



AGENDA

REGULAR MEETINGS OF THE SANTA FE SPRINGS HOUSING SUCCESSOR SUCCESSOR AGENCY AND CITY COUNCIL

August 1, 2023
6:00 P.M.

*Annette Rodriguez, Councilmember
William K. Rounds, Councilmember
Joe Angel Zamora, Councilmember
Jay Sarno, Mayor Pro Tem
Juanita Martin, Mayor*

Council Chambers
11710 Telegraph Road
Santa Fe Springs, CA 90670

You may attend the City Council meeting telephonically or electronically using the following means:

Electronically using Zoom: Go to Zoom.us and click on "Join A Meeting" or use the following link:

<https://zoom.us/j/521620472?pwd=U3cyK1RuKzY1ekVGZFdKQXNZVzh4Zz09>

Zoom Meeting ID: 521620472

Password: 659847

Telephonically: Dial: 888-475-4499

Meeting ID: 521620472

Public Comment: The public is encouraged to address City Council on any matter listed on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council, please use the "Raise Hand" function via Zoom once the Mayor opens Public Comment during the meeting. You may also submit comments in writing by sending them to the City Clerk's Office at cityclerk@santafesprings.org. All written comments received by 12:00 p.m. the day of the City Council Meeting will be distributed to the City Council and made a part of the official record of the meeting. Written comments will not be read at the meeting, only the name of the person submitting the comment will be announced.

Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

Americans with Disabilities Act: In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by this City, please contact the City Clerk's Office. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

SB 1439: Effective January 1, 2023, City Council Members are subject to SB 1439 and cannot participate in certain decisions for a year after accepting campaign contributions of more than \$250 from an interested person. The Council Member would need to disclose the donation and abstain from voting.

Please Note: Staff reports, and supplemental attachments, are available for inspection at the office of the City Clerk, City Hall, 11710 E. Telegraph Road during regular business hours 7:30 a.m.-5:30 p.m., Monday-Thursday and every other Friday. Telephone: (562) 868-0511.

City of Santa Fe Springs

Regular Meetings

August 1, 2023

1. **CALL TO ORDER**

2. **ROLL CALL**

Annette Rodriguez, Councilmember
William K. Rounds, Councilmember
Joe Angel Zamora, Councilmember
Jay Sarno, Mayor Pro Tem
Juanita Martin, Mayor

3. **INVOCATION**

4. **PLEDGE OF ALLEGIANCE**

5. **INTRODUCTIONS**

6. **PRESENTATIONS - NONE**

7. **PUBLIC COMMENTS** *This is the time when comments may be made by members of the public on matters within the jurisdiction of the City Council, on agenda and none agenda items. The time limit for each speaker is three minutes unless otherwise specified by the Mayor.*

8. **STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST**

HOUSING SUCCESSOR

There were no items submitted for the Housing Successor Agency

SUCCESSOR AGENCY

There were no items submitted for Successor Agency

CITY COUNCIL

9. **CONSENT AGENDA**

Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the City Council.

a. [Fire Station Headquarters Roof Replacement – Award of Contract](#)

Recommendation:

- Accept the bids; and
- Award a contract to Rite-Way Roof Corporation of Fontana, California, in the amount of \$608,392.00.

b. [City Clerk's Office Renovation – Award of Contract](#)

Recommendation:

- Appropriate additional funds in the amount of \$355,000 from the Utility Users Tax Capital Improvement Fund to the City Clerk's Office Renovation (PW 220020)

- Accept the bids; and
- Award a contract CTG Construction, Inc., of Wilmington, California, in the amount of \$225,000.00.

c. [Purchase of a C30XB Trenching Machine and S3CA Trailer from Ditch Witch West by Piggybacking off of Sourcewell Cooperative Contract #110421-CMW](#)

Recommendation:

- Award an order for a trenching machine and trailer to Ditch Witch West by piggybacking off of Sourcewell cooperative contract #110421-CMW; and
- Authorize the Director of Purchasing Services to issue a Purchase Order in the amount of \$27,007.49 for this purchase.

d. [Appropriate Funding and Authorize Essential Emergency Worker Pay for Eligible Santa Fe Springs Firefighter Suppression Staff, Who Worked During the COVID-19 Pandemic](#)

Recommendation:

- Approve Essential Emergency Worker Pay for eligible fire suppression staff, who worked during the COVID-19 pandemic.
- Appropriate \$436,000 from the General Fund unappropriated reserves for the payment of the Essential Emergency Workers Pay.

e. [Approval of Side Letter #2 \(MOU Contract Extension\) to the 2021-2024 Memorandum of Understanding Between the City of Santa Fe Springs and the Santa Fe Springs Employees Association \(SFSEA\)](#)

Recommendation:

- Approve side letter #2 (MOU Contract Extension) to the 2021-2024 Memorandum of Understanding between the City of Santa Fe Springs and the Santa Fe Springs Employees Association (SFSEA).

PUBLIC HEARING

10. [Alcohol Sales Conditional Use Permit \(CUP\) Case No. 82](#)

Request for approval of Alcohol Sales Conditional Use Permit Case No. 82 to allow an alcohol beverage sales use for on-site consumption in association with an existing Japanese restaurant operating under the name of Crazy Tokyo located at 11532 Telegraph Road, within the Community Commercial-Planned Development (C-4-PD), Zone and within the Consolidated Redevelopment Project Area, and the Telegraph Corridor. (Alina Chung Rhie for Crazy Tokyo)

Recommendation:

- Open the Public Hearing; and
- Receive any comments from the public wishing to speak on this matter, and thereafter close the Public Hearing; and
- Find that the applicant's ASCUP request meets the criteria set forth in §155.628 and §155.716 of the City's Zoning Ordinance, for the granting of a Conditional Use Permit; and
- Approve Alcohol Sales Conditional Use Permit Case No. 82, subject to the conditions of approval as contained within Resolution No. 9877; and

- Adopt Resolution No. 9877, which incorporates the City Council's findings and actions regarding this matter.

PUBLIC HEARING

11. [Alcohol Sales Conditional Use Permit \(CUP\) Case No. 83](#)

Request for approval of Alcohol Sales Conditional Use Permit Case No. 83 to allow the operation and maintenance of an alcoholic beverage use involving the warehousing and distribution of alcoholic beverages at BWS Group, Inc. located at 9526 Ann Street, within the Heavy Manufacturing (M-2). (BWS Group)

Recommendation:

- Open the Public Hearing; and
- Receive any comments from the public wishing to speak on this matter, and thereafter close the Public Hearing; and
- Find that the applicant's ASCUP request meets the criteria set forth in §155.628 and §155.716 of the City's Zoning Ordinance, for the granting of a Conditional Use Permit; and
- Approve Alcohol Sales Conditional Use Permit Case No. 83, subject to the conditions of approval as contained within Resolution No. 9878; and
- Adopt Resolution No. 9878, which incorporates the City Council's findings and actions regarding this matter.

PUBLIC HEARING

12. [Alcohol Sales Conditional Use Permit \(CUP\) Case No. 84](#)

Request for approval of Alcohol Sales Conditional Use Permit Case No. 84 to allow the operation and maintenance of an alcoholic beverage use involving the warehousing of alcoholic beverages at 21st Century Spirits, LLC, located at 12145 Mora Drive, within the Heavy Manufacturing (M-2). (21st Century Spirits, LLC)

Recommendation:

- Open the Public Hearing; and
- Receive any comments from the public wishing to speak on this matter, and thereafter close the Public Hearing; and
- Find that the applicant's ASCUP request meets the criteria set forth in §155.628 and §155.716 of the City's Zoning Ordinance, for the granting of a Conditional Use Permit; and
- Approve Alcohol Sales Conditional Use Permit Case No. 84, subject to the conditions of approval as contained within Resolution No. 9879; and
- Adopt Resolution No. 9879, which incorporates the City Council's findings and actions regarding this matter.

OLD BUSINESS

13. [Approval of 2024 SFS Art Fest Proposed Event Fees Recommended by the Heritage Arts Advisory Committee \(HAAC\)](#)

Recommendation:

- Provide staff direction on the 2024 SFS Art Fest proposed event fees recommended by the Heritage Arts Advisory Committee (HAAC).

NEW BUSINESS

14. Request to Appoint two (2) Council Members to Serve on an Ad-Hoc Subcommittee to Discuss traffic concerns with the Little Lake School District

Recommendation:

- Appoint two (2) Council Members to serve on an ad-hoc subcommittee to discuss traffic concerns at Little Lake School District schools.

15. Request Direction on Excused Absences from Advisory Committee Members and Commissioners

Recommendation:

- Receive direction from Council on how to proceed with future requests on excused absences from Advisory Committee Members and Commissioners.

16. Appropriation of funds from City's Art in Public Places fund for City's Art Education Grant Program for Fiscal Year 2023-2024

Recommendation:

- Approve the appropriation of funds from the City's Art in Public Places Fund (Activity 10511001-593000)
- Authorize the distribution of monies as recommended by the Heritage Arts Advisory Committee to fund the City's Art Education Grant Program for Fiscal Year 2023-2024.

17. **COUNCIL COMMENTS/ AB1234 COUNCIL CONFERENCE REPORTING**

18. **ADJOURNMENT**

I, Janet Martinez, City Clerk for the City of Santa Fe Springs, do hereby certify under penalty of perjury under the laws of the State of California, that the foregoing agenda was posted at the following locations; City's website at www.santafesprings.org; Santa Fe Springs City Hall, 11710 Telegraph Road; Santa Fe Springs City Library, 11700 Telegraph Road; and the Town Center Plaza (Kiosk), 11740 Telegraph Road, not less than 72 hours prior to the meeting.



Janet Martinez, CMC, City Clerk

7-28-23

Date Posted



City of Santa Fe Springs

City Council Meeting

August 1, 2023

CONSENT AGENDA

Fire Station Headquarters Roof Replacement – Award of Contract

RECOMMENDATION

- Accept the bids; and
- Award a contract to Rite-Way Roof Corporation of Fontana, California, in the amount of \$608,392.00.

BACKGROUND

The Fire Station Head Quarters Roof has sustained a substantial amount of water damage due to exposure from the elements, causing numerous leaks in the roof. The Fire Department Head Quarters roof has exceeded its service life and requires replacement. The scope of work consists of the complete removal of the existing built-up roofing systems on five (5) separate roofs (approximately 11,100 square feet), the removal and replacement of roof shingles on the pitched roof (approximately 9,200 square feet) installation of a specified TREMCO (or equal) roofing system with appurtenances including any sub-roof plywood replacement as needed, installation of new roof hatch, roof ladder and replacement of all deteriorated drain covers.

On July 19, 2023, the City received 7 bids. City staff reviewed the bids and determined that all bid proposals comply with the project specifications but one bid did not submit the required signed addendum document. The low bidder for the project is Rite-Way Roof Corporation, of Fontana, with a bid totaling \$608,392.00. The bid proposals for the following bidders reflects the bid amounts.

Company Name	Publicly Read Bid	Audited Bid
1. Rite-Way Roof Corporation	\$608,392.00	\$608,392.00
2. Best Contracting Services, Inc.	\$716,565.00	\$716,565.00
3. AME Builders, Inc. dba AME Roofing	\$722,700.00	\$722,700.00
4. Commercial Roofing System Inc.	\$809,153.00	\$809,153.00
5. 4 Seasons Roofing, Inc.	\$810,872.00	\$810,872.00
6. Danny Letner, Inc. dba Letner Roofing Company	\$850,000.00	\$850,000.00 **
7. Chapman Coast Roof Co., Inc.	\$972,346.00	\$972,355.00 *

*Mathematical computation summation errors.

**Did not submit the required signed addendum document.

The bid proposal submitted by Rite-Way Roof Corporation in the amount of \$608,392.00, is approximately 36% below the Engineer's Estimate of \$950,000.

Report Submitted By: Yvette Kirrin
Interim Director of Public Works

Date of Report: July 27, 2023

The Department of Public Works has reviewed the bids and determined the low bid submitted by Rite-Way Roof Corporation to be responsive and responsible.

LEGAL REVIEW

The City Attorney's office has reviewed the proposed agreement.

FISCAL IMPACT

The Fire Station Headquarters Roof Replacement project's total funding is \$1,449,000.00. The total project cost is \$1,108,000 and will not require an additional appropriation. Staff is anticipating a funding surplus from the Capital Improvement Plan/Utility Users Tax in the amount of approximately \$341,000.

The total project costs are as follows:

<u>ITEM</u>	<u>PROJECT COSTS</u>
Construction	\$ 609,000
Design	\$ 75,000
Engineering	\$ 80,000
Inspection	\$ 80,000
Contingency	\$ 264,000
Total:	\$ 1,108,000

INFRASTRUCTURE IMPACT

Upon completion of the Fire Station Headquarters Roof Replacement project, the roof service life will be renewed and the materials inside the building will be properly protected and maintenance repairs will be reduced.



René Bobadilla, P.E.
City Manager

Attachment:

1. Agreement



City of Santa Fe Springs

City Council Meeting

August 1, 2023

CONSENT AGENDA

City Clerk's Office Renovation – Award of Contract

RECOMMENDATION

- Appropriate additional funds in the amount of \$355,000 from the Utility Users Tax Capital Improvement Fund to the City Clerk's Office Renovation (PW 220020)
- Accept the bids; and
- Award a contract CTG Construction, Inc., of Wilmington, California, in the amount of \$225,000.00.

BACKGROUND

At the March 1, 2022 City Council Special CIP Study Session Meeting, the City Clerk's Office Renovation project was approved with an original scope of work to include enclosing the existing City Clerk's office with the construction of a glass wall, the installation of a new office door and painting the interior walls. The total project cost was \$70,000. Upon consultation with the design architect, the most efficient City Clerk's office layout would include relocating the Mayor's Office Door to the westerly load bearing wall. The relocation of the door would increase the project cost.

At the June 6, 2023 City Council Meeting the project was authorized to advertise for construction bids. The revised scope of work consists of enclosing the existing City Clerk's office with the construction of a glass wall (storefront) and the installation of a new door. Two new workspaces will be created adjacent to the newly constructed City Clerk's office. The existing Mayor's office door will be relocated to west side of the office to allow for the two new workspaces. In addition, the interior walls located in the City Clerk's Office and adjacent hallway walls will be repainted. New electrical outlets, communication and data conduits will be installed. The former City Council member's portraits will be relocated to the City Hall main lobby, north of the Council Chamber exterior wall. Lastly, the carpet will be removed and replaced throughout the North Wing of City Hall including all Council Members offices, staff offices, hallways and Council Chambers. The revised scope of work increased the project cost.

Bids were opened on July 19, 2023, and a total of two bids were received. City staff reviewed the proposals and determined that all bid proposals comply with the project specifications. The low bidder for the project was CTG Construction, Inc., of Wilmington, California, with a bid amount totaling \$225,000.00. The bid proposal for the following bidders reflects the bid amount read publicly during the bid opening held on July 19, 2023, and staff audited corrected results.

Company Name	Publicly Read Bid	Audited Bid
1. CTG Construction, Inc.	\$225,000.00	\$225,000.00
2. Sandalwood Construction	\$356,000.00	\$356,000.00

Report Submitted By: Yvette Kirrin
Interim Director of Public Works

Date of Report: July 27, 2023

The bid proposal submitted by CTG Construction, Inc., in the amount of \$225,000, is approximately 0.5% above the Engineer's Estimate of \$224,000.

The Department of Public Works has reviewed the bids and determined the low bid submitted by CTG Construction, Inc., to be responsive and responsible.

LEGAL REVIEW

The City Attorney's office has reviewed the proposed agreement.

FISCAL IMPACT

The City Clerk's Office Improvement project is an approved Capital Improvement Plan project. The project is funded through Capital Improvement Plan /Utility User Tax (UUT) Funds with a budget of \$70,000. Staff is recommending an appropriation of funds in the amount of \$355,000 from the Utility Users Tax Capital Improvement Fund to the City Clerk's Office Renovation (PW220020) to offset the total project budget shortfall.

The total project cost breakdown is as follows:

<u>ITEM</u>	<u>BUDGET</u>
Construction	\$ 225,000
Design	\$ 10,000
Engineering	\$ 45,000
Inspection	\$ 45,000
Contingency	\$ 100,000
Total Project Cost	\$ 425,000

Approved CIP Project

City Clerk's Office Renovation
Anticipated Total Project Expenditures
Project Budget Shortfall

Approved UUT Funds

\$ 70,000
\$ (425,000)
\$ (355,000)

INFRASTRUCTURE IMPACT

Upon completion of the City Clerk's Office Renovation project, there will be a new partition to create a separation of the hallway from the City Clerk's Office. This project will also include new flooring, base, outlets and switches, door, door frame, door hardware, painting of City Clerk's Office walls, hallway, and mayor's office. Former council members' portraits will be relocated to the main City Hall lobby to allow for the new mayor's door.



René Bobadilla, P.E.
City Manager

Attachments:
Agreement

CITY OF SANTA FE SPRINGS
CONTRACT AGREEMENT
FOR
CITY CLERK'S OFFICE RENOVATION

IN THE CITY OF SANTA FE SPRINGS

This Contract Agreement is made and entered into the above-stated project this 1st day of August 2023, BY AND BETWEEN the City of Santa Fe Springs, as AGENCY, and CTG Construction, Inc., as CONTRACTOR in the amount of \$225,000.00.

WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I

The contract documents for the aforesaid project shall consist of the Notice Inviting Sealed Bids, Instructions to Bidders, Proposal, General Specifications, Standard Specifications, Special Provisions, Plans, and all referenced specifications, details, standard drawings, CDBG contract provisions and forms, and appendices; together with this Contract Agreement and all required bonds, insurance certificates, permits, notices, and affidavits; and also including any and all addenda or supplemental agreements clarifying, or extending the work contemplated as may be required to ensure its completion in an acceptable manner. All of the provisions of said contract documents are made a part hereof as though fully set forth herein.

ARTICLE II

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and perform all work required for the above-stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

ARTICLE III

CONTRACTOR agrees to receive and accept the prices set forth in the Proposal as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV

AGENCY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work and fulfill the obligations according to the terms and conditions herein contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the contract documents. No work or portion of the work shall be paid for until it is approved for payment by the City Engineer. Payment made for completed portions of the work shall not constitute final acceptance of those portions or of the completed project.

ARTICLE V

CONTRACTOR acknowledges the provisions of the State Labor Code requiring 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 certifies compliance with such provisions. Contractor further acknowledges the provisions of the State Labor Code requiring every employer to pay at least the minimum prevailing rate of per diem wages for each craft classification or type of workman needed to execute this contract as determined by the Director of Labor Relations of the State of California. The Contractor is required to pay the higher of either the State or Federal Wages.

ARTICLE VI

Except as to the sole or active negligence or willful misconduct of the AGENCY and notwithstanding the existence of insurance coverage required of CONTRACTOR pursuant to this contract, CONTRACTOR shall save, keep defend, indemnify, hold free and harmless AGENCY, its officers, officials, employees, agents and volunteers from and against any and all damages to property or injuries to or death of any person or persons, and shall defend, indemnify, save and hold harmless AGENCY, its officers, officials, employees, agents and volunteers from any and all claims, demands, suits, actions or proceedings of any kind or nature, including, but not by way of limitation, all civil claims, workers' compensation claims, and all other claims resulting from or

arising out of the acts, errors or omissions of CONTRACTOR, its employees and/or authorized subcontractors, whether intentional or negligent, in the performance of this Agreement.

This indemnification provision is independent of and shall not in any way be limited by the Insurance Requirements of this Agreement. AGENCY approval of the Insurance contracts required by this Agreement does not in any way relieve the CONTRACTOR from liability under this section.

AGENCY shall notify CONTRACTOR of the receipt of any third party claim related to this Agreement within seven (7) business days of receipt. The City is entitled to recover its reasonable costs incurred in providing the notification. (Pubic Contracts Code Section 9201)

ARTICLE VII

AGENCY shall comply with Pub Cont. Code §20104.50 as follows:

20104.50.

(a) (1) It is the intent of the Legislature in enacting this section to require all local governments to pay their contractors on time so that these contractors can meet their own obligations. In requiring prompt payment by all local governments, the Legislature hereby finds and declares that the prompt payment of outstanding receipts is not merely a municipal affair, but is, instead, a matter of statewide concern.

(2) It is the intent of the Legislature in enacting this article to fully occupy the field of public policy relating to the prompt payment of local governments' outstanding receipts. The Legislature finds and declares that all government officials, including those in local government, must set a standard of prompt payment that any business in the private sector which may contract for services should look towards for guidance.

(b) Any local agency which fails to make any progress payment within 30 days after receipt of an undisputed and properly submitted payment request from a contractor on a construction contract shall pay interest to the contractor equivalent to the legal rate set forth in subdivision (a) of Section 685.010 of the Code of Civil Procedure.

(c) Upon receipt of a payment request, each local agency shall act in accordance with both of the following:

(1) Each payment request shall be reviewed by the local agency as soon as practicable after receipt for the purpose of determining that the payment request is a proper payment request.

