

AGENDA

FOR THE ADJOURNED MEETING OF THE:
CITY COUNCIL
NOVEMBER 22, 2011 - 4:30 P.M.

AND

THE REGULAR MEETINGS OF THE:
PUBLIC FINANCING AUTHORITY
WATER UTILITY AUTHORITY
COMMUNITY DEVELOPMENT COMMISSION
AND CITY COUNCIL

NOVEMBER 22, 2011 - 6:00 P.M.

Council Chambers
11710 Telegraph Road
Santa Fe Springs, CA 90670

Joseph D. Serrano, Sr., Mayor
William K. Rounds, Mayor Pro Tem
Luis M. González, Councilmember
Richard J. Moore, Councilmember
Juanita A. Trujillo, Councilmember

Public Comment: The public is encouraged to address City Council on any matter listed on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council, please complete the card that is provided at the rear entrance to the Council Chambers and hand the card to the City Clerk or a member of staff. City Council will hear public comment on items listed on the agenda during discussion of the matter and prior to a vote. City Council will hear public comment on matters not listed on the agenda during the Oral Communications period.

Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

Americans with Disabilities Act: In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by this City, please contact the City Clerk's Office. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

Please Note: Staff reports, and supplemental attachments, are available for inspection at the office of the City Clerk, City Hall, 11710 E. Telegraph Road during regular business hours 7:30 a.m. – 5:30 p.m., Monday – Thursday. Telephone (562) 868-0511. City Hall is closed every other Friday.

1. CALL TO ORDER

2. ROLL CALL

Luis M. González, Director/Commissioner/Councilmember
Richard J. Moore, Director/Commissioner/Councilmember
Juanita A. Trujillo, Director/Commissioner/Councilmember
William K. Rounds, Vice-Chairperson/Mayor Pro Tem
Joseph D. Serrano, Sr., Chairperson/Mayor

**4:30 P.M.
CITY COUNCIL**

STUDY SESSION

3. Consider the Justification for and Provide Direction with Regard to a Water Rate Increase for FY 2011-2012

Recommendation: That the City Council: (1) Receive the staff presentation and provide direction with regard to a water rate increase for FY 2011-2012; and (2) Direct staff to finalize a recommendation as to the schedule and magnitude of the proposed water rate increase for the City Council to consider on December 8, 2011.

CLOSED SESSION

4. CONFERENCE WITH LABOR NEGOTIATORS

Agency Designated Representatives: City Manager, City Attorney, Director of Finance and Administrative Services, Human Resources Manager

Employee Organization: Santa Fe Springs Executive, Management, and Confidential Employees' Association

CLOSED SESSION

5. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION

NUMBER OF CASES: 1

Please note: Item Nos. 6 – 17 will commence in the 6:00 p.m. hour.

PUBLIC FINANCING AUTHORITY

6. CONSENT AGENDA

Consent Agenda items are considered routine matters which may be enacted by one motion and roll call vote. Any item may be removed from the Consent Agenda and considered separately by the City Council.

Approval of Minutes

- A. Minutes of the October 27, 2011 Regular Public Financing Authority Meeting

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

Monthly Report

- B. Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA)

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

WATER UTILITY AUTHORITY

7. CONSENT AGENDA

Consent Agenda items are considered routine matters which may be enacted by one motion and roll call vote. Any item may be removed from the Consent Agenda and considered separately by the City Council.

Approval of Minutes

- A. Minutes of the October 27, 2011 Regular Water Utility Authority Meeting

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

Monthly Report

- B. Update on the Status of Water-Related Capital Improvement Projects

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

COMMUNITY DEVELOPMENT COMMISSION

8. REPORTS OF THE CITY MANAGER AND EXECUTIVE DIRECTOR

9. CONSENT AGENDA

Consent Agenda items are considered routine matters which may be enacted by one motion and roll call vote. Any item may be removed from the Consent Agenda and considered separately by the City Council.

Approval of Minutes

- A. October 27, 2011 Regular Community Development Commission Meeting

Recommendation: That the Community Development Commission approve the minutes as submitted.

10. NEW BUSINESS

Consideration for Approval: Consent and Agreement Regarding Successor to Villages at Heritage Springs LLC, interest in the Villages at Heritage Springs Project

Recommendation: That the Community Development Commission: (1) Approve the Consent and Agreement Regarding Successor to Villages At Heritage Springs LLC, Interest in Villages at Heritage Springs and (2) Authorize the Chairperson to execute the attached Consent and Agreement document.

