



AGENDA

**REGULAR MEETINGS
OF THE
SANTA FE SPRINGS
PUBLIC FINANCING AUTHORITY
WATER UTILITY AUTHORITY
HOUSING SUCCESSOR
SUCCESSOR AGENCY
AND CITY COUNCIL**

**December 22, 2016
6:00 P.M.**

Council Chambers
11710 Telegraph Road
Santa Fe Springs, CA 90670

Richard J. Moore, Mayor
William K. Rounds, Mayor Pro Tem
Jay Sarno, Councilmember
Juanita Trujillo, Councilmember
Joe Angel Zamora, Councilmember

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 complete the card that is provided at the rear entrance to the Council Chambers and hand the card to the City Clerk or a member of staff. City Council will hear public comment on items listed on the agenda during discussion of the matter and prior to a vote. City Council will hear public comment on matters not listed on the agenda during the Oral Communications period.

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.

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.

1. CALL TO ORDER

2. ROLL CALL

Jay Sarno, Councilmember
Juanita Trujillo, Councilmember
Joe Angel Zamora, Councilmember
William K. Rounds, Mayor Pro Tem
Richard J. Moore, Mayor

PUBLIC FINANCING AUTHORITY

3. 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 Public Financing Authority.

Approval of Minutes

- a. Minutes of the November 22, 2016, Public Financing Authority Meeting

Recommendation: That the Public Financing Authority approve the minutes as submitted.

Monthly Reports

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA)

Recommendation: That the Public Financing Authority receive and file the report.

WATER UTILITY AUTHORITY

4. 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 Water Utility Authority.

Approval of Minutes

- a. Minutes of the November 22, 2016, Water Utility Authority Meeting

Recommendation: That the Water Utility Authority:

- Approve the minutes as submitted.

Monthly Reports

- b. Monthly Report on the Status of Debt Instruments Issued through the Water Utility Authority (WUA)

Recommendation: That the Water Utility Authority:

- Receive and file the report.

- c. Status Update of Water-Related Capital Improvement Projects

Recommendation: That the Water Utility Authority:

- Receive and file the report.

- d. Central Basin Municipal Water District – Amendment No. 10

Recommendation: That the Water Utility Authority:

- Authorize the City Manager to execute Amendment No. 10, which extends the purchase agreement for imported water with the Central Basin Municipal Water District until December 31, 2017.

CITY COUNCIL

5. CITY MANAGER REPORT

6. 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.

Approval of Minutes

- a. Minutes of the November 22, 2016 City Council Meetings

Recommendation: That the City Council:

- Approve the minutes of the November 22, 2016, meetings as submitted.

ORDINANCE FOR ADOPTION

7. Zoning Text Amendment – Firearms Sales in the M-2 Zone

Ordinance No. 1077 – An ordinance of the City Council of the City of Santa Fe Springs, California, amending Santa Fe Springs Municipal Code, Title 15, Chapter 155, Section 155.243 and Section 155.648 of the City Zoning Regulations regarding firearms sales in the M-2, Heavy Manufacturing Zone.

Recommendation: That the City Council:

- Waive further reading and adopt Ordinance No. 1077.

ORDINANCE FOR ADOPTION

8. Ordinance No. 1078 – Amending the Santa Fe Springs Municipal Code to Change General Municipal Election Dates to Coincide with Statewide General Elections in November of Even-Numbered Years

Recommendation: That the City Council:

- Waive further reading and adopt Ordinance No. 1078.

ORDINANCE FOR ADOPTION

9. Ordinance No. 1080 - Adopting the 2016 Edition of the California Fire Code and Repealing Ordinance 1051 of the City of Santa Fe Springs and All Other Ordinances and Parts of the Ordinances in Conflict Therewith.

Recommendation: That the City Council:

- Waive further reading and adopt Ordinance No. 1080.

NEW BUSINESS

10. Parkette Playground Improvement (Bradwell Parkette, Longworth Parkette and Davenrich Parkette) – Final Payment

Recommendation: That the City Council:

- Approve the Final Payment (less 5% Retention) to Community Playgrounds, Inc. of Vallejo, California in the amount of \$21,662.85 for the subject project.

11. Transportation Center Parcel B – Ground Lease Agreement
Recommendation: That the City Council:
 - Authorize the City Manager to Execute a Ground Lease Agreement with the City of Norwalk to Lease Parcel B (APN 8045-001-906) at the Transportation Center.
12. Review of Consideration of Activities for the 2017 City of Santa Fe Springs' 60th Anniversary
Recommendation: That the City Council:
 - Review the proposed option of activities for the 2017 City of Santa Fe Springs' 60th Anniversary celebration to occur May 6, 2017.
13. Approval of Recommendation of Heritage Arts Advisory Committee (HAAC) Recommendation to Utilize the Public Art Fund to Contribute Towards the Santa Fe Springs Firefighters' Memorial
Recommendation: That the City Council:
 - Approve the Heritage Arts Advisory Committee's (HAAC) recommendation to contribute \$50,000 for the installation of the Santa Fe Springs Firefighter's Memorial.
14. Approving an Enterprise Resource Planning (Finance System) Software Purchase and Services Agreement with Tyler Technologies, Inc.
Recommendation: That the City Council:
 - Authorize the City Manager to execute a License and Services agreement with Tyler Technologies, Inc. license the use and implement a citywide enterprise resource planning software system.
15. Approving an Enterprise Resource Planning (Finance System) Project Management Agreement with AEF Systems Consulting, Inc.
Recommendation: That the City Council:
 - Pursuant to Section 34.29(G) of the City's Purchasing Policy (Professional Services and Consulting Services Contracts), suspend the request for proposals (RFP) process.
 - Authorize the City Manager to execute a professional services agreement with AEF Systems Consulting, Inc. to provide project management services in the implementation of a Citywide Enterprise Resource Planning (ERP) system.
16. Authorize the Purchase of Computer File Servers from GovConnection, Microsoft Software Licenses from GovConnection and a Storage Area Network (SAN) Appliance from Hewlett Packard Enterprise Group for New Enterprise Resource Planning (ERP) System.
Recommendation: That the City Council:
 - A purchase order in the amount of \$52,059.83 to GovConnection for the acquisition of four computer file servers.
 - A purchase order in the amount of \$21,022.25 to GovConnection for the acquisition of four Microsoft 2016 Server software licenses, two Microsoft 2016 SQL software

licenses and 100 Microsoft 2016 SQL client access software licenses.

- A purchase order in the amount of \$59,918.42 to Hewlett Packard Enterprise Group for the acquisition of one SAN appliance.

17. Adoption of New Salary Schedule – Part-Time Employee Minimum Wage Modifications

Recommendation: That the City Council:

- Adopt the new salary schedule for impacted part-time employees (effective December 26, 2016) reflecting the change in new minimum wage requirements per California Senate Bill 3 signed by Governor Brown.

18. Adoption of New Position Titles and Salary Schedule – Fire-Rescue Department (Non-Suppression) Full-time Positions

Recommendation: That the City Council:

- Adopt the attached salary schedule (effective January 9, 2017) reflecting the reclassifications of various Fire-Rescue (None-Fire Suppression) positions.

19. Presentation and Consideration of the City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ending June 30, 2016

Recommendation: That the City Council:

- Receive and file the City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ending June 30, 2016.

20. Presentation of Fiscal Year 2014-15 Certificate of Achievement for Excellence in Financial Reporting (CAFR Award) to the City Council

Items 21 – 29 will occur in the 7:00 p.m. hour.

21. INVOCATION

22. PLEDGE OF ALLEGIANCE

23. INTRODUCTIONS

- Representatives from the Chamber of Commerce

24. ANNOUNCEMENTS

25. PRESENTATIONS

- a. Recognition of the 2016 Christmas Float Program Food Sponsors
- b. Recognition of Maggie's Pub for their support and donation of the Older Adult Holiday Luncheon
- c. Council for Watershed Health

26. APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS

- a. Committee Appointments

City of Santa Fe Springs
Regular Meetings

December 22, 2016

27. ORAL COMMUNICATIONS

This is the time when comments may be made by interested persons on matters not on the agenda having to do with City business.

28. EXECUTIVE TEAM REPORTS

29. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing agenda was posted at the following locations; 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

December 15, 2016

Date

**FOR ITEM NO. 3A
PLEASE SEE ITEM NO. 6A**



City of Santa Fe Springs

Public Financing Authority Meeting

December 22, 2016

NEW BUSINESS

Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA)

RECOMMENDATION

That the Public Financing Authority receive and file the report.

BACKGROUND

The Santa Fe Springs Public Financing Authority (PFA) is a City entity that has periodically issued debt for the benefit of the Santa Fe Springs community. The following is a brief status report on the debt instruments currently outstanding that were issued through the PFA.

Water Revenue Bonds, 2005 Series A

Financing proceeds available for appropriation at 11/30/16

None

Outstanding principal at 11/30/16

\$2,140,000

Consolidated Redevelopment Project 2006-A Tax Allocation Bonds

Financing proceeds available for appropriation at 11/30/16

None

Outstanding principal at 11/30/16

\$35,377,675

Consolidated Redevelopment Project 2007-A Tax Allocation Refunding Bonds

Financing proceeds available for appropriation at 11/30/16

None

Outstanding principal at 11/30/16

\$29,270,000

Bond Repayment

The City budget includes sufficient appropriations and adequate revenues are expected to be collected to meet the debt service obligations associated with the 2005 Water Revenue Bonds.

The former Community Development Commission (CDC) issued a number of tax allocation bonds before it was dissolved by State law effective February 1, 2012 and is administered by the City acting as Successor Agency under the oversight of the appointed Oversight Board. The Successor Agency no longer receives tax increment. Instead distributions from the Redevelopment Property Tax Trust Fund (RPTTF) are received based on approved obligations. It is anticipated that sufficient allocations from the RPTTF will continue to be made to the Successor Agency to meet ongoing debt service obligations.

Unspent Bond Proceeds

Under an approved Bond Expenditure Agreement, unspent bond proceeds of the former CDC in the amount of approximately \$19 million were transferred to the City in July 2014. The funds are to be spent in accordance with the original bond documents. The unspent proceeds continue to be a source of funding within the City's capital improvement program (CIP).

2016 Bond Refunding

In July 2016 the Successor Agency issued its 2016 Tax Allocation Refunding Bonds, which paid off several bond issuances of the former CDC. The bonds were originally issued through the Public Financing Authority and included the 2001 Series A, 2002 Series A, 2003 Series A, the current interest portion of the 2006 Series A, and 2006 Series B bond issuances.



Thaddeus McCormack
City Manager/Executive Director

**FOR ITEM NO. 4A
PLEASE SEE ITEM NO. 6A**



City of Santa Fe Springs

Water Utility Authority Meeting

December 22, 2016

NEW BUSINESS

Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Water Utility Authority (WUA)

RECOMMENDATION

That the Water Utility Authority receive and file the report.

BACKGROUND

The Santa Fe Springs Water Utility Authority (WUA) is a City entity that has issued debt for the benefit of the Santa Fe Springs community. The following is a brief status report on the debt instruments currently outstanding that were issued through the WUA.

Water Revenue Bonds, 2013

Financing proceeds available for appropriation at 11/30/16

None

Outstanding principal at 11/30/16

\$6,890,000

In May 2013 the Water Utility Authority issued the 2013 Water Revenue Bonds in the amount of \$6,890,000. The bonds refunded the existing 2003 Water Revenue Bonds (issued through the Public Financing Authority) and provided additional funds for water improvement projects in the amount of \$2,134,339. The funds were restricted for use on water system improvements. In August 2013 the Water Utility Authority Board appropriated the proceeds for the Equipping Water Well No. 12 Project and all proceeds were since used on this project.

The City budget includes sufficient appropriations and adequate revenues are expected to be collected to meet the debt service obligations associated with the 2013 Water Revenue Bonds.

The WUA was formed in June of 2009. Water revenue bonds issued prior to this date were issued through the City of Santa Fe Springs Public Financing Authority.


Thaddeus McCormack
City Manager/Executive Director

Report Submitted By: Travis Hickey
Finance and Administrative Services

Date of Report: December 15, 2016

ITEM NO. 4B



City of Santa Fe Springs

Water Utility Authority Meeting

December 22, 2016

NEW BUSINESS

Status Update of Water-Related Capital Improvement Projects

RECOMMENDATION

That the Water Utility Authority receive and file the report.

BACKGROUND

This report is for informational purposes only. The following is a listing of current active water projects.

New Well Siting Study, Zone 1

Currently, the City is under contract with Richard Slade and Associates (RCS) to provide a well siting study within zone no. 1. Staff reviewed and provided comments on the draft study while RCS is finalizing the executive summary for the study. A completed study will provide information on potential water production well sites in zone 1.

Engineering Design Services Water Treatment System Water Well No. 12

At the July 28, 2016 City Council Meeting, Council directed staff to award a contract to Civiltec Engineering Inc. (Civiltec) to provide water production design services for Water Well No. 12. Staff met with Civiltec and a treatment supply vendor on three separate occasions at the well site to allow for viewing of the existing layout and to get a perspective on the configuration and type of treatment equipment that may be required. A fully functioning water well and treatment system within zone 2 will minimize the use of costly imported surface water, and will increase the efficiency of the water distribution system.

FISCAL IMPACT

The Water Well Siting Study for Zone 1 and for Water Well No. 12 are funded by Capital Improvement Plan Bond Funds and Utility User's Tax (UUT) Capital Improvement Fund, respectively.

A handwritten signature in black ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack
Executive Director

Attachments:

None

Handwritten initials in blue ink, possibly "NN".



City of Santa Fe Springs

Water Utility Authority Meeting

December 22, 2016

NEW BUSINESS

Central Basin Municipal Water District - Amendment No. 10

RECOMMENDATION

That the Water Utility Authority authorize the City Manager to execute Amendment No. 10, which extends the purchase agreement for imported water with the Central Basin Municipal Water District until December 31, 2017.

BACKGROUND

The Water Quality Protection Plan (WQPP) began operations in December 2004. The facilities are owned by Central Basin Municipal Water District (Central Basin) and operated under contract by the Whittier Utilities Authority (WUA). The purpose of the WQPP is to safeguard the Central Groundwater Basin from contaminants migrating from the Upper San Gabriel Basin by acting as a second line of defense to the Whittier Narrows Operational Unit (WNOU).

The Environmental Protection Agency (EPA) discovered the ground water contamination problem in the San Gabriel Valley as a result of several businesses improperly disposing of Volatile Organic Compounds (VOC) found in paints, solvents, degreasers, and metal cleaning compounds. The VOCs included Trichloroethylene (TCE), and Polychloroethylene (PCE), which generally found their way into ground water aquifers by being dumped onto the surrounding land and leaching through the soil. The VOC's rapid rate of descent through the soil prompted the EPA to provide a quick solution, the WNOU was the result.

Prior to the WNOU going online, the EPA determined that the leading edge of the main basin contamination had traveled past the WNOU extraction wells and was heading towards the Central Basin. The migration of the contaminants is accomplished by the natural flow within the aquifers from the upper San Gabriel Valley Main Basin to the Central Basin. In order to protect the quality of ground water in the Central Basin, a Federal grant was received to design and construct the WQPP facilities.

The WQPP consists of two wells that can produce on the average 2,000-3,000 gallons per minute. The original plant design pumps water into a set of primary pressure vessels with Granular Activated Carbon (GAC) acting as the filtering media. The GAC removes the VOCs from the water meeting Public Health requirements. The plant was designed with redundant pressure vessels to ensure that the VOCs are completely removed. The water is then treated with Sodium Hypochlorite (liquid Chlorine) for disinfectant purposes. The finished water then leaves the plant and is stored in the City of Whittier's clear well. The WQPP water is blended with all water produced by the City of Whittier and then pumped to the Whittier Hills to storage facilities. The water is then distributed throughout the

Report Submitted By: Noe Negrete, Director *72* Date of Report: December 15, 2016
Department of Public Works

ITEM NO. 4D

Whittier water system. The City of Santa Fe Springs receives water from the City of Whittier through the Whittier Connection. On an annual basis, the City receives 1,800 – 2,000 acre feet per year of water from the Whittier Connection.

WQPP facility construction and operations were envisioned to be funded entirely by the federal government via the Bureau of Reclamation and was to last a period of ten years. Construction funding fell far short of what was needed and as a result, annual operations could only be funded for three years. In June of 2007, the City of Santa Fe Springs, Pico Rivera, Whittier, and Central Basin developed a purchase agreement to keep the WQPP in operation covering the annual maintenance and operation costs. Amendment No. 10 extends the term for another year, as have the previous nine amendments.

FISCAL IMPACT

A minimum of nineteen hundred acre feet (1,900 ac-ft) of potable water will be extracted as ground water consumption at an amount of five hundred forty-seven dollars (\$547) per metered acre foot as compared to purchasing surface water from the Metropolitan Water District (MWD) at a rate of one thousand sixty-eight dollars (\$1,068) per acre foot. The funds are available within the current Water Utility Authority fiscal budget.

INFRASTRUCTURE IMPACT

The WQPP provides a reliable and economical source of potable water for all customers within Zone I.



Thaddeus McCormack
Executive Director

Attachment:

1. Amendment No. 10
2. Original Purchase Agreement – June 2007

ATTACHMENT 1

Amendment No. 10
to
Memorandum of Understanding (MOU) C2071/2007-2
Among
the Central Basin Municipal Water District, City of Whittier,
City of Pico Rivera, and City of Santa Fe Springs
Regarding Continued Operation of the
Water Quality Protection Plan

This Amendment No. 10 ("Amendment") to that certain original Memorandum of Understanding executed on June 25, 2007 by and among the undersigned parties is dated January 1, 2016 but shall not take effect until approved and executed by all of the undersigned parties hereto, namely the Central Basin Municipal Water District (hereinafter "CBMWD"), City of Whittier (hereinafter "Whittier"), City of Pico Rivera (hereinafter "Pico Rivera"), and City of Santa Fe Springs (hereinafter "Santa Fe Springs"). For purposes of this Amendment, the capitalized word "Party" shall be a reference to any one of the aforementioned entities and the capitalized term "Parties" shall be a collective reference to the aforementioned entities.

The Parties hereby agree as follows:

Purpose

CBMWD, Whittier, Pico Rivera, and Santa Fe Springs) desire to continue the operation of the Water Quality Protection Plan (hereinafter "WQPP") under Obligations as described under Memorandum of Understanding (MOU) dated June 25, 2007 (herein called "Original MOU"). This Amendment modifies the "Original MOU", as the same was previously modified, by way of Amendment No. 1, Amendment No. 2, Amendment No. 3, Amendment No. 4, Amendment No. 5, Amendment No. 6, Amendment No. 7, Amendment No. 8, and Amendment No. 9 pursuant to the Obligations and Miscellaneous Terms described below. The purpose of this Amendment is to extend the contract term to determine the feasibility of continuing operation of WQPP, and to develop a preliminary action plan to help future decision-making. All other terms, conditions, and provisions of the Original MOU, and the aforementioned nine (9) amendments, to the extent not modified with this Amendment No. 10, shall remain in full force and effect.

Obligations:

Obligation No. 1 of the "Original MOU" shall be amended in whole to read as follows:

1. Parties agree to continue with automatic monthly term extensions currently in effect, commencing January 1, 2016 up to December 31, 2017, for a total term extension of twenty-four (24) months, unless terminated sooner by

agreement of the Parties. Such termination of the MOU shall be executed by duly authorized representative(s) of each Party. The forgoing notwithstanding, any Party may withdraw from the MOU as previously amended and as amended herein by providing a minimum of thirty (30) days prior written notice to the other parties, provided, however, that no such withdrawal shall relieve any withdrawing Party from the obligation to pay for its calculated share of the cost associated with engagement of a consultant or consultants as provided under this Amendment once the services of any one or more consultants have been contracted. In no event shall any withdrawing Party be obligated to contribute more than its pro rata share of the overall cost of retaining the consultant(s) or such other pledge as may be made by the withdrawing Party at the time the consultant(s) was/were engaged.

Miscellaneous Terms

Miscellaneous Terms No. 1 added to the "Original MOU" with Amendments Nos. 8 and 9 shall be amended in whole to read as follows:

1. Parties agree that it will be for the mutual benefit to perform an analysis ("Engineering Report") to examine the near-term and long-term operation, and sustainability of WQPP. It is anticipated that the Engineering Report, inclusive of report revisions, expansions, or subsequent related reports, can be completed by December 31, 2017. Parties shall make all reasonable efforts to formulate a plan to fulfill the goals of this Amendment.

Miscellaneous Terms No. 8 (C) added to the "Original MOU" with Amendments Nos. 8 and 9 shall be amended in whole to read as follows:

- c) Parties shall take all reasonable efforts to set-forth goals and finding an agreeable solution on the future of WQPP within twenty (24) months of the completion of the Engineering Report.

Miscellaneous Terms No. 9 of the "Original MOU" shall be amended in whole to read as follows:

9. Notwithstanding the previous arrangements, Parties agree that during the Term of this MOU, in case of an emergency, or temporary or unusual conditions, Pico Rivera shall have right to receive water from WQPP subject to availability of such water. Upon request by Pico Rivera, CBMWD shall make all reasonable efforts to facilitate meeting such water demands. If no such water is available, the remaining parties shall be under no obligation to procure water from an alternative source to meet Pico Rivera's emergency need nor shall any such parties be obligated to incur any additional cost or penalty due to the unavailability of such water.

[SIGNATURE ON THE FOLLOWING PAGE]

In Witness Whereof, the Parties hereto have caused this MOU to be executed the date first written above.

CITY OF PICO RIVERA

Rene Bobadilla, City Manager

Date

CITY OF SANTA FE SPRINGS

Thaddeus McCormack, City Manager

Date

CITY OF WHITTIER

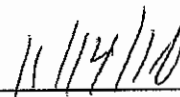
Jeffrey W. Collier, City Manager

Date

CENTRAL BASIN MUNICIPAL WATER DISTRICT



Kevin P. Hunt, P.E. General Manager



Date

ATTACHMENT "A"

Energy Demand Charge For Short-Term or Peak Time Water Delivery to the City
of Pico Rivera

Winter Rate

October 1 through May 31

Assumptions:

Based on 10 KW for every 100 GPM

Based on highest flow rate average over 15 minute period

***Flow rate in hundres of GMP x 10 KW x Edison TOU 8 Facillity Demand Charge
= Energy Charge (winter rate)***

Example

Flow Rate 1,000 GPM Average

10 (100 GPM) x 10 KW x \$15.57/KW = \$1,557.00

Summer Rate

June 1 through September 30

Assumptions:

Based on 10 KW for every 100 GPM

Based on highest flow rate average over 15 minute period

***Flow rate in hundres of GMP x 10 KW x (Edison TOU 8 Facillity Demand Charge
+ mid peak demand charge) = Energy Charge (summer rate)***

Example

Flow Rate 1,000 GPM Average

10 (100 GPM) x 10 KW (\$15.57+\$6.69 = \$22.26)=\$2,226.00

ATTACHMENT 2

Memorandum of Understanding (MOU)
Among
the Central Basin Municipal Water District, City of Whittier, City of Pico Rivera,
and City of Santa Fe Springs
Regarding the Re-Commissioning of the Water Quality Protection Plan

As of June 25, 2007, the Central Basin Municipal Water District (hereinafter "CBMWD"), City of Whittier (hereinafter "Whittier"), City of Pico Rivera (hereinafter "Pico Rivera"), and City of Santa Fe Springs (hereinafter "Santa Fe Springs") hereby agree as follows:

Purpose:

CBMWD, Whittier, Pico Rivera, and Santa Fe Springs desire to re-commission the Water Quality Protection Plan (hereinafter "WQPP") under Obligations as described below.

Definitions:

BANKED WATER shall mean the positive difference between the amount of WQPP water provided to Whittier and the combined amount of water transferred to Pico Rivera and Santa Fe Springs as part of the WQPP Project.

DEFICIT WATER shall mean the negative difference between the amount of WQPP water provided to Whittier and the combined amount of water transferred to Pico Rivera and Santa Fe Springs as part of the WQPP Project.

Obligations:

- 1) CBMWD, Whittier, Pico Rivera and Santa Fe Springs agree that the term of this MOU will be three (3) months, with said term commencing on the day the WQPP begins to provide water suitable for public consumption and concluding 90 calendar days thereafter or on September 30, 2007, whichever date is later;
- 2) CBMWD and Whittier agree to amend terms within the provisions of Agreement No. C 1167 "Central Basin Water Quality Protection Plan" dated January 1, 2002 to be consistent with the Obligations described herein this MOU;
- 3) CBMWD and Pico Rivera agree to amend terms within the provisions of Agreement No. C 1180 "Central Basin Water Quality Protection Plan" dated December 17, 2001 to be consistent with the Obligations described herein this MOU;
- 4) CBMWD and Santa Fe Springs agree to amend terms within the provisions of Agreement No. C 1168 "Central Basin Water Quality Protection Plan" dated November 20, 2001 to be consistent with the Obligations described herein this MOU;
- 5) CBMWD will make all reasonable efforts to operate WQPP to deliver a "target effluent flow rate" of 2,900 gpm (measured as an average over a 24-hour, 7-day a week basis). CBMWD will change this "target effluent flow rate" only 1) upon the written request (electronic mail is sufficient) by either Santa Fe Springs or Pico Rivera or 2) if CBMWD or Whittier deems it necessary for operational

reasons. CBMWD, Whittier, Pico Rivera, and Santa Fe Springs acknowledge that due to the nature of operating a water system, there will be some variance between the "target effluent flow rate" and the actual effluent flow rate;

- 6) Whittier desires to purchase no WQPP water during the term of this MOU, but will purchase up to 4 acre-feet, if needed, in order to balance water quantities as a result of the transfer of BANKED WATER or DEFICIT WATER as described herein. CBMWD, Whittier, Pico Rivera, and Santa Fe Springs acknowledge that there will be BANKED WATER or DEFICIT WATER, but never both simultaneously;
- 7) In the event that there is BANKED WATER at the end of this MOU, Santa Fe Springs and Pico Rivera will each take and pay for half of the BANKED WATER. CBMWD, Whittier, Pico Rivera, and Santa Fe Springs acknowledge that it is not practical to transfer the exact amount of water. As a result, Whittier will purchase up to 4 acre-feet of water, if needed, in order to balance water quantities;
- 8) In the event that there is DEFICIT WATER at the end of this MOU, CBMWD will deposit additional WQPP water in an amount equal to or up to 4 acre-feet above the quantity of DEFICIT WATER. Alternatively, Whittier at its sole discretion and at no cost to CBMWD, Santa Fe Springs, or Pico Rivera may decline taking the additional WQPP water and cover the DEFICIT WATER out of Whittier's water supply;
- 9) Whittier, Pico Rivera, and Santa Fe Springs will pay to CBMWD \$250 per acre-foot for WQPP water;
- 10) Based on an estimated total of 1125 acre-feet of WQPP water to be provided by CBMWD, Santa Fe Springs and Pico Rivera agree to "take or pay" WQPP water in the amount of 425 acre-feet per 90 days and 700 acre-feet during the 90-day term of this MOU, respectively. If the actual term of this MOU is greater or less than 90 days, the "take or pay" amount of water will be proportionally adjusted. Santa Fe Springs and Pico Rivera acknowledge that the "take or pay" amounts of water is a significant factor in keeping the CBMWD's WQPP operational costs at a reasonable enough level such that CBMWD is able to sell WQPP water at \$250 per acre-foot;
- 11) CBMWD, Whittier, Pico Rivera, and Santa Fe Springs acknowledge that Whittier is not committing to any "take or pay" amount of WQPP water as Whittier has elected to rely on other sources of water to supply its system. Whittier further acknowledges that this non-commitment to a "take or pay" amount of WQPP water does not relieve Whittier of the obligation to purchase up to 4 acre-feet to balance water quantities related to BANKED WATER or DEFICIT WATER as described herein this MOU;
- 12) The water that is flushed to waste in the process to start-up WQPP, which CBMWD has estimated to be 200 acre-feet, will be charged against the water rights of Pico Rivera and Santa Fe Springs in the amount of 50% and 50%, respectively, of the actual quantity of water that is flushed to waste in the start-up process. CBMWD will reimburse, at cost, to Pico Rivera and Santa Fe Springs the Replenishment Assessment incurred by Pico Rivera and Santa Fe Springs in

amounts equivalent to the actual quantity of water that is flushed to waste in the start-up process. The reimbursement will be based on the WRD Replenishment Assessment rate in effect at that time and shall be in the form of a credit in the monthly water bill. The start-up process is expected to commence on or about June 25, 2007. CBMWD, Whittier, Pico Rivera and Santa Fe Springs acknowledge that no water rights will be charged against Whittier in said flush to waste start-up process;

- 13) On or about August 31, 2007, CBMWD, Whittier, Pico Rivera, and Santa Fe Springs will jointly assess status of WQPP to determine whether or not the facility stays in operation;
- 14) Whittier, Pico Rivera, and Santa Fe Springs agree to work with CBMWD to pursue additional grant funding for the operations of WQPP. At a minimum, the level of support shall be in the form of providing a Letter of Support. Any additional support beyond the said minimum is at the sole discretion of each individual city; and
- 15) CBMWD, Whittier, Pico Rivera, and Santa Fe Springs agree that by September 30, 2007, if there are no changes (i.e. budgetary constraints, no JPA, no new funding sources/partners), WQPP will be demolished according to USBR guidelines.

Except as provided herein, the provisions of Agreement Nos. 1167, 1180, and 1168 are affirmed.

SIGNATURES ON THE FOLLOWING PAGE

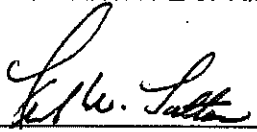
In witness whereof, the parties hereto have caused this MOU to be executed the date first written above.

CITY OF PICO RIVERA

Chuck Fuentes, City Manager

Date: _____

CITY OF SANTA FE SPRINGS



Fred Latham, City Manager

Date: 6/25/07

CITY OF WHITTIER

Steve Helvey, City Manager

Date: _____

CENTRAL BASIN MUNICIPAL WATER DISTRICT

Art Aguilar, General Manager

Date: _____



City of Santa Fe Springs

City Council Meeting

December 22, 2016

APPROVAL OF MINUTES

Minutes of the November 22, 2016 Adjourned and Regular City Council Meeting

RECOMMENDATION

Staff recommends that the City Council:

- Approve the minutes as submitted.

BACKGROUND

Staff has prepared minutes for the following meeting:

- November 22, 2016

Staff hereby submits the minutes for Council's approval.

A handwritten signature in blue ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack
City Manager

Attachment:

Minutes for November 22, 2016



APPROVED:

MINUTES OF THE MEETING OF THE CITY COUNCIL

November 22, 2016

1. **CALL TO ORDER**

Mayor Moore called the meeting to order at 5:37 p.m.

2. **ROLL CALL**

Members present: Councilmembers/Directors: Sarno, Trujillo, and Zamora, Mayor Pro Tem/Vice Chair Rounds and Mayor Moore.

Members absent: None

CITY COUNCIL

NEW BUSINESS

3. **California Senate Bill 415 "Voter Participation" and Direction Regarding Timing of Transitioning to a Statewide Election Date**

Recommendation: That the City Council:

- Provide direction as to the timing of transitioning general municipal elections to a statewide election date (June or November of each even-numbered year) to occur no later than November 8, 2022.

Thaddeus McCormack, City Manager and Steve Skolnik, City Attorney provided a brief report on the item.

It was moved by Council Member Trujillo, seconded by Council Member Sarno, to choose option 1 Option 1. Move the November 2017 election (Three Seats) to occur in November 2018 and the November 2019 election (Two Seats) to occur in November 2020, thereby increasing current incumbent terms by one year (+12 months). Consolidation would begin with the November 6, 2018 statewide general election, by the following vote:

Ayes: Sarno, Trujillo, Rounds, Moore

Nayes: Zamora

4. **ADJOURNMENT**

Mayor Moore adjourned the meeting at 5:47 p.m.

Richard J. Moore
Mayor

ATTEST:

Janet Martinez
City Clerk

Date



APPROVED:

MINUTES OF THE MEETINGS OF THE CITY COUNCIL

November 22, 2016

1. **CALL TO ORDER**

Mayor Moore called the meeting to order at 6:00 p.m.

2. **ROLL CALL**

Members present: Councilmembers/Directors: Sarno, Trujillo, and Zamora, Mayor Pro Tem/Vice Chair Rounds and Mayor Moore.

Members absent: None

Janet Martinez, City Clerk announced that the Members of the Public Financing Authority and Water Utility Authority receive \$150 for their attendance at meetings.

PUBLIC FINANCING AUTHORITY

3. **CONSENT AGENDA**

Approval of Minutes

- a. Minutes of the October 27, 2016 Public Financing Authority Meeting

Recommendation: That the Public Financing Authority approve the minutes as submitted.

Monthly Reports

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA)

Recommendation: That the Public Financing Authority receive and file the report.

It was moved by Mayor Pro Tem Rounds, seconded by Council Member Sarno, approving Item No 3A and 3B, by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds, Moore

Nays: None

WATER UTILITY AUTHORITY

4. **CONSENT AGENDA**

Approval of Minutes

- a. Minutes of the October 27, 2016, Water Utility Authority Meeting

Recommendation: That the Water Utility Authority approve the minutes as submitted.

Monthly Reports

- b. Monthly Report on the Status of Debt Instruments Issued through the Water Utility Authority (WUA)

Recommendation: That the Water Utility Authority receive and file the report.

c. Status Update of Water-Related Capital Improvement Projects

Recommendation: That the Water Utility Authority receive and file the report.

It was moved Council Member Zamora seconded by Council Member Trujillo, approved items 4A, 4B, & 4C, by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds, Moore

Nays: None

CITY COUNCIL

5. **CITY MANAGER REPORT**

Thaddeus McCormack, City Manager wished everyone a Happy Thanksgiving. He also reported speaking with Cerritos College representative discussing possible partnerships with local businesses in Santa Fe Springs to provide certificate programs. He spoke about the homeless issue.

Council Member Zamora mentioned that during a meeting with the Los Angeles Service Academy there was discussion of homeless to provide a partnership program. For example, lowering the barriers can provide the option of opening the doors to those that have mental issues, drug abuse issues, or unmarried individuals.

Mayor Moore encouraged Mr. McCormack to continue working on programs directed towards the homeless population and suggested working with the City of Norwalk.

City Manager McCormack stated that the City was in the process of working with the Cities of Norwalk, Pico Rivera and Downey.

CONSENT AGENDA

6.

Approval of Minutes

a. Minutes of the October 27, 2016 City Council Meetings

Recommendation: That the City Council:

- Approve the minutes of the October 27, 2016, meetings as submitted.

It was moved by Mayor Pro Tem Rounds seconded by Council Member Sarno approved the minutes of the October 27, 2016 City Council Meeting, by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds, Moore

Nays: None

NEW BUSINESS

7. Fiscal Year 2015-16 Preliminary Financial Year-End Review

Recommendation: That the City Council:

- Amend the Fiscal Year 2015-16 Budget to authorize the transfer of \$725,000 from the General Fund to the Prefunded Capital Projects Fund to be appropriated to a specific project(s) in the future.

- Amend the Fiscal Year 2015-16 Budget to authorize the transfer of \$725,000 from the General Fund to the Employee Benefits Internal Service Fund for the purpose of making an additional contribution to the California Employee Retirement Benefit Trust (CERBT).
- Authorize the creation of an Economic Uncertainties/Contingencies assignment of General Fund reserves and establish with an initial deposit of \$725,000.
- Direct City Staff to apply \$1,300,000 from the current year results into the unassigned General Fund Reserve account.
- Direct City Staff to increase/decrease equally the balances of items 1-3 above based on audit or other year-end adjustments which may be required.

Jose Gomez, Finance Director provided a brief presentation.

Mayor Pro Tem Rounds thanked the subcommittee for their help with the budget.

Mr. Gomez noted that any direction provided to staff would be included in the CAFR.

It was moved by Mayor Pro Tem Rounds, seconded by Council Member Trujillo, to accept staff recommended by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds, Moore

Nayes: None

8. Authorization to Purchase Replacement Hurst "Jaws of Life" Extrication Equipment for the Department Fire-Rescue

Recommendation: That the City Council:

- Authorize the Fire Chief to purchase Hurst "Jaws of Life" extrication equipment from LN Curtis for an amount not to exceed \$33,432.48.

It was moved by Council Member Zamora, seconded by Council Member Sarno, to authorize the Fire Chief to purchase Hurst "Jaws of Life" extrication equipment from LN Curtis for an amount not to exceed \$33,432.48, by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds, Moore

Nayes: None

9. Quarterly Treasurer's Report of Investments for the Quarter Ended September 30, 2016

Recommendation: That the City Council:

- Receive and File the report.

It was moved by Council Member Zamora, seconded by Council Member Trujillo, to receive and file the quarterly Treasurer's report of investments by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds, Moore

Nayes: None

10. Approval of Parcel No. 73384 – 13303 Rosecrans Avenue

Recommendation: That the City Council:

- Approve Parcel Map No. 73384;
- Find the Parcel Map No. 73384 together with the provisions for its design and improvement, is consistent with the City's General Plans; and
- Authorize the City Engineer and City Clerk to sign Parcel Map No. 73384.

It was moved by Council Member Zamora, seconded by Mayor Pro Tem Rounds, to approve Parcel No. 73384, find the parcel Map No. 73384 together with the provisions for its design and improvement, is consistent with the City's General Plans; and authorize the City Engineer and City Clerk to sign Parcel Map No. 73384, by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds, Moore

Nays: None

11. Approval of Parcel No. 73846 – 13210 Telegraph Road

Recommendation: That the City Council:

- Approve Parcel Map No. 73846;
- Find the Parcel Map No. 73846 together with the provisions for its design and improvement, is consistent with the City's General Plans; and
- Authorize the City Engineer and City Clerk to sign parcel Map No. 73846.

It was moved by Council Member Trujillo, seconded by Council Member Zamora, to approve Parcel Map No. 73846, find the Parcel Map No. 73846 together with the provisions for its design and improvement, is consistent with the City's General Plans; and authorize the City Engineer and City Clerk to sign parcel Map No. 73846, by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds, Moore

Nays: None

12. Police Services Staging Facility Renovation – Authorization to Advertise

Recommendation: That the City Council:

- Authorize the Director of Public Works to advertise for construction bids for the Renovation of the Police Services Staging Facility; and
- Authorize the Director Public Works to procure lockers from Tiffin Metal Products in the amount of \$47,276.00.

It was moved by Council Member Zamora, seconded by Council Member Trujillo, to authorize the Director of Public Works to advertise for construction bids for the Renovation of the Police Services Staging Facility; and authorize the Director Public Works to procure lockers from Tiffin Metal Products in the amount of \$47,276.00, by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds, Moore

Nays: None

13. Agreement with Blais & Associates for Grant Research and Writing Services

Recommendation: That the City Council:

- Authorize the City Manager to execute an agreement with Blais & Associates for grant research and writing services for a term beginning January 1, 2017 and ending June 30, 2017.

It was moved by Mayor Pro Tem Rounds, seconded by Council Member Zamora, to authorize the City Manager to execute an agreement with Blais & Associates for grant research and writing services for a term beginning January 1, 2017 and ending June 30, 2017, by the following vote:

Ayes: Sarno, Trujillo, Zamora, Rounds, Moore

Nays: None

Mayor Moore recessed the meetings at 6:33 p.m.

Mayor Moore convened the meeting at 7:07 p.m.

14. INVOCATION

Invocation was led by Mayor Pro Tem Rounds.

15. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by the Youth Leadership Committee members.

16. INTRODUCTIONS

- Representative from the Chamber of Commerce: Curtis Mello from HERAEUS.

17. ANNOUNCEMENTS

The Youth Leadership Committee Members made the following announcements:

- Island Inspirations, Friday, December 2, 2016 at 7:00 p.m. at the Library
- Tree Lighting Ceremony, Saturday, December 3, 2016 from 5:00 p.m. – 8:00 p.m. at 11740 Telegraph Road, Santa Fe Springs
- Older Adult Holiday Celebration, Friday, December 9, 2016 from 10:00 a.m. to 1:00 p.m. at the Gus Velasco Neighborhood Center.
- Las Posadas, Friday, December 9, 2016 at 6:30 a.m. at Heritage Park.

18. PRESENTATIONS

No presentations were scheduled for this meeting.

19. APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS

Council Member Trujillo appointed Amber Jean Marquez to the Youth Leadership Committee.

20. ORAL COMMUNICATIONS

No speakers.

21. EXECUTIVE TEAM REPORTS

- Noe Negrete, Public Works spoke in regards to the street sign placed by the St. Paul High School and also provided a status on current projects.
- Wayne Morrell, Director of Planning spoke in regards to small business Saturday and encouraged everyone to shop at the small business stores in Santa Fe Springs to support them.
- Dino Torres, Director of Police Services spoke in regards to the parade on December 10, 2016 and the Santa Clause float.
- Mike Crook, Fire Chief wished everyone a Happy Thanksgiving, and reminded everyone to be safe.
- Jose Gomez, Finance Director provided a brief report on the approved Council changes that were done at the last meeting.
- Maricela Balderas, Community Services Director provided a brief report on the Thanksgiving food items and the programs the City provide to assist residents during the holidays.

The following comments were made by the City Council:

- Council Member Sarno wished everyone a Happy Thanksgiving.
- Mayor Pro Tem Rounds announced that SASSFA has an agreement with the City and they are placing a proposal that will list some changes. He noted there is a state holder meeting next Wednesday and encouraged everyone to attend.
- Council Member Trujillo wished everyone a Happy Thanksgiving and also announced that SEAACA is currently providing free neutering services for cats and encouraged anyone that needed that service to contact them.
- Council Member Zamora wished everyone a Happy Thanksgiving and recognized the troops for their service.
- Mayor Moore wished everyone a Happy Thanksgiving and thanked Council Member Sarno for working with Maggie's Pub for their donations.

ADJOURNMENT

- 22.** Mayor Moore adjourned the regular meetings at 7:28 p.m. to November 10, 2016 at 5:00 p.m.



City of Santa Fe Springs

City Council Meeting

December 22, 2016

ORDINANCE FOR ADOPTION

ZONING TEXT AMENDMENT – Firearms Sales in the M-2 Zone

Ordinance No. 1077 – An ordinance of the City Council of the City of Santa Fe Springs, California, amending Santa Fe Springs Municipal Code, Title 15, Chapter 155, Section 155.243 and Section 155.648 of the City Zoning Regulations regarding firearms sales in the M-2, Heavy Manufacturing Zone.

RECOMMENDATION

That the City Council waive further reading and adopt Ordinance No. 1077.

BACKGROUND

Ordinance No. 1077 was introduced and passed its first reading at the December 8, 2016 City Council meeting. Per the request of City Council, EMTs were removed from the list of persons permitted to purchase firearms. Below is the substance of the agenda report for the proposed ordinance as it appeared at that meeting.

The Zoning Text Amendment was proposed by applicant S Browne Supply, LLC, represented by Paula Eagleman. S Browne Supply specializes in duty gear and equipment for law enforcement and first responders throughout California. S Browne Supply approached the City with a request to begin retail sales of firearms to their clientele.

Prior to 1994, retail firearms sales were permitted in any commercial or industrial zone in the City. The 1993 adoption of State Penal Code Section 12071 required cities to establish regulatory procedures for the retail sale of firearms. In response, Santa Fe Springs adopted Ordinance No. 834 in March 1994 to classify the retail sale of firearms as a conditional use activity in the C-4 (Community Commercial) zone only. This limitation on retail firearms sales to the C-4 zone is still in effect today. Wholesale transfer of firearms is currently permitted in the M-2 zone upon issuance of a conditional use permit, but wholesale transfer of firearms is not permitted in any other zone in the City.

S Browne Supply caters to a very specific demographic, but their business is not unique. At least four other retailers in the Los Angeles and Orange County region specialize in law enforcement, military, and first responder gear and equipment sales. The primary focus of these retailers is to provide public safety personnel with a discrete, private and safe place to purchase equipment. As such, these retailers typically establish their retail stores in industrial zones and other low-profile locations that do not receive foot traffic. In fact, S Browne Supply has minimal signage at their storefront to avoid attracting attention.

Given the prominent locations, limited inventory, and low vacancy rates of the City's C-

4 zoned properties, S Browne Supply is seeking a Zoning Text Amendment to expand the retail sale of firearms to include the M-2 zone. However, firearms sales within the M-2 zone would be limited to law enforcement, military, security, and first responder personnel.

PROPOSED ZONING TEXT AMENDMENT

Section 155.243(N) would be added to the City's Zoning Regulations, and Section 155.243(B) and Section 155.648 would be amended to accommodate this addition.

The proposed changes are shown underlined.

SANTA FE SPRINGS MUNICIPAL CODE **Chapter 155 – Zoning**

§ 155.243 CONDITIONAL USES.

The following uses shall be permitted in the M-2 Zone only after a valid conditional use permit has first been issued:

(B) Storage of:

- (1) Oil or gas within 300 feet of any agricultural or residential zone, school or park.
- (2) House mover's equipment and buildings moved from other locations.
- (3) Oil or other flammable liquids in amounts of 100,000 gallons or more.
- (4) Flammable gases in amounts of 500,000 cubic feet or more.
- (5) Explosives, charges, black powder or similar products in amounts totalling one pound or more.
- (6) Firearms of any type, including rifles, hand guns and similar weapons totalling five or more in any combination, including wholesale transfer, retail as specified in § 155.243(N), storage, distribution or delivery of any firearm(s).
- (7) Ammunition, munitions, bullets, including smokeless gunpowder in amounts totalling 20 pounds or more.

(N) Retail sale, lease or transfer of any firearm(s) to the following upon presentation of proper government-issued identification:

- (1) Active and retired sworn law enforcement personnel.
- (2) Law enforcement agencies.
- (3) Fire Fighters, Volunteer Fire Fighters, and Paramedics.
- (4) Military personnel including Reservists and National Guard, including Military personnel with "retired" credentials.
- (5) Corrections Officers, including Parole and Probation Officers.
- (6) Individuals with a valid Security Guard License issued by the California Bureau of Security & Investigative Services.
- (7) Security companies with a valid certification by the California Bureau of Security & Investigative Services.
- (8) Court Judges, District Attorneys, Deputy District Attorneys, and District

Attorney Investigators.

- (9) Law Enforcement Academy Cadets with enrollment documentation from the Academy.

§ 155.648 STORAGE OF EXPLOSIVES, FIREARMS AND AMMUNITION.

(A) A conditional use permit shall be required for the establishment of a storage or retail use involving explosives, firearms or ammunition pursuant to § 155.243 of this chapter.

(B) In addition to any other conditions which may be imposed by the Planning Commission on the granting of said conditional use permit, the following shall apply:

(1) A security and safety plan shall be submitted to the city for approval and shall be implemented prior to occupancy of the building.

(2) The storage of explosives, firearms or ammunition shall not occur within 1,000 feet of any property zoned for or occupied by residential, schools, parks and religious land uses.

(3) Retail sales in connection with storage of explosives, firearms or ammunition shall be prohibited with the exception of retail sales as specified in § 155.243(N).

(4) The storage of explosives, firearms or ammunition shall comply with the following additional Building and Fire Code requirements.

(a) *Ammunition.*

1. *Storage of ammunition.*

a. Amounts not exceeding 500 pounds may be stored in a safe and secured location

b. Amounts in excess of 500 pounds shall be stored in a location and in a manner approved by the City's Fire Chief.

c. Not more than 1,000 pounds may be stored in a basement equipped with automatic sprinklers.

d. Over 5,000 pounds shall be stored in a room of one hour fire resistive construction. Door openings thereon shall be protected by one hour fire assemblies. Such rooms shall be equipped with an automatic sprinkler system.

2. *Separation.* Ammunition shall be separated from flammable liquids, flammable solids, and oxidizing materials by one hour fire resistive separation or by a distance of not less than 25 feet.

3. *Approval.* Ammunition shall not be stored with Class A or Class B explosives unless the storage facility is approved by the City's Fire Chief.

(b) *Fire protection.* Portable fire extinguishers shall be provided as required by § 10.301 of the Uniform Fire Code wherever fireworks, smokeless powder, small arms ammunition or small arms primers are stored, manufactured, or handled.

STAFF CONSIDERATIONS

The proposed Zoning Text Amendment is not in conflict with other purposes, goals, or policies found in the City's Zoning Regulations. Limiting the sale of firearms to law enforcement, security, and military personnel ensures that only those who have gone through extensive vetting and received considerable training will be able to purchase firearms in the M-2 zone. This will attract law enforcement personnel from various departments throughout the region, which could have the added benefit of increasing security and safety throughout the City.

Classifying firearms sales as a conditional use allows the City to evaluate the circumstances of each application and impose appropriate security conditions on a case-by-case basis. Any unusual property or business characteristics can be addressed accordingly through the Conditional Use Permit process.

CONSISTENCY WITH GENERAL PLAN GOALS AND POLICIES

The fundamental goal of the City of Santa Fe Springs is to provide a high quality of life for all people residing in, working in, or frequenting the City. Subsidiary goals are intended to provide for individual well-being, economic well-being, social well-being, and environmental well-being. The proposed Zoning Text Amendment addresses the following goals and policies:

Land Use Goal 5: *Provide an environment to stimulate local employment, community spirit, property values, community stability, the tax base, and the viability of local business.*

The proposed amendment stimulates the tax base and viability of local business. Law enforcement, military, security, and first responder personnel are a stable demographic with disposable income. The retail stores permitted by the Zoning Text Amendment would draw in this demographic from around the region. In addition to the direct sales tax increase from firearms sales, patrons would likely shop at other retailers and restaurants in the City, further boosting sales tax revenues.

Land Use Goal 11: *Support and encourage the viability of the industrial and commercial areas of Santa Fe Springs.*

Policy 11.1: *Assist and encourage all small businesses throughout the city.*

The proposed Zoning Text Amendment directly supports an existing small business in the City and lays the groundwork for additional small businesses to begin operations. It allows for expanded business services and strengthens business viability.

PLANNING COMMISSION CONSIDERATION

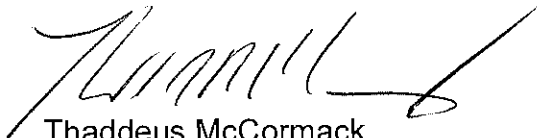
At its meeting of November 14, 2016, the City Planning Commission conducted a Public Hearing on a Zoning Text Amendment to amend sections 155.243 and 155.648. No person appeared at the Public Hearing to offer an opinion on the proposed amendment. After considering the facts contained in the staff report and a presentation provided by staff, the Planning Commission approved a motion to recommend that the City Council

approve Zoning Text Amendment – Firearms Sales in the M-2 Zone (Ordinance No. 1077).

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 requirements of Sections 155.860 through 155.864 of the City's Municipal Code.

The legal notice was posted in Santa Fe Springs City Hall, the City Library and the City's Town Center on November 3, 2016, and published in a newspaper of general circulation (Whittier Daily News) on November 3, as required by the State Zoning and Development Laws and by the City's Zoning Regulations.



Thaddeus McCormack
City Manager

Attachments

Proposed Ordinance No. 1077

ATTACHMENT 1

ORDINANCE NO. 1077

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS, CALIFORNIA, AMENDING SANTA FE SPRINGS MUNICIPAL CODE, TITLE 15, CHAPTER 155, SECTION 155.243 AND SECTION 155.648 OF THE CITY ZONING REGULATIONS REGARDING FIREARMS SALES IN THE M-2, HEAVY MANUFACTURING ZONE.

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

SECTION 1. Section 155.243(B)(6) of Chapter 155 of the City Code is hereby amended to read as follows:

§ 155.243(B)(6) CONDITIONAL USES

(B) Storage of:

- (6) Firearms of any type, including rifles, hand guns and similar weapons totalling five or more in any combination, including wholesale transfer, retail as specified in § 155.243(N), storage, distribution or delivery of any firearm(s).

SECTION 2. Section 155.243 of Chapter 155 of the City Code is hereby amended to add thereto new subsection (N) so that said subsection reads as follows:

§ 155.243 CONDITIONAL USES

- (N) Retail sale, lease or transfer of any firearm(s) to the following upon presentation of proper government-issued identification:
 - (1) Active and retired sworn law enforcement personnel.
 - (2) Law enforcement agencies.
 - (3) Fire Fighters, Volunteer Fire Fighters, and Paramedics.
 - (4) Military personnel including Reservists and National Guard, including Military personnel with "retired" credentials.
 - (5) Corrections Officers, including Parole and Probation Officers.
 - (6) Individuals with a valid Security Guard License issued by the California Bureau of Security & Investigative Services.
 - (7) Security companies with a valid certification by the California Bureau of Security & Investigative Services.
 - (8) Court Judges, District Attorneys, Deputy District Attorneys, and District Attorney Investigators.
 - (9) Law Enforcement Academy Cadets with enrollment documentation from the Academy.

SECTION 3. Section 155.648(A) of Chapter 155 of the City Code is hereby amended to read as follows:

§ 155.648(A) STORAGE OF EXPLOSIVES, FIREARMS AND AMMUNITION

- (A) A conditional use permit shall be required for the establishment of a storage or retail use involving explosives, firearms or ammunition pursuant to § 155.243 of this chapter.

SECTION 4. Section 155.648(B)(3) of Chapter 155 of the City Code is hereby amended to read as follows:

§ 155.648(B)(3) STORAGE OF EXPLOSIVES, FIREARMS AND AMMUNITION

- (B) In addition to any other conditions which may be imposed by the Planning Commission on the granting of said conditional use permit, the following shall apply:
 - (3) Retail sales in connection with storage of explosives, firearms or ammunition shall be prohibited with the exception of retail sales as specified in § 155.243(N).

SECTION 5. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Ordinance, or any part thereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance, or any part thereof. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase in this Ordinance irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

SECTION 6. Except as amended above, all other provisions of the Zoning Regulations in the City Code shall remain in full force and effect.

SECTION 7. The City Clerk shall certify to the adoption of this Ordinance, and shall cause the same to be posted in at least three (3) public places in the City, such posting to be completed not later than fifteen (15) days after passage thereof.

PASSED AND ADOPTED this _____ day of _____ 2016, by the following roll call vote:

AYES
NOES
ABSENT
ABSTAIN

Richard J. Moore
Mayor

ATTEST:

Janet Martinez, CMC
City Clerk



City of Santa Fe Springs

City Council Meeting

December 22, 2016

ORDINANCE FOR ADOPTION

Adoption of Ordinance No. 1078 – Amending the Santa Fe Springs Municipal Code to Change General Municipal Election Dates to Coincide with Statewide General Elections in November of Even-Numbered Years

RECOMMENDATION: That the City Council

- Waive further reading and adopt Ordinance No. 1078.

BACKGROUND

The first reading for Ordinance No. 1078 was scheduled on December 8, 2016 and was passed with a vote of 4-1. Below is the substance of the agenda report for the proposed ordinance as it appeared at that meeting:

On September 1, 2015, Governor Jerry Brown signed Senate Bill No. 415 ("SB 415") (Attachment 3), Voter Participation, into law, adding Sections 14050-14057 to the California Elections Code ("Elections Code"), which prohibits local governments, beginning January 1, 2018, from holding an election on any date other than on a statewide election date if doing so has resulted in voter turnout being at least 25% below the average turnout in that jurisdiction in the previous four statewide general elections. Pursuant to Elections Code (EC) Section 1001, statewide election dates are recognized to occur in June and November of each even-numbered year.

The City of Santa Fe Springs (City) general municipal elections are now held in November of odd-numbered years to elect members of the City Council. In accordance with SB 415, the City Clerk's Office conducted an analysis of voter turnout and determined that the City is required to conduct its general municipal elections to coincide with statewide elections. Pursuant to EC Section 10403.5(b) the City Council may increase or decrease any terms of office by not more than 12 months.

On November 22, 2016, the City Council directed staff to proceed with Option 1:

Option 1 - Move the November 2017 election (Three Seats) to occur in November 2018 and the November 2019 election (Two Seats) to occur in November 2020, thereby increasing current incumbent terms by one year (+12 months). Consolidation would begin with the November 6, 2018 statewide general election

In order to implement this option, the City Council would need to adopt an ordinance before the November 2017 election. The proposed Ordinance (No. 1078 – Attachment 1) will consolidate the City's general municipal election with a statewide general election date, extend the terms of current Councilmembers by no more than 12 months (Election Code Section 10403.5(b)), and repeal Ordinance No. 956 (Attachment 2), which established a general election date on the first Tuesday after



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the first Monday in November of each odd-numbered years. Once Ordinance No. 1078 is adopted, it will then require approval by the Board of Supervisors ("Board") of the County of Los Angeles. Within Thirty (30) days after the approval by the Board, the City Clerk will send out a notice to all registered voters in the City informing them of the change in the general municipal election date and the extension of the current incumbent Councilmember terms affected by the Ordinance (Election Code section 10403.5(e).

Pursuant to EC Section 1301, the City Council must enact an ordinance (Attachment 1) to effectuate the change to the City's general municipal election date. However, any ordinance adopted shall only become operative upon approval by the Los Angeles County Board of Supervisors (Supervisors). Los Angeles County Registrar of Voters (Registrar) staff has advised that if the City Council adopts an ordinance to synchronize its general municipal election date with statewide elections, it would

FISCAL IMPACT

The fiscal impacts associated with this item are unknown at this time. Election costs vary based on the number of agencies consolidating in a particular election, number of candidates, number of polling sites, etc. It is possible that election costs could decrease as more jurisdictions are required to consolidate with statewide elections.


Thaddeus McCormack
City Manager

Attachment(s)

Ordinance No. 1078
Ordinance No. 956
SB 415

ATTACHMENT 1

ORDINANCE NO. 1078

AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS MOVING THE CITY'S GENERAL MUNICIPAL ELECTIONS TO THE FIRST TUESDAY AFTER THE FIRST MONDAY IN NOVEMBER OF EACH EVEN-NUMBERED YEAR BEGINNING IN NOVEMBER OF 2017

WHEREAS, the City of Santa Fe Springs (the "City") general municipal elections are now held in the month of November of alternating odd-numbered years, to elect five members of the City Council; and

WHEREAS, Senate Bill 415 (SB 415) "Voter Participation" prohibits local governments, beginning January 1, 2018, from holding an election on any date other than a statewide election date, if doing so has resulted in voter turnout being at least 25% below the average turnout in that jurisdiction in the previous four statewide general elections, except as specified; and

WHEREAS, in accordance with SB 415, the City has determined that it must adopt a transition plan to consolidate its general municipal elections with a statewide election date to occur not later than November 8, 2022; and

WHEREAS, Sections 1301 and 10403.5 of the California Elections Code authorize the City Council to reschedule its general municipal election and to increase or decrease any terms of office by not more than 12 months; and

WHEREAS, the City Council desires to reschedule its general municipal election to the first Tuesday after the first Monday in November of even-numbered years, to coincide with the statewide general elections, beginning in November, 2017.

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

SECTION 1. Change of Election Date. Pursuant to Sections 1000 and 1301 of the California Elections Code, the City's general municipal elections are hereby moved to the first Tuesday after the first Monday in November of even-numbered years, to coincide with the statewide general elections, commencing with the moving of the general municipal election presently scheduled for November, 2017, to November, 2018.

SECTION 2. Adjustment to Terms of Office. Pursuant to Sections 1301 and 10403.5 of the California Elections Code, the term of any elected City officeholder that would have expired in November, 2017, shall instead expire in the same manner, but after the occurrence of the November, 2018 general municipal election, and the term of any elected City officeholder that would have expired in November, 2019, shall instead expire in the same manner, but after the occurrence of the November, 2020 general municipal election.

SECTION 3. Ordinance No. 956 is hereby repealed.

SECTION 4. Consolidated Elections. Pursuant to Section 1301 and 10403.5 of the California Elections Code, the City hereby requests that the County of Los Angeles approve this Ordinance and allow for consolidation of the City's general municipal election with the statewide general election conducted by the County in November of each even-numbered year, beginning with the election to be held in November, 2018.

SECTION 5. Effective Date. This Ordinance shall become operative upon approval by the Los Angeles County Board of Supervisors as provided by California Elections Code Sections 1301(b)(1) and 10403(a)(1).

SECTION 6. Notice to Voters. Pursuant to Section 10403.5(e) of the California Elections Code, within 30 days after this Ordinance becomes operative, the City's elections official shall cause notice to be mailed to all registered voters informing the voters of the change in the election date made by this Ordinance and that, as a result of the change in election date, the terms of office of City Officeholders will be extended by not more than 12 months.

SECTION 7. Request to the County. The City Clerk shall forward a copy of this Ordinance to the Los Angeles County Board of Supervisors with a request that it be approved, pursuant to California Elections Code Sections 1301 and 10403.5.

SECTION 8. Certification. Within fifteen (15) days after the passage of this Ordinance, the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be posted in the manner required by law.

ATTACHMENT 2

ORDINANCE NO. 956

AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF SANTA FE SPRINGS, CALIFORNIA,
MOVING THE DATE OF THE CITY'S GENERAL MUNICIPAL ELECTION
FROM THE FIRST TUESDAY AFTER THE FIRST MONDAY
IN MARCH OF ODD-NUMBERED YEARS TO THE
FIRST TUESDAY AFTER THE FIRST MONDAY IN NOVEMBER
OF ODD-NUMBERED YEARS

WHEREAS, the City's General Municipal Election is now scheduled for the first Tuesday after the first Monday in March of odd-numbered years;

WHEREAS, Election Code § 1301 and § 10403.5 authorize the City to reschedule its General Municipal Election;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES ORDAIN AS FOLLOWS:

SECTION 1. Pursuant to § 1301 and § 10403.5 of the California Elections Code the date of the General Municipal Election of the City of Santa Fe Springs, California is moved from the first Tuesday after the first Monday in March of each odd-numbered year to the first Tuesday after the first Monday in November of each odd-numbered year.

SECTION 2. In accordance with the change of election date, the terms of office of those members of the City Council presently serving shall be extended for a period of approximately eight (8) months until election results are declared by the City Council.

SECTION 3. This ordinance shall take effect thirty (30) days after its final passage. Within 30 days of the effective date, the City Clerk shall cause a notice to be mailed to all registered voters of the City informing them of the change in the election date.

SECTION 4. The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published according to law.

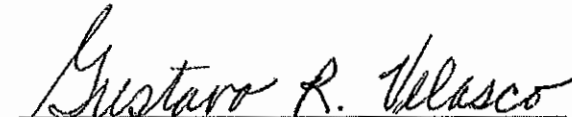
PASSED, APPROVED AND ADOPTED on this 27th day of
May, 2004, by the following roll call vote:

AYES: Councilmembers Gonalez, Serrano, Mayor Velasco

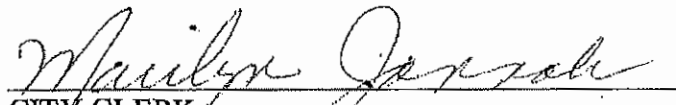
NOES: Councilmember Putnam

ABSENT: None

ABSTAIN: Councilmember Kernes


MAYOR

ATTEST:


CITY CLERK

ATTACHMENT 3

Senate Bill No. 415

CHAPTER 235

An act to add Chapter 1.7 (commencing with Section 14050) to Division 14 of the Elections Code, relating to elections.

[Approved by Governor September 1, 2015. Filed with
Secretary of State September 1, 2015.]

LEGISLATIVE COUNSEL'S DIGEST

SB 415, Hueso. Voter participation.

Existing law generally requires all state, county, municipal, district, and school district elections be held on an established election date. Existing law also establishes certain dates for statewide elections. Existing law requires any state, county, municipal, district, and school district election held on a statewide election date to be consolidated with a statewide election, except as provided.

This bill, commencing January 1, 2018, would prohibit a political subdivision, as defined, from holding an election other than on a statewide election date if holding an election on a nonconcurrent date has previously resulted in voter turnout for a regularly scheduled election in that political subdivision being at least 25% less than the average voter turnout within the political subdivision for the previous 4 statewide general elections, except as specified.

This bill would require a court to implement appropriate remedies upon a violation of this prohibition. The bill would authorize a voter who resides in a political subdivision where a violation is alleged to file an action in superior court to enforce this prohibition, and it would allow a prevailing plaintiff other than the state or political subdivision to collect a reasonable attorney's fee and litigation expenses, as provided.

The people of the State of California do enact as follows:

SECTION 1. Chapter 1.7 (commencing with Section 14050) is added to Division 14 of the Elections Code, to read:

CHAPTER 1.7. VOTER PARTICIPATION

14050. This chapter shall be known and may be cited as the California Voter Participation Rights Act.

14051. As used in this chapter:

(a) "Political subdivision" means a geographic area of representation created for the provision of government services, including, but not limited

to, a city, a school district, a community college district, or other district organized pursuant to state law.

(b) “Significant decrease in voter turnout” means the voter turnout for a regularly scheduled election in a political subdivision is at least 25 percent less than the average voter turnout within that political subdivision for the previous four statewide general elections.

(c) “Voter turnout” means the percentage of voters who are eligible to cast ballots within a given political subdivision who voted.

14052. (a) Except as provided in subdivision (b), a political subdivision shall not hold an election other than on a statewide election date if holding an election on a nonconcurrent date has previously resulted in a significant decrease in voter turnout.

(b) A political subdivision may hold an election other than on a statewide election date if, by January 1, 2018, the political subdivision has adopted a plan to consolidate a future election with a statewide election not later than the November 8, 2022, statewide general election.

14053. Upon a finding of a violation of subdivision (a) of Section 14052, the court shall implement appropriate remedies, including the imposition of concurrent election dates for future elections and the upgrade of voting equipment or systems to do so. In imposing remedies pursuant to this section, a court may also require a county board of supervisors to approve consolidation pursuant to Section 10402.5.

14054. In an action to enforce subdivision (a) of Section 14052, the court shall allow the prevailing plaintiff other than the state or political subdivision of the state, a reasonable attorney’s fee consistent with the standards established in *Serrano v. Priest* (1977) 20 Cal.3d 25, 48-49, and litigation expenses including, but not limited to, expert witness fees and expenses as part of the costs. A prevailing defendant shall not recover any costs, unless the court finds the action to be frivolous, unreasonable, or without foundation.

14055. A voter who resides in a political subdivision where a violation of subdivision (a) of Section 14052 is alleged may file an action pursuant to that section in the superior court of the county in which the political subdivision is located.

14056. This chapter does not apply to special elections.

14057. This chapter shall become operative on January 1, 2018.



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ORDINANCE FOR ADOPTION

Ordinance 1080 – Adopting the 2016 Edition of the California Fire Code and Repealing Ordinance 1051 of the City of Santa Fe Springs and All Other Ordinances and Parts of the Ordinances in Conflict Therewith.

RECOMMENDATION

That the City Council waive further reading and adopt Ordinance No. 1080, adopting the 2016 California Fire Code including amendments to Chapter 93, Fire Prevention and Protection, of the Santa Fe Springs Code of Ordinances.

BACKGROUND

Ordinance No. 1080 passed its first reading at the December 8, 2016 City Council meeting. Below is the substance of the agenda report for the proposed ordinance change, as it appeared at the City Council meeting of December 8, 2016.

The 2013 California Fire Code will be superseded by the 2016 California Fire Code and will become State law on January 1st, 2017. The City of Santa Fe Springs Department of Fire-Rescue will need to adopt the 2016 California Fire Code with amendments under Chapter 93 of the Santa Fe Springs City Code of Ordinances. The codes are amended for a variety of reasons. These include updates from various International Code Committees and California Fire Code committees to take into account current industry practices and modifications to reflect changes in state and federal law.

In 2007, the State of California and local jurisdictions within the state adopted the International Fire Code with State and local amendments. The International Fire Code is part of a greater series of model codes that include the International Building Code, also published by the International Code Council (ICC). The California Fire Code, along with all of the State Building Standard Codes, is on a three-year revision cycle. In 2007, 2010, and 2013, the City revised its Municipal Code to incorporate the California version of the international codes and readopted them under Ordinances 984, 1020, and 1051 respectively. The State's Building Standards Codes are once again at the end of a three-year cycle and the new Codes will go into effect January 1, 2017. The State of California has completed amendments to the codes as of July 1, 2016 and local jurisdictions have 180 days to further amend them before they become law.

Local jurisdictions may amend the Code, as allowed by Health and Safety Code Sections 17922 and 17958, as necessary to mitigate local discrepancies, and continue to protect and preserve the quality of life for our citizens, business community, and first responders.

ATTACHMENT 1



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The amendments, as included in the ordinance, have been thoroughly researched and are deemed necessary to maintain the current level of protection throughout the City of Santa Fe Springs.

A summary of changes to the 2016 California Fire Code and the proposed 2016 changes to the Santa Fe Springs Code of Ordinances Chapter 93 is attached to this agenda report.

FISCAL IMPACT

A one-time fiscal impact to the Department of Fire-Rescue FY 2016-17 budget will be incurred to replace reference documents and update pre-printed forms. This cost is estimated not to exceed \$2,500.

A handwritten signature in black ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack
City Manager

Attachment:
Ordinance No. 1080
2016 Fire Code Summary of Changes

ORDINANCE NO. 1080

AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS ADOPTING THE 2016 EDITION OF THE *CALIFORNIA FIRE CODE*, REGULATING AND GOVERNING THE SAFEGUARDING OF LIFE AND PROPERTY FROM FIRE AND EXPLOSION HAZARDS ARISING FROM THE STORAGE, HANDLING AND USE OF HAZARDOUS SUBSTANCES, MATERIALS AND DEVICES, AND FROM CONDITIONS HAZARDOUS TO LIFE OR PROPERTY IN THE OCCUPANCY OF BUILDINGS AND PREMISES IN THE CITY OF SANTA FE SPRINGS PROVIDING FOR THE ISSUANCE OF PERMITS AND COLLECTION OF FEES THEREFORE REPEALING ORDINANCE NO. 1051 OF THE CITY OF SANTA FE SPRINGS AND ALL OTHER ORDINANCES AND PARTS OF THE ORDINANCES IN CONFLICT THEREWITH.

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

Section 1. That a certain document, three (3) copies of which are on file in the office of the City Clerk of the City of Santa Fe Springs being marked and designated as the *California Fire Code*, 2016 edition, including Chapters 1 through 80, in addition to Appendix Chapter 4, Appendices A, B, C, D in part, E, H, I, J, K, L, M and N as published by the International Code Council, and is hereby adopted as the Fire Code of the City of Santa Fe Springs in the State of California regulating and governing the safeguarding of life and property from fire and explosion hazards arising from the storage, handling and use of hazardous substances, materials and devices, and from conditions hazardous to life or property in the occupancy of buildings and premises as herein provided; providing for the issuance of permits and collection of fees therefore; and each and all of the regulations, provisions, penalties, conditions and terms of said Fire Code on file in the office of the City of Santa Fe Springs are hereby referred to, adopted, and made a part hereof, as if fully set out in this ordinance, with the additions, insertions, deletions and changes, if any prescribed in Section 2 of this ordinance.

Section 2. That the following sections are hereby revised:

Section 101.1.

Insert: City of Santa Fe Springs

Section 103.1 is amended to read as follows:

General. The department of fire prevention is established within the jurisdiction under the direction of the fire code official. The function of the department shall be the implementation, administration and enforcement of the provisions of this Code, in addition to environmental programs, including those programs administered by the Certified Unified Program Agency.

Section 105.6 is amended to read as follows:

Required operational permits. The fire code official is authorized to issue operational permits for the operations set forth in Section 105.6.1 through 105.6.50, or as required by the fire code official.

Section 105.6.14 is amended to read as follows:

Explosives. An operational permit is required for the manufacture, storage, handling, sale or use of any quantity of explosives, explosive materials, fireworks or pyrotechnic special effects within the scope of Chapter 56, or when a local permit or approval by the fire code official is required per CCR Title 19, Division 1, Chapter 6-Fireworks, or Chapter 10-Explosives.

Section 105.6.50 is added to read as follows:

Pallet yards. An operational permit is required to store, manufacture, refurbish or otherwise handle wooden or plastic pallets in excess of 200 cubic feet on the exterior of any site.

Section 105.7 is amended to read as follows:

Required construction permits. The fire code official is authorized to issue construction permits for the work set forth in Section 105.7.1 through 105.7.16, in addition to the construction, addition, alteration, installation, modification or repair of any building, or building system and equipment, or as required by the fire code official.

Section 109.3.1 is amended to read as follows:

Service. A notice of violation issued pursuant to this code shall be served upon the owner, operator, occupant or other person responsible for the condition or violation, either by personal service, mail, electronic mail, or by delivering the same to, and leaving it with, some person of responsibility upon the premises. For unattended or abandoned or locations, a copy of such notice of violation shall be posted on the premises in a conspicuous place at or near the entrance to such premises and the notice of violation shall be mailed by certified mail with return receipt requested or a certificate of mailing, to the last known address of the owner, occupant or both.

Section 109.4.

Insert: Misdemeanor, \$1,000.00, 180 days

Section 109.4

Add: The Department may include violations of this code as part of an administrative enforcement order under the provisions detailed in the California Health and Safety Code section 25404.1.1.

Section 111.4.

Insert: \$100.00, \$1,000.00

Section 113.1 is amended to read as follows:

Fees. A fee for service shall be charged for the review, plan check and permitting of documents as required by the Code, or as required by the fire code official. A permit shall not be issued until the fees have been paid, nor shall an amendment to a permit be released until the additional fee, if any, has been paid.

Section 113.6 is added to read as follows:

False fire alarm response. A service charge for the response and investigation of false alarms shall be paid as required, in accordance with the schedule as established by the applicable governing authority.

Section 202 is amended to read as follows:

Addition. An extension or increase in floor area or height of a building or structure.

False Alarm. In addition, the activation of any fire alarm system which results in a response by the Department of Fire-Rescue, and which is caused by the negligence, lack of proper maintenance or intentional misuse of the fire alarm system by the owner, its employees, agents or any other activation of a fire alarm system not caused by heat, smoke or fire.

Fire apparatus access road. A road that provides fire apparatus access from a fire station to a facility, building or portion thereof. This is a general term inclusive of all other terms such as fire lane, public street, private street, parking lot lane, access roadway, and anything that augments fire ground operations.

Repair. The reconstruction or renewal of any part of an existing building for the purpose of maintenance.

Section 301.3 is added to read as follows:

Hazard discontinuation. The fire code official is authorized to require the discontinuance of any hazardous, offensive or nuisance condition.

Section 503.2.1 is amended to read as follows:

Dimensions. Fire apparatus access roads shall have an unobstructed width of not less than 26 feet (7924 mm), exclusive of shoulders, except for approved security gates in accordance with Section 503.6, and an unobstructed vertical clearance of not less than 13 feet 6 inches (4114.8mm).

Section 503.2.9 is added to read as follows:

Traffic calming features. Traffic calming features shall be approved by the Fire Code Official.

Section 504.5 is added to read as follows:

Access signage. When required by the fire code official, exterior and interior doors shall be identified as to the function of that room or area, or when the door is not functional.

Section 605.3.1.1 is added to read as follows:

Labeling maintenance. Labeling required per 605.3.1, and as required for photovoltaic installations shall be legibly maintained at all times.

Section 901.1.1 is added to read as follows:

Aesthetics. Aesthetics of fire protection systems shall be taken into consideration by designers and installers, and to provide consistency with all relevant City codes and standards.

Section 901.11 is added to read as follows:

Fire Protection Equipment Access. Unobstructed access and adequate working space to fire protection equipment shall be maintained at all times. The fire department shall not be deterred or hindered from gaining immediate access to any fire protection system.

Section 903.2.1.1 is amended to read as follows:

1. The fire area exceeds 5,000 square feet (465 sq. m)

Section 903.2.1.3 is amended to read as follows:

1. The fire area exceeds 5,000 square feet (465 sq. m)

Section 903.2.1.4 is amended to read as follows:

1. The fire area exceeds 5,000 square feet (465 sq. m)

Section 903.2.3 is amended to read as follows:

1. The fire area exceeds 5,000 square feet (465 sq. m)

Section 903.2.4 is amended to read as follows:

1. The fire area exceeds 5,000 square feet (465 sq. m)

Section 903.2.7 is amended to read as follows:

1. The fire area exceeds 5,000 square feet (465 sq. m)

Section 903.2.9 is amended to read as follows:

1. The fire area exceeds 5,000 square feet (465 sq. m)

Section 903.2.9.1 is amended to read as follows:

1. Buildings having two or more stories above grade plane, including basements, with a fire area containing a repair garage exceeding 5,000 square feet (465 sq. m)
2. Buildings no more than one story above grade plane, with a fire area containing a repair garage exceeding 5,000 square feet (465 sq. m)

Section 903.2.9.2 is amended to read as follows:

Bulk storage of tires. Buildings and structures where the area for the storage of tires exceeds 5,000 cubic feet shall be equipped with an automatic fire sprinkler system in accordance with Section 903.3.1.1.

Section 903.2.10 is amended to read as follows:

1. Where the fire area exceeds 5,000 square feet (465 sq. m)

Section 903.3.1.3 is amended to read as follows:

NFPA 13D sprinkler systems. Automatic sprinkler systems installed in one and two-family dwellings and townhomes shall be permitted to be installed throughout in accordance with NFPA 13D, including garages per NFPA 13D A8.6.4.

Section 903.6.1 is added to read as follows:

Retrofit requirements. In existing building(s) when additions, alterations and /or repairs to such building(s) causes the floor area to exceed 5,000 square feet or the height to exceed 40 feet or three or more stories irrespective of height.

In existing buildings(s) over 5,000 square feet when alterations and/or additions to such buildings exceed 25% of the current assessed value of said building(s) in accordance with the Los Angeles County Assessor's records.

For the purpose of clarification, additions, alterations and repairs, or where a change of use and/or occupancy is taking place, the entire building shall be made to comply with the provisions of this section.

Section 903.6.2 is added to read as follows:

Consideration for separation walls. Requirements for automatic fire sprinkler systems may be waived by the fire code official if the building is divided into areas of less than 5,000 square feet, provided the building is not considered a three story or higher building,. Such divisions shall be made by the construction of a four-hour fire resistive area separation wall(s) which meet the requirements of the California Building Code. Four hour walls shall be required regardless of type of building construction type used.

Area separation walls shall be without openings or penetrations. Area separation walls shall extend from the foundation to a point at least 30 inches above the roof.

Section 907.2 is amended to read as follows:

Where Required-new buildings and structures. An approved fire alarm system installed in accordance with the provisions of this Code and NFPA 72 shall be provided in new buildings and structures in accordance with Sections 907.2.1 through 907.2.23 and provide occupant alarm initiation, notification and annunciation, in accordance with 907.6, unless other requirements are provided by another section of this code.

A minimum of one manual fire alarm box shall be provided in an approved location to initiate a fire alarm signal for the fire alarm system employing automatic fire detectors of water-flow detection devices. Where other sections of this Code allow elimination of fire alarm boxes due to fire sprinkler or automatic fire alarm systems, a single fire alarm box shall be installed at a location approved by the enforcing agency.

Section 907.2.1 is amended to read as follows:

Delete Exceptions.

Section 907.2.2 is amended to read as follows:

Delete Exception.

Section 907.2.2.1 is amended to read as follows:

Delete Exception.

Section 907.2.2.2 is amended to read as follows:

Delete Exception.

Section 907.2.3 is amended to read as follows:

Delete Exceptions.

Section 907.2.4 is amended to read as follows:

Delete Exception.

Section 907.2.7 is amended to read as follows:

Group M. A manual fire alarm system that activates the occupant notification system in accordance with Section 907.5 shall be installed in Group M occupancies.

Section 907.2.7.1 is amended to read as follows:

Occupant notification. During times that the building is occupied, the initiation of a signal from a manual fire alarm box or from a water flow switch shall be required to activate the occupant notification appliances in accordance with Section 907.5.2.2

Section 907.4.2 is amended to read as follows:

Manual fire alarm boxes. Where a manual fire alarm system is required by another section of the Code, or as required by the Fire Code Official, it shall be activated by fire alarm boxes installed in accordance with Sections 907.4.2.1 through 907.4.2.6.

Section 907.5.2.3 is amended to read as follows:

Visible alarms. Visible alarm notification appliances shall be provided in accordance with Sections 907.5.2.3.1 through 907.5.2.3.5. Notification appliances shall remain activated when the fire alarm system has been silenced.

Section 907.6.3.1.1.1 is added to read as follows:

Annunciator panel signage. Approved graphic signage including building and fire alarm features shall be mounted at each annunciator panel.

Section 907.9 is amended to read as follows:

Where required in existing buildings and structures. An approved fire alarm system shall be provided in existing buildings and structures where required by Chapter 11, in addition to existing buildings undergoing a change of use, change of occupancy or fire alarm system modification.

Section 913.5.4 is amended to read as follows:

Pump room environmental conditions. Tests of pump room environmental conditions, including heating, natural and mechanical ventilation, natural and powered illumination shall be made to ensure proper manual or automatic operation of the associated equipment.

Section 2810 is added to read as follows:

STORAGE OF COMBUSTIBLE IDLE PALLETS

Section 2810.1 is added to read as follows:

General. Storage of combustible idle pallets shall be in accordance with this section. A permit shall be obtained in accordance with Section 105.6.

Section 2810.2 is added to read as follows:

Storage location. Pallets shall be stored outside or in a separate building designed for pallet storage, unless stored indoors in accordance with 2810.3.

Section 2810.3 is added to read as follows:

Indoor storage. Pallets stored in a building shall be in accordance with high hazard commodity high pile combustible storage per Chapter 32.

Section 2810.4 is added to read as follows:

Outdoor storage. Pallets stored outside shall be stored in accordance with Table 2810.4.1 and Table 2810.4.2, and Sections 2810.5 and 2810.6.

Section 2810.5 is added to read as follows:

Outdoor pile dimensions. Pallet stacks shall not exceed 15 feet (4.6m) in height nor shall cover an area greater than 500 square feet (46.5m²). Pallet stacks shall be arranged to form stable piles. Piles shall be separated by a minimum of 8 feet (2.5m). Piles shall be a minimum of 10 feet (3.1m) from property lines.

Section 2810.6 is added to read as follows:

Fire department access. Fire department access roadways shall be maintained within 150' of all pallet storage.

Table 2810.4.1
Required Clearance Between Outside Idle Pallet Storage and Other Yard Storage

Pile Size	Minimum Distance, feet (m)
Under 50 pallets	20 (6.1m)
50-200 pallets	30 (9.2m)
Over 200 pallets	50 (15.2)

Table 2810.4.2
Required Clearance Between Outside Idle Pallet Storage and Structures

Wall Construction	Minimum Distance of Wall from Storage, feet (m)		
	Under 50 Pallets	50 to 200 Pallets	Over 200 Pallets
Blank Masonry	0	0	10 (3.1m)
Masonry, 1 Hour Openings	0	10 (3.1m)	20 (6.2m)
Masonry, < 1 Hour Openings	10 (3.1m)	20 (6.2m)	30 (9.3m)
Other Construction with Exposure Protection	10 (3.1m)	20 (6.2m)	30 (9.3m)
Other Construction without Exposure Protection	20 (6.2m)	30 (9.3m)	50 (15.5m)

Section 5004.1.1 is added to read as follows:

Rail cars used as a stationary tank. For the purpose of this chapter, a rail car shall be considered a stationary tank if the rail car is connected into a chemical manufacturing, blending, or filling process. Storage requirements may be waived if the rail car off-loads its product into a designated storage tank and is connected in line to the storage tank for a period of less than 24 hours for off-loading purposes.

Section 5004.1.2 is added to read as follows:

Lead-Acid Battery Storage. Based on the pathway for toxicity (sulfuric acid is toxic by inhalation), the Department has made a determination that lead-acid batteries do not constitute a significant toxicity threat because the acid is fully enclosed in a sealed battery, therefore lead acid batteries will be regulated as a corrosive only.

- The Fire Department adds the following exemption to Table 5003.1.1(1), footnote p:
 - p. The following shall not be included in determining the maximum allowable quantities:
 - 5. Lead acid batteries on motorized equipment operated in accordance with this Code.

Section 5004.2.2 is amended to add the following:

Secondary containment for hazardous material liquids and solids. Where required by Table 5004.2.2, buildings, rooms or areas used for the storage of hazardous material liquids or solids shall be provided with secondary containment in accordance with this section when the capacity of an individual vessel or the aggregate capacity of multiple vessels exceeds the following:

1. Liquids: Capacity of an individual vessel exceeds 55 gallons (208L) or the aggregate capacity of multiple vessels exceeds 1,000 gallons (3785L); and
2. Solids: Capacity of an individual vessel exceeds 550 pounds (250kg) or the aggregate capacity of multiple vessels exceeds 10,000 pounds (4540kg).

In addition, there shall be a minimum of three feet between the toe of the tank and any other structures, berms or tanks. For Purposes of this article, anhydrous ammonia storage or process tanks shall comply with section 5004.2.2.

Section 5704.2.7.11 is amended to read as follows:

Above ground steel tanks are allowed to be lined only for the purpose of protecting the interior from corrosion or providing compatibility with a materials to be stored. Only those liquids tested for compatibility with the lining material are allowed to be stored in lined tanks. Underground storage tanks may not be lined.

Section 6203.3 is added to read as follows:

SADT. Areas with organic peroxides with self-accelerating decomposition temperatures (SADT) less than 125°F shall be provided with supervised temperature controls and alarms. Stand-by power shall be provided for control systems.

Section 6603.3 is added to read as follows:

SADT. Areas with unstable reactive materials with self-accelerating decomposition temperatures (SADT) less than 125°F shall be provided with supervised temperature controls and alarms. Stand-by power shall be provided for control systems.

Appendix D is amended to read as follows:

Delete Figure D103.1.

Delete Table D103.4.

Appendix O is added to read as follows:

Solar Photovoltaic Installation Guidelines. Photovoltaic installations shall be in accordance with guidelines as published by the Office of the State Fire Marshal.

Section 3. That the geographic limits referred to in certain sections of the 2016 California Fire Code are hereby established as follows:

Section 5704.2.9.6.1.

Insert: In all portions of the City of Santa Fe Springs which are not zoned for industrial purposes by the zoning ordinances of the City, unless completely screened from view from all public streets and is not located within any required parking or vehicle circulation area, shall have safety features such as detection and alarm systems, automatic shut off valves and other safety systems as deemed necessary by the Fire Code Official.

Section 5706.2.4.4

Insert: In all portions of the City of Santa Fe Springs which are not zoned for industrial purposes by the zoning ordinances of the City, unless completely screened from view from all public streets and is not located within any required parking or vehicle circulation area, shall have safety features such as detection and alarm systems, automatic shut off valves and other safety systems as deemed necessary by the fire code official.

Section 5806.2

Insert: In all portions of the City of Santa Fe Springs which are not zoned for industrial purposes by the zoning ordinances of the City, unless completely screened from view from all public streets and is not located within any required parking or vehicle circulation area, shall have safety features such as detection and alarm systems, automatic shut off valves and other safety systems as deemed necessary by the Fire Code Official.

Section 6104.2

Insert: In all portions of the City of Santa Fe Springs which are not zoned for industrial purposes by the zoning ordinances of the City shall be limited to 125 gallons.

Section 4. That Ordinance No. 1051 of the City of Santa Fe Springs entitled Adoption of California Fire Code and other Recognized Standards, and all other ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 5. That if any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be unconstitutional, such decision shall 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, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

Section 6. That nothing in this ordinance of in the Fire Code hereby adopted shall be construed to affect any suit or proceeding impending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or ordinance hereby repealed as cited in Section 4 of this ordinance; nor shall any just or legal right or remedy of any character be lost, impaired or affected by this ordinance.

Section 7. That the office of the City Clerk of the City of Santa Fe Springs is hereby ordered and directed to cause legislation to be published.

Section 8. That the law and rules, regulations, provisions, requirements, orders and matters established and adopted hereby shall take effect December 22, 2016 and be in full force from and after the date of its final passage and adoption.

PASSED, APPROVED and ADOPTED THIS 22nd day of December, 2016, by the following called vote:

AYES:

NOES:

ABSENT:

Mayor

ATTEST:

DEPUTY CITY CLERK

ATTACHMENT 2

Santa Fe Springs 2016 Fire Code Adoption

Summary of Changes - 2016 California Fire Code

Purpose

The 2016 California Fire Code has gone through modification since the last code adoption cycle for a number of reasons. First, some of the code language was removed from previous sections of the code and placed into other sections for increased efficiency and relevance. Some sections have been edited by the International Code Committee and the various California Code committees for greater clarity as to the applicability and intent of the code. Codes are modified to take into account improvements in industry practices and procedures and to provide consistency with revisions in state and federal law.

Code sections that were relocated elsewhere within the code for increased efficiency:

<u>2012 ICC Location</u>	<u>2015 ICC Location</u>
408.11.3	311.6
408	403
903.3.5.2	914.3.2
908.7	915
1014.3, 1015, 1021	1006
1015.2, 1021.3	1007
1009.3	1019
2311.8	2309.6

Summary of detailed Fire Code Changes:

105.6.17.6.1	Petroleum Facility Permit (Non-Producing) <i>New permit for temporarily non-producing wells</i>
105.6.31.1	Mobile Fueling Operations <i>New permit for mobile fueling service</i>
202	Definition: Congregate Living Health Facility <i>Change in definition to correlate with current California Law</i>
202	Definition: Persons with Intellectual Disabilities, Profoundly or Severely <i>Change in definition to correlate with current California Law</i>
202	Definition: Occupancy Classification Group E <i>Change in definition to allow certain day care facilities to operate during religious function</i>
202	Definition: Temporary Stage Canopy <i>Addition of definition</i>

312.3	Other Barriers -New Section <i>Allowances for vehicle impact barriers of alternative design or materials</i>
315.6	Storage in Plenums <i>Prohibits storage of abandoned material in air handling plenums</i>
403	Emergency Preparedness Requirements <i>Consolidation of previous Chapter 4 for consistency and clarity. Updates to fire safety plans, personnel training, emergency preparedness plans for different occupancy classes, schools, etc.</i>
508.1.6	NFPA 72 Required Features <i>Correlated with 903.3.1.1.1 and requires detection in elevator machine rooms, control rooms and spaces</i>
604.1	Emergency and Standby Systems <i>Additional requirements are from CBC to provide enforcement assistance to fire code official</i>
604.2.6	Emergency and Standby Power Systems - Group I-2 Occupancies <i>Provides clarification for designer to comply with CBC Chapter 27 and NFPA 99</i>
605.11	Solar Photovoltaic Power Systems <i>Requirements clarified and coordinated with the CBC and the California Electrical Code</i>
605.12	Abandoned Wiring in Plenum <i>Unused or abandoned cables in air handling plenums shall be removed</i>
606.12	Pressure Relief Devices for Mechanical Refrigeration <i>Clarifies code requirements for design and operation of ammonia refrigeration systems</i>
607.6	Water Protection of Hoistway Enclosures <i>Requirement to ensure water infiltrating prevention devices for elevators are maintained</i>
609.2	Commercial Hoods for Appliances Producing Low Grease-laden Vapor Volume <i>Brings consistency between the IFC and IMC and allows non-Type I hood installation</i>
609.3.3.2	Grease Accumulation <i>New standard that addresses the cleaning of commercial cooking exhausts hoods and ducts</i>
609.4	Appliance Connection to Building Piping

Allows for listed flexible connectors between fuel gas piping and cooking appliances

- 611 Hyperbaric Facilities -New Section
Introduces hyperbaric facilities and their inspection, testing and maintenance to CFC
- 807 Decorative Materials Other Than Decorative Vegetation in New and Existing Bldgs.
Clarification and reorganization of decorative materials in rooms and spaces
- 901.4.1 Required Fire Protection Systems
Clarification for inspectors determining required vs. non-required systems
- 901.8.2 Removal of Existing Occupant-Use Hose
Provides fire code official authorization to permit removal of hose in cabinets for other methods of fire suppression
- 903.2.1 Fire Sprinklers in Group A Occupancies
Requires fire sprinklers in the floors between A Occupancy and the level of discharge, including the level of discharge. Also requires sprinklers throughout the story with an A Occupancy. (A1, A2, A3)
- 903.2.1.6 Assembly Occupancies on Roofs
Requires fire sprinklers on all floors below rooftop A Occupancies to the level of discharge
- 903.2.1.7 Multiple Group A Fire Areas
Determination of fire sprinkler requirement shall be made by combined occupant loads of multiple A Occupancies which share egress paths.
- 903.2.9 Commercial Motor Vehicle Storage – Sprinkler Requirements (large areas)
Sprinkler requirements in specific occupancies containing defined commercial vehicles
- 903.2.11.3 Buildings 55 feet or More in Height - Clarification
Requires sprinklers in buildings over 55 feet to finished floor and occupant load over 30
- 903.3.1.1.1 NFPA 13 Sprinkler System – Exempt Locations
Sprinkler exemptions for Machine Room-Less elevators with automatic fire detection system
- 903.3.1.1.2 Bathrooms – Exempt Locations
Allows for omission of sprinklers in apartment bathrooms under 55 SF
- 903.3.1.2 NFPA 13R Sprinkler Systems (<60 feet high and 4 stories or less)
Clarifies limitations for use of 13R in terms of stories and height

903.3.1.2.2	Open-Ended Corridors – (for exiting safety) <i>Requires sprinkler heads in open-ended corridors (breezeways)</i>
903.3.8	Limited Area Sprinkler Systems <i>Reduces the number of sprinklers from 20 to 6 with additional criteria</i>
904.2 & 904.11	Automatic Water Mist Systems <i>Recognizes water mist systems as an alternative on a limited basis</i>
907.1.2	Fire Alarm Shop Drawings <i>Fire alarm designer is now required to design minimum audibility level drawing</i>
907.2.3	Group E Manual Fire Alarm System <i>Manual fire alarm threshold raised from 30 to 50. Emergency voice/alarm raised to 100</i>
907.2.6 & 907.5.2.1	Fire Alarm and Detection Systems in Group I-2 Occupancies <i>Guidelines for the use of “private mode” in these occupancies</i>
907.2.6.4	Fire Alarm and Detection Systems in Large-Family Day Care <i>Modifies contradicting provisions and allows enforcing agency choice of manual alarm</i>
907.2.9.3	Fire Alarm and Detection Systems for R-2 College and University Buildings <i>Introduces “occupancies operated by a college or university” for alarm requirements</i>
907.2.11.7	Smoke Detection System <i>Allows the option to use smoke detection system in lieu of single- and multi-station alarms in certain Group R occupancies</i>
907.2.14	Fire Alarm and Detection Systems for Atriums <i>Allows for 909.4 for rational analysis for the installation of smoke detection</i>
907.2.22.1 & 907.2.22.2	Smoke Detection for Airport Traffic Control Towers <i>New criteria for smoke detector locations in control towers</i>
907.5.2.2.4	Emergency Voice/Alarm Communication Captions <i>Requires pre-recorded or real time captions in stadiums, arenas, etc. (Fixed seating of 15K+)</i>
907.4.7	Smoke Control System Interaction <i>Requires analysis of multiple mechanical smoke control systems in large buildings</i>

907.6.3	Pressurized Stairways and Elevator Hoistways <i>Modifies language for responsibility and authority between fire and building official</i>
909.12.1 & 909.20.6	Verification <i>Allows fire official to bypass individual components for testing</i>
907.21	Elevator Hoistway Pressurization Alternative <i>Allows for option to pressurize hoistway in lieu of enclosing elevator lobby</i>
910	Smoke and Heat Removal <i>Provides direction in F-1 and S-1 occupancies greater than 50,000 SF for smoke and heat removal</i>
913.2.2	Circuits Supplying Fire Pumps <i>References UL Standard 2196 for survivability of fire pump power-supply wiring</i>
915	Carbon Monoxide Detection <i>Rewritten requirements for carbon monoxide detection (focus on classrooms in "E" Occupancies)</i>
Chapter 10	Means of Egress <i>Reformatted, condensed and consolidated for clarification</i>
1004.1.1.1	Intervening Spaces or Accessory Areas <i>Combines occupancy loads of adjacent rooms sharing means of egress</i>
1004.1.1.2	Adjacent Levels for Mezzanines <i>Combines occupancy load of mezzanines with adjacent rooms sharing means of egress</i>
1004.1.1.3	Adjacent Stories <i>Combines occupancy load of adjacent stories for means of egress purposes ONLY</i>
1004.1.2	Occupancy Load Factors <i>Revise all mercantile multi-story load factors to 60 SF per occupant, eliminates confusion between 30 SF and 60 SF factors</i>
1006 & 1007	Number of Exits and Exit Access Doorways <i>Consolidates number of exit requirements and path of travel requirements into two chapters</i>
1006.2.1	Means of Egress Based on Occupant Load and Common Path of Egress Distance <i>Two exits required when specific Occupancy Class Loads exceeded</i>
1006.3	Egress from Stories or Occupied Roofs <i>Requirements for number of exits in multi-story occupancies</i>

- 1007 Exit and Exit Access Doorway Configuration
Addresses arrangement or separation of required means of egress
- 1007.1.1.1 Measurement Point
Clarifies points where exit separation shall be measured
- 1007.1.2 Three or More Exits or Exit Access Door
Ensures adequate separation and arrangement when three or more means of egress are required
- 1007.1.3 Remoteness of Exit Access Stairways or Ramps
Ensures adequate separation and arrangement are maintained when in occupancies with stairways and ramps
- 1007.1.3.1 Three or More Exit Access Stairways or Ramps
Ensures adequate separation and arrangement are maintained when in occupancies when more than two stairways and ramps are required
- 1007.1.3 Remoteness of Exit Access Stairways or Ramps
Ensures adequate separation and arrangement are maintained when in occupancies with stairways and ramps
- 1007.1.3 Remoteness of Exit Access Stairways or Ramps
Ensures adequate separation and arrangement are maintained when in occupancies with stairways and ramps
- 1009.8 Two-Way Communication
Clarifies that one communication system may serve multiple elevators, service elevators are not required to have a system
- 1010.1.9 Door Operations
Consolidated, except when permitted egress doors shall be openable from egress side w/o special knowledge
- 1010.1.9.3 Locks and Latches
Consolidated, requirements for use of locks and latches when certain conditions exist (e.g. Signs – THIS DOOR TO REMAIN UNLOCKED DURING BUSINESS HOURS)
- 1007.1.3 Remoteness of Exit Access Stairways or Ramps
Ensures adequate separation and arrangement are maintained when in occupancies with stairways and ramps
- 1010.1.9.7 - Delayed Egress, Sensor Release of Electrically or Electromagnetically Locked
1010.1.9.9 Egress Doors
Simplifies and clarifies use of delayed egress locks and approved types. Revised to simplify for installers

1011.16	Ladders <i>Defines use of ladders within buildings, not allowed as permanent means of egress</i>
1014.8	Handrail Projections <i>Revised to clarify maximum projection from wall and minimum width between intermediate handrails. Further clarifies width of stairwell</i>
1017.2.2	Group F-1 and S-1 Increase <i>Increases exit access travel distance from 200 to 400 feet in single story, less than 24 foot F-1 and S-1 structures</i>
1018.3	Aisles in Groups B and M <i>Simplifies and provides consistent guidance for minimum corridor widths in 1020.2</i>
1018.5	Aisles in other than Assembly Spaces and Groups B and M <i>Also simplifies and provides consistent guidance for minimum corridor widths in 1020.2</i>
1020.2	Corridor Width and Capacity <i>Simplifies corridor width requirements in Table 1020.2 and provides fire code official leeway in I-2 occupancies for reduced width in some areas, e.g. Assembly in I-2 (72" versus 96")</i>
1020.6	Corridor Continuity <i>Fire-resistance-rated corridors shall be continuous from point of entry to an exit and shall have no intervening rooms. Correlates with CBC 3007.6 and 3008.6</i>
1023.3.1	Extension <i>An interior exit stairway is now permitted to continue into an exit passageway with the need for a fire door</i>
1103.4.1	Vertical Openings in Existing Group I-2 and I-3 Occupancies <i>Requires retroactive construction of 1-hour fire resistance-rated separation in existing vertical openings. Provides alternatives</i>
1103.7.6	Manual Fire Alarm Systems in Existing Group R-2 Occupancies <i>Provides alternative of interconnected smoke alarms to retroactive installation of interconnected manual fire alarm stations</i>
1105	Construction Requirements for Existing Group I-2 Occupancies <i>Changes in this Chapter have been revised with collaboration with the CMS (Center for Medicaid and Medicare Services) to provide more clear and consistent direction for existing I-2 occupancies. Revisions provide minimum construction requirement for fire and life safety</i>

- 2307.4 Location of LP-gas Dispensing Operations and Equipment
Revised to reflect and correlate with other industrial safety standards and allows public fueling stations (self-service requirements)
- 2307.5 Additional Requirements for LP-gas Dispensers and Equipment
Installation requirements for LP-gas dispensers and related equipment
- 2307.6 Installation of LP-gas Dispensing Devices and Equipment
Revised to mirror 2307.6.1 through 2307.6.4
- 2307.6.1 Product Control Valves
Installation and product requirements (self-service requirements)
- 2307.6.2 Hoses
Installation and product requirements (self-service requirements)
- 2307.6.3 Emergency Breakaway Devices
Installation and product requirements (self-service requirements)
- 2307.6.4 Vehicle Impact Protection
Installation and product requirements (self-service requirements)
- 2307.7 Public Fueling of Motor Vehicles
Construction and operation guidelines for public LP-gas fueling stations (self-service requirements)
- 2307.8 Overfilling
Guidelines preventing overfilling of LP-gas containers (self-service requirements)
- 3103.9.1 Tents and Membrane Structures Exceeding One Story
Compliance with CBC for the construction of multi-story tents or membrane structures
- 3105 Temporary Stage Canopies
Temporary stage canopies must meet construction requirements. Fire and building official approvals must be obtained with applicable permits. Referenced ANSI E1.21
- 3203.2 Class I Commodities
Buildings containing Class I commodities (e.g. large cans of food products) on PLASTIC PALLETS shall be sprinklered due to high occurrences of pallet fires in recent years
- 3206.4.1 Plastic Pallets
Further defines the need for sprinklers when plastic pallets are used. References NFPA 13, and UL 2335 or FM 4996 pallet listings

3206.9.3	Dead-End <i>Restricts dead end aisles where high-piled combustible storage exists. 20 feet in Group M and not to exceed 50 feet in all other occupancies</i>
3306.2	Cleaning with Flammable Gas <i>Flammable gases shall not be used to clean piping open to the atmosphere. Cleaning requirements shall meet FPA 56</i>
3504.1.7	Precautions in Hot Work <i>Prohibits hot work on flammable gas, liquid or solid containers or equipment until containers or equipment are empty and cleaned</i>
5003.1.1(1)	Maximum Allowable Quantities of Hazardous Materials <i>Table is revised to mirror IBC Table 307.1.1(1) for consistency</i>
5101.4 & 5104	Containers <i>Now allows plastic aerosol containers up to 33.8 fluid ounces, other criteria if exceeded</i>
5307	Carbon Dioxide Systems Used in Beverage Dispensing Systems <i>Carbon Dioxide Beverage System present a life safety hazard. This section provides guidance, permitting, protection and ventilation requirements for public and first responder safety (focus on O2 deficient atmospheres)</i>
Chapter 56	Explosives and Fireworks <i>California's initial adoption and amendment of Chapter 56. Significant modifications were made to correlate with state and federal laws, ATF, CCR Title 18 and other national standards</i>
5704.2.9.7.3	Flame Arresters <i>Section was removed for ALL tanks and liquid types. Protected tanks must already meet UL 2085 and conflicted with UL 142. More specific requirements for product requiring flame arresters has been clarified</i>
5808	Hydrogen Fuel Gas Rooms <i>Requirements for hydrogen fuel gas rooms have been included to meet other industry standards</i>
5808.1	General: Hydrogen Fuel Gas Rooms <i>Requirements now mirror CBC</i>
5808.2	Hydrogen Fuel Gas Rooms Location <i>Shall not be below grade</i>
5808.3	Hydrogen Fuel Gas Rooms Design and Construction <i>Requires separation from other areas of building in accordance with CBC 509.1</i>

- 5808.3.1 Hydrogen Fuel Gas Rooms Pressure Control
Requires ventilation system
- 5808.3.2 Hydrogen Fuel Gas Rooms Windows
Fixed window installation shall meet CBC Section 716
- 5808.5 Hydrogen Fuel Gas Rooms Detection System
Requires detection system for hydrogen fuel leaks
- 5808.5.1 & Hydrogen Fuel Gas Rooms Design, Components and Operation
5808.5.2 & *Guidance for construction and operation of hydrogen fuel gas rooms*
5808.5.3
- 5808.5.4 & Hydrogen Fuel Gas Rooms Failure of Detection System and Explosion Control
5808.6 *Requirements for detection system failure and explosion control*
- 5808.7 Hydrogen Fuel Gas Rooms Standby Power
Requirement for standby power
- 5808.3.4 Hydrogen Fuel Gas Rooms Ventilation
Requires mechanical exhaust systems

California Fire Code Amendments to Appendices

- 435.8.7 Floor Separation
Amended so that nonfire-resistance floor separation at stairs shall be required only when non-ambulatory patients are housed above the first floor
- 436 & Group I-4 special provisions
452 & School Facilities for Kindergarten through 12th Grade and Group E Day Care
455 Large-Family Day Care Homes
All amended to reflect CBC so no regulatory changes. Amendments made to aid in enforcement for fire official
- B105.1 One- and Two- Family Dwellings, Group R-3 and R-4 Buildings and Townhomes
Amended clarify amount of reduction available for each type of fire sprinkler systems
- B105.2 Buildings Other Than One- and Two- Family Dwellings, Group R-3 and R-4 Buildings and Townhomes
Amended clarify amount of reduction available for each type of fire sprinkler systems
- B105.3 One- and Two- Family Dwellings, Group R-3 and R-4 Buildings and Townhomes
Amended to clarify fire-flow to reflect "the great of" demand or required flows
- C101 Fire Hydrant Locations and Distribution
Refinement of fire hydrant requirements and spacing

C102.1	Minimum Number of Fire Hydrants for a Building <i>Amended to clarify number of hydrants specified in Table C.102.1</i>
C103.1	Hydrant Spacing <i>Language amended from “distribution” to “spacing.” Clarifies spacing requirements</i>
C104.1	Existing Fire Hydrants <i>Amended to clarify existing hydrants as allowable to meet requirements of C102 and C103</i>

Status of California Fire Code Appendices

Appendix A	Board of Appeals	<i>(Adopted by Chapter 15)</i>
Appendix B	Fire flow requirements for buildings	<i>(Adopted by 2016 CFC)</i>
Appendix BB	Fire flow requirements for buildings	<i>(Adopted by 2016 CFC)</i>
Appendix C	Fire Hydrant Spacing	<i>(Adopted by 2016 CFC)</i>
Appendix CC	Fire Hydrant Spacing	<i>(Adopted by 2016 CFC)</i>
Appendix D	Fire Apparatus Access Roads (D105, Aerial Access)	<i>(Adopted by Chapter 15)</i>
Appendix E	Hazard Categories	<i>(Not adopted by CFC or Chapter 15)</i>
Appendix F	Hazard Ranking	<i>(Not adopted by CFC or Chapter 15)</i>
Appendix G	Cryogenic Fluids – Weight and Volume Equivalents	<i>(Not adopted by CFC or Chapter 15)</i>
Appendix H	Hazardous Materials Management Plans	<i>(Adopted by 2016 CFC)</i>
Appendix I	Fire Protection Systems – Noncompliant Conditions	<i>(Not adopted by CFC or Chapter 15)</i>
Appendix J	Building Sign Information	<i>(Not adopted by CFC or Chapter 15)</i>
Appendix K	Construction Requirements for Existing Ambulatory Care Facilities	<i>(Not adopted by CFC or Chapter 15)</i>
Appendix L	Requirements for Fire Fighter Air Replenishment Systems	<i>(Not adopted by CFC or Chapter 15)</i>
Appendix M	High-Rise – Retroactive Automatic Sprinkler Requirement	<i>(Not adopted by CFC or Chapter 15)</i>
Appendix N	Temporary Haunted Houses, Ghost Walks and Similar Amusement Uses	<i>(Not adopted by CFC or Chapter 15)</i>

Summary of Changes - Santa Fe Springs Code of Ordinances Chapter 93

Section 2	Format: Everything that was in Section 7 has been moved to Section 2 to remain consistent with the Sample Legislation for Adoption of the CFC Ordinance in the Code.
Section 105.3.1	Deleted amendment. Increased construction permit timeline from 180 days to 120 days.
Section 105.6	Required Operational Permits – Changed to “...through Section 105.6.47” to “...through Section 105.6.50” to reflect the range in CFC plus the additional of the Pallet Yard permit added to the Ordinance.
Section 105.6.14	Explosives – slight change (change “for” to “by”)
Section 105.6.48	Pallet yards – changed section to 105.6.50 since new code made additions to 105.6 permit list.
Section 109.3.1	Services - Added “electronic mail”
Section 109.4	Added “The Department May include violations of this code as part of an administrative enforcement order under the provisions detailed in the California Health and Safety Code Section 25404.1.1.”
Section 202	False Alarm – removed “exclusive of nuisance fire alarm” from the end of this section Fire apparatus access road – Added “Private Street”
Section 505.1	Removed the addition to “Address identification”
Section 903.2.1.3-9	Changed from “Where the...” to “The” for consistency.
Section 905.3	Required installations – existing modification deleted.
Section 905.3.12	High pile storage areas – existing modification delete.
Section 5601.2	Permits – existing modification deleted.
Section 5704.2.7.11	Added “Aboveground” to beginning of section and “Underground storage tanks may not be line” to the end.
Appendix L	Changed to Appendix O since L was added to CFC
SECTION 7	Changed to reflect Code sample language.
SECTION 8	Changed to reflect Code sample language.



City of Santa Fe Springs

City Council Meeting

December 22, 2016

NEW BUSINESS

Parkette Playground Improvement (Bradwell Parkette, Longworth Parkette and Davenrich Parkette) - Final Payment

RECOMMENDATION

That the City Council approve the Final Payment (less 5% Retention) to Community Playgrounds Inc. of Vallejo, California in the amount of \$21,662.85 for the subject project.

BACKGROUND

The City Council, at their meeting of September 8, 2016, awarded a contract to Community Playgrounds Inc. of Vallejo, California in the amount of \$299,844.17 for the above subject.

The project included the removal and replacement of existing playground structures and surfacing that exceeded its life service with new playground structures and full rubberized surfacing on the three (3) parkettes located at 9426 Bradwell Avenue, 10538 Longworth Avenue and 10977 Davenrich Street. Also, the existing lighting on these facilities has been replaced with LED light poles and irrigation sprinkler heads affected by the expansion of the playground has been modified.

The following payment detail represent the Final Payment (less 5% Retention) due per terms of the contract for the work which has been completed and found to be satisfactory.

The final construction cost of \$334,397.31 also includes the replacement of the damaged rubber playground surfacing with poured in place rubber surfacing at the Lake Center Athletic Park playground. The final project cost including the construction, engineering, inspection, overhead and contingency is within the budgeted amount of \$351,000.00.

FISCAL IMPACT

The Parkette Playground Improvement is funded through Grant No. 58J5-16-2582 from Los Angeles County Regional Park and Open Space District (\$300,000). In addition, insurance proceeds (approximately \$21,000) from the damaged playground equipment is part of the project funding and \$30,000 from Utility User's Tax (UUT) Capital Improvement Fund completes the project funding.

A handwritten signature in black ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack
City Manager

Attachments:
Payment Detail

Report Submitted By:

Noe Negrete, Director
Department of Public Works

ate of Report: December 15, 2016

ITEM NO. 10

ATTACHMENT 1

Payment Detail:

PARKETTE PLAYGROUND IMPROVEMENT
(Bradwell Parkette, Longworth Parkette and Davenport Parkette)

Contractor: Community Playgrounds, Inc.
260 Commercial Street
Vallejo, CA 94589

Final Payment: \$ 21,662.85

Item No.	Description	Contract			Completed This Period		Completed To Date		
		Quantity	Units	Unit Price	Total	Quantity	Amount	Quantity	Amount
A. Bradwell Parkette									
1.	Remove and dispose of existing playground equipment, welcome signage and swing including its concrete footing.	1	L.S.	\$ 2,101.00	\$ 2,101.00	0	\$ -	100%	\$ 2,101.00
2.	Remove, excavate and dispose existing sand surfacing up to subgrade level. Grade and compact sub-grade to 95% compaction.	2,064	S.F.	\$ 2.43	\$ 5,015.52	0	\$ -	100%	\$ 5,015.52
3.	Remove and dispose existing rubber surfacing, and excavate up to sub-grade level. Grade and compact to 95 % compaction.	165	S.F.	\$ 1.18	\$ 194.70	0	\$ -	100%	\$ 194.70
4.	Remove, excavate and dispose existing sod and soil at expanded pit, up to sub grade level. Grade and compact sub-grade to 95% compaction.	93	S.F.	\$ 2.94	\$ 273.42	0	\$ -	100%	\$ 273.42
5.	Saw cut, remove and dispose existing concrete curb affected by expanding the pit.	22	L.F.	\$ 8.32	\$ 183.04	0	\$ -	100%	\$ 183.04
6.	Construct new 6" W x 9" D concrete curb for expanded pit.	6	L.F.	\$ 49.34	\$ 296.04	0	\$ -	100%	\$ 7,006.28
7.	Construct 4" thick granular base course, fine grade and compact to 95% compaction.	2,322	S.F.	\$ 2.29	\$ 5,317.38	0	\$ -	100%	\$ 5,317.38
8.	Furnish and install for ages 5-12 Play Structure; single frame swing with 2 seat; and a welcome sign, including concrete footing complete in place, as per design drawing shown in "Exhibit A" (Bradwell Parkette), manufactured by Miracle Recreation Equipment Co. or approved equal.	1	L.S.	\$ 57,094.00	\$ 57,094.00	0	\$ -	100%	\$ 57,094.00
9.	Furnish and install poured in place rubber surfacing comprised of two (2) layers, a cushion layer made of clean recycled tire rubber and a decorative wear course layer comprised of EPDM or TPV granules with a minimum thickness of 1/2 inch. Total thickness of the rubber surfacing shall conform with the critical fall height of the playground equipment and swing.	2,322	S.F.	\$ 15.67	\$ 36,385.74	0	\$ -	100%	\$ 36,385.74
10.	Remove and salvage the existing bench and deliver to City Municipal Services Yard; replace with new "Punched Steel Series" bench manufactured by Miracle Recreation Company or equal. Bench shall be anchored/strap on a 4' x 10' x 4" thick concrete pavement.	2	EA.	\$ 830.00	\$ 1,660.00	0	\$ -	100%	\$ 1,660.00
11.	Remove and salvage existing light pole and luminaire and demolish light pole foundation. Contractor to deliver the existing light pole with luminaire to the City Municipal Yard.	1	EA.	\$ 708.00	\$ 708.00	0	\$ -	100%	\$ 708.00
12.	Install new 14' above grade 4" square Direct Burial Aluminum light poles (0.125 wall thickness), Part #SSAC-14-4040-01 with 80 Watt LED Light luminaires equal to 125-300 Watt HID, (part # LE-12-SBHC-80-40-MV-5) manufactured by Lightpolesplus.com or equal; and intercept existing conduit and conductor in a pull box and run 1" galvanized rigid conduit with 3-No 8 AWG conductor for 120/240V to the new light poles.	2	EA.	\$ 3,510.00	\$ 7,020.00	0	\$ -	100%	\$ 7,020.00
13.	Remove and salvage existing trash enclosure and deliver to City Municipal Yard; and replace with new Trash Receptacle "Legacy Series" manufactured by Miracle Recreation Company or equal.	1	EA.	\$ 1,043.00	\$ 1,043.00	0	\$ -	100%	\$ 1,043.00
B. Longworth Parkette									

Payment Detail:

PARKETTE PLAYGROUND IMPROVEMENT
(Bradwell Parkette, Longworth Parkette and Davenport Parkette)

Contractor: Community Playgrounds, Inc.
260 Commercial Street
Vallejo, CA 94589

Final Payment: \$ 21,662.85

Item No.	Description	Contract			Completed This Period		Completed To Date		
		Quantity	Units	Unit Price	Total	Quantity	Amount	Quantity	Amount
Contract Work									
14.	Remove and dispose of existing playground equipment, welcome signage and swing including its concrete footing.	1	L.S.	\$ 2,101.00	\$ 2,101.00	0	\$ -	100%	\$ 2,101.00
15.	Remove, excavate and dispose existing sand surfacing up to subgrade level. Grade and compact sub-grade to 95% compaction.	1,663	S.F.	\$ 2.44	\$ 4,057.72	0	\$ -	100%	\$ 4,057.72
16.	Remove and dispose existing rubber surfacing, and excavate up to sub-grade level. Grade and compact to 95 % compaction.	99	S.F.	\$ 1.67	\$ 165.33	0	\$ -	100%	\$ 165.33
17.	Remove, excavate and dispose existing sod and soil at expanded pit, up to sub grade level. Grade and compact sub-grade to 95% compaction.	367	S.F.	\$ 1.72	\$ 631.24	0	\$ -	100%	\$ 631.24
18.	Saw cut, remove and dispose existing concrete curb affected by expanding the pit.	45	L.F.	\$ 2.76	\$ 124.20	0	\$ -	100%	\$ 124.20
19.	Saw cut, remove and dispose existing concrete paving (~ 4" thick) to expand the pit.	72	S.F.	\$ 5.00	\$ 360.00	0	\$ -	100%	\$ 360.00
20.	Construct new 6" W x 9" D concrete curb for expanded pit.	90	L.F.	\$ 41.03	\$ 3,692.70	0	\$ -	100%	\$ 5,908.32
21.	Construct 4" thick granular base course, fine grade and compact to 95% compaction.	2,201	S.F.	\$ 2.28	\$ 5,018.28	0	\$ -	100%	\$ 5,018.28
22.	Furnish and install for ages 5-12 Play Structure; single frame swing with 2 seat; and a welcome sign, including concrete footing complete in place, as per design drawing shown in "Exhibit B" (Longworth Parkette), manufactured by Miracle Recreation Equipment Co. or approved equal.	1	L.S.	\$ 55,323.00	\$ 55,323.00	0	\$ -	100%	\$ 55,323.00
23.	Furnish and install poured in place rubber surfacing comprised of two (2) layers, a cushion layer made of clean recycled tire rubber and a decorative wear course layer comprised of EPDM or TPV granules with a minimum thickness of 1/2 inch. Total thickness of the rubber surfacing shall conform with the critical fall height of the playground equipment and swing.	2,201	S.F.	\$ 16.24	\$ 35,744.24	0	\$ -	100%	\$ 35,744.24
24.	Remove and salvage the existing bench and deliver to City Municipal Services Yard; replace with new "Punched Steel Series" bench manufactured by Miracle Recreation Company or equal. Bench shall be anchored/strap on existing concrete pavement.	2	EA.	\$ 830.00	\$ 1,660.00	0	\$ -	100%	\$ 1,660.00
25.	Remove and salvage existing light pole and luminaire and demolish light pole foundation. Contractor to deliver the existing light pole with luminaire to the City Municipal Yard.	1	EA.	\$ 708.00	\$ 708.00	0	\$ -	100%	\$ 708.00
26.	Install new 14' above grade 4" square Direct Burial Aluminum light poles (0.125 wall thickness), Part #SSAC-14-4040-01 with 80 Watt LED Light luminaires equal to 125-300 Watt HID, (part # LE-12-SBHC-80-40-MV-5) manufactured by Lightpolesplus.com or equal; and intercept existing conduit and conductor in a pull box and run 1" galvanized rigid conduit with 3-No 8 AWG conductor for 120/240V to the new light poles.	2	EA.	\$ 3,510.00	\$ 7,020.00	0	\$ -	100%	\$ 7,020.00

Payment Detail:

PARKETTE PLAYGROUND IMPROVEMENT
(Bradwell Parkette, Longworth Parkette and Davenport Parkette)

Contractor: Community Playgrounds, Inc.
260 Commercial Street
Vallejo, CA 94589

Final Payment: \$ 21,662.85

Item No.	Description	Contract			Completed This Period		Completed To Date		
		Quantity	Units	Unit Price	Total	Quantity	Amount	Quantity	Amount
Contract Work									
C. Davenport Parkette									
27.	Remove and dispose of one (1) existing horse spring rider and one (1) steel pipe post.	1	L.S.	\$ 329.00	\$ 329.00	0	\$ -	100%	\$ 329.00
28.	Remove, excavate and dispose existing wood chips surfacing to sub-grade level. Grade and compact sub-grade to 95% compaction.	354	S.F.	\$ 1.97	\$ 697.38	0	\$ -	100%	\$ 697.38
29.	Remove and dispose existing rubber surfacing, and excavate up to sub-grade level. Grade and compact to 95 % compaction.	242	S.F.	\$ 1.47	\$ 355.74	0	\$ -	100%	\$ 355.74
30.	Remove, excavate and dispose existing sod and soil at expanded pit, up to sub grade level. Grade and compact sub-grade to 95% compaction.	270	S.F.	\$ 1.85	\$ 499.50	0	\$ -	100%	\$ 499.50
31.	Sawcut, remove and dispose existing concrete curb affected by expanding the pit.	80	L.F.	\$ 3.99	\$ 319.20	0	\$ -	100%	\$ 319.20
32.	Construct new 6" W x 9" D concrete curb for new expanded pit.	122	L.F.	\$ 34.59	\$ 4,219.98	0	\$ -	100%	\$ 3,943.26
33.	Construct 4" thick granular base course, fine grade and compact to 95% compaction.	866	S.F.	\$ 2.28	\$ 1,974.48	0	\$ -	100%	\$ 1,974.48
34.	Furnish and install for ages 5-12 Play Structure; and a welcome sign, including concrete footing complete in place, as per design drawing shown in "Exhibit C" (Davenport Parkette), manufactured by Miracle Recreation Equipment Co. or approved equal.	1	L.S.	\$ 36,089.00	\$ 36,089.00	0	\$ -	100%	\$ 36,089.00
35.	Furnish and install poured in place rubber surfacing comprised of two (2) layers, a cushion layer made of clean recycled tire rubber and a decorative wear course layer comprised of EPDM or TPV granules with a minimum thickness of 1/2 inch. Total thickness of the rubber surfacing shall conform with the critical fall height of the playground equipment and swing.	866	S.F.	\$ 16.49	\$ 14,280.34	0	\$ -	100%	\$ 14,280.34
36.	Remove and replace existing bench with "Punched Steel Series" bench manufactured by Miracle or equal. Bench shall be anchored on existing concrete footing on both legs.	2	EA.	\$ 830.00	\$ 1,660.00	0	\$ -	100%	\$ 1,660.00
37.	Remove and salvage existing light pole and luminaire and demolish light pole foundation. Contractor to deliver the existing light pole with luminaire to the City Municipal Services Yard.	1	EA.	\$ 708.00	\$ 708.00	0	\$ -	100%	\$ 708.00

Payment Detail:

PARKETTE PLAYGROUND IMPROVEMENT
(Bradwell Parkette, Longworth Parkette and Davenrich Parkette)

Contractor: Community Playgrounds, Inc.
260 Commercial Street
Vallejo, CA 94589

Final Payment: \$ 21,662.85

Item No.	Description	Quantity	Units	Contract Unit Price	Total	Completed This Period Quantity	Completed This Period Amount	Completed To Date Quantity	Completed To Date Amount
Contract Work									
38.	Install new 14' above grade 4" square Direct Burial Aluminum light poles (0.125 wall thickness), Part #SSAC-14-4040-01 with 80 Watt LED Light luminaires equal to 125-300 Watt HID, (part # LE-12-SBHC-80-40-MV-5) manufactured by Lightpolesplus.com or equal; and intercept existing conduit and conductor in a pull box and run 1" galvanized rigid conduit with 3-No 8 AWG conductor for 120/240V to the new light poles.	1	EA.	\$ 4,814.00	\$ 4,814.00	0	\$ -	100%	\$ 4,814.00
					Total \$		299,844.17		\$ 308,493.31


Item No.	Description	Quantity	Units	Contract Unit Price	Total	Completed This Period Quantity	Completed This Period Amount	Completed To Date Quantity	Completed To Date Amount
CONTRACT CHANGE ORDER									
1.	Salvage the Playground Equipment at Bradwell Parkette and deliver to the City Municipal Yard	1	L.S.	\$ -	\$ 3,101.00	0	\$ -	100%	\$ 3,101.00
2.	Remove, dispose and replace the existing rubber surfacing with new poured in place rubber surfacing at Lake Center Playground Equipment.	1	L.S.		\$ 22,803.00	100%	\$ 22,803.00	100%	\$ 22,803.00
					\$		22,803.00		\$ 334,397.31

Total Items Completed To Date: \$ 334,397.31

CONTRACT PAYMENTS

Total Items Completed to Date	\$	334,397.31
Less Progress Payment No. 1	\$	(296,014.59)
Less 5% Retention	\$	(16,719.87)
Final Payment:	\$	21,662.85

Invoice Date	Invoice No.	Warrant Billing Period	
		Invoice Due Date	Invoice Pay Date
11/14/2016	Progress Payment No 1	11/17/2016	12/1/2016
12/12/2016	Final Payment	12/19/2016	12/30/2016
			\$ 21,662.85

Finance Please Pay:	\$ 21,662.85
Project Account:	453-397-B043-4800
Recommended by:	Robert Garcia
Approved by:	



City of Santa Fe Springs

City Council Meeting

December 8, 2016

NEW BUSINESS

Transportation Center Parcel B - Ground Lease Agreement

RECOMMENDATION

That the City Council authorize the City Manager to Execute a Ground Lease Agreement with the City Norwalk to Lease Parcel B (APN 8045-001-906) at the Transportation Center.