(2) Any payment request determined not to be a proper payment request suitable for payment shall be returned to the contractor as soon as practicable, but not later than seven days, after receipt. A request returned pursuant to this paragraph shall be accompanied by a document setting forth in writing the reasons why the payment request is not proper.

(d) The number of days available to a local agency to make a payment without incurring interest pursuant to this section shall be reduced by the number of days by which a local agency exceeds the seven-day return requirement set forth in paragraph (2) of subdivision (c).

(e) For purposes of this article:

(1) A “local agency” includes, but is not limited to, a city, including a charter city, a county, and a city and county, and is any public entity subject to this part.

(2) A “progress payment” includes all payments due contractors, except that portion of the final payment designated by the contract as retention earnings.

(3) A payment request shall be considered properly executed if funds are available for payment of the payment request, and payment is not delayed due to an audit inquiry by the financial officer of the local agency.

(f) Each local agency shall require that this article, or a summary thereof, be set forth in the terms of any contract subject to this article.

ARTICLE VIII

CONTRACTOR affirms that the signatures, titles and seals set forth hereinafter in execution of this Contract Agreement represent all individuals, firm members, partners, joint venturers, and/or corporate officers having principal interest herein.

IN WITNESS WHEREOF, the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Contract Agreement to be executed in triplicate by setting hereunto their name, titles, hands, and seals as of the date noted above.

CONTRACTOR
CTG CONSTRUCTION, INC.

By:

NAME, TITLE

ADDRESS

CITY OF SANTA FE SPRINGS

By:

JUANITA MARTIN, MAYOR

ATTEST:

JANET MARTINEZ, CITY CLERK

APPROVED AS TO FORM:

IVY M. TSAI, CITY ATTORNEY

(Contractor signature must be notarized with proper acknowledgement attached.)



City of Santa Fe Springs

City Council Meeting

ITEM #9C
August 1, 2023

CONSENT AGENDA

Purchase of a C30XB Trenching Machine and S3CA Trailer from Ditch Witch West by Piggybacking off of Sourcewell Cooperative Contract #110421-CMW

RECOMMENDATION

- Award the purchase of a trenching machine and trailer to Ditch Witch West by piggybacking off of Sourcewell cooperative contract #110421-CMW; and
- Authorize the Director of Purchasing Services to issue a Purchase Order in the amount of \$27,007.49 for this purchase.

BACKGROUND

On June 20, 2023 the City Council approved a not to exceed amount of \$30,000 for the purchase of a C30XB trenching machine and trailer in the Fiscal Year 2023-24 Non-Recurring Budget. This equipment will be used primarily by the Public Works Traffic Signal Division, and also be available to other Public Works Maintenance Divisions as needed. Staff will provide adequate training before the equipment is put into service.

As permitted by City code, these units are available on the Sourcewell Cooperative Contract. Cooperative procurement uses the aggregate spend of participating public agencies to enhance the buying power and reduce the cost of equipment or services in those contracts.

The Director of Purchasing Services recommends purchasing this equipment from the Sourcewell Cooperative contract #110421-CMW.

FISCAL IMPACT

The City of Santa Fe Springs will realize a savings of \$2,992.51 from the budgeted amount for this purchase.

A handwritten signature in blue ink, appearing to read "René Bobadilla".

René Bobadilla, P.E.
City Manager

Attachments:

1. Ditch Witch West Quote
2. Sourcewell Contract



Quotation

The Charles Machine Works
1959 West Fir Avenue
P.O.Box PO BOX 66
Perry, OK 73077
Phone No : 1-800-654-6481
Fax No : 580 336 0617
Email : global@ditchwitch.com

Sold-to Party Address

CITY OF SANTA FE SPRINGS
SOURCEWELL MEMBER 17974
12636 EMMENS WAY
SANTA FE SPRINGS CA 90670-3942

Information

Quotation No. 20200117
Document Date 07/12/2023
Customer No. 514589
Dealership DITCH WITCH WEST (CORONA, CA)
CORONA
PO _____
Created by Todd Miller

Global Account Price Quote
Quote Valid until : 08/12/2023

TAXES ARE AN ESTIMATE AT TIME OF QUOTATION-ACTUAL TAX WILL BE CALCULATED AT TIME OF INVOICING. IF TAXES ARE QUOTED AND THIS IS A TAX EXEMPT TRANSACTION, PLEASE PROVIDE TAX EXEMPT CERTIFICATE OR LEASING DETAILS WITH YOUR PURCHASE ORDER.

FOR MODEL SPECIFICATIONS OR OTHER INFORMATION, VISIT OUR WEBSITE AT WWW.DITCHWITCH.COM

Page 1 of 2

Quotation Details

Qty	Material Description	Unit Price	Discount	Amount
	***** SOURCEWELL CONTRACT 110421-CMW *****			
1EA	C30XB - C30XB With the following configuration: Decals English Headshaft Sprocket 11 Tooth 35K Rotowitch No Ground Drive Motor STD 48 CID Drive Motor Low 11.9 CID Hydraulic Oil Standard			20,969.43
1EA	C30XB-PREP - C30XB Prep Assembly			
1EA	140-1268 - 36" BOOM ASM (35K)			
1EA	140-1376 - DANGER RESTRAINT BAR (36")(OAL 41.8")			
1EA	145-562 - PIVOT STUB (1 9/16" X 14.75")			
1EA	190-2563 - PEDESTRIAN CRUMBER - SLIDE 6"			
1EA	135-1445 - 35K 2P SHK B/O COM 68P 6.0			

Confidentiality Notice:

This quote may contain confidential information. The information is intended only for the individual or entity named. If you are not the intended recipient, please immediately notify us at 1-800-654-6481 to arrange for return of the document.



The Charles Machine Works
1959 West Fir Avenue
P.O.Box PO BOX 66
Perry, OK 73077
Phone No : 1-800-654-6481
Fax No : 580 336 0617
Email : global@ditchwitch.com

Sold-to Party Address

CITY OF SANTA FE SPRINGS
SOURCEWELL MEMBER 17974
12636 EMMENS WAY
SANTA FE SPRINGS CA 90670-3942

Quotation

Information

Quotation No. 20200117
Document Date 07/12/2023
Customer No. 514589
Dealership DITCH WITCH WEST (CORONA, CA)
CORONA
PO _____
Created by Todd Miller

Global Account Price Quote Quote Valid until : 08/12/2023

TAXES ARE AN ESTIMATE AT TIME OF QUOTATION-ACTUAL TAX WILL BE CALCULATED AT TIME OF INVOICING. IF TAXES ARE QUOTED AND THIS IS A TAX EXEMPT TRANSACTION, PLEASE PROVIDE TAX EXEMPT CERTIFICATE OR LEASING DETAILS WITH YOUR PURCHASE ORDER.

FOR MODEL SPECIFICATIONS OR OTHER INFORMATION, VISIT OUR WEBSITE AT WWW.DITCHWITCH.COM

Page 2 of 2

Quotation Details

Qty	Material Description	Unit Price	Discount	Amount
1EA	S3CA - S3CA With the following configuration: Hitch Type Weld On Color Standard			2,702.50
		Corporate Account Price		23,671.93
		Total Freight		530.00
		Total Tax		2,485.56
		Installation Charge		320.00
		Total Amount		\$ 27,007.49

Confidentiality Notice:

This quote may contain confidential information. The information is intended only for the individual or entity named. If you are not the intended recipient, please immediately notify us at 1-800-654-6481 to arrange for return of the document.

**ATTACHMENT 2****Solicitation Number: RFP #110421****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and The Charles Machine Works, Inc., 1959 West Fir Ave., Perry, OK 73077 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Public Utility Equipment with Related Accessories and Supplies from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires December 27, 2025, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended for the duration of Supplier's written warranty for such item. Other than the warranties in this paragraph, and Supplier's express written warranties for its products, Supplier expressly disclaims all other warranties, express or implied. Supplier agrees to work with its dealers and distributors to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that is effective beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. **SALES TAX.** Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. **HOT LIST PRICING.** At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;

- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized

subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. **ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be negotiated directly between the Participating Entity and the Supplier. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. **TERMINATION OF ORDERS.** Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. **PRIMARY ACCOUNT REPRESENTATIVE.** Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcwell and Participating Entity inquiries; and
- Business reviews to Sourcwell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcwell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcwell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcwell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcwell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcwell, the Supplier will pay an administrative fee to Sourcwell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the

circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. **CONTRACT COMPLETE.** This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications and operating instructions. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:

- a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
- b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.

2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers, resellers, marketing representatives, and agents (collectively “Permitted Sublicensees”) in advertising and promotional materials for the purpose of marketing the Parties’ relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

- a. Neither party may alter the other party’s trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
- b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party’s trademarks only in good faith and in a dignified manner consistent with such party’s use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. As applicable, Supplier agrees to indemnify and hold harmless Sourcewell and its Participating Entities against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Participating Entities by any person on account of the use of any Equipment or Products by Sourcewell or its Participating Entities supplied by Supplier in violation of applicable patent or copyright laws.

5. *Termination.* Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party’s name or logo (excepting Sourcewell’s pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell’s written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. **ENDORSEMENT.** The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. **PERFORMANCE.** During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. A party will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for Products-Completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms

no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is

primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. § 180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names

of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation

and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier not use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by an Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

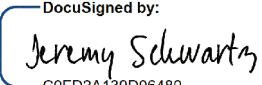
T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcwell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcwell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcwell

The Charles Machine Works, Inc.

DocuSigned by:

By: C0FD2A139D06489...
Jeremy Schwartz
Title: Chief Procurement Officer

Date: 12/20/2021 | 2:14 PM CST

DocuSigned by:

By: FB68493E7FA542A...
Kevin Smith
Title: General Manager, Ditch Witch
Construction

Date: 1/11/2022 | 8:19 AM CST

Approved:

DocuSigned by:

By: 7E42B8F817A64CC...
Chad Coauette
Title: Executive Director/CEO

Date: 1/11/2022 | 8:23 AM CST

RFP 110421 - Public Utility Equipment with Related Accessories and Supplies

Vendor Details

Company Name: The Charles Machine Works, Inc.

Does your company conduct business under any other name? If yes, please state: Ditch Witch

Address: 1959 W. Fir Ave.
Perry, OK 73077

Contact: Mike Spillars

Email: mike.spillars@ditchwitch.com

Phone: 580-572-2390

HST#: 73-0660844

Submission Details

Created On: Monday September 20, 2021 11:50:01

Submitted On: Wednesday November 03, 2021 13:03:54

Submitted By: Mike Spillars

Email: mike.spillars@ditchwitch.com

Transaction #: 3702aa94-7bb8-4d80-b5f8-bf3388129774

Submitter's IP Address: 205.142.232.18

Specifications**Table 1: Proposer Identity & Authorized Representatives**

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	The Charles Machine Works, Inc.	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	Hammerhead Trenchless, American Augers, Subsite Electronics	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	Ditch Witch, Hammerhead Moles, Subsite.	*
4	Proposer Physical Address:	1959 West Fir Ave. Perry, OK 73077	*
5	Proposer website address (or addresses):	www.ditchwitch.com	*
6	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Kevin Smith General Manager, Ditch Witch Construction 1959 West Fir Ave. Perry, OK 73077 ksmith@ditchwitch.com PH: 920 648 4820	*
7	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Mike Spillars Corporate Accounts Manager 1959 West Fir Ave. Perry, OK 73077 mike.spillars@ditchwitch.com 580-572-2390	*
8	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Todd Miller Sr. Inside Sales Representative 1959 West Fir Ave. Perry, OK 73077 todd.miller@ditchwitch.com 580-572-3365	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	
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9	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	<p>The Charles Machine Works (Ditch Witch) was a privately held company from 1949 until being acquired by The Toro Company in early 2019 and became the Ditch Witch division of Toro. Ditch Witch® is the premier manufacturer of Underground Construction Equipment that addresses needs in several markets like Utilities, Utility Contractors, Pipeline Contractors, Telcom Industry, Rental Industry, Government and Infrastructure, to name a few. The products offered are Trenchers, Vibratory Plows, Compact Utility Equipment, Directional Drills, Vacuum Excavation, HammerHead® Pneumatic Tools, as well as Subsite® Utility Locating/HDD Guidance Electronics.</p> <p>We invented the first compact utility line trencher 69 years ago and are partnered with a specialist Ditch Witch® dealer organization, which is the envy of the industry. Our vision is to provide the best solutions for success in the underground construction market worldwide by delivering a superior customer experience.</p> <p>Our Core Values are: Integrity above all things; Pride as individuals and a company; Care for our families, our fellow workers, our community, our customers, and the world in which we live; A Pioneering Spirit that drives our aggressiveness and innovation.</p> <p>Since its inception the Charles Machine Works has remained focused on the underground utility market while we worked to continuously expand and strengthen our support of this market by continuously leading the industry in underground equipment such as directional drills, underground moles and sub terrain electronics.</p> <p>All if the Ditch Witch products are manufactured and shipped from our manufacturing facilities in Perry Oklahoma. A large majority of the employees at Ditch Witch live in and around the community and therefore we take pride in the quality of the products that we produce.</p> <p>Our longevity in the market place is rooted in our ability to form a relationship between the factory and our customers by insuring that our Region Managers spend a minimum of two weeks per month in the field with our dealers talking and interacting with our end customers. Of course this schedule has been hampered with Covid-19 travel restriction in the last 18 month. We will however resume a similar schedule as Covid restrictions ease.</p> <p>Please note that where possible all answers are specific to The Charles Machine Works, Ditch Witch, Subsite and Hammerhead brands. However, certain answers must include The Toro Company. Examples of these answers are in questions which are in regards to but not limited to company financial statements, market share, sustainability awards, etc. We have tried to be as specific as possible in our answers.</p>
10	What are your company's expectations in the event of an award?	<p>To continue to grow our business with members of Sourcewell, as we have done with our current contract.</p> <p>We work with our network of Ditch Witch® dealers and their sales personnel to promote the Sourcewell contract to all Government, Education and Non-Profit organizations within their contracted areas of responsibility and to incrementally grow our sales of Ditch Witch and related products using the Sourcewell contract.</p>
11	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	<p>The Charles Machine Works (Ditch Witch) is a wholly owned subsidiary of The Toro Company and as such attached is The Toro Company's Form 10-Q filing with the United States Security and Exchange Commission. The filing of the Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.</p> <p>The Form 10-Q is a 53 page public statement of finances and outlook of our company. A thorough review of the filing will reveal a company that has a history of strong financial performance. There is also a demonstrated history of growing our business both in terms of organic growth and through acquisition of complementary companies that will enhance our current product offerings.</p>
12	What is your US market share for the solutions that you are proposing?	<p>Since our parent company (The Toro Company) is publicly traded we are not allowed to divulge market share information. Ditch Witch has enjoyed a very healthy market share in all of the markets that we participate and are offering in this proposal. Our market share has led the name of Ditch Witch to become synonymous with the underground utility market.</p>
13	What is your Canadian market share for the solutions that you are proposing?	<p>Since our parent company (The Toro Company) is publicly traded we are not allowed to divulge market share information. Ditch Witch has enjoyed a very healthy market share in all of the markets that we participate and are offering in this proposal. Our market share has led the name of Ditch Witch to become synonymous with the underground utility market.</p>
14	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	NO
15	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	<p>The Charles Machine Works, Inc. (Ditch Witch) is best described as a Manufacturer.</p> <p>We have programs in place that are national in scope in which our specialist Ditch Witch® dealership organization preps and delivers the equipment to a customer who has purchased through the program. We invoice the Sourcewell customer from the manufacturer and fund our dealers for the sale of the equipment. Our dealers are private entities and as such local sales and service professionals are employed by the local dealers. That said, Ditch Witch has Region Sales Managers and Service Managers that work closely with the local dealer and customers in all areas of sales and service of our equipment.</p>

16	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	<p>Ditch Witch family of products are designed and built in the United States and are built to comply with all applicable voluntary safety and environmental standards. This includes ISO, Construction Equipment, Exhaust and Evaporative standards set by the EPA (Environmental Protection Agency) and the California Air Resources Board (CARB).</p> <p>The Charles Machine Works has a manufacturer's license in our home state of Oklahoma as well as a license to sell used vehicles. We also hold licenses to sell vehicles in the following states. Arizona, California, Nebraska, Utah, Tennessee, Florida and Ohio. For our products that are sold with trailers we hold a new and used trailer dealer license in the State of Oklahoma.</p> <p>IN addition to the licenses owned by The Charles Machine Works the contracted Ditch Witch dealers all hold the appropriate licenses and certifications necessary to sell and service the Charles Machine works family of products in the States and Provinces for which they independently operate.</p> <p>Ditch Witch also requires its factory sales personnel and dealer sales personnel to complete a very robust sales and service schools via the Ditch Witch Certified Training Programs.</p>
17	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	The Charles Machine Works has not been under any suspension or debarment in the past 10 years.

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *
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18	Describe any relevant industry awards or recognition that your company has received in the past five years	<p>Ditch Witch Awards, 2016-2021</p> <p>2016 Innovative Iron Award, Compact Equipment: CX-Series walk-behind trencher</p> <ul style="list-style-type: none"> The CX-Series walk-behind trencher line was selected as a winner of Compact Equipment Magazine's Innovative Iron Award for its cutting-edge short track/long track design. <p>2016 Editor's Choice Award, Rental Magazine: CX-Series walk-behind trencher</p> <ul style="list-style-type: none"> The CX-Series walk-behind trencher line was selected for an Editor's Choice Award for its Magazine's Innovative Iron Award for its short track/long track design. <p>2016 Contractor's Top 50 New Products Award, Equipment Today: SK752 stand-on skid steer</p> <ul style="list-style-type: none"> The SK752 was selected as one of the top 50 new products for contractors of 2016 by Equipment Today, which cited the machine's construction-grade durability and high operating capacity compared to similar models. <p>2017 Innovative Iron Award, Compact Equipment: SK1550 stand-on skid steer</p> <ul style="list-style-type: none"> The SK1550 was selected as an Innovative Iron Award winner from Compact Equipment due to the machine's exceptional power compared to similar models. <p>2017 Abbot Most Innovative Product Award, NASTT: JT40 horizontal directional drill</p> <ul style="list-style-type: none"> The JT40 horizontal directional drill was selected by the NASTT as the most innovative new product of 2017. <p>2017 Editor's Choice Award, Rental Magazine: SK1550 stand-on skid steer</p> <ul style="list-style-type: none"> The SK1550 was selected by Rental Magazine as an editor's choice award winner for its best-in-class operating capacity and construction-grade durability. <p>Twenty for 2017 Award Winner, Landscape Business: SK1550 stand-on skid steer</p> <ul style="list-style-type: none"> The SK1550 was selected as one of the 20 top new products of 2017 in the landscaping industry. <p>2018 Contractor's Top 50 New Products Award, Equipment Today: SK1550 stand-on skid steer</p> <ul style="list-style-type: none"> The SK1550 was selected as one of the top 50 new products for contractors of 2018 by Equipment Today due to its best-in-class operating capacity. <p>2018 Big Iron Dealer Award Finalist, Equipment World: Ditch Witch of Oklahoma, Arkansas and the Rockies</p> <ul style="list-style-type: none"> Ditch Witch of Oklahoma, Arkansas and the Rockies was named as a finalist for the Big Iron Dealer Award from Equipment Today. The award honors the top equipment dealers in the country for community engagement, customer education, staff training and marketing initiatives, along with sales, rental and service performance. <p>2019 Innovative Iron Award, Innovative Iron Award: SK3000 full-size stand-on skid steer</p> <ul style="list-style-type: none"> The SK3000 full-size stand-on skid steer was named as an Innovative Iron Award winner from Compact Equipment, which cited the machines' best-in-class operating capacity. <p>2019 Big Iron Dealer Award Finalist, Equipment World: Orange Power Group, Ditch Witch Dealership</p> <ul style="list-style-type: none"> The Orange Power Group was named as a finalist for the Big Iron Dealer Award from Equipment Today. The award honors the top equipment dealers in the country for community engagement, customer education, staff training and marketing initiatives, along with sales, rental and service performance. <p>2019 Editor's Choice Award, Green Industry Pros: Ditch Witch Family of SKs</p> <ul style="list-style-type: none"> The Ditch Witch line of stand-on skid steers was selected by Green Industry Pros for a 2019 Editor's Choice Award. <p>Twenty for 2020 Award, Landscape Business: SK3000 full-size stand-on skid steer</p> <ul style="list-style-type: none"> The SK3000 was selected as one of the 20 top new products of 2020 in the landscaping industry. <p>2020 Editor's Choice Award, Green Industry Pros: SK3000 full-size stand-on skid steer</p> <ul style="list-style-type: none"> The SK3000 was selected by Green Industry Pros for a 2019 Editor's Choice Award. <p>2021 Editor's Choice Award, Rental Magazine: SK3000 full-size stand-on skid steer</p> <ul style="list-style-type: none"> Rental Magazine selected the SK3000 as an editor's choice award winner for 2021, honoring the year's top products in the rental industry <p>2021 Abbot Most Innovative Product Award, NASTT: JT24 horizontal directional drill</p> <ul style="list-style-type: none"> The JT24 was selected by the NASTT as one of three finalists for the most innovative new product of 2021.
19	What percentage of your sales are to the governmental sector in the past three years	<p>As a publicly traded company our parent company The Toro Company considers this type of customer information as confidential. However, per our publicly filed Form 10-Q revenues through Q3 for FY 2021 by market segment are as follows.</p> <p>Net Sales by Segment: Professional 73% Residential 26% Other 1%</p>
20	What percentage of your sales are to the education sector in the past three years	<p>As a publicly traded company our parent company The Toro Company considers this type of customer information as confidential. However, per our publicly filed Form 10-Q revenues through Q3 for FY 2021 by market segment are as follows.</p> <p>Net Sales by Segment: Professional 73% Residential 26% Other 1%</p>
21	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	<p>Sourcewell Public Utility Contract is the only Cooperative contract awarded to The Charles Machine Works. However, our products are sold though both an HGAC and Buy Board contract that is administered by a third party who handles the pricing, quoting, invoicing and any audits requested.. Sourcewell is our premier cooperative contract and is the only contract that Ditch Witch conducts dealer training and markets with our dealer network.</p> <p>Note: As a publicly traded company the detailed sales information for each contract is considered confidential.</p>

