:

Disbursement of funds from the Escrow Account in accordance with the foregoing Disbursement Request hereby is authorized

BCICAPITAL, INC.
as Lessor under the Lease

By: _____
Name:
Title:

PAY PROCEEDS LETTER

_____, 2018

BciCapital, Inc.
390 N. Orange Ave., Suite 2600
Orlando, FL 32801

Ladies and Gentlemen:

The undersigned, an authorized officer of the [LESSEE] ("Lessee"), hereby authorizes BciCapital, Inc. ("Lessor") to pay the proceeds of the financial accommodations provided to Lessee by Lessor evidenced by that certain Master Lease Purchase Agreement, dated as of _____, 2018 and the related Lease Schedule No. 1 dated _____, 2018, between Lessor and Lessee, to the following account of Lessee:

<u>Account :</u>	<u>Amount of Deposit</u>
[City National Bank of Florida] Account #:	\$ _____

[LESSEE]

By: _____
Name: _____
Title: _____

TAX CERTIFICATE

This Tax Certificate (this "Certificate") is executed and delivered as of _____, 2018 (the "Lease Date") by the [LESSEE] ("Lessee") in connection with that certain Master Lease Purchase Agreement dated as of _____, 2018 (the "Agreement") by and between Lessee and BciCapital, Inc. ("Lessor") and Lease Schedule No. dated as of _____, 2018, between Lessee and Lessor (the "Lease Schedules," and together with the Agreement, the "Lease"). The terms capitalized herein but not defined herein shall have the meanings assigned to them in the Lease.

Section 1. In General.

1.1. This Certificate is executed for the purpose of establishing the reasonable expectations of Lessee as to future events regarding the financing of certain equipment (the "Equipment") to be acquired by Lessor and leased to Lessee pursuant to and in accordance with the Lease. As described in the Lease, Lessor shall apply \$ _____ (the "Principal Amount") toward the acquisition of the Equipment and Lessee shall make Rental Payments under the terms and conditions as set forth in the Lease.

1.2. The individual executing this Certificate on behalf of Lessee is an officer of Lessee delegated with the responsibility of reviewing and executing the Lease, pursuant to the resolution or other official action of Lessee adopted with respect to the Lease, a copy of which has been delivered to Lessor.

1.3. The Lease is being entered into for the purpose of providing funds for financing the cost of acquiring, equipping and installing the Equipment which is essential to the governmental functions of Lessee, which Equipment is described in the Lease Schedules. The Principal Amount will be paid to Lessee on the date hereof.

1.4. Lessee will complete and timely file for each payment schedule issued under the Lease a Form 8038-G relating to such Lease with the Internal Revenue Service in accordance with Section 149(e) of the Internal Revenue Code of 1986, as amended (the "Code").

Section 2. Non-Arbitrage Certifications.

2.1. The Rental Payments due under the Lease will be made with monies retained in Lessee's general operating fund (or an account or subaccount therein). No sinking, debt service, reserve or similar fund or account will be created or maintained for the payment of the Rental Payments due under the Lease or pledged as security therefor.

2.2. There have been and will be issued no obligations by or on behalf of Lessee that would be deemed to be (i) issued or sold within fifteen (15) days before or after the Lease Date, (ii) issued or sold pursuant to a common plan of financing with the Lease and (iii) paid out of substantially the same source of funds as, or deemed to have substantially the same claim to be paid out of substantially the same source of funds as, the Lease.

2.3. Other than the Principal Amount, Lessee does not and will not have on hand any funds that are or will be restricted, segregated, legally required or otherwise intended to be used, directly or indirectly, as a substitute, replacement or separate source of financing for the Equipment.

2.4. No portion of the Principal Amount is being used by Lessee to acquire investments which produce a yield materially higher than the yield realized by Lessor from Rental Payments received under the Lease. As used in this certificate, the term "yield" means yield computed by the actuarial method using a 360-day year and semi-annual compounding, resulting in a discount rate which, when used in computing

the present worth of all payments of principal and interest to be paid on an obligation, produces an amount equal to the issue price, fair market value, present value or purchase price thereof, as applicable, and is determined in all respects in accordance with Section 148 of the Code.

2.5. The Principal Amount does not exceed the amount necessary for the governmental purpose for which the Lease was entered into. Such funds are expected to be needed and fully expended for payment of the costs of acquiring, equipping and installing the Equipment.

2.6. Lessee does not expect to convey, sublease or otherwise dispose of the Equipment, in whole or in part, at a date which is earlier than the final Payment Date under the Lease.

Section 3. Disbursement of Funds: Reimbursement to Lessee.

3.1. It is contemplated that the entire Principal Amount will be used to pay the acquisition cost of Equipment to the vendors or manufacturers thereof, provided that, if applicable, a portion of the Principal Amount may be used by Lessee as reimbursement for acquisition cost payments already made by it so long as the conditions set forth in Section 3.2 below are satisfied.

3.2. Lessee shall not use any portion of the principal amount in order to be reimbursed for Equipment acquisition cost payments already made by it unless each of the following conditions have been satisfied:

(a) Lessee adopted a resolution or otherwise declared its official intent in accordance with Treasury Regulation § 1.150-2 (the "Declaration of Official Intent"), wherein Lessee expressed its intent to be reimbursed from the proceeds of a borrowing for all or a portion of the cost of the Equipment, which expenditure was paid to the Vendor not earlier than sixty (60) days before Lessee adopted the Declaration of Official Intent;

(b) The reimbursement being requested will be made by a written allocation before the later of eighteen (18) months after the expenditure was paid or eighteen (18) months after the items of Equipment to which such payment relates were placed in service;

(c) The entire payment with respect to which reimbursement is being sought is a capital expenditure, being a cost of a type properly chargeable to a capital account under general federal income tax principles; and

(d) Lessee will use any reimbursement payment for general operating expenses and not in a manner which could be construed as an artifice or device under Treasury Regulation § 1.148-10 to avoid, in whole or in part, arbitrage yield restrictions or arbitrage rebate requirements.

Section 4. Use and Investment of Funds: Temporary Period.

4.1. Lessee has incurred or will incur, within six (6) months from the Lease Date, binding obligations to pay an amount equal to at least five percent (5%) of the Principal Amount toward the costs of the Equipment. An obligation is not binding if it is subject to contingencies within Lessee's control. The ordering and acceptance of the items of Equipment will proceed with due diligence to the date of final acceptance of the Equipment.

4.2. An amount equal to at least eighty-five percent (85%) of the Principal Amount will be expended to pay the cost of the Equipment by the end of the three-year period commencing on the Lease Date. No portion of the Principal Amount will be used to acquire investments that do not carry out the

governmental purpose of the Lease and that have a substantially guaranteed yield in excess of the yield on the Lease.

4.3. (a) Lessee covenants and agrees that it will rebate an amount equal to excess earnings on the Principal Amount to the Internal Revenue Service if required by, and in accordance with, Section 148(f) of the Code, and make the annual determinations and maintain the records required by and otherwise comply with the regulations applicable thereto. Lessee reasonably expects to cause the Equipment to be acquired by no later than 18 months from the Lease Date.

(b) Lessee will provide evidence to Lessor that the rebate amount has been calculated and paid to the Internal Revenue Service in accordance with Section 148(f) of the Code unless: (i) the entire Principal Amount is expended on the Equipment by the date that is the six-month anniversary of the Lease Date or (ii) the Principal Amount is expended on the Equipment in accordance with the following schedule: At least fifteen percent (15%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within six months from the Lease Date; at least sixty percent (60%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment within 12 months from the Lease Date; and one hundred percent (100%) of the Principal Amount and interest earnings thereon will be applied to the cost of the Equipment by no later than 18 months from the actual Lease Date.

Section 5. No Private Use; No Consumer Loan.

5.1. Lessee will not exceed the private use restrictions set forth in Section 141 of the Code. Specifically, Lessee will not permit more than 10% of the Principal Amount to be used for a Private Business Use (as defined herein) if, in addition, the payment of more than ten percent (10%) of the Principal Amount plus interest earned thereon is, directly or indirectly, secured by (i) any interest in property used or to be used for a Private Business Use or (ii) any interest payments in respect of such property or derived from any payment in respect of property or borrowed money used or to be used for a Private Business Use.

In addition, if both (A) more than five percent (5%) of the Principal Amount is used as described above with respect to Private Business Use and (B) more than five percent (5%) of the Principal Amount plus interest earned thereon is secured by Private Business Use property or payments as described above, then the excess over such five percent (5%) (the "Excess Private Use Portion") will be used for a Private Business Use related to the governmental use of the Equipment. Any such Excess Private Use Portion of the Principal Amount will not exceed the portion of the Principal Amount used for the governmental use of the particular project to which such Excess Private Use Portion is related. For purposes of this paragraph 5.1, "Private Business Use" means use of bond proceeds or bond financed-property directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and excluding use as a member of the general public.

5.2. No part of the Principal Amount or interest earned thereon will be used, directly or indirectly, to make or finance any loans to non-governmental entities or to any governmental agencies other than Lessee.

Section 6. No Federal Guarantee.

6.1. Payment of the principal or interest due under the Lease is not directly or indirectly guaranteed, in whole or in part, by the United States or an agency or instrumentality thereof.

6.2. No portion of the Principal Amount or interest earned thereon shall be (i) used in making loans the payment of principal or interest of which are to be guaranteed, in whole or in part, by the United

States or any agency or instrumentality thereof, or (ii) invested, directly or indirectly, in federally insured deposits or accounts if such investment would cause the financing under the Lease to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 7. Post-Issuance Compliance.

7.1 In the event an action takes place (or is anticipated to take place) that will cause the Equipment not to be used for qualified uses under Section 141 of the Code, Lessee will consult with bond counsel as soon as practicable about taking remedial action as described in Treasury Regulation Section 1.141-12. Lessee will take all actions necessary to ensure that the "nonqualified bonds" (as defined in Treasury Regulation Section 1.141-12) are properly remediated in accordance with the requirements of the Treasury Regulations. Lessee is familiar with the Internal Revenue Service's Voluntary Compliance Agreement Program pursuant to which issuers of tax-exempt debt may voluntarily resolve violations of the Code and applicable Treasury Regulations on behalf of the holders of such debt or themselves through closing agreements with the Internal Revenue Service.

7.2. Lessee will actively monitor the requirements of the Code and the Treasury Regulations (a) set forth in this certificate and confirm that such requirements are met no less than once per year; (b) related to the allocation and accounting of proceeds to capital projects and will maintain a list that specifies the allocation of proceeds of the Lease to the costs of the Equipment; and (c) related to arbitrage limitations, including yield restriction, rebate requirements and the investment of gross proceeds of the Lease. The office within Lessee that is currently responsible for such monitoring is the finance department.

Section 8. Miscellaneous.

8.1. Lessee shall keep a complete and accurate record of all owners or assignees of the Lease in form and substance satisfactory to comply with the registration requirements of Section 149(a) of the Code unless Lessor or its assignee agrees to act as Lessee's agent for such purpose.

8.2. Lessee shall maintain complete and accurate records establishing the expenditure of the Principal Amount and interest earnings thereon for a period of five (5) years after payment in full under the Lease.

8.3. To the best of the undersigned's knowledge, information and belief, the above expectations are reasonable and there are no other facts, estimates or circumstances that would materially change the expectations expressed herein.

[Signature Page Follows]

IN WITNESS WHEREOF, this Tax Certificate has been executed on behalf of Lessee as of the
Lease Date.