BACKGROUND

The City Council authorized site acquisition of two (2) parcels from the former Neville Chemical Company to construct at-grade parking spaces for patrons of the Transportation Center on the Santa Fe Springs side of the Metrolink station platform on February 22, 2007, utilizing a Federal Grant. The City subsequently received Federal and local funding (\$3.4 million) to construct 250 parking spaces (Parcel A), as well as approximately \$3 million to construct an additional 200 parking spaces on the lower level parcel (Parcel B). The 250 parking spaces on Parcel A were constructed. However, because the increased operations and maintenance (O&M) costs of the additional parking spaces for the Parcel B would have exceeded the City's allotment of Local Return Transportation funds (i.e, the added costs to operate and maintain the new spaces would have necessitated a General Fund), the City Council deferred construction of Parcel B parking spaces and returned the Federal and local funding for the construction of the parking spaces.

As a result of the above, Parcel B has never been developed and the City has no practical use for the property. The City of Norwalk is proposing to lease Parcel B, as is, for a transit vehicle lot. A summary of the proposed Ground Lease Agreement (attached) includes:


1. Lease term: 50 years, with option for two (2) additional 10-year extensions.
2. Possession: City of Norwalk will take possession of Parcel B "as-is".
3. Annual Rent: \$91,992 (\$7,666.00 per month); based on City's Land Rental Value Study; contains annual Consumer Price Index adjustment.
4. Land Rental Value Study: updated every 10 years and limited to land only.
5. Improvements: City of Norwalk responsible for all improvements to construct a transit vehicle parking lot.

FISCAL IMPACT

The annual rent amount of \$91,992 will be used to off-set the City's current annual share of the Norwalk/Santa Fe Springs Transportation Center O&M costs of approximately \$80,000 to \$90,000.

INFRASTRUCTURE IMPACT

All improvements to Parcel B will be made by the City of Norwalk.



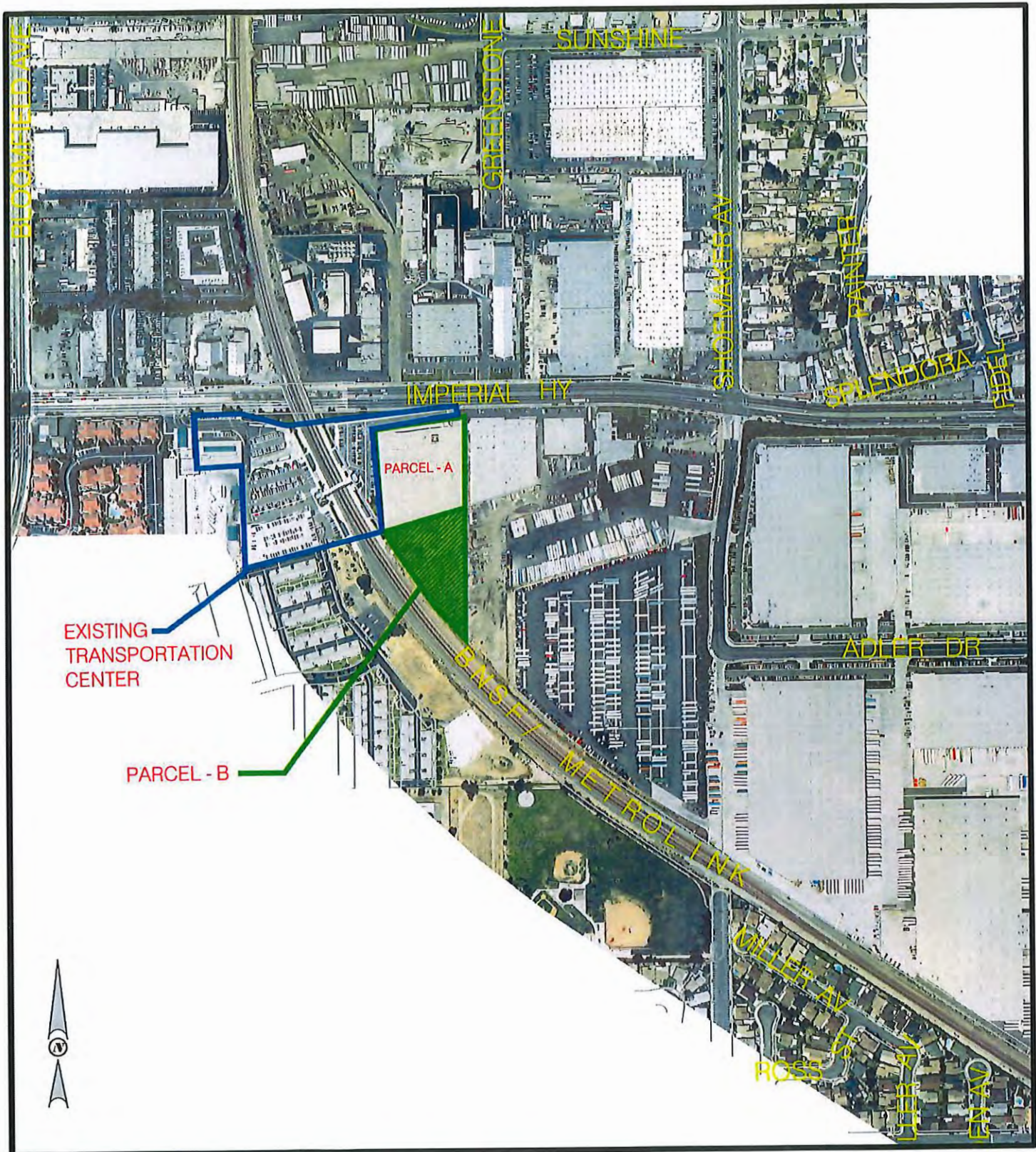
Thaddeus McCormack
City Manager

Attachments:

1. Location Map
2. Ground Lease Agreement



ATTACHMENT 1



LOCATION MAP

ATTACHMENT 2

GROUND LEASE

between

**CITY OF SANTA FE SPRINGS,
a municipal corporation,
("Lessor")**

and

**CITY OF NORWALK,
a municipal corporation
("Lessee")**

_____, 2016

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GROUND LEASE

THIS GROUND LEASE (the "Lease") is dated for reference purposes and entered into as of _____, 2016 (the "Lease Date"), by and between the CITY OF SANTA FE SPRINGS, a municipal corporation ("Lessor"), and CITY OF NORWALK, a municipal corporation ("Lessee").

Recitals

A. Lessor owns the land more particularly described in Exhibit "A" attached hereto (the "Property").

B. Lessee has been awarded a federal grant to construct a storage yard for public transportation vehicles and other related purposes, and desires to construct those improvements (the "Improvements") on the Property.

C. Lessee desires to lease the Property from Lessor on the terms and conditions set forth herein, and Lessor is willing to lease the Property to Lessee on the terms and conditions set forth herein, including all applicable local, state and federal regulations in keeping with the United States Department of Transportation Federal Transit Administration (FTA) Master Agreement entered into by Lessee.

NOW THEREFORE, in consideration of the mutual promises and other consideration contained herein, Lessor and Lessee agree as follows:

1. Lessee Due Diligence; Title Insurance; Lease of Property.

1.1 Title Insurance. Lessee acknowledges receipt of preliminary title report No. NCS 824955-LA2 (the "PTR") prepared by First American Title Company (the "Title Company") and Lessee hereby approves the title exceptions in the PTR.

1.2 Physical Inspections by Lessee. Commencing on the Lease Date and for sixty (60) business days [for purposes of this Lease, the terms "business days" shall mean any day on which Lessor's offices are open for business] thereafter (the "Due Diligence Period"), Lessee and its contractors and consultants who are designated in writing to Lessor ("Lessee Designees") shall have the right to enter onto the Property for the purpose of hazardous materials inspections, soils inspections and other physical inspections and investigations; provided, however, that: (a) Lessee shall deliver copies of all inspection reports to Lessor; (b) no inspections or investigations shall damage the Property or any improvements thereon or shall be "invasive" unless the Lessor has received a plan describing the scope of the inspection or investigation and Lessor has approved such plan in writing, which approval shall not be unreasonably withheld (Lessor shall approve or disapprove that plan within fifteen (15) business days of the date the plan is submitted by Lessee and Lessor's failure to respond with respect to the plan within that fifteen (15) business day period shall be deemed Lessor's approval of the plan); (c) Lessee shall immediately repair any damage caused by or related to its inspections; and (d) neither Lessee nor any of Lessee's

Designees shall enter the Property unless and until Lessee has provided Lessor reasonable written evidence (such as insurance certificates and/or copies of policies) that the activities of Lessee and the Lessee Designees are covered by reasonable liability insurance naming Lessor as an additional insured. Lessee shall defend, indemnify and hold Lessor harmless from and against any and all claims, liabilities, losses, damages, costs and expenses (including, without limitation, attorneys' fees and cost) resulting from the entry onto the Property, inspections or tests by Lessee or Lessee's Designees. If Lessee reasonably disapproves or objects to any condition of the Property, then Lessee may terminate the Lease by written notice to Lessor given on or prior to the end of the Due Diligence Period that describes the basis for the disapproval or objection.

1.3 Lease of Property. Subject to Lessee's rights to terminate in Section 1.1 and 1.2 above, Lessor hereby leases the Property to Lessee, and Lessee hereby leases the Property from Lessor, upon and subject to the terms hereinafter set forth. In addition to the foregoing Lease of the Property, during the Term of the Lease specified herein, Lessee shall have the right to access the Property through Lessor's adjacent property, known as "Parcel A" (Los Angeles County Assessor's Parcel Number 8045-001-003).

1.4 NEPA and CEQA Compliance. Notwithstanding the foregoing, Lessor shall act as the lead agency with respect to the environmental review of this Lease and the Work, as defined in Section 7.1, in compliance with the National Environmental Policy Act, to the extent applicable, and the California Environmental Quality Act. Lessee shall be responsible for the costs Lessor incurs in connection with such environmental review.

2. Term of Lease; Extension Options; Possession.

2.1 Term. The term of this Lease (the "Term") shall commence on the Lease Date and continue for fifty (50) years until December 31, 2066, subject to extension under Section 2.2 below; provided, however, that notwithstanding any other provision hereof to the contrary, Lessee may at any time terminate this Lease upon at least ninety (90) days' prior written notice to Lessor.

2.2 Lessee's Option to Extend the Term. Lessee shall have the option to extend the Term for two (2) additional consecutive periods ("Extension Periods") of ten (10) years each by giving Lessor written notice of such exercise not less than six (6) months prior to the beginning of the applicable Extension Period.

2.3 Possession. Lessee shall be entitled to take possession of the Property upon the commencement of the Term. Lessee acknowledges that Lessee has inspected the Property and accepts the Property in its existing condition, "AS IS", without representation or warranty (express or implied) and subject to all defects and conditions, whether patent or latent, and subject further to all legal requirements such as taxes, assessments, zoning, use permit requirements and building codes, based solely on Lessee's own inspection, analysis and evaluation and not in reliance on any information provided by or on behalf of Lessor.

3. Rent. Until such time as the Work referenced in Section 7.1, below, is completed, Lessee shall pay to Lessor on or before the first day of each calendar month the sum of one thousand dollars (\$1,000.00). For purposes of this Lease, "completion" shall mean when the Work

is substantially completed and the project is fit for occupancy and use for its intended purpose. Once the Work is completed, Lessee shall pay to Lessor on or before the first day of each calendar month, the sum of seven thousand six hundred sixty-six dollars (\$7,666.00) ("Rent"), provided that such Rent shall be prorated for the first month in which such monthly Rent shall be payable, based on the number of days remaining in that month after completion of the Work divided by the total number of days in that month. Rent for that first month shall be payable by Lessee within thirty (30) days after the date the Work is completed. All Rent shall be paid to Lessor on or before the due date in lawful currency of the United States at Lessor's offices located at 11710 Telegraph Road, Santa Fe Springs, California 90670, or at any other place or places that Lessor may designate by written notice to Lessee. Starting on July 1, 2018 and on July 1 of each year thereafter (the "Adjustment Date"), the Rent shall increase based on the Consumer Price Index for All Items published by the Bureau of Labor and Statistics of the United States Department of Labor for All Urban Consumers in the Los Angeles-Riverside-Orange County Area ("CPI-U") indicator and shall be determined by dividing the CPI-U indicator published for March of the current year by the CPI-U indicator published for March of the prior year, and multiplying the resultant number by the most recent Rent amount; provided that Rent shall not decrease and shall not increase by more than five percent (5%) over the prior year's Rent as a result of that adjustment. Lessor has the option to review current market lease rates every fifteen (15) years, commencing at the Lease Date, through preparation of a rental appraisal report prepared at Lessor's expense by a duly licensed real estate appraiser with at least ten (10) years' experience in appraising commercial leases and properties; provided that appraisal should take into consideration only the value of the Property in its undeveloped condition, without consideration of the Work to be constructed at the Property by Lessee. The Rent may be adjusted, and this Section 3 amended accordingly, based upon the current rental value of the Property set forth in that report, provided: (a) any such adjustment to Rent shall be effective no earlier than sixty (60) days after Lessee is provided a copy of that report; (b) adjusted Rent shall be prorated for any portion of a calendar month to which the adjustment applies and Lessee shall pay any adjusted Rent amount within thirty (30) days of the effective date of the adjustment; (c) Rent shall not be decreased from the then current Rent amount; and (d) Rent shall not be increased by more than ten percent (10%) from the then current Rent.

4. Utilities. Lessee shall obtain, at Lessee's expense, all electricity, gas, potable water, fire suppression water, sewer, waste water services and other utilities needed to operate the Improvements during the Term.

5. Net Lease. This Lease shall be considered to be a net lease, and Lessee shall be responsible for the costs of maintaining and operating the Property, including paying for insurance of Lessee's activities at the Property; provided, however, that Lessor shall remain responsible for the payment when and as due of property taxes or assessments, if any, that from time to time may be imposed on the Property.

6. Use; Hazardous Materials; Compliance with Laws; Inspection.

6.1 Use of Property. Lessee may use the Property for the construction of the Work described in Section 7.1 below and the use described thereof as a storage yard for public transportation vehicles and other related purposes; provided, however, that: (a) Lessee shall not use the Property for any other purpose without the prior written consent of Lessor, which consent

shall not unreasonably be withheld; (b) Lessee shall not use or permit the Property or any portion of the Property to be improved, developed, used, or occupied in any manner or for any purpose that is in any way in violation of any federal, state or local law, ordinance, or regulation; (c) Lessee shall not maintain, commit or permit the maintenance or commission of any unreasonable fire or health hazards, or any nuisance, as now or hereafter defined by any statutory or decisional law applicable to the Property, on the Property or any part of the Property.

6.2 Hazardous Materials.

(a) Definitions.

“Hazardous Materials” shall mean any substance that now or in the future requires investigation or remediation under, or is regulated or defined as a hazardous waste or hazardous substance, by any governmental authority or instrumentality or any law, regulation, rule or order, or any amendment thereto, including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. § 9601 et seq. and the Resource Conservation and Recovery Act, 42 U.S.C. § 9601 et seq., or that is otherwise toxic, explosive, corrosive, flammable, infectious, mutagenic, radioactive, carcinogenic, a pollutant or a contaminant, including gasoline, diesel, petroleum hydrocarbons, polychlorinated biphenyls (PCBs), asbestos, radon and urea formaldehyde foam insulation.

“Environmental Requirements” shall mean all present and future governmental laws, regulations, rules, orders, permits, licenses, approvals, authorizations and other requirements of any kind applicable to Hazardous Materials, including common law tort principles (such as public and private nuisance and strict liability for conducting abnormally dangerous activities).

“Handle,” “Handled” or “Handling” shall mean any installation, handling, generation, storing, treatment, use, disposal, discharge, release, manufacture, refinement, emission, abatement, removal, transportation, presence or migration of any Hazardous Materials brought on the Property by Lessee or Lessee’s Representatives, or any other activity or any type in connection with or involving Hazardous Materials.

“Lessee’s Representatives” shall mean all of Lessee’s officers, employees, contractors, representatives, permitted assignees and agents.

(b) Indemnification by Lessee. In addition to, and not in derogation of any other indemnification contained in this Lease, except in connection with Section 7.3(b) below, Lessee agrees to indemnify, defend and hold harmless Lessor, its successors and assigns, and its and their directors, officers, employees, and agents from all costs, expenses, damages, liabilities, claims, fines, penalties, interest, judgments, and losses of any kind arising from or in any way related to Lessee’s or Lessee’s Representatives’ Handling of Hazardous Materials during the Term or failure to comply in full with this Section 6.2 (collectively, “Environmental

Losses”); provided, however, that nothing in the preceding sentence shall mean Lessee must indemnify, defend and hold harmless Lessor, its successors and assigns, and its and their directors, officers, employees and agents from losses or environmental liabilities of any kind related to the prior use of the Property as a landfill, as disclosed in Section 7.3(b), below. If Lessor is ever made a party to any action or proceeding by reason of a matter for which Lessee is obligated to indemnify Lessor, then Lessee, upon notice from Lessor, shall, at Lessor's option, either defend that action or proceeding on behalf of Lessor at Lessee's expense with counsel satisfactory to Lessor or reimburse Lessor for all defense costs Lessor actually incurs in defending against such action or proceeding, whether or not the action or proceeding is ultimately defeated.

(c) Handling of Hazardous Materials. Lessee and Lessee's Representatives shall not Handle any Hazardous Materials at or about the Property in any manner that constitutes a violation of any Environmental Requirement. Hazardous Materials that Lessee may bring onto the Property are specified in Exhibit “B” hereto.

(d) Notice to Lessor. Any communications, written or oral, regarding any release, discharge, emission of any Hazardous Material or any other occurrence involving a Hazardous Material at the Property that poses an imminent threat of damage or contamination to the Property or the environment shall be delivered or, if oral, communicated, to Lessor within 24 hours after receipt. All other communications shall be delivered to Lessor within 10 days after receipt.

(e) Lease Closure. Prior to the expiration or termination of this Lease, Lessee shall, at its sole expense, promptly remove from the Property, using the then best available technology, all Hazardous Materials Handled by Lessee or Lessee's Representatives during the Term (collectively, “Lease Closure”), notwithstanding any lesser standard of removal or remediation which might be allowable under applicable law or governmental policies, and perform or cause to be performed all actions necessary, as determined by Lessor in its reasonable business judgment, to ensure that Lease Closure has been completed, including inspection, testing and post-Lease Closure monitoring. All work required to be performed under this Section 6.2, and Lessee's and Lessee's Representatives' Handling of all Hazardous Materials, shall be performed by duly licensed contractors in a good, safe and workmanlike manner and in a manner that will not interfere with the use, operation, leasing or sale of the Property.

(f) Lessor's Rights. Lessor and its representatives and consultants shall have the right, but not the obligation, to enter the Property at any reasonable time upon at least forty-eight (48) hours' prior notice (except in the case of an emergency) (i) to confirm Lessee's compliance with the provisions of this Section 6.2, including the right to physically investigate the condition of the Property and review all permits, reports, plans, and other documents regarding the Handling of Hazardous Materials, and (ii) to perform Lessee's obligations under this Section 6.2 if Lessee has failed to timely do so.

(g) Release of Hazardous Materials. In the event of any release, discharge or other event caused or contributed to by the acts or omissions of the Lessee or Lessee's Representatives which poses a threat of damage or contamination to the Property or the environment, whether discovered by Lessor or Lessee, Lessee shall fully document the facts relating to the event, including the circumstances existing prior to and after the occurrence of the event, the precise nature of the release, discharge or event, including specific compounds and quantities involved, and all actions Lessee has taken and will take to remediate the release, discharge or event. Lessee shall provide such documentation to Lessor promptly after the occurrence in question.

6.3 Compliance with Applicable Requirements. Lessee, shall, at Lessee's sole expense, fully, diligently and in a timely manner, comply with all applicable laws, building codes, regulations, ordinances, rules, directives, covenants, or restrictions of record, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to the Property (collectively, "Applicable Requirements"), without regard to whether such Applicable Requirements are now in effect or become effective hereafter. Lessee shall, within 10 business days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Property to comply with any Applicable Requirements.

7. Construction and Installation of Improvements.

7.1 The Work. At no cost to Lessor, through the use of federal grant funds and Lessee's monies, Lessee shall cause to be performed all construction, alterations, additions, installations, repairs and refurbishment required to complete the work described in Exhibit "C" (collectively, the "Work"). In causing the Work to be performed, Lessee shall include in any contract for the Work provisions, in compliance with the requirements of the State of California Department of Toxic Substances Control, that prohibit any contractor, subcontractor or agent from penetrating the adjacent Parcel A parking lot surface. Lessee shall obtain the approval of the design of the Work relating to the Parcel B parking improvements from Neville Chemical Company ("NCC"), and/or NCC's agents, to ensure that Work will not adversely impact the existing groundwater monitoring wells in the vicinity. Lessee shall provide NCC and/or NCC's agents with access to such groundwater monitoring wells upon at least five (5) days' advance notice to Lessee. Lessor shall waive any building permit fees associated with the Work and shall expedite its review of the design plans and drawings for the Work. Lessee shall cause the Work to be completed in a diligent and timely manner. Lessee's failure to meet any of the deadlines in Exhibit "D", as the same may be extended in accordance with the provisions of Section 13.4, shall constitute a non-curable "Event of Default" (as defined in Section 12.1).

7.2 Construction Contracts. All Work shall be performed only by competent and qualified contractors duly licensed under the laws of the State of California pursuant to written contracts with such contractors.

7.3 Prevailing Wage; Prior Use of Property.

(a) Lessee shall pay, or cause to be paid, the prevailing rates of wages for all work and shall comply with Section(s) 1720 et seq. of the California Labor Code and related regulations. Lessee shall cause the Work and any other construction, alterations, additions, installations, repairs and refurbishment at any time undertaken on or in the Property to be performed (a) in a workmanlike manner with only new and high quality building materials, (b) in compliance with all Applicable Requirements, and (c) in compliance with all applicable insurance requirements. Without limiting the generality of the foregoing provisions, Lessee shall not permit any component of the Work to be commenced until all building permits and other governmental permits, licenses and approvals required in connection with such component of the Work have been issued. Lessor shall waive all fees for permits that it issues to Lessee in connection with the Work. Additionally, Lessor agrees to expedite any review or inspection process it conducts in connection with the Work.

(b) Disclosure of Property's Prior Use as a Landfill; Mitigation Measures. Lessor hereby discloses to Lessee and Lessee hereby acknowledges that the Property was previously used as a landfill and methane has been found to be present on the Property. As a result of such potential exposure, certain precautions shall be taken by Lessee before and during preparation and construction of the Work, including, but not limited to, mitigation measures for methane, as set forth in Exhibit C.

7.4 Mechanics' Liens. At all times during the Term, Lessee shall keep the Property and all building and improvements now or hereafter located on the Property free and clear of all stop notices, liens and claims of liens for labor, services, materials, supplies, or equipment performed on or furnished to the Property. Should Lessee fail to pay and discharge or cause the Property to be released from any such stop notice, lien or claim of lien within thirty (30) days after service on Lessee of written request from Lessor to do so, Lessor may pay, adjust, compromise and discharge any such lien or claim of lien on such terms and manner as Lessor may deem appropriate. In such event, Lessee shall, on or before the first day of the next calendar month following any such payment by Lessor, reimburse Lessor for the full amount paid by Lessor in paying, adjusting, comprising, and discharging such stop notice, lien or claim of lien, including any attorneys' fees and other costs expended by Lessor, together with interest as provided in Section 13.5 from the date of payment by Lessor to the date of repayment by Lessee.

7.5 Ownership of Improvements. Any and all improvements placed or erected on the Property as well as any and all other alterations, additions, improvements and fixtures (except for improvements that are excluded from the Property and also except for Lessee's furniture and trade fixtures) made or placed in or on the Property by Lessee shall be owned by Lessee during the Term, including any Extension Periods, until the expiration or any earlier termination of this Lease, shall be considered part of the Property, and shall remain on the Property and, without compensation to Lessee, on the expiration or any earlier termination of this Lease, shall become the sole property of Lessor. Lessee shall not remove any improvements from the Property, commit or permit any waste, or destroy or modify any improvements on the Property except as expressly permitted by this Lease.

8. Maintenance and Repairs.

8.1 Maintenance by Lessee. At all times during the Term, Lessee shall, at Lessee's own cost and expense, keep and maintain the Property (including all structural, non-structural, interior, exterior, landscaped areas, systems, equipment, facilities, driveways, parking lots, fences, and signs) in good order, condition and repair (whether or not the portion of the Property requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Property). Lessee's maintenance obligations shall include restorations, replacements and renewals when necessary to keep the Property and all improvements thereon in good order, condition and repair. In keeping the Property in good order, condition and repair, Lessee shall exercise and perform good maintenance practices.

8.2 Lessee's Duty to Restore Property. Should, at any time during the Term, any buildings or improvements now or hereafter on the Property be destroyed in whole or in part by fire, theft, the elements, or any other cause not the fault of Lessor, Lessee, at Lessee's own cost and expense, shall repair and restore the damaged or destroyed buildings or improvements according to the original final plans and specifications therefore or according to any modified plans and specifications that provide for improvements consistent in terms of size, design and quality with the original buildings and improvements. If the work of repair and restoration does not require the issuance of any building permit or other permit from governmental authorities or the preparation of plans, then such work shall be commenced by Lessee within sixty (60) days after the damage or destruction occurs and shall be completed as soon as possible and in any event within nine months after such work is commenced. If the work of repair and restoration requires the issuance of any building permit or other permit from governmental authorities or the preparation of plans, then such work shall commence within ninety (90) days after the last to occur of obtaining of the necessary permit or permits or the preparation of plans and shall be completed as soon as possible and in any event within one year after such work is commenced. Notwithstanding the foregoing two sentences, if the cost of any such repairs and restoration is covered by insurance, Lessee may delay the commencement of such repairs and restoration until its insurance claim has been processed and coverage is confirmed to be provided. The Parties agree that events or conditions may preclude in some instances the immediate making of permanent repairs. The Parties agree that in those instances Lessee shall make interim repairs that will protect the improvements from further deterioration and permit the continued use of the Property to the extent possible for the purposes for which they were demised. In such event Lessee, upon demand, shall provide Lessor sufficient information for Lessor to satisfy itself that the time for making permanent repairs must be extended as reasonable beyond the time limits specified hereinbefore. In all other respects, the work of repair and restoration shall be done in accordance with the requirements for the original Work set forth in Section 7.

8.3 Application of Insurance Proceeds. Any and all fire or other insurance proceeds that become payable at any time during the Term because of damage to or destruction of any buildings or improvements on the Property shall be used toward the repair, restoration and replacement of damaged or destroyed buildings or improvements in the manner required by Section 8.2; provided, however, that any fire or other insurance proceeds remaining after the repair, restoration, reconstruction and/or replacement of the damaged or destroyed buildings or

improvements has been completed to the satisfaction of Lessor (the "Remaining Insurance Proceeds") shall be allocated between Lessee and Lessor as follows:

(a) that percentage of the Remaining Insurance Proceeds which equals the percentage of the unexpired portion of the Term, at the time the repair, restoration, reconstruction and/or replacement of the damaged or destroyed buildings has been completed, shall belong to and be the sole property of Lessee; and

(b) that percentage of the Remaining Insurance Proceeds which equals the percentage of the expired portion of the Term, at the time the repair, restoration, reconstruction and/or replacement of the damaged or destroyed buildings has been completed, shall belong to and be the sole property of Lessor.

8.4 Lessor's Rights of Entry. Lessor and Lessor's agents shall have the right to enter at reasonable hours after prior notice of the time and place of entry into and upon said portions of the Property as necessary for the purpose of ascertaining that the improvements on the Property are kept and maintained in good condition and repair as provided for in this Section 8 and that the terms of this Lease are observed.

9. Indemnity and Insurance.

9.1 Exculpation of Lessor. Lessor shall not be liable to Lessee for any damage to Lessee or Lessee's property for any cause, except for any damage to Lessee or Lessee's property resulting from the gross negligence and willful misconduct of Lessor or its authorized representatives. Lessee waives all claims against Lessor for damage to person or property arising, or asserted to have arisen, for any reason, except that Lessor shall be liable to Lessee for any damage to Lessee resulting from or arising out of the Property's prior use as a landfill and for any damage to Lessee resulting from the gross negligence or willful misconduct of Lessor. Subject to the foregoing provisions, Lessor agrees to, defend, indemnify and hold Lessee and its officers, directors, employees, agents and affiliates and their respective assets free and harmless against and from any and all liabilities, claims, losses, damages, and expenses (including attorneys' fees and court costs) resulting from or arising out of Lessor's failure to perform any of Lessor's obligations under this Lease when and as required by the terms hereof.

9.2 Indemnity. Lessee agrees to, and does hereby defend, indemnify and hold Lessor and its officers, directors, employees, agents and affiliates and their respective assets, including the Property and all improvements now or hereafter on the Property, free and harmless against and from any and all liabilities, claims, losses, damages, and expenses (including attorneys' fees and court costs) resulting from or arising out of Lessee's occupation and use of the Property, specifically including any liability, claim, loss, damage, or expense arising by reason of:

(a) The death or injury of any person, including any person who is an employee or agent of Lessee, or the damage to or destruction of any property, including property owned by Lessee or by any person who is an employee or agent

of Lessee, from any cause whatsoever while such person or property is on the Property;

(b) Any work performed on the Property or materials furnished to the Property at the instance or request of Lessee or any person or entity acting for or on behalf of Lessee; or

(c) Lessee's failure to comply with any requirement of law or any requirement imposed on Lessee or the Property by any governmental agency or authority;

(d) Lessee's failure to perform any of Lessee's obligations under this Lease when and as required by the terms hereof; or

(e) The inaccuracy of any representation made by Lessee to Lessor in this Lease.

9.3 Liability Insurance. Lessee shall, at Lessee's own cost and expense, secure promptly after execution of this Lease and maintain during the entire Term a broad form comprehensive coverage policy of public liability insurance issued by an insurance company or risk pool acceptable to Lessor and authorized to issue liability insurance in the State of California, insuring Lessee and Lessor against loss or liability caused by or connected with Lessee's occupation, use, disuse, or condition of the Property under this Lease in amounts not less than:

(a) \$2,000,000 for injury to or death of one person and, subject to such limitation for the injury or death of one person, of not less than \$5,000,000 for injury or death to two or more persons as a result of any one accident or incident; and

(b) \$2,000,000 for damage to or destruction of any property of others. All public liability insurance and property damage insurance shall insure performance by Lessee of the indemnity provisions of this Lease. Lessor shall be named as additional insured on each insurance policy required by this Section, and such policies shall contain cross liability endorsements.

9.4 Fire and Casualty Insurance. Lessee shall, at Lessee's own cost and expense, at all times during the Term, keep all buildings, improvements, Lessee's personal property and other structures on the Property, as well as any and all additions thereto, insured for their actual cash, full replacement value (as defined below), by insurance companies or a risk pool authorized to issue such insurance in the State of California, against loss or destruction by fire and the perils commonly covered under the standard extended coverage endorsement to fire insurance policies in the geographic area in which the Property are located. Each insurance policy shall be issued in the names of Lessor and Lessee, as their interests may appear. Any proceeds received because of a loss covered by such insurance shall be used and applied in the manner required by Section 8.3. On termination of this Lease, such insurance policy or policies, all rights thereunder and any insurance proceeds shall be assigned to Lessor at Lessor's election; provided, however, that Lessor shall reimburse Lessee for any unearned premiums that Lessee prepaid for the year in which this Lease is terminated and for years after this Lease is terminated.

9.5 Evidence of Insurance. Prior to entering the Property for any purpose, Lessee shall deliver to Lessor insurance certificates showing that Lessee has obtained and is maintaining the insurance required by this Section 9. Upon written request of Lessor, Lessee shall deliver to Lessor a complete and correct copy of each insurance policy required by this Section 9.

9.6 Notice of Cancellation of Insurance. Each insurance policy required by this Section 9 shall contain a provision that it cannot be cancelled or materially changed for any reason unless 30 days' prior written notice of such cancellation or change is given to Lessor in the manner required by this Lease for service of notices on Lessor by Lessee.

10. Condemnation.

10.1 Total Condemnation. Should, during the Term, title to the Property be taken under the power of eminent domain by any public or quasi-public agency or entity, this Lease shall terminate as of 12:01 A.M. of, whichever first occurs, (a) the date legal title to the Property becomes vested in or (b) actual physical possession of the Property is taken by the agency or entity exercising the power of eminent domain, and both Lessor and Lessee shall thereafter be released from all future obligations under this Lease, except those specified in Sections 10.4 and 10.5.

10.2 Partial Condemnation. Should, during the Term, title of only a portion of the leased Property be taken under the power of eminent domain by any public or quasi-public agency or entity, all compensation and damages payable by reason the taking by eminent domain of any improvements (but not land) shall be available to and used, to the extent reasonably needed, by Lessee to replace the improvements so taken to the extent practicable under then existing laws and conditions with improvements of the same type on the remaining portion of the Property. Lessee shall submit to Lessor conceptual plans for the replacement improvements and shall consult with Lessor and keep Lessor informed concerning development and construction of replacement improvements; provided, however, that should the improvements taken by eminent domain result in a net loss of one-half or more of the total area of Lessee's improvements, after taking into consideration such improvements that could be reasonably constructed on the remaining portion of the Property, Lessee may terminate this Lease in the manner prescribed by Section 10.3.

10.3 Termination for Partial Taking. Lessee may terminate this Lease for the reasons stated in Section 10.2 by serving written notice of termination on Lessor within ninety (90) days after Lessee has been deprived of actual physical possession of the portion of the Property taken by eminent domain. This Lease shall terminate as of 12:01 A.M. of the first day of the calendar month following the calendar month in which the notice of termination described in this Section is served on Lessor. On termination of this Lease pursuant to this Section, however, both Lessor and Lessee shall be released from all future obligations under this Lease except those specified in Sections 10.4 and 10.5.

10.4 Condemnation Award. Any compensation or damages awarded or payable because of the taking of all or any portion of the Property by eminent domain shall be allocated between Lessor and Lessee as follows:

(a) All compensation or damages awarded or payable for the taking by eminent domain of any land that is part of the Property shall be paid to and be the sole property of Lessor free and clear of any claim of Lessee or any person claiming rights to the Property through or under Lessee.

(b) All compensation or damages awarded or payable for the taking by eminent domain of any improvements located on the Property where only a portion of the Property is taken by eminent domain and Lessee is not entitled to or does not terminate this Lease, shall be applied in the manner specified in Section 10.2 toward the replacement of such improvements with equivalent new improvements on the remaining portions of the Property.

(c) All compensation or damages awarded or payable for the taking by eminent domain of any improvements located on the Property where this Lease is terminated because of such taking, whether all or only a portion of the Property is taken, shall be allocated between Lessee and Lessor such that the portion of the compensation or damages awarded or payable for the taking of improvements not in existence on the date of this Lease shall belong to and be the sole property of Lessee.

10.5 Allocation of Award Between Land and Improvements. For purposes of this Section any compensation or damages awarded or payable because of the taking by eminent domain of all or any portion of the Property shall be allocated between the land and any improvements so taken in accordance with any allocation made by the court in any eminent domain proceeding. If the court does not make any such allocation, or if Lessor should voluntarily convey title to all or a portion of the Property pursuant to Section 10.6, then that portion of any compensation or damages awarded which is equal to the then fair market value of any land within the Property that is taken by eminent domain (the "Land Value") shall be deemed compensation or damages awarded for the taking of such land, and the remainder of any compensation or damages awarded shall be deemed to be compensation or damages awarded for the taking of any improvements constructed or located on the Property taken by eminent domain. The Land Value shall be determined as though the Property were not subject to this Lease or any other lease or encumbrance and shall be established as follows:

(a) Lessor and Lessee shall attempt in good faith to agree on the Land Value. If Lessor and Lessee do not agree on the Land Value within ten business days after such taking, the Land Value shall be determined by appraisal in accordance with paragraphs (b) through (e) below.

(b) Within ten (10) business days after any taking, each party hereto shall deliver to the other a written notice appointing as such party's appraiser a disinterested person with at least 10 years' experience as a real estate appraiser, who shall be a member of a recognized society of real estate appraisers and shall have had experience in appraising industrial properties in Los Angeles County, California and its environs.

(c) Within ten (10) business days after the appointment of the second of the two appraisers, the two appraisers shall jointly appoint a third appraiser whose qualifications meet the standards set forth above.

(d) Within thirty (30) days after the appointment of the second appraiser, the first two appraisers shall make their respective determinations of the Land Value and shall submit their appraisal reports to Lessor and Lessee.

(e) The Land Value shall be conclusively deemed to the arithmetic average of the two fair market values shown in the appraisal reports submitted by the first two appraisers; provided, however, that if within thirty (30) days after the appointment of the second appraiser only one appraisal report shall have been submitted, the Land Value shall be conclusively deemed to the fair market value shown in such appraisal report; and provided further that if two appraisal reports are submitted within thirty (30) days after the appointment of the second appraiser and if the difference between the two appraised values is greater than 10% of the higher appraised value, then upon the written request of either Lessor or Lessee made within five business days after the submission of the second appraisal report, the third appraiser shall be instructed to select as the Land Value one of the appraised values determined by the first two appraisers. The value so selected shall be conclusively deemed to be the Land Value.

10.6 Voluntary Conveyance in Lieu of Eminent Domain. Lessor reserves the right in its sole discretion to voluntarily convey title to all or a portion of the Property to a public or quasi-public agency or entity in lieu of and under threat by such agency or entity to take the same by eminent domain proceedings, provided that Lessor shall give Lessee prior notice of intent or willingness to voluntarily convey title. Such voluntary conveyance by Lessor of title to all or a portion of the Property to a public or quasi-public agency or entity in lieu of and under threat by such agency or entity to take the same by eminent domain proceedings shall be considered a taking of title to all or such portion of the Property under the power of eminent domain subject to the provisions of this Section 10, and Lessee shall be entitled to compensation for the fair market of its improvements to the Property in accordance with Section 10.2(c), above.

11. Assignment and Subletting.

11.1 Lessor's Consent Required. Lessee shall not voluntarily or by operation of law assign, encumber or otherwise transfer any right or interest in this Lease or the Property, or permit all or any portion of the Property to be occupied by anyone other than Lessee, or sublet all or any part of the Property, or enter into any material amendment of a sublease without the express prior written consent of Lessor, which shall not be unreasonably withheld, conditioned or delayed. No assignment of this Lease shall be effective unless and until the proposed assignee shall have executed and delivered to Lessor a written agreement in form and content satisfactory to Lessor pursuant to which the proposed assignee shall assume and agree to perform when due all of Lessee's obligations under this Lease.

12. Default and Remedies.

12.1 Events of Default. Any of the following events shall constitute an “Event of Default” under this Lease:

(a) Lessee fails to make any payment of money called for by any provision of this Lease (whether to Lessor or any third party) within ten (10) business days after delivery of written notice by Lessor that the payment is past due; or

(b) Lessee fails to perform fully and when due any of its other covenants, conditions or obligations under this Lease and after written notice from Lessor specifying the nature of such failure of Lessee, Lessee: (i) does not promptly commence taking all necessary and appropriate actions to remedy such failure, or (ii) does not thereafter diligently and continuously pursue all such remedial actions, or (iii) does not fully cure such failure within the minimum period of time reasonably required under the circumstances to achieve a cure, but in any event within ninety (90) days after Lessor’s written notice of such failure, time being strictly of the essence; provided, however, that Lessee shall not be entitled to cure the breach of any covenant that is “non-curable”; or

(c) Any voluntary or involuntary assignment, transfer, encumbrance or subletting of this Lease occurs in violation of Section 11; or

(d) Lessee fails or has failed to disclose any material fact which may tend to adversely affect, or which may have tended to adversely affect, Lessor’s decision to enter into this Lease; or

(e) Lessee makes a general assignment for the benefit of creditors or a voluntary or involuntary petition is filed by or against Lessee under any law for the purpose of adjudicating Lessee a bankrupt, or for extending time for payment, adjustment or satisfaction of Lessee’s liabilities, or for reorganization, dissolution or arrangement on account of or to prevent bankruptcy or insolvency, unless such assignment or proceeding, and all consequent orders, adjudications, custodies and supervisions are dismissed, vacated or otherwise permanently stayed or terminated within sixty (60) days after such assignment, filing or other initial event.

12.2 Remedies. Upon the occurrence of any Event of Default, and without the giving of any additional notice not otherwise required hereunder or by law, Lessor may exercise the following rights and remedies in addition to all other rights and remedies provided by law or equity, either cumulatively or in the alternative:

(a) Terminate Lessee’s right to possession of the Property by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession of the Property to Lessor. In such event Lessor shall be entitled to recover from Lessee any amounts necessary to compensate Lessor for all the detriment approximately caused by Lessee’s failure to perform its obligations under

this Lease or which in the ordinary course of things would be likely to result therefrom, including the cost of recovering possession of the Property.

(b) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the State of California. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the Term or by reason of Lessee's occupancy of the Property.

12.3 Lessor's Performance of Lessee's Obligations. If Lessee fails to perform any affirmative duty or obligation under this Lease within five (5) business days after written notice (or in case of an emergency, without notice), the Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including the obtaining of reasonably required bonds, insurance policies, or governmental permits, licenses and approvals. The costs and expenses of any such performance by Lessor shall be due and payable by Lessee upon Lessor's written demand. If any check given to Lessor by Lessee shall not be honored by the bank upon which it is drawn, Lessor, at its option, may require that all future payments by Lessee to Lessor be made by bank cashier's check.

12.4 Remedies Cumulative. The remedies given to Lessor in this Section shall not be exclusive but shall be cumulative with and in addition to all remedies now or hereafter allowed by law and elsewhere provided in this Lease.

12.5 Waiver of Breach. The waiver by Lessor of any breach of Lessee of any of the provisions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent breach by Lessee either of the same or a different provision of this Lease. No waiver, benefit, privilege or service voluntarily given or performed by either party shall give the other any contractual right by custom, estoppel or otherwise.

12.6 Breach by Lessor. Lessor shall be deemed in breach of this Lease if Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor hereunder. For purposes of this Section 12.6, a reasonable time shall in no event be less than twenty-one (21) days after receipt by Lessor of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than twenty-one (21) days after such notice are reasonably required for its performance, then Lessor shall not be in breach of this Lease if performance is commenced within such twenty-one (21) day period and thereafter diligently pursued to completion.

13. Miscellaneous.

13.1 Lessee's Duty to Surrender Property. At the expiration or any earlier termination of the Term, Lessee shall surrender to Lessor the possession of the Property and all improvements and fixtures installed or constructed by or for Lessee thereon free and clear of all claims to or against them by Lessee or any third person or party. Lessee shall leave the surrendered property in good, safe and broom-clean condition. All property that Lessee is required to surrender shall become Lessor's property at termination of this Lease, or, if Lessor so elects and upon written

notice to Lessee, shall be demolished and removed by Lessee at Lessee's sole expense, and all property that Lessee is not required to surrender but that Lessee does not remove shall become Lessor's property at termination of this Lease, or, if Lessor so elects and upon written notice to Lessee, shall be demolished and removed by Lessee at Lessee's sole expense.

13.2 Holding Over. This Lease shall terminate without further notice at the expiration of the Term. Notwithstanding Lessor's acceptance of Rent after expiration or any earlier termination of the Term, any holding over by Lessee shall not constitute a renewal or extension of the Term or give Lessee any rights in or to the Property. In the event that Lessee holds over, then the Base Rent shall be increased to the then current fair market value rent for the Property, as determined through the written opinion of a licensed real estate broker with at least ten (10) years' experience in the leasing of commercial properties in the vicinity of the Property.

13.3 Survival. Each obligation of Lessee's obligations under this Lease that, by its nature, is to be, or may need to be, performed after the expiration or any earlier termination of this Lease shall survive such expiration or termination. Without limiting the generality of the preceding sentence, Lessee's indemnification obligations under Section 6.2 shall survive the expiration or termination of this Lease.

13.4 Force Majeure Delays. Except as otherwise expressly provided in this Lease, should the performance of any act required by this Lease to be performed by either Lessor or Lessee be prevented or delayed by reason of any act of God, strike, war, lockout, labor trouble, delays in receiving approvals from any governmental regulatory agency not resulting from the acts or omissions of either Lessor or Lessee, or inability to secure materials (but not by reason of delay in the issuance of any required governmental permit, license or approval), the time for performance of the act will be extended for a period equivalent to the period of delay and performance of the act during the period of delay will be excused; provided, however, that any such extension of the time for performance shall not affect the commencement or expiration of the Term or any Extension Period or the date by which any option to extend the Term must be exercised in accordance with Section 2.2.

13.5 Attorneys' Fees. In the event either party brings a suit, action or other proceeding against the other party that in any way relates to or arises out of this Lease, the prevailing party (meaning the party that obtains substantially the relief sought by it) shall be entitled to have and recover from the other party all costs and expenses of the suit, action or proceeding, including attorneys' fees, from the commencement of the suit, action or proceeding through the entry of judgment.

13.6 Discrimination. Lessee, its employees and agents, shall not discriminate against any person because of race, age, religion, color, ancestry, sex, physical handicap or disability, marital status, sexual orientation or national origin, nor shall Lessee, its employees or agents, publicize the availability of work, contracts, accommodations or facilities in any manner that would directly or impliedly reflect upon or question that acceptability of any person because of race, religion, color, ancestry, sex, physical handicap or disability, marital status, sexual orientation or national origin.

13.7 Subordination; Attornment; Non-Disturbance.

(a) Subordination. This Lease shall be subject and subordinate to any deed of trust or other hypothecation or security device (collectively, "Security Device"), now or hereafter placed by Lessor upon the Property, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices shall have no liability or obligation to perform any of the obligations of Lessor under this Lease.

(b) Attornment. Subject to the non-disturbance provisions of paragraph (c) below, Lessee agrees to attorn to any lender or any other party who acquires ownership of the Property by reason of a foreclosure of a Security Device, and in the event of such foreclosure, such new owner shall not (i) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership, (ii) be subject to any offsets or defenses that Lessee might have against any prior lessor, or (iii) be bound by any prepayment of more than one calendar quarter's Base Rent.

(c) Non-Disturbance. With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "Non-Disturbance Agreement") from the lender to the effect that Lessee's possession of the Property shall not be disturbed so long as Lessee is not in default hereunder and attorns to the record owner of the Property.

(d) Self-Executing. The agreements contained in this Section 13.7 shall be effective without the execution of any further documents; provided, however, that, upon the written request of Lessor or any lender in connection with a sale, financing or refinancing of the Property, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document the subordination, attornment and Non-Disturbance Agreement provided for herein.

13.8 Authority. Each individual executing this Lease on behalf of Lessor or Lessee represents and warrants that he or she is duly authorized to execute and deliver this Lease on such party's behalf. Each party shall, within thirty (30) days after written request, deliver to the other party satisfactory evidence of such authority.

13.9 Jurisdiction and Governing Law. Any action brought by Lessor against Lessee in connection with this Lease or any matter that in any way relates to the transactions contemplated by this Lease shall be brought by Lessor in any court in Los Angeles County or in any other court of competent jurisdiction, wherever located, having personal jurisdiction over Lessee. All matters that in any way relate to the transactions contemplated by this Lease shall be governed by the laws of the State of California.

13.10 Quiet Enjoyment. Lessee shall and may peacefully and quietly have, hold and enjoy the Property hereby demised, for the Term, on the terms and subject to the conditions

contained in this Lease. Lessor warrants and represents that it is the sole and lawful owner of the Property in fee simple, that the Property are free and clear of all liens and encumbrances (except as specifically disclosed to Lessee in writing by Lessor), and that Lessor has the right to enter into this Lease.

13.11 Notices. All notices required or permitted by this Lease shall be in writing and may be delivered by overnight courier or may be sent by certified mail, with postage prepaid, and shall be deemed sufficiently given if served in a manner specified in this Section. Until changed by a notice given in accordance with the provisions of this Section, the respective addresses of Lessor and Lessee for the purpose of receiving notices required or permitted by this Lease are as follows:

Lessor:

City of Santa Fe Springs
Attn: City Manager
11710 Telegraph Road
Santa Fe Springs, CA 90670

Lessee:

City of Norwalk
Attn: City Manager
12700 Norwalk Boulevard
Norwalk, CA 90650

Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. Notices delivered by overnight courier that guarantee next day delivery shall be deemed given on the next business day after delivery of the same to the courier. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

13.12 Successors and Assigns. This Lease shall be binding on and enforceable by, and shall inure to the benefit of, Lessor and Lessee and their respective successors, and assigns, subject to the provisions of Section 11.

13.13 Time of Essence. Time is expressly declared to be the essence of this Lease.

13.14 Memorandum of Lease. Lessor and Lessee shall execute and acknowledge a memorandum of this Lease in the form of Exhibit "D", and shall record it in the Official Records of Los Angeles County.

13.15 Counterparts. This Lease may be executed in counterparts, all of which together shall constitute one and the same document.

13.16 Partial Invalidity. Should any provision of this Lease be held by a court of competent jurisdiction to be either invalid, void, or unenforceable, the remaining provisions of this Lease shall remain in full force and effect unimpaired by the holding.

13.17 Entire Agreement. This instrument constitutes the sole and only agreement between Lessor and Lessee respecting the Property, the leasing of the Property to Lessee, the performance of the Work, and the other subject matter of this Lease, and correctly sets forth the obligations of Lessor and Lessee to each other as of its date. Any agreements or representations respecting the Property, their leasing to Lessee by Lessor, or any other matter discussed in this Lease not expressly set forth in this instrument are hereby superseded and are null and void.

13.18 Amendments. This Lease may be modified only by a written instrument signed by the parties in interest at the time of the modification.

13.19 Construction of Lease. This Lease shall be construed fairly as to all parties and not in favor of or against any party, regardless of which party prepared this Lease. Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the sections and paragraphs of this Lease are for convenience only and do not define or limit any terms or provisions. Unless otherwise specifically provided, references in this Lease to sections, paragraphs and exhibits shall be to sections, paragraphs and exhibits of or to this Lease. All exhibits hereto are incorporated herein by the references thereto in this Lease. The use in this Lease of the word "include" or any derivative thereof shall be construed as providing examples or illustration only and shall not limited the generality of any provision in which it is used. As used in this Lease, the term "business day" means any day on which commercial banks are open for business in the State of California, and the term "day" means a calendar day when not expressly stated to be a business day. If any period or deadline specified in this Lease ends or falls on a day that is not a business day, such period or deadline shall be extended to end or fall on the next succeeding business day. Wherever used in this Lease, the symbol "\$" refers to dollars in currency of the United States of America

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease as of the date first above written.

LESSOR:
CITY OF SANTA FE SPRINGS,
a municipal corporation

By:
Print Name: _____
Title: _____

ATTEST:

APPROVED AS TO FORM:

Steve Skolnik, City Attorney

LESSEE:
CITY OF NORWALK,
a municipal corporation

By:
Print Name: _____
Title: _____

ATTEST:

APPROVED AS TO FORM:

James D. Ciampa, Special Counsel

EXHIBIT "A"

DESCRIPTION OF PROPERTY

That portion of the land conveyed to Kalico, Inc., by Deed recorded September 25, 1956, as Instrument No. 2283, in Book 52394, Pages 406 and 407 of Official Records, being a portion of the Rancho Los Coyotes, in the City of Santa Fe Springs, County of Los Angeles, State of California, as shown upon a copy of map made by Charles T. Healey, recorded in Book 41819, page 142 et seq. of Official Records, in the Office of the County Recorder of said County described as follows:

Beginning at a point in the compromise line between the Rancho Santa Gertrudes, and the Rancho Los Coyotes, (being the northerly line of said land) that is distant south $74^{\circ}50'15''$ west 1022.24 feet thereon from the southwest corner of the land described in the Deed to Marius Meyer, recorded in Book 90, Page 66 of Deeds, records of said County; thence south $0^{\circ}13'16''$ west 311.90 feet; thence south $27^{\circ}39'07''$ west 138.67 feet to a point in the northeasterly line of the land described in the Deed to the California Central Railway Co., recorded on May 28, 1888, in Book 448, Page 17 of said Deeds, being a curve concave northeasterly and having a radius of 3224.17 feet; thence northwesterly along said curve 427.62 feet to the above-referenced compromise line; thence thereon north $74^{\circ}50'15''$ east 320.59 feet to the point of beginning.

APN: 8045-001-008

EXHIBIT "B"

PERMITTED HAZARDOUS MATERIALS

1. Hazardous materials normally and customarily used in the development, construction and operation of structures that are used, stored, transported and disposed of in accordance with all applicable laws.
2. Minor quantities of hazardous materials normally and customarily used in connection with the operation of a public transportation vehicle storage yard, including related maintenance and repair of public transportation vehicles that are used, stored, transported and disposed of in accordance with all applicable laws.

EXHIBIT "C"

DESCRIPTION OF THE WORK

The Norwalk Transportation Auxiliary Municipal Lot will provide space to store transit buses and miscellaneous equipment. The construction will include constructing a perimeter retaining wall, placing 1 ½ inch rock material to stabilize the ground and provide wicking of the methane gas, porous asphalt concrete, wrought iron fencing, monitoring wells, and lot lighting.

EXHIBIT "D"

FORM OF MEMORANDUM OF GROUND LEASE

RECORDING REQUESTED BY AND WHEN
RECORDED MAIL TO:

City of Santa Fe Springs
Attn: City Manager
11710 Telegraph Road
Santa Fe Springs, California 90670

[Space Above For Recorder's Use Only]

The undersigned Lessor declares that this Memorandum of Ground Lease is exempt from Recording Fees pursuant to California Government Code Section 27383.

This Memorandum of Ground Lease is exempt from Documentary Transfer Tax because it is between two municipalities that are political subdivisions of the State of California. Revenue and Taxation Code Section 11922

MEMORANDUM OF GROUND LEASE

THIS MEMORANDUM OF GROUND LEASE (this "**Memorandum**") is dated as of _____, 2016 and is entered into by and between the CITY OF SANTA FE SPRINGS, a municipal corporation, ("**Lessor**") and the CITY OF NORWALK, a municipal corporation ("**Lessee**").

RECITALS

A. Lessor and Lessee executed that certain Ground Lease dated _____, 2016 (the "**Lease**") affecting the land described on Exhibit "A" (the Property).

B. Lessor and Lessee now desire to record this Memorandum in order to, among other things, comply with law requiring that municipal leases be recorded, giving constructive notice of the existence of the Lease.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, and the covenants and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. Ground Lease. Lessor has leased the Property to Lessee, and Lessee has leased the Property from Lessor, upon and subject to the terms and conditions set forth in the Lease. The Lease is hereby incorporated herein by this reference.

2. Term. The term of the Lease commences on _____, 2016 and expires on _____, 2016. In addition to that term, Lessee will have the right to extend the term for two consecutive ten (10) year extension periods.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Memorandum as of the date and year first above written.

LESSOR:

CITY OF SANTA FE SPRINGS,
NORWALK,
a municipal corporation
corporation

By:
Print Name: _____
Title: _____

ATTEST:

APPROVED AS TO FORM:

LESSEE:

CITY OF

a municipal

By:
Print Name: _____
Title: _____

ATTEST:

APPROVED AS TO FORM:

James D. Ciampa, Special Counsel

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

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On _____, 2016, before me,
_____,
a Notary Public, personally appeared

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

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

WITNESS my hand and official seal.

Notary Public

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

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On _____, 2016, before me,
_____,
a _____ Notary Public, _____ personally appeared _____

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

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

WITNESS my hand and official seal.

Notary Public



NEW BUSINESS

Review and Consideration of Activities for the 2017 City of Santa Fe Springs' 60th Anniversary

RECOMMENDATION

That the City Council review the proposed option of activities for the 2017 City of Santa Fe Springs' 60th Anniversary celebration to occur May 6, 2017.

BACKGROUND

The City of Santa Fe Springs was incorporated on May 15, 1957. 2017 will mark the 60th anniversary of the incorporation for the City of Santa Fe Springs. This is an important milestone for the City. Two previous major milestone anniversary celebrations featured various events anchored by a community parade. In 1982 and 2007, the City celebrated its 25th and 50th anniversaries respectively with a parade that featured the high school marching bands, floats, dignitaries and carnival festivities.

Staff met and worked with the City Council Sub-Committee to research various options to commemorate the City's 60th anniversary and has developed a festive celebration for City Council's review and consideration. The event would be scheduled on May 6, 2017. The event presents an opportunity to celebrate the milestone anniversary, while maintaining the \$50,000 approved budget for a day time event. Staff has also included a second option for an evening event. This option does include higher costs for staging and lighting with an overall budget of \$65,000. Additionally, during the development and planning process, staff has concluded that the event could also include an optional selective food fair component such as a Chili Cook Off or Salsa Festival which could generate revenue by vendor entries.

The following is a time line of activities for the City's 60th Anniversary Celebration:

60th Anniversary Celebration

Family Fun Run

Saturday, May 6, 2017 from 7:00 a.m. to 9:30 a.m.

60th Anniversary Parade

Saturday, May 6, 2017 from 10:00 a.m. to Noon

60th Anniversary Festivities - Option 1 (stays within budget)

Saturday, May 6, 2017 from 2:00 p.m. – 7:00 p.m.

60th Anniversary Festivities - Option 2 (Increases budget by \$15,000)



City of Santa Fe Springs

City Council Meeting

December 22, 2016

Saturday, May 6, 2017 from 6:00 p.m. – 11:00 p.m.

The 60th Anniversary celebration festivities will begin with an early morning 5K family fun run (already budgeted, 7:00 a.m. start time), community parade (10:00 a.m. to 12 noon), and celebratory festivities concluding at Town Center Hall Plaza. The celebratory festivities will model the Fiestas Patrias and First Night events which will include games (conducted by staff/volunteers), interactive activities for youth (i.e. rock wall), musical entertainment, off-stage performers, beer and wine garden, and food options. The event will also include various community-based organizations to provide additional resources and entertainment to help enhance the City's celebration. As an attachable option, the event's food component could consist of an optional Chili Cook Off, Salsa Festival competition and/or consist of a selected style food fair which residents can enter to be judged and paid vendors can sell.

Staff is requesting feedback and direction for this event. Staff is prepared to make a presentation.

FISCAL IMPACT

The City's 60th Anniversary celebration event is currently funded at \$50,000 through the Non-Recurring (9000) budget.

A handwritten signature in black ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack
City Manager

Attachments:

60th Anniversary Cost Analysis Report
Proposed Event and Schedule of Activities - Timeline
Fun Run/Parade Route
Options for Off-Stage Performers

ATTACHMENT 1



60th Anniversary Celebration - Cost Analysis Report

	Option 1 - Day Time Celebration	Option 2 - Evening Time Celebration
	Saturday	Saturday
	Parade/Festivities	Parade/Festivities
	5/6/2017	5/6/2017
Total Approved Budget:	\$50,000	
EXPENDITURES:		
Entertainment/ Stage Equipment		
Entertainment	\$ 2,300.00	\$ 2,300.00
Stage Rentals/Equipment	\$ 3,000.00	\$ 18,000.00
MC (viable volunteer or lower cost option)	\$ 500.00	\$ 500.00
Total:	\$ 5,800.00	\$ 20,800.00
Labor Estimate		
Labor (PW, CS Partitme staff, Public Safety)	\$ 18,000.00	\$ 18,000.00
Total:	\$ 18,000.00	\$ 18,000.00
Supply Costs		
Marketing/Print Material (i.e. banners, programs, etc.)	\$5,000.00	\$5,000.00
Refreshments Volunteers	\$200.00	\$200.00
Decoration	\$2,000.00	\$2,000.00
Cake	\$500.00	\$500.00
Give aways	\$2,000.00	\$2,000.00
Game booth supplies/prizes	\$3,000.00	\$3,000.00
Total:	\$12,700.00	\$12,700.00
Contractual Costs		
Event Insurance	\$2,000.00	\$2,000.00
Equipment Rentals	\$6,000.00	\$6,000.00
Parade Management Software	\$0.00	\$0.00
Portable Restrooms	\$2,500.00	\$2,500.00
Inflatable Interaction Jumpers/Equipment	\$3,000.00	\$3,000.00
Total:	\$13,500.00	\$13,500.00
REVENUE:		
Total Revenue	\$0.00	\$0.00
Total Expenditures	\$50,000.00	\$65,000.00
TOTAL COST:	(\$50,000.00)	(\$65,000.00)

ATTACHMENT 2

City of Santa Fe Springs
60th Anniversary Celebration – May 6, 2017
Proposed Schedule of Events

Saturday, May 6, 2017

Fun Run 5K

7:00 a.m. – 9:30 a.m. (Begins and ends at Soaring Dreams Plaza)

Parade

10:00 a.m. – 12:00 p.m. (Begins at Santa Fe High School and ends at Soaring Dreams Plaza)

60th Anniversary Celebration – Option 1

2:00 p.m. – 2:30 p.m. – Community Group

2:45 p.m. – 3:15 p.m. – Community Group

3:30 p.m. – 4:30 p.m. – Official City Council Welcome / City Happy Birthday

4:45 p.m. – 5:15 p.m. – Community Group

5:45 p.m. – 7:00 p.m. – Headliner Band

60th Anniversary Celebration – Option 2

6:00 p.m. – 6:30 p.m. – Community Group

6:45 p.m. – 7:15 p.m. – Community Group

7:30 p.m. – 8:30 p.m. – Official City Council Welcome / City Happy Birthday

8:45 p.m. – 9:15 p.m. – Community Group

9:45 p.m. – 11:00 p.m. – Headliner Band

ATTACHMENT 3

City of Santa Fe Springs

60th Anniversary

(1957-2017)

Fun Run/Parade Route

Celebration Layout

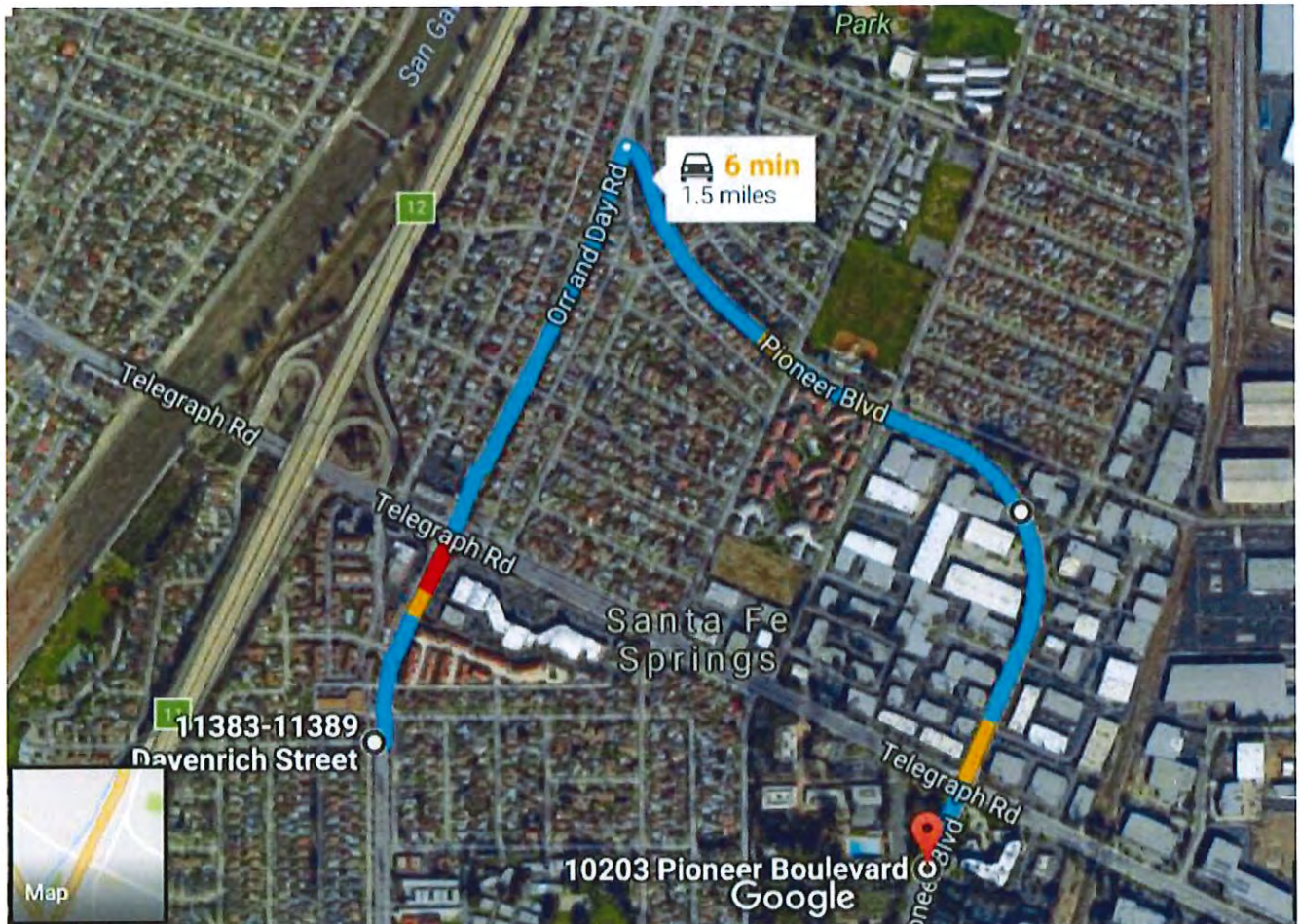


Family Fun Run (3.1 miles)

Soaring Dreams Plaza – Starting Line

Route- Pioneer Blvd/Orr & Day/Davenrich St.

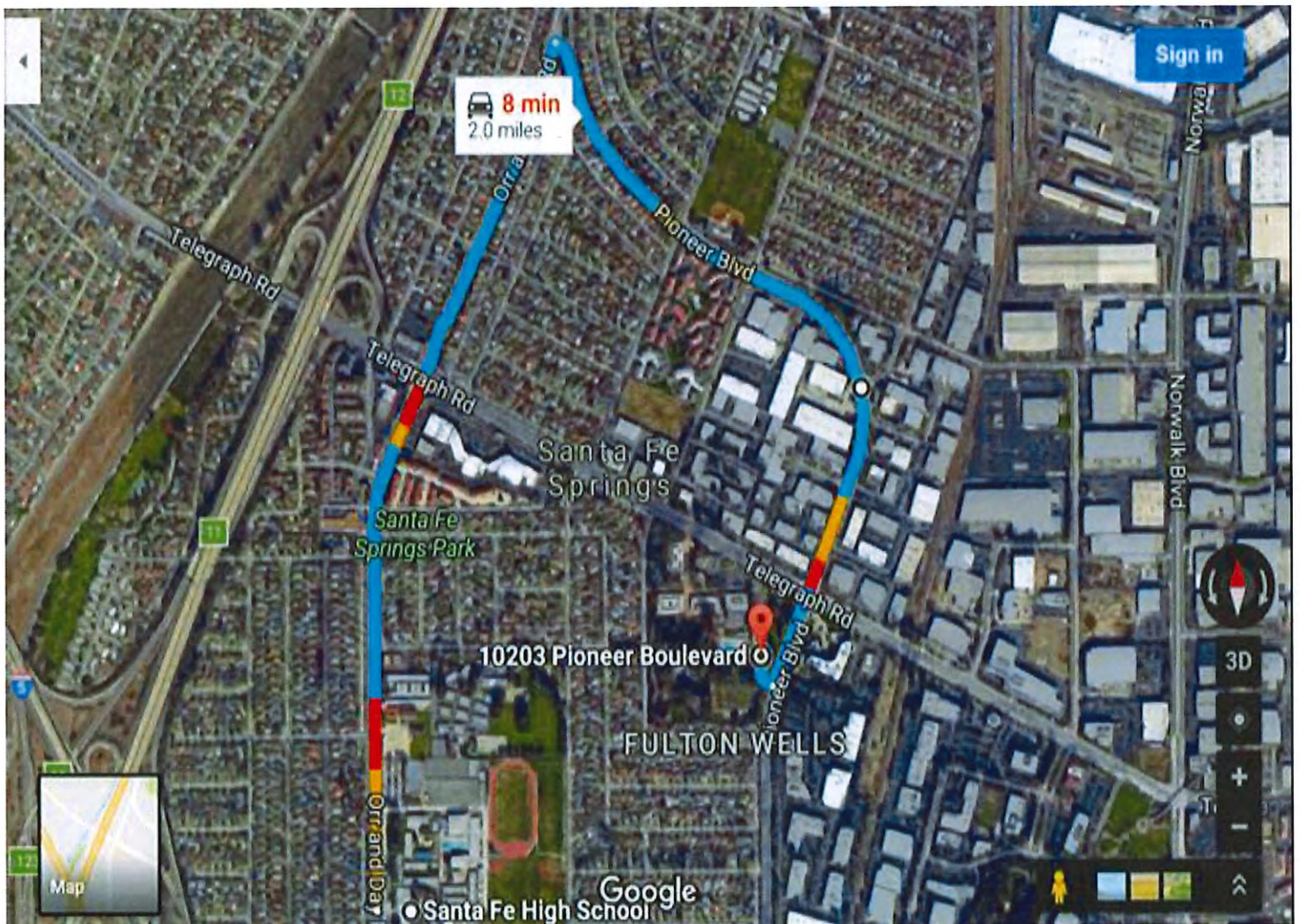
Davenrich St. /Orr & Day/Pioneer Blvd. /Soaring Dreams – Finish Line



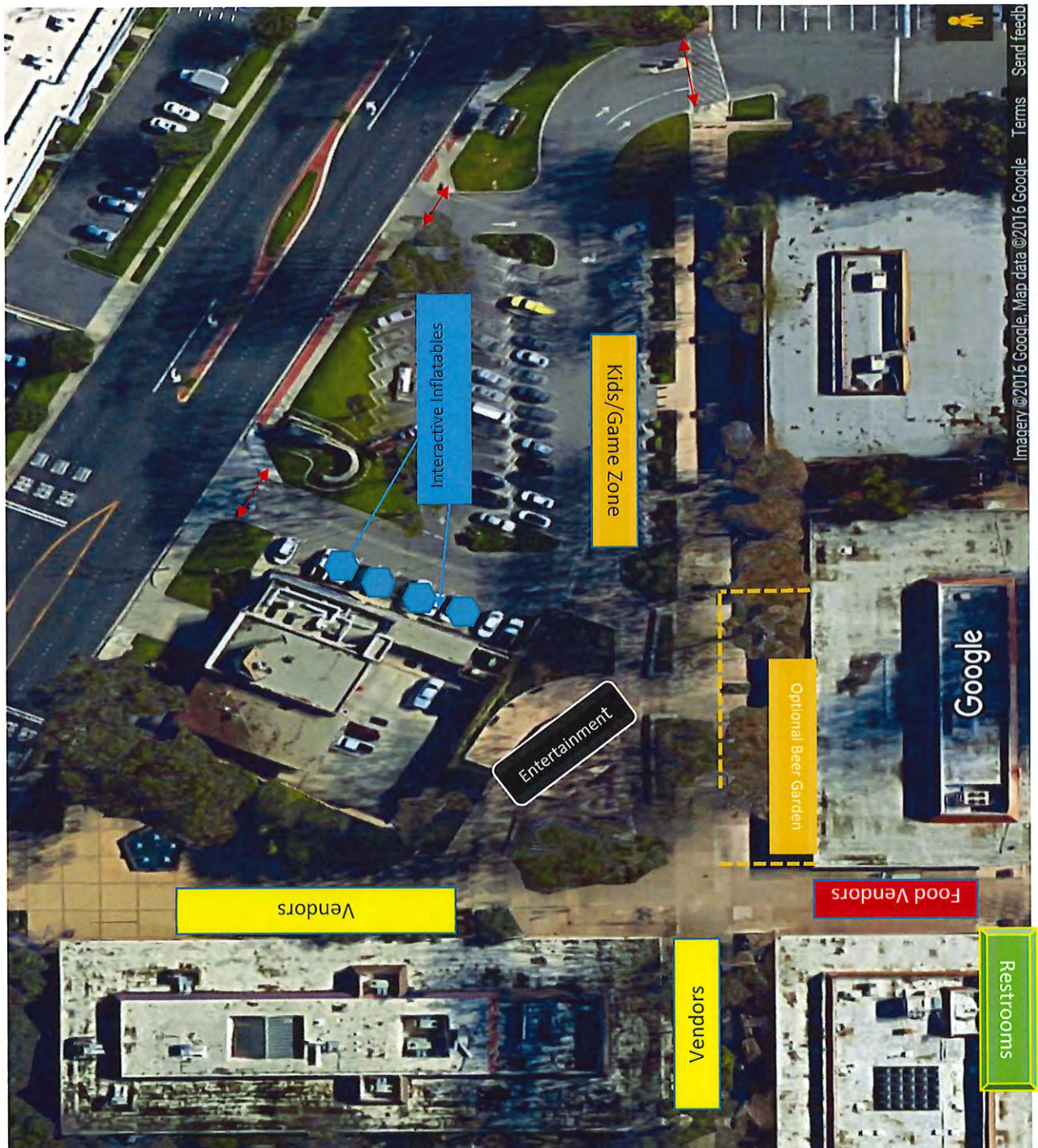
60th Anniversary Parade Route - 1.5 Miles

Santa Fe High School – Staging Area

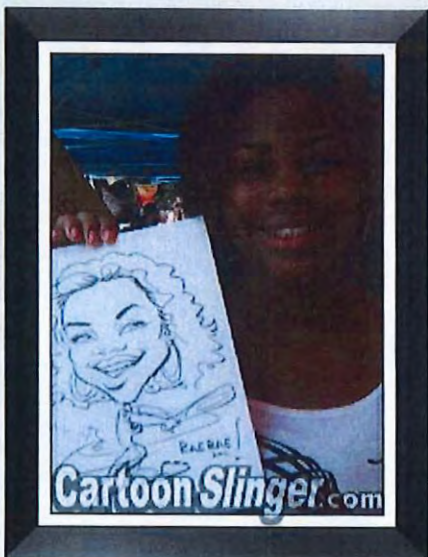
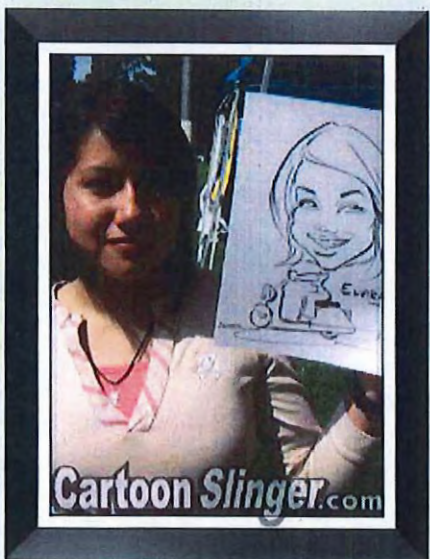
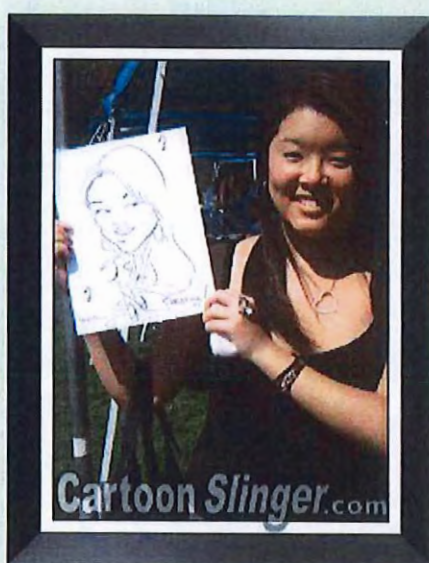
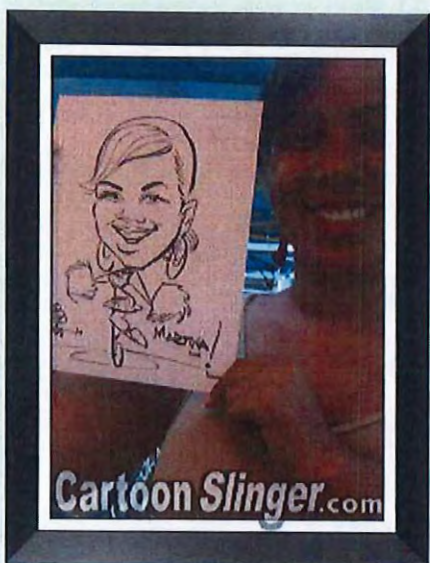
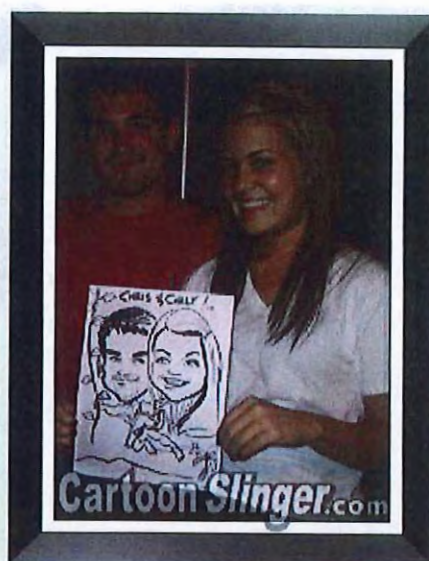
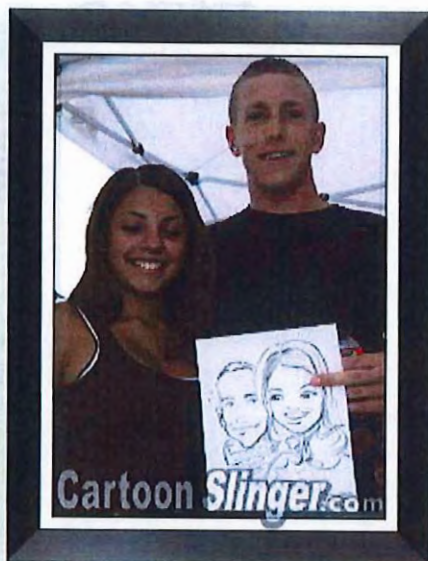
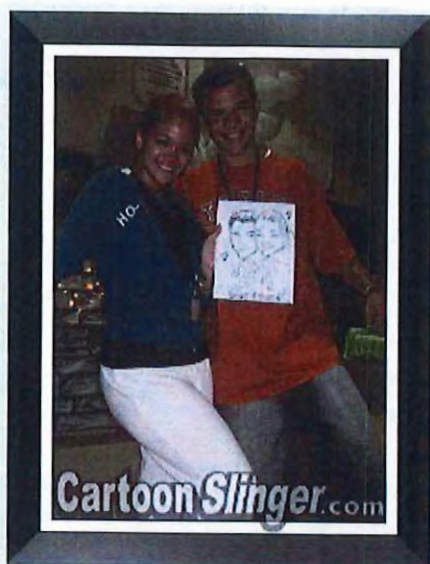
Route- Orr & Day/Pioneer Blvd./ Soaring Dreams Plaza – Parade End/Festivities

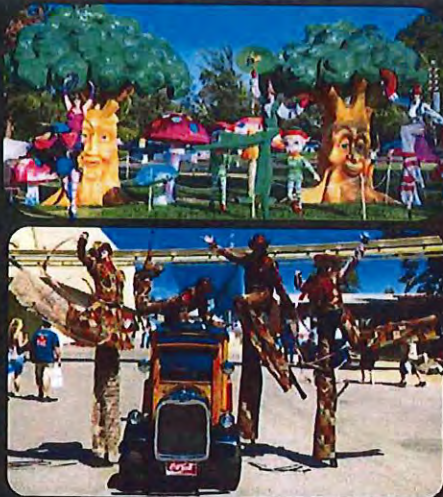


Celebration Layout



ATTACHMENT 4





Stilt Circus creates unique, professional, theatrical presentations. Catering to the Fair & Festival industry, our costumed characters bring a fantasy-friendly presence to all performances. The cast of Stilt Circus has staged presentations all over the world at various Theme Parks, Festivals and Corporate Events since 2000. Audiences are captivated & delighted by whimsical strolling ambient entertainment through pantomime, playful gestures and guest interaction.



We have over 200 Thematic Costumes to choose from and offer a wide variety of circus acts including Stilts, Acrobatics, Giant Puppets, Juggling, Clowning & more.

WWW.STILTCIRCUS.COM

Contact: Star Child 310.428.2508

starchild@stiltcircus.com

**Stilt
Circus**



Clients Include: Disney, Cirque Du Soleil, California State Fair, Iowa State Fair, Nebraska State Fair, Ventura County Fair, Universal City Walk, LA Opera, Six Flags National Commercials & MTV Music Awards to name a few.



Bicycle



Hello Kitty



Rainbow



Flower Wall



Goofy



Yoda & Frozen



Dog



"The Book of Life" Promo at Glendale Galleria



Balloon Sword Fight



Balloon Art



Mohawk Hat



Super Heroes





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NOW

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Party Packages

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Contact Us

Euro Bungee

Rentals » Mechanical Rides » Euro Bungee



Instant Price & Availability

Event Location:

Santa Fe Springs, CA 90670

Rental Date:

Saturday May 06, 2017 at 11:00am

When would you like us to pick up?

Saturday May 06, 2017 at 6:00pm

Note: if you edit the above rental dates, items in your shopping cart will be removed.

Edit

The delivery fee ⓘ for this location is \$0.00 Note, some product delivery fees ⓘ may still apply in addition to this fee.

Product Info

Size: 32'W x 32'L x 20'H

Space Required: 35'W x 35'L x 25'H

Rent the Euro Bungee Ride and experience a thrilling, twisting, flipping, and exciting time like no other. The Euro Bungee is great for kids ages 5 up to 21. This Euro Bungee features up to 4 bungee riders at a time along with 2 attendants to supervise the riders. Strap into the harness suit and take off into the air. This might be the only time some riders ever feel the thrill of leaping in the air beyond their abilities and doing countless flips while in a safe and supervised environment.

Pricing & Availability

\$1,450.00



This is available

How many would you like?

Add To Cart

Rental Terms

Price shown is generally for an **8 hour rental** period, please select delivery and pickup times accordingly. Select a delivery time at least 2 hour before your event start time. Next morning pickup, **Overnight Option**, is not available for this product. It is the customers responsibility to measure the setup location to make sure rented product will fit. **Cancellations** must be done within 72 hours before the rental date or else a cancellation fee up to the entire rental amount may apply. Exceptions are made for cancellations on Rainy or Inclement weather days, please check **Rain Policy** for more information. **No Stairs** allowed to the setup location.

Additional Info	Power Required:	Setup Surface:	Setup Time:	For Ages:	# of Riders:	Weight Capacity:
Live Support » OFFLINE	1 Outlet at 20 Amps	Grass, Concrete, Asphalt, Indoors	About 45 minutes	5 years old - 21 years old	4 at a time	160 pounds per rider

(800) 873-8989

Search...

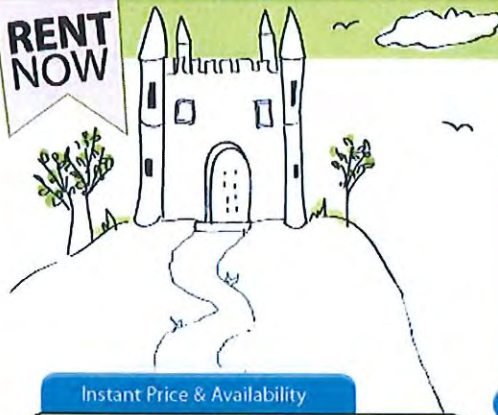
ENTER

Los Angeles County Branch

Event Location: Santa Fe Springs, CA 90670

EDIT

RENT
NOW



Instant Price & Availability

Event Location:

Santa Fe Springs, CA 90670

Rental Date:

Saturday May 06, 2017 at 11:00am

When would you like us to pick up?

Saturday May 06, 2017 at 6:00pm

Note: if you edit the above rental dates,
items in your shopping cart will be removed.

Edit

The delivery fee ⓘ for this location is \$0.00 Note,
some product delivery fees ⓘ may still apply in
addition to this fee.

Rentals

Party Packages

About Us

Contact Us

Jacobs Ladder Climb

Rentals > Interactive Games > Jacobs Ladder Climb



Product Info

Size: 15W x 17L x 9H

Space Required: 17W x 20L x 12H

Jacobs Inflatable Ladder Climb is perfect for all corporate, church, carnival, school, and fundraiser events. Race in this dual inflatable climber and feel the joy of reaching the top first. The setup is relatively fast, about 10 minutes, and can be setup on any surface, even indoors! Rent the Jacobs Ladder game for your next event and give your guests a challenge like none other.

Pricing & Availability

\$350.00



This is available

How many would you like? 1 ▼

Add To Cart

Rental Terms

Price shown is generally for an **8 hour rental** period, please select delivery and pickup times accordingly. Select a delivery time at least 1 hour before your event start time. Next morning pickup, **Overnight Option**, is provided with a \$40.00 fee. Next morning pickups are generally done between 8am and 12pm. It is the customers responsibility to measure the setup location to make sure rented product will fit. **Cancellations** must be done within 72 hours before the rental date or else a cancellation fee up to the entire rental amount may apply. Exceptions are made for cancellations on Rainy or Inclement weather days, please check **Rain Policy** for more information. Maximum 10 Stairs allowed to the setup location, a \$25.00 delivery fee will be applied.



Since 1996, We Deliver Fun!

(800) 873-8989



Your cart is empty

Sign In

Search...

ENTER

Los Angeles County Branch

Event Location: Santa Fe Springs, CA 90670

EDIT

RENT
NOW



Instant Price & Availability

Event Location:

Santa Fe Springs, CA 90670

Rental Date:

Saturday May 06, 2017 at 11:00am

When would you like us to pick up?

Saturday May 06, 2017 at 6:00pm

Note: if you edit the above rental dates,
items in your shopping cart will be removed.

Edit

The delivery fee for this location is \$0.00. Note,
some product delivery fees may still apply in
addition to this fee.

Rentals

Party Packages

About Us

Contact Us

Basketball Shootout

Rentals > Interactive Games > Basketball Shootout



Product Info

Size: 16'L x 10'W x 14'H

Space Required: 20'L x 12'W x 16'H

Rent the Dual Basketball Shootout for your next sporting event and see who can make the most baskets. This two basketball Shootout has 2 real basketball courts and rims with full regulation heights. Includes 2 full size basketballs.

Pricing & Availability

\$120.00



This is available

How many would you like? 1

Add To Cart

Rental Terms

Price shown is generally for an 8 hour rental period. please select delivery and pickup times accordingly. Select a delivery time



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Your cart is empty

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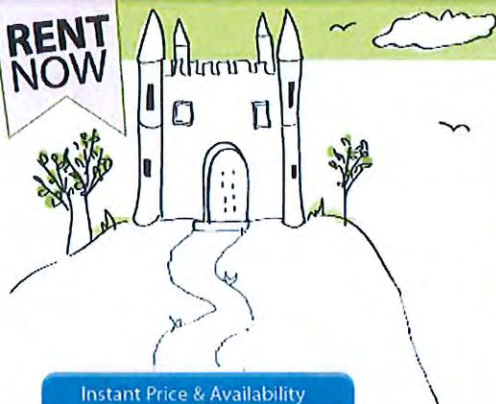
ENTER

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some product delivery fees ⓘ may still apply in
addition to this fee.

Rentals

Party Packages

About Us

Contact Us

Hi Striker 12'

Rentals > Carnival Games > Hi Striker 12'

NEW!



Product Info

Size: 4'L x 3'W x 12'H

Space Required: 6'L x 5'W x 13'H

Rent the 12' tall Hi Striker Carnival Game for your next carnival themed party or event. The Hi Striker game is great for kids 8 up to 18. Comes with the maul used to hit the Hi Striker. Test your strength and the strength of your guests with this class carnival game.

Pricing & Availability

\$99.00



This is available

How many would you like? 1 ▼

Add To Cart

Rental Terms

Price shown is generally for an 8 hour rental period. please select delivery and pickup times accordingly. Select a delivery time



Since 1996, We Deliver Fun!

(800) 873-8989



Your cart is empty

Sign In

Search...

ENTER

Los Angeles County Branch

Event Location: Santa Fe Springs, CA 90670

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RENT
NOW



Instant Price & Availability

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Edit

The delivery fee ⓘ for this location is \$0.00. Note,
some product delivery fees ⓘ may still apply in
addition to this fee.

Rentals

Party Packages

About Us

Contact Us

Roller Bowler Carnival Game

Rentals > Carnival Games > Roller Bowler Carnival Game



Product Info

Size: 2W' x 6L' x 4'H

Space Required: 2W' x 6L' x 4'H

Rent the Roller Bowler Carnival Game to see how good your skills are with this unique and fun bowling game. Roll the miniature bowling ball and see if you can make it go up the incline and stay in the slot without rolling back. This is a fun and challenging game that will make you want to try it over and over again. Includes a table/stand to put it on.

Pricing & Availability

\$55.00



This is available



Product also available for In Store Pick-Up. Certain discounts may apply.

How many would you like? 1 ▼

Add To Cart



Since 1996, We Deliver Fun!

(800) 873-8989



Your cart is empty

[Sign In](#)

Search...

ENTER

Los Angeles County Branch

Event Location: Santa Fe Springs, CA 90670

[EDIT](#)

RENT
NOW



Instant Price & Availability

Event Location:

Santa Fe Springs, CA 90670

Rental Date:

Saturday May 06, 2017 at 11:00am

When would you like us to pick up?

Saturday May 06, 2017 at 6:00pm

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items in your shopping cart will be removed.

[Edit](#)

The delivery fee for this location is \$0.00. Note,
some product delivery fees may still apply in
addition to this fee.

Rentals

Party Packages

About Us

Contact Us

Deluxe Ring Toss Carnival Game

Rentals > Carnival Games > Deluxe Ring Toss Carnival Game



Product Info

Size: 2'W x 6'L x 4'H

Space Required: 2'W x 6'L x 4'H

Ring Toss Deluxe is one of the most classic and fun carnival games. The Ring Toss Deluxe comes on a table/stand and includes the rings. See how good your skills are and if you can make a ring in on the cans to win.

Pricing & Availability

\$55.00



This is available



Product also available for In Store Pick-Up. Certain discounts may apply.

How many would you like?

1 ▼

[Add To Cart](#)



City of Santa Fe Springs

City Council Meeting

December 22, 2016

NEW BUSINESS

Approval of the Heritage Arts Advisory Committee (HAAC) recommendation to utilize the Public Art Fund to contribute towards the Santa Fe Springs Firefighters' Memorial

RECOMMENDATION

That the City Council approve the Heritage Arts Advisory Committee's (HAAC) recommendation to contribute \$50,000 for the installation of the Santa Fe Springs Firefighters' Memorial.

BACKGROUND

The Santa Fe Springs Firefighters Association Local 3507 has been conceptualizing and researching various options to create a memorial to honor members of the Fire Department that have lost their lives, in the line of duty. They include Captain Tolle, Engineer Mike Jones, Captain Dennis Stubblefield and fire fighter Armando Mora. The memorial will also include additional names should that day come.

The memorial is a 17 foot tall spire of concrete clad in marble. A steel sculpture of flames with an eagle or phoenix rising from the steel flames will be placed on top. The names of the fallen and Fire Department symbols will be etched in the marble. Surrounding the spire, three (3) to four (4) marble clad benches will be installed to provide visitors a place to sit. Each bench will possess a single word etched on its side displaying Honor, Courage, and Dedication. One of the benches will contain a custom bronze sculpture of a fire jacket and helmet laying on top. The memorial will be installed at Fire headquarters, 11300 Greenstone Avenue, Santa Fe Springs, CA. The cost of the proposed memorial will be between \$85,000 and \$100,000 to include electrical for lighting and is estimated to take six months for fabrication and installation.

The Firefighters Association has been selling memorial challenge coins and receiving donations to raise funds for this project which currently is approximately \$10,000. At the HAAC meeting held on November 29, 2016, the committee recommended and approved supporting the Firefighters' memorial and applying \$50,000 of the Public Art Fund towards the project for City Council's consideration and approval.

The Mayor may call upon Ed Ramirez, Executive Secretary for the HAAC to answer any questions the Council may have regarding the proposed contribution of \$50,000 toward the Firefighters memorial.



City of Santa Fe Springs

City Council Meeting

December 22, 2016

FISCAL IMPACT

This project will be funded through the Art in Public Places Program Fund (110-397-6350-4400) in the amount of \$50,000.

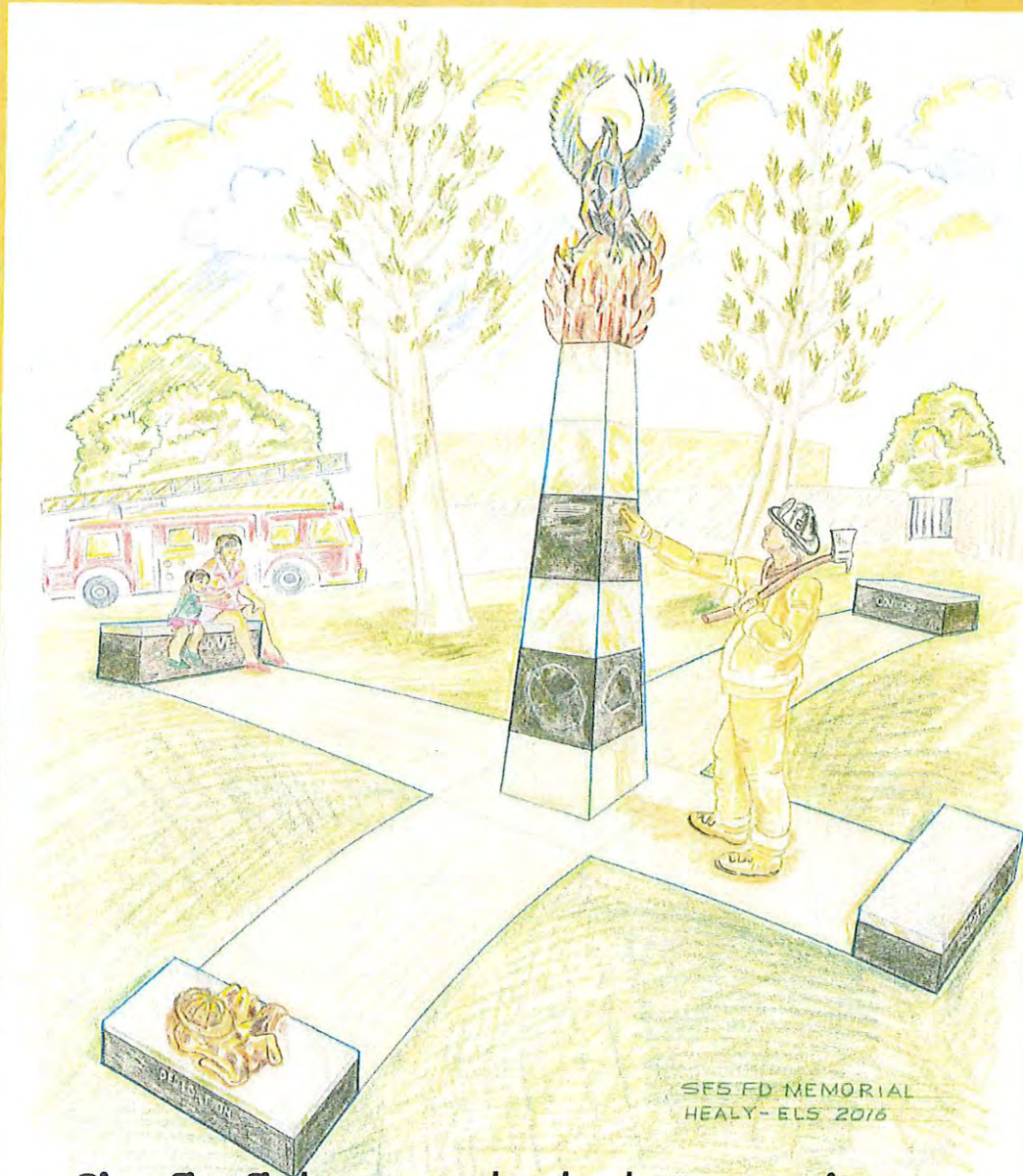
Thaddeus McCormack
City Manager

Attachments

Firefighter Memorial Rendering
Site Map

SFS FIREFIGHTERS MEMORIAL

Conceptual Design



City firefighters embarked on a project to raise funds to create a Fallen Firefighters Memorial to commemorate Santa Fe Springs firefighters who lost their lives serving courageously in the line of duty. The community is invited to purchase a fire challenge coin for \$20 to help raise funds.



SFS FD MEMORIAL
HEALY-ELS 2016





City of Santa Fe Springs

City Council Meeting

December 6, 2016

NEW BUSINESS

Approving an Enterprise Resource Planning (Finance System) Software Purchase and Services Agreement with Tyler Technologies, Inc.

RECOMMENDATION

That the City Council authorize the City Manager to execute a License and Services agreement with Tyler Technologies, Inc. to license the use and implement a citywide enterprise resource planning software system.

BACKGROUND

The City currently relies on a nearly 40-year old hardware and software "finance system" to run core essential applications such as the general ledger, payroll, accounts payable, purchasing, business licensing, and water and child care billing. While the system is very stable and operational, it lacks more sophisticated features commonly found in most present-day systems and is increasingly difficult to support as computer hardware components become scarcer. In October of 2015, the City engaged a firm, AEF Systems Consulting, Inc. to conduct a comprehensive assessment of the organization's information and process needs related to the finance system in order to find an appropriate system replacement.

In January of 2016, the AEF began a series of focus sessions with staff across all City departments to identify the needs of the key constituents that a new system should meet. The results of the sixteen (16) focus sessions held led to the development of a Request for Proposal (RFP) to vendors for a new Enterprise Resources Planning (ERP) System, which was released to over thirty (30) vendors on June 16, 2016.

The scope of the RFP included the following:

- Software modules to include:
 - Financial Applications such as General Ledger, Accounts Payable, Accounts Receivable/Billing, Cash Receipts/Point of Sale, Budgeting, Fixed Assets, Grants and Project Tracking
 - Purchasing Related Applications such as Purchasing with Bid Management, Requisitions, Contract Management, and Inventory;
 - Payroll Related Applications such as Payroll, Human Resources including leave management, labor relations, employee self-service, training and employee evaluation tracking, and Timekeeping/Employee Scheduling;
 - Utility Billing;
 - Business License;
 - Work Order.



City of Santa Fe Springs

City Council Meeting

December 6, 2016

- Implementation Services to include:
 - Implementation Planning
 - Software Installation
 - Software Configuration Support
 - Conversion Development
 - Interface Development
 - Software Testing
 - Software Training
 - Go Live Support

The City received only one proposal from Tyler Technologies for their MUNIS product line. Tyler also offered a solution for their Microsoft Dynamics AIX solution that was reviewed and subsequently eliminated for consideration, as it did not offer a complete solution according to the City's requirements.

After a detailed review of the MUNIS proposal, the City conducted an onsite two-day demonstration of the MUNIS product with representatives from all departments. The system was found to meet most of the City's key requirements. A team of staff then conducted site visits to both the cities of Lakewood and Newport Beach, each currently running the MUNIS software and, again, found the software to be feature rich and meet the needs of these local cities.

TYLER TECHNOLOGIES, INC. – MUNIS PRODUCT

The MUNIS product offered by Tyler Technologies, Inc. is considered one of the premier products in the public sector ERP marketplace, specifically built for the local government market. MUNIS has over 1,450 customers nationally and almost 70 of those in California. Examples of local clients that have purchased the MUNIS software or approved the purchase of the software include:

- Beverly Hills
- Carson
- Chino
- Covina
- Culver City
- La Mirada
- Lakewood
- Long Beach
- Mission Viejo
- Newport Beach
- Rancho Palos Verdes
- Santa Barbara



City of Santa Fe Springs

City Council Meeting

December 6, 2016

By implementing the Tyler Technologies, Inc., MUNIS software package the City expects to gain the following:

- A relationship with one of the top ERP vendors in the public sector, utilizing a proven software product;
- An evergreen philosophy by Tyler Technologies, Inc. which states that the City will not be charged additional license fees for any future enhancement releases (instead annual maintenance fees are paid for ongoing upgrades) ;
- Efficiencies in having a single software system on a single database used citywide across all departments;
- A user-friendly end-user interface thereby making it easy to staff to access the data themselves to gain greater efficiencies;
- Employee and vendor self-service portals;
- Easy-to-use reporting tools for all staff;
- Strong electronic workflow to gain process efficiencies; and
- A robust content management system that stores and easily retrieves electronic copies of documents such as purchase orders, invoices, and payments.

IMPLEMENTATION GOALS

The MUNIS Project Implementation goals are to make the City more efficient in its operations and more accessible and responsive to internal and external customer needs through:

- Streamlining, automating, and integrating business processes and practices;
- Providing tools to produce and access information in a real-time environment;
- Enabling and empowering users to become more efficient, productive and responsive;
- Successfully overcoming current technological challenges and meeting future goals of the City.

The MUNIS software will allow the City to achieve these goals in a cost-effective and efficient manner.

TIMELINE

If approved, it is anticipated that the project tasks identified in the RFP will take approximately thirty-six months to implement all the software modules. The overall timeline for implementation is listed below:



City of Santa Fe Springs

City Council Meeting

December 6, 2016

- February 2017 – January 2018: Financials/Budget/Procurement
- October 2017 – July 2018 – Human Resources/Payroll
- February 2018 – January 2019 – Water Utility Billing
- October 2018 – July 2019 – Business License

CITY COUNCIL - TECHNOLOGY SUBCOMMITTEE

Staff has been meeting with the City Council's Technology Subcommittee consisting of Mayor Moore and Councilmember Sarno from initial assessment phase of the project through the recent evaluation of Tyler's proposal. They recommended approval to the City Council.

FISCAL IMPACT

The Tyler Technologies, Inc. one-time costs are as follows:

Tyler Software Applications	\$270,127
Tyler Services	452,900
Third Party Hardware, Software, Services	3,952
Total One Time Costs	\$726,979

Tyler also has estimated travel costs for their consultants at \$123,000 to be charged as incurred.

The negotiated fixed, five-year maintenance costs for the MUNIS software are \$273,753. There is also an annual recurring fee of \$1,570 for their Postal Xpress product that is utilized with the Utility Billing module to support the US Postal Services Zip+4 requirement.

The cost of the proposed software and services are included in the ERP Replacement Project currently budgeted as a Capital Improvement Project (CIP) with a budget of \$1.5 million.


For Thaddeus McCormack
City Manager

Attachments:

Licensing and Services Agreement with Tyler Technologies
Tyler Technologies Proposal
Request for Proposals - ERP Software and Implementation Services

ATTACHMENT 1



LICENSE AND SERVICES AGREEMENT

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

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

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

SECTION A – DEFINITIONS

- **“Agreement”** means this License and Services Agreement.
- **“Business Travel Policy”** means our business travel policy. A copy of our current Business Travel Policy is attached as Schedule 1 to Exhibit B.
- **“Client”** means the City of Santa Fe Springs, California.
- **“Defect”** means a failure of the Tyler Software to substantially conform to the functional descriptions set forth in our written proposal to you, or their functional equivalent. Future functionality may be updated, modified, or otherwise enhanced through our maintenance and support services, and the governing functional descriptions for such future functionality will be set forth in our then-current Documentation.
- **“Developer”** means a third party who owns the intellectual property rights to Third Party Software.
- **“Documentation”** means any online or written documentation related to the use or functionality of the Tyler Software that we provide or otherwise make available to you, including instructions, user guides, manuals and other training or self-help documentation.
- **“Effective Date”** means the date on which your authorized representative signs the Agreement.
- **“Force Majeure”** means an event beyond the reasonable control of you or us, including, without limitation, governmental action, war, riot or civil commotion, fire, natural disaster, or any other cause that could not with reasonable diligence be foreseen or prevented by you or us.
- **“Investment Summary”** means the agreed upon cost proposal for the software, products, and services attached as Exhibit A.
- **“Invoicing and Payment Policy”** means the invoicing and payment policy. A copy of our current Invoicing and Payment Policy is attached as Exhibit B.
- **“Maintenance and Support Agreement”** means the terms and conditions governing the provision of maintenance and support services to all of our customers. A copy of our current Maintenance and Support Agreement is attached as Exhibit C.
- **“Statement of Work”** means the industry standard implementation plan describing how our professional services will be provided to implement the Tyler Software, and outlining your and our roles and responsibilities in connection with that implementation. The Statement of Work is attached as Exhibit E.
- **“Support Call Process”** means the support call process applicable to all of our customers who

have licensed the Tyler Software. A copy of our current Support Call Process is attached as Schedule 1 to Exhibit C.

- **“Third Party Terms”** means, if any, the end user license agreement(s) or similar terms for the Third Party Software, as applicable and attached as Exhibit D.
- **“Third Party Hardware”** means the third party hardware, if any, identified in the Investment Summary.
- **“Third Party Products”** means the Third Party Software and Third Party Hardware.
- **“Third Party Software”** means the third party software, if any, identified in the Investment Summary.
- **“Tyler”** means Tyler Technologies, Inc., a Delaware corporation.
- **“Tyler Software”** means our proprietary software, including any integrations, custom modifications, and/or other related interfaces identified in the Investment Summary and licensed by us to you through this Agreement.
- **“we”, “us”, “our”** and similar terms mean Tyler.
- **“you”** and similar terms mean Client.

SECTION B – SOFTWARE LICENSE

1. License Grant and Restrictions.

- 1.1 We grant to you a license to use the Tyler Software for your internal business purposes only, in the scope of the internal business purposes disclosed to us as of the Effective Date. You may make copies of the Tyler Software for backup and testing purposes, so long as such copies are not used in production and the testing is for internal use only. Your rights to use the Tyler Software are perpetual but may be revoked if you do not comply with the terms of this Agreement.
- 1.2 Without limiting the terms of Section 1.1, you understand and agree that the Postal Xpress module set forth in the Investment Summary is licensed to you on a subscription basis. If you do not pay the required annual fee in accordance with the Invoicing and Payment Policy, your license to use the Postal Xpress module will be suspended unless and until payment in full has been made.
- 1.3 The Documentation is licensed to you and may be used and copied by your employees for internal, non-commercial reference purposes only.
- 1.4 You may not: (a) transfer or assign the Tyler Software to a third party; (b) reverse engineer, decompile, or disassemble the Tyler Software; (c) rent, lease, lend, or provide commercial hosting services with the Tyler Software; or (d) publish or otherwise disclose the Tyler Software or Documentation to third parties.
- 1.5 The license terms in this Agreement apply to updates and enhancements we may provide to you or make available to you through your Maintenance and Support Agreement.
- 1.6 The right to transfer the Tyler Software to a replacement hardware system is included in your license. You will give us advance written notice of any such transfer and will pay us for any required or requested technical assistance from us associated with such transfer.

- 1.7 We reserve all rights not expressly granted to you in this Agreement. The Tyler Software and Documentation are protected by copyright and other intellectual property laws and treaties. We own the title, copyright, and other intellectual property rights in the Tyler Software and the Documentation. **The Tyler Software is licensed, not sold.**
2. License Fees. You agree to pay us the license fees in the amounts set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy.
3. Escrow. We maintain an escrow agreement with a third party under which we place the source code for each major release of the Tyler Software. You may be added as a beneficiary to the escrow agreement by completing a standard beneficiary enrollment form and paying the annual beneficiary fee set forth in the Investment Summary. You will be responsible for maintaining your ongoing status as a beneficiary, including payment of the then-current annual beneficiary fees. Release of source code for the Tyler Software is strictly governed by the terms of the escrow agreement.
4. Limited Warranty. We warrant that the Tyler Software will be without Defect(s) as long as you have a Maintenance and Support Agreement in effect. If the Tyler Software does not perform as warranted, we will use all reasonable efforts, consistent with industry standards, to cure the Defect as set forth in the Maintenance and Support Agreement.

SECTION C – PROFESSIONAL SERVICES

1. Services. We will provide you the various implementation-related services itemized in the Investment Summary (Exhibit A) and described in the Statement of Work (Exhibit E).
2. Professional Services Fees. You agree to pay us the professional services fees in the amounts set forth in the Investment Summary (Exhibit A). Those amounts are payable in accordance with our Invoicing and Payment Policy. You acknowledge that the fees stated in the Investment Summary are a not-to-exceed proposal required for your implementation. We will bill you the actual fees incurred based on the in-scope services provided to you, up to the not-to-exceed price we have quoted.
3. Additional Services. The Investment Summary contains, and the Statement of Work describes, the scope of services and related costs (including programming and/or interface estimates) required for the project based on our understanding of the specifications you supplied. Client shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Investment Summary and/or Statement of Work or make changes by altering, adding to or deducting from said work. If additional work is required, or if you use or request additional services, we will provide you with an addendum or change order, as applicable, outlining the costs for the additional work, to be calculated, to the extent applicable, based on the agreed upon rate set forth in Section I(1) and (2). The price quotes in the addendum or change order will be valid for thirty (30) days from the date of the quote.
4. Cancellation. We make all reasonable efforts to schedule our personnel for travel, including arranging travel reservations, at least two (2) weeks in advance of commitments. Therefore, if you cancel services less than two (2) weeks in advance (other than for Force Majeure or breach by us),

you will be liable for all (a) non-refundable expenses incurred by us on your behalf, and (b) daily fees associated with cancelled professional services if we are unable to reassign our personnel. We will make all reasonable efforts to reassign personnel in the event you cancel within two (2) weeks of scheduled commitments.

5. Services Warranty. We will perform the services in a professional, workmanlike manner, consistent with industry standards. In the event we provide services that do not conform to this warranty, we will re-perform such services at no additional cost to you.
6. Site Access and Requirements. At no cost to us, you agree to provide us with full and free access to your personnel, facilities, and equipment as may be reasonably necessary for us to provide implementation services, subject to any reasonable security protocols or other written policies provided to us as of the Effective Date, and thereafter as mutually agreed to by you and us. You further agree to provide a reasonably suitable environment, location, and space for the installation of the Tyler Software and any Third Party Products, including, without limitation, sufficient electrical circuits, cables, and other reasonably necessary items required for the installation and operation of the Tyler Software and any Third Party Products.
7. Client Assistance. You acknowledge that the implementation of the Tyler Software is a cooperative process requiring the time and resources of your personnel. You agree to use all reasonable efforts to cooperate with and assist us as may be reasonably required to meet the agreed upon project deadlines and other milestones for implementation. This cooperation includes at least working with us to schedule the implementation-related services outlined in this Agreement. We will not be liable for failure to meet any deadlines and milestones when such failure is due to Force Majeure or to the failure by your personnel to provide such cooperation and assistance (either through action or omission).
8. Tyler Staffing. Tyler shall utilize competent personnel to perform the services pursuant to this Agreement. Tyler shall make commercially reasonable efforts to maintain the stability and continuity of the assigned staff and subcontractors, if any, assigned to perform the services required under this Agreement. Tyler shall notify the Client of any changes in Tyler's staff and subcontractors, if any, assigned to perform the services required under this Agreement, prior to and during any such performance. In the event Tyler personnel provide services deemed unsatisfactory by the Client, Tyler will be given an opportunity to correct the deficiency. In the event the deficiency persists, the Client may require the removal of personnel in question, and Tyler will provide a replacement within a commercially reasonable timeframe.
9. Project Schedule. The Client and Tyler shall fully develop a project schedule as described in the Statement of Work, which may be amended from time to time. Such schedule and amendments shall not be acceptable unless approved by a representative of the Client. The estimated "Go-Live Date" for all modules is stated in the Statement of Work.

SECTION D – MAINTENANCE AND SUPPORT

This Agreement includes the period of free maintenance and support services identified in the Invoicing and Payment Policy. If you have purchased ongoing maintenance and support services, and continue to make timely payments for them according to our Invoicing and Payment Policy, we

will provide you with maintenance and support services for the Tyler Software under the terms of our standard Maintenance and Support Agreement.

