

**DISCUSSION ON
CREATING A
SECTION 115 TRUST
PLAN WITH PARS**



Rancho Adobe Fire District

Staff Report

Date: October 8, 2024

Topic: Discussion/Action Regarding Establishing a Section 115 Pension Trust

Recommendation:

The Finance Committee recommend that the Board of Directors approve establishing a Section 115 Pension Trust and selecting PARS (Public Agency Retirement Services) as the third party administrator of funds.

Background:

As outlined in the Pension Management Policy, the utilization of a Section 115 Pension Trust allows the District to better manage and smooth annual cash flows by providing flexibility to address Normal Costs and/or UAL as needed. Funds deposited into a Section 115 Trust are irrevocable and can only be used for the specific purposes for which the trust was established, such as paying down Normal Costs or UAL. One of the primary benefits of a Section 115 Trust is its ability to invest in higher-yielding instruments compared to the District's current investments, such as the Local Agency Investment Fund (LAIF) or certificates of deposit, which typically offer lower returns. This strategy enables the District to leverage more robust investment opportunities to address its pension liabilities effectively.

Many public agencies across California have adopted Section 115 Trusts to pre-fund their pension obligations, citing improved financial flexibility, enhanced investment returns, and greater control over pension funding strategies. By incorporating a Section 115 Trust into its financial framework, the District can better navigate market fluctuations and long-term liabilities while potentially reducing overall contribution volatility.

In alignment with the District's strategic financial planning, the Board directed staff to collaborate with Weist Law to conduct an independent evaluation of pre-funding strategies for pension liabilities. Staff, in partnership with Weist Law, engaged with both Public Agency Retirement Services (PARS) and the CalPERS California Employers' Pension Prefunding Trust to assess potential options for establishing a Section 115 Trust. A summary of each presentation is included in the Agenda packet for reference.

Following a thorough evaluation of both options, staff and the Finance Committee determined that PARS offers the most favorable solution based on anticipated returns and investment flexibility. Historical performance data indicate that PARS has consistently delivered competitive returns, making it the optimal choice for the District's long-term pension funding needs. Moreover, there is no initial cost for setting up the Section 115 Trust with PARS. However, once an initial contribution is made, ongoing fees will be assessed at a rate of approximately 60 basis points (0.60%) annually, calculated on the total invested funds. Based on historical returns and analysis,

staff expects the investment earnings to exceed the fees, thereby providing a net positive impact on the District's financial position.

Implementing the Section 115 Trust through PARS will enable the District to strategically allocate funds, capitalize on market opportunities, and achieve its pension funding objectives more effectively while maintaining fiscal responsibility and sustainability, all in accordance with the Pension Management policy.

If the Board directs staff to move forward with PARS for its Section 115 Trust implementation, staff will prepare the necessary documentation and present it to the Board for formal approval at a subsequent meeting.

Financial Impact:

There are no immediate financial impacts associated with establishing the Section 115 Pension Trust. However, investment amount will dictate the administrative fees associated with the maintenance of the Trust.

Options:

1. Adopt the Resolution as presented, thereby adopting the Pension Management Policy.
2. Do not approve but provide alternative direction to staff

Approved by:

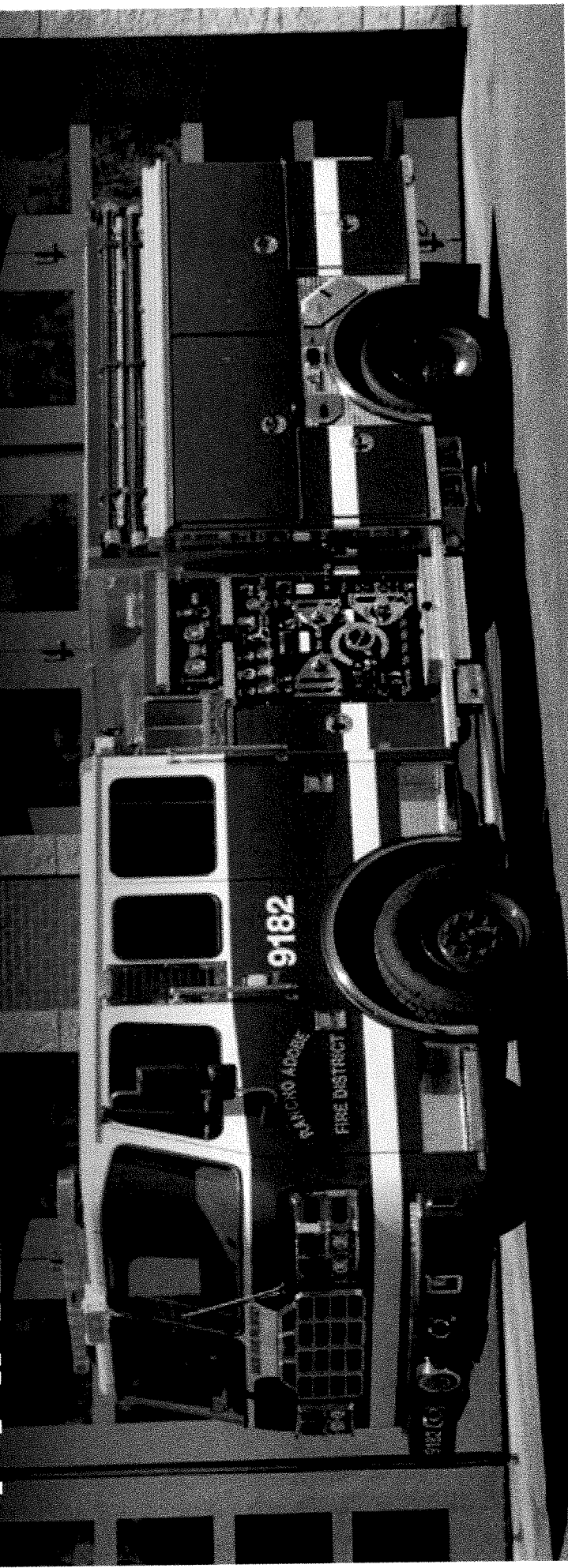


Jeff Veliquette
Fire Chief

A. PARS and CalPERS 115 Trust presentations

PARS

PUBLIC AGENCY
RETIREMENT SERVICES



RANCHO ADOBE FIRE PROTECTION DISTRICT

PARS 115 Trust – Pension Rate Stabilization Program (PRSP)
September 26, 2024

CONTACTS



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Sp

PARS 115 TRUST TEAM

As of June 30, 2024

Trust Administrator & Consultant*

- 
PARS PUBLIC AGENCY RETIREMENT SERVICES
- Serves as record-keeper, consultant, and central point of contact
 - Sub-trust accounting
 - Coordinates all agency services
- Monitors plan compliance (IRS/GASB/State Government Code)
 - Processes contributions/disbursements
 - Hands-on, dedicated support teams

40	2,000+	1,000+	500+	500K+	\$8.7B
Years of Experience (1984-2024)	Plans under Administration	Public Agency Clients	115 Trust Clients	Plan Participants	Assets under Administration

* See important information regarding PARS in the Disclaimer page at the end of the presentation.

Trustee



- 5th largest commercial bank and one of the nation's largest trustees for Section 115 trusts
- Safeguard plan assets
- Oversight protection as plan fiduciary
- Custodian of assets

161	\$11.0T
Years of Experience (1863-2024)	Assets under Administration

Investment Manager

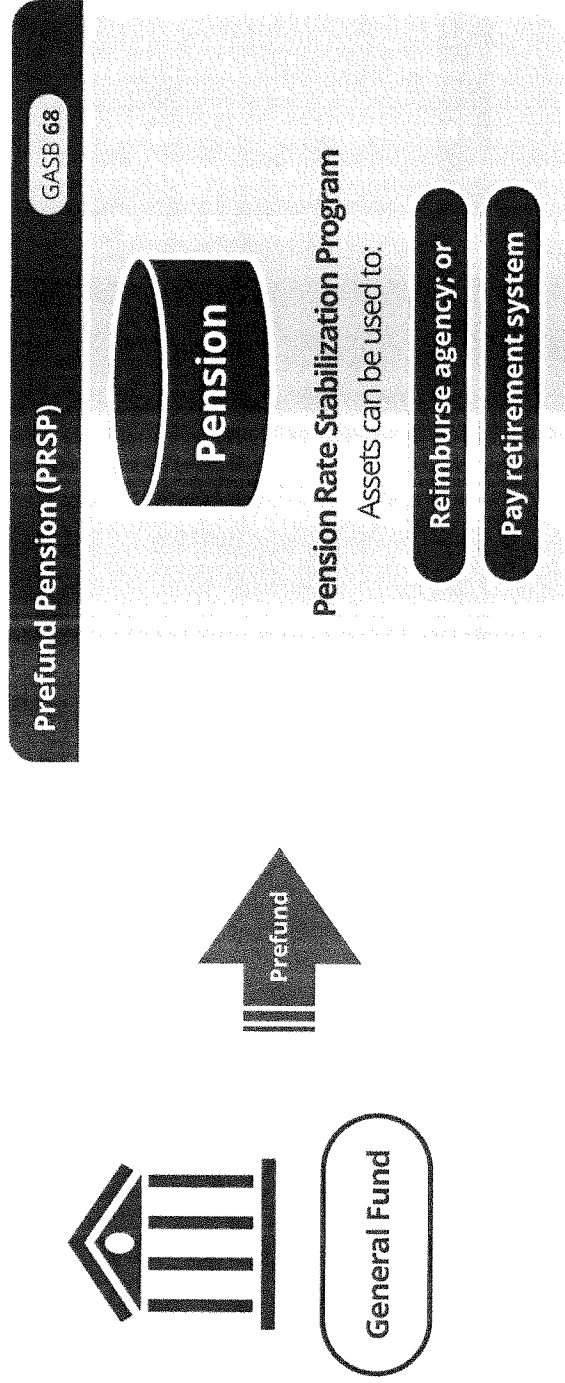








- Investment sub-advisor to trustee U.S. Bank
- Institutional asset management solutions
- Fixed income and multi asset portfolios
- Active and passive platform options
- Customized portfolios (with minimum asset level)

40+	\$244.8B *
Years of Investment Experience (As of 6/30/2024)	Assets under Management & Advisement

* Assets under management and advisement as of March 31, 2024, includes fixed income and multi asset class portfolios
Investment Management Services by PFM Asset Management as sub-advisor

PARS IRS-APPROVED SECTION 115 TRUST



- 
Subaccounts
 Pension assets can be divided by dept., bargaining group, or cost center
- 
Financial Stability
 Assets in the PARS Section 115 Trust can be used to address unfunded liabilities.
- 
Flexible Investing
 Choice of 5 risk tolerance levels or custom strategy
- 
Anytime Access
 Trust funds are available anytime for Pension-related expenses
- 
Economies-of-Scale
 As assets grow, lower fee rates will be reached on tiered schedule - saving money
- 
No Set Up Cost or Minimums
 No set-up costs, no minimum annual contribution amounts, and no fees until assets are added.



115 TRUST -- OPEB/PENSION CLIENT LIST

Updated September 2024

SPECIAL DISTRICTS (117)

Agoura Hills/Calabasas Community Center Authority	Housing Authority of the County of Santa Cruz	Sacramento Area Flood Control Agency
Alameda County Mosquito Abatement District	Humboldt Bay Fire Joint Powers Authority	San Andreas Sanitary District
Alpine Fire Protection District	Humboldt Bay Municipal Water District	San Elijo Joint Powers Authority
Beach Cities Health District	Humboldt No. 1 Fire Protection District	San Mateo Consolidated Fire Department
Bighorn-Desert View Water Agency	Menlo Park Fire Protection District	San Mateo Co. Mosquito & Vector Control District
Bodega Bay Public Utilities District	Mesa Water District	Santa Barbara County Law Library
Calaveras County Water District	Metropolitan Transportation Commission	Santa Cruz Regional 9-1-1 JPA
California Intergovernmental Risk Authority	Midpeninsula Regional Open Space District	Santa Fe Irrigation District
California Joint Powers Insurance Authority	Mid-Peninsula Water District	Sewer Authority Mid-Coastside
California Joint Powers Risk Management Authority	Mojave Desert Air Quality Management District	Shasta Valley Cemetery District
Central Contra Costa Sanitary District	Montecito Fire Protection District	South Coast Water District
Central Contra Costa Transit Authority	Monterey Bay Unified Air Pollution Control District	South Montebello Irrigation District
Coastline Regional Occupational Program	Monterey County Mosquito Abatement District	South Orange County Wastewater Authority
Coastside Fire Protection District	Monterey One Water	South Placer Fire Protection District
Colusa Mosquito Abatement District	Moraga-Orinda Fire Protection District	Southern Marin Fire Protection District
Contra Costa County EEs' Retirement Association	Mosquito & Vector Mgmt. Dist. of Santa Barbara Co.	State Water Contractors
Contra Costa Mosquito and Vector Control District	Municipal Pooling Authority	Superior Court of CA, County of Imperial
Crestline Village Water District	Municipal Water District of Orange County	Superior Court of CA, County of Inyo
Delta Diablo	Napa County Mosquito Abatement District	Superior Court of CA, County of Kern
Desert Recreation District	Nevada County Consolidated Fire District	Superior Court of CA, County of Marin
East Bay Regional Park District	Newcastle-Rocklin-Gold Hill Cemetery District	Superior Court of CA, County of Merced
East Orange County Water District	North Central Fire Protection District	Superior Court of CA, County of Orange
Eastern Sierra Community Services District	North Coast Air Quality Management District	Superior Court of CA, County of San Mateo
Eastern Sierra Transit Authority	North County Fire Protection District	Superior Court of CA, County of Shasta
El Dorado Hills County Water (& Fire) District	Novato Sanitary District	Superior Court of CA, County of Siskiyou
Fallbrook Public Utility District	Orange County Fire Authority	Superior Court of CA, County of Sonoma
Feather River Air Quality Management District	Orange County LAFCO	Sweetwater Springs Water District
Fresno Irrigation District	Orange County Mosquito and Vector Control District	Tahoe City Public Utility District
Fresno Metropolitan Flood Control District	Orange County Sanitation District	Three Valleys Municipal Water District
Glenn-Colusa Irrigation District	Orange County Water District	Twentynine Palms Water District
Goleta Cemetery District	Orchard Dale Water District	Union Sanitary District
Goleta West Sanitary District	Pebble Beach Community Services District	Ventura Regional Sanitation District
Great Basin Unified Air Pollution Control District	Placenta Library District	Walnut Valley Water District
Greater Vallejo Recreation District	Placer County Air Pollution Control District	West Bay Sanitary District
Hayward Area Recreation & Park District	Placer County Resource Conservation District	West County Wastewater District
Hesperia Fire Protection District	Rancho Cucamonga Fire Protection District	Western Riverside Council of Governments
Housing Authority of the County of Butte	Redwood Empire Municipal Insurance Fund (REMIF)	Yolo-Solano Air Quality Management District
Housing Authority of the County of Contra Costa	Regional Housing Authority	Yorba Linda Water District
Housing Authority of the County of San Bernardino	Rowland Water District	Zone 7 Water Agency

115 TRUST – OPEB/PENSION CLIENT LIST

Updated September 2024

CITIES & TOWNS (164)

Alameda	Colima	Fountain Valley	La Quinta	Novato	Ripon	Taft
Alhambra	Commerce	Fullerton	Laguna Niguel	Oakley	Riverside	Temecula
Anaheim	Corcoran	Galt	Lake Forest	Orinda	Rocklin	Temple City
Angels Camp	Coronado	Garden Grove	Lakewood	Oroville	Rohnert Park	Thousand Oaks
Atherton	Costa Mesa	Gilroy	Lemon Grove	Pacifica	Rolling Hills	Tiburon
Atwater	Crescent City	Glendale	Lincoln	Palmdale	Rosemead	Tustin
Azusa	Cudahy	Glendora	Livermore	Palo Alto	Ross	Twentynine Palms
Bakersfield	Cupertino	Goleta	Lodi	Pasadena	San Anselmo	Union City
Beaumont	Cypress	Grand Terrace	Los Alamitos	Patterson	San Jacinto	Vallejo
Bell Gardens	Daly City	Grass Valley	Los Altos Hills	Perris	San Leandro	Villa Park
Benicia	Dana Point	Half Moon Bay	Mammoth Lakes	Pico Rivera	San Pablo	Walnut
Bishop	Del Rey Oaks	Hawthorne	Manhattan Beach	Piedmont	San Ramon	West Covina
Brea	Dinuba	Healdsburg	Merced	Pinole	Sanger	West Sacramento
Brisbane	Duarte	Hemet	Modesto	Pittsburg	Santa Ana	Westminster
Burlingame	Dublin	Hercules	Monrovia	Pleasant Hill	Santa Barbara	Winters
Calabasas	El Cajon	Hermosa Beach	Monterey	Pleasanton	Santa Clara	Woodland
Camarillo	El Centro	Huntington Beach	Moreno Valley	Pomona	Santa Clarita	Woodside
Canyon Lake	El Cerrito	Indian Wells	Morgan Hill	Port Hueneme	Sausalito	Yountville
Capitola	Elk Grove	Imperial Beach	Morro Bay	Rancho Cucamonga	Seaside	Yuba City
Carlsbad	Emeryville	Indio	Murrieta	Redding	Selma	Yucca Valley
Carmel	Escondido	Ione	Napa	Redwood City	Solana Beach	
Chino Hills	Fairfax	La Habra	National City	Rialto	South El Monte	
Chula Vista	Fairfield	Lakeport	Newport Beach	Richmond	Stanton	
Claremont	Fort Bragg	La Mesa	Norco	Rio Vista	Sutter Creek	

COUNTIES (37)

Alpine	Glenn	Kings	Mendocino	Nevada	Sutter	Yolo
Amador	Humboldt	Lake	Merced	Placer	Tehama	Yuba
Calaveras	Imperial	Lassen	Mono	Plumas	Trinity	
Colusa	Inyo	Madera	Monterey	Riverside	Tulare	
Contra Costa	Kern	Mariposa	Napa	San Benito	Tuolumne	
				San Joaquin		
				Shasta		
				Siskiyou		
				Solano		
				Sonoma		

115 TRUST – OPEB/PENSION CLIENT LIST

Updated September 2024

SCHOOL DISTRICTS (65)