CITY COUNCIL

11. CONSENT AGENDA

Consent Agenda items are considered routine matters which may be enacted by one motion and roll call vote. Any item may be removed from the Consent Agenda and considered separately by the City Council.

Approval of Minutes

- A. Minutes of the October 27, 2011 Regular City Council Meeting

Recommendation: That the City Council approve the minutes as submitted.

Approval of Minutes

- B. Minutes of the October 29, 2011 Special City Council Meeting

Recommendation: That the City Council approve the minutes as submitted.

12. NEW BUSINESS

Consideration for Approval: Consent and Agreement Regarding Successor to Villages at Heritage Springs LLC, Interest in Villages at Heritage Springs Project

Consideration to consent and agree to the assignment of the developer's interest in the Villages at Heritage Springs Project from Villages LLC (Comstock) to a new development entity (Arsenault Holdings LLC)

Recommendation: That the City Council: (1) Approve the Consent and Agreement Regarding Successor to Villages at Heritage Springs LLC, Interest in Villages at Heritage Springs; and (2) Authorize the Mayor to execute the Consent and Agreement document.

13. Resolution No. 9352 – Requesting that the State Joint Legislative Audit Committee (JLAC) Identify the Central Basin Municipal Water District as a High Risk Agency and Direct the State Auditor to Conduct an Audit of the District’s Practices

Recommendation: That the City Council adopt Resolution No. 9352, requesting that the State Joint Legislative Audit Committee Identify the Central Basin Municipal Water District as a high risk agency and direct staff to forward the resolution to the Joint Legislative Audit Committee.

14. Approval of a Subrecipient Agreement with the I-5 Consortium Cities Joint Powers Authority for Use of Measure R Highway Program Design and Construction Funding

Recommendation: That the City Council: (1) Approve the Subrecipient Agreement with the I-5 Consortium Cities Joint Powers Authority for Use of Measure R Highway Program Design and Construction Funding; and (2) Authorize the City Manager to execute the Agreement.

15. Approval of Memorandum of Underpass Agreement with Burlington Northern Santa Fe Railway Company for the Valley View Avenue Grade Separation Project

Recommendation: That the City Council: (1) Approve the Memorandum of Underpass Agreement with Burlington Northern Santa Fe Railway Company for the Valley View Avenue Grade Separation Project; and (2) Authorize the Director of Public Works to execute the Memorandum of Underpass Agreement.

16. Alcohol Sales Conditional Use Permit Case No. 53

A request to allow the operation and maintenance of an alcohol beverage sales use for on-site customer consumption at The Dugout located at 12215 Slauson Ave., in the M-1 and M-2, Zone (Jesse Mireles/The Dugout)

Recommendation: That the City Council approve Alcohol Sales Conditional Use Permit (ASCUP) Case No. 53 subject to a compliance review in one (1) year, to ensure the use is still operating in strict compliance with the conditions of approval.

17. Application for Alcohol Sales Conditional Use Permit Case No. 55

Request for approval to allow the operation and maintenance of an alcoholic beverage use involving the storage and transportation of alcoholic beverages at 11630 Pike St., in the M2, Heavy Manufacturing Zone, located within the Consolidated Redevelopment Project Area. (Approved Freight Forwarders)

Recommendation: That the City Council approve Alcohol Sales Conditional Use Permit (ASCUP) Case No. 55 subject to a compliance review in one (1) year, to ensure the use is still operating in strict compliance with the conditions of approval.

Please note: Item Nos. 18 – 28 will commence in the 7:00 p.m. hour.

City of Santa Fe Springs

Adjourned City Council and Regular Public Financing Authority/Water Utility Authority/CDC/City Council

November 22, 2011

18. INVOCATION

19. PLEDGE OF ALLEGIANCE

INTRODUCTIONS

20. Representatives from the Youth Leadership Committee

21. Representatives from the Chamber of Commerce

22. Supervisor Don Knabe

23. ANNOUNCEMENTS

PRESENTATIONS

24. Red Ribbon Week Community Parade and Red Ribbon Week Art Contest Winners

25. APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS

26. ORAL COMMUNICATIONS

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

27. EXECUTIVE TEAM REPORTS

28. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing agenda was posted at the following locations; Santa Fe Springs City Hall, 11710 Telegraph Road; Santa Fe Springs City Library, 11700 Telegraph Road; and the Town Center Plaza (Kiosk), 11740 Telegraph Road, not less than 72 hours prior to the meeting.

