

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

**AGREEMENT
BETWEEN THE
COUNTY OF ORANGE
AND THE
CITY OF NEWPORT BEACH**

THIS AGREEMENT is entered into this First day of April, 2026, which date is enumerated for purposes of reference only, by and between the COUNTY OF ORANGE a political subdivision of the STATE OF CALIFORNIA, hereinafter referred to as "COUNTY" and CITY OF NEWPORT BEACH, a municipal corporation, hereinafter referred to as "CITY".

WITNESSETH:

WHEREAS, CITY wishes to contract with COUNTY Sheriff-Coroner Department, hereinafter referred to as "SHERIFF", for supplemental law enforcement services during certain events; and

WHEREAS, COUNTY is agreeable to the rendering of such services, as authorized in Government Code Sections 51301 and 55632, on the terms and conditions hereinafter set forth:

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

//
//
//
//
//
//
//
//
//

TABLE OF CONTENTS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

<u>SECTION</u>	<u>PAGE</u>
A. Term	3
B. Optional Termination	3
C. Services by COUNTY	3
D. Payment	3
E. Alteration of Terms	4
F. Status of COUNTY	4
G. Indemnification	4
Signature Page	6
Attachment A: County Billing Policy	

//
//
//
//
//
//
//
//
//
//
//
//
//
//
//
//
//
//
//

1 **A. TERM:**

2 The term of this Agreement shall be for five years, commencing July 1, 2026
3 and terminating June 30, 2031, unless earlier terminated by either party in the
4 manner set forth herein.

5 **B. OPTIONAL TERMINATION:**

6 COUNTY or CITY may terminate this Agreement, without cause, upon twenty
7 (20) days written notice to the other party.

8 **C. SERVICES BY COUNTY:**

9 CITY occasionally has a need for supplemental law enforcement support during
10 special events. At the discretion of SHERIFF, COUNTY may provide such
11 support services as requested by CITY. These services will be utilized within
12 the COUNTY OF ORANGE. CITY shall notify COUNTY at least thirty (30) days
13 in advance of the need for these services.

14 **D. PAYMENT:**

- 15 1. Pursuant to Government Code Section 51350, CITY agrees to pay to
16 COUNTY the costs of performing the services mutually agreed upon in this
17 Agreement. The cost of services includes: salaries, wages, benefits,
18 mileage, services, supplies, and divisional, departmental and COUNTY
19 General overhead.
- 20 2. The rate charged to CITY by COUNTY shall be computed by SHERIFF in
21 accordance with COUNTY Auditor-Controller's law enforcement cost study
22 in effect at the time the services are provided.
- 23 3. COUNTY shall invoice CITY upon completion of the specific event.
- 24 4. CITY shall pay COUNTY in accordance with COUNTY Board of
25 Supervisors' approved County Billing Policy, which is attached hereto as
26 Attachment A, and incorporated herein by this reference.
- 27 5. COUNTY shall charge CITY late payment penalties in accordance with
28 County Billing Policy.

1 **E. ALTERATION OF TERMS:**

2 This Agreement fully expresses all understanding of CITY and COUNTY with
3 respect to the subject matter of this Agreement, and shall constitute the total
4 Agreement between the parties for these purposes. No addition to, or alteration
5 of, the terms of this Agreement shall be valid unless made in writing, formally
6 approved and executed by duly authorized agents of both parties.

7 **F. STATUS OF COUNTY:**

8 COUNTY is, and shall at all times be deemed to be, an independent contractor.
9 Nothing herein contained shall be construed as creating the relationship of
10 employer and employee, or principal and agent, between CITY and COUNTY or
11 any of COUNTY'S agents or employees. COUNTY and its SHERIFF shall
12 retain all authority for rendition of services, standards of performance, control of
13 personnel, and other matters incident to the performance of services by
14 COUNTY pursuant to this Agreement. COUNTY, its agents and employees,
15 shall not be entitled to any rights or privileges of CITY employees and shall not
16 be considered in any manner to be CITY employees.

17 **G. INDEMNIFICATION:**

18 1. COUNTY, its officers, agents and employees shall not be deemed to have
19 assumed any liability for the negligence or any other act or omission of CITY
20 or any of its officers or employees, or for any dangerous or defective
21 condition of any public street or work or property of CITY, or for any illegality
22 or unconstitutionality of CITY'S municipal ordinances. CITY shall indemnify
23 and hold COUNTY, its officers, agents, employees, and independent
24 contractors free and harmless from any claim or liability whatsoever, based
25 or asserted upon the condition of any public street or work or property of
26 CITY or upon the illegality or unconstitutionality of any municipal ordinances
27 of CITY that SHERIFF had enforced, or upon any act or omission of CITY,
28 its officers, agents, employees, subcontractors or independent contractors

1 **G. INDEMNIFICATION: (Continued)**

2 related to this Agreement, for property damage, bodily injury or death or any
3 other element of damage of any kind or nature, and CITY shall defend at its
4 expense, including attorney fees, COUNTY, its officers, agents, employees
5 and independent contractors in any legal action or claim of any kind based
6 upon such condition of public street or work or property, or alleged illegality
7 or unconstitutionality of a municipal ordinance, or alleged acts or omissions.