Alisal Union School District	Folsom Cordova USD	Newport-Mesa Unified School District	San Diego Union High SD
Alta Loma School District	Fontana Unified School District	Ocean View School District (Ventura)	San Marino Unified School District
Auburn Union School District	Fowler Unified School District	Ontario-Montclair School District	San Ysidro School District
Bass Lake Joint Union ESD	Hermosa Beach City School District	Orcutt Union School District	Santa Barbara Unified School District
Bellflower Unified School District	Hesperia Unified School District	Palmdale School District	Santa Rita Union School District
Beverly Hills Unified School District	Hughes-Elizabeth Lakes Union ESD	Palos Verdes Peninsula USD	Savanna School District
Brea Olinda Unified School District	John Swett Unified School District	Paramount Unified School District	South Bay Union School District
Calistoga Joint Unified School District	Jurupa Unified School District	Placer Union High School District	South Pasadena USD
Campbell Union High School District	Lakeside Union SD (San Diego)	Porterville Unified School District	Taft Union High School District
Compton Unified School District	Le Grand Union High SD	Poway Unified School District	Trona Joint Unified School District
Corning Union Elementary SD	Lemon Grove School District	Red Bluff Joint Union High SD	Upland Unified School District
Coronado Unified School District	Lindsay Unified School District	Red Bluff Union ESD	Visalia Unified School District
Cotati-Rohnert Park USD	Madera Unified School District	River Delta Unified School District	Westside Union School District
Dry Creek Joint Elementary SD	Manteca Unified School District	Riverdale Joint Unified School District	Whittier City School District
El Dorado Union High School District	Moreno Valley Unified School District	Roseville Joint Union High SD	Wilsona School District
El Monte Union High School District	Napa Valley Unified School District	Salinas City ESD	
	Natomas Unified School District	San Bruno Park School District	

COMMUNITY COLLEGE DISTRICTS (20)

Allan Hancock Community College District	Monterey Peninsula Community College District	Shasta-Trinity-Tehama Joint CCD
Citrus Community College District	Palo Verde Community College District	State Center Community College District
Coast Community College District	Pasadena Area Community College District	Victor Valley Community College District
Grossmont-Cuyamaca Community College District	Rancho Santiago Community College District	West Valley-Mission Community College District
Hartnell Community College District	Rio Hondo Community College District	Yosemite Community College District
Imperial Community College District	San Bernardino Community College District	Yuba Community College District
Marin Community College District	San Luis Obispo County CCD (Cuesta)	

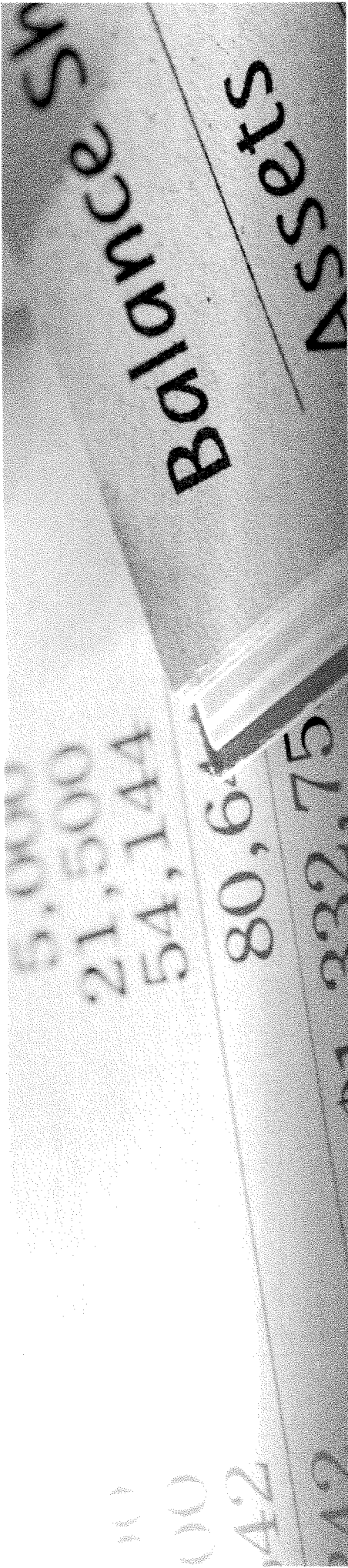
EDUCATION DISTRICTS (4)

Butte County Office of Education	Shasta County Office of Education	Sonoma County Office of Education	Intelecom
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PARS PENSION RATE STABILIZATION PLAN

for the prefunding CalPERS pension benefits



PENSION FUNDING STATUS

As of June 30, 2023, the District's CalPERS pension plan is funded as follows:

Combined Miscellaneous & Safety Groups *	Valuation as of June 30, 2022	Valuation as of June 30, 2023	Change
Actuarial Liability	\$27.5 M	\$29.4 M	6.7% ↑
Assets	\$25.0 M	\$26.1 M	4.4% ↑
Unfunded Liability	\$2.5 M	\$3.3 M	28.9% ↑
Funded Ratio	90.7%	88.8%	2.1% ↓
Employer Contribution Amount	\$0.6 M (FY 23-24)	\$0.7 M (FY 24-25)	16.0% ↑
Employer Contribution Amount – Projected *	---	\$1.2 M (FY 30-31)	71.0% ↑

* Data through 2030-31 from District's latest CalPERS actuarial valuation.

BACKGROUND – PENSION

- Since 2015, GASB 68 has required disclosing Net Pension Liability on financial statements as a line item on the balance sheet
- Before the concept of pension prefunding, the only way to reduce retirement system unfunded liabilities was to send additional contributions in excess of annual required employer contributions
- Pension trust prefunding assets can be transferred to the retirement system at the Agency's direction, which can help offset future rate increases (i.e., pension rate stabilization).

CalPERS Changes

CalPERS has announced changes directly affecting unfunded liability amounts and employer contributions:

Lowering of Discount Rate ¹

7.0%

CalPERS lowered the discount rate from 7.0% to 6.8%.

6.8% The impact is reflected in the June 30, 2021 valuation reports.

¹ Contributions from policy changes beginning FY 23-24.

Shortened Amortization Period ²

30 years

New actuarial liabilities are amortized over 20 years instead of 30, increasing required annual

20 years

employer contribution amounts*

² 5-year ramp up in payments beginning FY 15-16 with full impact in FY 19/20.

WHY PREFUND PENSION OBLIGATIONS?

1. Complete Local Control over Assets

Agency has complete control over assets, including contributions, disbursements and the timing, amount, and risk tolerance level of investments

2. Pension Rate Stabilization

Assets can be transferred to the retirement system at the Agency's direction, potentially reducing/eliminating large fluctuations in employer contribution amounts

3. Rainy Day Fund

Emergency source of funds when employer revenues are strained in difficult budgetary or economic times

4. Diversification

Allows for investment flexibility and offers the potential for assets to earn greater returns than the general fund; spread the risk vs. sending additional money to CalPERS

INVESTMENT FLEXIBILITY

- Agency maintains oversight of the investment manager and the portfolio's risk tolerance level
- Investment restrictions that apply to the general fund (CA Government Code 53601) are not applicable to assets held in The PARS Section 115 Irrevocable Trust
- Assets held in The PARS Section 115 Irrevocable Trust can be invested per Government Code Sections 53216 (Pension) and 53620 (OPEB)
- Investments can be diversified and invested in a prudent fashion
- Investments can be tailored to the Agency's unique demographics and needs
- Increased risk diversification



Diversified Investing

Assets held in The PARS Section 115 Irrevocable Trust can be diversely invested in a prudent fashion per Government Code Sections 53216 (Pension) and 53620 (OPEB).

GOV § 53216 (Pension)

GOV § 53620 (OPEB)

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SIMPLE INVESTMENT APPROACH

1. Input Phase

- Target discount rate
- Risk tolerance
- Investment philosophy
- Asset allocation
- Timing on use of funds

2. Model Portfolios

Strategy	Equity	10-YR Returns*
Capital Appreciation	65-85%	7.22%
Balanced	50-70%	6.53%
Moderate	40-60%	5.71%
Moderately Conservative	20-40%	4.06%
Conservative	5-20%	2.81%
	vs. LAIF	0%
		1.47%**

3. Dedicated Portfolio Manager/ Investment Specialist

- Makes recommendation
- Fiduciary responsibility
- Investment policy statement
- Periodic reviews
- Cell phone access

*10-Year Active Portfolio annualized returns as of June 30, 2021, 2024 (Gross of Investment Management Fees, but Net of Embedded Fund Fees). Please see complete Investment Strategy Sheets (enclosed) for more information.
 **Avg. LAIF apportionment rate (released quarterly) over the 10-Year period ending June 30, 2024

The advisor to the PARS portfolios is U.S. Bank, and PFM Asset Management serves as sub-advisor to U.S. Bank to manage these portfolios. Prior to January 1st, 2024 HighMark Capital Management, Inc. ("HighMark") acted as sub-advisor to the PARS portfolios. HighMark, including clients and investment personnel, was consolidated into its affiliate, PFM Asset Management LLC (PFMAM) on January 1st, 2024.

Please see important additional disclosures to the PARS portfolios included in the individual strategy fact sheets at the end of this presentation.

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PARS DIVERSIFIED PORTFOLIOS

As of June 30, 2024

ACTIVE PORTFOLIO ANNUALIZED RETURNS* (Gross of Investment Management Fees, but Net of Embedded Fund Fees)
Please see complete Investment Strategy Sheets (enclosed) for more information.

Strategy	Equity (%)	1 Year	3 Years	5 Years	10 Years
Capital Appreciation	65-85%	15.46%	3.17%	8.27%	7.22%
Balanced	50-70%	13.26%	2.25%	6.90%	6.53%
Moderate	40-60%	11.70%	1.50%	5.86%	5.71%
Moderately Conservative	20-40%	8.76%	0.29%	3.82%	4.06%
Conservative	5-20%	6.43%	-0.83%	2.13%	2.81%

*Annualized Returns over 1, 3, and 5 years are based on the PARS/115P Strategic Blend portfolios, which have not reached 10 years since inception. For illustration purposes, 10-year returns are based on the PARS/PHFC Strategic Blend portfolios (Index for Capital Appreciation). The returns provided are gross of investment advisory fees and net of mutual fund fees. Subject to change due to rebalancing. Past performance does not guarantee future results.

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PROGRAM FEES

Trust Administration/Consulting Fees *

	Plan Set-Up Fee: None	Ongoing Fees: 0.25% for assets \$0-10 million 0.20% for assets \$10-15 million 0.15% for assets \$15-50 million 0.10% for assets over \$50 million
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Discretionary Trustee/Investment Management Fees **

  As subadvisor to U.S. Bank	Plan Set-Up Fee: None	Ongoing Fees Paid to U.S. Bank: 0.35% for assets under \$5 million 0.25% for assets \$5-10 million 0.20% for assets \$10-15 million 0.15% for assets \$15-50 million 0.10% for assets over \$50 million
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* PARS does not receive any compensation from the investments or any commissions, back-end loads, or any other forms of compensation. Subject to change due to rebalancing. Additional information on PFMAM and a description of its fees are described in its ADV which is also available on the SEC's website at www.adviserinfo.sec.gov. Fees charged by U.S. Bank National Association ("U.S. Bank"), as Discretionary Trustee/Investment Management fees are based on individual agency assets. U.S. Bank has retained its affiliate, PFM Asset Management LLC ("PFMAM"), an SEC Registered Investment Advisor, as its sub-advisor to provide investment management services. U.S. Bank compensates PFMAM for these services from its own fees, as detailed above. Additional information about PFMAM is described in its ADV, available at <https://adviserinfo.sec.gov>

KEY PROGRAM ADVANTAGES – PENSION PRE-FUNDING

	PARS	CEPPT
1. No minimum annual contributions/fees	✓	✓
2. No fees charged until assets are in the trust	✓	✓
3. No start-up costs or trading fees	✓	✓
4. IRS-approved trust structure for your protection	✓	No IRS PLR
5. Market pioneer and leader for pension pre-funding	Over 300 client agencies	Approximately 90 client agencies
6. True, historical return information (1, 3, 5, 10 Yr)	✓	1- and 3-Year Returns Only
7. Combination trust for OPEB and Pension. OPEB and Pension assets are aggregated for economies of scale and low ongoing fees	✓	Two separate Trusts that are not integrated
8. Termination and transfer restrictions	30 days notice	Can take up to 150 days; Board approval required
9. Active/passive diversified investment options	5 active, 5 passive + custom option ¹	2 low-risk portfolios; no customization or individual accts
10. Historical return information over 3 years; NET of all fees (through 6/30/2024)	0.90% (Moderate) ²	-0.14% (Strategy 1) ³
11. Ongoing Plan Reviews (at minimum annually)	✓	Not available

¹Available based on asset size
²PARS program fees are illustrated based on assets under \$5 million
³Source: CEPPT Strategy 1 quarterly fact sheet. www.caipers.ca.gov as of June 30, 2024.

NET PERFORMANCE FEE ANALYSIS

As of June 30, 2024

Over 1 Year	Over 3 Years	Over 5 Years
PARS	PARS	PARS
Moderate* (50% Fixed Income/Cash) 11.70% minus weighted PARS administration fee (-) 0.25% minus weighted investment management fee (-) 0.35% 1-Year Net Return 11.10%	Moderate* (50% Fixed Income/Cash) 1.50% minus weighted PARS administration fee (-) 0.25% minus weighted investment management fee (-) 0.35% 3-Year Net Return 0.90%	Moderate* (50% Fixed Income/Cash) 5.86% minus weighted PARS administration fee (-) 0.25% minus weighted investment management fee (-) 0.35% 5-Year Net Return 5.26%
CALPERS CEPPT	CALPERS CEPPT	CALPERS CEPPT
Strategy 1** (49% Fixed Income/Cash) 8.76% minus fees (-) 0.25% 1-Year Net Return 8.51%	Strategy 1** (49% Fixed Income/Cash) 0.09% minus fees (-) 0.23% 3-Year Net Return -0.14%	Strategy 1** (49% Fixed Income/Cash) N/A minus fees N/A 5-Year Net Return N/A

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*Annualized Returns over 1, 3 and 5 years are based on the PARS/11SP Moderate Strategic Blend portfolio. The returns provided are gross of investment advisory fees and net of mutual fund fees.

Subject to change due to rebalancing. Past performance does not guarantee future results. PARS program fees are illustrated based on assets under \$5.0 Million

**Source: CEPPT Strategy 1 quarterly fact sheet: www.calpers.ca.gov as of June 30, 2024.

STEPS TO IMPLEMENTATION

- 1 Board of Trustees authorizes establishment of the PARS Trust and appoints a Plan Administrator by adoption of resolution
- 2 PARS provides legal documents for signature by Plan Administrator
- 3 District selects investment strategy or develops investment policy and guidelines for Investment Manager
- 4 After receipt of signed documents, District's account is set up
- 5 District makes initial deposit to the PARS Trust
- 6 PARS conducts an annual review of District's account and investment performance (more frequently as requested)

PARS OPEB and Pension Trust Program

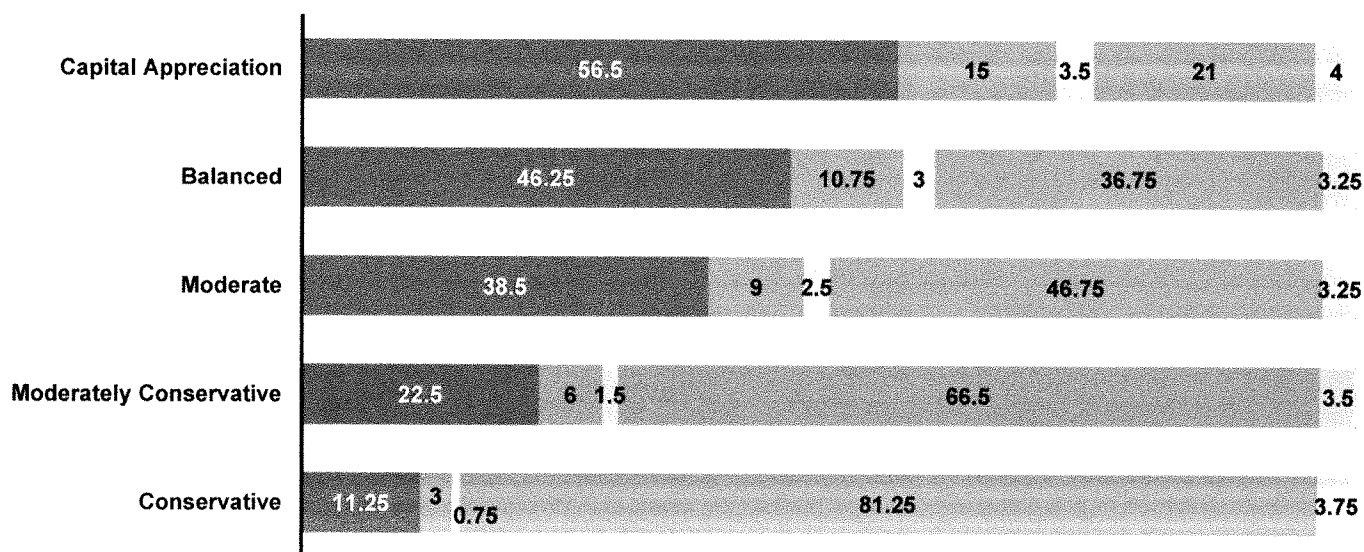


Strategy	Asset Class	Strategic Range	Policy	Tactical	Gross Annualized Total Rate of Return						
					Portfolio	2Q24*	YTD	1-Yr	3-Yr	5-Yr	ITD
Conservative	Equity	5-20%	15%	15%	Strategic Blend	0.75	1.76	6.43	-0.83	2.13	2.91
	Fixed Income	60-95%	80%	81%	Benchmark	0.62	1.61	5.83	-0.39	2.17	2.77
	Cash	0-20%	0%	4%	Index	0.36	0.97	4.81	-1.20	1.73	2.77
					Benchmark	0.62	1.61	5.83	-0.39	2.17	2.92
Moderately Conservative	Equity	20-40%	30%	30%	Strategic Blend	0.91	3.25	8.76	0.29	3.82	4.18
	Fixed Income	50-80%	65%	67%	Benchmark	0.77	2.94	7.86	0.49	3.76	4.26
	Cash	0-20%	5%	4%	Index	0.55	2.48	7.01	-0.12	3.37	3.84
					Benchmark	0.77	2.94	7.86	0.49	3.76	4.22
Moderate	Equity	40-60%	50%	50%	Strategic Blend	1.24	5.26	11.70	1.50	5.86	6.82
	Fixed Income	40-60%	45%	47%	Benchmark	1.08	5.00	10.93	2.05	6.06	7.07
	Cash	0-20%	5%	3%	Index	0.94	4.51	10.09	1.46	5.56	5.88
					Benchmark	1.08	5.00	10.93	2.05	6.06	6.40
Balanced	Equity	50-70%	60%	60%	Strategic Blend	1.47	6.48	13.26	2.25	6.90	7.55
	Fixed Income	30-50%	35%	37%	Benchmark	1.22	6.02	12.43	2.75	7.15	7.83
	Cash	0-20%	5%	3%	Index	1.13	5.59	11.91	2.21	6.66	7.00
					Benchmark	1.22	6.02	12.43	2.75	7.15	7.42
Capital Appreciation	Equity	65-85%	75%	75%	Strategic Blend	1.70	8.06	15.46	3.17	8.27	7.35
	Fixed Income	10-30%	20%	21%	Benchmark	1.44	7.55	14.66	3.81	8.71	8.28
	Cash	0-20%	5%	4%	Index	1.23	6.89	13.78	3.65	8.08	8.43
					Benchmark	1.44	7.55	14.66	3.81	8.71	9.21

*Returns for periods under one year are not annualized. Returns are gross of investment management fees and net of fund embedded fees. Please see important disclosures on the following page, and your U.S. Bank fee schedule for investment management fees applied to your specific portfolio, as net of fee performance will differ.