Anita Jimenez

Anita Jimenez
Deputy City Clerk

November 17, 2011

Date



City of Santa Fe Springs

City Council Meeting

November 22, 2011

STUDY SESSION

Consider the Justification for and Provide Direction with Regard to a Water Rate Increase for FY 2011-2012

RECOMMENDATION

That the City Council take the following actions:

1. Receive the staff presentation and provide direction with regard to a water rate increase for FY 2011-2012; and
2. Direct staff to finalize a recommendation as to the schedule and magnitude of the proposed water rate increase for the City Council to consider on December 8, 2011.

BACKGROUND

The last water rate increase was implemented on March 1, 2011. At that time the following changes were authorized by the City Council:

- Quantity Rate was increased by 15%
- Meter Service Charge was increased by 12%

Staff is anticipating that a rate increase will need to be implemented on March 1, 2012 in order to ensure that there is sufficient revenue to cover the anticipated costs to operate the water system and to supply the quantity of water required by City customers.

Timeline for Rate Increase

Adjustment of water rates is subject to Proposition 218 which mandates that all customers receive a 45-day notice of the City's intent to increase rates before any action can be taken. At the conclusion of the 45-day notice period, the City Council must hold a public hearing to receive comments on the proposed increase. The following timeline has been established for the possible implementation of a water rate increase:

- | | |
|---|-------------------|
| • City Council Initiates Prop 218 Process | December 8, 2011 |
| • Notices Mailed to Customers | January 3, 2012 |
| • City Council Holds Public Hearing | February 23, 2012 |
| • Rate Increases Implemented | March 1, 2012 |

Justification for Rate Increase

The primary reason to adjust water rates on March 1, 2012 is to ensure that the

Report Submitted By: Don Jensen, Director
Department of Public Works

Date of Report: November 16, 2011

water enterprise fund will have enough revenue to cover the estimated costs to operate the water system through June 30, 2012. Additionally, the action taken on March 1, 2012 will have an impact on the financial condition of the Water Enterprise Fund in FY 2012-13 as well.

Upon review of the adopted budget for FY 2011-12, costs and expenses to date and after making several assumptions for the current fiscal year and for the next fiscal year, staff has determined that if a rate increase is not implemented on March 1, 2012 and is not implemented on March 1, 2013, the end-of-Fiscal Year cash fund status of the Water Enterprise Fund would be as follows:

FY 2011-2012: **Deficit would be between \$400,000 and \$650,000.**

FY 2012-2013: **Deficit would be between \$900,000 and \$1.150 M.** This projection assumes no rate increase on March 1, 2012 or March 1, 2013.

The assumptions used in the rate analysis are described in Attachment 1.

Current Water Rate Structure

The City's water rate structure has the following components:

Meter Service Charge

This is a fixed fee and the amount is based on the size of the meter. It is paid monthly regardless of how much water is used by the customer.

Quantity Rates

These rates are charged for actual water used. The City's rate structure has five levels (Tiers). The more water a customer uses, the higher the rate. This type of tiered structure helps to encourage water conservation and also balances cost recovery between low and high water users.

Reclaimed Water Rates

These are the rates charged for reclaimed water. Similar to Quantity Rates, there are four levels.

Fire Service Charges

Approximately 670 customers have a fire service connection. Each of these customers is charged a flat fee based on the size of their service.

The rates that are presently in effect are shown on Attachment 2.

Actions Presented for City Council Consideration

The City Council could take any of the following actions at this time:

- Option 1: Make No Changes in any Water Rates
- Option 2: Increase only the Quantity Rate
- Option 3: Increase only the Meter Service Charge
- Option 4: Increase the Quantity Rate and Meter Service Charge

Additionally, the City Council will also need to determine when the rate change will be implemented. Based on Prop 218 guidelines, March 1, 2012 is the earliest a rate change could be implemented.