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

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

SECTION E – THIRD PARTY PRODUCTS

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

1. Third Party Hardware. We will sell, deliver, and install onsite the Third Party Hardware, if you have purchased any, for the price set forth in the Investment Summary. Those amounts are payable in accordance with our Invoicing and Payment Policy.
2. Third Party Software. Upon payment in full of the Third Party Software license fees, you will receive a non-transferable license to use the Third Party Software and related documentation for your internal business purposes only. Your license rights to the Third Party Software will be governed by the Third Party Terms.
 - 2.1 We will install onsite the Third Party Software. The installation cost is included in the installation fee in the Investment Summary.
 - 2.2 If the Developer charges a fee for future updates, releases, or other enhancements to the Third Party Software, you will be required to pay such additional future fee.
 - 2.3 The right to transfer the Third Party Software to a replacement hardware system is governed by the Developer. You will give us advance written notice of any such transfer and will pay us for any required or requested technical assistance from us associated with such transfer.
3. Third Party Products Warranties.
 - 3.1 We are authorized by each Developer to grant or transfer the licenses to the Third Party Software.

3.2 The Third Party Hardware will be new and unused, and upon payment in full, you will receive free and clear title to the Third Party Hardware.

3.3 You acknowledge that we are not the manufacturer of the Third Party Products. We do not warrant or guarantee the performance of the Third Party Products. However, we grant and pass through to you any warranty that we may receive from the Developer or supplier of the Third Party Products.

4. Maintenance. If you have a Maintenance and Support Agreement in effect, you may report defects and other issues related to the Third Party Software directly to us, and we will (a) directly address the defect or issue, to the extent it relates to our interface with the Third Party Software; and/or (b) facilitate resolution with the Developer, unless that Developer requires that you have a separate, direct maintenance agreement in effect with that Developer. In all events, if you do not have a Maintenance and Support Agreement in effect with us, you will be responsible for resolving defects and other issues related to the Third Party Software directly with the Developer.

SECTION F – INVOICING AND PAYMENT; INVOICE DISPUTES

1. Invoicing and Payment. We will invoice you for all fees set forth in the Investment Summary per our Invoicing and Payment Policy, subject to Section F(2).
- 1.1. Each month Tyler shall furnish to Client an original invoice for all work performed and expenses incurred during the preceding month. By submitting an invoice for payment under this Agreement, Tyler is certifying compliance with all provisions of the Agreement. The invoice shall detail charges for all necessary and actual expenses by the following categories: labor, travel, materials, equipment, supplies, and sub-contractor contracts. Sub-contractor charges shall also be detailed by such categories. Tyler shall not invoice the Client for any duplicate services performed by more than one person.
- 1.2. You shall independently review each invoice submitted by Tyler to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. Review and payment by Client for any invoice provided by the Tyler shall not constitute a waiver of any rights or remedies provided herein or any applicable law.
2. Invoice Disputes. If you believe any delivered software or service does not conform to the warranties in this Agreement, you will provide us with written notice within thirty (30) days of your receipt of the applicable invoice. The written notice must contain reasonable detail of the issues you contend are in dispute so that we can confirm the issue and respond to your notice with either a justification of the invoice, an adjustment to the invoice, or a proposal addressing the issues presented in your notice. We will work with you as may be necessary to develop an action plan that outlines reasonable steps to be taken by each of us to resolve any issues presented in your notice. You may withhold payment of the amount(s) actually in dispute, and only those amounts, until we complete the action items outlined in the plan. If we are unable to complete the action items outlined in the action plan because of your failure to complete the items agreed to be done by you, then you will remit full payment of the invoice. We reserve the right to suspend delivery of all services, including maintenance and support services, if you fail to pay an invoice not disputed as described above within fifteen (15) days of notice of our intent to do so.

SECTION G – TERMINATION

1. For Cause. If you believe we have materially breached this Agreement, you will invoke the Dispute Resolution clause set forth in Section I(3). You may terminate this Agreement for cause in the event we do not cure, or create a mutually agreeable action plan to address, a material breach of this Agreement within the thirty (30) day window set forth in Section I(3). In the event of termination for cause, you will pay us for all undisputed fees and expenses related to the software, products, and/or services you have received, or we have incurred or delivered, prior to the effective date of termination.
2. Lack of Appropriations. If you should not appropriate or otherwise receive funds sufficient to purchase, lease, operate, or maintain the software or services set forth in this Agreement, you may unilaterally terminate this Agreement effective on the final day of the fiscal year through which you have funding. You will make every effort to give us at least thirty (30) days written notice prior to a termination for lack of appropriations. In the event of termination due to a lack of appropriations, you will pay us for all undisputed fees and expenses related to the software and/or services you have received, or we have incurred or delivered, prior to the effective date of termination. Any disputed fees and expenses must have been submitted to the Invoice Dispute process set forth in Section F(2) at the time of termination in order to be withheld at termination. You will not be entitled to a refund or offset of previously paid license and other fees.
3. Force Majeure. Except for your payment obligations, either you or we may terminate this Agreement if a Force Majeure event suspends performance of scheduled tasks for a period of forty-five (45) days or more. In the event of termination due to Force Majeure, you will pay us for all undisputed fees and expenses related to the software and/or services you have received, or we have incurred or delivered, prior to the effective date of termination. Any disputed fees and expenses must have been submitted to the Invoice Dispute process set forth in Section F(2) at the time of termination in order to be withheld at termination. You will not be entitled to a refund or offset of previously paid license and other fees.

SECTION H – INDEMNIFICATION, LIMITATION OF LIABILITY AND INSURANCE

1. Intellectual Property Infringement Indemnification.
 - 1.1 We will defend you against any third party claim(s) that the Tyler Software or Documentation infringes that third party's patent, copyright, or trademark, or misappropriates its trade secrets, and will pay the amount of any resulting adverse final judgment (or settlement to which we consent). You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance, cooperation, and information in defending the claim at our expense.
 - 1.2 Our obligations under this Section H(1) will not apply to the extent the claim or adverse final judgment is based on your: (a) use of a previous version of the Tyler Software and the claim would have been avoided had you installed and used the current version of the Tyler Software, and we provided notice of that requirement to you; (b) combining the Tyler Software with any product or device not provided, contemplated, or approved by us; (c) altering or modifying the Tyler Software, including any modification by third parties at your direction or otherwise

permitted by you; (d) use of the Tyler Software in contradiction of this Agreement, including with non-licensed third parties; or (e) willful infringement, including use of the Tyler Software after we notify you to discontinue use due to such a claim.

1.3 If we receive information concerning an infringement or misappropriation claim related to the Tyler Software, we may, at our expense and without obligation to do so, either: (a) procure for you the right to continue its use; (b) modify it to make it non-infringing; or (c) replace it with a functional equivalent, in which case you will stop running the allegedly infringing Tyler Software immediately. Alternatively, we may decide to litigate the claim to judgment, in which case you may continue to use the Tyler Software consistent with the terms of this Agreement.

1.4 If an infringement or misappropriation claim is fully litigated and your use of the Tyler Software is enjoined by a court of competent jurisdiction, in addition to paying any adverse final judgment (or settlement to which we consent), we will, at our option, either: (a) procure the right to continue its use; (b) modify it to make it non-infringing; (c) replace it with a functional equivalent; or (d) terminate your license and refund the license fees paid for the infringing Tyler Software, as depreciated on a straight-line basis measured over seven (7) years from the Effective Date. We will pursue those options in the order listed herein. This section provides your exclusive remedy for third party copyright, patent, or trademark infringement and trade secret misappropriation claims.

2. General Indemnification.

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

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

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

4. **LIMITATION OF LIABILITY.** EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT,

OUR LIABILITY FOR DAMAGES ARISING OUT OF THIS AGREEMENT, WHETHER BASED ON A THEORY OF CONTRACT OR TORT, INCLUDING NEGLIGENCE AND STRICT LIABILITY, SHALL BE LIMITED TO YOUR ACTUAL DIRECT DAMAGES, NOT TO EXCEED (A) PRIOR TO FORMAL TRANSITION TO MAINTENANCE AND SUPPORT, THE TOTAL ONE-TIME FEES SET FORTH IN THE INVESTMENT SUMMARY; OR (B) AFTER FORMAL TRANSITION TO MAINTENANCE AND SUPPORT, THE THEN-CURRENT ANNUAL MAINTENANCE AND SUPPORT FEE. THE PRICES SET FORTH IN THIS AGREEMENT ARE SET IN RELIANCE UPON THIS LIMITATION OF LIABILITY. THE FOREGOING LIMITATION OF LIABILITY SHALL NOT APPLY TO CLAIMS THAT ARE SUBJECT TO SECTIONS H(1) AND H(2).

5. **EXCLUSION OF CERTAIN DAMAGES.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL WE BE LIABLE FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES WHATSOEVER, EVEN IF WE HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
6. **Insurance.** During the course of performing services under this Agreement, we agree to maintain the following levels of insurance: (a) Commercial General Liability of at least \$1,000,000, \$2,000,000 aggregate; (b) Automobile Liability of at least \$1,000,000 per claim; (c) Professional Liability, including cyber liability coverage, of at least \$5,000,000 per occurrence, \$5,000,000 aggregate, on a "claims made" basis; (d) Workers Compensation complying with applicable statutory requirements of \$1,000,000; (e) Excess/Umbrella Liability of at least \$5,000,000, and (f) Crime Coverage of \$5,000,000 per occurrence. We will add you as an additional insured to our Commercial General Liability and Automobile Liability policies, which will automatically add you as an additional insured to our Excess/Umbrella Liability policy as well. We will provide you with copies of certificates of insurance within thirty (30) days of contract execution.

SECTION I – GENERAL TERMS AND CONDITIONS

1. **Additional Products and Services.** You may purchase additional products and services at the rates set forth in the Investment Summary for twenty-four (24) months from the Effective Date, and thereafter at our then-current list price, by executing a mutually agreed addendum. If no rate is provided in the Investment Summary, or those twenty-four (24) months have expired, you may purchase additional products and services at our then-current list price, also by executing a mutually agreed addendum. The terms of this Agreement will control any such additional purchase(s), unless otherwise specifically provided in the addendum.
2. **Optional Items.** Pricing for any listed optional products and services in the Investment Summary will be valid for twenty-four (24) months from the Effective Date.
3. **Dispute Resolution.** You agree to provide us with written notice within thirty (30) days of becoming aware of a dispute. You agree to cooperate with us in trying to reasonably resolve all disputes, including, if requested by either party, appointing a senior representative to meet and engage in good faith negotiations with our appointed senior representative. Senior representatives will convene within thirty (30) days of the written dispute notice, unless otherwise agreed. All meetings and discussions between senior representatives will be deemed confidential settlement discussions not subject to disclosure under Federal Rule of Evidence 408 or any similar applicable state rule. If we fail to resolve the dispute, either of us may assert our respective rights and remedies in a court

of competent jurisdiction. Nothing in this section shall prevent you or us from seeking necessary injunctive relief during the dispute resolution procedures.

4. Taxes. The fees in the Investment Summary do not include any taxes, including, without limitation, sales, use, or excise tax. If you are a tax-exempt entity, you agree to provide us with a tax-exempt certificate. Otherwise, we will pay all applicable taxes to the proper authorities and you will reimburse us for such taxes. If you have a valid direct-pay permit, you agree to provide us with a copy. For clarity, we are responsible for paying our income taxes, both federal and state, as applicable, arising from our performance of this Agreement.
5. Nondiscrimination. We will not discriminate against any person employed or applying for employment concerning the performance of our responsibilities under this Agreement. This discrimination prohibition will apply to all matters of initial employment, tenure, and terms of employment, or otherwise with respect to any matter directly or indirectly relating to employment concerning race, color, religion, national origin, age, sex, sexual orientation, ancestry, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight, marital status, or political affiliation. We will post, where appropriate, all notices related to nondiscrimination as may be required by applicable law.
6. E-Verify. We have complied, and will comply, with the E-Verify procedures administered by the U.S. Citizenship and Immigration Services Verification Division for all of our employees assigned to your project.
7. Subcontractors. We will not subcontract any services under this Agreement without your prior written consent, not to be unreasonably withheld.
8. Binding Effect; No Assignment. This Agreement shall be binding on, and shall be for the benefit of, either your or our successor(s) or permitted assign(s). Neither party may assign this Agreement without the prior written consent of the other party; provided, however, your consent is not required for an assignment by us as a result of a corporate reorganization, merger, acquisition, or purchase of substantially all of our assets.
9. Force Majeure. Except for your payment obligations, neither party will be liable for delays in performing its obligations under this Agreement to the extent that the delay is caused by Force Majeure; provided, however, that within ten (10) business days of the Force Majeure event, the party whose performance is delayed provides the other party with written notice explaining the cause and extent thereof, as well as a request for a reasonable time extension equal to the estimated duration of the Force Majeure event.
10. No Intended Third Party Beneficiaries. This Agreement is entered into solely for the benefit of you and us. No third party will be deemed a beneficiary of this Agreement, and no third party will have the right to make any claim or assert any right under this Agreement. This provision does not affect the rights of third parties under any Third Party Terms.
11. Entire Agreement; Amendment. This Agreement represents the entire agreement between you and us with respect to the subject matter hereof, and supersedes any prior agreements, understandings, and representations, whether written, oral, expressed, implied, or statutory. Purchase orders

submitted by you, if any, are for your internal administrative purposes only, and the terms and conditions contained in those purchase orders will have no force or effect. This Agreement may only be modified by a written amendment signed by an authorized representative of each party.

12. Severability. If any term or provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will be considered valid and enforceable to the fullest extent permitted by law.
13. No Waiver. In the event that the terms and conditions of this Agreement are not strictly enforced by either party, such non-enforcement will not act as or be deemed to act as a waiver or modification of this Agreement, nor will such non-enforcement prevent such party from enforcing each and every term of this Agreement thereafter.
14. Independent Contractor. We are an independent contractor for all purposes under this Agreement.
15. Notices. All notices or communications required or permitted as a part of this Agreement, such as notice of an alleged material breach for a termination for cause or a dispute that must be submitted to dispute resolution, must be in writing and will be deemed delivered upon the earlier of the following: (a) actual receipt by the receiving party; (b) upon receipt by sender of a certified mail, return receipt signed by an employee or agent of the receiving party; (c) upon receipt by sender of proof of email delivery; or (d) if not actually received, five (5) days after deposit with the United States Postal Service authorized mail center with proper postage (certified mail, return receipt requested) affixed and addressed to the other party at the address set forth on the signature page hereto or such other address as the party may have designated by proper notice. The consequences for the failure to receive a notice due to improper notification by the intended receiving party of a change in address will be borne by the intended receiving party.
16. Client Lists. You agree that we may identify you by name in client lists, marketing presentations, and promotional materials.
17. Confidentiality. Both parties recognize that their respective employees and agents, in the course of performance of this Agreement, may be exposed to confidential information and that disclosure of such information could violate rights to private individuals and entities, including the parties. Confidential information is nonpublic information that a reasonable person would believe to be confidential and includes, without limitation, personal identifying information (e.g., social security numbers) and trade secrets, each as defined by applicable state law. Each party agrees that it will not disclose any confidential information of the other party and further agrees to take all reasonable and appropriate action to prevent such disclosure by its employees or agents. The confidentiality covenants contained herein will survive the termination or cancellation of this Agreement. This obligation of confidentiality will not apply to information that:
 - (a) is in the public domain, either at the time of disclosure or afterwards, except by breach of this Agreement by a party or its employees or agents;
 - (b) a party can establish by reasonable proof was in that party's possession at the time of initial disclosure;
 - (c) a party receives from a third party who has a right to disclose it to the receiving party; or
 - (d) is the subject of a legitimate disclosure request under the open records laws or similar

applicable public disclosure laws governing this Agreement; provided, however, that in the event you receive an open records or other similar applicable request, you will give us prompt notice and otherwise perform the functions required by applicable law.

18. Business License. In the event a local business license is required for us to perform services hereunder, you will promptly notify us and provide us with the necessary paperwork and/or contact information so that we may timely obtain such license.
19. Governing Law. This Agreement will be governed by and construed in accordance with the laws of your state of domicile, without regard to its rules on conflicts of law.
20. Multiple Originals and Authorized Signatures. This Agreement may be executed in multiple originals, any of which will be independently treated as an original document. Any electronic, faxed, scanned, photocopied, or similarly reproduced signature on this Agreement or any amendment hereto will be deemed an original signature and will be fully enforceable as if an original signature. Each party represents to the other that the signatory set forth below is duly authorized to bind that party to this Agreement.
21. Cooperative Procurement. To the maximum extent permitted by applicable law, we agree that this Agreement may be used as a cooperative procurement vehicle by eligible jurisdictions. We reserve the right to negotiate and customize the terms and conditions set forth herein, including but not limited to pricing, to the scope and circumstances of that cooperative procurement.
22. Contract Documents. This Agreement includes the following exhibits:

Exhibit A	Investment Summary
Exhibit B	Invoicing and Payment Policy
	Schedule 1: Business Travel Policy
Exhibit C	Maintenance and Support Agreement
	Schedule 1: Support Call Process
Exhibit D	DocOrigin End User License Agreement
Exhibit E	Statement of Work
Exhibit F	Functional Requirements

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

Tyler Technologies, Inc.

City of Santa Fe Springs

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Address for Notices:

Tyler Technologies, Inc.
One Tyler Drive
Yarmouth, ME 04096
Attention: Associate General Counsel

Address for Notices:

Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Attention: Jose Gomez

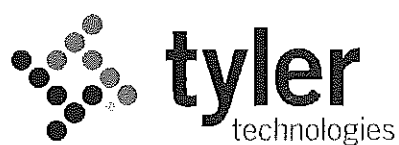


Exhibit A
Investment Summary

The following Investment Summary details the software, products, and services to be delivered by us to you under the Agreement. This Investment Summary is effective as of the Effective Date. Capitalized terms not otherwise defined will have the meaning assigned to such terms in the Agreement. To the extent there are any conflicts between the terms of the Agreement and the comments in the Investment Summary, the terms of the Agreement shall control.

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Sales Quotation For
 City of Santa Fe Springs
 11710 E. Telegraph Rd
 Santa Fe Springs, California 90670
 Phone (562) 868-0511

Quoted By: Jennifer Wahlbrink
Date: 12/12/2016
Quote Expiration: 6/10/2017
Quote Name: City of Santa Fe Springs-ERP-Mimis
Quote Number: 2016-24980
Quote Description: 12-12-16 v.4

SaaS

Description	Annual Fee Net	# Years	Total SaaS Fee	Impl. Days
Productivity:				
Postal XPress (Lorton) Annual Subscription	\$1,570.00	1	\$1,570.00	0
TOTAL:	\$1,570.00	0	\$1,570.00	0

Tyler Software and Related Services

Description	License	Impl. Days	Impl. Cost	Data Conversion	Module Total	Year One Maintenance
Financials:						
Accounting/GL/BG/AP	\$53,550.00	24 @ \$1,275.00	\$30,600.00	\$10,600.00	\$94,750.00	\$9,639.00
Bid Management	\$6,150.00	4 @ \$1,275.00	\$5,100.00	\$0.00	\$11,250.00	\$1,107.00
Cash Management	\$10,250.00	4 @ \$1,275.00	\$5,100.00	\$0.00	\$15,350.00	\$1,845.00
Contract Management	\$6,050.00	4 @ \$1,275.00	\$5,100.00	\$4,000.00	\$15,150.00	\$1,089.00
Fixed Assets	\$12,300.00	6 @ \$1,275.00	\$7,650.00	\$4,800.00	\$24,750.00	\$2,214.00
Inventory	\$11,300.00	6 @ \$1,275.00	\$7,650.00	\$4,700.00	\$23,650.00	\$2,034.00
Project & Grant Accounting	\$10,250.00	5 @ \$1,275.00	\$6,375.00	\$5,000.00	\$21,625.00	\$1,845.00
Purchasing	\$22,550.00	12 @ \$1,275.00	\$15,300.00	\$2,700.00	\$40,550.00	\$4,059.00

2016-24980 - 12-12-16 v.4

CONFIDENTIAL

Tyler Software and Related Services

Description	License	Impl. Days	Impl. Cost	Data Conversion	Module Total	Year One Maintenance
Payroll/HR:						
HR Management	\$7,700.00	10 @ \$1,275.00	\$12,750.00	\$0.00	\$20,450.00	\$1,386.00
Payroll w/ESS	\$16,100.00	23 @ \$1,275.00	\$29,325.00	\$18,800.00	\$64,225.00	\$2,898.00
Revenue:						
Accounts Receivable	\$11,000.00	8 @ \$1,275.00	\$10,200.00	\$0.00	\$21,200.00	\$1,980.00
Business License	\$10,000.00	13 @ \$1,275.00	\$16,575.00	\$9,400.00	\$35,975.00	\$1,800.00
General Billing	\$5,000.00	5 @ \$1,275.00	\$6,375.00	\$8,200.00	\$19,575.00	\$900.00
Tyler Cashiering	\$21,000.00	6 @ \$1,275.00	\$7,650.00	\$0.00	\$28,650.00	\$3,780.00
UB Interface	\$4,400.00	2 @ \$1,275.00	\$2,550.00	\$0.00	\$6,950.00	\$792.00
Utility Billing CIS	\$14,500.00	20 @ \$1,275.00	\$25,500.00	\$13,400.00	\$53,400.00	\$2,610.00
Productivity:						
Tyler Forms Processing	\$9,500.00	0 @ \$1,275.00	\$0.00	\$0.00	\$9,500.00	\$1,900.00
Tyler Content Manager SE	\$20,000.00	5 @ \$1,275.00	\$6,375.00	\$0.00	\$26,375.00	\$3,600.00
Munis Analytics & Reporting	\$45,200.00	14 @ \$1,275.00	\$17,850.00	\$0.00	\$63,050.00	\$8,136.00
eProcurement	\$10,000.00	2 @ \$1,275.00	\$2,550.00	\$0.00	\$12,550.00	\$1,800.00
Citizen Self Service	\$11,000.00	1 @ \$1,275.00	\$1,275.00	\$0.00	\$12,275.00	\$1,980.00
Additional:						
Tyler System Management Services Contract	\$0.00	0 @ \$1,275.00	\$0.00	\$0.00	\$0.00	\$14,349.00
Sub-Total:	\$317,800.00		\$221,850.00	\$81,600.00	\$621,250.00	\$71,743.00
Less Discount:	\$47,673.00		\$0.00	\$0.00	\$47,673.00	\$57,394.00
TOTAL:	\$270,127.00	174	\$221,850.00	\$81,600.00	\$573,577.00	\$14,349.00
Other Services						
Description	Quantity			Unit Price	Unit Discount	Extended Price
Additional Implementation Days - as needed	40			\$1,275.00	\$0.00	\$51,000.00
AP/PR Check Recon Import	1			\$1,000.00	\$0.00	\$1,000.00
AP Positive Pay Export Format	1			\$3,000.00	\$0.00	\$3,000.00
Configuration Postal Xpress (Lorton)	1			\$1,175.00	\$0.00	\$1,175.00

Other Services

Description	Quantity	Unit Price	Unit Discount	Extended Price
End User Training	45	\$1,275.00	\$0.00	\$57,375.00
Install Fee - New Server Install-WIN	1	\$6,000.00	\$0.00	\$6,000.00
POS Cash Installation (Up to 3)	1	\$1,000.00	\$0.00	\$1,000.00
Project Planning Services	1	\$9,000.00	\$0.00	\$9,000.00
PR Positive Pay Export Format	1	\$3,000.00	\$0.00	\$3,000.00
Tyler Forms Library - Business License	1	\$1,400.00	\$0.00	\$1,400.00
Tyler Forms Library - Financial	1	\$1,800.00	\$0.00	\$1,800.00
Tyler Forms Library - General Billing	1	\$2,000.00	\$0.00	\$2,000.00
Tyler Forms Library - Payroll	1	\$1,200.00	\$0.00	\$1,200.00
Tyler Forms Library - Personnel Action	1	\$1,000.00	\$0.00	\$1,000.00
Tyler Forms Processing Configuration	1	\$2,000.00	\$0.00	\$2,000.00
Tyler Forms Library - Utility Billing	1	\$3,500.00	\$0.00	\$3,500.00
Tyler Graphing Agent - Addl Cost	1	\$500.00	\$0.00	\$500.00
Tyler Graphing Agent - Flat Fee	1	\$3,500.00	\$0.00	\$3,500.00
TOTAL:				\$149,450.00

3rd Party Hardware, Software and Services

Description	Quantity	Unit Price	Unit Discount	Total Price	Unit Maintenance	Unit Maintenance Discount	Total Year One Maintenance
Cash Drawer	1	\$230.00	\$0.00	\$230.00	\$0.00	\$0.00	\$0.00
Hand Held Scanner - Model 1900GSR	1	\$385.00	\$0.00	\$385.00	\$0.00	\$0.00	\$0.00
Hand Held Scanner Stand	1	\$25.00	\$0.00	\$25.00	\$0.00	\$0.00	\$0.00
ID Tech MiniMag USB Reader	1	\$62.00	\$0.00	\$62.00	\$0.00	\$0.00	\$0.00
Printer (TM-S9000)	1	\$1,600.00	\$0.00	\$1,600.00	\$0.00	\$0.00	\$0.00
Tyler Secure Signature System with 2 Keys	1	\$1,650.00	\$0.00	\$1,650.00	\$0.00	\$0.00	\$0.00
3rd Party Hardware Sub-Total:			\$0.00	\$3,952.00			\$0.00
TOTAL:				\$3,952.00			\$0.00

Summary	One Time Fees	Recurring Fees
Total SaaS per annum	\$0.00	\$1,570.00
Total Tyler Software	\$270,127.00	\$14,349.00
Total Tyler Services	\$452,900.00	\$0.00
Total 3rd Party Hardware, Software and Services	\$3,952.00	\$0.00
Summary Total	\$726,979.00	\$15,919.00
Contract Total	\$742,898.00	
(Excluding Estimated Travel Expenses)		
Estimated Travel Expenses	\$123,000.00	

Detailed Breakdown of Conversions (Included in Contract Total)

Description	Unit Price	Unit Discount	Extended Price
Accounting Opt 1 - Actuals	\$1,500.00	\$0.00	\$1,500.00
Accounting Opt 2 - Budgets	\$1,500.00	\$0.00	\$1,500.00
Accounting Standard COA	\$2,000.00	\$0.00	\$2,000.00
Accounts Payable Opt 1 - Checks	\$1,600.00	\$0.00	\$1,600.00
Accounts Payable Opt 2 - Invoice	\$2,400.00	\$0.00	\$2,400.00
Accounts Payable Standard Master	\$1,600.00	\$0.00	\$1,600.00
Business License Opt 1 - Bills	\$4,400.00	\$0.00	\$4,400.00
Business License Std Master	\$5,000.00	\$0.00	\$5,000.00
Contracts	\$4,000.00	\$0.00	\$4,000.00
Fixed Assets Opt 1 - History	\$1,800.00	\$0.00	\$1,800.00
Fixed Assets Std Master	\$3,000.00	\$0.00	\$3,000.00
General Billing Opt 1 - Recurring Invoices	\$2,700.00	\$0.00	\$2,700.00
General Billing Opt 2 - Bills	\$4,000.00	\$0.00	\$4,000.00
General Billing Std CID	\$1,500.00	\$0.00	\$1,500.00
Inventory Opt 1 - Commodity Codes	\$1,200.00	\$0.00	\$1,200.00
Inventory Std Master	\$3,500.00	\$0.00	\$3,500.00
Payroll - Option 10 Certifications	\$1,400.00	\$0.00	\$1,400.00
Payroll - Option 11 Education	\$1,400.00	\$0.00	\$1,400.00
Payroll - Option 1 Deductions	\$1,800.00	\$0.00	\$1,800.00
Payroll - Option 2 Accrual Balances	\$1,500.00	\$0.00	\$1,500.00
Payroll - Option 3 Accumulators	\$1,400.00	\$0.00	\$1,400.00
Payroll - Option 4 Check History	\$1,200.00	\$0.00	\$1,200.00
Payroll - Option 5 Earning/Deduction Hist	\$2,500.00	\$0.00	\$2,500.00
Payroll - Option 6 Applicant Tracking	\$1,400.00	\$0.00	\$1,400.00
Payroll - Option 7 PM Action History	\$1,400.00	\$0.00	\$1,400.00
Payroll - Option 8 Position Control	\$1,400.00	\$0.00	\$1,400.00
Payroll - Option 9 State Retirement Tables	\$1,400.00	\$0.00	\$1,400.00

Detailed Breakdown of Conversions (Included in Contract Total)

Description	Unit Price	Unit Discount	Extended Price
Payroll - Standard	\$2,000.00	\$0.00	\$2,000.00
Project Grant Accounting Opt 1 - Actuals	\$1,500.00	\$0.00	\$1,500.00
Project Grant Accounting Opt 2 - Budgets	\$1,500.00	\$0.00	\$1,500.00
Project Grant Accounting Standard	\$2,000.00	\$0.00	\$2,000.00
Purchasing - Purchase Orders - Standard	\$2,700.00	\$0.00	\$2,700.00
Utility Billing - Option 1 Services	\$2,500.00	\$0.00	\$2,500.00
Utility Billing - Option 2 Assessments	\$1,200.00	\$0.00	\$1,200.00
Utility Billing - Option 3 Consumption History	\$2,000.00	\$0.00	\$2,000.00
Utility Billing - Option 4 Balance Forward AR	\$3,500.00	\$0.00	\$3,500.00
Utility Billing - Option 5 Service Orders	\$1,200.00	\$0.00	\$1,200.00
Utility Billing - Standard	\$3,000.00	\$0.00	\$3,000.00
TOTAL:			\$81,600.00

Optional SaaS

Description	Annual Fee Net	# Years	Total SaaS Fee	Impl. Days
Productivity:				
Transparency Portal	\$9,000.00	1	\$9,000.00	0
TOTAL:	\$9,000.00	0	\$9,000.00	0

Optional Tyler Software & Related Services

Description	License	Impl. Days	Impl. Cost	Data Conversion	Module Total	Year One Maintenance
Financials:						
BMI Asset Track Interface	\$3,900.00 2 @ \$1,275.00		\$2,550.00	\$0.00	\$6,450.00	\$702.00
BMI CollectIT Interface	\$3,900.00 2 @ \$1,275.00		\$2,550.00	\$0.00	\$6,450.00	\$702.00
Employee Expense Reimbursement	\$6,150.00 5 @ \$1,275.00		\$6,375.00	\$0.00	\$12,525.00	\$1,107.00
Performance Based Budgeting	\$16,400.00 10 @ \$1,275.00		\$12,750.00	\$0.00	\$29,150.00	\$2,952.00
Standard Fuel Interface - SeeComments	\$3,900.00 2 @ \$1,275.00		\$2,550.00	\$0.00	\$6,450.00	\$702.00
Work Orders, Fleet & Facilities Management	\$14,100.00 18 @ \$1,275.00		\$22,950.00	\$12,000.00	\$49,050.00	\$2,538.00
Payroll/HR:						
Applicant Tracking	\$2,750.00 3 @ \$1,275.00		\$3,825.00	\$0.00	\$6,575.00	\$495.00
Professional Development	\$5,500.00 2 @ \$1,275.00		\$2,550.00	\$0.00	\$8,050.00	\$990.00
Productivity:						
IVR Gateway	\$6,000.00 3 @ \$1,275.00		\$3,825.00	\$0.00	\$9,825.00	\$1,080.00
Tyler Content Manager Auto Indexing and Redaction (SE)	\$5,000.00 2 @ \$1,275.00		\$2,550.00	\$0.00	\$7,550.00	\$900.00
Tyler Content Manager Self-Service (SE)	\$5,000.00 1 @ \$1,275.00		\$1,275.00	\$0.00	\$6,275.00	\$900.00
Additional:						
CAFR Statement Builder	\$13,750.00 4 @ \$1,275.00		\$5,100.00	\$0.00	\$18,850.00	\$2,475.00

Optional Tyler Software & Related Services

Description	License	Impl. Days	Impl. Cost	Data Conversion	Module Total	Year One Maintenance
Tyler Disaster Recovery Service	\$0.00 0 @ \$1,275.00		\$0.00	\$0.00	\$0.00	\$14,349.00
Utility Billing - Option 6 Backflow - C	\$0.00 0 @ \$1,275.00		\$0.00	\$1,200.00	\$1,200.00	\$0.00
TOTAL:	\$86,350.00	54	\$68,850.00	\$13,200.00	\$168,400.00	\$29,892.00

Optional Other Services

Description	Quantity	Unit Price	Discount	Extended Price
50% of Dedicated Project Manager (Monthly)	33	\$12,000.00	\$0.00	\$396,000.00
P-Card Import Format	1	\$5,500.00	\$0.00	\$5,500.00
Source Code Escrow	1	\$1,500.00	\$0.00	\$1,500.00
Tyler Forms Work Order/Plck Ticket Library - 4 Forms	1	\$2,400.00	\$0.00	\$2,400.00
TOTAL:				\$405,400.00

Optional Conversion Details (Prices Reflected Above)

Description	Unit Price	Unit Discount	Extended Price
Utility Billing - Option 6 Backflow	\$1,200.00	\$0.00	\$1,200.00
Work Order Opt 1 - Work Order Asset	\$3,000.00	\$0.00	\$3,000.00
Work Order Opt 2 - Closed Work Order History No Cost Data	\$4,500.00	\$0.00	\$4,500.00
Work Order Opt 3 - Work Order History With Cost Data	\$4,500.00	\$0.00	\$4,500.00
TOTAL:			\$13,200.00

Optional 3rd Party Hardware, Software and Services

Description	Quantity	Unit Price	Unit Discount	Total Price	Unit Maintenance	Unit Maintenance Discount	Total Year One Maintenance
BMI AssetTrak Additional Barcode/RFID Data Terminal (MC3190Z)	1	\$3,895.00	\$0.00	\$3,895.00	\$0.00	\$0.00	\$0.00
BMI AssetTrak FA Bar Code/RFID Scanning System	1	\$8,030.00	\$0.00	\$8,030.00	\$0.00	\$0.00	\$0.00
BMI CollectiT Additional Barcode Data Terminal (PA692)	1	\$2,975.00	\$0.00	\$2,975.00	\$0.00	\$0.00	\$0.00

BMI CollectedIT Barcode PrinterKit	1	\$795.00	\$0.00	\$795.00	\$0.00	\$0.00	\$0.00
BMI CollectedIT Inventory Bar Code Scanning System	1	\$6,490.00	\$0.00	\$6,490.00	\$0.00	\$0.00	\$0.00
<i>3rd Party Hardware Sub-Total:</i>			\$0.00	\$22,185.00		\$0.00	
TOTAL:				\$22,185.00		\$0.00	

Unless otherwise indicated in the contract or Amendment thereto, pricing for optional items will be held for Six (6) months from the Quote date or the Effective Date of the Contract, whichever is later.

Customer Approval: _____ Date: _____

Print Name: _____ P.O. #: _____

All primary values quoted in US Dollars

Tyler Discount Detail

Description	License	License Discount	License Net	Maintenance Basis	Year One Maint Discount	Year One Maint Net
Financials:						
Accounting/GL/BG/AP	\$53,550.00	\$8,033.00	\$45,517.00	\$9,639.00	\$9,639.00	\$0.00
Bid Management	\$6,150.00	\$923.00	\$5,227.00	\$1,107.00	\$1,107.00	\$0.00
Cash Management	\$10,250.00	\$1,538.00	\$8,712.00	\$1,845.00	\$1,845.00	\$0.00
Contract Management	\$6,050.00	\$908.00	\$5,142.00	\$1,089.00	\$1,089.00	\$0.00
Fixed Assets	\$12,300.00	\$1,845.00	\$10,455.00	\$2,214.00	\$2,214.00	\$0.00
Inventory	\$11,300.00	\$1,695.00	\$9,605.00	\$2,034.00	\$2,034.00	\$0.00
Project & Grant Accounting	\$10,250.00	\$1,538.00	\$8,712.00	\$1,845.00	\$1,845.00	\$0.00
Purchasing	\$22,550.00	\$3,383.00	\$19,167.00	\$4,059.00	\$4,059.00	\$0.00
Payroll/HR:						
HR Management	\$7,700.00	\$1,155.00	\$6,545.00	\$1,386.00	\$1,386.00	\$0.00
Payroll w/ESS	\$16,100.00	\$2,415.00	\$13,685.00	\$2,898.00	\$2,898.00	\$0.00
Revenue:						
Accounts Receivable	\$11,000.00	\$1,650.00	\$9,350.00	\$1,980.00	\$1,980.00	\$0.00
Business License	\$10,000.00	\$1,500.00	\$8,500.00	\$1,800.00	\$1,800.00	\$0.00
General Billing	\$5,000.00	\$750.00	\$4,250.00	\$900.00	\$900.00	\$0.00

Tyler Discount Detail						
Description	License	License Discount	License Net	Maintenance Basis	Year One Maint Discount	Year One Maint Net
Tyler Cashiering	\$21,000.00	\$3,150.00	\$17,850.00	\$3,780.00	\$3,780.00	\$0.00
UB Interface	\$4,400.00	\$660.00	\$3,740.00	\$792.00	\$792.00	\$0.00
Utility Billing CIS	\$14,500.00	\$2,175.00	\$12,325.00	\$2,610.00	\$2,610.00	\$0.00
Productivity:						
Citizen Self Service	\$11,000.00	\$1,650.00	\$9,350.00	\$1,980.00	\$1,980.00	\$0.00
eProcurement	\$10,000.00	\$1,500.00	\$8,500.00	\$1,800.00	\$1,800.00	\$0.00
Munis Analytics & Reporting	\$45,200.00	\$6,780.00	\$38,420.00	\$8,136.00	\$8,136.00	\$0.00
Tyler Content Manager SE	\$20,000.00	\$3,000.00	\$17,000.00	\$3,600.00	\$3,600.00	\$0.00
Tyler Forms Processing	\$9,500.00	\$1,425.00	\$8,075.00	\$1,900.00	\$1,900.00	\$0.00
Additional:						
Tyler System Management Services Contract	\$0.00	\$0.00	\$0.00	\$14,349.00	\$0.00	\$14,349.00
TOTAL:	\$317,800.00	\$47,673.00	\$270,127.00	\$71,743.00	\$57,394.00	\$14,349.00

Comments

Tyler's OSDBA Service/Tyler System Management Services is calculated at 25% of the Munis annual maintenance. There is a \$2,500 minimum annual fee and a \$30,000 maximum annual fee.

Tyler's Disaster Recovery Service is calculated at 25% of the Munis annual maintenance. There is a \$5,000 minimum annual fee and a \$30,000 maximum annual fee for Disaster Recovery service. The Disaster Recovery fees are applicable only to one Live Munis database and excludes all test and training databases.

Tyler recommends the use of a 128-bit SSL Security Certificate for any Internet Web Applications, such as the Munis Web Client and the MUNIS Self Service applications if hosted by the Client. This certificate is required to encrypt the highly sensitive payroll and financial information as it travels across the public internet. There are various vendors who sell SSL Certificates, with all ranges of prices.

Conversion prices are based on a single occurrence of the database. If additional databases need to be converted, these will need to be quoted.

Tyler's quote contains estimates of the amount of services needed, based on our preliminary understanding of the size and scope of your project. The actual amount of services depends on such factors as your level of involvement in the project and the speed of knowledge transfer.

Unless otherwise noted, prices submitted in the quote do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy.

Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting.

In the event Client cancels services less than two (2) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf; and (ii) daily fees associated with the cancelled services if Tyler is unable to re-assign its personnel.

Tyler provides onsite training for a maximum of 12 people per class. In the event that more than 12 users wish to participate in a training class or more than one occurrence of a class is needed, Tyler will either provide additional days at then-current rates for training or Tyler will utilize a Train-the-Trainer approach whereby the client designated attendees of the initial training can thereafter train the remaining users.

Tyler's Standard Fuel Interface is available from several vendors. Fuelman, FuelForce, Phoenix AFC, Phoenix SCC, Fuel Master, TRN85-Fuelman, Fuelmaster-Plus and Gasboy CFN. If your vendor does not appear on this list, we will need to quote a Custom Interface in addition to the Standard Interface to cover the additional development costs.

In the event Client acquires from Tyler any edition of Tyler Content Manager software other than Enterprise Edition, the license for Content Manager is restricted to use with Tyler applications only. If Client wishes to use Tyler Content Manager software with non-Tyler applications, Client must purchase or upgrade to Tyler Content Manager Enterprise Edition.

Tyler's form library prices are based on the actual form quantities listed, and assume the forms will be provided according to the standard Munis form template. Any forms in addition to the quoted amounts and types, including custom forms or forms that otherwise require custom programming, are subject to an additional fee. Please also note that use of the Tyler Forms functionality requires the use of approved printers as well. You may contact Tyler's support team for the most current list of approved printers.

Financial library includes: 1 A/P check, 1 EFT/ACH, 1 Purchase order, 1 Contract, 1099M, 1099INT, 1099S, and 1099G.

General Billing library includes: 1 invoice, 1 statement, 1 general billing receipt and 1 miscellaneous receipt.

Comments

Utility billing library includes: 1 Utility bill, 1 assessment, 1 UB receipt, 1 Lien letter, 1 UB delinquent notice, 1 door hanger and 1 final utility bill

Business license library includes: 1 business license and 1 renewal application.

Programming for check reconciliation import and positive pay export assumes one bank format each. Multiple bank formats are extra.

Includes digitizing two signatures, additional charges will apply for additional signatures.

Project Management includes project planning, kickoff meeting, status calls, task monitoring, verification and transition to support.

Tyler Forms Payroll Core library includes: 1 PR check, 1 direct deposit, 1 vendor from payroll check, 1 vendor from payroll direct deposit, W2, W2c, 1099 R, ACA 1095B and ACA 1095C.

Personnel Actions Forms Library includes: 1 Personnel Action form - New and 1 Personnel Action Form - Change.

Work Order & Pick Ticket Library includes: 1 Work Order - Services, 1 Work Order - Inventory, 1 Pick Ticket and 1 Delivery Ticket.

Tyler's cost is based on all of the proposed products and services being obtained from Tyler. Should significant portions of the products or services be deleted, Tyler reserves the right to adjust prices accordingly.

AssetTrak PPC Software, MC3190Z Portable Data terminal, Integrated RFID reader & Laser scanner, USB Com/Charging cradle w/ps, PDT Users Licenses for TrakSync and AssetTrak PPC Includes: 1 year phone support & software upgrades, Up to 4 hours of remote install training via GoToMeeting.

Additional Scanner, MC3190Z, 48 key, SDIO with program settings, Integrated Laser & RFID reader, Battery, USB com-charging cradle w/ps, AssetTrak PPC & TrakSync PDT Users Licenses.

The Munis Accounts Payable module utilizes a label printer for batch-scanned document indexing. This printer is to be provided by the client and must support multi-page Adobe PDF files, such as the Brother QL-700.

In the event a self-hosted customer opts to enroll as a beneficiary under Tyler's source code escrow agreement, Tyler will provide the paperwork required for enrollment. That self-hosted customer will be billed, on an annual basis, directly by Tyler's escrow agent, and all such fees must be paid directly to that escrow agent. Rates for subsequent years are subject to change at the discretion of Tyler's escrow agent.

The Tyler Software Product Tyler Forms Processing must be used in conjunction with a Hewlett Packard printer supported by Tyler for printing checks.

BMI CollectIT w/ data validation enabled - USB, 802.11b/g Wireless Data Com Utility for WM 6.1/6.5 devices w/ remote install training up to 4 hrs & (1) yr phone support. Subsequent support and upgrade plans are available directly through BMI Includes a Unitech PA 690 PDT Kit with WTN 6.5, 26 Key keypad, laser, 807 MHz Processor, 2 batteries, Power Supply, Pistol Grip, Cradle, 802.11b/g radio & BMI Collect-IT PDT Users License Includes: 1 yr Phone support/upgrades for CollectIT and 1 yr depot parts and Labor warranty on the PA 690 Portable Data Terminal.

Comments

Transparency Portal SaaS services will renew automatically for additional one (1) year terms at our then-current fee unless terminated in writing by either part at least thirty (30) days prior to the end of the then-current term.

CONFIDENTIAL



Exhibit B

Invoicing and Payment Policy

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

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

1. Tyler Software.

- 1.1 *License Fees:* License fees are invoiced as follows: (a) 25% on the Effective Date; (b) 60% on the date when we make the applicable Tyler Software available to you for downloading (the "Available Download Date"); and (c) 15% on the earlier of use of the Tyler Software in live production or 180 days after the Available Download Date.
- 1.2 *Subscription Fees:* Your initial subscription fees for Postal Xpress are invoiced when we make the product available to you. Subsequent subscription fees are due annually in advance on the anniversary of that date at our then-current rates.
- 1.3 *Maintenance and Support Fees:* Year 1 maintenance and support fees are waived through the earlier of (a) availability of the Tyler Software for use in a live production environment; or (b) one (1) year from the Effective Date. For the purpose of calculating such increase, the fee for Year 1 shall be the fee prior to waiver \$57,394.
- 1.4 The foregoing notwithstanding, increases to the annual maintenance and support fees for the Tyler Software Products will accord with the following schedule:
 - Year Two: Increases shall not exceed three percent (3%) over Year One annual maintenance fees;
 - Year Three: Increases shall not exceed three percent (3%) over Year Two annual maintenance fees;
 - Year Four: Increases shall not exceed three percent (3%) over Year Three annual maintenance fees; and
 - Year Five: Increases shall not exceed five percent (5%) over Year Four annual maintenance fees.
 - Year Six: Increases shall not exceed six percent (6%) over Year Five annual maintenance fees.
 - Year Seven: Increases shall not exceed seven percent (7%) over Year Six annual maintenance fees.
 - Years Eight through Ten: Increases shall not exceed eight percent (8%) over the prior year's annual maintenance fees.

Your fees for each subsequent year will be set at our then-current rates.

2. Professional Services.

- 2.1 *Implementation and Other Professional Services (including training):* Implementation and other professional services (including training) are billed and invoiced as delivered, at the rates set forth in the Investment Summary. Services not incurred but listed in the Investment Summary will not be billed and the funds allocated for those services by the Client may be utilized to procure other services not identified in the Investment Summary and/or the Statement of Work.
- 2.2 *Consulting Services:* If you have purchased any Business Process Consulting services, if they have been quoted as fixed-fee services, they will be invoiced 50% upon your acceptance of the Business System Design document, by module, and 50% upon your acceptance of custom desktop procedures, by module. If you have purchased any Business Process Consulting services and they are quoted as an estimate, then we will bill you the actual services delivered on a time and materials basis.
- 2.3 *Conversions:* Fixed-fee conversions are invoiced 50% upon initial delivery of the converted data, by conversion option, and 50% upon Client acceptance to load the converted data into Live/Production environment, by conversion option.
- 2.4 *Requested Modifications to the Tyler Software:* Requested modifications to the Tyler Software are invoiced 50% upon delivery of specifications and 50% upon delivery of the applicable modification. You must report any failure of the modification to conform to the specifications within thirty (30) days of delivery; otherwise, the modification will be deemed to be in compliance with the specifications after the 30-day window has passed. You may still report Defects to us as set forth in the Maintenance and Support Agreement.
- 2.5 *Other Fixed Price Services:* Except as otherwise provided, other fixed price services are invoiced upon complete delivery of the service. For the avoidance of doubt, where "Project Planning Services" are provided, payment will be due upon delivery of the Implementation Planning document. Dedicated Project Management services, if any, will be billed monthly in arrears, beginning on the first day of the month immediately following the project kick-off meeting.
- 2.6 *Change Management Services:* If you have purchased any change management services, those services will be invoiced in the following amounts and upon the following milestones:

Acceptance of Change Management Discovery Analysis	15%
Delivery of Change Management Plan and Strategy Presentation	10%
Acceptance of Executive Playbook	15%
Acceptance of Resistance Management Plan	15%
Acceptance of Procedural Change Communications Plan	10%
Change Management Coach Training	20%
Change Management After-Action Review	15%

3. Third Party Products.

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

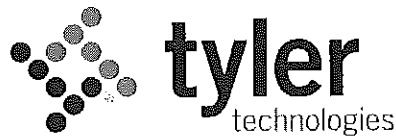
3.2 *Third Party Software Maintenance:* The first year maintenance for the Third Party Software is invoiced when we make it available to you for downloading.

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

4. Expenses. The service rates in the Investment Summary do not include travel expenses, which are estimated to be \$123,000. Tyler will provide advance notice prior to incurring travel expenses in excess of the \$123,000 estimate. Expenses will be billed as incurred and only in accordance with our then-current Business Travel Policy. Our current Business Travel Policy is attached to this Exhibit B at Schedule 1. Copies of receipts will be provided upon request; we reserve the right to charge you an administrative fee depending on the extent of your requests. Receipts for miscellaneous items less than twenty-five dollars and mileage logs are not available

Payment. Payment for undisputed invoices is due within forty-five (45) days of the invoice date. We prefer to receive payments electronically. Our electronic payment information is:

Bank:	Wells Fargo Bank, N.A. 420 Montgomery San Francisco, CA 94104
ABA:	121000248
Account:	4124302472
Beneficiary:	Tyler Technologies, Inc. – Operating



**Exhibit B
Schedule 1
Business Travel Policy**

1. Air Travel

A. Reservations & Tickets

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

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

Except in the case of international travel where a segment of continuous air travel is scheduled to exceed six hours, only economy or coach class seating is reimbursable.

B. Baggage Fees

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

- Up to five days = one checked bag
- Six or more days = two checked bags

Baggage fees for sports equipment are not reimbursable.

2. Ground Transportation

A. Private Automobile

Mileage Allowance – Business use of an employee's private automobile will be reimbursed at the current IRS allowable rate, plus out of pocket costs for tolls and parking. Mileage will be calculated by using the employee's office as the starting and ending point, in compliance with IRS regulations.



Employees who have been designated a home office should calculate miles from their home.

B. Rental Car

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

C. Public Transportation

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

D. Parking & Tolls

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

3. Lodging

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

"No shows" or cancellation fees are not reimbursable if the employee does not comply with the hotel's cancellation policy.

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

4. Meals and Incidental Expenses

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

A. Overnight Travel

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

Departure Day

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

Return Day

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

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

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

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

B. Same Day Travel

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

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

5. Internet Access – Hotels and Airports

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

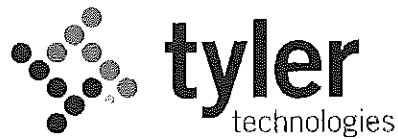


Exhibit C

Maintenance and Support Agreement

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

1. Term. We provide maintenance and support services on an annual basis. The initial term commences on the Effective Date, and remains in effect for one (1) year. The term will renew automatically for additional one (1) year terms unless terminated in writing by either party at least thirty (30) days prior to the end of the then-current term. We will adjust the term to match your first use of the Tyler Software in live production if that event precedes the one (1) year anniversary of the Effective Date.
2. Maintenance and Support Fees. Your year 1 maintenance and support fees for the Tyler Software are listed in the Investment Summary, and your payment obligations are set forth in the Invoicing and Payment Policy. We reserve the right to suspend maintenance and support services if you fail to pay undisputed maintenance and support fees within thirty (30) days of our written notice. We will reinstate maintenance and support services only if you pay all past due maintenance and support fees, including all fees for the periods during which services were suspended.
3. Maintenance and Support Services. As long as you are not using the Help Desk as a substitute for our training services on the Tyler Software, and you timely pay your maintenance and support fees, we will, consistent with our then-current Support Call Process:
 - 3.1 perform our maintenance and support obligations in a professional, good, and workmanlike manner, consistent with industry standards, to resolve Defects in the Tyler Software (limited to the then-current version and the immediately prior version); provided, however, that if you modify the Tyler Software without our consent, our obligation to provide maintenance and support services on and warrant the Tyler Software will be void;
 - 3.2 provide telephone support during our established support hours;
 - 3.3 maintain personnel that are sufficiently trained to be familiar with the Tyler Software and Third Party Software, if any, in order to provide maintenance and support services;
 - 3.4 provide you with a copy of all major and minor releases to the Tyler Software (including updates and enhancements) that we make generally available without additional charge to customers who have a maintenance and support agreement in effect; and
 - 3.5 provide non-Defect resolution support of prior releases of the Tyler Software in accordance with our then-current release life cycle policy.

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

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

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



Exhibit C
Schedule 1
Support Call Process

Support Channels

Tyler Technologies, Inc. provides the following channels of software support:

- (1) Tyler Community – an on-line resource, Tyler Community provides a venue for all Tyler clients with current maintenance agreements to collaborate with one another, share best practices and resources, and access documentation.
- (2) On-line submission (portal) – for less urgent and functionality-based questions, users may create unlimited support incidents through the customer relationship management portal available at the Tyler Technologies website.
- (3) Email – for less urgent situations, users may submit unlimited emails directly to the software support group.
- (4) Telephone – for urgent or complex questions, users receive toll-free, unlimited telephone software support.

Support Resources

A number of additional resources are available to provide a comprehensive and complete support experience:

- (1) Tyler Website – www.tylertech.com – for accessing client tools and other information including support contact information.
- (2) Tyler Community – available through login, Tyler Community provides a venue for clients to support one another and share best practices and resources.
- (3) Knowledgebase – A fully searchable depository of thousands of documents related to procedures, best practices, release information, and job aides.
- (4) Program Updates – where development activity is made available for client consumption

Support Availability

Tyler Technologies support is available during the local business hours of 8 AM to 5 PM (Monday – Friday) across four US time zones (Pacific, Mountain, Central and Eastern). Clients may receive coverage across these time zones. Tyler's holiday schedule is outlined below. There will be no support coverage on these days.

New Year's Day	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas Day
Labor Day	

Issue Handling

Incident Tracking

Every support incident is logged into Tyler's Customer Relationship Management System and given a unique incident number. This system tracks the history of each incident. The incident tracking number is used to track and reference open issues when clients contact support. Clients may track incidents, using the incident number, through the portal at Tyler's website or by calling software support directly.

Incident Priority

Each incident is assigned a priority number, which corresponds to the client's needs and deadlines. The client is responsible for reasonably setting the priority of the incident per the chart below. The goal of this structure is to help the client clearly understand and communicate the importance of the issue and to describe expected responses and resolutions.

Priority Level	Characteristics of Support Incident	Resolution Targets
1 Critical	Support incident that causes (a) complete application failure or application unavailability; (b) application failure or unavailability in one or more of the client's remote location; or (c) systemic loss of multiple essential system functions.	Tyler shall provide an initial response to Priority Level 1 incidents within one (1) business hour of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within one (1) business day. Tyler's responsibility for lost or corrupted data is limited to assisting the client in restoring its last available database.
2 High	Support incident that causes (a) repeated, consistent failure of essential functionality affecting more than one user or (b) loss or corruption of data.	Tyler shall provide an initial response to Priority Level 2 incidents within four (4) business hours of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents or provide a circumvention procedure within ten (10) business days. Tyler's responsibility for loss or corrupted data is limited to assisting the client in restoring its last available database.
3 Medium	Priority Level 1 incident with an existing circumvention procedure, or a Priority Level 2 incident that affects only one user or for which there is an existing circumvention procedure.	Tyler shall provide an initial response to Priority Level 3 incidents within one (1) business day of receipt of the support incident. Tyler shall use commercially reasonable efforts to resolve such support incidents without the need for a circumvention procedure with the next published maintenance update or service pack. Tyler's responsibility for lost or corrupted data is limited to assisting the client in restoring its last available database.

Priority Level	Characteristics of Support Incident	Resolution Targets
4 Non-critical	Support incident that causes failure of non-essential functionality or a cosmetic or other issue that does not qualify as any other Priority Level.	Tyler shall provide an initial response to Priority Level 4 incidents within two (2) business days. Tyler shall use commercially reasonable efforts to resolve such support incidents, as well as cosmetic issues, with a future version release.

Incident Escalation

Tyler Technology's software support consists of four levels of personnel:

- (1) Level 1: front-line representatives
- (2) Level 2: more senior in their support role, they assist front-line representatives and take on escalated issues
- (3) Level 3: assist in incident escalations and specialized client issues
- (4) Level 4: responsible for the management of support teams for either a single product or a product group

If a client feels they are not receiving the service needed, they may contact the appropriate Software Support Manager. After receiving the incident tracking number, the manager will follow up on the open issue and determine the necessary action to meet the client's needs.

On occasion, the priority or immediacy of a software support incident may change after initiation. Tyler encourages clients to communicate the level of urgency or priority of software support issues so that we can respond appropriately. A software support incident can be escalated by any of the following methods:

- (1) Telephone – for immediate response, call toll-free to either escalate an incident's priority or to escalate an issue through management channels as described above.
- (2) Email – clients can send an email to software support in order to escalate the priority of an issue
- (3) On-line Support Incident Portal – clients can also escalate the priority of an issue by logging into the client incident portal and referencing the appropriate incident tracking number.

Remote Support Tool

Some support calls require further analysis of the client's database, process or setup to diagnose a problem or to assist with a question. Tyler will, at its discretion, use an industry-standard remote support tool. Support is able to quickly connect to the client's desktop and view the site's setup, diagnose problems, or assist with screen navigation. More information about the remote support tool Tyler uses is available upon request.

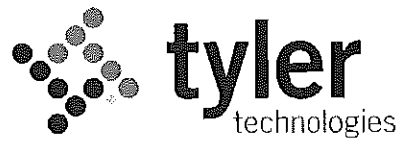


Exhibit D
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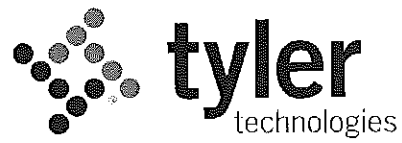


Exhibit E
Statement of Work

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Statement of Work – Exhibit E

Enterprise Group, Tyler Technologies

Prepared for:

City of Santa Fe Springs, CA

11710 E. Telegraph Rd, City of Santa Fe Springs, CA 90670

Prepared by:

Jen Wahlbrink

One Tyler Drive, Yarmouth, ME 04096

Tyler Technologies, Inc.

www.tylertech.com

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1 Executive Summary

1.1 Project Overview

The Statement of Work (SOW) documents the Project scope, methodology, roles and responsibilities, implementation stages, and deliverables for the implementation of Tyler products.

The Project goals are to offer the City of Santa Fe Springs, CA the opportunity to make the City of Santa Fe Springs **more accessible and responsive** to external and internal customer needs and **more efficient** in its operations through:

- Streamlining, automating, and integrating business processes and practices
- Providing tools to produce and access information in a real-time environment
- Enabling and empowering users to become more efficient, productive and responsive
- Successfully overcoming current challenges and meeting future goals

1.2 Product Summary

Below, is a summary of the products included in this Project, as well as reference to the City of Santa Fe Springs's functional area utilizing the Tyler product(s). Refer to Scope of Services section for information containing detailed service components.

1.3 Project Timeline

The Project timeline establishes a start and end date for each Phase of the Project. Developed during the Initiate & Plan Stage and revised as mutually agreed to, if needed, the timeline accounts for resource availability, business goals, size and complexity of the Project, and task duration requirements.

Phase	Functional Areas	Modules	Start Date	Go-Live Date
1	Financials	<ul style="list-style-type: none">• Accounting General Ledger• Cash Management• Project & Grant Accounting• Budgeting• Requisitions• Purchase Orders• eProcurement• Bid Management• Contract Management• Accounts Payable• Accounts Receivable	February 2017	January 1, 2018

Phase	Functional Areas	Modules	Start Date	Go-Live Date
		<ul style="list-style-type: none"> • General Billing • Fixed Assets • Inventory 		
	System Wide	<ul style="list-style-type: none"> • Tyler Reporting Services • Tyler Forms Processing • Munis Office • Role Tailored Dashboard • Tyler Content Manager SE 		
2	Core Human Resources / Payroll	<ul style="list-style-type: none"> • Payroll w/Employee Self Service • HR Management 	October 1, 2017	July 1, 2018
3	Utility Billing	<ul style="list-style-type: none"> • Utility Billing CIS • UB Interface • Postal Xpress • Tyler Cashiering • Citizen Self Service 	March 1, 2018	January 1, 2019
4	Business License	<ul style="list-style-type: none"> • Business License • Tyler Cashiering • Citizen Self Service 	October 1, 2018	July 2019
5	Optional	<ul style="list-style-type: none"> • TBD 	April 1, 2019	January 1, 2020

1.4 Project Methodology Overview

Tyler bases its implementation methodology on the Project Management Institute's (PMI) Process Groups (Initiating, Planning, Executing, Monitoring & Controlling, and Closing). Using this model, Tyler developed a 6-Stage Process specifically designed to focus on critical Project success measurement factors.

Tailored specifically for Tyler's public sector clients, the Project methodology contains Stage acceptance Control Points throughout each Phase to ensure adherence to Scope, budget, timeline controls, effective communications, and quality standards. Clearly defined, the Project methodology repeats consistently across Phases, and is scaled to meet the City of Santa Fe Springs's complexity, and organizational needs.

2 Project Governance

The purpose of this section is to define the resources required to adequately establish the business needs, objectives, and priorities for the Project; communicate the goals to other Project participants; and provide support and guidance to accomplish these goals. Project governance also defines the structure for issue escalation and resolution, Change Control review and authority, and organizational change management activities.

The preliminary governance structure establishes a clear escalation path when issues and risks require escalation above the project manager level. Further refinement of the governance structure, related processes, and specific roles and responsibilities occurs during the Initiate & Plan Stage.

The path below illustrates an overall team perspective where Tyler and the City of Santa Fe Springs collaborate to resolve Project challenges according to defined escalation paths. In the event project managers do not possess authority to determine a solution, resolve an issue, or mitigate a risk, Tyler implementation management and the City of Santa Fe Springs steering committee become the escalation points to triage responses prior to escalation to the City of Santa Fe Springs and Tyler executive sponsors. As part of the escalation process, each Project governance tier presents recommendations and supporting information to facilitate knowledge transfer and issue resolution. The City of Santa Fe Springs and Tyler executive sponsors serve as the final escalation point.

2.1 Client Governance

Depending on the City of Santa Fe Springs's organizational structure and size, the following governance roles may be filled by one or more people:

2.1.1 Client Project Manager

The City of Santa Fe Springs's project manager(s) coordinate Project team members, subject matter experts, and the overall implementation schedule and serves as the primary point of contact with Tyler. The City of Santa Fe Springs project manager(s) will be responsible for reporting to the City of Santa Fe Springs steering committee and determining appropriate escalation points.

2.1.2 Steering Committee

The City of Santa Fe Springs steering committee understands and supports the cultural change necessary for the Project and fosters an appreciation of the Project's value throughout the organization. Oversees the City of Santa Fe Springs project manager(s) and the Project as a whole and through participation in regular internal meetings, the City of Santa Fe Springs steering committee remains updated on all Project progress, Project decisions, and achievement of Project milestones. The City of Santa Fe Springs steering committee also provides support to the City of Santa Fe Springs project manager(s) by communicating the importance of the Project to all impacted departments. The City of Santa Fe Springs steering committee is responsible for ensuring the Project has appropriate resources, provides strategic direction to the Project team, for making timely decisions on critical Project issues or policy decisions. The City of Santa Fe Springs steering committee also serves as primary level of issue resolution for the Project.

2.1.3 Executive Sponsor(s)

The City of Santa Fe Springs's executive sponsor provides support to the Project by allocating resources, providing strategic direction, and communicating key issues about the Project and the Project's overall importance to the organization. When called upon, the executive sponsor also acts as the final authority on all escalated Project issues. The executive sponsor engages in the Project, as needed, in order to provide necessary support, oversight, guidance, and escalation, but does not participate in day-to-day Project activities. The executive sponsor empowers the City of Santa Fe Springs steering committee, project manager(s), and functional leads to make critical business decisions for the City of Santa Fe Springs.

2.2 Tyler Governance

2.2.1 Tyler Project Manager

The Tyler project manager(s) have direct involvement with the Project and coordinates Project team members, implementation consultants, the overall implementation schedule, and serves as the primary point of contact with the City of Santa Fe Springs. If requested, the Tyler project manager(s) provide regular updates to the City of Santa Fe Springs's steering committee and other Tyler governance members.

2.2.2 Tyler Implementation Management

Tyler implementation management has indirect involvement with the Project and is part of the Tyler escalation process. Tyler project manager(s) consult implementation management on issues and outstanding decisions critical to the Project. Implementation management works toward a solution with the Tyler project manager(s) or with the City of Santa Fe Springs management, as appropriate. Tyler executive management is the escalation point for any issues not resolved at this level. The name(s) and contact information for this resource will be provided and available to the Project team.

2.2.3 Tyler Executive Management

Tyler executive management has indirect involvement with the Project and is part of the Tyler escalation process. This team member offers additional support to the Project team and collaborates with other Tyler department managers, as needed, in order to escalate and facilitate implementation Project tasks and decisions. The name(s) and contact information for this resource will be provided and available to the Project team.

2.3 Acceptance and Acknowledgment Process

All Deliverables and Control Points must be accepted or acknowledged following the process below. Acceptance requires a formal sign-off while acknowledgement may be provided without formal sign-off at the time of delivery. The following process will be used for accepting or acknowledging Deliverables and Control Points:

- The City of Santa Fe Springs shall have five (5) business days from the date of delivery, or as otherwise mutually agreed upon by the parties in writing, to accept or acknowledge each Deliverable or Control Point. If the City of Santa Fe Springs does not provide acceptance or acknowledgement within five (5) business days, or the otherwise agreed upon timeframe, not to be unreasonably withheld, Tyler deems the Deliverable or Control Point as accepted.
- If the City of Santa Fe Springs does not agree the particular Deliverable or Control Point meets requirements, the City of Santa Fe Springs shall notify Tyler project manager(s), in writing, with reasoning within five (5) business days, or the otherwise agreed-upon timeframe, not to be unreasonably withheld, of receipt of the Deliverable.
- Tyler shall address any deficiencies and redeliver the Deliverable or Control Point. The City of Santa Fe Springs shall then have five (5) business days from receipt of the redelivered Deliverable or Control Point to accept or again submit written notification of reasons for rejecting the milestone. If the City of Santa Fe Springs does not provide acceptance or acknowledgement within five (5) business days, or the otherwise agreed upon timeframe, not to be unreasonably withheld, Tyler deems the Deliverable or Control Point as accepted.

3 Overall Project Assumptions

3.1 Project, Resources and Scheduling

- Project activities will begin after the Agreement has been fully executed.
- The City of Santa Fe Springs and Tyler have the ability to allocate additional internal resources if needed. The City of Santa Fe Springs also ensures the alignment of their budget and Scope expectations.
- The City of Santa Fe Springs and Tyler ensure that the assigned resources are available, they buy-into the change process, and they possess the required business knowledge to complete their assigned tasks successfully. Should there be a change in resources, the replacement resource should have a comparable level of availability, buy-in, and knowledge.
- Tyler and the City of Santa Fe Springs provide adequate resources to support the efforts to complete the Project as scheduled and within the constraints of the Project budget.
- Abbreviated timelines and overlapped Phases can result in Project delays if there are not sufficient resources assigned to complete all required work as scheduled.
- Changes to Project Plan, schedule, availability of resources or changes in Scope may result in schedule delays, which may result in additional charges to the Project.
- Tyler provides a written agenda and notice of any prerequisites to the City of Santa Fe Springs project manager(s) ten (10) business days prior to any scheduled on site or remote sessions.
- Tyler provides notice of any prerequisites to the City of Santa Fe Springs project manager(s) a minimum of ten (10) business days prior to any key Deliverable due dates.
- City of Santa Fe Springs users complete prerequisites prior to applicable scheduled activities.
- Tyler provides options for configuration and processing options available within the Tyler software. The City of Santa Fe Springs is responsible for making decisions based on the options available.
- In the event the City of Santa Fe Springs may elect to add and/or modify current business policies during the course of this Project, such policy changes are solely the City of Santa Fe Springs's responsibility to define, document, and implement.
- The City of Santa Fe Springs makes timely Project related decisions in order to achieve scheduled due dates on tasks and prepare for subsequent training sessions. Decisions left unmade may affect the Project schedule, as each analysis and implementation session builds on the decisions made in prior sessions.
- Tyler considers additional services beyond the budgeted hours out of Scope and requires additional hours be requested via Change Request approved through the Change Control process.
- The City of Santa Fe Springs will respond to information requests in a comprehensive and timely manner, in accordance with the Project schedule.

3.2 Data Conversion

- The City of Santa Fe Springs is readily able to produce the data files needed for conversion from the Legacy System in order to provide them to Tyler on the specified due date(s).
- Each Legacy System data file submitted for conversion includes all associated records in a single approved file layout.
- The City of Santa Fe Springs understands the Legacy System data file must be in the same format each time unless changes are mutually agreed upon in advance. If not, negative impacts to the

schedule, budget, and resource availability may occur and/or data in the new system may be incorrect.

- During this process, the City of Santa Fe Springs may need to correct data scenarios in their Legacy System prior to the final data pull. This is a complex activity and requires due diligence by the City of Santa Fe Springs to ensure all data pulled includes all required data and the Tyler system contains properly mapped data.

3.3 Data Exchanges, Modifications, Forms and Reports

- The City of Santa Fe Springs ensures the 3rd party data received is in the correct format.
- The 3rd party possesses the knowledge of how to program their portion of the interaction and understands how to manipulate the data received.
- Client is on a supported, compatible version of the 3rd party software or Tyler Standard Data Exchange tools may not be available.
- The City of Santa Fe Springs is willing to make reasonable business process changes rather than expecting the product to conform to every aspect of their current system/process.
- Any Modification requests not expressly stated in the contract are out of Scope. Modifications requested after contract signing have the potential to change cost, Scope, schedule, and production dates for Project Phases. Modification requests not in Scope must follow the Project Change Request process.

3.4 Hardware and Software

- Tyler will initially install the most current generally available version of the purchased Tyler software.
- The City of Santa Fe Springs will provide network access for Tyler modules, printers, and Internet access to all applicable City of Santa Fe Springs and Tyler Project staff.
- The City of Santa Fe Springs has in place all hardware, software, and technical infrastructure necessary to support the Project.
- The City of Santa Fe Springs's system hardware and software meet Tyler standards to ensure sufficient speed and operability of Tyler software. Tyler will not support use of software if the City of Santa Fe Springs does not meet minimum standards of Tyler's published specifications.

3.5 Education

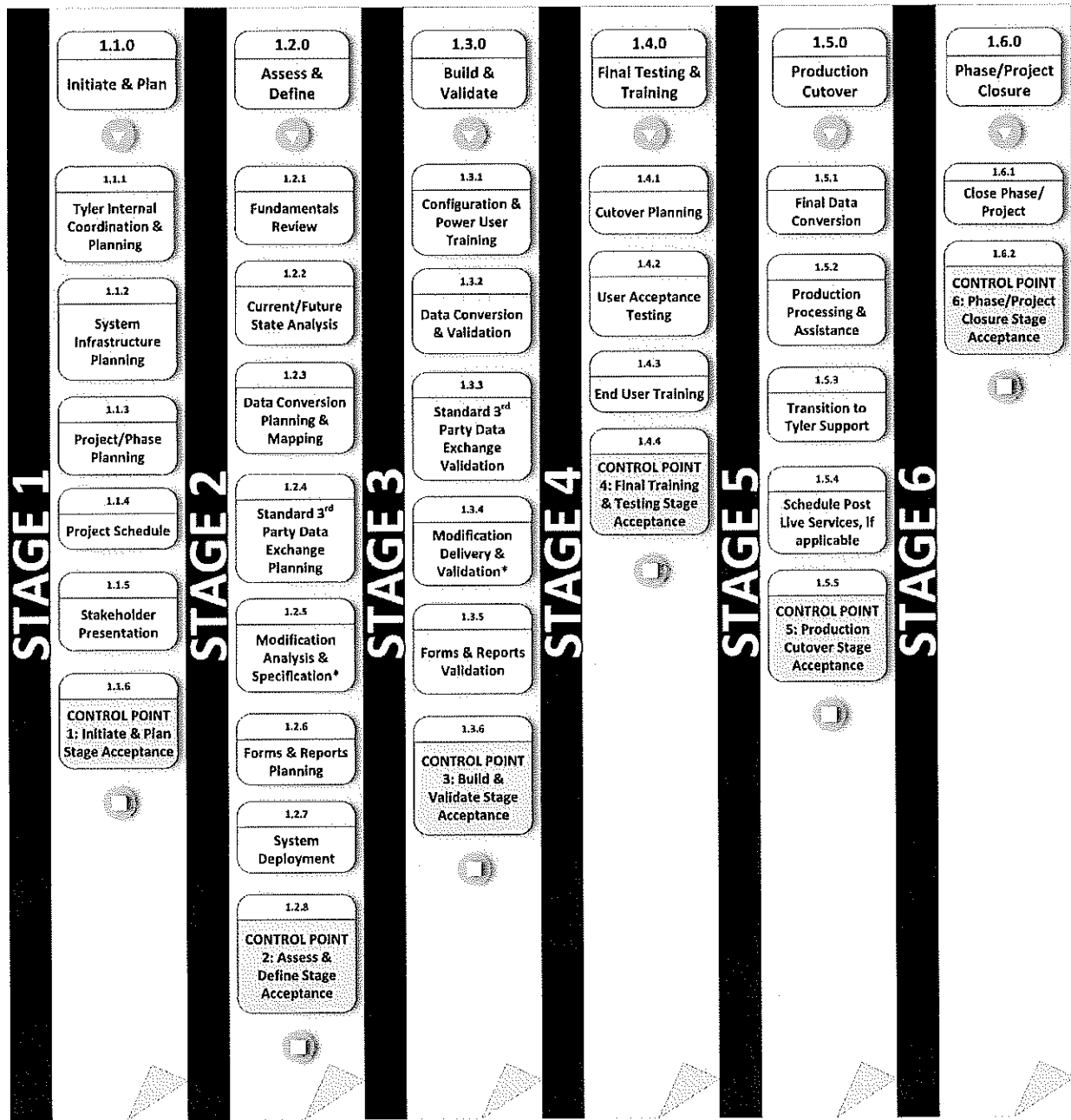
- During live and onsite training, the City of Santa Fe Springs provides a training room for Tyler staff to transfer knowledge to the City of Santa Fe Springs's resources, as well as a place for the City of Santa Fe Springs staff to practice what they have learned without distraction. If Phases overlap, the City of Santa Fe Springs will provide multiple training facilities to allow for independent sessions scheduling without conflict.
- The training room is set up in a classroom setting. The City of Santa Fe Springs determines the number of workstations in the room. Tyler recommends every person attending a scheduled session with a Tyler Consultant or Trainer have their own workstation. However, Tyler requires there be no more than two people at a given workstation.
- The City of Santa Fe Springs provides a workstation which connects to the Tyler system for the Tyler trainer conducting the session. The computer connects to a City of Santa Fe Springs provided projector, allowing all attendees the ability to actively engage in the training session.

- The City of Santa Fe Springs testing database contains the Tyler software version required for delivery of the Modification prior to the scheduled delivery date for testing.
- The City of Santa Fe Springs is responsible for verifying the performance of the Modification as defined by the specification.
- Users performing User Acceptance Testing (UAT) have attended all applicable training sessions prior to performing UAT.

4 Implementation Stages

4.1 Work Breakdown Structure (WBS)

The Work Breakdown Structure (WBS) is a hierarchical representation of a Project or Phase broken down into smaller, more manageable components. The top level components are called “Stages” and the second level components are called “work packages.” The work packages, shown below each Stage, contain the high-level work to be done. The detailed Project Plan, developed during Initiate & Plan and finalized during Assess & Define, will list the tasks to be completed within each work package. Each Stage ends with a “Control Point”, confirming the work performed during that Stage of the Project.



* - If included in project scope

4.2 Initiate & Plan (Stage 1)

The Initiate & Plan Stage creates a foundation for the Project through identification of City of Santa Fe Springs and Tyler Project management teams, development of implementation management plans, and the provision and discussion of system infrastructure requirements. City of Santa Fe Springs participation in gathering information is critical. Tyler Project management teams present initial plans to stakeholder teams at Stage end.

4.2.1 Tyler Internal Coordination & Planning

Prior to Project commencement, Tyler management staff assigns project manager(s). Tyler provides the City of Santa Fe Springs with initial Project documents used in gathering basic information, which aids in preliminary planning and scheduling. City of Santa Fe Springs participation in gathering requested information by provided deadlines ensures the Project moves forward in a timely fashion. Internally, the Tyler project manager(s) coordinate with Sales to ensure transfer of vital information from the sales process prior to scheduling a Project Planning Meeting with the City of Santa Fe Springs's team. During this step, Tyler will work with the Client to establish the date(s) for the Project/Phase Planning session.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 1	Tyler Internal Coordination & Planning																			
	TYLER									CLIENT										
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Assign Tyler project manager	A	R	I						I			I								
Provide initial Project documents to Client	A	I	R						C			I								
Sales to Implementation knowledge transfer	A	I	R						C											
Internal planning and Phase coordination		A	R					C												

4.2.2 System Infrastructure Planning

The City of Santa Fe Springs provides, purchases or acquires hardware according to hardware specifications provided by Tyler and ensures it is available at the City of Santa Fe Springs's site. The City of Santa Fe Springs completes the system infrastructure audit, ensuring vital system infrastructure information is available to the Tyler implementation team, and verifies all hardware compatibility with Tyler solutions.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 1		System Infrastructure Planning																			
		TYLER								CLIENT											
TASKS		Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
	Provide system hardware specifications			I					R	A			I							C	
	Make hardware available for Installation			I					C				A						R		
	Install system hardware, if applicable			I					C				A						R		
	Complete system infrastructure audit			I					C				A						R		

4.2.3 Project/Phase Planning

Project and Phase planning provides an opportunity to review the contract, software, data conversions and services purchased, identify Applications to implement in each Phase (if applicable), and discuss implementation timeframes. The Tyler project manager(s) deliver an Implementation Management Plan, which is mutually agreeable by the City of Santa Fe Springs and Tyler.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 1	Project/Phase Planning																			
	TYLER										CLIENT									
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Perform Project/Phase Planning		A	R								I	C	C			I				
Deliver implementation management plan		A	R									C	C	I						

4.2.4 Project Schedule

Client and Tyler will mutually develop an initial Project schedule. The initial schedule includes, at minimum, enough detail to begin Project activities while the detailed Project Plan/schedule is being developed and refined.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 1	Project Schedule																			
	TYLER										CLIENT									
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Develop initial Project schedule		A	R	I								C	I	I						
Deliver Project Plan and schedule for Project Phase		A	R	I						I	I	C	C	I	I	I				
Client reviews Project Plan & initial schedule			C							I	A	R	C	C		C				
Client approves Project Plan & initial schedule			I							I	A	R	C	C	I	I		I	I	I

4.2.5 Stakeholder Presentation

The City of Santa Fe Springs stakeholders join Tyler Project Management to communicate successful Project criteria, Project goals, Deliverables, a high-level milestone schedule, and roles and responsibilities of Project participants.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 1		Stakeholder Presentation																			
		TYLER								CLIENT											
TASKS		Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
	Present overview of Project Deliverables, Project schedule and roles and responsibilities		A	R	I					I	I	I	C	I	I	I	I		I	I	I
	Communicate successful Project criteria and goals			I							R	C	A	C	I	I	C	I	I		

4.2.6 Control Point 1: Initiate & Plan Stage Acceptance

Acceptance criteria for this Stage includes completion of all criteria listed below. Advancement to the Assess & Define Stage is dependent upon Tyler's receipt of the Stage Acceptance.

4.2.6.1 Initiate & Plan Stage Deliverables

- Implementation Management Plan
 - Objective: Update and deliver baseline management plans to reflect the approach to the City of Santa Fe Springs's Project.
 - Scope: The Implementation Management Plan addresses how communication, quality control, risks/issues, resources and schedules, and Software Upgrades (if applicable) will be managed throughout the lifecycle of the Project.
 - Acceptance criteria: the City of Santa Fe Springs reviews and acknowledges receipt of Implementation Management Plan
- Project Plan/Schedule
 - Objective: Provide a comprehensive list of tasks, timelines and assignments related to the Deliverables of the Project.
 - Scope: Task list, assignments and due dates
 - Acceptance criteria: the City of Santa Fe Springs acceptance of schedule based on City of Santa Fe Springs resource availability and Project budget and goals

4.2.6.2 Initiate & Plan Stage Control Point Acceptance Criteria

- Hardware Installed
- System infrastructure audit complete and verified
- Implementation Management Plan delivered
- Project Plan/schedule delivered; dates confirmed
- Stakeholder Presentation complete

4.3 Assess & Define (Stage 2)

The primary objective of Assess & Define is to gather information about current the City of Santa Fe Springs business processes and translate the material into future business processes using Tyler Applications. Tyler uses a variety of methods for obtaining the information, all requiring City of Santa Fe Springs collaboration. The City of Santa Fe Springs shall provide complete and accurate information to Tyler staff for analysis and understanding of current workflows and business processes.

4.3.1 Fundamentals Review

Fundamentals Review provides functional leads and Power Users an overall understanding of software capabilities prior to beginning current and future state analysis. The primary goal is to provide a basic understanding of system functionality, which provides a foundation for upcoming conversations regarding future state processing. Tyler utilizes a variety of methods for completing fundamentals training including the use of eLearning, videos, documentation, and walkthroughs.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 2	Fundamentals Review																			
	TYLER									CLIENT										
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Schedule fundamentals review & provide fundamentals materials & prerequisites, if applicable		A	R	I								C	I		I				I	
Complete fundamentals materials review and prerequisites			I									A	R		I				C	
Ensure all scheduled attendees are present			I	I						A	R	C			I					
Facilitate fundamentals review		A	R									I	I		I					

4.3.2 Current/Future State Analysis

The City of Santa Fe Springs and Tyler will evaluate current state processes, options within the new software, pros and cons of each option based on current or desired state, and make decisions about future state configuration and processing. City expects that key business processes will be reviewed and transformed as a result of the opportunistic reengineering approach inherent the project methodology.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 2	Current/Future State Analysis																			
	TYLER								CLIENT											
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Provide Current/Future State analysis materials to the City of Santa Fe Springs, as applicable		A	R	I								C	I		I					
Conduct Current & Future State analysis			A	R								I	C	I	C					
Provide pros and cons of Tyler software options			A	R								I	C	I	C					
Make Future State Decisions according to due date in the Project Plan			I	I							C	A	R	I	C	I				
Record Future State decisions			A	R								I	C	I	C					

4.3.3 Data Conversion Planning & Mapping

This entails the activities performed to prepare to convert data from the City of Santa Fe Springs's Legacy System Applications to the Tyler system. Tyler staff and the City of Santa Fe Springs work together to complete Data Mapping for each piece of data (as outlined in the Agreement) from the Legacy System to a location in the Tyler system.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 2	Data Conversion Planning & Mapping																			
	TYLER										CLIENT									
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Review contracted data conversion(s) options			A	R	I							C	C		C			C		
Map data from Legacy System to Tyler system			I	C	I							A	C		C			R		
Pull conversion data extract			I		I							A	C		C			R		
Run balancing Reports for data pulled and provide to Tyler			I		I							A	C		R			I		
Review and approve initial data extract		A	I	C	R							I						I		
Correct issues with data extract, if needed			I	C	C							A	C		C			R		

4.3.4 Standard 3rd Party Data Exchange Planning

Standard Data Exchange tools are available to allow clients to get data in and out of the Tyler system with external systems. Data exchange tools can take the form of Imports and Exports, and Interfaces.

A Standard Interface is a real-time or automated exchange of data between two systems. This could be done programmatically or through an API. It is Tyler's responsibility to ensure the Tyler programs operate correctly. It is the City of Santa Fe Springs's responsibility to ensure the third party program operates or accesses the data correctly.

The City of Santa Fe Springs and Tyler project manager(s) will work together to define/confirm which Data Exchanges are needed (if not outlined in the Agreement). Tyler will provide a file layout for each Standard Data Exchange.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 2	Standard 3rd Party Data Exchange Planning																			
	TYLER									CLIENT										
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Review Standard or contracted Data Exchanges			A	R								C	I		I			C		
Define or confirm needed Data Exchanges			I	C								A	C		C			R		

4.3.5 Modification Analysis & Specification, if contracted

Tyler staff conducts additional analysis and develops specifications based on information discovered during this Stage. The City of Santa Fe Springs reviews the specifications and confirms they meet the City of Santa Fe Springs's needs prior to acceptance. Out of Scope items or changes to specifications after acceptance may require a Change Request.

Tyler's intention is to minimize Modifications by using Standard functionality within the Application, which may require a City of Santa Fe Springs business process change. It is the responsibility of the City of Santa Fe Springs to detail all of their needs during the Assess and Define Stage. Tyler will write up specifications (for City of Santa Fe Springs approval) for contracted program Modifications. Upon approval, Tyler will make the agreed upon Modifications to the respective program(s). Once the Modifications have been delivered, the City of Santa Fe Springs will test and approve those changes during the Build and Validate Stage.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 2	Modification Analysis & Specification, if contracted																			
	TYLER										CLIENT									
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Analyze contracted custom program requirements			A	C			R					C	C	I	C			C		
Develop specification document(s)	A		I	C			R					I	I		I			I		
Review specification document(s); provide changes to Tyler, if applicable			I	C			C					A	R	I	C			C		
Sign-off on specification document(s) and authorize work			I				I				A	R	C	I	I			C		

4.3.6 Forms & Reports Planning

The City of Santa Fe Springs and Tyler project manager(s) review Forms and Reporting needs. Items that may be included in the Agreement are either Standard Forms and Reports or known/included Modification(s). Items not included in the Agreement could be either City of Santa Fe Springs-developed Reports or a newly discovered Modification that will require a Change Request.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 2	Forms & Reports Planning																			
	TYLER									CLIENT										
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Review required Forms output			A	R									C	I	C			I		
Review and complete Forms options and submit to Tyler			I			I						A	R		C					
Review in Scope Reports			A	R								I	C		C					
Identify additional Report needs			I	C								A	R		C					
Add applicable tasks to Project schedule		A	R	I		C						C	I		I			I		

4.3.7 System Deployment

The Tyler technical services team Installs Tyler Applications on the server (hosted or on-premise) and ensures the platform operates as expected.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 2	System Deployment																			
	TYLER								CLIENT											
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Install contracted software on server	A		I					R				I						C		
Ensure platform operates as expected	A		I					R				I						C		

4.3.8 Control Point 2: Assess & Define Stage Acceptance

Acceptance criteria for this Stage includes completion of all criteria listed below. Advancement to the Build & Validate Stage is dependent upon Tyler's receipt of the Stage Acceptance.

4.3.8.1 Assess & Define Stage Deliverables

- Completed analysis Questionnaire
 - Objective: Gather and document information related to City of Santa Fe Springs business processes for current/future state analysis as it relates to Tyler approach/solution.
 - Scope: Provide comprehensive answers to all questions on Questionnaire(s).
 - Acceptance criteria: City of Santa Fe Springs acceptance of completed Questionnaire based on thoroughness of capturing all City of Santa Fe Springs business practices to be achieved through Tyler solution.
- Data conversion summary and specification documents
 - Objective: Define data conversion approach and strategy
 - Scope: Data conversion approach defined, data extract strategy, conversion and reconciliation strategy.
 - Acceptance criteria: Data conversion document(s) delivered to the City of Santa Fe Springs, reflecting complete and accurate conversion decisions.
- Modification specification documents, if contracted
 - Objective: Provide comprehensive outline of identified gaps, and how the custom program meets the City of Santa Fe Springs's needs.
 - Scope: Design solution for Modification.
 - Acceptance criteria: City of Santa Fe Springs accepts Custom Specification Document(s) and agrees that the proposed solution meets their requirements.
- Completed Forms options and/or packages
 - Objective: Provide specifications for each City of Santa Fe Springs in Scope form, Report and output requirements.
 - Scope: Complete Forms package(s) included in agreement and identify Reporting needs.
 - Acceptance criteria: Identify Forms choices and receive supporting documentation.
- Installation checklist
 - Objective: Installation of purchased Tyler software
 - Scope: Tyler will conduct an initial coordination call, perform an installation of the software included in the Agreement, conduct follow up to ensure all tasks are complete, and complete server system administration training, if required.
 - Acceptance criteria: Tyler software is successfully installed and available to authorized users, City of Santa Fe Springs team members are trained on applicable system administration tasks.

4.3.8.2 Assess & Define Stage Control Point Acceptance Criteria

- Tyler software is Installed

- Fundamentals review is complete
- Required Form information complete and provided to Tyler
- Current/Future state analysis completed; Questionnaires delivered and reviewed
- Data conversion mapping and extractions completed and provided to Tyler

4.4 Build & Validate (Stage 3)

The objective of the Build & Validate Stage is to prepare the software for use in accordance with the City of Santa Fe Springs's needs identified during the Assess and Define Stage, preparing the City of Santa Fe Springs for Final Testing and Training.

4.4.1 Configuration & Power User Training

Tyler staff collaborates with the City of Santa Fe Springs to complete software configuration based on the outputs of the future state analysis performed during the Assess and Define Stage. Tyler staff will train the City of Santa Fe Springs Power Users to prepare them for the validation of the software. The City of Santa Fe Springs collaborates with Tyler staff iteratively to validate software configuration.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 3		Configuration & Power User Training																			
		TYLER								CLIENT											
TASKS		Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
	Perform configuration			A	R								I	R		I					
	Power User process and Validation training			A	R								I	C	I	C				I	
	Validate configuration			I	C								A	C		R			C		

4.4.2 Data Conversion & Validation

Tyler completes an initial review of the converted data for errors. With assistance from the City of Santa Fe Springs, the Tyler data conversion team addresses items within the conversion program to provide the most efficient data conversion possible. With guidance from Tyler, the City of Santa Fe Springs reviews specific data elements within the system and identifies and reports discrepancies in writing. Iteratively, Tyler collaborates with the City of Santa Fe Springs to address conversion discrepancies prior to acceptance. Multiple test runs of the conversion will be done until the City deems the conversion acceptable to run the live conversion.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 3	Data Conversion & Validation																			
	TYLER										CLIENT									
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Write and run data conversion program against Client data		A	I	C	R													C		
Complete initial review of data errors		A	I	C	R							I	I					C		
Review data conversion and submit needed corrections			I	C	I							A	C		R			C		
Revise conversion program(s) to correct error(s)		A	I	C	R							I	I		C			C		

4.4.3 Standard 3rd Party Data Exchange Validation

Tyler provides training on Data Exchange(s) and the City of Santa Fe Springs tests each Data Exchange.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 3	Standard 3rd Party Data Exchange Validation																			
	TYLER								CLIENT											
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Train Data Exchange(s) processing in Tyler software			A	R								C	I	I	I			C	I	
Coordinate 3 rd Party Data Exchange activities			I	I								A	C		C			R		
Test all Standard 3 rd party Data Exchange(s)			I	C								A	C	I	R			C		

4.4.4 Modification Delivery & Validation, if contracted

Tyler delivers in Scope Modification(s) to the City of Santa Fe Springs for preliminary testing. Final acceptance will occur during the Final Testing and Training Stage.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 3	Modification Delivery & Validation, if contracted																			
	TYLER									CLIENT										
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Develop and deliver contracted custom program(s)		A	I	C	I		R					I	C	I	C			I		C
Test contracted custom program(s) in isolated database			I	C			C					A	C		R			C		
Report discrepancies between specification and delivered contracted custom program(s)			I	I			I					A	R		C			C		
Make corrections to contracted custom program(s) as required		A	I	C	I		R					I	C		C			I		

4.4.5 Forms & Reports Validation

Tyler provides training on Standard Forms/Reports and the City of Santa Fe Springs tests each Standard Form/Report. Tyler staff will ensure that knowledge transfer to City staff takes place so that staff has the skills to develop additional SSRS reports on their own.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 3	Forms & Reports Validation																			
	TYLER										CLIENT									
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Standard Forms & Report Training			A	B								I	C		C			I		
Test Standard Forms & Reports			I	C		C						A	C		R			C		

4.4.6 Control Point 3: Build & Validate Stage Acceptance

Acceptance criteria for this Stage includes all criteria listed below. Advancement to the Final Testing & Training Stage is dependent upon Tyler's receipt of the Stage Acceptance.

4.4.6.1 Build & Validate Stage Deliverables

- Initial data conversion
 - Objective: Convert Legacy System data into Tyler system.
 - Scope: Data conversion program complete; deliver converted data for review.
 - Acceptance criteria: Initial error log available for review.
- Data conversion verification document
 - Objective: Provide instructions to the City of Santa Fe Springs to verify converted data for accuracy.
 - Scope: Provide self-guided instructions to verify specific data components in Tyler system.
 - Acceptance criteria: the City of Santa Fe Springs acknowledges data conversion delivery; the City of Santa Fe Springs completes data issues log.
- Installation of Modifications on the City of Santa Fe Springs's server(s) or Tyler hosted servers.
 - Objective: Deliver Modification(s) in Tyler software.
 - Scope: Program for Modification is complete and available in Tyler software, Modification testing.
 - Acceptance criteria: the City of Santa Fe Springs acknowledges Delivery of Modification(s) meeting objectives described in the City of Santa Fe Springs-signed specification.
- Standard Forms & Reports Delivered
 - Objective: Provide Standard Forms & Reports for review.
 - Scope: Installation of all Standard Forms & Reports included in the Agreement.
 - Acceptance criteria: City of Santa Fe Springs acknowledges that Standard Forms & Reports available in Tyler software for testing in Stage 4.

4.4.6.2 Build & Validate Stage Control Point Acceptance Criteria

- Application configuration completed
- Standard Forms & Reports delivered and available for testing in Stage 4
- Data conversions (except final pass) delivered
- Standard 3rd party Data Exchange training provided
- Modifications delivered and available for testing in Stage 4
- The City of Santa Fe Springs and Tyler have done a review of primary configuration areas to Validate completeness and readiness for testing and acceptance in Stage 4.

4.5 Final Testing & Training (Stage 4)

During Final Testing and Training, Tyler and the City of Santa Fe Springs review the final cutover plan. A critical Project success factor is the City of Santa Fe Springs understanding the importance of Final Testing and Training and dedicating the resources required for testing and training efforts in order to ensure a successful Production Cutover.

4.5.1 Cutover Planning

The City of Santa Fe Springs and Tyler project manager(s) discuss final preparations and critical dates for Production Cutover. Tyler delivers a Production Cutover Checklist to outline cutover tasks to help prepare the City of Santa Fe Springs for success.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 4				Cutover Planning																			
				TYLER								CLIENT											
TASKS				Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Cutover Planning Session				A	R	C							I	C	C	C	C				C	C	
Develop Production Cutover Checklist				A	R	C							I	I	C	C	I	I			C		

4.5.2 User Acceptance Testing (UAT)

The City of Santa Fe Springs performs User Acceptance Testing to verify software readiness for day-to-day business processing. Tyler provides a Test Plan for users to follow to ensure proper Validation of the system.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 4		User Acceptance Testing (UAT)																			
		TYLER								CLIENT											
TASKS		Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Deliver Test Plan for User Acceptance Testing			A	R	C								I	I							
Perform User Acceptance Testing				I	C							A	R	C	C	C	I	I	C	I	
Accept custom program(s), if applicable				I	I			I				A	R	C	I	C			C		
Validate Report performance				I	C		C						A	C		R			C		

4.5.3 End User Training

End Users attend training sessions to learn how to utilize Tyler software. Training focuses primarily on day-to-day City of Santa Fe Springs processes that will be delivered via group training, webinar, eLearning and/or live training sessions.

Tyler agrees to conduct complete End User Training up to 45 days to be used based on City decisions, that will be utilizing the MUNIS software. City of Santa Fe Springs users who attended the Tyler sessions will train any City of Santa Fe Springs users not able to attend the Tyler sessions.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 4	End User Training																			
	TYLER									CLIENT										
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Conduct user training sessions			A	R								C	I		I	I		I	I	
Conduct additional End User training sessions			I								I	A	C	I	R	I	I	I	I	

4.5.4 Control Point 4: Final Testing & Training Stage Acceptance

Acceptance criteria for this Stage includes all criteria listed below. Advancement to the Production Cutover Stage is dependent upon Tyler's receipt of the Stage Acceptance.

4.5.4.1 Final Testing & Training Stage Deliverables

- Production Cutover checklist
 - Objective: Provide a detailed checklist outlining tasks necessary for production Cutover.
 - Scope: Dates for final conversion, date(s) to cease system processing in Legacy System, date(s) for first processing in Tyler system, contingency plan for processing/
 - Acceptance criteria: City of Santa Fe Springs acknowledges the checklist delivery including definition of all pre-production tasks, assignment of owners and establishment of due dates.
- User Acceptance Test Plan
 - Objective: Provide testing steps to guide users through testing business processes in Tyler software.
 - Scope: Testing steps for Standard business processes.
 - Acceptance criteria: City of Santa Fe Springs acknowledges that Testing steps have been provided for Standard business processes.

4.5.4.2 Final Testing & Training Stage Acceptance Criteria

- Production Cutover Checklist delivered and reviewed
- Modification(s) tested and accepted, if applicable
- Standard 3rd party Data Exchange programs tested and accepted
- Standard Forms & Reports tested and accepted
- User acceptance testing completed
- End User training completed

4.6 Production Cutover (Stage 5)

The City of Santa Fe Springs and Tyler resources complete tasks as outlined in the Production Cutover Plan and the City of Santa Fe Springs begins processing day-to-day business transactions in the Tyler software. Following production Cutover, the City of Santa Fe Springs transitions to the Tyler support team for ongoing support of the Application.

4.6.1 Final Data Conversion, if applicable

The City of Santa Fe Springs provides final data extract and Reports from the Legacy System for data conversion and Tyler executes final data conversion. The City of Santa Fe Springs may need to manually enter into the Tyler system any data added to the Legacy System after final data extract.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 5	Final Data Conversion, if applicable																			
	TYLER									CLIENT										
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Provide final data extract			C		I						I	A	C	I	I	I	I	R		
Provide final extract balancing Reports			I		I							A	C		R			I		
Convert and deliver final pass of data		A	I	I	R							I	I		I			C		
Validate final pass of data			I	C	C						I	A	C		R			C		
Load final conversion pass to Production environment			I		I						I	A	C	I	C			R		

4.6.2 Production Processing & Assistance

Tyler staff collaborates with the City of Santa Fe Springs during production cutover activities. The City of Santa Fe Springs transitions to Tyler software for day-to day business processing.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 5	Production Processing & Assistance																			
	TYLER									CLIENT										
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Production processing			C	C						I	I	A	R	R	R	R	R	R	I	I
Provide production assistance			A	R				C				I	C	C	C	C	C	C		

4.6.3 Transition to Tyler Support

Tyler project manager(s) introduce the City of Santa Fe Springs to the Tyler Support team, who provides the City of Santa Fe Springs with day-to-day assistance following production Cutover.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 5			Transition to Tyler Support																			
			TYLER								CLIENT											
TASKS			Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Develop internal support plan					I							A	R	C	C	C	C	C		C	C	C
Conduct transfer to Support meeting			A	I	C					R				C	C	C	C	I	I	C	I	I

4.6.4 Schedule Post-production Services, if applicable

Tyler provides post-production services to include Financial Month End training, Financial Year End training, and Salary and Benefits training. Prior to scheduling services, the Tyler project manager(s) collaborate with the City of Santa Fe Springs project manager(s) to identify needs.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 5	Schedule Post-production Services, if applicable																			
	TYLER									CLIENT										
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Identify topics for post-production services			C	C								A	R	I	C				I	
Schedule services for post-production topics	A	R	I									C	C	I	C				I	

4.6.5 Control Point 5: Production Cutover Stage Acceptance

Acceptance criteria for this Stage includes all criteria listed below. Advancement to the Phase/Project Closure Stage is dependent upon Tyler's receipt of this Stage Acceptance.

4.6.5.1 Production Cutover Stage Deliverables

- Final data conversion, if applicable
 - Objective: Ensure (in Scope) Legacy System data is available in Tyler software in preparation for production processing.
 - Scope: Final passes of all conversions completed in this Phase
 - Acceptance criteria: City of Santa Fe Springs acknowledges that data is available in production environment.
- Support transition documents
 - Objective: Define strategy for on-going Tyler support.
 - Scope: Define support strategy for day-to-day processing, conference call with the City of Santa Fe Springs project manager(s) and Tyler Support team, define roles and responsibilities, define methods for contacting Support.
 - Acceptance criteria: the City of Santa Fe Springs acknowledges receipt of tools to contact Support and understands proper support procedures.

4.6.5.2 Production Cutover Stage Control Point Acceptance Criteria

- Final data conversion(s) delivered
- Processing is being done in Tyler production
- Transition to Tyler Support is completed
- Post-live services have been scheduled, if applicable

4.7 Phase/Project Closure (Stage 6)

Project or Phase closure signifies full implementation of all products purchased and encompassed in the Phase or Project. The City of Santa Fe Springs moves into the next cycle of their relationship with Tyler (next Phase of implementation or long-term relationship with Tyler Support).

4.7.1 Close Phase/Project

The City of Santa Fe Springs and Tyler project manager(s) review the list of outstanding Project activities and develop a plan to address them. The Tyler project manager(s) review the Project budget and status of each contract Deliverable with the City of Santa Fe Springs project manager(s) prior to closing the Phase or Project.

RACI MATRIX KEY: R = Responsible A = Accountable C = Consulted I = Informed

STAGE 6	Close Phase/Project																			
	TYLER								CLIENT											
TASKS	Tyler Executive Manager	Tyler Implementation Manager	Tyler Project Manager	Tyler Implementation Consultant	Tyler Data Conversion Experts	Tyler Forms & Reports Experts	Tyler Modification Programmers	Tyler Technical Support	Tyler Sales	Client Executive Sponsor	Client Steering Committee	Client Project Manager	Client Functional Leads	Client Change Management Leads	Client Power Users	Client Department Heads	Client End Users	Client Technical Leads	Client Project Toolset Coordinator	Client Upgrade Coordinator
Review outstanding Project activities and develop action plan		A	R	C								C	C	I	C	I		C		
Review Project budget and status of contract Deliverables		A	R							I	I	C								

4.7.2 Control Point 6: Phase/Project Closure Stage Acceptance

Acceptance criteria for this Stage includes all criteria listed below. This is the final acceptance for the Phase/Project.

4.7.2.1 Phase/Project Closure Stage Deliverables

- Phase/Project reconciliation report
 - Objective: Provide comparison of contract Scope and Project budget.
 - Scope: Contract Scope versus actual, analysis of services provided and remaining budget, identify any necessary Change Requests or Project activity.
 - Acceptance criteria: Acceptance of services and budget analysis and plan for changes, if needed.

4.7.2.2 Phase/Project Closure Stage Control Point Acceptance Criteria

- Outstanding Phase or Project activities have been documented and assigned
- Phase/final Project budget has been reconciled
- Tyler Deliverables for the Phase/Project are complete

5 Roles and Responsibilities

5.1 Tyler Roles and Responsibilities

Tyler assigns project managers prior to the start of each Phase of the Project. The project manager assigns other Tyler resources as the schedule develops. One person may fill multiple Project roles.

5.1.1 Tyler Executive Management

- Provides clear direction for Tyler staff on executing on the Project Deliverables to align with satisfying the City of Santa Fe Springs's overall organizational strategy
- Authorizes required Project resources
- Resolves all decisions and/or issues not resolved at the implementation management level as part of the escalation process
- Offers additional support to the Project team and is able to work with other Tyler department managers in order to escalate and facilitate implementation Project tasks and decisions
- Acts as the counterpart to the City of Santa Fe Springs's executive sponsor

5.1.2 Tyler Implementation Management

- Acts as the counterpart to the City of Santa Fe Springs steering committee.
- Assigns Tyler Project personnel
- Works to resolve all decisions and/or issues not resolved at the Project management level as part of the escalation process
- Provides support for the Project team
- Provides management support for the Project to ensure it is staffed appropriately and staff have necessary resources
- Monitors Project progress including progress towards agreed upon goals and objectives

5.1.3 Tyler Project Manager

The Tyler project manager(s) provides oversight of the Project, coordination of resources between departments, management of the Project schedule and budget, effective risk and issue management, and is the primary point of contact for all Project related items.

- Contract Management
 - Validates contract compliance throughout the Project
 - Ensures Deliverables meet contract requirements
 - Acts as primary point of contact for all contract and invoicing questions
 - Prepares and presents contract milestone sign-offs for acceptance by City of Santa Fe Springs project manager(s)
 - Coordinates Change Requests, if needed, to ensure proper Scope and budgetary compliance
- Planning
 - Update and deliver Implementation Management Plan

- Defines Project tasks and resource requirements
- Develops initial and full scale Project schedule
- Collaborates with City of Santa Fe Springs project manager(s) to plan and schedule Project timelines to achieve on-time implementation
- Implementation Management
 - Tightly manages Scope and budget of Project; establishes process and approval matrix with the City of Santa Fe Springs to ensure Scope changes and budget planned versus actual are transparent and handled effectively and efficiently
 - Establishes and manages a schedule and resource plan that properly supports the Project Plan as a whole that is also in balance with Scope/budget
 - Establishes risk/issue tracking/reporting process between the City of Santa Fe Springs and Tyler and takes all necessary steps to proactively mitigate these items or communicates with transparency to the City of Santa Fe Springs any items that may negatively impact the outcomes of the Project
 - Collaborates with the City of Santa Fe Springs's project manager(s) to establish key business drivers and success indicators that will help to govern Project activities and key decisions to ensure a quality outcome of the Project
 - Sets a routine communication plan that will aide all Project team members, of both the City of Santa Fe Springs and Tyler, in understanding the goals, objectives, current status and health of the Project
- Team Management
 - Acts as liaison between project team and Tyler manager(s)
 - Identifies and coordinates all Tyler resources across all modules, Phases, and activities including development, conversions, Forms, Installation, Reporting, implementation, and billing
 - Provides direction and support to Project team
 - Builds partnerships among the various stakeholders, negotiating authority to move the Project forward
 - Manages the appropriate assignment and timely completion of tasks as defined in the Project Plan, task list, and Production Cutover checklist
 - Assesses team performance and adjusts as necessary
 - Interfaces closely with Tyler developers to coordinate program Modification activities
 - Coordinates with in Scope third party providers to align activities with ongoing Project tasks

5.1.4 Tyler Implementation Consultant

- Completes tasks as assigned by the Tyler project manager(s)
- Performs problem solving and troubleshooting
- Follows up on issues identified during sessions
- Documents activities for on site services performed by Tyler
- Provides conversion Validation and error resolution assistance
- Recommends guidance for testing Forms and Reports
- Tests software functionality with the City of Santa Fe Springs following configuration
- Assists during Cutover process and provides production support until the City of Santa Fe Springs transitions to Tyler Support

- Provides product related education
- Effectively facilitates training sessions and discussions with City of Santa Fe Springs and Tyler staff to ensure adequate discussion of the appropriate agenda topics during the allotted time
- Conducts training (configuration, process, conversion Validation) for Power Users and the City of Santa Fe Springs's designated trainers for End Users
- Clearly documents homework tasks with specific due dates and owners, supporting and reconciling with the final Project schedule
- Keeps Tyler project manager(s) proactively apprised of any and all issues which may result in the need for additional training needs, change in schedule, change in process decisions, or which have the potential to adversely impact the success of the Project prior to taking action

5.1.5 Tyler Sales

- Provide sales background information to implementation during Project Initiation
- Support sales transition to implementation
- Provide historical information, as needed, throughout implementation

5.1.6 Tyler Software Support

- Manages incoming client issues via phone, email, and online customer incident portal
- Documents and prioritizes issues in Tyler's Customer Relationship Management (CRM) system
- Provides issue analysis and general product guidance
- Tracks issues and tickets to timely and effective resolution
- Identifies options for resolving reported issues
- Reports and escalates defects to Tyler Development
- Communicates with the City of Santa Fe Springs on the status and resolution of reported issues

5.2 City of Santa Fe Springs Roles and Responsibilities

City of Santa Fe Springs resources will be assigned prior to the start of each Phase of the Project. One person may be assigned to multiple Project roles.

5.2.1 City of Santa Fe Springs Executive Sponsor

- Provides clear direction for the Project and how it applies to the organization's overall strategy
- Champions the Project at the executive level to secure buy-in
- Authorizes required Project Resources
- Resolves all decisions and/or issues not resolved at the City of Santa Fe Springs Steering Committee level as part of the escalation process
- Actively participates in Organizational Change Communications

5.2.2 City of Santa Fe Springs Steering Committee

- Works to resolve all decisions and/or issues not resolved at the Project Manager level as part of the escalation process

- Attends all scheduled Steering Committee meetings
- Provides support for the Project team
- Assists with communicating key Project messages throughout the organization
- Prioritizes the Project within the organization
- Provides management support for the Project to ensure it is staffed appropriately and staff have necessary resources
- Monitors Project progress including progress towards agreed upon goals and objectives
- Has the authority to approve or deny changes impacting the following areas:
 - Cost
 - Scope
 - Schedule
 - Project Goals
 - City of Santa Fe Springs Policies

5.2.3 City of Santa Fe Springs Project Manager

The City of Santa Fe Springs shall assign Project Manager(s) prior to the start of this Project with overall responsibility and authority to make decisions related to Project Scope, scheduling, and task assignment, and communicates decisions and commitments to the Tyler Project Manager(s) in a timely and efficient manner. When the City of Santa Fe Springs Project Manager(s) do not have the knowledge or authority to make decisions, he or she engages the correct resources from City of Santa Fe Springs to participate in discussions and make decisions in a timely fashion to avoid Project delays.

- Contract Management
 - Validates contract compliance throughout the Project
 - Ensures invoicing and Deliverables meet contract requirements
 - Acts as primary point of contact for all contract and invoicing questions
 - Signs off on contract milestone acknowledgment documents
 - Collaborates on and approves change requests, if needed, to ensure proper Scope and budgetary compliance
- Planning
 - Review and acknowledge Implementation Management Plan
 - Defines Project tasks and resource requirements for City of Santa Fe Springs Project team
 - Collaborates in the development of and approval of the Project Plan and Project schedule
 - Collaborates with Tyler Project Manager(s) to plan and schedule Project timelines to achieve on-time implementation
- Implementation Management
 - Tightly manages Scope and budget of Project and collaborates with Tyler Project Manager to establish a process and approval matrix to ensure Scope changes and budget planned versus actual are transparent and handled effectively and efficiently
 - Collaborates with Tyler Project Manager to establish and manage a schedule and resource plan that properly supports the Project Plan, as a whole, that is also in balance with Scope/budget

- Collaborates with Tyler Project Manager to establishes risk/issue tracking/reporting process between the City of Santa Fe Springs and Tyler and takes all necessary steps to proactively mitigate these items or communicates with transparency to Tyler any items that may negatively impact the outcomes of the Project
- Collaborates with Tyler Project Manager(s) to establish key business drivers and success indicators that will help to govern Project activities and key decisions to ensure a quality outcome of the Project
- Routinely communicates with both City of Santa Fe Springs staff and Tyler, aiding in the understanding of goals, objectives, current status, and health of the Project by all team members
- Team Management
 - Acts as liaison between Project Team and Stakeholders
 - Identifies and coordinates all City of Santa Fe Springs resources across all modules, Phases, and activities including data conversions, Forms design, hardware and software Installation, reports building, and satisfying invoices
 - Provides direction and support to Project team
 - Builds partnerships among the various stakeholders, negotiating authority to move the Project forward
 - Manages the appropriate assignment and timely completion of tasks as defined in the Project schedule, task list, and Production Cutover checklist
 - Assesses team performance and takes corrective action, if needed
 - Provides guidance to City of Santa Fe Springs technical teams to ensure appropriate response and collaboration with Tyler Technical Support Teams to ensure timely response and appropriate resolution
 - Coordinates with in Scope third party providers to align activities with ongoing Project tasks

5.2.4 City of Santa Fe Springs Functional Leads

- Makes business process change decisions under time sensitive conditions
- Communicates existing business processes and procedures to Tyler consultants
- Assists in identifying business process changes that may require escalation
- Attends and contributes business process expertise for current/future state analysis sessions
- Identifies and includes additional subject matter experts to participate in current/future state analysis sessions
- Provides business process change support during Power User and End User training
- Completes performance tracking review with client Project team on End User competency on trained topics
- Provides Power and End Users with dedicated time to complete required homework tasks
- Act as an ambassador/champion of change for the new process.
- Identifies and communicates any additional training needs or scheduling conflicts to City of Santa Fe Springs Project Manager
- Prepares and Validates Forms
- Actively participates in all aspects of the implementation, including, but not limited to, the following key activities:
 - Task completion
 - Stakeholder Presentation

- Implementation management plan development
- Schedule development
- Maintenance and monitoring of risk register
- Escalation of issues
- Communication with Tyler Project team
- Coordination of City of Santa Fe Springs resources
- Attendance at scheduled sessions
- Change Management activities
- Customization specification, demonstrations, testing and approval assistance
- Conversion Analysis and Verification Assistance
- Decentralized End User Training
- Process Testing
- User Acceptance Testing

5.2.5 City of Santa Fe Springs Power Users

- Participate in Project activities as required by the Project team and Project Manager(s)
- Provide subject matter expertise on City of Santa Fe Springs business processes and requirements
- Act as Subject Matter Experts and attending current/future state and Validation sessions as needed
- Attend all scheduled training sessions
- Participate in all required post-training processes as needed throughout Project
- Participate in conversion Validation
- Test all Application configuration to ensure it satisfies business process requirements
- Become Application experts
- Participate in User Acceptance Testing
- Adopt and support changed procedures
- Complete all Deliverables by the due dates defined in the Project schedule
- Demonstrate competency with Tyler products processing prior to Production Cutover
- Provide knowledge transfer to City of Santa Fe Springs staff during and after implementation, as necessary

5.2.6 City of Santa Fe Springs End Users

- Attend all scheduled training sessions
- Become proficient in Application functions related to job duties
- Adopt and utilize changed procedures
- Complete all Deliverables by the due dates defined in the Project schedule
- Utilize software to perform job functions at and beyond Production Cutover

5.2.7 City of Santa Fe Springs Technical Support

- Coordinates updates and releases with Tyler as needed
- Coordinates the copying of source databases to training/testing databases as needed for training days
- Extracts and transmits conversion data and control reports from City of Santa Fe Springs's Legacy System per the conversion schedule set forth in the Project schedule

- Coordinates and adds new users and printers and other Peripherals as needed
- Validates all users understand log-on process and have necessary permission for all training sessions
- Coordinates Interface development for City of Santa Fe Springs 3rd party Data Exchanges.
- Develops or assists in creating Reports as needed
- Ensures onsite system hardware meets specifications provided by Tyler
- Assists with software deployment as needed

5.2.8 City of Santa Fe Springs Upgrade Coordinator

- Becomes familiar with the Software Upgrade process and required steps
- Becomes familiar with Tyler's releases and updates
- Utilizes Tyler Community to stay abreast of the latest Tyler releases and updates, as well as the latest helpful tools to manage the City of Santa Fe Springs's Software Upgrade process
- Assists with the Software Upgrade process, if required, during implementation
- Manages Software Upgrade activities post-implementation
- Manages Software Upgrade plan activities
- Coordinates Software Upgrade plan activities with City of Santa Fe Springs and Tyler resources
- Communicates changes affecting users and department stakeholders
- Obtains department stakeholder sign-offs to upgrade Production environment

5.2.9 City of Santa Fe Springs Project Toolset Coordinator

- Ensures users have appropriate access to Tyler Project Toolsets such as Tyler University, Tyler Community, Tyler Product Knowledgebase, SharePoint, etc.
- Conducts training on proper use of toolsets
- Validates completion of required assignments using toolsets

5.2.10 City of Santa Fe Springs Change Management Lead

- Validates users receive timely and thorough communication regarding process changes
- Provides coaching to Supervisors to prepare them to support users through the Project changes
- Identifies the impact areas resulting from Project activities and develops a plan to address them proactively
- Identifies areas of resistance and develops a plan to reinforce the change
- Monitors post-production performance and new process adherence

6 Glossary

Word or Term	Definition
Application	A computer program designed to perform a group of coordinated functions, tasks or activities for the benefit of the user.
Change Control	A systematic approach for managing change governing how Change Requests will be received, assessed and acted on.
Change Management	An approach for ensuring that changes are thoroughly and smoothly implemented and that the lasting benefits of change are achieved. The focus is on the global impact of change with an intense focus on people and how individuals and teams move from the current situation to the new one.
Change Request	A form used as part of the Change Control process whereby changes in the Scope of work, timeline, resources, and/or budget are revised and agreed upon by participating parties.
Consumables	Items that are used recurrently, usually by Peripherals. Examples: paper stock or scanner cleaning kits.
Control Point	Occurring at the end of each Stage, the Control Point serves as a formal client review point. Project progress cannot continue until the client acknowledges the agreed upon Deliverables of the Stage have been met, or agree on an action plan to make the Deliverable acceptable and move to next Stage while executing final steps of current Stage.
Cutover	The point when a client begins using Tyler software in Production.
Data Exchange	A term used to reference Imports and Exports, and Interfaces which allow data to be exchanged between an external system and Tyler software.
Data Mapping	The process of mapping fields from the Legacy System to the appropriate location in the new system from one or more sources.
Deliverable	A tangible or intangible object/document produced as a result of the Project that is intended to be delivered to a client (either internal or external) at a specific time.
End User	The person for whom the software is designed to use on a day-to-day basis.
Forms	A document which is typically printed on a template background and only captures data for one record per page. Forms are provided to entity customers whether internal (employees) or external (citizens).
Imports and Exports	A process within the system that a user is expected to run to consume (Import) or produce (Export) a specifically defined file format/layout.
Interface	A real-time or automated exchange of data between two systems.
Install	References the initial Installation of software files on client servers or Tyler hosted servers, and preparing the software for use during configuration. The version currently available for general release will always be used during the initial Install.
Legacy System	The system from which a client is converting.