[LESSEE]
Lessee

By: _____
Print Name:
Title:

SAMPLE

[Signature Page to Tax Certificate]

INCUMBENCY CERTIFICATE

The undersigned, the duly [elected][appointed] and acting [Secretary] [City Clerk] [County Clerk] of _____ (“Lessee”) certifies as follows:

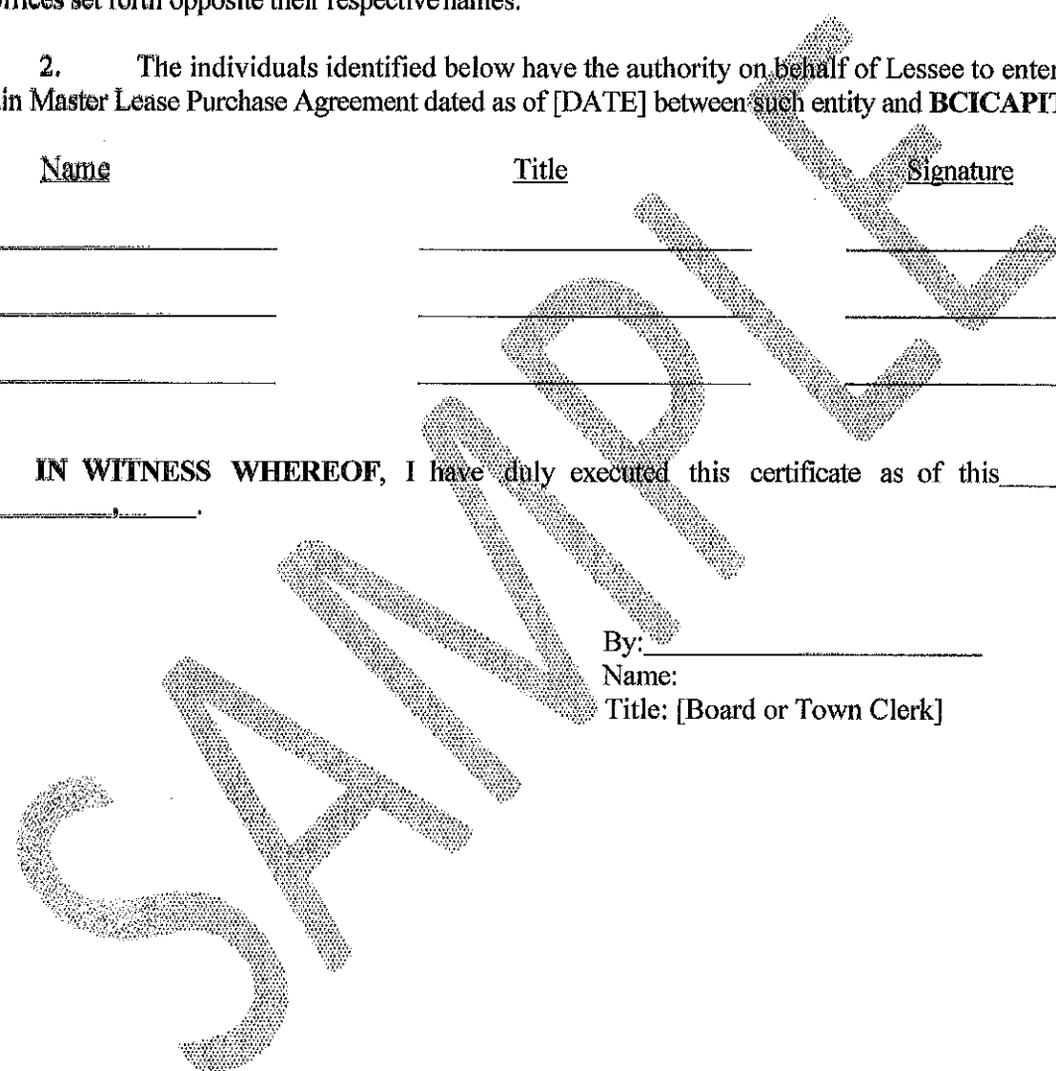
1. The individuals identified below are the duly elected or appointed officers of Lessee holding the offices set forth opposite their respective names.

2. The individuals identified below have the authority on behalf of Lessee to enter into that certain Master Lease Purchase Agreement dated as of [DATE] between such entity and BCICAPITAL, INC.

<u>Name</u>	<u>Title</u>	<u>Signature</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

IN WITNESS WHEREOF, I have duly executed this certificate as of this _____ day of _____.

By: _____
Name:
Title: [Board or Town Clerk]



[Letterhead of Counsel to Lessee]

[Closing Date]

BciCapital, Inc.
390 N. Orange Ave., Suite 2600
Orlando, Florida 32801

Re: Lease Schedule No. _____, dated _____, to Master Lease Purchase Agreement, dated as of _____, between BciCapital, Inc., as Lessor, and [Lessee], as Lessee

Ladies and Gentlemen:

[I][We] have acted as counsel to [Lessee] ("Lessee") in connection with the above-referenced transaction. In such capacity, [I][We] have reviewed (a) an executed counterpart of a certain Master Lease Purchase Agreement, dated as of _____ (the "Agreement"), by and between BciCapital, Inc. ("Lessor") and Lessee and an executed counterpart of Lease Schedule No. _____, dated _____ (the "Lease Schedule"), by and between Lessor and Lessee, which, among other things, provides for the lease of certain property listed in the Lease Schedule (the "Equipment") and a certain Escrow Agreement dated _____ (the "Escrow Agreement"), among Lessor, Lessee, and City National Bank of Florida, as escrow agent, (b) an executed counterpart of the ordinances or resolutions of Lessee which, among other things, authorize Lessee to execute the Agreement and the Lease Schedule and (c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. The Lease Schedule and the terms and provisions of the Agreement incorporated therein by reference together with the Rental Payment Schedule attached to the Lease Schedule are herein referred to collectively as the "Lease", and the Lease and the Escrow Agreement are referred to collectively as the "Transaction Documents." Terms capitalized in this opinion but not defined herein shall have the meanings assigned to them in the Lease. Based upon foregoing, it is [my][our] opinion that:

1. Lessee is a political subdivision of the State of [STATE] (the "State") within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended, and is duly organized, existing and operating under the Constitution and laws of the State.
2. Lessee has the requisite power and authority to lease and acquire the Equipment and to execute and deliver the Transaction Documents and to perform its obligations under the Lease.
3. Each of the Transaction Documents has been duly authorized, executed and delivered by and on behalf of Lessee, and is a legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency and other similar laws affecting the enforcement of creditors' rights generally and by general equitable principles.
4. The authorization and execution of the Transaction Documents and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all applicable open meeting, public records, public bidding and all other laws, rules and regulations of the State.
5. The execution of the Transaction Documents and the appropriation of moneys to pay the Rental Payments coming due thereunder do not and will not result in the violation of any constitutional,

statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred by Lessee.

6. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Transaction Documents or the security interest of Lessor or its assigns, as the case may be, in the Equipment or other collateral thereunder.

This opinion may be relied upon by the addressee hereof and its successors and assignees of interests in the Transaction Documents.

Very truly yours,

SAMPLE

Form 8038-G

Information Return for Tax-Exempt Governmental Bonds

(Rev. September 2018)

Under Internal Revenue Code section 149(e)

See separate instructions.

OMB No. 1545-0720

Department of the Treasury
Internal Revenue Service

Caution: If the issue price is under \$100,000, use Form 8038-GC.
Go to www.irs.gov/F8038G for instructions and the latest information.

Reporting Authority		If Amended Return, check here <input type="checkbox"/>
1 Issuer's name		2 Issuer's employer identification number (EIN)
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	5 Report number (For IRS Use Only) 13 r 1
6 City, town, or post office, state, and ZIP code		7 Date of issue
8 Name of issue		9 CUSIP number
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions)		10b Telephone number of officer or other employee shown on 10a

Type of Issue (enter the issue price). See the instructions and attach schedule.

11 Education	11		
12 Health and hospital	12		
13 Transportation	13		
14 Public safety	14		
15 Environment (including sewage bonds)	15		
16 Housing	16		
17 Utilities	17		
18 Other. Describe	18		
19a If bonds are TANs or RANs, check only box 19a <input type="checkbox"/>			
b If bonds are BANs, check only box 19b <input type="checkbox"/>			
20 If bonds are in the form of a lease or installment sale, check box <input type="checkbox"/>			

Description of Bonds. Complete for the entire issue for which this form is being filed.

(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	\$	\$	years	%

Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22		
23 Issue price of entire issue (enter amount from line 21, column (b))	23		
24 Proceeds used for bond issuance costs (including underwriters' discount)	24		
25 Proceeds used for credit enhancement	25		
26 Proceeds allocated to reasonably required reserve or replacement fund	26		
27 Proceeds used to refund prior tax-exempt bonds. Complete Part V.	27		
28 Proceeds used to refund prior taxable bonds. Complete Part V.	28		
29 Total (add lines 24 through 28)	29		
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30		

Description of Refunded Bonds. Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	<u> </u> years
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded	<u> </u> years
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	
34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	

Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions	36a	
b	Enter the final maturity date of the GIC (MM/DD/YYYY)		
c	Enter the name of the GIC provider		
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	
38a	If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input checked="" type="checkbox"/> D and enter the following information:		
b	Enter the date of the master pool bond (MM/DD/YYYY) _____		
c	Enter the EIN of the issuer of the master pool bond _____		
d	Enter the name of the issuer of the master pool bond _____		
39	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box <input checked="" type="checkbox"/> B		
40	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box <input type="checkbox"/> B		
41a	If the issuer has identified a hedge, check here <input checked="" type="checkbox"/> D and enter the following information:		
b	Name of hedge provider _____		
c	Type of hedge _____		
d	Term of hedge _____		
42	If the issuer has superintegrated the hedge, check box <input checked="" type="checkbox"/> D		
43	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box <input checked="" type="checkbox"/> B		
44	If the issuer has established written procedures to monitor the requirements of section 148, check box <input checked="" type="checkbox"/> B		
46a	If some portion of the proceeds was used to reimburse expenditures, check here <input checked="" type="checkbox"/> D and enter the amount of reimbursement _____		
b	Enter the date the official intent was adopted (MM/DD/YYYY) _____		

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

Signature of issuer's authorized representative	Date	Type or print name and title
-------------------------------------------------	------	------------------------------

Paid Preparer Use Only

Print preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> self-employed	PTIN
Firm's name	Firm's EIN		Phone no.	
Firm's address				

Note: PLEASE COMPLETE INSURANCE AGENT CONTACT INFORMATION IN FULL.

BciCapital, Inc.
INSURANCE AUTHORIZATION LETTER

Insurance Agency: _____ Agent: _____
Address: _____
Email: _____ Phone: _____

Re: Lease between _____ ("Lessor") and _____ ("Lessee")

The insurance coverages listed below are required to cover the interests of the named **Secured Party and its Affiliates, Successors & Assigns** (indicated below) in Equipment financed by and between Lessor and Lessee. You are therefore hereby authorized and instructed to provide the **Secured Party and its Affiliates, Successors & Assigns** the coverages described below.

Evidence of insurance in the form of a Certificate is acceptable until the required formal Endorsements are issued. The Certificate(s) will not be acceptable unless all required endorsements are clearly stated. If you have any questions concerning the coverages, please notify **BciCapital, Inc.** at (407) 502-5918.

In Description Box of Each Certificate Please Make This Notation: Re: all Equipment financed by and between _____ and Lessor under Lease Schedule No. 1.

Please forward the required Certificate(s) and Endorsements immediately to the following **Secured Party:**

BCICAPITAL, INC.
and its affiliates, successors & assigns
390 N. Orange Ave., Suite 2600
Orlando, FL 32801
Phone: 407-502-5918
Email: susan.herman@bcicmg.com cc: alexandra.michelini@bcicmg.com

Comprehensive General Liability Coverage:

1. Limits of at least **\$1,000,000.00 per occurrence** for bodily injury and property damage coverage.
2. An Endorsement naming the above Secured Party and Its Affiliates, Successors & Assigns as an Additional Insured in so far as this Equipment is concerned.
3. An Endorsement giving each of the above named Secured Party and Its Affiliates, Successors & Assigns at least thirty (30) days written notice of any cancellation, reduction or alteration of coverage.

All Risk Physical Damage (Property) Coverage:

1. All Risk coverage for not less than the Total Equipment Cost of **\$(LEASE AMOUNT)**.
2. A long form endorsement naming the above named Secured Party and Its Affiliates, Successors & Assigns as "**Additional Insured**" and "**Loss Payee**" in so far as this Equipment is concerned, unless prohibited by applicable state law.
3. An Endorsement giving the above named Secured Party and Its Affiliates, Successors & Assigns at least thirty (30) days written notice of any cancellation, reduction or alteration of coverage.
4. Any deductibles or self-insured retentions must be disclosed.

5. OVER-THE-ROAD VEHICLES ONLY:

- (i) Collision (maximum deductible): \$10,000.00 or as approved by Credit.
- (ii) Comprehensive (maximum deductible): \$10,000.00 or as approved by Credit.

Comprehensive Auto Liability Coverage (where applicable):

- a. Limits of at least **\$1,000,000.00** combined single limit per **occurrence** for bodily injury and property damage coverage. *May come from primary Auto Liability and/or Liability.
- b. An Endorsement naming each of the above named Secured Party and Its Assigns as an Additional Insured in so far as this Vehicle is concerned.
- c. An Endorsement giving each of the above named Secured Party and Its Assigns at least thirty (30) days written notice of any cancellation, reduction or alteration of coverage.

- **Self-insurance or captive insurance must be disclosed.**
- **Any deductibles or self-insured retentions must be disclosed.**

Each Certificate issued hereunder must confirm that the Secured Party's coverage under, and interest in, the relevant policy shall not be invalidated or otherwise adversely affected by any breach by Lessee or others of any warranty, declaration, representation or condition contained in such policy.

LESSEE:

By: _____

Name:

Title:

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA: 1.) AUTHORIZING THE CITY OF NATIONAL CITY TO UTILIZE COOPERATIVE PURCHASING CONSISTENT WITH MUNICIPAL CODE SECTION 2.60.260 FOR COOPERATIVE PURCHASING, TO PURCHASE TYLER TECHNOLOGIES NEW WORLD'S COMPUTER AIDED DISPATCH ("TYLER TECHNOLOGIES NEW WORLD CAD"); AND 2.) AUTHORIZING THE MAYOR TO EXECUTE A SEVEN (7) YEAR LEASE PURCHASE AGREEMENT WITH TYLER TECHNOLOGIES NEW WORLD AND CAPITAL INNOVATIONS IN THE AMOUNT OF \$1,060,000.

