



Finance Committee

Tuesday, October 12, 2021

8:30 a.m.

Executive Conference Room
Brea Civic & Cultural Center
1 Civic Center Circle, Brea, California, 92821

MEMBERS: Council Member Christine Marick and Council Member Marty Simonoff
ALTERNATE: Mayor Pro Tem Cecilia Hupp

The Finance Committee meeting will be held on October 12, 2021 at 8:30 a.m. in the Executive Conference Room and the public is welcome to participate. Written comments may be sent to the Administrative Services Department at arlenem@cityofbrea.net no later than 12:00 p.m. on Monday, October 11, 2021. Any comments received via email will be summarized aloud into record at the meeting.

The Finance Committee agenda packet can be viewed on the City of Brea website at: <https://www.ci.brea.ca.us/509/Meeting-Agendas-Minutes>. Materials related to an item on the agenda submitted to the Finance Committee after distribution of the agenda packet are available for public inspection during normal business hours in the Administrative Services Department located on the third floor of the Civic & Cultural Center at 1 Civic Center Circle, Brea, CA 92821. Such documents may also be available on the City's website subject to staff's ability to post documents before the meeting.

CALL TO ORDER / ROLL CALL

1. **Matters from the Audience**

CONSENT

2. **September 14, 2021 Finance Committee Regular Meeting Minutes - Approve.**

Attachments

09-14-2021 Draft Minutes

DISCUSSION

3. **Award South Brea Water & Sewer Improvements, CIP Project Nos. 7454, 7466 and 7626**
-Approve Plans and Specifications; Receive bids; Award Contract to lowest responsive and responsible bidder, Vido Samarzich, Inc., in the amount of \$5,375,591.00; and Authorize City Engineer to issue Change Orders up to a "not-to-exceed" amount of 10% of the Contract Price.

Attachments

Exhibit A - 7454 - Vicinity Map

Exhibit B - 7466 - Vicinity Map

Exhibit C - 7626 - Vicinity Map

Exhibit D - Proposal

4. **Acceptance and Appropriation of Funds for Lagos De Moreno Park Upgrades, CIP Project No. 7929** - Adopt resolution to appropriate \$646,100 from the Capital & Mitigation Improvement Fund (Fund 560); Accept Project as complete and authorize City Clerk to record Notice of Completion; and Authorize City Clerk to release Payment and Performance Bonds.

Attachments

Location Map

NOC

Resolution

5. **Acceptance of Moorpark Water Main Replacement, CIP Project No. 7430** - Accept Project as complete and authorize City Clerk to record Notice of Completion; and Authorize City Clerk to release Payment and Performance Bonds.

Attachments

Project Location Map

Notice of Completion

6. **Acceptance of Brea Water Main Replacement North Hills West and East Tracts, Project Nos. 7459 and 7460** - Accept the Project as complete and authorize City Clerk to record a Notice of Completion; and Authorize City Clerk to release the Payment and Performance Bond upon notification from the Public Works Department.

Attachments

Attachment A - Notice of Completion

Attachment B - Location Map

7. **Consideration of Lease Agreement for Remote Learning for Brea Olinda Unified School District at the Civic & Cultural Center** - Proceed to City Council for approval of a two-year Lease Agreement between the City of Brea and the Brea Olinda Unified School District, with the option of three one-year extensions.

Attachments

Draft Office Lease

8. **Budget Adjustments to the City Operating and Capital Improvement Program Budgets for Fiscal Year 2020-21** - Adopt the attached resolutions appropriating funds to adjust the Fiscal Year 2020-21 City Operating and Capital Improvement Program Budgets.

Attachments

Resolution - City

Exhibit A - City

Resolution - CIP

Exhibit A - CIP

9. **Schedule Next Meeting: October 26, 2021**

cc: Mayor Steven Vargas and Council Member Glenn Parker

Special Accommodations

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (714) 990-7757. Notification 48 hours prior to the meeting will enable City staff to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

City of Brea

FINANCE COMMITTEE COMMUNICATION

TO: Finance Committee Members

FROM: Bill Gallardo

DATE: 10/12/2021

SUBJECT: September 14, 2021 Finance Committee Regular Meeting Minutes

RECOMMENDATION

Approve

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: Alicia Brenner, Senior Fiscal Analyst

Concurrence: Cindy Russell, Administrative Services Director

Attachments

09-14-2021 Draft Minutes



DRAFT FINANCE COMMITTEE MINUTES

Tuesday, September 14, 2021

8:30 AM

Brea Civic & Cultural Center, 1 Civic Center Circle, Brea, California

CALL TO ORDER / ROLL CALL

ATTENDEES: Council Member Christine Marick, Council Member Marty Simonoff, Tony Olmos, Cindy Russell, Rudy Correa, Michael Ho, Monica Lo, Faith Madrazo, Alicia Brenner and Brian Ingallinera

OTHER ATTENDEES: Eric Callocchia, NewGen Strategies & Solutions, LLC

1. **Matters from the Audience – None.**

CONSENT

2. **August 10, 2021 Finance Committee Regular Meeting Minutes – Approved.**

DISCUSSION

3. **Acceptance of the Napoli Tract Water Improvements, CIP Project NO. 7458 – Recommended for City Council approval.**
4. **Professional Services Agreement with Fuscoe Engineering for Evaluation of Water Harvest and Reuse Opportunities – Recommended for City Council approval.**
5. **Resolution Designating a Banking Administrator; Authorizing Bank Signers on Behalf of the City of Brea; and Solidifying Certain Payment Processes – Recommended for City Council approval.**
6. **Award of Professional Services Agreement to NewGen Strategies & Solutions, LLC for Water and Wastewater User Rate and Impact Fee Studies – Recommended for City Council approval.**
7. **Schedule Next Meeting: Tuesday, September 28, 2021**

Meeting adjourned: 8:39 AM

City of Brea

FINANCE COMMITTEE COMMUNICATION

TO: Finance Committee Members

FROM: Bill Gallardo

DATE: 10/12/2021

SUBJECT: Award South Brea Water & Sewer Improvements, CIP Project Nos. 7454, 7466 and 7626

RECOMMENDATION

1. Approve Plans and Specifications;
2. Receive bids;
3. Award Contract to lowest responsive and responsible bidder, Vido Samarzich, Inc., in the amount of \$5,375,591.00; and
4. Authorize City Engineer to issue Change Orders up to a "not-to-exceed" amount of 10% of the Contract Price.

BACKGROUND/DISCUSSION

The South Brea Water & Sewer Improvements, Project Nos. 7454, 7466, and 7626 ("Project") is programmed in Fiscal Year 2021-22 Capital Improvement Program (CIP). Project is located on twelve (12) streets, south of Imperial Highway, east of Berry Street, west of State College Boulevard, and north of the southerly City limits. (Exhibits A, B and C).

The work generally consists of replacement and upgrade of existing water and sewer mains, manhole and sewer lateral reconstruction, and street resurfacing throughout the Project areas. In addition, Project also includes replacement of damaged PCC sidewalk, curb ramps, curb and gutter; traffic striping and sign replacement; landscape and irrigation repair; and construction survey and monument protection.

Final Plans and Specifications ("Bid Documents") were advertised for bids on CIPlist.com and subsequently published in the adjudicated newspaper in accordance with the California Uniform Public Construction Cost Accounting (CUPCCA). A copy of the Bid Documents is available in the City Clerk's office for review. There was one addendum to the Bid Documents, which provided the geotechnical report for the bidders' reference when providing their proposals. Therefore, staff recommends City Council approve the final Bid Documents with the addendum as bid.

On September 9, 2021, staff received a total of eight bid proposals. Staff then tallied the bid proposals and determined that the apparent low bid amount was \$5,375,591.00 from Vido Samarzich, Inc., of Rancho Cucamonga, California (Exhibit D).

Below are the results of the eight bids received within Table 1:

Table 1 - Total Bid Summary

No.	Bidder	Amount Bid
1.	Vido Samarzich, Inc.	\$5,375,591.00
2.	JR Filanc Construction Co., Inc.	\$5,580,470.00
3.	T.E. Roberts	\$5,661,104.00
4.	Christensen Brothers	\$6,253,266.50
5.	Stephen Doreck	\$6,347,290.00
6.	Dominguez General Contracting	\$6,790,575.00
7.	Ramona, Inc.	\$6,804,448.00
8.	Kana Pipeline	\$6,897,244.00
	Engineer's Estimate	\$5,169,615.00

Vido Samarzich, Inc., has been in the construction business for over 39 years and has completed construction of similar improvement projects for the City of Upland, City of Fullerton, and City of Anaheim. The company has a valid contractor's license and has received a satisfactory rating according to the references. If awarded, construction could begin in November 2021, and take approximately ten (10) months to complete, weather permitting.

SUMMARY/FISCAL IMPACT

The Project budget is programmed in the FY 2021-22 CIP with an amount of \$7,917,114. The total updated cost for the Project going into construction is estimated at \$6,699,284.11 based on the final design and staff costs (\$194,819), apparent low bid amount of \$5,375,591, a 10% contingency (\$537,559.10), and construction engineering costs (\$591,315.01). Once the Project is complete, any remaining project funds will be deobligated back into the associated funds. The sources of funds within the approved budget are from the Measure M Fund (260), Water Fund (420), Gas Tax Fund (220), and Sewer Fund (430). There is no impact to the General Fund from this project.

The work generally consists of the replacement and upgrade of existing water and sewer mains, manholes and sewer laterals reconstruction, and street resurfacing throughout the Project areas. If City Council approves staff's recommendations, the Project is anticipated to start construction in November 2021 and be completed by September 2022, weather permitting.

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: Raymond Contreras, Associate Engineer