Basis for Rate Increase

Historically, the City Council has increased both the Quantity Rate and Meter Service Charge at the same time (Option 4). Increasing both components preserves the balance between fixed and variable revenue that is generated by the rate structure. With respect to the actual level of increase, this would depend on which of the following approaches the City Council would like to take:

Option A: Increase rates but maintain a deficit.

If this option is selected the City Council will need to determine what level of deficit is acceptable.

Option B: Increase rates only enough to eliminate the deficit.

If this option is selected, it will be necessary to increase all water rates by at least 11% on March 1, 2012.

Option C: Increase rates enough to generate a surplus.

If this option is selected, the City Council will need to decide what level of surplus is desired. However, in order to generate a surplus, it will be necessary to increase water rates by more than 11% on March 1, 2012.

It is very likely that if Option B or C is selected, we can expect there to be significant opposition from water customers.

Recommendation for Rate Increase in FY 2011-12

After considering a variety of possibilities, staff believes it would be in the City's best interests to implement a strategy that will allow the City to improve the overall financial condition of the Water Enterprise Fund without implementing an excessive rate increase. At this time, staff is recommending that the City Council consider the following recommendations:

1. Elimination of the 50% City Discount Retroactive to July 1, 2011.

The 50% discount was established almost twenty years ago to help offset the City's support for the Water Enterprise Fund. In light of the Lease Payment that is now paid by the Water Utility Authority to the City, staff believes the discount is no longer justified. Although eliminating the discount will increase

the City's general fund cost for water used through City-owned meters, it will essentially generate about \$230,000 in additional revenue for the Water Enterprise Fund.

2. Raise All Water Rates by 9% on March 1, 2012

If the 50% City Discount is eliminated, staff would recommend that all water rates be increased by 9% on March 1, 2012. This level of increase, when coupled with the elimination of the discount, will generate a surplus of between \$0 and \$200,000 as on June 30, 2012.

Impact of FY 2011-12 Rate Increase on FY 2012-13

Whatever action is taken in FY 2011-12 will impact the financial condition of the Water Enterprise Fund in FY 2012-13 because the rate implemented on March 1, 2012 will be in place for at least the following twelve months, including the first eight months of FY 2012-13. Although no decision as to the level of the next rate increase needs to be made at this time, if the recommendations for FY 2011-12 are implemented, it is estimated that as of June 30, 2013 the Water Enterprise Fund would have a surplus of about \$100,000 without any rate increase. If a 9% rate increase was implemented on March 1, 2013 the projected surplus could be as much as \$500,000.

FISCAL IMPACT

Amendment of water rates will ensure that operating revenue will cover operating expenditures associated with water-funded operations. Additionally, the City has an obligation to see that the Water Enterprise Fund is financially sound and is not operating in a deficit condition.


Thaddeus McCormack
City Manager

Attachment(s):

1. Assumptions for Water Rate Increase
2. Existing Water Rates and Charges

ATTACHMENT 1
PRIMARY ASSUMPTIONS
FOR WATER RATE INCREASE (FY 2011-12)

Timeline for Rate Implementation

- | | |
|---|-------------------|
| • City Council Initiates Prop 218 Process | December 8, 2011 |
| • Notices Mailed to Customers | January 3, 2012 |
| • City Council Holds Public Hearing | February 23, 2012 |
| • Rate Increases Implemented | March 1, 2012 |

Process to Raise Rates

- Must comply with requirements mandated by Prop. 218:
- 4 month process to implement new rates
- Must hold Public Hearing before rate change can be approved
- Must give customers 45 days notice of Public Hearing and Proposed Rates
- FY 2011-12 Rate increase assumed to be effective March 1, 2012
- Allows rate increase to be in effect before heavy water use months

Water Usage:

- Water usage through October 31, 2011 is up 1.2%
- Water usage for FY 2012-13 assumed to be the same as for FY 2011-12

Outside Water Rates:

- MWD rates will increase by no more than 12% (Previous Increase was 7%)
- WRD rates will increase by no more than 12% (Previous Increase was 19%)
- Central Basin rate for water produced by the WQPP will increase by 12%
- Actual rates will not be adopted until May (WRD) and June (MWD/CB)

New Water Well:

- Initially assumed well would be in operation by Dec. 31, 2011
- Now assuming well will not be in operation until October 1, 2012
- Increases cost in FY 2011-12 by about \$257,000

