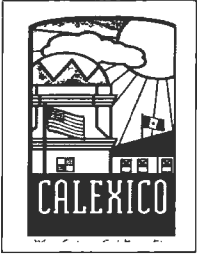


**AGENDA  
ITEM**

**9**



# CITY COUNCIL AGENDA STAFF REPORT

**DATE:** December 2, 2020

**TO:** Mayor and City Council

**APPROVED BY:** Miguel Figueroa, City Manager *M.F.*

**PREPARED BY:** Miguel Figueroa, City Manager

**SUBJECT:** Approval of a Resolution Adopting a City Council Policy Regarding the Use of Electronic and Digital Signatures for City Business

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**Recommendation:**

Approval of Resolution Adopting a City Council Policy Regarding the Use of Electronic and Digital Signatures for City Business and allow staff to proceed with the implementation of a city-wide platform to carry out this process.

**Background:**

In 2000, the Uniform Electronic Transaction Act (UETA) became effective in the State of California. This act authorizes the use of an electronic signature for transactions and contracts among parties, including government agencies. The State Legislature passed AB 2296 in 2016 to clarify that a digital signature may also be used to satisfy the requirements of an electronic signature under the UETA.

Electronic and digital signatures have been used widely in the private sector, such as real estate and mortgage transactions. Notably, they are also used by the court system where they allow for electronic filings of all documents, including briefs. The mainstream acceptance of signing documents electronically in place of manual, wet signatures has led to increased efficiencies and better customer service. As a result, a growing number of governmental agencies have also embraced the use of electronic and digital signatures.

Currently, the Calexico Municipal Code allows for engraved, lithographed signatures in Chapter 3.04.030 - Issuance authority and procedures, Sections A, C and D and electronic signatures in Chapter 17.11.1150 - Application; documents and requirements (see Attachment 2).

<b>AGENDA ITEM</b> <b>9</b>
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**Discussion and Analysis:**

During the current pandemic, expanding the use of electronic signatures and implementing a platform service to route and sign a majority of City documents such as Contracts, Professional Services Agreements, Change Orders and other appropriate City documents would be beneficial in expediting said documentation. This type of service has proved to be extremely successful by other cities and is constantly requested by city vendors, as well as staff. This type of platform would decrease the turnaround time from approval to final execution of City documents. In addition, those City documents that have been signed electronically are of a better quality since they remained digital throughout the signing process.

By opening the scope of the documents that are allowed to be signed with electronic and digital signatures and considering the recent state of emergency and the “stay at home” orders from both the State and the County during the COVID-19 pandemic, there is a greater need to use technology to allow day-to-day business to continue and assist staff, City Officials and City Professional Partners working remotely.

The City desires to expand the use of electronic and digital signatures to all appropriate areas of City business, including, but not limited to, the signing of legislative action records such as resolutions, ordinances, and minutes, whenever necessary. Staff requests consideration from the Council for the approval of a resolution adopting a City Council Policy regarding the use of electronic and digital signatures for city business and allow staff to proceed with the implementation of a platform to carry out this process.

**Fiscal Impact:**

Minimal staff time and the cost to implement the platform service for electronic and digital signatures. Estimate for the platform service is approximately \$3,100 annually.

**Coordinated With:**

City Attorney’s Office.

**Attachment(s):**

1. Resolution Adopting a City Council Policy Regarding the Use of Electronic and Digital Signatures for City Business.
2. Electronic and Digital Signature Use Policy.
3. Chapter 3.04.030 - Issuance authority and procedures, Sections A, C and D and Chapter 17.11.1150 - Application; documents and requirements.

**RESOLUTION NO. 2020-\_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO ADOPTING A CITY COUNCIL POLICY REGARDING ELECTRONIC AND DIGITAL SIGNATURE USE**

WHEREAS, electronic signatures that meet certain requirements are recognized as valid and legally binding under the United States Electronic Signatures in Global and National Commerce (ESIGN) Act, the California Uniform Electronic Transactions Act (UETA), and California Government Code section 16.5; and

WHEREAS, the use of electronic signatures on legally binding documents has become increasingly prevalent in the private sector but has yet to find widespread adoption by public entities; and

WHEREAS, benefits of using electronic signatures include: reduction of paper generation; significant decrease in time and cost associated with transmitting, approving, and retaining physical documents; as well as creation of an audit trail of the modification, editing, and approval/signing of documents; and

WHEREAS, the City will oversee and determine which signatures may or may not be transacted electronically; and

WHEREAS, the City wishes to authorize the use of electronic signatures in certain situations in accordance with City Council Policy (Electronic and Digital Signature Use), attached hereto as Exhibit 1.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Calexico, that it hereby adopts Council Policy (Electronic and Digital Signature Use) to allow for acceptance of electronic signatures that meet certain requirements, as set forth in Exhibit 1 to this Resolution, attached and incorporated by this reference.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Calexico on the 2nd of December 2020.