Concurrence: Michael Ho., P. E., Deputy Director of Public Works / City Engineer

Tony Olmos, P. E., Public Works Director

Attachments

Exhibit A - 7454 - Vicinity Map

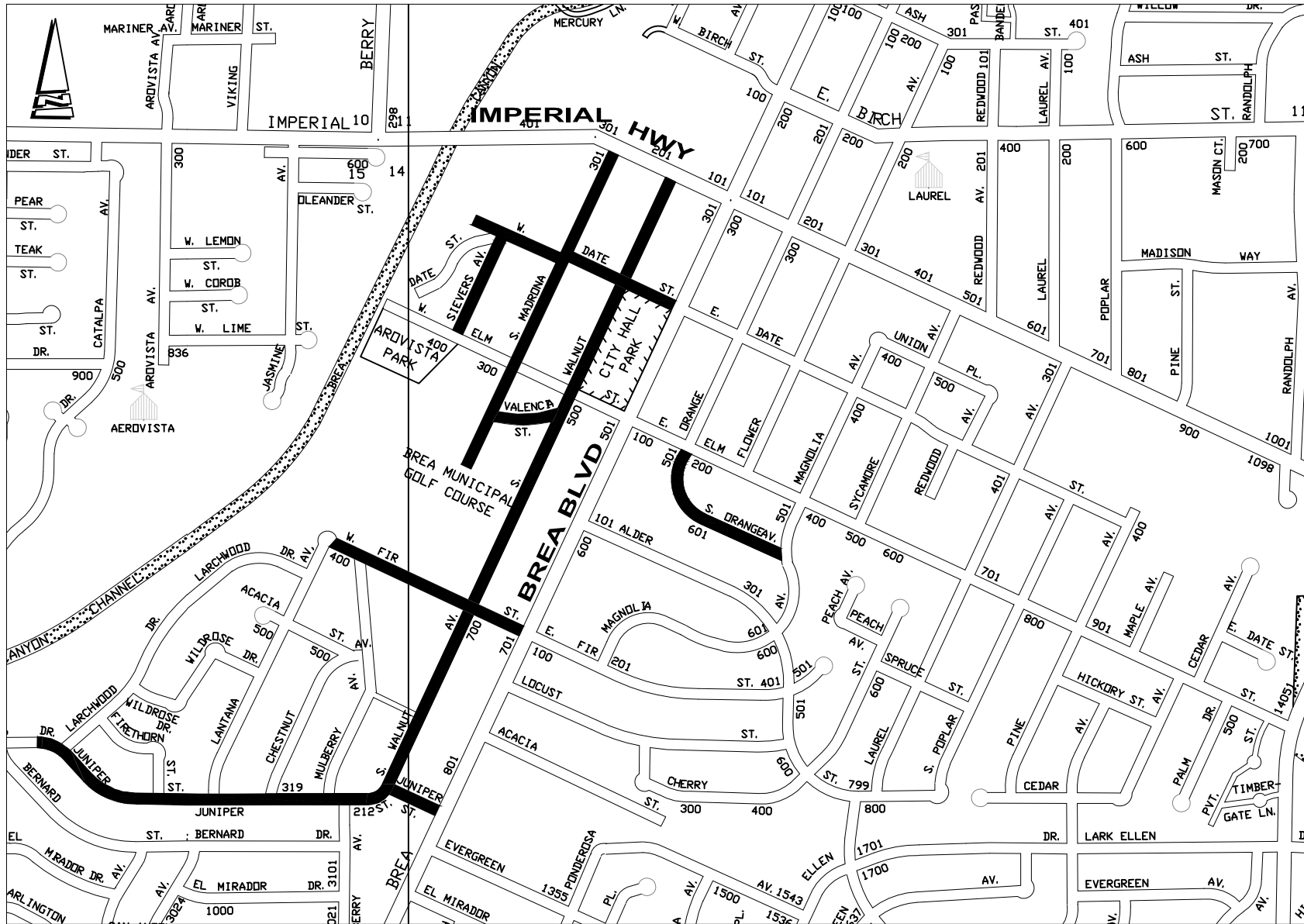
Exhibit B - 7466 - Vicinity Map

Exhibit C - 7626 - Vicinity Map

Exhibit D - Proposal

PROJECT 7454

FACILITY IMPROVEMENT - WALNUT - ORANGE - JUNIPER ST ET AL. WATERLINES

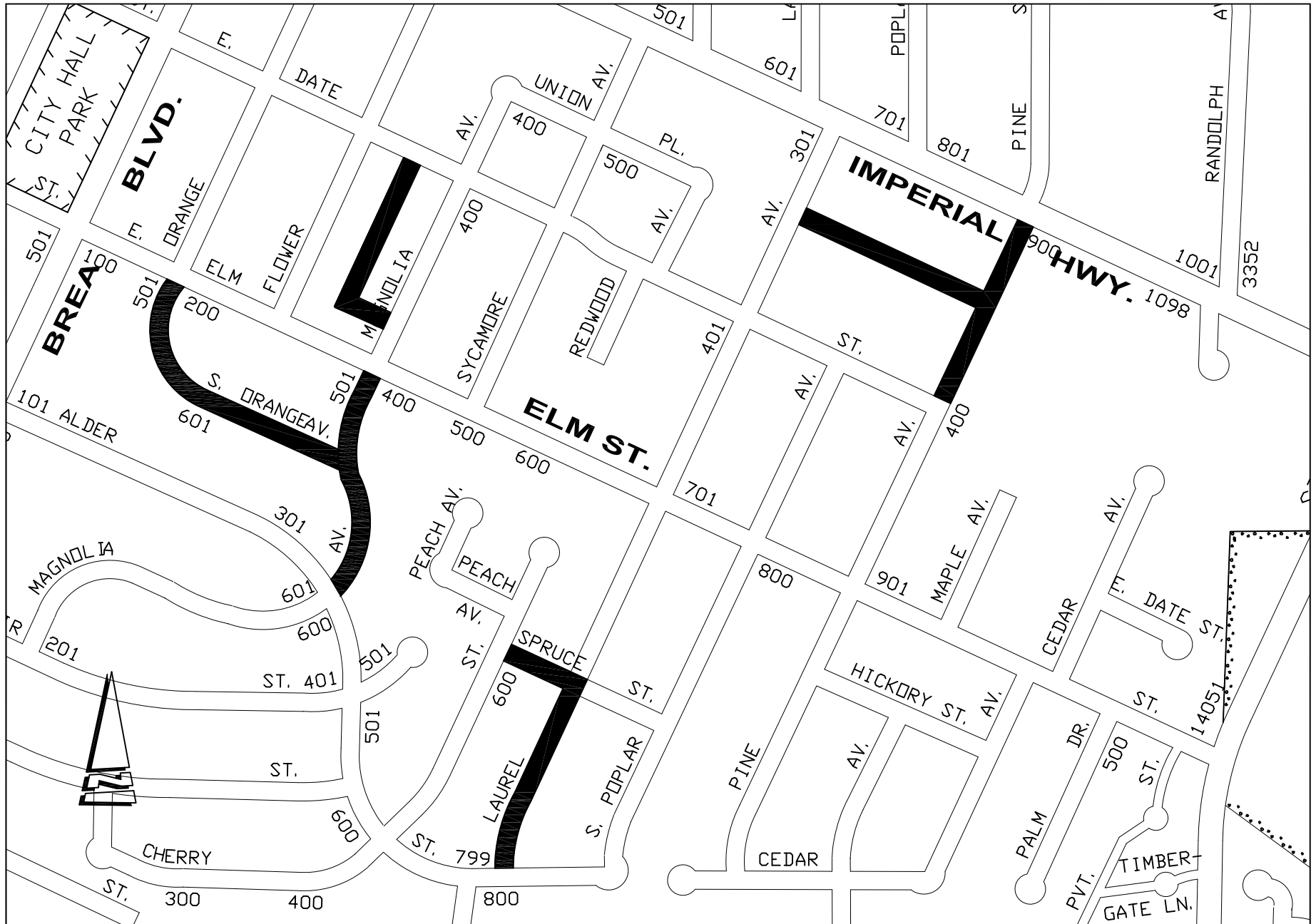


VICINITY MAP

NOT TO SCALE

PROJECT 7466

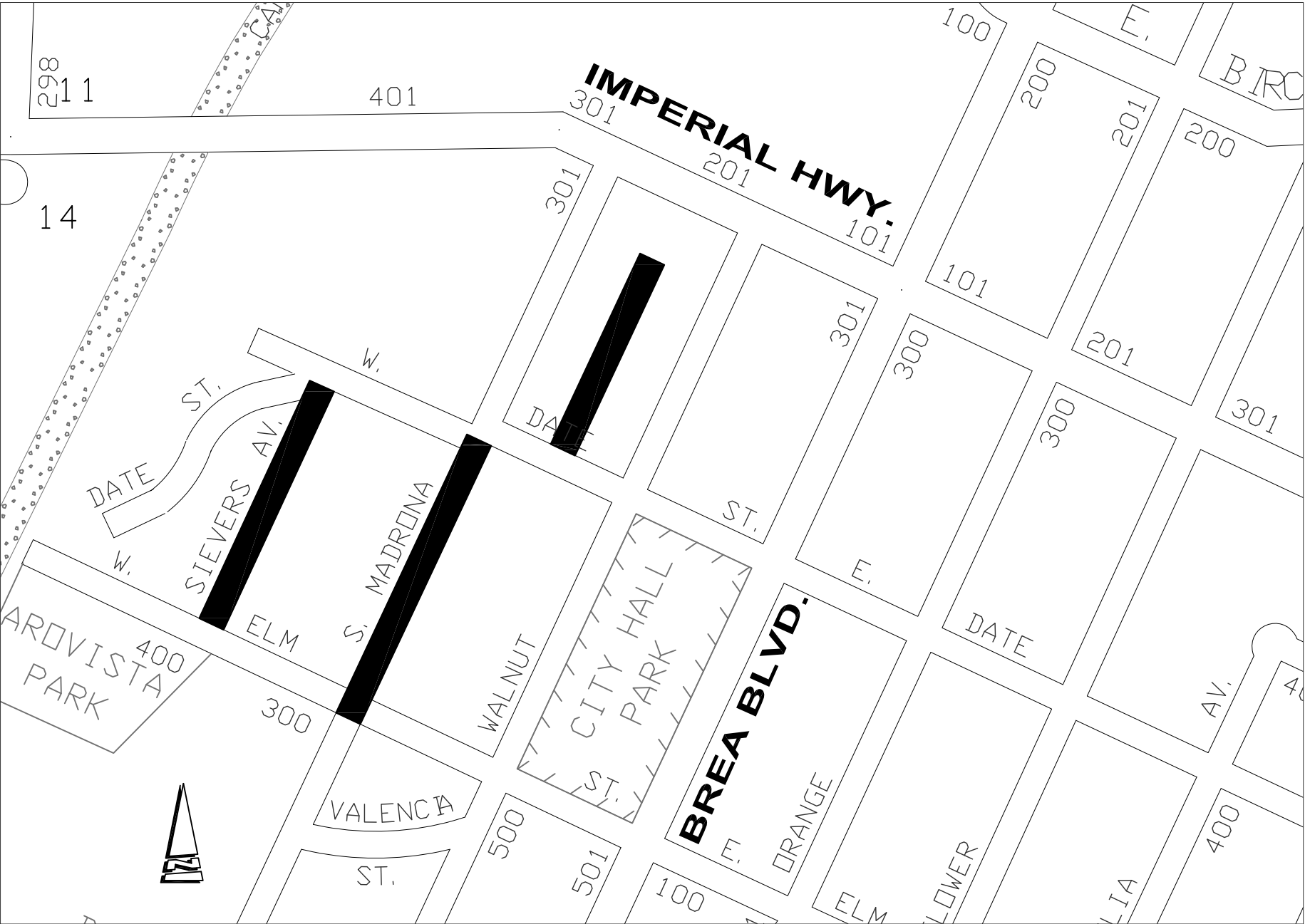
SOUTH BREA NEIGHBORHOOD WATER MAIN REPLACEMENT



VICINITY MAP

NOT TO SCALE

PROJECT 7626
SOUTH BREA SEWER REPAIRS



VICINITY MAP
NOT TO SCALE

SECTION C

PROPOSAL

For

WATER AND SEWER IMPROVEMENTS WITHIN VARIOUS STREETS PROJECT CIP NOS. 7454, 7466 & 7626

in the

CITY OF BREA

TO THE HONORABLE MAYOR AND MEMBERS OF THE COUNCIL OF BREA:

In compliance with the Notice Inviting Sealed Bids, the undersigned hereby proposes and agrees to perform all the work therein described, and to furnish all labor, material, equipment and incident insurance necessary therefor, in accordance with the plans and specifications on file in the office of the City Engineer of the City of Brea. The undersigned agrees to perform the work therein to the satisfaction of and under the supervision of the City Engineer of the City of Brea, and to enter into a contract at the following prices. The undersigned agrees to complete the work within a total of **200 Working Days**, starting from the date of the first Notice to Proceed until project completion.

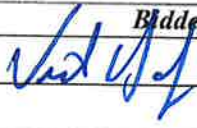
BIDDER declares that this proposal is based upon careful examination of the work site, plans, specifications, Instructions to Bidders and all other contract documents. If this proposal is accepted for award, BIDDER agrees to enter into a contract with AGENCY at the unit and/or lump sum prices set forth in the following Bid Schedule. BIDDER understands that failure to enter into a contract in the manner and time prescribed will result in forfeiture to AGENCY of the guaranty accompanying this proposal.

BIDDER understands that a bid is required for the entire work that the estimated quantities set forth in the Bid Schedule are solely for the purpose of comparing bids and that final compensation under the contract will be based upon the actual quantities of work satisfactorily completed. THE AGENCY RESERVES THE RIGHT TO DELETE ANY ITEM FROM THE CONTRACT. It is agreed that the unit and/or lump sum prices bid include all appurtenant expenses, taxes, royalties, fees, etc., and will be guaranteed for a period of sixty days from the bid opening date. If at such time the contract is not awarded, the AGENCY will reject all bids and will re-advertise the project. In the case of discrepancies in the amounts bid, unit prices shall govern over extended amounts, and words shall govern over figures.

If awarded the Contract, the undersigned agrees that in the event of the BIDDER'S default in executing the required contract and filing the necessary bonds and insurance certificates within 10 working days after the date of the AGENCY'S notice of award of contract to the BIDDER, the proceeds of the security accompanying this bid shall become the property of the AGENCY and this bid and the acceptance hereof may, at the AGENCY'S option, be considered null and void.

1 Accompanying this proposal of bid, find in the amount of \$ Bidder's Bond which said amount is not less than 10% of the aggregate of the total bid price, as required by the Notice Inviting Sealed Bids, payable to the AGENCY. (Please insert the words "Cash", "Certified Check", or "Bidder's Bond", as the case may be).

Bidder shall signify receipt of all Addenda here, if any:

<i>Addenda No.</i>	<i>Date Received</i>	<i>Bidder's Signature</i>
1	09/02/2021	

SECTION C

WATER AND SEWER IMPROVEMENTS WITHIN VARIOUS STREETS PROJECT

CIP NOS. 7454, 7466 & 7626

PROJECT BID SCHEDULE

BASE BID					
ITEM #	DESCRIPTION	EST. QTY	UNIT	UNIT PRICE (in figures) DOLLARS	ITEMS TOTAL (in figures) DOLLARS
1	Mobilization and Demobilization (5% Maximum)	1	LS	\$ 175,000.00	\$ 175,000.00
2	Traffic & Pedestrian Control and Construction Phasing	1	LS	\$ 45,000.00	\$ 45,000.00
3	Traffic Signing, Striping, Markings & Raised Pavement Markers	1	LS	\$ 45,000.00 V.S.	\$ 45,000.00 V.S.
4	Construction Survey & Monument Preservation	1	LS	\$ 23,000.00	\$ 23,000.00
5	BMP's	1	LS	\$ 9,500.00	\$ 9,500.00
6	Asphalt Rubber Hot Mix (ARHM) Overlay	1	LS	\$ 10,000.00	\$ 10,000.00
7	Asphalt Concrete (AC) Level Course	1,850	TON	\$ 105.00	\$ 194,250.00
8	Sawcut & Remove Existing 9" Deep (Width per Plan) and Construct 7.5" Deep Lift DGAC (Allow for 1.5" ARHM Cap)	930	TON	\$ 120.00	\$ 111,600.00
9	Cold Mill Existing Pavement 2" Minimum & Crack Seal	2,270	SF	\$ 11.00	\$ 24,970.00
10	Cold Mill Existing Pavement 2.5" Minimum & Crack Seal	16,900	SY	\$ 4.30	\$ 72,670.00
11	PCC Curb Ramp and Sidewalk over 4" SE 30 Sand Bedding (BCR to ECR)	2,420	SY	\$ 4.80	\$ 11,616.00
12	PCC Curb & Gutter Type A2-8 (W=2') over 6" CAB	28	EA	\$ 5,000.00	\$ 140,000.00
13	PCC Cross Gutter Portion over 6" CAB	560	LF	\$ 75.00	\$ 42,000.00
14	Adjust Manhole to Grade	2,890	SF	\$ 23.00	\$ 66,470.00
		25	EA	\$ 875.00	\$ 21,875.00

BASE BID (Continued)					
ITEM #	DESCRIPTION	EST. QTY	UNIT	UNIT PRICE (in figures) DOLLARS	ITEMS TOTAL (in figures) DOLLARS
15	Crack Seal & Construct Polymer Modified Slurry Seal 1h Type II	383,400	SF	\$.35	\$ 134,190.00
16	8" PVC CL 305 DR14 Waterline (AWWA C900) per City Std. Plan No. 301-0 & 313-0, Modified per Trench Detail on Sheet 15 of Plans	14,850	LF	\$ 133.00	\$ 1,975,050.00
17	8" FLG x M.J.R. Class 52 Resilient Wedge Gate Valve with Valve Box and Cover per City Std. Plan No. 302-0 & 309-0 (Modified per Plan)	70	EA	\$ 2,500.00	\$ 175,000.00
18	8" M.J.R. Class 52 Resilient Wedge Gate Valve with Valve Box and Cover per City Std. Plan No. 302-0 & 309-0 (Modified per Plan)	11	EA	\$ 2,600.00	\$ 28,600.00
19	8" D.I.P. Class 52 Bend M.J.R. with Thrust Block (Angle per Plan)	133	EA	\$ 1,500.00	\$ 199,500.00
20	8" D.I.P. Class 52 FLG Tee with Thrust Block and Coupling Adaptors FLG x M.J.R. Where Needed	24	EA	\$ 1,750.00	\$ 42,000.00
21	12"x 12" x 8" D.I.P. Class 52 FLG Tee with Thrust Block	7	EA	\$ 3,000.00	\$ 21,000.00
22	12" FLG x M.J.R. Class 52 Resilient Wedge Gate Valve with Valve Box and Cover	2	EA	\$ 3,500.00	\$ 7,000.00
23	Remove Existing & Install 12" Couplings (FLG x MJ) and Spool as Required	9	EA	\$ 2,000.00	\$ 18,000.00
24	1" Copper Service & New Water Meter and Water Meter Box (City Provided)	273	EA	\$ 1,800.00	\$ 491,400.00
25	2" Copper Service & New Water Meter (City Provided) in Existing Water Meter Box	19	EA	\$ 3,200.00	\$ 60,800.00
26	4" Water Service Manifold Assembly	8	EA	\$ 6,000.00	\$ 48,000.00
27	Fire Hydrant per City Std. Plan No. 306-1 (Long) on Sheet 15 of Plans	6	EA	\$ 13,000.00	\$ 78,000.00

BASE BID (Continued)

ITEM #	DESCRIPTION	EST. QTY	UNIT	UNIT PRICE (in figures) DOLLARS	ITEMS TOTAL (in figures) DOLLARS
28	Fire Hydrant per City Std. Plan No. 306-1 (Short) on Sheet 15 of Plans	26	EA	\$ 11,000.00	\$ 286,000.00
29	2" Air Release Assembly per City Std. Plan No. 308-1 on Sheet 15 of Plans	30	EA	\$ 5,000.00	\$ 150,000.00
30	8"x 6" D.I.P. Class 52 Reducer with Adaptor and Thrust Block and Join Ex. Pipe	2	EA	\$ 1,600.00	\$ 3,200.00
31	Install Adaptor M.J.R. x FLG with Blind Flange and Thrust Block (Size per Plan)	3	EA	\$ 1,200.00	\$ 3,600.00
32	Remove Existing 8"x 6" Reducer and Interfering Pipe and Thrust Block and Install Adaptor and Join Existing Pipe	1	LS	\$ 1,200.00	\$ 1,200.00
33	Abandon Existing Services, Water Main, Ex. Water Valves and Fire Hydrants per Water Abandonment Notes on Sheet 1 of Plans	1	LS	\$ 60,000.00	\$ 60,000.00
34	Remove Interfering Portion of Existing Pipe and Install 8" Adaptor and Join Existing Pipe	7	EA	\$ 1,200.00	\$ 8,400.00
35	Remove Existing and Install 8" Coupling (FLG x M.J.R.) and Spool as Required	7	EA	\$ 1,200.00	\$ 8,400.00
36	12"x12"x8"x8" D.I.P. Class 52 Cross FLG with Thrust Block	1	EA	\$ 3,500.00	\$ 3,500.00
37	1.5" Copper Service & New Water Meter (City Provided) in Existing Water Meter Box	1	EA	\$ 3,000.00	\$ 3,000.00
38	Install New Blow-off Hydrant per City Std. Plan No. 307 - on Sheet 15 of Plans	2	EA	\$ 7,500.00	\$ 15,000.00
39	8"x8"x8"x8" D.I.P. Class 52 Cross FLG with Thrust Block	1	EA	\$ 2,000.00	\$ 2,000.00
40	Pothole Existing Utilities	1	LS	\$ 50,000.00	\$ 50,000.00
41	Pressure Testing & Disinfection	1	LS	\$ 20,000.00	\$ 20,000.00

BASE BID (Continued)

ITEM #	DESCRIPTION	EST. QTY	UNIT	UNIT PRICE (in figures) DOLLARS	ITEMS TOTAL (in figures) DOLLARS
42	Remove Ex. Tree, Including Stump Grinding as Directed by the City Arborist*				
43	8" VCP Sewer Line (Extra Strength)	2	EA	\$ 2,500.00	\$ 5,000.00
44	Sewer Manhole	1,473	LF	\$ 200.00	\$ 294,600.00
45	Remove and Reconstruct Sewer Lateral to Right-of-Way	7	EA	\$ 8,000.00	\$ 56,000.00
46	Break into Existing Manhole, Remove Interfering Portions of Existing Sewer Pipe and Connect New Sewer Line to Manhole, Re-Channel Manhole Floor as Needed, per City of Brea Std. Plan No. 208 & 210	59	EA	\$ 1,000.00	\$ 59,000.00
47	Abandon Existing Sewer Main Line per City of Brea Requirements	2	EA	\$ 2,500.00	\$ 5,000.00
48	Abandon Existing Sewer Manhole per City of Brea Std. Plan No. 205-0 (Page 3)	1	LS	\$ 3,000.00	\$ 3,000.00
49	Remove Existing Sewer Manhole and Construct New Manhole per City of Brea Std. Plan No. 205-0	2	EA	\$ 1,500.00	\$ 3,000.00
50	Remove Existing Sewer Main and Install New 6" VCP Sewer Line (Extra Strength) per City of Brea Std. Plan No. 219-0	3	EA	\$ 10,000.00	\$ 30,000.00
51	Abandon Existing Sewer Manhole per City of Brea Std. Plan No. 205-0 (Page 3) and Fill Drop Manhole with Slurry (Approximate Depth +/- 17')	321	LF	\$ 200.00	\$ 64,200.00
52	Remove and Replace Unsuitable Subgrade with CAB*	1	EA	\$ 2,000.00	\$ 2,000.00
53	Cut and Plug Existing Sewer Line at Manhole	100	CY	\$ 120.00	\$ 12,000.00
		1	EA	\$ 1,000.00	\$ 1,000.00

*Indicates item that may or may not be used

TOTAL BASE BID AMOUNT (in Figures)

\$ 5,375,591.00

TOTAL BASE BID AMOUNT (in Words):

FIVE MILLION, THREE HUNDRED SEVENTY FIVE THOUSAND,
FIVE HUNDRED NINETY ONE DOLLARS.