Strategy	Portfolio	Gross Calendar Year Returns							
		2023	2022	2021	2020	2019	2018	2017	2016
Conservative	Strategic Blend	8.99	-12.51	2.12	8.91	10.47	-1.52	7.06	N/A
	Index	7.77	-12.06	1.97	8.27	10.34	0.44	N/A	N/A
	Blended Benchmark	7.82	-10.59	2.24	7.81	10.12	-0.60	5.25	3.92
Moderately Conservative	Strategic Blend	11.32	-13.32	5.27	10.64	13.64	-2.83	9.44	4.81
	Index	9.84	-12.92	5.19	9.84	13.44	-2.58	7.96	5.25
	Blended Benchmark	10.29	-12.35	5.50	9.89	13.55	-1.87	8.13	5.45
Moderate	Strategic Blend	14.07	-14.61	9.29	12.52	17.70	-4.01	13.38	N/A
	Index	12.72	-14.02	10.16	11.32	17.51	-4.04	11.31	N/A
	Blended Benchmark	13.56	-13.74	10.21	12.02	17.66	-3.37	11.66	7.41
Balanced	Strategic Blend	15.14	-14.89	11.36	13.46	18.61	-4.50	15.22	6.58
	Index	14.52	-14.95	12.53	12.12	19.62	-5.00	13.38	7.39
	Blended Benchmark	15.19	-14.58	12.54	13.07	19.78	-4.18	13.54	8.39
Capital Appreciation	Strategic Blend	17.63	-16.09	14.34	14.62	22.10	-7.94	N/A	N/A
	Index	16.57	-14.70	16.05	12.17	20.68	-6.45	15.62	N/A
	Blended Benchmark	17.60	-15.64	15.93	14.37	22.81	-5.53	16.57	9.59

■ Domestic Equity ■ International Equity ■ Other Growth (REITs) ■ Fixed Income ■ Cash



Strategic Blend - Holdings: Portfolios are invested in a strategic mix of actively managed and passive index-based investment vehicles.

Baird Aggregate Bond Fund
Cohen & Steers Institutional Realty Fund
Columbia Contrarian Core Fund
Dodge Cox Income Fund
Dodge Cox Stock Fund
Emerald Growth Institutional Fund
Fidelity International Index Fund
First American Government Obligations Fund
GQG Partners International Opportunities Fund
Harbor Capital Appreciation Fund

Hartford Schrodgers Emerging Markets Fund
iShares Core U.S. Aggregate Bond ETF
iShares Global Infrastructure ETF
iShares Russell Mid Cap ETF
iShares S&P 500 Growth ETF
iShares S&P 500 Value ETF
Mainstay MacKay High Yield Core Bond Fund
MFS International Growth Fund
PGIM Total Return Bond Fund
Undiscovered Mgrs Behavioral Value Fund
Vanguard Growth & Income Fund

Index - Holdings: Portfolios are invested in passive index-based investment vehicles.

First American Government Obligations Fund
iShares Core MSCI EAFE ETF
iShares Core S&P 500 ETF
iShares Core US Aggregate Bond ETF
iShares Global Infrastructure ETF
iShares 5-10 Year Investment Grade Corporate ETF
iShares Russell 2000 Growth ETF

iShares Russell 2000 Value ETF
iShares Russell Mid Cap ETF
iShares S&P 500 Growth ETF
iShares S&P 500 Value ETF
SPDR High Yield Bond ETF
Vanguard FTSE Emerging Markets ETF
Vanguard Real Estate ETF

For illustrative purposes only and subject to change at PFMAM's discretion. Individual portfolio allocations and holdings will vary based on many factors, including each portfolio's specific investment policy and market conditions.

Benchmark Definitions						
	Conservative	Moderately Conservative	Moderate	Balanced		Capital Appreciation
S&P 500	7.50%	15.50%	26.50%	32.00%		39.50%
Russell Mid Cap	1.50%	3.00%	5.00%	6.00%		16.00%
Russell 2000	2.50%	4.50%	7.50%	9.00%		10.50%
Wilshire REIT	0.50%	1.00%	1.75%	2.00%		10.25%
10/1/2012 - Current:					Since Inception:	
MSCI EM Free (Net USD)	1.00%	2.00%	3.25%	4.00%		7.50%
MSCI EAFE (Net USD)	2.00%	4.00%	6.00%	7.00%		5.25%
Bloomberg US Aggregate Bond	52.25%	49.25%	33.50%	27.00%		5.00%
ICE BofA 1-3 Yr US Corp/Govt	25.75%	14.00%	10.00%	6.75%		3.00%
ICE BofA US High Yield Master II	2.00%	1.75%	1.50%	1.25%		2.00%
FTSE 1 Month T-Bill	5.00%	5.00%	5.00%	5.00%		1.00%

About the Adviser: PFM Asset Management (PFMAM)

At PFM Asset Management we partner with public sector, non-profit and other institutions to build tailored, flexible investment solutions using fixed income and Multi-Asset class investments. With more than 40 years of experience managing public sector clients, we offer Liquidity Management, investment grade fixed income, Outsourced Chief Investment Officer (OCIO) and other specialized investment solutions.

Inception Date Information

<i>Conservative Strategic Blend</i>	07/01/2016
<i>Conservative Index</i>	02/01/2017
<i>Moderately Conservative Strategic Blend</i>	07/01/2015
<i>Moderately Conservative Index</i>	08/01/2015
<i>Moderate Strategic Blend</i>	02/01/2016
<i>Moderate Index</i>	09/01/2016
<i>Balanced Strategic Blend</i>	10/01/2015
<i>Balanced Index</i>	12/01/2015
<i>Capital Appreciation Strategic Blend</i>	10/1/2017
<i>Capital Appreciation Index</i>	04/01/2016

Gross returns are time weighted and are calculated based on trade-date accounting. Actual returns for each agency's participation within the portfolio may vary from returns shown based on each agency's own cash flows as well as the specific portfolio in which they are invested. U.S. Bank National Association has retained its affiliate, PFM Asset Management LLC ("PFMAM"), as its sub-advisor to provide investment management services. Prior to January 1, 2024, HighMark Capital Management ("HighMark") acted as sub-advisor to the portfolios. HighMark, including clients and investment personnel, was consolidated into PFMAM on January 1, 2024.

PFM Asset Management LLC ("PFMAM") is an investment adviser registered with the U.S. Securities and Exchange Commission and a subsidiary of U.S. Bancorp Asset Management, Inc. ("USBAM"). USBAM is a subsidiary of U.S. Bank National Association ("U.S. Bank"). U.S. Bank is a separate entity and subsidiary of U.S. Bancorp. U.S. Bank is not responsible for and does not guarantee the products, services or performance of PFMAM.

U.S. Bank pays PFMAM up to 67% of the annual management fee for assets sub-advised by PFMAM under its sub-advisory agreement with U.S. Bank. Refer to your U.S. Bank fee schedule for investment management fees applied to your specific portfolio. U.S. Bank compensates PFMAM for these services from its own fees.

NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE



**NORTH COUNTY FIRE
PROTECTION DISTRICT**

FIRE CHIEF / CEO

TO: BOARD OF DIRECTORS
FROM: CHIEF McREYNOLDS AND FINANCE MANAGER JUUL
DATE: JULY 26, 2022
SUBJECT: PUBLIC AGENCY RETIREMENT SERVICES (PARS) SECTION 115
POST-EMPLOYMENT BENEFIT TRUST

ACTION AGENDA

RECOMMENDATION:

- That the Board of Directors adopt NCFPD Resolution 2022-15 authorizing participation in PARS Section 115 Post-Employment Benefits Trust Program.
- Appoint the District Finance Manager as the Plan Administrator.

BACKGROUND:

The District provides its employees with a defined benefit pension through the California Public Employees' Retirement System (CalPERS). In 2020, the District took advantage of low interest borrowing costs to establish a Pension Obligation Bond (POB) to refinance its CalPERS unfunded liability and as a result realized significant savings.

DISCUSSION:

The District is anticipating that CalPERS will continue to enact changes to increase the financial stability of its pension program. Those changes will involve higher District contributions and new unfunded actuarial liability (UAL). To address this liability, Staff feels it would be beneficial to establish a Section 115 Trust. A Section 115 Trust is a vehicle authorized by the Internal Revenue Code which allows an agency to segregate funds from general assets for the purpose of funding an essential governmental function (i.e., pension obligations). Funds placed in a Section 115 Trust are irrevocably committed for the specific government function specified in the applicable trust agreement. Additionally, monies held in such trusts can be invested in accordance with the rules governing those trusts, which are different than investment rules for the District's General Fund investments. To that end, setting aside funds in a Section 115 Trust, the District can potentially earn a higher rate of return than if funds were invested in General Fund investments.

**PARS SECTION 115
POST-EMPLOYMENT BENEFIT TRUST
JULY 26, 2022
PAGE 2 OF 2**

Establishing a Section 115 Trust to prefund pension obligation is a best practice recommended by the Government Finance Officers Association (GFOA). Some of the benefits that a Section 115 Trust program can provide our District include the following:

- A means for achieving the District's pension funding goal
- An opportunity to improve the District's overall credit rating, since it demonstrates the District's proactive approach to addressing its long-term liabilities
- An opportunity to earn higher investment returns, since a Section 115 Trust allows investment in a wider array of investment options compared to restrictions on General Fund investments (Govt. Code 53216)
- An opportunity to decrease risk through diversification of plan assets using different asset management approaches

PARS is a leading provider of Section 115 Trusts for governmental entities. In an effort to help public agencies address and manage their post-employment liabilities, PARS has developed the PARS Post-Employment Benefits Trust Program (PARS Program). The PARS Program has been established as a multiple-employer trust, and any public agency, regardless of size, can join the program and benefit from the economies of scale keeping administrative fees low. Additionally, PARS has partnered with U.S. Bank to serve as trustee and its subadvisor, HighMark Capital Management, Inc., to provide investment management services for the program. It should be noted that, although the funds will be held in a trust, the District still has control of fund management selection.

FISCAL ANALYSIS:

There is no cost to set up the Section 115 Trust. The trust is recommended to be funded all or in part by the annual savings generated by the District's established Pension Obligation Bond (POB). Costs to implement the Section 115 Trust are minimal. Ongoing fees with PARS (Trust Administration/Consulting Fees) range from 0.25% down to 0.10% for assets \$0-50 million. The fees with US Bank/HighMark Capital Management (Discretionary Trustee/Investment Management Fees) range from 0.35%-0.10%, for assets \$0-\$50 million. It is likely we will stay within the \$0-\$10 million range at 0.25%/0.35%, respectively.

SUMMARY:

In conjunction with our POB, a Section 115 Trust will assure the District fully maximizes our efforts of addressing future UAL. This two-prong approach would provide the District with even greater financial stability through the designation of a funding source to offset future UAL obligations therefore providing pension rate stabilization.

California Employers' Pension Prefunding Trust
(CEPPT)

Rancho Adobe Fire Protection District

Outline for Discussion

- Pension Cost Considerations & Outlook
- CalPERS Pension Funding Tools
- CEPPT 115 Trust
 - Investments
 - Administration
- Next Steps

Pension Cost Considerations & Outlook

Cost Considerations

- **Normal Cost**
 - Ongoing perpetual cost
 - Naturally rises due to payroll & headcount
- **Unfunded Accrued Liability (UAL)**
 - Exists for most agencies
 - Will reoccur if plan is negative
 - 6.8% interest

Outlook

- Fluctuating volatile costs
- Employers will need to budget more

CalPERS Pension Fund Returns

Period	Assets	Return
30-year at 6/30/2023	\$440B	7.5%
20-year at 6/30/2023	\$440B	7.0%
10-year at 6/30/2023	\$440B	7.1%
5-year at 6/30/2023	\$440B	6.1%
2018 – 19	\$370B	6.7%
2019 – 20	\$389B	4.7%
2020 – 21	\$469B	21.3%
2021 – 22	\$440B	-7.5%
2022 – 23	\$462B	5.8%

District's CalPERS Pension Plans Summary

Plan	Funded Status (6/30/2022)	Unfunded Liability (6.8% Interest)	UAL Payment 2024-25	Normal Cost 2024-25	Total Contribution 2024-25
Miscellaneous	91.1%	\$141,044	\$5,131	\$18,108	\$23,239
PEPRA Safety Fire	91.4%	\$110,006	\$4,612	\$173,043	\$177,655
Safety	90.7%	\$2,296,673	\$84,673	\$416,049	\$500,722
Totals	90.7%	\$2,547,723	\$94,416	\$607,200	\$701,616

CalPERS Pension Funding Tools

CalPERS Available Tools

July UAL Annual Prepayment

“Fresh Start” Re-amortization Schedule

ADP (Additional Discretionary Payment)

CEPPT Sec 115 Prefunding Trust

July UAL Prepayment

Required Contributions

	Fiscal Year
Required Employer Contributions	2024-25
Employer Normal Cost Rate	23.13%
Plus	
Required Payment on Amortization Bases ¹	\$84,673
Paid either as	
1) Monthly Payment	\$7,056.08
Or	
2) Annual Prepayment Option*	\$81,933

The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll and paid as payroll is reported) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly (1) or prepaid annually (2) in dollars).

* Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31).

UAL Fresh Start Program

Date	Current Amortization Schedule		20 Year Amortization		Alternate Schedules		15 Year Amortization	
	Balance	Payment	Balance	Payment	Balance	Payment	Balance	Payment
6/30/2024	2,605,646	84,673	2,605,646	234,309	2,605,646	234,309	2,605,646	273,342
6/30/2025	2,695,325	131,676	2,540,685	234,309	2,500,347	234,309	2,500,347	273,342
6/30/2026	2,742,528	178,680	2,471,307	234,309	2,387,888	234,309	2,387,888	273,342
6/30/2027	2,744,364	225,683	2,397,211	234,309	2,267,782	234,309	2,267,782	273,342
6/30/2028	2,697,750	272,686	2,318,077	234,309	2,139,508	234,309	2,139,508	273,342
6/30/2029	2,599,392	272,686	2,233,562	234,309	2,002,512	234,309	2,002,512	273,342
6/30/2030	2,494,346	272,685	2,143,300	234,309	1,856,200	234,309	1,856,200	273,342
6/30/2031	2,382,157	272,685	2,046,900	234,309	1,699,939	234,309	1,699,939	273,342
6/30/2032	2,262,340	272,686	1,943,945	234,309	1,533,052	234,309	1,533,052	273,342
6/30/2033	2,134,374	272,686	1,833,989	234,309	1,354,817	234,309	1,354,817	273,342
6/30/2034	1,997,707	272,685	1,716,556	234,309	1,164,462	234,309	1,164,462	273,341
6/30/2035	1,851,747	272,686	1,591,137	234,309	961,164	234,309	961,164	273,342
6/30/2036	1,695,861	272,685	1,457,190	234,309	744,040	234,309	744,040	273,342
6/30/2037	1,529,376	272,687	1,314,134	234,309	512,152	234,309	512,152	273,341
6/30/2038	1,351,568	272,687	1,161,351	234,309	264,497	234,309	264,497	273,342
6/30/2039	1,161,668	272,685	998,178	234,309		234,309		
6/30/2040	958,858	272,686	823,910	234,309		234,309		
6/30/2041	742,255	272,686	637,791	234,308		234,308		
6/30/2042	510,924	272,686	439,017	234,308		234,308		
6/30/2043	263,862	272,686	226,727	234,309		234,309		
6/30/2044								
6/30/2045								
6/30/2046								
6/30/2047								
6/30/2048								
6/30/2049								
Total	4,983,685			4,686,178		4,686,178		4,100,128
Interest Paid	2,378,039			2,080,532		2,080,532		1,494,482
Estimated Savings						297,507		883,557