22	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	The Charles Machine Works does not hold a GSA contract but like HGAC and Buy Board our products are sold on a GSA contract that is administered through a third party. Note: As a publicly traded company the detailed sales information for each contract is considered confidential.	*
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Table 4: References/Testimonials

Line Item 23. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
City of Berthoud	Brandon Keegan	970-980-4410	*
City of Jeffersonville	John Walling	502-551-1305	*
Augusta County Service Authority	Chuck Butler	540-487-9440	*

Table 5: Top Five Government or Education Customers

Line Item 24. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
Confidential	Government	Texas - TX	Machines purchased for Utility Installations/Maintenance	3 Units	\$590,034	*
Confidential	Government	North Carolina - NC	Machines purchased for Utility Installations/Maintenance	4 Units	\$417,164	*
Confidential	Government	Tennessee - TN	Machines purchased for Utility Installations/Maintenance	2 Units	\$417,164	*
Confidential	Government	Alabama - AL	Machines purchased for Utility Installations/Maintenance and other misc. municipal work	6 Units	\$416,669	*
Confidential	Government	Washington - WA	Machines purchased for Utility Installations/Maintenance	3 Units	\$395,507	*

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *
25	Sales force.	The Ditch Witch® Factory has 25 sales, product specialists and marketing personnel who work with our specialist dealership organization across the entire United States and Canada in all facets of the business. Dealers employ more than 250 professional salespersons in the local area markets across the US and Canada that are positioned to service all Sourcewell members.
26	Dealer network or other distribution methods.	We have an independent specialized Ditch Witch® dealer organization in North America whose focus is the sales, service and support of the Ditch Witch, HammerHead® and Subsite® product lines. There are 28 dealer owners with over 150 branch locations in North America. Within those locations, there are 250+ sales personnel and 250+ parts employees to provide sales, support and training to Ditch Witch customers. We have included a list of our dealers and their locations with this proposal.
27	Service force.	In addition to a team of Service Support and Parts Supports Managers located in the Perry Campus the dealership organization has well over 600 trained service personnel throughout North America to provide unmatched service support to our customers. The factory employees and the dealers employees work in tandem to make sure that our customers are fully satisfied with the productivity of their equipment.
28	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Our order process for Sourcewell is as follows: 1. Our dealership sales personnel work with the Sourcewell member to spec the equipment properly for their area. 2. the local DW dealer provides this information to our internal Global Account group to quote the unit with the Sourcewell pricing. 3. Once the Sourcewell customer decides to purchase, the Purchase Order is made out to The Charles Machine Works, Inc. 4. The Ditch Witch® dealer orders the equipment or delivers out of their inventory to the Sourcewell customer. 5. Upon delivery the Ditch Witch dealer sends in a delivery receipt to the factory. 6. The factory bills the Sourcewell member, and at the same time, funds our dealer for the sale. By having this type of system, all Sourcewell sales go through one entity, the factory, so we can track the sale and give the proper quarterly sales and fee to Sourcewell.
29	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	As indicated in questions 25-28 we have an extensive specialized Dealer Network with all dealer branch locations having full service shops with specialized tools and equipment to service and maintain our customers machines. Dealer technician follow a complete factory training certification program Dealer locations team with the factory to insure that our customers are repaired and back on the job site as quickly as possible. As with any service organization shop load is the determining factor on how rapidly a unit can be repaired and returned to the customer. That said, the dealership works closely with our factory service reps to insure that repairs are timely and more importantly, fixed correctly. Our years of industry success can be directly attributed to our world class service after the sale. One example of our world class service is our Pro Technician program. The Pro-Technician program was developed by the Ditch Witch® organization to provide comprehensive product training for Ditch Witch service technicians. This extensive training program - consisting of bronze, silver, and gold levels - focuses specifically on Ditch Witch products and insures that the technicians that service and repair your machines are among the most knowledgeable in the industry.
30	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Pledge on our Website: "At Ditch Witch, we don't just sell equipment. We pledge to be there when you need us. With a promise to help you be more productive. A passion to help you be more profitable. And the simple understanding that time is money." With the complete dealer coverage throughout the United States (93 locations) we are more than able to provide products, and services to Sourcewell entities. Every dealer in the Ditch Witch network participates in the Sourcewell contract and views the Sourcewell contract as a valuable asset to their business and as such will provide the best possible service to all Sourcewell owners.
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	With the complete dealer coverage in Canada (46 locations across 9 provinces) we are more than able to provide products, and services to Sourcewell entities. Just like in the U.S. every dealer location in Canada network participates in the Sourcewell contract when the opportunity exists and views the Sourcewell contract as a valuable asset to their business and as such will provide the best possible service to all Sourcewell owners.
32	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	We will fully service all geographic areas of the United States and Canada. With 150 plus dealer locations across North America we are able to reach every geographic sector.
33	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	We service all Sourcewell member sectors. As stated in question 32, with 150 plus dealer locations across North America we are able to reach every geographic sector and we are not limited by other cooperative contracts in our ability to service the Sourcewell contract and its members.
34	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	Additional freight will be charged on any equipment purchased in the areas mentioned. Quotes for machines being delivered to Alaska and Hawaii will have the freight charges indicated on the quote.

Table 7: Marketing Plan

Line Item	Question	Response *
35	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	<ul style="list-style-type: none"> Ditch Witch® will promote the Sourcewell partnership on our dealer channel communications web site. The Ditch Witch Dealer Central intranet site provides dealers with all of the information and tools they need to work in concert with the factory on all products, ordering, quoting, product support and more. The Sourcewell program will be consistently communicated to our dealer channel throughout the year via this critical site. This will allow Ditch Witch dealers to inform their sales, parts and service teams to support Sourcewell members in the marketplace. Ditch Witch is creating a sales flier that will showcase and explain the Sourcewell and Ditch Witch partnership program. This can be made available as a PDF for local printing at all Ditch Witch dealership locations. Ditch Witch has created an informational PowerPoint presentation that provides all of the important information and details that Ditch Witch dealers need to effectively execute the Sourcewell partnership program. This information is also available 24/7 on the Dealer Central web site for all dealer and factory personnel. The Ditch Witch factory will distribute the Sourcewell member list by Ditch Witch dealer APR (Area of Primary Responsibility) two times per year which will provide our dealer sales force with the exact members in each of their territories. We will use the Sourcewell member list in conjunction with the local dealers to actively pursue current members business as well as use the member list to promote other local SLED agencies that may not be a Sourcewell member to become a member. We have found that the member lists are invaluable tool for "helping" an apprehensive entity to become comfortable with Sourcewell when they see their neighboring city is a Sourcewell member. In addition, we will prepare a press release and then post in our Press Room: http://www.ditchwitch.com/press-room. Other ways we market partnerships are through our website
36	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	<p>We deploy a comprehensive range of digital marketing and media tools to enhance our customers' experience with our brands, to support our new product launches, to sustain existing product leadership and build stronger relationships.</p> <p>These tools include social media, smart display, paid search, marketing automation, social sentiment tracking and more. Facebook, Twitter, Linked In, You Tube and Instagram are examples of social media in which we are active.</p> <p>We also have a very comprehensive web site designed to be not only very informative and educational but, interactive with the customer.</p> <p>Our My Ditch Witch portal allows customers to track their machines and monitor the performance of their fleet.</p>
37	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	<p>We would expect Sourcewell to be a partner with The Charles Machine works in promoting our newly awarded contract by issuing an email blast to all current Sourcewell members which announces that the award was given to The Charles Machine Works (Ditch Witch). We would also like to see the announcement on all Sourcewell social media outlets. Thought out the course of the contract we would expect that Sourcewell be the leader in promoting the use of procurement contracts and include Ditch Witch in all publications/advertisements that promote Sourcewell available contract holders. We would expect that Sourcewell attend all industry government industry trade shows to promote Sourcewell vendors and processes.</p> <p>We have worked for years to promote Sourcewell in our sales processes with our dealer network and as a result Sourcewell is almost second nature to our dealer salespeople. The Sourcewell sales process is not only documented in our dealer portal but, also supported with new salesperson training and two power point presentations on how to use Sourcewell as a selling tool and the internal sales process.</p> <p>Additionally, all local Sourcewell training opportunities through Sourcewell University and Sourcewell Sales Accelerator are sent to the internal Region Sales Manager and also the local dealer locations encouraging them to enroll dealer salespeople that need such training. This includes both new salespeople and seasoned salespeople as a refresher course.</p>
38	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	<p>Due to the unique and endless configurations of our products it is very difficult to develop an e procurement system for our products. Each model requires a custom quote. That said we are excited to see the new and upcoming Sourcewell market place which we are anxious to participate. We feel this could help with marketing and developing an e commerce solution to Sourcewell members. Our intent is to be very active in the Sourcewell Marketplace and make it as effective as possible.</p>

Table 8: Value-Added Attributes

Line Item	Question	Response *
39	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	<p>Operator and equipment training are performed at the time of delivery by our dealership organization. Maintenance training is performed on an as-needed basis from our authorized Ditch Witch® dealers or the Ditch Witch factory. This initial training is performed at no charge to the Sourcewell member.</p> <p>Additionally operator and safety training is available in the MY Ditch Witch tab at www.ditchwitch.com.</p>
40	Describe any technological advances that your proposed products or services offer.	<p>We are the only manufacturer in our industry that designs and builds the majority of the components used in our equipment on-site. This is what we refer to as a systems approach; for example, we design and manufacture our directional drills, the drill pipe that is used with the drill, the down hole tools, as well as the electronic guidance system, at our own facilities rather than purchase outside and bring it in for our products. This gives us an advantage by being responsible for our quality and being able to affect change in any of these items in a much shorter time</p> <p>Below is a list of technological advances we build into our machines.</p> <p>SK3000 Compact Utility Loader</p> <ul style="list-style-type: none"> 3102 lbs rated operating capacity (ROC) 118-inch hinge pin height Under CDL requirements Integrated hydraulic controls

	<ul style="list-style-type: none"> - Self-leveling arms with ride control - Patented throttle control system linked to platform; more fuel efficient - 360-degree visibility - Easy on/off platform
	<p>SK600, SK800, SK900, SK1050, SK1550 Compact Utility Loaders</p> <ul style="list-style-type: none"> - Patented cruise control on ground drive - Patented hydraulic control system with integrated platform switch - Patented hydraulic auxiliary manifold for dual aux - 360-degree visibility - Easy on/off platform - Up to 1978 lbs rated operating capacity (ROC) - Up to 94.5-inch hinge pin height <p>Zahn - Stand-on Articulating Tool Carrier</p> <ul style="list-style-type: none"> - Patented stand-on articulation - Patented quick change front end - 360-degree visibility - Easy on/off platform
	<p>410SX Vibratory Plow</p> <ul style="list-style-type: none"> - 49.6-hp Gas engine, no exhaust cleaning or after treatment - Optional front attachment, such as a trencher - Easy to use, color coded controls, with operator presence system - Install cable and pipe up to 24" deep
	<p>C12X, C14, C16X, C24X, C30X Pedestrian Trenchers</p> <ul style="list-style-type: none"> - Patented sprocket w/ double mud relief - Patented non-symmetrical tracks for balance - Patented track and guide member - Up to 6" trench width, up to 48" dig depth
	<p>Utiliguard Utility Locators</p> <ul style="list-style-type: none"> - High-contrast LCD display is visible in all conditions, including direct sunlight. - Remotely control the transmitter with the receiver. - Wireless technology simplifies communication and data transfer to other communication devices. - UtiliGuard 2 locator is direction enabled, i.e., provides the direction of the current to help you identify the target line. - Ambient Interference Measurement (AIM) technology scans the surrounding area for noise and recommends the best frequencies for the fastest, most accurate locates.
	<p>Marksman Plus HDD Guidance</p> <ul style="list-style-type: none"> - Superior performance in high-noise environments with the industry's widest range of frequencies in a single beacon. - Scans the most-usable frequencies, selecting the best choice to avoid interference. - Stronger communication between tracker and beacon at extended depths (130+ feet) for more productive bores. - Intuitive user interfaces for ease of use; choose Classic View or the new Marksman View. - Advanced locating methods let you use your preferred method of locating. - Drill-To Mode: Extended range enables the drill operator to make real-time corrections further out, improving bore accuracy
	<p>Utility Inspection</p> <ul style="list-style-type: none"> - High-resolution video with a total zoom of 40:1 (10X optical and 4X digital). - Integrated pan/tilt head with built-in ultra-bright, fully adjustable LEDs. - Remote controlled with full camera head swing/rotation. - Programmable pan and rotate limits with on-screen instructions. - Internal pressure and humidity sensors and internal clock with startup counter. - Home function to return camera head to straight-ahead position. - LED lights with remote-controlled settings.
	<p>JT5, JT10, JT20 Horizontal Directional Drills</p> <ul style="list-style-type: none"> - JT5/JT10-Optional GPS for theft protection - JT20 -Wireless ground drive-ease of set up and mobiling - Dual stick operation-operator comfort - Drill and pipe loader automation- Ease of operation - Orange Intel-Telematics technology
	<p>JT28 Horizontal Directional Drill</p> <ul style="list-style-type: none"> - Wireless ground drive-ease of set up and mobiling - Dual stick operation-operator comfort - Drill and pipe loader automation- Ease of operation - Orange Intel-Telematics technology
	<p>JT24 Horizontal Directional Drill</p> <ul style="list-style-type: none"> - Operator uptime features, including manual overrides for key drilling operations. - Alternate joysticks for Ditch Witch or Vermeer style drill operations. - Ergonomic operator station for hours of comfortable operation. - Consistent user controls with other platform drill family. Helps operators go from one machine to another with seamless operation training. Also allows component sourcing and the use of more common components. - Wireless operator control allows the operator the ability to move to key tight areas, ensuring perfect setup and rod entry points. - Horizontal shuttle pipe loader increases reliability while maintaining lower pipe box positioning. - Wide stance undercarriage makes this the most side slope stable drill on the market! - Heavy duty rotational drive and thrust drive components, providing big drill performance on a small drill. - Patented open sided breakout
	<p>JT32, JT40 Horizontal Directional Drills</p> <ul style="list-style-type: none"> - Operator uptime features, including manual overrides for key drilling operations. - Alternate joysticks for Ditch Witch or Vermeer style drill operations. - Ergonomic operator station for hours of comfortable operation. - Consistent user controls with other platform drill family. Helps operators go from one machine to another

	<p>with seamless operation training. Also allows component sourcing and the use of more common components.</p> <ul style="list-style-type: none"> - Wireless operator control allows the operator the ability to move to key tight areas, ensuring perfect setup and rod entry points. - Horizontal shuttle pipe loader increases reliability while maintaining lower pipe box positioning. - Heavy duty rotational drive and thrust drive components, providing big drill performance on a small drill. - Orange Intel- Telematics Technology - Patented open sided breakout - Carriage Thrust Break - Patented Virtual carriage brake - Thrust and Rotation limiter - Patented slide cartridge- reduces downtime <p>AT32, AT40 Horizontal Directional Drill</p> <ul style="list-style-type: none"> - Patented Dual Pipe system-Production and serviceability - Patented Rockmaster housing- Switchback - All of the call outs in JT version above <p>RT70 Riding Trencher</p> <ul style="list-style-type: none"> - Centrifugal cooling fan - Single piece advanced composite hood with lift assist - Trench depth meter, providing display and logging of trench depth, distance, profile, and productivity. - Anti-stall technology - Advanced cruise control - Enhanced rear steer with active center, crab & coordinated steering modes - Tier 4 Final/Stage V engine and aftertreatment - 120 degree swivel seat - 3 speed shift-on-the-fly w/ autoshift software - Reconfigurable to tracks for tires as needed - Electric over hydraulic attachments - CAN BUS - Ergonomic operator station, designed for cool operation, comfort, and visibility of attachments & surroundings. - Center & offset trencher, plow, backhoe, reel carrier - Microtrenching Attachments - Optional GPS and Telematics with OrangeIntelTM <p>RT80 Riding Trencher</p> <ul style="list-style-type: none"> - Tier 4 Final or T4i offerings - Advanced cruise control - Reconfigurable to tracks for tires as needed - Swivel seat - Center & offset trencher, combo, saw, plow, backhoe, reel carrier - Microtrenching Attachments - Optional GPS and Telematics with OrangeIntelTM- <p>RT120, RT120Q Riding Trencher</p> <ul style="list-style-type: none"> - Advanced cruise control - Swivel seat - Center & offset trencher, combo, saw, plow, backhoe, reel carrier - Optional GPS with OrangeIntelTM <p>RT125, RT125Q Riding Trencher</p> <ul style="list-style-type: none"> - Tier 4 Final engine and aftertreatment - Advanced cruise control - 3 speed shift-on-the-fly w/ autoshift software - 120 degree swivel seat - Electric over hydraulic attachments - CAN BUS - Center & offset trencher, combo, saw, plow, backhoe, reel carrier - Microtrenching Attachments - Enclosed cab (optional) with heat, A/C & pressurization - OrangeIntelTM Telematics standard <p>M200/300 Reclaimers</p> <ul style="list-style-type: none"> - Derrick Technology <p>MV Hydrovacs</p> <ul style="list-style-type: none"> - 31 HP Vanguard Engine - Reverse Flow - Jib Boom - Purpose built vac trailer - 15" Hg lift - 500 CFM - Water system <p>HX Hydrovacs</p> <ul style="list-style-type: none"> - Reverse Flow - Remote control operation - Power Boom - Water System w/ 3000 PSI - 15" Hg lift - Prospector Digging Lance - 1315 CFM - Purpose built vac trailer <p>Orange Intel Telematics</p> <ul style="list-style-type: none"> - Standard feature of machine monitoring for larger HD drills and riding trenchers. - Geo-Fencing - Troubleshooting - Optional GPS kits for smaller compact equipment
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41	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	<p>Ditch Witch has always been very diligent in making sure that we are good stewards of the environment. Those efforts have been ratcheted up to an even greater degree now that we are part of the Toro family. Part of the Toro purpose is "to help our customers enrich the beauty, productivity and sustainability of the land." the full details of our sustainability initiative can be found at https://thetorocompany.com/sustainability/sustainability-endures.</p> <p>The "green" initiatives at our manufacturing facility include the following:</p> <ul style="list-style-type: none"> - Recycling of cardboard, glass, plastic and scrap metal. -We also capture waste oil and any ethylene glycol for recycling. -Wooden pallets are taken to our city recycling location to be shredded. -Janitorial supplies used for cleaning in our facility are all green products. - Machine coolant in our NC machines and lathes in our machine shop are green. -No petroleum-based products are used for coolant. -Lighting in the plant has been changed over to low consumption florescent lights which save energy. -Our parking lot lights are all LED lights, again to save energy. -We also heat and cool three of our buildings at our manufacturing facility with ground source heat pumps designed to save energy. -Since being purchased by Toro they have implemented a new energy management system to monitor energy consumption and resource efficiency at production facilities. - We have replaced paper manuals with on line digital manuals to reduce paper usage. - Our Hammerhead brand introduced "cure in place pipes" whereby aging and or ruptured pipes are repaired with a revolutionary Blue Light LED system. This system extends the life of existing pipe networks and reduces landfill waste.
42	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	<ul style="list-style-type: none"> - 2020 Editor's Choice Award, Green Industry Pros: SK3000 full-size stand-on skid steer - The SK3000 was selected by Green Industry Pros for a 2019 • Editor's Choice Award. - The Toro Company (parent company) was pleased to be recognized as a 2020 Recycling Demand Champion by The Association of Plastic Recyclers (APR). -In 2020, the U.S. Environmental Protection Agency recognized The Toro Company (parent company) with a WaterSense® Excellence Award for the fifth consecutive year. This prestigious award recognizes companies that demonstrate a commitment to promoting water efficiency and reducing waste through education and developing products that are independently certified to use less water.
43	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	While we do not have any dealers that we are aware of with certifications in these categories we do have two dealers that have a female majority ownership and several others with non-majority female ownership. We also have other dealers that are veterans but are not certified as Veteran owned corporations.
44	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	<p>Pledge on our Website: "At Ditch Witch, we don't just sell equipment. We pledge to be there when you need us. With a promise to help you be more productive. A passion to help you be more profitable. And the simple understanding that time is money."</p> <p>We are the only manufacturer in our industry that designs and builds the majority of the components used in our equipment on-site. This is what we refer to as a systems approach; for example, we design and manufacture our directional drills, the drill pipe that is used with the drill, the down hole tools, as well as the electronic guidance system, at our own facilities rather than purchase outside and bring it in for our products. This gives us an advantage by being responsible for our quality and being able to affect change in any of these items in a much shorter time frame. We feel that using the approach described above gives us the ability to offer a better quality product, as the components are designed for use in a particular unit, as opposed to a purchased component off the shelf.</p> <p>We have competitors in all of the products that we manufacture at Ditch Witch. What makes a difference is how we manufacture our products vs. our competition. Manufacturing a large portion of our products ourselves gives us advantages that are not the same as our competition. A good example is the fact that we design and manufacture our Directional Drills, the drill pipe that goes with that particular model, and the electronics that go with the drill to track its progress and give accurate location information. Our competitors don't make their own drill pipe or electronics as they depend on other manufacturers to supply them. We have better control and can make necessary changes faster by not having to depend on other companies.</p> <p>We also manufacture our own tanks and trailers for our vac systems. Again, our competitors rely on other manufacturers for these products.</p> <p>Our factory trained technicians make Ditch Witch service stand out in the industry. The Ditch Witch ProTechnician program was developed by the Ditch Witch® organization to provide comprehensive product training for Ditch Witch service technicians. This extensive training program - consisting of bronze, silver, and gold levels - focuses specifically on Ditch Witch products and insures that the technicians that service and repair your machines are among the most knowledgeable in the industry.</p> <p>For all of these reasons Ditch Witch has become synonymous with the underground trenching industry. Much like Kleenex is to facial tissue Ditch Witch is to underground trenching machines. There is a lot of value to a customer to purchase from such a highly recognized manufacturer.</p>