I, Bidder declares that (I)(we)(it) has read and understands Item 12 of Instructions to Bidders V.S. (Bidders Initials)

Water and Sewer Improvements
Within Various Streets Project

C-6

CIP 7454, 7466 & 7626

BID DOCUMENTS - FOR BIDDING PURPOSES ONLY

In accordance with Government Code Section 4104, the Bidder shall set forth the name, business address, license number, class and Department of Industrial Relations (DIR) registration number of each subcontractor who will perform work or render service to the bidder on said contract in an amount in excess of one-half of one percent of the total bid and the portion of the work to be done by such subcontractor.

By submission of this proposal, the Bidder certifies:

- ## Water and Sewer Improvements Within Various Streets Project

**NON-COLLUSION DECLARATION
TO BE SUBMITTED WITH PROPOSAL**

I, Vido L Samarzich, am the
(Print Name)
Vice President of Vido Samarzich, Inc.
(Position/Title) (Name of Company)


the party making the foregoing bid that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the BIDDER has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid; that the BIDDER has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding; that the BIDDER has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the BIDDER or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder; that all statements contained in the bid are true; and, the BIDDER has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the BIDDER.

I declare under penalty of perjury under the Laws of the State of California that the foregoing is true and correct and that this declaration is executed on this
8th day of September, 20 .

Vido Samarzich, Inc.

Name of Bidder

 - VIDO L. SAMARZICH
Signature of Bidder

6829 Billings Place, Rancho Cucamonga, CA 91701
Address of Bidder

BIDDER'S STATEMENT REGARDING "ANTI-KICKBACK" REQUIREMENTS

The undersigned is submitting this proposal for performing by contract the work required by these bid documents, agrees to comply with the Copeland "Anti-Kickback" Act (18 USC 74) as supplemented in the Department of Labor regulations (29 CFR, Part 3). This act provides that each contractor or subcontractor shall be prohibited from inducing, by any means, any person employed in the construction or repair of public work, to give up any part of the compensation to which he/she is otherwise entitled.

Signed

Vido C. Samarzich - VIDO C. SAMARZICH

Title

Vice President

Firm

Vido Samarzich, Inc.

Date

09/08/2021

UTILITY AGREEMENT

HONORABLE MAYOR AND CITY COUNCIL CITY OF BREA, CALIFORNIA

Gentlemen:

The undersigned hereby promises and agrees that in the performance of the work specified in the contract, known as the **WATER & SEWER IMPROVEMENTS WITHIN VARIOUS STREETS PROJECT** CIP NOS. 7454, 7466 & 7626, (I)(we)(it) will employ and utilize only qualified persons, as hereinafter defined, to work in proximity to any electrical secondary or transmission facilities. The term "Qualified Person" is defined in Title 8, California Administrative Code, Section 2700, as follows:

"Qualified Person: *A person who, by reason of experience or instruction, is familiar with the operation to be performed and the hazards involved."*

The undersigned also promised and agrees that all such work shall be performed in accordance with all applicable electrical utility company's requirements, Public Utility Commission orders, and State of California Cal-OSHA requirements.

The undersigned further promises and agrees that the provisions herein shall be and are binding upon any subcontractor or subcontractors that may be retained or employed by the undersigned, and that the undersigned shall take steps as are necessary to assure compliance by any said subcontractor or subcontractors with the requirements contained herein.

Vido Samarzich, Inc.

Contractor

By

Vido Samarzich, Inc.

Title

Date: 09/08/2021

DISQUALIFICATION QUESTIONNAIRE

In accordance with Government Code Section 14310.5, the Bidder shall complete, under penalty of perjury, the following questionnaire.

QUESTIONNAIRE

Has the Bidder, any officer of the Bidder or any employee of the Bidder who has a proprietary interest in the Bidder ever been disqualified, removed or otherwise prevented from bidding on or completing a Federal, State or local government project because of a violation of law or a safety regulation?

☐ Yes☒ No

If the answer is yes, explain the circumstances in the space provided.

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears to be a standard notebook page.

Note: This questionnaire constitutes a part of the Proposal, and a signature portion of the Proposal shall constitute signature of this questionnaire.


COMPENSATION INSURANCE CERTIFICATE

Pursuant to Section 1861 of the State Labor Code, each contractor to whom a public works contract has been awarded shall sign the following certificate.

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

Vido Samarzich, Inc.

Contractor

By  - VIDO L. SAMARZICH

Vice President

Title

Date: 09/08/2021

BIDDER'S INFORMATION

BIDDER certifies that the following information is true and correct:

Vido Samarzich, Inc.
Bidder Name

6829 Billings Place
Business Address

Rancho Cucamonga CA 91701
City, State Zip

(909) 987-6377
Telephone Number

vidosam@yahoo.com
Email Address

433210 Class A
State Contractor's License No. and Class

1000013213
DIR Registration Number

12/31/1982
Original Date Issued (State Contractor's License)

12/31/2022
Expiration Date

The work site was inspected by Vido L. Samarzich of our office on September 6, 2021.

The following are persons, firms, and corporations having a principal interest in this proposal:

Corporation: Vido Samarzich, Inc.	
President: Vido Samarzich	
Vice President: Vido L. Samarzich	
Secretary: Monika Samarzich	

The undersigned is prepared to satisfy the Council of the City of Brea of its ability, financially or otherwise, to perform the contract for the proposed work and improvements in accordance with the plans and specifications set forth.

Vido Samarzich, Inc.

Company Name

Signature of Bidder

Vido L. Samarzich - Vice President

Printed or Typed Signature

Subscribed and sworn to before me this ____ day of _____, 20__.

NOTARY PUBLIC

NOTARY SEAL

Listed below are the names, address and telephone numbers for three public agencies for which the bidder has performed similar work within the past two years:

1. Name and Address of Public Agency

Name and Telephone No. of Public Agency Project Manager: _____

SEE ATTACHED REFERENCE INFORMATION

Contract Amount	Type of Work	Date Completed
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2. Name and Address of Public Agency

Name and Telephone No. of Public Agency Project Manager: _____

Contract Amount	Type of Work	Date Completed
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3. Name and Address of Public Agency

Name and Telephone No. of Public Agency Project Manager: _____

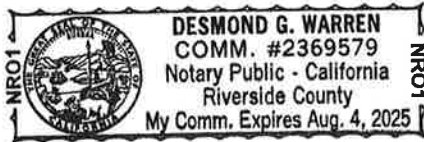
Contract Amount	Type of Work	Date Completed
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A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy,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

State of California
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 8th
day of September, 20 21, by Vido L. Samartzich

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



(Seal)

Signature

COMPLETED CONSTRUCTION PROJECT REFERENCES

1. **Project Name:** Local Street Curb Ramp Improvements Phase II
Owner: City of Santa Ana
Phone Number: (714) 552-5336
Engineer/Contact: Mr. Gerardo Lechuga
Contract Amount: \$399,000.00
Date of Completion: 2020
2. **Project Name:** Etiwanda Corridor Improvements Project
Owner: City of Rialto
Phone Number: (714) 381-2410
Engineer/Contact: Mr. Fred Alipanah
Contract Amount: \$1,098,000.00
Date of Completion: 2020
3. **Project Name:** Residential Street Improvements Bishop St and Raitt St
Owner: City of Santa Ana
Phone Number: (714) 615-0892
Engineer/Contact: Mr. Michael Ortiz
Contract Amount: \$1,279,000.00
Date of Completion: 2020
4. **Project Name:** Residential Street Repair Program FY18/19
Owner: City of Santa Ana
Phone Number: (714) 615-0892
Engineer/Contact: Mr. Michael Ortiz
Contract Amount: \$876,000.00
Date of Completion: 2020
5. **Project Name:** Sidewalk Gap Closure Project
Owner: City of Palm Springs
Phone Number: (760) 323-8253 x8744
Engineer/Contact: Mr. Donn Uyeno
Contract Amount: \$1,267,000.00
Date of Completion: 2020

VIDO SAMARZICH, INC.

General Engineering Contractor No. 433210 A

6829 BILLINGS PLACE, RANCHO CUCAMONGA, CALIFORNIA 91701

TELEPHONE 909-987-6377

FAX 909-987-8988

6. **Project Name:** Misc Storm Drain Improvements - 335 S. Hale Ave
Owner: City of Fullerton
Phone Number: (714) 738-6853
Engineer/Contact: Mr. David Grantham
Contract Amount: \$200,000.00
Date of Completion: 2020
7. **Project Name:** Misc Storm Drain Improvements – Knepp Ave
Owner: City of Fullerton
Phone Number: (714) 738-6853
Engineer/Contact: Mr. David Grantham
Contract Amount: \$304,000.00
Date of Completion: 2019
8. **Project Name:** Local Street Curb Ramp Improvements
Owner: City of Santa Ana
Phone Number: (714) 552-5336
Engineer/Contact: Mr. Gerardo Lechuga
Contract Amount: \$577,000.00
Date of Completion: 2019
9. **Project Name:** 3rd Ave Pavement Rehabilitation and Water Improvements
Owner: City of Upland
Phone Number: (909) 291-2946
Engineer/Contact: Mr. Bob Critchfield
Contract Amount: \$2,800,000.00
Date of Completion: 2019
10. **Project Name:** 9th Street Pavement Rehabilitation and Water Improvements
Owner: City of Upland
Phone Number: (909) 291-2946
Engineer/Contact: Mr. Bob Critchfield
Contract Amount: \$2,600,000.00
Date of Completion: 2019
11. **Project Name:** La Palma Ave Sidewalk Improvements
Owner: City of Anaheim
Phone Number: (714) 765-5052
Engineer/Contact: Mr. Joel Jordan
Contract Amount: \$479,000.00
Date of Completion: 2019

VIDO SAMARZICH, INC.

General Engineering Contractor No. 433210 A

6829 BILLINGS PLACE, RANCHO CUCAMONGA, CALIFORNIA 91701

TELEPHONE 909-987-6377

FAX 909-987-8988

- 12. Project Name:** Wilshire Avenue Bicycle Blvd Improvements
Owner: City of Fullerton
Phone Number: (714) 738-6853
Engineer/Contact: Mr. David Grantham
Contract Amount: \$2,100,000.00
Date of Completion: 2019
- 13. Project Name:** FY 17-18 ADA Access Ramp Improvements at Various Locations
Owner: City of Rancho Cucamonga
Phone Number: (909) 774-4070
Engineer/Contact: Mr. Romeo David
Contract Amount: \$975,000.00
Date of Completion: 2018
- 14. Project Name:** Wilshire Avenue Water and Sewer Improvement Project
Owner: City of Fullerton
Phone Number: (714) 738-6895
Engineer/Contact: Mr. Gar Huang
Contract Amount: \$550,000.00
Date of Completion: 2018
- 15. Project Name:** Elm/Malden Area Street, Sewer and Water Improvements
Owner: City of Fullerton
Phone Number: (714) 773-0049
Engineer/Contact: Mr. Joseph Hernandez
Contract Amount: \$2,200,000.00
Date of Completion: 2018
- 16. Project Name:** Anaheim Hills Road Water Main Replacement
Owner: City of Anaheim
Phone Number: (714) 863-8020
Engineer/Contact: Mr. Luis Tapia
Contract Amount: \$600,000.00
Date of Completion: 2018
- 17. Project Name:** CDBG ADA Wheelchair Access Ramp Replacement at Various Locations
Owner: City of Orange
Phone Number: (714) 744-5566
Engineer/Contact: Mr. Matthew Lorenzen
Contract Amount: \$204,300.00
Date of Completion: 2018

VIDO SAMARZICH, INC.

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6829 BILLINGS PLACE, RANCHO CUCAMONGA, CALIFORNIA 91701

TELEPHONE 909-987-6377

FAX 909-987-8988

18. Project Name: 2017 Citywide Curb Ramp Improvements

Owner: City of Laguna Beach

Phone Number: (818) 402-0225

Engineer/Contact: Mr. Tri Nguyen

Contract Amount: \$285,000.00

Date of Completion: 2017

19. Project Name: Safe Routes to School Improvements, Phase 3

Owner: City of Glendale

Phone Number: (818) 402-0225

Engineer/Contact: Mr. Gary Edsall

Contract Amount: \$908,000.00

Date of Completion: 2017

20. Project Name: Heim Ave at Canal St Storm Drain Improvements

Owner: City of Orange

Phone Number: (714) 744-5566

Engineer/Contact: Mr. Matthew Lorenzen

Contract Amount: \$99,000.00

Date of Completion: 2017

21. Project Name: Citywide Sidewalk Repair Project FY 15-16

Owner: City of Santa Monica

Phone Number: (951) 522-4505

Engineer/Contact: Mr. Craig Wheeler

Contract Amount: \$878,000.00

Date of Completion: 2017

22. Project Name: FY 16/17 Curb Access Ramp Installation Project

Owner: City of Huntington Beach

Phone Number: (714) 536-5259

Engineer/Contact: Mr. Joe Fuentes

Contract Amount: \$679,000.00

Date of Completion: 2017

23. Project Name: Comstock Avenue Water Main Improvements

Owner: City of Whittier

Phone Number: (562) 567-9302

Engineer/Contact: Mr. Carl Hassel

Contract Amount: \$578,000.00

Date of Completion: 2017

VIDO SAMARZICH, INC.

General Engineering Contractor No. 433210 A

6829 BILLINGS PLACE, RANCHO CUCAMONGA, CALIFORNIA 91701

TELEPHONE 909-987-6377

FAX 909-987-8988

24. Project Name: Monterey Road Street Improvements

Owner: City of South Pasadena

Phone Number: (626) 590-0570

Engineer/Contact: Mr. Alex Chou

Contract Amount: \$1,550,000.00

Date of Completion: 2017

25. Project Name: Fletcher Avenue Reconstruction

Owner: City of South Pasadena

Phone Number: (702) 204-4025

Engineer/Contact: Mr. Mark Peterson

Contract Amount: \$878,000.00

Date of Completion: 2016

26. Project Name: Patterson Street Reconstruction

Owner: City of Fullerton

Phone Number: (714) 732-9060

Engineer/Contact: Mr. Pete Acosta

Contract Amount: \$675,000.00

Date of Completion: 2016

27. Project Name: Magnolia/Bolsa Intersection Widening

Owner: City of Westminster

Phone Number: (714) 548-3464

Engineer/Contact: Ms. Theresa Tran

Contract Amount: \$978,000.00

Date of Completion: 2016

28. Project Name: 2015 Water Main Improvements

Owner: City of Westminster

Phone Number: (714) 548-3456

Engineer/Contact: Mr. Tuan Pham

Contract Amount: \$1,100,000.00

Date of Completion: 2016

29. Project Name: Red Hill Lake Modernization

Owner: City of Rancho Cucamonga

Phone Number: (909) 477-2740

Engineer/Contact: Mr. Romeo David

Contract Amount: \$300,000.00

Date of Completion: 2016

VIDO SAMARZICH, INC.

General Engineering Contractor No. 433210 A

6829 BILLINGS PLACE, RANCHO CUCAMONGA, CALIFORNIA 91701

TELEPHONE 909-987-6377

FAX 909-987-8988

30. Project Name: 2015 Concrete Improvements

Owner: City of Inglewood

Phone Number: (714) 468-7319

Engineer/Contact: Mr. Hunter Nguyen

Contract Amount: \$425,000.00

Date of Completion: 2015

31. Project Name: El Centro Avenue Rehabilitation

Owner: City of South Pasadena

Phone Number: (626) 590-0570

Engineer/Contact: Mr. Alex Chou

Contract Amount: \$1,100,000.00

Date of Completion: 2015

32. Project Name: Concrete Bus Pads

Owner: City of Rancho Cucamonga

Phone Number: (714) 548-3456

Engineer/Contact: Curt Billings

Contract Amount: \$175,000.00

Date of Completion: 2015

33. Project Name: ADA Wheelchair Ramps

Owner: City of Orange

Phone Number: (714) 744-5566

Engineer/Contact: Mr. Matthew Lorenzen

Contract Amount: \$275,000.00

Date of Completion: 2015

34. Project Name: 2014 Water Improvement

Owner: City of Westminster

Phone Number: (714) 548-3456

Engineer/Contact: Mr. Tuan Pham

Contract Amount: \$1,100,000.00

Date of Completion: 2015

35. Project Name: ADA Sidewalk Improvement

Owner: City of Artesia

Phone Number: (951) 314-6984

Engineer/Contact: Mr. Chuck Burkhardt

Contract Amount: \$200,000.00

Date of Completion: 2014

VIDO SAMARZICH, INC.