Adjustments to Lease Payments/Transfers:

- Was reduced from \$1,650,000 to \$1,500,000 for FY 2011-12
- To be restored to \$1,650,000 for FY 2012-13

Budget for Water Operations for FY 2012-13:

- Labor and M&O to be 2% higher (excluding Water Purchases)
- City discount of 50% on rates may be eliminated (Discount = \$230,000 +/-)

RESOLUTION NO. 9303

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF SANTA FE SPRINGS, CALIFORNIA
AMENDING WATER RATES AND CHARGES FOR FY 2010/11**

The City Council of the City of Santa Fe Springs does hereby resolve as follows:

Section 1. The water rates and charges for the City set forth pursuant to Section 53-28 of the City Code, are hereby established as follows:

(a) Quantity Rates

First 1,800 cubic feet per month	\$2.62/100 cubic feet
Over 1,800 and up to 3,600 cubic feet/monthly	\$2.99/100 cubic feet
Over 3,600 and up to 10,000 cubic feet/monthly	\$3.42/100 cubic feet
Over 10,000 and up to 40,000 cubic feet/monthly	\$3.50/100 cubic feet
Over 40,000 cubic feet monthly	\$3.59/100 cubic feet

(b) Reclaimed Water Rates

First 1,800 cubic feet per month	\$2.53/100 cubic feet
Over 1,800 cubic feet & up to 25 acre feet/monthly	\$2.85/100 cubic feet
Over 25 and up to 50 acre feet per month	\$2.75/100 cubic feet
Over 50 acre feet per month	\$2.62/100 cubic feet

(c) City Facilities Rate

City owned facilities will be charged 50% of domestic and reclaimed water rates.

(d) Senior Citizen Lifeline Rate

Residential customers who can verify that they meet the following eligibility requirements will receive a 15% discount on the first 1,800 cubic feet of water used each month:

- Applicant must be at least 60 years old
- Applicant must be a full-time resident of the City water service area
- The water bill must be in the name of the applicant
- The property listed on the water bill must be the primary residence of the applicant
- The total combined annual gross income of applicant's household must not exceed 175% of Federal poverty guidelines

(e)	<u>Meter Service Charge</u>	<u>Per Meter Per Month</u>
	5/8 x 3/4 and 3/4 inch	\$ 10.30
	1 inch	\$ 13.30
	1-1/2 inch	\$ 49.25
	2 inch	\$ 68.85
	3 inch	\$ 138.30
	4 inch	\$ 182.50
	6 inch	\$ 229.00
	8 inch	\$ 305.00
	10 inch	\$ 459.00

The service charge is applicable to all metered service. It is a readiness-to-serve charge to which is added to the consumption charge, computed at the quantity rates, for water used during the month.

(f)	<u>Fire Service Charge</u>	<u>Per Meter Per Month</u>
	2 inch DC	\$ 45.00
	4 inch DC	\$ 68.00
	6 inch DC	\$ 85.00
	8 inch DC	\$ 115.00
	10 inch DC	\$ 145.00

(g) Late Payment Charge

If any account becomes delinquent, the City shall impose a fifteen dollar (\$15.00) late payment charge.

(h) Reconnection Charge

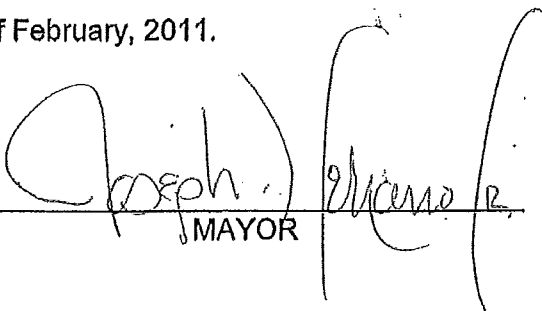
Water service which has been shut off for failure to comply with any of the rules and regulations or to pay any rates, charges or penalties, as herein provided, shall not be restored until such rules and regulations and penalties have been complied with to the satisfaction of the City and payment is made of the amount due if any; and in addition thereto the amount of thirty dollars (\$30.00) shall be assessed for the expense of restoring water service for such occurrence.