Modification	Modification of software program package to provide individual client requirements documented within the Scope of the Agreement.
Peripherals	An auxiliary device that connects to and works with the computer in some way. Examples: mouse, keyboard, scanner, external drive, microphone, speaker, webcam, and digital camera.
Phase	A portion of the Project in which specific set of related products are typically implemented. Phases each have an independent start, Production Cutover and closure dates but use the same Implementation Plans as other Phases within the Project. Phases may overlap or be sequential and may have the same Tyler Project manager or different individual assigned.
Power User	An experienced client person or group who is (are) an expert(s) in the client business processes, as well as knowledgeable in the requirements and acceptance criteria.
Project	The Project includes all implementation activity from Plan & Initiate to Closure for all products, Applications and functionality included in a single Agreement. The Project may be broken down into multiple Phases.
Project Plan	The Project Plan serves as the master blueprint for the Project. As developed, the Project schedule will become a part of the Project Plan and outline specific details regarding tasks included in the Project Plan.
Project Planning Meeting	Occurs during the Plan & Initiate Stage to coordinate with the client Project manager to discuss Scope, information needed for Project scheduling and resources.
Questionnaire	A document containing a list of questions to be answered by the client for the purpose of gathering information needed by Tyler to complete the implementation.
RACI	A chart describing level of participation by various roles in completing tasks or Deliverables for a Project or process. Also known as a responsibility assignment matrix (RAM) or linear responsibility chart (LRC).
Reports	Formatted to return information related to multiple records in a structured format. Information is typically presented in both detail and summary form for a user to consume.
Scope	Products and services that are included in the Agreement.
Stage	The top-level components of the WBS. Each Stage is repeated for individual Phases of the Project and requires acknowledgement before continuing to the next Stage. Some tasks in the next Stage may begin before the prior Stage is complete.
Stakeholder Presentation	Representatives of the Tyler implementation team will meet with key client representatives to present high level Project expectations and outline how Tyler and the client can successfully partner to create an environment for a successful implementation.
Standard	Included in the base software (out of the box) package.
Statement of Work (SOW)	Document which will provide supporting detail to the Agreement defining Project-specific activities and Deliverables Tyler will provide to

	the client.
Test Plan	Describes the testing process. Includes "Test Cases" to guide the users through the testing process. Test cases are meant to be a baseline for core processes; the client is expected to supplement with client specific scenarios and processes.
Software Upgrade	References the act of updating software files to a newer software release.
Validation (or to validate)	The process of testing and approving that a specific Deliverable, process, program or product is working as expected.
Work Breakdown Structure (WBS)	A hierarchical representation of a Project or Phase broken down into smaller, more manageable components.

7 Munis Conversion Summary

7.1 Accounting COA

- Chart of Accounts segments, objects, character codes, project codes (if applicable), organization codes (if applicable), control accounts budget rollups, fund attributes, due to/due from accounts
- Requires the use of a Tyler provided spreadsheet for design and entry of the data to be converted

7.2 Accounting - Actuals

- Summary account balances
- Up to 3 years

7.3 Accounting - Budgets

- Original budget, budget adjustments, revised budget summaries for accounts
- Up to 3 years

7.4 Accounts Payable Master

- Vendor Master file including names, addresses, SSN/FID, contacts, phone numbers
- Multiple remittance addresses
- Year-to-date 1099 amounts

7.5 Accounts Payable - Checks

- Check header data including vendor, warrant, check number, check date, overall check amount, GL cash account and clearing information
- Check detail data including related document and invoice numbers for each check

7.6 Accounts Payable - Invoices

- Invoice header data containing general information for the invoice
- Invoice detail data containing line-specific information for the invoice

7.7 Business License Master

- Businesses, licenses and permits, charges and receipts, and classification codes

7.8 Business License - Bills

- Receivable amounts associated with license detail

7.9 Contracts

- Contract header detail with many fields available to convert including fiscal year and period, vendor number, department code, description, enforcement method code, dates for award, approval, entry and expiration, retention information, user-defined type and review codes, status code, user id for entry and approver. Additional fields are also available.
- Contract detail including line item account and amount detail

7.10 Fixed Assets Master

- Asset description, status, acquisition quantity, date and amount, codes for asset class, subclass, department, custodian, flags for capitalization and depreciation, estimated life, serial number, model, model year, depreciation method, life-to-date depreciation amount, last depreciation date, disposal information (if any), purchase information, if any (vendor, PO, Invoice)

7.11 Fixed Assets - History

- Transaction history data for acquisitions, disposals, transfers, etc.

7.12 General Billing CID

- Customer information

7.13 General Billing – Recurring Invoices

- General Billing Invoices that are sent on a regular basis
- Header records with general information about the invoice
- Detail records with line-specific information

7.14 General Billing – Bills

- Unlimited history of open and closed invoices
- General Ledger information so open invoices can be processed in Munis

7.15 Inventory Master

- General master data includes item, description, commodity code, purchase vendor and date, date received, GL information, hazard code, etc. Location master includes item, location, bin, various quantities (on-hand, last, committed, standard purchase, re-order), lead time; count, count date, and variance; GL information; plus many accumulator buckets (MTD/YTD/SOY/SOM/LY received /issued /adjusted /cost /value), etc. FIFO data includes item, location, date, qty-received, unit cost, and quantity on hand.

7.16 Inventory – Commodity Codes

- Commodity master information, including codes and descriptions, commodity type, acquisition type, unit of measure, vendor, buyer, approver, and various other codes and flags

7.17 Payroll

- Payroll Employee Master data including data such as name, address, SSN, legacy employee ID, date of birth, hire date, activity status (such as active/inactive), leave/termination code and date, phone(s), e-address, marital status, gender, race, personnel status (such as full-time, part-time, etc.), highest degree, advice-delivery (print/email/both) and check location, plus primary group, job, location, and account information

7.18 Payroll - Deductions

- Employee Deductions - including employee ID, deduction codes, tax information, and direct deposit information

7.19 Payroll – Accrual Balances

- Employee Accrual Balances including Vacation, Holiday, and other Leave balances
- Start of year balance, earned to date, used to date

7.20 Payroll – Accumulators

- YTD, QTD, MTD amounts for employee pay and deductions
- Needed for mid-calendar-year go-live
- May not be needed if converting earnings/deductions history

7.21 Payroll – Check History

- Up to 5 years, additional years must be quoted. We convert amounts for earnings and deductions in employee check history, check number and date.

7.22 Payroll – Earning/Deduction History

- Up to 5 years, additional years must be quoted. Earning and deduction history broken down my individual codes (earnings and deduction) and amounts per pay period, the detail of these lines, sums the check history in opt 4.

7.23 Payroll – Applicant Tracking

- Application requisition applicant master data, plus applicant references, certifications, education, skills, tests, work history, and interviews

7.24 Payroll – PM Action History

- A variety of Personnel actions, such as job or salary changes and dates these events occurred.

7.25 Payroll – Position Control

- Position, description, status, job code, bargaining group, location, number of employees allowed for each, FTE percentage, GL account, and max/min grade and step

7.26 Payroll – State Retirement Tables

- Specific state-required data, plus related service years information, when appropriate
- Needed for some states

7.27 Payroll – Certifications

- Certification area and certification type codes, certification number and effective date, expiration date, and required-by date, codes for certification level and subjects

7.28 Payroll – Education

- Codes, for institution, type of degree, and area(s) of study

7.29 Project Grant Accounting

- Segments, account strings and fund string allocation table
- Requires the use of a Tyler provided (Chart of Accounts) spreadsheet for design and entry of the data to be converted

7.30 Project Grant Accounting - Actuals

- Summary project ledger string balances
- Up to 3 years

7.31 Project Grant Accounting – Budget

- Original project ledger budget amounts
- Up to 3 years

7.32 Purchase Orders

- Open purchase orders header data including vendor, buyer, date, accounting information, etc.
- Open purchase orders detail data including line item descriptions, quantities, amounts, etc.

7.33 Utility Billing

- Account Master data including previous and current customer owner information- address info, phone, fax, SSN number, FID number, account status, parcel number, location street, apartment, City, state, zip, book number, read sequence, account start and end date, EFT bank information

7.34 Utility Billing – Services

- Service data for each account including service codes, status, type, factor, condo units, bill cycle codes, budget information, winter usage, meter readings (current and previous), meter usage (current and previous), sales tax information

7.35 Utility Billing – Assessments

- Assessments are improvement costs that are spread across to property owner
- Utility Billing conversion option 4 (balance forward AR) must also be purchased in order to convert assessments

7.36 Utility Billing – Consumption History

- Up to 3 years history of meter readings, usage, read dates, usage days, bill amounts, bill dates, read codes

7.37 Utility Billing – Balance Forward AR

- Total balance due on the account, or by charge code
- If late penalties will be applied in Munis after the conversion, balance forward amounts must be converted by charge code

7.38 Utility Billing – Service Orders

- Service Orders data associated with accounts, including meter repairs, checks for leaky meter, reread a meter due to high reading

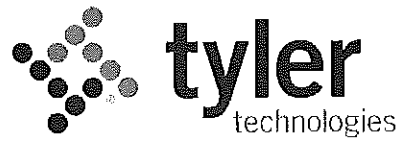


Exhibit F
Functional Requirements

The Functional Requirements set forth in Tyler's Proposal to the City of Santa Fe Springs dated July 14, 2016 are incorporated herein by reference.

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ATTACHMENT 2

CITY OF SANTA FE SPRINGS

PROPOSAL FOR ENTERPRISE RESOURCE PLANNING
SOFTWARE AND IMPLEMENTATION SERVICES

7/14/2016

Subject to restrictions on disclosure identified on following page



RESTRICTIONS ON DISCLOSURE

This proposal from Tyler Technologies, Inc. ("Tyler") contains proprietary and confidential information, including trade secrets, belonging to Tyler or Tyler's partners. Tyler is submitting this proposal on the express condition that the following portions, if included, will not be duplicated, disclosed, or otherwise made available, except for internal evaluation purposes:

- Response to the Functional Requirements, or "Checklist"
- Line-item pricing (total proposed contract amount may be disclosed)
- Screen shots
- Customized Statement of Work/Implementation Plan

Each of these sections, if included, has separately been labeled "Proprietary and Confidential – Subject to Restrictions on Disclosure."

To the extent disclosure of those portions is requested or ordered, Tyler requires written notice of the request or order. If disclosure is subject to Tyler's permission, Tyler will grant that permission in writing, in Tyler's sole discretion. If disclosure is subject to a court or other legal order, Tyler will take whatever action Tyler deems necessary to protect its proprietary and confidential information, and will assume all responsibility and liability associated with that action.

Tyler agrees that any portions not listed above and marked accordingly are to be made available for public disclosure, as required under applicable public records laws and procurement processes.

TRADEMARKS DISCLAIMER

Because of the nature of this proposal, third-party hardware and software products may be mentioned by name. These names may be trademarked by the companies that manufacture the products. It is not Tyler's intent to claim these names or trademarks as our own.

LETTER OF TRANSMITTAL

Provide a letter of transmittal introducing your company and your proposal.

Please reference the Letter of Transmittal provided on the following pages.

July 14, 2016



One Tyler Drive
Yarmouth, ME 04096

P: 800.772.2260
F: 207.781.2459

City of Santa Fe Springs
Ms. Janet Martinez
City Clerk
11710 Telegraph Road
Santa Fe Springs, CA 90670

RE: Response to RFP

Dear Ms. Martinez:

Tyler Technologies, Inc. (Tyler Technologies) is pleased to respond to City of Santa Fe Springs's Request for Proposal dated June 16, 2016, for Enterprise Resource Planning Software and Implementation Services. The attached proposal will detail our complete offering, including:

- Munis software applications
- Necessary consultation to define scope of services
- Implementation of software and services
- Training on, and support of, provided software and services

In presenting the enclosed proposal, Tyler Technologies warrants that it is unaware of any known conflict of interest in responding to, or submitting, said proposal in response to City of Santa Fe Springs's RFP. Tyler Technologies also warrants that it complies, and acts in accordance, with:

- Federal Executive Orders relating to the enforcement of civil rights
- Federal Codes regarding Anti-discrimination in Employment
- Title 6, Civil Rights Act of 1964
- Requirements of the Americans with Disabilities Act of 1990 for work performed due to this RFP

This proposal and cost schedule shall be valid and binding for 120 days following the RFP due date. Except as set forth in this proposal, this proposal may be released in part or in total as public information in accordance with the requirements of the laws covering same.

One or more individuals in the Tyler Technologies Contracts Department have read and accepted the terms and conditions of the RFP and any amendments, except as modified by, taken exception to, or otherwise set forth in Tyler Technologies' proposal.

If you have any questions related to this proposal, please feel free to contact:

Jennifer Wahlbrink, Sr. Account Executive
623-760-7566
jennifer.wahlbrink@tylertech.com

Tyler Technologies, Inc. is a publicly traded corporation (NYSE: TYL)
EIN: 75-2303920

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Abigail Diaz".
Abigail Diaz

Vice President and Associate General Counsel, Tyler Technologies, Inc.

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EXECUTIVE OVERVIEW

Response should include an Executive Overview/Summary (approximately 3 to 4 pages) of the proposed solution describing the modules proposed, any vendor teaming, the implementation approach, the implementation methodology, City's responsibilities, overall schedule and cost.

Introduction

Through the release of the RFP for an Enterprise Resource Planning (ERP) system, Santa Fe Springs has expressed the desire and need to identify and implement a state-of-the-art, user-friendly software solution to optimize use of City-wide resources and associated business processes. This would replace the City's approximately 30-year-old COBOL solution, Tamas and Associates/Knowles-McNiff software.

From the RFP it is clear that the City currently relies on an extremely outdated system with obsolete technology and functionality, limited features and reporting capabilities, and the need for shadow systems such as QuickBooks, an in-house business license system, and Excel spreadsheets/Access databases. This non-streamlined and poorly interfaced system has rendered transparency and process compliance difficult to attain and achieve. Overall, the consensus is that the City and its residents, staff, visitors, business partners and elected officials could benefit tremendously from a real-time, integrated, efficient and easy-to-use software solution that allows direct, easy access to information and streamlined interactions and transactions with, and within, the City.

Why Partner with Tyler Technologies

Tyler Technologies is the world's leading provider of premier ERP solutions built specifically for the public sector. Tyler's sole focus on the public sector ensures you enjoy a more accessible, responsive and efficient solution for your staff, citizens and other stakeholders. Tyler is the fastest growing major public sector software provider, and has partnered with more than 14,000 clients throughout the United States, its territories, and Canada. With our experience we have proven our effectiveness in the industry with a record of successful projects that distinguishes our solutions.

Tyler's Munis ERP solution is a Microsoft-based, state-of-the-art, comprehensive ERP solution that has been successfully implemented by hundreds of governmental agencies. Designed to work out-of-the-box, Munis ERP offers streamlined processes and procedures, intuitive navigation, and inherent Best Business Practices. Tyler is confident our Munis ERP solution will meet—and even exceed—the needs of the City's requirements and expectations in all aspects of the solution. In summary, Munis ERP will bring to Santa Fe Springs the following benefits as part of a Not-To-Exceed contract:

- ✓ **Highly configurable**, government-specific COTS software – with embedded Best Business Practices that are designed specifically to meet public sector requirements.
- ✓ **Prudent, leading technology** applications, infrastructure and systems that provide a robust web-based solution, mobile apps, and a scalable Windows-based architecture that is proven, secure and meets the highest needs of public sector organizations.
- ✓ **Implementation services**, provided by Tyler's in-house staff on a Not-to-Exceed basis, following a proven and effective methodology built from the Project Management Institute framework to enable your staff to easily adopt the new solution and achieve your project goals.
- ✓ **Ongoing, in-house certified** and highly trained Customer Service and Support professionals to help you take advantage of the software, our services and our community.
- ✓ **"Evergreen" and everGuide Development Philosophy** where you'll receive new features and enhancements in a planned approach as part of your maintenance agreement and at no additional cost to you, allowing the City of Santa Fe Springs to embrace new technology and adapt to changing business practices in a seamless manner.

Addressing Santa Fe Springs's project goals

Continuous enhancements to support best practices

Each of the Munis modules are designed to help you solve specific business problems—whether it's tracking contracts, ensuring compliance with reporting requirements or building your annual budget. Tyler participates in ongoing review of public sector business requirements, works with existing clients, and participates in technology assessments—all with the

end user in mind. This is a continuous process that ensures your Munis ERP solution remains relevant to your needs *today*, while embracing the needs and requirements of the future. With more than 190 staff members dedicated to product design and development alone, Tyler's focus and dedicated stewardship ensures you enjoy the most current software and technology that best suits your needs as you address daily business decisions.

Mechanism for Measuring Achievement

Tyler understands that business intelligence is more than just generating reports. That's why Munis ERP offers an "operational intelligence" approach for defining, capturing, benchmarking and analyzing performance measures. Using a combination of Microsoft SQL Server, Excel "cubes" and core Munis reports, the City can collect, analyze and report on real-time, City-wide information in a seamless process.

The City will be able to define and track both monetary and statistical measures, employing a toolkit that was designed with input from industry groups such as GFOA and ICMA, preparing the City for performance-oriented budgeting and analysis that helps your key decision makers move the City forward and upward.

Full Cost implementation ensuring business continuity and end-user adoption

Our proposal is a Not-to-Exceed bid, with the intent to meet all your requirements set out in the RFP as part of the project. With 60 to 70 deployments of Munis every year--more than double other solutions-- we are confident we can deliver the City's project on time and within budget. From a staggered deployment to optional Change Management services, Munis implementation is designed to allow City subject matter experts to focus on core competencies and City specific project assignments.

Easy access to information with easy to use reporting tools

Information access is key to effective and prompt decision making. And in order to deliver timely and cost-effective services to your community, you need access to information. And it needs to be easy. Within the Munis Analytics & Reporting module, our customers find that they have the most easy to use yet powerful reporting tools they have worked with to date. Unlike the many third party, standalone Business Intelligence solutions offered by our competitors, we built our own data warehouse.

Integration within Munis and with third-party solutions to provide a 360-degree solution

Tyler offers robust integration, both within Tyler products themselves and with hundreds of third-party applications with a significant number of pre-designed integration points and standard import/export file layouts already included for your convenience, *free of charge*. This means your staff benefits from the use of standardized, time-tested integration points that are readily available, in most cases as a flexible format, and already in use by hundreds of Munis clients. These include automated interfaces that will enable the City to seamlessly integrate for a variety of functions including via Munis GL, AP, Vendor and Budget; HR and Payroll (including NeoGov); Business Licenses, AR and GL; and a variety of additional integration points including OnBase and TeleStaff. (Following is a Web URL of a document highlighting Munis client Richland County School, SC's use of Munis and OnBase.)

<http://databankimx.web12.hubspot.com/Portals/155915/docs/Case%20Studies%20-%20Richland%20One.pdf>

Tyler's proposed Munis modules

Accounting/GL/Budget/AP	Bid Management	Cash Management
Contract Management	Employee Expense Reimbursement	Fixed Assets
Inventory	Project & Grant Accounting	Purchasing
Work Orders, Fleet & Facilities	Human Resource Management	Payroll w/ESS
Accounts Receivable	General Billing	Business License
Tyler Cashiering	Utility Billing CIS	Utility Billing Interface
Postal Xpress Subscription	Tyler Forms Processing	eProcurement
Munis Analytics & Reporting	Tyler Content Manager – SE	Citizen Self Service
CAFR Statement Builder		

Tyler: The best value for the City of Santa Fe Springs, CA

When securing a new ERP solution, clients typically choose the software that appears to solve their current problems and meets their project goals. An often overlooked criterion in the process, however, is selecting the vendor who best

understands the way your City needs to operate. That's the crucial first step to success for the City of Santa Fe Springs. Tyler Technologies is uniquely qualified to be that partner. With more than 35 years of public sector ERP expertise, Tyler understands the current challenges facing your City—and we're poised to empower Santa Fe Springs to resolve these challenges with the Munis ERP solution.

Tyler's singular focus on the public sector, a proven track record of success, the easy-to-use and feature-rich role-tailored software, and our unique Evergreen and software development philosophies will provide the City with the best ROI and TCO available in the industry today. As an industry leader, Tyler is a partner who provides best-in-class solutions specifically for local government. In fact, successfully helping clients overcome their current issues and meet their future goals is *why* Tyler is the leader in the public sector market. It is Tyler's goal to make your transition to your new ERP solution a successful one—now and for the long term.

Section 1 COMPANY BACKGROUND AND EXPERIENCE

Provide a brief history of the company, the current corporate environment, the core business philosophy and company's strategic direction in software design and support.

Tyler Technologies, headquartered in Plano, Texas, is a leading provider of information management solutions and services to local governments. The company provides software and services to more than 14,000 local government offices throughout all fifty United States, the U.S. Virgin Islands, Canada, Puerto Rico, and the United Kingdom. These mission-critical applications provide the public sector with the ability to streamline and automate operations resulting in improved productivity and reduced costs.

We are known for long-standing client relationships, functional and feature-rich products, and the latest technology. In addition to software products, Tyler provides related professional services including installation, data conversion, consulting, training, customization, support, disaster recovery, and application and data hosting.

Tyler always puts its clients first. We succeed because we take our client's success seriously, and we have a proven record of delivering superior software solutions and services. The overwhelming majority of clients are up and running on time, and within budget. Whether it's developing, enhancing, and implementing our software, or providing excellent service and client support—we succeed because our clients succeed. We want clients for life. In fact, many of Tyler's first clients, across every solution, are still clients today – some with relationships that span decades.

If your company has acquired any software products, this section should clearly delineate these products and the plans for integrating these products into your corporate environment.

Year Acquired	Company Name	Year Founded
1998	Business Resources Corporation	1982
	The Software Group (TSG)	1981
	Interactive Computer Design (Incode)	1981
	Computer Management Services	1975
1999	Eagle Computer Systems	1978
	Micro Arizala Systems (FundBalance)	1984
	Process Inc. Computer Center Software (MUNIS)	1978
	Cole Layer Trumble Company	1938
2003	Eden Systems, Inc.	1981
2006	MazikUSA, Inc. (TEMS)	2003
	TACS, Inc.	1986
2008	Versatrans	1981
	Olympia Computing Company, Inc.	1979
2009	PulseMark, LLC	2007
	Assessment Evaluation Services, Inc.	1994
	Parker-Lowe & Associates	1994
2010	Wiznet, Inc.	1995
2011	The Windsor Management Group (Infinite Visions)	1980
	Yotta MVS, Inc.	1986
2012	UniFund	1988
	Computer Software Associates	1982
	Akanda Innovation, Inc.	1997
	EnerGov	2002
2015	Brazos Technology	2000
	New World Systems	

Describe any other pertinent historical information about your company and other major products or services offered but not bid.

With decades of exclusive public sector experience, Tyler Technologies is the market leader that provides integrated software and services; our singular focus, subject matter experts and in-depth products result in a sustainable client partnership that delivers the industry's most comprehensive solution. We provide the industry's broadest line of software products, and offer clients a single source for all their information technology needs, in several major areas: Financial & Human Resources, K-12 School Solutions, Public Safety, Courts & Justice, Property Appraisal & Tax, Pension Management, Citizen Services, Land & Vital Records, and Document Management.

Provide a general description of the company's financial condition. Provide information regarding any pending litigation, impending mergers, contract defaults or other conditions related to the financial health of the company. Also provide in the Appendices three years of financial statements.

Tyler consistently maintains a solid balance sheet and strong cash flow and low debt, experiencing consistent revenue growth with 56 consecutive quarters of profitability, and a total revenue for 2015 of \$591 million. While experiencing significant growth opportunities from an increase in staff and expanding territories, we anticipate additional product offerings and new technology will accelerate this growth substantially in the future. We believe a debt-free balance sheet, substantial cash reserves, and a committed customer base put Tyler in a great position in our industry to weather any unexpected turbulence in the economy.

For additional revenue information please visit www.tylertech.com

Please see the Financial Statements included with the Original proposal.

Tyler Technologies, Inc. has no pending litigation.

Also provide the company's experience in performing similar relevant government entities projects performed in the last five years. Highlight any participation by staff that is proposed on this project.

PUBLIC SECTOR FOCUS

Tyler Technologies' business units have provided software and services to customers for more than forty years and have long-standing reputations in the local government market for quality products and customer service. Tyler is the largest company in the United States focused solely on providing software solutions to the public sector. While many of our competitors compete in multiple vertical markets, Tyler is singularly focused on the public sector. It's 100 percent of our business.

Tyler recognizes that the public sector is generally stable, risk averse, and craves community accessibility, security, and transparency. That is why local government and school entities seek reliable and efficient software and services from Tyler—a vendor who is professional, reputable, dedicated, and achieves results. Tyler has the experience to understand the unique requirements of the public sector, the necessary resources to invest in its products, and the ability to deliver quality services.

Tyler's expansive offering of professional services is designed to complement its software offerings and produce the optimum working environment for local government customers.

- Consulting
- Conversion
- Customization
- Training
- Live ongoing support
- Network management

Section 2 CLIENT REFERENCES

Provide a list of five (5) or more clients who have contracted with your firm for the software modules desired and the requested implementation services. The list should include the following:

City of Victorville, CA	
Address	14343 Civic Drive, Victorville, CA
Contact	Mr. Joe Haggard, Director - Information Technology (Project Manager)
Email	jhaggard@ci.victorville.ca.us
Phone	(760) 955-5039
Implementation Dates	2010 to Present (Live Operations). Implemented in a phased approach
Population	110,000
Project Final Cost	N/A
Modules	Business and Vendor Self Service, Accounting/GL/BG/AP, Tyler Reporting Services, Tyler Cashiering - UB Interface, Tyler Forms, Tyler Report Writer, Fixed Assets, Citizen Self Service, Inventory, Applicant Tracking, General Billing, BMI Asset Trk Interface, Payroll w/ESS, Tyler Pulse, Central Property File, Tyler Forms Processing, Utility Billing CIS, Accounts Receivable, Bus Licenses, HR Management, Business Objects Bundled, Tyler Content Manager, Role Tailored Dashboard, MUNIS Office, Project & Grant Accounting, Performance Based Budgeting, Purchase Orders, Work Orders, Fleet & Facilities, Treasury Management, Requisitions, Employee Expense Reimbursement, Contract Management, Bid Management, Tyler's Change Management Services, Tyler's Consulting Services
Contact	Ms. Carmen Cun, IT Coordinator
Email	ccun@ci.victorville.ca.us
Phone	(760) 955-5017

City of Culver City, CA	
Address	9770 Culver Blvd. Culver City, CA. 90232
Contact	Steve Gill, Senior Enterprise Business Analyst
Email	steve.gill@culvercity.org
Phone	(310) 253-5971
Implementation Dates	2011 to Present 2014. Implemented in a phased approach
Population	50,000
Project Final Cost	N/A
Modules	Tyler Content Manager CM , Tyler Reporting Services , General Billing, Permits Code Enforce , Project & Grant Accounting , Performance Based Budgeting , Bid Management , Requisitions , Treasury Management, HR Management , Business and Vendor Self Service , TCM SE Disaster Recovery Service , BMI Asset Trk Interface , BMI CollectIT Interface, Citizen Self Service, Fixed Assets , Purchase Orders , GASB 34 Report Writer , Role Tailored Dashboard , Applicant Tracking , Tyler Forms Processing , MUNIS Disaster Recovery Service, Bus Licenses , Central Property File , Accounting/GL/BG/AP , MUNIS Office , Payroll w/ESS , Accounts Receivable , Contract Management, Inventory , Employee Expense Reimbursement , Tyler Cashiering

City of Santa Barbara, CA

Address	735 Anacapa St., Santa Barbara, CA 93101
Contact	Mr. Bob Samario, Assistant Finance Director
Email	bsamario@santabarbaraca.gov
Phone	(805) 564-5336
Implementation Dates	2014 to Present (Still implementing final phase). Implemented in phased approach
Population	100,000
Project Final Cost	N/A
Modules	CAFR Statement Builder, Tyler Reporting Services (Microsoft SQL Server), Tyler GoDocs, Tyler Forms Processing, Tyler Cashiering, General Billing, Accts Receivable, HR Management, Payroll w\ESS, Tyler Content Manager SE, Role Tailored Dashboard, Business and Vendor Self Service (client hosted), Munis Office, Treasury Management, Requisitions, Purchase Orders, Project & Grant Accounting, Inventory, Fixed Assets, Employee Expense Reimbursement, Contract Management, BMI CollectIT Interface, Bid Management, Accounting/GL/BG/AP

City of Chino, CA	
Address	13220 Central Avenue Chino, CA 91710
Contact	Mr. Rob Burns, Director of Finance
Email	rburns@cityofchino.org
Phone	(909) 591-9819
Implementation Dates	2008 to 2011. Implemented in a phased approach
Population	80,000
Project Final Cost	N/A
Modules	Purchase Orders, Project & Grant Accounting, Requisitions, Treasury Management, Work Orders, Fleet & Facilities, Applicant Tracking, Contract Management, Tyler Reporting Services, MUNIS Office, Tyler Content Manager, Accounts Receivable, Bus Licenses, Utility Billing CIS, Tyler Forms Processing, Inventory, General Billing, UB Interface, Accounting/General Ledger/Budgeting/Accounts Payable, Fixed Assets, GASB 34 Report Writer, HR Management, Payroll, Tyler Forms, Tyler's Change Management Services, Tyler's Consulting Services

City of Encinitas, CA	
Address	505 South Vulcan Avenue, Encinitas CA
Contact	Ms. Maureen Salmon, IT Project Manager
Email	msalmon@encinitasca.gov
Phone	(760) 633-2661
Implementation Dates	2011 to 2014 (initial purchase). Implemented in a phased approach. Continue to add additional Munis modules to scope of work.
Population	54,000
Previous Product	N/A
Modules	Tyler Secure Signature System, Payroll w\ESS, HR Management, Business and Vendor Self Service (Tyler hosted), Tyler Forms Processing, Tyler Cashiering, Accts Receivable, Tyler Reporting Services (Microsoft SQL Server), Role Tailored Dashboard, Munis Office, GASB 34 Report Writer, Applicant Track, Treasury (Cash) Management, Requisitions, Project & Grant Accounting, Employee Expense Reimbursement, Contract Management, Bid Management, Purchase Orders, Inventory, General Billing, Fixed Assets, Accounting/GL/BG/AP, Tyler Pulse, Tyler Content Manager, currently implementing Utility Billing (recently added to scope of work after initial purchase in 2011).

Section 3 SOLUTION DESCRIPTION AND SERVICES

Provide a detailed description of how your proposal meets the needs of the City as presented in this RFP. Provide an overview of the solution being proposed. This should include at a minimum the following:

- The software modules being proposed, indicating what modules are available “out of the box” versus modules that would either require custom development or are being filled by a third-party solution.

Tyler is proposing our Munis ERP solution in response to the City’s RFP for an Enterprise Resource Planning system. After review of your functional requirements we have included the modules listed below as part of the scope of the implementation project. All modules listed below are “out of the box” modules developed, implemented and supported all by Tyler.

Accounting/GL/Budget/AP	Bid Management	Cash Management
Contract Management	Employee Expense Reimbursement	Fixed Assets
Inventory	Project & Grant Accounting	Purchasing
Work Orders, Fleet & Facilities	Human Resource Management	Payroll w/ESS
Accounts Receivable	General Billing	Business License
Tyler Cashiering	Utility Billing CIS	Utility Billing Interface
CAFR Statement Builder	Tyler Forms Processing	eProcurement
Munis Analytics & Reporting	Tyler Content Manager – SE	Citizen Self Service

- Identify the recommended hardware for all environments.

Tyler supports several server environment deployment types including high availability configurations, virtualized environments and dedicated testing environments; the following requirements are for a standard deployment. Unless otherwise noted, all specifications include non-production environments (e.g. Train and Test).

Hard disk space specifications include a combination of internal hard drives and SAN storage device for many servers. Storage requirements are included for each server for capacity planning purposes. A fiber controller is strongly recommended for dedicated database servers and virtualized environments connecting to the SAN device for performance and redundancy reasons; iSCSI is sufficient for all other servers. For larger SQL installations, configuring the TEMPDB files on dedicated solid state drives can significantly improve SQL performance. SQL Server Enterprise Edition is required for “at-rest” data encryption using Transparent Data Encryption (TDE).

Operating system, database and application software is included for reference only. Typically, it is the responsibility of our clients to properly license Microsoft software.

High Availability

Tyler supports a variety of high availability (HA) server configurations. Tyler’s recommended configuration is a virtualized environment used in conjunction with replication products such as VMware Site Recovery Manager or Veeam Backup and Replication. For environments requiring multiple dedicated SQL Server servers, SQL Server AlwaysOn Availability Groups is recommended (note, AlwaysOn requires SQL Server Enterprise Edition). A hardware-based network load balance appliance is required when using multiple application servers. Clients should contact Tyler Installation Services when considering these advanced configurations.

Tyler will work with every client to help determine the best configuration to meet their infrastructure needs, however it is typically the responsibility of the client (or their hardware vendor) to configure advanced HA environments.

Virtualization

Tyler Technologies supports VMware vSphere and Microsoft Hyper-V for virtualizing Windows servers. It is a requirement that a Storage Area Network (SAN) or RAID 10 direct attached storage be used when configuring a virtualized solution and the system should be configured such that virtualized guests are given dedicated memory.

Most virtualized installations will require customized hardware configurations. Please contact your sales representative to be directed to the appropriate Tyler technical resource that will be able to assist in hardware selection.

Tyler Technologies currently does not offer any training or installation services for the VMware or Microsoft Hyper-V virtualization products.

Munis – Up to 100 Users

The following outlines server infrastructure required for a Munis implementation sized up to 100 concurrent Munis users.

Server Function	Qty.	CPU (P) ^[1]	CPU (V) ^[2]	Memory	Storage	Software
Munis App & Database	1	(2) Intel quad core 2.0Ghz+	4 vCPUs	32GB	400GB to 700GB	Windows Server 2012 R2 Standard SQL Server 2012 or 2014 Standard SharePoint 2013 Foundation
Content Management	1	(1) Intel quad core 2.0Ghz+	4 vCPUs	24GB	300GB	Windows Server 2012 R2 Standard
External Web	1	(1) Intel quad core 2.0Ghz+	1 vCPUs	12GB	100GB	Windows Server 2012 R2 Standard

[1] CPU configuration for physical configuration.

[2] Minimum virtual CPU allocation for virtual configuration.

NETWORK REQUIREMENTS

Overview

Tyler applications communicate over TCP/IP and a network infrastructure of 10/100 Mbps between workstation and server and gigabit (1000 Mbps) connections between on-premises servers is highly recommended.

On-premises installations require external web servers reside in a Firewall DMZ. On-premises clients must obtain a 128-bit SSL certificate for all web and application servers to encrypt all traffic over HTTPS between the server and end users.

Bandwidth

Bandwidth usage can vary depending on application user type and their daily functions. Based on benchmarks through Tyler's SaaS data center and Test Lab, Tyler recommends the following bandwidth requirements:

Client to Server:

- Minimum: Mobile broadband
- Recommended: 10/100 Mbps
- 20-25 Kbps per concurrent user session

Server to Server (on-premises only):

- 1GBps network connection

Server to Disk Subsystem (on-premises only):

- Environments up to 250 concurrent users: iSCSI
- Environments over 250 concurrent users: Fiber

Tyler highly recommends sites with many anticipated remote users request a bandwidth utilization report for at least 1 month of recent usage from their ISP to ensure they have sufficient bandwidth available to meet these requirements, especially those considering Tyler SaaS Hosting.

Remote access options for on-premises installations such as Remote Desktop Services (RDS), RemoteApp and Citrix are supported and recommended for low bandwidth environments.

Microsoft Active Directory (on-premises only)

Microsoft Active Directory is required for authentication with Tyler back office applications. All Tyler servers must be a member of a domain that includes Active Directory user accounts for all back office users. All workstations used to access back office applications must also be a member of the same domain to ensure an optimum end-user experience with Single Sign-On capability. Active Directory configuration and administration is the sole responsibility of the client and must be configured prior to installation of Tyler servers. Munis Self Service users do not require Active Directory accounts or access from workstations that are members of the domain.

Please consult Tyler's Installation Department to discuss using Tyler applications in advanced Active Directory environments.

Email Server Integration

An SMTP email server is required for sending Munis notifications. While any email server can be used for email notifications, Microsoft Exchange is required for the following advanced functionality:

- Automated scheduling in areas such as Scheduler Central for Permitting, Work Orders and Utility Service Orders as well as Work Order Facilities room reservations
- Automated archiving of emails initiated from Munis to Tyler Content Manager
- Appointment creation on records directly from Munis

SSL Certificates

For all new server installations of Munis 11.2.0, Tyler is requiring the use of SSL Certificates for all Munis application servers. A SSL certificate ensures network traffic is encrypted and secured. Not implementing a SSL certificate may allow passwords and other sensitive information to be transmitted in clear text across the network.

END-USER REQUIREMENTS

Microsoft Windows Workstations

	Minimum ^[1]	Recommended
Operating System	Windows 7 (32-bit)	Windows 8.1 or 10 (64-bit)
Memory	2 GB	4+ GB
Disk Space	50 MB	100 MB
Screen Resolution	1024 x 768	1280 x 800

Required PC Software / Components:

Microsoft .NET Framework v4.5.1^[2]

Microsoft Silverlight 5.1^[3]

Java Runtime Environment (JRE) 8^[4]

Supported Windows Workstation Web Browsers

32-bit Microsoft Internet Explorer 11

32-bit Google Chrome version 31 or higher^[5]

Supported Microsoft Office for Windows^[6]

32-bit Microsoft Office 2016

32-bit Microsoft Office 2013

32-bit Microsoft Office 2010

[1] Meeting the minimum PC requirements will ensure the Tyler applications will operate, but will not guarantee performance. All performance and benchmark testing is done with PC's that meet (or exceed) the 'recommended' hardware configuration.

[2] Required for Tyler Cashiering only.

[3] In Munis Version 11, Tyler started the migration of using Microsoft Silverlight with Munis applications to HTML5. As of Munis Version 11.2, most Munis applications have been migrated to HTML5 with only select functionality requires Microsoft Silverlight.

[4] Required for select Tyler Content Manager advanced functionality only.

[5] Microsoft Silverlight browser add-in is required for select Munis applications. In April 2015 Google Chrome removed support for Microsoft Silverlight. Users requiring access to Silverlight applications must use Microsoft Internet Explorer.

[6] Office 365 supported, but requires Office desktop client.

[7] Excel and Word export supported only. Office client add-ins are not supported.

Apple Mac OS Workstations

	Minimum ^[1]	Recommended
Operating System	Mac OS X 10.9 (64-bit)	Mac OS X 10.11+ (64-bit)
Processor	1.8 Ghz Intel	2.5+ Ghz Intel
Memory	2 GB	4+ GB
Disk Space	50 MB	100 MB
Screen Resolution	1024 x 768	1280 x 800

Required Mac Software / Components:

Microsoft Silverlight 5.1^[2]

Supported Mac Workstation Web Browsers^[3]

32-bit Apple Safari 8.0 or higher (with auto-updates enabled)

32-bit Apple Safari 9.0 or higher (with auto-updates enabled)

Supported Microsoft Office for Mac

- 32-bit Microsoft Office for Mac 2016
- 32-bit Microsoft Office for Mac 2011

Mac OS Limitations

Tyler Munis ERP is fully supported on Mac OS X with the following exceptions. This functionality can be obtained using alternative solutions such as RDS to a Windows environment or "Windows on Mac" virtualization (e.g. Parallels Desktop for Mac, VMware Fusion).

Microsoft Office for Mac does not support connections to SQL OLAP cubes. Due to this Microsoft limitation, Mac users cannot access Tyler Cubes.

Munis Next Year Budget Entry (NYBE) for Excel is a Microsoft Excel add-on is one of several ways users can input and maintain information related to next year budget entry. This add-on is only available for Microsoft Office (2010 and higher) on Windows platforms.

Tyler Reporting Services / SQL Server Reporting Services reports cannot be created or modified.

Advanced Tyler Content Manager functionality such as batch document scanning.

[1] Meeting the minimum PC requirements will ensure the Tyler applications will operate, but will not guarantee performance. All performance and benchmark testing is done with PC's that meet (or exceed) the 'recommended' hardware configuration.

[2] With Munis Version 11, Tyler started the migration of Munis applications from Microsoft Silverlight to HTML5. As of Munis Version 11.2, select Munis applications require Microsoft Silverlight.

[3] For optimal user experience, Tyler highly recommends all Mac workstations used for back office access (non Self Service) are members of the same Active Directory domain as Tyler servers or configured with Microsoft Forefront. Workstations configured in this manner ensures single sign-on to all back office applications.

Mobile Devices

Application	Any Mobile Device ^[1]	Windows Tablet	Windows Phone	Apple iPad	Apple iPhone

Munis Application Suite ^[2]	X	X		X	
Employee Time Off Approvals	X	X	X	X	X
Munis Field Inspector		X	X		
Munis Self Service	X	X		X	
Munis Workflow	X	X	X	X	X
Munis Work Orders		X			

[1] Not all devices tested regularly.

[2] HTML5 applications only; requires browser with HTML5 support. Some applications may require remote access configuration by the client.

TYLERFORMS OUTPUT MANAGEMENT SOLUTION PRINTER REQUIREMENTS

Check Printers

The following technical specifications must be met for check printing with the TylerForms Output Management Solution.

- HP Brand Black/White Laser Jet Networked Printer with Static IP Address
- High Speed USB 2.0 Port HP PCL 5e Personality or Language Installed
- Automatic Duplexing Included and Enabled
- Minimum Memory - 64MB
- Minimum of 80 Internal TrueType Scalable Fonts (80 HP Font Set)
- Minimum of 2 Full Input Trays (Manual Feed Tray not usable)
- Accommodates Letter and Legal Size Paper Stock
- Printers must have the latest firmware updates installed

IMPORTANT NOTE: We do not support HP printers that have been modified with TROY brand or any other 3rd party MICR security features for check printing.

Recommended TylerForms Check Printers

Please note that some of these printers may not be available from HP directly as they change printer models often. They are generally available from HP resellers and other retailers even if HP is no longer offering them directly.

HPLJ 3015x	HPLJ M606dn*
HPLJ M604dn*	HPLJ M606x
HPLJ M605dn*	HPLJ M806dn
HPLJ M605x	HPLJ M806x

*If using the HPLJ M604dn, HPLJ M605dn or M606dn you must purchase an additional input tray in order to meet the requirement of two full input trays.

Other Form Printers

The following technical specifications must be met for all other form (not check) printing with the TylerForms Output Management Solution.

Network Laser Jet Printer with Static IP Address PCL 5e Personality or Language Installed Automatic Duplexing Included and Enabled* Minimum Memory - 64MB Minimum of 80 Internal TrueType Scalable Fonts Minimum of 2 Full Input Trays (Manual Feed Tray not usable) Accommodates Letter and Legal Size Paper Stock Printers must have the latest firmware updates installed *Please note that for some non-check form designs you will need to have a duplexing capabilities.

PLEASE NOTE: Our solution is designed for and guaranteed to work with HP black and white laser jet printers meeting the minimum requirements. For non-check forms we will make every effort to print to other networked printers that meet the technical requirements outlined above. While we routinely and successfully print other forms to many brands of laser printers, if we are unable to print to a printer on your site, you will be required to provide an alternate printer.

We do not program for tray calls or support tray calls. Printing from specific trays can and should be managed and controlled by clients at the printer level.

- Describe the overall system architecture and all development tools provided.

Tyler applications are multi-tiered, typically consisting of a 3-tier architecture utilizing web, application, and database tiers. Hardware requirements can vary depending on the many variables such as the clients' deployment practices, Tyler products purchased, and whether virtualization and/or high-availability will be utilized.

Tyler applications are developed to run exclusively on Microsoft Windows Server operating systems utilizing Microsoft SQL Server.

All top tier hardware manufacturers are supported such as Dell, HP, and IBM in a number of server deployment types including high availability configurations, virtualized environments and separate testing environments. Train and Test environments are installed on production hardware, unless otherwise specified by the client.

The Munis ERP system is a fully integrated out-of-the-box solution that offers various levels of configuration and customization. All configuration and customization tools are application-based allowing end-users and administrators alike to tailor the system to their specific business needs. In addition, by using application-based tools, all customizations are retained upon system upgrade eliminating timely re-tooling, conversions or re-programming typically required from other systems.

Application Customization

Application configuration is maintained with built in toolsets, auxiliary programs, and parameter files for each module. This provides clients with the ability to highly customize the Munis ERP system to their specific operations without the need for custom programming efforts that can cause difficulty applying new releases. All configuration changes are stored in the customer database and not affected by new releases.

Tyler prefers to maintain and support all software source modifications to the system with a proven release life cycle. However, we do not limit use of your own tools to create web add-ins to the solution (i.e. SharePoint Web parts).

User groups, forums, and direct customer feedback through the Munis enhancement program allow clients to influence changes and improvements to the application. Tyler also has a professional services department that can be contracted for customizations to the system.

Screen Customization

The Munis ERP system is a fully integrated out-of-the-box solution that offers various levels of configuration and customization.

Due to the various client and interface options the Munis ERP offers, there are many ways in which the end user experience can be customized. Screens allow select customizations for hiding fields, moving or hiding tabs of common data, and changing screen labels. This administration is controlled in security and auxiliary tables within the database and is not impacted by patches or upgrades.

By utilizing Microsoft SharePoint as its primary "dashboard" interface, the system is highly customizable and can easily be configured with role tailored data and components that are relevant to the end user. Each user can have personalized information organized in a way that makes them more productive.

User Defined Fields

User defined fields is one of the primary methods users can customize the Munis ERP suite to their specific needs and business practices. Administrative options include the order of the field, screen name, data type, size, status, requirement, and tool tip. A customizable code table exists for any drill down data types.

User Defined fields are presented to the end user in a dedicated tab on program screens. All fields and associated codes are contained in the client database and are not impacted by patches or upgrades.

Software Modifications

Tyler will provide a quote for the required modification or request more detail, but if elevated to the contract stage will list these modifications as optional, but with a fixed dollar quote. The reason we take this approach is very often in the detailed analysis process that is provided in the beginning of our implementation project, we jointly discover a more effective method of meeting your requirement that does not require a modification. By listing these modifications as optional, we do not need to initiate a change order and you do not have a contractual commitment for a service you did not need.

In the event that program modifications and/or interfaces are necessary for the Munis system, Tyler will provide a dedicated resource to ensure an accurate and timely delivery of the desired functional changes. A Business Analyst (BA) will be assigned to manage and monitor activities such as discovery calls, definition documents, and delivery milestones. The Business Analyst works closely with Tyler Developers and Implementers, as well as the Client, to reach the goal of a successful modification delivery.

Modifications typically involve changes or additions in program functionality that affects new, desired results within the Munis programs. Interfaces are modifications involving a program change that allows for a data interchange with another automated system. Because an interface is a form of program modification, each can be completed via the same series of tasks. In the following descriptions and diagram, the terms modification and interface can be used interchangeably.

- Describe the application security environment.

Authentication

The Munis ERP system uses Microsoft Active Directory exclusively for end-user authentication. Through the Munis SharePoint Dashboard, users are automatically authenticated through single sign on (SSO) eliminating the need to remember and maintain separate login credentials. Once a user is authenticated as a valid Active Directory/Munis account, the Munis role based security system determines what programs, screens, menus, processes, records and fields the user has access to.

External users such as Vendors, Citizens and Employees can access the Munis ERP system using the web based Self Service product. Vendor and Citizen Self Service utilizes form based authentication and a client can choose to create and maintain these user accounts themselves or enable the ability for end users to register to create their own accounts. Employee Self Service can use either forms based authentication or Integrated authentication with Active Directory. Munis Self Service includes a number of password controls including password complexity, password expiration, invalid login attempt account lockout and the ability for end users to reset their own passwords.

Role-based Access Control

Munis features a comprehensive Role Based Access Control (RBAC) security model for centrally granting access to the system across all Munis applications. Based on the standards written by the National Institute of Standards and Technology, RBAC facilitates the management of application access through groups of permissions - roles - and assigning those roles to any number of users. This allows administrators to maintain access for multiple users who may share common responsibilities simultaneously rather than on an individual, user basis.

Administrators create and customize an unlimited number of roles, consisting of permissions and parameters. Users are then added to the system, either manually or imported from Active Directory. Finally, any number of roles can be assigned to a user, providing access to the Munis system. All of this is done using easy-to-use, integrated applications, requiring very little technical expertise.

Traditionally, application security is centrally administered by a sites IT department. While this is still possible with Munis, a unique and useful feature commonly employed by Munis clients, is the ability to decentralize security administration by Munis module to specific users or groups of users. For example, a Finance Director can be configured with permissions to maintain access specific to Munis General Ledger and Budgeting program, process and data in any role and then assign those roles to end-users requiring such access. This ensures those most familiar with the fields, flags and processes are responsible for maintaining appropriate security rather than those in IT who may be less familiar with specific user tasks.

Roles can be customized to offer an extremely flexible level of access control to all aspects of the Munis suite. This includes product, module and menu item access (i.e. what programs can users open), functional access (i.e. what processes can users perform) and data and, where applicable, field level access (i.e. what data can users see). Role permissions can also span multiple modules providing easy administration for those individuals who may “wear multiple hats”. If overlapping or conflicting permissions are applied to a user, the highest priority / least restrictive access is granted to that user.

No role or user has access to a function or data unless explicitly assigned by the site’s administrator. When role permissions are changed, those changes are immediately applied to all users that role is assigned to. In addition, effective dates can also be applied to any role assigned to a user. This is extremely useful for times when a user may be filling in for another user during a known period of time. Rather than manually adding / removing roles to a user, an administrator can set effective start and end dates when the role permissions will automatically be applied and revoked. Finally, in addition to importing user accounts from Active Directory, user attributes can also be synchronized between Active Directory and Munis.

The end result for clients is greater overall security, reduced IT administration costs and enhanced workflow. The RBAC security approach and unique ability to decentralize administration streamlines the process of adding new users and maintaining access, saving Munis users valuable time.

- Identify the reporting and query tools being proposed or included as part of the overall solution.

Public sector entities need multiple ways to get information out of their ERP software. That’s why Munis provides more than just traditional paper-based reports for accessing and using critical information. It is designed to provide you with the information you need in the format you want—instantly.

Nearly every application screen throughout the ERP suite includes the ability to create a report of the current data using a variety of output options (print, PDF, Word, Excel). An integrated “query wizard” can be used to guide users through the selection process to create complex queries. These queries can be saved for future and even shared with fellow users to quickly and easily access pre-defined searches at moment’s notice. Leveraging the integrated Munis Scheduler, reports can also be scheduled to automate delivery, printing or archival.

Based on Microsoft SharePoint, the Tyler Role-Tailored Dashboard provides an easy-to-use, simplified way of finding, accessing and sharing information by aggregating the data you deem important into one or more customizable views. Web parts display information from different parts of Munis and other Web-based tools. Each user can personalize his or her dashboard views, tailoring it to the information that’s critical for their role. Simply click on hyperlinks embedded in the Web part to access specific records or files.

Munis also offers full bi-directional integration between your Munis database and Microsoft Excel through SQL Data Cubes. The Munis database provides a user-friendly, multi-dimensional view of your data across many platforms including Excel, SQL Server Reporting Services (SSRS) and your Tyler Dashboard. Analyze and report on trends, track key performance indicators, create charts and graphs, generate reports and more using the tools you’re already comfortable with. Embedded hyperlinks point to the originating record stored in Munis for fast access to detailed information.

Choose from our library of report templates or use Tyler Reporting Services for more customized reporting. Powered by SSRS, Tyler Reporting Services enables users to create custom, complex reports using powerful wizards and built-in tools such as Microsoft Business Intelligence Development Studio and Visual Studio. Add charts, drill downs, parameters and hyperlinks to turn reports into interactive documents or Web content. Users can also use analysis tools—including charts, field highlighting, running totals and sorting—to examine trends, expose relationships and zero in on important facts. Reports can easily be published and shared to end users by integrating directly with the Munis SharePoint Dashboard. Finally, Tyler Reporting Services uses database views for standard reporting and report models for ad-hoc reporting. These views/models are easy to use, incorporate security and permissions set within the Munis application, and are an efficient way to connect to the database.

Business Intelligence

The right business intelligence solution is crucial for effective data analysis and strategic decision making. That’s why we created the Munis Business Intelligence toolkit specifically for our clients’ needs, leveraging the decades of experience we have serving only the public sector. By utilizing Microsoft SharePoint, SQL Server Analysis Services and OLAP cubes provided

with the Munis system, this advanced toolkit provides administrators with tools for “what if” scenario analysis, monitoring of key performance indicators based on business rules, and reporting, charting and publishing.

Full integration with the Tyler Role-Tailored Dashboard provides users with editable charts when they log into the system. Custom Web parts built on SharePoint servers access cube data, meaning users don’t need to know how to do anything more than browse a Web page in order to access, analyze and report on key information. Modify measurements, change chart type, export to Excel and drill down into any data the cube offers, including a decomposition tree that provides a detailed breakdown of measurements. When you’re done the Dashboard refreshes back to your main setting the next time you log into the system.

SharePoint Server Excel Services: Extends the capabilities of Microsoft Excel by allowing broad sharing of spreadsheets, improved security and the ability to re-use spreadsheet models.

Munis SharePoint Dashboard and Report Center: Create interactive dashboards that display business information by using built in Web Parts. These Web Parts include dynamic key performance indicators (KPI), Office Excel spreadsheets, Microsoft SQL Server Reporting Services.

SQL Server Analysis Server (SSAS) OLAP Cubes: Built with Munis Data Mart dimensional data, OLAP Cubes provide for quick response reporting of high level summary information with the ability to quickly drill down to the lowest detail level in areas such as General Ledger and Payroll/Human Resources modules. KPI (Key Performance Indicator) lists are also included in individual OLAP cubes which can be easily surfaced and used in Microsoft Excel.

- Describe the user interface and how the users will interact with the software.

Based on Microsoft SharePoint, the Tyler Munis Dashboard provides an easy-to-use, simplified way of finding, accessing and sharing information by aggregating important, real-time data you deem important into customizable views. Tyler provides several Munis specific web parts to display information real-time to the end user without the need for them to drill into multiple client programs. This data can be displayed in a number of formats such as a standard table, or a number of chart formats. Each user can personalize his or her dashboard views, tailoring it to the information that’s critical for their role and security setup.

Utilizing an industry-leading platform such as Microsoft SharePoint over a proprietary dashboard as used by other ERP vendors allows clients to further expand the Dashboard beyond the use of ERP. Hundreds of web-parts from third-party systems can be easily added to the Tyler Dashboard environment. In addition, developer’s familiar with .Net programming can also create their own web parts to integrate into other disparate, systems.

Clients may also take advantage of the standard functionality offered with SharePoint such as sharing information with others, collaborative document management and publishing reports. Additional configuration may be required of the client to utilize this additional functionality and may not be supported by Tyler.

With all of these options, the Munis Dashboard truly offers near unlimited level of customization. Microsoft SharePoint Foundation is free to any site with a valid Windows Server license. SharePoint Foundation is all that is required for use with the Munis Dashboard and is used by the vast majority of Tyler Clients.

- Describe your solutions approach to addressing interfacing needs including writing and managing these interfaces. Discuss any long-term support that is offered in maintaining any interfaces developed during the project and how these are maintained during software upgrades.

Munis offers a variety of methods of interfacing with external third party systems, including file-based import and exports and real-time integration using web services. This includes pre-defined integration points out of the box, requiring little or no setup to many popular third-party systems such as Microsoft Office, ESRI ArcGIS and Kronos Time and Attendance.

Full Integrated ERP Solution

When evaluating a new ERP system, it is very common clients are looking to replace several disparate systems with a single, integrated ERP. Since every Munis application is integrated with one another, sharing a single database, many existing

interfaces are commonly eliminated when moving from several disparate systems. For example with Munis, an employee raise initiated by a Human Resources personnel action, automatically updates Payroll and the General Ledger.

File-based integration

Munis includes a number of file-based interfaces which are performed using integrated Munis applications and geared towards end users rather than IT staff. Rather than needing your database administrator to import or export data directly to or from the system, most file-based interfaces include the ability to define and choose from interface templates. These templates define the order and type of data being interfaced so files don't need to be in a "Munis format" and instead allows users to choose the appropriate template for the system being integrated with. Munis also includes interface templates for commonly used third-party systems out of the box.

When data is imported, it is first placed in a "holding area" where Munis workflow can notify users or require approval from users based on any number of criteria. This includes whether imported data brings an account over budget, is over a certain dollar amount, or affects a specific commodity or object code. Only after all workflow actions have been taken will the import hit the production data.

Imports and exports can be scheduled for a one-time or recurring, automated interfaces. Finally, nearly every application has the ability to export the current record set to Microsoft Excel or Microsoft Word.

Direct Integration and Support

Tyler has heavily embraced web services as the future of application architecture and integration with other applications using industry standards. Munis includes a robust and growing library of XML web services and leverages them for real time integration with third party systems through "plug and play" interfaces.

Setting up an application interface within Munis is as simple as opening an application screen and entering a few settings specific to that interface. Tyler develops and maintains all application interfaces clients, saving clients from worrying about APIs that require development skillsets, and maintenance any time a system changes. This includes all state and federally mandated interfaces included as part of every client's maintenance agreement. Tyler regularly works with state governments and vendors as they develop strategies for sharing/obtaining information with local governments via XML and web services to ensure our products comply with these specifications as they are introduced and continue to meet our clients' changing needs.

- Describe your upgrade philosophy including the frequency and the costs to the City. Describe when the City is required to pay for an upgrade and what is included as part of the maintenance agreement.

Tyler deploys industry leading technology and features that are continually enhanced through a process of perpetual upgrades as part of our Evergreen Philosophy. This includes a continuous stream of significant yet manageable updates deployed over the life of the application with minimal disruption to our clients. Application updates are provided in the following formats:

- Technology Releases (e.g. version 9.0, 10.0) are typically released every 2-3 years and represent the baseline for product release, integrating technological advances, and system-wide user-interface improvements. The Release Life-Cycle for Technology Releases is condensed to Early Adoption, Next Release Planning, and Product Retirement.
- Product Releases (e.g. version 9.3, 10.2) are released annually after the initial Technology Release. Enhancements and defect fixes (priorities 0-3) are included, as well as database updates. The full Release Life-Cycle applies to each release. Two Year-End releases are provided as the product release typically reaches the Product Retired phase approximately one-and-a-half (Fall) to two years (Spring) after General Availability.
- Year-end packages are deployed for the initial year only for Technology Releases and the initial and subsequent years of Product Releases. This update includes updates required for year-end W2 and 1099 processing and are available via Managed Internet Update (MIU).

- Individual software corrections are deployed on a daily basis via Managed Internet Update (MIU) for any version not in the Product Retired Life-Cycle phase. The MIU is an internet update utility that facilitates the downloading of software corrections, custom packages, and Year-End releases. Updates can be installed on-demand incrementally or scheduled to have all available updates installed automatically.
- Describe your warranty and support.

Tyler knows that satisfied clients — more than any other single factor — determine a company's ongoing success. We also recognize that superior technical and operational support is critical to our client's satisfaction. That's why we provide a variety of resources and tools to support all aspects of your use of Munis. We want you to receive the best return on your investment in Tyler possible and our approach to technical support is designed to ensure that you have everything you need to maximize your use of Munis.

Unlike some companies who outsource their application support to a third party, Tyler offers a complete solution of customer support services provided by our in-house experts. Our mission is to deliver superior service by providing a timely response, issue resolution and operational support, resulting in a high-level of client satisfaction. Our technical support teams are certified by HDI, a global certification body dedicated to the technical software support and service industry. All support technicians undergo rigorous internal training on the Munis application and must work toward earning their HDI Customer Service Representative certification to demonstrate the highest level of service and expertise. With more than 91 percent of our technical staff currently HDI certified Munis technical support has earned HDI's Team Certification Award which demonstrates our commitment to offering the highest level of service to you.

SUPPORT TECHNOLOGY

Munis Technical Support uses a variety of products and tools to assist with issue resolution and to answer functionality questions. In order to provide the highest level of service to our clients, Tyler utilizes Citrix's® GoToAssist™ as its remote support solution. GoToAssist is a powerful collaboration and communication tool which allows Munis Support Technicians to remotely access any of your servers or desktops. Using this technology our Munis Support can take keyboard and mouse control, transfer data files, and monitor processes, all of which are critical to a timely and accurate resolution of your issue.

GoToAssist technology is a fast, easy-to-use tool that provides a highly secure connection with 128 bit, end-to-end AES encryption which is critical to maintain the security of your data and network. To provide an audit trail of all work performed, every GoToAssist session is recorded and stored for 90 days. At the completion of each session, a survey is provided so that Tyler may solicit feedback on the quality of resolution provided and the Munis Support Technician.

PHONE SUPPORT

Tyler provides a dedicated 800 number for our clients to contact Munis Technical Support. We place no limits on who from your team that may contact Support, the number of calls placed, or our time required to resolve your incidents. We are focused on providing the highest level of support to all of our clients and will work every incident with the same level of dedication to finding a timely resolution to your concerns. Customer support's goal is to return all calls within one business hour.

ONLINE SUPPORT

In addition to phone support, you can log new and manage open incidents through our online support tool. The Munis Support Portal will provide 24/7 access for resources to submit and update incidents, including the ability to attach documentation and screenshots if needed. All account and incident data are available in real time, providing the ability for you to communicate with Munis Support Representatives directly without the need to be on the phone.

The Munis Support Portal is not the only option for you to access critical information, communicate with system experts, utilize applications, or access tools. Tyler Community, the Munis Release Management Console, the Munis KnowledgeBase, and many other tools, including the Portal can be accessed through Tyler's website, www.tylertech.com. Through Tyler Community, users can view and reply to discussions on trending topics such as state reporting, year-end close, and upcoming releases. The Release Management Console provides information about the life cycle of all current and future Munis releases, so you can plan when to adopt new versions of Munis. Users have access to the Munis KnowledgeBase

which includes procedure documents, frequently asked questions, user conference documents, e-learning materials and more.

FOCUSED BY APPLICATION

Regardless of how your team contact us, Munis Technical Support is divided into application specific teams to enable product specialization and provide timely resolution of support incidents. Munis provides technical support for additional aspects of our clients' operations such as Tyler Forms, Tyler Reporting Services, Tyler Content Manager and advanced technical assistance through our Tyler Systems Management team. This application specific approach allows our Technical Support Representatives to focus on a small group of applications and therefore offer a high level of product expertise to our clients. Our application specific teams with their standard hours of operation are shown in the below chart.

Support Team	Standard Days	Standard Hours
Munis Financials	Monday - Friday	8:00 AM - 9:00 PM EST
Munis Payroll/HR	Monday - Friday	8:00 AM - 9:00 PM EST
Payroll State Reporting	Monday - Friday	8:00 AM - 6:00 PM EST
Munis Other Revenue & Collections	Monday - Friday	8:00 AM - 6:00 PM EST
Munis Tax Billing & Collections	Monday - Friday	8:00 AM - 6:00 PM EST
Munis Utility Billing & Collections	Monday - Friday	8:00 AM - 8:00 PM EST
Tyler Forms, Content Manager & Reporting Services	Monday - Friday	8:00 AM - 9:00 PM EST
Tyler Systems Management	Monday - Friday *	8:00 AM - 9:00 PM EST

**Tyler Systems Management is available One Saturday per month in addition to the days shown*

INCIDENT TRACKING

Tyler records all your contacts and incidents in a customer relationship management system. This system tracks the history of each incident, including the contact, time, priority level, case description, correspondence, attached files, support recommendations, your feedback, and the resolution. The priority is assigned to each case as it is logged based upon the initial information provided. The priority of a given case may be modified as more information about the circumstances surrounding an issue are uncovered. For example, a lower priority case may become higher priority if further research reveals a more critical issue or a previously unknown deadline or penalty. You can also request an escalation if the priority originally assigned does not match the importance or impact of the issue to your organization. The below call priority chart contains a description of the criteria that are used to classify each case.

Priority	Description	Resolution
1 - Critical	Application or Program is Down, no Work Around Exists	1 day or less
2 - High	Program or Process is Severely Affected, a Work Around Exists	10 days or less
3 - Medium	Program or Process is Affected, a Work Around Exists	30 days or less
4 - Non-critical	Issue is Non-Critical in Nature, Support Assistance Requested	60 days or less

TYLER SYSTEMS MANAGEMENT

Many public sector clients are looking for an additional layer of technical support to assist in managing their technical infrastructure, database, and maintenance needs. Tyler offers an optional level service through our Tyler Systems Management support team. Tyler Systems Management provides expert assistance for all your Munis database and system maintenance needs as well as provide select hardware peripherals via Tyler's Hardware Loaner Maintenance program. The services offered through Tyler Systems Management include assistance with: installations, routine maintenance, system administrator software training, database tuning, server support, remote system monitoring, data recovery and upgrade services. In addition to specializing in Microsoft operating systems (server and workstation), SQL database engines and

network configuration, our team holds industry specific certifications such as Microsoft Certified Solutions Expert (MCSE) and Microsoft Certified IT Professional (MCITP).

Tyler Systems Management is a contract service, much like the Munis Maintenance Agreement, which is billed on an annual basis and renewed each year. Many of the services provided by Tyler Systems Management are available on a fee-per-incident basis to whom are not currently under an existing contract.

TYLER COMMUNITY

Tyler Community provides a secure, online setting where you can go to find answers to common problems, connect with other Tyler users to share ideas, answer posted questions, and access information that is available 24/7. Based on a social networking platform, Tyler Community includes blogs, forums, files, and wikis where both clients and Tyler employees can contribute. Clients and employees use Tyler Community as a dynamic way to troubleshoot problems and share best practices with Tyler's vast Munis community.

Additional benefits include:

- State user groups create an environment for you to easily communicate legislative changes and state-specific subject matter
- Easy access to current information on critical issues
- Helpful technical tips from subject matter experts
- Powerful search capabilities across forums, wikis, files and people

TYLER UNIVERSITY

Tyler University is an e-learning solution to enhance support and training of your employees. Through this learning management system developed by Tyler Technologies, new and existing employees are provided an on-demand solution to acquire and refresh the skills needed to successfully implement and use Munis day-to-day.

Tyler University's core modules include: financials, human resources, payroll and technology. Employees in the finance department can train on a wide range of topics from req-to-check, including requisition entry, creating a change order for a purchase order and purchase order receiving. For the human resources and payroll staff, Tyler University offers courses on the complete payroll process, the power of employee building and applicant tracking. For system administrators, courses include topics on role based security design, administering the dashboard and role synchronization from Munis into Tyler Content Manager. Courses are being added continuously into Tyler University, making it a vital resource for new employees and cross training your team.

ONLINE HELP

Munis applications include a context sensitive online help function that provides field level and procedural information to assist you and your team in completing program tasks. When you are in a program and select the help function, the program displays a field level description of all data elements on the screen, as well as processing options for that program. It is formatted to provide you with a general overview of the program or the selected program screen, descriptions of the fields on the screen, and procedures for completing the tasks within the program. The online help function also includes a table of contents, from which you can select help for other programs within a product. This tool is linked to the Munis KnowledgeBase allowing for immediate access to additional information and resources directly from the Help screen. There are also links to Munis Technical Support for ease in requesting assistance from a Munis expert.

RELEASE NOTES

Munis release notes are provided in advance of every new version of the Munis to provide the important information to our clients. Release notes provide a brief description of each product change, along with a list of programs affected by the changes. Release notes are organized by product so you can easily find the changes that affect their organization. By accessing the release administration program within Munis, you can review enhancements, open issues and fixes for a specific release by module and program in real time detail.

MUNIS KNOWLEDGEBASE

The Munis KnowledgeBase provides users with a single, easily accessible location to find all available documentation related to Munis. This tool uses a user-friendly search screen which can be accessed through the Munis Support website. Search criteria include the ability to filter by Munis version, search for key words, include only certain types of documentation, or perform system wide searches. Provided through the Munis KnowledgeBase are process documents, file layouts, user guides, installation manuals, setup documents, system administrator documents, data schemas, training exercises, e-learning classes and much more. More than 90% of the documents available are in MS Word format so that they can be easily customized for use in training materials, custom documentation or process checklists.

STATE USER GROUPS

As a client, you benefit from networking and peer-to-peer collaboration through state Munis user groups. The majority of user groups are run by clients, who set the meeting agenda, location and frequency, assign topics, and involve the Tyler resources they need. In large states, there may be several user groups or different sessions planned.

Tyler provides a dedicated team to demonstrate new functionality, help prepare you for Munis upgrades and monitor product or process breakout sessions. During the sessions, Client Experience Managers collect important feedback and report back to Munis product managers. Many clients form lasting connections with other Munis users within these groups and help to make each other better users of Munis.

ANNUAL USER CONFERENCE

Each year Tyler hosts an annual user conference, which brings together staff and clients from across all Tyler products, including Munis. Tyler has appropriately named our conference Connect, and each year thousands of clients come to learn about Tyler, our products, and to connect with peers and staff. This premier event helps you get the maximum use of their Tyler software. You learn more about existing or proposed functionality through dozens of classes over several days. Development product managers attend the event to share their plans for the next upgrade and to solicit feedback from clients.

Our clients' input from past conferences continues to impact significantly the direction of software enhancements and changes. Client attendance each year ensures that appropriate needs are reflected in product development strategies. Connect is held in different locations every year to accommodate our geographically diverse client base and to provide fresh and exciting activities for our clients outside of the classes and labs.

Describe how interfaces and/or customizations are maintained and if these are included under maintenance.

The Munis ERP system is a fully integrated out-of-the-box solution that offers various levels of configuration and customization. All configuration and customization tools are application-based allowing end-users and administrators alike to tailor the system to their specific business needs. In addition, by using application-based tools, all customizations are retained upon system upgrade eliminating timely re-tooling, conversions or re-programming typically required from other systems.

- Proposed scope of work, including your intended approach to address the City's specific requirements.

You are seeking a modern upgraded ERP solution that is comprised of a fully integrated suite of modules that offer diverse base of functionality to meet your needs now and in the future.

Upon careful review of your RFP, Tyler is confident our Financial, Payroll/Human Resource, Utility Billing, Business License, and Work Order solutions will meet all of your requirements and provide additional functionality that will best address the needs of your staff and the requirements of your regulatory officials.

Tyler believes it is the right company and that Munis is the right software to meet your goals. We are focused exclusively on the public sector, we offer a fully integrated suite of modules, we have a proven track record of successful projects, and we support the product now and into the future through our Evergreen approach. Tyler products, services, methodology, and approach are uniquely suited to assist to meet your project goals through the Implementation of Munis. Tyler has provided information on the services, deliverables and methodologies we will provide you if Tyler is selected as the vendor of choice. We deliver implementation, support and professional services – no subcontractors or 3rd party vendors.

- Thoroughly describe the implementation services you are proposing.

Tyler's implementation process demonstrates our long-term commitment to our public sector clients. Our implementation process is a project roadmap that takes you from software installation up to the daily, normal use of the new software system. Tyler's goal is to provide the best software, services and support to you, our clients. Your organization benefits from the fact that we perform our own implementations and know our software better than anyone. As a Tyler client, you receive guidance throughout implementation from experienced Tyler professionals who have implemented Tyler products in more than 8,000 public sector implementation projects.

Proven Approach

Tyler utilizes a proven stage-driven implementation approach. An approach of this nature is preferable because it allows for ongoing validation of system decisions throughout the project as improved knowledge is learned and shared during each stage. The stages build on one another, allowing the project to progress with the goal of delivering a refined and mature solution which meets your policies and procedures, while taking into account best practices recognized in the industry. Moreover, this approach ensures that process-specific details are mastered prior to moving to each subsequent stage. A formalized sign off process, defined by major objectives, deliverables and outcomes, is the key to a successful implementation.

Methodology

Tyler's methodology is straightforward and based on three vital foundations: industry experience, expert resources, and a globally-recognized project management approach. We combine our in-house expertise in successful implementations and integrate it with the principles of the Project Management Institute® (PMI), a globally recognized organization dedicated to the project management profession.

Utilizing the five process groups outlined in the PMI's *PMBOK® (Project Management Body of Knowledge) Guide* — Initiating, Planning, Executing, Monitoring and Controlling, and Closing — we deliver a tested and proven approach to every project. We have integrated industry tools and technologies from PMI with Tyler's implementation experience, to yield a proven approach that is tailored specifically to the public sector. Our project managers are trained to maintain the professional standards of PMI.

Tyler's trained personnel perform and guide all aspects of an implementation. Our staff consists of seasoned professionals with years of experience, and unique and proprietary skills, specialized in managing and delivering projects focusing on your business processes.

Our implementation process also emphasizes the importance of cultural change management. This is how we guide you through the changes that accompany implementation of a new software system and help to ensure a smooth transition. Our implementation staff is experienced in analyzing policies, procedures, and organizational needs. The proof of our approach is in the outcome — a successful implementation.

Throughout a project, we establish control points (critical review points) to ensure your organization fully understands and accepts the project progress. It is at these check points that your stakeholders monitoring the overall project must formally accept the project to date. Once there is formal acceptance, the project will proceed to the next stage.

Tyler takes pride in our implementation process and deliverables. We focus on you and setting you up for success. Our product experts strive to gain understanding of your needs and current business practices, while recommending best practices to best leverage your new technology. Our implementation process positions you to successfully utilize Tyler products at go-live and to consume the new technology developments delivered through our software releases and upgrades.

Stage 1: Initiate & Plan

This stage of the implementation process commences once a contract has been signed. The project starts with the implementation team comprised of your executive sponsor, project leader and the Tyler project manager, who work together to define project expectations and establish a baseline project plan and schedule. During the Initiation stage, the Tyler team leads discussions with you to begin system infrastructure planning, outline goals and timelines, and finalize processes for the implementation of all products in the scope of the project.

As part of the Planning step of this stage, project stakeholders within your organization are identified. These stakeholders monitor the overall project and are essential to a successful implementation. They ensure that the project is aligned with your larger goals. This group, in conjunction with Tyler's project manager, is responsible for monitoring the project and providing formal acceptance of each stage. Once stakeholders are determined, functional leaders are chosen for the project to provide expertise on your business processes. Implementation Management Plans are provided to all, which outline the management of scope, schedule, quality/testing, resources, communication, upgrades and risk. These plans may be updated in cooperation with the project team.

The Planning and Initiation stage concludes with a high-level project schedule Stakeholder Presentation to all of your key project stakeholders.

Stage 2: Assess & Define

The Assess and Define stage starts with a fundamental review to provide your project team with a preliminary knowledge transfer of how the system functions. The goal of this stage is to examine and analyze your unique business needs and to translate the findings into a system design plan as an output. Tyler's consultants and your subject matter experts perform a Current/Future State Analysis of your current and required future business processes. The system design plan addresses key business drivers, which ensures that all requirements for a successful implementation are presented and accepted. Additional outputs of this stage consist of a plan addressing and identifying data conversions, standard data exchanges to third party systems, and forms and reports.

The Assess and Define stage concludes with a formal acceptance of the defined deliverables and project outcomes.

Stage 3: Build & Validate

After the system is built, your internal team will work with the Tyler team to establish and validate the system configuration and complete due diligence for systems readiness during the Build & Validate stage. Your project staff validate the system design, converted data, standard third party data exchanges, forms and reports. A strategic component of this stage ensures the key individuals are trained and enabled for self-sufficient system operations.

Once trained, validation and testing procedures commence in an iterative fashion for data conversions, third party data exchanges, employee and citizen-facing forms, and key stakeholder reports.

This stage is considered completed when the primary/key users have reviewed the system configuration to ensure that they are in alignment with the business processes, goals and objectives of the project.

Stage 4: Final Testing & Training

The Final Testing & Training stage is designed to facilitate maximum knowledge transfer. Together with the Tyler project manager and implementation consultants, we will develop a cutover plan which will detail the critical items that need to be completed in order to go live, such as: final trainings, interface testing and validation, conversion cutover schedule and timing, User Acceptance Testing (UAT) and the training schedule to roll-out the system

Prior to end-user training, your users will follow detailed test scripts through a UAT process to ensure proper validation of the system is performed. UAT ensures that all data and configuration needs have been met and that the software is ready for day-to-day business processing.

This stage concludes with final training for your end users and formal approval of the system's readiness to support your business processes prior to moving forward to go-live.

Stage 5: Production Cutover

The vital stage of Production Cutover is comprised of production and post production support. Final data conversion is completed as necessary. All the prior training and planning now culminates as your organization is self-sufficient within the new Tyler environment. Now you are operating in the production environment with the support of the Tyler project team. If required or planned upon during the initial stages, post-live education and training is implemented.

The phase closes with a transition to the product support team.

Stage 6: Phase/Project Closure

The final stage of implementation, Phase/Project Closure, is to bring a formal closure to the project phases, or to the whole Tyler implementation if no additional phases are required. Through a formal project close-out meeting and acceptance from stakeholders, both teams formalize the completion of a successful Tyler implementation. The deliverables completed through the project close-out meeting may include such topics as lessons learned, a review of accomplishments and final acceptance of the project work completed.

- Discuss your training plan and how to keep the users up-to-date with the newest changes of the software.

A key part of any implementation is training users at all levels. Fully trained users understand how to use your new software system to record and report information that helps them to do their jobs better. This is critical to user acceptance of the system and crucial to a successful implementation.

Tyler offers several training formats to accommodate our diverse clients' needs. On-site training by Tyler staff provides hands-on learning in your own labs. Tyler also provides flexible alternatives including remote collaborative training technology, and may offer video and software tutorial media. Regardless of the scope or logistics, your resources receive consultative knowledge transfer sessions that are a combination of lecture and hands-on education, using your data. Tyler requests that managers attend training with their employees. This ensures that the managers can confirm the proper transfer of knowledge has occurred. This also allows employees to ask the manager policy-related questions about how the system will work within their department.

Tyler has developed a dynamic set of training and education resources and services that are tailored to your needs, the Tyler products you are implementing and the scope of your project budget.

Based on the scope of work outlined in the RFP, we have included a bucket of days for End User Training as required. These days will be used for Tyler implementation management resources to train your End Users.

TRAINING METHODOLOGY

A mutually developed education plan lays out the process of transferring knowledge between you and Tyler. We refer to our plan as an "education plan" as opposed to a "training plan" for several reasons. First, the process of transferring knowledge is vital to the analysis phase of our project. During analysis we review the current environment, provide Tyler demonstrations, review questionnaires and flow charts, and ultimately arrive at a future state model. The future state model becomes the foundation for user training. Second, training denotes a classroom setting with teacher and pupil. While training will occur, it is only a piece of the overall education needed to be a proficient Tyler user.

Purpose

The purpose of the education plan is to:

- Communicate the process to stakeholders and functional leaders
- Answer specific questions (where will classrooms be established, what database environment will be utilized, etc.)
- Establish action items and link project personnel as owners
- Define measurement criteria to ensure the plan has been successfully followed

Fundamentals Review

In this step, your functional leads and power users become familiar with the new Tyler system and its capabilities, language and processes before the start of the current/future state analysis. This allows users on your team to better engage with the Tyler implementation consultants during regular training hours, empowers your staff with experience and a more complete understanding of the system, and provides a strong foundation for ongoing conversations regarding the future state processing. Fundamentals review eases the transition into implementation and training, garnering better results and a greater understanding of new processes.

Goals

- Learn general Tyler Technologies terminology

- Experience the basic functionality of your new software solution
- Explore the configuration options including data flow, connectivity, etc.
- Encourage discussions within your organization of desired configuration for design and future processing
- Discover some of the software capabilities available for consideration
- Improve communication between you and Tyler through software knowledge

Configuration and Power User Training

This stage enables your power users to validate the new software based upon the output from the future state analysis. A high-level exploration of the system results in greater comprehension and retention of system features and functionality. Configuration training may include data conversions validation, configuration validation testing, third-party data exchange validation, forms/reports validation and customization validation.

Train the Training

Tyler provides training to functional leads and power users throughout the implementation, as the set-up knowledge is key to a self-sufficient user. Tyler provides training to your internal trainers, who in turn train the end user community. End user training is scheduled during the project and is usually done just prior to, or just after, going live. Training materials will be provided and may be customized prior to this training.

Benefits

- Powers users become immediate stakeholders
- Training between the power users and peers creates a comfortable environment
- Reduced learning times and more flexible training scheduling

Technical and System Administration Training

Technical training begins at the time of software installation. Tyler's installation team teaches the technical staff how the software is configured within the operating system, as well as basic system maintenance routines such as backups, loading releases, and refreshing training and test databases.

System administration training is conducted after software installation to show users how to update users, permissions, menu security, workflow administration, etc. from within Tyler's software. Your System Administrator necessarily attends these sessions; functional leaders should also attend to have a thorough understanding of the permissions and options available.

End User Training

After the functional leaders and power users are trained, the system parameters and tables are set up and/or converted, and processes are defined and tested, End users attend applicable scheduled training. Many agencies conduct this training prior to go-live so that these users may assist in system testing and verification, and become familiar with their new processes.

SCHEDULING AND ATTENDANCE

Tyler prefers a classroom and curriculum approach for on-site training to ensure knowledge transfer, comprehension, and retention. A successful user training session is in a classroom environment with a computer for each user (minimum of one computer for every two users, but ideally one per user), a whiteboard, a printer in the room or nearby, and one computer connected to a projector. The size of the class depends on the classroom size and the available computers for training. Ideally, a class size should be limited to twelve (12) users in order to keep the session controlled and ensure that all users are receiving an appropriate level of personalized attention. The specific course topics are discussed and scheduled after analysis, depending on your agency's specific training needs.

Attendance to the training is a critical during implementation. By participating in training courses, your employees gain critical hands-on experience with the system, and learn the Tyler approach. Tyler's training staff will take attendance during classes, and relay that information back to your Project Manager for review. This ensures that users get the complete benefit of training and reduces support incidents after go-live.

RESPONSIBILITIES

Both teams collaborate on all aspects of training which will be discussed and documented during the planning stage of the project. The expectation is for Tyler to provide one occurrence of each scheduled training. You will be responsible for the logistics of the training by completing such tasks as scheduling resources and ensuring facilities are available. These sessions are to be attended by your key staff members so that they can then disseminate the information they learn to others in your organization if or when necessary. Tyler knows the value of being prepared for the use of our software in production, so we contribute to an ongoing education effort by recommending functional processes to be presented to specific departments, and share training materials used during our sessions. Our goal is to partner with you and lend our expertise and best approaches based on our experiences, in order to allow your resources to be successful at go-live. Changes to these expectations are discussed during project planning, and are based upon your specific business environment and resources.

ADDITIONAL TRAINING RESOURCES

Tyler University – Tyler U*

Tyler offers training through our Learning Management System — Tyler U — to our client base. Tyler U training provides an excellent opportunity for customers to learn introductory, new, or advanced processes at their own pace.

State User Groups

Sound development of the Tyler product is largely driven by existing clients. To that end, we encourage active, client-organized product user groups. User groups typically consist of like-minded customers in geographic proximity of one another and running the same or similar Tyler applications.

Online Resources

Our knowledgebase and website include hundreds of searchable documents, videos and reports for users to view, download and modify. These include how-to documents, user conference session documents, best practices and more.

Tyler Connect

Tyler hosts an annual education forum, Tyler Connect, which serves our customers' need for new or refresher information on our software products. Each class is tailored to meet the needs of attendees in order to increase productivity and, ultimately, improve responsiveness to your citizens and clients. Tyler is a nationwide community dedicated to learning, growing, sharing, and connecting every year.

*Not available for all Tyler solutions and products.

3.1 REQUIREMENTS MATRIX / APPENDIX A

The responses to the Requirements matrices should also be provided in this section. The requirements worksheets are available on the City's website for download in an electronic format (Excel). See Appendix A for these details. The Vendor should respond to these individual requirements by utilizing the City of Santa Fe Springs - Request for Proposal: Enterprise Resource Planning Software and Implementation Services appropriate code (shown on the first tab of the spreadsheet) in the 'Vendor Response' column. Vendors will be rated on how well they can meet each requirement by indicating whether they can support the functionality "out-of-the-box", with modifications, via a third party solution, via customization, in a future release, or not at all. This rating legend is also provided in Appendix A.

NOTES AND ASSUMPTIONS

Tyler Reporting Services

Wherever Tyler Technologies, Inc. has responded affirmatively to certain functional checklist questions/requirements/specifications as requiring the use of Tyler Reporting Services, (SSRS), the City is solely responsible for development of the necessary/required report(s), unless specifically indicated otherwise.

Interfaces / Customizations

Interface requirements agreed to by Tyler within this response will depend on the customer maintaining an active support agreement with the identified third party system as well as a current version actively supported by the manufacturer/developer of the product installed.

Custom Modifications

Custom modifications, if quoted with a specific dollar value, are priced based upon the total proposed software package and the requirements set forth in the RFP. To the extent system components and/or requirements change, pricing for custom modifications may also change. If a custom modification is identified without a price, that identification is provided as an alert that the functionality is not available "out of the box," and additional information is required from the customer before Tyler can price the modification. During the contract negotiation process, Tyler expects to work with the customer to identify the custom modifications that will be considered within the project scope, and to finalize the associated price. Those modifications will be delivered during the project on the schedule the parties mutually agree to during the contracting and/or project planning process(es). Any custom modifications that the customer requests post-contracting will be subject to an amendment or change order, which will address at least the pricing and schedule impacts of adding the subject modification to the original project scope and schedule.

Future Functionality

Future Functionality, when and if provided, will be released on the same timeline as the functionality is made generally available to customers under a maintenance agreement with Tyler. If a customer requires that such functionality be committed to within the contract, the functionality will be treated as a custom modification, payable by the customer.

Please reference the Functional Requirements on the following pages.

Instructions for Response

The City of Santa Fe Springs will use this workbook to evaluate each vendor's responses on how they will address individual requirements that the City needs as a part of the functionality of the new system.

The following rating responses and scores will be used for each requirement:

Vendor Response Point Values		
CODE	SCORE	DESCRIPTION
SUP	5	Supported as delivered "out-of-the-box"
MOD	4	Supported via modifications (screen configurations, reports, GUI tailoring, etc.)
3RD	3	Supported via a 3rd party solution
CST	2	Supported via customization (changes to source code)
FUT	1	Will be supported in a future release
NS	0	Not supported

Each vendor will respond to the requirements on each tab (each tab represents a functional area) using the drop down list in cells in column E. If the vendor wishes to, additional comments can be made as text in column F. Total scores are shown on the Scoring Summary Tab. Please note that all responses have been defaulted to NS and require a response for a vendor to earn points.

Enter your Vendor Name Here:

Tyler Technologies, Inc.

City of Santa Fe Springs

Tyler Technologies, Inc.

Summary of Response Scores	
Functional Area	Score
IT - General System	700
AP - Accounts Payable	294
AR - Accounts Receivable	160
BU - Budget	155
CR - Cash Receipts	100
CM - Contract Management	240
FA - Fixed Assets	135
GL - General Ledger	225
GR - Grant Management	305
IV - Inventory	325
PR - Project Accounting	105
PU - Purchasing	300
Total Score - Financials	2344
HR - Human Resources	761
PY - Payroll	555
TK - Timekeeping	306
Total Score - HR Payroll	1622
UB - Utility Billing	#N/A
BL - Business License	350
WO - Work Order	100
Total Score - UB, BL WO	#N/A
Grand Total Score	#N/A

	IT - General System	Vendor Response	Additional Vendor Comments	Vendor Score
	General Requirements Section			
IT1	The system should support real time on-line updates as the primary processing mode.	SUP		5
IT2	The system should provide the ability to selectively archive system data based on a user-defined number of years or other user-defined criteria. The archived data should be able to be accessed via another medium, such as tape or DVD.	SUP		5
IT3	The system should use common master files across all functional modules, i.e., Purchasing and AP should share a single vendor master file; Human Resources and Payroll should share a common employee master file.	SUP		5
IT4	The system product database should allow access by an SQL-based language.	SUP		5
IT5	The system should contain a date/time entry stamp and user information	SUP		5
IT6	The system should utilize standard Internet connections and TCP/IP protocol to access all user interfaces	SUP		5
IT7	The system's access requirements through firewalls must be clearly identified and follow standard port designations.	SUP		5
IT8	The system should support Fiber Channel SAN Technology.	SUP		5
IT9	The system's database management system should be ODBC and/or OLE DB compliant.	SUP		5
IT10	The system should be an integrated native web based system with common architecture and database, not a web-enabled add-on.	SUP		5
IT11	The system should provide field level encryption using 3DES standards at a minimum.	SUP	Using SQL Server TDE	5
IT12	The system database should run on the Microsoft SQL Server RDBMS platform	SUP		5
IT13	The system should run on a Windows 2008 Server (or current Windows Server)	SUP		5
IT14	The system should provide access from outside of the firewall by non-domain external users in accordance with generally accepted security standards.	SUP		5
	The system should contain toolsets to accommodate the following:			
IT15	Archiving/purging of data that can be set to match the City's record retention schedules	SUP		5
IT16	Database maintenance	SUP		5
IT17	End-user interface design	SUP		5
IT18	System upgrade administration and patches	SUP		5
IT19	System security	SUP		5
	The proposed solution should offer a full suite of utility tools required to execute various system maintenance functions including:			
IT20	Backup management	SUP		5
IT21	Multiple monitoring sessions	SUP		5
IT22	Performance monitoring (application and system)	SUP		5
IT23	Ability to monitor executing jobs	SUP		5
IT24	Sufficient instrumentation to monitor batch progress and send alerts about abnormal batch status	SUP		5
IT25	Database optimization	SUP		5
IT26	The system should not use any proprietary fundamental components (e.g.: vendor's proprietary programming language or DBMS.).	SUP		5
IT27	The system should track system uptime and transaction response times in order to demonstrate operation within acceptable levels.	SUP		5
IT28	The system should provide automated transaction back-out/roll-back should the system fail during transaction processing and/or a transaction fails to reach normal processing completion.	SUP	Using standard backup tools	5
IT29	The system should enable the client to enter organization-specific values in coding fields (i.e., lookup tables). These and other user configurations should be preserved around software updates. (Product upgrades/software releases should not overwrite client-specific coded data or configurations.)	SUP		5
IT30	The system should allow on-line search capabilities based on any field or any combination of fields.	SUP		5
	System Help Section			
IT31	The system's on-line help should be available at the system, function, screen, and field level.	SUP		5
IT32	The system's on-line help/documentation should be updated with each new version release.	SUP		5
IT33	The system's on-line help should provide an index and search capability.	SUP		5
IT34	The system's on-line help should be context sensitive.	SUP		5
IT35	The system help information should be able to be edited and/or augmented by the Client for specific additional help information. This information should be retained during upgrades.	SUP	Using Munis KnowledgeBase	5
IT36	The vendor's support site should contain a knowledge-base where users can access system related reference material and documentation.	SUP		5

IT37	The vendor's support site should contain complete and up-to-date manuals for all system modules and functionalities. The manuals should be available for all available versions of the software and should be able to be reproduced if required to distribute to multiple staff members.	SUP		5
IT38	The vendor's support site should contain a complete data dictionary for all system tables and data fields.	SUP		5
IT39	The system should allow override or block/no-override ability on specific error conditions and/or for specific users, with notes to provide the reason why the override occurred.	SUP		5
IT40	The system's error messages should be integrated with online help functions, allowing the data entry person to be able to click on an error message and open the online help document to the appropriate section.	NS	Help is context sensitive for the screen that you receive the error	0
IT41	The system should provide the ability to establish a standard rounding method.	SUP		5
General Integration/Compatibility Section				
IT42	The system should provide full integration with standard productivity software package Microsoft Office 2013 Professional Edition such as Word, Access, Excel and Adobe Acrobat. This includes the ability to import or export data directly into these desktop applications.	SUP		5
IT43	The product should provide for integration and tools to easily export data to a data warehouse.	SUP		5
IT44	The system should support Microsoft Internet Explorer 9 or higher but must also support Mozilla Firefox and/or Google Chrome browsers.	SUP		5
IT45	The system should provide enterprise application integration (EAI) functionalities to provide tools to allow the City to integrate with any legacy applications that may be in use.	SUP		5
IT46	The system should support data-transfer via flat files (e.g., ASCII, variable and/or fixed length, comma-delimited, etc.).	SUP		5
IT47	The system should provide the ability to interface or integrate with Windows Active Directory and support a single user sign on if on a Windows system. This should include the ability to use Active Directory if the user is present, while at the same time allow other users who may not be found in Active Directory.	SUP		5
IT48	The system should have the ability to interface or integrate with Microsoft Exchange to utilize the email and calendar functions with the applications.	SUP		5
IT49	The system should provide Microsoft Add-In capabilities.	SUP		5
IT50	The system should provide a Software Development Kit (SDK) that allows the technical staff to enhance and integrate the system.	NS		0
User Interface Section				
IT51	The system should provide the ability to configure screens/windows per user role and hide any fields not needed.	SUP		5
IT52	The system should provide the ability to AutoFill based on a related field (i.e. auto completion of one field based on prior data entry).	SUP	via copy functionality and recurring templates	5
IT53	The system should provide data validation by providing error messages immediately after each field is entered, rather than waiting until the entire screen, record or transaction is finished. (Account number, vendor ID, etc.)	SUP		5
IT54	The system should provide a user-defined executive dashboard (financial information, key performance indicators, etc.) based on user profile.	SUP		5
IT55	The system should provide the capability for creating "favorites" or shortcuts to frequently used screens and reports.	SUP		5
IT56	The system's controlled values should be available in a drop down boxes or popup windows.	SUP		5
IT57	System error messages should appear in a consistent format across all system modules and should be customizable.	SUP		5
IT58	The system should provide the ability to create new items by copying existing items.	SUP		5
IT59	The system should provide cut and paste capabilities to move data from field to field.	SUP		5
IT60	The system should allow data entry staff to have a choice of updating the system through use of a grid/spreadsheet interface options, or through GUI-based features.	SUP	in select modules	5
IT61	The system should have a built in calendar allowing adjustments in processing and transaction dates for holidays, weekends, etc.	SUP		5
IT62	The system should provide the ability to send broadcast message by specified users to users at any time, as well as messages that are displayed at logon.	SUP		5
IT63	The system should provide the capability to store, retrieve, display and print imaged documents. The solution must provide the capability to receive scanned documents from document scanners having industry-standard connection protocols (SCI, TCP/IP, etc.).	SUP		5

IT64	The system should be able to accept scanned or electronic documents in any format (pdf, xlsx, docx) and link them to a data record.	SUP		5
IT65	The system should provide transaction logging or journalizing at the data base level. The system should be able to be recover all on-line transactions from the transaction log.	SUP		5
IT66	The system should provide migration paths for new fields during software upgrades.	SUP		5
IT67	The system should allow for mass updates to certain fields.	SUP		5
IT68	The system should provide active notifications based on specific events and conditions.	SUP		5
IT69	The system should provide efficient application level load-balancing functionality.	SUP	with appropriate hardware configuration	5
IT70	The system should provide the use of digitized signatures in order to print electronic signatures.	SUP		5
IT71	The system should allow for the definition of default printers for each user.	SUP		5
Reporting & Related Requirements Section				
IT72	The system should provide a robust report writer to develop customized reports. Report writing should be security enabled so that only users with the proper access can write reports.	SUP		5
IT73	The system should support the ability to send report to printer, file and email (Exchange).	SUP		5
IT74	The system should present data in a graphical manner, including bar charts, line charts, pie charts, Gantt charts, etc. in reports.	SUP		5
IT75	The system should provide a report design wizard to guide users through the report creation process.	SUP		5
IT76	The system should provide HTML preview that allows report authors to see how reports will look when published to the web.	SUP		5
IT77	The system should provide the ability to perform auto saving of a report (during development) after a user-defined period of time has passed.	NS		0
IT78	The system should provide intuitive reporting tools such as vertical rulers and guides, grids - to facilitate report design and formatting.	SUP		5
IT79	The system should provide the ability to move and resize objects and select multiple objects.	SUP		5
IT80	The system should provide vertical text rotation.	SUP	SSRS	5
IT81	The system should provide the setup of horizontal or vertical page numbering.	SUP		5
IT82	The system should allow hyperlinks to be embedded into reports.	SUP		5
IT83	The system should provide automated alerts and checks that quickly find broken links, formula errors, and dependency issues.	SUP	Auditing alerts available, software correction dependancies available in Munis Internet Update	5
IT84	The system should provide a formula editor to assist in adding formulas to the report.	SUP		5
IT85	The system should provide the ability to export to XML, PDF, HTML, XLS (and XLSX), DOC (and DOCX), etc.	SUP		5
IT86	The system should provide mail merge with MS Word.	SUP		5
IT87	The system should provide the ability to customize report prompts. (This includes the actual verbiage of the question prompt, the default response (if any), and the specific rules established in association with the report prompt.)	SUP		5
IT88	The system should provide the ability to setup prompts based on dynamic values. This means that report designers do not have to maintain static prompt value lists within individual reports. Instead, they can reuse existing prompts stored in the repository.	SUP	SSRS	5
IT89	The system should enable security setup for reporting. This may include restricting users from running reports on activity that is unrelated to what they do.	SUP		5
IT90	The system should allow for developing customized reports that can extract information from several subsystems and produce them on the same report.	SUP		5
IT91	The system should allow users to set up folders to organize the various types of previously created reports (such as by department or function of the report).	SUP		5
IT92	The system should provide the ability to drill down, drill up, and/or drill around (create cross tabs) to supporting documents and related transactions from any field within the system.	SUP		5
IT93	The system should allow for system generated reports be copied over to user libraries where they can be modified without altering the original report.	SUP		5
IT94	The system should provide the capability to use "English" descriptions and/or an industry standard vocabulary for data elements, rather than specifying the exact data element name.	SUP		5

IT95	The system's report writer should come with a library of canned reports that have been specifically developed for the report writer application. These pre-developed reports should be available as a starting point to allow the client to modify and refine them to their own needs. Examples of reports may include account listings, purchase order status reports, accounts payable detailed transaction listings, etc.	SUP		5
IT96	The system should provide a full set of reports that are in compliance with ACA, AICPA, GASB, FASB and GAAP standards.	SUP		5
IT97	The system should provide the capability to generate letters and notices to user-defined groups.	SUP		5
IT98	The system should provide the capability to produce mailing labels.	SUP		5
IT99	The system should allow users to add or remove reports and templates to/from menus with proper security.	SUP		5
System Security Section				
IT100	The system should track the use of the system by authorized users.	SUP		5
IT101	The system should have the ability to report attempts by unauthorized users to use the system.	SUP	Since Active Directory is used for authentication, these reports would be available using AD tools	5
IT102	The system should have the ability to suspend after "x" attempts to access the system with an incorrect password if authentication is internal to the system.	SUP		5
IT103	The system should have the ability to copy a security profile.	SUP		5
IT104	The system should provide e-commerce security including customer authentication and encryption to protect customer data.	SUP		5
IT105	The system's e-commerce capabilities should be PCI-compliant.	SUP		5
IT106	The system should support standard Internet security including, but not limited to Secure Socket Layers (SSL). If SSL is not supported, please describe the supported Digital Certificates.	SUP		5
	The system should have the ability to define user access based on:			
IT107	Departments/Organizations	SUP		5
IT108	Roles	SUP		5
IT109	Individuals	SUP		5
IT110	Application	SUP		5
IT111	IP address.	SUP		5
IT112	Report	SUP		5
IT113	Screen	SUP		5
	The system should have the ability to define user access based on:			
IT114	Databases	SUP		5
IT115	Tables	SUP	Database Views Only	5
IT116	Documents	SUP		5
IT117	Data Elements	SUP		5
	The system should have the ability to define and lookup a user based on:			
IT118	User Name	SUP		5
IT119	Role	SUP		5
IT120	Organization Name/Number	SUP		5
IT121	Date user was created	SUP		5
IT122	Last login	SUP		5
IT123	The system should allow users to review security transaction history in a report.	SUP		5
IT124	The system should be able to automatically sign a dormant user off of the system after a user-defined time period.	SUP		5
IT125	The system should provide the ability to configure User ID/password rules such as length, alpha/numeric, upper/lower case, password definition and expiration period.	SUP		5
	The system should provide ability to view or obtain security reports showing:			
IT126	Security breaches or attempts	SUP	Using Active Directory Tools	5
IT127	Authorized system use	SUP		5
IT128	Changes to security profiles	SUP		5
IT129	Security snapshot on a specific time period specified by the user	SUP		5
System Workflow Section				
IT130	The system should provide for the electronic management, approval routing, and reporting of work generated by individuals such as requisitions (including capital asset requisitions & project requests), purchase orders, journal entries, etc.	SUP		5
IT131	The system should come with a library of canned workflow models that have been specifically developed for the workflow application. These pre-developed models should be available as a starting point to allow the client to modify and refine them to their own needs.	SUP	Pre-defined business rules are included	5
IT132	The system should provide for e-mail notification or on-line notification of documents pending approval.	SUP		5

IT133	The system should allow the flow of work to be defined based on any data element or combination of data elements from initiation of a work queue item through various in-process, review, and approval activities (for all system modules). The work queue will follow a logical progression.	SUP		5
IT134	The workflow tools should integrate with Exchange capabilities, such as the recipient list, calendaring, blind copy, task creation, etc.	NS	Only available to relay email via Exchange. * There is automated scheduling in areas such as Scheduler Central for Permitting, Work Orders and Utility Service Orders as well as Work Order Facilities room reservations	0
IT135	The system should have the ability to re-direct an approval based on workflow rules and setup.	SUP		5
IT136	The system work queue items should allow for on-line modification based on user defined parameters.	SUP		5
IT137	The system work queue items should be able to have minor edits without the system re-triggering the approval back to the person who initiated it.	SUP		5
IT138	The system work queue items should have the ability to be reassigned to another individual, work group, department or location on-line.	SUP		5
IT139	The system should provide for notes/comments on transactions.	SUP		5
IT140	The system should record user id and date on notes/comments.	SUP		5
IT141	The system should be able to send a standardized and/or customized notification to a user explaining why the document was rejected or unapproved (with user and date information).	SUP		5
IT142	The system should allow the viewing of workflow items by their status (pending approval, approved, rejected, etc.) in real time.	SUP		5
IT143	The system should allow electronic approval to be delegated to another individual in the event of absences.	SUP		5
IT144	The system should allow the attachment of documents to workflow items.	SUP		5
Other				
IT145	What third party tools are available to allow the City to access data to develop their own reports and queries?	NS		0
IT146	The City desires to offer its citizens a unified shopping cart for all City payment functions such as water bills and business licenses. Please describe the tools you offer to assist the City in creating a unified shopping cart. Describe if other third party tools can be integrated into this unified shopping cart such as Class Registration payments or Data Ticket Parking Tickets payments.	NS		0
IT147	The City currently utilizes an Integrated Voice Response (IVR) system to handle payments over the phone. While the City is looking to move away from this technology, please describe if you offer an IVR tool for payment purposes.	NS		0

TOTAL	700.00
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AP - Accounts Payable		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
AP1	The system should integrate with the Purchasing module, General Ledger, Inventory, Project Accounting, Fixed Assets, Payroll (for paying all vendors), Work Order, Business License (for validation vendor has a business license before payment), Contracts, and the Grant Management module.	SUP		5
AP2	The system should provide 3-way matching of purchase orders, receiving documents and invoices.	SUP		5
AP3	The system should track use taxes and automatically generate the entries to book the liability.	SUP		5
AP4	The system should prevent unauthorized users from modifying invoice data once the invoice has been approved and released.	SUP		5
	The system should have the following capabilities related to vendor returns:			
AP5	The system should maintain credit memo balances for vendor(s) in order to offset future invoices.	SUP		5
AP6	The system should have the ability to apply a credit memo to more than one vendor invoice.	SUP		5
AP7	The system should prevent payments to vendors with credit or zero balances.	SUP		5
	The system should have the following 1099 related capabilities:			
AP8	Generate 1099 IRS reports on standard forms and also to transmit 1099 information electronically.	SUP		5
AP9	Allow for the addition of manually added 1099s.	SUP		5
AP10	Include mandated 1099 updates with annual maintenance releases	SUP		5
AP11	Provide the ability to indicate that a vendor is 1099 but then allow the user to exclude individual payments from the 1099 transactions for that vendor.	SUP		5
AP12	Provide the ability to generate amended 1099s.	SUP		5
	The system should have the following general payment capabilities:			
AP13	Allow the user to request separate checks when multiple invoices are being processed for the same vendor.	SUP		5
AP14	Support multiple payment types (e.g., system generated checks, manual checks, wire transfers, procurement cards, ACH, etc.).	SUP		5
AP15	Ability to void a check and facilitate the re-processing of a new check for the same invoice(s).	SUP		5
AP16	Support flagging of potential duplicate invoices	SUP		5
AP17	Allow authorized users to withhold payments to a vendor even though the invoice is due.	SUP		5
AP18	Ability to suspend and/or restart payment for specified vendors, contracts or work orders based on a user defined duration.	SUP		5
AP19	Automatically calculate discounts when the check payment date is the same as, or prior to, the discount due date.	SUP		5
AP20	Ability to override the defaulted vendor discounts.	SUP		5
AP21	Amortize existing pre-payments by automatically generating invoices to distribute the payments to the proper periods.	SUP		5
AP22	The system should come with time and expense functionality for the tracking of travel advances and travel expense reports.	SUP	With use of Employee Expense module	5
AP23	The system should have an automatic interface with banking institution(s) to allow for electronic ACH payments and other digital functions (positive pay, stop payments, voids, etc.).	SUP		5
AP24	The system should have the ability to electronically notify vendors of pending ACH payments and/or when payments have been made to their accounts.	SUP		5
AP25	The system should provide the ability to create user-defined recurring invoices.	SUP		5
AP26	The system should have the ability to automatically re-open an invoice upon check voiding.	SUP		5
AP27	The system should provide multiple payment selection criteria (i.e., by due date, by vendor, invoice category/group, by invoice number, by account number, by department code, etc.) in order to allow the user to pay based on various factors.	CST	Currently only by due date, discount date, or invoice grouping	2
AP28	The system should provide the option to automatically split freight or shipping charges among split accounts within an invoice.	SUP	If freight amount is included on each PO line	5
AP29	The system should allow the user to distribute a line item to multiple account numbers.	SUP		5
AP30	For telephone, utility or similar bills, the system should provide the ability for users to set up distribution codes for the allocation of the invoiced amounts to various departments.	SUP		5
AP31	The system should reference the contract or PO number on the invoice screen if in use.	SUP		5
AP32	The system should provide the ability for an authorized user to override a retainage amount with proper security/authority.	SUP		5
Vendor Information				

AP33	System uses one vendor file between accounts payable and purchasing.	SUP		5
AP34	Vendor file is shared with customer file used for accounts receivable.	SUP	not shared, but integrated	5
AP35	System supports Parent/Child relationships for vendor records.	SUP		5
AP36	Maintains multiple location addresses for each vendor.	SUP		5
AP37	System identifies default payment remittance address.	SUP		5
AP38	System allows entering of "one-time" vendors with minimal information (example: refund payments).	SUP		5
AP39	System disallows entry of a duplicate vendor record.	SUP		5
AP40	System identifies 1099 vendors.	SUP		5
AP41	Provides notification of any missing W-9s for a vendor.	SUP		5
	System generates alerts when the following is entered:			
AP42	Duplicate names	CST		2
AP43	Duplicate tax IDs	SUP		5
AP44	System allows vendors to set up alternate vendor for payment (example: payment received by bank rather than vendor).	SUP		5
AP45	System allows placing all payments to vendor on hold	SUP		5
AP46	Vendor file stores vendor payment preference (ACH or check).	SUP		5
	Vendor files stores terms and conditions that are applied to invoices:			
AP47	Discounts	SUP		5
AP47	Payment terms (days to pay)	SUP		5
AP48	Payment retention	SUP		5
AP49	Vendor file stores discounted payment terms for vendor	SUP		5
AP50	System can accommodate advanced payment discount terms such as those based on volumes and/or specific date driven.	SUP		5
AP51	System tracks life to date reporting of vendor payments.	SUP		5
	System Setup Requirements Section			
AP52	The system should automatically calculate the payment due date based on user-defined criteria for each vendor (for example, 30 days from the receipt date of an invoice).	SUP		5
AP53	The user should be able to over-ride the system-produced date.	SUP		5
AP54	The system should allow for user-defined aging criteria for reporting.	SUP		5
	The system should allow for the setup of an overpayment threshold whereby invoices that are greater than the original PO/encumbrance by an established amount can be paid without delay:			
AP55	The system should have the ability to establish a percentage threshold for overpayments.	SUP		5
AP56	The system should have the ability to establish a dollar threshold.	SUP		5
	Reporting Requirements Section			
AP57	The system should be able to report on vendor payment records for current period, year-to-date, prior years and also by date range.	SUP		5
AP58	The system should provide user-defined AP check stub.	SUP		5
AP59	The system should provide standard and customized reports. Standard reports should, at a minimum, include Cash Disbursements Journal, Open Payables Listing, Accounts Payable Aging Report, Outstanding Invoice Listing, Cash Requirements Report, Check Register, Outstanding Checks, Cleared Checks, Check Reconciliation Report, Vendor List, Void and Stale Dated Report, ACH/Wire Report, and Inactive Vendor List.	SUP		5

TOTAL	294.00
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AR - Accounts Receivable		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
AR01	The system should integrate with the General Ledger, Project Accounting, Work Order and the Grant Management module.	SUP		5
AR02	The system should be capable of interfacing with third party applications such as the City's Data Ticket and Active Network systems, permitting systems, CUPA (Certified Unified Program Agency) for fire billing, Childcare billing and Third Party print/mail services.	SUP	Assumes use of standard file imports/exports.	5
AR3	The City has various types of Department receivables billing such as fire inspections, backflow billing, City property damages, external agency billings, etc. The system should provide the ability to categorize these receivables by department, activity and sales/receivable type.	SUP		5
AR4	The system should provide the ability to generate reminders for follow-up with a customer.	SUP		5
Statements/Invoices Requirements Section				
AR5	The system should provide electronic billing capabilities.	SUP		5
AR6	The system should be able to generate customer statements showing beginning balance, charges during the month, credits during the month, other adjustments, aging and ending balance.	SUP		5
AR7	The system should be able to bill partial invoices.	SUP		5
AR8	The system should support tear-off remittance advices that the customer can return with the payment.	SUP		5
AR9	The system should allow users to print invoices and/or statements in any user defined criteria (i.e. by customer number, customer name, zip code, payment status, etc.)	SUP		5
AR10	The system should provide the ability to include informational messages on invoices/statements.	SUP		5
AR11	The system should allow users to suppress statements with zero and credit balance.	SUP		5
Customer Requirements Section				
AR12	The system should provide the ability to assign a different class code for each type of customer.	SUP		5
AR13	The system should provide the ability to assign multiple class codes to a customer.	SUP		5
AR14	The system should provide the ability to maintain customer correspondence and internal notes/comments (for example: Customer has paid with NSF checks in the past, etc.)	SUP		5
Billing Requirements Section				
AR15	The system should provide the ability to process installment billings and perform aging according to the installment terms.	SUP		5
AR16	The system must be able to accommodate internal service billings.	SUP		5
AR17	The system should provide the ability to set up recurring billing based on contract specifications (i.e.: begin date, end date, insurance information, frequency, amount.)	SUP		5
AR18	The system should provide the ability to bill by type of charge and/or type of customer.	SUP		5
AR19	The system should provide the ability to suspend billing on items disputed by the customer.	SUP		5
AR20	The system should be able to produce customer refund checks by automatically creating an AP invoice record based on the AR refund information.	SUP		5
	The system should allow tracking of "Developer Deposits" or similar customer deposits with draw downs of that deposit:			
AR21	Track original deposit and allow withdrawals.	SUP		5
AR22	Provide statements to customer.	SUP		5
Delinquencies:				
AR23	Generate delinquency letters to customers by receivable type.	SUP		5
AR24	Provide the ability to assess interest, late charges and penalties.	SUP		5
AR25	Ability to waive Late Fees.	SUP		5
AR26	Ability to waive NSF Fees.	SUP		5
AR27	Ability to produce a report of accounts to write off based on user defined criteria.	SUP		5
AR28	The system should provide the ability to track accounts sent to collection agencies.	SUP		5
AR29	Ability to track dollars of delinquent accounts collected, collection cases and results of collection efforts.	SUP		5
Aging:				
AR30	Provide ability to support extended payment terms and adjust the aging to reflect the new term.	SUP		5
AR31	Provide ability to review customer aging and other statistics (such as last payment date, etc.)	SUP		5

AR32	Allow users to define aging categories (e.g., current, 30, 60, 90 days.)	SUP		5
TOTAL				160.00

BU - Budget		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
BU1	The system should integrate with Human Resources (Position Control), Payroll, General Ledger, Purchasing, Grant Management, Project Accounting, Work Order and other applicable subsystems.	SUP		5
BU2	The system should support a 2-year budget.	SUP		5
BU3	The system should provide the ability to make mass adjustments to multiple budget line items at once.	SUP		5
BU4	The system should provide the ability to make dollar and percentage adjustments by budget line item or line item group and sustain audit trails for all changes.	SUP		5
BU5	The system should provide the ability to allocate overhead and administration	SUP		5
	The system should allow for budget based projections, including:			
BU6	The ability to compute "what if" scenarios using user defined calculations.	SUP		5
BU7	The ability to perform a variety of revenue, expenditure, and fund balance forecasting including the ability to perform fee analysis.	SUP		5
BU8	Allow forecasts to be calculated in terms of percentage increases or decreases (either globally or for specific departments, funding sources or other units).	SUP		5
BU9	Allow salary and benefits projections based on user defined parameters (fixed cost, percentage, lump sum).	SUP		5
BU10	The system should provide users the ability to enter budget requests (modifications, transfers, etc.) on-line.	SUP		5
BU11	The system should provide the ability to create, maintain and compare multiple budget versions.	SUP		5
BU12	The system should allow budgets to be copied forward from the current budget.	SUP		5
Budget Reporting Requirements Section				
BU13	The system should provide a report that lists information for employees including position and hourly rate by account number with flexible subtotalling capabilities.	SUP		5
	The system should provide standard and customized budget reports. At a minimum, the standard reporting should provide the ability to:			
BU14	Run reports based on date range (user defined, fiscal year, etc.).	SUP		5
BU15	Develop exception reports or criteria-driven reports (e.g. accounts that are 75% expended at mid-year).	SUP		5
BU16	Drill down to the lowest level.	SUP		5
BU17	Drill down to a supporting scanned document.	SUP		5
BU18	Develop statistical budget information to allow research and analysis (including performance measurements).	SUP		5
BU19	Include charts and other graphical information.	SUP		5
Budget Development & Preparation Requirements Section				
BU20	The system should provide a flexible way of preparing budget details that is not restricted to the attributes of the chart of accounts. (Example: The ability to budget at lower or more detailed levels than the chart of accounts allows for.)	SUP		5
BU21	The system should provide the ability to budget by position.	SUP		5
BU22	The system should provide ability to handle approved agreements by bargaining unit and estimated increases, salary and step pay plans.	NS		0
BU23	The system should support the inclusion of multi-year contracts across multiple activities.	NS		0
BU24	The system should provide the ability to view different job classifications and their corresponding pay ranges and steps.	SUP		5
BU25	The system should provide the ability to automatically calculate an hourly rate by the number of estimated annual hours in order to produce a budget for each employee.	NS		0
BU26	The system should provide the ability to accommodate project contingency line items in budgets.	SUP		5
BU27	The system should provide on-line budget preparation capabilities to all departments based on user-defined rules.	SUP		5
BU28	The system should provide the ability to maintain narrative information such as goals and objectives, justifications, and performance criteria within the department. Justifications should be able to be maintained at the lowest level of budget line item.	SUP		5
	The system should provide the ability to electronically route the following while maintaining a complete audit trail:			
BU29	Budgets for approval	SUP		5
BU30	Approver changes to the budget	NS		0
BU31	Proposed budgetary transfers/changes	SUP		5
Budget Setup and Controls Requirements Section				

BU32	The system should provide the ability to setup and apply budgetary controls at any level of the account structure (by line item), as established in the chart of accounts.	SUP		5
BU33	The system should accommodate multi-year (inception to date) budget controls.	SUP		5
BU34	The system should allow for the designation of whether a warning or a block will occur when a user attempts to enter a transaction that exceeds the available funds in the budget. This should be available for each stage of budget checking (requisition, purchase order, invoice, and check).	SUP		5
BU35	The system should allow authorized users the ability to establish a tolerance percentage or any other user defined constraint before the over-budget condition is blocked or warned.	SUP		5

TOTAL	155.00
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City of Santa Fe Springs
Functional Requirements Matrix

Tyler Technologies, Inc.