ADP and 115 Trust

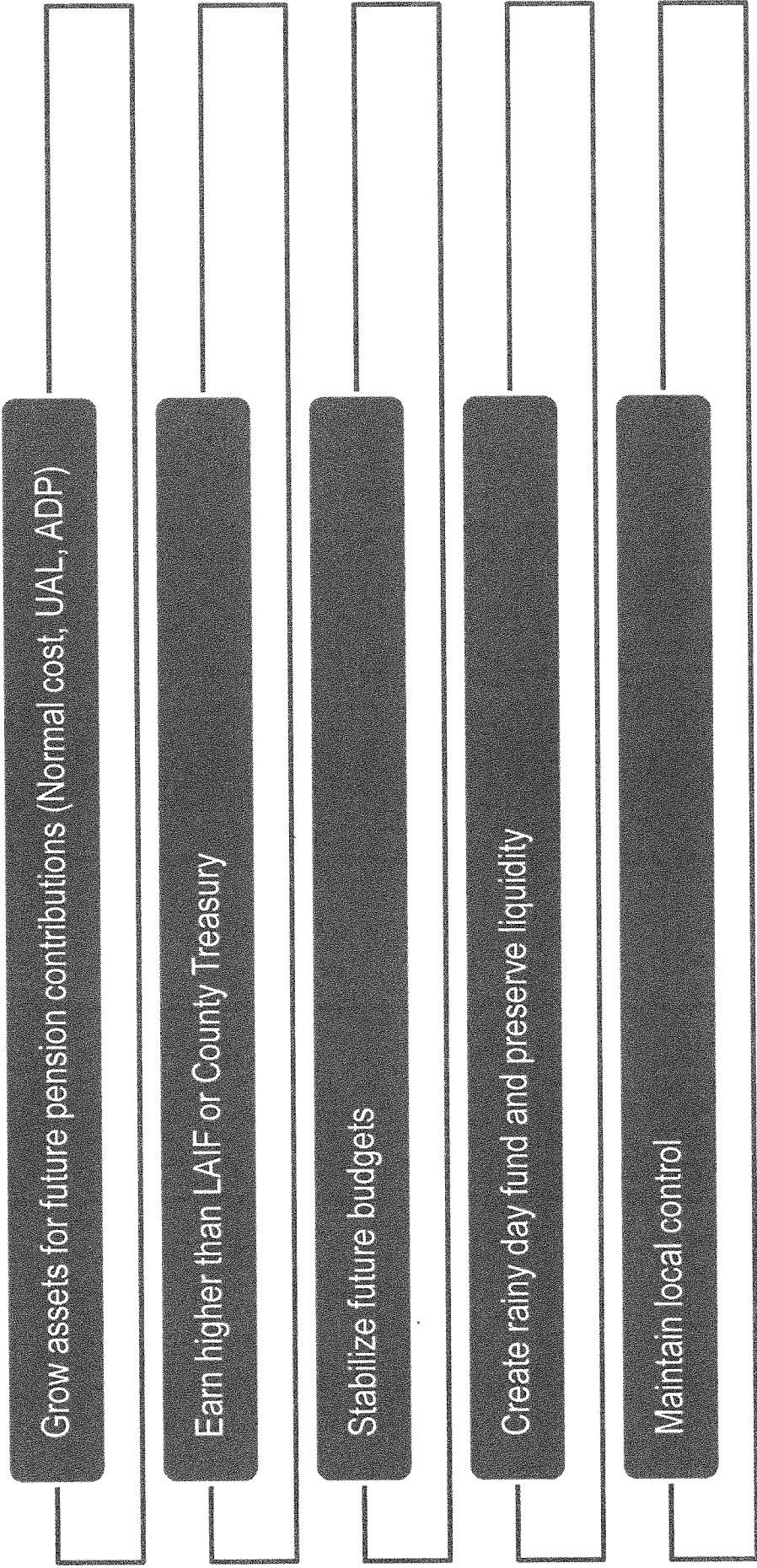
ADP (Additional Discretionary Payment)

- Makes up past underperformance
- Reduces pension UAL
- Liquidity consideration

CEPPT Sec 115 Trust

- Stabilizes future cash flow
- Improves future capacity to pay

Why Prefund Pension Contributions?



Higher Yielding Investment Potential

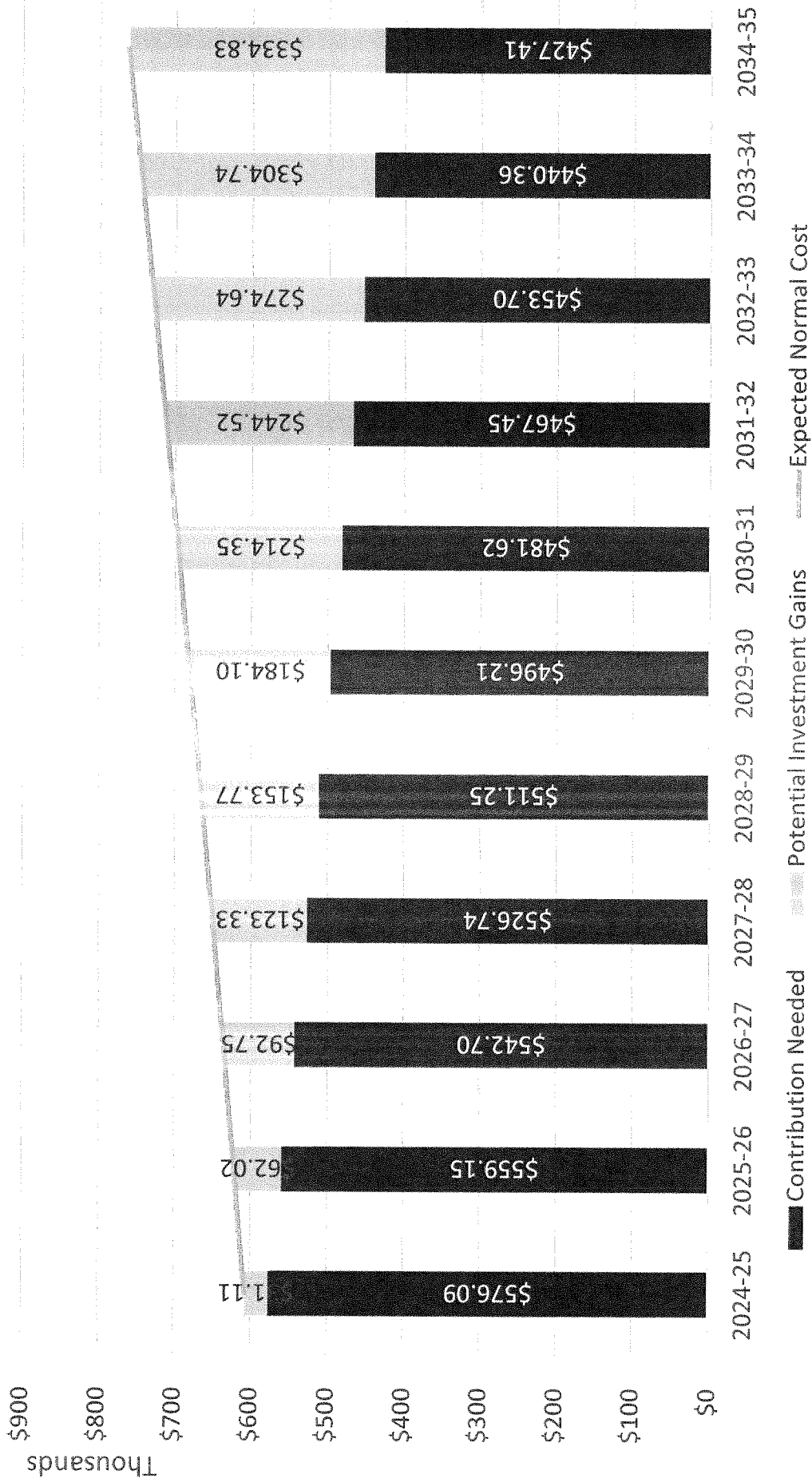
Hypothetical 10 Year Compounding Interest Scenario

Investment Duration (Years)	1	2	3	4	5	6	7	8	9	10
Expected Compounded Annualized Rate of Investment Return	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%
Cumulative Expected Compounded Rate of Investment Return	5%	11%	17%	23%	30%	37%	45%	52%	61%	69%
Future Value of \$1	\$1.05	\$1.11	\$1.17	\$1.23	\$1.30	\$1.37	\$1.45	\$1.52	\$1.61	\$1.69
Required Investment Principal Contribution Needed to Generate \$1M	\$949K	\$900K	\$854K	\$810K	\$769K	\$729K	\$692K	\$657K	\$623K	\$591K

Pension Contribution Investment Tools

Portfolios	CalPERS Pension	CEPPT Strategy 1	CEPPT Strategy 2	LAIIF
Expected Return	6.8%	5.4%	4.9%	~1%
Risk	11.4%	8.4%	5.9%	Lowest
Time Horizon	Longest Term	Employer Determined	Employer Determined	Shortest Term
Liquidity	No	Yes	Yes	Yes

Hypothetical Contribution Prefunding Scenario – Estimated Normal Cost



Rainy Day Fund

- Will likely outperform LAIF and earn more interest over time
- Will provide additional income source and allow for greater budgetary stability

Plan	3 Months Pension Cost
Miscellaneous Plan	\$5,810
PEPRA Safety Fire Plan	\$44,414
Safety Plan	\$125,181
Total	\$175,404

CalPERS IRC Section 115 Trust Funds

California Employers' Retiree Benefit Trust (CERBT - OPEB)

- Voluntarily prefund non-pension, other post-employment benefits (OPEB)
- Established 2007
- 602 employer participants
- ~\$22.3B assets

California Employers' Pension Prefunding Trust (CEPPT - Pension)

- Voluntarily prefund required pension contributions
- Established 2019
- 97 employer participants
- ~\$268M assets

Prefunding Program Employers

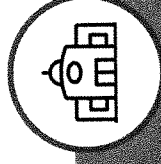
629 contracting employers (602 CERBT and 97 CEPPT)



State of California

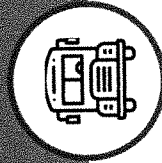


155 Cities or Towns

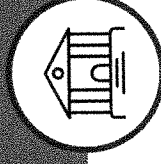


9 Counties

83 School Employers



33 Courts



348 Special Districts & Public Agencies



Investment Management

CEPPT Portfolio Options

Portfolios	CEPPT Strategy 1	CEPPT Strategy 2
Expected Return	5.4%	4.9%
Standard Deviation	8.4%	5.9%

CEPPT Portfolio Details

Asset Classification	Benchmark	CEPPT Pension Strategy 1	CEPPT Pension Strategy 2	Target Range
Global Equity	MSCI All Country World Index IMI (Net)	37%	21%	±5%
Fixed Income	Bloomberg US Aggregate Bond Index	44%	61%	±5%
Real Estate Investment Trusts ("REITs")	FTSE EPRA/NAREIT Developed Index (Net)	14%	9%	±5%
Treasury Inflation Protected Securities (TIPS)	Bloomberg US TIPS Index, Series L	5%	9%	±3%
Cash	91-Day Treasury Bill	-	-	+2%

CERBT & CEPPT Time-weighted Investment Returns

Periods Ended August 31, 2024

CERBT OPEB	Assets	1 Month	3 Months	FYTD	1 Year	3 Years	5 Years	10 Years	ITD
CERBT Strategy 1 (Inception June 1, 2007)	\$19,422,541,229	2.85%	7.18%	5.77%	17.04%	1.78%	7.39%	6.16%	5.59%
Benchmark		2.85%	7.14%	5.76%	16.83%	1.57%	7.14%	5.82%	5.21%
CERBT Strategy 2 (Inception October 1, 2011)	\$2,104,005,564	2.65%	6.86%	5.57%	14.50%	0.35%	5.20%	4.96%	6.59%
Benchmark		2.65%	6.83%	5.56%	14.34%	0.21%	5.02%	4.68%	6.34%
CERBT Strategy 3 (Inception January 1, 2012)	\$820,194,462	2.42%	6.47%	5.28%	12.52%	0.25%	3.68%	3.99%	5.03%
Benchmark		2.43%	6.45%	5.27%	12.39%	0.34%	3.55%	3.74%	4.78%
CERBT Total	\$22,346,741,255								
CEPPT PENSION	Assets	1 Month	3 Months	FYTD	1 Year	3 Years	5 Years	10 Years	ITD
CEPPT Strategy 1 (Inception October 1, 2019)	\$203,369,974	2.43%	6.46%	5.19%	14.36%	1.06%	-	-	5.29%
Benchmark		2.43%	6.48%	5.22%	14.31%	0.90%	-	-	5.19%
CEPPT Strategy 2 (Inception January 1, 2020)	\$64,130,683	2.01%	5.78%	4.63%	11.34%	0.11%	-	-	2.54%
Benchmark		2.02%	5.75%	4.63%	11.29%	0.18%	-	-	2.44%
CEPPT Total	\$267,500,657								

Time weighted return reports the performance of the investment vehicle, not of the employer assets. Returns are gross. Historical performance is not necessarily indicative of actual future investment performance or of future total program cost. Current and future performance may be lower or higher than the historical performance data reported here. Investment return and principal value may fluctuate so that your investment, when redeemed, may be worth more or less than the original cost. The value of an employer's fund shares will go up and down based on the performance of the underlying funds in which the assets are invested. The value of the underlying funds' assets will, in turn, fluctuate based on the performance and other factors generally affecting the securities market.

CERBT and CEPPT Time Weighted Investment Results

Fiscal Year	CERBT Strategy 1 (Inception June 1, 2007)	CERBT Strategy 2 (Inception October 1, 2011)	CERBT Strategy 3 (Inception January 1, 2012)	CEPPT Strategy 1 (Inception October 1, 2019)	CEPPT Strategy 2 (Inception January 1, 2020)
2007-2008	-4.80%	N/A	N/A	N/A	N/A
2008-2009	-23.03%	N/A	N/A	N/A	N/A
2009-2010	15.87%	N/A	N/A	N/A	N/A
2010-2011	24.96%	N/A	N/A	N/A	N/A
2011-2012	0.15%	N/A	N/A	N/A	N/A
2012-2013	11.78%	8.87%	5.21%	N/A	N/A
2013-2014	18.52%	15.58%	12.86%	N/A	N/A
2014-2015	-0.11%	-0.34%	-0.03%	N/A	N/A
2015-2016	1.04%	2.95%	4.18%	N/A	N/A
2016-2017	10.62%	7.28%	4.16%	N/A	N/A
2017-2018	8.00%	6.22%	4.74%	N/A	N/A
2018-2019	6.22%	7.07%	7.24%	N/A	N/A
2019-2020	3.58%	5.46%	6.37%	N/A	N/A
2020-2021	27.54%	19.71%	13.60%	18.31%	8.00%
2021-2022	-13.35%	-12.54%	-10.72%	-12.41%	-10.94%
2022-2023	6.46%	3.60%	1.61%	5.25%	2.43%
2023-2024	11.02%	8.25%	6.32%	8.76%	6.14%

Time weighted return reports the performance of the investment vehicle, not of the employer assets. Returns are gross. Historical performance is not necessarily indicative of actual future investment performance or of future total program cost. Current and future performance may be lower or higher than the historical performance data reported here. Investment return and principal value may fluctuate so that your investment, when redeemed, may be worth more or less than the original cost. The value of an employer's CERBT and CEPPT fund shares will go up and down based on the performance of the underlying funds in which the assets are invested. The value of the underlying funds' assets will, in turn, fluctuate based on the performance and other factors generally affecting the securities market.

Maintain Local Control

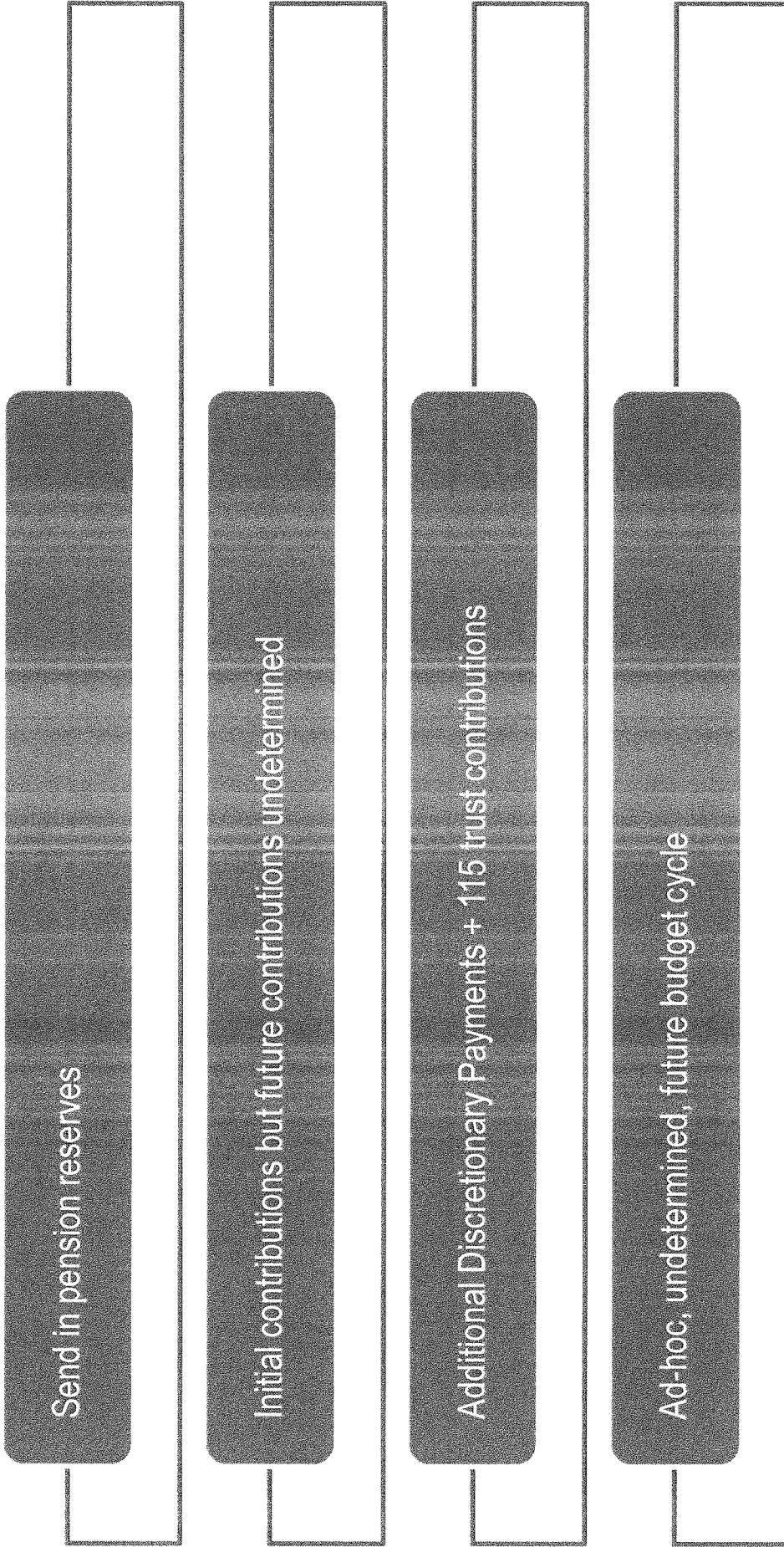
Choose your preferred portfolio or use both concurrently

Contributions are voluntary and on your schedule

Decide if, and when to liquidate trust assets

- Normal costs, UAL payments, ADPs

CEPPT Employer Controls the Funding Policy



Total Participation Cost Fee Rate

- All-inclusive cost of participation
 - 25 basis points (bps) fee on asset balance
 - Combines administrative, custodial, and investment fees
 - Self-funded and not-for-profit
 - Zero cost to join

Asset Value on Deposit*	All-Inclusive Fee Rate	Annual Cost
\$1,000,000	25 Basis Points (0.25%)	\$2,500

*Asset values shown assume the amount is deposited on the first day of a 12-month calendar year and remains constant the entire 12 months ending on the last day with the exact same amount. No investment gains/losses, or contribution additions/withdrawals are experienced at any time during the 12 months. There are no additional fees of any kind. No set-up, joining, renewal, contribution, disbursement, termination fees. No minimum contribution amount.