Table 9: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
45	Do your warranties cover all products, parts, and labor?	<p>Yes, our standard factory warranty covers all products for failures in material and workmanship. (Excluding wear items.) All parts and labor for warrantable failures are covered by the standard warranty.</p> <p>The Sourcewell member is responsible for all required maintenance and adjustments as stated in the operating manual for each model. Failure to perform required maintenance may be grounds for denial of warranty for a component negatively affected by failure to perform maintenance.</p> <p>Exclusions from Product Warranty</p> <ul style="list-style-type: none"> •All incidental or consequential damages. •All defects, damages, or injuries caused by misuse, abuse, improper installation, alteration, neglect, or uses other than those for which products were intended. •All defects, damages, or injuries caused by improper training, operation, or servicing of products in a manner inconsistent with manufacturer's recommendations. •All engines and engine accessories (these are covered by original manufacturer's warranty). •Tires, belts, and other parts which may be subject to another manufacturer's warranty (such warranty will be available to purchaser) <p>A copy of our limited warranty can be found in the Attached Owners Manual. Each machine purchased will come with a copy of the owners manual which contains a copy of our manufacturers limited warranty.</p>
46	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	No. (see section 45 for any exclusions)
47	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Yes. For any unit that is over 50hp we pay our dealerships a fee for up to 400 miles if a service truck is dispatched, plus pay for parts and labor for the repairs. Other travel time may be approved on a case by case basis as deemed necessary.
48	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	No. Our dealer network encompasses the entirety of the United States and Canada. We have 150+ brick and mortar locations with service trucks and over 600 technicians for service and warranty repairs.
49	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	Yes, excluding the following: Engines, tires, batteries or VanAir Systems which are covered by their respective manufacturers warranties.
50	What are your proposed exchange and return programs and policies?	<p>New, unused, uninstalled parts in their original containers are eligible for return within 90 days of purchase. Return shipment to Ditch Witch will be the responsibility of the customer.</p> <p>All sales of wholegoods are final and not eligible for return.</p> <p>We reserve the right to make good faith customer satisfaction decisions on all customer purchases up to and including returns/exchanges.</p>
51	Describe any service contract options for the items included in your proposal.	The Ditch Witch dealership offers up to a 2000 hour service contract that can be purchased locally from the servicing dealer. If a customer chooses a service contract the price will be included on the Sourcewell quote.

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *
52	Describe your payment terms and accepted payment methods?	Payment terms are Net 30. We accept check, and or payment via ACH transfer.
53	Describe any leasing or financing options available for use by educational or governmental entities.	<p>Ditch Witch® Financial Services, our in-house finance group, offers a complete package of leasing and conditional sales programs to meet the needs of our customers. Lease terms and rates are as follows:</p> <p>The 24, 36 & 48 month lease Index rate is determined based on the 3 year, 4 year and 5 year published swap rates on the Board of Governors of the Federal Reserve System and is adjusted quarterly. The Ditch Witch® Financial Services (DWFS) standard lease is a purchase option lease and not considered a fair market value lease. Residuals are determined before contract agreement has been signed.</p> <p>Lease terms are 24,36,48 and 60 months.</p> <p>Ditch Witch® Financial Services (DWFS) is a private label group under Bank of the West, which is a subsidiary bank of BNP Paribas.</p>
54	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	We will provide the customer with an authorized Sourcewell price quote from Ditch Witch for any product a Sourcewell member wishes to have quoted. We will accept a standard Purchase Order from the customer. Once the unit is delivered by the local servicing dealer the customer will need to sign a delivery receipt. Ditch Witch will then invoice the member on our standard invoice. Sample copies are attached.
55	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	<p>No, not at this time.</p> <p>We reserve the right to initiate the acceptance of P-Cards at a future date of our choosing should we decide to pursue a P-Card payment method.</p>

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcwell Price and Product Change Request Form.

Line Item	Question	Response *	
56	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcwell discounted price) on all of the items that you want Sourcwell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Our pricing model is a discount from the Manufactures Stated Retail Price MSRP on each product. Attached to the RFP is a list of all products and their MSRP prices. Discounts to Canada will be 2% less than the discounts offered in the US. This will account for all customs fees and other associated costs associated with shipping from the U.S. to Canada. Attached are price lists by model. Note: We have included the price lists in both excel and PDF format in case there are any issues with opening large excel files.	*
57	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Ditch Witch is offering discounts up to 10% from our manufacturers stated retail prices on all Ditch Witch, Hammerhead, and Subsite equipment. See attached pricing sheets for specific discounts on each model. Note: We have included the price lists in both excel and PDF format in case there are any issues with opening large excel files.	*
58	Describe any quantity or volume discounts or rebate programs that you offer.	Since we consider the Sourcwell Contract, and therefore their members, to corporately qualify for high volume discounts or rebates we offer a very attractive discount up front on all machines. Our pricing is best pricing up front and therefore additional volume discounts or rebates are not necessary and therefore not offered in our proposal. Local dealers may, from time to time, may offer special pricing to compete in their local markets. Such pricing will be at dealer discretion and will always be below the Sourcwell contract price.	*
59	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Sourced products will be provided locally through the delivering dealer. The delivering dealer will provide a quote for the non Ditch Witch "sourced" product and the quote will be added onto the quote for the Sourcwell customer. The customer will have the option to accept the quoted price or reject the price and choose to only purchase the approved Sourcwell product from Ditch Witch or its sister companies. Then the customer would be free to purchase a "Sourced" item from the brand of their choosing.	*
60	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	There are installation charges associated with certain optional features that may need to be installed on the Ditch Witch machines. Installation charges for those items will be clearly listed on the quote for the Sourcwell customer.	*
61	If freight, delivery, or shipping is an additional cost to the Sourcwell participating entity, describe in detail the complete freight, shipping, and delivery program.	All products are shipped from our factory in Perry, OK to the local Ditch Witch dealer that will be making the final delivery of the product to the Sourcwell member. We have attached a freight matrix that details current shipping rates to each geographic area of the country including rates to ship into Canada. The local dealer does not charge freight or a delivery charge for final delivery from the dealer to the local Sourcwell member. Other freight charges per item are included in the pricing lists. In certain instances Sourcwell members may take delivery from dealer inventory however, such inventory will be subject to the same freight charges as new production orders from the factory. Freight to Hawaii and Alaska will be quoted separately as needed. All freight charges will be listed on the final quote provided to all Sourcwell customers prior to their placement of the order to Ditch Witch.	*
62	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Canada rates are listed in the freight matrix as indicated in question #61. Freight to Hawaii and Alaska will be quoted separately as needed. Note: Shipping rates to Alaska and Hawaii have varied drastically over the last 18 months and will continue to vary for the foreseeable future. All freight charges will be listed on the final quote provided to all Sourcwell customers prior to their placement of the order to Ditch Witch.	*
63	Describe any unique distribution and/or delivery methods or options offered in your proposal.	All of the equipment in this proposal will receive a Pre-Delivery Inspection (PDI) from the Ditch Witch dealer that includes a multi-point inspection of key components to insure everything complies with the Ditch Witch standard operations of the machines. A delivery checklist is reviewed with the customer to insure that key are covered by the dealer. This includes the provision of an operators manual for each machine, explanation of the standard limited warranty and phone numbers and contact information of the dealer service and parts personnel in the event that they would need to be contacted by the member This may also include operator training at time of delivery as needed.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
64	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	Soucwell is our premier conduit to deliver our product to Government customers and as such we offer premium pricing to Sourcwell members.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *
65	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	<p>1. All Sourcewell quotes will be generated by the Ditch Witch factory and not from the independent dealer network. All quotes will be on an official Ditch Witch Quote (Sample attached)</p> <p>2. All purchase orders for the purchase of machines on the Sourcewell program will be issued to The Charles Machine Works and not the servicing dealer. This will ensure the PO matches the official quote.</p> <p>3. Invoicing to the customer will be directly from the Charles Machine Works.</p> <p>4. Payment will be made to The Charles Machine Works.</p> <p>With this process we remove the dealer from all pricing and guarantees that the Sourcewell contract pricing is compliant.</p> <p>In addition since all invoicing is provided by The Charles Machine Works we track each sale in our system by customer member number in our sales systems. We then run quarterly reports directly from our sales accounting system to insure every sale on the Sourcewell contract is not only priced correctly but also reported to Sourcewell correctly so that the administrative fee will be correct.</p>
66	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	We provide monthly sales reports on the Sourcewell contract to our internal stakeholders and executive management. Example attached.
67	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	The Charles Machine Works, Inc. will propose to pay Sourcewell a fee of 2% of the contract sales price of the machine less any freight and set up for all products in our proposal.

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *
68	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	<p>We are offering the complete line of Ditch Witch® pedestrian and ride on trenchers, vibratory plows, compact utility products, stand on track loaders and attachments, directional drills, vacuum excavation products, micro trenching products Subsite® pipe and cable locators, tracking electronics, as well as the complete line of HammerHead® pneumatic piercing tools.. All of these products are offered and available through our extensive dealer network. See attached for a list of current models.</p> <p>Ditch Witch Model Summary</p> <p>Pedestrian Trencher line up offer Engines from 12-31 hp and dig depths of 24-48 inches.</p> <p>Ride on Trenchers line up offers Engines from 130hp and trencher dig depths to 97"</p> <p>Stand On Skid Steers have operating capacities from 600lbs to 3,100lbs.</p> <p>Vacuum Excavators Range from 150-gallon to 800-gallon Vacuum tanks.</p> <p>Ditch Witch Directional Drills range from 4,100 lbs. and 70,000 lbs. of Thrust Force.</p> <p>Subsite Electronics offers several models of HDD Guidance locators including Marksman, TK Recan, TK Recon repeater, Commander 7, Field Scout, Scoutview, HDD Beacons, TMS Plus and TSR Mobile. Subsite HDD Guidance systems and our exclusive Green Ops™ process give you a clear plan, more control, and faster reporting for safer, more productive jobs.</p> <p>Subsite Electronics also offers a complete line of utility locators including Utiliguard 2, 830R/T, Locating beacons and 2550GR ground penetrating radars system. Before you dig, trench or bore, you need a clear understanding of the hazards below your jobsite. Without it, you're working blind.</p> <p>Hammerhead offers a complete line of mole piercing tools. Including the Active head, Catamount and Standard tools moles as well as the Moletrac locating kit. HammerHead Mole® piercing tools are some of the most reliable in the industry today. With more than 24 models ranging from 2" to 8" (50 to 200 mm). HammerHead Mole piercing tools feature an industry-leading design that uses the heaviest one-piece striker in the industry. Our body housing design provides better durability and tool life than competitive models.</p>
69	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Ditch Witch Utility trailers purpose built for the transportation of Ditch Witch branded equipment.

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments	
70	Telescopic, articulated, mast, and boom, aerial lifts, towers, buckets, and platforms	<input type="radio"/> Yes <input checked="" type="radio"/> No	We do not manufacture these products as we specialize in the underground utility market.	*
71	Digger derricks, and cable placing, pulling, and tensioning equipment	<input type="radio"/> Yes <input checked="" type="radio"/> No	We do not participate in this category.	*
72	Directional drills, trenchless excavation equipment, thrust and boring machines, soil piercing tools, trenchers, rock wheels, and pile drivers	<input checked="" type="radio"/> Yes <input type="radio"/> No	<p>The Charles Machine Works, Inc., is a family of companies that offers an entire range of fully integrated products that address the installation of pipe and cable underground. That is the singular purpose of our business. Our family of companies complement and complete each other so that we can be the sole source provider from the beginning to the end of every HDD bore.</p> <p>Subsite® Electronics locate existing pipe and cable underground and track the installation of new pipe and cable being installed so that the HDD equipment operator virtually has "eyes that see underground." Ditch Witch® equipment offers a broad line of equipment ranging from mini skid steer units to trenchers to HDD machines to vacuum excavators. American Augers® and Trencor® offer HDD machines in sizes that exceed Ditch Witch models to accommodate the largest of jobs. DWTXS® offers an HDD line of equipment specifically designed for various segments of the international market. The HammerHead® line of equipment ranges from moles to pipe bursters. The Radius® line of HDD tooling complements those manufactured by Ditch Witch and HammerHead for the most complete line of HDD tooling offered by any manufacturer in the underground construction market today. When pre-owned equipment is the answer, MTI® is the one-stop shop for those needs.</p> <p>The synergy created by The Charles Machine Works, Inc., family of companies is intended to give any contractor assurance that we have the product to complete the most difficult of installations of pipe and cable underground and that we do so with maximum productivity and cost efficiencies in mind.</p>	*
73	Utility locating equipment	<input checked="" type="radio"/> Yes <input type="radio"/> No	Our Subsite products are industry leading in the area of utility locating equipment.	*
74	Accessories, supplies, replacement or wear parts, and services related to the offering of equipment in Lines 69-72	<input checked="" type="radio"/> Yes <input type="radio"/> No	We offer all of our branded attachments purchased in conjunction with a whole good machine. We are not offering replacement parts or service as a part of this bid. Replacement parts and service will be provided by the local dealer but, not as a part of this RFP.	*

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents

Ensure your submission document(s) conforms to the following:

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- [Pricing](#) - Pricing.zip - Tuesday November 02, 2021 08:11:59
- [Financial Strength and Stability](#) - Financial Statement Info and Dealer List.zip - Tuesday November 02, 2021 08:11:09
- [Marketing Plan/Samples](#) - Marketing.zip - Wednesday October 2, 2021 15:12:33
- MBE/MBE/SBE or related Certificates (optional)
- [Warranty Information](#) - Ditch Witch Limited Warranty Policy.pdf - Wednesday October 2, 2021 15:01:14
- [Standard Transaction Document Samples](#) - Transaction Documents.zip - Wednesday October 2, 2021 15:01:3
- [Upload Additional Document](#) - Dealer List-Training -Product Technology - Product Lit.zip - Tuesday November 02, 2021 08:11:43

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☒ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Mike Spillars, Corporate Accounts Manager, The Charles Machine Works

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

☐ Yes ☒ No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_4_Public_Utility_Equipment_RFP_110421 Thu October 14 2021 04:33 PM	<input checked="" type="checkbox"/>	2
Addendum_3_Public_Utility_Equipment_RFP_110421 Mon September 27 2021 05:28 PM	<input checked="" type="checkbox"/>	1
Addendum_2_Public_Utility_Equipment_RFP_110421 Fri September 24 2021 03:55 PM	<input checked="" type="checkbox"/>	1
Addendum_1_Public_Utility_Equipment_RFP_110421 Mon September 20 2021 02:54 PM	<input checked="" type="checkbox"/>	1



City of Santa Fe Springs

City Council Meeting

ITEM #9d

August 1, 2023

CONSENT AGENDA

Appropriate Funding and Authorize Essential Emergency Worker Pay for Eligible Santa Fe Springs Firefighter Suppression Staff, Who Worked During the COVID-19 Pandemic

RECOMMENDATION:

- Approve Essential Emergency Worker Pay for eligible fire suppression staff, who worked during the COVID-19 pandemic.
- Appropriate \$436,000 from the General Fund unappropriated reserves for the payment of the Essential Emergency Workers Pay.

BACKGROUND

On May 1, 2023, the Santa Fe Springs Firefighters Association (SFSFFA) submitted a letter to the City requesting that the City consider granting Essential Emergency Worker Pay to SFSFFA members who worked in-person during the COVID-19 pandemic.

Staff met with the SFSFFA Board and after discussing and reviewing the request with the City Council, direction was received to provide a one-time lump sum payment of a maximum of \$10,000 to each eligible SFSFFA suppression staff member.

The premium pay benefit has an eligibility period of March 2020 through September 2022 and will be prorated over that period at a rate of \$333/month with a maximum of \$10,000. Workers must have worked at least one day a month to be eligible for the month's premium. Individuals must be active employees at the time the premium payment is approved by the City Council. Premium pay is taxable and is not eligible for CalPERS special compensation reporting.

The City had previously received funds in the amount of \$4.2 million from the American Rescue Plan Act (ARPA). ARPA funds allowed cities to provide Essential Emergency Worker Pay to eligible workers who performed essential work during the COVID-19 public health emergency. The ARPA funds received were previously allocated to the General Fund under the ARPA rules for revenue loss. Therefore, monies from the General Fund reserves are proposed to cover the cost of the program.



City of Santa Fe Springs

City Council Meeting

ITEM #9d

August 1, 2023

FISCAL IMPACT

The estimated cost to fund the Essential Emergency Worker Pay would be approximately \$436,000. An appropriation from the General Fund unappropriated reserves is proposed to fund this item.

A handwritten signature in blue ink, appearing to read "René Bobadilla".

René Bobadilla, P.E.
City Manager



City of Santa Fe Springs

City Council Meeting

ITEM #9e

August 1, 2023

CONSENT AGENDA

Approval of Side Letter #2 (MOU Contract Extension) to the 2021-2024 Memorandum of Understanding Between the City of Santa Fe Springs and the Santa Fe Springs Employees Association (SFSEA)

RECOMMENDATION:

- Approve side letter #2 (MOU Contract Extension) to the 2021-2024 Memorandum of Understanding between the City of Santa Fe Springs and the Santa Fe Springs Employees Association (SFSEA).

BACKGROUND

On May 9, 2023, the SFSEA submitted a letter to the Human Resources Office proposing an extension to the 2021-2024 Memorandum of Understanding.

The parties met and have agreed to extend the current 2021-2024 Memorandum of Understanding for one additional year. The new contract will expire on June 30, 2025.

Additional items agreed upon are listed below.

1. A 4% cost of living adjustment (COLA), effective the pay period which includes July 1, 2024.
2. Increase the City's medical contribution cap to match the CalPERS Kaiser family medical rate (Region 3 for Los Angeles County), effective January 1, 2025.

A detailed side letter to the MOU has been drafted and attached.

FISCAL IMPACT

The 4% COLA is estimated to be an increase of approximately \$452,000 over the fiscal year 2023-24 salary levels. Estimated medical insurance costs for are expected to increase between \$65,000 - \$184,000 over fiscal year 2023-24 levels, excluding retirees. The increase in health insurance costs will vary depending on several factors, including the increase/decrease in premiums and individual plan selections by employees. The City anticipates a 13.07% increase as of January 1, 2024 with an unknown increase as of January 1, 2025.

A handwritten signature in blue ink, appearing to read "René Bobadilla".