CR - Cash Receipts		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
CR1	The system should integrate with Accounts Receivable, Purchasing, Grant Management, Project Accounting, Work Order and other applicable subsystems.	SUP		5
CR2	The system should allow for the tracking of receipts by input operator and by date. Detailed information should be available.	SUP		5
	The system should provide the ability to track multiple payment types including:			
CR3	Cash	SUP		5
CR4	Check	SUP		5
CR5	ACH	SUP		5
CR6	Credit Cards	SUP		5
CR7	Direct Deposits	SUP		5
CR8	Other (auto-pay, lockbox, online payment, online banking, etc.)	SUP		5
CR9	During cash receipting, the system should allow the online lookup of customer numbers based on a full or partial name entry.	SUP		5
CR10	The system should provide for a user-defined duration of cash receipts reports showing all transactions.	SUP		5
CR11	The system should allow the same check to apply to multiple open items.	SUP		5
CR12	The system should allow partial payments to be applied to specific invoice line	SUP		5
CR13	The system should allow partial payments to be applied in a predetermined hierarchy instead of just applying payments to the earliest open receivable item.	SUP		5
Reporting Section				
	The system should provide a daily or monthly edit report showing cash receipts sorted at a minimum by:			
CR14	Receipts By Operator	SUP		5
CR15	General Ledger Distribution	SUP		5
CR16	Date	SUP		5
CR17	Receipt by Location	SUP		5
CR18	Receipts By Type	SUP		5
CR19	Receipts By Bank	SUP		5
CR20	Receipts By Processing Source (i.e., PayPal, etc.)	SUP		5
TOTAL				100.00

CM - Contract Management		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
CM1	The system should integrate with the General Ledger, Accounts Payable, Inventory, Project Accounting, Fixed Assets, Purchasing, and the Grant Management module.	SUP		5
CM2	The system should track vendor's insurance information with insurance requirements, coverage amounts, types of coverage, and expiration dates.	SUP		5
CM3	The system should have the ability to provide a user defined alert if a contractor's insurance is about to expire.	SUP		5
CM4	The system should provide warning or a block when a contract is about to expire based on user defined criteria.	SUP		5
CM5	The system should allow for electronic insurance renewal notices to be sent to	SUP		5
CM6	The system should provide reason codes and/or remarks for missed milestone dates.	SUP		5
CM7	The system should provide the ability to track and report on contract data, including receiving statistics, warranty claims and contractor/vendor correspondence.	SUP		5
CM8	The system should provide a consistent contract data entry screen whether the contract is a revenue contract, encumbered contract, or expensed (unencumbered) contract with the ability to define multiple line items.	SUP		5
CM9	The system should provide an "Authorization to Start" field for consultant contracts.	SUP		5
CM10	The system should be able to create and generate letters based on user-defined templates. For example, to create award letters to successful bidders as well as letters for contractors/vendors who were not selected. (Other letters may include "Authorization to Start", "Insurance Renewal Notices", "Notice to Proceed", "Contractor's Affidavit", other legal documents, etc.)	SUP		5
CM11	The system should provide multiple contract approval routes to track all stages of the contract approval process based on contract type.	SUP		5
CM12	The system should be able to maintain a list of required legal documents in relation to a contract (i.e., bonds, certificates, licensing).	SUP		5
CM13	The system should maintain a library of standard and acceptable legal/	SUP	though TCM	5
	The system should provide the ability to track:			
CM14	Advertised date	SUP		5
CM15	Bid opening date	SUP		5
CM16	Board/Council date	SUP		5
CM17	Notice of award date	SUP		5
CM18	Notice to proceed date	SUP		5
CM19	Notice of completion date	SUP		5
CM20	Final payment date	SUP		5
CM21	User defined warranty due date triggered by another date	SUP		5
CM22	Contract termination date	SUP		5
CM23	Modification to contract date(s)	SUP		5
CM24	The system should provide the ability to track MBE/WBE/DBE requirements and related compliances.	SUP		5
CM25	The system should provide the ability to verify participation and payments to sub-contractors by the prime contractor.	SUP		5
CM26	The system should provide the ability to track contractor's compliance with prevailing wage regulations.	SUP		5
CM27	The system should provide the ability to assign quantities to tasks/subtasks with user-defined units of measure and unit costs (for example: engineers' estimates).	SUP		5
CM28	The system should provide a text field in order to list any possible exceptions or qualifications by bid or bid item (i.e., alternate bid items).	SUP		5
CM29	The system should allow users to develop contract related notes, messages and comments.	SUP		5
CM30	The system should allow authorized personnel to select a successful bidder from the list of bid responses and to record a comment for cases where the low bidder was not selected.	SUP		5
CM31	The system should provide the ability to establish retainage based on a percentage and/or a dollar amount.	SUP		5
CM32	The system should allow for a user defined multi-level retainage structure for calculation of progress payment (payment request) based on criteria of percentage completed or total amount paid to a contractor.	SUP		5
CM33	The system should provide the ability for an authorized user to override a retainage amount at invoice entry with proper security/authority.	SUP		5
CM34	The system should provide the ability for an authorized user to release retainage at the contract and project level (lump sum release or percentage release) in a single or multiple transactions.	SUP		5

CM35	The system should allow for separate retainage percentage for change orders (contract modifications).	SUP		5
CM36	The system should provide the ability to route the contract modifications (change orders) to all required parties for approval and then record the status of the modification.	SUP		5
CM37	The system should provide the ability to track numerous contract modifications.	SUP		5
CM38	The system should provide the ability to identify contract modifications either as a quantity change, a scope change or a combination.	SUP		5
CM39	The system should provide the ability to calculate the number of change orders by reason code for a specific contract and project.	SUP		5
CM40	The system should provide the ability to track different types of licenses and specialties held by bidder/contractor/vendor.	SUP		5
CM41	The system should provide the ability to close partially fulfilled contracts with proper authorization. The closing transaction must automatically update the encumbrances and budget.	SUP		5
CM42	The system should be able to prevent a contract from being closed if all required closing activities have not been achieved.	SUP		5
CM43	The system should provide the ability to close out a contract through user-defined criteria (i.e.: upon the issuance of final payment, etc.) and automatically transfer the remaining encumbrance to available funds.	SUP		5
CM44	The system should enable users to view and report on contracts by project manager, inspector, and other responsible party.	SUP		5
CM45	The system should have the ability to include both encumbered and non-encumbered line items on the same contract.	SUP		5
CM46	The system should have the ability to automatically create a contract record from a purchase requisition.	NS		0
CM47	The system should provide the ability to track the amount of money spent on American Disabilities Acts (ADA) related improvements for each contract.	NS		0
CM48	The system should provide a self-service web-based capability, allowing contractors to view the results of a particular bid. The amount of information displayed on the web should be user-defined.	NS		0
CM49	The system should provide the ability for contractors to submit bids electronically.	SUP		5
CM50	The system should provide the ability to track warranty claims.	SUP		5
CM51	The system should provide the ability to track stop notices	SUP		5
CM52	The system should provide the ability to track liquidated damages	NS		0
CM53	The system should allow funds to be encumbered using a future date. (i.e., funds related to future years on multi-year contracts)	NS		0

TOTAL	240.00
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	FA - Fixed Assets	Vendor Response	Additional Vendor Comments	Vendor Score
	General Requirements Section			
FA1	The system should integrate with the General Ledger, Accounts Payable, and Purchasing	SUP		5
FA2	The system should have the ability to automatically populate the useful life based on the asset classification.	SUP		5
FA3	The system should provide the capability to assign primary classes to assets. (for reporting and inquiry) For example, building, vehicles, equipment, etc.	SUP		5
FA4	The system should provide the capability to assign primary, secondary or tertiary classes to assets. For example, a printer could be a tertiary, which rolls up to office equipment (secondary) which rolls up to machinery & equipment (primary).	SUP		5
FA5	The system should allow for improvement adjustments to an asset to increase the value and/or extend the useful life, while maintaining the original asset information intact and then track the history of improvements to an asset.	SUP		5
FA6	The system should provide the ability to automatically create a capital asset shell in the Fixed Assets system from a Purchase Order, based on account number and dollar threshold. Once the asset is received, then users can enter the remaining asset information.	SUP		5
FA7	The system should provide the ability to create records for retired assets, including sales price, disposal date, method of sale, etc.	SUP		5
FA8	The system should provide the ability to track an asset that was jointly purchased by multiple cost centers.	SUP		5
	When transferring fixed assets from one cost center to another, or disposing of fixed assets, the system should:			
FA9	Allow for user-defined online transfer/disposal forms.	NS		0
FA10	Automatically populate data fields on the form from existing asset information.	NS		0
FA11	Allow for electronic approvals of transfer/disposal.	SUP		5
FA12	Once transfer/disposal is approved, the system should automatically update the General Ledger.	SUP		5
FA13	The system should have the ability to maintain cost, insurance, and replacement values for property.	SUP		5
FA14	The system should have the ability to maintain detailed warranty records.	SUP		5
FA15	The system should provide the ability to link related assets together.	SUP		5
FA16	The system should provide the ability to track information related to the asset purchase, such as contract number, purchase order number, funding source, grant information, bid number, check number, invoice number, vendor, item description, GL account, etc.	SUP		5
FA17	The system should provide the ability to automatically create multiple fixed asset records based on a purchase of multiple quantities. (For example, purchasing multiple vehicles on the same purchase order/contract).	SUP		5
FA18	The system should provide the ability to flag donated assets.	SUP		5
FA19	The system should provide the ability to interface to GIS systems.	SUP		5
FA20	The system should provide the ability to assign an employee (such as a fixed asset custodian) to a capital asset.	SUP		5
FA21	The system should provide barcode capability.	SUP		5
FA22	The system should provide users the ability to copy asset information from another pre-existing asset.	SUP		5
FA23	The system should provide the ability to track controlled (non-capital) assets. These assets generally include iPad, uniforms, firearm, trash bins, etc.)	SUP		5
FA24	The system should provide the ability to track controlled assets issued to employees.	SUP		5
FA25	The system should provide the ability to make mass changes. Examples of this would be changing the depreciable life for a particular asset class from 4 to 3 years, or changing the cost center due to the consolidation of two departments.	SUP		5
	Depreciation Section			
FA26	The system should have the option to depreciate on a variety of methods (straight line, sum of years digits, double declining balance, etc.)	SUP		5
FA27	The system should allow a choice for capital assets to begin depreciation based on either the acquisition date or the in-service date.	SUP		5
FA28	The system should allow depreciation to be calculated on a monthly, quarterly, or annual basis.	SUP		5
FA29	The system should have the ability to allocate depreciation expense to the functions/programs/activities on the Statement of Activities consistent with all GASB requirements.	SUP		5
TOTAL				135.00

GL - General Ledger		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
GL1	The system should integrate with Human Resources (Position Control), Payroll, Budget, Purchasing, Fixed Assets, Grant Management, Project Accounting, Work Order and other applicable subsystems.	SUP		5
GL2	The system should allow for the setup of a hierarchical account structure to allow for grouping or rollup of funds, sub-funds, cost centers, activities, projects and object accounts (chart of accounts) for G/L reporting and on-line inquiry.	SUP		5
GL3	The system should provide the ability to define the types of accounts that can be used in conjunction with any given cost center. For example, a cost center can be restricted so that it can only be paired with revenue and expense accounts (and not asset/liability accounts).	SUP		5
GL4	The system should provide the ability to define the subsystems in which a specific account can be used. For example, the Office Supplies account can be used for Purchasing, Accounts Payable, and the General Ledger, but it cannot be used in connection with Accounts Receivable.	SUP		5
GL5	The system should provide the ability to assign a responsible person to each cost center.	SUP		5
GL6	The system should allow for the creation of shortcut account numbers in order to simplify data entry. A short series of numbers can be entered instead of the fully qualified account.	SUP		5
	The system should allow for the setup of user defined month-end posting restrictions to:			
GL7	Allow each month to be defined as open or closed.	SUP		5
GL8	Define the number of days in which users can still post back to the prior month. The system should have the capability to define this by subsystem. For example, after the 10th day of the month, AP cannot post back to the prior month and after the 15th day of the month, no GL transactions can be booked to the prior month.	NS		0
GL9	The system should support having two fiscal years open at the same time during year-end processing.	SUP		5
GL10	The system should provide the ability to define the number of reporting periods within a fiscal year. This would allow for the separation of unique periods (13th, 14th, etc.) for balance forward entries, audit required adjustments, and other special closing entries.	SUP		5
GL11	The system should automatically assign journal entry numbers.	SUP		5
GL12	The system should provide the ability to set up multiple ledgers, each with its own chart of accounts, to accommodate different legal entities.	SUP		5
General Operating Requirements Section				
GL13	Transactions from subsystems should automatically update the General Ledger in real time.	SUP		5
GL14	The system should allow processing in the current period, future periods, and previous periods.	SUP		5
GL15	The system should provide the ability to associate each transaction with a user name/user number, job number, entry date and time.	SUP		5
GL16	The system should be able to maintain a history of all changes made to accounts and cost centers (not only the latest change).	SUP		5
GL17	The system should have the ability to run a utility to change old accounts to new accounts, including the update of all historical transactions. The ability to inquire and/or view all historical transactions should still be available.	SUP		5
GL18	The system should provide authorized users the ability to reverse transactions, provided that there is an audit trail. The system should retain the data within the batch/journal so it can be reposted, if necessary.	SUP		5
GL19	The system should provide the ability to copy accounts to facilitate the entry of similar records.	SUP		5
GL20	The system should provide for recurring journal entry templates which can be used to create a journal entry with the same accounts and debit and credit transactions.	SUP		5
	The system should have the ability to automatically produce a journal entry based upon the following user defined rules and calculations:			
GL21	For allocation of indirect costs, overhead costs, fringe costs, space costs, or other.	SUP		5
GL22	For pooled investment interest allocation based on average daily cash balance or other chart of accounts criteria.	SUP		5
GL23	With the ability to support multiple step allocations.	SUP		5
GL24	Generate accrual reversal entries for posting to the next accounting period or to a user defined period.	SUP		5

GL25	The system should provide a free form text field on journal entries that allows for ample space to include a several sentence description.	SUP		5
GL26	The system should provide the ability to calculate and post balance forward entries to a new year. The balances should be automatically updated as additional adjustments are made to the open (prior) year.	SUP	via the post last year adjustments program	5
Deposit Transaction Requirements Section				
	The system should support the acceptance of deposits and related expense transactions			
GL27	For budgeted CIP Projects	SUP		5
GL28	For smaller, unbudgeted work order related transactions	SUP		5
GL29	For simple deposits with no related expenses, such as events	SUP		5
	The system should support relating deposits the following expense types			
GL30	Employee expenses from payroll	SUP		5
GL31	Goods and services from the Purchasing and Accounts Payable systems	SUP		5
GL32	Any allocated costs through journal entries	SUP		5
GL33	Costs from interfaced systems	NS		0
GL34	The system should flag or indicate when remaining deposit amounts approach a user defined minimum amount.	NS		0
GL35	The system should support the generation of statements showing deposits and related activity on demand.	SUP		5
GL36	The system should support refund of deposits through the Accounts Payable module.	NS		0
Inquiry and Reporting Requirements Section				
GL37	The system should provide the ability to generate financial reports, including the CAFR, Single Audit Report and any other externally required reports.	SUP		5
GL38	The system should provide the ability to perform consolidation and eliminations necessary to prepare entity-wide financial statements.	SUP		5
GL39	The system should allow reports to be generated based on any user defined selection criteria.	SUP		5
GL40	They system should provide the ability to report variances between actual and forecasted cash balances.	NS		0
GL41	The system should provide the ability to run reports/inquiries with the option of including unposted transactions.	SUP		5
GL42	The system should allow for the development of customized reports to meet the client's specific reporting requirements.	SUP	MAY REQUIRE SSRS	5
GL43	The system should allow for reports to be run by department or cost center, regardless of whether the department or cost center resides in multiple funds.	SUP		5
Bank Reconciliation Section				
GL44	The system should provide for automatic matching of bank transactions with general ledger transactions based on configurable matching rules for more precise automatic reconciliation.	SUP		5
GL45	The system should allow manual matching in order to enable a user to resolve unreconciled transactions for unique situations and override automatic reconciliation matching results.	SUP		5
GL46	The system should provide the ability to manually enter checks, deposits, etc. (This would typically be used to load data before go live.)	SUP		5
GL47	The system should allow the user to re-run reconciliations from prior months for corrections or to include auditor adjustments for prior years.	SUP		5
GL48	The system should allow for the entry of notes/comments in association with unreconciled transactions.	SUP		5
GL49	The system should allow for date sensitive reporting. For example, a check issued in January but not cleared until April should show as outstanding when running January, February and March reports, even if the current month is May.	SUP		5
GL50	The system should track check activity dates, such as issue date, void date, reversal date, cleared date, stop payment date, escheat date, etc.	SUP		5

TOTAL	225.00
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GR - Grant Management		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
GR1	The system should integrate with Project Accounting, General Ledger, Budget, Accounts Receivable, Purchasing, Billing, Accounts Payable, Payroll, Fixed Assets and Cash Receipts.	SUP		5
GR2	The system should provide the ability to distribute grant applications to the review board for electronic approval.	SUP		5
GR3	The system should provide the ability to support grant fiscal year closing independent of the fiscal year of the organization.	SUP		5
GR4	The system should provide the ability to bring forward fiscal year end balances for multi-year grants.	SUP		5
GR5	The system should provide the ability to produce automated notifications for	SUP		5
GR6	The system should provide the ability to create reminder notices for billings, submission of reports, etc. and flag/report exceptions to events that are not accomplished on time.	SUP		5
GR7	For projects that are funded by multiple grants, the system should provide user-defined prioritization for the utilization of funds.	SUP		5
GR8	The system should provide the ability to transfer expenditure amounts between phases.	SUP		5
GR9	The system should enable multiple contract types per phase (for example, professional services, construction, construction management, etc.).	SUP		5
	The system should have the ability to perform automated allocations including:			
GR10	Ability to allocate indirect salaries and fringe benefits to the applicable grants.	SUP		5
GR11	Apply more than one indirect cost allocation per grant.	SUP		5
GR12	Ability to maintain and monitor grants that affect multiple	SUP		5
GR13	The system should allow for multiple grants/funding sources for a single program.	SUP		5
GR14	The system should automatically adjust grant expenditures accordingly for any Payroll adjustments.	SUP		5
GR15	The system should provide the ability to copy existing grants to establish templates for new grants.	SUP		5
	The system should provide the ability to calculate the timing of drawdowns			
GR16	Level of expenditures	NS		0
GR17	Grant requirements	SUP		5
GR18	The system should provide the ability to record project performance information.	NS		0
	The system should provide the ability to allow authorized managers to access, inquire, report and reconcile the status of grants and all other funding sources on the following information:			
GR19	Drawdowns	SUP		5
GR20	Obligations	NS		0
GR21	Encumbrances	SUP		5
GR22	Expenditures	SUP		5
	The system should provide the ability to track the following information for each grant related activity:		some user defined fields may be needed	
GR23	Grant number	SUP		5
GR24	Account code	SUP		5
GR25	CFDA (Catalog of Federal Domestic Assistance) number	SUP		5
GR26	Funding agency	SUP		5
GR27	Name of program	SUP		5
GR28	Type of funding agency (federal, state, local, etc.)	SUP		5
GR29	Award amount	SUP		5
GR30	PO number	SUP		5
GR31	Vendor name	SUP		5
GR32	Invoice number	SUP		5
GR33	Check number	SUP		5
	The system should be able to track and manage the following:		some user defined fields may be needed	
GR34	Grants in progress	SUP		5
GR35	Report due dates	SUP		5
GR36	Grant eligibility	SUP		5
GR37	Grant proposal	SUP		5
GR38	Multiple grant approval phases	SUP		5
GR39	Reimbursements	SUP		5
GR40	Sub recipient contracts	SUP		5
GR41	Grant ending date	SUP		5
GR42	In-kind transactions	SUP		5
GR43	Application date	SUP		5
GR44	Encumbrances	SUP		5
GR45	Percent match	SUP		5

GR46	Monetary versus in-kind contributions	SUP		5
GR47	Specific accounts of matching funds	SUP		5
GR48	Status of matched funds	SUP		5
GR49	The system should provide the ability to record grant contracts with sub recipient requirements to specific grants and/or sub grants.	SUP		5
Communication with Funding Agencies Requirements Section				
GR50	The system should provide the ability to prepare billing statements and other associated documents to any of the federal and/or local units, regardless of the billing arrangements and participation agreements (e.g., project reimbursement).	SUP		5
	The system should provide the ability to send project billing information electronically to:			
GR51	Federal grantors	SUP		5
GR52	State grantors	SUP		5
System Setup Requirements Section				
GR53	The system should provide the ability to establish and adjust budgets for each grant or project.	SUP		5
GR54	The system should provide the ability to set-up grants/projects by phase or other sublevel to enable tracking by participating departments, divisions or any other user defined organization units.	SUP		5
GR55	The system should allow for the establishment of allowed costs for each grant based on activity or other user defined parameter. The system should then automatically disallow unauthorized costs either in total or partial, along with reason for disallowance.	NS		0
GR56	The system should allow for the establishment of allowed overhead rates independent from City-wide overhead rates.	SUP		5
GR57	The system should provide the ability to apply reimbursement rules to a grant.	SUP		5
Reporting Requirements Section				
GR58	The system should provide the ability to track and report current performance against past performance and/or established goals.	NS		0
	The system should be able to report the following information over any user defined reporting period (state reporting period, federal reporting period, grant year, fiscal year, inception to date, breakdowns by period, etc.)			
GR59	Expenditures	SUP		5
GR60	Revenues	SUP		5
GR61	Encumbrances	SUP		5
GR62	Billings	SUP		5
GR63	Payments	SUP		5
GR64	Balances	SUP		5
GR65	The system should be able to generate standard federal reports (including The Single Audit Report).	NS		0
GR66	The system should be able to generate the Schedule of Federal Financial Assistance Award (Total federal expenditures with corresponding CFDA #).	NS		0
	The system should provide the ability to generate the following reports for individual grants, as well as for all grants:			
GR67	Trial balance	SUP		5
GR68	Year end and interim financial statements	SUP		5
GR69	The system should provide the ability to create the Quarterly Expenditure Report for Federal Grants - SF 269.	NS		0
GR70	The system should provide the ability to create the Quarterly Cash Management Report for Federal Grants - SF 272.	NS		0

TOTAL	305.00
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IV - Inventory		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
IV1	The system should integrate with Budget, Purchasing, Fixed Assets, Grant Management, Project Accounting, Work Order and other applicable subsystems.	SUP		5
	The system should provide the ability to maintain and look up the following inventory information:			
IV2	A primary item description field with an ample field length	SUP		5
IV3	Secondary and tertiary item description fields with ample field lengths	SUP		5
IV4	Item classification	SUP		5
IV5	Unit of measure	SUP		5
IV6	Order price	SUP		5
IV7	Average price	SUP		5
IV8	Price History	SUP		5
IV9	Vendor name/number for at least the last 3 different vendors that were ordered from.	SUP		5
IV10	Serial number	SUP		5
IV11	Inventory number/stock number	SUP		5
IV12	Commodity type	SUP		5
IV13	Location	SUP		5
IV14	Supplier model number	SUP		5
IV15	Quantity on hand	SUP		5
IV16	Quantity on order	SUP		5
IV17	Quantity received on orders, including partial orders	SUP		5
IV18	Ordered year-to-date	SUP		5
IV19	Received year-to-date	SUP		5
IV20	Issued current period	SUP		5
IV21	Issued last 365 day period (up to 3 years)	NS		0
IV22	The system should keep track of inventory items that are on order via open purchase orders, including information regarding on-order quantities, costs and expected receipt dates.	SUP		5
	The system should provide the ability to automatically process transactions, maintain quantities and lookup information related to (but not limited to):			
IV23	Items that are normally purchased together	NS		0
IV24	Inventory issues	SUP		5
IV25	Receipts of stock items	SUP		5
IV26	Receipts of non-stock items	SUP		5
IV27	Adjustments	SUP		5
IV28	Transfers between locations	SUP		5
IV29	Returns back to stock	SUP		5
IV30	Returns back to vendor	SUP		5
IV31	Employee receiving an item	SUP		5
IV32	Employee returning an item	SUP		5
IV33	Backorders	SUP		5
IV34	Purchase orders	SUP		5
	The system should provide the ability to track order history including, but not limited to, the following items:			
IV35	Movement history (turnaround)	SUP		5
IV36	Reorder points	SUP		5
IV37	Lead-time	SUP		5
IV38	Backorders	SUP		5
IV39	Returns	NS		0
IV40	The system should provide the ability to establish standard units of measure (e.g., pounds, boxes, barrels, gallons).	SUP		5
IV41	The system should provide the ability to convert different units of measure. (For example, an item is ordered by the box, but issued by a unit of each).	SUP		5
IV42	The system should provide the ability to read and track bar codes on packaging from suppliers for stock receiving, and physical inventory.	SUP		5
IV43	The system should provide integration with Project/Grant, General Ledger, Accounts Payable, Utility Billing and Purchasing modules.	SUP		5
IV44	The system should provide the ability to purge an inventory item and its entire historical information if the item has had a zero quantities and/or no activity for over a user-defined period.	SUP		5
IV45	The system should provide the ability to account for a negative inventory level. This could occur when an item has been issued before it is received into the inventory system.	SUP		5
IV46	The system should provide the ability to perform cycle counts based on a user-defined selection formula or auto-generated by the system.	SUP		5

IV47	The system should provide the ability to freeze an individual commodity/stock item or all items in a warehouse for inventory cycle counts, physical inventories and adjustments. The system should be able to institute separate freezes for different warehouse locations.	SUP		5
Receiving Requirements Section				
IV48	The system should provide for the receipt of partial line items.	SUP		5
IV49	The system should provide the ability to track the unshipped units related to a partial shipment.	NS		0
Inventory Costing Requirements Section				
IV50	The system should maintain vendor and pricing data for inventory and non-inventory purchases.	SUP		5
IV51	The system should have the ability to take discounts, freight (and other adjustments that are made during the receiving process) into account when calculating the average cost of the inventory item.	NS		0
IV52	The system should provide the ability to adjust the average cost paid for an inventory item.	SUP		5
IV53	The system should provide multiple inventory valuation methods, such as LIFO, FIFO, Average Cost, etc.	NS		0
Inventory Orders Section				
IV54	The system should provide the ability to select stock items by item description, item number, commodity code, manufacturer part number and commodity description.	SUP		5
The system should have the capability to automate the re-order process:				
IV55	Provide the ability to automatically generate purchase requisitions for items that have reached their re-order point.	SUP		5
IV56	Capability to generate automated notifications for reorder items in order to provide the user the opportunity to accept or reject the automatic creation of a requisition.	SUP		5
IV57	Users should be able to make modifications to the auto-created purchase requisition.	SUP		5
IV58	The system should provide the ability to credit stock returns to the dept./office that originated the issue/order.	SUP		5
Reporting Section				
IV59	The system should provide the ability to generate master parts lists and sub lists for equipment by manufacturer, quantity and cost. (A master parts list represents all the inventory items associated with a particular equipment.)	SUP		5
	The system should provide the ability to print the following standard inventory reports:		Custom reports might need to be created. Reports can be created using SQL Reporting Service, MUNIS Canned Reports, Excel and simply SQL Querying of the data.	
IV60	Inventory master listing by any user defined criteria, including but not limited to, inventory number, description, location, equipment number, quantity on hand, unit of measure, size, description, supplier, cost, buyer, employee an item is issued to, etc.	SUP		5
IV61	An issues report by any user defined criteria, including but not limited to, inventory class/category, item number, account number, department number, inventory number, description, charged account number, date, quantity, etc.	SUP		5
	Backorder Reports:		Custom reports might need to be created. Reports can be created using SQL Reporting Service, MUNIS Canned Reports, Excel and simply SQL Querying of the data.	
IV62	Inventory returns reports by any user defined criteria, including but not limited to: transaction number, received by, inventory number, description, quantity, date, charged account number, and cost extension.	SUP		5
IV63	Available stock quantities report	SUP		5
IV64	Inventory Reorder Recommendation Report	SUP		5
IV65	Inventory Turnover Report	SUP		5
IV66	Vendor Shipping Performance Report that includes due dates for delivery, actual dates of delivery, accuracy of shipments, etc.	SUP		5
IV67	Inventory Usage Report	SUP		5
IV68	Unfilled Issues/Orders Report	SUP		5
IV69	Inventory Transaction Report	SUP		5
IV70	Inventory Cycle Count Report	SUP		5
IV71	Open Purchase Order Report (with quantities of items on order, received, cancelled, and paid)	SUP		5

TOTAL	325.00
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City of Santa Fe Springs
Functional Requirements Matrix

Tyler Technologies, Inc.

PR - Project Accounting		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
PR1	The system should be fully integrated with the General Ledger, Purchasing, Grant Management, Fixed Assets, Accounts Payable, Work Order, Accounts Receivable, Cash Receipts and Payroll modules.	SUP		5
PR2	The system should provide the ability to define project start and close dates.	SUP		5
PR3	The system should allow users to set up projects in a hierarchical structure which includes the definition of different project sub-levels (i.e.: project, sub-project, phase, work breakdown structure, etc.).	SUP		5
PR4	The system should be able to track and report on project related performance measures, services, and accomplishments.	SUP		5
PR5	The system should be able to track and report on all (multiple) funding sources	SUP		5
PR6	The system should be able to track and report on all (multiple) projects that are related to a single funding source.	SUP		5
PR7	The system should provide the ability to record and maintain an original budget, budget changes, and a revised budget for each project account at each level in the project hierarchy structure.	SUP		5
PR8	The system should provide the ability to track staff labor data related to projects (e.g. salary, fringe, other direct, premium time, bill rate, billable time, non-billable time, multipliers, etc.).	SUP		5
PR9	The system should provide the ability to track various material items.	SUP		5
PR10	The system should be able to report the financial status of projects, including all direct costs and allocations.	SUP	MAY REQUIRE SSRS	5
PR11	The system should provide a way to prevent inactivation of a project account for which funds are encumbered until the project is closed out.	SUP		5
PR12	The system should provide the ability to develop forecasts based on the actual project cost/schedule and generate progress trend analysis reports for quantities, amounts, etc.	SUP	With S&B Projections. May also require SSRS	5
PR13	The system should have the ability to provide a user defined alert if a project	SUP		5
PR14	The system should be able to flag/warn users when actual costs against a particular project budget line item are approaching the budget limit. The timing of the warning should be user definable.	SUP	Budget checking/warnings is supported with Financials Budget application	5
PR15	The system should provide the ability to support backlog analysis (i.e., the balance of the project dollar value against the remaining work yet to be completed).	SUP	Via Project Ledger Module	5
PR16	The system should provide multi-year project budget capabilities.	SUP		5
PR17	The system should provide the ability to set up default mapping rules. (For	SUP	Via Project Ledger Module	5
PR18	The system should provide the ability to generate balance sheet information at the project level.	SUP		5
PR19	The system should provide the ability to process inception to date reports/inquiries.	SUP		5
PR20	The system should provide the ability to appropriate funds at the project level.	SUP		5
PR21	The system should provide the ability to close projects (CIP) to fixed assets periodically or at the completion of the project or when the asset is substantially complete.	SUP		5

TOTAL	105.00
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	PU - Purchasing	Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
PU1	The system should integrate with the General Ledger, Accounts Payable, Inventory, Project Accounting, Fixed Assets, Contract Management, and the Grant Management module.	SUP		5
PU2	The system should provide the ability to maintain multiple addresses for each vendor.	SUP		5
PU3	The system should provide the ability to maintain multiple contacts for each vendor, including phone numbers, email addresses and websites.	SUP		5
PU4	The system should provide designation codes to identify characteristics for a vendor (such as bad quality vendor, DBE, MBE, WBE, SBE, DVBE, disbarred vendor, etc.).	SUP		5
PU5	The system should support the use of commodity codes for goods and services.	SUP		5
PU6	The system should support user defined codes to identify characteristics of a vendor.	SUP		5
PU7	The system should be able to generate a list of preferred vendors based on commodity codes.	SUP		5
PU8	The system should provide functionality that ensures that all vendor documentation is complete before a vendor is allowed to be paid – example ensure that the W-9 is completed.	SUP		5
PU9	The system should provide the ability to automatically merge two vendors and update all related activity and associated history for the merged vendor (based on user security).	SUP		5
PU10	The system should not require encumbrance of Purchase Orders or other purchasing documents to perform budget checking for Purchase Order totals or budgeted line item totals.	SUP		5
PU11	The system should provide the option to perform budget checking either at the requisition or the purchase order level.	SUP		5
	The system should have the ability to establish the following for blanket purchase orders:			
PU12	A not-to-exceed amount on the entire blanket purchase order	SUP		5
PU13	A not-to-exceed amount on each release/requisition against a blanket order (per occurrence)	NS		0
PU14	An expiration date	NS		0
PU15	The system should provide the option to encumber funds either at the requisition level (pre-encumbrance) or at the purchase order level.	SUP		5
PU16	The system should provide the ability to automatically adjust encumbrance balances when a change order or other adjustment affects account coding or line amounts.	SUP		5
PU17	For blanket purchase orders, the system should allow the users to encumber releases against the blanket.	SUP		5
PU18	The system should provide the ability to close unused encumbrances and automatically adjust the budget balances accordingly.	SUP		5
PU19	The system should provide different options for carrying over open encumbrances at year end.	SUP		5
PU20	The system should provide an on-screen display of the running PR/PO total as line items are entered.	SUP		5
PU21	The system should provide the ability to combine several requisitions into one purchase order.	SUP		5
PU22	The system should have the ability to track buyer workload and be able to display outstanding requisitions by buyer.	SUP		5
PU23	The system should provide the ability to create notes/extended descriptions at the line item level with word wrap capabilities.	SUP		5
PU24	The system should allow for the creation of notes (pertaining to the PO as a whole) to document any pertinent conversations between the buyer and the vendor or any other pertinent conversations. This note section should be time stamped and should have security features. The notes should have the option of being labeled as internal or external (to print on the PO).	SUP	'General Notes' provides all the following requirements requested, security is at the PO level and not the note level	5
PU25	The system should allow numerous Purchase Order line items to be charged to a single account/activity, and/or a single line item to be charged to multiple accounts/activities.	SUP		5
PU26	The system should provide the option to automatically assign a purchase order/requisition number or allow users to manually enter a purchase order/requisition number.	SUP		5
PU27	The system should automatically close a purchase order and all associated encumbrances when a final payment is issued by Accounts Payable.	SUP		5
PU28	The system should provide the ability to create order request web forms that simplify entry for decentralized departments. The web form request should automatically create a purchase requisition in the system.	SUP		5

PU29	The system should be able to track freight charges and to define freight routing options.	SUP		5
PU30	The system should be able to show the status of purchase requisitions/purchase orders to reflect whether they have been approved, printed, received, and/or paid.	SUP		5
PU31	The system should be able to report on outstanding requisitions and purchase orders.	SUP		5
PU32	The system should have the ability to interface with bar coding inventory systems.	SUP		5
PU33	The system should have the ability to import procurement card information from the procurement card provider.	SUP		5
PU34	The system should provide the ability to electronically transmit purchase orders to vendors.	SUP		5
PU35	The system should have the capability to link the requisition to a work order system (by work order number).	SUP	Additional information needed if MUNIS Work Order system is not being used	5
PU36	The system should have the capability to link the requisition to a Fleet Management System.	SUP	Additional information needed if MUNIS Fleet system is not being used	5
PU37	The system should have the ability to create a "to be determined" vendor for purchase requests where the initiator does not know the vendor to be selected.	SUP		5
PU38	The system should have the ability to record vendor responses to bids and create a Purchase Order if the quote is awarded to the vendor.	SUP		5
PU39	The system should provide the ability to track why a vendor was not selected (high price, inferior quality, etc.).	SUP		5
	The system should have tools and functionality that integrate and help manage the City's use of Procurement Cards			
PU40	Allow the import of detailed or summary expense information	SUP		5
PU41	Facilitate the review and coding of procurement card transactions	SUP		5
PU42	The system should have the capability to load the most current United States Postal Service zip code table to the database. The system should automatically fill in zip code fields based upon the City Name and State. If a user manually enters a zip code into the zip code field, the system should verify the entry for accuracy against the zip code table.	NS		0
Vendor Self Service Section				
	The system should provide online vendor self-service abilities with the following capabilities:			
PU43	Ability for vendors to update/maintain contact information and inquire on invoices and payment status.	SUP		5
PU44	Provide an easy-to-use way for vendors to select and assign their commodity codes during registration.	SUP		5
PU45	Provide on-line notification of forgotten user ID's and passwords to vendors.	SUP		5
PU46	Provide the ability for vendors to attach/submit documents online (such as W-9 forms, invoices, etc.)	SUP		5
PU47	Provide the ability for vendors to enter their banking/ACH information on-line.	NS		0
PU48	Allow for the customization of on-line help screens for vendor registration.	NS		0
PU49	Provide vendors the ability to download Client provided forms over the internet.	SUP		5
PU50	The system should provide the ability to place self-service updates in a holding file for approval and post updates once approved.	SUP		5
PU51	The system should provide the ability to customize on-line vendor registration screens/process.	SUP		5
	The system should accommodate a vendor view of invoice status including:			
PU52	Payment status.	NS		0
PU53	Payment amount.	NS		0
PU54	Check number and issue date if check has been issued.	NS		0
Receiving Related Requirements Section				
PU55	The system should allow for either centralized or decentralized (end-user) receiving.	SUP		5
PU56	The system should provide the ability to maintain historical information of receiving, including receiver name, date of receipt, and quantities received, returned, damaged, etc.	SUP		5
PU57	The system should provide the ability to block AP from making a payment on an invoice if receiving has not taken place for the invoiced items.	SUP		5
PU58	The system should provide the ability to track the anticipated delivery date and the actual receiving date.	SUP		5
PU59	The system should provide real time purchasing reports showing original goods requested versus actual goods received.	SUP		5
PU60	The system should generate an automated notification to the ordering department when the receiving department enters returns or backordered items into the system.	SUP		5
PU61	The system should provide a Vendor Shipping Performance Report that includes due dates for delivery, actual dates of delivery, accuracy of shipments, etc.	SUP	w/manual entry and custom SSRS reports	5
Reporting Requirements Section				

PU62	The system should track purchase releases and payments issued against blanket orders in order to report on the remaining amount.	SUP		5
PU63	The system should have a standard report to reconcile purchase order totals to encumbrance totals.	SUP		5
PU64	The system should allow for the setup of a commodity database that can be sorted by class or description.	SUP		5
PU65	The system should provide the capability for users to inquire and report on where a requisition is in the approval process and how long it has been waiting for approval from that approver.	SUP		5
PU66	The system should be able to report on vendor history and provide activity analysis.	SUP		5
PU67	The system should provide complete reporting and inquiry of purchase orders with order, receipt and payment information.	SUP		5
PU68	The system should be able to generate reports on stale dated requisitions and purchase orders.	SUP		5

TOTAL	300.00
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HR - Human Resources		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
	Besides the commonly found employee information, the system should also provide the ability to maintain the following employee data:			
HR1	All basic data such as name, employee number (sequential four digit number), SSN (last four digits only), address, etc.	SUP		5
HR2	Gender (including allowing newer categories of gender such as transgender)	SUP		5
HR3	Marital status	SUP		5
HR4	Date of hire	SUP		5
HR5	Date of rehire	SUP		5
HR6	Adjusted hire date	SUP		5
HR7	Former last name	SUP		5
HR8	Secondary address	SUP		5
HR9	FLSA status (Exempt vs. Non-Exempt)	SUP		5
HR10	Current job title	SUP		5
HR11	Current work schedule	SUP		5
HR12	Current department	SUP		5
HR13	Current bargaining unit affiliation	SUP		5
HR14	Length of service from date of hire	SUP		5
HR15	Uniform/Non-uniform designation	SUP		5
HR16	Sworn/Un-sworn designation	SUP		5
HR17	Licenses/Certifications, ID number, and expiration date	SUP		5
HR18	Languages and proficiency	SUP		5
HR19	Special skills and competencies	SUP		5
HR20	Testing performed and results	SUP		5
HR21	Training completed and results	SUP		5
HR22	Background check schedule	SUP		5
HR23	Background check results within user defined history parameters	SUP		5
HR24	Performance evaluation schedule	NS		0
HR25	Next performance evaluation date	SUP		5
HR26	Performance evaluation score/information	SUP		5
HR27	Special assignments	SUP		5
HR28	Disciplinary actions	SUP		5
HR29	History of disciplinary actions within user defined parameters	SUP		5
HR30	Reported work related injuries	SUP		5
HR31	Driver's License Number and expiration date if required by position	SUP		5
HR32	User-defined reason codes for employee separation	SUP		5
HR33	Length of time in position(s) and organizational unit(s)	SUP		5
HR34	User-defined text or date fields and codes for specific employee attributes as needed.	SUP		5
HR35	The system should provide the ability to automatically deliver electronic forms for completion, copies of personnel related policies with associated acknowledgement of receipt, and facilitate e-mail notices to related departments or functions to facilitate the work set up and compliance and training requirements based on position parameters.	SUP	Munis offers document acknowledgement via ESS which allows HR to assign documents to employees for reading and tracks completion.	5
HR36	The system should provide the ability to attach a photo of the employee in the employee's online record.	SUP		5
Personnel Actions Requirements				
	Currently, the City utilizes a Personnel Action Form (PAF), which tracks all actions taken on an employee's record. The City would like to utilize an online form that will meet the same needs and track the following items:			
HR37	Employee name, address, employee #, department, SSN	SUP		5
HR38	Type of action being taken (step increase, address change, position change, etc.	SUP		5
HR39	Position title, salary step, classification code - old to new	SUP		5
HR40	Pay and salary range - old to new	SUP		5
HR41	Review dates	SUP		5
HR42	The electronic PAF should be routed to a supervisor when appropriate action is required to be taken (e.g., time for a performance review).	SUP		5
HR43	The electronic PAF should be routed to the employee for final review and approval.	CST		2
HR44	The system should provide the ability to cross-reference an employee's functional abilities and/or medical limitations with the requirement of a specific position to prevent an employee from being assigned outside their capabilities.	SUP	via position requirements	5
HR45	The system should maintain transactional history for all current and former employees - from hire to separation.	SUP		5

HR46	The system should provide the ability to indicate a reason code and description for personnel actions.	SUP		5
HR47	The system should provide the ability to enter multiple personnel actions for each employee within the same payroll cycle.	SUP		5
HR48	The system should provide the ability to apply a warning to a user who enters a personnel transaction with an effective date that is retroactive.	CST		2
HR49	The system should provide the ability to generate a warning on a personnel action for a salary increase that is outside of the allowable range.	SUP		5
HR50	The system should track all the key rules in each MOU (Memorandum of Understanding) and provide checks to make sure the actions are within the rules of the MOU.	SUP	we may need more information on rules but Munis tracks and enforces salary grade and step per job class/position	5
HR51	The system should date and time stamp each personnel transaction when it is created and each time there is an action related to the transaction (approval/rejection/comments, etc.).	SUP		5
HR52	The system should provide the ability to flag and notify Human Resources if an employee's inactive status (e.g., leave status) has exceeded a user-determined amount of time.	SUP	Via SSRS report	5
HR53	System should automatically provide step increases according to a defined schedule (e.g., in the Paramedic Schedule, automatic step increases occur every six months).	SUP	User initiated process	5
HR54	The system should provide the ability to flag those employees who have an approaching performance evaluation.	SUP		5
HR55	The system should provide the ability to create performance evaluation templates based on a position's current job description and user defined criteria.	SUP		5
HR56	Provide tracking of an employee's performance evaluation - when due, when supervisor is notified, when completed.	SUP		5
HR57	The system should provide the ability to escalate past due performance evaluations to the next level of authority for review.	CST		2
HR58	The system should provide the ability to create electronic workflows for personnel transactions and authorizations.	SUP		5
HR59	The system should provide automatic assignment of bargaining units based on job classes or job codes.	SUP		5
HR60	Automatically track an employee's service dates (for 5, 10, 20, 30, etc.) year service awards	SUP		5
HR61	The system should provide the ability to rehire an employee by accessing the deactivated record and uploading current data without re-entering the employee's information or creating a new hire record.	SUP		5
HR62	The system should provide the ability to allow rehired employees to use their previous employee ID and identify the applicant as a former employee using their former number.	SUP	Employees can use prior employee number	5
HR63	The system should allow users to track multiple user defined breaks in service, for example breaks resulting from a legal settlement, reduction in hours, lay-off, or disciplinary action.	SUP	actions history, accrual history	5
HR64	Provide ability to track the seven steps of longevity stipends (incentives) and automatically pay the appropriate amount to the employee based on the step they are on currently.	CST	NMI	2
HR65	The system should provide checklists for employee hire and termination processes to ensure all steps are completed (checklist should include policy and agreement documents).	SUP		5
HR66	The system should provide the ability to assign assets to an individual employee such as a computer, keys, weapon, vehicle, etc. and notify the appropriate manager upon the processing of any leave or term related actions.	SUP		5
Position Control				
HR67	Track all positions in the City including filled and open positions, current incumbents and history of all employees that held this position.	SUP		5
HR68	The system should provide the ability to establish and maintain a unique position identifier for each position.	SUP		5
HR69	The system should provide the ability to designate the number of authorized positions by department and classification code.	SUP		5
HR70	The system should provide the ability to track position history for each position including date created, date authorized, funding history, budgeted positions by year, etc.	SUP		5
HR71	The system should provide the ability to assign multiple positions to an employee with one position designated as the primary.	SUP		5
HR72	The system should provide the ability to designate a position as "on hold" or "pending" with an explanatory comment, for example, a position that is pending full budget approval.	SUP		5

HR73	The system should provide the ability to forecast payroll costs over various "what if" scenarios for analysis and budgeting purposes by applying user defined criteria such as percentage change in earnings, change in FTEs, leaves of absence, payroll factors, etc.	SUP		5
HR74	The system should provide the ability to designate a position with an expiration date (i.e. establish time limited positions or positions that are only valid for a defined period of time).	CST		2
HR75	The system should provide the ability to track variances between budgeted and actual costs by position, by business entity, by department, by FTEs, etc.	SUP	May require SSRS report	5
HR76	The system should provide the ability to create a position with automatic promotions based on specific user defined criteria such as requirements based on a union agreement or Memorandum of Understanding (MOU).	SUP	position control allows for definition of appropriate salary grade/step and mass salary change program allows for moving employees from step to step based on various criteria	5
	The system should provide the ability to track data attributes specific to a position number or job code that include, but are not limited to, the following:			
HR77	Salary range	SUP		5
HR78	Fair Labor Standards Act (FLSA) status	SUP		5
HR79	Workers compensation code	SUP		5
HR80	Diversity information	SUP		5
HR81	Employee type/bargaining unit/employee association	SUP		5
HR82	Licenses, certificates and registration requirements	SUP		5
HR83	Degree/education requirements	SUP		5
HR84	Minimum qualifications/requirements	SUP		5
HR85	Management and supervisory level	SUP		5
HR86	Physical fitness requirements	SUP		5
HR87	Americans with Disabilities Act (ADA) by classification/essential functions	SUP	EEP tracked at position and job level, ADA at employee level	5
HR88	Status (active, inactive, pending, budgeted, approved not budgeted, etc.)	SUP		5
HR89	Classification (with title) for Pay Equity/EEO reporting	SUP		5
HR90	Funding source for position, i.e. grant, internal, etc	SUP		5
HR91	Name of funding source and ID# (i.e., grant number) if applicable	SUP		5
HR92	Length of time funding is awarded	SUP	via integration with Munis GL/Project Ledger	5
Trainings and Certifications				
HR93	Track all mandatory or optional training for employees.	SUP		5
HR94	Track all certifications required by position and/or job classification.	SUP		5
HR95	Track certain skills that impact pay (e.g., notary, bi-lingual pay, commercial driver license).	SUP		5
HR96	The system should provide the ability to track the history of all training/licensing related activity by department.	SUP		5
HR97	The system should provide the ability to track the last activity date and next required action date per employee and per training and licensing requirement.	SUP		5
HR98	The system should track training activities for all types of workforce, including full time employees, part time employees, seasonal workers, interns, temporary workers, contractors and volunteers.	SUP		5
HR99	The system should enable the tracking of individual use of Tuition Reimbursement in a fiscal year.	SUP	Via Employee Expense	5
	For tuition reimbursements, the system should provide the ability to track the employee's:			
HR100	Participation level	CST		2
HR101	Amount of money budgeted	SUP	this would happen at the GL Budget level	5
HR102	Amount of money spent	SUP		5
HR103	School attended	SUP		5
HR104	Goals achieved	CST		2
HR105	Degree(s) earned	SUP		5
HR106	If an employee terminates prior to finishing up courses taken through the Tuition Reimbursement Program, the system should trigger a notification to HR for partial recoupment of the reimbursement.	CST		2
HR107	The system should provide the ability to provide automated reminder notices of internally scheduled training courses.	SUP	Via user initiated report	5
HR108	The system should provide electronic training approval routing based on user defined routing paths.	SUP		5
HR109	The electronic workflow tools should also include an auto-escalation process. For example, if an employee has a required training or does not show up for a class, the system should automatically alert his/her immediate supervisor. If the supervisor does not deal with the issue, then the process should escalate up to the next level.	CST		2

HR110	The system should provide the ability to initiate notifications to the appropriate manager if an employee's required license or certificate will expire within a user defined parameter such as 30 days, 90 days, etc.	SUP	Via user initiated report	5
HR111	The system should provide the ability to notify a supervisor when training for one of their employees is due within a user-defined period of time.	SUP	May require SSRS	5
HR112	Provide ability to keep an eligibility list for specialized skills to be used when new resources are needed.	SUP		5
HR113	Allow for tracking of random drug tests by employee.	SUP		5
Volunteers Tracking				
HR114	Allow the system to track all volunteers working with the City by the Department they are supporting.	SUP		5
HR115	Track similar data on volunteers as employees such as name, address, gender, etc.	SUP		5
HR116	Track any limitations or restrictions that a volunteer may have (such as physical, location or hours).	SUP	May require User Defined	5
HR117	Allow hours to be tracked that the volunteer has worked.	SUP		5
Benefits Administration				
	The system should provide the ability to track the following types of benefit attributes:			
HR118	Fiscal year	SUP		5
HR119	Budget cycle	SUP		5
HR120	Benefit plans requiring COBRA management	SUP		5
HR121	General ledger accounts related to a benefit plan	SUP		5
HR122	Payroll frequency specific to each benefit plan's deduction schedule	SUP		5
HR123	Definition of employee salary for benefit calculations	SUP		5
HR124	Definition of employee groups for benefit eligibility calculations	SUP		5
HR125	Tax designations for benefit plans impacting W-2s	SUP		5
HR126	Annual limitations on benefit plan deductions (401k, 403b, 457, spending accounts, etc.)	SUP		5
HR127	Vendor identification for each benefit plan	SUP		5
HR128	Default options for specific benefit plans	SUP		5
HR129	Budgeted expense per benefit type per budget year	SUP		5
HR130	Budgeted expense per benefit type per benefit plan year	SUP	SSRS for custom reporting	5
HR131	Plan type	SUP		5
HR132	Plan name	SUP		5
HR133	Plan vendor	SUP		5
HR134	Vendor policy identification	SUP		5
HR135	Plan beginning date	SUP		5
HR136	Plan ending date	SUP		5
HR137	Coverage type (options, salary based, default, etc.)	SUP		5
HR138	Contribution type (flat, table driven, salary based, age graded, etc.)	SUP		5
HR139	Employee eligibility rules	SUP		5
HR140	Employee waiting period rules	SUP		5
HR141	Dependent eligibility rules	CST		2
HR142	Dependent waiting period rules	CST		2
HR143	Evidence of insurability rules for life/STD/LTD plans	CST		2
HR144	Premium waiver rules for life/STD/LTD plans	CST		2
HR145	Employee contribution schedule	SUP	By cycle, date etc.	5
HR146	Covered participants (employees, dependents, retirees, former employees, beneficiaries, etc.)	SUP		5
HR147	Vesting schedule, if applicable	NS		0
HR148	Retirement Tier(s)	CST		2
HR149	Coverage termination rules	CST		2
HR150	Deduction codes	SUP		5
HR151	Tax designation for W-2 handling, if applicable	SUP		5
HR152	Initial enrollment options	SUP		5
HR153	Effective date of initial enrollment	SUP		5
HR154	Re-enrollment/reinstatement rules and options	CST		2
HR155	Effective date of re-enrollment	SUP		5
HR156	Coverage options	SUP		5
HR157	Coverage defaults	SUP		5
HR158	Premiums per eligible employee group	SUP		5
HR159	Premium cost sharing between employer/employee	SUP		5
HR160	Personnel actions impacting benefit plan coverage (hire, transfer, change of status, etc.)	SUP		5
HR161	Termination rules	CST		2
HR162	The system should provide the ability to assign benefit plan codes, deduction codes, and related premiums based on employee groups and employee status.	SUP		5
HR163	The system should provide mass change updates for current and retroactive benefit adjustments.	SUP	Current	5

	The system should provide the ability to calculate benefit deduction and employer contribution amounts using various methods, including:			
HR164	Flat amount	SUP		5
HR165	Percentage of wages	SUP		5
HR166	Age graded	SUP		5
HR167	User-defined table of rates	SUP		5
HR168	User-defined formulas	SUP	Based on hard coded calc codes, tables, etc	5
HR169	User-defined limits and maximums	SUP		5
HR170	The system should have the ability to track vesting and breaks in service as defined by each benefit plan.	NS		0
HR171	The system should provide the ability to project, report, and facilitate the analysis of the cost impact to changes in benefits, accruals, allowances, etc. for current employees, retirees, and all covered participants.	SUP	via salary and benefit projections	5
HR172	Provide tools that assist the City in communicating benefit options to employees including providing all mandated Affordable Care Act benefit statements.	SUP		5
HR173	Show value of all benefits provided to the employee through an annual benefit statement or online portal.	SUP		5
HR174	Allow the City to track their self-funded Vision program including tracking type of coverage and all plan values.	SUP		5
HR175	Provide for claims tracking for the Vision program.	SUP	Case MGMT available	5
	The system should provide the ability to process, maintain, bill and collect premiums for COBRA benefits including, but not limited to, the following:			
HR176	Qualifying event	SUP		5
HR177	Length of COBRA eligibility	SUP		5
HR178	Expiration dates	SUP		5
HR179	Covered participants	SUP		5
HR180	Elected coverage	SUP		5
HR181	Premium cost	SUP		5
HR182	Notification and response dates	SUP	can be done manually	5
HR183	Payment history	SUP		5
HR184	The system should provide automated notification to COBRA enrollees when coverage is going to expire.	SUP	user initiated via mail merge, not automatic	5
HR185	The system should provide the ability to generate a "Newly Enrolled/Change Report."	SUP		5
HR186	The system should provide participant reports, including but not limited to, enrollment, dependent names and relationships, department name, pay group, social security number, etc. that can be generated by individual or group.	SUP	May require SSRS depending on desired format	5
HR187	Track all employees that are on workers compensation including employee, medical status and key dates.	SUP		5
HR188	The system should provide the capability to report on work related injuries including employee name, work location, job code, department, Supervisor, etc.	SUP		5
	Reporting Requirements		Some may require SSRS	
HR189	The system should provide all state mandated reporting including all Affordable Care Act, EEO/EEOC, Work Comp and OSHA reporting.	SUP	All state and federal mandates are supported	5
HR190	The system should allow for reporting on history of FTEs assigned per budget year.	SUP		5
HR191	The system should allow for reporting on the number of employees in same position	SUP		5
HR192	The system should be able to track and report on diversity information in relation to a position.	SUP		5
HR193	The system should be able to track and report on the number of current FTEs filled/vacant.	SUP		5
HR194	The system should provide the ability to create a Job Class Report.	SUP		5
HR195	The system should provide the ability to create an Average Salary Report by class, bargaining unit, etc.	SUP		5
HR196	The system should provide the ability to create a report for tuition reimbursement usage.	SUP		5
HR197	The system shall provide the ability to create a turnover rate report by gender, age, appointment to class, date, disciplinary release, promotion, race, classification, probation release, transfer and/or resignation, etc.	SUP		5
HR198	Automatically create a report for the Affordable Care Act of employees that have gone on or off insurance (per the government rules).	SUP		5
HR199	The system should provide a disciplinary action report in a pre-defined and/or user-defined format with user defined variables.	SUP		5
HR200	The system should provide a vacancies report by class and department within a user defined date range.	SUP		5
HR201	The system should provide a report of current employees on leave.	SUP		5

HR202	The system should provide a report documenting frequency of absenteeism or tardiness by employee, by department, by manager or by user defined parameters for a specified time range.	SUP		5
HR203	The system should provide the ability to create a labor distribution report which identifies labor in hours, overtime, position, department, date, time of day or shift, etc.	SUP		5
HR204	The system should provide the ability to create an anniversary date report by department, month/year, etc.	SUP		5
HR205	The system should provide the ability to create a New Hire Report with user defined data attributes.	SUP		5
HR206	The system should provide the ability to create a Termination Report with user defined data attributes.	SUP		5
HR207	The system should provide the ability to create a Job Class Report.	SUP		5
HR208	The system should provide the ability to create an Average Salary Report by class, bargaining unit, etc.	SUP		5
HR209	The system should provide the ability to create a report for tuition reimbursement usage.	SUP		5
	The system should provide the ability to generate insurance billing reports including, but not limited to, the following:		May require SSRS	
HR210	Type of coverage	SUP		5
HR211	Class code	SUP		5
HR212	Employee name	SUP		5
HR213	Amount	SUP		5
HR214	Number of insured	SUP		5
HR215	The system shall provide the ability to create a turnover rate report by gender, age, appointment to class, date, disciplinary release, promotion, race, classification, probation release, transfer and/or resignation, etc.	SUP	Custom SSRS	5
HR216	The system should provide a robust user-configurable security structure -- including attribute-level security to protect sensitive employee data (e.g., SSN, medical status, address, discipline information, etc) at all times.	SUP		5
Integration/Interfaces				
	Interface key personnel data on the applicant tracking process maintained in NeoGov to the HR system so that rekeying of data is eliminated including but not limited to the following:		Import available	
HR217	Social security number	SUP		5
HR218	Primary address	SUP		5
HR219	Primary E-Mail	SUP		5
HR220	Primary phone number	SUP		5
HR221	Position number offered	NS		0
HR222	Education	NS		0
HR223	Provide a snapshot of all data imported from NeoGov on open positions and status of being filled.	SUP		5
HR224	The system should link or integrate with the base financial system's position budgeting information.	SUP		5
HR225	System should have all data integrated with Payroll and Timekeeping so no data is rekeyed between the modules.	SUP		5
Employee Self-Service				
HR226	The system should provide for the organization to implement employee portal to allow employees to update information such as addresses, phone numbers, beneficiary, etc.	SUP		5
HR227	Provide security over data and allow City to select what the employee can see in their portal.	SUP		5
HR228	The system should provide employee self-service access to allow employees to review their individual training and licensing information on file.	SUP		5
	The system should provide the ability to automate the delivery of electronic forms, organizational policies and facilitate acknowledgement of receipt forms including, but not limited to, the following:			
HR229	W-4 tax designations	SUP		5
HR230	Direct Deposit banking information	SUP		5
HR231	I-9	NS		0
HR232	Health Insurance forms for benefits enrollment	SUP	Benefit Enrollment	5
HR233	Internet acceptable use policy that needs to be acknowledged	SUP		5
HR234	Employee Handbook acknowledgement	SUP		5
HR235	Operations and benefits information	SUP		5
HR236	User defined policies	SUP		5
HR237	User defined forms	SUP		5

TOTAL

761.00

City of Santa Fe Springs
Functional Requirements Matrix

Tyler Technologies, Inc.

PY - Payroll		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
PY1	The system should provide the ability to create multiple definitions of pay cycles and pay periods including but not limited to biweekly and semi-monthly, 28-day cycle, etc.	SUP		5
	The system should track an unlimited number of earnings/pay codes, including but not limited to:			
PY2	Regular	SUP		5
PY3	Overtime	SUP		5
PY4	Vacation	SUP		5
PY5	Holiday	SUP		5
PY6	Shift Differentials	SUP		5
PY7	Sick Pay	SUP		5
PY8	Personal Days	SUP		5
PY9	Comp Time	SUP		5
PY10	Fitness Pay	SUP		5
PY11	Educational pay	SUP		5
PY12	Employee Association Dues	SUP		5
PY13	Uniform Allowance	SUP		5
PY14	Longevity	SUP		5
PY15	Garnishments	SUP		5
PY16	Retroactive Adjustment	SUP		5
PY17	Miscellaneous Expense reimbursement	SUP	With Employee Expense Module	5
PY18	Admin Leave – track earnings for someone placed on paid Administrative Leave for disciplinary purposes.	SUP		5
PY19	The system should provide the ability to pay an employee at more than one pay rate within a single pay period.	SUP		5
PY20	The system should provide the ability to pay reimbursements through payroll (e.g., mileage, tuition subsidies, etc.).	SUP	With Employee Expense Module	5
PY21	The system should provide the ability to calculate Workers Compensation gross pay and leave.	SUP		5
PY22	The system should provide the ability to make adjustments to W-4 data such as taxable earnings, deductions, etc.	SUP		5
PY23	The system should provide the ability to allocate an employee's earnings and benefits to more than one organizational unit, job code, or project code and to track the labor distribution throughout the relevant General Ledger accounts based on percentages or time entries.	SUP		5
PY24	The system should provide the ability to default basic pay and deduction codes for new hires based on user defined employee groups and parameters.	SUP		5
PY25	The system should provide the ability to restrict the use of pay and deductions codes based on user defined criteria linking codes to specific employee groups, positions or bargaining units.	SUP		5
PY26	The system should provide the ability to link deduction codes to specific payroll cycles and frequency cycles. (e.g., first pay period only, second pay period only, second and fourth, first and third, etc.).	SUP		5
PY27	The system should provide the ability to default earning and deduction codes from the earning and deduction master based on, but not limited to, the payroll organizational unit or group.	SUP		5
PY28	The system should provide the ability to make mass changes to earnings, deductions, and rate amounts by bargaining unit, employee group or any other defined criteria.	SUP		5
PY29	The system should provide the ability to calculate tax withholding based on a percentage, flat amount, or percentage plus flat amount and/or interface with tax software to ensure updated tax tables are used at all times for employer/employee tax deductions.	SUP	Tax tables are manually maintained without interface capability	5
PY30	The system should provide the ability to perform pay period, month end, quarter end, and year-end accruals.	SUP		5
PY31	The system should have the ability to calculate an amount needed for accruing compensated absences, including but not limited to, FICA and Medicare in accordance with GASB requirements.	NS		0
PY32	The system should provide the ability to create user defined and/or multiple formulas for complex earning and deduction codes.	SUP	Via use of hard coded calc codes and categories	5
PY33	The system should provide the ability to create and track employee deductions per employee/retiree for benefit payments deducted from the employee's paycheck including, but not limited to, insurance plans, retirement plans, voluntary plans, non-voluntary plans, etc.	SUP		5

PY34	The system should calculate all types of current garnishments or garnishments in arrears.	SUP		5
PY35	The system should provide the ability to store and print information (employee's address, employee name, SSN, date paid and amount paid) needed for answering court orders.	SUP	May require SSRS	5
PY36	The system should provide the ability to calculate interest due on garnishments, by court order, based on a dollar amount and/or percentage.	NS		0
PY37	The system should provide the ability to impose user-defined caps for earnings	SUP	Deduction limits	5
PY38	The system should provide the ability to develop user-defined effective dates, anniversary dates, and expiration dates for earnings and deductions.	SUP		5
Leave Accruals Management				
PY39	Ability to track multiple leave balances for items such as vacation, sick and flex hours.	SUP		5
PY40	Track vacation leave accruals based on years of service.	SUP		5
PY41	Track separate vacation schedule for regular employees versus Safety employees.	SUP		5
PY42	Track sick time accruals based on type of employee (i.e., full-time 8 hours per month, Safety 12 hours per month, non-benefited 24 hours per year).	SUP		5
PY43	Ability to track sub-categories of sick time such as doctor appointments and family time off and have caps for each sub-category.	SUP	Would require multiple accrual types	5
PY44	The system should provide the ability to track any required documentation and/or approval forms for a leave/absence (e.g., FMLA documentation, Doctor's Certificate of Authorization, etc.).	SUP	Via TCM attachments	5
PY45	Track Flex time by MOU - 36 hours per year and prorated for the year upon start date of employee.	SUP		5
PY46	The system should provide the ability to track historical data per employee on each leave plan - such as type of leave, leave start date, leave ending date, estimated return to work date and date paperwork received for approval.	SUP		5
PY47	The system should provide the ability for an employee to "donate" leave hours to another employee in accordance with City policies.	SUP		5
PY48	The system should provide the ability to calculate vacation and sick leave accruals on partial pay periods for employees. For example, new employees that start before the 15th of the month accrue for the month; after the 15th of the month, they do not start the accrual until the next month.	NS		0
PY49	Provide a cap on the amount that can be accrued for vacation – for example 240 hours.	SUP		5
PY50	Allow for this cap to be overridden by department approval for those times when an employee is not allowed to take vacation due to work required by the department.	SUP		5
PY51	Provide a cap on the amount that can be accrued for sick - 960 hours - 1440 for Fire employees.	SUP		5
PY52	Allow for the sick cap when reached to calculate the required payoff. For example, half of the hours will be banked and the remaining hours will be paid to the employees and should impact their PERS calculations.	NS		0
PY53	For sick and vacation accruals, allow employees to use hours in the pay period that they are accrued. Accrual should be earned for the period before using the balance.	NS		0
Retro Pay Requirements				
PY54	The system should provide the ability to perform retroactive pay adjustments by individual, bargaining unit, and any other user defined criteria.	SUP		5
PY55	The system should provide retroactive vacation accruals based on user defined criteria.	SUP		5
PY56	The system should provide the ability to calculate retroactive pay for a special alternate pay rate as needed based on user defined criteria.	NS		0
Other Processing Requirements				
PY57	The system should provide the ability for self service calculation of employee paycheck amount through a "what if" modeler allowing changes to deductions, pay rates, withholding allowances, etc.	SUP		5
PY58	The system should provide the ability to establish a final cutoff flag for terminated employees to prevent further timesheet processing and check printing.	SUP	Inactive or terminated status	5
PY59	The system should provide the ability to void/reverse checks including cancellation of a payroll direct deposit (with audit trail and accompanying adjustments to General Ledger).	SUP		5
PY60	The system should provide the ability to take deductions and apply special earnings outside of the regular pay cycle (e.g., special pay).	SUP		5

PY61	The system should provide the ability to produce and/or allow direct deposit payments to be made to multiple banks or payees for each employee.	SUP		5
PY62	The system should provide the ability to automatically adjust liability values in the General Ledger as a result of adjustments to the accrual balances or pay rates.	NS		0
PY63	The system should provide the ability to adjust retirement contributions as a result of retroactive pay adjustments and/or changes in retirement systems.	NS		0
PY64	The system should provide the ability to select and print payroll checks by user defined groups.	SUP		5
PY65	The system should provide the ability to eliminate the processing and distribution of check stubs by allowing payment information to be accessible, viewable, and printable to authorized users and employees via an on-line portal.	SUP	Via Tyler Forms	5
PY66	The system should provide the ability to void an entire payroll and re-run it if	SUP		5
PY67	The system should provide the ability to calculate contributions and set maximums on deductions related to benefit plans, retirement plans and any other user defined deductions code.	SUP		5
PY68	The system should provide the ability to designate an employee, a group, a division, or a company as exempt from FICA tax and reporting.	SUP		5
PY69	The system should provide the ability to track employee paid benefits for an employee on a non-paid status.	SUP		5
PY70	The system should provide for pro-rated calculations for mid-period hires, rate changes, and terminations.	SUP		5
	The system should provide support for automatic and manual wage adjustments, in accordance with federal and/or state/provincial requirements in regards to:			
PY71	Garnishment	SUP		5
PY72	Child Support	SUP		5
PY73	Federal and local levies	SUP		5
PY74	Bankruptcies	SUP		5
PY75	Other wage assignment computations	SUP		5
PY76	Any combination of the above	SUP		5
Query and Reporting Requirements				
	The pay stub provided by the system should, at a minimum, include the following:		Tyler Forms Recommended	
PY77	Social Security Number (last four digits only)	SUP		5
PY78	Employee Number	SUP		5
PY79	Organizational unit number (dept, division, etc.)	SUP		5
PY80	Employee name	SUP		5
PY81	Pay period begin/end dates	SUP		5
PY82	Issue date	SUP		5
PY83	Pay rate per earnings code	SUP		5
PY84	Message field for general or employee specific notes	SUP		5
PY85	Gross earnings	SUP		5
PY86	Adjusted taxable earnings	SUP		5
PY87	Medicare earnings	SUP		5
PY88	Leave balances	SUP		5
	All earning and deduction types adequately itemized on each stub and defined by taxability status			
PY89	Withholding status.	SUP		5
PY90	Current and Year to Date Totals	SUP		5
PY91	Federal Income tax	SUP		5
PY92	FICA/Social Security tax	SUP		5
PY93	Employer contribution/employee contribution amount for any user defined deduction code	SUP		5
PY94	State tax	SUP		5
PY95	Direct deposit (multiple accounts)	SUP		5
PY96	Medicare tax	SUP		5
PY97	Vacation hours balance	SUP		5
PY98	Sick leave hours balance	SUP		5
PY99	Other leave hours balances	SUP		5
PY100	Other deductions and amounts	SUP		5
PY101	Total deductions	SUP		5
PY102	Net pay	SUP		5
PY103	The system should provide the ability to locate and display employee data based on SSN, employee identifier and/or name.	SUP		5
PY104	The system should provide the ability to locate and display employee information using partial values (e.g., a portion of a name) or wild card values.	SUP		5
PY105	The system should provide all mandated governmental reports.	SUP		5

PY106	The system should provide the ability to inquire or run reports on earnings balances based on a variety of time periods, including but not limited to pay period, monthly, quarterly, year-to-date, fiscal year-to-date, and employee service-to-date.	SUP		5
	The system should have the ability to provide garnishment reports, including but not limited to the following:		May require SSRS based on desired format	
PY107	Garnishment report of employees after each payroll run who have active garnishment on their payroll record and have been garnished.	SUP		5
PY108	Garnishment insufficient fund report after each payroll run to identify employees who have active garnishment on their payroll record but did not earn enough to be garnished.	SUP		5
PY109	Garnishment warrant report (issued to creditors) drawn from garnished employees.	SUP	SSRS	5
PY110	Garnishment report after each payroll run of employees whose garnishment has been satisfied.	SUP		5
PY111	Garnishment report after each payroll run to identify employees who have active garnishment on their payroll record but the employee has a termination pending or termination action processed within that payroll cycle.	SUP	SSRS	5
	The system should provide the ability to produce payroll reports including, but			
PY112	Payroll register per organizational unit per standard and/or supplemental payroll cycle.	SUP		5
PY113	Deduction registers per deduction per standard and/or supplemental payroll cycle.	SUP		5
PY114	Labor distribution by General Ledger code, by organizational unit or any other user defined parameters per standard and/or supplemental payroll cycle.	SUP		5
PY115	Overtime and compensatory time accruals by period.	SUP		5
PY116	FMLA, stand-by hours, extended leave, safety leave, awarded hours, excused	SUP		5
PY117	Planned and actual absentee time and the related costs, including costs of associated fringe benefits.	NS		0
PY118	Employee vacation schedules reflecting approved requests.	NS		0
PY119	The system should provide the ability to create deduction overrides for one time adjustments or transactions, which are temporary. (For example, the need to change the direct deposit to savings only for one check.)	SUP		5
	Integrations			
PY120	The system should provide the ability to integrate and/or interface payroll information to and from Human Resources, Timekeeping, General Ledger, Grants/Projects and other financial modules.	SUP		5
PY120	The system should provide the ability to interface with the Accounts Payable module to create payment to specified vendors or agencies for deductions taken from employees' payroll checks each pay cycle or at a user defined frequency or, alternately, pay directly from the payroll system. Currently, all checks are cut directly from the payroll system.	SUP		5

TOTAL	555.00
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TK - Timekeeping		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
TK1	The system should provide the ability to define work and leave hours by user-defined criteria.	SUP		5
	The system should provide the ability to enter time from any location by the following methods, including but not limited to:			
TK2	By timekeeper	SUP		5
TK3	By employee	SUP		5
TK4	Electronic time card	SUP		5
TK5	Intranet	SUP		5
TK6	Kiosk	3RD		3
TK7	Internet	SUP		5
TK8	Mobile device such as a phone or iPad.	SUP	Tablet and internet connection required	5
TK9	Interface with Telestaff	SUP		5
TK10	The system should provide the ability to establish a default configuration that limits the menus available to the employee for inputting time to only those items relevant to that employee.	SUP	Via ESS Time Entry	5
TK11	The system should provide ability to set a default number of hours for hourly employees and alter the number of hours worked on an exception basis.	SUP		5
	The system should allow multiple units of time entry and processing, including			
TK12	Start and stop times	SUP		5
TK13	Total Hours per day	SUP		5
TK14	The system should provide the ability to access time entered including, but not limited to: daily, weekly, and/or biweekly.	SUP		5
TK15	The system should provide the ability to charge or allocate labor, i.e., time,	SUP		5
TK16	The system should provide the ability to enter worked time or leave hours in future pay periods.	SUP		5
TK17	The system should provide the ability to organize a group of employees within divisions into work areas and/or work teams and select (via pop-up display etc.) groups or individuals to facilitate time keeper data entry and/or approval of multiple time entry by a supervisor.	SUP		5
TK18	The system should provide electronic signature features.	SUP	Time Sheet acknowledgement is provided as well as workflow	5
TK19	The system should have the ability to keep track of work hours when an employee works several different shifts.	3RD		3
TK20	The system should provide the ability to track, validate and reconcile actual hours worked by work schedule by position, classification and employee.	SUP		5
TK21	The system should allow time entry by shift (A shift with every other Friday off or B shift with every other Monday off).	3RD		3
TK22	The system should provide tracking of compensatory time per rules by position, department, or other employee grouping.	3RD		3
TK23	The system should provide the ability for employees to take leave hours in the period they accrue the hours (e.g., an employee can take four hours during the period in which he accrues the four hours).	SUP		5
TK24	The system should allow vacation and sick accruals to go negative during a period with supervisor override.	SUP		5
TK25	The system should automatically check that an employee is authorized to work on an activity or project and that the number of hours charged is authorized for that employee on the activity/project.	3RD		3
TK26	The system should provide the ability to limit (assign maximums) the amount of leave employees could accrue for each individual leave type.	SUP		5
TK27	The system should provide the ability for users to view online administrative time balances and history at time-entry (e.g., pop-up display of leave history and time bank balances).	SUP	Not a pop-up at time of entry but history is shown	5
TK28	The system should validate employee sick time, vacation leave, and Flex time bank balances at time entry and generate warnings and/or prohibitions for time usage exceeding balances with overrides by supervisor.	SUP		5
TK29	The system should provide the ability to vary the number of regular/default hours by position.	SUP		5
TK30	The system should provide the ability to enter time adjustments for prior pay periods based on user defined security.	SUP		5
TK31	The system should display a warning message when the user is entering overtime hours that are restricted or require additional approvals.	3RD		3
TK32	The system should have the ability to display real-time balances, including leave which has been posted but not yet paid in the payroll system.	SUP		5
TK33	The system should provide the ability to automatically fill in dates in a range for vacation or leave. For example, the user would enter a start date and an end date and the system would fill in the days in between provided the absence code is the same and the days are consecutive.	SUP		5

TK34	The system should enable automatic draws from other leave balances when a balance has been exceeded.	SUP		5
TK35	If a supervisor noted in system that an employee is out sick, if employee tries to enter hours on that day, do not allow any time code but Sick to be entered.	3RD		3
Timekeeping Approvals				
TK36	The system should provide the ability to enter timesheet approvals at any locations through any device.	SUP	With approved browser	5
TK37	The system should provide workflow for exception-based review and approval,	SUP		5
TK38	The system should flag time entered falling outside of normal work schedules for management review/approval.	3RD		3
TK39	The system should support multi-level, real-time updates and approvals for automatic calculation and tracking of overtime payments.	SUP		5
TK40	The system should provide the ability for a supervisor to certify an employee has completed the requirements for supplemental pay.	3RD		3
TK41	The system should provide the ability to assign various approval rights to specific users/management including but not limited to approval of overtime, leave accruals usage, activity code use, etc.	SUP	applicable approval types	5
TK42	The system should support multi-level, real-time updates and approvals for automatic calculation and tracking of overtime payments.	SUP	Overtime approval would be third party	5
TK43	The system should allow a given department to approve hours on a daily basis so that they can determine the total hours worked for an employee does not exceed the total they are allowed to work in that period (e.g., allow Park & Rec part-time staff enter their hours on a daily basis and have supervisor match the hours worked to the schedule to determine if they have the appropriate staffing for the position).	3RD		3
TK44	The system should have the ability to revise submitted timecards or delete them with the appropriate security.	SUP		5
TK45	The system should have the ability to automatically notify the employee that a change has been made to their timecard and route back to the employee for electronic signature.	NS		0
Scheduling Requirements				
	The system should provide the ability to define and track work schedules at multiple levels, including but not limited to the following:		Non dynamic pre-loaded hours	
TK46	Employee	SUP		5
TK47	Position	SUP		5
TK48	Other Classification	SUP		5
TK49	Work Group or Crew	SUP		5
TK50	Division	SUP		5
TK51	Department (e.g. Parks and Recreation)	SUP		5
TK52	Location	SUP		5
TK53	The system should enable the user to generate daily, weekly, bi-weekly, 28-day cycles and future schedules automatically, allow for manual overrides on an exception-basis, and provide for effective calendar dating.	3RD		3
TK54	The system should provide the ability to set the employee's defined schedule during the two-week pay period, ability to control who can set schedule, assign list of pre-approved schedules per group, and notification of schedule changes.	3RD		3
TK55	The system should provide the ability to define multiple shifts including, but not	3RD		3
TK56	The system should provide the ability to assign employees to hours, shifts, positions, departments, etc. outside of their normal schedule and accumulate and track all associated time and related data without affecting the employee's normal schedule.	3RD		3
TK57	The system should provide comments fields to provide reason for changes in schedules.	3RD		3
TK58	The system should provide the ability to define and assign employees to an unlimited number of labor cost codes.	SUP		5
TK59	The system should determine staffing shortages based upon current and future schedules.	3RD		3
TK60	The system should accommodate authorized schedules of any number of hours up to a specified limit.	3RD		3
Reporting Requirements				
	The system should provide the ability to produce reports including, but not limited to:		Some may require SSRS	
TK61	Overtime and compensatory time accruals by period	SUP		5
TK62	FMLA, stand-by hours, administrative leave, extended leave, safety leave, awarded hours, excused absences, unexcused absences, suspension, worker's compensation and non-pay activities including the reason and description	SUP		5
TK63	Planned and actual absentee time and the related costs, including costs of	SUP		5
TK64	Absence by employee, fund, department, organization, shift and reason by pay period and cumulative	SUP		5
TK65	Employee vacation schedules reflecting approved requests	SUP		5

TK66	The system should provide time collection data reporting at any user defined level.	SUP		5
TK67	The system should provide the ability to print the daily detail of time reported for the current pay period both by employee number and employee name sequences.	SUP		5
TK68	The system should provide the ability to support time reporting of employees to assist with cost accounting.	SUP		5
TK69	The system should track and maintain all hours entered by the employee for each time period and allow reporting against those time periods for each employee.	SUP		5

TOTAL	306.00
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UB - Utility Billing		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
UB1	The system should integrate with General Ledger, Cash Receipts, GIS, Accounts Payable, Work Orders, and Third Party print/mail services.	SUP		5
	The system should provide interactive entry/edit / inquiry of customer account information including:			
UB2	account ID	SUP		5
UB3	account status code	SUP		5
UB4	location code (parcel ID)	SUP		5
UB5	route code	SUP		5
UB6	cycle code	SUP		5
UB7	property address	SUP		5
UB8	property phone	SUP		5
UB9	resident information	SUP		5
UB10	owner information	SUP		5
UB11	owner address	SUP		5
UB12	owner phone	SUP		5
UB13	billing address	SUP		5
UB14	service code(s)	SUP		5
UB15	rate schedule/service code (multiple)	SUP		5
UB16	# meter(s)/service code	SUP		5
UB17	account categories or grouping codes for inside/outside city code	SUP		5
UB18	account categories or grouping codes for type of account (minimum 10)	SUP		5
UB19	notepad for tracking text information	SUP		5
UB20	deposit amount	SUP		5
UB21	deposit status	SUP	Shown in the form of an amount that was refunded or applied to the account balance, with an event being recorded to the account	5
UB22	credit information	NS		0
	The system should provide the following meter information:			
UB23	city assigned meter ID#	SUP		5
UB24	meter serial #/manufacturer	SUP		5
UB25	meter service type	SUP		5
UB26	meter size/dials	SUP		5
UB27	master or slave designation	SUP		5
UB28	account ID assigned	SUP		5
UB29	meter location and access (description)	SUP		5
UB30	meter location (parcel ID)	SUP		5
UB31	installation date	SUP		5
UB32	installation reading	SUP		5
UB33	out of service date	SUP		5
UB34	out of service reading	SUP	Recorded to starting reading as meter is returned to an inventory state	5
UB35	The system should provide security controlled access to all database information.	SUP		5
UB36	The system should provide capability to establish meter routings and cycle billings.	SUP		5
UB37	The system should provide capability to change routing and cycle and maintain previous route/cycle data.	SUP		5
UB38	The system should provide an interface with hand-held meter readers for downloading of routes and uploading of meter readings.	SUP		5
UB39	The system should provide ability to generate daily route schedules for meter readers, and allow selective additions to or deletions from the schedule prior to print.	NS	A meter reading request file is exported and uploaded to the meter reading system and/or reading devices. Manual worksheets can also be generated/printed for a route range but it does not provide selective additions or deletions	0
UB40	The system should provide automatic interface/upload from meter reading equipment.	SUP		5
UB41	The system should provide data entry capability for bulk consumption from "phone-in" meter reads or load sheets.	SUP		5
UB42	The system should calculate consumption from meter readings.	SUP		5
UB43	The system should provide exception reports for missing, high, or low readings.	SUP		5

UB44	The system should provide user defined tolerances for bill generations (example allow a bill for no more than 1.5X average consumption).	NS	Reading exceptions can be generated automatically based on user-defined high and low thresholds, zero consumption, inactive consumption, etc. An exception report can also be generated to look for abnormally high bill amounts however variables such as 1.5X consumption are not supported.	0
UB45	The system should estimate consumption for missing readings, for startup, or for final bills.	SUP		5
UB46	The system should provide the ability to correct or adjust previous readings.	SUP		5
UB47	The system should provide the ability to calculate total consumption from either old or new meter when meter is replaced during billing cycle.	SUP		5
UB48	The system should allow for contract or other non-meter based consumption billing.	SUP		5
	The system should calculate and maintain average usage and billings for budget billing and reporting by:		An charge amount is calculated for each respective service based on average consumption (calculated on the fly), and the amount becomes the budget amount to be billed. The calculated averages are not stored/maintained through this functionality	
UB49	single family equivalent	SUP		5
UB50	other user defined type	NS	Need more information	0
UB51	individual account	SUP		5
UB52	The system should provide a user defined multi-tiered billing rate structure for water consumption.	SUP		5
	The system should provide a sewer rate structure that provides for:			
UB53	flat rate	SUP		5
UB54	consumption calculation	SUP		5
UB55	The system should provide ability to bill for storm sewer charges.	SUP		5
	The system should provide capability to bill based upon:			
UB56	flat rate(s)	SUP		5
UB57	basic rate plus consumption	SUP		5
UB58	basic consumption (stand-by water)	SUP		5
UB59	minimum monthly charges	SUP		5
UB60	budget billing charges/adjustment to actual	SUP		5
UB61	installment charges for past due balances	SUP		5
UB62	penalties	SUP		5
UB63	deposits	SUP		5
UB64	new account charges	SUP		5
UB65	final billing charge	SUP		5
UB66	labor charges	SUP	As miscellaneous charges	5
UB67	miscellaneous charges	SUP		5
UB68	per meter or per SFE (single family equipment) charge	SUP	Service factor could be used for SFEs and may be multiplied by a base rate.	5
UB69	disconnect/connect charges	SUP		5
UB70	The system should allow for the capability to assess all charges to a single account and service.	SUP	Single account and customer, with multiple services/charges	5
UB71	The system should allow an account to be billed for any combination of services.	SUP		5
UB72	The system should allow for each service billed to have its own cycle.	SUP	Each service may have its own bill cycle code that drives the months/quarters the service is billed in	5
UB73	The system should provide the capability to create seasonal bills.	SUP		5
UB74	The system should provide the capability to produce one time or special use billings.	SUP		5
UB75	The system should provide coding for and the ability to determine billing of minimum charges when no meter reading is available.	SUP		5
UB76	The system should provide the ability to "hold" a customer from a billing cycle and to report all holds.	SUP	Customer can be deleted from a billing cycle or have their service status set to inactive prior to billing. A find set of services with a status of inactive and an open ended stop date can be exported to Excel, however there is not a 'hold' status on the account.	5
UB77	The system should provide the ability to produce and track On Demand billings.	SUP		5
UB78	They system should provide ability to process adjustments against a customer account.	SUP		5
UB79	The system should provide a billing register prior to producing bills.	SUP		5
	The system should provide the ability to assess penalties, surcharges, interest and/or discounts based on:			
UB80	flat rate	SUP		5
UB81	percentage	SUP		5

UB82	based upon minimum balance	SUP		5
UB83	selectively allow/disallow	SUP		5
UB84	based upon number of SFE's	NS		0
	The system should provide a user defined billing format such as:		Mail merge/SSRS	
UB85	post card	SUP		5
UB86	letter format	SUP		5
UB87	mailer	SUP		5
UB88	remittance	SUP		5
UB89	on-line or WEB access	SUP		5
UB90	The system should provide the ability to print bar-coded account number on remittance	SUP	Bill number and amount are provided on scan line	5
UB91	The system should provide the ability to generate billing copies for landlords, property managers, or other interested parties.	SUP		5
	The system should allow the capability to produce a final bill for all services:			
UB92	produce on demand final bill	SUP		5
UB93	allow assessment of penalties & interest to final bill	SUP		5
UB94	purge customer financial information only when payment is complete	NS	Customer financial information such as credit card numbers are not stored in the system and thus would not be purged upon payment of a final bill. Customer remains in the system with their direct debit information if they've signed up for EFT	0
UB95	retain meter information	SUP		5
UB96	retain history of usage	SUP		5
UB97	The system should automatically prepare shut off list, notices and tags per user-defined criteria and allow override prior to print.	SUP		5
	The system should provide inquiry to customer and other history data by:			
UB98	account number	SUP		5
UB99	any part of name (owner or resident)	SUP		5
UB100	any part of address (owner or resident)	SUP		5
UB101	any phone# on file (owner or resident)	SUP		5
UB102	location	SUP		5
	The system should provide customer account inquiries including:			
UB103	customer identification data	SUP		5
UB104	account status data	SUP		5
UB105	open bill amounts and due dates	SUP		5
UB106	total amounts for billings shown	SUP		5
UB107	payment amounts and dates	SUP		5
UB108	consumption history	SUP		5
UB109	shut off history	SUP		5
UB110	The system should provide off-line consumption history for up to 5 years.	SUP	Consumption history remains in the system until bills associated with them are purged at the discretion of the customer	5
	The system should provide support for rate setting analysis including:		Via SSRS/Cubes	#N/A
UB111	consumption history by account types and categories	SUP		5
UB112	revenue history by account types and categories	SUP		5
UB113	What-if analysis	SUP	A tool is available for projecting a water rate change against billed consumption. SSRS report or customization could be required.	5
	The system should provide the capability to access consumption history by:			
UB114	meter	SUP		5
UB115	location	SUP		5
UB116	customer	SUP		5
	The system should provide the ability to issue and track work orders:			
UB117	equipment, materials and labor	SUP		5
UB118	by service type	SUP		5
UB119	The system should provide the ability to bill for certain services performed on a work order.	SUP		5
	The system should provide an interface to post work order activities to customer accounts:			
UB120	meter replacements	SUP	via completion of service order	5
UB121	readings	SUP	via completion of service order	5
UB122	special charges	SUP	via completion of service order	5
	The system should provide Accounts Receivable function or interface:			
UB123	customer inquiry for payment status	SUP		5
UB124	aging report based upon user defined periods	SUP		5
UB125	allow installment payment of past due accounts	SUP	via payment plans	5
UB126	produce customer statements	SUP		5
UB127	date of last payment	SUP		5

UB128	average days to pay	SUP	This could be accomplished through use of an Accounts Receivable Cube reporting tool or SSRS report.	5
	The system should provide the ability to produce multiple customer notices:		Via Mail Merge	
UB129	delinquent notices	SUP		5
UB130	disconnect notices	SUP		5
	The system should provide the capability to track collection activity:			#N/A
UB131	unlimited dated notes	SUP		5
UB132	user defined data elements.	SUP		5
	The system should provide cash receipts processing by:			
UB133	lockbox	SUP		5
UB134	scanned input	SUP		5
UB135	on-line entry screen	SUP		5
UB136	interface to generalized cashing function	SUP		5
UB137	complete receipt control & reporting	SUP		5
UB138	direct debit account	SUP		5
UB139	automatic credit card charge	FUT	Future Functionality, when and if provided, will be released on the same timeline as the functionality is made generally available to customers under a maintenance agreement with Tyler. If a customer requires that such functionality be committed to within the contract, the functionality will be treated as a custom modification, payable by the customer.	1
UB140	on-line customer payment	SUP		5
	The system should provide billing statistics from each billing run:		Via SSRS/Cubes	
UB141	# accounts	SUP		5
UB142	# customers	SUP		5
UB143	# bills	SUP		5
	The system should provide standard interfaces:			
UB144	General Ledger	SUP		5
UB145	Parcel Management	SUP	via Munis Central property module	5
UB146	GIS map layers for meter locations	SUP	via parcel ID	5
UB147	The system should, per general specifications, provide the ability to define standard and ad-hoc reports or inquiries	SUP		5
UB148	The system should provide the ability to selectively generate mailing labels for customers.	SUP		5
	The system should provide telephone and web interfaces for:			
UB149	bill payment	SUP		5
UB150	account inquiry	SUP		5
UB151	service requests	SUP		5
	The system should provide the following types of account statuses:			
UB152	Active	SUP	Service status	5
UB153	Inactive	SUP		5
UB154	Pending	SUP	Service status	5
UB155	Turnoff for non-pay	SUP		5
UB156	Turnoff for violation	SUP		5
UB157	Meter removed	SUP	Service status	5
UB158	Delinquency	SUP	Through special condition code	5
UB159	Write-off	NS	Writeoff processing is supported but it does not change the account status.	0
UB160	User defined statuses	NS		0
	The system should provide the ability for account status to be automatically updated based on system events, including:			
UB161	Move-in and move-out service orders	SUP	The state of account is date-driven for customers who move in/out. Customer and service-level start/stop dates and service status are updated.	5
UB162	Shut-off service orders	SUP		5
UB163	Health violation notices and service orders	NS	The account is updated when service orders for meter-related actions (connect, remove, replace, turn on, turn off) are completed, however there is no health violation functionality in this area that would update the account.	0
UB164	Write-off and bad debt processing	SUP	A pop-up alert may be added through the creation of a special condition	5
UB165	Meter maintenance processing	SUP	Service is updated based on various meter actions, and the status is changed for some.	5

UB166	The system should provide a mechanism to easily move an account from one premise to another, retaining all billing, consumption, credit, delinquency, deposit, contact, service order, and receipts history.	SUP	Customers can be transferred from one account (premise) to another, but all customer-related history relative to the original account is retained on the original account and not transferred to the new premise. Only balance, eft, and deposit information is moved to the new account.	5
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TOTAL	#N/A
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City of Santa Fe Springs
Functional Requirements Matrix

Tyler Technologies, Inc.

BL - Business License		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
	The system should track the following information for each business:			
BL1	Business Name/DBA	SUP		5
BL2	Corporate Name	SUP		5
BL3	Business Address	SUP		5
BL4	Business Phone Number(s)	SUP		5
BL5	Emergency Phone Number(s)	SUP		5
BL6	Business Mailing Address	SUP		5
BL7	Business Fax Number	SUP		5
BL8	Primary Contact Email Address	SUP		5
BL9	Business Website	SUP		5
BL10	Owner Name/Corporate Officer Name	SUP		5
BL11	Owner/Officer Title	SUP		5
BL12	Owner's Address	SUP		5
BL13	Owner's Phone Number	SUP		5
BL14	Social Security Number	SUP		5
BL15	Type of Ownership (Corporation, LLC, Partnership, Sole Proprietor)	SUP		5
BL16	Additional Owner Name(s)/Corporate Officer Name(s)	SUP		5
BL17	Additional Owner/Officer Title(s)	SUP		5
BL18	Additional Owner Address(es)	SUP		5
BL19	Additional Owner Phone Number(s)	SUP		5
BL20	Business Category(ies)	SUP		5
BL21	Description of Business	SUP		5
BL22	SIC Code/ NAIC Codes	SUP		5
BL23	Start Date	SUP		5
BL24	Number of Rental Units	SUP		5
BL25	Business Square Feet	SUP		5
BL26	Parcel Number	SUP		5
BL27	State ID Number	SUP		5
BL28	State Sales Tax Number	SUP		5
BL29	Federal Tax ID Number	SUP		5
BL30	State Contractors License Number	SUP		5
BL31	Number of Employees	SUP		5
BL32	Closing Date of Business	SUP		5
BL33	Number of Days Conducting Business (if business is not located in City)	SUP		5
BL34	Tax Certificate Number	SUP		5
BL35	Business Status (active, closed, etc.)	SUP		5
BL36	Trash Hauler (Consolidated Disposal Service, CR&R, Serv-Wel Disposal)	NS		0
BL37	System should allow tracking of multiple owners such as the Business Owner and the Building Owner.	SUP		5
BL38	System should allow tracking of occupant/tenant versus owner of property.	SUP		5
BL39	Allow the City to either assign the tax certificate number or have the system automa	SUP		5
BL40	Allow tracking of Building & Safety, Planning and Fire Approval.	SUP		5
BL41	Allow tracking of proposed location approval or denial.	SUP		5
BL42	Allow for a notes section per account for a staff member to write in narrative form key activities if necessary.	SUP		5
BL43	Allow for multiple tax codes for different types of businesses such as retail, manufacturing, office and then allow tracking of data for reporting purposes by these tax codes.	SUP		5
BL44	Track multiple businesses at the same location (office sharing).	SUP		5
BL45	Vendor should provide and support changes to the standard industrial classification (SIC) codes.	SUP		5
BL46	Vendor should provide and support changes to the North American Industry Classification (NAIC) codes	SUP		5
BL47	The system should support future revenue forecast and what-if scenarios for budget purposes.	SUP		5
Payment Processing Requirements				
BL48	The system should have the ability to calculate the amount of Business Tax based on user-defined rules, currently based on employee count for most and gross receipts for vending machines.	SUP		5
BL49	Allow for flat rates to be entered.	SUP		5
BL50	Track the amount paid, the date paid, date of issuance and expiration dates.	SUP		5
BL51	The system should have the ability to calculate penalties based on user-defined rules.	SUP		5
BL52	The system should have the ability to calculate interest owed on late payments based on user-defined rules.	SUP		5
BL53	The system should have the ability to accept partial payments.	SUP		5
BL54	The Business License module should interface with the Cash Receipts module in real time.	SUP		5
BL55	The system should have the ability to accept online payments.	SUP		5

BL56	The system should support on-line application processing.	SUP	5
BL57	The system should support on-line renewal processing.	SUP	5
Query and Reporting Requirements			
BL58	The system should have the ability to produce the actual Business License certificates issued by the City.	SUP	5
BL59	The system should support the customization of statements and invoices.	SUP	5
BL60	The system should have the ability to generate reminder notices to businesses that have not paid their license.	SUP	5
BL61	Users should be able to print customer letters based on user-defined criteria such as late payment notice, billing, expiration notice, and statement.	SUP	5
BL62	The system should provide a drop down menu consisting of user configured letters using values from the active customer record and print a single letter. Users should be able to add and remove letters from the menu.	SUP	5
BL63	The system should provide the ability to print labels based on user-defined criteria, such as GIS codes, start date, business location, etc.	SUP	5
BL64	The system should have the ability to generate bulk emails based on user-defined criteria and sends out late payment notice, billing, expiration notice, and statement electronically.	SUP	5
BL65	Ability to create reports for economic development purposes such as number of new businesses in the City based on various parameters.	SUP	5
	The system should provide drill down capability allowing users to see the following detail information:		
BL66	Payment history	SUP	5
BL67	Penalties, etc.	SUP	5
BL68	The system should provide the ability to allow residents to perform a business search online. The results of the search should display information such as the business name, street address, and type of business.	SUP	5
BL69	The system should support keyword queries.	SUP	5
BL70	The system should support revenue reports by type of business (e.g., commercial, retail, etc.).	SUP	5
BL71	Provide a link to Accounts Payable with the goal of determining whether a vendor has an active business license prior to paying the vendor.	SUP	5

TOTAL	350.00
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City of Santa Fe Springs
Functional Requirements Matrix

Tyler Technologies, Inc.

WO - Work Order		Vendor Response	Additional Vendor Comments	Vendor Score
General Requirements Section				
WO1	The system should be fully integrated with the General Ledger, Purchasing, Grants, Accounts Payable, Inventory, Projects, GIS, Accounts Receivable/Billing and Payroll modules.	SUP		5
WO2	Ability to interface to the City's service request system to allow any public or internal request to create a work order once reviewed and approved by City staff to ensure data does not have to be rekeyed between systems.	NS		0
WO3	Provide field access to enter work order data on mobile devices.	NS		0
WO4	The system should be able to track work orders for internal and external (i.e. public requests) activities.	SUP		5
WO5	Ability to track work orders by multiple criteria, examples: Maintenance, Traffic	SUP		5
WO6	Provide the ability to define work order start and close dates.	SUP		5
WO7	Provide the ability to create a standard list of tasks for a work order and define additional optional tasks if necessary.	SUP		5
WO8	The system should support multiple work order statuses. (e.g., not-started, in-progress, in review, on hold, closed, etc.).	SUP		5
WO9	Provide the ability to record and maintain an original estimate or budget.	NS		0
WO10	Ability to track, at a detailed level, labor costs, equipment costs, materials costs, service costs, allocated costs and allocated overheads on each work order.	SUP		5
WO11	Provide the ability to track staff labor data related to work orders (e.g., salary, fringe, other direct, premium time, bill rate, billable time, non- billable time, multipliers, etc.).	SUP		5
WO12	Provide the ability to set up default mapping rules (i.e., the user enters the employee resources or materials and the system automatically defaults to the associated GL account coding.)	NS		0
WO13	Ability to capture or integrate location information from the GIS system.	NS		0
WO14	Ability to compare original estimates to actual costs on each work order.	NS		0
WO15	Ability to track and report on all (multiple) work orders by department, type, location, and by funding source.	SUP		5
WO16	Provide ability to track specific resources (i.e., people, equipment, vehicle, etc.) assigned to a work order.	SUP		5
WO17	The system should be able to flag/warn users when actual costs against a	NS		0
WO18	The system should allow work orders to cross fiscal years and report across the various years.	SUP		5
WO19	The system should provide the ability to close work orders to fixed assets periodically or at the completion of the work order based on user defined parameters.	SUP		5
WO20	The system should be able to track and report on work order related performance measures, services, and accomplishments.	SUP		5
Hierarchy				
WO21	Provide the ability to maintain the relationship of any work order to being part of a wider total requirement. (e.g., relating work orders to Capital Budget Item).	SUP		5
WO22	Provide the ability to maintain the relationship with any other related work order.	SUP		5
WO23	Provide identification of the financial codes or accounts to which the work is to be charged.	SUP		5
Routing and Notifications				
WO24	Provide the ability to send notifications to appropriate individuals.	SUP		5
WO25	Provide the ability to send notification to the requestor of all work order status changes (approved, in process, completed, etc.).	NS		0
WO26	Provide the ability to create business rules to identify departments or individuals to be notified when work is requested/performed on certain assets/locations or when a certain type of work is requested.	SUP		5
Assignments				
WO27	Provide the ability to allow for manual assignments based on worker skills, and/or worker workload.	NS		0
WO28	Provide the ability to make auto- assignments based on job type, worker skills, and resource availability.	NS		0
WO29	Provide the ability to review all work orders by Department and City levels.	SUP		5
WO30	Support the operational definition units of division, department, trade, employee ID as defined by Human Resources and/or system log-in ID.	NS		0
WO31	Allow crews and other resources to be transferred between tasks.	SUP		5
WO32	Support work order scheduling, enabling supervisors to see resource assignments and identify potential conflicts.	NS		0

TOTAL 100.00

Section 5 PROJECT STAFFING

Clearly define the roles of all vendors involved in this project.

Tyler's standard staffing model for implementing our Munis ERP software is a 70/30 work split. This approach to implementation allows Tyler's resources to lead the project, but also ensures that clients are able to set-up, configure, maintain, and administer the products after implementation is complete.

Project Roles

Tyler Implementation Methodology groups project resources based on their functional role within the project. This allows for easier staffing and communication both within and between the project teams. Please refer to the attached Project Resource Roles document for an explanation of each expected role within the project and the responsibilities that are typically assigned during the Munis Implementation project.

Clearly delineate all key personnel who will be assigned to the project by providing an overall organization chart that defines the key personnel and their service delivery areas.

Tyler Project Staffing

Tyler will provide a project team made up of our professional implementation staff who will work with your team throughout the project. This project team will be led by Tyler's Project Manager. Other project team resources will be assigned at the functional level, meaning different resources will work on Financial, Payroll/Human, Utility Billing, etc resource phases of the project. The primary resources that will work directly with your team will be Implementation Consultants. The Implementation Consultants will work on-site for 80% or more of the implementation days proposed. Additional resources, such as forms developers and conversion programmers will work remotely on the project.

We have purposed our standard Project Manager level that does not deliver any onsite project management services. If an onsite Project Manager is desired, we have also included the option under the Optional section of the Investment Summary. The 50% Dedicated Project Manager works directly with you and would be onsite 2 days a month for the duration of the project. Project meetings, quarterly management meetings, project planning activities, and Go Live planning will all occur with Tyler's Project Manager present if the 50% Dedicated Project Manager service is selected.

The below chart shows the expected organizational chart of the project teams.



Provide names and backgrounds of the individuals that will be working on this Project and the percent of project that each will handle. For all personnel, provide a brief resume that details their qualifications, experience, and relevant professional education and indicate the percentage of time they will be on-site versus off-site. Please note that the Project Manager proposed must have at least three (3) years experience in providing project management experience for the proposed software in a public agency.

Tyler Resources

Tyler actively seeks the best talent to help us develop, implement and support our solutions for our clients. Our staff consists of seasoned professionals with unique and proprietary skills, and years of industry experience, who are focused into dedicated departments. Our product expertise is strengthened by the fact that many of our employees have years of experience working at public sector agencies prior to joining Tyler. These professionals bring a unique perspective to Tyler's mission because they truly understand what our clients need to operate at their best. We recognize that our ability to hire the best candidates ultimately impacts our clients. We hire exceptional people who become part of the project team for the duration of the project.

Upon award of contract, Tyler Technologies assigns a Project Manager and quality project team to ensure your implementation success. In reviewing and understanding your goals and requirements, we provide an implementation team best suited to deliver services to achieve your needs. We believe this is an important step in the implementation process and appreciate your patience as we make arrangements for resources to be allocated to your project. Tyler staff perform services in a professional, workman-like manner, consistent with industry standards.

Name	Scott	
Title	Implementation Manager – West Coast Region	
Education	Colby College	
Home Office	Phoenix, AZ	
Tenure	15+ Years	
Previous Experience	Software Developer – ERP – 3 years	
Qualifications & Technical Skills	Responsible for all Projects in the West Coast Region. Project Manager for more than 300 Munis Projects. Proficient in MS Office, MS Project, MS SharePoint, Visio. Certified Change Management Professional. Project Management Professional (PMP)®	
Reference Projects	Spring Branch ISD, TX Hillsboro, OR Vista, CA	Southlake, TX Ysleta ISD, TX Delta Diablo Sanitation District, CA

Name	Maxwell
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Title	Project Manager	
Education	Salem State University	
Home Office	Phoenix, AZ	
Tenure	12+ Years	
Previous Experience	Consultant – ERP Software – 5 years	
Qualifications & Technical Skills	Project Manager for more than 50 Munis Projects. Implementer for more than 35 Munis Projects. Certified Change Management Facilitator. Project Management Professional (PMP)® Proficient in MS Office, MS Project, MS SharePoint, SQL, Crystal Reporting.	
Reference Projects	<i>Boulder, CO</i> <i>Longmont, CO</i> <i>McLennan County, TX</i>	<i>Victorville, CA</i> <i>Tualatin Valley Fire and Rescue, OR</i> <i>South Correctional Entity, WA</i>

Name	Maria	
Title	Implementation Consultant	
Education	Ursuline College	
Home Office	Phoenix, AZ	
Tenure	4+ Years	
Previous Experience	Accountant – Viadux – 3 years	
Qualifications & Technical Skills	Implementer for more than 15 Munis Projects. Proficient in MS Office, MS Project, MS SharePoint, SQL, XML.	
Reference Projects	<i>Pasadena, CA</i> <i>Eddy County, NM</i> <i>Mission Viejo, CA</i>	<i>Seguin ISD, TX</i> <i>Otero County, NM</i> <i>Socorro ISD, TX</i>

Name	Richard
Title	Implementation Consultant

Education	Central Washington University
Home Office	Phoenix, AZ
Tenure	11+ Years
Previous Experience	Business Development Analyst – City of Seattle, WA – 2 years
Qualifications & Technical Skills	Implementer for more than 50 Munis Projects. Business Process Consulting Experience. Organizational Consulting Experience. Proficient in MS Office, MS Project, MS SharePoint, SQL, XML.
Reference Projects	<div>Midland, TX</div> <div>El Paso County, TX</div> <div>Round Rock ISD, TX</div> <div>Watsonville, CA</div> <div>Mason County, WA</div> <div>Rowlett, TX</div>

As the City will provide desk space when your personnel are on-site, please delineate the needs of your staff.

Number of workstations	Based on number of training participants (Tyler limits class size to 15 users for Tyler conducted trainings)
Number of desks	Based on number of work stations
Number and size of dedicated rooms for the project	Ideally 2 rooms, one for training and one for conference calls and meetings
Parking	Tyler resources will need parking when they are on-site
Telephones	A telephone with conference call (speaker phone) capabilities is needed in each room
Network accessibility needs	Internet access for Tyler resources is needed throughout the project, as well as connectivity for all work stations
White boards	A white board or similar resource is needed for all training sessions
Flip charts	A white board or similar resource is needed for all training sessions
Power requirements	Tyler resources will require power
Other resource needs	A projector and screen are needed for the training room, to allow for projection of the training material during training sessions

Section 6 COST PROPOSAL

Provide a “not-to-exceed” proposal inclusive of services, software, hardware and software or hardware taxes. Describe your software licensing approach (e.g., server, user, site license, etc.)

Please note, the City will retain 10% of all service costs until completion of all tasks. The 10% retention will be paid 90 days after go-live.

Please also provide costs for any materials needed and travel costs.

The City also desires the Vendor to provide five (5) year costs for maintenance.

Please utilize the Pricing Work Sheets provided in Appendix B of this RFP.

6.1 PRICING WORKSHEET / APPENDIX B

Please reference Appendix B / Pricing Worksheet provided on the following pages. Also, please see Tyler’s Investment Summary provided electronically only.

Santa Fe Springs - Summary of Cost Sheets	
Cost Category	Amount
Software:	
Application	\$ 299,026.00
Third Party	\$ 3,952.00
DBMS	\$ -
Services	\$ 438,725.00
Travel	\$ 123,000.00
Total One Time Costs	\$ 864,703.00
Maintenance (1 year cost):	
Application	\$ -
Third Party	\$ -
DBMS	\$ -
Total First Year Maintenance	\$ -
Maintenance (5 year cost):	
Application	\$ 273,753.28
Third Party	\$ 6,766.90
DBMS	\$ -
Total Five Year Maintenance	\$ 280,520.18
Total Alternative Solution Cost	\$ -

PLEASE DO NOT FILL IN THIS SHEET

Santa Fe Springs - Software Cost									
Name of Module	Unit Cost	Quantity	Total One Time Cost	Annual Maintenance Costs					
				Year 1	Year 2	Year 3	Year 4	Year 5	Total
Financial Management									
Accounts Payable - Included in GL	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable & General Billing	\$ 16,000.00	1.00	\$ 16,000.00	\$ -	\$ 2,880.00	\$ 3,024.00	\$ 3,175.20	\$ 3,333.96	\$ 12,413.16
Budget - Included in GL	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Receipts (Tyler Cashiering)	\$ 21,000.00	1.00	\$ 21,000.00	\$ -	\$ 3,780.00	\$ 3,969.00	\$ 4,167.45	\$ 4,375.82	\$ 16,292.27
Contract Management	\$ 6,050.00	1.00	\$ 6,050.00	\$ -	\$ 1,089.00	\$ 1,143.45	\$ 1,200.62	\$ 1,260.65	\$ 4,693.73
Fixed Assets	\$ 12,300.00	1.00	\$ 12,300.00	\$ -	\$ 2,214.00	\$ 2,324.70	\$ 2,440.94	\$ 2,562.98	\$ 9,542.62
General Ledger	\$ 53,550.00	1.00	\$ 53,550.00	\$ -	\$ 8,639.00	\$ 10,120.95	\$ 10,627.00	\$ 11,158.35	\$ 41,545.29
Grants - Included in Project Accounting	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inventory	\$ 11,300.00	1.00	\$ 11,300.00	\$ -	\$ 2,034.00	\$ 2,135.70	\$ 2,242.49	\$ 2,354.61	\$ 8,766.79
Project & Grant Accounting	\$ 10,250.00	1.00	\$ 10,250.00	\$ -	\$ 1,845.00	\$ 1,937.25	\$ 2,034.11	\$ 2,135.82	\$ 7,952.18
Purchasing	\$ 22,550.00	1.00	\$ 22,550.00	\$ -	\$ 4,059.00	\$ 4,261.95	\$ 4,475.05	\$ 4,698.80	\$ 17,494.80
Bid Management	\$ 6,150.00	1.00	\$ 6,150.00	\$ -	\$ 1,107.00	\$ 1,162.35	\$ 1,220.47	\$ 1,281.49	\$ 4,771.31
Cash Management	\$ 10,250.00	1.00	\$ 10,250.00	\$ -	\$ 1,845.00	\$ 1,937.25	\$ 2,034.11	\$ 2,135.82	\$ 7,952.18
Employee Expense Reimbursement	\$ 6,150.00	1.00	\$ 6,150.00	\$ -	\$ 1,107.00	\$ 1,162.35	\$ 1,220.47	\$ 1,281.49	\$ 4,771.31
CAFR Statement Builder	\$ 13,750.00	1.00	\$ 13,750.00	\$ -	\$ 2,475.00	\$ 2,598.75	\$ 2,728.69	\$ 2,865.12	\$ 10,667.56
Subtotal			\$ 189,300.00	\$ -	\$ 34,074.00	\$ 35,777.70	\$ 37,566.59	\$ 39,444.91	\$ 146,863.20
Human Resources / Payroll									
Payroll	\$ 16,100.00	1.00	\$ 16,100.00	\$ -	\$ 2,898.00	\$ 3,042.90	\$ 3,195.05	\$ 3,354.80	\$ 12,490.74
Human Resources (Note1)	\$ 7,700.00	1.00	\$ 7,700.00	\$ -	\$ 1,386.00	\$ 1,455.30	\$ 1,528.07	\$ 1,604.47	\$ 5,973.83
Timekeeping -Time Entry included in Payroll	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Others	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal			\$ 23,800.00	\$ -	\$ 4,284.00	\$ 4,498.20	\$ 4,723.11	\$ 4,959.27	\$ 18,464.58
Utility Billing / Business License / Work Order									
Utility Billing	\$ 14,500.00	1.00	\$ 14,500.00	\$ -	\$ 2,610.00	\$ 2,740.50	\$ 2,877.53	\$ 3,021.40	\$ 11,249.43
Utility Billing Interface	\$ 4,400.00	1.00	\$ 4,400.00	\$ -	\$ 792.00	\$ 831.60	\$ 873.18	\$ 916.84	\$ 3,413.62
Business License	\$ 10,000.00	1.00	\$ 10,000.00	\$ -	\$ 1,800.00	\$ 1,890.00	\$ 1,984.50	\$ 2,083.73	\$ 7,758.23
Work Orders	\$ 14,100.00	1.00	\$ 14,100.00	\$ -	\$ 2,538.00	\$ 2,664.90	\$ 2,798.15	\$ 2,938.05	\$ 10,939.10
Subtotal			\$ 43,000.00	\$ -	\$ 7,740.00	\$ 8,127.00	\$ 8,533.35	\$ 8,960.02	\$ 33,360.37
Other									
Munis Analytics & Reporting	\$ 45,200.00	1.00	\$ 45,200.00	\$ -	\$ 8,136.00	\$ 8,542.80	\$ 8,969.94	\$ 9,418.44	\$ 35,067.18
Tyler Forms Processing	\$ 9,500.00	1.00	\$ 9,500.00	\$ -	\$ 1,900.00	\$ 1,995.00	\$ 2,094.75	\$ 2,199.49	\$ 8,189.24
eProcurement	\$ 10,000.00	1.00	\$ 10,000.00	\$ -	\$ 1,800.00	\$ 1,890.00	\$ 1,984.50	\$ 2,083.73	\$ 7,758.23
Citizen Self Service	\$ 11,000.00	1.00	\$ 11,000.00	\$ -	\$ 1,980.00	\$ 2,079.00	\$ 2,182.95	\$ 2,292.10	\$ 8,534.05
Tyler Content Manager SE	\$ 20,000.00	1.00	\$ 20,000.00	\$ -	\$ 3,600.00	\$ 3,780.00	\$ 3,969.00	\$ 4,167.45	\$ 15,516.45
Subtotal			\$ 95,700.00	\$ -	\$ 17,416.00	\$ 18,286.80	\$ 19,201.14	\$ 20,161.20	\$ 75,065.14
			License Discount \$ (52,774.00)	Year 1 waived					
Total			\$ 299,026.00	\$ -	\$ 63,514.00	\$ 66,689.70	\$ 70,024.19	\$ 73,525.39	\$ 273,753.28

(Note 1) Human Resources includes Benefits, Leave Management, Training, etc.

(Note 2) If a third party reporting tool is used, please include the software cost under "Third Party Software."

(Note 3) If any other components of the software are priced separately, please include it here.

Santa Fe Springs - Third Party Software									
Third Party Software & Hardware	Unit Cost	Quantity	Total One Time Cost	SaaS Fee					
				Year 1	Year 2	Year 3	Year 4	Year 5	Total
Postal Xpress (Lorton) Annual Subscription	\$ -	0.00	\$ -	\$ -	\$ 1,570.00	\$ 1,648.50	\$ 1,730.93	\$ 1,817.47	\$ 6,766.90
Cash Station (1)	\$ 2,302.00	1.00	\$ 2,302.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tyler Secure Signature System w/2 keys	\$ 1,650.00	1.00	\$ 1,650.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Item 4:	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ 3,952.00	\$ -	\$ 1,570.00	\$ 1,648.50	\$ 1,730.93	\$ 1,817.47	\$ 6,766.90

Santa Fe Springs - DBMS Software									
DBMS Software	Unit Cost	Quantity	Total One Time Cost	Annual Maintenance Costs					
				Year 1	Year 2	Year 3	Year 4	Year 5	Total
Item 1:	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Item 2:	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Item 3:	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Item 4:	\$ -	0.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

None proposed

Santa Fe Springs - Cost of Services and Related Travel					
Labor	Estimated Days	Rate/Day	Total Prime Integrator Costs	Subcontractors	Total Estimated Cost
Financial Management					
Accounts Payable - Included in GL	0.00	\$ 1,275.00	\$ -		\$ -
Accounts Receivable & General Billing	13.00	\$ 1,275.00	\$ 16,575.00		\$ 16,575.00
Budget - Included in GL	0.00	\$ 1,275.00	\$ -		\$ -
Cash Receipts (Tyler Cashiering)	6.00	\$ 1,275.00	\$ 7,650.00		\$ 7,650.00
Contract Management	4.00	\$ 1,275.00	\$ 5,100.00		\$ 5,100.00
Fixed Assets	6.00	\$ 1,275.00	\$ 7,650.00		\$ 7,650.00
General Ledger	24.00	\$ 1,275.00	\$ 30,600.00		\$ 30,600.00
Grants - Included in Project Accounting	0.00	\$ 1,275.00	\$ -		\$ -
Inventory	6.00	\$ 1,275.00	\$ 7,650.00		\$ 7,650.00
Project & Grant Accounting	5.00	\$ 1,275.00	\$ 6,375.00		\$ 6,375.00
Purchasing	12.00	\$ 1,275.00	\$ 15,300.00		\$ 15,300.00
Bid Management	4.00	\$ 1,275.00	\$ 5,100.00		\$ 5,100.00
Cash Management	4.00	\$ 1,275.00	\$ 5,100.00		\$ 5,100.00
Employee Expense Reimbursement	5.00	\$ 1,275.00	\$ 6,375.00		\$ 6,375.00
CAFR Statement Builder	4.00	\$ 1,275.00	\$ 5,100.00		\$ 5,100.00
Subtotal	\$ 93.00		\$ 118,575.00	\$ -	\$ 118,575.00
Human Resources / Payroll					
Payroll	23.00	\$ 1,275.00	\$ 29,325.00		\$ 29,325.00
Human Resources (Note1)	10.00	\$ 1,275.00	\$ 12,750.00		\$ 12,750.00
Timekeeping -Time Entry included in Payroll	0.00	\$ -	\$ -		\$ -
Others	0.00	\$ -	\$ -		\$ -
Subtotal	33.00		\$ 42,075.00	\$ -	\$ 42,075.00
Utility Billing / Business License / Work Order					
Utility Billing	20.00	\$ 1,275.00	\$ 25,500.00		\$ 25,500.00
Utility Billing Interface	2.00	\$ 1,275.00	\$ 2,550.00		\$ 2,550.00
Business License	13.00	\$ 1,275.00	\$ 16,575.00		\$ 16,575.00
Work Orders	18.00	\$ 1,275.00	\$ 22,950.00		\$ 22,950.00
Subtotal	53.00		\$ 67,575.00	\$ -	\$ 67,575.00
Other:					
Project Management - Flat Fee	0.00	\$ -	\$ 9,000.00		\$ 9,000.00
Interfaces (Exports/Imports - Flat costs)	0.00	\$ -	\$ 7,000.00		\$ 7,000.00
Data Conversion - Flat Cost for proposed optio	0.00	\$ -	\$ 81,600.00		\$ 81,600.00
End User Training	45.00	\$ 1,275.00	\$ 57,375.00		\$ 57,375.00
Report Development - Training withing Munis Analytics & Reporting	0.00	\$ -	\$ -		\$ -
Technical Support - Included in Annual Maintenance	0.00	\$ -	\$ -		\$ -
Munis Analytics & Reporting	14.00	\$ 1,275.00	\$ 17,850.00		\$ 17,850.00
eProcurement	2.00	\$ 1,275.00	\$ 2,550.00		\$ 2,550.00
Citizen Self Service	1.00	\$ 1,275.00	\$ 1,275.00		\$ 1,275.00
Tyler Content Manager SE	5.00	\$ 1,275.00	\$ 6,375.00		\$ 6,375.00
Configuration Postal Xpress (Lorton)			\$ 1,175.00		\$ 1,175.00
Install Fee (POS Cash Station - up to 3)			\$ 7,000.00		\$ 7,000.00
Tyler Forms			\$ 15,300.00		\$ 15,300.00
Tyler Graphing Agent			\$ 4,000.00		\$ 4,000.00
Subtotal	67.00		\$ 210,500.00	\$ -	\$ 210,500.00
Total Labor	246.00		\$ 438,725.00	\$ -	\$ 438,725.00
Travel		Description			Estimated Cost
Estimated Travel					\$ 123,000.00
Total Travel					\$ 123,000.00
Total Services					\$ 561,725.00

(Note 1) Human Resources includes Benefits, Leave Management, Training, etc.

(Note 2) Please use these rows to identify any other service categories not specifically included in the worksheet.

Santa Fe Springs - Alternative Solution Costs			
Description of Alternative Solution (Note 1)	Unit Cost	Quantity	Annualized Cost
Type 1: (Describe Here)			
Setup Fee	\$ -		\$ -
Monthly Fee	\$ -		\$ -
Other Costs (training, integration, connectivity, network, support, Disaster Recovery, etc.)			\$ -
Total			\$ -
Type 2: (Describe Here)			
Setup Fee	\$ -		\$ -
Monthly Fee	\$ -		\$ -
Other Costs (training, integration, connectivity, network, support, Disaster Recovery, etc.)			\$ -
Total			\$ -
Type 3: (Describe Here)			
Setup Fee	\$ -		\$ -
Monthly Fee	\$ -		\$ -
Other Costs (training, integration, connectivity, network, support, Disaster Recovery, etc.)	\$ -		\$ -
Total			\$ -
Grand Total			\$ -

(Note 1) Use this sheet if you are proposing a hosted solution, a cloud solution or any other alternative to self-hosted

[illegible]

Section 7 APPENDICES

Please provide the financial statements and any other pertinent information not requested elsewhere that is relevant to this proposal for consideration. With the exception of the Financial Statements requested, the additional information is limited to a maximum of two pages.