General Engineering Contractor No. 433210 A

6829 BILLINGS PLACE, RANCHO CUCAMONGA, CALIFORNIA 91701

TELEPHONE 909-987-6377

FAX 909-987-8988

36. Project Name: YLHS Park Bryant Cross Feeder Pipeline

Owner: Yorba Linda Water District

Phone Number: (714) 701-3104

Engineer/Contact: Mr. Joe Polimino

Contract Amount: \$675,000.00

Date of Completion: 2013

37. Project Name: County Road Storm Drain

Owner: City of Pomona

Phone Number: (909) 322-7471

Engineer/Contact: Mr. Dave Barron

Contract Amount: \$570,000.00

Date of Completion: 2013

38. Project Name: Adams Square Park

Owner: City of Glendale

Phone Number: (818) 548-2864

Engineer/Contact: Mr. Hagop Kassabian

Contract Amount: \$1,100,000.00

Date of Completion: 2010

39. Project Name: Various Public Work Purchase Orders and Contracts 2000-2013

Owner: City of Pasadena

Phone Number: (626) 484-5640

Engineer/Contact: Mr. Dale Torstenbo - dtorstenbo@cityofpasadena.net

Contract Amount: \$2,500,000.00

Date of Completion: 2000-2013

40. Project Name: Misc Park Improvements From 2000-2010

Owner: City of Glendale

Engineer/Contact: George Balteria – (951) 201-2710

Peter Vierheilig – pvierheilig@ci.glendale.ca.us

Contract Amount: \$3,500,000.00

Date of Completion: 2000-2010

Responsible Bidder – Supplemental Questionnaire

1. How many years has your organization been in business in California as a contractor under your present business name and license number?

39 Years

2. Is your firm currently the debtor in a bankruptcy case?

☐ Yes

☒ No

If "yes," indicate the case number, bankruptcy court, and the date on which the petition was filed.

Case Number

Bankruptcy Court

Date Filed

3. Was your firm in bankruptcy any time during the last five years? (This question refers only to a bankruptcy action that was not described in answer to question 2, above.)

☐ Yes

☒ No

If "yes," indicate the case number, bankruptcy court, and the date on which the petition was filed.

Case Number

Bankruptcy Court

Date Filed

4. Has any CSLB license held by your firm or its Responsible Managing Employee (RME) or Responsible Managing Officer (RMO) been suspended within the last five years?

☐ Yes

☒ No

5. At any time in the last five years, has your firm been assessed and paid liquidated damages after completion of a project, under a construction contract with either a public or private owner?

☐ Yes

☒ No

6. Has your firm ever defaulted on a construction contract?

☐ Yes

☒ No

If "yes," explain on a separate page.

7. In the last five years has your firm, or any firm with which any of your company's owners, officers or partners was associated, been debarred, disqualified, removed or otherwise prevented from bidding on, or completing, any government agency or public works project for any reason?

☐ Yes

☒ No

If "yes," explain on a separate page. State the name of the organization debarred, the year of the event, the owner of the project, and the basis for the action.

8. In the last five years, has your firm been denied an award of a public works contract based on a finding by a public agency that your company was not a responsible bidder?

☐ Yes

☒ No

If "yes," on a separate page identify the year of the event, the entity denied the award, the owner, the project, and the basis for the finding by the public agency.

9. In the past five years, has any claim against your firm concerning your firm's work on a construction project, been filed in court or arbitration?

☐ Yes

☒ No

If "yes," on a separate page identify the claim(s) by providing the project name, date of the claim, name of the claimant, the name of the entity the claim was filed against, a brief description of the nature of the claim, the court and case number, and a brief description of the status of the claim (pending or, if resolved, a brief description of the resolution).

10. In the past five years, has your firm made any claim against a project owner concerning work on a project or payment for a contract, and filed that claim in court or arbitration?

☐ Yes

☒ No

If "yes," on a separate page identify the claim by providing the name of claimant, the project name, date of the claim, name of the entity (or entities) against whom the claim was filed, a brief description of the nature of the claim, the court and case number, and a brief description of the status of the claim (pending, or if resolved, a brief description of the resolution).

11. At any time during the past five years, has any surety company made any payments on your firm's behalf as a result of a default, to satisfy any claims made against a performance or payment bond issued on your firm's behalf in connection with a construction project, either public or private?

☐ Yes

☒ No

12. In the last five years, has any insurance carrier, for any form of insurance, refused to renew the insurance policy for your firm?

☐ Yes ☒ No

13. Has your firm, or any of its owners, officers, or partners ever been liable in a civil suit, or found guilty in a criminal action, for making any false claim or material misrepresentation to any public agency or entity?

☐ Yes ☒ No

14. Has your firm, or any of its owners, officers or partners ever been convicted of a crime involving any federal, state, or local law related to construction?

☐ Yes ☒ No

If "yes," explain on a separate page, including identifying who was convicted, the name of the victim, the date of the conviction, the court and case number, the crimes, and the grounds for the conviction.

15. Has your firm or any of its owners, officers or partners ever been convicted of a federal or state crime of fraud, theft, or any other act of dishonesty?

☐ Yes ☒ No

If "yes," identify on a separate page, the person or persons convicted, the court and case number, the crimes, and the year convicted.

16. If your firm was required to pay a premium of more than one per cent for a performance and payment bond on any project(s) on which your firm worked at any time during the last three years, state the percentage that your firm was required to pay. You may provide an explanation for a percentage rate higher than one per cent, if you wish to do so.

% N/A

17. During the last five years, has your firm ever been denied bond credit by a surety company, or has there ever been a period of time when your firm has no surety bond in place during a public construction project when one was required?

☐ Yes ☒ No

18. Has CAL OSHA cited and assessed penalties against the General Contractor or its associates for any "serious," "willful" or "repeat" violations of its safety or health regulations in the past five years?

(Note: If you have filed an appeal of a citation, and the Occupational Safety and Health Appeals Board has not yet ruled on your appeal, you need not include information about it.)

☐ Yes ☒ No

If "yes," on separate page describe the citations, the party against whom the citation was made, date of citation, nature of the violation, project on which the citation was issued, owner of project, and the amount of penalty paid, if any. State the case number and date of any OSHAB decision.

19. Has the Federal Occupational Safety and Health Administration cited and assessed penalties against the General Contractor or its associates in the past five years?

(Note: If an appeal of the citation has been filed and the Appeals Board has not yet ruled, or there is a court appeal pending, you need not include information about the citation.)

☐ Yes ☒ No

If "yes," on separate page describe the citation, the party against whom the citation was made, date of citation, nature of the violation, project on which the citation was issued, owner of project, and the amount of penalty paid, if any. State the case number and date of any decision.

20. Has there been more than one occasion during the last five years in which the General Contractor or its associates was required to pay either back wages or penalties for failure to comply with the state's prevailing wage laws?

☐ Yes ☒ No

If "yes," on separate page, describe the violator, nature of each violation, name of the project, date of its completion, the public agency for which it was constructed, the number of employees who were initially underpaid and the amount of back wages and penalties that were assessed.

21. During the last five years, has there been more than one occasion in which the General Contractor or its associates have been penalized or required to pay back wages for failure to comply with the Federal Davis-Bacon prevailing wage requirements?

☐ Yes ☒ No

If "yes," on separate page, describe the violator, nature of each violation, name of the project, date of its completion, the public agency for which it was constructed, the number of employees who were initially underpaid an the amount of back wages and penalties that were assessed.

22. List up to 5 projects constructed as a prime in the last five years for waterline and sewer line improvement types of work.

1. Project Name	Total Construction Value
<u>3rd Ave Pavement Rehabilitation & Water Improvements</u>	<u>\$2,800,000</u>

Description of Project

Owner: City of Upland

Concrete, AC Paving, Water Main Replacement, Striping

2. Project Name	Total Construction Value
<u>9th Street Pavement Rehabilitation & Water Improvements</u>	<u>\$2,600,000</u>

Description of Project

Owner: City of Upland

Concrete, AC Paving, Water Main Replacement, Striping

3. Project Name	Total Construction Value
<u>Elm/Malden Area Street, Sewer and Water Improvements</u>	<u>\$2,200,000</u>

Description of Project

Owner: City of Fullerton

Concrete, AC Paving, Water and Sewer Line Replacement, Striping

4. Project Name	Total Construction Value
<u>Wilshire Ave Water and Sewer Improvement Project</u>	<u>\$550,000</u>

Description of Project

Owner: City of Fullerton

Concrete, AC Paving, Water and Sewer Line Replacement, Striping

5. Project Name	Total Construction Value
<u>Anaheim Hills Road Water Main Replacement</u>	<u>\$600,000</u>

Description of Project

Owner: City of Anaheim

Concrete, AC Paving, Water Main Replacement, Striping

Inaccurate response to this questionnaire could result in bidder's proposal being non- responsive.

BID BOND

KNOW ALL MEN BY THESE PRESENTS, THAT WE

Vido Samarzich, Inc.

Old Republic Surety Company

as PRINCIPAL, and

as SURETY, are held and firmly bound unto the CITY OF BREA, CALIFORNIA, hereinafter referred to as the "City", in the penal sum of ten percent (10%) of the total amount of the bid of the principal above named, submitted by said principal to said City, for the work described below, for payment of which sum in lawful money of the United States of America, well and truly to be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

In no case shall the liability of the surety hereunder exceed the sum of
\$ Ten Percent of the Total Amount Bid (10%). THE CONDITIONS OF THIS OBLIGATION ARE SUCH, that whereas, said Principal has submitted the same mentioned bid to said City, for construction of the work under the City's specification entitled "Walnut Ave. Orange, Juniper St Et Al, Water Improvements, South Brea Neighborhood Water Main Replacement, and South Brea Sewer Repairs Project: CIP Nos. 7454, 7466, & 7626"

"For which bids are to be opened in the Council Chambers of the City Hall of said City at 2:00 PM on September 9th, 2021."

NOW, THEREFORE, if said Principal is awarded the contract, and within the time and manner required under the heading "Instructions to Bidders", after the prescribed forms are presented to him for signature, enters into a written contract, in the form of agreement bound herein, in accordance with the bid, and files the two bonds with said City, one to guarantee faithful performance and the other to guarantee payment for labor and materials, then this obligation shall be null and void; otherwise, it shall be and remain in full force and effect until released by the City.

In the event suit is brought upon this bond by the Obligee and judgment is recovered, said Surety shall pay all costs incurred by the Obligee in such suit, including a reasonable attorney's fee to be fixed by the court.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 7th day of September, 20 21.

Vido Samarzich, Inc.

Principal

By: Vido L. Samarzich

VIDO L. SAMARZICH - V.P.

Old Republic Surety Company

Surety

By: Matthew R. Doby

Matthew R. Doby, Attorney-in-Fact

BID BOND

ACKNOWLEDGMENT OF SURETY

ACKNOWLEDGMENT

State of California)
County of _____)
)

On _____ before me, _____

 (insert name and title of the officer)

personally appeared _____

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)
(Signature of Notary Public)



OLD REPUBLIC SURETY COMPANY

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That OLD REPUBLIC SURETY COMPANY, a Wisconsin stock insurance corporation, does make, constitute and appoint:

Randy Spohn, Matthew R. Dobyms, Ashley M. Spohn of Santa Ana, CA

its true and lawful Attorney(s)-in-Fact, with full power and authority for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto (if a seal is required), bonds, undertakings, recognizances or other written obligations in the nature thereof, **(other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and note guaranty bonds, self-insurance workers compensation bonds guaranteeing payment of benefits, or black lung bonds)**, as follows:

ALL WRITTEN INSTRUMENTS

and to bind OLD REPUBLIC SURETY COMPANY thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This appointment is made under and by authority of the board of directors at a special meeting held on February 18, 1982.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the OLD REPUBLIC SURETY COMPANY on February 18, 1982.

RESOLVED that, the president, any vice-president or assistant vice president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any Power of Attorney previously granted to such person.

RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company

- (i) when signed by the president, any vice president or assistant vice president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or
- (ii) when signed by the president, any vice president or assistant vice president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or
- (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the Power of Attorney issued by the company to such person or persons.

RESOLVED FURTHER that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company; and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, OLD REPUBLIC SURETY COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be affixed this 18th day of May, 2021.

Karen J. Haffner
Assistant Secretary



OLD REPUBLIC SURETY COMPANY

Alan Pavlic
President

STATE OF WISCONSIN, COUNTY OF WAUKESHA - SS

On this 18th day of May, 2021, personally came before me, Alan Pavlic and Karen J. Haffner, to me known to be the individuals and officers of the OLD REPUBLIC SURETY COMPANY who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.



Kathryn R. Pearson
Notary Public

My Commission Expires: September 28, 2022

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

CERTIFICATE

I, the undersigned, assistant secretary of the OLD REPUBLIC SURETY COMPANY, a Wisconsin corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.



74 7097

Signed and sealed at the City of Brookfield, WI this 7th day of September, 2021.

Karen J. Haffner
Assistant Secretary

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

State of CALIFORNIA

County of ORANGE

On 9/7/2021 before me, ERIKA G. MORGAN, NOTARY PUBLIC,

personally appeared MATTHEW R. DOBYNS

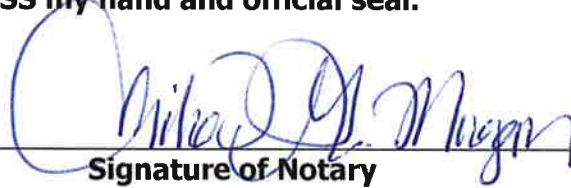


who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s),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



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

WITNESS my hand and official seal.


Signature of Notary

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

☐ INDIVIDUAL

☐ CORPORATE OFFICER

☐ PARTNER(S)

☐ LIMITED

☒ ATTORNEY-IN-FACT

☐ TRUSTEE(S)

☐ GUARDIAN/CONSERVATOR

☐ OTHER: _____

SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)

City of Brea

FINANCE COMMITTEE COMMUNICATION

TO: Finance Committee Members

FROM: Bill Gallardo

DATE: 10/12/2021

SUBJECT: Acceptance and Appropriation of Funds for Lagos De Moreno Park Upgrades, CIP Project No. 7929

RECOMMENDATION

1. Adopt resolution to appropriate \$646,100 from the Capital & Mitigation Improvement Fund (Fund 560);
2. Accept Project as complete and authorize City Clerk to record Notice of Completion; and
3. Authorize City Clerk to release Payment and Performance Bonds.

BACKGROUND/DISCUSSION

On June 6, 2017, City Council awarded a contract in the amount of \$1,799,000 to Lucas Builders, Inc. (LBI) of La Habra, California for Laurel Elementary Magnet School/Lagos De Moreno Park Upgrades, Project 7929 (Project). The Project made upgrades to school playgrounds and park with installation of ADA access improvements, a new restroom building, asphalt playground, ball walls, benches and tables, swings, playground equipment, and a 30' x 30' shade structure between two playgrounds.

During construction, various unforeseen conditions along with Contractor delays led to an increase in overall cost and time. Main items that contributed to increases included the replacement of school sewer lateral, discrepancies in contract requirements, over-excavation, handball wall change, an additional retaining wall, and storm drain modifications. Most of these cost increases requested by Contractor were ultimately filed as part of a claim that was recently settled through mediation and approved by City Council in the amount of \$591,000. The \$591,000 settlement includes a final progress payment in the amount of \$73,625, retention in the amount of \$97,102 and \$420,273 to settle all remaining outstanding claims. The final contract amount including the settlement amount is \$2,378,273. Additionally, legal fees (approx. \$53,500) and minor incidental costs totaled \$55,100, for a total of \$646,100 which requires an additional appropriation of funds at this time.

Settlement	\$591,000
Legal Fees and minor incidental costs	\$55,100
Proposed Appropriation	\$646,100

Final payment and filing of the Notice of Completion will formally close-out this project. Construction of the park was completed in 2019 and there are no outstanding items associated with this contract.

SUMMARY/FISCAL IMPACT

The total approved budget for the Project was \$3,269,581 with funding from a combination of Capital & Mitigation Improvement Fund (Fund 560), \$1,200,000; Park Development Fund (Fund 250), \$1,619,581 and Brea Olinda Unified School District, \$450,000. This amount was expended as of June 30, 2019. An additional \$646,100 is required to cover all remaining expenditures including LBI and legal fees/incidental costs.

Per approved Settlement Agreement, payment must be made no later than 30 calendar days from September 21, 2021. Staff is recommending use of Fund 560 in the amount of \$646,100 to pay for the settlement now, and then meet with Parks, Recreation & Human Services Commission at a later date to request for Park Development Funds (Fund 250) to reimburse 50% of the Fund 560 used to be somewhat consistent with the original funding.

Therefore, a Resolution appropriating added funds from the Capital & Mitigation Improvement Fund (Fund 560) to the Project is attached for City Council's consideration and approval (see Resolution). There is no General Fund impact from this action.