WHEREAS, a Computer Aided Dispatch ("CAD") is the primary system used by dispatchers to receive, document, and dispatch police officers to service calls; and

WHEREAS, the City of National City Police Department has experienced challenges as demands on systems connectivity and threats of ransomware cyber-attacks have increased; and

WHEREAS, the National City Police Communications Center's CAD system is over twenty years old; and

WHEREAS, the National City Police Communications Center's CAD system currently utilizes TriTech, owned by Central Square, which is designed primarily for Fire Departments and Paramedics; and

WHEREAS, the City of National City has an opportunity to piggyback onto Sourcewell, previously known as National Joint Powers Alliance , to purchase the Tyler Technologies New World Computer Aided Dispatch system ("Tyler Technologies New World CAD") based on their member number 17730; and

WHEREAS, Section 2.60.260 of the City of National City Municipal Code provides that the City may buy directly from a vendor at a price established through competitive bidding by another public agency whose procedures have been determined to be in substantial compliance with the City's procurement procedures, and such a determination has been made in this case, therefore, it is recommended that the purchase be made without complying with the competitive bidding procedure set forth in the Municipal Code; and

WHEREAS, the City of National City's Finance Department staff has confirmed that Sourcewell, contract #090320 -TTI, was competitively bid through a Request for Proposals (RFP) process, and that the State of California Department of General Services procurement procedures are in substantial compliance with those of the City of National City; and

WHEREAS, City staff recommends City Council waive the bid process to purchase a Tyler Technologies New World CAD system as part of a needed technology upgrade to the City of National City Police Department’s Communications Center; and

WHEREAS, City staff recommends City Council authorize financing the Tyler Technologies New World CAD system purchase by entering into a seven (7) year lease purchase agreement with a company called Capital Innovations in the amount of \$1,060,000.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: That the City Council hereby authorizes the City of National City to utilize cooperative purchasing consistent with municipal code section 2.60.260 for cooperative purchasing, to purchase Tyler Technologies New World’s CAD.

Section 2: That the City Council hereby authorizes the City financing the Tyler Technologies New World CAD system purchase by entering into a seven (7) year lease purchase agreement with a company called Capital Innovations.

Section 3: That the City Council hereby authorizes the Mayor to execute the agreement with Tyler Technologies New World and Capital Innovations in the amount of \$1,060,000.

Section 4: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 16th day of March 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

The following page(s) contain the backup material for Agenda Item: [Resolution of the City Council of the City of National City authorizing various Fiscal Year 2021 mid-year budget adjustments. \(Finance\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

AGENDA ITEM NO.:

ITEM TITLE:

Resolution of the City Council of the City of National City authorizing various fiscal year 2021 mid-year budget adjustments.

Phil Davis, Director of Finance

PREPARED BY: Paul Valadez, Budget Manager

DEPARTMENT: Finance

PHONE: 619-336-4332

APPROVED BY: _____

EXPLANATION:

See attached staff report.

FINANCIAL STATEMENT:

APPROVED: _____ **FINANCE**

ACCOUNT NO.

APPROVED: _____ **MIS**

See attached staff report.

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION FINAL ADOPTION

STAFF RECOMMENDATION:

Accept the staff report and adopt the resolution authorizing fiscal year 2021 mid-year budget adjustments.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

1. Staff report
2. Resolution
3. Exhibit "A" – Recommended Mid-Year Budget Adjustments, Fiscal Year 2021



City Council Staff Report

March 16, 2021

ITEM

Staff Report: Fiscal Year 2021 Mid-Year Budget Review

BACKGROUND

This report provides a mid-year look at the status of the City's General Fund Budget. A first quarter status report was provided on October 20, 2020. In addition, the report recommends various budget adjustments.

DISCUSSION

Summary

The adopted fiscal year 2021 General Fund budget authorized a use of \$6.7 million of unassigned fund balance in order to continue to provide necessary services to the residents of the City of National City. Based on an analysis of year-to-date actual revenues and expenditures and projected financial activity through year-end, the anticipated use of unassigned fund balance is projected to be \$1.65 million, which is \$5.07 million less than authorized. The following sections of this report will discuss the significant factors leading to the variance.

Revenues

For fiscal year 2021, General Fund revenues are expected to be greater overall than amounts budgeted by \$4.5 million. The projected variances by revenue category are shown in Table A below.

Table A
General Fund Revenues Fiscal Year 2021

<u>Revenue Category</u>	<u>Adopted Budget</u>	<u>Adjusted Budget</u>	<u>Projected Actuals</u>	<u>Variance</u>
Sales & Use Tax	\$17,281,000	\$17,281,000	\$19,572,000	\$2,291,000
District Transactions & Use Tax	11,293,000	11,293,000	11,916,000	623,000
Property Tax	2,436,700	2,436,700	2,376,800	(59,900)
Property Tax in Lieu of VLF	7,400,000	7,400,000	7,589,222	189,222
Other Revenues	13,662,228	17,103,981	18,535,981	1,432,000
Transfers In	5,500	5,500	5,500	-
Total	\$52,078,428	\$55,520,181	59,995,503	4,475,322

Note: The Adjusted Budget equals the Adopted Budget plus any year to date amendments to the budget, as well as adjustments to match appropriations carried over for revenue offset capital projects.

The General Fund’s primary sources of revenue are the sales & use tax, the district transactions & use tax, property tax in lieu of vehicle license fees, and property taxes. Projections are based on a combination of year-to-date and historical data, input from the City’s sales tax consultant, and information obtained from the State of California and County of San Diego:

- Sales & Use Tax and District Transactions & Use Tax: The adopted budget for these two major funding sources anticipated a continuing negative impact from the COVID-19 pandemic. Retail sales have turned out to be stronger than anticipated, however, resulting in Sales & Use Tax revenues trending above actual amounts for the same period as last fiscal year. Based on projections provided in January by the City’s sales tax consultant, these revenues are expected to exceed the Fiscal Year 2020-21 budget by about \$2.3 million. The District Transactions & Use Tax is currently expected to finish the year at \$0.6 million above the budgeted level. Staff is working on a continuing basis with the City’s sales tax consultant to ensure that we are working with the latest information for each of these funding sources as we continue to operate within the uncertainties created by the pandemic.
- Property Tax revenue is expected to be below budget by approximately \$60,000. Assessed values that apply to the General Fund did not increase as much as was assumed in the adopted budget.
- Property Tax in Lieu of Vehicle License Fees (VLF) is based on a formula that applies the City-wide increase in assessed property values to the prior year’s allocation. The increase in assessed values was not known at the time the budget was prepared, but the actual amount will be \$189,000 greater than budgeted.

Revenues in the “Other Revenues” category are expected to end the year above budget by \$1.4 million, which is attributable to a combination of projected positive and negative variances in the various individual accounts. Contributing significantly to the positive variance are the

unbudgeted CARES Act funds of \$767,000 received from the State and an anticipated reimbursement of \$0.9 million for overtime related to the deployment of the Fire Department’s Strike Teams earlier this year.

Expenditures

Expenditure totals at year-end are currently projected to be below budget by \$0.6 million. The variances by expenditure category are shown in Table B below.

**Table B
 General Fund Expenditures Fiscal Year 2021**

<u>Revenue Category</u>	<u>Adopted Budget</u>	<u>Adjusted Budget</u>	<u>Projected Actuals</u>	<u>Variance</u>
Personnel	\$41,057,517	\$40,990,307	\$40,780,783	\$209,524
Maintenance & Operations	6,837,486	7,750,684	7,363,150	387,534
Capital Outlay	175,430	175,430	175,430	-
Capital Improvement Program	800,000	6,516,444	6,516,444	-
Internal Service Charges and Reserves	7,824,869	7,824,869	7,824,869	-
Transfers Out	2,100,617	2,360,369	2,360,369	-
Total	\$58,795,919	\$65,618,103	\$65,021,045	\$597,058

Note: The Adjusted Budget equals the Adopted Budget plus any year to date amendments to the budget, as well as appropriations carried over from the prior year for contracts and capital projects.

Personnel costs make up about 70% of the General Fund’s adopted budget. At fiscal-year-end they are projected to be less than budgeted by an overall \$0.2 million. While vacant authorized positions are contributing to anticipated savings of \$3.1 million in a combination of full-time salaries, retirement plan charges, and health insurance premiums, costs for overtime requirements, primarily in the Police and Fire departments, are expected to exceed budgeted amounts by \$2.5 million. As noted in the discussion of “Other Revenues” above, the anticipated reimbursement for Strike Team deployment will offset approximately \$0.9 million of these overtime costs.

Maintenance & Operations expenditures are projected to be 5% below budget for a savings of \$0.4 million, due to a combination of anticipated savings in various accounts partially offset by unanticipated expenses in others.

All appropriations for Capital Outlay and Capital Improvements are being projected as being entirely spent, because none of the current projects are expected to yield any savings from the amounts budgeted. It is likely, however, that some portion of the current year’s appropriations will be unspent at year-end and will be carried over to next fiscal year. For Internal Service Charges and Transfers Out, all amounts budgeted are projected to be spent, although at year-end

actual expenditures of the service provider funds will be reviewed for savings and charges will be adjusted accordingly. Similarly, the Parks Maintenance and Library funds, the primary recipients of Transfers Out from the General Fund, will be reviewed at year-end to determine whether a portion of the transfer amounts can be reduced.

Staff will continue to monitor all revenues and expenditures, particularly with respect to the continued economic and fiscal impacts of COVID-19, and will provide updates in the third quarter budget status report and in conjunction with the Fiscal Year 2021-22 budget development process.

Net Impact on Unassigned Fund Balance

Table C below combines the revenue and expenditure projections discussed above. As noted in the summary at the beginning of this report, the adopted budget anticipated the use of \$6.7 million of unassigned fund balance. The positive revenue variance of \$4.5 million together with the projected expenditure savings of \$0.6 million results in a \$5.1 million reduction from the budgeted use of unassigned fund balance. As shown in the “Projected Actual” column, the anticipated use of unassigned fund balance is now \$2.8 million.

Table C
General Fund Impact on Fund Balance Fiscal Year 2021

	FY 20-21 <u>Adopted</u>	FY 20-21 <u>Adjusted</u>	FY20-21 <u>Projected</u>	<u>Variance</u>
Total Revenues	\$52,078,428	\$55,520,181	\$59,995,003	\$4,475,322
Total Expenditures	\$58,795,919	\$65,618,103	\$65,021,045	\$597,058
Use of Fund Balance	(\$ 6,717,491)	(\$ 10,097,922)	(\$5,025,542)	\$5,072,380
Components of Use of Fund Balance				
Assigned		\$3,374,006	\$3,374,006	-
Unassigned	\$6,717,491	\$6,723,916	\$2,846,536	(\$5,072,380)
Total	\$ 6,717,491	\$ 10,097,922	\$ 6,220,542	(\$5,072,380)

Note: The use of Assigned Fund Balance is the sum of non-revenue offset appropriations that were carried over from unspent amounts from the prior fiscal year. Appropriations are carried over for contracts for work that was in progress in the prior year as well as for unspent appropriations for capital projects. The use of Unassigned Fund Balance is the focus of this report.

BUDGET ADJUSTMENTS

During the mid-year budget review process, the Finance Department, in conjunction with City department staff, identified budget adjustments necessary due to expenses unanticipated during the annual budgeting process. The attached schedule (“Exhibit ‘A’”) details the recommended adjustments. The recommendation section below provides a summary of those adjustments by account group and fund.

RECOMMENDATIONS

1. Authorize the City Manager to approve budget adjustments up to the following amounts:

- **General Fund**

- Expenditures

- \$111,841 Maintenance & Operations

- Revenues

- \$111,841 Other Revenues

- **Facilities Maintenance Fund**

- Expenditures

- \$220,000 Maintenance & Operations

- **Motor Vehicle Services Fund**

- Expenditures

- \$15,000 Maintenance & Operations

- **Nutrition Center**

- Expenditures

- \$32,101 Personnel Services

- **Sewer Service Fund**

- Expenditures

- \$200,000 Maintenance & Operations

FISCAL IMPACT

The recommended General Fund budget adjustments have been reflected in the projections of total revenues and expenditures to fiscal year end. If approved, they will result in additional General Fund appropriations of \$111,841 with offsetting revenue. The adjustments for the four other funds combined total \$467,101 funded by the available fund balance in the respective funds.

ATTACHMENTS

Resolution
Exhibit “A” – Recommended Mid-Year Budget Adjustments, Fiscal Year 2021

RESOLUTION NO. 2021 -

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA: 1.) AUTHORIZING THE CITY OF NATIONAL CITY TO UTILIZE COOPERATIVE PURCHASING CONSISTENT WITH MUNICIPAL CODE SECTION 2.60.260 FOR COOPERATIVE PURCHASING, TO PURCHASE TYLER TECHNOLOGIES NEW WORLD'S COMPUTER AIDED DISPATCH ("TYLER TECHNOLOGIES NEW WORLD CAD"); AND 2.) AUTHORIZING THE MAYOR TO EXECUTE A SEVEN (7) YEAR LEASE PURCHASE AGREEMENT WITH TYLER TECHNOLOGIES NEW WORLD AND CAPITAL INNOVATIONS IN THE AMOUNT OF \$1,060,000.