Advantages of the CEPPT

Investment Policy & Management

- Unmatched resources and economies of scale
- Most broadly diversified portfolios

Lowest Total Participation Cost

- Not-for-profit
- Least expensive option

Excellent Customer Service

- Direct access to dedicated prefunding staff
- Account updates based on your preferred schedule

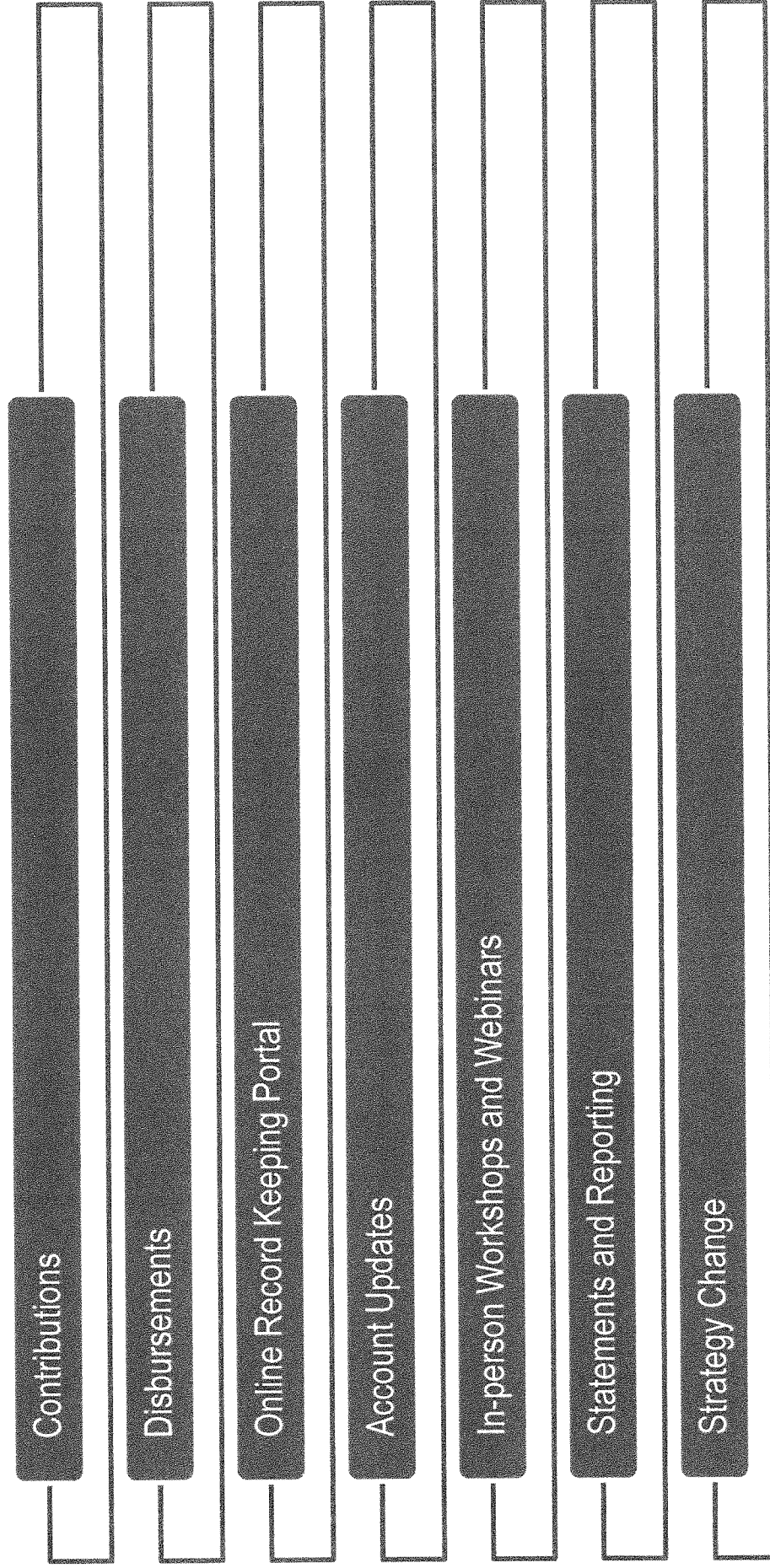
Simple Administration

- Uncomplicated setup and processes

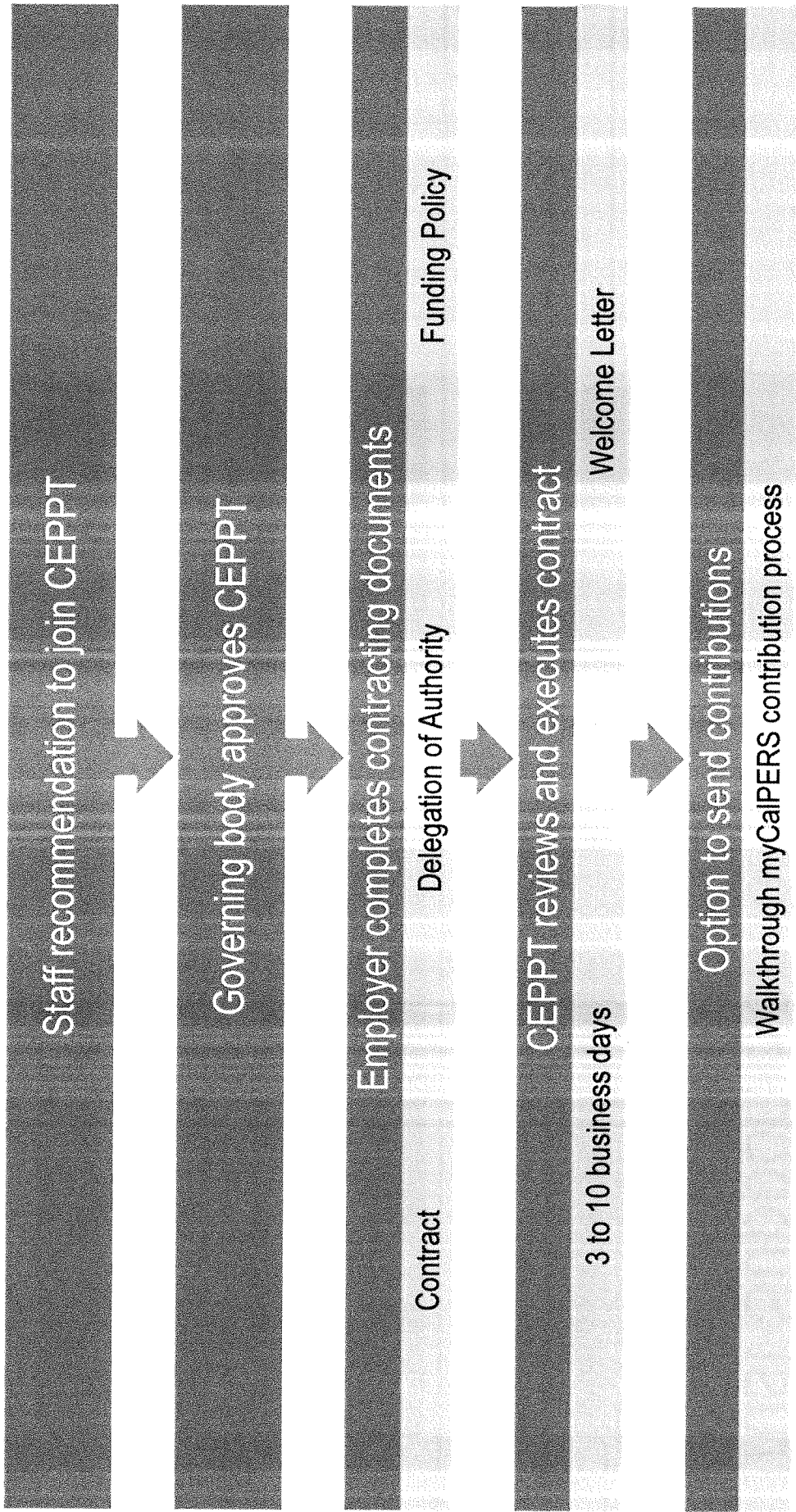
GASB Compliance

- 100% GASB 74 and 84 compliant
- CERBT PLR

Trust Support Services



Uncomplicated Contracting Process



Contracting Documents

Governing Body

Contract Agreement

Delegation of Authority
to Request Disbursements

Agency

Funding Policy

Next Steps

Continue Pay-As-You-Go Option

- Most expensive approach
- Rely 100% on current & future operating budget
- Increasing pension costs may stress future budget

Setup CEPPT Option

- ✓ Higher investment income than LAIF/Treasury
- ✓ Stabilize future cash flow & reduce budget dependency
- ✓ Rainy day fund
- ✓ Voluntary contributions & retain liquidity

Questions? Where to Get Trust Fund Information?

Name	Title	E-mail	Desk	Mobile
Darren Lathrop	Outreach & Support Manager	Darren.Lathrop@calpers.ca.gov	(916) 795-0751	(916) 291-0391
Lee Lo	Section 115 Trust and 457 Outreach Manager	Lee.Lo@calpers.ca.gov	(916) 795-4034	(916) 612-4128
Therese Luo	Outreach & Support Analyst	Therese.Luo@calpers.ca.gov	(916) 795-2983	(916) 213-2879
Danny Kaufman	Outreach & Support Analyst	Daniel.Kaufman@calpers.ca.gov	(916) 795-8278	(916) 440-3821
Katie Nguyen	Outreach & Support Analyst	Katie.Nguyen@calpers.ca.gov	(916) 795-8248	(916) 715-1911
Colleen Cain-Herrback	Program Manager	Colleen.Cain-Herrback@calpers.ca.gov	(916) 795-2474	(916) 505-2506
Robert Sharp	Assistant Division Chief	Robert.Sharp@calpers.ca.gov	(916) 795-3878	(916) 397-0756

Program E-mail Addresses	Prefunding Programs Webpages
CEPPT4U@calpers.ca.gov – Questions & Document Submittal	www.calpers.ca.gov/ceppt
CERBT4U@calpers.ca.gov - Questions & Document Submittal	www.calpers.ca.gov/cerbt
CERBTACCOUNT@calpers.ca.gov – Access to Online Record Keeping System	www.your-fundaccount.com/calpers/ - Online Record Keeping System

**DISCUSSION ON
PURCHASE OF LED
SIGNS AT LIBERTY
AND PENNGROVE
STATIONS**



Rancho Adobe Fire District

Staff Report

Date: October 8, 2024

Topic: Contract for Digital Display Signs at Penngrove and Liberty Fire Stations

Recommendation:

Staff recommends that the Board of Directors approve a "piggyback" bid agreement awarded by Sonoma County Fire District to Robert Sanders & Co. Signage Systems in an amount not to exceed \$150,000 for design, installation, and training of digital signs at the Penngrove and Liberty fire stations.

Background:

The District has received funding from the County of Sonoma in the amount of \$140,000 for the specific purpose of installing digital signs at two fire stations to improve and enhance important fire and life safety messaging to our communities.

In January 2024, Sonoma County Fire District initiated an RFQ (Request for Quotation) for the same LED electronic sign project for two fire stations. The award was issued to Robert Sanders & Co. Signage Systems. The District has opted to "piggyback" on this contract that was and awarded to Robert Sanders & Co.

The estimated cost the signs at each station is \$72, 872.50 per station including tax for a total cost of \$145,745.

The District will be required to provide electricity to the site where each LED sign will be located. This work will be completed separately form the sign cost.


Financial Impact:

The District has received \$140,000 toward the sign project, of the anticipated \$150,000 project cost, leaving a \$10,000 cost that will be allocated from our Capital Facilities Account #334

Options:

1. Approve the agreement with Robert Sanders & Co.
2. Do not approve but provide alternative direction to staff

Approved by:


Jeff Veliquette
Fire Chief

Attachments:

1. Rancho Adobe estimate 23-0048 in the amounty of \$145,745
2. Rancho Adobe Fire District Sign Design
3. Sonoma County Fire District RFQ 23-04

Robert Sanders & CO. Signage Systems

P.O. Box 1356 • Sonoma, CA 95476 707 326-5851

C45 License 903370

estimate 23-0048

Date: Sept 30, 2024

Rancho Adobe Fire District Project: LED Signage

P.O. Box 1029, Penngrove CA 94951

11000 Main Street, Penngrove CA 94951

(707) 795-6011

jveliquette@rafd.org

Attn. Jeff Veliquette

**Project: Digital Freestanding Signs for Fire Safety Messaging for
Station 2: Headquarters, 11000 Main Street, Penngrove CA
and Station 3: 99 Liberty Road, Petaluma CA**

Fire Station LED Display Signs

1. Location - Station 2: Headquarters, 11000 Main Street, Penngrove CA

Double-Sided Freestanding Digital Sign with Regular Base

Size: 6'-0" High x 7'-6" Wide x 16" deep

Digital Screen: Digital Screen 4'-0" x 6'-0" Double-Sided W16mm LED RGB

(see specifications below)

Sign Structure: Aluminum/arched top/burgundy red/white colors/ with internal steel supports mounted in ground/deigned to accommodate double sided LED displays

Finish: High Performance Matthews Architectural Polyurethane Paints

Copy: Push-Thru 1/2" thick white acrylic letters backlit with LED's illumination

Rancho Adobe Fire District- Logo/Fire Station Name

Installation: Mounted in 2 concrete footings in designated site/landscaping area

\$68,000 + shipping \$1250 +Training \$750=\$70,000

Design, mechanical shop drawings, details \$750

Total \$70,750

Add CA Sales Tax \$2122.50

Total \$72,872.50

Optional: Additional Cost for LED Size Adjustment for 10mm \$7,000

(Note:Client responsible for dedicated electrical circuit adjacent to sign location/ 120V/14 amps single phase service on a timer. Client responsible for site and landscape preparation/ and it should be noted no irrigation should be directed toward sign.)

2. Location - Station 3: 99 Liberty Road, Petaluma CA

Double-Sided Freestanding Digital Sign with Regular Base

Size: 6'-0" High x 7'-6" Wide x 16" deep

Digital Screen: Digital Screen 4'-0" x 6'-0" Double-Sided W16mm LED RGB

(see specifications below)

Sign Structure: Aluminum/arched top/burgundy red/white colors/ with internal steel supports mounted in ground/deigned to accommodate double sided LED displays

Finish: High Performance Matthews Architectural Polyurethane Paints

Copy: Push-Thru 1/2" thick white acrylic letters backlit with LED's illumination

Rancho Adobe Fire District- Logo/Fire Station Name

Installation: Mounted in 2 concrete footings in designated site/landscaping area

\$68,000 + shipping \$1250 +Training \$750=\$70,000

Design, mechanical shop drawings, details \$750

Total \$70,750

Add CA Sales Tax \$2122.50

Total \$72,872.50

Optional: Additional Cost for LED Size Adjustment for 10mm \$7,000

(Note:Client responsible for dedicated electrical circuit adjacent to sign location/ 120V/14 amps single phase service on a timer. Client responsible for site and landscape preparation/ and it should be noted no irrigation should be directed toward sign.)

Total Project Costs for

Station 2: Headquarters, 11000 Main Street, Penngrove CA and

Station 3: 99 Liberty Road, Petaluma CA

\$ 145,745.00

Approved _____ Date _____

50% Deposit/Balance on Completion. If specifications are modified or site conditions vary pricing subject to change/Estimate valid for 45 days/Add Ca Sales Tax to appropriate items/not included processing, planning fees or building permit fees. As required by CA State regulations Robert Sanders & Co. is a licensed Electrical C-45 California State Contractor, Bonded and Insured/Hartford Liability Insurance

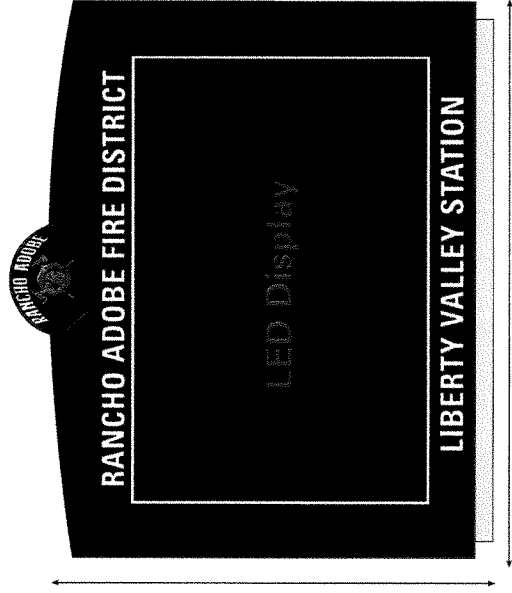
Fire Station Digital Sign Program

RANCHO ADOBE FIRE DISTRICT

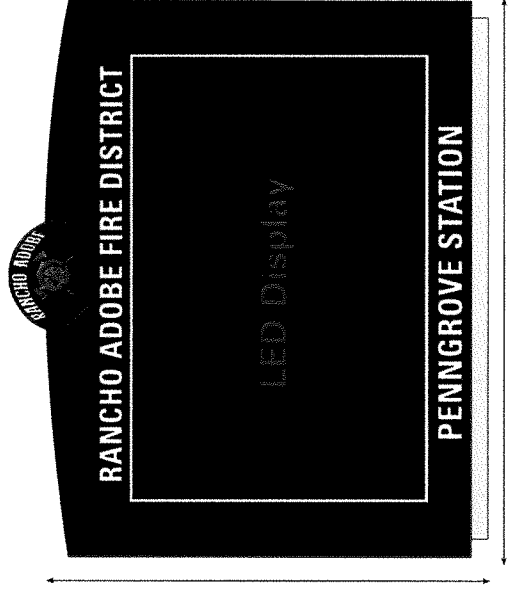
Sign Design

Description of Sign: Custom freestanding digital sign cabinet (double sided) fabricated of aluminum with arched top, supports the digital sign face with a perimeter frame, white acrylic push-thru led internally illuminated letters are 6'-0" provided for copy, the internal sign structure is mounted on 2 -3'x3' posts in 4' deep concrete footings. High quality programmable digital sign, full color (Screen size 16mm) 72" w x 48" h

Sign Type B



7'-6" high x 7'-6" wide x 18" deep

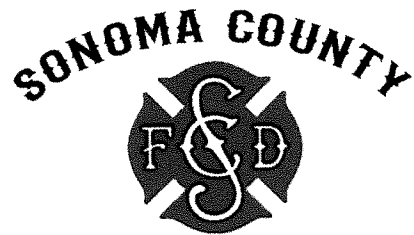


7'-6" high x 7'-6" wide x 18" deep

robert sanders & co.

environmental graphic design
fabrication • installation

707.326.5861
robert@rsc.com
robertsanders.com



FIRE DISTRICT

**REQUEST FOR
QUOTATION**

(RFQ) 23-04

**Station 1 and Station 10
LED ELECTRONIC SIGN PROJECT**

DATE ISSUED

December 19, 2023

BIDS DUE

January 15, 2024 at 2:00 p.m.