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: Raymond Contreras, Associate Engineer

Concurrence: Michael Ho, P. E., Deputy Director of Public Works / City Engineer
Tony Olmos, P. E., Public Works Director

Attachments

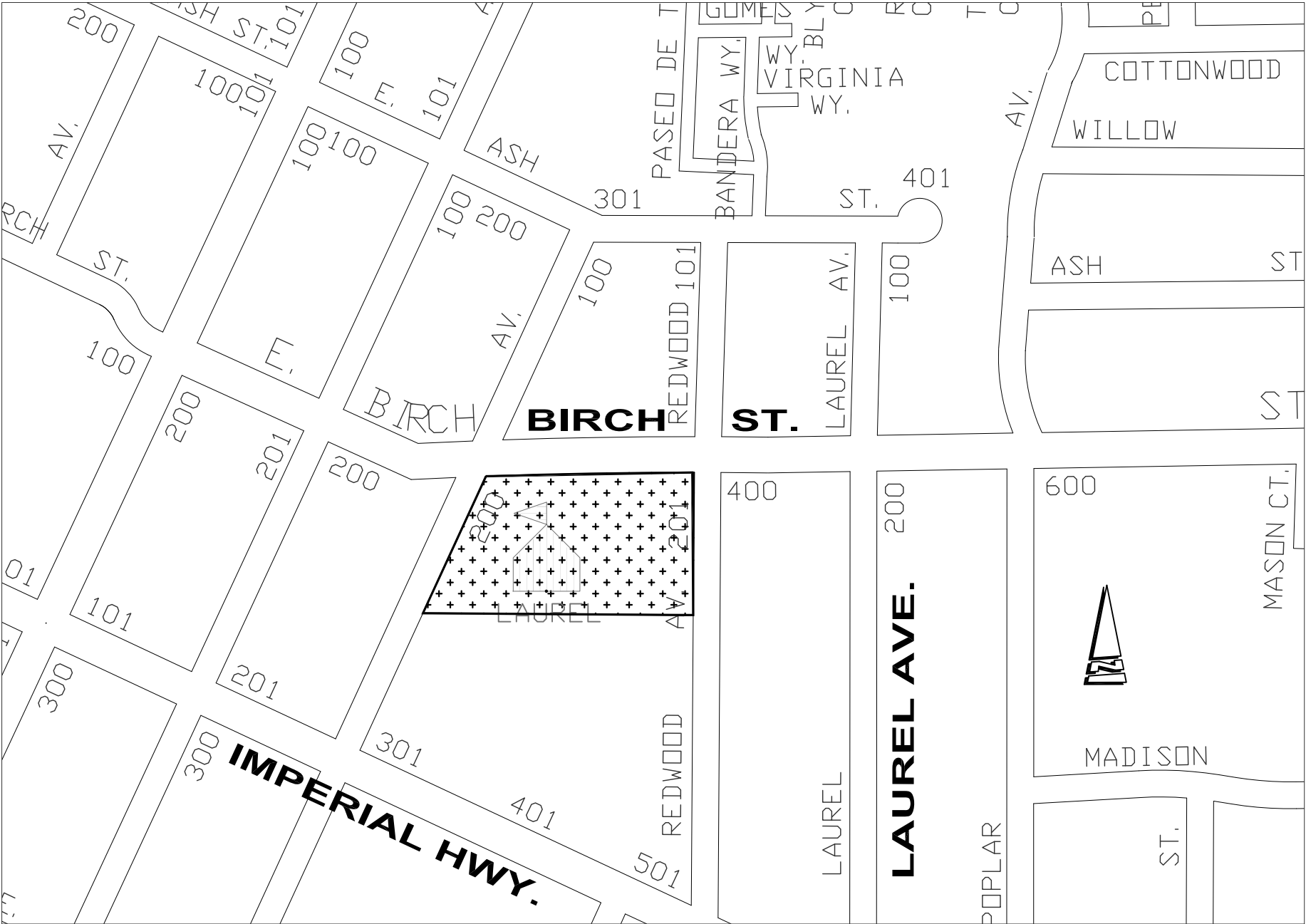
Location Map

NOC

Resolution

PROJECT 7929

LAGOS De MORENO PARK UPGRADES



VICINITY MAP

NOT TO SCALE

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO

Name **City of Brea**

Street

Address **1 Civic Center Circle**

City &

State **Brea, CA 92821**

Zip

Free recording requested per Government Code Section 27383.

SPACE ABOVE THIS LINE FOR RECORDER'S USE**Lillian Harris-Neal, City Clerk, City of Brea****Notice of Completion****NOTICE IS HEREBY GIVEN THAT:**

1. The undersigned is the owner of the interest or estate stated below in the property hereinafter described.
2. The full name of the undersigned is **City of Brea** (NAME)
3. The full address of the undersigned is **1 Civic Center Circle**
Brea, CA 92821

(NUMBER AND STREET, CITY, STATE, ZIP)

4. The nature of the title or the undersigned is **Owner-In-Fee**
5. The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:

Names

Addresses

6. The names of the predecessors in interest of the undersigned, if the property was transferred subsequent to the commence of the work of improvement herein referred to are (OR IF NO TRANSFER WAS MADE, INSERT THE WORD "none"):

Names

Addresses

7. A work of improvement on the property hereinafter described was completed on **09/28/2018**.
8. The name of the original contractor, if any, for the work of improvement was **Lucas Builders, Inc.**
(NAME OF CONTRACTOR, OR IF NO CONTRACTOR FOR THE WORK OF IMPROVEMENT AS A WHOLE, INSERT THE WORD "none"). [IF NOTICE COVERS COMPLETION OF CONTRACT FOR ONLY PART OF THE WORK OF IMPROVEMENT, ADD: The kind of work done or material furnished was _____]
9. The property on which the work of improvement was completed is in the City of **Brea**, County of **Orange**, State of California, and is described as follows: **Laurel Elementary Magnet School/Lagos De Moreno Park Improvements, CIP Project No. 7929**
10. The street address of the said property is **200 S. Flower Street**

Dated: _____, 2021.


(SIGNATURE)
Michael S. Ho P.E., Deputy Director/City Engineer (TYPED NAME)

VERIFICATION

I, the undersigned, say:

I am the person who signed the foregoing notice. I have read the above notice and know its contents, and the facts stated therein are true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at **Brea**, California, this _____ day of _____, 2021.


(SIGNATURE)
Michael S. Ho P.E., Deputy Director/City Engineer

RESOLUTION NO. 2021-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA TO AMEND THE FISCAL YEAR 2021-22 OF THE CAPITAL IMPROVEMENT PROGRAM BUDGET AND APPROPRIATE ADDITIONAL FUNDS FROM THE CAPITAL & MITIGATION IMPROVEMENT FUND (560) TO THE CAPITAL IMPROVEMENT PROGRAM FUND (510) FOR PROJECT 7929, LAUREL ELEMENTARY MAGNET SCHOOL/LAGOS DE MORENO PARK UPGRADES

A. RECITALS:

(i) The City Council has determined that it is in the best interest of the City of Brea to appropriate funds from the Capital & Mitigation Improvement Fund (560), to the Capital Improvement Program Fund (510), for Project 7929, Laurel Elementary Magnet School/Lagos De Moreno Park Upgrades, for the fiscal year 2021-22.

(ii) The Capital Improvement Program Budget, Resolution No. 2021-041, and subsequent amendments, did not appropriate funds for this unanticipated adjustment.

B. RESOLUTION:

NOW, THEREFORE, be it found, determined and resolved by the City Council of the City of Brea that Capital Improvement Program Budget, Resolution No. 2021-041, as heretofore amended, be further amended to:

1. Increase funding from the Capital & Mitigation Improvement Fund (560) to Capital Improvement Program Fund (510) for Project 7929, Laurel Elementary Magnet School/Lagos De Moreno Park Upgrades, by \$646,100; and

3. Appropriate an additional \$646,100 to the Capital Improvement Program Fund (510) for Project 7929, Laurel Elementary Magnet School/Lagos De Moreno Park Upgrades.

APPROVED AND ADOPTED this 19th day of October, 2021.

Steven Vargas, Mayor

ATTEST: _____
Lillian Harris-Neal, City Clerk

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Brea, held on the 19th day of October, 2021, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAINED: COUNCIL MEMBERS:

Dated: _____

Lillian Harris-Neal, City Clerk

City of Brea**FINANCE COMMITTEE COMMUNICATION**

TO: Finance Committee Members**FROM:** Bill Gallardo**DATE:** 10/12/2021**SUBJECT:** Acceptance of Moorpark Water Main Replacement, CIP Project No. 7430

RECOMMENDATION

1. Accept Project as complete and authorize City Clerk to record Notice of Completion; and
2. Authorize City Clerk to release Payment and Performance Bonds.

BACKGROUND/DISCUSSION

On December 15, 2020, City Council awarded a Contract to Stephen Doreck Equipment Rental, Inc. ("Stephen Doreck") in the amount of \$339,857.10 for Moorpark Water Main Replacement, CIP Project No. 7458 ("Project") and approve a 10% construction contingency for a total approved construction budget of \$373,842.70. Project replaced approximately 1,455 linear feet of water main and associated water services on Moorpark Drive between Brittany Lane and Larkstone Lane, and on Brittany Lane between Moorpark Drive and Ravencrest Drive. In addition, Project also included slurry sealing Moorpark Drive, Brittany Lane, Larkstone Lane, and Ravencrest Drive to latest City standard which includes removing old slurry from gutter pan.

Notice-to-Proceed with construction was issued on February 22, 2021 with a completion date of April 2, 2021 per the allotted number of working days in the contract. However, due to contractor deficiencies and added scope, Project was substantially completed on September 24, 2021. Amount of change orders approved for this Project is \$84,963.90. Change orders were primarily due to additional water main and services requested by City. In addition, as part of the change order negotiations, City was able to extend limits of slurry seal to include Ravencrest Drive and Brittany Lane at no cost.

Final total Contract cost is \$424,821.00. Improvements have been completed and staff is recommending City Council approve Acceptance of Work performed by Stephen Doreck.

Following is a summary of contract costs:

Moorpark Water Main Replacement Construction Budget Summary

Original Construction Contract Amount	\$339,857.10
---------------------------------------	--------------

Approved Change Orders	\$84,963.90
Stephen Doreck Final Construction Contract Amount	\$424,821.00
Approved Construction Contract Budget	\$490,000.00
Remaining Construction Contract Balance	\$65,179.00

SUMMARY/FISCAL IMPACT

Final Contract amount is \$424,821.00, which is under approved construction budget. Source of funds is from Water Fund (Fund 420). There is no General Fund impact.

Project replaced approximately 1,455 linear feet of water main and associated water services on Moorpark Drive between Brittany Lane and Larkstone Lane, and on Brittany Lane between Moorpark Drive and Ravencrest Drive. Stephen Doreck completed the Project and fulfilled its obligations to City per subject Contract. Therefore, staff is recommending City Council accept Project as complete and authorize City Clerk to record a Notice of Completion. Additionally, staff is recommending authorizing City Clerk to release Payment and Performance Bonds.

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: Raymond Contreras, Associate Engineer

Concurrence: Michael Ho, P. E., Deputy Director of Public Works / City Engineer

Tony Olmos, P. E., Public Works Director

Attachments

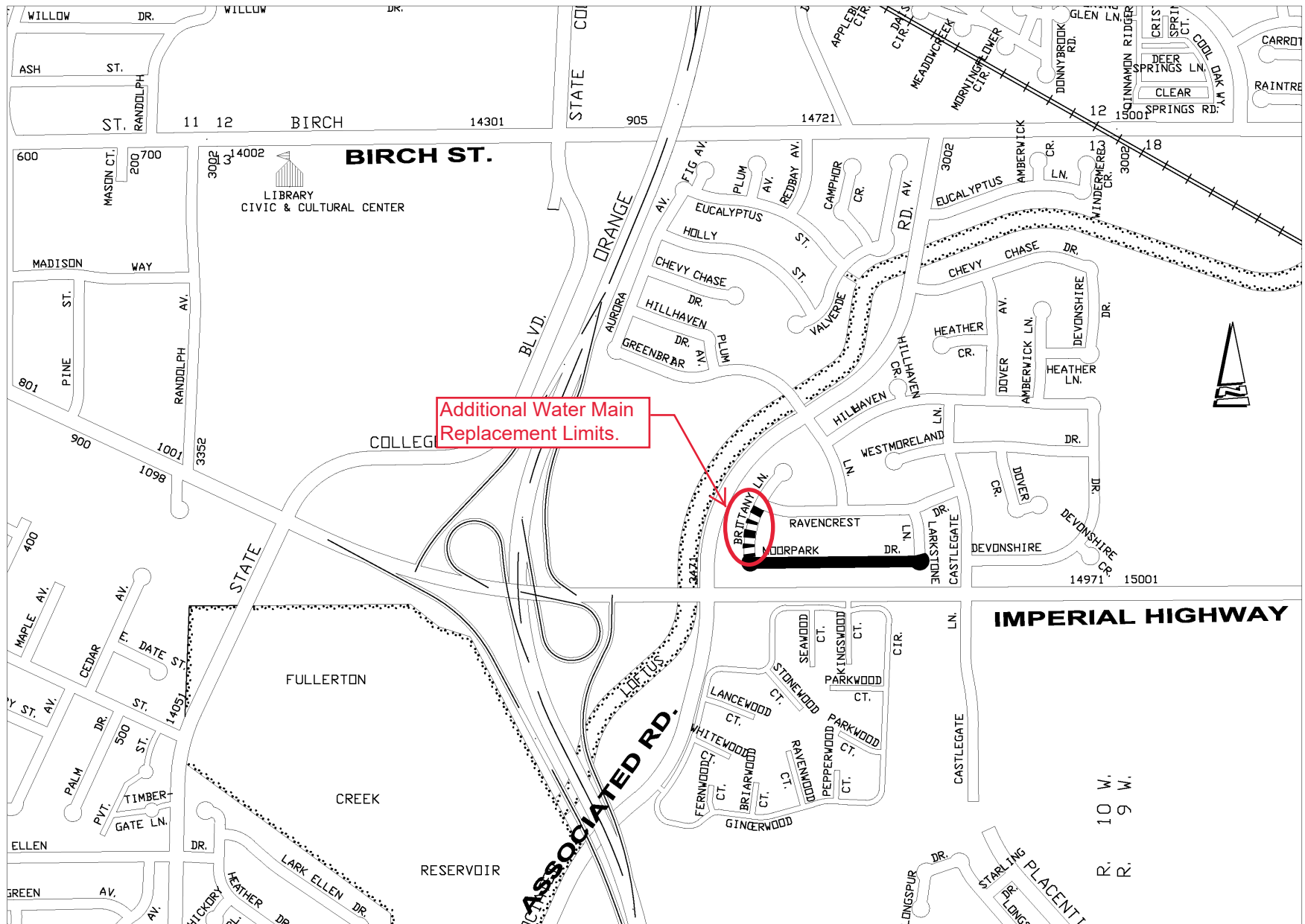
Project Location Map

Notice of Completion

PROJECT 7430

MOORPARK DR. WATERLINE IMPROVEMENT

Attachment A



VICINITY MAP
NOT TO SCALE

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO

Name **City of Brea**

Street

Address **1 Civic Center Circle**

City &

State **Brea, CA 92821**

Zip

Free recording requested per Government Code Section 27383.

SPACE ABOVE THIS LINE FOR RECORDER'S USE**Lillian Harris-Neal, City Clerk, City of Brea****Notice of Completion****NOTICE IS HEREBY GIVEN THAT:**

1. The undersigned is the owner of the interest or estate stated below in the property hereinafter described.
2. The full name of the undersigned is **City of Brea** (NAME)
3. The full address of the undersigned is **1 Civic Center Circle**
Brea, CA 92821

(NUMBER AND STREET, CITY, STATE, ZIP)

4. The nature of the title or the undersigned is **Owner-In-Fee**
5. The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:

Names

Addresses

6. The names of the predecessors in interest of the undersigned, if the property was transferred subsequent to the commence of the work of improvement herein referred to are (OR IF NO TRANSFER WAS MADE, INSERT THE WORD "none"):

Names

Addresses

7. A work of improvement on the property hereinafter described was completed on **September 24, 2021** (DATE).
8. The name of the original contractor, if any, for the work of improvement was **Stephan Doreck Equipment Rentals, Inc.**

(NAME OF CONTRACTOR, OR IF NO CONTRACTOR FOR THE WORK OF IMPROVEMENT AS A WHOLE, INSERT THE WORD "none"). [IF NOTICE COVERS COMPLETION OF CONTRACT FOR ONLY PART OF THE WORK OF IMPROVEMENT, ADD: The kind of work done or material furnished was _____]

9. The property on which the work of improvement was completed is in the City of **Brea**, County of **Orange**, State of California, and is described as follows: **Moorpark Watermain Replacement, CIP Project 7430**

10. The street address of the said property is **1 Civic Center Circle, Brea, CA 92821**
(NUMBER AND STREET, OR, IF THERE IS NO OFFICIAL STREET ADDRESS, INSERT THE WORD "none".)

Dated: **September 30, 2021**


(SIGNATURE)
Michael Ho P.E., City Engineer, City of Brea (TYPED NAME)

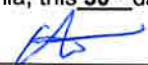
VERIFICATION

I, the undersigned, say:

I am the person who signed the foregoing notice. I have read the above notice and know its contents, and the facts stated therein are true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at **Brea**, California, this **30th** day of **September 2021**


(SIGNATURE)
Michael Ho P.E., City Engineer, City of Brea

City of Brea

FINANCE COMMITTEE COMMUNICATION

TO: Finance Committee Members

FROM: Bill Gallardo

DATE: 10/12/2021

SUBJECT: Acceptance of Brea Water Main Replacement North Hills West and East Tracts, Project Nos. 7459 and 7460

RECOMMENDATION

1. Accept the Project as complete and authorize City Clerk to record a Notice of Completion; and
2. Authorize City Clerk to release the Payment and Performance Bond upon notification from the Public Works Department.