7.1 FINANCIAL STATEMENTS

Please reference Tyler's Annual Financial Statement booklet located with the Original proposal.

Section 8 TERMS AND CONDITIONS

8.1 EXCEPTIONS

Tyler Technologies, Inc. ("Tyler")'s contract negotiation philosophy is to balance the rights and responsibilities of both Tyler and the Client, taking into account issues of special importance to each party. The following exceptions are based on our standard contract. Tyler prefers to use the standard Tyler contract as the basis for beginning contract negotiations, as it contains language specific to the software industry, such as license grant and intellectual property infringement. Tyler recognizes that there may be clauses of particular importance to the Client that are not included in the Tyler contract. Tyler is amenable to accommodating the Client's contract requests by incorporating mutually agreed clauses into the contract. ***We reserve the right to negotiate any and all terms to the mutual satisfaction of the parties.***

1. Proposal Submission (A, page 1): Submission of a proposal indicates acceptance of the conditions of the RFP unless taken exception to in the Proposal.
2. Personnel (C, page 8) (D, page 14): Tyler retains plenary discretion in assignment of project personnel, including project manager and does not necessarily agree to comply with the minimum requirements with respect to experience. Tyler will provide information on representative Tyler personnel. We are unable to assign personnel to a project until Tyler is selected and a contract is signed, in an effort to most effectively use resources. Tyler warrants all its professional services will conform to industry standards.
3. Implementation Plan (C, page 8): Tyler's Proposal includes a sample project plan. Tyler will deliver the actual project plan upon obtaining further information from the Client.
4. Cost (D, page 14): Tyler's Proposal contains estimates of the amount of services and associated expenses needed, based on the size and scope of the Client's project. The actual amount of services and expenses depends on such factors as the Client's level of involvement in the project and the speed of knowledge transfer. If required, Tyler will provide a not-to-exceed quote once the scope of services has been finalized. Tyler is willing to negotiate in good faith in determining the amount and release point of a services retainage.
5. Insurance (F, page 15) (Appendix C, pages 20-23): Tyler's coverage does not include contractual liability. Because subrogation rights are personal to the insurance carrier and arise by operation of law, Tyler is not in a position to waive subrogation on behalf of the carrier. Whether a right of subrogation exists and is properly pursued by the carrier is dependent upon the nature of claim and ensures that responsible parties for damage or injury are appropriately accountable. Whether or not Tyler's insurance is primary depends on the circumstances of the claim. Insurance requirements in a contract resulting from this procurement shall only be altered by mutual agreement. Copies of Tyler's insurance policies are not available. Tyler will provide an insurance certificate documenting Tyler's coverage. Tyler's insurance company uses an Acord form that does not comply with the Client's requested notice provision, and instead states that notice will be provided according to the terms of the policy. Tyler will agree to provide notice of cancelation directly to the Client. Tyler is opposed to reducing or eliminating its insurance deductible(s), as Tyler's insurance coverage is determined by Tyler's corporate office as part of Tyler's business plan. Tyler is well positioned financially to carry its deductible(s). Tyler is opposed to Client payment of premiums or any withholdings related to insurance. Tyler reserves the right to reasonably negotiate the terms of insurance, including those applicable to Fidelity Crime Coverage and Cyber Liability.
6. Disclosure & Ownership (K, page 16) (O, page 17): Tyler shall retain ownership of all (i) software products licensed to the Client; and (ii) proprietary information contained in all deliverables. Tyler reserves the right to protest the public disclosure of its confidential and proprietary information, consistent with applicable public records laws. Disclosure of Tyler trade secret and confidential information is limited to the purposes of this procurement and is subject to applicable law, including

without limitation public records and misappropriation laws. Tyler does not agree to defend the City for refusal to disclose records in response to a valid public records request as Tyler merely requires notice of such request in order to pursue permissible actions. The obligation to abide by public records laws belongs the City.

7. Form of Agreement (N, page 16): Tyler prefers to use the standard Tyler contract as the basis for beginning contract negotiations, as it contains language specific to the software industry, such as license grant and intellectual property infringement. Tyler recognizes that there may be clauses of particular importance to the Client that are not included in the Tyler contract. Tyler is amenable to accommodating the Client's contract requests by incorporating the RFP, Proposal and mutually agreed clauses into the contract, provided the Proposal takes precedence over the RFP in the event of conflict.
8. Indemnification (I, page 23): Tyler will indemnify the Client from intellectual property infringement by the Tyler software and/or documentation, in accordance with Section H(1) of Tyler's standard contract. Tyler shall indemnify and hold harmless the Client from and against any and all direct claims, losses, liabilities, damages, costs and expenses (including reasonable attorney's fees and costs) for personal injury or property damage arising from Tyler's negligence or willful misconduct; or Tyler's violation of a law applicable to our performance under this Agreement. The Client must notify Tyler promptly in writing of the claim and give us sole control over its defense or settlement. The Client agrees to provide Tyler with reasonable assistance, cooperation, and information in defending the claim at our expense.

8.2 SAMPLE CONTRACTS

Due to the page limit restriction, please reference the Sample Contracts provided electronically.

8.3 MASTER ESCROW AGREEMENT

Due to the page limit restriction, please reference the Master Escrow Agreement provided electronically.

8.4 CERTIFICATE OF INSURANCE

Due to the page limit restriction, please reference the Certificate of Insurance provided electronically.

ATTACHMENT 3



REQUEST FOR PROPOSAL

Enterprise Resource Planning Software and Implementation Services

REQUEST FOR PROPOSAL

Enterprise Resource Planning Software and Implementation Services

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Section I - Definitions

For the purposes of this RFP, the following terms shall have the meanings indicated:

- I. "City" means the City of Santa Fe Springs
- II. "City Council" means the Council of the City of Santa Fe Springs
- III. "Bidder", "Vendor", "Proposer", "Consultant", "Contractor", and "Subcontractor" are used interchangeable throughout this invitation to mean the person, firm, or corporation or other entity submitting a Proposal in response to the Request for Proposal.
- IV. "ERP" means Enterprise Resource Planning application

Section II - General Information and Background

This section provides a brief overview of the project at hand, including descriptions of the City, the current software and technical environment, the Finance and Administrative Services Department, and the Technology Services Division as well as key statistics to help scope the project.

A. General Information

The City of Santa Fe Springs (City) is requesting proposals from vendors to provide Enterprise Resource Planning (ERP) software and implementation services.

During the evaluation process, the City reserves the right, where it may serve the City's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. The City reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the Vendor of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City and the firm selected. There is no expressed or implied obligation for the City to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. The City reserves the right without prejudice to reject any or all proposals.

It is anticipated that a short-list of vendors will be invited to present their software and implementation approach to a City evaluation team in August. After an evaluation process, the recommended firm(s) will be selected by the City Council at a meeting in September 2016.

All inquiries relating to this Request for Proposal (RFP) should be submitted to:

Ms. Megan Delaney
Selection Consultant
AEF Systems Consulting, Inc.
Phone (714) 974-4377 ext. 2
mdelaney@aefsystems.com

B. Opportunity

The City of Santa Fe Springs is soliciting proposals for a replacement Enterprise Resource Planning (ERP) application and the services required to successfully implement this software. The Vendor will be expected to provide software, professional services and deliverables, and provide expert guidance and assistance to the City staff involved with this project.

The City is releasing this Request for Proposal to cover the following software modules:

- Accounts Payable
- Accounts Receivable
- Budget
- Business License
- Cash Receipts
- CIS Utility Billing
- Contract Management
- Fixed Assets
- General Ledger
- Grants
- Human Resources
- Inventory
- Payroll
- Projects
- Purchasing
- Timekeeping
- Work Order

The City is also soliciting Vendors to implement the selected software. The City desires one Vendor to be the prime contractor and prefers the software vendor to be the prime. A Vendor may joint bid with a third party to implement the software if a proven track record of working together can be demonstrated in the proposal.

C. Background

City of Santa Fe Springs

Incorporated in 1957, Santa Fe Springs operates under a Council-Manager form of governance with a workforce of approximately 350 full-time and part-time employees combined. The City is comprised of 8.67 square miles and is 87% industrial. Located at the intersection of the Santa Ana Freeway (Interstate 5) and the San Gabriel River Freeway (605), Santa Fe Springs is in a strategic position for access to major arteries of transportation connecting Los Angeles and Orange counties. The City provides robust public services to its 17,000 residents and more than 3,000 businesses. Some of the services provided include child development programs, educational and recreational classes and activities, family services, senior services, city-sponsored trips to area attractions, a farmers' market and free concerts in the park.

Current Systems Overview

The City is currently utilizing a legacy ERP system, "Tamas and Associates / Knowles-McNiff," written in the COBOL programming language, which runs on an HP mini-computer. This system was implemented in the early 1980's. The modules in use by the system are:

- Core Finance/Budget
- Payroll
- Child Care Billing
- Stores
- Purchase Orders
- Fixed Assets
- Water Billing
- W2 Processing

While the system is functioning, it is extremely outdated, has limited reporting capabilities and does not take into account any of the newer technology advances. Management, internal staff, vendors and the public all have greater needs than the current system can reasonably address. All interest groups need better access to data and information and must be able to meet the increasing demands of a technology centric environment.

While all data is entered into the system and the software does process all required calculations, a significant amount of data is also entered into Excel spreadsheets and/or Access databases and used for reporting purposes or as check figures. Due to these system limitations, City staff use other products and workarounds to meet their needs:

- **Accounts Receivable Invoicing:** QuickBooks is used for most AR Invoicing. It is not used for tracking customer information, receivables ageing, or for reporting. The City uses a separate custom system for billing and tracking services for the Childcare programs.
- **Business License:** In July 2013, the City implemented a new Windows based Business License system, written in-house in PowerBuilder. The City is pleased with this system and may keep it after review of vendor options. However, the City does desire all products to be integrated or interfaced and, thus, this will be a key factor in deciding whether to replace this system.
- **Applicant Tracking:** The City utilizes NeoGov for applicant tracking and is not looking to replace this software. However, an interface to the selected Human Resource software is desired.
- **Fire Timekeeping/Scheduling:** The Fire Department utilizes TeleStaff. The City would like to interface this product to the new ERP software.
- **Traffic Signal Maintenance:** Another Windows based system in use at the Municipal Yard for tracking all traffic signals maintenance.
- **Garage Maintenance:** The garage uses CFA Fleet Analysis for fleet maintenance and the City is not looking to replace this software.
- **Access Databases:** The City uses various Access database applications to track work order types of information for internal expense allocation. These include traffic signal databases used to track maintenance for billing to outside agencies, street light maintenance, City property damage, traffic collisions, databases to track PO requisitions, RFPs and RFQs, check requests, fee collections, and several others. The city would like a Work Order module to address these needs.
- **Parks & Recreation:** The City also utilizes Active Network's CLASS product for class registrations but there is no direct link of revenue to the financial system. The City would like an interface.

Greater efficiencies are desired in all aspects of the City but primarily in accounts receivable, asset tracking, Budget tracking, project accounting, grant accounting, payroll, human resources, position control and employee self-service.

The City also desires real-time integrations with other systems, which cannot be done with the current software and toolset.

The City understands the current data is limited and the City will take into consideration not converting all financial data into the new software. Where possible, the City would be interested in key conversions such as employee's information in the Payroll module and current year account balances in the General Ledger.

The table on the following page highlights key statistics related to the staffing and transactional volumes:

Category	Count	Category	Count
Full time Users	25	# of Full-time employees	175
Part-time Users	25	# of Part-time employees	190
# of Funds	100	# of Bargaining Units	3
# of Department	7	# of Job Applications per year	3500
# of Activities	125	# of Job Classifications	200
# of Projects	200	# of Steps in each Classification	5
# of AP Checks Processed/YR	5400	# of Pay codes	164
# of AR Checks Processed/YR	1000	# of Personnel Action Forms /YR	1000
# of Vendors	6700	# of Grants	10
# of Fixed Assets	350	# of Business Licenses	4500
# of Water Meter Accounts Billed	6150		

Staffing

Finance and Administrative Services Department

The Finance and Administrative Services Department manages the recording and reporting of financial transactions of the City and its related entities and is responsible for safeguarding the City's financial resources in accordance with the law. The department provides administrative support to all City departments and provides the following services to the general public and City employees: Accounting, Accounts Payable, Accounts Receivable, Childcare Billing, Capital Asset/Debt Management, Treasury Management, Cashiering, Business License, Payroll, Purchasing/Warehouse, Technology Services and Water Billing.

Technology Services Division

The Technology Services Division provides technical support to the City's computer infrastructure, which includes the mini-computer system that the current ERP system is hosted on. The legacy system is maintained by Technology Services personnel.

Other Departments

All City Departments utilize data that is entered and maintained in the ERP and as such, will be impacted with the selection and implementation of new software. All affected Departments have been involved in the development of the requirements contained in this RFP and will have some input into the ultimate implementation project. City departments are as follows:

General Government (City Council, City Attorney, City Clerk, City Manager, Human Resources)	Finance & Administration (includes Purchasing & Warehousing, Technology Services, Risk Management)
---	--

Planning & Development (Building, Economic Development, Housing, Planning)	Public Works (includes Engineering, Maintenance, Traffic, Water Utility and Transportation Services)
Community Services (Family & Human Services, Library & Cultural Services, Parks & Rec)	Police (includes Animal Control and Code Enforcement)
Fire (Operations, Prevention, Environmental)	

Core City Project Team

The City anticipates assigning three to five near full-time project members to support the implementation of the project supplemented by other City staff as required. The City will also assign a project manager to work with the Vendor's project manager.

Technical Environment

Infrastructure

The City's network consists primarily of Cisco Routers and Brocade Switches. Remote sites are connected back to City Hall via TCP/IP over a Fiber network. The City is a Microsoft based environment. The City's servers operate on Microsoft Windows 2008 and 2012 Server operating system. The mini-computer that houses the current ERP system runs on Hewlett-Packard's 3000 platform. The data is stored on a database system that is native to the 3000's platform only.

Desktop

The City's desktop environment consists primarily of Hewlett Packard PCs running Windows 7 operating system. The systems typically run Microsoft's Internet Explorer 9 or above but may also utilize Mozilla Firefox and/or Google Chrome Internet browsers. The standard productivity software package is Microsoft Office 2013 Professional Edition.

Website

The City's website is hosted internally on a Windows-based server running Microsoft IIS in an ASP.net environment. The website is managed using Granicus Website Management System, formerly CivicaSoft.

Other Items for Consideration

The City's current legacy system is not feature rich and does not utilize the latest technology tools available. As such, the City's business processes are not always the most efficient or streamlined. The City recognizes that a significant amount of streamlining and redesign of business processes will be required to effectively implement any new software product. All vendors should take into account the amount of redesign of business processes and change management that will be required during implementation.

The City of Santa Fe Springs currently does not utilize encumbrance accounting but will consider the use of encumbrance accounting during implementation of the chosen software. The City also does not utilize accounts receivable accounting, but will consider implementing this functionality as a part of the implementation.

The City will encourage process improvement and best practices strategies and desires the implementation of out-of-the-box functionality (aka "vanilla") and best business practices embedded in the software.

All departments' needs shall be given adequate consideration in the development of project policies and

activities. Stakeholder input from departments will be sought throughout the project.

The City prefers to award the resulting contract from this RFP to a single vendor, but reserves the right to a partial award, including the right for a partial award to multiple vendors.

At the time this RFP is released, the City plans on acquiring and implementing a solution that meets its Payroll, Human Resources, Water Billing, Business Licensing, Purchasing and Finance system needs (please see Section 2.2 above for further details). However, after the release of this RFP the City reserves the right to modify the scope at any time prior to final contract signing with the selected vendor(s).

Proposals submitted in response to this RFP, including the bidder's responses to the Requirements matrices, will be included as part of the final contract terms for the selected bidder.

The City is looking to the Vendor to determine the appropriate implementation timeline.

Section III - Scope of Work

This section outlines the Scope of Work being requested by the City.

A. Overview

The City of Santa Fe Springs wishes to procure and implement an integrated suite of applications that will meet the City's current needs as well as allow for growth to meet future needs. It is expected that the selected Vendor will have demonstrated the necessary experience and expertise needed to provide software and provide the necessary resources to implement the selected software.

1. The Vendor must provide solutions for all mandatory software as defined in this document. If a vendor does not have a solution for a portion of the functionality being requested, the vendor should provide a third-party vendor to fill that need. No stand-alone products will be evaluated (e.g., a stand alone budget application).
2. The Vendor must provide implementation services as part of this solution.
3. A Vendor may joint bid with a third party to implement the software if a proven track record of working together can be demonstrated in the proposal.
4. The solution bid must specify all required software, hardware and professional services to meet the requirements defined by the City within this Request for Proposal.
5. The City prefers to contract with the Software Vendor as the prime contractor. If the Software Vendor wishes to use an integration partner, the City would prefer that the integration partner be a subcontractor to the Software Vendor. The City will reserve the right to accept or reject any proposed integration partners, while retaining the Software Vendor's solution.
6. The City wishes the Vendor to propose a maintenance contract for five (5) years with five (5) one-year options to renew.
7. The software proposed must be a commercial off-the-shelf (COTS) solution that has been successfully implemented in at least five (5) public agencies, with at least two (2) in California within the past five (5) years who are of similar size, functions and requirements as Santa Fe Springs.
8. The City prefers that the software be comprised of a set of integrated modules offered by a single vendor. If multiple Vendors' software is proposed to meet the City's requirements, the Vendors must demonstrate that they have been successfully implemented these modules in another public agency.

9. The City desires software that does not require custom code modifications; instead the City is looking for software that is “configurable” to meet City needs.
10. The Vendor must provide a Graphical User Interface (GUI) or Browser/Portal Based User Interface (BUI) for system use, but must also allow for efficient data entry and high volume data access through keypads, hot keys, etc. without utilization of a mouse.
11. The City desires an online portal that will provide transparency over their financial activities and provide an easy mechanism for their residents, constituents and vendors to work with the City.

B. Software Components

Following the core products that the City wishes to acquire are identified. The Bidder should address as many of these modules as possible in their proposal.

Accounts Payable	Grants Tracking
Accounts Receivable/Billing	Human Resources including leave management, labor relations, employee self-service, training and employee evaluation tracking
Budgeting including Position Control	Inventory
Business License	Payroll
Cash Receipts/Point of Sale	Projects Tracking
CIS Utility Billing	Purchasing including bid management
Contract Management	Timekeeping/Scheduling
Fixed Assets	Work Order
General Ledger	

The City has prepared a listing of detailed requirements in an Excel spreadsheet to meet the modules defined above. Each Bidder must complete these spreadsheets to be deemed a responsive proposer. These spreadsheets are critical in determining whether a Vendor meets the core needs of the City. Each Vendor should completely and accurately respond to each requirement, as the Vendor’s responses to these requirements will form the basis for the Vendor contract and the implementation process. Scoring for the Requirements spreadsheets are contained in Appendix A and are described on Pages 13-14 under Solution Description and Services. The spreadsheets are available on the City website if not received with the proposal package.

C. Implementation Services

The City is requesting implementation services as part of this proposal. The Vendor is requested to identify all key tasks required to successfully implement the software. At a minimum, the Vendor should propose services to include the following:

Project Management Services

The Vendor shall assign a project manager who will coordinate all project activities related to software installation and implementation to work under the direction of the City designated Project Manager. Project Manager must be at a minimum a half-time resource and must have at least three (3) years' experience in providing project management services to government entities for the software proposed.

Implementation Planning

The City requires that each Proposer provide an Implementation Plan detailing the required tasks, major deliverables, estimated hours for the Consultant and City staff, key responsibility for the task and the timing. The plan should at a minimum cover:

- The environment installation (supporting software, hardware installation and configuration)
- Installation of the proposed software in all environments (test, training, production)
- Workflow design and configuration
- Application configuration
- Application security design and implementation
- Design and development of forms, reports and queries
- Application Testing and Acceptance Testing
- End User Training (train-the-trainer approach not acceptable)

Interface Development and Systems Integration

The Vendor should define how interfaces would be accomplished based on the needs described in the requirements. The City's goal is to implement improved business practices and as such, desires the use of multiple integration points to ensure effective business operations and improvements in processing are achieved once fully implemented. The Proposal should identify what methods will be used to gather and document the key interface requirements and then implement those requirements. It should also identify the tools that will be used to develop new interfaces required and identify the plan for system integration testing. The City is assuming that all core modules are natural integrations (e.g., AP to Purchasing, AR to GL, etc.). However, the Vendor should identify which interfaces are not natural integrations within the core modules and which would require interface development.

Interfaces desired by the City are shown on the following page.

Interface	To	From
ActiveNet used by Community Services for class registration must submit payment requests for vendors in AP for paying instructors and processing any refunds	X	
ActiveNet will need to post accounts receivables and revenue (may be handled if staff utilize the Cash Receipting solution)	X	
Telestaff is used for Fire staff scheduling. A two-way interface will be required to ensure the employee database in the new HR/Payroll system feeds Telestaff and Telestaff will feed HR/Payroll with hours worked.	X	X
NeoGov is used for applicant tracking. New accepted applicants should be fed to the HR/Payroll system to create the new employee data.	X	
Parking Tickets (Data Ticket) Parking ticket totals – citations issued and receivable, outstanding and collected revenue should be fed to the General Ledger.	X	
Accounts Payable check to Business License prior to vendor payment to ensure vendor has a current business license. Vendor name to be checked against database and then bring back result to AP to allow payment or hold payment.	X	X
CUPA (Certified Unified Program Agency) link to Accounts Receivable link to fire billing	X	
Utility Billing link to third party print/mail services (vendor to be determined)	X	
Two-way interface between Work Orders and Civica's Service Request System	X	X

Testing Approach

The Vendor should identify the approach that will be taken to ensure all application configurations are completely tested and ready for go live. This would include initial application unit, system, and volume/stress testing as well as user acceptance testing. The Vendor should clearly delineate what City responsibilities are related to all testing activities.

Training Plan

The Vendor will be responsible for training the City's Core Project Team as well as all City personnel that are determined to be end users of the software. The Vendor shall instruct the key personnel in the use and operation of the system.

The Vendor shall prepare and provide all training materials needed. The Vendor should also offer suggestions for how to keep the use of the software up-to-date with the latest upgrades (e.g.; vendor prepared videos).

The staff training required by module is shown on the following page.

Modules	Staff to be trained	Modules	Staff to be trained
Accounts Payable	12 to 20	Grants Tracking	6 to 9
Accounts Receivable/Billing	6 to 9	Human Resources	8 to 11
Budgeting including Position Control	12 to 20	Inventory	4 to 7
Business License	5 to 8	Payroll	10 to 15
Cash Receipts / Point of Sale	10 to 20	Projects Tracking	5 to 8
CIS Utility Billing	6 to 9	Purchasing including bid management	10 to 12
Contract Management	5 to 8	Timekeeping / Scheduling	12 to 20
Fixed Assets	6 to 9	Work Order	10 to 12
General Ledger	12 to 20	System Maintenance	4 to 6

Documentation

The Vendor shall provide basic software documentation with the delivery of the software; this should be electronically provided to the City and be in a format compatible with Microsoft Windows software such that it can be customized, updated and maintained by the City. The City should be allowed to make physical copies to distribute to staff as desired or required. The Vendor shall also assist in developing specific user documentation needed for the end-users to successfully utilize the software.

Final System Deployment and Go Live Support

The Vendor shall identify all tasks required to successfully deploy the solution in the City's environment. The Vendor shall be responsible both for the plan and the actual deployment. The plan shall identify the Vendor's methodology for deployment, including any site preparation, roll-out strategy (e.g., big bang or phased approach), legacy system transition and other deployment requirements. The Vendor should also identify the post-implementation support that the Vendor will provide during the initial transition and go live.

Section IV - Proposal Guidelines and Logistics

A. Submission of Proposals

All Vendors must register with the City that they will participate in the bidders conference on Wednesday, June 22 and that a proposal will be submitted. Please email Megan Delaney (mdelaney@aeftsystems.com) and state your company name and key contact. Questions should be submitted to Megan Delaney by email (mdelaney@aeftsystems.com) by Tuesday, June 28, 2016 by 5:00 p.m.

Completed responses to the RFP must be received no later than July 14, 2016 by 5:00 p.m.

Proposals, with the exception of the Requirements Matrices and the Appendices, may be no longer than 35 pages in length and may not utilize a font smaller than 10-point.

B. Key Dates

These are the key proposed dates of this RFP and its Award and implementation commencement.

	Event	Event Date
1.	City issues Enterprise Resource Planning Software and Implementation Services RFP	June 16, 2016
2.	Non-mandatory Bidders Teleconference	June 22, 2016
3.	Deadline for submitting questions to the City.	June 28, 2016
3.	Deadline for vendors to submit a response for the RFP	July 14, 2016
4.	Shortlisted vendors present to the City Evaluation Team	August 8- August 18, 2016
5.	Reference checks and Site Visits conducted by the Evaluation Team	August 2016
6.	City staff makes recommendation on the ERP Vendor to City Council	September, 2016
7.	City Council awards contract to ERP Vendor	September 2016
8.	City executes Agreement with selected vendor(s)	September 2016
9.	Implementation Vendor commences work	October 2016

C. Pre-Qualifications

In order to qualify to bid for this project, the proposing vendor should have a demonstrated track record with cities and other local government agencies including:

1. At least five municipal projects completed similar to this Request for Proposal AND
2. Out of the five completed projects, at least two of those projects have been for a California municipality or agency.

D. Proposal Format

The proposal is to be organized into the following Sections. Failure to follow this format may result in elimination from consideration.

Section	Title
	Letter of Transmittal
	Table of Contents
1	Executive Overview
2	Company Background and Experience
3	Client References
4	Solution Description and Services (including the Requirements)
5	Project Work Plan and Timeline
6	Project Staffing
7	Cost Proposal
9	Appendices

Letter of Transmittal

Provide a letter of transmittal introducing your company and your proposal.

Executive Overview

Response should include an Executive Overview/Summary (approximately 3 to 4 pages) of the proposed solution describing the modules proposed, any vendor teaming, the implementation approach, the implementation methodology, City's responsibilities, overall schedule and cost.

Company Background and Experience

Provide a brief history of the company, the current corporate environment, the core business philosophy and company's strategic direction in software design and support.

If your company has acquired any software products, this section should clearly delineate these products and the plans for integrating these products into your corporate environment.

Describe any other pertinent historical information about your company and other major products or services offered but not bid.

Provide a general description of the company's financial condition. Provide information regarding any pending litigation, impending mergers, contract defaults or other conditions related to the financial health of the company. Also provide in the Appendices three years of financial statements.

Also provide the company's experience in performing similar relevant government entities projects performed in the last five years. Highlight any participation by staff that is proposed on this project.

Client References

Provide a list of five (5) or more clients who have contracted with your firm for the software modules desired and the requested implementation services. The list should include the following:

1. Agency Name
2. Principal Contact Name
3. Contact's Title
4. Contact's Information (address, phone number and email address)
5. Brief Description of the project including all software modules implemented and services provided
6. Time frame of the project including go-live dates of the modules
7. Final Cost of the project

Solution Description and Services

Provide a detailed description of how your proposal meets the needs of the City as presented in this RFP.

Provide an overview of the solution being proposed. This should include at a minimum the following:

- The software modules being proposed, indicating what modules are available “out of the box” versus modules that would either require custom development or are being filled by a third-party solution.
- Identify the recommended hardware for all environments.
- Describe the overall system architecture and all development tools provided.
- Describe the application security environment.
- Identify the reporting and query tools being proposed or included as part of the overall solution.
- Describe the user interface and how the users will interact with the software.
- Describe your solutions approach to addressing interfacing needs including writing and managing these interfaces. Discuss any long-term support that is offered in maintaining any interfaces developed during the project and how these are maintained during software upgrades.
- Describe your upgrade philosophy including the frequency and the costs to the City. Describe when the City is required to pay for an upgrade and what is included as part of the maintenance agreement.
- Describe your warranty and support. Describe how interfaces and/or customizations are maintained and if these are included under maintenance.
- Proposed scope of work, including your intended approach to address the City's specific requirements.
- Thoroughly describe the implementation services you are proposing.
- Discuss your training plan and how to keep the users up-to-date with the newest changes of the software.

The responses to the Requirements matrices should also be provided in this section. The requirements worksheets are available on the City's website for download in an electronic format (Excel). See [Appendix A](#) for these details. The Vendor should respond to these individual requirements by utilizing the

appropriate code (shown on the first tab of the spreadsheet) in the 'Vendor Response' column. Vendors will be rated on how well they can meet each requirement by indicating whether they can support the functionality 'out-of-the-box', with modifications, via a third party solution, via customization, in a future release, or not at all. This rating legend is also provided in [Appendix A](#).

Project Work Plan and Timeline

Provide a proposed project time schedule, detailing the time necessary for each phase of the services you are proposing.

A detailed work plan should be provided which identifies all key tasks, key deliverables and the key milestones. The work plan should also detail any expectations of the City in order to complete the work as presented. Please reference Section III Scope of Work for further details on the scope requested.

Project Staffing

Clearly define the roles of all vendors involved in this project.

Clearly delineate all key personnel who will be assigned to the project by providing an overall organization chart that defines the key personnel and their service delivery areas.

Provide names and backgrounds of the individuals that will be working on this Project and the percent of project that each will handle. For all personnel, provide a brief resume that details their qualifications, experience, and relevant professional education and indicate the percentage of time they will be on-site versus off-site. Please note that the Project Manager proposed must have at least three (3) years experience in providing project management experience for the proposed software in a public agency.

As the City will provide desk space when your personnel are on-site, please delineate the needs of your staff.

Cost Proposal

Provide a "not-to-exceed" proposal inclusive of services, software, hardware and software or hardware taxes. Describe your software licensing approach (e.g., server, user, site license, etc.)

Please note, the City will retain 10% of all service costs until completion of all tasks. The 10% retention will be paid 90 days after go-live.

Please also provide costs for any materials needed and travel costs.

The City also desires the Vendor to provide five (5) year costs for maintenance.

Please utilize the Pricing Work Sheets provided in [Appendix B](#) of this RFP.

Appendices

Please provide the financial statements and any other pertinent information not requested elsewhere that is relevant to this proposal for consideration. With the exception of the Financial Statements requested, the additional information is limited to a maximum of two pages.

E. Business License

If the Vendor is selected by the City, the Vendor must obtain a valid City of Santa Fe Springs business license. Additional information regarding the City's Business License program may be obtained by calling (562) 868-0511.

F. Insurance and Indemnification Requirements

Indemnification and insurance requirements, including the required insurance documentation, are set forth in [Appendix C](#). Upon award of the contract, insurance documentation in a form acceptable to the City must be submitted no later than 10 business days after Notice of Award of Contract, and prior to the City of Santa Fe Springs' execution of the Agreement.

G. Submittal

Please provide your proposals in the following format: one original, 5 hardcopies and an electronic copy on a CD or USB drive to the City of Santa Fe Springs addressed to:

Ms. Janet Martinez
City Clerk
City of Santa Fe Springs
11710 Telegraph Road
Santa Fe Springs, CA 90670

The proposal must be received in hardcopy at the above address by the closing date and time - Thursday, July 14th, 2016 at 5:00 PM Pacific Standard Time. Firms mailing or shipping their proposals must allow sufficient delivery time to ensure timely receipt of their proposals by the time specified. Late proposals will not be accepted.

The proposals must be valid for a period of 90 calendar days from the deadline date.

The City reserves the right to reject any and all proposals, to award all or any individual part/item of the Proposal, to waive any informalities or information in any proposals, and to make an award in the best interest of the City.

If you have any questions regarding this Request for Proposal please contact: Megan Delaney either by email at mdelaney@aefsystems.com or by phone at (714) 974-4377 extension 2.

Response to questions in regards to this Request for Proposals will be posted on the City's website at <http://www.santafesprings.org/cityhall/finance/default.asp>.

H. Proposal Opening

Proposals will be opened and evaluated by the City's evaluation team after the submittal date has closed.

I. Selection Process

Proposals received by the City will be reviewed and evaluated according to the following categories (not in any particular order):

	Criteria	Percent
1	Qualifications of the Software Vendor/Implementation Vendor	15%
2	Implementation Project Manager and Key Personnel	20%
3	Project Understanding and Approach	20%
4	Past Experience and References	20%
5	Pricing	25%

As reflected above, the contract award will not be based solely on price, but on a combination of factors as determined to be in the best interest of the City. After evaluating the proposals and discussing them further with the finalists or the tentatively selected contractor, the City reserves the right to further negotiate the proposed work and/or method and amount of compensation.

J. Right to Reject Bid

The City reserves the right to reject bids for any reason whether or not said bids are responsive or non-responsive. The City may, but shall not be required to solicit additional information, orally or in writing, from one or more of the applicants relating to the content of their proposal. The City may, but shall not be required to, meet with one or more of the bidders prior to a preliminary selection of one or more bidders with which the City may choose to negotiate.

K. Use of Vendor Proposal and Accompanying Material

All material submitted becomes the property of the City of Santa Fe Springs and will not be returned to the vendor. The proposals submitted may be reviewed and/or evaluated by persons internal or external to the City at the discretion of the City.

L. Obligation to Contract

This Request for Proposal does not obligate the City to contract for services specified herein.

M. Proposal Preparation Costs and Expenses

The City will not be liable for any costs incurred by the Proposer in responding to the RFP, presentations or any other activities related to responding to this RFP.

N. Form of Agreement

The contents of this RFP, RFP Addenda, and the proposal document of the successful Proposer shall become contractual obligations as part of the contract if acquisition action ensues. Failure of successful vendor to accept these obligations in a contractual agreement shall result in cancellation of award. The City

reserves the right to negotiate provisions in addition to those stipulated in the RFP or proposed by vendor for the purposes of obtaining the best possible offer.

O. Public Records Act

All responses to this Request for Proposal will become the property of the City of Santa Fe Springs and will be retained or disposed of accordingly. Therefore, the Proposer is cautioned to identify on its Proposal any data the Responder believes to be exempt from the publication under the Public Records Act. If Responder claims a privilege against public disclosure or otherwise objects to the records' disclosure, then the City may either decline to produce the requested information or redact portion of the documents and produce the redacted records. By submitting a proposal, the Proposer agrees that it shall indemnify, defend and hold the City harmless from all liability, claims, suits, demands, damages, fines, penalties, costs or expenses arising out of or alleging the City's refusal to publicly disclose one or more records that the Responder identifies as protectable, or asserts is protectable.

Appendix A – Requirements Work Sheets

The Excel spreadsheet may be found on the City's website at the following link

<http://www.santafesprings.org/cityhall/finance/default.asp>. The Vendor should utilize the Excel spreadsheets to respond to each requirement for each module. The following worksheets are contained in the Requirements Spreadsheets:

Tab 1 – Instructions for Responding – Use this worksheet to ensure you are following the instructions correctly and utilizing the correct response codes.

SUP (5 points) – Supported as delivered “out of the box”

MOD (4 points) – Supported via modifications using screen configurations, reports GUI tailoring, etc.)

3RD (3 points) – Supported via a third-party tool

CST (2 points) – Supported via customization to source code

FUT (1 point) – Will be supported in a future release (note in Additional Vendor Comments column when it will be released)

NS (0 points) – No score provided, as the requirement cannot be met

Tab 2 – Scoring Summary – Do not type into any field on this tab.

Tab 3 – IT – General Technology

Tab 4 – AP – Accounts Payable

Tab 5 – AR - Accounts Receivable

Tab 6 – BU - Budget

Tab 7 – CR – Cash Receipts

Tab 8 – CM – Contract Management

Tab 9 – FA – Fixed Assets

Tab 10 – GL – General Ledger

Tab 11 – GR – Grant Management

Tab 12 – IV – Inventory

Tab 13 – PR – Project Accounting

Tab 14 – PU – Purchasing

Tab 15 – HR – Human Resources

Tab 16 - PY – Payroll

Tab 17 – TK – Timekeeping

Tab 18 – UB – Utility Billing

Tab 19 – BL – Business License

Tab 20 – WO - Work Order

Appendix B – Pricing Work Sheets

Pricing Worksheets are provided in an Excel worksheet. The following worksheets are contained in the Pricing Spreadsheets:

Tab 1 - Summary – Do not enter data in any of the fields on this tab.

Tab 2 – Software – Complete the appropriate cost information and the maintenance for the 5 years requested. If you add a module, please identify that module in the field marked “Others”.

Tab 3 – 3rd Party Software – Identify all costs for third party software only.

Tab 4 – DBMS – Identify any costs related to required DBMS.

Tab 5 – Services – Identify all costs related to implementation of the software. If other services categories are required, please replace “Other” with the appropriate category.

Tab 6 – Alternative Solution Cost – If you wish to propose Hosting, Software As A Service, etc. please utilize this tab.

Tab 7 – Hourly Rates – For each project role, please identify the name and the proposed hourly rate.

Appendix C – Insurance Requirements

A contractor shall not commence work under any permit until he has obtained all insurance required under this section, and such insurance has been approved by the City, nor shall the Contractor allow any subcontractor to commence work on his subcontract until all similar insurance required of the subcontractor has been obtained.

A. Commercial General Liability Insurance (Occurrence Form CG0001 or equivalent)

A policy of comprehensive general liability insurance written on a per occurrence basis for bodily injury, personal injury and property damage. The policy of insurance shall be in an amount not less than \$1,000,000.00 per occurrence or if a general aggregate limit is used, then the general aggregate limit shall be twice the occurrence limit. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO “insured contract” language will not be accepted.

B. Worker’s Compensation Insurance

Consultant shall maintain Workers’ Compensation Insurance (Statutory Limits) and Employer’s Liability Insurance (with limits of at least \$1,000,000). Consultant shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its officers, agents, employees and volunteers.

C. Automotive Insurance

Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

D. Professional Liability

Professional liability insurance appropriate to the Consultant’s profession. This coverage may be written on a “claims made” basis. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to services performed under this Agreement. The insurance must be maintained for at least 5 consecutive years following the completion of Consultant’s services or the termination of this Agreement. During this additional 5-year period, Consultant shall annually and upon request of the City submit written evidence of this continuous coverage.

E. Fidelity Crime Coverage

Fidelity Crime Coverage with minimum limits of at least five million dollars (\$5,000,000) per occurrence and ten million dollars (\$10,000,000) aggregate, or a Fidelity Bond providing equivalent coverage, covering loss or damage to money, securities or other property of City caused by or resulted from theft, robbery, burglary, forgery, embezzlement, computer and funds transfer fraud, depositors forgery or alteration, or other dishonest or fraudulent acts or omissions committed or caused by of any of Consultant’s officers, officials, employees, agents, volunteers, or contractors, or any non-employee.

F. Cyber Liability

Technology errors & omissions insurance with limits of \$5,000,000 per claim/loss, and \$5,000,000 in the aggregate. If coverage is maintained on a claims-made basis, Consultant shall maintain such coverage for an additional period of five (5) years following termination of the contract. Technology errors & omissions insurance shall include the following coverage:

Liability arising from the theft, dissemination and/or use of confidential or personally identifiable information; including credit monitoring and regulatory fines arising from such theft, dissemination or use of the confidential information.

Network security liability arising from the unauthorized use of, access to, or tampering with computer systems.

Liability arising from the failure of Consultant's proprietary technology products (software) required under the contract for Consultant to properly perform the services intended.

Electronic Media Liability arising from personal injury, plagiarism or misappropriation of ideas, domain name infringement or improper deep-linking or framing, and infringement or violation of intellectual property rights.

Liability arising from the failure to render professional services as defined by industry standards appropriate to the technology being used.

Additionally, it is recommended that stipulations are included in the agreement that the consultant performing services on behalf of the City related to payment card information must be in compliance with the latest version of PCI DSS. If the member has not verified their own compliance, or that of their third-party payment processor this would be of concern. PCI Security Standards Council website <https://www.pcisecuritystandards.org/>

G. Other provisions or requirements

Proof of insurance. Consultant shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this contract. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

Duration of coverage. Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by Consultant, his agents, representatives, employees or subconsultants.

Primary/noncontributing. Coverage provided by consultant shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-

contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

Enforcement of contract provisions (non estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

Additional insured status. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

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

Separation of Insureds. A severability of interests provision must apply for all additional insureds ensuring that (Consultant's/Consultant's/Contractor's) insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

City's right to revise specifications. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such

change. If such change results in substantial additional cost to the Consultant, the City and Consultant may renegotiate Consultant's compensation.

Self-insured retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by City.

Timely notice of claims. Consultant shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

H. Notice of cancellation

Consultant agrees to oblige its insurance agent or broker and insurers to provide to City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

I. Indemnification

Consultant shall indemnify, defend with counsel approved by City, and hold harmless City, its officers, officials, employees and volunteers from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorney fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with Consultant's performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, including but not limited to, (i) negligent performance of the work, operations or activities provided herein of Consultant, its officers, employees, agents, subcontractors, or invitees, or any individual or entity for which Consultant is legally liable ("indemnitors"); or (ii) arising from Consultant's or indemnitors' reckless or willful misconduct, or arising from Consultant's or indemnitors' negligent performance of or failure to perform any term, provision, covenant or condition of this Agreement; and (iii) any allegation that any part, function or component of Consultant's software misappropriates or infringes a patent, copyright or other intellectual property right; provided that City promptly notifies Consultant of such claims, regardless of City's passive negligence, but excepting such loss or damage which is caused by the sole active negligence or willful misconduct of the City. Should City in its sole discretion find Consultant's legal counsel unacceptable, then Consultant shall reimburse the City its costs of defense, including without limitation reasonable attorney fees, expert fees and all other costs and fees of litigation. The Consultant shall promptly pay any final judgment rendered against the City (and its officers, officials, employees and volunteers) covered by this indemnity obligation. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this Agreement.

The requirements as to the types and limits of insurance coverage to be maintained by Consultant as required by Appendix C and any approval of said insurance by City, are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by Consultant pursuant to this Agreement, including, without limitation, to the provisions concerning indemnification.



NEW BUSINESS

Approving an Enterprise Resource Planning (Finance System) Project Management Agreement with AEF Systems Consulting, Inc.

RECOMMENDATION

That the City Council:

1. Pursuant to Section 34.29(G) of the City's Purchasing Policy (Professional Services and Consulting Services Contracts), suspend the request for proposals (RFP) process.
2. Authorize the City Manager to execute a professional services agreement with AEF Systems Consulting, Inc. to provide project management services in the implementation of a Citywide Enterprise Resource Planning (ERP) system.

BACKGROUND

As presented earlier in the evening, the City currently relies on a nearly 40-year old hardware and software "finance system" to run core essential applications such as the general ledger, payroll, accounts payable, purchasing, business licensing, and water and child care billing. If the City Council approves the implementation of the Tyler MUNIS software system, staff will need the support of an experienced professional project management firm to ensure that the new system is configured and installed properly.

AEF SYSTEMS CONSULTING, INC.

AEF Systems Consulting, Inc. (AEF) is a known firm highly capable of filling the project manager role. It has over 24 years of experience assisting a wide range of California governmental agencies. Their qualifications, references, and our own recent experience indicate a strong ability to effectively and efficiently provide project management services for the City in a timely manner. Their staff has expertise in the technological sector, with a strong local government accounting background.

Over the course of the last year they have been instrumental in guiding the City through the assessment and evaluation phases of the ERP system selection process. Their prior ERP implementation experience coupled with their knowledge of the City organization gained over the last year uniquely qualifies AEF for the project management role.



City of Santa Fe Springs

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A sampling of AEF's duties that would be provided as project manager are as follows:

- Working with City staff and Tyler MUNIS in the development of an overall project plan.
- Ensuring that City and Tyler MUNIS are performing required activities.
- Guiding department team members in assessing, configuring, and implementing Tyler MUNIS to meet their needs.
- Ensuring that all staff are aware of upcoming activities and responsibilities.
- Reviewing all key Tyler MUNIS deliverables and coordinating all revisions required.
- Participating in key design meetings with City staff and Tyler MUNIS.

It is anticipated that AEF's involvement in this project would require on average approximately 40 hours per month for the 36-month project, resulting in an estimated 1,440 hours for a total professional fee of \$230,000. The City would only be billed for actual hours incurred during the course of the work and not be billed for any more than \$230,000 unless express permission from the City is provided. No out-of-pocket or travel expenses are anticipated during the course of the project.

CITY COUNCIL - TECHNOLOGY SUBCOMMITTEE

Staff and AEF personnel have been meeting with the City Council's Technology Subcommittee consisting of Mayor Moore and Councilmember Sarno from the initial assessment phase of the project through the recent evaluation of Tyler MUNIS' proposal. In recognition of AEF's knowledge and unique value to the project as well as the City's need to begin the ERP implementation process, the Council Subcommittee recommends that pursuant to Section 34.29(G) of the City's Purchasing Policy (Professional Services and Consulting Services Contracts) the City suspend the request for proposals (RFP) process allowing the City to enter into a professional services agreement with AEF.

FISCAL IMPACT

The cost of the project manager is included in the ERP Replacement Project currently budgeted as a Capital Improvement Project (CIP) with a budget of \$1.5 million.

Thaddeus McCormack
City Manager

Attachments:

Proposal - AEF Systems Consulting, Inc.
City Purchasing Policy

ATTACHMENT 1



December 6, 2016

Mr. Jose Gomez
Assistant City Manager
Director of Administrative Services
City of Santa Fe Springs
11710 Telegraph Road
Santa Fe Springs, CA. 90670

Dear Jose:

This letter is to document AEF Systems Consulting, Inc.'s (AEF) role in providing project management services to the City of Santa Fe Springs (City) in the implementation of the MUNIS ERP project. This proposal briefly describes our approach to meeting this request.

Scope and Approach

The City is beginning to undertake the implementation of the MUNIS ERP software and has asked AEF to participate as the project manager over the implementation of the purchased modules. In support of this work, AEF would perform the following activities:

- Development of an overall project plan, in concert with Tyler staff.
- Management of key project activities to ensure both the vendor as well as City staff are performing required activities.
- In concert with the Tyler Project Manager, guide the department team members in assessing and implementing MUNIS to meet their needs ensuring that all staff are aware of upcoming activities and responsibilities.
- Review of all key Tyler deliverables and coordinate all revisions required.
- Participation in key design meetings with City staff and MUNIS.
- Participation in Steering Committee meetings throughout the project.
- Review and resolution of key issues that might arise throughout the project.
- Communication with the core management team to review issues and project status.
- Participation in the rollout to staff regarding the new features of the MUNIS system that impact them (e.g., timekeeping and employee self-service).

- Review of Tyler billings prior to payment.

Staffing, Timing and Professional Fees

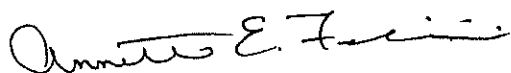
Ms. Megan Delaney, currently engaged with the City on the Needs Assessment project, will be the project manager working with City and Tyler staff on the implementation project. I will supplement Ms. Delaney's role occasionally when requested to participate due to specific issues that might arise.

The project is expected to start January 2017 and run through November 2019 for roughly 36 months. AEF anticipates involvement in this project will require on average approximately 40 hours per month for the 36-month project resulting in estimated hours of 1,440 for a total professional fee of \$230,000. It is recognized that some months may be heavier than others and require more hours to meet the needs of the project. The average hourly rate for the project is \$160 per hour, with the bulk of the hours being given to Ms. Delaney at her hourly rate of \$155. Ms. Feliciani's rate is \$175 per hour, but her role will be limited in the project.

The City will only be billed for the actual hours incurred during the course of the work and will not be billed for any more than \$230,000 without express permission from the City. AEF will bill monthly for the hours incurred during that previous period. No expenses are anticipated during the course of the project. When AEF incurs 75% of the hours planned, AEF will inform the City as to the hours incurred to date and provide an estimate to complete.

AEF appreciates the opportunity to provide continued service to the City of Santa Fe Springs. Please contact me at (714) 267-5757 to discuss any aspect of this proposal.

Sincerely,



Annette E. Feliciani
President
AEF Systems Consulting, Inc.

ATTACHMENT 2

PURCHASING –

§ 34.15 PURCHASING OFFICER CREATED; POWERS AND DUTIES

- (A) There is hereby created the position of Purchasing Officer. He shall be appointed by the City Manager. The duties of the Purchasing Officer may be combined with those of any other office or position.

('64 Code, § 2-38)

- (B) The Purchasing Officer of the city, or his designee, shall have the authority and duty to do the following:

1. Purchase or contract for supplies, services, and equipment required by any department in accordance with purchasing procedures prescribed by this subchapter, such administrative regulations as the Purchasing Officer shall adopt and such other rules and regulations as shall be prescribed by the City Council or City Manager.
2. Request quotations, negotiate, and recommend execution of contracts for the purchase of supplies and equipment.
3. Act to procure for the city the needed quality and quantity of supplies and equipment at least cost to the city.
4. Discourage uniform bidding and endeavor to obtain as full and open competition as possible on all purchases.
5. Prepare and recommend to the City Manager rules governing the purchase of supplies and equipment for the city.
6. Prepare and recommend to the City Manager revisions and amendments to the purchasing rules.
7. Keep informed of current developments in the field of purchasing, prices, market conditions, and new products.
8. Prescribe and maintain such forms as are reasonably necessary to the operation of this subchapter and other rules and regulations.
9. Supervise the inspection of all supplies and equipment purchased, to insure conformance with specifications.

10. Recommend the transfer of surplus or unused supplies and equipment between departments as needed and the sale of all supplies and equipment which cannot be used by any department or which have become unsuitable for city use.
11. Maintain a bidders' list, vendors catalog file and records needed for efficient operation of the Purchasing Office.
12. Establish and maintain inventory, storage, and distribution systems.
13. Support the various departments to enable them to provide their services to the community in a timely manner.

('64 Code, § 2-39)

(Ord 237, passed 1-23-64)

§ 34.16 INSPECTING AND TESTING ITEMS

The Purchasing Officer shall inspect or cause to be inspected to his satisfaction supplies and equipment delivered, to determine their conformance with the specifications set forth in the purchase order or contract. The Purchasing Officer shall have authority to require chemical and physical tests of samples submitted with bids and samples of deliveries which are necessary to determine their quality and conformance with specifications.

('64 Code, § 2-40) (Ord 237, passed 1-23-64)

§ 34.17 REQUESTS BY DEPARTMENTS TO BE MADE ON REQUISITION FORMS

Departments shall submit requests for supplies and equipment to the Purchasing Officer utilizing requisition forms. If attachments such as specifications, artwork, exhibits, etc. are required as part of the requisition, departments are responsible to ensure additional materials are received by Purchasing Officer in a timely manner.

('64 Code, § 2-41) (Ord 237, passed 1-23-64)

§ 34.18 PURCHASING METHODS

- (A) Purchases of supplies and equipment for the city shall be made by purchase order, petty cash, or city-issued procurement credit card.

('64 Code, § 2-42)

- (B) Except in cases of emergency, the Purchasing Officer of the city shall not issue any purchase order for supplies or equipment for the city unless there exists an unencumbered appropriation in the account against which such purchase is to be charged.

('64 Code, § 2-43)

(Ord 237, passed 1-23-64)

§ 34.19 PURCHASE BY BIDDING REQUIRED GENERALLY; INSTANCES WHERE BIDDING NOT REQUIRED

- (A) Purchases of supplies and equipment shall be by bid procedures pursuant to §34.20 and §34.21. Bidding may be dispensed with only when an emergency, as determined by the City Manager or his designee, requires that an order be placed with the nearest available source of supply, when the amount involved is less than \$2,500, when the commodity can be obtained from only one vendor, or when the product must match or interface with existing equipment.
- (B) Bidding may also be dispensed with, by order of the City Council, if the Council shall find, with respect to a specific purchase, that:
1. The best interests of the city require a negotiated purchase; and
 2. The proposed negotiated purchase will result in a cost to the city not greater than the projected costs of a purchase after bidding.
- (C) Bidding may also be dispensed if purchase is conducted through a cooperative purchasing program.

('64 Code, § 2-44) (Ord 237, passed 1-23-64; Ord. 624, passed 1-13-83; Ord. 691, passed 4-10-86)

§ 34.20 PROCEDURE FOR PURCHASES OF \$25,000 OR LESS

- (A) Purchases of supplies and equipment of an estimated value in the amount of \$25,000 or less may be made by the Purchasing Officer in the open market without observing the procedure prescribed by § 34.21.
- (B) The following requirements shall be met in such instances:

1. Minimum number of bids. Open market purchases shall, wherever possible, be based on at least three (3) bids and shall be awarded to the lowest responsible bidder.
2. Notice inviting bids. The Purchasing Officer shall solicit bids by written requests, by telephone, or other electronic communication method, or by public notice posted on a public bulletin board in City Hall, or by a combination of such methods.
3. Motor vehicle purchases. The provisions of this section shall apply to the purchase of motor vehicles individually costing \$25,000 or less. The motor vehicle(s) purchased under this policy must be of USA origin, unless it is not feasible to do so or it is operationally required to purchase a foreign-made motor vehicle.

§ 34.21 PROCEDURE FOR PURCHASES EXCEEDING \$25,000

Except as otherwise provided in this subchapter, purchases and contracts for supplies and equipment of estimated value greater than \$25,000 shall be by written contract with the lowest responsible bidder pursuant to the procedure prescribed as follows:

- (A) Notices inviting bids. Notices inviting sealed bids shall include a general description of the articles to be purchased, shall state where bid forms and specifications may be secured, as well as the date, time, and location for opening bids. Such notices shall be disseminated by the Purchasing Officer to prospective bidders, to those names that are on the bidders' list, or to those who have requested that their names be added thereto. The Purchasing Officer or his designee shall also solicit bids from all responsible prospective suppliers via written requests, by telephone, or other form of electronic communication, or by public notice posted on a public bulletin board in City Hall or the city's website, or by a combination of such methods.
- (B) Bid opening procedure. Sealed bids shall be submitted to the Purchasing Officer and must be received by the date and time specified. Bids shall be opened in public or electronically at the time and place stated. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than thirty (30) calendar days after the bid opening.
- (C) Rejection of bids. In its discretion, the City Council may reject all bids presented and order a new bid solicitation.
- (D) Award of bids. Bids shall be awarded by the City Council to the lowest responsible bidder, except as otherwise provided in this section.
- (E) Tie bids. If two or more bids received are for the same total amount or unit price, quality, and service being equal, and if the public interest will not permit the delay

of a new solicitation for bids, the City Council may accept the one it chooses or accept the lowest bid made by negotiation with the tie bidders.

- (F) Compliance with specifications. All qualified vendors have a right to compete for the city's business. Specifications shall not limit competition. Where a manufacture's name or a trade name is specified, the intent is to establish quality specifications or utility of the items required, and shall be deemed to be followed by the words "or equal." Bidders may offer any material, process, or service which is the equivalent of that specified, but it is at the discretion of the Purchasing Officer or his designee to determine if the material, process, or service is a valid substitution.

- (G) Motor vehicle purchases. The provisions of this section shall apply to the purchase of motor vehicles individually costing \$25,000 or more. The motor vehicle(s) purchased under this policy must be of USA origin, unless it is not feasible to do so or it is operationally required to purchase a foreign-made motor vehicle.

('64 Code, § 2-45) (Ord 237, passed 1-23-64; Ord. 609, passed 9-24-81; Am. Ord. 631, passed 7-14-83; Am. Ord. 753, passed 7-13-89)

§ 34.22 PROCEDURE FOR LOCAL VENDOR PREFERENCE

- (A) A reasonable effort shall be made to include Santa Fe Springs vendors in the procurement process. Prior to soliciting bids, the Purchasing Officer or his designee shall research the local market and look for Santa Fe Springs vendors to include in the list of bidders.
- (B) In the case of a bid submitted by a vendor under \$10,000, and such vendor is located or maintains a point of sale within the city, for the purpose of a bid comparison only, a preference equal to the amount the city will receive in sales tax, shall be provided to the local vendor.

§ 34.23 CHANGE ORDERS – FOR PURCHASES OF SUPPLIES AND EQUIPMENT

Changes to contracts for supplies and equipment can be made to the quantity ordered, delivery date, or unit price. Line items can also be added and can be changed.

- (A) The Purchasing Officer is authorized to issue change orders for all contracts of an accumulated total of \$25,000 or less.
- (B) City Council approval is required for changes to contracts of an accumulated total that exceed \$25,000.

('64 Code, § 2-46) (Ord 237, passed 1-23-64; Ord. 609, passed 9-24-81; Am. Ord. 631, passed 7-14-83; Am. Ord. 753, passed 7-13-89)

§ 34.24 PUBLIC PROJECTS – INFORMAL BIDS

- (A) The provisions of this section shall apply to construction on public projects where construction is estimated to cost less than \$175,000 or the maximum amount set forth under applicable state law.

('64 Code, § 2-46.1)

- (B) The City Engineer shall maintain a list of qualified contractors, identified according to categories of work. Such list shall comply with the minimum criteria for development and maintenance of such list, as determined from time to time by the California Uniform Construction Cost Accounting Commission ("the Commission").

('64 Code, § 2-46.2)

- (C) All contractors on the list for the category of work being bid and/or all construction trade journals specified by the Commission pursuant to Cal. Pub. Cont. Code § 22036 shall be mailed a notice inviting informal bids unless the product or service is proprietary. All mailing of notices to contractors and construction trade journals pursuant to this division shall be completed not less than ten (10) calendar days before bids are due.

('64 Code, § 2-46.3)

- (D) The notice inviting informal bids shall describe the project in general terms, how to obtain more detailed information about the project, and state the time and place for the submission of bids.

('64 Code, § 2-46.4)

- (E) The City Council delegates the authority to award contracts under \$100,000 to the City Manager or his designee. Informal contracts of \$100,000 or more shall be awarded by City Council.

- (H) The Public Works Engineer is authorized to prepare and adopt plans, specifications, and working details for all construction contracts under \$100,000 in sufficient detail to enable qualified contractors to bid on and perform the work.

('64 Code, § 2-46.5)

(Ord. 687, passed 1-9-86)

§ 34.25 PUBLIC PROJECTS – FORMAL BIDS

- (A) The provisions of the California Uniform Construction Cost Accounting Act, as defined in the Public Contract Code, beginning with Section 22000, shall apply to bids for formal contracts for construction of public projects.
- (B) Formal bidding shall be required when the construction cost is estimated to be more than \$175,000 or the maximum amount set forth under applicable State law.
- (C) Prior to going out to bid, the City Council shall adopt plans, specifications, and working details for any public projects exceeding the amount specified in subdivision (c) of Section 22032 of California Uniform Construction Cost Accounting Act, currently set at \$175,000.

§ 34.26 MAINTENANCE WORK AND NON PUBLIC PROJECTS

When contracting for maintenance work or work which does not fall within the definition of “public project,” the provisions of the California Uniform Public Construction Cost Accounting Act, beginning with Section 22000 of the Public Contract Code, shall apply to such work or project.

§ 34.27 CONSTRUCTION CHANGE ORDERS

Change orders result from unforeseen or changed conditions, added or deleted scope of work, or design errors or omissions. A change order is only appropriate to change a project in a manner consistent with the original bid specifications.

Change orders generally must meet all of the following criteria:

- 1. The modified job will consist essentially of the same work in the same general location as the original contract.
 - 2. The project, as ultimately constructed, will be essentially the same as the original project.
 - 3. The change order will not alter the nature of the project.
- (A) The City Engineer is authorized to approve the following change orders:
 - 1. Any single change order when the amount is \$20,000 or less.
 - 2. Any single change order when the amount is more than \$20,000 but not more than 5% of the contract amount and is not more than \$70,000.
 - (B) The City Manager is authorized to approve the following change orders:

1. Any single change order when the amount is \$30,000 or less.
2. Any single change order when the amount is more than \$30,000 but not more than 7.5% of the contract amount and is not more than \$100,000.

(C) City Council approval is required for the following change orders:

1. For contracts under \$100,000, when the new contract amount, including the change order, will exceed \$100,000.
2. Any single change order when the amount exceeds the limit established for the City Manager.
3. Any single change order when the total of all change orders authorized to date plus the change order that needs to be authorized will exceed 10% of the contract amount, except when the amount of the single change order to be authorized is \$5,000 or less.

§ 34.28 BID WITHDRAWAL

Bidders are allowed to change, modify, or withdraw their bid at any time up until the time set for opening. Once opened, a bid cannot be changed. If a bidder identifies a mistake in his bid, the bidder may request that it be relieved of the bid. The request must be made in writing within five days of bid opening, and is only allowed if the mistake is clerical in nature, and not due to error in judgment or to carelessness in inspecting the work site, or in reading the plans or specification. Bid relief must be reviewed and approved by the City Attorney.

§ 34.29 PROFESSIONAL SERVICES AND CONSULTING SERVICES CONTRACTS

Contracts for professional services requiring a high degree of specialized technical or mental skill, integrity or judgment, for which specifications cannot be developed due to the nature of the services, shall be negotiated and contracted through a Request for Proposals (RFP) process. An RFP allows the city to define the end result desired, and respondents are able to provide an approach or means to achieve the goal, a time frame to complete the work, and an associated cost.

Consulting services contracts are contracts that are of an advisory nature: provide a recommended course of action or personal expertise; have an end product that is basically a transmittal of information either written or verbal, and that is related to the governmental functions of the City.

- (A) Award of such contracts shall be on the basis of demonstrated competence and qualifications for the type of services to be performed; understanding of an approach to the project; responsiveness to the city's terms, conditions and required time of performance; completeness and thoroughness of the proposal; and a price that is determined to be fair and reasonable.
- (B) Proposals shall be evaluated on the basis of objective criteria. The RFP shall include the specific criteria to be used in the evaluation of all proposals. The weight for each evaluation factor shall be determined prior to review or evaluation of any of the proposals.
- (C) There shall be no public opening of proposals; however, all proposal responses must be received no later than the date and time specified. A list of all firms and individuals that responded shall be prepared, but are not required to be made available for public inspection until after a contract or purchase order has been awarded.
- (D) Negotiations may be conducted with the responder deemed most qualified or with those that have submitted proposals that are determined to have a reasonable potential of being selected for award. Negotiations may be used for purpose of clarification to assure a full understanding of, and conformance with, the solicitation requirements; or for the purpose of encouraging revisions to the proposal so that the city obtains a fair and reasonable price.
- (E) Procurement of services of an estimated value in the amount of \$25,000 or less may be made by the City Manager or his/her designee. Procurement of service of more than \$25,000, or any contract longer than one year, shall be approved by the City Council.
- (F) Procurement of service of an estimated value of less than \$10,000 shall require at least one (1) written proposal. Procurement of service of an estimated value of \$10,000 or more but less than \$25,000 shall require departments to make a reasonable effort to obtain a solicitation of at least two (2) written proposals. Procurement of service of an estimated value of \$25,000 or more shall require departments to make a reasonable effort to obtain a solicitation of at least three (3) written proposals. Procurement of service of an estimated value \$ 50,000 or more shall be evaluated by an evaluation team of at least three individuals.
- (G) *To the extent possible and feasible, the processes above will be utilized for selection of consultants providing professional services. An RFP/RFQ process may not be possible or feasible, if determined by the City Manager or designee that the provision of services is time sensitive, an emergency exists, or services*

must be rendered before an RFP/RFQ process can be completed. Such determinations will be the exception, not the rule. Each determination must be memorialized in writing and signed by the City Manager or a designee and maintained in the file for the subject contract. The City Manager, or designee, shall provide a report regarding the nature of the services provided at the next meeting of the City Council. At that meeting the City Council will ratify such actions, and determine further appropriate action such as, but not limited to, whether work should continue without the benefit of informal or formal bidding.

- (H) To comply with Internal Revenue Services regulations, an independent contractor may not be used or controlled as an employee. The City may not control the details of a contractor's performance.

§ 34.30 AMENDMENTS TO PROFESSIONAL SERVICES AND CONSULTING SERVICE CONTRACTS

- (A) When the city issues amendments outside of the original scope or intent of the contract, the most qualified firm may not end up performing the work and, thus the city may not receive the best value for its money; therefore, when, in the opinion of the City Manager, additional work deviates so substantially from the original scope of services as to constitute new services, the city shall initiate a new competitive selection process.
- (B) The City Manager or his designee is authorized to approve amendments to service contracts, provided the new total value of the contract does not exceed \$25,000. For contracts over \$25,000, amendments that exceed 10% of the contract amount, or \$10,000, whichever is less, shall be approved by the City Council. Such approval will establish a new contract amount against which the above percentages apply for subsequent amendments.

§ 34.31 TYPES OF CONTRACTS AND PURCHASES

- (A) The Purchasing Officer shall reduce, to the maximum extent possible, the number of purchasing transactions by combining into bulk orders and contracts the requirements of departments for common-use items repetitively purchased; and shall develop and use those types of contracts and purchase orders which will reduce to the minimum the accompanying paperwork and which, in other respects, will be most advantageous to the city.
- (B) The Purchasing Officer is authorized to prescribe the use of various types of contracts and orders, including but not limited to:
 - 1. Definite-quantity contracts, whereby the contractor agrees to furnish a specified quantity of supplies, material or equipment at a specific time.

2. Indefinite-quantity contracts, whereby the city agrees to obtain from the contractor all its requirements for specified supplies, materials or equipment in an estimated but indeterminate amount during a prescribed period of time, at a definite unit price or at a specified discount from list or posted prices.
3. Price agreements, whereby the contractor agrees to supply the city requirements for items, such as replacement parts for different makes of mechanical or automotive equipment, during a prescribed period of time, at a definite unit price or at a specific discount from list or posted prices.
4. Indefinite-quantity and price agreement contracts, as well as time and material contracts, shall specify a maximum expenditure or not-to-exceed amount based on estimated requirements.
5. Any contract that will have a term longer than one year, must be awarded by the City Council.

§ 34.32 COOPERATIVE PURCHASING PROGRAMS

Purchases of supplies, materials, or equipment made under a cooperative purchasing program, utilizing purchasing agreements maintained by the county, state, or other public agencies, are exempt from the requirements of competitive bidding.

§ 34.33 UNLAWFUL PURCHASES

- (A) If any purchase of supplies, material, equipment, or service is made by an employee not expressly authorized to make such purchase or if any purchase is contrary to the provisions set forth in this purchasing policy, such purchase shall be void and of no effect, unless thereafter ratified by the person or body required by this policy to approve such purchase. If not ratified, the individual, and not the city, will be responsible for purchase.
- (B) Departments may not split their requirements for supplies, materials or equipment into smaller estimated amounts in order to evade any of the provisions of the policy.
- (C) The purchase of supplies, materials, or equipment for any purpose other than the conduct of city business by any official or employee of the city is prohibited.

§ 34.34 PROHIBITION OF INTEREST

Any purchase order or contract in which an employee of the city is financially interested, directly or indirectly, shall be void, except that before the execution of such a purchase order or contract, the City Council shall have the authority to waive compliance with this section when it finds such action to be in the best interest of the city.

§ 34.35 SALE OF SURPLUS CITY PROPERTY

No city property or asset may be sold, given away, or otherwise disposed of without City Council approval.

§ 34.36 LOCAL EMERGENCY PURCHASE

- (A) In the event of a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property or essential public services, the City Council delegates to the City Manager the authority to authorize repairs and/or replacements as are necessary to permit the continued operation or services of the city or to avoid danger to life or property. The work or purchases may be performed at once without the benefit of bidding; however, bids shall be taken whenever reasonably possible. Emergencies that are a "great public calamity", as defined in Section 36.01 – 36.09 of the Municipal Code, shall be dealt with following the provisions of that code.
- (B) For any emergency contract or purchases awarded which normally required City Council approval, the City Manager shall provide a full report on the emergency and work performed or purchases made, at the next meeting of the City Council. At that meeting the City Council will ratify such actions, and determine further appropriate action such as, but not limited to, whether work should continue without the benefit of informal or formal bidding.
- (C) Emergency purchases are not intended to cover for poor planning, overlooked requirements, or inadequate forecasting. The items and quantities purchased, or work ordered for emergency situations shall be only what is necessary to satisfy the immediate emergency.

§ 34.37 MONETARY LIMITS

All monetary limits established in this policy are exclusive of applicable taxes.



NEW BUSINESS

Authorize the Purchase of Computer File Servers from GovConnection, Microsoft Software Licenses from GovConnection and a Storage Area Network (SAN) Appliance from Hewlett Packard Enterprise Group for New Enterprise Resource Planning (ERP) System.

RECOMMENDATION

That the City Council authorize the Director of Purchasing Services to issue the following:

1. A purchase order in the amount of \$52,059.83 to GovConnection for the acquisition of four computer file servers.
2. A purchase order in the amount of \$21,022.25 to GovConnection for the acquisition of four Microsoft 2016 Server software licenses, two Microsoft 2016 SQL software licenses and 100 Microsoft 2016 SQL client access software licenses.
3. A purchase order in the amount of \$59,918.42 to Hewlett Packard Enterprise Group for the acquisition of one SAN appliance.

BACKGROUND

As part of the new ERP (also known as the "Finance System") implementation, new computer file servers, Microsoft licenses and a new SAN appliance must be purchased to meet the requirements of the proposed MUNIS system by Tyler Technologies.

More specifically, the Director of Technology Services requests authorization to purchase the first two items listed below utilizing master purchasing contracts and the third via conventional bidding procedures:

- Four computer file servers from GovConnection utilizing the National Association of State Procurement Officials (NASPO) ValuePoint master agreement (Contract #: MNWNC-115) at a cost of \$52,059.83.
- Four Microsoft server software licenses, two Microsoft 2016 SQL Server software licenses and 100 Microsoft 2016 SQL Server client access software licenses from GovConnection utilizing the State of California contract (SLP-14-70-0021B/806105). The cost of the Microsoft licenses is \$21,022.25.
- The proposed SAN device (Quote #SLED-14371-01) from the Hewlett Packard Enterprise Group has a storage capacity of 7.36 Terabytes with a future expansion capability to a maximum of 750 Terabytes over five expansion shelves.



City of Santa Fe Springs

City Council Meeting

December 22, 2016

For the SAN device procurement, staff contacted three vendors that offer these systems and reviewed their proposed solutions as summarized in the table below:

Vendor	VPLS Solutions	Hewlett Packard Enterprise Group	TWE Solutions
Proposed Model/Quote	AF1000-SSD	SLED-14371-01	T4500 SSD
Storage Capacity	6 Terabytes	7.36 Terabytes	5.5 Terabytes
Maximum Storage Expansion Capability	236 Terabytes	750 Terabytes	125 Terabytes
Bid Amount	\$58,885.05	\$59,918.42	\$63,721.35

Given the differences in the proposed equipment and requirements of the new ERP, the Director of Technology Services recommends purchasing the Hewlett Packard Enterprise Group solution. While the bid amount is slightly more (\$1,033.37) than the lowest bid amount, the storage capacity and maximum storage capability (allowing for future growth) make this a superior solution.

FISCAL IMPACT

The recommended purchases are fully budgeted within the existing ERP project budget.

A handwritten signature in blue ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack
City Manager

Attachments:

GovConnection quote – File servers

GovConnection quote – Microsoft software licenses

Hewlett-Packard Enterprise Group quote – SAN device

ATTACHMENT 1



ORDERING INFORMATION

GovConnection, Inc. DBA Connection
HP WSCA/NASPO VALUE POINT Contract #: MNWNC-115
State of California
Contract Expiration: 1 October 2020

Please contact your account manager with questions.

Ordering Address
GovConnection, Inc.
732 Milford Road
Merrimack, NH 03054

Remittance Address
GovConnection, Inc.
PO Box 536477
Pittsburgh, PA 15253-5906

Please reference the Contract # on all purchase orders.

TERMS & CONDITIONS

Payment Terms:	NET 30 (subject to approved credit)
FOB Point:	DESTINATION (within Continental US)
Maximum Order Limitation:	NONE
FEIN:	52-1837891
DUNS Number:	80-967-8782
CEC:	80-068888K
Cage Code:	OGTJ3
Business Size:	LARGE

WARRANTY: *Manufacturer's Standard Commercial Warranty*

Important Notice: --- THIS QUOTATION IS SUBJECT TO THE FOLLOWING Terms of Sale: All purchases from GovConnection, Inc. are subject to the Terms and Conditions of our HP WSCA/NASPO VALUE POINT - Contract # MNWNC-115 - State of California. Any Order accepted by GovConnection for the items included in this Quotation is expressly limited to those Terms and Conditions; any other terms and conditions referenced or appearing in your Purchase Order are considered null and void. No other terms and conditions shall apply without the written consent of GovConnection, Inc. Please refer to our Quote Number in your order.

If you require a hard copy invoice for your credit card order, please visit the link below and click on the Proof of Purchase/Invoice link on the left side of the page to print one:
<https://www.govconnection.com/web/Shopping/ProofOfPurchase.htm>

Please forward your Contract to: SLEDOPS@connection.com

QUESTIONS: Call 800-800-0019

FAX: 603.683.0374



we solve IT™

SALES QUOTE

GovConnection, Inc.
732 Milford Road
Merrimack, NH 03054

Account Executive: David Spence
Phone: (800) 800-0019 ext. 75046
Fax: 603-683-1133
Email: dspence@govconnection.com

24245464.01-W1

PLEASE REFER TO THE ABOVE
QUOTE # WHEN ORDERING

Date: 12/5/2016
Valid Through: 1/4/2017
Account #: S03064

Account Manager:
Phone:
Fax:
Email:

Customer Contact: Alex Tong
Email: alextong@santafesprings.org

Phone: (562) 868-0511 x7339
Fax: (562) 868-7112

QUOTE PROVIDED TO: AB#: 6014477 CITY OF SANTA FE SPRINGS FINANCE DEPARTMENT 11710 TELEGRAPH RD SANTA FE SPRINGS, CA 90670 (562) 868-0511	SHIP TO: AB#: 8337097 CITY OF SANTA FE SPRINGS ALEX TONG CITY HALL 11710 TELEGRAPH RD SANTA FE SPRINGS, CA 90670 (562) 868-0511 x299
---	--

DELIVERY	FOB	SHIP VIA	SHIP WEIGHT	TERMS	CONTRACT ID#
5-30 Days A/R/O	Destination	Small Pkg Ground Service Level	106.00 lbs	NET 30	MNWN-115

Important Notice: --- THIS QUOTATION IS SUBJECT TO THE FOLLOWING Terms of Sale: This GovConnection, Inc. quote is subject to the Terms and Conditions of HP NASPO Value Point Contract Master Agreement Contract # MNNVP - 133 or MNNVP - 134. Any Order accepted by GovConnection for the items included in this Quotation is expressly limited to those Terms and Conditions; any other terms and conditions referenced or appearing in your Purchase Order are considered null and void. No other terms and conditions shall apply without the written consent of GovConnection, Inc. Please refer to our Quote Number in your order.

* Line #	Qty	Item #	Mfg. Part #	Description	Mfg.	Price	Ext
1	1	17783881	779806-S01	ProLiant BL460c Gen9 Blade Xeon 6C E5-2620 v3 2.4GHz / 32GB / 2x2.5" Bays / H244br / 2x10Gb HP Servers	HP Servers	\$ 1,646.74	\$ 1,646.74
2	1	33256109	U7BS3E	HP 5y 24x7 DMR BL4xxc FC SVC HP ESSN/Services	HP ESSN/Services	\$ 2,858.54	\$ 2,858.54
3	1	33256070	727261-B21	HP BLC 12W SMART STORAGE BATRY HP Server Accessories	HP Server Accessories	\$ 82.11	\$ 82.11
4	2	13761212	652583-B21	600GB SAS 6Gb / s 10K rpm SFF 2.5" SC Enterprise Hard Drive w / 3-year Warranty HP Server Accessories	HP Server Accessories	\$ 378.79	\$ 757.58
5	4	19337738	728629-B21	32GB PC4-17000 288-pin DDR4 SDRAM RDIMM for Select ProLiant Models HP Server Accessories	HP Server Accessories	\$ 435.02	\$ 1,740.08
6	1	16883400	718203-B21	LPe1605 16Gb Fibre Channel HBA for BladeSystem c-Class HP Server Accessories	HP Server Accessories	\$ 758.31	\$ 758.31
7	1	17468152	700076-B21	FlexFabric 20Gb 2-port 630M Adapter HP Server Accessories	HP Server Accessories	\$ 654.81	\$ 654.81
8	1	18029442	726995-B21	Processor, Xeon 6C E5-2620 v3 2.4GHz / 15MB / 85W for BL460c Gen9 HP Server Accessories	HP Server Accessories	\$ 492.13	\$ 492.13
9	1	16646842	E5Y34A	OneView including 3-year 24x7 Support Phys 1 Server License HP Server Accessories	HP Server Accessories	\$ 689.31	\$ 689.31
10	1	13914506	BD502A	ILO Advanced w / 3yr Technical Support U Flex Lic HP Server Accessories	HP Server Accessories	\$ 251.85	\$ 251.85
11							\$ -
12	3	17783873	779805-S01	ProLiant BL460c Gen9 Blade (2x)Xeon E5-2640 v3 2.6GHz / 64GB / 2x2.5" Bays / H244br / 2x10Gb HP Servers	HP Servers	\$ 3,939.91	\$ 11,819.73
13	3	33256109	U7BS3E	HP 5y 24x7 DMR BL4xxc FC SVC HP ESSN/Services	HP ESSN/Services	\$ 2,858.54	\$ 8,575.62
14	3	33256070	727261-B21	HP BLC 12W SMART STORAGE BATRY HP Server Accessories	HP Server Accessories	\$ 82.11	\$ 246.33



SALES QUOTE

GovConnection, Inc.
732 Milford Road
Merrimack, NH 03054

Account Executive: David Spence
Phone: (800) 800-0019 ext. 75046
Fax: 603-683-1133
Email: dspence@govconnection.com

24245464.01-W1

PLEASE REFER TO THE ABOVE
QUOTE # WHEN ORDERING

Date: 12/5/2016
Valid Through: 1/4/2017
Account #: S03064

Account Manager:
Phone:
Fax:
Email:

Customer Contact: Alex Tong
Email: alextong@santafesprings.org

Phone: (562) 868-0511 x7339
Fax: (562) 868-7112

QUOTE PROVIDED TO: AB#: 6014477 CITY OF SANTA FE SPRINGS FINANCE DEPARTMENT 11710 TELEGRAPH RD SANTA FE SPRINGS, CA 90670 (562) 868-0511	SHIP TO: AB#: 8337097 CITY OF SANTA FE SPRINGS ALEX TONG CITY HALL 11710 TELEGRAPH RD SANTA FE SPRINGS, CA 90670 (562) 868-0511 x299
---	--

DELIVERY	FOB	SHIP VIA	SHIP WEIGHT	TERMS	CONTRACT ID#
5-30 Days A/R/O	Destination	Small Pkg Ground Service Level	106.00 lbs	NET 30	MNWNC-115

Important Notice: --- THIS QUOTATION IS SUBJECT TO THE FOLLOWING Terms of Sale: This GovConnection, Inc. quote is subject to the Terms and Conditions of HP NASPO Value Point Contract Master Agreement Contract # MNNVP - 133 or MNNVP - 134. Any Order accepted by GovConnection for the items included in this Quotation is expressly limited to those Terms and Conditions; any other terms and conditions referenced or appearing in your Purchase Order are considered null and void. No other terms and conditions shall apply without the written consent of GovConnection, Inc. Please refer to our Quote Number in your order.

* Line #	Qty	Item #	Mfg. Part #	Description	Mfg.	Price	Ext
15	6	13753079	652589-B21	900GB SAS 6Gb / s 10K rpm SFF 2.5" SC Enterprise Hard Drive w / 3-year Warranty HP Server Accessories	HP Server Accessories	\$ 531.41	\$ 3,188.46
16	12	17903353	726722-B21	32GB PC4-17000 288-pin DDR4 SDRAM LRDIMM for Select ProLiant Models HP Server Accessories	HP Server Accessories	\$ 656.79	\$ 7,881.48
17	3	16883400	718203-B21	LPe1605 16Gb Fibre Channel HBA for BladeSystem c-Class HP Server Accessories	HP Server Accessories	\$ 758.26	\$ 2,274.78
18	3	17468152	700076-B21	FlexFabric 20Gb 2-port 630M Adapter HP Server Accessories	HP Server Accessories	\$ 654.76	\$ 1,964.28
19	3	16646842	E5Y34A	OneView including 3-year 24x7 Support Phys 1 Server License HP Server Accessories	HP Server Accessories	\$ 689.26	\$ 2,067.78
20	3	16460941	E6U63ABE	ILO Advanced for BL w / 3YR TS U E-LTU HP Server Accessories	HP Server Accessories	\$ 251.83	\$ 755.49
						Subtotal	\$ 48,705.41
						Fee	\$ 0.00
						Shipping and Handling	\$ 0.00
						Tax	\$ 3,354.42
						Total	\$ 52,059.83

*Lease for as low as: \$1,486.00/Mo.

ATTACHMENT 2



ORDERING INFORMATION

GovConnection, Inc. DBA Connection
California Microsoft Select Plus Contract #SLP-14-70-0021B
Microsoft Government Select Plus Agreement # 8061055
Contract Expiration: 01 February 2017

Please contact your account manager with questions.

Ordering Address
GovConnection, Inc.
732 Milford Road
Merrimack, NH 03054

Remittance Address
GovConnection, Inc.
PO Box 536477
Pittsburgh, PA 15253-5906

Please reference the California GovConnection Contract #SLP-14-70-0021B on all purchase orders.

TERMS & CONDITIONS

Payment Terms:	NET 30 (subject to approved credit)
FOB Point:	DESTINATION (within Continental US)
Maximum Order Limitation:	NONE
FEIN:	52-1837891
DUNS Number:	80-967-8782
CEC:	80-068888K
Cage Code:	OGTJ3
Business Size:	LARGE

WARRANTY: *Manufacturer's Standard Commercial Warranty*

Important Notice: --- THIS QUOTATION IS SUBJECT TO THE FOLLOWING Terms of Sale: All purchases from California GovConnection, Inc. are subject to the Terms and Conditions of our California Microsoft Select Plus Contract #SLP-14-70-0021B, Microsoft Government Select Plus Agreement # 8061055. Any Order accepted by California GovConnection for the items included in this Quotation is expressly limited to those Terms and Conditions; any other terms and conditions referenced or appearing in your Purchase Order are considered null and void. No other terms and conditions shall apply without the written consent of California GovConnection, Inc. Please refer to our Quote Number in your order.

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Please forward your Contract to: SLEDOPS@connection.com

QUESTIONS: Call 800-800-0019

FAX: 603.683.0374



we solve IT™

SALES QUOTE

GovConnection, Inc.
732 Milford Road
Merrimack, NH 03054

Account Executive: David Spence
Phone: (800) 800-0019 ext. 75046
Fax: 603-683-1133
Email: dspence@govconnection.com

24248422.01-W1

PLEASE REFER TO THE ABOVE
QUOTE # WHEN ORDERING

Account Manager:
Phone:
Fax:
Email:

Date: 12/5/2016
Valid Through: 1/4/2017
Account #: S03064

Customer Contact: Alex Tong
Email: alextong@santafesprings.org

Phone: (562) 868-0511 x7339
Fax: (562) 868-7112

QUOTE PROVIDED TO: AB#: 6014477 CITY OF SANTA FE SPRINGS FINANCE DEPARTMENT 11710 TELEGRAPH RD SANTA FE SPRINGS, CA 90670 (562) 868-0511	SHIP TO: AB#: 8337097 CITY OF SANTA FE SPRINGS ALEX TONG CITY HALL 11710 TELEGRAPH RD SANTA FE SPRINGS, CA 90670 (562) 868-0511 x299
---	--

DELIVERY	FOB	SHIP VIA	SHIP WEIGHT	TERMS	CONTRACT ID#
5-30 Days A/R/O	Destination	Small Pkg Ground Service Level	.00 lbs	NET 30	SLP-14-70-0021B/806105

Important Notice: --- THIS QUOTATION IS SUBJECT TO THE FOLLOWING Terms of Sale: All purchases from California GovConnection, Inc. are subject to the Terms and Conditions of our California Microsoft Select Plus Contract # SLP-14-70-0021B, Microsoft Government Select Plus Agreement 8061055. Any Order accepted by California GovConnection for the items included in this Quotation is expressly limited to those Terms and Conditions; any other terms and conditions referenced or appearing in your Purchase Order are considered null and void. No other terms and conditions shall apply without the written consent of California GovConnection, Inc. Please refer to our Quote Number in your order.

* Line #	Qty	Item #	Mfg. Part #	Description	Mfg.	Price	Ext.
1	64	32845631	9EM-00264	WinSvrSTDCore 2016 SNGL MVL 2Lic CoreLic Microsoft	Microsoft	\$ 72.71	\$ 4,653.44
2	4	32847505	R18-05172	WinSvrCAL 2016 SNGL MVL DvcCAL Microsoft	Microsoft	\$ 19.22	\$ 76.88
3	2	32142898	228-10840	SQLSvrStd 2016 SNGL MVL Microsoft	Microsoft	\$ 591.19	\$ 1,182.38
4	100	32126791	359-06367	SQLCAL 2016 SNGL MVL DvcCAL Microsoft	Microsoft	\$ 137.58	\$ 13,758.00
Subtotal							\$ 19,670.70
Fee							\$ 0.00
Shipping and Handling							\$ 0.00
Tax							\$ 1,351.55
Total							\$ 21,022.25

*Lease for as low as: \$615.10/Mo.

ATTACHMENT 3



**Hewlett Packard
Enterprise**
Legal Quotation

To: City of Santa Fe Springs
11710 Telegraph Rd.
Santa Fe Springs, CA 90670-3658

In reply to your request:

SantaFeSprings 12082016 3PAR AFA Encryption

HPE Quote #	Created	Expires
SLED-14371-01	12/9/2016	3/12/2017

Your HPE Sales Contact:

Andrew Asare,
Phone: +1 214 7404509
Fax:
Email: andrew.asare@hpe.com

Payment Terms:

Net 45 days from the invoice date, subject to
credit approval

Submit Purchase Order To:

U.S. SLED Order Management,
Phone: .
Fax: 1-800-825-2329
Email: US-SLED-ORDERS@hpe.com

Phone:
Fax:
Email:

Solution	Net Price	
Hardware:	US\$	33,225.70
Software:	US\$	2,095.25
Support:	US\$	13,620.03
Installation:	US\$	6,030.05
Other:	US\$	0.00
Sub-Total:	US\$	54,971.03
Shipping and Handling:	US\$	0.00
Grand Total:	US\$	54,971.03
Estimated delivery upon PO receipt (in business days): 15 Delivery Method: Standard Delivery Duty Paid Shipping & Handling and Special Handling Exempt		

Print Date: 12/12/2016 10:40:43AM

Tax 9% = 4947.39

Total:

\$59,918.42



Hewlett Packard Enterprise

Legal Quotation

Quote Number
SLED-14371-01

Page
2

No.	Qty	Product	Description	Extended Item Net Price	Estimated Delivery Upon Order Entry
			HIP 3PAR StoreServ File Ctl v3 Sys [#1]		
0100	1	K2R66A	HPE 3PAR StoreServ File Ctl v3 Sys	1,248.00	11
0101	1	K2R67A	HPE 3PAR StoreServ File Ctl v3 Sngl Node	3,441.00	11
	1	Opt. 0D1	Factory integrated		15
0102	1	AJ763B	HPE 82E 8Gb Dual-port PCI-e FC HBA	924.50	11
	1	Opt. 0D1	Factory integrated		15
0200	1	H1K92A5	HPE 5Y Proactive Care 24x7 Service		
	1	Opt. SQ9	HPE 3 Par File Controller V3 Support	2,259.00	
0300	1	HA114A1	HP Installation and Startup Service		
	1	Opt. 5AM	HPE StoreEasy 1000/3000 Startup SVC	1,500.00	
0400	1	K2Q36A	HPE 3PAR StoreServ 8200 2N Fld Int Base	3,595.00	11
0401	8	K2P90A	HPE 3PAR 8000 920GB SFF FE SSD	23,675.20	11
	8	Opt. 0D1	Factory integrated		15
0402	1	L7B45A	HPE 3PAR 8200 OS Suite Base LTU	675.00	11
	1	Opt. 0D1	Factory integrated		15
0403	8	L7B46A	HPE 3PAR 8200 OS Suite Drive LTU	260.00	11
	8	Opt. 0D1	Factory integrated		15
0404	1	L7B57A	HPE 3PAR 8200 Virtual Copy Base LTU	145.75	11
	1	Opt. 0D1	Factory integrated		15
0405	8	L7B58A	HPE 3PAR 8200 Virtual Copy Drive LTU	106.00	11
	8	Opt. 0D1	Factory integrated		15
0406	1	L7B67A	HPE 3PAR 8200 Data Encryption LTU	891.00	11
	1	Opt. 0D1	Factory integrated		15
0500	1	HA114A1	HP Installation and Startup Service		
	1	Opt. 5XU	HPE Startup 3PAR 8200 2N Fld Int Bas SVC	2,100.00	
0600	1	BD362AAE	HPE 3PAR StoreServ Mgmt/Core SW E-Media	5.00	6
0700	1	BD363AAE	HPE 3PAR OS Suite Latest E-Media	5.00	6
0800	1	H1K92A5	HPE 5Y Proactive Care 24x7 Service		
	2	Opt. WSF	HPE 3PAR Internal Entitlement Supp		
	1	Opt. YF8	HPE 3PAR StoreServ 8200 2N Base Support	951.93	
	8	Opt. YU3	HPE 3PAR 8000 920GB SFF FE SSD Supp	3,878.80	

HPE Proprietary for Customer Use Only - Do Not Share



Hewlett Packard
Enterprise
Legal Quotation

Quote Number
SLED-14371-01

Page
3

No.	Qty	Product	Description	Extended Item Net Price	Estimated Delivery Upon Order Entry
	1	Opt. YUA	HPE 3PAR 8200 OS Suite Base Support	2,612.94	
	8	Opt. YUB	HPE 3PAR 8200 OS Suite Drive Support	139.76	
	1	Opt. YUN	HPE 3PAR 8200 Virtual Copy Base Support	501.45	
	8	Opt. YUP	HPE 3PAR 8200 Virtual Copy Drive Support	81.52	
	1	Opt. YUY	HPE 3PAR 8200 Data Encryption Support	1,034.63	
0900	1	P4A93A	HPE 3PAR File Ctl v3 Revry SW Media Kit	7.50	11
1000	6	QK734A	HPE Premier Flex LC/LC OM4 2f 5m Cbl	342.00	11
1100	3	HF383A1	HPE Training Credits for Storage SVC	2,160.00	
1200	1	HA124A1	HP Technical Installation Startup SVC		
	1	Opt. 5QW	HPE Startup 3PAR Vrt Cpy Lvl1 Tier 1 SVC	1,380.00	
	1	Opt. 5Y5	HPE Startup 3PAR 8000 System Reportr SVC	1,050.05	
Grand Total:				US\$ 54,971.03	



Hewlett Packard Enterprise

Legal Quotation

Quote Number
SLED-14371-01

Page
4

For inquiries regarding this quote please contact: RFQ-US-SLED@hpe.com

Upon issuing a Purchase Order to Hewlett Packard Enterprise please include the following:

- *Hewlett Packard Enterprise listed as the vendor
- *Bill to & Ship to addresses
- *PO number and valid Hewlett Packard Enterprise quote number
- *Hewlett Packard Enterprise Purchase Agreement # 7-15-70-34-002
- *Contact name, phone number & e-mail address
- *For electronic software include the end user e-mail address
- *Requested delivery date (per SLA requirements) and any special delivery requirements
- *Tax status
- *If support is ordered provide the end user's name and phone number. For upgrades include the serial number or the support identifier for contract entitlement

*Prices are exclusive of use, sales value added and other taxes. Should the item(s) being quoted herein be exempt from sales tax please include the appropriate valid tax exemption certificate referencing Hewlett Packard Enterprise as the vendor.

*If quoted herein, remarketed products are fully remanufactured and carry new product warranty. Purchase is subject to inventory availability at receipt of order. Inventory may not be reserved. Hewlett Packard Enterprise reserves the right to substitute new components if appropriate, or to cancel orders by notifying the customer if necessary components are unavailable.

*If quoted herein, Hewlett Packard Enterprise promotions must be ordered as quoted, no substitutions will be allowed. POs must be received on or prior to the expiration date of the quote or special promotion whichever comes first.

*If quoted herein, Hewlett Packard Enterprise Consignment/Demo equipment is currently at the location listed on this quote. Issuing a PO against this formal quotation will imply acceptance and delivery of the Consignment/Demo inventory. The standard warranty applicable to new equipment will apply. Some demo equipment may contain products that are remanufactured to be functionally equivalent to new.

Quote contains special discounts. Unless the customer has another valid agreement with Hewlett Packard Enterprise, this quotation is governed by Hewlett Packard Enterprise Customer Terms - Portfolio. A copy of these terms can be found on-line at <http://www8.hp.com/us/en/hpe/hp-information/end-user-agreement/terms.html>.

"The terms and conditions of the WSCA/NASPO contract number 7-15-70-34-002 applies to any order placed as a result of this inquiry. No other terms and conditions shall apply. Please reference this contract when placing an order"



City of Santa Fe Springs

City Council Meeting

December 22, 2016

NEW BUSINESS

Adoption of New Salary Schedule – Part-Time Employee Minimum Wage Modifications

RECOMMENDATION

That the City Council adopt the new salary schedule for impacted part-time employees (effective December 26, 2016) reflecting the change in new minimum wage requirements per California Senate Bill 3 signed by Governor Brown.

BACKGROUND

On April 4, 2016, Governor Brown signed landmark legislation that makes California the first state in the nation to commit to raising the minimum wage to \$15 per hour statewide by January 1, 2022. The State legislation increases the minimum wage over time consistent with anticipated economic expansion.

The first increase in the series will be effective on January 1, 2017 taking the minimum wage from \$10 per hour to \$10.50 per hour. The second increment raises the minimum wage on January 1, 2018 from \$10.50 per hour to \$11 per hour.

The Governor can act by September 1 of each year to pause the next year's wage increase for one year if there is a forecasted budget deficit or poor economic conditions. He did not act to pause the increase scheduled for January 1, 2017.

FISCAL IMPACT

The estimated cost of the above increases was incorporated in the Council-adopted Two-Year Budget for FY 2016-17 and FY 2017-18. The cost is approximately \$41,700 for FY 2016-17 (increase effective only during six months of the fiscal year) and \$133,600 for FY 2017-18. About 120 part-time employees will be impacted by the increase.


FOR Thaddeus McCormack
City Manager

Attachment(s)

Salary Schedule for Impacted Positions
State of California – Minimum Wage Fact Sheet

Report Submitted By: Jose Gomez
Maribel Garcia

Date of Report: December 15, 2016

ITEM NO.17

ATTACHMENT 1

EFFECTIVE DATE: DECEMBER 26, 2016
REVISED: DECEMBER 22, 2016

CITY OF SANTA FE SPRINGS
SALARY TABLES BY CLASS

PAGE 1

CLASS	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
53530	CLD CARE AST TEACH B	A- 1			12.798					
		B- 2			13.434					
		C- 3			14.095					
		D- 4			14.802					
		E- 5			15.539					

EFFECTIVE DATE: DECEMBER 26, 2016
 REVISED: DECEMBER 22, 2016

CITY OF SANTA FE SPRINGS
 SALARY TABLES BY CLASS

CLASS	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
72530	CHILD CARE TEACH I N	A- 1			12.400					
72540	HERITAGE PK RANGER N	B- 2			13.022					
72560	PSO APPRENTICE N	C- 3			13.671					
		D- 4			14.359					
		E- 5			15.075					
72900	BUS DRIVER I NB	A- 1			12.713					
		B- 2			13.412					
		C- 3			14.151					
		D- 4			14.928					
		E- 5			15.750					
73000	COMM SVCS LEAD II N	A- 1			11.819					
		B- 2			12.409					
		C- 3			13.022					
		D- 4			13.685					
		E- 5			14.359					
73100	FINANCE OFFICE AIDE	A- 1			12.234					
73110	WAREHOUSE ASSISTANT	B- 2			12.842					
		C- 3			13.473					
		D- 4			14.152					
		E- 5			14.856					
74300	PUB WORKS AIDE II N	A- 1			11.252					
		B- 2			11.871					
		C- 3			12.524					
		D- 4			13.210					
		E- 5			13.937					
74560	LIBRARY SVCS AIDE N	A- 1			11.127					
		B- 2			11.684					
		C- 3			12.267					
		D- 4			12.880					
		E- 5			13.524					
75000	CLD CARE AST TEACH N	A- 1			11.020					
75010	C/C ASST TEACH SUB N	B- 2			11.570					
		C- 3			12.149					
		D- 4			12.757					
		E- 5			13.396					

EFFECTIVE DATE: DECEMBER 26, 2016
 REVISED: DECEMBER 22, 2016

CITY OF SANTA FE SPRINGS
 SALARY TABLES BY CLASS

CLASS	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
75400	COMM SVCS LEAD I N	A- 1			11.081					
		B- 2			11.636					
		C- 3			12.218					
		D- 4			12.828					
		E- 5			13.471					
75500	PUBLIC WORKS AIDE N	A- 1			10.500					
75530	OFFICE AIDE N	B- 2			11.025					
75550	AQUATICS AIDE N	C- 3			11.577					
75580	COMM SVC FACILITY WK	D- 4			12.155					
75590	FOOD SERVICE AIDE N	E- 5			12.763					
79800	REC INSTRUCTOR	A- 1			31.038					
		K-11			26.116					
		N-14			21.763					
		P-16			18.862					
		V-22			13.059					
		X-24			10.500					

ATTACHMENT 2

Fact Sheet: Boosting California's Minimum Wage to \$15/Hour

Scheduled Wage Increases (If No Increases Are Paused)

	<u>26 Employees or More</u>	<u>25 Employees or Less</u>
\$10.50/hour	January 1, 2017	January 1, 2018
\$11/hour	January 1, 2018	January 1, 2019
\$12/hour	January 1, 2019	January 1, 2020
\$13/hour	January 1, 2020	January 1, 2021
\$14/hour	January 1, 2021	January 1, 2022
\$15/hour	January 1, 2022	January 1, 2023

Off-Ramp Provisions

Governor can choose to pause any scheduled increase for one year if either economy or budget conditions are met. The increase to \$10.50/hour is not subject to off-ramps. Initial determination of Governor by August 1 of each year prior to a January increase. The Governor makes the final determination by September 1.

1. Economy

Governor has the ability to pause an increase if seasonally adjusted statewide job growth for either the prior 3 or 6 months is negative and retail sales receipts for the prior 12 months is negative.

2. Budget

Governor has the ability to pause an increase if any year from the current budget year to two additional years is forecasted to be in deficit when including the next scheduled increase. Pursuant to Proposition 2, a multiyear forecast is adopted as part of the annual Budget Act. A deficit is if the operating reserve is projected to be negative by more than 1 percent of annual revenues, currently about \$1.2 billion. The budget off-ramp can only be used twice.

Indexing

Index annually for inflation (national CPI) beginning the first January 1 after small businesses are at \$15/hour. Floor of 0 percent (no decreases) and a ceiling of 3.5 percent. Off-ramps do not apply once the state gets to \$15/hour.

IHSS Sick Days

Implementation of one sick day in July 2018. Second day added in the first July following \$13/hour implementation for larger businesses, and third day added following \$15/hour implementation.

Effect on Workers

There are approximately 7 million hourly workers in California. Almost 2.2 million workers are currently paid minimum wage.

Annual income of full-time work at minimum wage:

2016 at \$10 per hour:	\$20,800
2022 at \$15 per hour:	\$31,200

For comparison, the Federal Poverty Level for 2016 is \$24,300 for a family of 4.



NEW BUSINESS

Adoption of New Position Titles and Salary Schedule – Fire-Rescue Department (Non-Suppression) Full-time Positions

RECOMMENDATION

That the City Council adopt the attached salary schedule (effective January 9, 2017) reflecting the reclassification of various Fire-Rescue (Non-Fire Suppression) positions.

BACKGROUND

On June 23, 2016 the City Council adopted the City's Two-Year Budget for FY 2016-17 and FY 2017-18. Included in the budget actions were the reorganization of the Fire-Rescue Department's Non-Fire Suppression function and the reclassification of various staff members in anticipation of the (now) recent retirement of the Department's Deputy Fire Marshal earlier this month. The Fire Chief recommended the changes after recognizing an opportunity to better utilize staff resources, cross train functions, and provide modest budget savings within the Environmental and Fire Protection divisions.

This item is before the Council at this time as the reorganization is scheduled to be effective in January 2017 and requires formal Council action adding/deleting position titles and modifying salaries which could only be taken after the Deputy Fire Marshal's retirement. In addition to filling the vacated position due to retirement, the reorganization implements a consolidation of Environmental Protection and Fire Prevention/Protection functions within non-suppression staff. Accordingly, the reorganization is a combination of some positions being elevated to backfill the retirement vacancy and other positions receiving a new title to reflect the consolidation of functions.

As summarized on the following table and attached organization charts: (1) the Deputy Fire Marshal position would be eliminated, (2) the Deputy Director of Environment Services would become the Director of Environmental Protection Division & Fire Prevention Bureau, (3) the Environment Protection Specialist/CPE would become the Deputy Fire Marshal/CPE, (4) an Environmental Protection Specialist would become the Deputy Director of Environmental Protection Division, (5) an Environmental Protection Specialist would become an Environmental Protection Division/Fire Prevention Bureau Specialist, (6) two Environmental Inspector I's would become Fire & Environmental Safety Inspector II's, (7) a Fire Protection Inspector I would become a Fire & Environmental Safety Inspector II, and (8) a Fire Protection Inspector I would become a Fire & Environmental Safety Inspector I.

Following is a summary of the position modifications as a result of the retirement and reorganization:

Previous Position	New Position
Deputy Fire Marshal	None (Position Eliminated)
Deputy Director of Environmental Services	Director of Environmental Protection Division & Fire Prevention Bureau
Environmental Protection Specialist/CPE	Deputy Fire Marshal/CPE
Environmental Protection Specialist	Deputy Director of Environmental Protection Division
Environmental Protection Specialist	Environmental Protection Division/Fire Prevention Bureau Specialist
Environmental Protection Inspector I (2)	Fire & Environmental Safety Inspector II
Fire Protection Inspector I	Fire & Environmental Safety Inspector II
Fire Protection Inspector I (Vacant)	Fire & Environmental Safety Inspector I

Attached is a detailed worksheet comparing the monthly salaries for the positions listed above for both previous and proposed.

FISCAL IMPACT

The Fire-Rescue Department (Non-Fire Suppression) reorganization is already included in the City's Adopted Two-Year Budget for FY 2016-17 and FY 2017-18.

For 
Thaddeus McCormack
City Manager

Attachment(s)

Organization Chart – Proposed

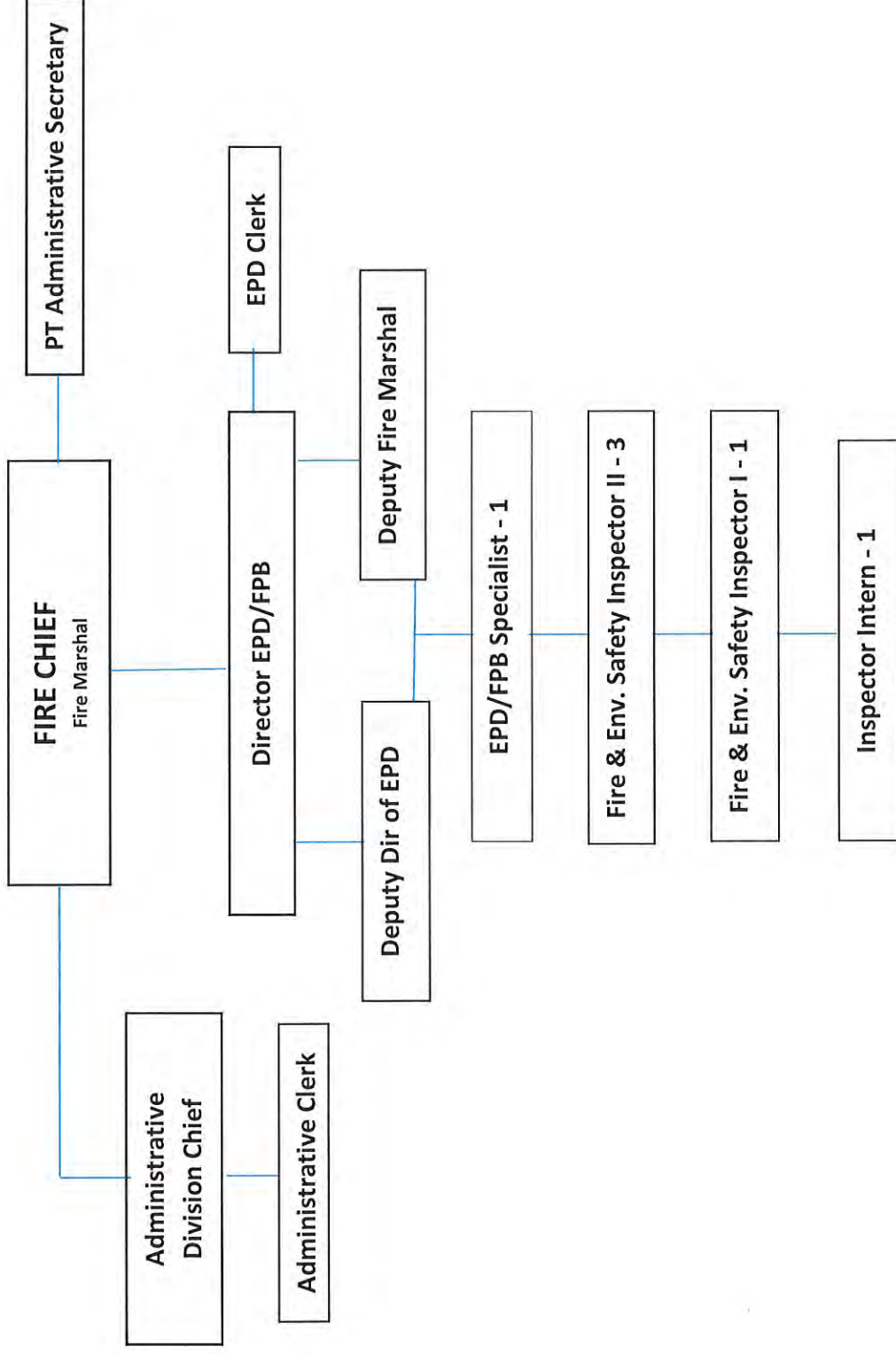
Organization Chart – Current

Salary Comparison – Prior vs. New Positions

Salary Schedule – Impacted Fire-Rescue Department (Non-Suppression) Positions

ATTACHMENT 1

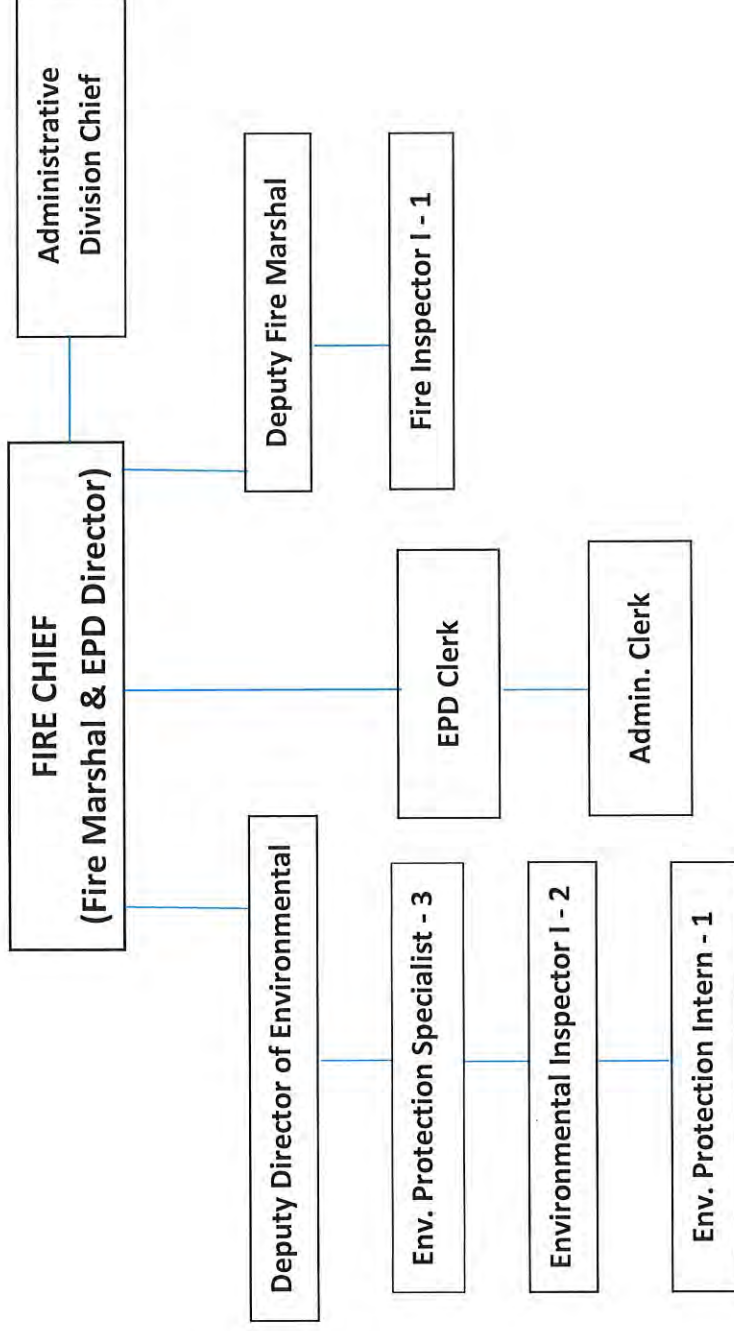
Environmental Protection Division (EPD) & Fire Prevention Bureau (FPB) 2017 Reorganization



ATTACHMENT 2

Environmental Protection Division (EPD) & Fire Prevention Bureau (FPB)

Current Organizational Chart - 2016



ATTACHMENT 3

[illegible]

ATTACHMENT 4

EFFECTIVE DATE: JANUARY 9, 2017
 REVISED: DECEMBER 22, 2016

CITY OF SANTA FE SPRINGS
 SALARY TABLES BY CLASS

CLASS	JOB TITLE	STEP	MONTHLY	NON-PHYS BI-WEEKLY	HOURLY	STEP	MONTHLY	PHYSICAL BI-WEEKLY	HOURLY	ANNUAL HOURS
12000	DIRECTOR EPD & FPB	A- 1	9360.362	4320.167	54.002					2080.00
		B- 2	9832.928	4538.274	56.728					
		C- 3	10329.540	4767.480	59.594					
		D- 4	10831.380	4999.098	62.489					
		E- 5	11376.086	5250.501	65.631					
12100	DEP FIRE MRSHL/CPE	A- 1	8851.955	4085.518	51.069					2080.00
		B- 2	9338.812	4310.221	53.878					
		C- 3	9852.447	4547.283	56.841					
		D- 4	10394.332	4797.384	59.967					
		E- 5	10966.020	5061.240	63.266					
12200	DEPUTY DIRECTOR EPD	A- 1	7975.075	3680.804	46.010					2080.00
		B- 2	8413.705	3883.248	48.541					
		C- 3	8976.458	4096.827	51.210					
		D- 4	9364.664	4322.153	54.027					
		E- 5	9879.720	4559.871	56.998					
12300	FIRE/ENV SFT INSP II	A- 1	6466.678	2984.621	37.308					2080.00
		B- 2	6822.345	3148.775	39.360					
		C- 3	7197.574	3321.957	41.524					
		D- 4	7593.441	3504.665	43.808					
		E- 5	8011.080	3697.422	46.218					
13110	EPD/FPB SPECIALIST	A- 1	7237.997	3340.614	41.758					2080.00
		B- 2	7622.741	3518.188	43.977					
		C- 3	8024.213	3703.483	46.294					
		D- 4	8449.731	3899.876	48.748					
		E- 5	8899.296	4107.367	51.342					
14810	FIRE/ENV SFT INSP I	A- 1	5615.381	2591.714	32.396					2080.00
		B- 2	5910.212	2727.790	34.097					
		C- 3	6219.680	2870.622	35.883					
		D- 4	6545.876	3021.174	37.765					
		E- 5	6889.845	3179.928	39.749					



NEW BUSINESS

Presentation and Consideration of the City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ending June 30, 2016

RECOMMENDATION

That the City Council receive and file the City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ending June 30, 2016

CAFR Review

The purpose of the City's CAFR is to provide relevant financial information to the City Council, citizens, staff, grant entities, creditors, bond investors, rating agencies, and other concerned readers.

The City's financial statements contained within the CAFR are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards. The statements are reported on a fiscal year basis beginning July 1st and ending June 30th and have been audited by an independent firm of certified public accountants, Lance, Soll, & Lunghard LLP (LSL), to provide reasonable assurance that they fairly present the City's financial condition.

Pursuant to auditing standards requirements, the City Council has formed an Audit Subcommittee. Its members, Mayor Moore and Councilmember Sarno, working closely with Staff and LSL have examined an earlier draft of the FY 2015-16 CAFR. This is LSL's third year auditing the City after being selected through a comprehensive procurement process in spring 2014.

In accordance with auditing standards, LSL has also issued an Audit Communication Letter summarizing the results of the audit and their Report on Internal Control and Compliance.

The year-end audited figures are consistent with the preliminary financial information presented to the Council at the November 22nd meeting and incorporate the actions taken at that meeting. The actions taken include adding \$1.3 million to the General Fund unassigned fund balance bringing the total balance to \$21.3 million or approximately 39% of operating expenditures and the base capital improvement fund ("CIP") allocation. In addition, the Council took action to authorize the transfer of additional funds to the CIP fund, an additional contribution to the City's other post-employment benefits trust ("OPEB"), and established a new category of General Fund fund balance set aside for future economic uncertainties/contingencies. The final available balance to set aside for these three actions amounted to \$530,000 each.



City of Santa Fe Springs

City Council Meeting

December 22, 2016

Attached is the City's CAFR, Audit Communications Letter, and Report on Internal Control and Compliance.

Fiscal Impact

None.

A handwritten signature in black ink, appearing to read "Thaddeus J. McCormack".

Thaddeus J. McCormack
City Manager

Attachments: Final audited FY 2015-16 CAFR
Audit Communication Letter
Report on Internal Controls and Compliance

ATTACHMENT 1

Fiscal Year 2015-2016



Comprehensive Annual Financial Report

City of Santa Fe Springs, CA

July 1, 2015 to June 30, 2016

Comprehensive Annual Financial Report

City of Santa Fe Springs, CA
Year Ended June 30, 2016



City Council

Richard J. Moore, Mayor
William K. Rounds, Mayor Pro-Tem
Jay Sarno, Councilmember
Juanita Trujillo, Councilmember
Joe Angel Zamora, Councilmember

Planning Commission

Ralph Aranda
Ken Arnold
Gabriel Jimenez
John Mora
Frank Ybarra

Traffic Commission

Greg Berg
A. J. Hayes
Alma Martinez
Ted Radoumis
Nancy Romo

Executive Management Team

Thaddeus McCormack, City Manager
Steve Skolnik, City Attorney
Jose Gomez, Asst. City Mgr. / Dir. of Fin.
Maricela Balderas, Dir. of Com. Services
Michael Crook, Fire Chief
Wayne Morrell, Director of Planning
Noe Negrete, Director of Public Works
Dino Torres, Director of Police Services

Prepared by:

Jose Gomez, Asst. City Mgr. / Dir. of Fin.
Travis Hickey, Director of Fiscal Services
Lana Dich, Accounting Manager
Donna Mack, Accountant
Erlinda Gutierrez, Accountant
Michelle Prieto, Administrative Clerk II

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CITY OF SANTA FE SPRINGS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

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"A great place to live, work, and play"

December 14, 2016

Honorable Mayor & City Council and
Residents of the City of Santa Fe Springs:

Introduction

It is our pleasure to submit for your information and consideration the Comprehensive Annual Financial Report (CAFR) of the City of Santa Fe Springs (City). The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City's Department of Finance and Administrative Services. It is our opinion that the data as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of the various funds; and that all disclosures necessary to enable the reader to gain a full understanding of the financial activities have been included.

The enclosed financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as recommended by the Governmental Accounting Standards Board (GASB) and include the report of the independent certified public accountants, Lance, Soll & Lunghard LLP. The complete report is divided into distinct sections:

Introduction-	Letter of transmittal, an organizational chart, and prior year award for financial reporting.
Financial -	Independent auditor's report, Management's Discussion and Analysis (MD&A), basic financial statements, accompanying notes to the financial statements, required supplementary information, and supplementary information.
Statistical -	Pertinent financial and non-financial data that present historical trends and other information about the City.

Richard J. Moore, Mayor • William K. Rounds, Mayor Pro Tem
City Council
Jay Sarno • Juanita Trujillo • Joe Angel Zamora
City Manager
Thaddeus McCormack

**Introduction
(cont.)**

As a recipient of federal funds, the City of Santa Fe Springs is required to undergo an annual single audit. Information related to this single audit, including a schedule of expenditures of federal awards, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and examined costs are included in a separately issued single audit report.

This report presents the financial status of the City and its component units, the Successor Agency to the Community Development Commission, Housing Successor Agency, the Public Financing Authority, and Water Utility Authority as a single reporting entity. Although these component units are legally separate from the City, the City maintains significant financial accountability. Financial accountability is defined as appointment of a voting majority of the component unit's board and either (A) the ability of the primary government to impose its will on the component unit, or (B) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. For detailed information regarding the City and its component units, please refer to Notes to the Financial Statements section in this report.

**Accounting
System and
Budgetary
Control**

In developing and modifying the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding:

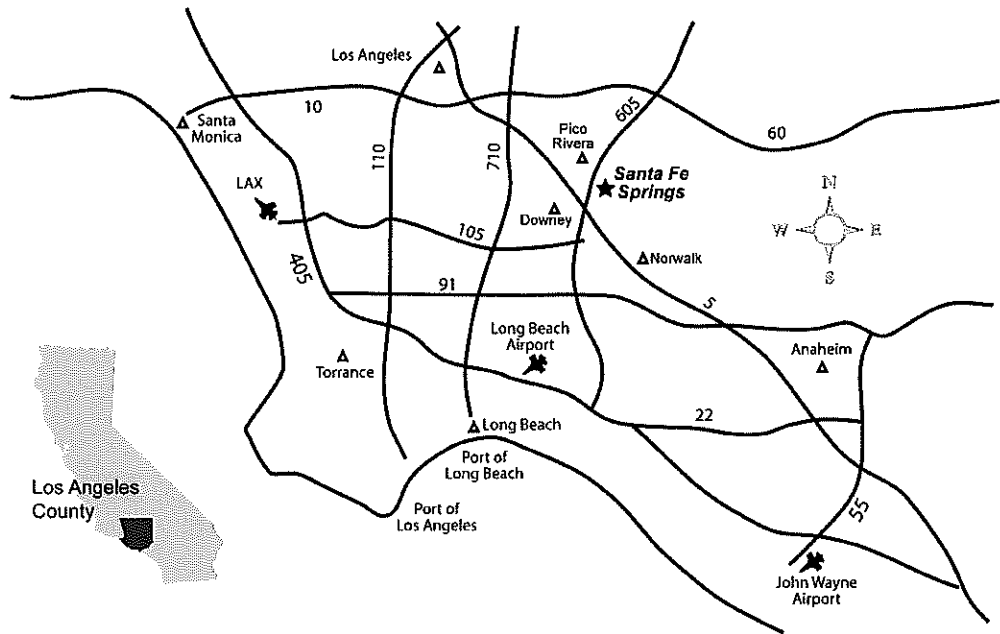
- (1) The safeguarding of assets against loss from unauthorized use or disposition; and
- (2) The reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from it and that the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. The accounting system is maintained on a functional basis (activity/sub-activity) in order to reflect the services provided by the City.