8 2. COUNTY shall indemnify and hold CITY, its officers, agents, employees and
9 independent contractors free and harmless from any claim or liability
10 whatsoever, based or asserted upon any act or omission of COUNTY, its
11 officers, agents, employees, subcontractors or independent contractors
12 related to this Agreement, for property damage, bodily injury or death or any
13 other element of damage of any kind or nature, and COUNTY shall defend
14 at its expense, including attorney fees, CITY, its officers, agents, employees
15 and independent contractors in any legal action or claim of any kind based
16 upon such alleged acts or omissions.

17 //
18 //
19 //
20 //
21 //
22 //
23 //
24 //
25 //
26 //
27 //
28 //

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

IN WITNESS WHEREOF, the parties have executed the AGREEMENT
in the County of Orange, State of California.

BY: _____ DATED: _____
CITY

APPROVED AS TO FORM:

BY: *[Signature]* *5-28-2026*
City Attorney *5-28-26*
RJ

COUNTY OF ORANGE

BY: _____ DATED: _____
Sheriff-Coroner

**COUNTY BILLING POLICY
APPROVED BY BOARD MINUTE ORDER DATED OCTOBER 27, 1992**

I. POLICY

All County agencies/departments/districts (County) governed by the Board of Supervisors shall bill contracting entities for materials and/or services provided under contract in accordance with the following standardized billing and collection policy. Billing frequency is dependent on whether the contract is a fixed price or actual cost contract. Payment due date is designed to be both responsive to the County's cash flow needs and reasonable enough as to not require special processing by the contracting entity. If payments are not received by the required due dates, a late payment fee shall be computed and billed to the contracting entity in accordance with the requirements of this procedure.

Nothing herein shall affect the liability, including pre-judgment interest, of the contracting party for services or materials in as much as this is a policy to enact standard billing practices.

II. DEFINITIONS

- A. Contract for the purposes of this policy - A contract is a formal written agreement, a purchase order from the contracting entity, or any other acceptable mutual understanding between the contracting parties.
- B. Received by the County - The phrase "received by the County", as used in Section VI of this policy, refers to the date a payment is received by the County. It is defined as the date the payment is in the County's possession. It is not the date the payment is posted or deposited by the County.

III. FIXED PRICE CONTRACTS

- A. Fixed Price (One-Time/Non-Recurring Contracts) - Invoices that represent a billing for a one-time, non-recurring provision of materials and/or services shall be issued no later than five (5) working days after delivery by the County of the materials and/or services. Examples of such one-time, non-recurring provision of materials and/or services might be a city contracting with the Sheriff for security service at a parade or sporting event; or, a city purchasing a computer listing containing certain city-requested data. Payment due date shall be invoice date plus 30 days.
- B. Fixed Price (Ongoing/Recurring Contracts) - Invoices that represent a billing for an ongoing, recurring provision of materials and/or services shall be issued according to the following frequency:
 - 1. Annual Billings that total \$10,000 or less per 12-month period shall be billed via one (1) annual invoice. Annual invoices will be issued for each 12-month period of the contract, or portions thereof. Invoices shall be issued no later than five working days after the beginning of each 12-month period. Payment due date shall be invoice date plus 30 days.

2. Quarterly Billings that are greater than \$10,000 but not more than \$200,000 per 12-month period, shall be billed in quarterly installments. Quarterly invoices will be issued representing the contract amount for each 12-month period of the contract, or portions thereof, prorated into four (4) installments. Invoices shall be issued no later than 30 days after the beginning of each quarter. Payment due date shall be 60 days after the beginning of each calendar quarter.
3. Monthly Billings that are greater than \$200,000 per 12-month period shall be billed in monthly installments. Monthly invoices will be issued representing the contract amount for each 12-month period of the contract, or portions thereof, prorated into 12 installments. Invoices shall be issued on or before the first day of each service month. Payment due date shall be 30 days after the beginning of each service month.

An example of a fixed price contract for ongoing, recurring provision of materials and/or services might be a city contracting with the Sheriff for law enforcement services.

IV. ACTUAL COST CONTRACTS

- A. Actual Cost (One-Time/Non-Recurring Contracts) - Invoices that represent a billing for a one-time, non-recurring provision of materials and/or services shall be issued after delivery by the County of the materials and/or services and no later than 15 days after actual cost data is available. Payment due date shall be invoice date plus 30 days.
- B. Actual Cost (Ongoing/Recurring Contracts) - Invoices that represent a billing for an ongoing, recurring provision of materials and/or services shall be issued on a monthly basis and shall represent the cost of materials and/or services provided to the contracting entity during the previous calendar month. Such invoices shall be issued no later than 15 days after the close of the monthly billing period. If the County agency/department/district does not utilize a monthly billing cycle, the invoice shall be issued no later than 15 days after actual cost data is available. Payment due date shall be invoice date plus 30 days.