BACKGROUND/DISCUSSION

On July 7, 2021, City Council awarded a Construction Contract ("Contract") to Big Ben Engineering, Inc. ("Big Ben") in the amount of \$5,138,722.64 for Brea Water Main Replacement North Hills West and East Tracts, Project Nos. 7459 and 7460 ("Project") and approved a \$513,872 construction contingency for a total approved construction budget of \$5,652,594.64. The Project replaced and upgraded existing water mains and appurtenances, replaced three pressure regulating systems, and completed street resurfacing throughout West and East Tracts. In addition, the Project also included reconstructing ADA ramps to latest standards and reconstruction of sidewalks, and curb and gutters (see Attachment A for location).

A Notice-to-Proceed with construction was issued on August 24, 2020, and the Project was considered substantially complete on August 27, 2021. There were several Contract Change Orders approved for the Project in the cumulative amount of \$419,164, which is 8% of the Contract Amount. Contract Change Orders were primarily due to the following changes:

- Additional asphalt grinding and pavement overlay work on Northwood Ave.
- Additional ADA ramp removal and replacements
- Additional Waterline Pipe Installation for a bypass line on Northwood
- Additional Pressure Reducing Station work
- Additional water valves at several Fire Hydrant locations

As a result, the total final Contract cost is \$5,557,886.71. Improvements have been completed and staff is recommending City Council approve acceptance of work performed by Big Ben.

Following is a summary of contract costs:

Brea Water Main Replacement North Hills West and East Tracts Construction Budget Summary

Original Construction Contract Amount	\$5,138,722.64
Approved Change Orders	\$419,164.07
Big Ben Final Construction Contract Amount	\$5,557,886.71
Approved Construction Contract Budget	\$5,652,594.64
Remaining Construction Contract Balance	\$94,707.93

SUMMARY/FISCAL IMPACT

The Final Contract amount for the Project is \$5,557,886.71, which is under the approved construction Contract budget. The source of funds for this Project is from the Water Utility Fund (Fund 420), Sewer Utility Fund (Fund 430), Gas Tax (Fund 220), and Measure M (Fund 260). Therefore, there is no impact to the General Fund. Once the Project is closed-out, any remaining unspent funds will be re-allocated back to appropriate funds.

The project replaced and upgraded existing water mains and appurtenances, replaced three pressure regulating systems, completed street resurfacing, and reconstructed ADA ramps, sidewalks, and curb and gutter within North Hills West and East Subdivisions. Big Ben has completed the Project and fulfilled its obligations to the City pursuant to subject Contract. Therefore, staff is recommending City Council consider accepting the Project as complete and authorize City Clerk to record a Notice of Completion (Attachment B). Additionally, staff is recommending authorizing City Clerk to release Payment and Performance Bonds upon notification from Public Works Department.

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: Michael Ho, P.E., Deputy Director of Public Works / City Engineer

Concurrence: Tony Olmos, P.E., Public Works Director

Attachments

Attachment A - Notice of Completion

Attachment B - Location Map

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO

Name **City of Brea**

Street

Address **1 Civic Center Circle**

City &

State **Brea, CA 92821**

Zip

Free recording requested per Government Code Section 27383.

SPACE ABOVE THIS LINE FOR RECORDER'S USE**Lillian Harris-Neal, City Clerk, City of Brea****Notice of Completion****NOTICE IS HEREBY GIVEN THAT:**

1. The undersigned is the owner of the interest or estate stated below in the property hereinafter described.
2. The full name of the undersigned is **City of Brea** (NAME)
3. The full address of the undersigned is **1 Civic Center Circle**
Brea, CA

92821

(NUMBER AND STREET, CITY, STATE, ZIP)

4. The nature of the title or the undersigned is **Owner-In-Fee**
5. The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:

Names

Addresses

6. The names of the predecessors in interest of the undersigned, if the property was transferred subsequent to the commence of the work of improvement herein referred to are (OR IF NO TRANSFER WAS MADE, INSERT THE WORD "none"):

Names

Addresses

7. A work of improvement on the property hereinafter described was completed on **August 27, 2021.**
8. The name of the original contractor, if any, for the work of improvement was **Big Ben Engineering, Inc.**
(NAME OF CONTRACTOR, OR IF NO CONTRACTOR FOR THE WORK OF IMPROVEMENT AS A WHOLE, INSERT THE WORD "none"). [IF NOTICE COVERS COMPLETION OF CONTRACT FOR ONLY PART OF THE WORK OF IMPROVEMENT, ADD: The kind of work done or material furnished was **Water Main and appurtenances, AC pavement, PCC Ramps, and Misc. PCC work.**
9. The property on which the work of improvement was completed is in the City of **Brea**, County of **Orange**, State of California, and is described as follows: **Brea Water Main Replacement North Hills West and East Tract, CIP Nos. 7459 and 7460.**
10. The street address of the said property is **All Streets within the North Hills West and East Tract Subdivision.**

Dated: 2021.

(SIGNATURE)

Michael S. Ho P.E., Deputy Director/City Engineer (TYPED NAME)**VERIFICATION**

I, the undersigned, say:

I am the person who signed the foregoing notice. I have read the above notice and know its contents, and the facts stated therein are true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at **Brea**, California, this _____ day of _____, **2021.**

(SIGNATURE)

Michael S. Ho P.E., Deputy Director/City Engineer

NORTH HILLS WEST TRACT WATER IMPROVEMENTS



NOT TO SCALE

NORTH HILLS EAST TRACT WATER IMPROVEMENTS



NOT TO SCALE

City of Brea

FINANCE COMMITTEE COMMUNICATION

TO: Finance Committee Members

FROM: Bill Gallardo

DATE: 10/12/2021

SUBJECT: Consideration of Lease Agreement for Remote Learning for Brea Olinda Unified School District at the Civic & Cultural Center

RECOMMENDATION

Proceed to City Council for approval of a two-year Lease Agreement between the City of Brea and the Brea Olinda Unified School District, with the option of three one-year extensions.

BACKGROUND/DISCUSSION

The Brea Olinda Unified School District (School District) currently occupies 9,300 square feet of office space on the second floor of Brea's Civic & Cultural Center. With the COVID-19 pandemic shutting down businesses and schools, there has been an increased need for remote learning.

With the recent Space Plan remodel of the third floor of the Civic & Cultural Center, the Communications & Marketing team moved their operations from the second to the third floor. This has opened up additional leasing space on the second floor which is of great interest to the School District to conduct remote learning.

The proposed Office Lease provides for a Base Term of two-years commencing retroactively on August 1, 2021, with three one-year extension options. The City has agreed to a two-year Base Term knowing that the COVID-19 pandemic can end any time, thus eliminating the School District's need for remote learning.

Commencing on August 1, 2021, the School District shall pay \$1.86/sf per month for the 1,721 square feet of office space totaling \$3,201.06 in monthly rent. Should the School District choose to exercise their option of extending the lease, the monthly rent shall be increased annually, effective August 1 of each year, by an amount equal to the annual percentage increase published as the Consumer Price Index (CPI), with a minimum increase of 2% and a maximum increase of 4% in any given year.

Staff compared the square footage rate to two existing Civic & Cultural Center tenants and approximately 24 commercial lease spaces in Brea. The City of Brea will pay for the maintenance and upkeep of the shared parking, restrooms, elevators, landscaping, and other common amenities while the School District will pay for and maintain the upkeep of the interior of their leased space. Based on the research, the proposed monthly rent is within the market range, at the lower end of the surveyed properties.

The rent of the space will be as follows:

Year	Price per square foot	Price per square foot per year	Monthly Rent	Annual Rent
1	\$1.86	\$22.32	\$3,201.06	\$38,412.72
2-5*	TBD	TBD	TBD	TBD

*Rent increased annually by CPI, floored at 2% and capped at 4%

This lease is similar to more recently executed leases (such as the Brea Chamber of Commerce and Ambassador Church), except that no Late Charge clause was included. Because there was no such clause included in the original Brea Olinda Unified School District lease, this has been modified to reflect the same.

SUMMARY/FISCAL IMPACT

The proposed Office Lease with the School District provides for a Base Term of two-years commencing retroactively on August 1, 2021, with three one-year extension options. This Office Lease will provide initial monthly revenue of \$3,201.06 to the City of Brea, or \$38,412.72 annually, and the rental amount will increase on an annual basis.

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: Marie Dao, Management Analyst

Concurrence: Chris Emeterio, Acting Community Development Director

Attachments

Draft Office Lease

OFFICE LEASE

This OFFICE LEASE ("Lease") is dated October 19, 2021 for reference purposes and is executed by the CITY OF BREA, a municipal corporation ("City"), and the BREA-OLINDA UNIFIED SCHOOL DISTRICT, a public school district ("Tenant").

1. Premises

City hereby agrees to lease to Tenant and Tenant agrees to lease from City that certain office space in the City of Brea, California, located on Level 2 of City's Civic and Cultural Center located at 1 Civic Center Circle (the "Building") more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof (the "Premises"), subject to the terms, covenants and conditions hereinafter set forth.

2. Term

A. The Base Term of this Lease shall be for two (2) years. The commencement of the Base Term shall be retroactive to August 1, 2021, and shall end on July 31, 2023.

B. Tenant shall have the right to extend the term of this Lease for an additional three, one-year terms ("Extension Terms") by giving written notice of the extension to City at least three (3) months prior to the expiration of the Base Term and any Extension Term.

C. Tenant may terminate this Lease upon giving ninety (90) days prior written notice before the end of the Base Term or any Extension Term.

3. Rent

A. Commencing on August 1, 2021, Tenant agrees to pay to City as rent, without prior notice or demand by City, \$3,201.06 per month, on or before the first day of each calendar month during the term of this Lease. For August 2021, September 2021 and October 2021, Tenant shall pay rent within ten (10) business days of execution of this Lease.

B. The monthly rent shall be increased annually, effective on August 1 of each year, by an amount equal to the annual percentage increase published as the CPI (Consumer Price Index) for the U.S. Department of Labor, Bureau of Labor Statistics, for the Los Angeles-Long Beach-Anaheim area, determined by comparing the CPI for the month of September of the previous calendar year to the CPI for the month of September one year earlier, in order to calculate the annual increase, with a minimum increase of 2% in any given year and a maximum increase of 4% in any given year.

C. Rent for any period during less than one month shall be a prorated portion of the monthly payment required herein, based upon a 30-day month. Rent shall be paid to City without prior demand and without deduction or offset, in lawful money of the United States of America, at 1 Civic Center Circle, Brea, California, 92821-5732, or at such other place as City may designate in writing.

4. Use

Tenant shall use the Premises for general office use and teaching conferences between the hours of 7:00 a.m. and 5:00 p.m. Monday through Friday, in connection with its operations and shall not use or permit the Premises to be used for any other purpose without the prior written consent of City, which may be granted or withheld at City's sole and absolute discretion. Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein that will in any way increase the existing rate of or affect any fire or other insurance upon the Premises or any of its contents, or cause cancellation of any insurance policy covering the Premises or part thereof or portion of its contents. Tenant shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or parties in the Building, or use or allow or permit the Premises to be used for any unlawful purpose. Nor shall Tenant cause, maintain or permit any nuisance in or about the Premises. Tenant shall not commit or suffer to be committed any waste in or upon the Premises. Tenant shall maintain the Premises so as to be free from risk hazards to the public health, safety, or welfare.

5. Compliance with Law

Tenant shall not use the Premises or permit anything to be done in or about the Premises that will in any way conflict with any applicable law. Tenant shall comply with applicable laws related to its occupancy of the Premises, and with the requirements of any board of fire insurance underwriters or other similar bodies now or hereafter constituted, relating to, or affecting the condition, use or occupancy of the Premises, excluding structural changes not related to or affected by Tenant's improvements and acts. The judgment of a court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether City is party thereto or not, that Tenant has violated any law shall be conclusive of that fact as between City and Tenant.

6. Alterations and Additions

Tenant shall not make or suffer to be made any alterations, additions or improvements in or about the Premises or any part thereof without the written consent of City. Any alterations, additions or improvements in, to or about the Premises (including wall coverings, paneling and built-in cabinet work, but excepting movable furniture and trade fixtures) shall on the expiration or sooner termination of this Lease become a part of the realty, shall belong to City, and shall be surrendered with the Premises. In the event City consents to the making of any alterations, additions or improvements to the Premises by Tenant, the same shall be made by Tenant at Tenant's sole cost and expense.

7. Physical Condition of Premises; Limited City Maintenance Responsibilities

A. By taking possession of the Premises, Tenant shall be deemed to have accepted the Premises as-is and as being in good sanitary order, condition and repair.

B. The Premises have not been inspected by a Certified Access Specialist (CASp). A CASp can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, a commercial property owner or lessor may not prohibit a lessee or tenant from obtaining a CASp inspection of the subject premises

for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties must mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises. City and Tenant agree that City shall not bear the cost of any such inspections or repairs it being the intent and agreement of City and Tenant that any such repairs be performed by Tenant.

C. Tenant shall, as Tenant's sole cost and expense, keep the Premises and any part thereof in good condition and repair. If Tenant fails to do so within thirty (30) business days after written demand by City, then City may do so and Tenant shall reimburse City for City's costs, as additional rent, within thirty (30) business days after written demand from City with evidence of such costs.

D. Tenant shall, upon the expiration or sooner termination of this Lease, surrender the Premises to City in good condition. City shall have no obligation to alter, remodel, improve, repair, decorate or paint the Premises, or any part thereof, and the parties affirm that City has made no representations to Tenant respecting the conditions of the Premises or the Building except as specifically set forth herein. Tenant shall submit to City, prior to applying for any permits to renovate, reconstruct, improve, alter or in any other way modify the Premises, plans and specifications for City's written approval.

E. City shall not be liable for any failure to make any repairs, or to perform any maintenance with respect to the Premises, except as specifically provided herein. Except as may otherwise expressly be provided herein, there shall be no abatement of rent and no liability of City by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Building or the Premises or in or to any fixtures, appurtenances and equipment therein. Tenant specifically waives the right to make repairs at City's expense under any law now or hereafter in effect.

8. Claims Against Premises

Tenant shall not suffer or permit to be enforced against the Premises, or any part thereof, any mechanic's, materialman's, contractor's or subcontractor's liens arising from, or any claim for any work of construction, repair, restoration, replacement or improvement of or to the Premises by Tenant, but Tenant shall pay or cause to be paid any and all such claims or demands before any action is brought to enforce the same against the Premises. Tenant shall indemnify, defend and hold City and the Premises free and harmless of all liability for any and all such claims and demands, together with City's reasonable attorneys' fees and all costs and expenses in connection therewith.

9. Utilities

City and Tenant agree that the rent specified in Section 3 above includes the base cost of all water, electrical, gas and other utility services, but excludes telephone costs and the costs of janitorial services (which Tenant shall procure at its sole cost and expense). Tenant shall not run any new utility or communication service lines without City's prior written consent.

10. Taxes

Tenant shall pay, or cause to be paid, before delinquency, any and all taxes levied or assessed and which become payable upon all of Tenant's possessory interest in and to the Premises, leasehold improvements, equipment, furniture, fixtures and personal property located in or about the Premises. Without prior demand or notice by City, Tenant shall, not less than fifteen (15) days prior to the date upon which any such possessory interest or other such tax is due, provide City with proof of payment of such tax.

11. Rules and Regulations

City reserves the right to make, and to amend from time to time, rules and regulations for the Premises. Tenant shall faithfully observe and comply with such rules and regulations, which shall be binding upon Tenant upon delivery of a copy thereof to Tenant.

12. Holding Over

If Tenant remains in possession of the Premises or any part thereof after the expiration of the term, with the express written consent of City, then such occupancy shall be a tenancy from month-to-month at a rent in the amount of 135% of the last monthly rent, plus all other charges payable hereunder, and upon all the terms and conditions hereof.

13. Entry by City

Tenant agrees that representatives of City, as designated by the City Manager, shall during normal business hours, have the right to enter the Premises and inspect the same to determine if the same complies with each and every term and condition of this Lease and with all applicable laws relating to building occupancy and the conduct of Tenant's business. Tenant waives any claim for damages related to the inspection, provided City makes a good faith effort not to interfere with the educational purposes related to the District's business within the Premises. City shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, excluding Tenant's vaults, safes and files. City shall have the right to use any and all means which City may deem proper to open such doors in an emergency, in order to obtain entry to the Premises without liability to Tenant except for any failure to exercise due care for Tenant's property. Any entry to the Premises obtained by City by any of such reasons, or otherwise, shall not, under any circumstances, be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Tenant from the Premises or any portion thereof.

14. Default

The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant:

A. The failure by Tenant to make any payment of rent or any other payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of thirty (30) days after written notice thereof by City to Tenant.

B. A failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by, Tenant, where such failure shall continue

for a period of thirty (30) days after written notice thereof by City to Tenant; provided, however, that if the nature of the default involves such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within such thirty (30) day period and thereafter diligently prosecutes such cure to completion.