WHEREAS, a Computer Aided Dispatch ("CAD") is the primary system used by dispatchers to receive, document, and dispatch police officers to service calls; and

WHEREAS, the City of National City Police Department has experienced challenges as demands on systems connectivity and threats of ransomware cyber-attacks have increased; and

WHEREAS, the National City Police Communications Center's CAD system is over twenty years old; and

WHEREAS, the National City Police Communications Center's CAD system currently utilizes TriTech, owned by Central Square, which is designed primarily for Fire Departments and Paramedics; and

WHEREAS, the City of National City has an opportunity to piggyback onto Sourcewell, previously known as National Joint Powers Alliance , to purchase the Tyler Technologies New World Computer Aided Dispatch system ("Tyler Technologies New World CAD") based on their member number 17730; and

WHEREAS, Section 2.60.260 of the City of National City Municipal Code provides that the City may buy directly from a vendor at a price established through competitive bidding by another public agency whose procedures have been determined to be in substantial compliance with the City's procurement procedures, and such a determination has been made in this case, therefore, it is recommended that the purchase be made without complying with the competitive bidding procedure set forth in the Municipal Code; and

WHEREAS, the City of National City's Finance Department staff has confirmed that Sourcewell, contract #090320 -TTI, was competitively bid through a Request for Proposals (RFP) process, and that the State of California Department of General Services procurement procedures are in substantial compliance with those of the City of National City; and

WHEREAS, City staff recommends City Council waive the bid process to purchase a Tyler Technologies New World CAD system as part of a needed technology upgrade to the City of National City Police Department’s Communications Center; and

WHEREAS, City staff recommends City Council authorize financing the Tyler Technologies New World CAD system purchase by entering into a seven (7) year lease purchase agreement with a company called Capital Innovations in the amount of \$1,060,000.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1: That the City Council hereby authorizes the City of National City to utilize cooperative purchasing consistent with municipal code section 2.60.260 for cooperative purchasing, to purchase Tyler Technologies New World’s CAD.

Section 2: That the City Council hereby authorizes the City financing the Tyler Technologies New World CAD system purchase by entering into a seven (7) year lease purchase agreement with a company called Capital Innovations.

Section 3: That the City Council hereby authorizes the Mayor to execute the agreement with Tyler Technologies New World and Capital Innovations in the amount of \$1,060,000.

Section 4: That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED and ADOPTED this 16th day of March 2021.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Charles E. Bell Jr., City Attorney

SUPPLEMENTAL APPROPRIATION REQUESTS -Summary
Fiscal Year 2021

Department	Appropriation Account	Appropriation Amount	Revenue Amount	Net Use of Fund Balance
General Fund (001)				
Engineering & PW	Contract Services	22,438	22,438	-
• Pavement costs from Sweetwater Authority due to E. 16th St. Road Rehab Project				
Environmental Compliance	Contract Services	32,000	32,000	-
• NPDES Program				
Streets	R&M Traffic Control Devices	57,403	57,403	-
• Citywide Street Light and Traffic Signal Knockdowns from FY20 Recovery Liability Claims				
General Fund Total		111,841	111,841	-
Sewer Service Fund (125)				
Engineering & PW	Sewage Transport & Treatment	200,000		200,000
• 2018 Reconciliation of City of San Diego Sewage Transportation and Treatment				
Nutrition Center Fund (166)				
Community Services	Personnel Services	32,101		32,101
• Position budgeting error for the Delivery Driver and Food Services Worker positions. Corrected in Fiscal Year 2022				
Facilities Maintenance Fund (626)				
Engineering & PW	Electricity & Gas	195,000		195,000
• Facilities Maintenance Electricity & Gas- required funds through FY21				
Engineering & PW	Electrical Materials	25,000		25,000
• Omitted during FY21 budget process				
Motor Vehicle Service Fund (643)				
Engineering & PW	Automotive Parts	15,000		15,000
• Equipment Maintenance Automotive Parts - tires and parts combined but funds decreased; tires increase in need/price				

The following page(s) contain the backup material for Agenda Item: [City of National City Comprehensive Annual Financial Report \(CAFR\) for the fiscal year ended June 30, 2020.](#)
[\(Finance\)](#)

Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

AGENDA ITEM NO.:

ITEM TITLE:

City of National City Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020.

PREPARED BY: Rachele M. Barrera, Finance Manager

DEPARTMENT: Finance



PHONE: 619-336-4331

APPROVED BY: _____

EXPLANATION:

Transmitted herewith is the City of National City's Comprehensive Annual Financial report for the fiscal year ended June 30, 2020 prepared by the City's external auditors, The Pun Group, LLP.

The reports include all agencies under the control of the City Council, as well as the Successor Agency to the Community Development Commission as the National City Redevelopment Agency.

The auditors have conducted their examination of the financial statements in accordance with generally accepted auditing standards and have expressed an unmodified ("clean") opinion of those statements.

FINANCIAL STATEMENT:

APPROVED: _____



FINANCE

ACCOUNT NO.

APPROVED: _____

MIS

NA

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION FINAL ADOPTION

STAFF RECOMMENDATION:

Accept and file the City of National City Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2020.

BOARD / COMMISSION RECOMMENDATION:

ATTACHMENTS:

1. The comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2020
<https://www.nationalcityca.gov/government/finance/financial-reports>. Hard copies are available in the City Clerk's Office and the City Library.
2. Presentation

CITY OF NATIONAL CITY

Presentation to the City Council
For the Fiscal Year Ended June 30, 2020

March 16, 2021

CONTENTS

- Required Communications (AU-C 260)
- Audit Responsibilities
- Overview of Financial Statements
- Financial Indicators and Key Pension/OPEB Information
- Audit Results

REQUIRED COMMUNICATIONS (AU-C 260)

Required Communications (AU-C 260)

- **Independence**
 - We complied with ALL relevant requirements regarding independence
- **Significant Accounting Policies**
 - The City disclosed all significant accounting policies in Note 1 to the financial statements.
 - The City implemented GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*
- **Significant Estimates**
 - Fair value on investments
 - Depreciation on capital assets
 - Net other postemployment benefit liability
 - Net pension liability

Required Communications (AU-C 260)

- **Sensitive Disclosures**
 - Note 1 – Reporting Entity and Summary of Significant Accounting Policies
 - Note 3 – Loans Receivable
 - Note 10 – Pension Plans
 - Note 11 – Other Postemployment Healthcare Benefits
 - Note 13 – Classification of Fund Balances
- **Misstatements**
 - There were no corrected or uncorrected misstatements reported.
- **Consultation with Other Accountants**
 - Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and other matters.

Required Communications (AU-C 260)

- **Significant Difficulties**
 - We encountered no significant difficulties in dealing with management.
- **Disagreements with Management**
 - We did not have any disagreements with management in terms of accounting treatments or audit procedures performed.

AUDIT RESPONSIBILITIES

Management's Responsibilities

- Responsible for the financial statements
- Present the financial statements in accordance with accounting principles generally accepted in the United States of America
- Adopt sound accounting policies
- Establish and maintain internal controls over financial reporting and compliance
- Provide evidence supporting the amounts and disclosures in the financial statements
- Prevent and detect fraud

OUR RESPONSIBILITY IN ACCORDANCE WITH PROFESSIONAL STANDARDS

- Form and express an opinion about whether the financial statements that have been prepared by management with Board oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America
- Plan and perform the audit to obtain “reasonable” assurance (not “absolute” assurance) about whether the financial statements are free of material misstatements.
- Consider internal control over financial reporting. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

OVERVIEW OF THE FINANCIAL STATEMENTS

**City of National City
Government-Wide
Condensed Statement of Net Position
June 30, 2020**

	Governmental Activities
Assets	<u>\$ 345,688,100</u>
Deferred Outflows of Resources	<u>16,084,044</u>
Liabilities	<u>151,137,501</u>
Deferred Inflows of Resources	<u>2,244,332</u>
Net Position:	
Net investment in capital assets	155,772,400
Restricted	101,152,527
Unrestricted (deficit)	<u>(48,534,616)</u>
Total Net Position	<u><u>\$ 208,390,311</u></u>

**City of National City
Government-Wide Summary
Statement of Activities
For the Year Ended June 30, 2020**

	<u>Governmental Activities</u>
Expenses	\$ (99,386,039)
Program Revenues	
Charges for services	25,831,605
Operating grants and contributions	16,658,135
Capital grants and contributions	4,465,126
Total program revenues	<u>46,954,866</u>
Net Cost of Services	(52,431,173)
General Revenues - Taxes	51,775,838
Investment earnings	2,943,647
Miscellaneous	65,010
Change in Net Position	<u><u>\$ 2,353,322</u></u>

**City of National City
General Fund
Condensed Balance Sheet
June 30, 2020**

Assets	<u>\$ 55,790,599</u>
Liabilities	<u>\$ 6,862,203</u>
Fund Balance	
Nonspendable	3,926,499
Restricted	10,092,890
Committed	11,485,066
Assigned	7,129,273
Unassigned	<u>16,294,668</u>
Total Fund Balance	<u>48,928,396</u>
Total Liabilities and Fund Balance	<u><u>\$ 55,790,599</u></u>

**City of National City
General Fund
Condensed Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended June 30, 2020**

Revenues	\$ 61,848,951
Expenditures	<u>(59,167,351)</u>
Revenues over Expenditures	2,681,600
Other Financing Sources and Uses	
Transfers (Net)	(1,548,066)
Loss on sale of land held for resale	(589,700)
Pass-through payments to other agencies	<u>(631,285)</u>
Total other financing sources/uses	<u>(2,769,051)</u>
Change in Fund Balance	<u>\$ (87,451)</u>

FINANCIAL INDICATORS AND KEY PENSION AND OPEB INFORMATION

**City of National City
Governmental Activities
Net Cost of Services to Tax Revenues**

	<u>2020</u>	<u>2019</u>
Net Cost of Services	\$ (52,431,173)	\$ (54,039,478)
Tax Revenues	<u>51,775,838</u>	<u>51,987,107</u>
Ratio	<u><u>101.27%</u></u>	<u><u>103.95%</u></u>

**City of National City
General Fund
Unassigned Fund Balance to Annual Expenditures**

	<u>2020</u>	<u>2019</u>
Unassigned Fund Balance	\$ 16,294,668	\$ 13,673,543
Annual Expenditures *	<u>59,167,351</u>	<u>59,566,684</u>
Ratio	<u>27.54%</u>	<u>22.96%</u>
Unassigned Fund Balance - PY	\$ 13,673,543	\$ 12,731,293
Net Change in Unassigned Fund Balance	<u>\$ 2,621,125</u>	<u>\$ 942,250</u>

* includes capital outlay of \$3.3M for 2020 and \$4.3M for 2019

GASB 68 – The Pension Standard As of June 30, 2019 (Measurement Date)

	Miscellaneous Plan	Safety Plan	Total
Net Pension Liabilities @ 6.15%	\$ 53,526,837	\$ 100,616,279	\$ 154,143,116
Net Pension Liabilities @ 7.15%	\$ 35,831,862	\$ 71,540,983	\$ 107,372,845
Net Pension Liabilities @ 8.15%	\$ 21,193,868	\$ 47,703,525	\$ 68,897,393
 Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	 <u>73.54%</u>	 <u>66.28%</u>	
Prior year	<u>73.15%</u>	<u>66.31%</u>	

GASB 75 – The OPEB Standard As of June 30, 2019 (Measurement Date)

	OPEB
Net OPEB Liabilities @ 1.66%	\$ 6,177,295
Net OPEB Liabilities @ 2.66%	\$ 5,684,713
Net OPEB Liabilities @ 3.66%	\$ 5,045,290
 Fiduciary Net Position as a Percentage of the Total OPEB Liability	 0.00%

AUDIT RESULTS

Audit Results

- Opinions
 - *Unmodified Opinions issued to all Opinion Units*
 - Financial statements are fairly presented in all material respects
 - Accounting policies have been consistently applied
 - Estimates used are reasonable
 - Disclosures are properly reflected in the financial statements

Other Results

- No disagreements with management
- No material weaknesses/significant deficiencies were identified in internal control over financial reporting or compliance
- No accounting issues
- No inappropriate activities were noted



Thank you!



HQ - ORANGE COUNTY

200 E. Sandpointe Avenue
Suite 600
Santa Ana, CA 92707

SAN DIEGO

4365 Executive Drive
Suite 710
San Diego, CA 92121

BAY AREA

2121 North California Blvd.
Suite 290
Walnut Creek, CA 94596

LAS VEGAS

1050 Indigo Drive
Suite 110
Las Vegas, NV 89145

PHOENIX

4742 North 24th Street
Suite 300
Phoenix, AZ 85016

The following page(s) contain the backup material for Agenda Item: [Update on American Rescue Plan Act. \(City Manager\)](#)

Please scroll down to view the backup material.

Item # ____
03/16/21

Update on American Rescue Plan Act

(City Manager)

The following page(s) contain the backup material for Agenda Item: [2020 Housing Element Annual Progress Report pursuant to California Code Section 654000. \(Planning\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

AGENDA ITEM NO. |

ITEM TITLE:

2020 Housing Element Annual Progress Report pursuant to California Code Section 654000.

PREPARED BY:  Martin Reeder, AICP – Principal Planner

DEPARTMENT: Community Development

PHONE: 619-336-4313

APPROVED BY: 

EXPLANATION:

California Government Code section 65400 requires that each city and county prepare an annual progress report on the status of the housing element of its general plan and progress in its implementation. The report is due on April 1 for the previous calendar year and is submitted to the Department of Housing and Community Development and the Governor's Office of Planning and Research. The annual progress report fulfills state housing law requirements to report certain information, including the progress in meeting the City's share of the Regional Housing Needs Assessment. Furthermore, submitting the report to the state ensures that the City is eligible for grants and other funding sources that require the filing of the report. The report is also submitted to the San Diego Association of Governments to qualify for certain discretionary funds administered by SANDAG.