The City maintains budgetary controls at the individual fund level to ensure compliance with the budget approved by the City Council. The budget includes estimated revenues and appropriations for the City's General Fund and certain Special Revenue Funds. Operating plans for the City's Water Utility Fund are also prepared as part of the budget.

Profile and Government Structure

The urban development of Santa Fe Springs began in the early 1950's as the result of a planned effort by a coalition of business community members and local residents. During the ensuing years, community pressures resulted in the incorporation of the City on May 15, 1957. The new City covered 4.9 square miles with a population of 11,787. The City of Santa Fe Springs now encompasses nine square miles, with about 84% of the land zoned for commercial and industrial use. The City's population is approximately 18,500; however, the daytime population is estimated at 95,000.



The City of Santa Fe Springs operates as a general law city under the council-manager form of government. Five City Council members are elected at-large for alternating four-year terms. The Mayor is selected annually from among the five members of the City Council. The City Council is responsible for the City's ordinances, operating resolutions, budget adoption and appointment of committee members. Overall, there are 14 standing committees, boards and commissions that provide input to the City Council. Among these are the Planning Commission and the Traffic Commission. The City Manager is responsible for administering the policies and directives approved by the City Council. The City Manager appoints the Executive Management Team, which is comprised of the Assistant City Manager/Director of Finance & Administrative Services, Fire Chief, Director of Community Services, Director of Planning, Director of Police Services, and Director of Public Works.

Local Economic Outlook

The City of Santa Fe Springs is strategically located in southeast Los Angeles County with access to major seaports, airports and transportation corridors. With the vast majority of the City zoned for commercial and industrial use, Santa Fe Springs has historically experienced strong development and redevelopment activity in the community. Sales tax, property tax, and utility user's taxes (UTT) revenues reported slight decreases from the prior year.

The City's primary revenue source, sales and use taxes, reported a decline for the first time since Fiscal Year (FY) 2009-10. Historically, its impact has been notable as it accounts for the vast majority of the City's General Fund revenues. The decline in property tax revenues was primarily the result of less residual taxes from the City of Santa Fe Springs Successor Agency. Overall, the City is still recovering structurally from the State's elimination of redevelopment. The absence of redevelopment tools will also have a lasting effect in greatly limiting the City's ability to address economic development and infrastructure needs.

In the meantime, the voter-approved addition of the UUT has taken on a more prominent and stabilizing role. It has helped diversify and significantly supplement the City's revenue stream going forward. The 5% UUT will continue assisting earmarked public safety programs and capital improvement project causes. For the first time since adopted by the voters, UUT revenues dropped slightly when compared to prior year amounts. Given the various revenue declines, we must remain watchful of longer-term trending and implications for the City.

The City has a vision statement that affirms: "The City of Santa Fe Springs is a great place to live, work and play," with the following mission statement: "The City of Santa Fe Springs is committed to enhancing the quality of life of its residents and businesses by providing: a safe environment, a thriving business community, quality family, youth, and senior services, and sound financial management of the community's resources." The guiding values are as follows:

- Personal integrity, honesty, and ethics
- Public service
- Compassion
- Responsibility, accessibility, and accountability
- Dedication

**Accomplishments
& Outlook**

Historically, the City has utilized a two-year operating budget and a six-year Capital Improvement Program (CIP) as some of the most significant planning tools to achieve the City's vision and identified missions. The unprecedented events of recent years necessitated more swift and short-term actions. In moving past the "Great Recession" and the elimination of redevelopment, the City has begun to re-establish some of the above long-range planning tools along with strategic goals that will better guide the City into the future. As approved by the State, this includes the ability to spend capital funding from previously-issued tax allocation bonds. Public safety is the highest priority in the community as evidenced by the continued financial commitment provided to both Fire and Police Services.

The Fire-Rescue and Police Services Departments continue to combine their manpower to provide the resources and tools to deal with emergency and security issues that may arise in the community and region. The City continues to purchase specialized equipment with the use of grant funding. Departmentally, following are some of the highlights:

Fire-Rescue Department

The Fire-Rescue Department is comprised of 60 members working from four fire stations providing not only the traditional services of fire suppression, hazardous materials response, fire prevention and emergency medical services, but also a full-service Environmental Protection Division. The environmental protection and response components are considered model systems in the State of California. The City's status as a Certified Unified Program Agency (CUPA) makes Santa Fe Springs a "one stop shop" for administering all the hazardous materials, hazardous waste and tank programs in the City. The State has long held the City's CUPA as one of the best programs in the State. The CUPA Division is working toward implementing the California Environmental Reporting System (CERS) allowing business residents to file their annual hazardous materials disclosures electronically. The Fire Prevention Division continues to provide many services, including code enforcement, plan checks, issuing permits, fire investigations, and public education events. Fire-Rescue suppression personnel have implemented a business-friendly fire inspection program with the goal of annually inspecting each business in the City to identify possible fire and life safety issues as well as update emergency contact information in the department's data base. The Department of Fire Rescue conducted over 2,400 business and residential inspections and responded to over 3,900 emergency calls in FY 2015-16.

The Fire-Rescue Department currently staffs a Regional Urban Search and Rescue Team designated at the highest level as a "Heavy" rescue team by the Office of Emergency Services (OES). Fire-Rescue also staffs a Type I Hazardous Materials Response Team with all staff trained to the Haz-Mat "Specialist" level. The City is currently one of only thirty Hazardous Material Teams in the State certified as a Type I Response Team and qualified to mitigate emergencies involving acts of terrorism and weapons of mass

**Accomplishments
& Outlook (cont.)**

destruction. The Department houses and maintains an OES Fire Engine for local and statewide disaster response. The Department continues to support neighboring communities through the California Master Mutual Aid Agreement in response to major disasters and emergencies including brush fires, landslides, earthquakes, acts of terrorism, major disasters, etc.

The department, in partnership with Rio Hondo College, continues to manage the Regional Homeland Security Training Center located directly adjacent to the Headquarters' Fire Station. This state-of-the-art facility was built with grant funding for the purpose of assisting local fire and police agencies in increasing awareness and training regarding terrorist activity including building collapse, hazardous materials, rail car incidents, confined space, trench rescue, etc. The center has been recognized by the California State Training Institute (CSTI) as the primary training center for Hazardous Material Specialists Training in Southern California.

In FY 2015-16, the Fire-Rescue Department applied for and received over \$597,636 in Homeland Security grant funding. This funding supports the purchase of equipment and training for the Homeland Regional Training Center, the City's Type I Hazardous Materials Response Team and the City's Urban Search and Rescue (USAR) Response Team. Specifically, grant awards allowed for the purchase of a forklift, Ford Explorer Command Vehicle, training equipment, and Hazardous Material Specialist and Urban Search and Rescue (USAR) training classes. As in past years, the use of grant funds provided the City's General Fund with much relief.

The Department continues to provide vehicle apparatus maintenance for the City of Compton's Fire Department and the Rio-Hondo Fire Academy.

Department of Police Services

The Department of Police Services oversees the City's community-based approach to law enforcement which blends contract Whittier Police Department officers and City public safety personnel. Together, this team is based out of the City-owned 8,000 square foot Police Services Center providing dedicated police and municipal code enforcement services. The City's Department of Police Services is on the forefront of public safety issues, including crime prevention utilizing interdisciplinary strategies through an array of intervention programs provided by trained City staff, as well as collaborative efforts of numerous other professional public agencies.

In FY 2015-16, the Department of Police Services continued to "reach out" to the community, providing programs, information, and tools designed to deter crimes and improve the quality of life for its residents, such as:

- Dedicated Residential/Bike Patrols
- A Department Newsletter focusing on policing issues
- The addition of 2 part-time residential code enforcement officers
- Subscription to Crimereports.com for up-to date city crime data

**Accomplishments
& Outlook (cont.)**

- “Coffee with a Cop” sessions at schools and business establishments
- SNT/BEPN focusing on crime trends and emergency preparedness
- Speed enforcement equipment/tools to educate and deter speeding in the community
- Plate reading technology to aide in the recovery of stolen vehicles
- The “Great Shakeout” in preparation for major catastrophes
- Pet licensing and vaccination clinic
- Sworn personnel participation in “Read Across America” at local elementary schools

The department’s commitment to the Community Oriented Policing and Problem Solving (COPPS) philosophy is bolstered by the Family and Youth Intervention Program; a team of professionals that provides positive strategies and tools to families who are having difficulties with their children. Some of the programs this group administers are:

- Diversity
- Cesar Chavez
- Red Ribbon Week/Parade
- Every 15 Minutes

Department of Public Works

The City’s Department of Public Works is responsible for efficiently developing, constructing and maintaining the City’s infrastructure. The infrastructure consists of streets, facilities, parks, fleet, traffic signals and street lighting, and water distribution system. This encompasses routine and preventive maintenance items as well as responding to numerous citizen requests for service. The City prides itself in having a functional and well-maintained infrastructure that the community can enjoy.

The Engineering Division is responsible for the administration of the Capital Improvement Program (CIP), working closely with the Council CIP Subcommittee. In addition, traffic engineering and development review services are provided within the Engineering Division. In FY 2015-16, the Engineering Division issued 419 total excavation and construction permits.

During FY 2015-16, the Department of Public Works coordinated a multitude of capital improvement projects including:

- Clarke Estate, Activity Center and Civic Plaza Exterior Painting
- Lakeview Park Restroom Renovation
- Fire Station Headquarters – Generator Replacement
- Police Services Center – Generator Replacement
- Heritage Park – Repairs/Replacement of Perimeter Park Fencing
- Heritage Park – Restroom Renovation
- Heritage Park – Aviary Renovation
- Heritage Park – Wedding Area Synthetic Turf Improvements

**Accomplishments
& Outlook (cont.)**

- Advanced Traffic Management System (ATMS)
- Heritage Park – Kitchen Improvements
- Clarke Estate Courtyard Bistro Lighting
- Heritage Park – Construction of Decomposed Granite Walkways
- Motor Court Entry Sign Improvements
- Jersey Fields Patio Cover Removal
- Re-installation of the “Cannonball” art piece at the Aquatic Center
- Warehouse Interior Lighting Upgrade
- Activity Center – New Scoreboard Installation inside Gymnasium
- Post Office Block Wall Repair and Landscape Improvements
- Los Nietos Scoreboard Improvements
- Picnic Bench Replacement at all City Parks
- Aquatic Center Deck Repairs
- Aquatic Center Picnic Area Column Removals

In addition, we maintain 25 city facilities, 108 lane miles of roadways, curb and gutter and sidewalk, 13,000 trees, 54 traffic signals, 3,174 street lights, 6,335 water service connections and 161 city vehicles.

Department of Planning and Development

The Planning and Building Department is responsible for economic development (creating, retaining, attracting and expanding the business community), planning, and regulating land use and development that engenders a diverse and livable community where residents, businesses, and visitors can thrive. Through creating new retail opportunities and commercial developments, supporting the expansion of hospitality development, and long-range planning, current planning, building permits and inspections, these functions collectively protect and enhance the City's environment and quality of life.

Correlated to the nation's overall economic recovery, over the last few years, construction activities have consistently increased. In FY 2015-16, once again, we saw an increase in construction activities. During FY 2015-2016, there were a total of 1,317 permits issued with a total valuation of work at \$83,332,710. When compared to FY 2014-2015, we saw an increase of 355 permits issued. In all, the Building Department addressed a total of 2,588 queries (an average 215 queries each month) at the Building Counter, which was an increase of 34 more queries a month compared to FY 2014-15.

During FY 2015-16, a total of 66 planning entitlements were presented to the Planning Commission for consideration. Entitlements include, but are not limited to, conditional use permits, development plan approvals, zone variances, general plan amendments, zone changes, modifications, tentative parcel maps, and code amendments. In addition, the department also completed a total of 170 plan checks, issued a total of 52 sign permits and 7 banner permits, prepared a total of 29 zone certification letters, and issued a total of 13 home occupation permits. In terms of the counter activity, the

**Accomplishments
& Outlook (cont.)**

Planning Department addressed a total of 2,032 queries (an average 169 queries each month) at the Planning Counter. Although the counter activity did not equate to more planning entitlements, the Planning Counter did experience an increase of 20 more visits a month compared to FY 2014-15.

Based on recent trends, it appears that construction activity should remain relatively stable with some potential for a slight upward movement. It is, therefore, anticipated that the department numbers should remain stable throughout the current fiscal year. Nevertheless, the department remains committed to playing a prominent role in the shaping of the community through high-quality standards for the preservation and development of residential, commercial, and industrial areas citywide.

Department of Community Services

The Department of Community Services includes the following Divisions: 1) Parks and Recreation Services; 2) Library and Cultural Services; 3) Family and Human Services. It is one of the City departments' that has the most direct impact upon the residents. Program are available to City residents, as well as business residents, and range from social, recreational, cultural, and child care services. During FY 2015-16, the Department of Community Services achieved several significant accomplishments. They include the following:

- The Library's ELLI (English Language and Literacy Intensive) school outreach program was embedded in 18 classes at five local elementary schools reaching a total of 489 students per week. The Library also partnered with Santa Fe High School again to provide Bringing Literature to Life to 300 teens at a Gatsby Night.
- The Friends of the Library funded the Library's new website which launched this past year. The site also includes the City's historical photographs on display.
- New programs have been developed at the Library to increase inclusion: Sensory Storytime (for special needs children), the Tuesday Club (for developmentally disabled adults), and a bilingual story time for children.
- The Library developed science programs that include a successful robotics program attended by 400 children during the year, and a STEAM (science, technology, engineering, arts, and mathematics) program during the summer. Our STEM Fair, held in conjunction with Cerritos College, allowed 300 participants to learn from hands-on, interactive displays. We have also begun to provide more entertaining events for adults, such as the popular Downton Abbey Tea and special cooking classes.

**Accomplishments
& Outlook (cont.)**

- The Preschool Program integrated technology this past year. Teachers used iPads to complete child assessments and keep progress records. This eliminated paper, storing samples of children's work and the cost of printing photos. It also allowed for a more convenient and less time consuming paperwork process allowing teachers to spend more quality time interacting with children.
- The 2015 Thanksgiving and Christmas Holiday Basket Programs served 360 families. Over 300 volunteers came together to assist in the preparation of these events, including sorting can foods, packing food baskets, wrapping toy gifts, and setting up for the events, to name a few.
- FHS provided electric utility assistance grants of over \$32,350.00 to more than 333 Edison customers through our Partnership with the United Way and Southern California Edison. We also provided 152 grants totaling \$14,418.44 for gas utility assistance through the Southern California Gas Company and the United Way.
- Through the assistance of the Internal Revenue Service (IRS) and certified City volunteers, the FHS Division's Volunteer Income Tax Assistance (VITA) program completed 160 tax returns with nearly \$350,000 in refunds returning back to the community.
- The annual Fiestas Patrias event was held on September 11, 2015. Approximately 2,000 people attended the event. A special tribute was presented to honor those victims of the 2001 9/11 attacks. "El Grito" re-enactment was performed by a representative of the Mexican Consulate in Los Angeles.
- The 4th annual SFS Art Fest was very successful. Over 3,000 people attended the two-day event. Just under 300 artists displayed their artwork, over 25 new entertainment acts were hosted and countless artisan and food vendors were available to purchase items.
- The second annual Family Fun Run and Health & Safety Expo took place in April 2016. Over 1,200 participants ran/walked the route, over 1,500 people participated in the Health & Safety Expo, and over 40 agencies provided resources and information to participants. The past year's Fun Run incorporated a nominal fee, timing chip, and goodie bags for all participants. It was a very successful event.

City Manager

The City's overall administrative function falls under the auspices of the City Manager, who also serves as the head of the City's economic development team. The City Manager's Office also encompasses: the City Clerk functions and Human Resources. A major focus of the City Manager's Office has been restructuring and re-stabilizing the organization in the aftermath of the

**Accomplishments
& Outlook (cont.)**

elimination of Redevelopment, which had significant deleterious effects on the City. Much of the City Manager's office time focused on developing longer-term sustainable operational plans in a scaled-down environment, as well as restricting departmental organization structures to effectuate more efficient oversight and more productive outputs.

Department of Finance and Administrative Services

The Department of Finance and Administrative Services manages a number of tasks, working very closely with the City Manager's office. The department is responsible for various activities, including managing and safeguarding financial resources in accordance with specific principles and practices, fostering a positive image of the City, and administering information technology and risk management functions. Among the department's activities during the year were preparing a revision to the two-year budget, and working to develop long-term sustainable strategies. Additionally, the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Santa Fe Springs for its prior fiscal year comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is valid for a period of one year only. The current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and is being submitted to the GFOA to determine its eligibility for another certificate. The City has consistently received the GFOA award over the last several decades.

The department is embarking on a new Enterprise Resource Planning (ERP) system (also known as a "Finance Software System"). For much of the fiscal year, the department directed the assessment phase of the project. In the near future, it will embark on the implementation phase which will take place over the next few years. The new system will give the City capabilities beyond those currently available, including more robust departmental access, as well as an improvement in the organizational work flows.

**Long-Term
Financial Planning**

The City has continued taking a number of steps to better position its long-term financial standing. City employees are paying their full share of City pension costs. This, coupled with "tiered" benefits providing future City employees with a reduced set of benefits and a greater share of the costs, will substantially help the City's future fiscal standing. In conjunction with subsequent pension reform earmarked changes adopted by the State, the effect should be the stabilization of employee costs.

**Debt
Administration**

The City continues to prefund Other Postemployment Benefits (OPEBs) through CalPERS' California Employers' Retiree Benefit Trust Fund (CERBT). It recognizes the benefit of "prefunding" through a trust rather than using the "pay as you go" method.

Over the course of the next year staff will be looking to further develop and formalize more long-term financial planning models. They should help provide a framework that helps identify future trends.

At June 30, 2016, the City of Santa Fe Springs oversaw ten outstanding bond issues comprised of: five Consolidated Redevelopment Project tax-exempt tax allocation issues, one Consolidated Redevelopment Project taxable tax allocation bond issue, two City water revenue bonds, one taxable pension obligation bond, and a special assessment district bond.

The City works closely with public financial professionals to monitor opportunities to effectively administer the outstanding debt in a fluid public finance market. More detailed information about the debt is contained in the Management's Discussion and Analysis and in the Notes to Financial Statements.

Acknowledgements

We would like to extend our appreciation to the City Council, the City Council Audit Subcommittee, and City departments for their cooperation and support in planning and conducting the financial operations of the City during the past fiscal year. Specifically, we would like to thank the Department of Finance & Administrative Services for their consistent dedication and hard work.



Thaddeus McCormack
City Manager



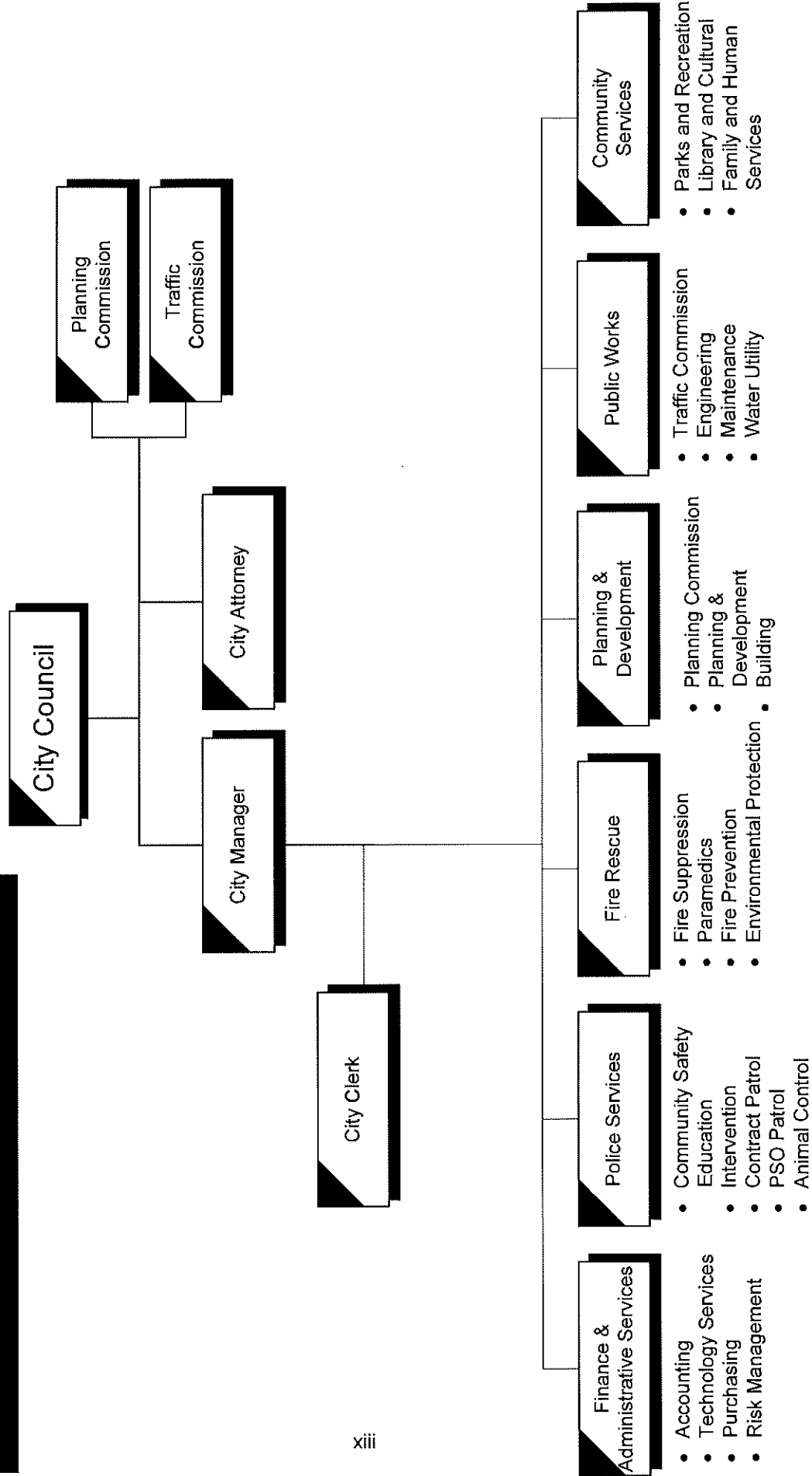
Jose Gomez
Assistant City Manager / Director of Finance and Administrative Services



Travis Hickey
Director of Fiscal Services

ORGANIZATIONAL CHART

CITY OF SANTA FE SPRINGS





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Santa Fe Springs
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

A handwritten signature in black ink, reading "Jeffrey R. Enos". The signature is fluid and cursive.

Executive Director/CEO



CPAs AND ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Santa Fe Springs, California, (the City) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



CPAs AND ADVISORS

To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Santa Fe Springs, California, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the General Fund budgetary comparison information, the schedule of changes in the net pension liability and related ratios, schedule of plan contributions, schedule of proportionate share of the net pension liability, and the schedule of plan contributions, and the schedule of funding progress be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



CPAs AND ADVISORS

To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2016 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Lance, Soll & Lughard, LLP

Brea California
December 14, 2016

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This is management's discussion and analysis (MD&A) of the financial performance of the City of Santa Fe Springs (City) for the fiscal year ended June 30, 2016. This should be read in conjunction with the transmittal letter that can be found in the introductory section of this report and with the City's financial statements, which follow this discussion.

Financial Highlights

- The City's total net position decreased over the course of the fiscal year by \$0.5 million to \$159.5 million. The governmental net position decreased by \$1.8 million or 1.3%, while the business-type net position increased by \$1.3 million or 8.5%
- The general fund, on the current financial resources basis, reported a decrease in fund balance of \$3.5 million to \$35.2 million. The primary reason for the decrease was due to transfers made to fund the capital improvement and internal service funds. Excluding transfers and other financing sources/uses, the general fund reported revenues in excess of expenditure of \$3.5 million. Revenues were \$0.3 million (0.6%) higher than the prior year and exceeded the current year budget estimates by just over \$1.0 million (1.8%). On the expenditures side, a decrease of \$0.3 million (0.6%) over the prior year was reported. The City also reported expenditures of \$0.4 million (0.8%) under the final budget estimates.
- The City's redevelopment agency, along with all California redevelopment agencies, was dissolved as of February 1, 2012. The City assumed the role of Successor Agency to wind down the affairs of the redevelopment agency including payment of approved obligations and distribution of available balances to various taxing agencies. The balances of the former redevelopment agency are reported in a private-purpose trust fund (fiduciary fund), and are excluded from the government-wide statements. As of July 1, 2015, pursuant to an approved Bond Expenditure Agreement, approximately \$19.6 million of unspent bond proceeds were transferred to the City by the Successor Agency to be spent in accordance with the original bond documents. These funds are reported in the Successor Agency Bond Funded Capital Projects fund.

Overview of the Financial Statements

This annual report consists of several parts: an introductory section, management's discussion and analysis, the basic financial statements, required supplementary information, supplementary information and a statistical section. The basic financial statements include two kinds of statements that present different views of the City: government-wide financial statements and fund financial statements.

Government-wide Financial Statements

The government-wide financial statements provide both short and long-term information about the City's overall financial status in a manner similar to a private sector business.

- The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. In time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of the City is improving or deteriorating.
- The statement of activities presents information on how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The City's Water Utility operates as a proprietary fund and is reported as the City's only business-type activity in the government-wide statements. The City's internal service funds operate as proprietary funds but primarily service governmental funds and are therefore, included with the governmental activities in the government-wide statements.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.

- Governmental funds statements tell how general government services such as public works, community services, police and fire were financed in the short term, as well as what remains for future spending. Because this information does not encompass the additional long-term focus of the government-wide statements, reconciliations that explain the relationship (or differences) between governmental funds and governmental activities follow each of the governmental funds statements.
- Proprietary fund statements offer short and long-term financial information about the City's Water Utility Enterprise fund and internal service funds.
- Fiduciary funds statements provide information about the financial relationships in which the City acts solely in a trustee or agency capacity for the benefit of others, to whom the resources belong. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by certain required supplementary information concerning the City's budgetary comparison schedules for its general fund and the City's pension and other post-employment benefits obligation to its employees. In addition to these required elements, we have included supplementary statements and schedules that provide details about the City's nonmajor governmental funds.

Financial Analysis of the Government-wide Statements

The government-wide financial statements provide short and long-term information about the City's overall financial condition. This analysis addresses the financial statements of the City as a whole. The statement of net position includes all of the City's assets and liabilities. All current year revenues and expenses are reported in the statement of activities, regardless of when cash is received or paid.

The two government-wide financial statements report the City's net position and how it has changed during the fiscal year. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial health of the City is improving or deteriorating.

City of Santa Fe Springs Summary of Net Position June 30, 2015 and 2016 (in millions)

	<u>Governmental Activities</u>		<u>Business- type Activities</u>		<u>Total</u>		<u>Total Percent Change</u>
	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	
Current and other assets	\$ 90.1	\$ 94.0	\$ 8.0	\$ 8.9	\$ 98.1	\$ 102.9	4.9%
Capital assets	<u>164.2</u>	<u>160.3</u>	<u>25.5</u>	<u>25.9</u>	<u>189.7</u>	<u>186.2</u>	-1.8%
Total assets	<u>254.3</u>	<u>254.3</u>	<u>33.5</u>	<u>34.8</u>	<u>287.8</u>	<u>289.1</u>	0.5%
Deferred outflows	5.7	5.7	0.6	0.7	6.3	6.4	1.6%
Net pension liability	77.3	87.1	6.9	7.5	84.2	94.6	12.4%
Long-term liabilities	13.7	13.3	9.5	9.3	23.2	22.6	-2.6%
Other liabilities	<u>10.8</u>	<u>9.3</u>	<u>1.8</u>	<u>1.9</u>	<u>12.6</u>	<u>11.2</u>	-11.1%
Total liabilities	<u>101.8</u>	<u>109.7</u>	<u>18.2</u>	<u>18.7</u>	<u>120.0</u>	<u>128.4</u>	7.0%
Deferred inflows	13.3	7.3	0.8	0.3	14.1	7.6	
Net position							
Net investment in capital assets	163.7	159.9	17.2	17.2	180.9	177.1	-2.1%
Restricted	29.2	32.4	-	-	29.2	32.4	11.0%
Unrestricted	<u>(48.0)</u>	<u>(49.2)</u>	<u>(2.1)</u>	<u>(0.7)</u>	<u>(50.1)</u>	<u>(49.9)</u>	-0.4%
	<u>\$ 144.9</u>	<u>\$ 143.1</u>	<u>\$ 15.1</u>	<u>\$ 16.5</u>	<u>\$ 160.0</u>	<u>\$ 159.6</u>	-0.2%

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Santa Fe Springs, assets and deferred outflows exceed liabilities and deferred inflows by \$159.5 million at the close of the fiscal year. The largest portion of the City's net position, 110.4%, is invested in capital assets, net of related debt. Approximately 20.3% of the City's net position is unrestricted as to use. Unrestricted net position is a deficit \$49.1 million, primarily a factor of implementing GASB Statement No. 68 as of June 30, 2015 and reporting the full net pension liability

During the fiscal year, the City's net position decreased by \$0.5million. Although there were variances in a variety of categories, overall revenues and expenses basically matched each other. With the completion of the Valley View Grade Separation Project, capital contributions and grants are down over \$6.0 million from the previous year. Additionally, sales taxes, property taxes, and utility users taxes reported slight decreases from the prior year. Charges for services revenue in the City's business-type activity was also down approximately \$0.9 million due to continuing conversation efforts. Governmental activities expenses were lower than the prior year primarily as a result of lower costs incurred on behalf of another government entity related to the Valley View Grade Separation Project. Other expenses were also generally down from the prior year as the anticipated revenue constraints were factored into the budget for the fiscal year.

Changes in Net Position
For the Fiscal Years Ended June 30, 2015 and 2016
(in millions)

	Governmental Activities		Business-type Activities		Total Primary Government		Total Percentage Change
	2015	2016	2015	2016	2015	2016	
Revenues							
Program revenues:							
Charges for services	\$ 8.7	\$ 9.9	\$ 12.3	\$ 11.4	\$ 21.0	\$ 21.3	1.4%
Operating grants and contributions	2.1	2.4	-	-	2.1	2.4	14.3%
Capital grants and contributions	6.8	0.6	0.1	0.8	6.9	1.4	-79.7%
General revenues:							
Sales and use taxes	26.4	25.5	-	-	26.4	25.5	-3.4%
Property taxes	4.1	3.4	-	-	4.1	3.4	-17.1%
Franchise taxes	3.0	3.0	-	-	3.0	3.0	0.0%
Motor vehicle in lieu	1.7	1.8	-	-	1.7	1.8	5.9%
Business operations taxes	0.8	0.8	-	-	0.8	0.8	0.0%
Utility users taxes	6.8	6.7	-	-	6.8	6.7	-1.5%
Other taxes	0.5	0.5	-	-	0.5	0.5	0.0%
Investment income	1.4	1.8	-	0.1	1.4	1.9	35.7%
Other	2.7	3.0	0.2	0.2	2.9	3.2	10.3%
Total revenues	<u>65.0</u>	<u>59.4</u>	<u>12.6</u>	<u>12.5</u>	<u>77.6</u>	<u>71.9</u>	-7.3%
Expenses							
Governmental activities:							
General government	5.6	5.7	-	-	5.6	5.7	1.8%
Public safety	28.2	31.5	-	-	28.2	31.5	11.7%
Community development	3.8	4.0	-	-	3.8	4.0	5.3%
Public works	14.3	9.5	-	-	14.3	9.5	-33.6%
Culture and leisure	7.7	8.1	-	-	7.7	8.1	5.2%
Human services	3.1	3.3	-	-	3.1	3.3	6.5%
Interest on long-term debt	0.2	0.2	-	-	0.2	0.2	0.0%
Business-type activities:							
Water	-	-	10.9	10.1	10.9	10.1	-7.3%
Total expenses	<u>62.9</u>	<u>62.3</u>	<u>10.9</u>	<u>10.1</u>	<u>73.8</u>	<u>72.4</u>	-1.9%
Excess (deficiency) before transfers and extraordinary gain	2.1	(2.9)	1.7	2.4	3.8	(0.5)	-113.2%
Transfers	1.2	1.1	(1.2)	(1.1)	-	-	
Extraordinary gain/(loss)	20.0	-	-	-	20.0	-	
Increase (decrease) in net position	<u>23.3</u>	<u>(1.8)</u>	<u>0.5</u>	<u>1.3</u>	<u>23.8</u>	<u>(0.5)</u>	-102.1%
Net position - beginning	211.1	142.8	20.3	13.5	231.4	156.3	-32.5%
Restatements	(91.6)	2.1	(7.3)	1.7	(98.9)	3.8	
Net position - ending	<u>\$ 142.8</u>	<u>\$ 143.1</u>	<u>\$ 13.5</u>	<u>\$ 16.5</u>	<u>\$ 156.3</u>	<u>\$ 159.6</u>	2.1%

The City's total revenues were \$71.9 million for the fiscal year ended June 30, 2016. Revenues from governmental activities totaled \$59.4 million and revenues from business-type activities totaled \$12.5 million. Program revenues comprise 29.6% of total revenues with the largest portion of this, \$21.3 million, resulting from charges for services. Sales and use taxes comprise 35.5% of total revenues and 54.5% of general revenues. Total revenues decreased by 7.3%, primarily driven by a continuing decline in grant funding received for two significant capital projects, the Valley View Grade Separation (completed) and water system improvements related to Caltrans' I-5 Widening Project (nearly completed). Sales and use taxes reported a decline for the first time since fiscal year 2009-10 and as well as utility users taxes which had not reported a decline since inception during fiscal year 2010-11. Property taxes also declined from last fiscal year, although this was primarily the result of the share of property taxes allocated to the City of Santa Fe Springs Successor Agency to extinguish obligations of the former Community Development Commission.

Expenses of the City for the year totaled \$72.4 million. Governmental activity expenses totaled \$62.3 million, or 86.0% of total expenses. The most significant decrease from the prior year was noted in the area of public works related to decreased costs incurred on behalf of a neighboring city in connection with the Valley View Grade Separation Project. The most significant increase was seen in the public safety function due to the revised accounting for pension costs pursuant to GASB Statement No. 68. The following table summarizes the total cost and net cost of the City's governmental activities by function type.

Net Cost of Governmental Activities
(in millions)

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2015	2016		2015	2016	
General government	\$ 5.6	\$ 5.7	1.8%	\$ 2.3	\$ 1.8	-21.7%
Public safety	28.2	31.5	11.7%	24.6	27.4	11.4%
Community development	3.8	4.0	5.3%	1.7	1.5	-11.8%
Public works	14.3	9.5	-33.6%	7.3	8.7	19.2%
Culture and leisure	7.7	8.1	5.2%	7.1	7.5	5.6%
Human services	3.1	3.3	6.5%	2.1	2.3	9.5%
Interest on long-term debt	0.2	0.2	0.0%	0.2	0.2	0.0%
Total	<u>\$ 62.9</u>	<u>\$ 62.3</u>	<u>-1.0%</u>	<u>\$ 45.3</u>	<u>\$ 49.4</u>	<u>9.1%</u>

Business-type Activities

Program revenues of the City's only business-type activity, the Water Utility, totaled \$12.2 million. Expenses of the Water Utility were \$10.1 million. Water rates include a factor to provide for a modest annual water infrastructure replacement program. Income before transfers was \$2.4 million. Transfers out totaled \$1.1 million. This entire amount was transferred to the City's general fund for use of the City's rights of way and maintenance of the City's extensive infrastructure. The cost of capital improvements is reported in the statement of net position, rather than as expenses in the statement of activities. Capital assets of \$25.9 million (net of accumulated depreciation) increased by approximately \$.4 million.

Financial Analysis of the Fund Statements

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of City government, reporting the City's operations in more detail than the government-wide statements.

The City's governmental funds provide information on near-term inflows, outflows and the balance of available resources. The City's governmental funds reported combined fund balances at June 30, 2016, of \$82.3 million, an increase of approximately \$2.8 million from the previous fiscal year. The primary reason for the increase was due to meeting budget expectations for overall revenues and actual expenditures coming in under budget in most functional areas.

The General Fund is the chief operating fund of the City. At June 30, 2016, the General Fund's unassigned fund balance was \$21.3 million. Additional General Fund balances were: nonspendable \$12.7 million, restricted \$0.3 million, committed \$0.2 million, and assigned \$0.6 million. Revenues increased approximately \$0.3 million while expenditures decreased approximately \$0.3 million from the previous year. The revenue increase is a combination of decreases in the top three taxes - sales and use, property, and utility uses, offset by increases other revenues including licenses, permits, and charges for services. The modest expenditure decrease is reflective of continuing cost containment measures and a reduction in the level of capital outlay. During the fiscal year ended June 30, 2016, the overall fund balance in the General Fund decreased by \$3.5 million. As previously noted, the primary factor for the decrease in fund balance stems from transfers made to fund capital improvements and the internal service funds. Ongoing revenues exceeded ongoing expenditures by \$3.5 million.

Within the governmental funds designation, the City has four other major funds: the Low and Moderate Income Housing Assets Special Revenue Fund, the Capital Improvement Capital Projects Fund, the Prefunded Capital Projects Fund, and the Successor Agency Bond Funded Capital Projects Fund.

The Low and Moderate Income Housing Assets Special Revenue Fund was created during FY 2011-12 to account for the assets of the housing fund of the former redevelopment agency. Under the redevelopment dissolution bills, the City acts as housing successor to the former redevelopment agency and will retain the rights and obligations to administer the assets of the fund. The assets of the fund total \$9.9 million consisting primarily of cash and investments, loans and advances receivable, and land and buildings held for resale. During fiscal year 2015-16 the fund expended \$0.2 million in housing administration costs.

The Capital Improvement Capital Projects Fund is used to account for expenditures on various capital improvement projects and the related revenues to finance the projects. The revenues and expenditures of the fund may vary significantly from year to year depending on the activity each year. The fund has historically operated by fund transfers or recognition of grant revenues as expenditures were incurred. Under this system excess funds are generally not accumulated in the fund. The fund activity contains the expenditures and grant revenues related to the Valley View Grade Separation Project, the largest capital project in City history.

The Prefunded Capital Projects Fund was created during fiscal year 2012-13 to account for the City's Capital Improvement Program in the post-redevelopment era. The former redevelopment agency was a significant source of funding prior to dissolution. Without the redevelopment agency, the General Fund became the main source of future funds for the Capital Improvement Program. Through a combination of revenue enhancements (i.e. increase in the utility users tax rate) and cost containment and reduction measures, the General Fund will annually budget a transfer to the Prefunded Capital Projects Fund to build the base from which the Capital Improvement Program will operate. Additionally one time revenues will be considered for allocation to the fund. For the fiscal year ended June 30, 2016 the General Fund transferred \$6.2 million into the fund. The fund has an accumulated balance of \$15.0 million as of the fiscal year-end. City staff, in conjunction with the CIP sub-committee of the City Council, work together throughout the year to plan and manage the projects financed through this fund.

The Successor Agency Bond Funded Capital Projects Fund was created in fiscal year 2014-15 to account for the unspent bond proceeds of the former redevelopment agency. With approval from the California Department of Finance, the Successor Agency transferred approximately \$20.0 million in unspent proceeds to the City as of July 1, 2014. Under a Bond Expenditure Agreement between the City and the Successor Agency, the City manages the projects for which the bond proceeds are to be used. During fiscal year 2015-16 the City expended approximately \$0.9 million on projects. As of fiscal year-end a balance of \$18.7 million remains in the fund to be used on future projects.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget for expenditures was a \$1.4 million decrease (2.5%). The final amended budget exceeded actual expenditures by \$0.4 million or approximately 0.8% due to lower than expected operation costs throughout most functional areas.

Revenues exceeded their budget amount by \$1.0 million, primarily due conservative budgeting practices. Declines in the City's three largest taxes declined over the prior year, but were anticipated and factored into the budget amounts. Increases were seen in other revenue categories, however, including building fees, licenses, interest, and charges for services. The Notes to the Required Supplementary Information provides more details regarding budgeting policies and practice.

Capital Assets

The City's investment in capital assets for its governmental activities as of June 30, 2016, amounts to \$160.3 million (net of accumulated depreciation), a decrease of approximately \$3.9 million from the previous year. This investment in capital assets includes land, construction in progress, buildings, improvements other than buildings, equipment and infrastructure. Note 7 –Capital Assets provides more detailed information on the capital assets.

The City's investment in capital assets for its business-type activities, the Water Utility Fund, as of June 30, 2016, amounts to \$25.9 million (net of accumulated depreciation), an increase of approximately \$2.1 million. During the fiscal year, the construction in progress increased approximately \$1.1 million. The increase consisted primarily of the I-5 Water Rehab Project. As mentioned earlier, the City has established a modest annual infrastructure replacement program through its water rate structure. Water Utility capital assets required for private development purposes are funded by capital contributions.

Long-term Liabilities

At June 30, 2016, the City had \$14.6 million in governmental activities long-term liabilities outstanding and \$9.5 million in business-type activities long-term liabilities outstanding. The long-term liabilities are summarized in the table below and more detailed information is included in Note 9 – Long-Term Liabilities.

During FY 2011-12, the City issued \$7.1 million in Pension Obligation Bonds to refinance an obligation of the Safety Plan with the California Public Employees Retirement System (PERS). Since the prior obligation was being paid to PERS through the contribution rate structure, it was not reflected formally as a long-term liability. The City will realize savings by paying the bonds at a lower interest rate than was being applied by PERS to the existing obligation.

	Outstanding Debt (in millions)						Total Percentage Change
	Governmental		Business-type		Total		
	Activities		Activities				
	2015	2016	2015	2016	2015	2016	
Revenue bonds	\$ -	\$ -	\$9.0	\$8.9	\$9.0	\$8.9	-1.1%
Pension obligation bonds	5.2	4.3	-	-	5.2	4.3	-17.3%
Compensated absences	2.8	2.9	-	-	2.8	2.9	3.6%
OPEB obligation	6.7	7.0	0.6	0.6	7.3	7.6	4.1%
Other loans/leases	0.5	0.4	-	-	0.5	0.4	-20.0%
Total	\$15.2	\$14.6	\$9.6	\$9.5	\$24.8	\$24.1	-2.8%

During FY 2012-13 the City's business-type activity Water Utility Fund issued \$6.89 million in water revenue bonds to refund the existing 2003 water revenue bonds at lower interest rates and provide approximately \$2.1 million in additional proceeds to be used for water infrastructure projects.

All water revenue and pension obligation bonds are insured issues.

Economic Factors and Next Year's Budgets

The City of Santa Fe Springs has dealt with many difficult decisions stemming from the downturn in the economy in the late 2000's and more significantly in the wake of the dissolution of redevelopment agencies and tax increment financing. The City's condition is improving due to revenue enhancements coupled with cost containment and reduction measures but still faces significant financial challenges in the years ahead. Major factors expected to affect the budget include:

- State and local economies showing reason for cautious optimism.
- Funding capital improvements without the Community Development Commission, which historically funded the majority of capital projects prior to the dissolution of redevelopment.
- Funding for significantly increasing retirement contributions rates caused by a number of factors including the reduced number of active employees, actuarial assumption changes related to mortality and expected investment returns, and poor investment performance of the pension plan during the economic downturn.
- The City's funding policy to address the impact of implementing Governmental Accounting Standards Board (GASB) Statement No. 45 – *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*.
- Increasing demands for public services, including unfunded mandates by both federal and state governments.

All of these factors were considered in adopting the Fiscal Year 2016-17 operational budget.

Requests for Information

This financial report is designed to provide a general overview of the City of Santa Fe Springs finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Assistant City Manager/Director of Finance, City of Santa Fe Springs, 11710 Telegraph Road, Santa Fe Springs, California.

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CITY OF SANTA FE SPRINGS

STATEMENT OF NET POSITION
JUNE 30, 2016

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Current assets:			
Cash and investments	\$ 61,247,160	\$ 5,266,749	\$ 66,513,909
Receivables:			
Accounts	2,202,143	1,990,576	4,192,719
Accrued interest	155,401	2,715	158,116
Deposits	777,747	-	777,747
Due from other governments	14,736,624	614,250	15,350,874
Inventories	677,033	196,581	873,614
Restricted assets:			
Cash with fiscal agent	-	816,694	816,694
Advances to successor agency	10,624,511	-	10,624,511
Total current assets	90,420,619	8,887,565	99,308,184
Noncurrent assets:			
Notes and loans, net of allowances	2,813,059	-	2,813,059
Land held for resale	801,800	-	801,800
Capital assets not being depreciated	51,610,235	15,185,901	66,796,136
Capital assets, net of depreciation	108,696,583	10,699,699	119,396,282
Total noncurrent assets	163,921,677	25,885,600	189,807,277
Total Assets	254,342,296	34,773,165	289,115,461
Deferred Outflows of Resources:			
Deferred charge on refunding	-	199,667	199,667
Deferred pension related items	5,676,456	498,924	6,175,380
Total Deferred Outflows of Resources	5,676,456	698,591	6,375,047
Liabilities:			
Current liabilities:			
Accounts payable	2,220,470	1,055,028	3,275,498
Accrued liabilities	541,911	33,579	575,490
Accrued interest	7,522	59,472	66,994
Unearned revenue	1,795,806	-	1,795,806
Deposits payable	3,170,723	548,190	3,718,913
Due to other governments	182,408	-	182,408
Contracts payable	45,986	-	45,986
Noncurrent liabilities:			
Noncurrent liabilities due within one year	1,249,772	180,000	1,429,772
Total current liabilities	9,214,598	1,876,269	11,090,867
Noncurrent liabilities:			
Other postemployment benefits obligation	6,995,145	602,108	7,597,253
Net pension liability	87,132,660	7,505,186	94,637,846
Long-term debt - due in more than one year	6,310,552	8,722,394	15,032,946
Total noncurrent liabilities	100,438,357	16,829,688	117,268,045
Total Liabilities	109,652,955	18,705,957	128,358,912
Deferred Inflows of Resources:			
Deferred pension related items	7,284,857	311,815	7,596,672
Total Deferred Inflows of Resources	7,284,857	311,815	7,596,672
Net Position:			
Net investment in capital assets	159,942,690	17,182,873	177,125,563
Restricted for:			
Community development projects	28,514	-	28,514
Public safety	313	-	313
Public works	1,885,156	-	1,885,156
Capital projects	18,720,302	-	18,720,302
Low and moderate income housing	9,864,444	-	9,864,444
Art in public places - expendable	1,551,868	-	1,551,868
Waste management	322,843	-	322,843
Unrestricted	(49,235,190)	(728,889)	(49,964,079)
Total Net Position	\$ 143,080,940	\$ 16,453,984	\$ 159,534,924

CITY OF SANTA FE SPRINGS

STATEMENT OF ACTIVITIES
JUNE 30, 2016

	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 5,692,938	\$ 2,067,142	\$ 1,212,403	\$ 583,880
Public safety	31,438,552	3,485,203	588,892	-
Community development	4,020,001	2,558,688	-	-
Public works	9,510,398	824,258	-	12,500
Culture and Leisure	8,103,268	516,907	47,760	-
Human Services	3,326,615	450,564	565,661	-
Interest on long-term debt	207,917	-	-	-
Total Governmental Activities	62,299,689	9,902,762	2,414,716	596,380
Business-Type Activities:				
Water Fund	10,056,785	11,445,171	-	796,442
Total Business-Type Activities	10,056,785	11,445,171	-	796,442
Total Primary Government	\$ 72,356,474	\$ 21,347,933	\$ 2,414,716	\$ 1,392,822

General Revenues:

Taxes:

Property taxes, levied for general purpose

Sales and use taxes

Franchise taxes

Business operation taxes

Utility users tax

Other taxes

Motor vehicle in lieu - unrestricted

Interest and rentals

Other

Transfers**Total General Revenues and Transfers**

Change in Net Position

Net Position at Beginning of Year

Restatement of Net Position

Net Position at End of Year

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (1,829,513)	\$ -	\$ (1,829,513)
(27,364,457)	-	(27,364,457)
(1,461,313)	-	(1,461,313)
(8,673,640)	-	(8,673,640)
(7,538,601)	-	(7,538,601)
(2,310,390)	-	(2,310,390)
(207,917)	-	(207,917)
(49,385,831)	-	(49,385,831)
-	2,184,828	2,184,828
-	2,184,828	2,184,828
(49,385,831)	2,184,828	(47,201,003)
3,425,637	-	3,425,637
25,518,717	-	25,518,717
3,034,652	-	3,034,652
801,658	-	801,658
6,669,155	-	6,669,155
531,045	-	531,045
1,716,181	-	1,716,181
1,807,176	27,006	1,834,182
2,988,717	156,955	3,145,672
1,073,642	(1,073,642)	-
47,566,580	(889,681)	46,676,899
(1,819,251)	1,295,147	(524,104)
142,806,366	13,469,274	156,275,640
2,093,825	1,689,563	3,783,388
\$ 143,080,940	\$ 16,453,984	\$ 159,534,924

CITY OF SANTA FE SPRINGS

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

		Special Revenue Fund	Capital Projects Funds	
		Low and Moderate Income Housing Assets Fund	Capital Improvement	Prefunded Capital Projects
	General			
Assets:				
Pooled cash and investments	\$ 14,136,487	\$ 5,684,079	\$ 605,011	\$ 15,088,038
Receivables:				
Accounts	1,980,455	29,098	191,970	-
Notes and loans, net of allowances	645,690	1,917,851	-	-
Accrued interest	130,881	-	-	-
Deposits and other assets	773,816	-	3,931	-
Due from other governments	8,298,213	-	5,624,234	-
Due from other funds	5,404,915	-	-	-
Advances to successor agency	10,624,511	-	-	-
Advances to other funds	-	1,437,861	-	-
Inventories	677,033	-	-	-
Land held for resale	-	801,800	-	-
Total Assets	\$ 42,672,001	\$ 9,870,689	\$ 6,425,146	\$ 15,088,038
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 1,902,871	\$ 272	\$ 207,572	\$ 49,501
Accrued liabilities	528,008	5,973	-	2,045
Unearned revenues	1,795,806	-	-	-
Deposits payable	1,691,532	-	1,479,191	-
Due to other governments	107,103	-	74,588	-
Due to other funds	-	-	4,639,074	-
Advances from other funds	1,437,861	-	-	-
Contracts payable	8,225	-	37,761	-
Total Liabilities	7,471,406	6,245	6,438,186	51,546
Fund Balances:				
Nonspendable:				
Inventory	677,033	-	-	-
Notes and loans	645,690	-	-	-
Advances	10,624,511	-	-	-
Deposits and other assets	773,816	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital projects	-	-	-	-
Low and moderate income housing	-	9,864,444	-	-
Art in public places	-	-	-	-
Waste management	322,843	-	-	-
Committed to:				
Capital projects	225,000	-	-	-
Assigned to:				
Capital projects	-	-	-	15,036,492
Economic uncertainty	530,000	-	-	-
Employee benefits	100,000	-	-	-
Unassigned	21,301,702	-	(13,040)	-
Total Fund Balances	35,200,595	9,864,444	(13,040)	15,036,492
Total Liabilities, Resources and Fund Balances	\$ 42,672,001	\$ 9,870,689	\$ 6,425,146	\$ 15,088,038

CITY OF SANTA FE SPRINGS

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

	Capital Projects Funds		
	Successor Agency Bond Funded Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets:			
Pooled cash and investments	\$ 18,499,114	\$ 3,430,901	\$ 57,443,630
Receivables:			
Accounts	-	620	2,202,143
Notes and loans, net of allowances	230,268	19,250	2,813,059
Accrued interest	24,520	-	155,401
Deposits and other assets	-	-	777,747
Due from other governments	-	814,177	14,736,624
Due from other funds	-	-	5,404,915
Advances to successor agency	-	-	10,624,511
Advances to other funds	-	-	1,437,861
Inventories	-	-	677,033
Land held for resale	-	-	801,800
Total Assets	\$ 18,753,902	\$ 4,264,948	\$ 97,074,724
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 32,493	\$ 27,761	\$ 2,220,470
Accrued liabilities	1,107	4,778	541,911
Unearned revenues	-	-	1,795,806
Deposits payable	-	-	3,170,723
Due to other governments	-	717	182,408
Due to other funds	-	765,841	5,404,915
Advances from other funds	-	-	1,437,861
Contracts payable	-	-	45,986
Total Liabilities	33,600	799,097	14,800,080
Fund Balances:			
Nonspendable:			
Inventory	-	-	677,033
Notes and loans	-	-	645,690
Advances	-	-	10,624,511
Deposits and other assets	-	-	773,816
Restricted for:			
Community development projects	-	28,514	28,514
Public safety	-	313	313
Public works	-	1,885,156	1,885,156
Capital projects	18,720,302	-	18,720,302
Low and moderate income housing	-	-	9,864,444
Art in public places	-	1,551,868	1,551,868
Waste management	-	-	322,843
Committed to:			
Capital projects	-	-	225,000
Assigned to:			
Capital projects	-	-	15,036,492
Economic uncertainty	-	-	530,000
Employee benefits	-	-	100,000
Unassigned	-	-	21,288,662
Total Fund Balances	18,720,302	3,465,851	82,274,644
Total Liabilities, Resources and Fund Balances	\$ 18,753,902	\$ 4,264,948	\$ 97,074,724

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CITY OF SANTA FE SPRINGS

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2016**

Fund balances of governmental funds		\$ 82,274,644
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.		160,306,818
Deferred outflows related to pension related items are not included in the governmental fund activity:		
Contributions made subsequent to measurement date	\$ 4,447,954	
Difference between expected and actual experiences	377,318	
Adjustment due to difference in proportions	741,560	
Differences between actual and proportionate share of contributions	<u>109,624</u>	5,676,456
Long-term debt, compensated absences and net pension liability are not included in the governmental fund activity:		
Bonds payable	(4,334,000)	
Notes payable	(364,128)	
Compensated absences	(2,862,196)	
Net pension liability	<u>(87,132,660)</u>	(94,692,984)
Governmental funds report all OPEB contributions as expenditures, however in the statement of net position any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as an asset or liability.		(6,995,145)
Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds.		(7,522)
Deferred inflows related to pension related items are not included in the governmental fund activity:		
Net difference between projected and actual earnings on pension plans investments	(1,410,142)	
Adjustment due to difference in proportions	(960,170)	
Differences between actual and proportionate share of contributions	(2,218,845)	
Change in assumptions	(2,466,303)	
Difference between expected and actual experiences	<u>(229,397)</u>	(7,284,857)
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.		<u>3,803,530</u>
Net position of governmental activities		<u>\$ 143,080,940</u>

CITY OF SANTA FE SPRINGS

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

		Special Revenue Fund	Capital Projects Funds	
		Low and Moderate Income Housing Assets Fund	Capital Improvement	Prefunded Capital Projects
	General			
Revenues:				
Taxes	\$ 39,978,116	\$ -	\$ -	\$ -
Licenses and permits	2,536,719	-	-	-
Intergovernmental	2,738,633	-	211,157	-
Charges for services	6,078,086	-	-	449
Interest and rentals	1,686,756	14,069	-	-
Fines and forfeitures	515,632	-	-	-
Miscellaneous	1,857,809	570,684	47,490	859
Total Revenues	55,391,751	584,753	258,647	1,308
Expenditures:				
Current:				
General government	5,448,699	-	-	-
Public safety	27,684,386	-	-	-
Community development	3,304,563	216,115	-	-
Public works	3,460,033	-	-	-
Culture and leisure	7,322,163	-	-	-
Human services	3,022,969	-	-	-
Capital outlay	424,146	-	258,650	601,372
Debt service:				
Principal retirement	988,940	-	-	-
Interest and fiscal charges	209,663	-	-	-
Total Expenditures	51,865,562	216,115	258,650	601,372
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,526,189	368,638	(3)	(600,064)
Other Financing Sources (Uses):				
Transfers in	1,612,028	848,773	-	6,156,000
Transfers out	(8,753,473)	-	-	-
Proceeds from sale of capital asset	34,954	-	-	-
Contributions from successor agency	48,465	-	-	-
Total Other Financing Sources (Uses)	(7,058,026)	848,773	-	6,156,000
Net Change in Fund Balances	(3,531,837)	1,217,411	(3)	5,555,936
Fund Balances:				
Beginning of year, as originally reported	27,504,402	6,780,182	(13,037)	9,480,556
Restatements	11,228,030	1,866,851	-	-
Beginning of year, as restated	38,732,432	8,647,033	(13,037)	9,480,556
End of Year	\$ 35,200,595	\$ 9,864,444	\$ (13,040)	\$ 15,036,492

CITY OF SANTA FE SPRINGS

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

	Capital Projects Funds		
	Successor Agency Bond Funded Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	\$ -	\$ 2,748	\$ 39,980,864
Licenses and permits	-	-	2,536,719
Intergovernmental	-	2,307,925	5,257,715
Charges for services	-	-	6,078,535
Interest and rentals	92,299	14,052	1,807,176
Fines and forfeitures	-	-	515,632
Miscellaneous	3,108	666,786	3,146,736
Total Revenues	95,407	2,991,511	59,323,377
Expenditures:			
Current:			
General government	-	699	5,449,398
Public safety	-	722,787	28,407,173
Community development	-	355,578	3,876,256
Public works	-	1,093,736	4,553,769
Culture and leisure	-	15,789	7,337,952
Human services	-	-	3,022,969
Capital outlay	914,241	423,401	2,621,810
Debt service:			
Principal retirement	-	-	988,940
Interest and fiscal charges	-	-	209,663
Total Expenditures	914,241	2,611,990	56,467,930
Excess (Deficiency) of Revenues Over (Under) Expenditures	(818,834)	379,521	2,855,447
Other Financing Sources (Uses):			
Transfers in	-	-	8,616,801
Transfers out	-	-	(8,753,473)
Proceeds from sale of capital asset	-	-	34,954
Contributions from successor agency	-	-	48,465
Total Other Financing Sources (Uses)	-	-	(53,253)
Net Change in Fund Balances	(818,834)	379,521	2,802,194
Fund Balances:			
Beginning of year, as originally reported	19,539,136	3,067,080	66,358,319
Restatements	-	19,250	13,114,131
Beginning of year, as restated	19,539,136	3,086,330	79,472,450
End of Year	\$ 18,720,302	\$ 3,465,851	\$ 82,274,644

CITY OF SANTA FE SPRINGS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016

Net change in fund balances - total governmental funds \$ 2,802,194

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	\$ 2,138,845	
Depreciation	(6,023,259)	(3,884,414)

Repayment of long term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Pension obligation bonds principal repayment	904,000	
Capital lease repayment	84,940	988,940

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.

1,746

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

(37,085)

Governmental funds report all contributions in relation to the annual required contribution (ARC) for OPEB as expenditures, however in the statement of activities only the ARC is an expense.

(314,100)

Pension obligation expenses is an expenditure in the governmental funds, but reduce the net pension liability in the statement of net position.

(1,735,897)

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities.

359,365

Change in net position of governmental activities

\$ (1,819,251)

CITY OF SANTA FE SPRINGS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2016

	Business-Type Activities - Enterprise Funds	Governmental Activities- Internal Service Funds
	Water Fund	
Assets:		
Current:		
Pooled cash and investments	\$ 5,266,749	\$ 3,803,530
Receivables:		
Accounts	1,990,576	-
Accrued interest	2,715	-
Due from other governments	614,250	-
Inventories	196,581	-
Restricted:		
Cash with fiscal agent	816,694	-
Total Current Assets	8,887,565	3,803,530
Noncurrent:		
Capital assets - net of accumulated depreciation	25,885,600	-
Total Noncurrent Assets	25,885,600	-
Total Assets	34,773,165	3,803,530
Deferred Outflows of Resources:		
Deferred charge on refunding	199,667	-
Deferred pension related items	498,924	-
Total Deferred Outflows of Resources	698,591	-
Total Assets and Deferred Outflows and Net Position	\$ 35,471,756	\$ 3,803,530
Liabilities:		
Current:		
Accounts payable	\$ 1,055,028	\$ -
Accrued liabilities	33,579	-
Accrued interest	59,472	-
Deposits payable	548,190	-
Bonds, notes, and capital leases	180,000	-
Total Current Liabilities	1,876,269	-
Noncurrent:		
Other postemployment benefits obligation	602,108	-
Bonds, notes, and capital leases	8,722,394	-
Net pension liability	7,505,186	-
Total Noncurrent Liabilities	16,829,688	-
Total Liabilities	18,705,957	-
Deferred Inflows of Resources:		
Deferred pension related items	311,815	-
Total Deferred Inflows of Resources	311,815	-
Net Position:		
Net investment in capital assets	17,182,873	-
Unrestricted	(728,889)	3,803,530
Total Net Position	16,453,984	3,803,530
Total Liabilities, Deferred Inflows and Net Position	\$ 35,471,756	\$ 3,803,530

CITY OF SANTA FE SPRINGS

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2016

	Business-Type Activities - Enterprise Funds	Governmental Activities- Internal Service Funds
	Water Fund	
Operating Revenues:		
Sales and service charges	\$ 11,445,171	\$ 16,300
Other water revenues	148,484	-
Total Operating Revenues	11,593,655	16,300
Operating Expenses:		
Source of supply	4,894,297	-
System maintenance and operation	2,312,522	-
Billing and collection	959,485	-
Administration	1,044,136	-
Labor and benefits	-	892,249
Depreciation expense	454,575	-
Total Operating Expenses	9,665,015	892,249
Operating Income (Loss)	1,928,640	(875,949)
Nonoperating Revenues (Expenses):		
Interest revenue	27,006	-
Interest expense	(391,770)	-
Other non-operating revenue	-	25,000
Total Nonoperating Revenues (Expenses)	(364,764)	25,000
Income (Loss) Before Transfers and Contributions	1,563,876	(850,949)
Contributions	804,913	-
Transfers in	-	1,748,700
Transfers out	(1,073,642)	(538,386)
Changes in Net Position	1,295,147	359,365
Net Position:		
Beginning of Year, as originally reported	13,469,274	3,444,165
Restatements	1,689,563	-
Beginning of Fiscal Year, as restated	15,158,837	3,444,165
End of Fiscal Year	\$ 16,453,984	\$ 3,803,530

CITY OF SANTA FE SPRINGS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2016

	Business-Type Activities - Enterprise Funds	Governmental Activities- Internal Service Funds
	Water Fund	
Cash Flows from Operating Activities:		
Cash received from customers and users	\$ 11,103,181	\$ 16,300
Cash paid to suppliers for goods and services	(6,819,984)	-
Cash paid to employees for services	(2,268,826)	(892,249)
Net Cash Provided (Used) by Operating Activities	2,014,371	(875,949)
Cash Flows from Non-Capital Financing Activities:		
Cash transfers out	(1,073,642)	(538,386)
Cash transfers in	-	1,748,700
Net Cash Provided (Used) by Non-Capital Financing Activities	(1,073,642)	1,210,314
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of capital assets	(51,276)	-
Principal paid on capital debt	(170,000)	-
Interest paid on capital debt	(365,329)	-
Proceeds from other non-operating revenue	-	25,000
Net Cash Provided (Used) by Capital and Related Financing Activities	(586,605)	25,000
Cash Flows from Investing Activities:		
Interest received	27,006	-
Net Cash Provided (Used) by Investing Activities	27,006	-
Net Increase (Decrease) in Cash and Cash Equivalents	381,130	359,365
Cash and Cash Equivalents at Beginning of Year	5,702,313	3,444,165
Cash and Cash Equivalents at End of Year	\$ 6,083,443	\$ 3,803,530
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	\$ 1,928,640	\$ (875,949)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:		
Depreciation	454,575	-
(Increase) decrease in accounts receivable	114,531	-
(Increase) decrease in inventory	28,184	-
(Increase) decrease in due from other governments	(605,005)	-
(Increase) decrease in deferred outflows for pension related items	(72,345)	-
Increase (decrease) in accounts payable	17,793	-
Increase (decrease) in accrued liabilities	15,053	-
Increase (decrease) in deposits payable	50,016	-
Increase (decrease) in deferred inflows for pension related items	(507,461)	-
Increase (decrease) in net pension liability	566,057	-
Increase (decrease) in other postemployment benefits	24,333	-
Total Adjustments	85,731	-
Net Cash Provided (Used) by Operating Activities	\$ 2,014,371	\$ (875,949)
Non-Cash Investing, Capital, and Financing Activities:		
Donated capital assets	\$ 804,913	\$ -
Amortization of bond discounts and premiums	27,857	-

See Notes to Financial Statements

CITY OF SANTA FE SPRINGS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2016

	Agency Funds	Private- Purpose Trust Fund Successor Agency of the former RDA
Assets:		
Pooled cash and investments	\$ 384,909	\$ 517,879
Receivables:		
Accounts	6,332	11,954
Notes and loans	-	61,438
Due from other governments	-	38,326
Land held for resale	-	10,550,120
Restricted assets:		
Cash and investments with fiscal agents	207,390	24,269,517
Capital assets:		
Capital assets, not being depreciated	-	5,006,722
Total Assets	\$ 598,631	40,455,956
Deferred Outflows of Resources:		
Deferred charge on refunding		1,513,240
Total Deferred Outflows of Resources		1,513,240
Liabilities:		
Accounts payable	\$ -	\$ 206
Accrued liabilities	-	17,171
Accrued interest	-	1,055,455
Deposits payable	598,631	48,300
Due to other governments	-	18,925
Long-term liabilities:		
Due in one year	-	8,765,000
Due in more than one year	-	109,926,145
Total Liabilities	\$ 598,631	119,831,202
Net Position:		
Held in trust for other purposes		(77,862,006)
Total Net Position		\$ (77,862,006)

CITY OF SANTA FE SPRINGS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2016

	Private-Purpose Trust Fund Successor Agency of the former RDA
Additions:	
Taxes	\$ 20,564,291
Interest and change in fair value of investments	37,181
Miscellaneous	1,961
Total Additions	20,603,433
Deductions:	
Administrative expenses	529,376
Program expenses	397,754
Interest expense	6,415,848
Contributions to City	48,465
Total Deductions	7,391,443
Changes in Net Position	13,211,990
Net Position:	
Beginning of the year	(91,073,996)
End of the Year	\$ (77,862,006)

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I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Organization and Summary of Significant Accounting Policies

The Financial Reporting Entity

The City of Santa Fe Springs (City) was incorporated on May 15, 1957, under the general laws of the State of California and enjoys all the rights and privileges pertaining to such "General Law" cities and is governed by an elected five-member City council. As required by generally accepted accounting principles, these financial statements present the City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. These entities are legally separate from each other. However, the City elected officials have a continuing accountability for fiscal matters of the other entities. The financial reporting entity consists of: (1) the City, (2) organizations for which the City is financially accountable, and (3) organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete.

An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government. In a blended presentation, a component unit's balances and transactions are reported in a manner similar to the balances and transactions of the City. Component units are presented on a blended basis when the component unit's governing body is substantially the same as the city's and (1) there is a financial benefit or burden relationship between the primary government and the component unit, or (2) management of the primary government has operational responsibility for the component unit, or the component unit provides services almost entirely to the City.

Blended Component Units

- a. In accordance with Assembly Bill 1X 26 (the "Dissolution Act"), the Successor Agency to the Community Development Commission for the City of Santa Fe Springs (Successor Agency) was created on February 1, 2012 to serve as a custodian for the assets and to wind down the affairs of the former Agency. The Successor Agency is a legally separate public entity from the City, subject to the direction of an Oversight Board and is a blended component unit of the City. The Oversight Board is comprised of seven-member representatives from local government bodies.

In general, the Successor Agency's assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). In future fiscal years, the Successor Agency will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former Agency until all enforceable obligations of the former Agency have been paid in full and all assets have been liquidated. Based upon the nature of the Successor Agency's custodial role, the Successor Agency is reported in a fiduciary fund (private-purpose trust fund). See Note 17 for further detail regarding the dissolution.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2016

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

- b. The City of Santa Fe Springs Public Financing Authority (PFA) was organized under a joint exercise of power agreement on August 24, 1989. The purpose of this authority is to provide, through the issuance of debt, financing for public capital improvements. The Board of Directors is appointed by the City Council. The PFA's financial data and transactions are included with the enterprise fund type, as the only debt outstanding is related to the Water Utility fund and the Water Utility fund revenues are pledged to the payment of the debt.
- c. The Santa Fe Springs Water Utility Authority (WUA) was organized under a joint exercise of power agreement on July 1, 2009. The purpose of this authority is to provide an entity to assist in financing, leasing, owning, operating, and maintaining the water operation. The City Council members are designated as Board of Directors of the WUA.

Separate Successor Agency, PFA, and WUA financial statements are not available.

Joint Ventures

1. Joint Fire Dispatching Center

The City is a participant in the Joint Fire Dispatching Center (Center). The Center is currently comprised of four member cities and is organized under a Joint Powers Agreement. Each member City provides an annually determined contribution towards the ongoing operation. The purpose of the Center is to provide centralized fire dispatching for the participating cities. The communication system is located in and operated by the City of Downey. The payments from the participating cities for the fiscal year ended June 30, 2016, were based on the following percentages:

Downey	34.62%
Santa Fe Springs	16.17%
Compton	39.28%
Vernon	9.93%

During the fiscal year ended June 30, 2016, the City contributed \$256,845 for the operation of the Center. Separate audited financial statements are not prepared for the joint venture. Financial information can be obtained from the City of Downey at 11111 Brookshire Avenue, Downey, California.

2. Southeast Water Coalition

The City is a participant in the Southeast Water Coalition (Coalition). The Coalition is currently comprised of several municipal entities in the County of Los Angeles and is organized under a Joint Powers Agreement. The purpose of the Center is to maintain groundwater quality within the Central and West Coast Basins (Basins), maintain secure groundwater supplies within the Basins, manage the use of groundwater within the Basins, coordinate efforts among Watermaster and entities proposing to store water within the Basins for future recovery, facilitate the implementation of a conjunctive use program by water purveyors, coordinate efforts among local entities and Watermaster to devise and implement strategies to safeguard groundwater quality, and work cooperatively with Watermaster, the Water Replenishment District of Southern California, and other entities to promote coordination of policies and activities throughout the region. Each member of the Coalition shares financial

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2016

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

responsibility equally. Each member is required to make a contribution at the beginning of each year. The contribution requirement for the fiscal year ended 2016 was \$5,000. Financial statements can be obtained from the City of Pico Rivera. City Hall is located at 6615 Passons Blvd., Pico Rivera, California.

Basis of Accounting and Measurement Focus

The basic financial statements of the City are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements.

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information about the primary government and component units as a whole, except for its fiduciary activities. These statements report separately for governmental and business-type activities of the primary government (including its blended component units). Governmental activities are normally financed primarily by taxes and intergovernmental revenues. Business-type activities are financed primarily by fees charged for goods or services.

Certain indirect costs have been allocated and are included as part of the program expenses reported for the various functional activities. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other service charges between the City's water utility and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements (agency funds do not have a measurement focus). Accordingly, all of the City's assets and liabilities, including capital assets and infrastructure as well as long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Using the accrual basis of accounting, revenues are recognized in the period in which they are earned and expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue when all eligibility requirements have been satisfied. The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Grants and contributions include revenues restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Governmental Funds Financial Statements

The accounting records of the City are organized on the basis of funds. Each fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The governmental funds financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances for all major governmental funds and aggregated nonmajor funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the government-wide financial statements.

Governmental fund financial statements are reported using the "current financial resources" measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days, except for grant revenues, which is 365 days and sales tax revenues, which is 90 days. Sales taxes, property taxes, franchise fees, gas taxes, motor vehicle in lieu fees, highway user's taxes, transient occupancy taxes, grants and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims payable are recorded only when payment is due.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. This fund accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Low and Moderate Income Housing Assets Special Revenue Fund is used to account for the receipts and expenditures relating to the Housing Successor in accordance with the California Health and Safety Code.

The Capital Improvement Capital Projects Fund is used to account for monies received from the General Fund, special revenue funds, private developers and from outside governmental entities. These funds are subsequently used for the construction or rehabilitation of streets, bridges, traffic signals, public facilities and a variety of other construction or improvement projects.

The Prefunded Capital Projects Fund was established in fiscal year 2013. It is used to account for the accumulation of resources used for various construction, rehabilitation, and improvement projects similar to the Capital Improvement Fund.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

This fund differs from the Capital Improvement Capital Projects Fund in that resources are typically accumulated in the fund prior to undertaking the projects.

The Successor Agency Bond Funded Capital Projects Fund is used to account for the expenditure of unspent bond proceeds of the Successor Agency used for various construction, rehabilitation, and improvement projects within the Consolidated Project Area of the former Community Development Commission. All unspent bond proceeds were transferred to the City during fiscal year 2014-15 in accordance with a Bond Expenditure Agreement between the City and Successor Agency.

Additionally, the City reports the following fund type:

Permanent funds account for resources that are legally restricted to the extent that only earnings, not principal may be used for purposes that support specific programs.

Proprietary Funds Financial Statements:

Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for sales and services. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major proprietary fund:

The Water Utility Fund is used to account for the operations of the City owned water system.

The internal service funds account for employee benefits, risk management, and equipment replacement services provided to City departments on a cost reimbursement basis. These funds were established to charge activities for internal costs related to compensated absences, liability and property insurance, and equipment.

Fiduciary Fund Financial Statements:

Fiduciary funds are accounted for on the accrual basis of accounting as are the proprietary funds explained above. The City reports the following fiduciary funds, which are excluded from the government-wide financial statements:

a. Private-Purpose Trust Fund

The Private-Purpose Trust Fund accounts for the custodial responsibilities that are assigned to the Successor Agency pursuant to the Dissolution Act.

b. Agency Funds

Agency Fund financial statements include a statement of fiduciary net position. The City's Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

The City reports the following agency funds:

The Assessment Districts Fund is used to account for special assessments received by the City as agent for payment of special assessment district bonds.

Community Facilities Assessment Districts Fund is used to account for special assessments received by the City as agent for payment of community facilities district debt and expenses.

Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Functional Classifications

General government - includes the legislative activities, which have a primary objective of providing legal and policy guidance for industrial and residential issues within the City. Also included in this classification are those activities, which provide management or support services across more than one functional area.

Public safety - includes those activities, which have a primary objective of protecting people and property from other than health related perils.

Community development - includes those activities which have a primary objective of enhancing the general quality of life in the City. This encompasses aesthetic, as well as economical and structural activities.

Public works - includes all maintenance and engineering which relate to streets, parks, and other public facilities.

Culture and leisure - includes those activities, which have a primary objective of providing recreational and educational endeavors.

Human services - includes those activities, which have a primary objective of maintaining or improving the physical and/or mental health of residents of the community, improving the employment status of unemployed or underemployed residents, and otherwise serving the needs of the less privileged.

Inventory and Prepaid Items

Inventory (General Fund and Water Utility Fund) is valued utilizing the average cost method. Inventory items are considered expenditures or expenses when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These prepaid items are reflected in the financial statements as deposits and other assets.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Property Taxes

Under California law, the assessment, levy and collection of property taxes are the responsibility of the County of Los Angeles. The City records property taxes as revenue in the year for which they are levied, and in the governmental fund statements when received from the County within 60 days of year-end. Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien	January 1
Levy period	July 1 - June 30
Due	November 1 - 1st installment
	February 1 - 2nd installment
Delinquent	December 11 - 1st installment
	April 11 - 2nd installment

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. In addition, funds invested in the City's cash and investment pool are considered cash equivalents.

Investments

All investments are stated at fair value (the value at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale), except for money market investments, which have a remaining maturity of less than one year when purchased, which are stated at amortized cost. Money market investments are short-term, highly liquid debt instruments including commercial paper, bankers' acceptances, and U.S. Treasury and agency obligations.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (roads, sidewalks, drainage systems, lighting systems, etc.) are reported in the applicable governmental or business-type activities columns in the government-wide and enterprise fund financial statements. These assets are stated at historical cost or estimated historical cost if purchased or constructed. The City conducted an infrastructure valuation in conjunction with the implementation of GASB No. 34 during the fiscal year ended June 30, 2002. Current replacement costs were calculated for infrastructure assets and discounted back to the original construction dates and the corresponding accumulated depreciation was calculated. Donated capital assets are stated at their estimated fair value on the date received. The capitalization threshold is \$20,000, except for vehicles, equipment and street lights which is \$5,000.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of assets are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation is recorded in the government-wide and enterprise fund financial statements on a straight-line basis over the useful life of the assets as follows:

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2016

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Assets	Years
Computer	3
Furniture	10
Machinery and equipment	3-20
Vehicles	8
Water service meters and hydrants	10-50
Water transmission and distribution mains	10-50
Infrastructure	20-75

Land and Buildings Held for Resale

Land and related buildings acquired by the former Community Development Commission (former Commission) and held for resale are accounted for as an investment and are recorded at the lower of cost or estimated realizable value, as determined upon the execution of a disposition and development agreement. Upon the dissolution of the former Commission, land and buildings held for resale were transferred to respective Low and Moderate Income Housing Assets Fund and Successor Agency Fund.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government only has two items that qualify for reporting in this category. One is the deferred charge on refunding reported in the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second are deferred outflows relating to the net pension liability reported in the government-wide statement of net position. These outflows are the results of contributions made after the measurement period, which are expensed in the following year, and of adjustments due to difference in proportions, the difference between actual contributions made and the proportionate share of the risk pool's total contributions and the difference between expected and actual experiences. These amounts are deferred and amortized over the expected average remaining service life time.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and thus will not be recognized as an inflow of resources (revenue) until that time. The government has deferred inflows relating to the net pension liability reported in the government-wide statement of net position. These inflows are the result of the net difference between projected and actual earnings on pension plan investments, which is deferred and amortized straight-line over a five-year period, of adjustments due to difference in proportions, the difference between actual contributions made and the proportionate share of the risk pool's total contributions, the difference between expected and actual experiences and the change in assumptions. These amounts are deferred and amortized over the expected average remaining service life time.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Compensated Absences

The cost of earned but unused vacation and sick leave, for which the City has a future obligation to pay, is recognized in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have become due and payable as a result of employee resignations or retirements. For sick leave, Fire Safety personnel will receive the following payouts upon termination of employment; 25% payout if 100% service credit with PERS and 100% payout if retiring through Industrial Disability Retirement (IDR).

Pension Plans

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets — This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.
- Restricted — This category represents restricted assets reduced by liabilities related to those assets. Restrictions can be imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted — This category represents net position of the City, not restricted for any project or other purpose.

Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2016, fund balances for government funds are made up of the following:

- Nonspendable Fund Balance — includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventory, prepaid amounts, and long-term notes receivable.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

- **Restricted Fund Balance** — includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- **Committed Fund Balance** — includes amounts that can only be used for the specific purposes determined by a resolution of the City's highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City adopting a resolution.
- **Assigned Fund Balance** — comprises amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by the City Council to which the City Council has delegated the authority to assign amounts to be used for specific purposes.
- **Unassigned Fund Balance** — is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. Other governmental funds may only report a negative unassigned balance that was created after classification in one of the other four fund balance categories.

In circumstances when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the City's policy is to first apply restricted fund balance. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, the City's policy is to first apply committed fund balance. It is at the discretion of the Council's designee to then apply the remaining expenditures to assigned or unassigned fund balance.

The City Council delegates to the City Manager and Assistant City Manager/Director of Finance the authority to assign unrestricted fund balance amounts where the City's intent is for those amounts to be used for specific purposes. This delegation of authority is for the sole purpose of reporting these amounts in the annual financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Effect of New Accounting Standards

During the fiscal year ended June 30, 2016, the City implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 72 – *Fair Value Measurement and Application* requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The City organized these disclosures by type of asset or liability reported at fair value.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 2: Cash and Investments

Cash and investments as of June 30, 2016, are classified in the accompanying financial follows:

Statement of net position:

Pooled cash and investments	\$ 66,513,909
Cash and investments with fiscal agent	816,694

Fiduciary funds:

Pooled cash and investments	902,788
Cash and investments with fiscal agent	24,476,907
Total	<u>\$ 92,710,298</u>

Cash and investments were comprised of the following as of June 30, 2016:

Cash on hand	\$ 7,705
Deposits with financial institutions	2,565,416
Investments	90,137,177
Total	<u>\$ 92,710,298</u>

Investments Authorized by the City's Investment Policy

The City's Statement of Investment Policy (investment policy), is adopted by the City Council. The investment policy is more conservative and restrictive than the investment vehicles authorized by Section 53601 of the California Government Code. The City's investment policy does not allow investments in negotiable certificates of deposit, reverse repurchase agreements, guaranteed small business administration notes, medium term corporate notes, and financial futures or financial option contracts. Investment vehicles not specifically mentioned in the City's investment policy are not authorized unless the policy is amended by the City Council or are approved as part of the provisions of the bond indentures. Investments are limited to:

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 2: Cash and Investments (Continued)

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer
U.S. Treasury bills	5 years	None	None
U.S. Treasury notes	5 years	None	None
Federal Agency issues	5 years	None	None
Certificates of deposit	N/A	30%	None
Bankers' acceptances	180 days	40%	30%
Commercial paper	270 days	10% **	10%
Repurchase agreements	1 year	None	None
Mutual funds	N/A	20%	None
County Pool investment funds	N/A	None	None
Local agency investment fund (LAIF)	N/A	None	None

* Excluding amounts held by bond trustee that are subject to California Code restrictions.

** Represents where the City's investment policy is more restrictive than the California Government Code.

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury obligations	None	None	None
U.S. agency securities	None	None	None
Bankers' acceptances	180 days	None	None
Commercial paper	270 days	None	None
Money market mutual funds	N/A	None	None
Investment contracts	30 years	None	None
Local agency investment fund (LAIF)	N/A	None	None

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2016

Note 2: Cash and Investments (Continued)

Credit Risk

The City's investment policy limits investments to a rating of "A-1" or higher for California state and local agency obligations, banker acceptances, and commercial paper that is (i) organized within the United States as a special purpose corporation, trust, or limited liability company and (ii) has program wide credit enhancements including, but not limited to, over collateralization, letters of credit. The City's investment policy limits investments to a rating of "A-1" or higher for other state obligations, medium-term notes, asset backed securities and commercial paper that is (i) organized and operating in the United States as a general corporation and (ii) has total assets in excess of five hundred million dollars (\$500,000,000). The City's investment policy limits investments to a rating of "AA" or higher for supranationals. As of June 30, 2016, the City's investments in external investment pools and money market mutual funds are unrated.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the weighted average maturity of the City's investments:

Investment Type	Weighted Average Maturity (in days)		
Local Agency Investment Fund	169 *	\$	43,603,615
US Treasury Notes	664		7,114,840
Federal Home Loan Mortgage Corporation	205		4,612,417
Federal National Mortgage Association	204		4,595,392
Federal Home Loan Bank	<180		466,860
Corporate Notes	290		3,472,657
Foreign Government Obligations	<180		581,749
Certificates of Deposit	<180		240,000
Money Market Funds	<180		156,044
Held by Bond Trustee:			
Money Market Funds	<180		25,293,603
Total		\$	90,137,177

* Represents the weighted average maturity of the Local Agency Investment Fund; however, the City and or bond trustee may liquidate the investment within 24 hours.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 2: Cash and Investments (Continued)

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF does not have a rating provided by a nationally recognized statistical rating organization. The fiscal agent funds held in money market funds are rated AAA at June 30, 2016.

Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments held that represent 5% or more in any one issuer other than external investment pools and money market funds at June 30, 2016.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The total amount invested by all public agencies in LAIF as of June 30, 2016, was \$22.7 billion. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2016, had a balance of \$75.4 billion, of that amount, 2.8% was invested in medium-term and short-term structured notes and asset-backed securities. This information can be located on the California State Treasurer's website at <http://www.treasurer.ca.gov/>.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 2: Cash and Investments (Continued)

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2016:

Investment Type	Totals	Level		
		1	2	3
Local Agency Investment Fund (LAIF)	\$ 43,603,615	\$ -	\$ 43,603,615	\$ -
U.S. Treasury Notes	7,114,840	7,114,840	-	-
U.S. Agency Securities	9,674,669	-	9,674,669	-
Corporate Notes	3,472,657	-	3,472,657	-
Foreign Government Obligations	581,749	-	581,749	-
Certificates of Deposit	240,000	-	240,000	-
Money Market Funds	156,044	-	156,044	-
Held by Bond Trustee:				
Money Market Funds	25,293,603	-	25,293,603	-
Total Investments	<u>\$ 90,137,177</u>	<u>\$ 7,114,840</u>	<u>\$ 83,022,337</u>	<u>\$ -</u>

U.S. Treasury Notes classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Local Agency Investment Funds, U.S. Agency Securities, Corporate Notes, Certificates of Deposit, Supranational Agencies, and Money Market Funds classified in Level 2 of the fair value hierarchy are value using institutional bond quotes or specified fair market value factors.

Note 3: Loans and Notes Receivable

The loans and notes receivable balance consists of the following:

Fund	Balance
Governmental Funds	
General Fund	\$ 645,690
Low and Moderate Income Housing Assets Special Revenue Fund	1,917,851
Successor Agency Bond Funded Capital Projects Fund	230,268
Nonmajor Governmental Funds	19,250
Total Funds	<u>\$ 2,813,059</u>

The General Fund has loans and notes receivable in the amount of \$42,171 representing monies advanced to City employees for home computer purchases. These loans are required to be repaid within 2 years and bear no interest. Notes receivable in the amount of \$603,519 relate to monies advanced to Community Facilities District 2002-1 for infrastructure improvements. This loan bears an interest rate of 5.75% per annum.

The Low and Moderate Income Housing Assets Special Revenue Fund has three notes outstanding for "silent second" mortgage notes issued to qualified buyers to assist with housing acquisition. The loans are for \$20,000 and have a term of 15 years. The loans have no payments for the first 10 years and bear simple interest at 6% per annum. The loans are

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 3: Loans and Notes Receivable (Continued)

secured by a deed of trust and must be repaid upon sale or refinance of the home. The balance outstanding at June 30, 2016, is \$51,000. In addition, the Low and Moderate Income Housing Assets Special Revenue Fund has ten notes outstanding related to housing for qualified buyers. The loans are secured by a deed of trust and must be repaid upon sale or refinance of the home if such a transaction occurs within 45 years. A portion of the loan balance is forgiven each year beginning five years after issuance and is completely forgiven after 45 years. An allowance for the full amount of the loans has been recorded as the expectation is for the homeowners to keep the properties for the entire term of the agreement. The balance outstanding at June 30, 2016 is \$1,000,000 with a net carrying value of \$0. The loans do not accrue interest. Lastly, the Low and Moderate Income Housing Assets Special Revenue Fund has notes outstanding to Santa Fe Springs Housing Partners in the amount of \$1,866,851 at June 30, 2016. The loan agreement calls for annual payments based on a calculation of residual receipts. The residual receipts are calculated based on the project revenues less approved expenses. The residual receipts payment is applied first to interest and then to principal. The outstanding principal accrues interest at a rate of 3%.

The Successor Agency Bond Funded Capital Projects Fund has a note receivable in the amount of \$230,268 related to monies advanced by the former Commission to Community Facilities District 2004-1 for infrastructure improvements. This loan bears interest at a rate of 5.75% per annum.

The Nonmajor Governmental Funds have four notes receivable outstanding from homeowners through the CDBG housing program. The loans have zero interest and do not require repayment. The loans are secured by a deed of trust and must be repaid upon sale or refinance of the home. The balance outstanding at June 30, 2016, is \$19,250.

Note 4: Due from Other Governments

Due from other governments primarily consists of grants due from the Federal government, the State of California and the County of Los Angeles.

Note 5: Interfund Activity

The following is a summary of interfund transfers for the fiscal year ended June 30, 2016:

Transfers Out:	Transfers In				
	General Fund	Low and Moderate Income Housing Assets Fund	Prefunded Capital Projects Fund	Internal Service Funds	Total
General Fund	\$ -	\$ 848,773	\$ 6,156,000	\$ 1,748,700	\$ 8,753,473
Water Fund	1,073,642	-	-	-	1,073,642
Internal Service Funds	538,386	-	-	-	538,386
Total	\$ 1,612,028	\$ 848,773	\$ 6,156,000	\$ 1,748,700	\$ 10,365,501

As required by dissolution laws, the General Fund transferred \$848,773 to the Low and Moderate Income Housing Assets Fund for its 20% share of the Washington Blvd. loan repayment. The General Fund transferred \$6,156,000 into the Prefunded Capital Projects Funds to provide funding for current and future capital projects. The General Fund transferred \$1,748,700 into the Internal Service Fund to provide additional funding.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 5: Interfund Activity (Continued)

The Water Fund transferred \$1,073,642 into the General Fund to fund certain indirect costs of the water utility including use of the City water infrastructure system in accordance with an agreement with the City's Water Utility Authority.

The Internal Service Funds transferred \$538,386 into the General Fund to fund equipment acquisition expenditures.

Due to/from other funds at June 30, 2016, were as follows:

<u>Due from</u>	<u>Due to</u>
	<u>General Fund</u>
Capital Improvement Fund	\$ 4,639,074
Nonmajor Governmental Funds	765,841
	<u>\$ 5,404,915</u>

The due to/from other funds balances resulted from reimbursable expenditures occurring while the revenues with which to reimburse those expenditures had not yet been received. All balances are expected to be reimbursed within the subsequent year.

Advances from other funds and advances to other funds at June 30, 2016, consist of loans as follows:

<u>Advances from</u>	<u>Advances to</u>
	<u>Low and Moderate Income Housing Assets Fund</u>
General Fund	<u>\$ 1,437,861</u>

An advance payable/receivable was set up between the General Fund and the Low and Moderate Income Housing Assets Fund (Housing Fund) to account for costs originally charged to the Housing Fund but later determined to belong to the General Fund. The advance does not bear interest. Currently, there is no date set for the repayment of the advance.

Note 6: Advances to the Successor Agency

Advances to the Successor Agency at June 30, 2016, consist of the following:

General Fund	\$ 10,624,511
	<u>\$ 10,624,511</u>

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 6: Advances to the Successor Agency (Continued)

In September 2010, the general fund advanced \$8,846,000 to the former redevelopment agency, which was paid back to the general fund in one lump sum in March 2011 along with accrued interest of \$507,730. This lump sum payment was subsequently denied by the Department of Finance (DOF). The City filed suit to challenge the decision of the DOF, but this advance is still allowed to be repaid in accordance with the dissolution rules for interagency loans. Interest on the advance has been recalculated at 3% in accordance with the dissolution bills. The balance of the advance at June 30, 2016 was \$9,353,730.

The City of Santa Fe Springs Successor Agency notified the California Department of Finance of its September 16, 2015 Oversight Board (OB) Resolution on September 21, 2015. OB Resolution No. 2015-006 established a repayment schedule related to loans for the Washington Boulevard redevelopment project area. In a letter dated October 2015, the Department of Finance approved the repayment schedule. HSC Section 34191.4 (b)(3)(A) requires that any interest on the remaining principal amount of the loan that was previously unpaid after the origination of the loan shall be recalculated from the date of origination of the loan as approved by the redevelopment agency on a quarterly basis, at a simple interest rate of three percent. The outstanding balance of the interest due at June 30, 2016 was \$1,270,781.

Pursuant to the Assembly Bill 1484 (AB 1484), each of these balances are considered "interagency loans" and will only be considered eligible for repayment beginning in fiscal year ending June 30, 2015, subject to annual limitations, once the California Department of Finance issues a "finding of completion". A finding of completion is issued once the Successor Agency has paid all required available balances to the Los Angeles County Auditor-Controller for distribution to various other taxing entities. The available balances consist of three components, including (1) the overpayment of tax increment revenue to the former Commission during the fiscal year ended June 30, 2015, (2) the available balance of unrestricted liquid funds in the former low-moderate income housing fund, and (3) the available balance of unrestricted liquid funds in the former Commission's non-housing funds. A finding of completion was issued in December 2013. See Note 17 for further details.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 7: Capital Assets

Additions and deletions in the City's capital assets were as follows:

	Balance July 1, 2015	Transfers	Additions	Deletions	Balance June 30, 2016
Governmental Activities:					
Capital Assets, not being depreciated:					
Land	\$ 51,258,770	\$ -	\$ -	\$ -	\$ 51,258,770
Construction in process	1,042,506	(2,020,165)	1,329,124	-	351,465
Total capital assets not being depreciated	52,301,276	(2,020,165)	1,329,124	-	51,610,235
Capital assets, being depreciated:					
Buildings	33,667,230	362,040	-	-	34,029,270
Improvements	23,597,495	721,904	11,600	-	24,330,999
Equipment	13,575,893	-	788,221	389,836	13,974,278
Infrastructure	140,568,682	936,221	9,900	-	141,514,803
Total capital assets, being depreciated	211,409,300	2,020,165	809,721	389,836	213,849,350
Less accumulated depreciation					
Buildings	11,083,741	-	636,405	-	11,720,146
Improvements	15,634,054	-	676,292	-	16,310,346
Equipment	9,953,871	-	818,497	389,836	10,382,532
Infrastructure	62,847,678	-	3,892,065	-	66,739,743
Total accumulated depreciation	99,519,344	-	6,023,259	389,836	105,152,767
Total capital assets, being depreciated, net	111,889,956	2,020,165	(5,213,538)	-	108,696,583
Government activities capital assets, net	\$ 164,191,232	\$ -	\$ (3,884,414)	\$ -	\$ 160,306,818

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 7: Capital Assets (Continued)

	Balance July 1, 2016	Adjustments	Transfers	Additions	Deletions	Balance June 30, 2016
Business-Type Activities:						
Capital assets, not being depreciated:						
Land and water rights	\$ 3,384,974	\$ -	\$ -	\$ -	\$ -	\$ 3,384,974
Construction-in-progress	9,729,471	1,310,136	(94,869)	856,189	-	11,800,927
Total Capital Assets, Not Being Depreciated	13,114,445	1,310,136	(94,869)	856,189	-	15,185,901
Capital assets, being depreciated:						
Source of supply plant	3,032,091	1,066,646	-	-	-	4,098,737
Transmission and distribution plant	28,822,392	(1,094,446)	94,869	-	-	27,822,815
Pumping and treatment plant	83,216	27,800	-	-	-	111,016
General Plant	1,096,135	-	-	-	-	1,096,135
Total Capital Assets, Being Depreciated	33,033,834	-	94,869	-	-	33,128,703
Less accumulated depreciation:						
Source of supply plant	2,057,246	-	-	79,410	-	2,136,656
Transmission and distribution plant	19,035,685	(294,392)	-	361,738	-	19,103,031
Pumping and treatment plant	83,216	-	-	9,966	-	93,182
General Plant	1,177,709	(85,035)	-	3,461	-	1,096,135
Total Accumulated Depreciation	22,353,856	(379,427)	-	454,575	-	22,429,004
Total Capital Assets, Being Depreciated, Net	10,679,978	379,427	94,869	(454,575)	-	10,699,699
Water Utility Capital Assets, Net	\$ 23,794,423	\$ 1,689,563	\$ -	\$ 401,614	\$ -	\$ 25,885,600

Depreciation expense was charged to functions/programs of the primary government as follows:

	Governmental Activities	Business-Type Activities
General government	\$ 65,090	\$ -
Public safety	672,977	-
Community development	51,359	-
Public works	4,263,699	-
Culture and leisure	695,096	-
Human Services	275,038	-
Water Utility	-	454,575
Total Governmental Activities	\$ 6,023,259	\$ 454,575

Note 8: Contracts Payable

Contracts payable consists of contract retention due on uncompleted construction projects.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 9: Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the fiscal year ended June 30, 2016:

	Balance July 1, 2015	Additions	Reductions	Balance June 30, 2016	Due Within One Year
Governmental activities:					
Pension obligation bonds	\$ 5,238,000	\$ -	\$ 904,000	\$ 4,334,000	\$ 972,000
Compensated absences	2,825,111	225,080	187,995	2,862,196	190,463
Other post employment benefits obligation (Note 12)	6,681,045	4,236,777	3,922,677	6,995,145	-
Oshkosh lease payable	449,068	-	84,940	364,128	87,309
	<u>\$ 15,193,224</u>	<u>\$ 4,461,857</u>	<u>\$ 5,099,612</u>	<u>\$ 14,555,469</u>	<u>\$ 1,249,772</u>
Business-type activities:					
Water revenue bonds:					
2005 Series A	\$ 2,310,000	\$ -	\$ 170,000	\$ 2,140,000	\$ 180,000
2013 Series A	6,890,000	-	-	6,890,000	-
Issuance discount/premiums	(130,456)	-	(2,850)	(127,606)	-
Other postemployment benefits Obligation (Note 12)	577,775	328,224	303,891	602,108	-
	<u>\$ 9,647,319</u>	<u>\$ 328,224</u>	<u>\$ 471,041</u>	<u>\$ 9,504,502</u>	<u>\$ 180,000</u>

The total annual debt service requirements to maturity on bonds and loans are as follows:

Governmental Activities

Year Ending June 30	Pension Obligation Bonds	
	Principal	Interest
2017	\$ 972,000	\$ 152,260
2018	1,044,000	115,450
2019	1,119,000	75,925
2020	1,199,000	33,554
Total	<u>\$ 4,334,000</u>	<u>\$ 377,189</u>

Year Ending June 30	Oshkosh Lease Payable	
	Principal	Interest
2017	\$ 87,309	\$ 10,159
2018	89,746	7,723
2019	92,250	5,219
2020	94,823	2,646
Total	<u>\$ 364,128</u>	<u>\$ 25,747</u>

CITY OF SANTA FE SPRINGS**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**
JUNE 30, 2016**Note 9: Long-Term Liabilities (Continued)****Business-Type Activities**

Year Ending June 30	Revenue Bonds	
	Principal	Interest
2017	\$ 180,000	\$ 356,831
2018	185,000	347,831
2019	200,000	338,581
2020	205,000	328,581
2021	215,000	318,331
2022-2026	1,220,000	1,440,189
2027-2031	1,600,000	1,171,975
2032-2036	1,900,000	871,925
2037-2041	2,285,000	485,538
2042-2045	1,040,000	62,800
Total	\$ 9,030,000	\$ 5,722,582

Governmental Activities**Taxable Pension Obligation Bonds**

In April 2012, the City issued taxable pension obligation bonds in the amount of \$7,147,000 in order to refund the PERS Side Fund Obligation and realize cash flow savings and to accomplish a more prudent amortization of unfunded actuarial accrued liability in respect of the PERS Side Fund Obligation. Principal is payable semiannually on June 30 and December 30 in amounts ranging from \$56,000 to \$605,000 through June 30, 2020. Interest is payable semiannually on June 30 and December 30 in each year at rate of 3.72%.

The bond is secured by the sales and use tax revenues generated by the City. These revenues have been pledged until the year 2022. The bond has covenants that pledged revenues received in the next preceding prior fiscal year should be at least equal to 150% of maximum annual debt service payment on the bond. Pledged sales and use tax revenue for the prior year was \$26.4 million, which is more than 150% of maximum annual debt service payment of \$1.2 million on this bond. Revenues are pledged against the debt service outstanding on the bonds of \$4.7 million. The total outstanding principal as of June 30, 2016, is \$4,334,000.

Oshkosh Lease Payable

In October 2011, the City entered into a lease agreement for \$612,094 with Oshkosh Capital to lease a fire engine. Payments are due annually in the amount of \$97,469 on October 3, each year at an annual interest rate of 2.79%; with the lease expiring on October 3, 2019. The current balance outstanding for this lease is \$364,128.

Compensated Absences

Compensated absences consist of amounts due to employees for earned but unused vacation and sick leave balances. Compensated absences are primarily liquidated from the General Fund.

Other Post-Employment Benefits Obligation

Refer to Note 12 for related disclosures regarding other postemployment benefits obligation. The liability is primarily liquidated from the General Fund.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 9: Long-Term Liabilities (Continued)

Business-Type Activities

Water Refunding Revenue Bonds, 2005 Series A

Revenue Bonds in the amount of \$3,705,000 were issued on May 1, 2005. The Revenue Bonds were issued to (1) provide funds for the refinancing of the 1996 Installment Sale Agreement and the defeasance of \$3,585,000 of the City's 1996 Water Revenue Bond Series A; (2) establish a reserve account for the Bonds; and (3) pay the costs of issuance associated with the issuance and sale of the Bonds. The Bonds are due in annual principal installments of \$130,000 to \$205,000 through 2026. Interest rates range from 3.25% to 4.625% and interest is payable semiannually on November 1 and May 1. The total amount outstanding as of June 30, 2016, is \$2,140,000.

The Bonds are payable from and secured by a pledge of revenues of the PFA, consisting primarily of amounts to be paid by the City to the PFA for the repurchase of the certain improvements to the water system pursuant to a 2005 Installment Sale Agreement. These payments consist primarily of net revenues of the City's water system and facilities. The City has covenanted in the Installment Sale Agreement to set rates and charges for water services for its customers sufficient to provide net revenues each fiscal year equal to at least 120% of the debt service due in such fiscal year. Net revenue is determined by the gross revenues received during such period minus the amount required to pay all operation and maintenance costs becoming payable during such period. Net revenue pledged to these bonds for the current year was \$2,410,220 against debt service payments of \$208,393. Total principal and interest remaining is \$2,705,966.

Water Refunding Revenue Bonds, 2013

In May 2013, in order to take advantage of a low interest rate market and to capture economic savings, the City "currently refunded" the 2003 Water Revenue Bond Series A. The 2013 Revenue Bonds were issued to (1) provide funds for the refunding of the PFA's 2003 Water Revenue Bond Series A; (2) finance improvements to the water utility enterprise; (3) fund a deposit to a debt service reserve fund for the 2013 bonds; and (4) pay the costs of issuance associated with the issuance and sale of the Bonds. As a result of the refund, the bonds create an economic gain of \$115,782 (difference between the present values of the old and new debt service payments). The City also reduces its total debt service payments over the next 20 years by \$115,033. The Bonds are due from 2026 through 2043 in annual principal installments of \$65,000 to \$530,000. Interest rates range from 3% to 4% and interest is payable semiannually on November 1 and May 1. The total amount outstanding as of June 30, 2016, is \$6,890,000.

The Bonds are payable from and secured by net revenues on a parity basis with an existing installment payment obligation of the PFA's 2005 Installment Payment. These payments consist primarily of net revenues of the City's water system and facilities. The City has covenanted in the Installment Sale Agreement to set rates and charges for water services for its customers sufficient to provide net revenues each fiscal year equal to at least 120% of the debt service due in such fiscal year. Net revenue is determined by the gross revenues received during such period minus the amount required to pay all operation and maintenance costs becoming payable during such period. Net revenue pledged to these bonds for the current year was \$2,410,220 against debt service payments of \$256,438. Total principal and interest remaining is \$12,046,616.

Note 10: California Joint Powers Insurance Authority Insurance Program

a. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of Santa Fe Springs is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 116 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

b. Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Retrospective adjustments are scheduled to continue indefinitely on coverage years 2012-13 and prior, until all claims incurred during those coverage years are closed, on a pool-wide basis. This subsequent cost re-allocation among members, based on actual claim development, can result in adjustments of either refunds or additional deposits required. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment.

The total funding requirement for self-insurance programs is estimated using actuarial models and pre-funded through the annual contribution. Costs are allocated to individual agencies based on exposure (payroll) and experience (claims) relative to other members of the risk-sharing pool. Additional information regarding the cost allocation methodology is provided below.

Liability

In the liability program claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$750,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2015-16 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to \$20 million, and excess insurance to \$50 million. The Authority's reinsurance contracts are subject to the following additional pooled retentions: (a) \$2.5 million annual aggregate deductible in the \$3 million x/s \$2 million layer, and (b) \$3 million annual aggregate deductible in the \$5 million x/s \$10 million layer. There is a third annual aggregate deductible in the amount of \$2.5 million in the \$5 million x/s \$5 million layer, however it is fully covered under a separate policy and therefore not retained by the Authority.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Costs of covered claims for subsidence losses have a sub-limit of \$30 million per occurrence.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 10: California Joint Powers Insurance Authority Insurance Program (Continued)

Workers' Compensation

In the workers' compensation program claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$100,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2015-16 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law.

Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

c. Purchased Insurance

Pollution Legal Liability Insurance

The City of Santa Fe Springs participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Santa Fe Springs. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50 million for the 3-year period from July 1, 2014 through July 1, 2017. Each member of the Authority has a \$10 million sub-limit during the 3-year term of the policy.

Property Insurance

The City of Santa Fe Springs participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Santa Fe Springs property is currently insured according to a schedule of covered property submitted by the City of Santa Fe Springs to the Authority. City of Santa Fe Springs property currently has all-risk property insurance protection in the amount of \$97,851,158. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 10: California Joint Powers Insurance Authority Insurance Program (Continued)

Earthquake and Flood Insurance

The City of Santa Fe Springs purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of Santa Fe Springs property currently has earthquake protection in the amount of \$45,102,228. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

Crime Insurance

The City of Santa Fe Springs purchases crime insurance coverage in the amount of \$5,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority. Premiums are paid annually and are not subject to retrospective adjustments.

d. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2015-16.

Note 11: Pension Plan Obligations

a. General Information About the Pension Plan

Plan Description

The City contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer defined benefit pension plan for the miscellaneous employees and a cost-sharing multiple-employer public employee defined benefit pension plan for the public safety employees that acts as a common investment and administrative agent for participating public entities within the State of California. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. All full-time employees are eligible to participate in PERS. Part-time employees are not eligible to participate in PERS retirement system but participate in a defined contribution plan. Benefit provisions for the Plan's are established by State statute's and City resolution. Copies of PERS' annual financial report may be obtained from its executive office: 400 P Street, Sacramento, California 95814.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 11: Pension Plan Obligations (Continued)

The Plan provisions and benefits in effect at June 30, 2016 are summarized as follows:

Hire date	Miscellaneous Plan		
	Tier 1 *	Tier 2 *	PEPRA
	Prior to November 19, 2012	November 19, 2012 but prior to January 1, 2013	January 1, 2013 and after
Benefit formula	2.7% @ 55	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Minimum retirement age	50	50	52
Monthly benefits, as a % of eligible compensation	2.000% - 2.700%, 50 yrs - 55+ yrs, respectively	1.426% - 2.418%, 50 yrs - 63+ yrs, respectively	1.000% - 2.500%, 52 yrs - 67+ yrs, respectively
Required employee contribution rates	8.00%	7.00%	6.25%
Required employer contribution rates	43.601%	43.601%	43.601%

Hire date	Safety Cost-Sharing Rate Plans		
	Tier 1 *	Tier 2 *	PEPRA
	Prior to November 19, 2012	November 19, 2012 but prior to January 1, 2013	January 1, 2013 and after
Benefit formula	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Minimum retirement age	50	50	50
Monthly benefits, as a % of eligible compensation	3.000%, 50+ yrs	2.400% - 3.000%, 50 yrs - 55+ yrs, respectively	2.000% to 2.700%, 50 yrs - 57+ yrs, respectively
Required employee contribution rates	9.000%	9.000%	12.250%
Required employer contribution rates	20.230%	17.295%	12.821%

*Plan is closed to new entrants. The PEPRA plan was enacted for new members hired after January 1, 2013.

Employees Covered

As of the valuation date of June 30, 2014, the following employees were covered by the benefit terms of the Plan:

Description	Number of Members
Active members	112
Transferred members	36
Terminated members	38
Retired members and beneficiaries	200
Total	386

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 11: Pension Plan Obligations (Continued)***Contribution Description***

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. The actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2016, the employer contributions recognized as a reduction to the net position liability for all the Plan was \$5,447,588.

b. Net Pension Liability

The net pension liability is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2015, using an annual actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2015, the total pension liability was determined by rolling forward the June 30, 2014 total pension liability. The June 30, 2014 and the June 30, 2015 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions	
Discount Rate	7.65%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.65% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality Rate Table (1)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 11: Pension Plan Obligations (Continued)

All other actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period from 1997 to 2007, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Change of Assumptions

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50 percent used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65 percent used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.65 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund (Public Employees' Retirement Fund) cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by CalPERS effective on July 1, 2014.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 11: Pension Plan Obligations (Continued)

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	19.0	0.99	2.43
Inflation Sensitive	6.0	0.45	3.36
Private Equity	10.0	6.83	6.95
Real Estate	10.0	4.50	5.13
Infrastructure and Forestland	2.0	4.50	5.09
Liquidity	2.0	(0.55)	(1.05)

(1) An expected inflation of 2.5% used for this period

(2) An expected inflation of 3.0% used for this period

c. Pension Liabilities, Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

The following table shows the changes in net pension liability recognized over the measurement period for the Miscellaneous Plan.

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/(Assets) (c)=(a)-(b)
Balance at: 6/30/2014 (Valuation Date)	\$ 156,348,728	\$ 98,522,647	\$ 57,826,081
Changes Recognized for the Measurement Period:			
Service Cost	1,544,341	-	1,544,341
Interest on the Total Pension Liability	11,550,084	-	11,550,084
Difference between Expected and Actual Experience	714,618	-	714,618
Changes of Assumptions	(2,672,769)	-	(2,672,769)
Contributions from the Employer	-	3,368,960	(3,368,960)
Contributions from Employees	-	945,614	(945,614)
Net Investment Income	-	2,213,275	(2,213,275)
Benefit Payments including Refunds of Employee Contributions	(8,362,515)	(8,362,515)	-
Administrative Expense	-	(108,707)	108,707
Net Changes During 2014-15	2,773,759	(1,943,373)	4,717,132
Balance at: 6/30/2015 (Measurement Date)	\$ 159,122,487	\$ 96,579,274	\$ 62,543,213

As of June 30, 2016, the City Safety Rate Plans reported net pension liabilities/(assets) for its proportionate shares of the net pension liability/(asset) of each rate Plan as follows:

	Proportionate Share of Net Pension Liability/(Asset)
Safety Tier 1 Rate Plan	\$ 32,106,855
Safety Tier 2 Rate Plan	(11,858)
Safety PEPRA Rate Plan	(364)
Tota Safety Plan Net Pension Liability	\$ 32,094,633

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 11: Pension Plan Obligations (Continued)

The City's net pension liability/(asset) for each Safety Rate Plan is measured as the proportionate share of the net pension liability/(asset). The net pension liability/(asset) of each of the Safety Rate Plans is measured as of June 30, 2015, and the total pension liability/(asset) for each Safety Rate Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014, rolled forward to June 30, 2015, using standard update procedures. The City's proportion of the net pension liability/(asset) was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability/(asset) for each Safety Rate Plan as of June 30, 2014 and 2015, was as follows:

Safety Cost-Sharing Rate Plans			
	Tier 1	Tier 2	PEPRA
Proportion - June 30, 2014	0.70316%	0.00018%	0.00000%
Proportion - June 30, 2015	0.77921%	-0.00029%	-0.00001%
Change - Increase (Decrease)	0.07605%	-0.00047%	-0.00001%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability/(asset) of the Plan's as of the measurement date, calculated using the discount rate of 7.65 percent, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.65 percent) or 1 percentage-point higher (8.65 percent) than the current rate:

	Discount Rate - 1% 6.65%	Current Discount 7.65%	Discount Rate + 1% 8.65%
Miscellaneous Plan	\$ 82,456,068	\$ 62,543,213	\$ 45,975,041
Safety Tier 1 Rate Plan	51,690,584	32,106,855	16,048,557
Safety Tier 2 Rate Plan	17,254	(11,858)	(35,729)
Safety PEPRA Rate Plan	3,813	(364)	(3,788)
Total Net Pension Liability	\$ 134,167,719	\$ 94,637,846	\$ 61,984,081

Pension Plan Fiduciary Net Position

The plan fiduciary net position disclosed in the GASB 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and OPEB expense included as assets. These amounts are excluded for rate setting purposes in the funding actuarial valuation. In addition, differences may result from early Comprehensive Annual Financial Report closing and final reconciled reserves. Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. See CalPERS website for additional information.

For the measurement period ending June 30, 2015 (the measurement date), the City incurred a pension expense of \$6,431,711 for all Plans.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 11: Pension Plan Obligations (Continued)

As of June 30, 2016, the following were the reported deferred outflows of resources and deferred inflows of resources related to all pension plans:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Current year contributions that occurred after the measurement date of June 30, 2015	\$ 4,895,425	\$ -
Change of Assumption	-	2,658,742
Difference between Expected and Actual Experiences	428,771	229,397
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	1,529,518
Adjustment due to differences in proportions	741,560	960,170
Difference in proportionate share	109,624	2,218,845
Total	\$ 6,175,380	\$ 7,596,672

Contributions subsequent to the measurement date in the amount of \$4,895,425 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period ended June 30:	Deferred Outflows/(Inflows) of Resources
2016	\$ (3,205,526)
2017	(2,780,458)
2018	(2,018,558)
2019	1,687,825
Total	\$ (6,316,717)

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 12: Post-Employment Health Care Benefits

a. Plan Description

The City contributes to the California Employers' Retiree Benefit Trust (CERBT), an agent multiple-employer public employee defined postemployment benefit plan. The City provides retiree medical benefits under the PERS health plan, which provides medical insurance benefits to eligible retirees and their beneficiaries in accordance with various labor agreements. Copies of the PERS' annual financial report may be obtained from the PERS Executive Office, 400 P Street, Sacramento, CA 95814.

b. Eligibility

Employees are eligible for retiree health benefits if they retire from the City on or after age 50 (unless disabled) with 5 years or service and are eligible for a PERS pension. The benefits are available only to employees who retire from the City. Membership of the plan consisted of the following at June 30, 2015, the date of the most recent actuarial valuation:

	Management	Miscellaneous	Fire	Total
Retirees and Beneficiaries				
Receiving benefits	50	103	73	226
Active plan members	27	83	51	161
Total	<u>77</u>	<u>186</u>	<u>124</u>	<u>387</u>

These amounts do not reflect current retirees not enrolled in the PERS health plan that are eligible to enroll in the plan at a later date.

c. Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City Council. The City must agree to make a defined monthly payment towards the cost of each retiree's coverage. The contribution is based on projected pay-as-you-go financing requirements. The City's contribution rate was \$1,397 per month per retiree toward all premiums in which the individual is able to select, on an annual basis, an insurance carrier from a number of insurance carriers. For the fiscal year ended June 30, 2016, the City contributed \$4,226,567 to the plan. Plan members receiving benefits contributed \$52,362 (approximately 1% of total premiums) through their required contribution.

Annual OPEB Cost and Net OPEB Obligation - The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) not to exceed thirty years.

The City's Net OPEB obligation as of June 30, 2016, was \$7.60 million. The annual required contribution (ARC) as of June 30, 2016, was \$4.59 million. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation (dollar amounts are in thousands):

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 12: Post-Employment Health Care Benefits (Continued)

Annual required contribution	\$ 4,587
Interest on net OPEB obligation	486
Adjustment to annual required contribution	(508)
Annual OPEB cost (expense)	<u>4,565</u>
Contributions made	<u>(4,227)</u>
Increase in net OPE obligation	338
Net OPEB Obligation, Beginning of Year	<u>7,259</u>
Net OPEB Obligation, End of Year	<u>\$ 7,597</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016 and the two preceding years were as follows (dollar amounts are in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2014	\$ 4,154	84%	\$ 7,694
6/30/2015	4,391	110%	7,259
6/30/2016	4,565	93%	7,597

d. Funding Status and Progress

The City has elected to join the California Employers' Retiree Benefit Trust (CERBT), which provides a means to pre-fund OPEB obligations. The City makes an annual contribution to the CERBT, pays benefits either directly to retirees or through PEMHCA during the year, and then seeks reimbursement for these pay-as-you-go expenses from the CERBT. The City's funding policy is to contribute consistently an amount at least equal to the pay-as-you-go-costs plus a percent of the difference between the ARC and pay-as-you-go. This percent is 10% for the 2008/09 fiscal year, increasing by 10% each year to 100% of the ARC for fiscal year 2017/18 and thereafter. For the fiscal year ended June 30, 2016, the City made a contribution of \$2 million to the CERBT.

The funded status for postemployment benefit based on the June 30, 2015, actuarial valuation is as follows (in thousands):

Entry Age Actuarial Value of Assets	Normal Accrued Liability	Unfunded/ (Overfunded) Liability (UAAL)	Funded Ratio	Covered Payroll	Actuarial Accrued Liability % of Payroll
\$ 8,396	\$ 57,619	\$ 49,223	14.6%	\$ 13,554	363%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 12: Postemployment Health Care Benefits (Continued)

compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

e. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial assets, consistent with the long-term perspective of the calculations.

The actuarial method used to determine the actuarial value of assets is the 5-year smoothing with 80% and 120% market value corridor.

The actuarial cost method used for determining the benefit obligations is the entry age normal cost method. The actuarial assumptions included a 5.60% discount rate. The valuation includes a 3% inflation assumption. The UAAL is being amortized as a level percentage of projected payroll over 30 years with a closed amortization. There are 23 years remaining. It is assumed the City's payroll will increase 3.25% per year. The assumptions used for determining the contribution requirements are the same as the assumptions used in the calculation of the funded status.

The medical trend rate represents the long-term expected growth of medical benefits paid by the plan. The following table sets forth the trend assumption used for the valuation:

Year	Pre-Medicare	Eligible	Post-Medicare
	HMO	PPO	HMO
2017/18	6.5%	6.5%	6.7%
2018/19	6.0%	6.0%	6.1%
2019/20	5.5%	5.5%	5.6%
2020/21	5.0%	5.0%	5.0%

Note 13: Commitments and Contingencies

a. Claims

Various claims for personal injury and for property damage are pending against the City. It is the opinion of the City Attorney that any liability arising out of such claims is adequately covered under insurance agreements.

Note 14: Non-City Obligation Debt

The City issued \$2,315,000 of Heritage Springs Assessment District Improvement Bonds on August 9, 2001. The bonds are not included in the accompanying financial statements as neither the faith and credit nor the taxing powers of the City have been pledged to the payment of the obligations. The outstanding balance at June 30, 2016, is \$1,695,000.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 15: Restatements of Fund Balance/Net Position

Fund Balance

The General Fund's beginning fund balance was restated by \$11,228,030 to properly present the offset to various notes and loans receivable balances as a component of non-spendable fund balance rather than as unavailable revenues.