C. The making by Tenant of any general assignment or general arrangement for the benefit of creditors; or the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt, or a petition or reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); or the appointment of a trustee or a receiver to take possession of substantially all of Tenant's assets located in or about the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Tenant's interest in this Lease, where such seizure is not discharged in thirty (30) days.

15. Remedies for Default

In the event of a default by Tenant, at any time thereafter and without notice or demand and without limiting the exercise of any other available right or remedy, City may:

A. Terminate Tenant's right to possession of the Premises by any lawful means in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to City. In such event, City shall be entitled to recover from Tenant all damages incurred by City by reason of Tenant's default including: the cost of recovering possession of the Premises; expenses of reletting, including necessary renovation and alteration of the Premises; reasonable attorneys' fees and costs; and the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent for the balance of the term after the time of such rent loss for the same period that Tenant proves could be reasonably avoided. Unpaid installments of rent or other sums shall bear interest from the due date thereof at the rate of 18% per annum or at the maximum legal rate then in effect in California, whichever is higher. In the event Tenant shall have abandoned the Premises, City shall have the option of (1) taking possession of the Premises and recovering from Tenant the amount specified in this paragraph, or (2) proceeding under the provisions of the following paragraphs.

B. Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Premises. In such event, City shall be entitled to enforce all of City's rights and remedies under this Lease, including the right to recover rent as it becomes due hereunder.

C. Pursue any other remedy now or hereafter available to City under the laws or judicial decisions of the State of California. Furthermore, Tenant agrees that no election by City as to any rights or remedies available hereunder or under or pursuant to any law or judicial decisions of the State of California shall be binding upon City until the time of trial of any such action or proceeding.

16. Eminent Domain (Not applicable.)

17. Offset Statement

Tenant shall at any time and from time to time, upon not less than ten (10) days prior written notice from City, execute, acknowledge and deliver to City a statement in writing (a) certifying that this Lease is unmodified and in full force and effect or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect and the date to which the rent and other charges are paid in advance, if any, and (b) acknowledging that there are not, to Tenant's knowledge, any incurred defaults on the part of City hereunder, or specifying such defaults if any are claimed. Any such statement may be relied upon by any prospective purchaser or encumbrancer of all or any portion of which the Premises are a part.

18. No Assignment and Subletting

Tenant shall not assign or transfer this Lease or any right hereunder to any other party or parties nor shall Tenant sublet all or any portion of the Premises.

19. Attorneys' Fees

In the event that any action or proceeding is brought by either party to enforce any term or provision of this Lease, the prevailing party shall recover its reasonable attorneys' fees, experts' costs, and all other costs of suit.

20. Fixtures

All trade fixtures installed in or on the Premises by Tenant may be removed by Tenant at any time so long as the same may be removed without permanent damage to the Premises. Tenant shall repair all damage which may result therefrom to the reasonable satisfaction of City.

21. Indemnification

Tenant shall defend, indemnify and hold City and its elected officials, officers, agents and employees free and harmless from all liabilities, claims, losses, damages, costs and expenses incurred by City by reason of Tenant's negligence or Tenant's negligent acts or those of Tenant's employees, or agents in connection with Tenant's use and occupancy of the Premises and any common areas of the Building or other portions of the Building.

22. Insurance

A. Fire and Extended Coverage

1) Tenant's Duty to Keep Improvements Insured

At Tenant's sole cost and expense, Tenant shall keep or cause to be kept insured, for the mutual benefit of City and Tenant, all improvements located on or appurtenant to the Premises against loss or damage by fire and such other risks as are now or hereafter included in an extended coverage endorsement in common use for such structures, including vandalism and malicious mischief. The amount of the insurance shall be the then replacement cost but without

deduction for depreciation ("Full Insurable Value"). City shall not carry any insurance the effect of which would be to reduce the protection or payment to Tenant under any insurance that this Lease obligates Tenant to carry. If any dispute as to whether the amount of insurance complies with the above cannot be resolved by agreement, City may, not more than once every three months, request the carrier of the insurance then in force to determine the Full Insurable Value, and the resulting determination shall be conclusive between the parties for the purpose of this paragraph.

2) Proceeds of Fire and Extended Coverage Insurance

City shall, at Tenant's sole cost and expense, cooperate fully with Tenant to obtain the largest possible recovery, and all policies of fire and extended coverage insurance required above, shall provide that the proceeds shall be paid to Tenant as follows:

a) The proceeds shall be deemed to be held in trust by the Tenant to the uses and purposes prescribed by this Lease.

b) Disbursements of proceeds for repair, restoration, reconstruction of improvements shall be made monthly on architect's certificates until all the work is completed and accepted; provided, however, that such disbursements shall not exceed 90% of the work in place until completion, acceptance, expiration of time for lien claims, and elimination of all liens claimed.

c) Any insurance proceeds remaining after complying with the provisions of this Lease relating to maintenance, repair, and reconstruction of improvements shall be the sole property of Tenant.

B. Commercial General Liability Insurance

At Tenant's sole cost and expense, Tenant shall keep or cause to be kept in full force and effect, for the mutual benefit of City and Tenant, commercial general liability insurance against claims and liabilities for personal injury, death, and/or property damage arising from the use, occupancy or condition of the Premises, improvements, or adjoining areas or ways, providing protection of at least \$1,000,000 for bodily injury or death to any one person, at least \$1,000,000 for any one accident or occurrence, and at least \$500,000 for property damage.

C. Policy Form, Contents and Insurer

All insurance required by this Lease shall be carried only in responsible insurance companies licensed to do business in the State of California or a self-insurance program acceptable to City. All such policies shall contain language providing that (1) the insurer waives the right of subrogation against City and its employees, agents and representatives, (2) the policies are primary and noncontributing with any insurance that may be carried by City, and (3) they cannot be canceled or materially altered except after thirty (30) days' written notice by the insurer to City. Tenant shall furnish City with copies of all such policies promptly upon receipt of them, or certificates evidencing the insurance. Prior to the commencement of this Lease, Tenant shall furnish City with certificates and endorsements representing all insurance required by this Lease. The required policy shall name City and its respective elected officials, officers, employees and agents as additional insureds. Tenant may affect for its own account any insurance not required under this Lease.

D. Failure to Maintain Insurance; Proof of Compliance

1) Tenant shall deliver to City, in the manner required for notices, copies of certificates and endorsements of all insurance policies required by this Lease, together with evidence satisfactory to City of having procured and currently maintaining all required policies, with the following time limits:

a) For insurance required at the commencement of this Lease, upon execution of this Lease.

b) For insurance becoming required at a later date, at least ten (10) days before that requirement takes effect, or as soon thereafter as the requirement, if new, takes effect.

c) For any renewal or replacement of a policy already in existence, at least twenty (20) days before expiration or other termination of the existing policy.

2) If Tenant fails or refuses to procure or maintain insurance as required by this Lease, or fails or refuses to furnish City with required proof that the insurance has been procured and is in full force and paid for, then City shall have the right, at City's election and on five (5) days' written notice, to procure and maintain such insurance. The premiums paid by City shall be treated as added rent due from Tenant with interest at the rate of 18% per year or the maximum allowable legal rate in effect in the State of California on the date when the premium is paid, whichever is higher, to be paid on the first day of the month following the date on which the premium was paid. City shall give prompt written notice of the payment of such premiums, stating the amounts paid and the names of the insurer or insurers, and interest shall run from the day of the notice.

23. Authority

The individual executing this Lease on behalf of Tenant represents and warrants that he or she is fully authorized to execute and deliver this Lease on behalf of Tenant and that this Lease is binding upon Tenant in accordance with terms.

24. Waiver

The waiver by City of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition, on any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by City shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of the Tenant to pay the particular rent so accepted, regardless of City's knowledge of such preceding breach at the time of the acceptance of such rent.

25. Time

Time is of the essence of this Lease and each and all of its provisions in which performance is a factor.

26. Late Charges (Not Applicable)

27. Inability to Perform

This Lease and the obligations of Tenant hereunder shall not be affected or impaired because City is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strike, war, civil insurrection, acts of God, or any other cause beyond the reasonable control of City.

28. Signs

City shall provide white vinyl lettering signage similar to all other Civic and Cultural Center tenants. Tenant shall not place any sign upon the Premises without City's prior written consent.

29. Performance Bond

A. Prior to the commencement of any repair, alteration, addition, renovation or Improvement as may be required or permitted in the Premises, Tenant shall file with the City Clerk a corporate surety bond satisfactory to the City Manager and conditioned that Tenant shall well and truly observe, fulfill and perform each and every repair, alteration, addition, renovation or improvement contemplated. The corporate surety bond shall be in the penal sum of 110% of the reasonable value of any such repair, alteration, addition, renovation or improvement as determined by the City's Public Works Director, whose decision shall be final. In the event of any breach of any condition of the aforesaid bond, the whole amount of the penal sum therein named shall be deemed to be liquidated damages, and the same shall be recoverable from the principal and sureties upon the bond. This corporate surety bond will be required for any repair, alteration, addition, renovation or improvement over \$10,000, as estimated by City.

B. Upon completion of the repairs, alterations, additions, renovations or improvements secured by such corporate surety bond, Tenant may apply to the Public Works Director for a reduction in the penal sum of such bond and the Public Works Director, upon satisfactory proof being presented shall reduce the penal sum thereof to an amount not exceeding 50% of the reasonable value of such repairs, alterations, additions, renovations or improvements.

30. Successors (Not Applicable)

31. Notices

Any notice required or permitted under the terms of this Lease shall be deemed served when personally served on Tenant or the City Clerk or when the same has been placed in the United States mail, postage prepaid and addressed as follows:

Tenant: Brea-Olinda Unified School District
Attention: Assistant Superintendent, Business Services
1 Civic Center Circle
Brea, CA 92821

City: City of Brea
Attention: City Manager
Brea Civic & Cultural Center
1 Civic Center Circle
Brea, CA 92821

32. Execution by City Not a Waiver

Tenant understands and agrees that City, by entering into and executing this Lease, shall not have waived any right, duty, privilege, obligation or authority vested in City to approve, disapprove or conditionally approve any application which Tenant may be required to make under any laws, rules, ordinances or regulations now or hereafter in effect which City may be empowered to apply, including any use permit or approval whether similar in nature or not.

33. Entire Agreement

This Lease contains the entire agreement between the parties with respect to the subject matter herein. No promise, representation, warranty, or covenant not included in this Lease has been or is relied on by either party. Each party has relied on its own examination of this Lease, the counsel of its own advisors, and the warranties, representations, and covenants in the Lease itself. The failure or refusal of either party to inspect the Premises, to read the Lease or other documents or to obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention, or claim that might have been based on such reading, inspection, or advice.

34. Memorandum of Lease

Concurrently with its execution and delivery of this Lease, Tenant shall execute and acknowledge a short form Memorandum of Lease for recording purposes in the form attached hereto as Exhibit "B" and shall deliver it to the City for execution and recording. Upon the expiration or earlier termination of this Lease for any reason, Tenant shall within five business days following written request by City, deliver to City an executed, acknowledged and recordable quitclaim deed conveying to City any and all interest Tenant may have under this Lease.

[SIGNATURES ON FOLLOWING PAGE]

TO EXECUTE THIS LEASE, the parties have caused their authorized representatives to sign below.

TENANT:

BREA-OLINDA UNIFIED SCHOOL
DISTRICT,
a public school district

By: _____
Print Name: _____
Assistant Superintendent, Business Services

CITY:

CITY OF BREA

By: _____
_____, Mayor

ATTEST: _____
_____, City Clerk

EXHIBIT "A"

DIAGRAM OF PREMISES

1,721 square feet

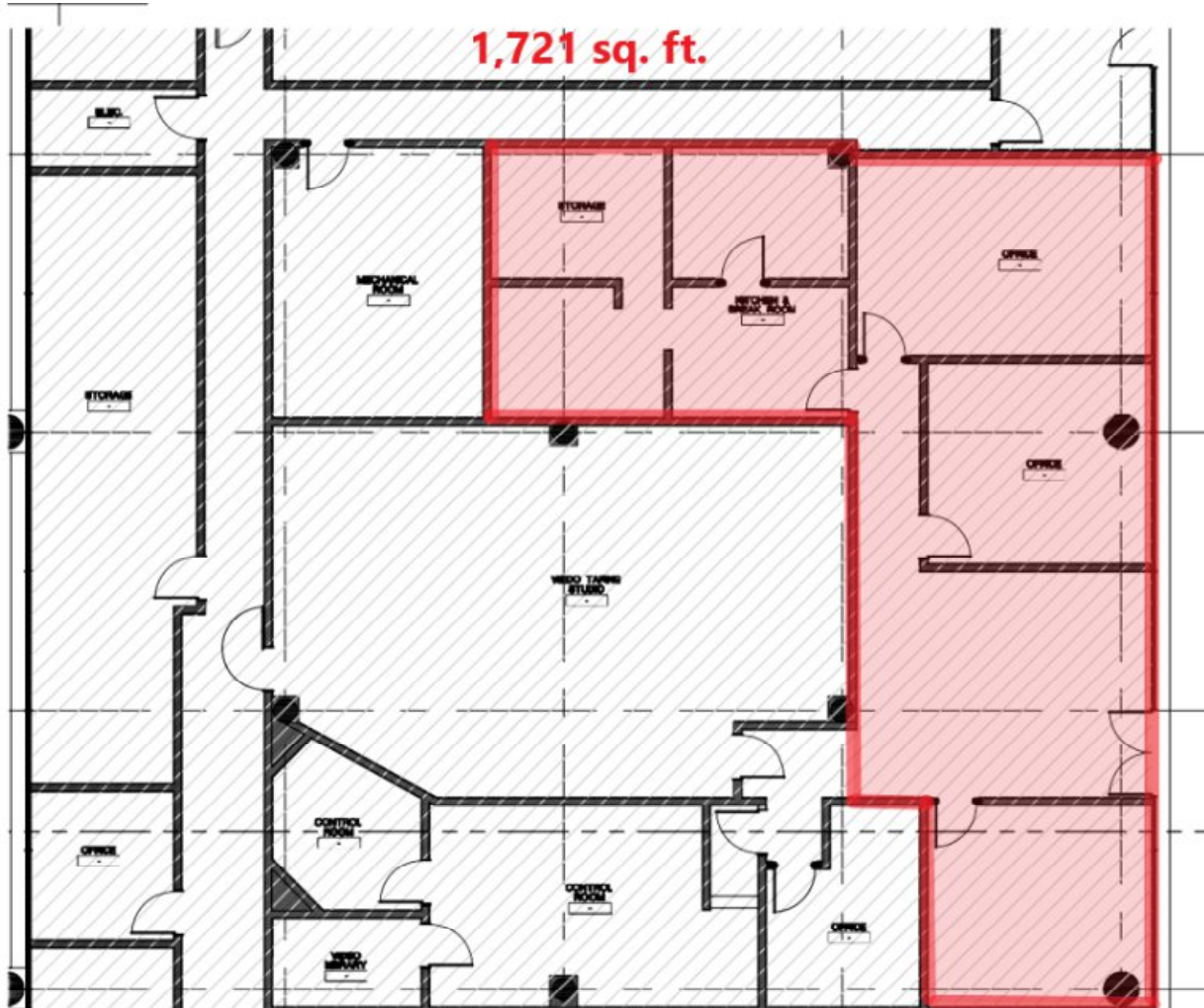


EXHIBIT “B”

FORM OF MEMORANDUM OF LEASE

(Attached)

RECORDING REQUESTED BY,
WHEN RECORDED RETURN TO:

City of Brea
1 Civic Center Circle
Brea, California 92821
Attention: City Clerk

[Space Above For Recorder's Use Only]

The undersigned declare that this Memorandum of Lease is exempt from Recording Fees pursuant to California Government Code Section 27383 and exempt from Documentary Transfer Tax pursuant to California Revenue and Taxation Code Section 11922.

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (this "**Memorandum**") is dated as of _____, 20__, and is executed by the CITY OF BREA ("Landlord"), and the BREA-OLINDA UNIFIED SCHOOL DISTRICT, a unified school district ("Tenant").

RECITALS

A. Tenant and Landlord have entered into that certain Lease dated _____, 20__ (the "Lease"), pursuant to which Landlord has agreed to lease and demise to Tenant, and Tenant has agreed to lease and accept from Landlord, a portion (the "Premises") of that certain building located in the City of Brea, County of Orange, State of California, commonly known as 1 Civic Center Circle (the "Property"). The Premises are more particularly described in the Lease.

B. Tenant and Landlord now desire to enter into this Memorandum to provide record notice of the Lease and comply with California law requiring that municipal leases be recorded.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Tenant and Landlord agree as follows:

1. Lease. Landlord hereby leases and demises to Tenant, and Tenant hereby leases and accepts from Landlord, the portion of the Property defined as the "Premises" in the Lease for a term of two (2) years at the rental rate and upon the other terms and conditions set forth in the Lease, which are incorporated herein by this reference.

2. Purpose. This Memorandum is prepared for the purposes of recordation only and in no way modifies the terms and conditions of the Lease. In the event any provision of this Memorandum is inconsistent with any term or condition of the Lease, the term or condition of the Lease shall prevail.

3. Counterparts. This Memorandum may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, taken together, shall be deemed to be one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Lease as of the date first written above.