\_\_\_\_\_  
Rosie Arreola-Fernandez, Mayor

ATTEST:

\_\_\_\_\_  
Gabriela T. Garcia, City Clerk

APPROVED AS TO FORM:

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Carlos Campos, City Attorney

State of California     )  
County of Imperial    ) ss.  
City of Calexico       )

I, Gabriela T. Garcia, City Clerk of the City of Calexico do hereby certify the above Resolution No. 2020-\_\_\_\_\_ was approved at a regular City Council meeting held on the 2nd day of December, by the following roll-call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Gabriela T. Garcia, City Clerk

# CITY OF CALEXICO

## Electronic and Digital Signature Use Policy

Effective Date: \_\_\_\_\_

### **PURPOSE:**

To enable the City of Calexico to accept an approved electronic signature, in lieu of a written signature, on a document in which a signature is required or used, which complies with the requirements of Government Code section 16.5. This policy does not supersede laws that specifically require a written signature. This policy does not limit the right or option to conduct the transaction on paper or in non-electronic form and the right to have documents provided or made available on paper.

### **BACKGROUND:**

The use of electronic signatures on legally binding documents has become increasingly prevalent in the private sector but has yet to find widespread adoption by public entities. The benefits of electronic signatures are simple and numerous: they cut down on the paper, time and cost associated with transmitting and approving physical documents, and they can offer an easily accessible audit trail of the modification, editing, and approval / signature of documents.

This policy will authorize the use of electronic signatures on the City of Calexico documents while allowing the city to strike a balance between flexibility and the need for signature security and integrity.

### **POLICY:**

1. To the fullest extent permitted by law, the City of Calexico accepts e-signatures as legally binding and equivalent to handwritten signatures to signify an agreement in accordance with California Government Code section 16.5.
2. This policy applies to all employees of the City of Calexico, and governs all uses of electronic signatures and electronic records used to conduct the official business of the City of Calexico. Such business may include, but not be limited to electronic communications, transactions, contracts, permits and other official purposes, both internal and external to the city.
3. Where a city policy requires that a record have the signature of an authorized person that requirement is met when the electronic record has associated with it an electronic signature using a city approved electronic signature method.
4. Where a city policy requires a written document, that requirement is met when an electronic record has associated with it an electronic signature using a city

approved electronic signature method. The City of Calexico's right or option to conduct a transaction on paper or in non-electronic form shall not affect the City of Calexico's right, option or obligation to have documents provided or made available in paper format.

5. Approved and automated processes for a City of Calexico transaction are automatically subject to the provisions of this policy.
6. Periodic reviews will be implemented for appropriateness and continued applicability of electronic signatures.
7. If the parties have agreed to conduct a transaction by electronic means, the parties are required to utilize the city's electronic signature system for approved, electronically signed documents and that all applicable security processes for authentication be followed.
8. Where a legal requirement, beyond city policy, requires a written document, that requirement is met when an electronic record has associated with it an electronic signature using an approved electronic signature method, which complies with California state law.
9. Appropriate procedures must be used to confirm that the person signing the record has the appropriate authority.
10. This policy applies only to transactions between parties, which have agreed to conduct transactions by electronic means with the use of the city's approved electronic signature method.
11. If parties have agreed to conduct a transaction by electronic means and a law requires a person to provide, send, or deliver information in writing to another person, the requirement is satisfied if the information is provided, sent or delivered, in an electronic record capable of retention by the recipient at the time of receipt. An electronic record is not capable of retention by the recipient if the sender or its information processing system inhibits the ability of the recipient to print or store the electronic record.
12. This policy shall not apply to any transaction that requires a person's signature to be signed in the presence of a notary public.
13. The final approval of any electronic signature method will be by the City Manager and City Attorney. In determining whether to approve an electronic signature method, consideration will be given to the systems and procedures associated with using that electronic signature.
14. In the event that it is determined that an approved electronic signature method is no longer trustworthy, the City Manager must revoke the approval of that

electronic signature method. If there is continued significance for the electronic signatures, which used the revoked method, the City Manager will take steps to see that any valid records signed with the revoked electronic signature method are signed again either with a written signature or with an approved electronic signature method.

CITY OF CALEXICO

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Rosie Arreola-Fernandez, Mayor

ATTEST:

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Gabriela T. Garcia, City Clerk



## **CALEXICO MUNICIPAL CODE**

### Chapter 3.04.030 - Issuance authority and procedures.

Whenever the city council has accepted a bid for the sale of bonds and ordered that bonds shall be issued, the following procedures shall be required:

A. Printing. The finance director/city treasurer is authorized and directed to cause the necessary bonds to be engraved or lithographed.

B. Receipt for Execution. The city clerk is authorized and directed to receive the bonds for the purpose of securing their due execution.

C. Signing of Bonds. The mayor and finance director/city treasurer are authorized and directed to sign all of the bonds with their lithographed or engraved signatures.

D. Signing of Coupons. The finance director/city treasurer is authorized and directed to sign all of the interest coupons of said bonds with his or her lithographed or engraved signature.

### Chapter 17.11.1150 - Application; documents and requirements.

All documents required for the submission of an expedited small residential rooftop solar energy system application shall be made available on the city's website. The applicant may submit the permit application and associated documentation to the city's planning department in person or by electronic submittal, together with any required permit processing and inspection fees. For electronic submittal, the city shall accept an electronic signature on all forms, applications, and other documentation in lieu of a wet signature by an applicant to the extent permitted by law and to the extent such electronic submittal complies with the requirements set forth in this section and the checklist of requirements for small residential rooftop solar energy systems.