René Bobadilla, P.E.
City Manager

Attachment(s):

1. Side Letter #2

**SIDE LETTER #2 TO THE 2021-2024
MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF SANTA FE SPRINGS AND
THE SANTA FE SPRINGS EMPLOYEES ASSOCIATION**

MOU CONTRACT EXTENSION

This document shall serve as Side Letter No. 2 modifying the 2021-2024 Memorandum of Understanding between the City of Santa Fe Springs (“City”) and the Santa Fe Springs Employees Association (“Association”), in the following manner:

The parties have agreed to extend the current 2021-2024 Memorandum of Understanding for one additional year. The new contract will expire on June 30, 2025.

Additional items agreed upon are listed below.

1. A 4% cost of living adjustment (COLA), effective the pay period which includes July 1, 2024.
2. Increase the City’s medical contribution cap to match the CalPERS Kaiser family medical rate (Region 3 for Los Angeles County), effective January 1, 2025.

This Side Letter Agreement is entered into this 1st day of August 2023.

Juanita Martin, Mayor
City of Santa Fe Springs

Richard C. Brown, President
SFS Employees Association

City of Santa Fe Springs

City Council Meeting

August 1, 2023



PUBLIC HEARING

Alcohol Sales Conditional Use Permit (CUP) Case No. 82

Request for approval of Alcohol Sales Conditional Use Permit Case No. 82 to allow an alcohol beverage sales use for on-site consumption in association with an existing Japanese restaurant operating under the name of Crazy Tokyo located at 11532 Telegraph Road, within the Community Commercial-Planned Development (C-4-PD), Zone and within the Consolidated Redevelopment Project Area, and the Telegraph Corridor. (Alina Chung Rhie for Crazy Tokyo)

RECOMMENDATIONS

- Open the Public Hearing; and
- Receive any comments from the public wishing to speak on this matter, and thereafter close the Public Hearing; and
- Find that the applicant's ASCUP request meets the criteria set forth in §155.628 and §155.716 of the City's Zoning Ordinance, for the granting of a Conditional Use Permit; and
- Approve Alcohol Sales Conditional Use Permit Case No. 82, subject to the conditions of approval as contained within Resolution No. 9877; and
- Adopt Resolution No. 9877, which incorporates the City Council's findings and actions regarding this matter.

Santa Fe Springs, CA 90670

- | | | |
|----|----------------------|---|
| B. | Property Owner: | 1338 Flower, LLC
P.O. Box 24949
Los Angeles, CA 90024 |
| C. | Existing Zone: | Community Commercial (C-4) |
| D. | General Plan: | Commercial |
| E. | CEQA Recommendation: | Categorically Exempt
(Class 1 Existing Facilities) |

BACKGROUND

Crazy Tokyo is a Japanese-themed restaurant located within the Santa Fe Springs Promenade ("Promenade") shopping center located at 11532 Telegraph Road. The restaurant specializes in several Asian foods, but their main attraction is their modern interpretation of Sushi.

Crazy Tokyo has other locations within the Ventura County and Los Angeles County. Several of their locations currently provide alcoholic beverages to accompany the food menu. The owner would also like to serve alcoholic beverages (mostly beer and sake) at this location in Santa Fe Springs. Accordingly, and in compliance with Section 155.628 of the City's Zoning Regulations, the Applicant is requesting approval of Alcohol Sales Conditional Use Permit Case No. 82 to allow the sale of alcoholic beverages for on-site consumption.

At their meeting of July 10, 2023, the Planning Commission received a staff report and heard testimony on this matter. In a unanimous vote, the Planning Commission authorized that this matter be submitted to the City Council with a recommendation of approval.

Concurrent with this request, the Applicant is pursuing approval for an alcohol license from the California Department of Alcohol Beverage Control (ABC), which is the state government authority over alcohol sales. If the ABC License is denied, the Applicants will have one-year to make any necessary adjustments to obtain the license otherwise ASCUP Case No. 82 will become null and void pursuant to Section 155.811 of the Zoning Code.

LOCATION

Crazy Tokyo moved into the subject location at the beginning of 2023. They occupy approximately 2,301 sq. ft. of space within the Promenade and will coexist with 10-other food establishments within the Promenade. There are other retail service establishments in the Promenade which include an Auto Zone, a furniture store, optometrist, dentist, a UPS Store, a plasma center, and a medical office. The former Bank of America building is currently unoccupied, but there has been some interest from a few prospective tenants.

STREETS AND HIGHWAYS

The subject site has street access from Telegraph Road and Orr & Day Road. Both streets are designated as a Major Highways within the Circulation Element of the City's General Plan.

ZONING AND LAND USES

The subject property, the properties to the west, across Orr & Day Road, and the properties to the northwest are within the Community Commercial (C-4) Zone and developed with retail service establishments. The properties directly to the north, across Telegraph Road, are within the Single Family (R-1) Zone and developed with single family homes. The adjacent property to the east is also within the C-4 Zone occupied by the Santa Fe Springs Police Services Center. Across Jersey to the east, the properties are zoned Single Family Residential (R-1) and developed with single family homes. The properties to the south are within the Multi-Residential-Planned Development (R-3-PD) Zone and occupied with the Promenade townhome housing

development.

LEGAL NOTICE OF PUBLIC HEARING

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 and 65091 of the State Planning, Zoning and Development Laws and the requirements of Sections 155.860 through 155.864 of the City's Municipal Code.

In compliance with SFSMC §155.863, legal notice of the Public Hearing for the proposed Alcohol Sales Conditional Use Permit was sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500-feet of the exterior boundaries of the subject property. The legal notice was also posted within the Santa Fe Springs City Hall, Library, and Town Center Hall as required by the State Zoning and Development Laws and by the City's Zoning Regulations. On July 20, 2023, a Notice was also published in the Whittier Daily Newspaper.

ZONING ORDINANCE REQUIREMENTS

Section 155.628 (B), regarding the sale or service of alcoholic beverages, states the following:

"A Conditional Use Permit shall be required for the establishment, continuation or enlargement of any retail, commercial, wholesale, warehousing or manufacturing business engaged in the sale, storage or manufacture of any type of alcoholic beverage meant for on or off-site consumption. In establishing the requirements for such uses, the Planning Commission and City Council shall consider, among other criteria, the following:

a. Conformance with parking regulations.

While the Promenade Shopping Center gives the appearance to be one whole parcel, it is made up of six parcels. On-site parking for each parcel is available on each respective lot. It should be noted that customers of the overall Promenade are permitted to park within any of the parcels without restrictions or physical barriers. Overall each parcel complies with Section 155.481(D) of the Zoning Code.

b. Control of vehicle traffic and circulation.

The subject property has on-site unobstructed vehicle circulation with three ingress and egress driveways on Telegraph Road, one on Orr & Day, and one on Jersey Avenue.

c. Hours and days of operation.

The subject location will operate from 11:00 a.m. to 11:00 p.m. seven days per week.

d. Security and/or law enforcement plans.

As part of the conditions of approval, the Applicant is required to submit and maintain an updated Security Plan.

- e. Proximity to sensitive and/or incompatible land uses, such as schools, religious facilities, recreational or other public facilities attended or utilized by minors.**

The proposed restaurant is within 2-walking miles or less to approximately 4-schools and 2-religious facilities. The restaurant is a family establishment which allows minors unaccompanied by an adult into the premises. The proposed conditions of approval and the ABC regulations are designed to mitigate any potential negative impacts.

- f. Proximity to other alcoholic beverage uses to prevent the incompatible and undesirable concentration of such uses in an area.**

The proposed restaurant is within walking distance to other retail uses and restaurants selling alcoholic beverages. Each use within the City is regulated by a conditional use permit, the City's Municipal Code and ABC's regulations. These established regulations minimize any negative impacts usually associated with over concentration of alcoholic beverage establishments.

- g. Control of noise, including noise mitigation measures.**

The subject site does not generate any audible noises out of character with other commercial and retail establishments in the area. Nevertheless, the subject business and all the other surrounding business are required to comply with the City's Noise Regulations.

- h. Control of littering, including litter mitigation measures.**

As part of the conditions of approval, the Applicants, and/or their employees, are required to maintain the property free of trash and debris; moreover, the City's Public Nuisance Ordinance prohibits trash and debris from being left scattered on any property within the City.

- i. Property maintenance.**

The overall Promenade property is well maintained and its management employs their own personnel which maintains the grounds on a daily basis. As part of the conditions of approval, the Applicants are required to continue to maintain the immediate area in compliance with the City's Public Nuisance Ordinance.

- j. Control of public nuisance activities, including, but not limited to, disturbance of the peace, illegal controlled substances activity, public drunkenness, drinking in public, harassment of passersby, gambling, prostitution, sale of stolen goods, public urination, theft, assaults, batteries, acts of vandalism, loitering, curfew violations, sale of alcoholic beverages to a minor, lewd conduct or excessive police**

incident responses resulting from the use.

Staff has drafted conditions of approval to mitigate any foreseeable negative impacts. It should be noted that some of the activities listed above have not been reported to take place within the area, or anywhere near the area. Nevertheless, the Applicants and their employees are aware that they should call and notify the Whittier Police Department should these activities take place or if there are any apparent indications that these illicit activities are occurring. Moreover, a compliance review will be conducted within the first year from the approval of this permit, and every five years thereafter. If any of the listed items occur, and if the applicant is unresponsive to address them, staff has the authority to bring this matter back to the Commission with a request to revoke the Permit.

CALLS FOR SERVICE

Whittier Police calls for service were reviewed for this location. The reports showed that no calls for services have been received directly to the location since it has opened in June 2023.

STAFF COMMENTS

As part of the permit review process, staff conducted a review of the business and the general area to identify any potential negative impacts as a result of the proposed restaurant and the proposed alcohol sale use. Staff generated a list of conditions to mitigate any potential negative impacts. The conditions are typical conditions imposed to restaurants serving alcoholic beverages within the City.

Based on its findings and observations, Staff is recommending approval of Alcohol Sales Conditional Use Permit Case No. 82 pursuant to the Applicant's request. It should be noted that the Applicants have signed an affidavit in which they declare that they are aware and in acceptance of the conditions of approval. As is typical for any land entitlements, any breach of the conditions of approval by the Applicants and/or their employees without timely correction efforts may result in initiating of the process to revoke this Permit.

Staff is also recommending a compliance review report of this Permit within one year from the approval date by the City Council and thereafter, a five-year compliance review.

CONIDITONS OF APPROVAL

Conditions of Approval are attached to Resolution No. 9877 as "Exhibit A".

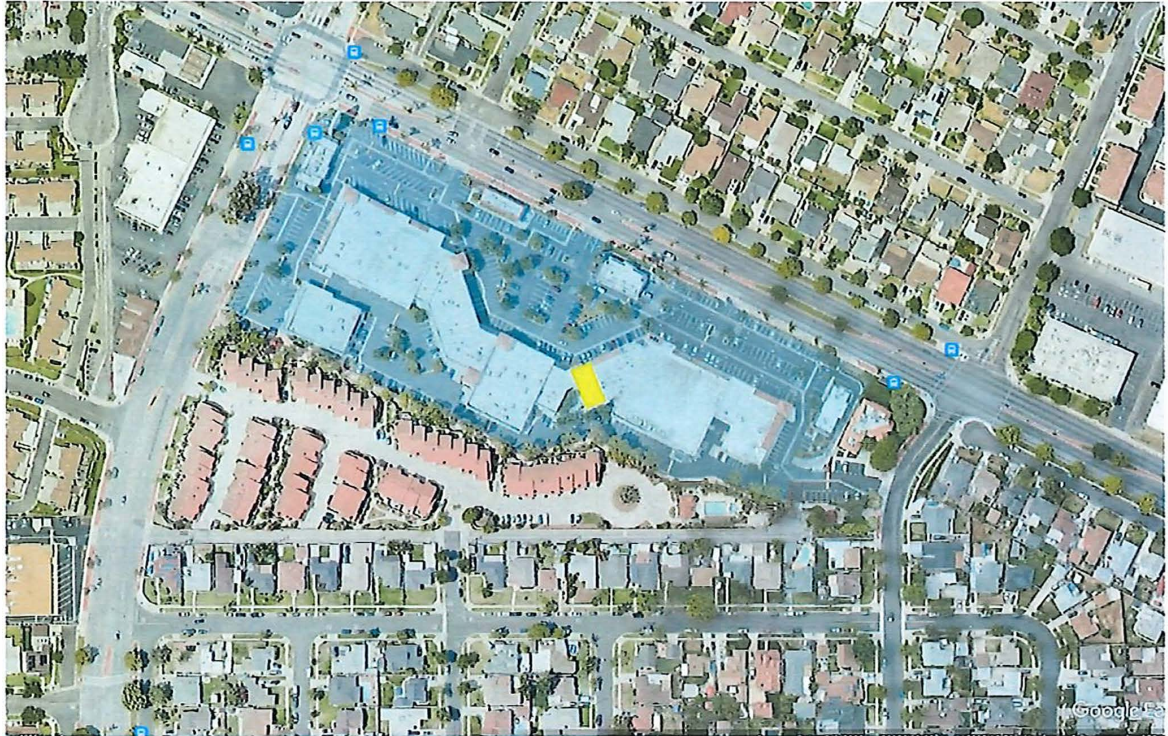


Renè Bobadilla, P.E.
City Manager

Attachment(s)

1. Location Map
2. Resolution No. 9877

Location Map



ALCOHOL SALES CONDITIONAL USE PERMIT CASE NO. 82

Crazy Tokyo
11532 Telegraph Road
Santa Fe Springs, CA 90670

RESOLUTION NO. 9877

**A RESOLUTION OF THE SANTA FE SPRINGS CITY COUNCIL APPROVING
ALCOHOL SALES CONDITIONAL USE PERMIT CASE NO. 82**

WHEREAS, a request was filed for an Alcohol Sales Conditional Use Permit Case No. 82 to allow an alcohol beverage sales use for on-site consumption in association with an existing Japanese restaurant operating as Crazy Tokyo located at 11532 Telegraph Road within the Community Commercial-Planned Development (C-4-PD) Zone; and

WHEREAS, the subject property is identified as Accessor's Parcel Number 8008-004-092, as shown in the latest rolls of the Los Angeles County Office of the Assessor; and

WHEREAS, the property owner is 1338 Flower LLC, P.O. Box 24949, Los Angeles, CA 90024; and

WHEREAS, the proposed request is categorically-exempt project pursuant to Section 15301 (Class 1, Existing Facilities) of the California Environmental Quality Act (CEQA); consequently, no other environmental documents are required by law; and

WHEREAS, on July 20, 2023, the City of Santa Fe Springs Department of Police Services published a legal notice in the *Whittier Daily News*, a local paper of general circulation, indicating the date and time of the public hearing, and also mailed said public hearing notice to each property owner within a 500 foot radius of the project site in accordance with state law; and

WHEREAS, at their Regular Meeting of July 10, 2023, the City of Santa Fe Springs Planning Commission considered the application, the written and oral staff report, the General Plan designation, and the Zoning designation of the subject property, the testimony by the applicant, and other materials concerning Alcohol Sales Conditional Use Permit Case No. 82; and

WHEREAS, at their Regular Meeting of July 10, 2023, the City of Santa Fe Springs Planning Commission received from the applicant and staff findings as required by Section 155.628 (listed on the accompanying Staff Report) and after their review of said findings determined that the proposed project will have a minimal to no adverse impact on the City or to the public in general; and

WHEREAS, at their Regular Meeting of July 10, 2023, the City of Santa Fe Springs Planning Commission unanimously voted to recommend to the City Council to approve Alcohol Sales Conditional Use Permit Case No. 82.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

SECTION 1. The City Council of the City of Santa Fe Springs finds that the facts in this matter are as follows:

1. That the facts in this matter are as stated in the staff report to the Planning Commission, and Planning Commission Resolution No. 239-2023. The staff report provided the following subject matter: the background of the request, the general plan land use designation and zoning of the subject property and the surrounding area, the streets and highways, reference to the environmental document and the public hearing requirements. The referenced staff report and resolution are on file and copies are available upon request.
2. That Alcohol Sales Conditional Use Permit Case No. 82 satisfies the criteria provided in Section 65090-65091 of the State Planning, Zoning and Development Laws as it pertains to Public Hearings.

SECTION 2. The City Council of the City of Santa Fe Springs further finds as follows:

Pursuant to Section 155.628 of the Zoning Regulations, the City Council has considered the criteria in approving Alcohol Sales Conditional Use Permit Case No. 82 and finds that the proposed use will not be detrimental to persons or property in the immediate vicinity and will have minimal to no adverse effect on the City in general.

SECTION 3. Based on the application, the written and oral staff report, the testimony, written comments, the Planning Commission's recommendation for approval, and/or other materials presented at the City Council Meeting and the findings made by the City Council, the City Council hereby adopts Resolution No. 7877 to approve Alcohol Sales Conditional Use Permit Case No. 82, subject to the conditions of approval hereby attached as "Exhibit A".

APPROVED AND ADOPTED this 1st day of August, 2023 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Juanita Martin, Mayor

ATTEST

Janet Martinez, CMC, City Clerk

EXHIBIT – A

Conditions of Approval for Alcohol Sales Conditional Use Permit Case No. 82

CONDITIONS OF APPROVAL

1. That the Applicant understands and accepts that this Permit is solely for the sale of alcoholic beverages in relationship with a bona-fide restaurant use and that this Permit shall become void and terminated if the restaurant use is terminated, closed, or modified to another type of use.
2. That the sale of alcoholic beverages shall only be permitted during the normal business hours each day of the week, or as permitted by the Alcohol Beverage Code.
3. That the Type 41 Alcoholic Beverage License, allowing the on-site sale of alcoholic beverages in connection with a public eating place, shall be restricted to the sale for consumption of alcohol beverages on the subject site only; the use shall not sell alcoholic beverages for transport and/or for consumption off the subject premise.
4. That it shall be the responsibility of the ownership to ensure that all alcoholic beverages purchased by customers on the subject site shall be consumed within the business establishment; all stored alcoholic beverages shall be kept in a locked and secured area that is not accessible to patrons.
5. That the applicant shall be responsible for maintaining control of litter on the subject property and the immediate parking area as a result of the business.
6. That the applicant and/or his employees shall not allow any person who is intoxicated, or under the influence of any drug, to enter, be at, or remain upon the licensed premises, as set forth in the California Business and Professions Code.
7. That the applicant and/or his employees shall not sell, furnish, or give any alcohol to any habitual drunkard or to any obviously intoxicated person, as set forth in Section 25602 (a) of the State Business and Professions Code.
8. That the applicant shall not have upon the subject premises any other alcoholic beverage(s) other than the alcoholic beverage(s) which the licensee is authorized to sell under the licensee's license, as set forth in Section 25607 (a) of the State Business and Professions Code.
9. That the applicant and/or any of his employees shall not sell, furnish, or give any alcoholic beverage to any person under 21 years of age, as set forth in Section 25658 (a) of the State Business and Professions Code.

10. That all buildings, structures, walls, fences, and similar appurtenances shall be maintained in good appearance and condition at all times.
11. That streamers, pennants, whirling devices or similar objects that wave, float, fly, rotate or move in the breeze shall be prohibited. Banner permits are available from the Department of Planning.
12. That the façade windows shall be free of advertisements, marketing devices, beer logos, menus, signs, and/or any other displays. Upon approval by the Department of Planning, 25% of the window space area may be used for temporary displays.
13. That a copy of these conditions shall be posted and maintained with a copy of the City Business License, in a place conspicuous to all employees of the location.
14. That the applicant shall maintain digital video cameras and shall allow law enforcement officers, and any of their representatives, to view the security surveillance video footage immediately upon their request.
15. That the applicant and/or his employees shall not allow any person to loiter on the subject premises, shall report all such instances to the Whittier Police Department; and, shall post signs, as approved by the Department of Police Services, prohibiting loitering.
16. That security personnel, as well as the owner, corporate officers and managers, shall cooperate fully with all city officials, and law enforcement personnel and, shall not obstruct or impede their entrance into the licensed premises while in the course of their official duties.
17. That in the event the applicant intends to sell, lease or sublease the subject business operation or transfer the subject Permit to another owner/applicant or licensee, the Director of Police Services shall be notified in writing of said intention not less than (60) days prior to signing of the agreement to sell lease or sublease.
18. That this permit is contingent upon the approval by the Department of Police Services of an updated security plan which shall address the following for the purposes of minimizing risks to the public health, welfare, and safety:
 - (A) A description of the storage and accessibility of alcoholic beverages on display, as well as surplus alcoholic beverages in storage;
 - (B) A description of crime prevention barriers in place at the subject premises, including, but not limited to: placement of signage, landscaping, ingress and egress controls, security systems, and site plan layouts;
 - (C) A description of how the applicant plans to educate employees on their responsibilities; actions required of them with respect to enforcement of laws dealing with the sale of alcohol to minors; and, the conditions of

approval set forth herein;

- (D) A business policy requiring employees to notify the Police Services Center of any potential violations of law or this Conditional Use Permit, occurring on the subject premises, and the procedures for such notifications.
 - (E) The City's Director of Police Services may, at his discretion, require amendments to the Security Plan to assure the protection of the public's health, welfare, and safety.
- 19. That Alcohol Sales Conditional Use Permit Case No. 82 shall be subject to a compliance review within one year, from the date of approval by the City Council, to ensure that the alcohol sales activity are still operating in strict compliance with the original conditions of approval. Thereafter, a compliance review shall be conducted every five years if the Applicant continues to maintain the premises in full compliance with these Conditions and all applicable codes, regulations and state laws.
 - 20. That all other applicable requirements of the City Zoning Ordinance, Uniform Building Code, Uniform Fire Code, the determinations of the City and State Fire Marshall, the security plan and all other applicable regulations shall be strictly complied with.
 - 21. That ASCUP Case No. 82 not be valid until approved by the City Council and shall be subject to any other conditions the City Council may deem necessary to impose.
 - 22. It is hereby declared to be the intent, that if any provision of this permit is violated or held to be invalid, or if any law, statute, or ordinance is violated, this Permit shall be subject to the revocation process at which time, the Permit may become terminated and the privileges granted hereunder shall lapse.