Examples of actual cost contracts for the ongoing, recurring provision of materials and/or services might be a city contracting with the County for communications equipment repair or waste disposal at a County landfill.

V. PAYMENT DUE DATES

Notwithstanding the provisions of Sections II and III above, payment due date shall be at least invoice date plus 30 days. If the County is late in issuing an invoice, the contracting entity would always have at least invoice date plus 30 days to pay. If the County is early in issuing an invoice, the contracting entity would still have a payment due date of either 60 days after the beginning of the quarter (quarterly invoices) or 30 days after the beginning of the service month (monthly invoices).

(EXAMPLES: An invoice for October service, dated and issued October 8 (late) would have a payment due date of November 7. An invoice for August service, dated and issued July 20 (early) would have a payment due date of August 30.)

VI. LATE CHARGES

The late payment of any invoiced amount by a contracting entity will cause the County to incur costs not contemplated by the County/contracting entity agreement, the exact amount of such cost will be extremely difficult to ascertain. Such costs include, but are not limited to, costs such as administrative follow-up and processing of delinquent notices, increased accounting costs, etc.

Late charges will be assessed in the following situations:

- Over-the-counter payments will be assessed a late charge if any payment is not received by the County by the payment due date.
- Payments transmitted to the County via the U.S. Mail that have the payer's postage meter mark will be assessed a late charge if any payment is not received by the County by the payment due date plus one day.
- Payments transmitted to the County via the U.S. Mail that have a U.S. Post Office postmark dated after the payment due date will be assessed a late charge.

The late charge assessed in each of these situations shall be three-quarters of one percent (0.75%) of the payment due and unpaid plus \$100.00 for late payments made within 30 days of the payment due date. An additional charge of three-quarters of one percent (0.75%) of said payment shall be added for each additional 30-day period that the payment remains unpaid. Late charges shall be added to the payment and invoiced to the contracting entity in accordance with this policy.

VII. COLLECTIONS

Any invoice remaining unpaid 90 days after the invoice date shall be referred to the Auditor-Controller for subsequent collection action, such as deduction from contracting entity moneys on deposit with the County Treasurer in accordance with Government Code Section 907 and any other applicable provision of law. Non-payment of invoices and applicable late charges will constitute a breach of contract for which the County retains all legal remedies including termination of the contract.

VIII. DISCOUNT FOR EARLY PAYMENT

Any payment received by the County from a contracting entity 20 days or more before the payment due date shall be entitled to a discount of one-quarter of one percent (0.25%). If the contracting entity takes a discount, and the payment is received by the County less than 20 days before the payment due date, County staff shall immediately notify the contracting entity by telephone that the discount should not have been taken and that the balance is due by the original payment due date.

If the balance is not received by the County in accordance with the dates as specified in Section VII, applicable late charges shall be calculated on the balance due.

IX. DEFERRED REVENUE

At fiscal year end, any portion of revenue invoiced (not necessarily received) during the fiscal year being closed out that represents charges or prepayment for materials and/or services for the upcoming fiscal year shall be reclassified from a revenue account to a deferred revenue account (liability). In the new fiscal year the deferred revenue shall be reclassified to a revenue account. (EXAMPLE: On June 1, 19X1, a city is invoiced \$48,000 which represents charges for the 12-month period June 1, 19X1 to May 31, 19X2. The amount to be reclassified to deferred revenue would be \$44,000, representing 11/12ths of the total amount. In July 19X1, the \$44,000 would be reclassified to revenue.) Reclassification entries shall be made by Auditor-Controller Agency Accounting units, or for those agencies/departments/districts without such a unit, the agency/department/district shall notify the Auditor-Controller of the amounts to be reclassified.

X. COST RECOVERY

All County agencies/department/districts shall include all costs of providing contracted services in contract rates. Including all direct costs, allocated indirect costs such as departmental and County (CWCAP) overhead, and cost of capital financing.

XI. EXISTING CONTRACTS

Billing terms and provisions contained in existing contracting entity agreements (existing as of the date this policy is approved by the Board of Supervisors) shall remain in effect for the life of the contract. However, when these existing contracts are renegotiated, they shall contain the billing provisions as set forth in this policy.

XII. DEVIATIONS FROM POLICY

Deviations from this policy shall be approved by the Board of Supervisors. Proposed deviations by agencies/departments/districts shall be submitted to the CEO for concurrence in advance of filing an Agenda Item Transmittal (AIT) with the Clerk of the Board. The CEO, or his/her designee, shall advise the agency/department/district of approval or disapproval of the proposed deviations. If a County agency/department/district submits a contract to the Board of Supervisors for approval, and the billing provisions in the contract deviate from this policy, the agency/department/district shall specifically advise the Board of Supervisors in the AIT of the deviation, the reason for the deviation, and of the CEO's recommendation relative thereto.