FINANCIAL STATEMENT:

APPROVED: _____ **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

N/A

ENVIRONMENTAL REVIEW:

Not considered a project per the California Environmental Quality Act.

ORDINANCE: INTRODUCTION:

FINAL ADOPTION:

STAFF RECOMMENDATION:

Accept and file the report.

BOARD / COMMISSION RECOMMENDATION:

Not Applicable

ATTACHMENTS:

1. Background
2. Annual Progress Report

BACKGROUND REPORT

Government Code section 65400 requires that each city and county prepare an Annual Progress Report (APR) on the status of the Housing Element of its General Plan and progress in its implementation using forms and definitions adopted by the Department of Housing and Community Development (HCD). The forms are used for satisfying the reporting requirements of Government Code section 65400, subdivision (a)(2).

The forms and instructions, originally adopted March 27, 2010, have been updated to incorporate new APR requirements pursuant to Chapter 374, Statutes of 2017 (Assembly Bill 879) and Chapter 366, Statutes of 2017 (Senate Bill 35). The APR is submitted to the Department of Housing and Community Development and the Governor's Office of Planning and Research (OPR) on or before April 1 of each year using the forms and tables specified by HCD.

Providing the report to HCD and OPR fulfills state housing law requirements to report certain information, including the progress in meeting the City's share of the Regional Housing Needs Assessment (RHNA). Furthermore, submitting the APR to the state ensures that the City is eligible for grants and other funding sources that require filing of the report. The report is also submitted to the San Diego Association of Governments to qualify for certain discretionary funds administered by SANDAG.

The APR consists of the following tables:

- TABLE A – Housing Development Applications Submitted
Table A includes discretionary and ministerial entitlements. In 2020, no discretionary entitlements were needed; only ministerial (building) permits were required. Building permit applications were submitted for a total of 13 units within 11 projects in 2020: 7 single-family detached units; 3 accessory dwelling units; and 3 multi-family units.
- TABLE A2 – Annual Building Activity Report Summary - New Construction, Entitled, Permits, and Completed Units.
Table A2 summarizes entitlements, permits, and completion of units during the reporting period. Building permits were issued for 314 units within 4 projects; none of those units received final approval for occupancy during the 2020 reporting period.
- TABLE B – Regional Housing Needs Allocation Progress – Permitted Units Issued By Affordability.
Table B shows the City's progress in achieving its RHNA allocation during the housing element planning period (2013-2021). The total (beginning) RHNA allocation is 1,863 units. Through 2020, 1109 units have been permitted. The remaining need is 754 units.

- TABLE C – Sites Identified or Rezoned to Accommodate Shortfall Housing Need.
This requirement does not apply to the City since adequate sites were identified in the adopted Housing Element.
- TABLE D – Program Implementation Status pursuant to Government Code section 65583.
Table D provides the status of the implementation of programs in the adopted Housing Element.
- TABLE E – Commercial Development Bonus Approved pursuant to Government Code section 65915.7.
No units were produced in the City using this provision of the Government Code.
- TABLE F Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code section 65583.1, subdivision (c)(2).
No units were produced in the City using this provision of the Government Code.
- TABLE G Locally Owned Lands Included in the Housing Element Sites Inventory that have been sold, leased, or otherwise disposed of.
One property (405-419 West 18th Street) was disposed of during the 2020 reporting period. The property was transferred to a developer, Habitat For Humanity.

Units are identified by affordability by household income as established by HCD's income limit charts. The household income categories are based on the area median income (AMI) for San Diego County, which was \$92,700 for a family of four in 2020.

- Very low-income households (50% AMI)
- Low-income households (80% AMI)
- Moderate-income households (120% AMI)
- Above-moderate households (>120% AMI)

Unit types are categorized as one of the following:

- Single-family detached units
- Single-family attached units
- Two to four unit structure
- Five or more unit structure
- Accessory dwelling unit
- Mobile home/manufactured home

Units are identified as either proposed or planned at initial occupancy for either renter occupant (R) or owner occupant (O) where apparent at the time of project application.

Jurisdiction	National City	
Reporting Year	2020	(Jan. 1 - Dec. 31)

Building Permits Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	65
	Non-Deed Restricted	0
Low	Deed Restricted	65
	Non-Deed Restricted	0
Moderate	Deed Restricted	0
	Non-Deed Restricted	0
Above Moderate		184
Total Units		314

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

Housing Applications Summary	
Total Housing Applications Submitted:	11
Number of Proposed Units in All Applications Received:	0
Total Housing Units Approved:	0
Total Housing Units Disapproved:	0

Use of SB 35 Streamlining Provisions	
Number of Applications for Streamlining	0
Number of Streamlining Applications Approved	0
Total Developments Approved with Streamlining	0
Total Units Constructed with Streamlining	0

Units Constructed - SB 35 Streamlining Permits			
Income	Rental	Ownership	Total
Very Low	0	0	0
Low	0	0	0
Moderate	0	0	0
Above Moderate	0	0	0
Total	0	0	0

Cells in grey contain auto-calculation formulas

Jurisdiction	National City
Reporting Year	2020 (Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

(CCR Title 25 §6202)

Note: "+" indicates an optional field
Cells in grey contain auto-calculation formulas

Table A Housing Development Applications Submitted																				
Project Identifier					Unit Types		Date Application Submitted	Proposed Units - Affordability by Household Incomes								Total Approved Units by Project	Total Disapproved Units by Project	Streamlining	Notes	
1					2	3	4	5								6	7	8	9	10
Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Unit Category (SFA,SFD,2 to 4,5+,ADU,MH)	Tenure R=Renter O=Owner	Date Application Submitted (see instructions)	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Total PROPOSED Units by Project	Total APPROVED Units by project	Total DISAPPROVED Units by Project	Was APPLICATION SUBMITTED Pursuant to GC 65913.4(b)? (SB 35 Streamlining)	Notes*	
Summary Row: Start Data Entry Below																				
	55711202	711 Palm Ave.			2 to 4	R	11/10/2021							3	3	3		No		
	56133004	1227 Roselawn St			ADU	R	5/12/2021							1	1	1		No		
	55618121	325 J Ave			ADU	R	2/4/2021							1	1	1		No		
	55704202	1728 E. 5th St.			SFD	O	3/3/2021							1	1	1		No		
	55908514	421 W. 18th St.			SFD	O	8/12/2021			1				1	1	1		No		
	55908519	401 W. 18th St.			SFD	O	8/12/2021			1				1	1	1		No		
	56113203	1642 E. 17th St.			ADU	R	7/27/2021							1	1	1		No		
	55908515	417 W. 18th St.			SFD	O	8/12/2021			1				1	1	1		No		
	55908516	413 W. 18th St.			SFD	O	8/12/2021			1				1	1	1		No		
	55908517	409 W. 18th St.			SFD	O	8/12/2021			1				1	1	1		No		
	55908518	405 W. 18th St.			SFD	O	8/12/2021			1				1	1	1		No		

Jurisdiction	National City	
Reporting Year	2020	(Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Table A2

Annual Building Activity Report Summary - New Construction, Entitled, Permits and Completed Units

Project Identifier				Unit Types		Affordability by Household Incomes - Completed Entitlement							5	6		
1				2		3		4							5	6
Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Unit Category (SFA,SFD,2 to 4,5+,ADU,MH)	Tenure R=Renter O=Owner	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low- Income Deed Restricted	Low- Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Entitlement Date Approved	# of Units issued Entitlements	
Summary Row: Start Data Entry Below							0	0	0	0	0	0	0		0	
	556-472-26	130 E. 8th St.			5+	R								3/27/2019		
	557-150-21	2203 E. 8th St.			5+	R										
	560-192-17	704 E. 19th St.			5+	R										
	556-554-25	1125 National City Blvd.	Courtyards at Kimball Apartments		5+	R										

National City	
2020	(Jan. 1 - Dec. 31)

Note: "+" indicates an optional field
Cells in grey contain auto-calculation formulas

Project Identifier			Affordability by Household Incomes - Building Permits								
			7							8	9
Current APN	Street Address	Project Name ⁺	Very Low- Income Deed Restricted	Very Low- Income Non Deed Restricted	Low- Income Deed Restricted	Low- Income Non Deed Restricted	Moderate- Income Deed Restricted	Moderate- Income Non Deed Restricted	Above Moderate- Income	Building Permits <u>Date</u> <u>Issued</u>	# of Units Issued Building Permits
Start Data Entry Below			65	0	65	0	0	0	184		314
556-472-26	130 E. 8th St.								127	3/5/2020	127
557-150-21	2203 E. 8th St.								39	11/17/2020	39
560-192-17	704 E. 19th St.								18	6/4/2020	18
556-554-25	1125 National City Blvd.	Courtyards at Kimball Apartments	65		65					6/2/2020	130

National City	
2020	(Jan. 1 - Dec. 31)

Project Identifier			Affordability by Household Incomes - Certificates of Occupancy								
Current APN	Street Address	Project Name ⁺	10							11	12
			Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Certificates of Occupancy or other forms of readiness (see instructions) <u>Date Issued</u>	# of Units issued Certificates of Occupancy or other forms of readiness
Start Data Entry Below			0	0	0	0	0	0	0		0
556-472-26	130 E. 8th St.										0
557-150-21	2203 E. 8th St.										0
560-192-17	704 E. 19th St.										0
556-554-25	1125 National City Blvd.	Courtyards at Kimball Apartments									0

National City	
2020	(Jan. 1 - Dec. 31)

Project Identifier			13	14	15	Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions	Term of Affordability or Deed Restriction	Demolished/Destroyed Units			Notes
Current APN	Street Address	Project Name ⁺	How many of the units were Extremely Low Income? ⁺	Was Project APPROVED using GC 65913.4(b)? (SB 35 Streamlining) Y/N	Infill Units? Y/N ⁺	Assistance Programs for Each Development (see instructions)	Deed Restriction Type (see instructions)	For units affordable without financial assistance or deed restrictions, explain how the locality determined the units were affordable (see instructions)	Term of Affordability or Deed Restriction (years) (if affordable in perpetuity enter 1000) ⁺	Number of Demolished/Destroyed Units ⁺	Demolished or Destroyed Units ⁺	Demolished/Destroyed Units Owner or Renter ⁺	Notes ⁺
Start Data Entry Below			0	0						1	0	0	
556-472-26	130 E. 8th St.		0	N	Y					0			
557-150-21	2203 E. 8th St.		0	N	Y					0			
560-192-17	704 E. 19th St.		0	N	Y					1	Demolished	O	
556-554-25	1125 National City Blvd.	Courtyards at Kimball Apartments	0	N	Y			N/A	55	0			

Jurisdiction	National City	
Reporting Year	2020	(Jan. 1 - Dec. 31)

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

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.
 Please contact HCD if your data is different than the material supplied here

Table B													
Regional Housing Needs Allocation Progress													
Permitted Units Issued by Affordability													
		1	2									3	4
Income Level		RHNA Allocation by Income Level	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	465				45				65		110	355
	Non-Deed Restricted												
Low	Deed Restricted	353	8	108						65		181	172
	Non-Deed Restricted												

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	National City		
Reporting Year	2020	(Jan. 1 - Dec. 31)	
Table D			
Program Implementation Status pursuant to GC Section 65583			
Housing Programs Progress Report			
Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
1. Rental Rehabilitation Program	Rehabilitate an an average of 10 units per year.	Rehabilitate an average of ten units per year for total of 80 units during the eight-year planning cycle.	No units rehabilitated with Housing Authority funding.
2. Ownership Housing Rehabilitation Program	Rehabilitate an average of five units per year.	Rehabilitate an average of five units per year for a total of 40 units duringthe eight-year planning cylce.	No single-family units rehabilitated during the calendar year and 11 to-date during the planning cycle.
3. Code Enforcement Program	Abate an average of 250 cases per year.	Abate an average of 250 cases per year for a total of 2,000 cases during the eight-year planning cycle.	30 housing-related code violations were abated during the calendar year and over 1,392 to-date during the planning cycle.
4. Housing Inspections Program	Inspect an average of 125 units per year.	Inspect an average of 128 units per year for a total of 1,024 units during the eight-year planning cycle.	36 housing units were inspected during the calendar year and over 1,764 to-date during the planning cycle.
5. At-Risk Housing Program.	Conserve the affordability of 795 housing units at risk of converting to market rate.	Monitor status of at-risk units annually during the eight-year planning cycle.	No at-risk units converted to market rate during the calendar year.

6. Housing Choice Voucher (Section 8) Rental Assistance Program.	Maintain 137 units of project-based housing and 1,022 tenant-based vouchers.	Monitor annually during the eight-year planning cycle.	Continued to maintain 149 project-based and 974 tenant-based vouchers.
7. Tenant Relocation Program.	Relocate any tenants displaced due to code enforcement.	Continue to offer the program during the eight-year planning cycle.	6 tenants relocated during the calendar year and 22 to-date during the planning cycle.
8. Housing Stock Conditions Program.	Estimate of the number of dwelling units in need of repair or replacement.	Conduct survey annually during the eight-year planning cycle.	The last survey was conducted in 2010.
9. Clean-up Events Program.	Conduct an average of four events per year.	Conduct an average of four events annually for a total of 32 events during the eight-year planning cycle.	Zero clean-up event during the calendar year and 16 to-date during the planning cycle.
10. Developer Information Program.	Update and maintain informational materials as policies, standards, guidelines, and ordinances are amended or adopted.	Update as policies, standards, guidelines, and ordinances are amended or adopted during the eight-year planning cycle.	Ongoing updates as polices are amended or adopted.
11. GIS Database Program.	Update database as new information becomes available in a compatible format.	Monitor data sources and update upon availability during the eight-year planning cycle.	Ongoing updates to database as needed and as available.
12. Community Housing Development Organizations Program.	Identify and fund CHDOs to pursue affordable housing projects and programs.	Conduct outreach annually as part of the budget process and as funding sources become available during the eight-year planning cycle.	Six units underconstruction during the planning cycle.

