

City of Los Alamitos Administrative Regulation

Regulation: **1.16**
Title: **Contract Approval Process**
Authority: **City Manager**
Date: **October 26, 2021**
Revised: **April 17, 2024**
December 3, 2024

DocuSigned by:
Chet Simmons
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Chet Simmons, City Manager

Purpose: The purpose of this policy is to establish procedures and appropriate methods for contract approval that meet the requirements of Los Alamitos Municipal Code, Chapter 2.60 Purchasing System.

Application: This policy applies city-wide for all agreements. **All contracts are processed with the approval of the City Clerk’s Office and City Attorney regardless of the dollar amount and signing authority.**

Regulation:

1. Work with the City Clerk and City Attorney early in the process to ensure you are using the correct template. Vetting any concerns and ensuring all requirements are met early in the process will assist with final contract approval.
2. With limited exceptions, City templates must be used for all contracts with vendors/service providers (hereafter referred to as "Contractors"). Prepare the proper contract/agreement using the templates available on the Common Drive.

- Templates are located on the Common Drive

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- Contracts/agreements with corporations must have 2 signatures by corporate officers and must note the designated office held. (i.e. John Smith, President; Jane Smith, Vice-President)
 - Contracts/agreements need to have the name, title, and email address for all Contractor signers
3. Once approved by the City Clerk and City Attorney, the Department Contract Manager will send the draft agreement to the Contractor to ensure their agreement with the language and all required terms.

4. The Department Contract Manager will work with the Contractor early in the process to ensure that insurance requirements, including coverage types and limits and all mandatory endorsements, are met as required by the contract.

Insurance compliance typically takes the longest to secure. The Contractor must confirm they will comply with the City's insurance requirements *before* an agreement is presented to the City Manager or City Council for approval. Sample endorsements are available on the Common drive.

5. Inform the Contractor a business license is required before the contract can be completed. This can be done online at <https://losalamitos.hdlgov.com/home>

***Important:** Contracts will be held until proper insurance and business licenses are received. Work cannot commence until the contract has been fully executed.*

6. Each Department is responsible for ensuring proper insurance is obtained and that an active business license has been issued. Once the agreement is approved by the City Attorney, City Clerk, and chosen Contractor, insurance has been obtained, and the business license has been verified, the Department Contract Manager will complete the DocuSign Checklist (Exhibit A) and upload the completed form along with the Contract/agreement, insurance documents, and proof of business license.
7. All parties will receive an email directly from DocuSign once all signatures have been received.

Contracts Requiring City Council Approval: (excluding Capital Improvement Projects)

1. Once the Contractor has agreed to the City's standard contract terms or the City Attorney has approved any requested changes to the template language, submit the Staff report and agreed-upon contract through the Agenda process.
 - Contractor-approved agreements and insurance are required before the item goes before the Council (advise the City Clerk if you are unable to obtain them).
2. Before the Council meeting, the Contract Manager will email the completed DocuSign Checklist and required documentation to the City Clerk's Office.

*The completed DocuSign Checklist Packet is REQUIRED
before contracts can be routed or signatures.*

3. After the Council has approved the contract, the City Clerk's office will verify that all required documentation has been received. The agreement will then be routed through DocuSign for electronic signature by the City Clerk's Office. Once all

signatures have been received, all parties will receive an email directly from DocuSign.

Capital Improvement Projects Requiring City Council Approval:

1. Once the Contractor has agreed to the City's standard contract terms or the City Attorney has approved any requested changes to the template language, the Department Contract Manager will obtain two signed hard copy agreements, required bonds, and insurance from the Contractor.
2. The Department Contract Manager will submit the Staff report and scanned signed agreement through the Agenda process.
3. Before the Council meeting, the Contract Manager will provide the completed DocuSign Checklist and required documentation to the City Clerk's Office.
 - Contractor-approved/signed agreements and insurance are required before the item goes before the Council (advise the City Clerk if unable to obtain them).

*The completed DocuSign Checklist Packet is REQUIRED
before contracts will be routed or signatures.*

4. After the Council has approved the contract, the City Clerk's office will verify that all required documentation has been received. The agreement will then be routed through DocuSign for electronic signature by the City Clerk's Office. Once all signatures have been received, all parties will receive an email directly from DocuSign.

Contract Approval Checklist

- Compliance with Los Alamitos Municipal Code Section 2.60 Purchasing System to select the proper contractor
- Contact the City Clerk's Office to ensure the proper contract template is being used and prepare draft agreement
- City Clerk and City Attorney approve draft agreement
- Forward draft Agreement to Contractor
 - Notify Contractor of Insurance and Business License Requirements
- Contractor approves draft agreement
- Contractor provides proper proof of insurance as required by the agreement
 - Staff verifies that required insurance coverage is provided
 - When correct, provide the completed DocuSign Checklist Packet to the City Clerk's Office.
- Verify proof of business license from Contractor
- For signature, the Department Contract Manager will either:
 - City Manager/Designee Signing Authority: uploads to DocuSign; **or**,
 - City Council Signing Authority: uploads Staff Report and contract to Civic Clerk for Agenda Approval Process. City Clerk will process through DocuSign after Council's approval
 - Capital Improvement Projects: Obtain two signed copies and forward to City Clerk's Office with insurance and bonds. City Clerk's Office will finalize the contract after Council's approval.



CITY OF LOS ALAMITOS

CONTRACT CHECKLIST FOR AGREEMENTS

City Clerk's Office
cityclerk@cityoflosalamitos.org

DEPARTMENT CONTRACT MANAGER

Name: _____

Title: _____ Department: _____

Phone Extension: _____ Email if not City Issued: _____

CONTRACTOR/VENDOR

New

Amendment

Company Name: _____

Scope of Work: _____

**A corporation must have 2 Signers*

Contact #1 Name: _____ Title: _____

Phone Number: _____ Email: _____

Contract #2 Name: _____ Title: _____

Phone Number: _____ Email: _____

PURCHASING AUTHORITY (LAMC SECTION 2.60 AND ADMINISTRATIVE REGULATION 5.02)

Contract Amount: _____ Term: _____

Director Assistant City Manager City Manager City Council – Approval Date: _____

UPLOAD AGREEMENT AND SUPPORTING DOCUMENTATION

Each of the items below must be uploaded to the DocuSign envelope for final approval.

- DocuSign Checklist for Agreements (this form completed)
- Completed Contract with Scope of Services/Exhibits (combined as one document)
- Insurance documentation (combined as one document)
 - General and/or Professional Liability: Policy Number: _____
 - Endorsement Specifically Naming the City
 - Waiver of subrogation
 - Automobile Insurance: Policy Number: _____
 - Endorsement Specifically Naming the City
 - Waiver of subrogation
 - Workers' Compensation: Policy Number: _____
 - Notice of Cancellation
- Proof of Business License: License Number: _____