TO

Sonoma County Fire District
8200 Old Redwood Hwy
Windsor, CA 95492
707-838-1170
tbolduc@sonomacountyfd.org

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Note: Required Data Forms must be completed and attached as part of your bid response.

**INVITATION FOR BIDS
23-4**

**Station 1 and Station 10
LED Electronic Sign Project**

Sealed Bids, signed and in the original only, subject to the Invitation for Bids, Provisions and Specifications, will be received at 8200 Old Redwood Hwy Windsor, CA 95492 or by email to Chief Finance Officer, tbolduc@sonomacountyfd.org until **2:00:00 p.m.(as per Fire District Clock only – no other clock will be acceptable), January 15, 2024**, for furnishing the supplies and/or services described in the accompanying schedule.

REQUEST FOR PROPOSAL

The Sonoma County Fire District (SCFD) invites qualified contractors to submit bids for the design, supply, installation, and maintenance and training of LED electronic signs at Station #1 located at 8200 Old Redwood Hwy, Windsor, CA and Station #10 is located at 510 Hwy 1, Bodega Bay, CA

These LED signs will serve as essential tools for conveying important public information and emergency alerts to the community. Maintenance and training should be provided by company that is within approximately 120 miles of Sonoma County.

1. **Station #1:** 8200 Old Redwood Hwy, Windsor, Sonoma County, CA, 95492
2. **Station #10:** 510 Hwy 1, Bodega Bay, Sonoma County, CA, 94923

At all times during the term of this Agreement, a Contractor shall have in full force and effect, any licenses required by the State of California Contractor's Licensing Board for the performance of the services described in this Agreement.

Submit Pay Requests for review to:

Project Manager

Cyndi Foreman, Division
Chief/Fire Marshal
8200 Old Redwood Hwy
Windsor, CA 95492
cforeman@sonomacountyfd.org
(707) 892-2003

BID RESULTS

Should you have any questions regarding the bid results, please call Chief Financial Officer, Terri Bolduc at (707) 892-2006. Bid results will not list all exceptions taken to each specification and shall not be considered as final. Where bid exceptions are noted, said exceptions will be evaluated to determine exception or rejection.

SPECIAL PROVISIONS

Bid/Proposal Guarantee: All bids shall be presented under sealed cover.

Prevailing Wage Provisions: Prevailing Wage is required.

Requests for Information (RFI's): Requests for information and clarifications must be submitted in writing to Terri Bolduc, Chief Financial Officer at tbolduc@sonomacountyfd.org no later than **4:00 pm on January 4, 2024**. The District may elect not to respond to RFI's submitted after that date and time.

Progress of the Work and Time for Completion: The Contractor shall be prepared to begin work within ten (10) calendar days after the day authorized in the Notice to Proceed and shall work diligently to prosecute the contract to completion before the expiration of: **60 days**. **Note:** Work shall be scheduled as required by these specifications and as directed by the Project Manager.

Status/Progress Reports: The Contractor shall provide a weekly written status/progress report including any issues or concerns with the project. The Contractor shall submit the reports by e-mail to the District's Project Manager.

Hindrances and Delays: The Contractor expressly agrees that the service schedule named in the contract includes allowances for all hindrances or delays incidental to the work. There will be no claims made by the Contractor for hindrances or delays, from any cause, during the progress of the work, except as provided under "Suspension of Work and Extensions Of Time."

Suspension of Work: The Sonoma County Fire District reserves the right to suspend and reinstate execution of the whole or any parts of the work without invalidating the provisions of the contract. The District will issue any orders for suspension or reinstatement of work to the Contractor in writing. The time for completion of the work will be extended for a period equal to the time lost by reason of suspension and extra costs and expenses which, in the opinion of the District, are caused by work suspension is due to the contractor's negligence or failure to meet contractual or regulatory requirements.

Extensions of Time: Should the Contractor be delayed in the final completion of the work by any act or neglect of the District, or of any employee of either, or by any other Contractor employed by the District, or by strike, fire, other cause outside the control of the Contractor which, in the opinion of the District, could have been neither anticipated nor avoided, then an extension of time sufficient to compensate for the delay, as determined, will be granted by the District, provided that the contractor gives the District prompt notice in writing of the cause of delay in each case and demonstrates that he has used all reasonable means to minimize the delay.

Delivery of Material: All materials shall be delivered to the construction site in their original unopened containers clearly labeled with the trade name and the name of the manufacturer. The project manager shall inspect all material delivered to the job site prior to any material application by the contractor.

Contract Extension: Should the Contractor be unable to complete the scope of the work described in this contract within the specified time period, the contractor may submit to the District's Chief Financial Officer, in writing, a detailed request to extend the time period allowed under the contract for a reasonable number of days to allow the contractor to complete the contract. However, the District reserves the right to approve or disapprove said extension.

Safety Equipment: Contractor shall provide all necessary safety equipment, including but not limited to helmets, glasses, earplugs, and to ensure that his crews use this safety equipment when working on this job. Contractor shall be held accountable for any infraction of safety equipment

Construction Housekeeping: The Contractor will be responsible to protect the integrity of the furniture i.e. seating, carpet, tables and artwork by covering the areas with plastic while the job is in progress.

Before acceptance of the work, the contractor shall clean the work site and all areas occupied by Contractor in connection with the work of all rubbish, excess materials, temporary structures, and equipment, and all parts of the work shall be left in a neat and in its original condition. Full compensation for cleaning up as herein specified shall be considered as included in the prices paid for the various contract items of work and no additional allowance will be made, therefore.

Losses from Natural Causes: All loss or damage arising out of the nature of the work, or from the action of the elements, or from floods or overflows, or from groundwater, or from any unusual obstruction or difficulty, or any other natural or existing circumstance either known or unforeseen, which may be encountered in this prosecution of work, shall be sustained, and borne by the Contractor at his own cost and expense.

Fees and Permits: The Contractor is to obtain all applicable permits required prior to start of work.

If applicable, the Contractor shall notify Project Manager and have the work inspected and tested as required by ordinance, and present to the District properly signed certificates of inspection.

Inspection: All work and materials covered by these specifications shall be subject to inspection at any and all times by authorized representatives of the District.

GENERAL PROVISIONS
IFB – MINOR PUBLIC WORK

Bids: Contractors are required to submit a bid on all bid items, unless otherwise stated. Bid submittals which do not have all items bid will not be considered. Bid submittal can be mailed with original forms completed and signed in ink, or electronic bid response.

This Invitation for Bids shall result in a firm, fixed price contract.

In case of default by the Contractor, the Sonoma County Fire District may procure the articles or services from other sources and may deduct from any monies due, or that may thereafter become due to the contractor, the difference between the price named in the contract or purchase order and actual cost thereof to the Sonoma County Fire District. Prices paid by the District shall be considered the prevailing market price at the time such purchase is made. Periods of performance may be extended if the facts as to the cause of delay justify such extension in the opinion of the Fire Chief.

All prices and bids must be in ink or typewritten unless submitting an electronic bid response. No pencil figures or erasures are permitted. Mistakes may be crossed out and corrections inserted adjacent thereto and must be initialed in ink by person signing the bid.

All bids must be signed with the firm's name and by a responsible officer or employee. Obligations assumed by such signature must be fulfilled.

Contents of Bid Forms: Prospective Contractors will have available online the bid documents which will state the location and description of the contemplated scope of and will show the approximate estimate of the various quantities and kinds of work to be performed or materials to be furnished with a schedule of items for which unit prices are asked. Prospective Contractors will also be furnished the special provisions relating to the project.

Approximate Estimate: The quantities given in the Invitation For Bid to Contractors, bid, and contract forms are approximate only, being given as a basis for the comparison of bids, and the Award Authority does not, expressly or by implication, agree that the actual amount of work will correspond therewith, but reserves the right to increase or decrease the amount of any class or portion of the work or to omit portions of the work, as may be deemed necessary or advisable by the Project Manager.

Examination of Plans, Specifications, District Standards, Invitation for Bids and Work Site: Prior to submitting a bid, the Contractor shall carefully examine the Plans, Specifications or Scope of Work, District Standards, the Invitation for Bids, and the proposed work site. It will be assumed that the Contractor has investigated and is satisfied as to the conditions to be encountered, as to the character, quality, and quantities of work to be performed and materials to be furnished, and as to the requirements of the plans, these special provisions, and the contract. If any person contemplating submitting a bid for the proposed contract is in doubt as to the true meaning of any part of the plans, specifications, or other proposed contract documents, or finds discrepancies in, or omissions from the drawings or specifications, he may submit to the Project Manager, a written request for an interpretation or correction thereof. The written request must be submitted to the Project Manager by the time identified for submittal of Requests for Information prior to bid opening. The person submitting the request will be responsible for its prompt delivery. Any interpretation or correction of the proposed documents prior to bid opening will be made only by addendum duly issued, and a copy of such addendum will be mailed or faxed to each person

receiving a set of such documents. The District will not be responsible for any other explanations or interpretations of the proposed documents.

Bid Forms: All bids shall be made upon blank contract bid forms to be obtained from the District Invitation for Bid. The Contractor shall submit their bid on the original bid form furnished by the District and bids submitted on forms other than the one so furnished to the Contractor will be disregarded. All bids shall give the prices proposed and must bear the original signature of the Contractor. The Contractors shall fill in all blanks on the contract bid form as therein required.

Rejection of Bids Containing Alterations, Erasures or Irregularities: Bids may be rejected if they show any alterations of form, additions not called for, conditional bids, incomplete bids, erasures, or irregularities of any kind.

Withdrawal of Bid: Any bid may be withdrawn at any time prior to, but not after, the hour fixed in the public notice for the opening of bids provided that a request in writing, executed by the Contractor or its duly authorized representative, for the withdrawal of such bid is filed with the District Project Manager. The withdrawal of a bid shall not prejudice the right of a Contractor to file a new bid.

Public Opening of Bids: Bids will be opened and read publicly at the time and place indicated in the Invitation For Bid. Contractors or their authorized agents are invited to be present.

Disqualification of Contractors: More than one bid from an individual, firm or partnership, a corporation, or an association under the same or different names will not be considered. This shall not be interpreted to mean that the same Contractor may not be interested in one bid as prime contractor, and another as subcontractor, providing no collusion exists. If there is reason for believing that collusion exists between the Contractors, none of the participants in such collusion will be considered in future bids. Bids, in which the prices obviously are unbalanced, may be rejected.

Competency of Contractors: No bid will be accepted from or contract awarded to a Contractor who is not licensed in accordance with the law; who does not hold a license qualifying him to perform work under this contract; to whom a bid form has not been issued by the District Project Manager; who has not successfully performed on projects of similar character and scope to the proposed construction. Contractors will be required to furnish a complete experience statement with this bid.

Award of Contract: The right is reserved to reject any or all bids.

Bids are required for all the work described herein.

All bids will be compared on the basis of the District Project Manager's estimate of the quantities of work to be done.

The award of the contract, if it be awarded, will be made within sixty (60) days from the date bids are opened, to the lowest responsible Contractor, whose bid complies with all the requirements prescribed.

Execution of Contract: The contract shall be signed by the successful Contractor and returned, together with one original of each insurance certificate, within ten (10) calendar days after the Contractor has received notice of award. If the successful Contractor is a corporation, the contract shall be signed by two corporate officers, one from each of the following two groups: a) the chairman of the board, president or any vice-president; b) the secretary, any assistant secretary, chief financial officer, or any assistant treasurer. The title and printed name of each corporate officer shall be listed under the signature.

Failure to Execute Contract: Failure to execute a contract and file acceptable bonds, as hereunder required, and the correct insurance certificates as provided herein within ten (10) calendar days after the Contractor has received notice that the contract has been awarded shall be just cause for the annulment of the award and the forfeiture of the bid guaranty. If the successful Contractor refuses or fails to execute the contract, the District may award the contract to the second lowest responsible Contractor. If the second lowest responsible Contractor refuses or fails to execute the contract, the District may award the contract to the third lowest responsible Contractor. On the refusal or failure of the second or third lowest responsible Contractor, to whom any such contract is so awarded, to execute the same, such Contractors guarantees shall be likewise forfeited to the District. The work may then be re-advertised or may be constructed by day labor as the District may decide.

Subcontractors: The successful Contractor shall furnish a list of all subcontractors. Said list shall include the names and addresses of the subcontractors and the name of the responsible managing employees whose name appears on the subcontractors' license.

Cleaning Up: Before acceptance of the work, the Contractor shall clean all areas occupied in connection with the work of all rubbish, excess materials, temporary structures, and equipment, and all parts of the work shall be left in a neat and presentable condition.

Full compensation for cleaning up as herein specified shall be considered as included in the prices paid for the various contract items of work and no additional allowance will be made therefor.

Change of Scope: All proposed changes to the contract shall be documented in writing in the form of an Amendment. Verbal field or office requests and/or direction without backup documentation shall not be considered valid. This is to include any work required by District employees not mentioned elsewhere in this contract.

Contractor's Copies of Contract Documents: The District will supply the Contractor with one set of plans and specifications for this project made available as attached to the Invitation For Bid. It will be the responsibility of the Contractor to print copies of all documents as needed.

Order of Work: The work as shown on the Project Plans and as specified in these Provisions shall be constructed in a sequence which is satisfactory to, and which has been approved by the Project Manager.

The Contractor shall obtain approval of its construction sequence, layout of work and schedule prior to commencing work on the project or any part of the project. The Contractor's schedule shall show the critical path of items which control the schedule. Additional detail regarding the scope of work may be found in the project documents.

Full compensation for conforming to the provisions of this article shall be considered as included in the prices paid for the various contract items of work and no additional allowance will be made therefor.

Inspection: The Contactor shall bear all costs associated with re-inspection of any defective, rejected, or unauthorized work, as determined by Project Manager in Project Manager's sole discretion. Such costs of re-inspection, including any costs incurred by the District for additional staff time or fees for third-party consultant inspectors, will be irrevocably deducted from one or more progress payments hereunder.

Character of Workers: If any subcontractor or person employed by the Contractor shall appear to the Project Manager to be incompetent or to act in a disorderly or improper manner, he shall be discharged immediately on the request of the Project Manager, and such person shall not again be employed on the work.

No additional compensation shall be granted if the District exercises any portion of this section. Any use of this section shall be at no cost to the District. Any and all costs shall be at the Contractor's expense.

Source of Supply and Quality of Materials: All materials required to complete the work under the attached contract shall be furnished by the Contractor and shall be free of hazardous materials.

Material Submittals: Upon approval of the contract, the Contractor shall submit to the Project Manager, in writing, a list of all materials proposed to be used on this project and any supporting documentation and/or samples required and source of supply.

For material listed on the "Project Manager's List of Approved Items", the Project Manager shall be provided with the name of the manufacturer and model/part number for all material proposed for this project, unless that item has been replaced as shown on the Plans or in the Special Provisions.

The Project Manager reserves the right to reject any proposed material, whether on the District's "Project Manager's List of Approved Items" or not. If the District obtains information indicating that a listed item is not performing satisfactorily or is found to be defective, that item will be rejected and the Contractor shall submit a replacement for review at no additional cost to the District.

Trade Names and Alternatives: Whenever any material or equipment is specified by patent or proprietary name or by the name of the manufacturer, such specification shall be considered as used for the purpose of describing the material or equipment desired and shall be considered as if followed by the words "or acceptable equal", whether or not such words appear. In the event any material or equipment is specified by only one patent or proprietary name or by the name of only one manufacturer, it is for the purpose of standardization or because the Project Manager knows of no equal.

The Contractor may offer material or equipment with equal or better qualities of performance, operation, and maintenance in substitution for those specified which he considers would be in the Project Manager's interest to accept. No offers for substitution will be acknowledged or considered from suppliers, distributors, manufacturers, or subcontractors.

Any such offer shall be made in writing to the Project Manager for consideration at least four weeks in advance of the time at which the Contractor wishes to order the material or equipment for use in the work. The Contractor shall include sufficient data which, together with any other data the Project Manager may require, will enable the Project Manager to assess the acceptability of the material or equipment.

Station 1 and Station 10
LED Electronic Sign Project

When the substitute equipment or material necessitates changes to or coordination with any other portion of the work, the data submitted shall include drawings and details showing all such change and the Contractor shall perform these changes as a part of any acceptance of substitute material or equipment.

The use of any material or equipment so offered will be permitted only after written acceptance of the Contractor's offer by the Project Manager. Such acceptance by the Project Manager shall not relieve the Contractor from full responsibility from the efficiency, sufficiency, and quality and performance of the substitute material or equipment, in the same manner and degree as the material and equipment specified by name.