Jurisdiction	National City	
Reporting Period	2020	(Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Note: "+" indicates an optional field
Cells in grey contain auto-calculation formulas

Table F

Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code section 65583.1(c)

Please note this table is optional: The jurisdiction can use this table to report units that have been substantially rehabilitated, converted from non-affordable to affordable by acquisition, and preserved, including mobilehome park preservation, consistent with the standards set forth in Government Code section 65583.1, subdivision (c). Please note, motel, hotel, hostel rooms or other structures that are converted from non-residential to residential units pursuant to Government Code section 65583.1(c)(1)(D) are considered net-new housing units and must be reported in Table A2 and not reported in Table F.

Activity Type	Units that Do Not Count Towards RHNA ⁺ Listed for Informational Purposes Only				Units that Count Towards RHNA ⁺ Note - Because the statutory requirements severely limit what can be counted, please contact HCD to receive the password that will enable you to populate these fields.				The description should adequately document how each unit complies with subsection (c) of Government Code Section 65583.1 ⁺
	Extremely Low-Income ⁺	Very Low-Income ⁺	Low-Income ⁺	TOTAL UNITS ⁺	Extremely Low-Income ⁺	Very Low-Income ⁺	Low-Income ⁺	TOTAL UNITS ⁺	
Rehabilitation Activity									
Preservation of Units At-Risk									
Acquisition of Residential Units									
Mobilehome Park Preservation									
Total Units by Income									

Jurisdiction	National City
Reporting Period	2020 (Jan. 1 - Dec. 31)

NOTE: This table must only be filled out if the housing element sites inventory contains a site which is or was owned by the reporting jurisdiction, and has been sold, leased, or otherwise disposed of during the reporting year.

Note: "+" indicates an optional field
Cells in grey contain auto-calculation formulas

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

Table G						
Locally Owned Lands Included in the Housing Element Sites Inventory that have been sold, leased, or otherwise disposed of						
Project Identifier						
1				2	3	4
APN	Street Address	Project Name⁺	Local Jurisdiction Tracking ID⁺	Realistic Capacity Identified in the Housing Element	Entity to whom the site transferred	Intended Use for Site
Summary Row: Start Data Entry Below						
559-085-08-00	405 - 419 W 18th Street	Habitat for Humanity		3	Habit for Humanity	Build 6 affordable units

The following page(s) contain the backup material for Agenda Item: [City Manager Report.
\(City Manager\)](#)

Please scroll down to view the backup material.

Item # ____
03/16/21

City Manager Report

(City Manager)

The following page(s) contain the backup material for Agenda Item: [Discussion regarding Public Comment at City Council Meetings. \(City Manager\)](#)
Please scroll down to view the backup material.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

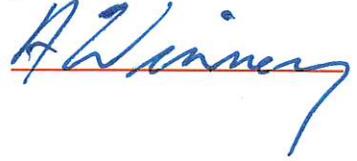
AGENDA ITEM NO. _____

ITEM TITLE:

Discussion regarding Public Comment at City Council Meetings (City Manager)

PREPARED BY: Tony Winney, Assistant City Manager **DEPARTMENT:** City Manager's Office

PHONE: (619) 336-4240

APPROVED BY: 

EXPLANATION:

(See Explanation (Attachment A) for more information)

FINANCIAL STATEMENT:

ACCOUNT NO.

n/a

APPROVED: _____ **Finance**

APPROVED: _____ **MIS**

ENVIRONMENTAL REVIEW:

n/a

ORDINANCE: **INTRODUCTION:** **FINAL ADOPTION:**

STAFF RECOMMENDATION:

City Council discussion and provide staff direction.

BOARD / COMMISSION RECOMMENDATION:

n/a

ATTACHMENTS:

- Attachment A – Explanation
- Attachment B – City Council Policy #104 (portion)
- Attachment C – City Clerk's Office Survey of San Diego County Cities Public Comment Policies
- Attachment D – SD County Cities Public Comment Survey

Beginning on March 2, 2021, at the Virtual Regular City Council Meeting staff implemented an alternative for the public to provide “Live Comment” during Public Comment periods, during General Public Comment at the beginning of the meeting concerning matters not listed on the agenda, and additional comment during each item following.

Staff recognized the opportunity to enhance the virtual meeting experience providing the public an additional option to participate in the Virtual City Council Meetings. In addition to live comment, any written comment received by City Clerk’s Office prior to the deadline is accepted and provided via email to the City Council prior to the start of the City Council Meeting. Allowing the City Council time to read and consider all input from the public. Any comment received after the deadline is retained in the City Clerk’s Office as record, and uploaded to the City website to be included with the agenda material.

Both forms of comments written and live are occasions for the public participation, and mirror the process that occurs in the Council Chamber at an “in person” meetings. In person meetings allow the public to appear before the City Council at the podium to provide comment. Additionally, when emails are received in the City Clerk’s Office, they are provided to the City Councilmember on the dais prior to the meeting. Those comments are not read into the record by the City Clerk.

Staff provided ample notice of this addition to process which included an outline of the options to participate, additionally a process on “how to register for the live comment”. Notification was provided on the City website agenda cover sheet, on the homepage of the City Website, a “Public Comment” page was created under both the City Council and the City Clerk’s Office’s, and the social media public outreach utilized by the City. The Brown Act requires notice of a Regular City Council Meeting to be posted 72 hours in advance. National City Regular City Council Meeting agenda packets are posted 5 days, or 121 hours in advance of the meeting. Notice on the City website, bulletin boards, e-notifications, and for the March 2 meeting specifically because of the change in public comment procedure, social media platforms were heavily utilized as you can see in Attachment B.

The recent implementations in public comment are in alignment with City Council Policy #104: Section VI Public Meeting Communications, subsection C “Communications with Persons Addressing the City Council.” (Attachment C)

C (2). Public Comment (Non-agenda): At all regular City Council Meetings, speakers shall have the right to address the City Council on any matter within the elected body’s jurisdiction, subject to a three (3) minute time limit or less, depending on the number of speakers. As C(2)a states that “at each regular Council meeting, up to 30 minutes shall be reserved for Public Comment.”

In addition to the public comment both oral and written, a Spanish speaking interpreter was provided for the meeting of March 2 in anticipation of needs of the public that may require translation specifically for the cannabis item. This Interpreter was in the meeting simultaneously translating the complete 6.5 hours of the meeting.

Attachment D provides an overview of the public comment policies of other San Diego County cities. Of the 17 other cities within the County not including City of San Diego, Six (6) Cities accept live comment during meetings, each comment is limited to three (3) minutes or less. The other 11 cities eight (8) read comment into the record, eight (8) distribute to Council in written form.

Staff believes that the City of National City is providing best practices by allowing live comment and written comment (provided to City Council via email prior to the meeting and not read into the record), all comments are noted on minutes and retained on file in the City Clerk’s Office.

Social Media Public Outreach For March 2, 2021 City Council Meeting

Attachment B

Thursday, February 25 @ 4:00 p.m. FACEBOOK & TWITTER & INSTAGRAM

NOW ACCEPTING Live Public Comment for City Council Meetings.

The community may choose to make public comment in one of two ways:

1. Register to speak during a City Council meeting using Zoom.
2. Submit a written comment to be entered into the official meeting record.

For more information on the procedures for public comments please visit

www.nationalcityca.gov/publiccomment



Friday, February 26 – February 27 FACEBOOK & INSTAGRAM stories – stories are available for 24 hours



Monday, March 1 @ 9:00 a.m. FACEBOOK

#NationalCity public meetings are being held virtually in order to protect the safety of residents, employees and the communities we serve.

Join us this week for the following public meetings this week:

Planning Commission - <http://ow.ly/mCAK50DK1o3>

City Council Meeting (now with LIVE public comment)- <http://ow.ly/Bonu50DK1pq>

Library Board - <http://ow.ly/4oYj50DK1pT>

Public comments are accepted for ALL our meetings in writing and beginning this week the City Council will also be accepting live public comments. Be sure to check each meeting agenda for the public comment deadlines and how to watch the meeting live.

Twitter

Join [#NationalCity](#) virtually this week during our following public meetings. Be sure to check each meeting agenda for the public comment deadlines and how to watch the meeting live. Meeting agendas and event information can be found on our calendar here: <http://ow.ly/kR0W50DK1tP>



Monday, March 1 – March 2 FACEBOOK & INSTAGRAM stories – stories are available for 24 hours



Tuesday, March 2 @8:20 a.m. FACEBOOK

NOW ACCEPTING Live Public Comment for tonight's City Council meeting until 4:00 p.m.

The community may choose to make public comment in one of two ways:

1. Register to speak during a City Council meeting using Zoom.
2. Submit a written comment to be entered into the official meeting record.

For more information on the procedures for public comments please visit

www.nationalcityca.gov/publiccomment

To review the agenda for the March 2 City Council meeting please visit <http://ow.ly/S4tr50DMWak>

Twitter

NOW ACCEPTING Live Public Comment for [#NationalCity](https://twitter.com/NationalCity) Council Meetings. For more information on the procedures for public comments please visit:

<http://nationalcityca.gov/publiccomment> To review the March 2, 2021 City Council agenda:

<http://ow.ly/GEbb50DMPoV>



IV. REMOTE ACCESS TO MEETINGS

- A. Internet Broadcast: "Live" streaming video of City Council meetings is available at www.nationalcityca.gov. Archived meetings are also available online.
- B. E-Notification: Individuals may sign up via the City's website to receive email notifications of published City Council and board and commission meeting agendas, City news, special events and more.

V. PUBLIC ASSISTANCE & ACCOMMODATIONS

Upon request, the City Council agenda and backup materials will be made available in alternative formats. Any person who requires a disability-related modification or accommodation, including auxiliary aids or services, to participate in the public meeting, may request a modification, accommodation, aid, or service by contacting the City Clerk's Office either in person or by telephone no later than 10:00 a.m. on the day preceding the scheduled meeting.

VI. PUBLIC MEETING COMMUNICATIONS

A. Communications between City Councilmembers:

1. Councilmembers wishing to speak should request the floor by being recognized by the Presiding Officer before speaking. The Presiding Officer must recognize any Councilmember who seeks the floor when appropriately entitled to address the City Council.
2. No Councilmember shall speak again until all Councilmembers have had the opportunity to speak.
3. Councilmembers shall remember that the purpose of the Council meeting is to conduct the business of the City. Councilmembers shall avoid repetition and shall limit their comments to the subject matter at hand. Councilmembers shall endeavor to express their views without engaging in unnecessarily lengthy debates.
4. When one Councilmember is speaking, other Councilmembers shall not interrupt, disrupt or disturb the speaker. During questions and deliberations, the Presiding Officer may vary the speaking sequence of Councilmembers from item to item.

- B. Email Communications between City Councilmembers: Because email communications can ultimately lead to the exchange of information intended to, or which may, create collective concurrence among a quorum of Councilmembers, e-mail communications between Councilmembers relative to Council business should be avoided at all times.

- C. Communications with Persons Addressing the City Council: Members of the public may address the City Council during the Public Comment period and/or prior to the consideration of any agenda item. Persons shall address the City Council as a whole and shall not engage in a dialogue with individual Councilmembers, staff, or with other members of the audience. Any person wishing to speak, whether during the Public Comment period or on an agenda item, is requested to complete a "Request to Speak" form and submit the form to the City Clerk prior to the calling to order of the meeting or as soon thereafter as possible. Filling out a speaker slip is not required to participate. All those addressing the Council shall do so from the podium.

The City Council may not prohibit public criticism of the City in general, City staff, or members of the City Council, its policies, procedures, programs, or services of an agency or its acts or omissions. A speaker may not be stopped from speaking because either the Presiding Officer or Councilmembers disagree with the viewpoint being expressed.

1. **Translation Services**: The City strives to provide simultaneous Spanish interpreting services at all regular City Council meetings, through the use of headsets. An interpreter is also available to interpret for speakers who wish to address the Council.
2. **Public Comment (Non-agenda)**: At all regular City Council meetings, speakers shall have the right to address the City Council on any matter within the elected body's jurisdiction, subject to a three (3) minute time limit or less, depending on the number of speakers. The Council may listen to the speaker's comments, but cannot discuss or take action on communications not on the agenda. Non-agenda Public Comment may be referred to the City Manager for administrative action or placement on a subsequent agenda, with a majority vote of the Council.
 - a. At each regular Council meeting, up to 30 minutes shall be reserved for Public Comment.
 - b. The City Clerk will review the speaker slips and inform the Presiding Officer of the number of slips. If the number of speakers, at three (3) minutes each, exceeds the 30-minute allotted time for Public Comment, the Presiding Officer may reduce the time allotted to each speaker, extend Public Comment time, or continue remaining speakers to the end of the meeting.
 - c. Donations of time from one speaker to another will not be permitted.