City of Santa Fe Springs

City Council Meeting

August 1, 2023



PUBLIC HEARING

Alcohol Sales Conditional Use Permit (CUP) Case No. 83

Request for approval of Alcohol Sales Conditional Use Permit Case No. 83 to allow the operation and maintenance of an alcoholic beverage use involving the warehousing and distribution of alcoholic beverages at BWS Group, Inc. located at 9526 Ann Street, within the Heavy Manufacturing (M-2). (BWS Group)

RECOMMENDATIONS

- Open the Public Hearing; and
- Receive any comments from the public wishing to speak on this matter, and thereafter close the Public Hearing; and
- Find that the applicant's ASCUP request meets the criteria set forth in §155.628 and §155.716 of the City's Zoning Ordinance, for the granting of a Conditional Use Permit; and
- Approve Alcohol Sales Conditional Use Permit Case No. 83, subject to the conditions of approval as contained within Resolution No. 9878; and
- Adopt Resolution No. 9878, which incorporates the City Council's findings and actions regarding this matter.

GENERAL INFORMATION

- A. Applicant: BWS Group
9526 Ann Street
Santa Fe Springs, CA 90670
- B. Property Owner: Ann Street, LLC
9526 Ann Street
Santa Fe Springs, CA 90670
- C. Subject Property: 9526 Ann Street
Santa Fe Springs, CA 90670
- D. Existing Zone: Heavy Manufacturing (M-2)

E. General Plan: Industrial

F. CEQA Status: Categorically Exempt (Class 1)

BACKGROUND

BWS Group is an owner operated alcoholic beverage distributor catering to retail entities involved in the retail sale of Korean foods and beverages. BWS Group imports the food and alcoholic beverages from the Republic of Korea and warehouses the items for its consumers. Items include alcoholic beverages such as Good Day Suju, Korean Jinro, and others.

BWS recently purchased the property located at 9526 Ann Street under the name of Ann Street, LLC. The 28,500 sq. ft. property was developed in 1968 with a 14,216 sq. ft. industrial building. The business is relocating the operation from a smaller warehouse in La Habra to the new larger warehouse in Santa Fe Springs. Because the operation involves the warehousing and distribution of alcoholic beverage, the Applicant is required to comply with Ordinance No. 834 pertaining to alcoholic beverage uses.

City Ordinance No. 834 approved by the City Council on March 10, 1994, added Section 155.628 to the City Code requiring all businesses engaged in the sale, storage or manufacturing of any type of alcoholic beverage meant for on or off-site consumption to apply for and be granted a valid Alcohol Sales Conditional Use Permit (ASCUP).

In accordance with Section 155.628, BWS Group is requesting approval of Alcohol Sales Conditional Use Permit Case No. 83 to allow the operation and maintenance of an alcoholic beverage warehouse/distribution use. Concurrent with this request, the Applicant is also in the preliminary review process of transferring their existing Type 17 License Beer Wholesaler with the State Alcohol Beverage Commission ("ABC") to this location. Staff does not foresee that the ABC License transfer will be denied to the Applicant. Nevertheless, should ASCUP Case No. 83 be approved and the ABC license transfer be denied, the Applicant will have up to one-year to make alternative arrangements to satisfy ABC's requirements and obtain the necessary licenses, otherwise this Permit will become null and void pursuant to Section 155.811 of the City Code.

At their meeting of July 10, 2023, the Planning Commission received a staff report and heard testimony on this matter. In a unanimous vote, the Planning Commission authorized that this matter be submitted to the City Council with a recommendation of approval.

STREETS AND HIGHWAYS

The subject site has access from Ann Street. Ann Street is designated as a Minor-Local Highway on the Circulation Element of the City's General Plan.

ZONING AND LAND USES

The 28,500 sq. ft. site is developed with a 14,216 sq. ft. industrial warehouse building. The property is within the Heavy Industrial (M-2) Zone as well as the properties to the north, east, south, and west. The surrounding properties are also developed with industrial buildings generally used for manufacturing or warehousing activities.

LEGAL NOTICE OF PUBLIC HEARING

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 and 65091 of the State Planning, Zoning and Development Laws and the requirements of Sections 155.860 through 155.864 of the City's Municipal Code.

In compliance with SFSMC §155.863, legal notice of the Public Hearing for the proposed Alcohol Sales Conditional Use Permit was sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500-feet of the exterior boundaries of the subject property. The legal notice was also posted within the Santa Fe Springs City Hall, Library, and Town Center Hall as required by the State Zoning and Development Laws and by the City's Zoning Regulations. On July 20, 2023, a Notice was also published in the Whittier Daily Newspaper.

ZONING ORDINANCE REQUIREMENTS

Section 155.628 (B), regarding the sale or service of alcoholic beverages, states the following:

"A Conditional Use Permit shall be required for the establishment, continuation or enlargement of any retail, commercial, wholesale, warehousing or manufacturing business engaged in the sale, storage or manufacture of any type of alcoholic beverage meant for on or off-site consumption. In establishing the requirements for such uses, the Planning Commission and City Council shall consider, among other criteria, the following:

- a. **Conformance with parking regulations.** *The subject property was built in 1989 in accordance with the City's Development Standards. Upon completion of the 28-parking spaces were provided. Overtime, the previous occupants did not maintain the stripping on the property and overtime the striping has faded. As part of this entitlement a new parking plan will be required showing the re-striping of the parking stalls as a condition of approval.*
- b. **Control of vehicle traffic and circulation.** *Unobstructed on-site vehicular*

circulation is available on the property. Only one-driveway is provided from Ann Street for ingress and egress. It should be noted that the mentioned driveway is shared by the property to the south as a dedicated and recorded easement.

- c. Hours and days of operation.** *The applicant has noted that the hours of operation will be conducted Monday through Friday from 8:30 a.m. to 5:00 p.m.*
- d. Security and/or law enforcement plans.** *A security plan will be required as part of the conditions of approval.*
- e. Proximity to sensitive and/or incompatible land uses, such as schools, religious facilities, recreational or other public facilities attended or utilized by minors.** *The subject site is located approximately three-quarters of a mile walking-distance to St. Paul High School located at 9635 Greenleaf Avenue. The facility will not be maintaining an on-site retail element at the location and all alcohol beverages will be stored in a bulk condition. Consequently, Staff believes that the proposed alcoholic beverage use will not have an impact to sensitive use considering its distance and on-site activities.*
- f. Proximity to other alcoholic beverage uses to prevent the incompatible and undesirable concentration of such uses in an area.** *The proposed alcoholic beverage use will not be permitted to have any on-site consumption or on-site retail sales. As a result, staff does not feel that the alcohol beverage activities will have a negative impact and/or create or contribute an undesirable concentration of alcoholic beverages sales to the general area.*
- g. Control of noise, including noise mitigation measures.** *The subject use will operate as a warehouse/distribution facility and all activities will be conducted indoors. Noise control measures or mitigation measures to minimize noise are not foreseen as a requirement at this time. It should be noted that the City Code has in place maximum allowable ambient noise requirements, all land use activities are required to operate under those requirements.*
- h. Control of littering, including litter mitigation measures.** *As part of the Conditions of Approval and pursuant to the City's Public Nuisance Ordinance, the applicant is required to maintain the property free of all trash and debris.*
- i. Property maintenance.** *As part of the conditions of approval, the applicant is required to maintain the immediate area in compliance with the City's Public Nuisance Ordinance.*
- j. Control of public nuisance activities, including, but not limited to, disturbance of the peace, illegal controlled substances activity, public**

drunkenness, drinking in public, harassment of passersby, gambling, prostitution, sale of stolen goods, public urination, theft, assaults, batteries, acts of vandalism, loitering, curfew violations, sale of alcoholic beverages to a minor, lewd conduct or excessive police incident responses resulting from the use. *The subject proposed alcohol warehouse/distribution facility is a low-key operation providing alcoholic beverages to established businesses outside of Santa Fe Springs. Consequently, Staff does not foresee that the business or its respective activities will generate any of the listed public nuisances. Nevertheless, a compliance review will be conducted within the first year from the approval of this permit, and every five years thereafter. If any of the listed items occur, and if the applicant is unresponsive to address them, staff has the authority to bring this matter back to the Commission with a request to revoke the Permit.*

CALLS FOR SERVICE

There were no calls for service directly attributed to this location. As of the writing of this report, the Applicant has not yet taken occupancy of the property.

STAFF COMMENTS

Staff finds that the proposed alcohol beverage warehouse and distribution use will not have a negative impact to the overall general area and the use is consistent with the warehouse/distribution activities already present in the general area. Moreover, Staff believes that the business along with the alcohol warehouse/distribution activities will also have minimal impacts to the area if it operates in compliance with the City's Municipal Codes, Conditions of Approval, and with the Regulations imposed by ABC.

Staff is recommending approval of the Alcohol Sales Conditional Use Permit Case No. 83 requested by the applicant, subject to the conditions of approval set forth herein. Staff is also recommending a compliance review report of this Permit within one year from the approval date by the City Council, and subsequent compliance reviews every five-years thereafter.

CONIDITONS OF APPROVAL

Conditions of Approval are attached to Resolution No. 9878 as "Exhibit A".



Renè Bobadilla, P.E.
City Manager

Attachment(s)

1. Location Map
2. Resolution No. 9878

Location Map



ALCOHOL SALES CONDITIONAL USE PERMIT CASE NO. 83

BWS Group
9526 Ann Street
Santa Fe Springs, CA 90670

RESOLUTION NO. 9878

**A RESOLUTION OF THE SANTA FE SPRINGS CITY COUNCIL APPROVING
ALCOHOL SALES CONDITIONAL USE PERMIT CASE NO. 83**

WHEREAS, a request was filed for an Alcohol Sales Conditional Use Permit Case No. 83 to allow the operation and maintenance of an alcohol beverage use involving the warehousing and distribution of alcoholic beverages at BWS Group, a new business located at 9526 Ann Street, within the Heavy Manufacturing (M-2) Zone; and

WHEREAS, the subject property is identified as Accessor's Parcel Number 8163-010-029, as shown in the latest rolls of the Los Angeles County Office of the Assessor; and

WHEREAS, the property owner is 1338 Flower LLC, P.O. Box 24949, Los Angeles, CA 90024; and

WHEREAS, the proposed request is categorically-exempt project pursuant to Section 15301 (Class 1, Existing Facilities) of the California Environmental Quality Act (CEQA); consequently, no other environmental documents are required by law; and

WHEREAS, on July 20, 2023, the City of Santa Fe Springs Department of Police Services published a legal notice in the *Whittier Daily News*, a local paper of general circulation, indicating the date and time of the public hearing, and also mailed said public hearing notice to each property owner within a 500 foot radius of the project site in accordance with state law; and

WHEREAS, at their Regular Meeting of July 10, 2023, the City of Santa Fe Springs Planning Commission considered the application, the written and oral staff report, the General Plan designation, and the Zoning designation of the subject property, the testimony by the applicant, and other materials concerning Alcohol Sales Conditional Use Permit Case No. 83; and

WHEREAS, at their Regular Meeting of July 10, 2023, the City of Santa Fe Springs Planning Commission received from the applicant and staff findings as required by Section 155.628 (listed on the accompanying Staff Report) and after their review of said findings determined that the proposed project will have a minimal to no adverse impact on the City or to the public in general; and

WHEREAS, at their Regular Meeting of July 10, 2023, the City of Santa Fe Springs Planning Commission unanimously voted to recommend to the City Council to approve Alcohol Sales Conditional Use Permit Case No. 83.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

SECTION 1. The City Council of the City of Santa Fe Springs finds that the facts in this matter are as follows:

1. That the facts in this matter are as stated in the staff report to the Planning Commission, and Planning Commission Resolution No. 240-2023. The staff report provided the following subject matter: the background of the request, the general plan land use designation and zoning of the subject property and the surrounding area, the streets and highways, reference to the environmental document and the public hearing requirements. The referenced staff report and resolution are on file and copies are available upon request.
2. That Alcohol Sales Conditional Use Permit Case No. 83 satisfies the criteria provided in Section 65090-65091 of the State Planning, Zoning and Development Laws as it pertains to Public Hearings.

SECTION 2. The City Council of the City of Santa Fe Springs further finds as follows:

Pursuant to Section 155.628 of the Zoning Regulations, the City Council has considered the criteria in approving Alcohol Sales Conditional Use Permit Case No. 83 and finds that the proposed use will not be detrimental to persons or property in the immediate vicinity and will have minimal to no adverse effect on the City in general.

SECTION 3. Based on the application, the written and oral staff report, the testimony, written comments, the Planning Commission's recommendation for approval, and/or other materials presented at the City Council Meeting and the findings made by the City Council, the City Council hereby adopts Resolution No. 9878 to approve Alcohol Sales Conditional Use Permit Case No. 83, subject to the conditions of approval hereby attached as "Exhibit A".

APPROVED AND ADOPTED this 1st day of August, 2023 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Juanita Martin, Mayor

ATTEST

Janet Martinez, CMC, City Clerk

EXHIBIT – A

Conditions of Approval for Alcohol Sales Conditional Use Permit Case No. 83

CONDITIONS OF APPROVAL

1. That if the State Alcohol Beverage Commission (ABC) does not grant the applicant's request to transfer an existing Type 17 License Beer Wholesaler to 9526 Ann Street, the Applicant will be provided one-year to reapply otherwise this Permit will become null and void.
2. That the building, including any lighting, fences, walls, cabinets, and poles shall be maintained in good repair, free from trash, debris, litter and graffiti and other forms of vandalism. Any damage from any cause shall be repaired within 72 hours of occurrence, weather permitting, to minimize occurrences of dangerous conditions or visual blight. Paint utilized in covering graffiti shall be a color that matches, as closely possible, the color of the existing and/or adjacent surfaces.
3. That the applicant shall be responsible for maintaining control of litter, debris, boxes, pallets and trash on the subject property, and shall implement a daily clean-up program to maintain the leased area clean and orderly.
4. That alcoholic beverages shall not be sold to the general public from the subject site.
5. That it shall be unlawful to maintain on the premises any alcoholic beverages other than the alcohol beverages which the licensee is authorized to store and/or distribute under their Type 17 license (Beer and Wine Wholesaler).
6. That alcoholic beverages shall be shipped to the Applicant's customer by the use of commercial trucks and/or licensed commercial transportation companies and not by passenger-type vehicles or domestic type vehicles.
7. That the Applicant submit a scaled parking plan to the Planning Department showing striped parking for the property in compliance with Section 155.481(D). The Plan shall be submitted within thirty days of the approval of this Permit by the City Council. The Applicant shall stripe the parking lot pursuant to the approved plan within 15-days of the approval date of the Plan.
8. That the required off-street parking areas shall not be encroached on, reduced or used for outdoor storage of trucks, trailers, equipment or any other related material. Overnight parking of trucks and trailers associated with the business are exempt from this condition.

9. That the applicant and/or his employees shall prohibit the public consumption of alcoholic beverages on the subject property at all times.
10. That this permit is contingent upon the approval by the Department of Police Services of a security plan that, within thirty (30) days of the effective date of this approval, shall be submitted by the applicant and shall address the following for the purpose of minimizing risks to the public health, welfare and safety:
 - (A) A description of crime prevention barriers in place at the subject premises, including, but not limited to, placement of signage, landscaping, ingress and egress controls, security systems and site plan layouts;
 - (B) A description of how the permittee plans to educate employees on their responsibilities, actions required of them with respect to enforcement of laws dealing with the sale of alcohol to minors and the conditions of approval set forth herein;
 - (D) A business policy requiring employees to notify the Police Services Center of any potential violation of the law or this Conditional Use Permit occurring on the subject premises and the procedures for such notifications.
 - (E) The City's Director of Police Services may, at his discretion, require amendments to the Security Plan to assure the protection of the public's health, welfare and safety.
11. That the applicant shall, at all times, maintain in working order an alarm system and/or service that notifies the Whittier Police Department immediately if a breach occurs.
12. That the owner, corporate officers and managers shall cooperate fully with law enforcement personnel, or their representatives, and shall not obstruct or impede their entrance into the licensed premises while in the course of their official duties.
13. That in the event the owner(s) intend to sell, lease or sublease the subject business operation or transfer the subject Permit to another party or licensee, the Director of Police Services shall be notified in writing of said intention not less than (60) days prior to signing of the agreement to sell or sublease.
14. That Alcohol Sales Conditional Use Permit Case No. 83 shall be subject to a compliance review within one year, from the date of approval by the City Council, to ensure that the alcohol sales activity are still operating in strict compliance with the original conditions of approval. Thereafter, a compliance review shall be conducted every five years if the Applicant continues to maintain the premises in full compliance with these Conditions and all applicable codes, regulations and state laws.

15. That before taking occupancy of the premises, the Applicant shall obtain a valid Business Operations Tax Certificate (business license) from the Santa Fe Springs Department of finance. To obtain information on obtaining a Business Operations Tax Certificate call the Finance Department at (562) 868-0511.
16. That all other applicable requirements of the City Zoning Ordinance, Uniform Building Code, Uniform Fire Code, the determinations of the City and State Fire Marshall, the security plan as submitted under Condition No. 10 and all other applicable regulations shall be strictly complied with.
17. That Alcohol Sales Conditional Use Permit Case No. 83 shall not be valid until approved by the City Council and shall be subject to any other conditions the City Council may deem necessary to impose.
18. That it is hereby declared to be the intent that if any provision of this Permit is violated or held to be invalid, or if any law, statute or ordinance is violated, the Permit shall be subject to the revocation process pursuant to Sections 155.810-155.814 of the Santa Fe Springs Municipal Code.

City of Santa Fe Springs

City Council Meeting

August 1, 2023



PUBLIC HEARING

Alcohol Sales Conditional Use Permit (CUP) Case No. 84

Request for approval of Alcohol Sales Conditional Use Permit Case No. 84 to allow the operation and maintenance of an alcoholic beverage use involving the warehousing of alcoholic beverages at 21st Century Spirits, LLC, located at 12145 Mora Drive, within the Heavy Manufacturing (M-2). (21st Century Spirits, LLC)

RECOMMENDATIONS

- Open the Public Hearing; and
- Receive any comments from the public wishing to speak on this matter, and thereafter close the Public Hearing; and
- Find that the applicant's ASCUP request meets the criteria set forth in §155.628 and §155.716 of the City's Zoning Ordinance, for the granting of a Conditional Use Permit; and
- Approve Alcohol Sales Conditional Use Permit Case No. 84, subject to the conditions of approval as contained within Resolution No. 9879; and
- Adopt Resolution No. 9879, which incorporates the City Council's findings and actions regarding this matter.

GENERAL INFORMATION

- A. Applicant: 21st Century Spirits, LLC
6580 E. Washington Boulevard
Commerce, CA 90040
- B. Property Owner: PPF Industrial 12016 Telegraph Rd
1875 Century Park E. #380
Los Angeles, CA 90067
- C. Subject Property/Location: 12145 Mora Drive, Unit 3
Santa Fe Springs, CA 90670
- D. Accessors Parcel No.: 8009-007-053

- E. Existing Zone: Heavy Manufacturing (M-2)
- F. General Plan Designation: Industrial
- G. CEQA Status: Categorically Exempt (Class 1)

BACKGROUND

The Applicant, 21st Century Spirits, LLC, is a producer and marketer of premium alcoholic beverages; their focus is mostly on vodka. The company warehouses and distributes several types of vodka from different distillers, but their leading brand is Blue Ice Vodka. 21st Century Spirits, LLC has their headquarters in the City of Commerce where they also conduct all of their importing, distribution, and warehousing activities.