Between the dates of public notice of advertisement and the bid opening, the District will not, under any circumstances, review or entertain any bids for the acceptability of equipment or materials for inclusion into the contract documents.

Prevailing Wage Provision: If required, pursuant to Labor Code § 1770 et seq., each laborer or mechanic of Contractor or any subcontractor engaged in work on the project under this contract shall be paid not less than the hourly wage rate of per diem wages set forth in the prevailing wage rate schedule published by the Director of Industrial Relations, regardless of any contractual relationship which may be alleged to exist between Contractor or any subcontractor and such laborers and mechanics. A copy of the schedule of prevailing wage rates can be obtained online at www.dir.ca.gov.

Any laborer or mechanic employed to perform work on the project under this contract, which work is not covered by any of the foregoing classifications, shall be paid not less than the prevailing rate of per diem wages specified herein for the classification which most nearly corresponds to the work to be performed by him.

The foregoing specified prevailing wage rates are minimum rates only, and the Contractor may pay any wage rate more than the applicable rate.

Pursuant to Labor Code §1775, the Contractor as a penalty to the owner shall forfeit up to fifty dollars (\$50.00) for each calendar day, or portion thereof for each worker paid less than the prevailing rate established by the Department of Industrial Relations for such work or craft in which such worker is employed. The difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which the worker was paid less than the prevailing wage rate shall be paid to each worker by the Contractor.

The Contractor shall only provide prevailing wage reports upon written request from the District.

Use of Apprentices: Contractor agrees to comply with Chapter 1, Part 7, Division 2, § 1777.5 et seq. of the California Labor Code. These sections require contractors and subcontractors to employ apprentices in apprentice able occupations in a ratio of not less than one hour of apprentice work for each five hours of journeyman work (unless an exception is granted in accordance with §1777.5), and the contractors and subcontractors shall not discriminate among otherwise qualified employees as apprentices solely on the ground of sex, race, religion, creed, national origin, ancestry, or color. Only apprentices as defined in §3077, who are in training under apprenticeship standards and who have written apprentice agreements will be employed on public works in apprentice able occupations. The responsibility for compliance with these provisions is fixed with the prime contractor for all apprentice able occupations.

Payment: Full compensation for conforming to the requirements of this article shall be paid for at the contract lump sum price.

Partial Payments: The District shall, once each month, for progress pay purposes prepare an estimate in writing of the total amount of work done and the acceptable materials furnished and delivered by the Contractor on the ground and not used, to the time of such estimate and the value thereof. The District shall retain five percent (5%) of such estimated value of the work done and five percent (5%) of the value of the materials so estimated to have been furnished and delivered and unused as aforesaid as part security for the fulfillment of the contract by the Contractor. The District shall pay monthly to the Contractor while carrying on the work the balance not retained, as aforesaid, after deducting therefrom all previous payments and all sums to be kept or retained under the provisions of the contract. No such estimate or payment shall be required to be made, when, in the judgment of the Project Manager the work is not proceeding in accordance with the provisions of the contract or when, in the Project Manager's judgment, the total value of the work done since the last estimate amounts to less than five hundred dollars (\$500.00). No such estimate or payment shall be construed to be an acceptance of any defective work or improper materials.

Within 15 days after the completion of the work, the Project Manager will make a semi-final estimate, in writing, of the proposed final quantities of work done under the contract and the value of such work and will submit such estimate to the Contractor. The District shall retain five percent (5%) of such estimated value of the work done and shall pay to the Contractor the balance not retained as aforesaid after deducting therefrom all amounts to be kept and all amounts to be retained under the provisions of the contract.

The Sonoma County Fire District, by and through the appropriate officer or officers, may, at its option and at any time, retain out of any amounts due the Contractor sums sufficient to cover any unpaid claims of District or others provided that sworn statements of all non-District claims shall have been filed with the Finance Director.

Final Payment: Processing for payment on the final estimate shall not be commenced in less than thirty (30) days after the final approval by the project manager on the completion and satisfactory review of the project.

Within fifteen (15) days after submission to the Contractor of the semi-final estimate, the Contractor shall submit to the Project Manager, its written statement of all claims which it has for additional compensation claimed to be due under the contract.

On the Contractor's approval, or if the Contractor files no claims within said period of 15 days, the Project Manager will issue a final written estimate and the District shall pay to the Contractor the entire sum so found to be due after deducting therefrom all previous payments and all amounts to be kept and all amounts to be retained under the provisions of the contract.

If the Contractor, within said period of 15 days, files claims, the Project Manager shall then consider and investigate such claims and shall make such revision in the final quantities as he may find to be due and shall then make and issue a final written estimate. The District will pay the amount so found due, after deducting therefrom all previous payments and amounts to be retained under the provisions of the contract.

All prior partial estimates and payments shall be subject to correction in the final estimate and payment.

The final estimate shall be conclusive and binding against both parties to the contract on all questions relating to the performance of the contract and the amount of work done thereunder and compensation therefor, except in the case of gross error.

The Sonoma County Fire District, by and through the appropriate officer or officers, may, at its option and at any time, retain out of any amounts due the Contractor sums sufficient to cover any unpaid claims of District or others provided that sworn statements of all non-District claims shall have been filed with the Chief Financial Officer.

Patents and Royalties: All costs involved in fees, royalties, or claims for any patented invention, article, process or method that may be used upon or in any manner connected with the work under contract or the use of the completed work by the District shall be paid by the Contractor and the Contractor and its sureties shall protect and hold the District together with all of its officers, agents, servants, and employees harmless against any and all demands made for such fees or claims brought or made by the holder of any invention or patent, and before the final payment is made on the account of the contract, the Contractor shall, if requested by the District, furnish acceptable proof of a proper release from all such fees or claims.

Should the Contractor, its agent, servants, or employees, or any of them be enjoined from furnishing or using any invention, article, material, or plans supplied or required to be supplied or used under the contract, the Contractor shall promptly substitute other articles, materials, or appliances in lieu thereof of equal efficiency, quality, finish, suitability, and market value, and satisfactory in all respects to the Project Manager. Or in the event that Project Manager elects, in lieu of such substitution, to have supplied and to retain and use any such invention, article, materials, or plans as may by the contract be required to be supplied, in that event, the Contractor shall pay such royalties and secure such valid licenses as may be requisite and necessary for the District, its officers, agents, servants and employees, or any of them to use such invention, article, materials, or appliance without being disturbed or in any way interfered with by any proceeding in law of equity on account thereof. Should the Contractor neglect or refuse to make the substitution promptly or to pay such royalties and secure such licenses as may be necessary, then in that event the Project Manager shall have the right to make such substitutions, or the District may pay such royalties and secure such licenses and charge the Contractor even though final payment under the contract may have been made.

Notice to Vendors: Attention is directed to the current OSHA Standards. All equipment, tools and materials which are furnished and/or installed as part of this contract shall meet or exceed the standards in order to be considered acceptable.

Forfeitures for Health and Safety Violations: Contractor shall comply with all applicable provisions of the County of Sonoma and/or City of Santa Rosa Codes. Any failure shall constitute a breach of contract. In the event of any violation of the Town of Windsor Codes that may impact public health and safety, the District shall have the right to impose a charge against Contractor in an amount equal to five hundred dollars (\$500) per violation per day. Prior to the imposition of any charge hereunder, District shall first provide a written notice to Contractor of the violation and setting forth a reasonable period for Contractor to cure. In the event Contractor fails to cure any such violation within the time provided, District shall have the right, in addition to all other rights and remedies available to District, to deduct and withhold, as a permanent forfeiture by Contractor, the appropriate amounts from any payment otherwise due Contractor under this contract.

Maintaining Traffic:

The Contractor shall always make provisions for the safe passage of pedestrians around the area of work.

Full compensation for conforming to the requirements of this article shall be considered as included in the prices paid for the various contract items of work and no additional allowance will be made therefor.

Preservation of Property: All improvements consisting of fences, gates, landscaping, drainage ditches, sidewalks, irrigation systems, or other improvements which are damaged, injured, removed, or destroyed by reasons of the Contractor's operations shall be replaced in accordance with District Standards as a minimum and restored to a condition as good as when the Contractor entered upon the work, all at the Contractor's expense. Concrete surface treatment and score marks shall match adjacent existing concrete improvements.

Full compensation for conforming to the provisions of this article, including removing and relocating fences, shall be considered as included in the prices paid for the various contract items of work and no additional allowance will be made therefor.

Indemnity and Insurance: The Contractor shall assume the defense of, including settlement of, and indemnify and save harmless the District, its officers, agents, and employees, from all claims, loss, damage, injury, and liability of every kind, nature, and description, directly or indirectly arising from the performance of the contract, the work or the nature of the work covered by the contract (including costs and expenses, which include attorney's fees, incurred in connection therewith) regardless of responsibility for negligence, but excluding liabilities due to the active negligence or willful misconduct of the District.

The Contractor shall maintain in full force and effect all the insurance coverage described in, and in accordance with the insurance requirements set forth below. Maintenance of such insurance coverage during the entire performance of the contract is a material element of the contract. Failure by Contractor to (i) maintain or renew coverage, (ii) provide notice of any changes, modifications, or reductions in coverage, or (iii) provide evidence of renewal, if necessary, may be deemed a material breach of the contract by Contractor, whereas the District shall be entitled to all rights and remedies at law or in equity. Notwithstanding the foregoing, any failure by Contractor to maintain required insurance coverage shall not excuse or alleviate Contractor from any of its other duties or obligations under the contract. In the event Contractor retains or utilizes any subcontractors or sub-consultants in performance of the work, Contractor shall assure that any such sub-contractor has first obtained, and shall maintain, all the insurance coverage requirements herein below set forth.

Examination and Audit: Pursuant to California Government Code Section 8546.7, any contract with the District involving expenditures more than ten thousand dollars (\$10,000) shall be subject to the examination and audit of the California State Auditor for a period of three years after final payment is made to Contractor by District under this contract. Any such examination and audit shall be confined to those matters connected with the performance of this contract.

Subcontractors: The "Subletting and Subcontracting Fair Practices Act" (Public Contract Code Section 4100-4113, inclusive) shall apply to all subcontracts more than one-half of one percent of the total amount of the bid, and said Act requires subcontractors, if used for such work, to be listed in the prime contractor's proposal; prohibits the substitution of subcontractors, except as therein authorized; and provides for penalties for violations of the Act. Each bidder shall, with respect to

the work of any subcontractor in excess of one-half of one percent of the total amount of the bid, include as part of the proposal on the form provided:

1. The name and the location of the place of business of each subcontractor who will perform work or labor or render services to the prime contractor in or about the construction of the work or improvement, or a subcontractor licensed by the State of California who, under subcontract to the prime contractor, specially fabricates and installs a portion of the work or improvement according to detailed drawings contained in the plans and specifications, in an amount in excess of one-half of one percent of the prime contractor's total bid.
2. The portion of the work which will be done by each such subcontractor. Only one subcontractor shall be listed for each such portion.

The purchase of sand, gravel, crushed rock, batched concrete, aggregates, ready-mixed concrete, and/or any other materials produced at and furnished from established and recognized commercial plants, together with the delivery of such materials to the site of the work by means of vehicles owned and operated by such plants or by recognized commercial hauling companies, shall not be considered as subcontracting under these special provisions.

Assignments: Once awarded, this contract shall not be transferred, assigned, or subcontracted, except as herein expressly provided, without the prior written consent of the District, in the District's sole and absolute discretion.

Beginning of Work: The Contractor shall begin work within ten (10) calendar days after the day authorized in the Notice to Proceed and shall diligently prosecute the contract to completion identified in the contract.

Time of Completion: Working days will be counted beginning with the day the Contractor begins work or with the tenth day after the day authorized in the Notice to Proceed, whichever shall occur first.

Unless otherwise directed by Project Manager, Contractor shall not conduct any activities that generate noise earlier than 7:00a.m. or later than 6:00p.m., unless approved otherwise.

Entire Agreement: This agreement is the entire agreement between the parties.

Bid Contents: This bid consists of the Invitations for Bids, Bid, Provisions, Specifications, Attachments and other terms and conditions as are attached or incorporated by reference in the schedule of the Invitations for Bids.

Protest Procedure

Any protest of the proposed award of Bid to the bidder deemed the lowest responsible bidder must be submitted in writing to the Fire Chief, no later than 5:00 PM on Wednesday, January 17, 2024.

The initial protest must contain a complete statement of the basis for the protest.

The protest must state the facts and refer to the specific portion of the document or the specific statute that forms the basis for the protest. The protest must include the name, address, and telephone number of the person representing the protesting party.

The party filing the protest must concurrently transmit a copy of the initial protest to the bidder deemed the lowest responsible bidder.

The party filing the protest must have actually submitted a Bid on the Project. A subcontractor of a party filing a Bid on this Project may not submit a Bid Protest. A party may not rely on the Bid Protest submitted by another bidder but must timely pursue its own protest.

The procedure and time limits set forth in this Section are mandatory and are the Bidder's sole and exclusive remedy in the event of a Bid Protest. The Bidder's failure to fully comply with these procedures shall constitute a waiver of any right to further pursue the Bid Protest, including filing of a challenge of the award pursuant to the California Public Contracts Code, filing of a claim pursuant to the California Government Code, or filing of any other legal proceedings.

The Owner shall receive all timely protests prior to formal award of Bid. The owner shall not be required to hold an administrative hearing to consider timely protest but may do so at the option of the Owner. At the time of the Owner's consideration of the award of the bid, the owner shall also consider the merits of any timely protests. The owner may either accept the protest and award the bid to the next lowest responsible bidder or reject the protest and award to the lowest responsible bidder. Nothing in this section shall be construed as a waiver of the Owner's right to reject all bids.

The owner reserves the right to waive any bid irregularities not affecting the amount of the bid, except where such waiver would give the low bidder an advantage or benefit not allowed other bidders.

Attachment A Scope of Work

1. Design and Planning:

- Conduct a site survey at each location to determine the most suitable placement for the LED signs.
- Develop detailed design plans and specifications for the LED signs, ensuring compliance with local regulations and guidelines.
- Obtain any necessary permits for the installation of the signs.

2. LED Sign Procurement:

- Provide a selection of LED sign options that are suitable for public information and emergency alerting.
- Procure high-quality LED signs with features such as remote connectivity, programmability, and energy efficiency.
- Ensure that the LED signs meet relevant industry standards for visibility and durability.

3. Installation:

- Safely and professionally install the LED signs at the designated locations.
- Connect the signs to a power source and ensure proper electrical work.
- Program the signs to display important public information and emergency alerts.

4. Testing and Commissioning:

- Conduct thorough testing of each LED sign to verify functionality and readability.
- Ensure that the signs are compatible with the SCFD's communication systems for emergency alerting.
- Train SCFD staff on how to operate and program the LED signs.

5. Maintenance Training and Support:

- Provide a maintenance plan that includes regular inspections, cleaning, and repairs as needed.
- Provide onsite training at installation or as needed
- Offer technical support and troubleshooting assistance in case of issues with the LED signs.
- Maintain a warranty on the LED signs and provide details of warranty coverage.

6. Documentation:

- Provide comprehensive documentation, including design plans, specifications, maintenance procedures, and user manuals for the LED signs.
- Submit all necessary permits, certificates, and compliance documentation to the SCFD.

7. Timeline:

- Provide a detailed project timeline outlining key milestones, including design approval, procurement, installation, testing, and maintenance schedules.

8. Budget:

- Submit a detailed and itemized budget proposal that includes all costs associated with the project, including procurement, installation, and ongoing maintenance.

9. Compliance and Regulations:

- Ensure that all work complies with local, state, and federal regulations, including safety and environmental standards.

Attachment A
Scope of Work, Continued

Fire Station LED Display Sign

Sign Type B

Location - Windsor Station #1- 8200 Old Redwood Hwy. Windsor CA

Double-Sided Freestanding Digital Sign with Regular Base

Size: 6'-0" High x 7'-6" Wide x 16" deep

Digital Screen: Digital Screen 4'-0" x 6'-0" Double-Sided W16mm LED RGB
(see specifications below)

Sign Structure: Aluminum/arched top/burgundy red/white colors/ with internal steel supports mounted in ground/deigned to accommodate double sided LED displays

Finish: High Performance Matthews Architectural Polyurethane Paints

Copy: Push-Thru 1/2" thick white acrylic letters backlit with LED's illumination
Sonoma County Fire District- Logo/Fire Station Name

Installation: Mounted in 2 concrete footings in designated site/landscaping area

Optional: Additional cost for LED Size Adjustment for 10mm

(Note: Client responsible for dedicated electrical circuit adjacent to sign location/ 120V/14 amps single phase service on a timer. Client responsible for site and landscape preparation/ and it should be noted no irrigation should be directed toward sign.)

Fire Station LED Display Sign

Sign Type B

Location - Bodega Bay Station #10 – 510 Hwy 1, Bodega Bay CA

Double-Sided Freestanding Digital Sign with Regular Base

Size: 6'-0" High x 7'-6" Wide x 16" deep

Digital Screen: Digital Screen 4'-0" x 6'-0" Double-Sided W16mm LED RGB
(see specifications below)

Sign Structure: Aluminum/arched top/burgundy red/white colors/ with internal steel supports mounted in ground/deigned to accommodate double sided LED displays

Finish: High Performance Matthews Architectural Polyurethane Paints

Copy: Push-Thru 1/2" thick white acrylic letters backlit with LED's illumination
Sonoma County Fire District- Logo/Fire Station Name

Installation: Mounted in 2 concrete footings in designated site/landscaping area

Optional: Additional Cost for LED Size Adjustment for 10mm

(Note: Client responsible for dedicated electrical circuit adjacent to sign location/ 120V/14 amps single phase service on a timer. Client responsible for site and landscape preparation/ and it should be noted no irrigation should be directed toward sign.)

Attachment B

AGREEMENT FOR SERVICES

This Agreement for Services ("Agreement") is made as of the date next to the last signature hereto (the "Effective Date") by and between Sonoma County Fire District, a California fire protection District formed in accordance with the California Fire Protection District Law (Health & Safety Code sections 13800 et seq., and hereinafter "District"), and _____ (hereinafter "Contractor") with reference to the following facts.