- d. The Presiding Officer shall have the authority to reduce equally each speaker's time to accommodate a larger number of speakers.
 - e. Speaker slips for Public Comment will be accepted by the City Clerk in the Council Chambers no earlier than 15 minutes before the meeting and up until the Public Comment portion of the agenda is finished.
 - f. In order to ensure that non-English speakers receive the same opportunity to directly address the City Council, any member of the public who utilizes a translator shall be provided at least twice the allotted time to address the Council, unless simultaneous translation equipment is used to allow the Council to hear the translated public testimony simultaneously. (Government Code 54954.3)
 - g. Remarks shall be addressed to the City Council as a body.
 - h. If there is a group representing a common position, designation of a spokesperson is encouraged. The Presiding Officer may allot a mixed amount of time for presentations of this nature.
3. Public Comment (Agenda Items): Speakers shall have the right to address the City Council on items which appear on the agenda, subject to the 3-minute time limit.
- a. Donations of time from one speaker to another will not be permitted.
 - b. The Presiding Officer shall have the authority to reduce equally each speaker's time to accommodate a larger number of speakers, or to limit the total speakers' time on an agenda item.
 - c. Speaker slips for agenda items will be accepted by the City Clerk in the Council Chambers no earlier than 15 minutes before the meeting and up until the public testimony on the item is finished. Included on the speaker slip shall be the option for the individual to register support or opposition but do not wish to speak (individual must be present).
 - d. Remarks shall be addressed to the City Council as a body and not to any member of the City Council, staff or the public. No questions shall be asked of an individual member of the City Council, staff or the public. The Presiding Officer may limit interaction between Councilmembers and public speakers to questions of clarification.

- e. If there is a group representing a common position, designation of a spokesperson is encouraged. The Presiding Officer may allot a mixed amount of time for presentations of this nature.
 - f. In order to ensure that non-English speakers receive the same opportunity to directly address the City Council, any member of the public who utilizes a translator shall be provided at least twice the allotted time to address the Council, unless simultaneous translation equipment is used to allow the Council to hear the translated public testimony simultaneously. (Government Code 54954.3)
4. **Presentations to City Council:** Any information presented to the City Council for its consideration in formats such as PowerPoint, Video VHS, or DVD must be submitted to the City Clerk's office no later than the Wednesday immediately prior to the Council meeting in order to have the presentation facilitated for Council viewing and broadcast. If presentations are submitted after that deadline, it will not be possible for them to be played or displayed during the meeting, although ten (10) hard copies may be submitted to the City Clerk for distribution to the Council. Documents and presentations displayed during the Council meeting shall become a public record and must be submitted to the City Clerk for retention.

VII. AGENDA SEQUENCE AND ORDER OF BUSINESS

Generally, the agenda sequence and order of business at regularly scheduled meetings of the City Council shall be as follows, unless otherwise reordered by the Presiding Officer with the consensus of the City Council.

- A. Call to Order: The Presiding Officer officially calls the meeting to order.
- B. Roll Call: Before the City Council shall proceed with the business of the Council, the City Clerk shall call the roll of the members and the names of those present shall be entered in the minutes. The later arrival of any absentee shall also be entered in the minutes.
- C. Pledge of Allegiance: Each agenda of a regularly scheduled Council meeting shall provide an item for the recital of the "Pledge of Allegiance" to both the United States flag and the California flag.
- D. Public Comments: Speakers shall have the right to address the City Council on any matter within the elected body's jurisdiction, subject to a 3-minute time limit or less, depending on the number of speakers. The City Council may listen to the speaker's comments, but cannot discuss or take action on communications not on the agenda. Non-agenda public comment may be referred to the City Manager for administrative action or placement on a subsequent agenda.

Survey of SD County Cities - Public Comment Policies

City	Meeting Platform Used	Public Comment (minutes per speaker)	Receive Comment Via Email Only	If Receive Written Comment is it Read into the Record	Accept Call-Ins During Live Meeting	Allow Comment During Virtual Meeting	Deadline to Submit Comment to City Clerk's Office
Chula Vista	Live stream - using on-site tech and controls	2 minutes per comment Additional 2 minutes if Public Hearing	Yes	No	No	No	Allowed up to and during the item.
Coronado	Zoom	3 minutes unless otherwise changed by Mayor	Yes	No	No	No	11 am day of meeting
El Cajon	Live stream - using on-site tech and controls	300 word limit	Yes	Yes - Limited to 300 words	No	No	Deadline to submit comment via the website is up to conclusion or vote of each item.
Encinitas	Zoom	3 minutes unless otherwise changed by Mayor 30 minutes are allowed for Public Comment items not listed on the agenda.	Yes	Yes	No	Register prior to meeting Deadline 2 pm day of meeting Limited to Agenda Items Only	3 pm day of meeting
Escondido	Public TV Cox Channel 19	3 minutes unless otherwise changed by Mayor	Yes	Yes	No		
La Mesa	Zoom	3 minutes unless otherwise changed by Mayor	Yes	Yes - Limited to 300 words	No		4 pm day of meeting
Lemon Grove	Zoom	3 minutes unless otherwise changed by Mayor	Yes	Yes	No		5 pm day before meeting
National City	Zoom	3 minutes unless otherwise changed by Mayor	Yes	No	Yes	Yes	4 pm day of meeting
San Marcos	Live stream - using on-site tech and controls	5 minutes unless otherwise changed by Mayor	Yes	Yes	No		4 pm day of meeting
Solana Beach	Zoom	3 minutes unless otherwise changed by Mayor	Yes	No	No		Noon day of meeting
Vista	Zoom	3 minutes unless otherwise changed by Mayor	Yes	No	No	Audio Only - Raise virtual hand to speak or press *9 (on phone) and	

City	Meeting Platform Used	Public Comment (minutes per speaker)	Receive Comment Via Email Only	If Receive Written Comment is it Read into the Record	Accept Call-Ins During Live Meeting	Allow Comment During Virtual Meeting	Deadline to Submit Comment to City Clerk's Office
Carlsbad	Live stream - using on-site tech and controls	3 minutes unless otherwise changed by Mayor	Yes	No	Yes, but must register prior to meeting at least one hour before start time		2pm day of meeting
Del Mar	Livestream - 12milesout (service)	3 minutes unless otherwise changed by Mayor	Yes	No	Yes	Pre-Register online to receive email with number and instructions on how to call into the meeting.	noon day of meeting
Imperial Beach	Zoom	3 minutes unless otherwise changed by Mayor	Yes	Yes	Yes	Audio Only - Raise virtual hand to speak or press *9 (on phone) and unmuted	up to conclusion or vote of item
Oceanside	Zoom	3 minutes unless otherwise changed by Mayor	Yes	Yes	Yes	Yes	4 pm day of meeting for items on the agenda - for items not listed on the agenda a deadline of midnight the day prior to submit general comment
Poway	Live stream - using on-site tech and controls	3 minutes unless otherwise changed by Mayor	Yes	No	Yes		None
Santee	Live stream - using on-site tech and controls	3 minutes unless otherwise changed by Mayor	Yes	No	Yes	Yes	



AGENDA OF A REGULAR MEETING – SUCCESSOR AGENCY TO THE
COMMUNITY DEVELOPMENT COMMISSION AS THE NATIONAL CITY
REDEVELOPMENT AGENCY
ONLINE ONLY MEETING

<https://www.nationalcityca.gov/webcast>

LIVE WEBCAST
COUNCIL CHAMBERS
CIVIC CENTER

1243 NATIONAL CITY BOULEVARD
NATIONAL CITY, CALIFORNIA
TUESDAY, MARCH 16, 2021 – 6:00 PM

ALEJANDRA SOTELO-SOLIS
Chairwoman

JOSE RODRIGUEZ
Boardmember

MARCUS BUSH
Boardmember

RON MORRISON
Boardmember

MONA RIOS
Boardmember

1243 National City Blvd.
National City, CA 91950
619-336-4240

*Meeting agendas and
minutes available on web*

WWW.NATIONALCITYCA.GOV

NOTICE: The health and well-being of National City residents, visitors, and employees during the COVID-19 outbreak remains our top priority. The City of National City is coordinating with the County of San Diego Health And Human Services Agency, and other agencies to take measures to monitor and reduce the spread of the novel coronavirus (COVID-19). **The World Health Organization has declared the outbreak a global pandemic and local and state emergencies have been declared providing reprieve from certain public meeting laws such as the Brown Act.**

As a result, the Successor Agency Meeting will occur only online to ensure the safety of City residents, employees and the communities we serve. A live webcast of the meeting may be viewed on the city's website at www.nationalcityca.gov/webcast. **For Public Comments see "Public Comments" section below.**

ORDER OF BUSINESS: Public sessions of all Regular Meetings of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency (hereafter referred to as Elected Body) begin at 6:00 p.m. Public Hearings begin at 6:00 p.m. unless otherwise noted. Closed Meetings begin in Open Session at 5:00 p.m., or such other time as noted, and after announcing closed session items, convenes into a Closed Meeting. If a workshop is scheduled, the subject and time of the workshop will appear on the agenda. The Mayor and Council members also sit as the Chairperson and Members of the Board of the Community Development Commission (CDC).

REPORTS: All open session agenda items and reports as well as all documents and writings distributed to the Elected Body less than 72 hours prior to the meeting, are available for review on the City's website at www.nationalcityca.gov/webcast. Regular Meetings of the Elected Body are webcast and archived on the City's website at www.nationalcityca.gov/webcast.

PUBLIC COMMENTS: There are multiple ways you can make sure your opinions are heard and considered by our City Council as outlined below:

Submit your public comment prior to the meeting: To submit a comment in writing, email PublicComment@nationalcityca.gov, provide the agenda item number and title of the item in the subject line of your email. Public comments or testimony is limited to up to three (3) minutes. If the comment is not related to a specific agenda item,

indicate General Public Comment in the subject line. All email comments received by 4:00 p.m. on the day of the meeting will be emailed to the City Council Members and made a part of the official record.

***Please note that email comments received prior to the meeting will no longer be read into the meeting's record but will be distributed to the City Council. If you would like to share your comments live during the meeting, please follow the instructions below..

Register online and participate in live public comment during the meeting: To provide live public comment during the meeting, you must pre-register on the City's website at <https://www.nationalcityca.gov/publiccomment> by 4:00 p.m. on the day of the regular meeting to join the City Council Meeting.

***Please note that you do not need to pre-register to watch the meeting online, but you must pre-register if you wish to speak.

Once registered, you will receive an email with a link from Zoom to join the live meeting. You can participate by phone or by computer. Please allow yourself time to log into Zoom before the start of the meeting to ensure you do not encounter any last-minute technical difficulties.

***Please note that members of the public will not be shown on video; they will be able to watch and listen and speak when called upon. Public microphones will be muted until it is your turn to comment.

Each speaker is allowed up to three (3) minutes to address the City Council. Please be aware that the Mayor may limit the comments' length due to the number of persons wishing to speak or if comments become repetitious or unrelated.

All comments are subject to the same rules as would otherwise govern speaker comments at the meeting. Speakers are asked to be respectful and courteous. Please address your comments to the City Council as a whole and avoid personal attacks against members of the public, City Council, and city staff.

Questions about public comment or City Council protocols? Please contact the City Clerk's Office at (619) 336-4228 or via email at Clerk@nationalcityca.gov.

INTERPRETATION SERVICES: To use the Zoom interpretation feature you must first Pre-Register on Zoom. Once logged into Zoom to use the interpretation feature, please scroll to the bottom of the Zoom screen (where the meeting controls are), click on the interpretation icon (world), and select English as your language. If you are joining using the Zoom mobile app (cell phone, tablet, etc.), please press the ellipsis (...), then Interpretation, and then choose your language.

WRITTEN AGENDA: With limited exceptions, the Elected Body may take action only upon items appearing on the written agenda. Items not appearing on the agenda must be brought back on a subsequent agenda unless they are of a demonstrated emergency or urgent nature, and the need to take action on such items arose after the agenda was posted.

CONSENT AGENDA: Consent calendar items involve matters which are of a routine or noncontroversial nature. All consent items are adopted by approval of a single motion by the City Council. Prior to such approval, any item may be removed from the consent portion of the agenda and separately considered, upon request of a Councilmember, a staff member, or a member of the public.

Upon request, this agenda can be made available in appropriate alternative formats to persons with a disability in compliance with the Americans with Disabilities Act. Please contact the City Clerk's Office at

(619) 336-4228 to request a disability-related modification or accommodation. Notification 24-hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

OPEN TO THE PUBLIC

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS (THREE-MINUTE TIME LIMIT)

CONSENT CALENDAR

1. [Investment Report for the quarter ended September 30, 2020. \(Finance\)](#)
2. [Investment Report for the quarter ended December 31, 2020. \(Finance\)](#)
3. [Investment transactions for the month ended October 31, 2020. \(Finance\)](#)
4. [Investment transactions for the month ended November 30, 2020. \(Finance\)](#)

PUBLIC HEARINGS

NON CONSENT RESOLUTIONS

NEW BUSINESS

STAFF REPORTS

MEMBER REPORTS

CLOSED SESSION REPORT

ADJOURNMENT

Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency - Tuesday - June 15, 2021 - 6:00 p.m. - Council Chambers - National City, California.