The Applicant recently took residency in Santa Fe Springs by leasing a 1,890 sq. ft. suite within the Heritage Corporate Center, which is located on the south west corner of Telegraph Road and Norwalk Boulevard; adjacent to Heritage Park and the Sculpture Garden. The subject location is used for office space, occupied by one staff member and contains an approximate 300 sq. ft. storage space used predominantly to store corporate marketing items and small quantities of vodka. The small amounts of vodka bottles on the premises are used to give out to sales personnel for displays at retailer's stores and/or other marketing events such as conferences and conventions. Overall, the office is used to confer with potential retailers or sales personnel where they can also pick up marketing packages.

Because the operation involves the storage of alcoholic beverages, even at very low quantities, the Applicant is required to comply with Ordinance No. 834 pertaining to alcoholic beverage uses. City Ordinance No. 834, approved by the City Council on March 10, 1994, added Section 155.628 to the City Code requiring all businesses engaged in the sale, storage or manufacturing of any type of alcoholic beverage meant for on or off-site consumption to apply for and be granted a valid Alcohol Sales Conditional Use Permit (ASCUP).

In accordance with Section 155.628, the Applicant is requesting approval of Alcohol Sales Conditional Use Permit Case No. 84 to allow the operation and maintenance of an alcoholic beverage storage use. Concurrent with this request, the applicant is also in the preliminary review process of adding the subject location to their valid Type 18 Distilled Spirits Wholesaler License from the State Alcohol Beverage Commission ("ABC"). Staff does not foresee that the ABC License addition will be denied to the Applicant. Nevertheless, should ASCUP Case No. 84 be approved and the ABC license addition be denied, the Applicant will have up to one-year to make alternative arrangements to satisfy ABC's requirements and obtain the necessary licenses, otherwise this Permit will become null and void pursuant to Section 155.811 of the City Code.

At their meeting of July 10, 2023, the Planning Commission received a staff report and heard testimony on this matter. In a unanimous vote, the Planning Commission authorized that this matter be submitted to the City Council with a recommendation of approval.

STREETS AND HIGHWAYS

The subject site has access from Norwalk Boulevard and Mora Drive. Norwalk Boulevard is designated as a Major-Highway and Mora Drive is designated as a Minor-Local Highway on the Circulation Element of the City's General Plan.

ZONING AND LAND USES

Developed in 1989, Heritage Corporate Center is comprised of 24-parcels and developed with 22-buildings. While the entire center is within the Heavy Manufacturing (M-2) Zone, the general area is primarily used for office space with minimal warehousing.

LEGAL NOTICE OF PUBLIC HEARING

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 and 65091 of the State Planning, Zoning and Development Laws and the requirements of Sections 155.860 through 155.864 of the City's Municipal Code.

In compliance with SFSMC §155.863, legal notice of the Public Hearing for the proposed Alcohol Sales Conditional Use Permit was sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500-feet of the exterior boundaries of the subject property. The legal notice was also posted within the Santa Fe Springs City Hall, Library, and Town Center Hall as required by the State Zoning and Development Laws and by the City's Zoning Regulations. On July 20, 2023 a Notice was also published in the Whittier Daily Newspaper.

ZONING ORDINANCE REQUIREMENTS

Section 155.628 (B), regarding the sale or service of alcoholic beverages, states the following:

"A Conditional Use Permit shall be required for the establishment, continuation or enlargement of any retail, commercial, wholesale, warehousing or manufacturing business engaged in the sale, storage or manufacture of any type of alcoholic beverage meant for on or off-site consumption. In establishing the requirements for such uses, the Planning Commission and City Council shall consider, among other criteria, the following:

- a. **Conformance with parking regulations.** *The subject property and the surrounding business park was built in 1989 in accordance with the City's Development Standards. Upon completion parking spaces were provided in*

compliance with Chapter 155 Section 155.480. It should be noted that the business park was designed and approved to provide shared parking among all of the 24-parcels.

- b. Control of vehicle traffic and circulation.** *Unobstructed on-site vehicular circulation is available on the property. One-driveway is provided off Mora Drive and another from Norwalk Boulevard for ingress and egress.*
- c. Hours and days of operation.** *The applicant has noted that the hours of operation will be conducted Monday through Friday from 8:00 a.m. to 5:00 p.m.*
- d. Security and/or law enforcement plans.** *A security plan will be required as part of the conditions of approval.*
- e. Proximity to sensitive and/or incompatible land uses, such as schools, religious facilities, recreational or other public facilities attended or utilized by minors.** *The subject site is located approximately 1-mile walking distance to St. Pius Church located at 10826 Pioneer Boulevard, and 1.25-miles walking distance to Lake Center Middle School located at 10503 Pioneer Boulevard. The facility will not be maintaining an on-site retail element at the location and all alcohol beverages will be stored in a locked storage room. Consequently, Staff believes that the proposed alcoholic beverage storage use will not have an impact to sensitive use considering its distance and the described on-site activities.*
- f. Proximity to other alcoholic beverage uses to prevent the incompatible and undesirable concentration of such uses in an area.** *The proposed alcoholic beverage use will not be permitted to have any on-site consumption or on-site retail sales. As a result, staff does not feel that the alcohol beverage activities will have a negative impact and/or create or contribute an undesirable concentration of alcoholic beverages sales to the general area.*
- g. Control of noise, including noise mitigation measures.** *The subject use will operate mainly as an office use with the storage of alcohol and other marketing items as an auxiliary activity. All activities will be conducted indoors. Noise control measures or mitigation measures to minimize noise are not foreseen as a requirement at this time. It should be noted that the City Code has in place maximum allowable ambient noise requirements, all land use activities are required to operate under those requirements.*
- h. Control of littering, including litter mitigation measures.** *As part of the Conditions of Approval and pursuant to the City's Property Nuisance Ordinance, the applicant is required to maintain the property free of all trash and debris.*

- i. **Property maintenance.** *As part of the conditions of approval, the applicant is required to maintain the immediate area of the office frontage in compliance with the City's Public Nuisance Ordinance. It should be noted that the business park contracts with an independent contractor to maintain the business park grounds*
- j. **Control of public nuisance activities, including, but not limited to, disturbance of the peace, illegal controlled substances activity, public drunkenness, drinking in public, harassment of passersby, gambling, prostitution, sale of stolen goods, public urination, theft, assaults, batteries, acts of vandalism, loitering, curfew violations, sale of alcoholic beverages to a minor, lewd conduct or excessive police incident responses resulting from the use.** *The subject proposed alcohol warehouse/distribution facility is a low-key operation providing alcoholic beverages to established businesses outside of Santa Fe Springs. Consequently, Staff does not foresee that the business or its respective activities will generate any of the listed public nuisances. Nevertheless, a compliance review will be conducted within the first year from the approval of this permit, and every five years thereafter. If any of the listed items occur, and if the applicant is unresponsive to address them, staff has the authority to bring this matter back to the Commission with a request to revoke the Permit.*

CALLS FOR SERVICE

Whittier Police calls for service were not be found for this location.

STAFF COMMENTS

Staff finds that the proposed alcohol beverage activities will not have a negative impact to the overall general area and the use is consistent with the office activities already present in the general area. Moreover, Staff believes that the business along with the alcohol storage activities will also have minimal impacts to the area if it operates in compliance with the City's Municipal Codes, Conditions of Approval, and with the Regulations imposed by ABC.

Staff is recommending approval of the Alcohol Sales Conditional Use Permit Case No. 84 requested by the applicant, subject to the conditions of approval set forth herein. Staff is also recommending a compliance review report of this Permit within one year from the approval date by the City Council, and subsequent compliance reviews every five-years thereafter.

CONIDITONS OF APPROVAL

Conditions of Approval are attached to Resolution No. 9879 as "Exhibit A".

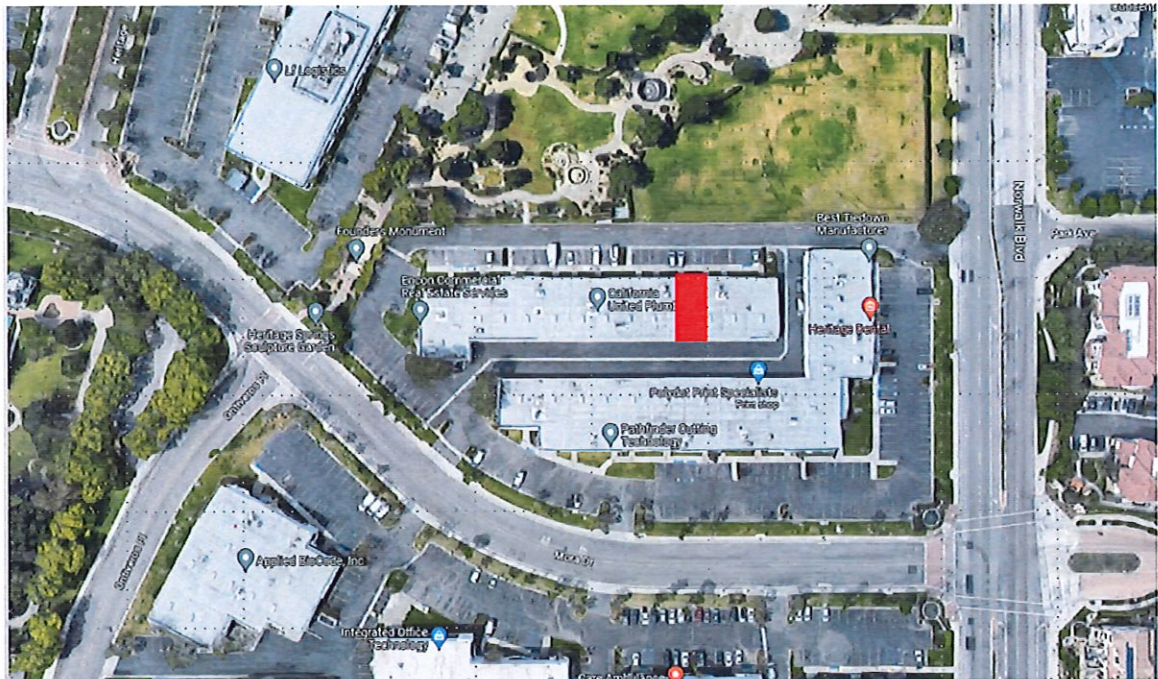


Renè Bobadilla, P. E.
City Manager

Attachment(s)

1. Location Map
2. Resolution No. 9879

Location Map



ALCOHOL SALES CONDITIONAL USE PERMIT CASE NO. 84

21st Century Spirits, LLC.
12145 Mora Drive, Unit 3
Santa Fe Springs, CA 90670

RESOLUTION NO. 9879

A RESOLUTION OF THE SANTA FE SPRINGS CITY COUNCIL APPROVING ALCOHOL SALES CONDITIONAL USE PERMIT CASE NO. 84

WHEREAS, a request was filed for an Alcohol Sales Conditional Use Permit Case No. 84 to allow the operation and maintenance of an alcoholic beverage use involving the warehousing and storage of alcoholic beverages at 21st Century Spirits, LLC, a new business located at 12145 Mora Drive, within the Heavy Manufacturing (M-2) Zone; and

WHEREAS, the subject property is identified as Accessor's Parcel Number 8009-007-053, as shown in the latest rolls of the Los Angeles County Office of the Assessor; and

WHEREAS, the property owner is PPF Industrial 12016 Telegraph Rd, located at 1875 Century Park E. #380, Los Angeles, CA 90067; and

WHEREAS, the proposed request is categorically-exempt project pursuant to Section 15301 (Class 1, Existing Facilities) of the California Environmental Quality Act (CEQA); consequently, no other environmental documents are required by law; and

WHEREAS, on July 20, 2023, the City of Santa Fe Springs Department of Police Services published a legal notice in the *Whittier Daily News*, a local paper of general circulation, indicating the date and time of the public hearing, and also mailed said public hearing notice to each property owner within a 500 foot radius of the project site in accordance with state law; and

WHEREAS, at their Regular Meeting of July 10, 2023, the City of Santa Fe Springs Planning Commission considered the application, the written and oral staff report, the General Plan designation, and the Zoning designation of the subject property, the testimony by the applicant, and other materials concerning Alcohol Sales Conditional Use Permit Case No. 84; and

WHEREAS, at their Regular Meeting of July 10, 2023, the City of Santa Fe Springs Planning Commission received from the applicant and staff findings as required by Section 155.628 (listed on the accompanying Staff Report) and after their review of said findings determined that the proposed project will have a minimal to no adverse impact on the City or to the public in general; and

WHEREAS, at their Regular Meeting of July 10, 2023, the City of Santa Fe Springs Planning Commission unanimously voted to recommend to the City Council to approve Alcohol Sales Conditional Use Permit Case No. 84.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

SECTION 1. The City Council of the City of Santa Fe Springs finds that the facts in this matter are as follows:

1. That the facts in this matter are as stated in the staff report to the Planning Commission, and Planning Commission Resolution No. 241-2023. The staff report provided the following subject matter: the background of the request, the general plan land use designation and zoning of the subject property and the surrounding area, the streets and highways, reference to the environmental document and the public hearing requirements. The referenced staff report and resolution are on file and copies are available upon request.
2. That Alcohol Sales Conditional Use Permit Case No. 84 satisfies the criteria provided in Section 65090-65091 of the State Planning, Zoning and Development Laws as it pertains to Public Hearings.

SECTION 2. The City Council of the City of Santa Fe Springs further finds as follows:

Pursuant to Section 155.628 of the Zoning Regulations, the City Council has considered the criteria in approving Alcohol Sales Conditional Use Permit Case No. 84 and finds that the proposed use will not be detrimental to persons or property in the immediate vicinity and will have minimal to no adverse effect on the City in general.

SECTION 3. Based on the application, the written and oral staff report, the testimony, written comments, the Planning Commission's recommendation for approval, and/or other materials presented at the City Council Meeting and the findings made by the City Council, the City Council hereby adopts Resolution No. 9879 to approve Alcohol Sales Conditional Use Permit Case No. 84, subject to the conditions of approval hereby attached as "Exhibit A".

APPROVED AND ADOPTED this 1st day of August, 2023 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Juanita Martin, Mayor

ATTEST

Janet Martinez, CMC, City Clerk

EXHIBIT – A

Conditions of Approval for Alcohol Sales Conditional Use Permit Case No. 84

CONDITIONS OF APPROVAL

1. That if the State Alcohol Beverage Commission (ABC) does not grant the applicant's request to add the subject location to the existing License Type 18 Distilled Spirits Wholesaler, the Applicant will be provided one-year to reapply to ABC otherwise this Permit will become null and void.
2. That the building, including any lighting, fences, walls, cabinets, and poles shall be maintained in good repair, free from trash, debris, litter and graffiti and other forms of vandalism. Any damage from any cause shall be repaired within 72 hours of occurrence, weather permitting, to minimize occurrences of dangerous conditions or visual blight. Paint utilized in covering graffiti shall be a color that matches, as closely possible, the color of the existing and/or adjacent surfaces.
3. That the applicant shall be responsible for maintaining control of litter, debris, boxes, pallets and trash on the subject property, and shall implement a daily clean-up program to maintain the leased area clean and orderly.
4. That alcoholic beverages shall not be sold to the general public from the subject site.
5. That it shall be unlawful to maintain on the premises any alcoholic beverages other than the alcohol beverages which the licensee is authorized to store and/or distribute under their Type 18 license (Distilled Spirits Wholesaler).
6. That the applicant and/or his employees shall prohibit the public consumption of alcoholic beverages on the subject property at all times.
7. That this permit is contingent upon the approval by the Department of Police Services of a security plan that, within thirty (30) days of the effective date of this approval, shall be submitted by the applicant and shall address the following for the purpose of minimizing risks to the public health, welfare and safety:
 - (A) A description of crime prevention barriers in place at the subject premises, including, but not limited to, placement of signage, landscaping, ingress and egress controls, security systems and site plan layouts;
 - (B) A description of how the permittee plans to educate employees on their responsibilities, actions required of them with respect to enforcement of laws dealing with the sale of alcohol to minors and the conditions of approval set forth herein;

- (D) A business policy requiring employees to notify the Police Services Center of any potential violations of the law or this Conditional Use Permit occurring on the subject premises and the procedures for such notifications.
 - (E) The City's Director of Police Services may, at his discretion, require amendments to the Security Plan to assure the protection of the public's health, welfare and safety.
8. That the applicant shall, at all times, maintain in working order an alarm system and/or service that notifies the Whittier Police Department immediately if a breach occurs.
 9. That the owner, corporate officers and managers shall cooperate fully with law enforcement personnel, or their representatives, and shall not obstruct or impede their entrance into the licensed premises while in the course of their official duties.
 10. That in the event the owner(s) intend to sell, lease or sublease the subject business operation or transfer the subject Permit to another party or licensee, the Director of Police Services shall be notified in writing of said intention not less than (60) days prior to signing of the agreement to sell or sublease.
 11. That Alcohol Sales Conditional Use Permit Case No. 84 shall be subject to a compliance review within one year, from the date of approval by the City Council, to ensure that the alcohol sales activity are still operating in strict compliance with the original conditions of approval. Thereafter, a compliance review shall be conducted every five years if the Applicant continues to maintain the premises in full compliance with these Conditions and all applicable codes, regulations and state laws.
 12. That all other applicable requirements of the City Zoning Ordinance, Uniform Building Code, Uniform Fire Code, the determinations of the City and State Fire Marshall, the security plan as submitted under Condition No. 7 and all other applicable regulations shall be strictly complied with.
 13. That Alcohol Sales Conditional Use Permit Case No. 84 shall not be valid until approved by the City Council and shall be subject to any other conditions the City Council may deem necessary to impose.
 14. That it is hereby declared to be the intent that if any provision of this Permit is violated or held to be invalid, or if any law, statute or ordinance is violated, the Permit shall be subject to the revocation process pursuant to Sections 155.810-155.814 of the Santa Fe Springs Municipal Code.



City of Santa Fe Springs

City Council Meeting

ITEM #13

August 1, 2023

OLD BUSINESS

Approval of 2024 SFS Art Fest Proposed Event Fees Recommended by the Heritage Arts Advisory Committee (HAAC).

RECOMMENDATION

- Provide staff direction on the 2024 SFS Art Fest proposed event fees recommended by the Heritage Arts Advisory Committee (HAAC).

BACKGROUND

On June 20, 2023, the City Council approved the Professional Service Agreement with Crepes and Grapes Café, LLC. Sandra Hahn, consultant for the 2024 Art Fest event. Additionally, staff provided City Council a list of proposed fees recommended by the Heritage Arts Advisory Committee for the SFS Art Fest events scheduled for April 25 & 26, 2024. City Council directed staff to bring back the list of proposed fees to a future Council meeting for further discussion.

The approved fees for the 2023 SFS Art Fest were as follows:

Artist Entry Fee

- \$25.00 Film Artist entry fee to include one (1) screening and question & answer (Q&A) session.
- \$20.00 Artist Artwork fee to include two (2) art piece submittals.
- Artist entry fee included entry to both Preview and Showcase night and event. Students and individuals 18 years & younger were able to enter artwork for free
- The City continued to apply and collect a 20% selling fee for artwork sold.

Preview and Showcase Admission Fee

- \$10.00 participant admission fee which included a beer or wine tasting.
- \$35.00 paint and wine activity which included the same benefits of the Preview and Showcase night admission fee. (100 VIP tickets (\$10 value) were provided to the Santa Fe Springs Chamber of Commerce.

SFS Art Fest Event Admission Fee

- \$10.00 participant fee included general admission to the Friday night event. Students and individuals 18 years & younger were free for both nights.

With the inclusion of new fees, staff utilized Eventbrite, an online event management and ticketing platform to promote the event. This platform captures all sales, attendance, and tracks analytics in real time. By using this platform, processing fees (3.7% + \$1.79 service fee) are charged and generally passed onto the participant. Prior to the sale of tickets for the 2023 Art Fest event, staff received direction for the City to cover the processing fees. These fees were captured in the Heritage Arts and



City of Santa Fe Springs

City Council Meeting

ITEM #13

August 1, 2023

Public Places budget.

The total amount for ticket sales was \$15,460.04 and without the processing fees (\$2,426.60), the net total for ticket sales was \$13,033.44 in additional revenue.

During their June 27, 2023 meeting, the HAAC met to discuss their recommendations for the 2024 SFS Art Fest event fees and made the following recommendations for City Council's consideration:

Artists Entry Fees

- \$25 Film Artist entry fee to include screening and Q&A session;
- \$20 Artist Artwork to include two (2) art piece submittals;
Artist fee will include entry to both Preview and Showcase night and event;
- Students and individuals 18 years and younger may enter artwork for free;
- City will continue to apply a 20% selling fee for artwork sold.

Preview and Showcase Admission Fee

- \$10 presale participant admission fee using Eventbrite and processing fees paid by participant; admission includes a beer or wine tasting. Participants can purchase additional beverages and food for a nominal fee;
- \$35 fee for paint and wine activity to include the same benefits of the Preview and Showcase night admission fee;
- Tickets purchased at the door \$15.00 flat fee;
- Provide Santa Fe Springs Chamber of Commerce fifty (50) admission tickets; Provide one (1) parent/guardian admission ticket for participating student artist or performer;
- Students and individuals 18 years and younger, free admission entry.