RECITALS

WHEREAS, Contractor represents that they are duly qualified in LED sign Installation; and

WHEREAS, in judgment of District's Fire Chief, it is necessary and desirable to employ the services of Contractor to work with District;

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

AGREEMENT

1. Scope of Services.

1.1. Contractor's Specified Services. Contractor shall perform the services described in Exhibit A, attached hereto and incorporated herein by this reference (hereinafter "Scope of Work"), within the times or by the dates provided for in Exhibit A and Article 6.

1.2. Cooperation with District. Contractor shall work closely with District and District staff in the performance of all work hereunder.

1.3. Performance Standard. Contractor shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Contractor's profession. If District determines that any of Contractor's work is not in accordance with such level of competency and standard of care, District shall have the right to do any or all of the following: (a) require Contractor to meet with District to review the quality of the work and resolve matters of concern; (b) require Contractor to repeat the work at no additional charge until it is satisfactory; or (c) terminate this Agreement pursuant to the provision of Article 4.

1.4. Assigned Personnel. Contractor shall assign only competent personnel to perform work hereunder. In the event that at any time District, for no good cause shown, desires the removal of any person or persons assigned by Contractor to perform any work hereunder, Contractor shall remove such person or persons immediately upon receiving written notice from District.

1.5. Key Personnel. In performing services under this Agreement, Contractor shall assign the following personnel to supervise and perform the services hereunder, who are deemed by District to be key personnel whose services were a material inducement to District to enter into this Agreement, and without whose services District would not have entered into this Agreement: _____. Except for good cause shown, Contractor shall not remove, replace, substitute, or otherwise change any key personnel without the prior written consent of District.

2. Payment. For all services and incidental costs required hereunder, Contractor shall be compensated as set forth in the Scope of Work. Contractor shall invoice the District for all services provided hereunder as set forth in the Scope of Work.

3. Term of Agreement. The initial term of this Agreement shall be for one year following the Effective Date unless terminated earlier in accordance with the provisions of Article 4 below. The term shall be automatically extended for successive periods of one year following the initial term unless either party notifies the other in writing of its election to have the Agreement expire at least thirty days in advance of the end of the then-current term.

4. Termination.

4.1. Termination Without Cause. At any time and without cause, District shall have the right, in its sole discretion, to terminate this Agreement by giving ten (10) days written notice to Contractor. In the event of such termination, District shall pay Contractor for services and associated costs satisfactorily rendered to the date of termination and Contractor shall cooperate with District to affect the transfer of all work-in-progress to District or to a new Contractor designated by District.

4.2. Termination for Cause. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violate any of the terms of this Agreement, District may immediately terminate this Agreement by giving Contractor written notice of such termination, stating the reason for termination. In such event, (i) District shall pay Contractor for services and associated costs satisfactorily rendered to the date of termination; provided, however, that District shall deduct from such amount the amount of damage, if any, sustained by District by virtue of the breach of the Agreement by Contractor, and (ii) Contractor shall cooperate with District to effect the transfer of all work-in-progress to District or to a new Contractor designated by District.

5. Indemnification and Insurance.

5.1 Indemnification. Contractor agrees to accept all responsibility for loss or damage to any person or entity, including but not limited to District, and to defend, indemnify, hold harmless, reimburse and release District, its officers, agents, and employees, from and against any and all actions, claims, damages, disabilities, liabilities and expense, including but not limited to attorneys' fees and the cost of litigation incurred in the defense of claims as to which this indemnity applies or incurred in an action by District to enforce the indemnity provisions herein, whether arising from personal injury, property damage or economic loss of any type, that may be asserted by any person or entity, including Contractor, arising out of or in connection with the performance of Contractor hereunder, whether or not there is concurrent negligence on the part of District, but, to the extent required by law, excluding liability due to the sole or active negligence or due to the willful

misconduct of District. If there is a possible obligation of indemnify, Contractor's duty to defend exists regardless of whether it is ultimately determined that there is not a duty to indemnify. District shall have the right to select its own legal counsel at the expense of Contractor, subject to Contractor's approval, which approval shall not be unreasonably withheld. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Contractor or its agents under workers' compensation acts, disability benefits acts, or other employee benefit acts.

5.2 Insurance. Contractor shall comply with the insurance requirements set forth in Exhibit B, which is attached hereto and incorporated herein.

6. Prosecution of Work.

6.1 Commencement of Work. The execution of this Agreement shall constitute Contractor's authority to proceed immediately with the performance of this Agreement. Performance of the services hereunder shall be completed within the time required herein, provided, however, that if the performance is delayed by earthquake, flood, high water, or other Act of God or by strike, lockout, or similar labor disturbances, the time for Contractor's performance of this Agreement shall be extended by a number of days equal to the number of days Contractor has been delayed.

6.2. Extra or Changed Work. Only the District's Chief or Board of Directors may authorize extra or changed work or waive Agreement requirements. Failure of Contractor to secure such written authorization for extra or changed work shall constitute a waiver of any and all right to adjustment in the Agreement price or Agreement time due to such unauthorized work and whatsoever for the performance of such work. Contractor further expressly waives any and all right or remedy by way of restitution and quantum merit for any and all extra work performed without such express and prior written authorization of the Chief or Board of Directors.

7. Representations and Warranties of Contractor.

7.1 Standard of Care. District has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby warrants that all its work will be performed in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Contractor's work by District shall not operate as a waiver or release.

7.2. Status of Contractor. The parties intend that Contractor, in performing the services specified herein, shall act as an independent Contractor, and shall control the work and the manner in which it is performed. Contractor is not to be considered an agent or employee of District and is not entitled to participate in any pension plan, insurance, bonus, or similar benefits District provides its employees. In the event District exercises its right to terminate this Agreement pursuant to Paragraph 4, above, Contractor expressly agrees that it shall have no recourse or right to appeal under rules, regulations, ordinances, or law applicable to employees.

7.3. Taxes. Except as elsewhere herein provided, Contractor agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. Contractor agrees to indemnify and hold District harmless from any liability which it may incur to the United States or to the State of California as a consequence of Contractor's failure to pay, when due, all such taxes and obligations. In case District is audited for compliance regarding any withholding or other applicable taxes, Contractor agrees to furnish District with proof of payment of taxes on these earnings.

7.4. Records Maintenance. Contractor shall keep and maintain full and complete documentation and accounting records concerning all services performed that are compensable under this Agreement and shall make such documents and records available to District for inspection at any reasonable time. Contractor shall maintain such records for a period of four (4) years following completion of work hereunder.

7.5. Conflict of Interest. Contractor covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed. In addition, if requested to do so by District, Contractor shall complete and file and shall require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" with District disclosing Contractor's or such other person's financial interest.

7.6. Nondiscrimination. Contractor shall comply with all applicable federal, state and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition, pregnancy, disability, or other prohibited basis. All nondiscrimination rules or regulations required by law to be included in the Agreement are incorporated by this reference.

8. Demand for Assurance. Each party to this Agreement undertakes the obligation that the other's expectations of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other may in writing demand adequate assurance of due performance and until such assurance is received may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of a party with respect to performance under this Agreement, but also conduct with respect to other agreements with parties to this Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding thirty (30) days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service or payment does not prejudice the aggrieved party's rights to demand adequate assurance of future performance.

9. Assignment and Declaration. Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

10. Method and Place of Giving Notice, Submitting Bills and Making Payments. All notices, bills, and payments shall be made in writing and may be given by personal delivery or by mail. Notices, bills and payments sent by mail shall be addressed as follows:

District: Sonoma County Fire District
8200 Old Redwood Hwy
P.O. Box 530
Windsor, CA 95492

Contractor: _____

and when so addressed, shall be deemed given upon deposit in the United States mail, postage prepaid. In all other instances, notices, bills, and payments shall be deemed at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices, bills, and payments are to be given notice pursuant to this paragraph.

11. Intellectual Property Rights.

11.1 Ownership of Work Product. All reports, drawings, graphics, plans, studies, and other data or documents (including, but not limited to, HTML pages and coding, and related software), in whatever form or format, assembled or prepared by Contractor or Contractor's employees, subcontractors, consultants, and other agents in connection with this Agreement shall be the property of District upon full payment of all sums due hereunder by District, subject to any third party rights retained therein. It is the intention of the parties that Contractor's work hereunder shall constitute "work for hire," to the maximum extent provided for under federal copyright law. To the extent that Contractor's work hereunder does not qualify as work for hire, Contractor hereby transfers all rights, title and interest in said work to District. The foregoing shall not apply with respect to materials owned by Contractor prior to its execution of this Agreement, or pursuant to the express terms of the attached Scope of Work, or with respect to ideas rejected by District, which shall remain Contractor's property. Contractor shall deliver such materials to District upon either the expiration or termination of this Agreement and full payment of all amounts due hereunder in such form or format as the parties reasonably agree. Such materials shall be and will remain the property of District without restriction or limitation. The parties agree that all materials prepared hereunder are intended for use in the United States only, and that District assumes all risk connected with the use of such materials outside the United States.

11.2 Assignment of Rights. Contractor assigns to District all rights throughout the world in perpetuity in the nature of copyright, trademark, patent, right to ideas, in and to all work product, if any, now or later prepared by Contractor in connection with this Agreement.

Contractor agrees to take such actions as are necessary to protect the rights assigned to District in this Agreement, and to refrain from taking any action which would impair those rights. Contractor's responsibilities under this provision include, but are not limited to, placing proper notice of copyright on all work product. Contractor shall have an exclusive right to use the work product during the term of this Agreement but shall not permit another to use the work product without first obtaining written permission of the District.

12. Miscellaneous Provisions.

12.1 No Waiver of Breach. The waiver by District of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in the Agreement.

12.2 Construction. To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Contractor and District acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement; the language of the Agreement will not be construed against one party in favor of the other. Contractor and District acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement. In the event of a conflict between any provision in the body of this Agreement and any provision in any exhibit to this Agreement, the provision in the body of the Agreement shall be controlling.

12.3. Resolution of Disputes. The parties agree that disputes, which cannot be resolved by the parties alone, will be resolved by the following process:

A. Mediation. The parties agree to mediate any dispute or claim between them arising out of this Agreement or any resulting transaction before resorting to arbitration or court action. The mediation fee, if any, shall be divided equally among the parties involved. In advance of the mediation, the parties shall voluntarily exchange all documents requested by the other party that relate to the dispute. Issues concerning discovery shall be submitted to the mediator prior to mediation; the mediator's decision shall not be binding upon the parties to the dispute. Statements made during any mediation proceeding shall not be admissible in a subsequent arbitration or court proceeding and shall be privileged to the full extent permitted under California law. If any party commences an arbitration or court action based on a dispute or claim to which this paragraph applies without first attempt to resolve the matter through mediation, then in the discretion of the arbitrator(s) or judge, the other party may apply to such arbitrator or judge for an order staying the arbitration or court action pending mediation.

B. Arbitration. If the parties cannot resolve the dispute with the assistance of a mediator, the parties shall submit the dispute to binding arbitration. So that all claims, disputes, or controversies that may arise can be resolved by arbitration, any dispute or claim in

law or equity between the parties arising out of this contract or the breach thereof, or any resulting transaction which is not resolved through mediation, shall be decided by neutral, binding arbitration and not by court action, except as provided by law for judicial review of arbitration proceedings. Arbitration shall take place in Sonoma County, California. The arbitration shall be conducted in accordance with the rules of either the American Arbitration association ("AAA") or Judicial Arbitration and Mediation Services, Inc. ("JAMS"). The selection between AAA and JAMS rules shall be made by the claimant first filing for the arbitration, but the parties to the arbitration may agree in writing to use different rules or arbitrators.

12.4 No Third-Party Beneficiaries. Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.

12.5 Applicable Law and Forum. This Agreement shall be construed and interpreted according to the substantive law of California excluding the law of conflicts. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the County of Sonoma.

12.6 Captions. The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

12.7 Merger. This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

12.8 Time of Essence. Time is and shall be of the essence of this Agreement and every provision hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as set forth below.

DATED: _____

Contractor

By: _____

DATED: _____

Sonoma County Fire District

By: _____
Mark Heine, Fire Chief

SONOMA COUNTY FIRE DISTRICT CERTIFICATE OF INSURANCE CHECKLIST

**FORWARD IMMEDIATELY TO YOUR INSURANCE AGENT OR
BROKER**

WARNING:

The Sonoma County Fire District has certain requirements for certificate(s) of insurance and endorsements that may not comport with your insurance company's standard forms. A checklist is attached. Failure to comply will result in a possible delay or termination of the contract.



Sonoma County Fire District Insurance Requirements

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 the consultant, his agents, representatives, employees, or subcontractors.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

- Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
- Insurance Services Office form covering Automobile Liability, code 1 (any auto).
- Worker's Compensation insurance as required by the State of California and Employer's Liability insurance.
- Errors and Omissions liability insurance appropriate to the consultant's profession. Architects and engineers' coverage is to be endorsed to include contractual liability.

Minimum Limits of Insurance

- General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage **including operations, products and completed operations**. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
- Automobile Liability: \$2,000,000 per accident for bodily injury and property damage.
- Workers' Compensation statutory limit and Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
- Errors and Omissions Liability: \$1,000,000 per occurrence.

Other Insurance Provisions

The Commercial General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions:

- *Sonoma County Fire District (District), its officers, officials, employees and volunteers are to be covered as insured's as respects: liability arising out of work or operations as performed by or on behalf of the consultant; or automobiles owned, leased, hired or borrowed by the consultant.*
- *For any claims related to this project, the consultant's insurance coverage shall be primary insurance as respects the Sonoma County Fire District, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the District, its officers, officials, employees or volunteers shall be in excess of the consultant's insurance and shall not contribute with it.*

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, unless thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the District.

Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.

Waiver of Subrogation

The Worker's Compensation policy is to be endorsed with a waiver of subrogation. The insurance company, in its endorsement, agrees to waive all rights of subrogation against the District, its officers, officials, employees and volunteers for losses paid under the terms of this policy which arises from the work performed by the named insured for the District.

Deductibles and Self-Insurance Retentions

Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its officers, officials, employees and volunteers, or the consultant shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the District.

Verification of Coverage

Consultant shall furnish the District with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the District or on other than the District's forms provided those endorsements conform to the District's requirements. All certificates and endorsements are to be received and approved by the District before work commences. The District reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time

Subcontractors

Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

REQUIRED DATA

ATTACHMENT D

REQUIRED

DATA

FORMS

**Note: Required Data Forms must be completed
and attached as part of your bid response.**

List of Forms:

Bid Proposal Price Sheet

**(Additional pages can be attached but this form must be
completed)**

Exceptions to Specifications

References-
Capability and Experience

Licenses

Subcontractors

Equipment Listing

Warranty

Recycled Content

Designated Contact

Signature Page

REQUIRED DATA

BID PROPOSAL PRICE SHEET

(Additional pages can be attached but this form must be completed)

Item No.	Qty	Unit	Item Description	Total Amount
1.	1	Job	Sonoma County Fire District-Station 1 And Station 10 LED Electronic Sign Project	\$ _____
			Total Bid Amount	\$ _____

PROJECT COMPLETION

Contractors are required to indicate below the number of days estimated to complete project work after receipt of notice to proceed.

Project Completion:

Bid Item 1 _____ days after receipt of notice to proceed.

REQUIRED DATA

REFERENCES
(History and Capability)

Contractors shall provide the name, locations and a narrative statement on the work performed for a minimum of two (2) comparable contracts during the past five (5) years. A short resume on the general history and experience of the Contractor's organization shall be provided along with a statement of financial resources indicating the ability to maintain an adequate staff, equipment capable of complete and satisfactory support and performance of the contract.

Ref No.		Company Info	Work Performed
1	Company Name: Contact: Address: Phone:		
2	Company Name: Contact: Address: Phone:		
3	Company Name: Contact: Address: Phone:		
4	Company Name: Contact: Address: Phone:		

REQUIRED DATA
LICENSES

Contractor shall list below the number, expiration date, and types of Contractor licenses, which may be required in order to perform the services described under this contract.

Contractors State License Board License No.	Type of License	Expiration Date <i>(if applicable)</i>	Department of Industrial Relation (DIR) #

REQUIRED DATA
WARRANTY INFORMATION

Each of the items and related parts that are bid shall be covered by the manufacturer's standard warranty and the bidder shall be required to state those terms and conditions by the manufacturer in the space provided below, and/or to provide the warranty service locations (if applicable). Warranty terms and conditions can be provided as an additional attachment to this page.

Manufacturer's Warranty
Terms and Conditions

REQUIRED DATA
RECYCLED CONTENT (If Applicable)

All bidders are required to disclose the minimum, if not exact, percentage of recycled product, both secondary and post-consumer, contained in each offered product.

NOTE: See "Recycled Content, Recyclability" in the General Provisions for definitions.

<u>Bid Item No.</u>	<u>Minimum or Exact Post-Consumer Waste Content</u>	<u>Minimum or Exact Secondary Waste Content</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Attach additional sheets as necessary and place a check mark at the space provided at left.

Failure to provide accurate information may result in your bid being considered non-responsive. Deliberately providing false information may result in you and your firm being barred from doing business with the Sonoma County Fire District for a period of up to three (3) years.

Signature of Person Authorized to Sign

REQUIRED DATA

DESIGNATED CONTACT

Bidder is required to indicate in the space provided below, the designated contact individuals name and address as requested under Notification in the General Provisions Section of the Request for Quotes.

Sonoma County Fire District

Contractor

Terri Bolduc, Chief Financial Officer
Sonoma County Fire District
8200 Old Redwood Hwy
Windsor, CA 95492
707-892-2006 Voice
707-838-1173 Fax
tbolduc@sonomacountyfd.org

REQUIRED DATA

SIGNATURE PAGE

<p>In compliance with the bid documents, the undersigned offers and agrees, if this Quotation is accepted, within ninety (90) calendar days from date of opening, to furnish any or all of the items upon which prices are offered at the price set opposite each item, delivered at the designated point(s) within the time specified in the Schedule. Note: Prompt Payment Discounts - discounts for prompt payment will be taken into consideration in determining lowest bid:</p> <p>_____percent, 20 calendar days; _____percent, 30 calendar days.</p>	
<p>Name and Address of Bidder:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>Phone No.: _____</p>	<p>Signature of Person Authorized to Sign:</p> <p>Type Name: _____</p> <p>Type Title: _____</p> <p>Date of Bid: _____</p>