The Low and Moderate Income Housing Asset Fund and Other Nonmajor Governmental Funds' beginning fund balances were restated by \$1,866,851 and \$19,250, respectively, to properly present the offset to a loan receivable balance as a component of restricted fund balance rather than as an unavailable revenue.

Net Position

The Governmental Activities net position was restated by \$2,093,825 to reflect the removal of unavailable revenue previously offsetting notes and loans receivable.

The Water Fund's beginning net position was restated by \$1,689,563 as a result of the correction of prior year costs not previously capitalized and correction of depreciation calculations.

Note 16: Subsequent Events

In July 2016, the Successor Agency to the Community Development Commission of the City of Santa Fe Springs approved the issuance of the 2016 Subordinate Tax Allocation Refunding Bonds. The bonds were issued to redeem and defease all amounts outstanding under the following five series of bonds issued by the former Community Development Commission of the City of Santa Fe Springs:

- \$28,845,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Tax Allocation Bonds, 2001 Series A which are outstanding in the aggregate principal amount of \$13,965,000.
- \$50,915,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Tax Allocation Refunding Bonds, 2002 Series A, which are outstanding in the aggregate principal amount of \$5,150,000.
- \$6,530,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Taxable Tax Allocation Refunding Bonds, 2003 Series A (Housing Tax Revenues), which are outstanding in the aggregate principal amount of \$2,775,000.
- \$4,710,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Tax Allocation Bonds, 2006 Series A, issued as current interest bonds, which are outstanding in the aggregate principal amount of \$2,875,000.
- \$18,760,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Taxable Tax Allocation Bonds, 2006 Series B, which are outstanding in the aggregate principal amount of \$7,085,000.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 16: Subsequent Events (Continued)

The remaining proceeds of the 2016 Bonds will be used to (i) pay the premium of a debt service reserve insurance policy for the 2016 Bonds to be issued by Assured Guaranty Municipal Corp. concurrently with the issuance of the 2016 Bonds in an amount equal to the Reserve Requirement (as hereinafter defined) and (ii) pay the costs of issuing the 2016 Bonds.

Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Santa Fe Springs (City) that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. As of February 1, 2012, the City Council, by operation of law, became the Successor Agency to the Community Development Commission for the City of Santa Fe Springs (Successor Agency) in accordance with the Bill.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City of \$10,624,511 are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill.

Pursuant to AB 1484, each of the loans disclosed in Note 6 are considered "interagency loans" and will only be considered eligible for repayment beginning in fiscal year ending June 30, 2015, subject to annual limitations, once the California Department of Finance issues a "finding of completion". A finding of completion is issued once the Successor Agency has paid all required available balances to the Los Angeles County Auditor-Controller for distribution to various other taxing entities. The available balances consist of three components, including (1) the overpayment of tax increment revenue to the Commission during the fiscal year ended June 30, 2012, (2) the available balance of unrestricted liquid funds in the former low-moderate income housing fund, and (3) the available balance of unrestricted liquid funds in the former Commission's non-housing funds. A finding of completion was issued in December 2013.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Loans and Notes Receivable

The loans and notes receivable balance consists of the following:

Fund	Balance
Private-Purpose Trust Fund	
Successor Agency	\$ 61,438

The loans and notes receivable balance in the Successor Agency Fund consists of an installment note in the amount of \$61,438 relate to an advance of former Commission monies to property owners to clean up hazardous materials on private property. This note bears an interest rate of 9.0% per annum.

Capital Assets

Additions and deletions in the Successor Agency's capital assets were as follows:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
Private-Purpose Trust Activities:				
Capital assets, not being depreciated:				
Land	\$ 5,006,722	\$ -	\$ -	\$ 5,006,722
Total Capital Assets, Not Being Depreciated	\$ 5,006,722	\$ -	\$ -	\$ 5,006,722

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the fiscal year ended June 30, 2016:

	Balance July 1, 2015	Additions	Reductions	Balance June 30, 2016	Due Within One Year
Private-purpose activities:					
Consolidated Redevelopment					
Project tax allocation bonds:					
2001 Refunding issue	\$ 15,540,000	\$ -	\$ 1,575,000	\$ 13,965,000	\$ 1,640,000
2002 Refunding issue	5,745,000	-	595,000	5,150,000	625,000
2003 Refunding taxable issue	3,005,000	-	230,000	2,775,000	245,000
2006 issue	34,648,493	-	1,740,000	32,908,493	2,130,000
Accreted Interest on					
Capital appreciation bonds	10,642,457	1,527,408	-	12,169,865	-
2007 Refunding issue	37,320,000	-	3,925,000	33,395,000	4,125,000
Issuance discounts/premiums	1,440,588	-	238,494	1,202,094	-
Tax increment loan from					
Los Angeles County	6,467,752	43,268	9,838	6,501,182	-
ERAF loan	267,084	-	267,084	-	-
Advances from City	16,494,244	1,612,587	7,482,320	10,624,511	-
	<u>\$ 131,570,618</u>	<u>\$ 3,183,263</u>	<u>\$ 16,062,736</u>	<u>\$ 118,691,145</u>	<u>\$ 8,765,000</u>

Tax Allocation Bonds		
Year Ending June 30	Principal	Interest
2017	\$ 8,765,000	\$ 5,025,312
2018	9,615,000	4,049,316
2019	10,280,000	4,069,785
2020	10,387,914	1,651,583
2021	9,824,209	1,238,691
2022-2026	36,212,607	1,470,068
2027-2030	3,108,763	-
Total	<u>\$ 88,193,493</u>	<u>\$ 17,504,755</u>
Cumulative accretion interest on Capital appreciation bonds	<u>\$ 12,169,865</u>	
Total Principal, June 30, 2016	<u>\$ 100,363,358</u>	

*Accreted interest on capital appreciation bonds is included as capital appreciation in the debt service payment schedule.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Tax Allocation Bonds:

Consolidated Redevelopment Project 2001 Tax Allocation Refunding Bonds

In September 2001, the former Commission issued serial bonds in the amount of \$28,845,000. The principal on the bonds is payable annually on September 1 ranging from \$840,000 to \$1,870,000 through September 1, 2019. Term bonds totaling \$5,850,000 and \$1,100,000 are due on September 1, 2022 and 2024, respectively. Interest is payable on September 1 and March 1 in each year at rates of 3.5% to 5.0% per annum. Bonds due on or after September 1, 2012, are subject to redemption in whole or part, at the option of the former Commission upon a redemption price equal to the principal amount plus a premium as follows:

<u>Redemption Dates</u>	<u>Redemption Price (% of Principal)</u>
September 1, 2012 and thereafter	100%

The bonds are secured by the non-housing portion of tax increment revenues generated in the former Commission's project area. Housing tax increment revenues secure a portion of the debt service on the bonds as a result of the refunding of a portion of the Series 1993 bonds with proceeds of the 2001 bonds. The 1993 bonds are no longer outstanding. The bonds share a parity claim on these revenues with the outstanding unrefunded 2002 bonds, the 2006 bonds and the 2007 bonds. These revenues have been pledged until the year 2024.

Pledged tax increment revenue for the year was \$2.3 million against total debt service payments of \$2.3 million on this bond. The bonds are further secured by a debt service reserve fund sized in the amount of the aggregate maximum annual debt service on the bonds, which was \$2.3 million at June 30, 2016. Payment of debt service on the bonds is further secured by a bond insurance policy issued by MBIA. Revenues are pledged against the debt service outstanding on the bonds of \$18.8 million.

Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the bonds was transferred to the Successor Agency. Upon dissolution, former tax increment revenues are deposited into the Los Angeles County Redevelopment Property Tax Trust Fund (RPTTF) and are distributed to Successor Agencies based on approved enforceable obligations. The City does not believe the dissolution bill changes the pledged nature of the former tax increment and considers all deposits to the RPTTF pledged for debt service until the full debt service obligation for the fiscal year is reached. Total amount outstanding as of June 30, 2016, is \$13,965,000.

Consolidated Redevelopment Project 2002 Tax Allocation Refunding Bonds

In June 2002, the former Commission issued serial bonds in the amount of \$50,915,000. The principal on the Bonds is payable annually on September 1 ranging from \$595,000 to \$3,595,000 through September 1, 2022. Interest is payable on September 1 and March 1 in each year at rates of 3.5% to 5.5% per annum. Bonds due on or after September 1, 2011, are subject to redemption in whole or part, at the option of the former Commission upon a redemption price equal to the principal amount plus a premium as follows:

<u>Redemption Dates</u>	<u>Redemption Price (% of Principal)</u>
September 1, 2011 and thereafter	100%

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

The 2002 bonds are secured by the non-housing portion of tax increment revenues generated in the former Commission's project area. The 2002 Bonds share a parity claim on these revenues with the outstanding non-housing portion of the 2001 bonds, the 2006 bonds and the 2007 bonds. These revenues have been pledged until the year 2022. Pledged tax increment revenue for the year was \$1.8 million against total debt service payments of \$1.8 million on this bond. Payment of debt service on the bonds is further secured by a bond insurance policy issued by MBIA. Revenues are pledged against the debt service outstanding on the bonds of \$8.8 million.

Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the bonds was transferred to the Successor Agency. Upon dissolution, former tax increment revenues are deposited into the Los Angeles County Redevelopment Property Tax Trust Fund (RPTTF) and are distributed to Successor Agencies based on approved enforceable obligations. The City does not believe the dissolution bill changes the pledged nature of the former tax increment and considers all deposits to the RPTTF pledged for debt service until the full debt service obligation for the fiscal year is reached. Total amount outstanding as of June 30, 2016, is \$5,150,000.

Consolidated Redevelopment Project 2003 Taxable Tax Allocation Refunding Bonds

In September 2003, the former Commission issued term bonds in the amount of \$6,530,000. The principal on the Bonds is payable annually on September 1 ranging from \$220,000 to \$465,000. The bonds are due on September 1, 2008, 2013 and 2024. Interest is payable on September 1 and March 1 in each year at rates of 3.5% to 5.75% per annum. Bonds due on or after September 1, 2014, are subject to redemption in whole or part, on any date on or after September 1, 2013, at the option of the former Commission upon a redemption price equal to the principal amount plus accrued interest to the redemption date, without premium. The bonds are subject to mandatory sinking fund redemption annually in amounts ranging from \$95,000 to \$465,000.

The bonds are secured by a pledge of the tax increment revenues deposited in the low and moderate income set-aside fund for the Commission's project area. These revenues have been pledged until the year 2024. Pledged tax increment revenue for the year was \$0.4 million against total debt service payments of \$0.4 million on this bond. Revenues are pledged against the debt service outstanding on the bonds of \$3.9 million.

Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the bonds was transferred to the Successor Agency. Upon dissolution, former tax increment revenues are deposited into the Los Angeles County Redevelopment Property Tax Trust Fund (RPTTF) and are distributed to Successor Agencies based on approved enforceable obligations. The City does not believe the dissolution bill changes the pledged nature of the former tax increment and considers all deposits to the RPTTF pledged for debt service until the full debt service obligation for the fiscal year is reached. Total amount outstanding as of June 30, 2016, is \$2,775,000.

Consolidated Redevelopment Project 2006 Tax Allocation Bonds

In December 2006, the former Commission issued serial bonds (Series A) in the amount of \$27,658,493. Series A bonds are structured with a mix of current interest bonds and accreted interest on capital appreciation bonds. Serial bonds totaling \$3,025,000 are payable annually on each September 1 ranging from \$10,000 to \$2,195,000 through September 1, 2019. Interest is payable on September 1 and March 1 in each year at rates of 3.75% to 5.0% per

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

annum. Capital appreciation bonds have serial maturities in 2019 through 2028 payable annually on September 1 each year with a value at maturity ranging from \$920,000 to \$11,805,000. The current interest bonds are optionally callable at par on September 1, 2016. The capital appreciation bonds are non-callable.

In December 2006, the former Commission issued serial bonds (Series B) in the amount of \$18,760,000. Series B bonds have current interest term bonds of \$5,230,000 and \$13,530,000 due September 1, 2011 and September 1, 2018, respectively. The interest rates range from 5.18% to 5.35%. The bonds are optionally callable at par on September 1, 2016.

The Series A and Series B bonds are secured by the non-housing portion of tax increment revenues generated in the Commission's project area. The Series A and Series B Bonds share a parity claim on these revenues with the outstanding unrefunded 2002 bonds, the non-housing portion of the 2001 bonds, and the 2007 bonds. These revenues have been pledged until the year 2028. Pledged tax increment revenue for the year was \$2.3 million against total debt service payments of \$2.3 million on this bond. The bonds are further secured by a debt service reserve fund sized in the amount of the aggregate maximum annual debt service on the bonds which was \$1.0 million at June 30, 2016. Revenues are pledged against the debt service outstanding on the bonds of \$62.7 million. Payment of debt service on the bonds is further secured by a bond insurance policy issued by MBIA.

Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the bonds was transferred to the Successor Agency. Upon dissolution, former tax increment revenues are deposited into the Los Angeles County Redevelopment Property Tax Trust Fund (RPTTF) and are distributed to Successor Agencies based on approved enforceable obligations. The City does not believe the dissolution bill changes the pledged nature of the former tax increment and considers all deposits to the RPTTF pledged for debt service until the full debt service obligation for the fiscal year is reached. Total amount outstanding as of June 30, 2016, is \$45,078,358 including \$12,169,865 of accreted interest.

Consolidated Redevelopment Project 2007 Tax Allocation Refunding Bonds

On June 5, 2007, in order to take advantage of a low interest rate market and to capture economic savings, the City "currently refunded," in full, its outstanding 1997 Tax Allocation Bonds and 1998 Tax Allocation Bonds and "advance refunded" a portion of the outstanding 2002 Tax Allocation Bonds. Serial bonds totaling \$43,015,000 were structured with serial maturities ranging from \$425,000 to \$5,440,000 payable annually on September 1, 2008 through September 1, 2022. Interest is payable on September 1 and March 1 in each year at rates from 4.00% in 2008 to 4.50% in 2022. The bonds are optionally callable on September 1, 2017, and thereafter at par.

The 2007 bonds are secured by the non-housing portion of tax increment revenues generated in the Commission's project area. The 2007 bonds share a parity claim on these revenues with the outstanding unrefunded 2002 bonds, the Commission's 2006 Tax Allocation Bonds Series A and B and the non-housing portion of the 2001 Tax Allocation Bonds. These revenues have been pledged until the year 2022. Pledged tax increment revenue for the year was \$4.7 million against total debt service payments of \$4.7 million on this bond. Payment of debt service on the 2007 bonds is further secured by a bond insurance policy issued by MBIA. Revenues are pledged against the debt service outstanding on the bonds of \$44.6 million.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED) **JUNE 30, 2016**

Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the bonds was transferred to the Successor Agency. Upon dissolution, former tax increment revenues are deposited into the Los Angeles County Redevelopment Property Tax Trust Fund (RPTTF) and are distributed to Successor Agencies based on approved enforceable obligations. The City does not believe the dissolution bill changes the pledged nature of the former tax increment and considers all deposits to the RPTTF pledged for debt service until the full debt service obligation for the fiscal year is reached. Total amount outstanding as of June 30, 2016, is \$33,395,000.

Tax Increment Loan Payable

A loan of property tax increment was issued by the County of Los Angeles, California, to the former Washington Boulevard Redevelopment Project Debt Service Fund at a variable interest rate equivalent to the Los Angeles County Annual Treasury Pool rate as calculated annually by the County Auditor-Controller. Principal and interest payments on this loan were originally to be deferred until such time as the former Washington Boulevard Project has received a combined total of \$10,750,000 in monies from sales tax increment, as described in Note 6, and property tax increment. Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the loan was transferred to the Successor Agency. The repayment schedule is not fixed and will be dependent upon the availability of RPTTF to be used for that purpose, subject to the approval of the Oversight Board, Los Angeles County Auditor-Controller, and California Department of Finance. Total amount outstanding as of June 30, 2016, is \$6,501,182.

ERAF Loan

The former Commission received a loan from the California Statewide Communities Development Authority for the purpose of making the ERAF payment to the County of Los Angeles and covering the loan administration expense. Principal and interest are payable in installments each March 1 and November 1 commencing November 1, 2005, and ending March 1, 2015, from any available monies of the Commission not obligated for other uses. Interest on each installment has been calculated at an annual interest rate varying from 3.87% - 5.01% depending on the average interest rates of the underlying debt issued by the California Statewide Communities Development Authority to fund the loans. The loan is not subject to early prepayment.

Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the loan was transferred to the Successor Agency. This loan was paid in full at June 30, 2016.

Advances from the City

Advances from the City consisted of advances totaling \$10,624,511.

In September 2010, the general fund advanced \$8,846,000 to the former redevelopment agency, which was paid back to the general fund in one lump sum in March 2011 along with accrued interest of \$507,730. This lump sum payment was subsequently denied by the Department of Finance (DOF). The City is appealing the decision of the DOF, but this advance is still allowed to be repaid in accordance with the dissolution rules for interagency loans. Interest on the advance is consistent with the Local Agency Investment Fund (LAIF) interest rate at the time the Oversight Board made the finding that the advance was for legitimate redevelopment purposes. The balance of the advance at June 30, 2016 was \$9,353,730.

CITY OF SANTA FE SPRINGS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

The City of Santa Fe Springs Successor Agency notified the California Department of Finance of its September 16, 2015 Oversight Board (OB) Resolution on September 21, 2015. OB Resolution No. 2015-006 established a repayment schedule related to loans for the Washington Boulevard redevelopment project area. In a letter dated October 2015, the Department of Finance approved the repayment schedule. HSC Section 34191.4 (b)(3)(A) requires that any interest on the remaining principal amount of the loan that was previously unpaid after the origination of the loan shall be recalculated from the date of origination of the loan as approved by the redevelopment agency on a quarterly basis, at a simple interest rate of three percent. The outstanding balance of the interest due at June 30, 2016 was \$1,270,781.

Pursuant to the Assembly Bill 1484 (AB 1484), the Washington Blvd. and Low and Moderate Income Housing Assets loans are considered "interagency loans" and will only be considered eligible for repayment beginning in fiscal year ending June 30, 2015, subject to annual limitations, once the California Department of Finance issues a "finding of completion". A finding of completion is issued once the Successor Agency has paid all required available balances to the Los Angeles County Auditor-Controller for distribution to various other taxing entities. The available balances consist of three components, including (1) the overpayment of tax increment revenue to the former Commission during the fiscal year ended June 30, 2015, (2) the available balance of unrestricted liquid funds in the former low-moderate income housing fund, and (3) the available balance of unrestricted liquid funds in the former Commission's non-housing funds. A finding of completion was issued in December 2013.

Commitments and Contingencies

a. California Department of Finance (DOF)

As part of the wind down of the former Commission, the Successor Agency prepared the required report of balances available in the Successor Agency for distribution to the affected taxing agencies. The report reflected an available balance of \$5,276,055. The report was reviewed by the California Department of Finance, which objected to \$18,704,841 of transfers made from the former Commission to the City during March 2011 and January 2012. The Successor Agency held a meet-and-confer session with DOF which resulted in DOF removing \$8,902,000 from the amount of objected transfers. The City additionally agreed to repay \$465,343 in objected transfers. The City and DOF could not come to an agreement with respect to the remaining objected transfer of \$9,337,498. The Successor Agency subsequently filed suit against the DOF to challenge their determination that the transfer is subject to the "claw-back" provisions contained in the redevelopment dissolution bills.

The lawsuit is among approximately 150 pending lawsuits concerning various provisions of the redevelopment dissolution process. City management, in consultation with legal counsel, is unable to predict an outcome in this case but feels strong that the transfers do not constitute illegal transfers and therefore are not subject to the claw-back provisions. December 2013 the City paid the disputed amount under protest along with additional interest of \$16,232. The payment under protest does not alter the status of the pending litigation.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SANTA FE SPRINGS

MISCELLANEOUS PLAN

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2015	2016
TOTAL PENSION LIABILITY		
Service Cost	\$ 1,578,729	\$ 1,544,341
Interest	11,142,267	11,550,084
Difference between expected and actual experience	-	714,618
Changes in assumptions	-	(2,672,769)
Benefit payments, including refunds of employee contributions	(8,292,893)	(8,362,515)
Net Change in Total Pension Liability	\$ 4,428,103	\$ 2,773,759
Total Pension Liability - Beginning	151,920,625	156,348,728
Total Pension Liability - Ending (a)	\$ 156,348,728	\$ 159,122,487
PLAN FIDUCIARY NET POSITION		
Contribution - Employer	\$ 2,513,465	\$ 3,368,960
Contribution - Employee	1,210,652	945,614
Net investment income	14,964,552	2,213,275
Benefit payments, including refunds of employee contributions	(8,292,893)	(8,362,515)
Administrative expense	-	(108,707)
Net Change in Fiduciary Net Position	\$ 10,395,776	\$ (1,943,373)
Plan Fiduciary Net Position - Beginning	88,126,871	98,522,647
Plan Fiduciary Net Position - Ending (b)	\$ 98,522,647	\$ 96,579,274
Plan Net Pension Liability/(Assets) - Ending (a) - (b)	\$ 57,826,081	\$ 62,543,213
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.01%	60.69%
Covered-Employee Payroll	\$ 8,979,508	\$ 9,086,236
Plan Net Pension Liability/(Asset) as a Percentage of Covered-Employee Payroll	643.98%	688.33%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only two years are shown.

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: The discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent.

CITY OF SANTA FE SPRINGS

MISCELLANEOUS PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2015	2016
Actuarially Determined Contribution	\$ 3,554,823	\$ 3,728,926
Contribution in Relation to the Actuarially Determined Contribution	(3,554,823)	(3,728,926)
Contribution Deficiency (Excess)	\$ -	\$ -
Covered-Employee Payroll	\$ 9,086,236	\$ 9,040,284
Contributions as a Percentage of Covered-Employee Payroll	39.12%	41.25%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only two years are shown.

Note to Schedule:

Valuation Date:

June 30, 2013

Methods and assumptions used to determine contribution rates:

Actuarial cost method
Amortization method/period
Assets valuation method
Inflation
Salary Increases
Payroll Growth
Investment rate of return

Entry age normal cost method
Level percentage of payroll, closed
Market Value
2.75%
3.30% to 14.20%
3.00%

7.65% net of pension plan investment and administrative expenses, including inflation.

Retirement age

The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.

Mortality

The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

CITY OF SANTA FE SPRINGS
COST SHARING MULTIPLE EMPLOYER BENEFIT PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, 2016

	2015	2016
<u>Safety Tier I Rate Plan</u>		
Rate Plan's Proportion of the Net Pension Liability	0.42387%	0.46776%
Rate Plan's Proportionate Share of the Net Pension Liability	\$ 26,375,345	\$ 32,106,855
Rate Plan's Covered Payroll	\$ 5,664,892	\$ 5,824,001
Rate Plan's Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	465.59%	551.29%
<u>Safety Tier II Rate Plan</u>		
Rate Plan's Proportion of the Net Pension Liability/(Asset)	0.00011%	-0.00017%
Rate Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$ 6,675	\$ (11,858)
Rate Plan's Covered Payroll	\$ 524,015	\$ 678,094
Rate Plan's Proportionate Share of the Net Pension Liability/(Asset) as Percentage of Covered Payroll	1.27%	-1.75%
<u>Safety PEPPRA Rate Plan</u>		
Rate Plan's Proportion of the Net Pension Liability	0.00000%	-0.00001%
Rate Plan's Proportionate Share of the Net Pension Liability	\$ -	\$ (364)
Rate Plan's Covered Payroll	\$ -	\$ 214,796
Rate Plan's Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	0.00%	-0.17%
<u>Total Plan</u>		
Plan's Proportion of the Net Pension Liability	0.42398%	0.46759%
Plan's Proportionate Share of the Net Pension Liability	\$ 26,382,020	\$ 32,094,633
Plan's Covered Payroll	\$ 6,188,907	\$ 6,716,891
Plan's Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	426.28%	477.82%
The Pension Plan's (PERF-C) Fiduciary Net Position as a Percentage of the Total Pension Liability	79.82%	78.40%

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014 valuation date. This applies for voluntary benefit changes as well as any offer of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: The discount rate was changed from 7.5 percent to 7.65 percent (net of administrative expense) to correct for an adjustment to exclude administrative expense.

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only two years are shown.

CITY OF SANTA FE SPRINGS
COST SHARING MULTIPLE EMPLOYER BENEFIT PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, 2016

	2015	2016
<u>Safety Tier I Rate Plan</u>		
Actuarially Determined Contribution	\$ 1,736,362	\$ 1,009,085
Contribution in Relation to the Actuarially Determined Contribution	(1,736,362)	(1,009,085)
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Payroll	\$ 5,824,001	\$ 5,856,556
Contributions as a Percentage of Covered-Employee Payroll	29.81%	17.23%
<u>Safety Tier II Rate Plan</u>		
Actuarially Determined Contribution	\$ 156,403	\$ 127,912
Contribution in Relation to the Actuarially Determined Contribution	(156,403)	(127,912)
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Payroll	\$ 678,094	\$ 739,592
Contributions as a Percentage of Covered-Employee Payroll	23.07%	17.29%
<u>Safety PEPPRA Rate Plan</u>		
Safety PEPPRA Rate Plan	\$ -	\$ 29,502
Contribution in Relation to the Actuarially Determined Contribution	-	(29,502)
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Payroll	\$ -	\$ 247,437
Contributions as a Percentage of Covered-Employee Payroll	0.00%	11.92%
<u>Total Plan</u>		
Actuarially Determined Contribution	\$ 1,892,765	\$ 1,166,499
Contribution in Relation to the Actuarially Determined Contribution	(1,892,765)	(1,166,499)
Contribution Deficiency (Excess)	\$ -	\$ -
Covered Payroll	\$ 6,502,095	\$ 6,843,585
Contributions as a Percentage of Covered-Employee Payroll	29.11%	17.05%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only two years are shown.

Note to Schedule:

Valuation Date:

June 30, 2013

Methods and assumptions used to determine contribution rates:

Actuarial cost method
Amortization method/period
Asset valuation method
Inflation
Salary increases
Payroll growth
Investment rate of return

Entry age normal
Level percent payroll/closed
Market value
2.75%
3.30% to 14.20%
3.00%
7.5% net of pension plan investment and administrative expenses; includes inflation.

Retirement age

The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society.

Mortality

The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

CITY OF SANTA FE SPRINGS

REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016

Schedule of Funding Progress for Post-Employment Benefits (Dollar Amounts in Thousands)

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Normal Accrued Liability	(b a) Unfunded/ (Overfunded) Liability (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	[(b-a)/c] UAAL as a % of Covered Payroll
6/30/2011	\$ 911	\$ 47,020	\$ 46,109	2%	\$ 17,925	257%
6/30/2013	3,451	54,521	51,070	6%	13,917	367%
6/30/2015	8,396	57,619	49,223	15%	13,554	363%

CITY OF SANTA FE SPRINGS

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Taxes	\$41,753,000	\$ 39,761,000	\$39,978,116	\$ 217,116
Licenses and permits	2,131,300	2,295,200	2,536,719	241,519
Intergovernmental	2,675,600	2,696,600	2,738,633	42,033
Charges for services	4,989,300	5,643,500	6,078,086	434,586
Interest and rentals	1,341,600	1,346,700	1,686,756	340,056
Fines and forfeitures	442,400	497,900	515,632	17,732
Miscellaneous	928,700	2,144,800	1,857,809	(286,991)
Total Revenues	54,261,900	54,385,700	55,391,751	1,006,051
Expenditures:				
General government	6,073,600	5,634,700	5,448,699	186,001
Public safety	27,819,000	27,546,200	27,684,386	(138,186)
Community development	3,390,700	3,098,500	3,304,563	(206,063)
Public works	3,546,800	3,512,700	3,460,033	52,667
Culture and leisure	7,642,900	7,493,900	7,322,163	171,737
Human services	3,267,800	3,212,600	3,022,969	189,631
Capital outlay	733,500	617,600	424,146	193,454
Debt service:				
Principal retirement	989,000	989,000	988,940	60
Interest and fiscal charges	199,100	199,100	209,663	(10,563)
Total Expenditures	53,662,400	52,304,300	51,865,562	438,738
Excess (Deficiency) of Revenues Over (Under) Expenditures	599,500	2,081,400	3,526,189	1,444,789
Other Financing Sources (Uses):				
Transfers in	1,943,000	1,881,600	1,612,028	(269,572)
Proceeds from sale of capital asset	8,000	13,900	34,954	21,054
Transfers out	(2,400,000)	(8,691,900)	(8,753,473)	(61,573)
Contributions from successor agency	51,200	48,400	48,465	65
Total Other Financing Sources (Uses)	(397,800)	(6,748,000)	(7,058,026)	(310,026)
Net Change in Fund Balances	201,700	(4,666,600)	(3,531,837)	1,134,763
Fund Balances, Beginning of Year, as restated	38,732,432	38,732,432	38,732,432	-
Fund Balances, End of Year	\$38,934,132	\$ 34,065,832	\$35,200,595	\$ 1,134,763

CITY OF SANTA FE SPRINGS

BUDGETARY COMPARISON SCHEDULE
 LOW AND MODERATE INCOME HOUSING ASSETS FUND
 YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Use of money and property	\$ 5,500	\$ 5,500	\$ 14,069	\$ 8,569
Miscellaneous	144,500	144,500	570,684	426,184
Total Revenues:	150,000	150,000	584,753	434,753
Expenditures				
Community development	30,000	216,400	216,115	285
Total Expenditures	30,000	216,400	216,115	285
Excess (Deficiency) of Revenues Over (Under) Expenditures	120,000	(66,400)	368,638	435,038
Other Financing Sources (Uses):				
Transfers in	-	787,200	848,773	61,573
Total Other Financing Sources (Uses)	-	787,200	848,773	61,573
Net Change in Fund Balances	120,000	720,800	1,217,411	496,611
Fund Balances, Beginning of Year, as restated	8,647,033	8,647,033	8,647,033	-
Fund Balances, End of Year	\$ 8,767,033	\$ 9,367,833	\$ 9,864,444	\$ 496,611

CITY OF SANTA FE SPRINGS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2016

Budgetary Comparison Information

a. Summary of Budgetary Policies

The budget is prepared by the City Manager in accordance with City Code Section 31.13 and is legally adopted by the City Council. The budget includes activities for the General Fund.

Budgets for capital projects funds are not presented because they are budgeted on a project life basis. Revisions to the originally adopted budget were made during the year and have been incorporated into the budgetary amounts presented within the financial statements.

The basis for budgeting in the General Fund and Special Revenue Funds is substantially consistent with generally accepted accounting principles, except that payments made on financing leases are recorded as functional expenditures. The lease agreements are not budgeted as a financing source and the acquisition price of the acquired asset is not budgeted as an expenditure.

The legal level of control is considered to be at the fund level since management can reassign resources within a fund without special approval from City Council.

The budget is formally integrated into the accounting system and employed as a management control tool during the year. At fiscal year-end, unexpended appropriations lapse, with the exception of capital improvements. All appropriations for capital improvements are carried forward until such time as the project is completed or terminated by action of the City Council.

b. The following funds do not have a legally adopted budget:

Heritage Springs Street Maintenance District
Business License Surcharge
Community Development Block Grant Program Income Fund
Villages Service District
Heritage Art Education Endowment Fund

NONMAJOR GOVERNMENTAL FUNDS

Nonmajor governmental funds are reported in the other governmental funds column of the governmental funds financial statements and include the following:

SPECIAL REVENUE FUNDS

State Gas Tax

This fund is used to account for gasoline taxes received under Sections 2105, 2106, 2107 and 2107.5 of the Street and Highways Code. These funds are utilized solely for street related purposes such as new construction, rehabilitation, or maintenance.

County Transit Tax

This fund is used to account for the City's share of an additional one-half percent sales tax, which was approved by the electorate in November 1980, restricted to financing transportation projects. This fund is also used to account for the City's share of an additional one-half percent sales tax, which was approved by the electorate in November 1990, restricted to financing transit projects within the City.

Street Lighting Maintenance District

This fund is used to account for revenues received and costs incurred for street lighting services in selected areas within the City. Funds are derived from property-related assessments collected by the County. Financing for the district is provided by assessing areas of benefit under the 1972 Lighting and Maintenance District Act.

Heritage Springs Street Maintenance District

This fund is used to account for revenues received and costs incurred for street maintenance and repair services in selected areas within the City. Funds are derived from property-related assessments collected by the County. Financing for the district is provided by assessing areas of benefit under the 1913 Municipal Improvement Act.

Art in Public Places

This fund is used to account for Heritage Artwork Program fees imposed upon new development at one percent of the building permit valuation for the purpose of increasing public art and providing art educational programs.

Business License Surcharge

This fund is used to account for state mandated \$1 surcharge applied to all business licenses issued in the City. Under SB 1186 the revenue is restricted for Certified Access Specialists (CASP) programs, assisting businesses to become Americans with Disabilities Act (ADA) compliant and developing tools to help educate the businesses community on expanding ADA access.

Air Quality Improvement

This fund is used to account for additional motor vehicle registration fees imposed by the South Coast Air Quality Management District to finance the implementation of mobile source emission reduction programs and the provisions of the California Clean Air Act.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

Community Development Block Grant

This fund is used to account for expenditures funded by the Community Development Block Grant Program authorized by Title I of the Housing and Community Development Act of 1974 for the purpose of developing viable urban communities, including decent housing and suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

Fire Grants

This fund is used to account for for various federal and state grants administered by the Department of Fire-Rescue which provide funding for labor, operating, and capital expenditures.

Public Safety Augmentation

This fund is used to account for the City's share of the one-half percent sales tax, which was approved by the electorate in November of 1993. The proceeds are earmarked exclusively for public safety purposes.

Supplemental Law Enforcement Services

This fund is used to account for a State of California block grant providing for community oriented policing programs. The funds are to be spent on new programs supporting "front-line" law enforcement activities.

Community Development Block Grant Program Income

This fund is used to account for the receipt of repayments received by the City from loans funded by the Community Development Block Grant program. These funds may be retained by the City but must be expended under the Community Development Block Grant program.

PERMANENT FUND

Heritage Art Education Endowment Fund

This fund is used to account for an endowment held by the City to be used for the purpose of providing art education programs.

CITY OF SANTA FE SPRINGS

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2016

Special Revenue Funds			
	State Gas Tax	County Transit Tax	Street Lighting Maintenance District
Assets:			
Pooled cash and investments	\$ 138,961	\$ 1,357,328	\$ 112,593
Receivables:			
Accounts	-	-	-
Notes and loans	-	-	-
Due from other governments	-	5,675	4,711
Total Assets	\$ 138,961	\$ 1,363,003	\$ 117,304
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-
Due to other governments	-	-	-
Due to other funds	-	-	-
Total Liabilities	-	-	-
Fund Balances:			
Restricted for:			
Community development projects	-	-	-
Public safety	-	-	-
Public works	138,961	1,363,003	117,304
Art in public places	-	-	-
Total Fund Balances	138,961	1,363,003	117,304
Total Liabilities, Resources and Fund Balances	\$ 138,961	\$ 1,363,003	\$ 117,304

CITY OF SANTA FE SPRINGS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

(CONTINUED)

	Special Revenue Funds			
	Heritage Springs Street Maintenance District	Art in Public Places	Business License Surcharge	Air Quality Improvement
Assets:				
Pooled cash and investments	\$ 183,007	\$ 1,127,575	\$ 9,981	\$ 76,850
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Due from other governments	-	-	-	6,031
Total Assets	\$ 183,007	\$ 1,127,575	\$ 9,981	\$ 82,881
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to other governments	-	-	717	-
Due to other funds	-	-	-	-
Total Liabilities	-	-	717	-
Fund Balances:				
Restricted for:				
Community development projects	-	-	9,264	-
Public safety	-	-	-	-
Public works	183,007	-	-	82,881
Art in public places	-	1,127,575	-	-
Total Fund Balances	183,007	1,127,575	9,264	82,881
Total Liabilities, Resources and Fund Balances	\$ 183,007	\$ 1,127,575	\$ 9,981	\$ 82,881

CITY OF SANTA FE SPRINGS

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2016

	Special Revenue Funds			
	Community Development Block Grant	Fire Grants	Public Safety Augmentation	Supplemental Law Enforcement Services
Assets:				
Pooled cash and investments	\$ -	\$ -	\$ -	\$ 313
Receivables:				
Accounts	-	620	-	-
Notes and loans	-	-	-	-
Due from other governments	108,889	657,551	31,320	-
Total Assets	\$ 108,889	\$ 658,171	\$ 31,320	\$ 313
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 27,761	\$ -	\$ -	\$ -
Accrued liabilities	589	4,189	-	-
Due to other governments	-	-	-	-
Due to other funds	80,539	653,982	31,320	-
Total Liabilities	108,889	658,171	31,320	-
Fund Balances:				
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	313
Public works	-	-	-	-
Art in public places	-	-	-	-
Total Fund Balances	-	-	-	313
Total Liabilities, Resources and Fund Balances	\$ 108,889	\$ 658,171	\$ 31,320	\$ 313

CITY OF SANTA FE SPRINGS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

(CONTINUED)

	Special Revenue Fund	Permanent Fund	
	Community Development Block Grant Program Income	Heritage Art Education Endowment Fund	Total Nonmajor Governmental Funds
Assets:			
Pooled cash and investments	\$ -	\$ 424,293	\$ 3,430,901
Receivables:			
Accounts	-	-	620
Notes and loans	19,250	-	19,250
Due from other governments	-	-	814,177
Total Assets	\$ 19,250	\$ 424,293	\$ 4,264,948
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 27,761
Accrued liabilities	-	-	4,778
Due to other governments	-	-	717
Due to other funds	-	-	765,841
Total Liabilities	-	-	799,097
Fund Balances:			
Restricted for:			
Community development projects	19,250	-	28,514
Public safety	-	-	313
Public works	-	-	1,885,156
Art in public places	-	424,293	1,551,868
Total Fund Balances	19,250	424,293	3,465,851
Total Liabilities, Resources and Fund Balances	\$ 19,250	\$ 424,293	\$ 4,264,948

CITY OF SANTA FE SPRINGS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

	Special Revenue Funds		
	State Gas Tax	County Transit Tax	Street Lighting Maintenance District
Revenues:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	385,223	767,607	-
Interest and rentals	757	5,549	444
Miscellaneous	-	5,675	192,973
Total Revenues	385,980	778,831	193,417
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	-	-	-
Parks and recreation	494,200	414,474	183,000
Public works	-	-	-
Capital outlay	-	-	-
Total Expenditures	494,200	414,474	183,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(108,220)	364,357	10,417
Net Change in Fund Balances	(108,220)	364,357	10,417
Fund Balances:			
Beginning of year	247,181	998,646	106,887
Restatements	-	-	-
Beginning of year, as restated	247,181	998,646	106,887
End of Year	\$ 138,961	\$ 1,363,003	\$ 117,304

CITY OF SANTA FE SPRINGS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

(CONTINUED)

	Special Revenue Funds			
	Heritage Springs Street Maintenance District	Art in Public Places	Business License Surcharge	Air Quality Improvement
Revenues:				
Taxes	\$ -	\$ -	\$ 2,748	\$ -
Intergovernmental	-	-	-	-
Interest and rentals	-	4,840	-	301
Miscellaneous	-	445,815	-	22,323
Total Revenues	-	450,655	2,748	22,624
Expenditures:				
Current:				
General government	-	-	699	-
Public safety	-	-	-	-
Community development	-	355,578	-	-
Parks and recreation	-	-	-	2,062
Public works	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	355,578	699	2,062
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	95,077	2,049	20,562
Net Change in Fund Balances	-	95,077	2,049	20,562
Fund Balances:				
Beginning of year	183,007	1,032,498	7,215	62,319
Restatements	-	-	-	-
Beginning of year, as restated	183,007	1,032,498	7,215	62,319
End of Year	\$ 183,007	\$ 1,127,575	\$ 9,264	\$ 82,881

CITY OF SANTA FE SPRINGS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

	Special Revenue Funds			
	Community Development Block Grant	Fire Grants	Public Safety Augmentation	Supplemental Law Enforcement Services
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	275,713	588,892	175,872	114,618
Interest and rentals	-	-	-	287
Miscellaneous	-	-	-	-
Total Revenues	275,713	588,892	175,872	114,905
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	425,415	175,872	121,500
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Public works	15,789	-	-	-
Capital outlay	259,924	163,477	-	-
Total Expenditures	275,713	588,892	175,872	121,500
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(6,595)
Net Change in Fund Balances	-	-	-	(6,595)
Fund Balances:				
Beginning of year	-	-	-	6,908
Restatements	-	-	-	-
Beginning of year, as restated	-	-	-	6,908
End of Year	\$ -	\$ -	\$ -	\$ 313

CITY OF SANTA FE SPRINGS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

(CONTINUED)

	Special Revenue Fund	Permanent Fund	
	Community Development Block Grant Program Income	Heritage Art Education Endowment Fund	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$ -	\$ -	\$ 2,748
Intergovernmental	-	-	2,307,925
Interest and rentals	-	1,874	14,052
Miscellaneous	-	-	666,786
Total Revenues	-	1,874	2,991,511
Expenditures:			
Current:			
General government	-	-	699
Public safety	-	-	722,787
Community development	-	-	355,578
Parks and recreation	-	-	1,093,736
Public works	-	-	15,789
Capital outlay	-	-	423,401
Total Expenditures	-	-	2,611,990
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	1,874	379,521
Net Change in Fund Balances	-	1,874	379,521
Fund Balances:			
Beginning of year	-	422,419	3,067,080
Restatements	19,250	-	19,250
Beginning of year, as restated	19,250	422,419	3,086,330
End of Year	\$ 19,250	\$ 424,293	\$ 3,465,851

CITY OF SANTA FE SPRINGS

BUDGETARY COMPARISON SCHEDULE
 STATE GAS TAX
 YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental	\$ -	\$ 494,200	\$ 385,223	\$ (108,977)
Use of money and property	-	-	757	757
Total Revenues:	-	494,200	385,980	(108,220)
Expenditures				
Parks and recreation	-	494,200	494,200	-
Total Expenditures	-	494,200	494,200	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(108,220)	(108,220)
Net Change in Fund Balances	-	-	(108,220)	(108,220)
Fund Balances, Beginning of Year	247,181	247,181	247,181	-
Fund Balances, End of Year	\$ 247,181	\$ 247,181	\$ 138,961	\$ (108,220)

CITY OF SANTA FE SPRINGS

BUDGETARY COMPARISON SCHEDULE
COUNTY TRANSIT TAX
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental	\$ 710,100	\$ 710,100	\$ 767,607	\$ 57,507
Use of money and property	-	-	5,549	5,549
Miscellaneous	-	-	5,675	5,675
Total Revenues:	710,100	710,100	778,831	68,731
Expenditures				
Parks and recreation	612,900	664,200	414,474	249,726
Total Expenditures	612,900	664,200	414,474	249,726
Excess (Deficiency) of Revenues Over (Under) Expenditures	97,200	45,900	364,357	318,457
Net Change in Fund Balances	97,200	45,900	364,357	318,457
Fund Balances, Beginning of Year	998,646	998,646	998,646	-
Fund Balances, End of Year	\$ 1,095,846	\$ 1,044,546	\$ 1,363,003	\$ 318,457

CITY OF SANTA FE SPRINGS

BUDGETARY COMPARISON SCHEDULE
 STREET LIGHTING MAINTENANCE DISTRICT
 YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Use of money and property	\$ -	\$ -	\$ 444	\$ 444
Miscellaneous	-	183,000	192,973	9,973
Total Revenues:	-	183,000	193,417	10,417
Expenditures				
Parks and recreation	-	183,000	183,000	-
Total Expenditures	-	183,000	183,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	10,417	10,417
Net Change in Fund Balances	-	-	10,417	10,417
Fund Balances, Beginning of Year	106,887	106,887	106,887	-
Fund Balances, End of Year	\$ 106,887	\$ 106,887	\$ 117,304	\$ 10,417

CITY OF SANTA FE SPRINGS

BUDGETARY COMPARISON SCHEDULE
 ART IN PUBLIC PLACES
 YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Use of money and property	\$ -	\$ -	\$ 4,840	\$ 4,840
Miscellaneous	100,000	100,000	445,815	345,815
Total Revenues:	100,000	100,000	450,655	350,655
Expenditures				
Community development	460,900	458,500	355,578	102,922
Total Expenditures	460,900	458,500	355,578	102,922
Excess (Deficiency) of Revenues Over (Under) Expenditures	(360,900)	(358,500)	95,077	453,577
Net Change in Fund Balances	(360,900)	(358,500)	95,077	453,577
Fund Balances, Beginning of Year	1,032,498	1,032,498	1,032,498	-
Fund Balances, End of Year	\$ 671,598	\$ 673,998	\$ 1,127,575	\$ 453,577

CITY OF SANTA FE SPRINGS

BUDGETARY COMPARISON SCHEDULE
AIR QUALITY IMPROVEMENT
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Use of money and property	\$ -	\$ -	\$ 301	\$ 301
Miscellaneous	20,800	20,800	22,323	1,523
Total Revenues:	20,800	20,800	22,624	1,824
Expenditures				
Parks and recreation	-	-	2,062	(2,062)
Total Expenditures	-	-	2,062	(2,062)
Net Change in Fund Balances	20,800	20,800	20,562	(238)
Fund Balances, Beginning of Year	62,319	62,319	62,319	-
Fund Balances, End of Year	\$ 83,119	\$ 83,119	\$ 82,881	\$ (238)

CITY OF SANTA FE SPRINGS

BUDGETARY COMPARISON SCHEDULE
 COMMUNITY DEVELOPMENT BLOCK GRANT
 YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental	\$ 158,000	\$ 174,500	\$ 275,713	\$ 101,213
Total Revenues:	158,000	174,500	275,713	101,213
Expenditures				
Public works	16,500	16,500	15,789	711
Capital outlay	158,000	158,000	259,924	(101,924)
Total Expenditures	174,500	174,500	275,713	(101,213)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,500)	-	-	-
Net Change in Fund Balances	(16,500)	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ (16,500)	\$ -	\$ -	\$ -

CITY OF SANTA FE SPRINGS

BUDGETARY COMPARISON SCHEDULE
 FIRE GRANTS
 YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental	\$ -	\$ 259,400	\$ 588,892	\$ 329,492
Total Revenues:	-	259,400	588,892	329,492
Expenditures				
Public safety	-	86,800	425,415	(338,615)
Capital outlay	-	172,600	163,477	9,123
Total Expenditures	-	259,400	588,892	(329,492)
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

CITY OF SANTA FE SPRINGS

BUDGETARY COMPARISON SCHEDULE
PUBLIC SAFETY AUGMENTATION
YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental	\$ 142,000	\$ 148,000	\$ 175,872	\$ 27,872
Total Revenues:	<u>142,000</u>	<u>148,000</u>	<u>175,872</u>	<u>27,872</u>
Expenditures				
Public safety	142,000	148,000	175,872	(27,872)
Total Expenditures	<u>142,000</u>	<u>148,000</u>	<u>175,872</u>	<u>(27,872)</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SANTA FE SPRINGS

BUDGETARY COMPARISON SCHEDULE
 SUPPLEMENTAL LAW ENFORCEMENT SERVICES
 YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental	\$ 100,000	\$ 114,600	\$ 114,618	\$ 18
Use of money and property	-	-	287	287
Total Revenues:	100,000	114,600	114,905	305
Expenditures				
Public safety	100,000	121,500	121,500	-
Total Expenditures	100,000	121,500	121,500	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(6,900)	(6,595)	305
Net Change in Fund Balances	-	(6,900)	(6,595)	305
Fund Balances, Beginning of Year	6,908	6,908	6,908	-
Fund Balances, End of Year	\$ 6,908	\$ 8	\$ 313	\$ 305

INTERNAL SERVICE FUNDS

Equipment Replacement

This fund is used to charge activities for the cost of using City equipment and accumulate resources for the ultimate replacement of the equipment.

Employee Benefits

This fund is used to charge activities for the cost of compensated absences and accumulate resources for the ultimate liquidation of the liability.

Risk Management

This fund is used to charge activities for the cost of liability, property, and related insurance coverages.

CITY OF SANTA FE SPRINGS

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2016

Governmental Activities - Internal Service Funds				
	Equipment Replacement	Employee Benefits	Risk Management	Totals
Assets:				
Current:				
Cash and investments	\$ 1,533,445	\$ 1,556,085	\$ 714,000	\$ 3,803,530
Total Assets	\$ 1,533,445	\$ 1,556,085	\$ 714,000	\$ 3,803,530
Net Position:				
Unrestricted	\$ 1,533,445	\$ 1,556,085	\$ 714,000	\$ 3,803,530
Total Net Position	\$ 1,533,445	\$ 1,556,085	\$ 714,000	\$ 3,803,530

CITY OF SANTA FE SPRINGS

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2016

	Governmental Activities - Internal Service Funds			
	Equipment Replacement	Employee Benefits	Risk Management	Totals
Operating Revenues:				
Sales and service charges	\$ 16,300	\$ -	\$ -	\$ 16,300
Total Operating Revenues	16,300	-	-	16,300
Operating Expenses:				
Labor and benefits	-	892,249	-	892,249
Total Operating Expenses	-	892,249	-	892,249
Operating Income (Loss)	16,300	(892,249)	-	(875,949)
Nonoperating Revenues (Expenses):				
Other non-operating revenue	25,000	-	-	25,000
Total Nonoperating Revenues (Expenses)	25,000	-	-	25,000
Income (Loss) Before Transfers	41,300	(892,249)	-	(850,949)
Transfers in	545,000	1,130,000	73,700	1,748,700
Transfers out	(538,386)	-	-	(538,386)
Changes in Net Position	47,914	237,751	73,700	359,365
Net Position:				
Beginning of Year	1,485,531	1,318,334	640,300	3,444,165
End of Fiscal Year	\$ 1,533,445	\$ 1,556,085	\$ 714,000	\$ 3,803,530

CITY OF SANTA FE SPRINGS

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2016

	Governmental Activities - Internal Service Funds			
	Equipment Replacement	Employee Benefits	Risk Management	Totals
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 16,300	\$ -	\$ -	\$ 16,300
Cash paid to employees for services	-	(892,249)	-	(892,249)
Net Cash Provided (Used) by Operating Activities	16,300	(892,249)	-	(875,949)
Cash Flows from Non-Capital Financing Activities:				
Cash transfers out	(538,386)	-	-	(538,386)
Cash transfers in	545,000	1,130,000	73,700	1,748,700
Net Cash Provided (Used) by Non-Capital Financing Activities	6,614	1,130,000	73,700	1,210,314
Cash Flows from Capital and Related Financing Activities:				
Proceeds from other non-operating revenue	25,000	-	-	25,000
Net Cash Provided (Used) by Capital and Related Financing Activities	25,000	-	-	25,000
Net Increase (Decrease) in Cash and Cash Equivalents	47,914	237,751	73,700	359,365
Cash and Cash Equivalents at Beginning of Year	1,485,531	1,318,334	640,300	3,444,165
Cash and Cash Equivalents at End of Year	\$ 1,533,445	\$ 1,556,085	\$ 714,000	\$ 3,803,530

FIDUCIARY FUNDS

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The resources of fiduciary funds are not available to support the City's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

AGENCY FUNDS

Assessment Districts Fund

This fund is used to account for special assessments received by the City as agent for payment of special assessment district bonds.

Community Facilities Assessment Districts Fund

This fund is used to account for special assessments received by the City as agent for payment of community facilities district debt and expenses.

CITY OF SANTA FE SPRINGS

COMBINING STATEMENT OF NET POSITION
ALL AGENCY FUNDS
JUNE 30, 2016

	Assessment Districts	Community Facilities Assessment Districts	Totals
Assets:			
Pooled cash and investments	\$ 323,651	\$ 61,258	\$ 384,909
Receivables:			
Accounts	-	6,332	6,332
Restricted assets:			
Cash and investments with fiscal agents	207,390	-	207,390
Total Assets	\$ 531,041	\$ 67,590	\$ 598,631
Liabilities:			
Deposits payable	\$ 531,041	\$ 67,590	\$ 598,631
Total Liabilities	\$ 531,041	\$ 67,590	\$ 598,631

CITY OF SANTA FE SPRINGS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2016

	Balance 7/1/2015	Additions	Deductions	Balance 6/30/2016
<u>Assessment Districts</u>				
Assets:				
Pooled cash and investments	\$ 169,325	\$ 206,842	\$ 52,516	\$ 323,651
Restricted assets:				
Cash and investments with fiscal agents	321,645	52,516	166,771	207,390
Total Assets	\$ 490,970	\$ 259,358	\$ 219,287	\$ 531,041
Liabilities:				
Deposits payable	\$ 490,970	\$ 206,842	\$ 166,771	\$ 531,041
Total Liabilities	\$ 490,970	\$ 206,842	\$ 166,771	\$ 531,041
<u>Community Facilities Assessment Districts</u>				
Assets:				
Pooled cash and investments	\$ 68,016	\$ 462	\$ 7,220	\$ 61,258
Receivables:				
Accounts	6,332	-	-	6,332
Total Assets	\$ 74,348	\$ 462	\$ 7,220	\$ 67,590
Liabilities:				
Deposits payable	\$ 67,128	\$ 462	\$ -	\$ 67,590
Due to other governments	7,220	-	7,220	-
Total Liabilities	\$ 74,348	\$ 462	\$ 7,220	\$ 67,590
<u>Totals - All Agency Funds</u>				
Assets:				
Pooled cash and investments	\$ 237,341	\$ 207,304	\$ 59,736	\$ 384,909
Receivables:				
Accounts	6,332	-	-	6,332
Cash and investments with fiscal agents	321,645	52,516	166,771	207,390
Total Assets	\$ 565,318	\$ 259,820	\$ 226,507	\$ 598,631
Liabilities:				
Deposits payable	\$ 558,098	\$ 207,304	\$ 166,771	\$ 598,631
Due to other governments	7,220	-	7,220	-
Total Liabilities	\$ 565,318	\$ 207,304	\$ 173,991	\$ 598,631

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This part of the City of Santa Fe Springs comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

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Debt Capacity	
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CITY OF SANTA FE SPRINGS
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
Governmental activities:				
Net investment in capital assets	\$ 16,802,657	\$ 31,856,729	\$ 89,373,619	\$ 80,697,495
Restricted	11,122,372	5,501,527	7,643,082	8,867,118
Unrestricted	68,046,186	64,776,353	6,730,597	2,627,357
Total governmental activities net position	<u>\$ 95,971,215</u>	<u>\$ 102,134,609</u>	<u>\$ 103,747,298</u>	<u>\$ 92,191,970</u>
Business-type activities:				
Net investment in capital assets	\$ 10,161,603	\$ 10,160,632	\$ 12,659,705	\$ 13,780,267
Unrestricted	6,500,887	5,848,194	2,074,635	(636,433)
Total business-type activities net position	<u>\$ 16,662,490</u>	<u>\$ 16,008,826</u>	<u>\$ 14,734,340</u>	<u>\$ 13,143,834</u>
Primary government:				
Net investment in capital assets	\$ 26,964,260	\$ 42,017,361	\$ 102,033,324	\$ 94,477,762
Restricted	11,122,372	5,501,527	7,643,082	8,867,118
Unrestricted	74,547,073	70,624,547	8,805,232	1,990,924
Total primary government net position	<u>\$ 112,633,705</u>	<u>\$ 118,143,435</u>	<u>\$ 118,481,638</u>	<u>\$ 105,335,804</u>

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(Continued)

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 73,525,440	\$ 141,935,739	\$ 159,461,487	\$ 163,745,920	\$ 163,742,164	\$ 159,942,690
10,414,337	9,077,534	9,905,210	9,651,144	29,208,112	32,373,440
12,973,592	24,344,782	27,007,854	37,672,916	(50,143,910)	(49,235,190)
<u>\$ 96,913,369</u>	<u>\$ 175,358,055</u>	<u>\$ 196,374,551</u>	<u>\$ 211,069,980</u>	<u>\$ 142,806,366</u>	<u>\$ 143,080,940</u>
\$ 11,835,708	\$ 12,353,517	\$ 15,742,624	\$ 16,386,459	\$ 15,541,573	\$ 17,182,873
521,782	1,060,256	3,375,412	3,952,242	(2,072,299)	(728,889)
<u>\$ 12,357,490</u>	<u>\$ 13,413,773</u>	<u>\$ 19,118,036</u>	<u>\$ 20,338,701</u>	<u>\$ 13,469,274</u>	<u>\$ 16,453,984</u>
\$ 85,361,148	\$ 154,289,256	\$ 175,204,111	\$ 180,132,379	\$ 179,283,737	\$ 177,125,563
10,414,337	9,077,534	9,905,210	9,651,144	29,208,112	32,373,440
13,495,374	25,405,038	30,383,266	41,625,158	(52,216,209)	(49,964,079)
<u>\$ 109,270,859</u>	<u>\$ 188,771,828</u>	<u>\$ 215,492,587</u>	<u>\$ 231,408,681</u>	<u>\$ 156,275,640</u>	<u>\$ 159,534,924</u>

CITY OF SANTA FE SPRINGS
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
Expenses:				
Governmental activities:				
General government	\$ 8,969,662	\$ 10,752,925	\$ 4,182,328	3,438,268
Public safety	24,794,390	25,158,056	27,819,575	27,580,109
Community development	19,635,755	13,673,467	20,631,199	30,950,225
Public works	7,343,144	6,800,109	7,169,870	6,711,824
Culture and leisure	9,661,420	9,490,393	7,856,203	12,002,498
Human services	4,150,468	5,070,440	4,128,929	3,468,839
Unallocated depreciation	59,449	13,421	61,695	21,617
Interest on long-term liabilities	6,284,405	7,935,213	8,087,433	7,911,796
Total governmental activities expenses	80,898,693	78,894,024	79,937,232	92,085,176
Business-type activities:				
Water utility	8,059,941	8,728,782	9,455,272	9,080,895
Total primary government expenses	88,958,634	87,622,806	89,392,504	101,166,071
Program revenues:				
Governmental activities:				
Charges for services:				
General government	612,834	1,048,110	1,137,500	732,638
Public safety	2,649,239	2,586,088	2,924,531	2,870,405
Community development	2,397,946	3,464,909	3,048,561	3,758,049
Public works	549,718	698,895	455,206	291,322
Culture and leisure	1,186,334	1,186,328	934,448	1,082,696
Human services	696,758	747,761	653,585	721,334
Operating grants and contributions	4,386,968	3,834,943	3,249,259	5,188,053
Capital grants and contributions	758,661	2,701,218	1,843,328	2,978,733
Total governmental activities program revenues	13,238,458	16,268,252	14,246,418	17,623,230
Business-type activities:				
Charges for services:				
Water utility	8,724,832	9,008,023	9,221,517	9,168,719
Capital grants and contributions	104,327	142,589	176,868	26,667
Total business-type activities program revenues	8,829,159	9,150,612	9,398,385	9,195,386
Total primary government program revenues	22,067,617	25,418,864	23,644,803	26,818,616
Net revenues (expenses):				
Governmental activities	(67,660,235)	(62,625,772)	(65,690,814)	(74,461,946)
Business-type activities	769,218	421,830	(56,887)	114,491
Total net revenues (expenses)	(66,891,017)	(62,203,942)	(65,747,701)	(74,347,455)

CITY OF SANTA FE SPRINGS
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(Continued)

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 2,163,896	\$ 3,883,766	\$ 5,773,716	\$ 5,941,165	\$ 5,614,730	\$ 5,692,938
26,383,489	27,242,545	28,371,664	25,903,765	28,215,907	31,438,552
20,666,314	13,832,431	3,420,343	4,050,792	3,794,506	4,020,001
10,044,324	8,874,948	22,545,319	16,997,746	14,269,841	9,510,398
8,229,998	8,480,678	7,916,483	7,690,481	7,681,363	8,103,268
2,919,442	2,929,811	2,664,800	2,881,556	3,133,900	3,326,615
62,365	17,182,873	64,246	-	-	-
7,249,129	(728,889)	343,881	213,286	239,719	207,917
77,718,957	81,698,163	71,100,452	63,678,791	62,949,966	62,299,689
9,737,232	10,028,948	9,738,082	10,781,780	10,911,725	10,056,785
87,456,189	91,727,111	80,838,534	74,460,571	73,861,691	72,356,474
686,006	717,021	746,832	2,027,076	1,975,162	2,067,142
2,773,032	2,801,311	2,792,442	2,937,252	2,985,378	3,485,203
3,859,883	3,137,047	4,018,338	2,460,571	1,953,691	2,558,688
308,852	336,955	260,835	756,730	753,510	824,258
466,019	443,425	636,462	556,566	533,242	516,907
654,912	641,003	579,073	522,881	520,428	450,564
5,172,057	6,100,535	4,714,266	3,405,177	2,090,135	2,414,716
4,851,876	6,016,364	36,562,363	18,887,861	6,801,309	596,380
18,772,637	20,193,661	50,310,611	31,554,114	17,612,855	12,913,858
9,852,607	11,748,391	13,063,973	13,139,026	12,252,452	11,445,171
223,673	914,585	4,002,420	632,638	111,777	796,442
10,076,280	12,662,976	17,066,393	13,771,664	12,364,229	12,241,613
28,848,917	32,856,637	67,377,004	45,325,778	29,977,084	25,155,471
(58,946,320)	(61,504,502)	(20,789,841)	(32,124,677)	(45,337,111)	(49,385,831)
339,048	2,634,028	7,328,311	2,989,884	1,452,504	2,184,828
(58,607,272)	(58,870,474)	(13,461,530)	(29,134,793)	(43,884,607)	(47,201,003)

CITY OF SANTA FE SPRINGS
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Sales and use taxes	\$ 26,373,068	\$ 25,716,341	\$ 23,237,402	19,214,299
Property taxes	29,796,606	30,792,418	33,478,543	34,470,314
Franchise taxes	3,090,282	2,902,765	2,857,707	2,524,816
Motor vehicle in lieu tax - general purpose	1,390,299	1,446,785	1,505,277	1,569,001
Business operations taxes	867,675	816,384	805,857	783,107
Utility users taxes	-	-	-	-
Other taxes	660,346	734,885	723,819	576,767
Investment income	4,946,163	4,845,514	3,006,525	1,699,361
Other	1,348,127	287,751	391,132	356,634
Loss on disposal of asset	-	(54,467)	-	-
Transfers to Successor Agency	-	-	-	-
Transfers	1,609,356	1,300,790	1,297,241	1,712,319
Extraordinary gain	-	-	-	-
Total governmental activities	<u>70,081,922</u>	<u>68,789,166</u>	<u>67,303,503</u>	<u>62,906,618</u>
Business-type activities:				
Investment income	324,780	225,296	79,642	7,322
Other	-	-	-	-
Transfers	(1,609,356)	(1,300,790)	(1,297,241)	(1,712,319)
Total business-type activities	<u>(1,284,576)</u>	<u>(1,075,494)</u>	<u>(1,217,599)</u>	<u>(1,704,997)</u>
Total primary government	<u>68,797,346</u>	<u>67,713,672</u>	<u>66,085,904</u>	<u>61,201,621</u>
Changes in Net Position:				
Governmental activities	2,421,687	6,163,394	1,612,689	(11,555,328)
Business-type activities	(515,358)	(653,664)	(1,274,486)	(1,590,506)
Total primary government	<u>\$ 1,906,329</u>	<u>\$ 5,509,730</u>	<u>\$ 338,203</u>	<u>(13,145,834)</u>

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(Continued)

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 20,254,386	\$ 22,868,333	\$ 23,655,903	\$ 26,096,479	\$ 26,432,547	\$ 25,518,717
33,167,105	11,386,328	3,150,294	3,601,771	4,088,687	3,425,637
2,553,493	2,499,668	2,443,761	2,779,357	2,978,360	3,034,652
1,574,226	1,519,877	1,542,531	1,595,953	1,686,499	1,716,181
775,506	771,766	778,483	768,575	780,747	801,658
1,023,863	4,342,780	6,095,190	6,634,353	6,836,360	6,669,155
570,792	518,095	890,344	416,269	567,503	531,045
2,380,810	1,988,650	1,384,050	1,416,003	1,440,422	1,807,176
236,254	3,425,588	1,413,449	2,216,285	2,692,622	2,988,717
-	-	-	42,312	-	-
-	-	(1,181,525)	-	-	-
1,131,284	1,582,575	1,633,857	1,597,099	1,224,700	1,073,642
-	76,845,362	-	(2,249,862)	19,954,190	-
63,667,719	127,749,022	41,806,337	44,914,594	68,682,637	47,566,580
5,892	4,830	9,809	11,929	15,849	27,006
-	-	-	107,631	240,554	156,955
(1,131,284)	(1,582,575)	(1,633,857)	(1,597,099)	(1,224,700)	(1,073,642)
(1,125,392)	(1,577,745)	(1,624,048)	(1,477,539)	(968,297)	(889,681)
62,542,327	126,171,277	40,182,289	43,437,055	67,714,340	46,676,899
4,721,399	66,244,520	21,016,496	12,789,917	23,345,526	(1,819,251)
(786,344)	1,056,283	5,704,263	1,512,345	484,207	1,295,147
\$ 3,935,055	\$ 67,300,803	\$ 26,720,759	\$ 14,302,262	\$ 23,829,733	\$ (524,104)

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CITY OF SANTA FE SPRINGS
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
General fund:				
Reserved	\$ 14,388,788	\$ 13,617,551	\$ 15,279,818	\$ 15,789,234
Unreserved	17,017,518	15,099,382	11,632,731	7,821,085
Total general fund	\$ 31,406,306	\$ 28,716,933	\$ 26,912,549	\$ 23,610,319
All other governmental funds:				
Reserved	\$ 39,559,163	\$ 42,709,013	\$ 46,410,455	\$ 53,512,156
Unreserved, reported in:				
Special revenue funds	2,640,445	2,158,778	1,955,895	1,514,867
Debt service funds	(2,040,292)	(1,679,421)	(1,679,353)	(1,954,284)
Capital project funds	56,216,049	47,613,794	44,588,079	22,540,869
Total all other governmental funds	\$ 96,375,365	\$ 90,802,164	\$ 91,275,076	\$ 75,613,608

	2011*	2012	2013	2014	2015	2016
General fund:						
Nonspendable	\$ 6,028,152	\$ 6,047,653	\$ 5,224,843	\$ 5,585,494	\$ 4,753,064	\$ 12,721,050
Restricted	1,326,532	181,532	-	98,801	98,821	322,843
Committed	1,455,318	1,455,318	225,000	225,000	225,000	225,000
Assigned	-	-	9,337,498	-	2,399,700	630,000
Unassigned	16,439,102	23,978,015	15,744,237	18,583,574	20,027,817	21,301,702
Total general fund	\$ 25,249,104	\$ 31,662,518	\$ 30,531,578	\$ 24,492,869	\$ 27,504,402	\$ 35,200,595
All other governmental funds:						
Nonspendable	\$ 9,148,250	\$ 7,634,198	1,018,291	5,688,704	4,330,950	-
Restricted	88,588,092	4,401,519	8,894,627	3,863,639	25,059,379	32,050,597
Assigned	-	-	4,579,545	7,794,387	9,480,556	15,036,492
Unassigned	(5,724,815)	(1,621,191)	-	(40,661)	(16,968)	(13,040)
Total all other governmental funds	\$ 72,011,527	\$ 10,414,526	\$ 14,492,463	\$ 17,306,069	\$ 38,853,917	\$ 47,074,049

* Since fiscal year 2011, the City has implemented GASB Statement No. 54 under which governmental fund balances are reported as nonspendable, restricted, committed, assigned, and unassigned compared to reserved and unreserved.

In fiscal year 2013, the City elected to separately report employee benefits and equipment replacement activities as internal service funds, which were previously reported in the general fund. Periods reported prior to fiscal year 2013 have not been

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2007	2008	2009	2010
Revenues:				
Taxes	\$ 60,787,976	\$ 60,962,794	61,103,328	\$ 57,569,302
Licenses and permits	1,629,490	1,701,480	1,524,535	2,115,081
Fines, forfeitures and seizures	609,712	548,283	529,748	503,749
Interest and rentals	5,953,140	5,892,674	4,062,816	2,745,752
From other agencies	5,917,337	7,578,801	5,641,140	9,270,391
Charges for current services	4,739,147	5,305,063	5,212,477	5,365,282
Other	2,491,930	1,702,360	2,178,637	1,194,374
Total revenues	82,128,732	83,691,455	80,252,681	78,763,931
Expenditures:				
Current:				
General government	8,407,116	4,111,182	3,381,651	2,718,500
Public safety	25,077,753	25,824,532	26,691,447	26,459,351
Community development	16,535,419	19,500,243	18,917,170	29,453,154
Public works	4,496,028	4,641,050	4,503,733	4,413,626
Culture and leisure	9,025,881	8,511,379	7,507,153	6,886,004
Human services	3,982,317	4,117,257	3,905,691	3,238,862
Capital outlay	5,839,038	15,234,728	5,271,884	12,913,273
Loss on sale of property	2,394,149	-	-	-
Debt service:				
Interest	6,222,003	6,175,132	7,022,705	6,801,175
Principal retirement	4,814,783	6,309,031	6,587,336	6,962,183
Bond issuance costs	1,783,534	-	-	-
Total expenditures	88,578,021	94,424,534	83,788,770	99,846,128
Excess (deficiency) of revenues over (under) expenditures	(6,449,289)	(10,733,079)	(3,536,089)	(21,082,197)
Other financing sources (uses):				
Proceeds (loss) from sale of assets	-	-	80,445	(64,538)
Lease purchase agreements	108,986	107,588	-	-
Loan issuance	1,326,493	1,062,127	826,931	470,718
Bond issuance	91,911,529	-	-	-
Payment to refunded bond escrow agent	(45,656,679)	-	-	-
Contributions from successor agency	-	-	-	-
Transfer to private-purpose trust fund	-	-	-	-
Transfers in	23,177,837	15,611,252	14,613,933	14,483,825
Transfers out	(21,568,481)	(14,310,462)	(13,316,692)	(12,771,506)
Total other financing sources (uses)	49,299,685	2,470,505	2,204,617	2,118,499
Extraordinary loss	-	-	-	-
Net change in fund balances	\$ 42,850,396	\$ (8,262,574)	(1,331,472)	\$ (18,963,698)
Debt service as a percentage of noncapital expenditures	15.4%	15.9%	17.2%	15.8%

* During the fiscal year 2011-2012, the City issued pension obligation bonds in the amount of \$7.1 million. The related payment to the PERS Safety Plan of \$7.0 million is included in the public safety function expenditures.

In fiscal year 2013, the City elected to separately report employee benefits and equipment replacement activities as internal service funds, which were previously reported in the general fund. Periods reported prior to fiscal year 2013 have not been restated to reflect this change.

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Continued)

Fiscal Year					
2011	2012 *	2013	2014	2015	2016
\$ 58,310,307	\$ 42,294,544	\$ 36,999,332	\$ 40,296,804	\$ 41,684,204	\$ 39,980,864
1,867,845	2,102,755	2,969,902	2,747,847	2,206,324	2,536,719
465,360	428,472	344,325	491,503	529,250	515,632
2,321,749	1,995,506	1,398,990	1,416,003	1,440,422	1,807,176
10,644,890	12,349,659	35,766,822	23,165,769	11,054,345	5,257,715
5,292,591	5,031,896	4,965,080	5,147,329	5,250,369	6,078,535
1,573,488	4,532,497	3,907,821	2,493,091	2,855,254	3,146,736
80,476,230	68,735,329	86,352,272	75,758,346	65,020,168	59,323,377
1,670,047	3,826,155	5,629,632	5,064,465	5,483,276	5,449,398
25,439,776	33,199,540	25,846,858	25,203,933	26,968,072	28,407,173
19,344,105	13,434,645	3,346,701	3,991,264	3,755,596	3,876,256
7,563,987	5,966,489	4,240,659	4,456,233	4,591,234	4,553,769
7,295,141	7,604,051	7,130,910	6,974,428	6,995,907	7,337,952
2,731,901	2,790,524	2,481,419	2,579,037	2,798,407	3,022,969
3,719,878	4,498,772	32,091,957	21,383,923	9,745,411	2,621,810
-	-	-	-	-	-
6,081,574	3,042,465	310,664	278,854	240,815	209,663
7,178,400	7,295,987	789,060	983,524	1,045,658	988,940
	119,993	-			
81,024,809	81,778,621	81,867,860	70,915,661	61,624,376	56,467,930
(548,579)	(13,043,292)	4,484,412	4,842,685	3,395,792	2,855,447
9,924	23,496	50,662	42,312	25,000	34,954
-	-	-	-	-	-
596,075	-	-	-	-	-
-	7,759,094	-	-	-	-
-	-	-	-	-	-
-	995,421	(1,181,525)	-	100,238	48,465
-	-	-	-	(20,000)	-
23,360,976	22,577,622	6,600,367	8,805,993	6,524,301	8,616,801
(22,229,692)	(20,995,047)	(5,642,617)	(10,517,883)	(4,749,901)	(8,753,473)
1,737,283	10,360,586	(173,113)	(1,669,578)	1,879,638	(53,253)
-	(52,500,881)	-	(8,408,716)	19,954,190	-
\$ 1,188,704	\$ (55,183,587)	\$ 4,311,299	\$ (5,235,609)	\$ 25,229,620	\$ 2,802,194
17.2%	13.5%	2.2%	2.1%	2.2%	2.2%

CITY OF SANTA FE SPRINGS
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(In thousands of dollars)

<u>Fiscal Year</u>	<u>Secured Property</u>	<u>Unsecured Property</u>	<u>Less Property Exemptions</u>	<u>Grand Total</u>	<u>Homeowner's Exemption</u>	<u>Net Taxable Value</u>	<u>Total Direct Tax Rate</u>
2007	4,314,351	796,390	41,222	5,069,519	15,660	5,053,859	0.077%
2008	4,649,072	893,796	42,911	5,499,957	15,586	5,484,371	0.077%
2009	4,948,146	966,130	49,046	5,865,230	15,606	5,849,624	0.077%
2010	5,085,904	1,014,688	55,391	6,045,201	15,452	6,029,749	0.077%
2011	5,092,022	961,737	51,456	6,002,303	15,271	5,987,032	0.077%
2012	5,164,916	943,242	65,907	6,042,251	15,124	6,027,127	0.077%
2013	5,299,330	963,433	56,513	6,206,250	15,072	6,191,178	0.077%
2014	5,491,905	964,947	67,488	6,389,364	15,020	6,374,344	0.077%
2015	5,819,662	1,002,581	67,730	6,754,513	15,194	6,739,319	0.077%
2016	5,954,556	993,740	88,515	6,859,781	15,058	6,844,723	0.077%

NOTE:

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: Muniservices LLC
Los Angeles County, Assessor

CITY OF SANTA FE SPRINGS
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Per \$100 of Assessed Value)

	Basic 1% Direct Tax Rate		Override Assessments					
Fiscal Year	City of Santa Fe Springs	Los Angeles County	Elementary Schools	Los Angeles County	Rio Hondo Community College District	Whittier Union High School District	Metro. Water District	Total
2007	0.077	0.923	0.035	0.001	0.015	0.044	0.004	1.099
2008	0.077	0.923	0.075	0.000	0.014	0.044	0.004	1.137
2009	0.077	0.923	0.074	0.000	0.023	0.037	0.004	1.138
2010	0.077	0.923	0.073	0.000	0.027	0.042	0.004	1.146
2011	0.077	0.923	0.076	0.000	0.034	0.042	0.004	1.156
2012	0.077	0.923	0.053	0.000	0.034	0.043	0.004	1.134
2013	0.077	0.923	0.069	0.000	0.028	0.046	0.004	1.147
2014	0.077	0.923	0.085	0.000	0.029	0.045	0.004	1.163
2015	0.077	0.923	0.080	0.000	0.028	0.053	0.004	1.165
2016	0.077	0.923	0.065	0.000	0.027	0.051	0.004	1.147

NOTE:

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% general levy is levied on all taxable property within the jurisdiction of the taxing agencies for which the subject property resides within. In addition to the 1.00% general levy, Los Angeles City School District, Rio Hondo College District, Whittier Union High School District, and Metropolitan Water District all have direct assessments in addition to the 1.00% general levy.

Source: MuniServices, LLC
Los Angeles County Auditor/Controller data

Rates are not adjusted for ERAF

CITY OF SANTA FE SPRINGS
Principal Property Tax Payers
Current Year and Ten Years Ago

Taxpayer	FY 2015-16		FY 2006-07	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Golden Springs Dev Co LLC	\$ 298,513,979	4.35%	\$ 173,983,775	2.54%
Breitburn Operating LP	248,760,890	3.63%	61,079,109	0.89%
Legacy Partners II Santa Fe Sp	88,271,608	1.29%		
McMaster Carr Supply Company	76,793,914	1.12%	51,055,929	0.74%
Teachers Insurance Annuity Ass	64,437,803	0.94%	64,770,000	0.94%
Gateway Santa Fe Springs Indus	60,000,000	0.87%		
Amb Us Logistics Fund LP	54,366,252	0.79%		
Freeway Springs LLC	49,167,563	0.72%		
Heraeus Metal Processing Inc.	45,142,488	0.66%		
Vons Companies Inc.	44,925,931	0.65%	35,921,304	0.52%
McKesson Property Company Inc.	43,520,823	0.63%		
Catellus Dev Corp	42,640,189	0.62%		
Maruichi American Corp	40,751,939	0.59%	45,895,556	0.67%
Centro Watt Property Owner II	40,081,767	0.58%	42,372,368	0.62%
Bloomfield Commerce Center Cor	39,421,855	0.57%	34,590,443	0.50%
Carmenita Plaza LLC	36,077,257	0.53%	25,229,697	0.37%
Prologis	35,059,686	0.51%		
Goodman Santa Fe Springs Spe L	34,852,712	0.51%		
PPF Industrial Valley View Lp	34,524,387	0.50%	30,322,617	0.44%
14141 Alondra Lp	33,543,562	0.49%	21,749,581	0.32%
Shaw Diversified Services Inc.	33,185,279	0.48%	23,817,059	0.35%
CFH Envlp Ltd. Ptnshp	33,103,848	0.48%	28,508,199	0.42%
Sorensen Industrial LLC	30,243,730	0.44%		
Pr Mid Counties LLC	29,199,307	0.43%		
Solaris Paper Inc.	28,953,001	0.42%		
Ari Heritage Corp			56,403,434	0.82%
Northwestern Mutual Life			47,277,000	0.69%
Doug Fir Llc			34,429,966	0.50%
Nnn Sfs Towne Center Llc			31,528,200	0.46%
Prudential Insurance Co Of			25,583,731	0.37%
First Industrial Lp			24,731,054	0.36%
Roll Properties Intl			23,795,485	0.35%
Villages At Heritage Springs			22,072,700	0.32%
Painter Business Park Llc			21,708,484	0.32%
Inland Paperboard Andpackaging			19,852,465	0.29%
Southwest Forest Industries In			19,043,304	0.28%
	<u>\$ 1,565,539,770</u>	<u>22.82%</u>	<u>\$ 965,721,460</u>	<u>14.08%</u>

NOTE:

The amounts shown above include assessed value data for both the City and Redevelopment Agency

Source: Los Angeles County Assessor data, MuniServices, LLC

CITY OF SANTA FE SPRINGS
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2007	27,943,296	27,742,846	99.28%	3,167	27,746,013	99.29%
2008	30,606,477	29,968,507	97.92%	6,444	29,974,951	97.94%
2009	33,582,847	32,268,027	96.08%	2,576	32,270,603	96.09%
2010	35,553,303	33,444,853	94.07%	3,442	33,448,295	94.08%
2011	33,855,534	33,082,969	97.72%	2,344	33,085,313	97.72%
2012	30,577,401	29,841,895	97.59%	-	29,841,895	97.59%
2013	31,385,138	30,858,535	98.32%	-	30,858,535	98.32%
2014	33,546,785	33,210,254	99.00%	-	33,210,254	99.00%
2015	35,511,774	35,217,986	99.17%	-	35,217,986	99.17%
2016	34,092,546	33,826,245	99.22%	-	33,826,245	99.22%

NOTE:

The amounts presented include City property taxes and Redevelopment Agency tax increment. This schedule also includes amounts collected by the City and Redevelopment Agency that were passed-through to other agencies

The City receives limited information from Los Angeles County in relation to tax levies and collections. The City was unable to obtain further detail from Los Angeles County regarding the 2006 collections in excess of the levy amount

Source: City of Santa Fe Springs
Muniservices LLC
Los Angeles County, Auditor-Controller

CITY OF SANTA FE SPRINGS
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities					Business- type Activities
	Loans	Tax Allocation Bonds	Pension Obligation Bonds	Capitalized Lease Obligations	Total Governmental Activities	Revenue Bonds
2007	11,035,729	149,005,755	-	133,348	160,174,832	7,781,103
2008	11,637,827	144,980,330	-	96,936	156,715,093	7,621,416
2009	11,938,543	140,121,585	-	35,815	152,095,943	7,456,728
2010	11,717,893	135,078,706	-	-	146,796,599	7,282,040
2011	8,910,568	129,859,479	-	-	138,770,047	7,102,352
2012 ²	802,216	-	7,091,000	612,094	8,505,310	6,917,664
2013 ²	503,156	-	6,601,000	612,094	7,716,250	9,282,194
2014 ²	257,024	-	5,944,000	531,702	6,732,726	9,231,693
2015 ²	-	-	5,238,000	449,068	5,687,068	9,069,544
2016 ²	-	-	4,334,000	364,128	4,698,128	8,902,394

NOTES:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ These ratios are calculated using personal income and population for the prior calendar year.

² Loans and Tax Allocation Bonds related to the dissolved redevelopment agency were transferred to the Successor Agency and are reported in the private purpose trust fund as of July 1, 2011.

Prior year data has been adjusted for updated personal income information obtained after the 2010 Census.

Source: City of Santa Fe Springs Department of Finance and Administrative Services

CITY OF SANTA FE SPRINGS
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Continued)

<u>Total Primary Government</u>	<u>Percentage of Personal Income¹</u>	<u>Debt Per Capita¹</u>
167,955,935	53.46%	9,410
164,336,509	51.02%	9,238
159,552,671	47.72%	8,972
154,078,639	45.05%	8,695
145,872,399	43.51%	8,868
15,422,974	4.81%	934
16,998,444	5.11%	1,011
15,964,419	4.81%	966
14,756,612	3.93%	837
13,600,522	3.49%	737

CITY OF SANTA FE SPRINGS
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30	Outstanding General Bonded Debt			Percent of Assessed Value¹	Per Capita
	Tax Allocation Bonds	Pension Obligation Bonds	Total General Bonded Debt		
2007	149,005,755	-	149,005,755	2.95%	8,348
2008	144,980,330	-	144,980,330	2.64%	8,150
2009	140,121,585	-	140,121,585	2.40%	7,879
2010	135,078,706	-	135,078,706	2.24%	7,623
2011	129,859,479	-	129,859,479	2.17%	7,894
2012 ²	-	7,091,000	7,091,000	0.12%	429
2013 ²	-	6,601,000	6,601,000	0.11%	393
2014 ²	-	5,944,000	5,944,000	0.09%	360
2015 ²	-	5,238,000	5,238,000	0.08%	297
2016 ²	-	4,334,000	4,334,000	0.06%	235

NOTE:

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which, the City has none).

¹ Assessed value has been used because the actual value of taxable property is not readily available in the State of California.

² Tax Allocation Bonds related to the dissolved redevelopment agency were transferred to the Successor Agency and are reported in the private purpose trust fund.

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
Direct and Overlapping Debt
June 30, 2016

2015-16 Assessed Valuation: \$6,874,971,507

	Total Debt 6/30/16	% Applicable (1)	City's Share of Debt 6/30/16
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Los Angeles County Flood Control District Limited Obligations	\$ 12,630,000	0.550%	\$ 69,465
Metropolitan Water District	92,865,000	0.281	260,951
Cerritos Community College District	274,447,223	4.541	12,462,648
Rio Hondo Community College District	158,962,824	15.089	23,985,901
Whittier Union High School District	136,938,592	23.551	32,250,408
ABC Unified School District	35,029,966	3.072	1,076,121
Norwalk-La Mirada Unified School District	151,692,323	13.022	19,753,374
Little Lake City School District	42,404,901	59.247	25,123,632
Los Nietos School District	24,485,132	68.541	16,782,354
South Whittier School District	15,127,465	46.862	7,089,033
Whittier City School District	58,750,000	0.496	291,400
City of Santa Fe Springs Heritage Springs Assessment District	1,695,000	100.00	1,695,000
Los Angeles County Regional Park and Open Space Assessment District	50,610,000	0.540	273,294
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$141,113,581
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Los Angeles County General Fund Obligations	\$2,029,010,694	0.540%	\$10,956,658
Los Angeles County Superintendent of Schools Certificates of Participation	7,944,360	0.540	42,900
Norwalk-La Mirada Unified School District Certificates of Participation	2,770,165	13.022	360,731
Whittier City School District Certificates of Participation	10280,000	0.496	50,989
City of Santa Fe Springs Pension Obligation Bonds	4,334,000	100.00	4,334,000
Los Angeles County Sanitation District No. 18 Authority	9,424,824	19.201	1,809,660
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$17,554,938
<u>OVERLAPPING TAX INCREMENT DEBT</u>			
<u>(Successor Agency):</u>	\$88,193,493	100.00 %	\$88,193,493
TOTAL DIRECT DEBT			\$4,334,000
TOTAL OVERLAPPING DEBT			\$242,528,012
COMBINED TOTAL DEBT			\$246,862,012 (2)

- (1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2015-16 Assessed Valuation:

Total Overlapping Tax and Assessment Debt.....	2.05%
Total Direct Debt (\$4,334,000)	0.06%
Combined Total Debt.....	3.59%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$3,715,133,259):

Total Overlapping Tax Increment Debt	2.37%
--	-------

AB:(\$475)

CITY OF SANTA FE SPRINGS
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year Ended June 30			
	2007	2008	2009	2010
Assessed valuation	\$ 5,069,519,480	\$ 5,499,958,005	\$ 5,865,229,569	\$ 6,045,200,975
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	\$ 1,267,379,870	\$ 1,374,989,501	\$ 1,466,307,392	\$ 1,511,300,244
Debt limit percentage	15%	15%	15%	15%
Debt limit	\$ 190,106,981	\$ 206,248,425	\$ 219,946,109	\$ 226,695,037
Total net debt applicable to the limit:				
General obligation bonds ¹				
Legal Debt Margin	<u>\$ 190,106,981</u>	<u>\$ 206,248,425</u>	<u>\$ 219,946,109</u>	<u>\$ 226,695,037</u>
Total debt applicable to the limit				
as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%

NOTE:

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with Fiscal Year 1981-82, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the State.

¹The City issued pension obligation bonds during Fiscal Year 2011-12

Source: City of Santa Fe Springs Finance and Administrative Services Department
Los Angeles County, Auditor-Controller

CITY OF SANTA FE SPRINGS
Legal Debt Margin Information
Last Ten Fiscal Years
(Continued)

	Fiscal Year Ended June 30			
	2011	2012	2013	2014
Assessed valuation	\$ 6,002,303,665	\$ 6,042,251,000	\$ 6,206,250,000	\$ 6,389,364,000
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	\$ 1,500,575,916	\$ 1,510,562,750	\$ 1,551,562,500	\$ 1,597,341,000
Debt limit percentage	15%	15%	15%	15%
Debt limit	\$ 225,086,387	\$ 226,584,413	\$ 232,734,375	\$ 239,601,150
Total net debt applicable to the limit:				
General obligation bonds ¹		\$ 7,091,000	\$ 6,601,000	\$ 5,944,000
Legal Debt Margin	\$ <u>225,086,387</u>	\$ <u>219,493,413</u>	\$ <u>226,133,375</u>	\$ <u>233,657,150</u>
Total debt applicable to the limit				
as a percentage of debt limit	0.0%	0.0%	2.8%	2.5%

NOTE:

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with Fiscal Year 1981-82, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the State.

¹The City issued pension obligation bonds during Fiscal Year 2011-12

Source: City of Santa Fe Springs Finance and Administrative Services Department
Los Angeles County, Auditor-Controller

CITY OF SANTA FE SPRINGS
Legal Debt Margin Information
Last Ten Fiscal Years
(Continued)

	<u>Fiscal Year Ended June 30</u>	
	<u>2015</u>	<u>2016</u>
Assessed valuation	\$ 6,754,513,000	6,874,971,507
Conversion percentage	25%	25%
Adjusted assessed valuation	\$ 1,688,628,250	1,718,742,877
Debt limit percentage	15%	15%
Debt limit	\$ 253,294,238	257,811,432
Total net debt applicable to the limit:		
General obligation bonds ¹	<u>5,238,000</u>	<u>4,334,000</u>
Legal Debt Margin	<u>\$ 248,056,238</u>	<u>253,477,432</u>
Total debt applicable to the limit		
as a percentage of debt limit	2.1%	1.7%

NOTE:

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with Fiscal Year 1981-82, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the State.

¹The City issued pension obligation bonds during Fiscal Year 2011-12

Source: City of Santa Fe Springs Finance and Administrative Services Department
Los Angeles County, Auditor-Controller

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**CITY OF SANTA FE SPRINGS
Pledged-Revenue Coverage
Last Ten Fiscal Years**

Fiscal Year	Water Revenue Bonds					Coverage
	Water Revenue	Less Operating Expenses	Net Available Revenue	Debt Service		
				Principal	Interest	
2007	9,049,612	6,903,387	2,146,225	165,000	383,363	3.91
2008	9,233,319	7,585,307	1,648,012	170,000	378,588	3.00
2009	9,301,159	8,308,715	992,444	175,000	373,576	1.81
2010	9,176,041	7,916,630	1,259,411	185,000	367,928	2.28
2011	9,858,499	8,570,700	1,287,799	190,000	362,907	2.33
2012	11,753,221	8,865,034	2,888,187	195,000	356,307	5.24
2013	13,063,973	8,604,389	4,459,584	200,000	338,298	8.28
2014	13,879,295	9,453,643	4,425,652	155,000	319,342	9.33
2015	12,604,783	9,674,355	2,930,428	165,000	373,579	5.44
2016	12,398,568	9,210,440	3,188,128	170,000	365,329	5.96

NOTE:

Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expenses.

¹The tax allocation bonds were transferred to the private purpose trust fund during Fiscal Year 2011-12 as a result of the dissolution of redevelopment agencies

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
Pledged-Revenue Coverage
Last Ten Fiscal Years
(Continued)

Fiscal Year	Tax Allocation Bonds			
	Tax Increment	Debt Service		Coverage
		Principal	Interest	
2007	28,310,437	4,405,000	5,260,420	2.93
2008	28,794,524	5,705,000	5,277,460	2.62
2009	31,542,884	6,000,000	5,588,855	2.72
2010	32,484,836	6,235,000	5,348,548	2.80
2011	31,340,825	6,465,000	5,071,797	2.72
2012 ¹	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-

NOTE:

Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expenses.

¹The tax allocation bonds were transferred to the private purpose trust fund during Fiscal Year 2011-12 as a result of the dissolution of redevelopment agencies

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2007	17,849	314,198	17,603	3.9%
2008	17,790	322,079	18,104	4.3%
2009	17,784	334,332	18,800	6.2%
2010	17,721	342,015	19,300	9.7%
2011	16,450	335,251	20,380	10.6%
2012	16,516	320,960	19,433	9.2%
2013	16,816	332,410	19,767	9.1%
2014	16,524	331,945	20,089	8.2%
2015	17,627	375,077	21,279	8.4%
2016	18,459	389,558	21,104	8.0%

NOTE:

The data for prior years has been adjusted based on currently available data.

Sources: Population - State of California, Department of Finance
Income Data is provided by the United States Census Data and is adjusted for inflation.
Unemployment Rate - State of California, Employment Development Department

**CITY OF SANTA FE SPRINGS
Principal Employers
Current Year and Ten Years Ago**

<u>Employer</u>	<u>FY 2015-16</u>		<u>FY 2006-07</u>	
	<u>Number of Employees</u>	<u>Percent of Total Employment</u>	<u>Number of Employees</u>	<u>Percent of Total Employment</u>
McMaster Carr Supply Company	876	1.95%	712	1.28%
The Vons Companies, Inc.	685	1.53%	715	1.29%
L. A. Specialty Produce Company	550	1.23%	437	0.79%
Southern Wine and Spirits	428	0.95%		
Swift & Company	424	0.94%		
FUJI Food Products, Inc	423	0.94%		
Vance and Hines, Inc.	414	0.92%	293	0.53%
Trojan Battery Company LLC	357	0.80%	397	0.71%
FedEx Ground Package System Inc.	350	0.78%		
Performance Team	337	0.75%		
Shaw Diversified Services, Inc.			534	0.96%
Vans, a Division of VF Outdoor Inc.				
Wal-Mart			289	0.52%
Xerox				
L.C. Special Markets, Inc.			275	0.49%
Superior Super Warehouse			269	0.48%
Unified Western Grocers, Inc.			260	0.47%
	<u>4,844</u>	<u>8.84%</u>	<u>4,181</u>	<u>7.52%</u>

NOTE:

"Total Employment" as used above represents the total employment of all employers located within City limits.

Source: City of Santa Fe Springs Finance and Administrative Services Department

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CITY OF SANTA FE SPRINGS
Full-time and Part-time City Employees by Function
Last Ten Fiscal Years

	Full-time and Part-time Employees as of June 30th									
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Government	51	52	49	41	39	38	36	37	39	38
Public Safety	103	91	94	84	87	72	68	79	83	83
Public Works	61	66	66	61	56	50	50	57	54	56
Planning and Community Development	25	23	23	21	19	7	4	4	6	7
Community Services - Administration	4	5	3	0	0	0	1	1	1	4
Community Services - Parks and Recreation	125	128	118	94	103	88	64	75	88	88
Community Services - Library Services	45	38	40	24	23	23	16	14	17	22
Community Services - Human Services	<u>65</u>	<u>63</u>	<u>65</u>	<u>46</u>	<u>40</u>	<u>42</u>	<u>41</u>	<u>48</u>	<u>48</u>	<u>54</u>
Total	<u>479</u>	<u>466</u>	<u>458</u>	<u>371</u>	<u>367</u>	<u>320</u>	<u>280</u>	<u>315</u>	<u>336</u>	<u>352</u>

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
Operating Indicators by Function
Last Ten Fiscal Years

	Fiscal Year					
	2007	2008	2009	2010	2011	2012
Fire:						
Number of emergency calls	3,279	2,945	2,963	3,027	2,945	2,963
Inspections	2,459	2,540	2,519	2,573	2,645	2,255
Public works:						
Street resurfacing (miles)	1.5	1.5	1.5	2	2.5	2
Parks and recreation:						
Number of recreation classes	462	480	413	401	412	362
**Number of facility rentals	1,501	2,105	1,302	1,196	1,259	2,710
Human services:						
Children served in the City's childcare centers	500	500	489	463	426	371
Number of facility rentals	1,389	1,115	971	452	73 *	42
Water:						
Average daily consumption (thousands of gallons)	7,547	6,089	5,873	5,526	5,593	5,743

NOTES:

* Reflective of the limited availability of the Neighborhood Center due to construction.

**Numbers were modified from 2011 and on to include all facility rentals (i.e. parks, meeting rooms, fields, Clake Estate, Social Hall, Heritage Park, etc.)

Source: City of Santa Fe Springs

CITY OF SANTA FE SPRINGS
Operating Indicators by Function
Last Ten Fiscal Years
(Continued)

Fiscal Year			
2013	2014	2015	2016
3,166	3,260	3,439	3,928
3,793	2,864	3,325	2,428
3	5	3	1.5
289	425	368	335
2,536	2,605	3,038	3,822
306	296	286	807
* 51 *	528	333	305
5,915	5,197	5,207	5,580

CITY OF SANTA FE SPRINGS
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year					
	2007	2008	2009	2010	2011	2012
Fire:						
Fire stations *	4	4	4	4	4	4
Public works:						
Streets (miles)	110	110	110	110	110	110
Traffic signals	71	71	71	75	75	75
Streetlights	2,407	2,407	2,407	2,960	2,960	2,960
Parks and recreation:						
**Parks/Fields	10	10	10	10	10	10
**Community services facilities	6	6	6	6	6	6
Human services:						
Child care centers	3	3	3	3	3	3
Community services facilities	1	1	1	1	1	1
Water:						
Water mains (miles)	91	91	91	107	107	107
Number of service connections	5,730	6,203	6,203	6,308	6,368	6,332

NOTES:

* For a portion of FY 2012-13 (August 2012 - April 2013) there were three (3) operating fire stations.

**Numbers were modified to include all City fields and additional facilities not captured elsewhere on this report.

Source: City of Santa Fe Springs

CITY OF SANTA FE SPRINGS
Capital Asset Statistics by Function
Last Ten Fiscal Years
(Continued)

Fiscal Year			
2013	2014	2015	2016
4	4	4	4
110	110	110	110
75	75	75	81
2,960	2,960	2,960	3,174
11	11	11	11
6	4	4	4
3	3	3	3
2	2	1	1
107	107	107	108
6,156	6,150	6,330	6,335

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ATTACHMENT 2



December 14, 2016

To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Santa Fe Springs (the City) for the year ended June 30, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 10, 2016. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2015-2016.

We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, we detected misstatements as a result of audit procedures which were material, and were subsequently corrected by management. The details of these misstatements are described in a separate letter dated December 14, 2016.





CPAs AND ADVISORS

To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 14, 2016.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

- The City's accounting manual of policies and procedures states machinery and equipment is depreciated over 3-10 years. During our procedures, we noted machinery and equipment is being depreciated over 3-20 years. We recommend the City formally adopt a capitalization policy which would include this information.

Other Matters

We applied certain limited procedures to management discussion and analysis, budgetary comparison information, the schedule of changes in the net pension liability and related ratios for the agent multiple-employer miscellaneous plan, schedule of proportionate share of the net pension liability for the multiple-employer cost sharing plan, the schedule of plan contributions for multiple-employer cost sharing plan, and the schedule of funding progress which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the statistical section, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.



CPAs AND ADVISORS

To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

We were not engaged to report on the statistical section, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

New Auditing Standard No. 130

This new auditing standard is effective for financial periods ending on or after December 15, 2016; for most California municipalities it is effective for the period July 1, 2016 through June 30, 2017 and future periods thereafter. The standard allows CPA firms to issue an opinion on the financial statements conformity with generally accepted accounting principles, as well as an opinion on the operating effectiveness of internal controls over financial reporting through an integrated audit. This standard does not change the objectives of a financial statement audit, it only enhances the value and scope of a financial statement audit and increases the level of assurance provided by CPA firms on financial controls. Municipalities should look to perform an integrated audit for more assurance on the operating effectiveness of internal controls over financial reporting.

The following new Governmental Accounting Standards Board (GASB) pronouncements were effective for fiscal year 2015-2016 audit:

GASB Statement No. 72, *Fair Value Measurement and Application*.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

The following Governmental Accounting Standards Board (GASB) pronouncements are effective in the following fiscal year audit and should be reviewed for proper implementation by management:

Fiscal year 2016-2017

GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statement Nos. 67 and 68*.

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*.

GASB Statement No. 77, *Tax Abatement Disclosures*.

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*.

GASB Statement No. 80, *Blending Requirements for Certain Component Units-an amendment of GASB Statement No. 14*.

GASB Statement No. 82, *Pension Issues an Amendment of GASB Statements No. 67, No. 68, and No. 73*.

Fiscal year 2017-2018

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.



CPAs AND ADVISORS

To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

GASB Statement No. 81, *Irrevocable Split Interest Agreements*.

Restriction on Use

This information is intended solely for the use of the City Council and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Lance, Solt & Loughard, LLP

Brea, California

ATTACHMENT 3



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Santa Fe Springs, California, (the City) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 14, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

Net Position Restatement

During our audit, it was discovered by the City's accounting staff that construction-in-progress costs that should have been capitalized in prior years had not been recorded. The Water Fund's net position was, therefore, restated in the amount of \$1,310,136 to properly capitalize these costs.



CPAs AND ADVISORS

To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

Management Response:

Management has taken actions to improve the current process to ensure staff regularly review capital outlays and properly capitalize assets. In this instance, costs were expended from a governmental fund and subsequently transferred to the Water Fund. To streamline the process, future projects of the Water Fund will be directly charged to the Water Fund from the inception of the project.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. Other matters that were discovered during the audit are disclosed below:

Accounting System

During our review of the City's internal control procedures, we noted the City's financial accounting system is outdated and limited in its capabilities. The system does not restrict the opportunity to post journal entries without proper approval or restrict access to various modules and reports, which could ultimately affect operations and reporting of cash receipting, utility billing, purchasing and disbursements, payroll, capital assets, among other areas. The antiquated nature of the accounting system increases the inherent likelihood of misstatements to go unprevented or undetected. The City is currently in the process of evaluating modern technology options, one of which it intends to implement in the near future.

Management Response:

The City agrees that the accounting system is outdated and has inherent limitations which could affect the overall operation of the internal control system. During fiscal year 2015-16 the City Council set aside \$1.5 million for the replacement of the Citywide finance system. The City engaged an assessment consultant to assist the City in determining the requirements of the new system and the evaluation and selection of the particular system. The City has completed the evaluation process and expects to award a contract for the new system in fiscal year 2016-17 with the first set of modules scheduled to come online in approximately January 2018. In the meantime, the City added an accounting manager position to the Finance Department which has enhanced internal controls by adding another level of review and accountability within the system.

City's Response to Findings

The City's response to the findings identified in our audit was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.



CPAs AND ADVISORS

To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lance, Soll & Loughard, LLP

Brea, California
December 14, 2016



City of Santa Fe Springs

City Council Meeting

December 22, 2016

PRESENTATION

Presentation of Fiscal Year 2014-15 Certificate of Achievement for Excellence in Financial Reporting (CAFR Award) to the City Council

RECOMMENDATION

The Mayor may wish to call upon Jose Gomez, Assistant City Manager/ Director of Finance & Administrative Services, to assist with the presentation to the City Council.

BACKGROUND

The Government Finance Officers Association (GFOA) is a professional association of state/provincial and local finance officers in the United States and Canada, and has served the public finance profession since 1906. With more than 17,000 members, the GFOA provides leadership to the government finance profession through research, education, and recommended practices.

The GFOA established the Comprehensive Annual Financial Report (CAFR) award program in 1945 to encourage and assist state and local governments to go beyond the minimum requirements and prepare comprehensive annual financial reports that illustrate the spirit of transparency and full disclosure. Annually, the GFOA recognizes individual governments that succeed in achieving that goal. The City of Santa Fe Springs has received this distinguished award for the past 18 years.

Mr. Richard Kikuchi, Managing Partner with Lance, Soll, and Lunghard LLP, will present the award to the City Council on behalf of GFOA.

A handwritten signature in black ink, appearing to read "Thaddeus J. McCormack".

Thaddeus J. McCormack
City Manager



PRESENTATION

Recognition of the 2016 Christmas Float Program Food Sponsors

RECOMMENDATION

That the City Council recognize the volunteers of the 2016 Christmas Float Program Food Sponsors.

BACKGROUND

The City of Santa Fe Springs' Christmas Float Program is an annual tradition that completed its 36th year in December 2016. The Program has two specially decorated holiday floats, a caroling float and one that carries Santa and Mrs. Claus, touring the City and making stops at designated residential locations from December 5 – 17, 2016.

Santa and Mrs. Claus visited over 3,100 people over nine days, not including the 14 home visits that were made over two Saturdays. Stops were also made to the Salvation Army's family shelter on Washington Boulevard and the facilities in the City's Child Care & Development Services Program.

In addition to volunteers, the food sponsors play an integral role in the success of the Christmas Float Program. The food sponsors are local restaurants, businesses, and individuals that provide food to feed the corps of volunteers and staff that go out spreading holiday joy. These restaurants are called "Food Angels" as the dinners they donate lift the spirits of the volunteers and helps get them through the cold and sometimes long nights the float is out.

The restaurants, businesses, and individuals being recognized tonight are:

Café n' Stuff	Capriotti's	Flame Broiler	Frantone's Pizza
Geezers	Pat Lozano	Maggie's Pub	Pescado Dorado
Rachada Thai	Rodgers Catering	SFS Chiropractic	
Tepeyac at Heritage Park		Veracruz Restaurant	

These Food Angels have been invited to tonight's City Council meeting to be recognized and presented a certificate of appreciation for their gracious food donations to the 2016 Christmas Float Program.



City of Santa Fe Springs

City Council Meeting

December 22, 2016

The Mayor may wish to call upon Wayne Bergeron, Community Services Supervisor, to assist with the presentation.

A handwritten signature in black ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack
City Manager



City of Santa Fe Springs

City Council Meeting

December 22, 2016

PRESENTATION

Recognition of Maggie's Pub for their support and donation of the Older Adult Holiday Luncheon

RECOMMENDATION

That the City Council recognize Maggie's Pub for their donation of the Older Adult Holiday Luncheon.

BACKGROUND

In 2011, Maggie's Pub was purchased by the Tabello family. Mr. Hanni Tabello, the managing owner, has been supportive to the Santa Fe Springs community for the last five years and has been involved with many charitable opportunities. This year he felt Maggie's Pub should give back to the community in a greater way, offering a Holiday luncheon for the older adults in our community.

The luncheon consisted of turkey, baked ham, mashed potatoes and gravy, with a green salad. The luncheon took place on December 5, 2016 with 200 Santa Fe Springs older adult residents who participated. The older adults in attendance were very appreciative of the generosity from Maggie's Pub and thankful for the honor of being invited to the special luncheon.

Thanks to the generosity of Mr. Hanni Tabello and Maggie's Pub, the holiday luncheon was made possible and enjoyable for the Santa Fe Springs' older adult community.

The Mayor may wish to call on Carlos Mendoza, Community Services Supervisor, to assist with the presentation.

A handwritten signature in black ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack
City Manager



City of Santa Fe Springs

City Council Meeting

December 22, 2016

PRESENTATION

Council for Watershed Health

RECOMMENDATION

This report is for informational purposes only and does not require any action by the Council.

BACKGROUND

The Council for Watershed Health has been invited by the City Council and staff to make a presentation to the City Council discussing an overview of their agency and how they support cities to comply with the MS4 permit. In addition, the Council for Watershed Health will discuss a multi-benefit approach and partnership ideas for Santa Fe Springs to comply with the MS4 permit.

A handwritten signature in black ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack
City Manager

Attachments:

None

Report Submitted By:

Noe Negrete
Department of Public Works

Date of Report: December 15, 2016

ITEM NO. 25C



APPOINTMENTS TO COMMITTEES AND COMMISSIONS

Committee	Vacancies	Councilmember
Beautification	1	Moore
Beautification	1	Rounds
Beautification	3	Sarno
Beautification	2	Trujillo
Community Program	1	Moore
Community Program	2	Rounds
Community Program	5	Sarno
Community Program	4	Trujillo
Community Program	3	Zamora
Heritage Arts Committee	1	Zamora
Historical	1	Rounds
Historical	3	Sarno
Historical	3	Trujillo
Historical	3	Zamora
Parks & Recreation	1	Trujillo
Parks & Recreation	2	Sarno
Senior Citizens	3	Moore
Senior Citizens	1	Rounds
Senior Citizens	1	Sarno
Senior Citizens	3	Trujillo
Senior Citizens	3	Zamora
Sister City	3	Sarno
Sister City	1	Trujillo
Sister City	1	Zamora
Youth Leadership	1	Moore
Youth Leadership	3	Sarno
Youth Leadership	1	Trujillo
Youth Leadership	3	Zamora

Applications Received: Josefina E. Conchola

Recent Actions: None.

A handwritten signature in blue ink, appearing to read 'Thaddeus McCormack', is positioned above the printed name.

Thaddeus McCormack
City Manager

Attachments:
Committee Lists
Prospective Members

Prospective Members for Various Committees/Commissions

Beautification

Community Program

Josefina E. Conchola

Family & Human Services

Heritage Arts

Historical

Personnel Advisory Board

Parks & Recreation

Planning Commission

Senior Citizens Advisory

Sister City

Josefina E. Conchola

Traffic Commission

Josefina E. Conchola

Youth Leadership

BEAUTIFICATION COMMITTEE

Meets the fourth Wednesday of each month, except July, Aug, Dec.

9:30 a.m., Town Center Hall

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Juliet Ray	(18)
	Vacant	(18)
	Anne Petre	(17)
	Guadalupe Placencia	(17)
	Gloria Campos	(17)
Zamora	Mary Reed	(18)
	Charlotte Zevallos	(18)
	Doris Yarwood	(18)
	Vada Conrad	(17)
	Joseph Saiza	(17)
Rounds	Sadie Calderon	(18)
	Rita Argott	(18)
	Mary Arias	(17)
	Marlene Vemava	(17)
	Vacant	(17)
Sarno	Vacant	(18)
	Irene Pasillas	(18)
	Vacant	(18)
	May Sharp	(17)
	Vacant	(17)
Trujillo	Mary Jo Haller	(18)
	Vacant	(18)
	Margaret Eustos*	(18)
	Vacant	(17)

**Indicates person currently serves on three committees*

COMMUNITY PROGRAM COMMITTEE

Meets the third Wednesday in Jan., May, and Sept., at 7:00 p.m., Town Center Hall, Meeting Room #1

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Vacant	(18)
	George Felix	(18)
	Mary Jo Haller	(17)
	Gabriela Garcia	(17)
	Bryan Collins	(17)
Zamora	Vacant	(18)
	Mary Anderson	(17)
	Dolores H. Romero*	(17)
	Vacant	(18)
	Vacant	(17)
Rounds	Mark Scoggins*	(18)
	Vacant	(18)
	Vacant	(18)
	Anthony Ambros	(17)
	Johana Coca*	(17)
Sarno	Vacant	(17)
	Vacant	(18)
	Vacant	(18)
	Vacant	(17)
	Vacant	(17)
Trujillo	Lydia Gonzales	(18)
	Vacant	(18)
	Vacant	(18)
	Vacant	(17)
	Vacant	(17)

**Indicates person currently serves on three committees*

FAMILY & HUMAN SERVICES ADVISORY COMMITTEE

Meets the third Wednesday of the month, except Jul., Aug., Sept., and Dec., at 5:45 p.m., Gus Velasco Neighborhood Center

Qualifications: 18 Years of age, reside or active in the City

Membership: 15 Residents Appointed by City Council

5 Social Service Agency Representatives Appointed by the Committee

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Arcelia Miranda	(18)
	Martha Villanueva	(17)
	Margaret Bustos*	(17)
Zamora	Gaby Garcia	(18)
	Tina Delgado	(17)
	Gilbert Aguirre	(17)
Rounds	Annette Rodriguez	(18)
	Janie Aguirre	(17)
	Ted Radoumis	(17)
Sarno	Debbie Belmontes	(18)
	Linda Vallejo	(18)
	Hilda Zamora	(17)
Trujillo	Dolores H. Romero*	(18)
	Laurie Rios	(18)
	Bonnie Fox	(17)

Organizational Representatives:
(Up to 5)

Nancy Stowe
Evelyn Castro-Guillen
Elvia Torres
(SPIRITT Family Services)

**Indicates person currently serves on three committees*

HERITAGE ARTS ADVISORY COMMITTEE

Meets the Last Tuesday of the month, except Dec., at 9:00 a.m., at the Gus Velasco
Neighborhood Center Room 1

Qualifications: 18 Years of age, reside or active in the City

Membership: 9 Voting Members
 6 Non-Voting Members

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Laurie Rios	6/30/2018
Zamora	Vacant	6/30/2018
Rounds	Pauline Moore	6/30/2018
Sarno	Francis Carbajal	6/30/2018
Trujillo	Amparo Oblea	6/30/2018

Committee Representatives

Beautification Committee	Marlene Vernava*	6/30/2017
Historical Committee	Sally Gaitan	6/30/2017
Planning Commission	Gabriel Jimenez	6/30/2017
Chamber of Commerce	Debbie Baker	6/30/2017

Council/Staff Representatives

Council Liaison	
Council Alternate	Richard Moore
City Manager	Thaddeus McCormack
Director of Community Services	Maricela Balderas
Director of Planning	Wayne Morrell

**Indicates person currently serves on three committees*

HISTORICAL COMMITTEE

Meets Quarterly - The 2nd Tuesday of Jan., April, July, and Oct., at 5:30 p.m.,
Heritage Park Train Depot

Qualifications: 18 Years of age, reside or active in the City

Membership: 20

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Astrid Shesterkin	(18)
	Tony Reyes	(18)
	Amparo Oblea	(17)
	George Felix, Jr.	(17)
Zamora	Vacant	(18)
	Vacant	(18)
	Vacant	(17)
	Larry Oblea	(17)
Rounds	Vacant	(18)
	Linda Vallejo	(18)
	Mark Scoggins*	(17)
	Janice Smith	(17)
Sarno	Vacant	(18)
	Vacant	(18)
	Vacant	(17)
	Sally Gaitan	(17)
Trujillo	Vacant	(18)
	Vacant	(18)
	Merrie Hathaway	(17)
	Vacant	(17)

**Indicates person currently serves on three committees*

PARKS & RECREATION ADVISORY COMMITTEE

Meets the First Wednesday of the month, except Jul., Aug., and Dec., 7:00 p.m., Town Center Hall, Meeting Room #1

Subcommittee Meets at 6:00 p.m.

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Mary Tavera	(18)
	Adrian Romero	(17)
	William Logan	(17)
	Ralph Aranda	(17)
	Kurt Hamra	(17)
Zamora	Michael Givens	(18)
	Ruben Gonzalez	(18)
	Jamie Castañeda	(18)
	Sally Gaitan	(17)
	Steve Gonzalez	(17)
Rounds	Kenneth Arnold	(18)
	Richard Legarreta, Sr.	(18)
	Johana Coca*	(18)
	Tim Arnold	(17)
	Mark Scoggins*	(17)
Sarno	Vacant	(18)
	Debbie Belmontes	(18)
	Lisa Garcia	(17)
	Vacant	(18)
	David Diaz-Infante	(17)
Trujillo	Miguel Estevez	(18)
	Andrea Lopez	(18)
	Vacant	(17)
	Anthony Ambros	(17)
	Arcelia Miranda	(17)

**Indicates person currently serves on three committees*

PERSONNEL ADVISORY BOARD

Meets Quarterly on an As-Needed Basis

Membership: 5 (2 Appointed by City Council, 1 by Personnel Board, 1 by Firemen's Association, 1 by Employees' Association)

Terms: Four Years

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Council	Angel Munoz	6/30/2017
	Ron Biggs	6/30/2017
Personnel Advisory Board	Neal Welland	6/30/2020
Firemen's Association	Jim De Silva	6/30/2017
Employees' Association	Johnny Hernandez	6/30/2020

PLANNING COMMISSION

Meets the second Monday of every Month at 4:30 p.m.,
Council Chambers

Qualifications: 18 Years of age, reside or active in the City

Membership: 5

APPOINTED BY

NAME

Moore

Ken Arnold

Rounds

Ralph Aranda

Sarno

John Mora

Trujillo

Frank Ybarra

Zamora

Gabriel Jimenez

SENIOR CITIZENS ADVISORY COMMITTEE

Meets the Second Tuesday of the month, except Jul., Aug., Sep., and Dec., at 9:30 a.m.,
Gus Velasco Neighborhood Center

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Vacant	(18)
	Vacant	(18)
	Paul Nakamura	(18)
	Astrid Shesterson	(17)
	Vacant	(17)
Zamora	Vacant	(18)
	Elena Lopez Armendariz	(18)
	Rebecca Lira	(18)
	Amelia Acosta	(17)
	Vacant	(17)
Rounds	Vacant	(18)
	Bonnie Fox	(18)
	Gilbert Aguirre	(17)
	Lorena Huitron	(17)
	Janie Aguirre	(17)
Sarno	Yoko Nakamura	(18)
	Linda Vallejo	(18)
	Hilda Zamora	(17)
	Vacant	(17)
	Ed Duran	(17)
Trujillo	Vacant	(18)
	Vacant	(18)
	Vacant	(18)
	Margaret Bustos*	(17)
	Vacant	(17)

**Indicates person currently serves on three committees*

SISTER CITY COMMITTEE

Meets the First Monday of every month, except Dec., at 6:45 p.m., Town Center Hall, Mtg. Room #1. If the regular meeting date falls on a holiday, the meeting is held on the second Monday of the month.

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Martha Villanueva	(18)
	Laurie Rios	(18)
	Mary K. Reed	(17)
	Peggy Radounis	(17)
	Francis Carbajal	(17)
Zamora	Charlotte Zevallos	(18)
	Vacant	(18)
	Michele Carbajal	(17)
	Doris Yarwood	(17)
	Lucy Gomez	(17)
Rounds	Manny Zevallos	(18)
	Susan Johnston	(18)
	Robert Wolfe	(18)
	Ted Radounis	(17)
	Dominique Velasco	(17)
Sarno	Jeannette Wolfe	(18)
	Vacant	(18)
	Vacant	(18)
	Vacant	(17)
	Cathy Guerrero	(17)
Trujillo	Vacant	(18)
	Andrea Lopez	(18)
	Dolores H. Romero*	(17)
	Marcelia Obregon	(17)
	Miguel Esteves	(17)

**Indicates person currently serves on three committees*

TRAFFIC COMMISSION

Meets the Third Thursday of every month, at 6:00 p.m., Council Chambers

Membership: 5

Qualifications: 18 Years of age, reside or active in the City

APPOINTED BY

NAME

Moore

Albert J. Hayes

Rounds

Ted Radoumis

Sarno

Alma Martinez

Trujillo

Greg Berg

Zamora

Nancy Romo

YOUTH LEADERSHIP COMMITTEE

Meets the First Monday of every month, at 6:30 p.m., Gus Velasco Neighborhood Center

Qualifications: Ages 13-18, reside in Santa Fe Springs

Membership: 20

APPOINTED BY	NAME	Term Expires in Year Listed or upon Graduation
Moore	Richard Aguilar	(17)
	Evony Reyes	(18)
	Zachary Varela	(17)
	Vacant	(17)
	Giovanni Sandoval	(18)
Zamora	Metztli Mercado-Garcia	(17)
	Vacant	(17)
	Vacant	(18)
	Vacant	(18)
Rounds	Andrew Chavez	(18)
	Jennisa Casillas	(17)
	Walter Alvarez	(18)
	Valerie Yvette A. Gonzales	(17)
Sarno	Vacant	(18)
	Rafael Gomez	(17)
	Vacant	(18)
	Vacant	(18)
Trujillo	Paul Legarreta	(17)
	Ionnis Panou	(18)
	Vacant	(17)
	Amber Marquez	(18)