SFS Art Fest Event Admission Fee

- \$10 presale participate admission fee using Eventbrite and processing fees paid by participant.
- Tickets purchased at the door \$15.00 flat fee;
- Provide one (1) parent/guardian admission ticket for participating student artist or performer;
- Students and individuals 18 years and younger are free



City of Santa Fe Springs

City Council Meeting

ITEM #13

August 1, 2023

Two Night Special Admission Fee

- \$18 for two night presale participant admission fee using Eventbrite and processing fees paid by participant. This option will not be available for purchase at the door Thursday night. Admission is for both nights and includes the Preview and Showcase night beer or wine tasting.

Senior Citizen/City Employee Discount

- No senior citizen or employee discounts. Senior citizens and city employees can benefit from purchasing the two (2) night special.

FISCAL IMPACT

The minimum estimated revenue of \$15,000.00 will aid with the cost recovery of expenses.

The Mayor may call upon Ed Ramirez, Family and Human Services Manager, to answer any questions the Council may have regarding the proposed SFS Art Fest event fees.

René Bobadilla, P.E.,
City Manager



City of Santa Fe Springs

City Council Meeting

August 1, 2023

NEW BUSINESS

Request to Appoint two (2) Council Members to Serve on an Ad-Hoc Subcommittee to Discuss traffic concerns with the Little Lake School District

RECOMMENDATION(S)

- Appoint two (2) Council Members to serve on an ad-hoc subcommittee to discuss traffic concerns at Little Lake School District schools.

BACKGROUND

At the City Council Meeting of July 18, 2023, Mayor Pro Tem Sarno requested to bring back an item to discuss the creation of an Ad-Hoc committee to discuss the traffic issues that were brought forward related to Little Lake School District Schools.

René Bobadilla, P.E.
City Manager

Attachment(s):None



City of Santa Fe Springs

City Council Meeting

August 1, 2023

NEW BUSINESS

Request Direction on Excused Absences from Advisory Committee Members and Commissioners

RECOMMENDATION(S)

- Receive direction from Council on how to proceed with future requests on excused absences from Advisory Committee Members and Commissioners.

BACKGROUND

On January 9, 2020, the City Council adopted Ordinance 1111 to amend the Santa Fe Springs Commission and Committees rules, repealing previous committee by-laws. One of the rules adopted at the time provides that an advisory committee member or commissioner who missed three (3) consecutive meetings in a year would be automatically removed from his/her position on that committee/commission.

After discussing the matter with staff, it has been expressed that this request has been brought forward by other committee members that have had similar situations occur, causing them to miss a meeting. Therefore, we are asking for Council direction on how to handle requests for excused absences from Advisory Committee Members and Commissioners.

René Bobadilla, P.E.
City Manager

Attachment(s):

1. Ordinance No. 1111

ORDINANCE NO. 1111

AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS AMENDING CHAPTER 32 (COMMISSIONS AND AUTHORITIES) OF TITLE III, SECTION 38.45 OF CHAPTER 38 OF TITLE III, CHAPTER 70 OF TITLE VII, AND CHAPTER 117 OF TITLE XI OF THE CODE OF SANTA FE SPRINGS RELATING TO CITY COMMISSIONS AND COMMITTEES

THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Chapter 32 (Commissions and Authorities) of Title III of the Code of Santa Fe Springs is renamed "Commissions and Committees."

SECTION 2. Section 32.02 (Composition; Appointment; Terms; Vacancies) of Chapter 32 of Title III of the Code of Santa Fe Springs is deleted in its entirety and replaced with following:

The Planning Commission shall consist of five members who shall be qualified electors of the city. Each member of the City Council shall appoint one person to the Planning Commission.

SECTION 3. Section 32.05 (Termination of Membership for Absence from Meetings; Absence for Cause Defined) of Chapter 32 of Title III of the Code of Santa Fe Springs is hereby repealed.

SECTION 4. Sections 32.30 and 32.31 of Chapter 32 of Title III of the Code of Santa Fe Springs relating to the Industrial Development Authority are hereby repealed.

SECTION 5. Sections 32.30 through 32.39 are hereby added to Chapter 32 of Title III of the Code of Santa Fe Springs to read as follows:

RULES GOVERNING ALL COMMISSIONS AND COMMITTEES

§ 32.30 CREATION.

The City Council may establish city commissions and committees in accordance with applicable law and by ordinance or resolution. The powers and duties of commissions and committees are limited to those granted by the City Council.

§ 32.31 ELIGIBILITY.

Except as otherwise provided in this code, in order to serve on a commission or committee, an individual must be a resident or have an established business interest in the city. In order to serve on a youth-based commission or committee, an individual must be a resident or attend school in the city. These

are minimum eligibility requirements, and certain commissions and committees may have additional eligibility requirements.

§ 32.32 APPLICATIONS.

Application forms for appointment to a commission or committee shall be made available in the City Clerk's Office. A completed application form submitted to the City Clerk is a minimum requirement to be considered for appointment. Applications shall be valid for six months.

§ 32.33 APPOINTMENTS.

Beginning in 2021, appointments to commissions and committees shall be made in January.

§ 32.34 TERM.

The term of service for any individual appointed to a commission or committee shall be two years beginning in January. Any individual appointed to fill an unexpired term shall serve for the unexpired portion of that term. All commission and committee members shall continue in office until their successors are appointed.

§ 32.35 LIMIT.

The same individual may serve on no more than three commissions or committees, or any combination thereof, at any given time.

§ 32.36 ABSENCES.

If an individual appointed to a commission or committee that meets on a monthly basis is absent from three meetings within a calendar year, or absent from three consecutive meetings, that individual shall be deemed to have resigned from the commission or committee. If an individual appointed to a commission or committee that meets on a quarterly basis is absent from two meetings within a year, that individual shall be deemed to have resigned from the commission or committee. An individual who has been deemed to have resigned from a commission or committee due to such absences will be eligible to re-apply to serve on that commission or committee no earlier than six months after such resignation.

§ 32.37 TARDINESS.

Any individual appointed to a commission or a committee who is more than fifteen minutes late to a meeting will be treated as absent from that meeting.

§ 32.38 REMOVAL.

Every individual appointed to a commission or a committee serves at the pleasure of the City Council and may be removed at any time by the City Council member who appointed that individual or by a 4/5 vote of the City Council. Where a City Council member leaves office before the expiration of his or her term, his or her successor to serve the remainder of the term may remove his or her appointed commissioners and committee members and may appoint other commissioners and committee members.

§ 32.39 ADDITIONAL RULES AND REGULATIONS.

The City Council may establish additional rules and regulations governing city commissions and committees that are consistent with the provisions of this code.

SECTION 6. Section 38.45 of Chapter 38 of Title III of the Code of Santa Fe Springs is hereby amended as follows:

A. Subsection (A) of Section 38.45 is deleted in its entirety and replaced with the following:

(A) The Heritage Arts Advisory Committee (HAAC) is hereby created as a committee appointed by the City Council to advise on the city's Heritage Artwork in Public Places Program. The HAAC shall consist of a maximum of nine voting and six non-voting members who may be reappointed at the discretion of the City Council and shall include the following unless otherwise directed by the City Council:

- (1) A member of the Planning Commission.
- (2) A member of the Chamber of Commerce and Industrial League.
- (3) A member of the Community Services Advisory Committee.
- (4) The City Manager or designee, in a nonvoting capacity.
- (5) The Director of Community Services or designee, in a nonvoting capacity.
- (6) The Director of Planning and Development or designee, in a nonvoting capacity.

B. Subsection (C) of Section 38.45 is deleted in its entirety and replaced with the following:

(C) The terms of five voting members shall expire in even numbered years and the terms of four appointed voting members shall expire in odd numbered years.

C. Subsection (D) is added to Section 38.45 to read as follows:

(D) The HAAC shall be subject to those provisions of Chapter 32 of this code applying to all commissions and committees, and any other rules the City Council may adopt, unless such rules or provisions are inconsistent with this chapter.

SECTION 7. Section 70.40 of Chapter 70 of Title VII of the Code of Santa Fe Springs is hereby deleted in its entirety and replaced with the following:

§ 70.40 ESTABLISHED; COMPOSITION; APPOINTMENT OF MEMBERS.

There is hereby established an Advisory Traffic Commission consisting of five members appointed by the City Council, as well as the City Traffic Engineer and the Chief of Police or their respective designees, who shall be non-voting members of the Commission. The members shall select from among themselves a chairperson and a vice-chairperson to serve as such for a one-year term.

SECTION 8. Section 70.43 of Chapter 70 of Title VII of the Code of Santa Fe Springs is hereby deleted in its entirety and replaced with the following:

Each member of the City Council shall appoint one city resident to the Traffic Commission.

SECTION 9. Sections 117.170, 117.171, 117.172, and 117.173 of Chapter 117 of Title XI of the Code of Santa Fe Springs relating to the Oil Field Advisory Committee are hereby repealed.

SECTION 10. Any provision of the Code of Santa Fe Springs inconsistent with the provisions of this Ordinance, to the extent of such inconsistencies and no further, is hereby repealed or modified to that extent necessary to effect the provisions of this Ordinance.

SECTION 11. If any section, subsection, phrase, or clause of this Ordinance is for any reason held to be unconstitutional, such decision will not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrases, or clauses may be declared unconstitutional.

SECTION 12. The City Clerk shall certify to the adoption of this Ordinance, including the vote for and against and shall post a certified copy of this ordinance, within

15 days after its passage to be posted in at least three (3) public places within the City as established by ordinance, and, in compliance with Section 36933 of the Government Code.

PASSED and ADOPTED this 9th day of January, 2020, by the following roll call vote:

AYES: Councilmember Mora, Rodriguez, Zamora, Mayor Pro Tem Rounds, and
Mayor Trujillo

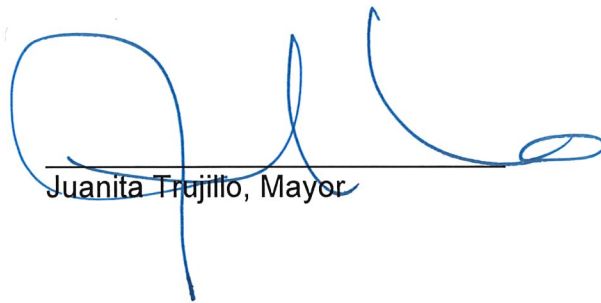
NOES: None

ABSENT: None

ABSTAIN: None

ATTEST:


for Janet Martinez, CMC, City Clerk


Juanita Trujillo, Mayor



City of Santa Fe Springs

City Council Meeting

August 1, 2023

NEW BUSINESS

Appropriation of funds from City's Art in Public Places fund for City's Art Education Grant Program for Fiscal Year 2023-2024

RECOMMENDATION(S)

- Approve the appropriation of funds from the City's Art in Public Places Fund (Activity 10511001-593000)
- Authorize the distribution of monies as recommended by the Heritage Arts Advisory Committee to fund the City's Art Education Grant Program for Fiscal Year 2023-2024.

BACKGROUND

The Heritage Arts in Public Places Program has been funding art education programs for K-12 students in the City of Santa Fe Springs for 30 years. At their July 25, 2023 meeting, the Heritage Arts Advisory Committee (HAAC) reviewed a total of 29 grant applications totaling \$72,849.44 the highest amount of applications ever received. The increase in grant applications is reflective of the cost of living, extensive outreach to the schools and new schools applying for grant opportunities.

The maximum funds that have traditionally been approved each fiscal year is \$50,000.00. As a result of additional grant applications, the HAAC is recommending that City Council approve 28 applications totaling \$58,364.97 for Fiscal Year 2023-2024. Sufficient funds are available in the Public Art Fund and this funding does not impact the general fund budget.

<u>Cresson Elementary School</u>	\$2,640.00
<i>Developing Emotionally Through Art</i>	
<u>Jersey Avenue Elementary School</u>	\$4,999.05
<i>The Pink Canvas - Art Enrichment Program</i>	
<u>Lake Center Middle School</u>	\$3,300.00
<i>The Pink Heart Enrichment Fund</i>	
<u>Lakeland Elementary School</u>	\$2,552.00
<i>Los Angeles Opera</i>	
<u>Lakeview Elementary School</u>	\$9,681.73
<i>Meet the Masters</i>	
<i>Inspiring Creativity with Art</i>	
<i>Art in Action</i>	
<i>A Great Start with Art</i>	



City of Santa Fe Springs

City Council Meeting

August 1, 2023

<u>Santa Fe High School</u>	\$13,348.24
<i>"Space Ace" Art and Fashion Show</i>	
<i>Forum Music Festivals</i>	
<i>"Space Ace" Art and Fashion Show</i>	
<i>"Space Ace" Art and Fashion Show</i>	
<i>Newsies: Seize the Day</i>	
 <u>Santa Fe Springs Christian School</u>	 \$6,302.20
<i>Kindergarten Art Project</i>	
<i>1st Grade Art Grant</i>	
<i>Dinosaurs and Masks</i>	
<i>Projects for Social Studies, Christmas,</i>	
<i>Mother's and Father's Day</i>	
<i>4th Grade Art Projects</i>	
<i>Revolutionary War Project/ Year-round</i>	
<i>Sketching</i>	
<i>Theater Arts</i>	
<i>Pieces in our World</i>	
<i>Walk Through the Ancient World</i>	
<i>Art Masters Legacy</i>	
 <u>St. Paul High School</u>	 \$11,070.44
<i>Expanding our Musical Catalog</i>	
<i>Heritage Art Educational Grant</i>	
<i>Rhythm in Motion</i>	
<i>Heritage Art Educational Grant</i>	
 <u>St. Pius X Parish School</u>	 \$4,471.31
<i>Meet the Masters Education Program</i>	
TOTAL:	\$58,364.97

FISCAL IMPACT

There are sufficient funds available in the Public Art Fund, which has been established through developers' fees. No general fund monies are used to provide these grants.

The Mayor may call upon Family and Human Services Manager, Ed Ramirez to answer questions the Council may have regarding the staff report.

René Bobadilla, P.E.
City Manager

Attachment(s):

1. Art Grant Application Spreadsheet FY 2023/2024 detailing Art Grant Application recommendations

**HERITAGE ARTWORK IN PUBLIC PLACES PROGRAM
ART EDUCATION GRANT APPLICATIONS FY 2023/2024**

Attachment #1

Date Received	School / Institution Name	Applicant Name	Title of Grant (Purpose)	Grades/ No. of Children	Amount Requested	Grant Amount Approved	Denied	Comments
6/16/2023	<i>Cresson Elementary School</i>	Erin Dunroe	Developing Emotionally Through Art	3-5th / 80	\$4,990.00	\$2,640.00		3 sessions and Art kits approved/ No Prep time
			Totals:		\$4,990.00	\$2,640.00		
6/15/2023	<i>Jersey Avenue Elementary School</i>	Denisse Frenes-Gomez	The Pink Canvas - Art Enrichment Program	pk-5th / 345	\$4,999.05	\$4,999.05		Approved
			Totals:		\$4,999.05	\$4,999.05		
6/14/2023	<i>Lake Center Middle School</i>	Sabrina Ireland	Pink Heart Enrichment Program	6th / 132	\$3,300.00	\$3,300.00		Approved
			Totals:		\$3,300.00	\$3,300.00		
6/16/2023	<i>Lakeland Elementary School</i>	Georgette Baltierrez	Los Angeles Opera	4-5th / 75	\$2,552.00	\$2,552.00		Approved
			Totals:		\$2,552.00	\$2,552.00		
6/13/2023	<i>Lakeview Elementary School</i>	Kelly Love	Meet the Masters	k-5th / 480	\$3,189.76	\$3,189.76		Approved
6/13/2023	<i>Lakeview Elementary School</i>	Nicole Braski	Inspiring Creativity with Art	K-2nd / 36	\$1,729.53	\$1,703.07		No Glue Gun(equipment not an allowable expense) /Approved
6/15/2023	<i>Lakeview Elementary School</i>	Kristina Freesmeier	Art in Action	2nd / 81	\$3,476.60	\$3,476.60		Approved
5/1/2023	<i>Lakeview Elementary School</i>	Nicole Levassiur	A Great Start with Art	TK / 36	\$1,312.30	\$1,312.30		Approved
			Totals:		\$9,708.19	\$9,681.73		
6/16/2023	<i>Santa Fe High School</i>	Jessica Guirossian	"Space Ace" Art and Fashion Show	9-12th / 200	\$4,894.05	\$4,894.05		Approved
6/16/2023	<i>Santa Fe High School</i>	David Kwon	Forum Music Festivals	9-12th / 45	\$5,000.00	\$900.00		Transportation approved only
6/14/2023	<i>Santa Fe High School</i>	Jenny Sedo	"Space Ace" Art and Fashion Show	9-12th / 160	\$3,814.02	\$3,761.00		No lights (equipment not an allowable expense)/Approved
6/16/2023	<i>Santa Fe High School</i>	Giao Nguyen	"Space Ace" Art and Fashion Show	9-12th / 200	\$2,812.47	\$2,746.19		No Tea Lights(equipment not an allowable expense)/Approved
6/15/2023	<i>Santa Fe High School</i>	Briana White	Newsies: Seize the Day	9-12th / 30	\$1,047.00	\$1,047.00		Approved
			Totals:		\$17,567.54	\$13,348.24		
6/1/2023	<i>Santa Fe Springs Christian School</i>	Andrea Neely	Kindergarten Art Project	k / 24	\$199.47	\$199.47		Approved
6/1/2023	<i>Santa Fe Springs Christian School</i>	Samantha Barajas	1st Grade Art Grant	1st / 20	\$110.97	\$110.97		Approved
6/1/2023	<i>Santa Fe Springs Christian School</i>	Shinar Lumahan	Dinosaurs and Masks	2nd / 20	\$273.98	\$273.98		Approved
6/1/2023	<i>Santa Fe Springs Christian School</i>	Lori Chronister	Projects for Social Studies, Christmas, Mother's and Father's Day	3rd / 24	\$296.94	\$266.96		No Tea Lights (equipment not an allowable expense)/ Approved
6/1/2023	<i>Santa Fe Springs Christian School</i>	Danae Handley	4th Grade Art Projects	4th / 20	\$233.87	\$233.87		Approved
6/1/2023	<i>Santa Fe Springs Christian School</i>	Nathan Flores	Revolutionary War Project/ Year-round Sketching	5th / 18	\$337.43	\$337.43		Approved
6/1/2023	<i>Santa Fe Springs Christian School</i>	Jennifer Senglaub	Theater Arts	6-8th / 20	\$534.75	\$534.75		Approved
6/1/2023	<i>Santa Fe Springs Christian School</i>	Adriana Quezada	Pieces in our World	6-8th / 66	\$266.77	\$266.77		Approved
6/1/2023	<i>Santa Fe Springs Christian School</i>	Ramona Riddles	Walk Through the Ancient World	6-7th / 48	\$510.00	\$510.00		Approved
6/1/2023	<i>Santa Fe Springs Christian School</i>	Cindy Jarvis	Art Masters Legacy	k-8th / 150	\$3,568.00	\$3,568.00		Approved
			Totals:		\$6,332.18	\$6,302.20		
6/6/2023	<i>St. Paul High School</i>	Brandon Carson	Expanding our Musical Catalog	9-12th / 15	\$4,796.86	\$1,546.86		Sheet Music only Approved
6/6/2023	<i>St. Paul High School</i>	Enrique Guizar	Heritage Art Educational Grant	9-12th / 130	\$4,911.45	\$4,911.45		Approved
6/6/2023	<i>St. Paul High School</i>	Caleb Miller	St. Paul Theatre Arts Company	8-12th / 80	\$2,479.73	\$0.00		Denied; Incomplete itemize budget / pending back payment from 2021/2022
6/6/2023	<i>St. Paul High School</i>	Ashley Perales	Rhythm in Motion	9-12th / 18	\$2,506.00	\$2,506.00		Approved

HERITAGE ARTWORK IN PUBLIC PLACES PROGRAM
ART EDUCATION GRANT APPLICATIONS FY 2023/2024

Date Received	School / Institution Name	Applicant Name	Title of Grant (Purpose)	Grades/ No. of Children	Amount Requested	Grant Amount Approved	Denied	Comments
6/6/2023	St. Paul High School	Keith Durflinger	Heritage Art Educational Grant	9-12th / 60	\$4,235.13	\$2,106.13		No printers and ink (equipment not an allowable expense)/ Approved
			Totals:		\$18,929.17	\$11,070.44		
6/15/2023	St. Pius X Parish School	Cynthia Herrera	Meet the Masters Education Program	k-8th / 140	\$4,471.31	\$4,471.31		Approved
			Totals:		\$4,471.31	\$4,471.31		
Total Number Applications Received:		29	TOTAL GRANT FUNDS REQUESTED:		\$72,849.44	\$58,364.97		
	Total Number Applications funded:	28	Total Grant Funds Approved:			\$58,364.97		