LANDLORD:

CITY OF BREA

By: _____

Print Name: _____

Title: _____

ATTEST:

_____ (SEAL)

TENANT:

BREA-OLINDA UNIFIED SCHOOL
DISTRICT

By: _____

Print Name: _____

Assistant Superintendent,
Business Services

By: _____

Print Name: _____

By: _____

Print Name: _____

_____, City Clerk

City of Brea

FINANCE COMMITTEE COMMUNICATION

TO: Finance Committee Members

FROM: Bill Gallardo

DATE: 10/12/2021

SUBJECT: Budget Adjustments to the City Operating and Capital Improvement Program
Budgets for Fiscal Year 2020-21

RECOMMENDATION

Adopt the attached resolutions appropriating funds to adjust the Fiscal Year 2020-21 City Operating and Capital Improvement Program Budgets.

BACKGROUND/DISCUSSION

Budget adjustments are presented to the City Council periodically for review. These adjustments represent the appropriation of items previously approved by the City Council during the fiscal year, or staff recommended adjustments for City Council consideration as well as requested adjustments to revenue estimates. The recommended adjustments to the City Operating Budget are listed in City - Exhibit A. These adjustments are separated by funding source and the accounts are identified as either revenue or expenditure accounts.

Property tax revenues have remained steady and continued to increase due to new building construction and property turnover. For Fiscal year 2020-21, secured property tax revenue received exceeded estimates by \$331,613 and is sufficient to cover those additional appropriations previously approved by the City Council during the fourth quarter and other staff recommended adjustments as outlined below.

The Public Works Department is requesting \$76,500 to cover salaries and benefits for staff costs that were initially thought to be reimbursed by Capital Improvement and Development related Projects. Much of the Engineering staff time was not eligible to be charged to specific projects rather related more to general engineering.

On April 6, 2021, the City Council approved a Community Risk Assessment/Standards of Cover Study for the Brea Fire Department. The study will help to ensure that the Fire Department is providing the most effective service to the community. At that time, the City Council authorized an additional appropriation of \$72,661 to cover the cost of the study.

Also included in these adjustments is a revision to the annual General Fund Transfer to the Paramedic Fund (174) and the Sanitation and Street Sweeping Fund (440). The General Fund supplements the Paramedic Fund for costs that exceed the Paramedic Tax Revenues. Overall expenditures were higher than budgeted due primarily to salary, benefits, and overtime cost incurred due to a disability claim as well as shift coverage for paid time off for

personnel. The proposed adjustment for this transfer is \$126,979. For the Sanitation and Street Sweeping Fund (440), an annual transfer is made from the General Fund (110) in lieu of franchise fees collected on trash collection. This amount varies from year-to-year and is used to balance revenue collected that is less than expenditures incurred. For FY 2020-21, disposal and processing costs based on tonnage were higher than originally projected. The additional cost was mostly offset by increased recycling revenues and residential service fees collected. Staff is proposing an increase in the transfer from the General Fund (110) to the Sanitation and Street Sweeping Fund (440) of \$40,688 to fund those costs not covered by increased revenues. Refuse franchise revenues are sufficient to cover this proposed increase.

In the Risk Management Fund (470), budget adjustments are needed for large unanticipated general liability claims. For FY 2020-21, there was a significant Public Safety Claim as well as an overall increase in claims being filed and settled resulting in a budget adjustment of \$485,875. Also, related to these claims is the need for additional legal services of \$69,800. These expenditures are somewhat offset by unanticipated insurance refunds of \$83,600 and the remainder is sufficiently covered by the City's general liability reserves as anticipated.

For Capital Improvement Projects, \$7,437 in funding from the Gas Tax Fund (220) is being requested for Illuminated Street Name Signs (#7212) for an unexpected Caltrans permit. In addition, \$36,055 is being requested from the Golf Course Fund (465) to cover the installation of the cart path at the Birch Hills Golf Course (#7958) as well additional scope required by the County of Orange. There are sufficient revenues over expenditures in both of these funds to cover these increased one-time costs. The Capital Improvement Program Budget adjustments in CIP - Exhibit A consists of an increase in expenditures of \$43,492 and corresponding adjustments to revenues and transfers-in as follows:

Gas Tax Fund (220)	\$ 7,437
Golf Course Fund (465)	36,055
TOTAL	\$ 43,492

SUMMARY/FISCAL IMPACT

The City Operating Budget adjustments for the General Fund (110) in Exhibit A resulted in an increase in revenues of \$345,372 and an increase in expenditures and transfers-out of \$330,587, for a net General Fund increase in over revenues of \$14,785. The City Operating Budget adjustments for all funds including the General Fund resulted in an increase in revenues and transfers-in of \$1,147,052 and an increase in expenditures and transfers-out of \$1,629,885 for a net increase in expenditures and transfers-out of \$482,833. The Capital Improvement Program Budget adjustments resulted in an increase in expenditures of \$43,492 and a corresponding adjustment to revenues and transfers-in.

RESPECTFULLY SUBMITTED

William Gallardo, City Manager

Prepared by: Faith Madrazo, Financial Services Manager

Concurrence: Cindy Russell, Administrative Services Director

Attachments

Resolution - City

Exhibit A - City

Resolution - CIP

Exhibit A - CIP

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA AMENDING THE CITY OPERATING BUDGET FOR FY 2020-21 AS AMENDED

A. RESOLUTION:

The City Council of the City of Brea does hereby find, determine and resolve that the City Operating Budget for FY 2020-21, Resolution No. 2020-044, as heretofore amended, be further amended as set forth in City – Exhibit A, attached.

APPROVED AND ADOPTED this 19th day of October, 2021.

Mayor

ATTEST: _____

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Brea, held on the 19th day of November, 2021 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

DATED: _____

City Clerk

City of Brea
BUDGET ADJUSTMENTS
FY 2020-21 OPERATING BUDGET

October 19, 2021

Account Number		Current Budget	Revised Budget	Funding Required	Description
<u>GENERAL FUND (110)</u>					
3111 (REV)	Property Tax - Secured	11,907	19,968,354	331,613	Increased property tax due to increased valuations.
<u>Fire Services</u>					
2211 (REV)	Fire Administration	19,668,800	19,968,354	72,661	Proposal with Citygate Associates to Conduct a Community Risk Assessment/ Standards of Cover Study for the Brea Fire Department approved by City Council on April 6, 2021.
3549 (REV)	State Grant - Other	1,066,064	1,072,423	6,359	Additional number retirees benefits paid than what was originally budgeted offset by collections from applicable funds.
2213 (EXP)	Emergency Preparedness	176,381	182,740	6,359	
3729 (REV)	Refunds/Recovery - Other	250,200	257,600	7,400	Refund from MetroNet for budget surplus; surplus used to purchase department supplies
2221 (EXP)	Fire Operations	6,216,355	6,223,755	7,400	
<u>Public Works</u>					
5171 (EXP)	Engineering	592,268	668,768	76,500	Additional budget to cover salaries that were originally budgeted to be covered by Capital Improvement and Development Projects
5985 (EXP)	Transfers-out to Fund 174	1,091,299	1,218,278	126,979	Transfer to Fund 174 to cover paramedic services
5985 (EXP)	Transfers-out to Fund 440	326,200	366,888	40,688	Transfer to Fund 440 in lieu of franchise fees collected for trash collection
Change in Fund Revenues				345,372	
Change in Fund Expenditures				330,587	
Net Increase in Fund Revenues				14,785	
<u>OTHER POST EMPLOYMENT BENEFIT (150)</u>					
3663 (REV)	Retirees Medical Charge	901,400	960,689	59,289	Additional number retirees benefits paid than what was originally budgeted offset by collections from applicable funds.
1482 (EXP)	Benefit	901,400	960,689	59,289	
Change in Fund Revenues				59,289	
Change in Fund Expenditures				59,289	
Net Increase in Fund Expenditures				0	
<u>SUPPLEMENTAL LAW ENFORCEMENT SERVICES (173)</u>					

Account Number		Current Budget	Revised Budget	Funding Required	Description
2141 (EXP)	Special Programs	85,000	70,000	(15,000)	Shift partial funding for Body Worn Camera project from Fund 173 to Fund 231
	Decrease in Fund Revenues			(15,000)	
<u>PARAMEDIC SERVICES FUND (174)</u>					
3116 (REV)	Paramedic Tax	4,490,000	4,746,684	256,684	Unanticipated Paramedic Tax received
3985 (REV)	Transfer-in from Fund 110	1,091,299	1,218,278	123,979	Additional support from the General Fund (110) to supplement the Paramedic Program
2222 (EXP)	Paramedic Services	901,400	1,282,063	380,663	Unanticipated Disability Payment, Workers Compensation and Overtime Costs
	Change in Fund Revenues			380,663	
	Change in Fund Expenditures			380,663	
	Net Increase in Fund Expenditures			0	
<u>GAS TAX FUND (220)</u>					
5985 (EXP)	Transfer-out to Fund 510	2,388,892	2,396,329	7,437	Funding for CIP #7212 - Illuminated Street Names Sign Project for unexpected CalTrans Permit
	Increase in Fund Expenditures			7,437	
<u>NARCOTICS ENFORCEMENT ASSET SEIZURE FUND (231)</u>					
2141 (EXP)	Special Program	117,609	132,609	15,000	Shift partial funding for Body Worn Camera project from Fund 173 to Fund 231
	Increase in Fund Expenditures			15,000	
<u>COMMUNITY FACILITIES DISTRICT - BLACKSTONE 2008-1 FUND (360)</u>					
2131 (EXP)	Patrol	82,986	96,619	13,633	Unanticipated cost related to unbudgeted certification pay, overtime and other benefits for police services charged to district. Assessments collected were sufficient to cover the additional expense.
2221 (EXP)	Fire Operations	17,085	29,152	12,067	Unanticipated cost related to unbudgeted salary increase, overtime and other benefits for fire services charged to district. Assessments collected were sufficient to cover the additional expense.
	Increase in Fund Expenditures			25,700	
<u>COMMUNITY FACILITIES DISTRICT - LA FLORESTA 2011-1 FUND (361)</u>					
2131 (EXP)	Patrol	67,659	77,887	10,228	Unanticipated cost related to unbudgeted certification pay, overtime and other benefits for police services charged to district. Assessments collected were sufficient to cover the additional expense.

Account Number		Current Budget	Revised Budget	Funding Required	Description
2221 (EXP)	Fire Operations	152,366	159,369	7,003	Unanticipated cost related to unbudgeted salary increase, overtime and other benefits for fire services charged to district. Assessments collected were sufficient to cover the additional expense.
	Increase in Fund Expenditures			17,231	
<u>COMMUNITY FACILITIES DISTRICT - TAYLOR MORRISON (2013-1) FUND (362)</u>					
2131 (EXP)	Patrol	7,215	8,615	1,400	Unanticipated cost related to unbudgeted certification pay, overtime and other benefits for police services charged to district. Assessments collected were sufficient to cover the additional expense.
2221 (EXP)	Fire Operations	17,085	19,473	2,388	Unanticipated cost related to unbudgeted salary increase, overtime and other benefits for fire services charged to district. Assessments collected were sufficient to cover the additional expense.
	Increase in Fund Expenditures			3,788	
<u>COMMUNITY FACILITIES DISTRICT - CENTRAL PARK VILLAGE (2013-2) FUND (363)</u>					
2131 (EXP)	Patrol	10,824	12,895	2,071	Unanticipated cost related to unbudgeted certification pay, overtime and other benefits for police services charged to district. Assessments collected were sufficient to cover the additional expense.
2221 (EXP)	Fire Operations	25,118	29,217	4,099	Unanticipated cost related to unbudgeted salary increase, overtime and other benefits for fire services charged to district. Assessments collected were sufficient to cover the additional expense.
	Increase in Fund Expenditures			6,170	
<u>LANDSCAPE & LIGHTING MAINTENANCE DISTRICT #1 FUND (341)</u>					
5112 (EXP)	Maintenance District	57,575	65,151	7,576	Emergency tree trimming and irrigation main line break. Assessments collected were not sufficient to cover the additional expense. Expense funded by reserves.
	Increase in Fund Expenditures			7,576	
<u>SANITATION AND STREET SWEEPING FUND (440)</u>					
3729 (REV)	Refunds and Recovery	20,000	102,634	82,634	Improved Recycling Revenue
3621 (REV)	Refuse Collection	2,854,428	2,923,928	69,500	Additional Residential Revenue Collected
3985 (REV)	Transfer-in from Fund 110	326,200	366,888	40,688	Transfers-in from the General Fund in lieu of franchise fees collected for trash collection
5122 (EXP)	Sanitation	3,142,087	3,252,134	110,047	Additional expenditures relating to the Waste Management Contract due to actual disposal and processing costs based on tonnage
	Change in Fund Revenues			192,822	
	Change in Fund Expenditures			110,047	

Account Number		Current Budget	Revised Budget	Funding Required	Description
Net Increase in Fund Revenues				82,775	
<u>GOLF COURSE FUND (465)</u>					
5985 (EXP)	Transfer-out to Fund 510	135,000	171,055	36,055	Appropriate funding for CIP #7958- Bridge at Birch Hills Golf Course for the installation of the new cart path for the bridge at Birch Hills Golf Course and additional scope required by the County of Orange
Increase in Fund Expenditures				36,055	
<u>RISK MANAGEMENT FUND (470)</u>					
3721 (REV)	Insurance Refunds	5,000	121,800	116,800	Insurance refunds for claims
1483 (EXP)	Risk Management	3,134,776	3,620,651	485,875	Unanticipated liability claim
1483 (EXP)	Risk Management	2,586,182	2,655,982	69,800	Additional legal services needed for claim
Change in Fund Revenues				116,800	
Change in Fund Expenditures				555,675	
Net Increase in Fund Expenditures				(438,875)	
<u>INFORMATION TECHNOLOGY (475)</u>					
1471 (EXP)	Information Technology	2,350,567	2,377,297	26,730	Building Permit Software Maintenance paid due to delay in implementation of new application
Increase in Fund Expenditures				26,730	
<u>EQUIPMENT & VEHICLE MAINTENANCE FUND (480)</u>					
3729 (REV)	Refunds/Recovery Other	33,813	83,813	50,000	Insurance reimbursement received for some costs associated with a traffic accident
5161 (EXP)	Equipment Maintenance	2,586,182	2,636,182	50,000	
Change in Fund Revenues				50,000	
Change in Fund Expenditures				50,000	
Net Increase in Fund Expenditures				0	
<u>TRAFFIC IMPACT FEES FUND (543)</u>					
3604 (REV)	Dispatch Impact Fees	0	2,106	2,106	Interface needed for Online Citizen Reporting System. Cost are partially offset unanticipated impact fees received. The remaining costs to be paid from fund reserves.
2121 (EXP)	Investigation	13,020	20,520	7,500	
Change in Fund Revenues				2,106	
Change in Fund Expenditures				7,500	
Net Increase in Fund Expenditures				5,394	

Account Number		Current Budget	Revised Budget	Funding Required	Description
<u>PARS POST EMPLOYMENT BENEFIT FUND (810)</u>					
1424 (EXP)	Treasury	47,500	52,937	5,437	Additional banking fees associated with the performance of the investments
	Increase in Fund Expenditure			5,437	
	TOTAL OF FUNDS CHANGE IN REVENUE			1,147,052	
	TOTAL OF FUNDS CHANGE IN EXPENDITURES			1,629,885	
	TOTAL NET FUND INCREASE IN EXPENDITURES			482,833	

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BREA AMENDING FISCAL YEAR 2020-21 OF THE CAPITAL IMPROVEMENT PROGRAM BUDGET AND APPROPRIATING ADDITIONAL FUNDS

A. RESOLUTION:

The City Council of the City of Brea does hereby find, determine and resolve that Fiscal Year 2020-21 of the Capital Improvement Program Budget, Resolution No. 2020-11, as heretofore amended, be further amended as set forth in CIP - Exhibit A, attached.

APPROVED AND ADOPTED this 19th day of October, 2021.

Mayor

ATTEST: _____

I, Lillian Harris-Neal, City Clerk of the City of Brea, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Brea, held on the 19th day of November, 2021, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

DATED: _____

City Clerk

City of Brea

QUARTERLY BUDGET ADJUSTMENTS
FY 2020-21 CAPITAL IMPROVEMENT PROGRAM BUDGET

October 19, 2021

Account Number			Current Budget	Revised Budget	Funding Required	Description
3985	(REV)	Transfers-in from Fund 220	130,355	137,792	7,437	
		Traffic Safety Enhancements- Illuminated Street Name Sign				Funding from the Gas Tax Fund (220) to cover unexpected Caltrans Permit.
7212	(EXP)	Upgrade	130,355	137,792	7,437	
					-	
3985	(REV)	Transfers-in from Fund 465	305,355	341,410	36,055	
		New Bridget at Birch Hills Golf				Appropriate funding from the Golf Course Fund (465) for the installation of the cart path and additional scope from the County of Orange at Birch Hills Golf Course CIP #7958.
7958	(EXP)	Course	305,355	341,410	36,055	
					-	