The following page(s) contain the backup material for Agenda Item: [Investment Report for the quarter ended September 30, 2020. \(Finance\)](#)

Please scroll down to view the backup material.

**SUCCESSOR AGENCY TO
THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

AGENDA ITEM NO. _____

ITEM TITLE:

Investment Report for the quarter ended September 30, 2020.

PREPARED BY: *Ron Gutlay*
PHONE: (619) 336-4346

DEPARTMENT: Finance

APPROVED BY: _____



EXPLANATION:

See attached staff report.

FINANCIAL STATEMENT:

ACCOUNT NO.

See attached staff report.

APPROVED: _____

APPROVED: _____



Finance

MIS

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION:

FINAL ADOPTION:

STAFF RECOMMENDATION:

Accept and file the Investment Report for the quarter ended September 30, 2020.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

1. Staff Report
2. Investment Statements



Successor Agency Staff Report

March 16, 2021

ITEM

Staff Report: Successor Agency's Investment Report for the quarter ended September 30, 2020.

BACKGROUND

The California Government Code (§ 53646(b)) requires that, when the treasurer or the chief fiscal officer of a local agency renders to the legislative body of the agency a quarterly report on the agency's investment portfolio, such report shall include the following information regarding all securities, investments, and moneys held by the local agency:

- type of investment;
- issuer (bank or institution);
- date of maturity;
- dollar amount invested; and
- current market valuation as of the date of the report.

In addition, the Government Code (§ 53646(b)(2)) requires that the report states the City's compliance with its investment policy and includes a statement regarding the ability of the local agency to meet its pool's ability to meet its expenditure requirements Code (§ 53646(b)(3)).

OVERVIEW OF SUCCESSOR AGENCY INVESTMENTS

The Successor Agency invests most of its funds with the California Treasurer's Local Agency Investment Fund ("LAIF"). This is a liquid investment pool, which allows participants to earn market rate returns of large investments, while retaining access to funds within 24 hours of a withdrawal request. For the quarter ended September 30, 2020, the LAIF's interest rate was 0.84%. The 2020 third quarter Statements of the Successor Agency's investment portfolio are attached.

COMPLIANCE STATEMENT

All of the Successor Agency's investments are in compliance with the City's investment policy (City Council Policy No. 203) and the California Government Code (§ 53601 et seq).

FINANCIAL STATEMENT

Total LAIF gains/(losses), realized and unrealized, for the period were \$19,346.41.

Staff certifies that there are sufficient funds to meet the pool's expenditure requirements.

Page 2

Staff Report: Successor Agency's Investment Report for the quarter ended September 30, 2020.
March 16, 2021

RECOMMENDATIONS

Accept and file the Successor Agency Investment Report for the quarter ended September 30, 2020.

California State Treasurer *Fiona Ma, CPA*



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

October 19, 2020

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

S/A CITY OF NATIONAL CITY FOR NATIONAL
CITY REDEVELOPMENT AGENCY
FINANCE DIRECTOR
1243 NATIONAL CITY BLVD
NATIONAL CITY, CA 91950

[Tran Type Definitions](#)

Account Number: 65-37-014

September 2020 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	9,110,712.86
Total Withdrawal:	0.00	Ending Balance:	9,110,712.86

California State Treasurer *Fiona Ma, CPA*



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

September 15, 2020

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

S/A CITY OF NATIONAL CITY FOR NATIONAL
CITY REDEVELOPMENT AGENCY
FINANCE DIRECTOR
1243 NATIONAL CITY BLVD
NATIONAL CITY, CA 91950

[Tran Type Definitions](#)

Account Number: 65-37-014

August 2020 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	9,110,712.86
Total Withdrawal:	0.00	Ending Balance:	9,110,712.86

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

September 15, 2020

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

S/A CITY OF NATIONAL CITY FOR NATIONAL
 CITY REDEVELOPMENT AGENCY
 FINANCE DIRECTOR
 1243 NATIONAL CITY BLVD
 NATIONAL CITY, CA 91950

[Tran Type Definitions](#)

Account Number: 65-37-014

July 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
7/15/2020	7/14/2020	QRD	1646492	N/A	SYSTEM	30,628.76
7/15/2020	7/29/2020	QRD	1649957	N/A	SYSTEM	2,493.59

Account Summary

Total Deposit:	33,122.35	Beginning Balance:	9,077,590.51
Total Withdrawal:	0.00	Ending Balance:	9,110,712.86



BETTY T. YEE

California State Controller

LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

Agency Name

S/A CTY NATIONAL CTY

Account Number

65-37-014

As of 10/15/2020, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 09/30/2020.

Earnings Ratio		.00002309407394024
Interest Rate		0.84%
Dollar Day Total	\$	837,721,870.22
Quarter End Principal Balance	\$	9,110,712.86
Quarterly Interest Earned	\$	19,346.41

The following page(s) contain the backup material for Agenda Item: [Investment Report for the quarter ended December 31, 2020. \(Finance\)](#)

Please scroll down to view the backup material.

**SUCCESSOR AGENCY TO
THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

AGENDA ITEM NO. |

ITEM TITLE:

Investment Report for the quarter ended December 31, 2020.

PREPARED BY: *Ron Gutlay*
PHONE: (619) 336-4346

DEPARTMENT: Finance

APPROVED BY: _____



EXPLANATION:

See attached staff report.

FINANCIAL STATEMENT:

ACCOUNT NO.

See attached staff report.

APPROVED: _____



Finance

APPROVED: _____

MIS

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: **INTRODUCTION:** **FINAL ADOPTION:**

STAFF RECOMMENDATION:

Accept and file the Investment Report for the quarter ended December 31, 2020.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

1. Staff Report
2. Investment Statements



Successor Agency Staff Report

March 16, 2021

ITEM

Staff Report: Successor Agency's Investment Report for the quarter ended December 31, 2020.

BACKGROUND

The California Government Code (§ 53646(b)) requires that, when the treasurer or the chief fiscal officer of a local agency renders to the legislative body of the agency a quarterly report on the agency's investment portfolio, such report shall include the following information regarding all securities, investments, and moneys held by the local agency:

- type of investment;
- issuer (bank or institution);
- date of maturity;
- dollar amount invested; and
- current market valuation as of the date of the report.

In addition, the Government Code (§ 53646(b)(2)) requires that the report states the City's compliance with its investment policy and includes a statement regarding the ability of the local agency to meet its pool's ability to meet its expenditure requirements Code (§ 53646(b)(3)).

OVERVIEW OF SUCCESSOR AGENCY INVESTMENTS

The Successor Agency invests most of its funds with the California Treasurer's Local Agency Investment Fund ("LAIF"). This is a liquid investment pool, which allows participants to earn market rate returns of large investments, while retaining access to funds within 24 hours of a withdrawal request. For the quarter ended December 31, 2020, the LAIF's interest rate was 0.63%. The 2020 fourth quarter Statements of the Successor Agency's investment portfolio are attached.

COMPLIANCE STATEMENT

All of the Successor Agency's investments are in compliance with the City's investment policy (City Council Policy No. 203) and the California Government Code (§ 53601 et seq).

FINANCIAL STATEMENT

Total LAIF gains/(losses), realized and unrealized, for the period were \$14,435.78.

Staff certifies that there are sufficient funds to meet the pool's expenditure requirements.

Page 2

Staff Report: Successor Agency's Investment Report for the quarter ended December 31, 2020.
March 16, 2021

RECOMMENDATIONS

Accept and file the Successor Agency Investment Report for the quarter ended December 31, 2020.

California State Treasurer *Fiona Ma, CPA*



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

February 09, 2021

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

S/A CITY OF NATIONAL CITY FOR NATIONAL
CITY REDEVELOPMENT AGENCY
FINANCE DIRECTOR
1243 NATIONAL CITY BLVD
NATIONAL CITY, CA 91950

[Tran Type Definitions](#)

Account Number: 65-37-014

December 2020 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	9,130,059.27
Total Withdrawal:	0.00	Ending Balance:	9,130,059.27

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

December 07, 2020

[LAIF Home](#)
[PMIA Average](#)
[Monthly Yields](#)

S/A CITY OF NATIONAL CITY FOR NATIONAL
CITY REDEVELOPMENT AGENCY
FINANCE DIRECTOR
1243 NATIONAL CITY BLVD
NATIONAL CITY, CA 91950

[Tran Type](#)
[Definitions](#)

Account Number: 65-37-014

November 2020 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	9,130,059.27
Total Withdrawal:	0.00	Ending Balance:	9,130,059.27

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

December 07, 2020

[LAIF Home](#)
[PMIA Average](#)
[Monthly Yields](#)

S/A CITY OF NATIONAL CITY FOR NATIONAL
 CITY REDEVELOPMENT AGENCY
 FINANCE DIRECTOR
 1243 NATIONAL CITY BLVD
 NATIONAL CITY, CA 91950

[Tran Type](#)
[Definitions](#)

Account Number: 65-37-014

October 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
10/15/2020	10/14/2020	QRD	1656900	N/A	SYSTEM	19,346.41

Account Summary

Total Deposit:	19,346.41	Beginning Balance:	9,110,712.86
Total Withdrawal:	0.00	Ending Balance:	9,130,059.27



BETTY T. YEE

California State Controller

LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

Agency Name

S/A CTY NATIONAL CTY

Account Number

65-37-014

As of 01/15/2021, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 12/31/2020.

Earnings Ratio		.00001719170547343
Interest Rate		0.63%
Dollar Day Total	\$	839,694,603.10
Quarter End Principal Balance	\$	9,130,059.27
Quarterly Interest Earned	\$	14,435.78

The following page(s) contain the backup material for Agenda Item: [Investment transactions for the month ended October 31, 2020. \(Finance\)](#)
Please scroll down to view the backup material.

**SUCCESSOR AGENCY TO
THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

AGENDA ITEM NO. _____

ITEM TITLE:

Investment transactions for the months ended October 31, 2020.

PREPARED BY: Ron Gutlay

PHONE: (619) 336-4346

DEPARTMENT: Finance

APPROVED BY: _____



EXPLANATION:

In accordance with California Government Code Section 53646 and Section XIIA of the City of National City's investment policy, a monthly report shall be submitted to the legislative body accounting for transactions made during the reporting period.

The attached listing reflects investment transactions of the investment portfolio of the Successor Agency to the Community Development Commissions as the National City Redevelopment Agency for the month ending October 31, 2020.

FINANCIAL STATEMENT:

ACCOUNT NO.

NA

APPROVED: _____

APPROVED: _____



Finance

MIS

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION:

FINAL ADOPTION:

STAFF RECOMMENDATION:

Accept and file the Investment Transaction Report for the month ended October 31, 2020.

BOARD / COMMISSION RECOMMENDATION:

NA

ATTACHMENTS:

Local Agency Investment Fund (LAIF) Statements.

California State Treasurer
Fiona Ma, CPA



December 07, 2020

Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

[LAIF Home](#)
[PMIA Average](#)
[Monthly Yields](#)

S/A CITY OF NATIONAL CITY FOR NATIONAL
 CITY REDEVELOPMENT AGENCY
 FINANCE DIRECTOR
 1243 NATIONAL CITY BLVD
 NATIONAL CITY, CA 91950

[Tran Type](#)
[Definitions](#)

Account Number: 65-37-014

October 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
10/15/2020	10/14/2020	QRD	1656900	N/A	SYSTEM	19,346.41

Account Summary

Total Deposit:	19,346.41	Beginning Balance:	9,110,712.86
Total Withdrawal:	0.00	Ending Balance:	9,130,059.27

The following page(s) contain the backup material for Agenda Item: [Investment transactions for the month ended November 30, 2020. \(Finance\)](#)

Please scroll down to view the backup material.

**SUCCESSOR AGENCY TO
THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
COUNCIL AGENDA STATEMENT**

MEETING DATE: March 16, 2021

AGENDA ITEM NO. |

ITEM TITLE:

Investment transactions for the months ended November 30, 2020.

PREPARED BY: *Ron Gutlay*

PHONE: (619) 336-4346

DEPARTMENT: Finance

APPROVED BY: _____



EXPLANATION:

In accordance with California Government Code Section 53646 and Section XIIA of the City of National City's investment policy, a monthly report shall be submitted to the legislative body accounting for transactions made during the reporting period.

The attached listing reflects investment transactions of the investment portfolio of the Successor Agency to the Community Development Commissions as the National City Redevelopment Agency for the month ending November 30, 2020.

FINANCIAL STATEMENT:

ACCOUNT NO.

NA

APPROVED: _____



Finance

APPROVED: _____

MIS

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION:

FINAL ADOPTION:

STAFF RECOMMENDATION:

Accept and file the Investment Transaction Report for the month ended November 30, 2020.

BOARD / COMMISSION RECOMMENDATION:

NA

ATTACHMENTS:

Local Agency Investment Fund (LAIF) Statements.

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

December 07, 2020

[LAIF Home](#)
[PMIA Average](#)
[Monthly Yields](#)

S/A CITY OF NATIONAL CITY FOR NATIONAL
CITY REDEVELOPMENT AGENCY
FINANCE DIRECTOR
1243 NATIONAL CITY BLVD
NATIONAL CITY, CA 91950

[Tran Type](#)
[Definitions](#)

Account Number: 65-37-014

November 2020 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	9,130,059.27
Total Withdrawal:	0.00	Ending Balance:	9,130,059.27