(i) Unauthorized Turn-On Charge

In the event that a customer turns on their water service, or allows any person other than an authorized City employee to turn on their water service, after the water service has been turned off by the City, a charge of seventy-five dollars (\$75.00) shall be added to the bill for the affected service for the first occurrence in a six-month period, and one hundred and fifty dollars (\$150.00) shall be assessed for the second and each subsequent occurrence in a six-month period.

Section 2. The foregoing rates and charges shall apply to all water used after March 1, 2011.

APPROVED and ADOPTED this 24th day of February, 2011.


MAYOR

ATTEST:


CITY CLERK

**CITY OF SANTA FE SPRINGS
MINUTES
FOR THE REGULAR MEETINGS OF THE:
PUBLIC FINANCING AUTHORITY
WATER UTILITY AUTHORITY
COMMUNITY DEVELOPMENT COMMISSION
AND CITY COUNCIL**

October 27, 2011

1. CALL TO ORDER

Mayor Serrano called the Regular Public Financing Authority, Water Utility Authority, Community Development Commission, and City Council meetings to order at 6:12 p.m.

2. ROLL CALL

Present: Directors/Commissioners/Councilmembers González, Moore, and Trujillo, Vice-Chairperson/Mayor Pro Tem Rounds, and Chairperson/Mayor Serrano

Also present: Thaddeus McCormack, City Manager; Steve Skolnik, City Attorney; Paul Ashworth, Director of Planning & Community Development; Don Jensen, Director of Public Works; Dino Torres, Director of Police Services; Hilary Keith, Director of Library & Cultural Services; Travis Hickey, Assistant Director of Finance & Administrative Services; Mike Crook, Fire Division Chief; and Anita Jimenez, Deputy City Clerk

PUBLIC FINANCING AUTHORITY

3. CONSENT AGENDA

- A. Approval of Minutes of the September 29, 2011 Adjourned Public Financing Authority Meeting

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

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

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

Director Moore moved the approval of Items 3A and B; Director Trujillo seconded the motion which carried unanimously.

WATER UTILITY AUTHORITY

4. **CONSENT AGENDA**

- A. Approval of Minutes of the September 29, 2011 Adjourned Water Utility Authority Meeting

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

- B. Update on the Status of Water-Related Capital Improvement Projects

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

Vice-Chairperson Rounds moved the approval of Items 4A and B; Director González seconded the motion which carried unanimously.

COMMUNITY DEVELOPMENT COMMISSION

5. **REPORTS OF THE CITY MANAGER AND EXECUTIVE DIRECTOR**

The City Manager thanked Dino Torres and all the staff that helped in the Red Ribbon Parade held Wednesday, October 27. He also reported that the City of Santa Fe Springs, due to redistricting in Los Angeles County, is now officially part of the 4th Supervisorial District, and thus represented by Supervisor Don Knabe.

Paul Ashworth reported that for the first time in the past 3½ years, there are five spec buildings in the planning stage, one of which is holding a broker opening. This may signify a sign of confidence in the economy. He also reported that as a result of the I-5 widening project, a revenue-producing company is relocating from La Mirada to Santa Fe Springs.

6. **CONSENT AGENDA**

- A. Approval of Minutes of the September 29, 2011 Adjourned Community Development Commission Meeting

Recommendation: That the Community Development Commission approve the minutes as submitted.

Vice-Chairperson Rounds moved the approval of Item 6A; Commissioner González seconded the motion which carried unanimously.

CITY COUNCIL

7. **CONSENT AGENDA**

- A. Approval of Minutes of the September 29, 2011 Adjourned City Council Meeting

Recommendation: That the City Council approve the minutes as submitted.

- B. Councilmember González's Attendance at the California Contract Cities Conference

Recommendation: That the City Council receive and file the report.

Mayor Pro Tem Rounds moved the approval of Items 7A and B; Councilmember González seconded the motion, which carried unanimously.

NEW BUSINESS

8. AWARD OF CONTRACT - Project and Construction Management Services for the Valley View Avenue Grade Separation Project

Recommendation: That the City Council: (1) Award a contract in the amount of \$5,956,399 to AECOM Technical Services, Inc. to provide Project and Construction Management Services for the Valley View Avenue Grade Separation Project; (2) Approve the Professional Services Agreement and authorize the Mayor to execute the contract with AECOM Technical Services, Inc.; (3) Authorize the Director of Public Works to issue Task Order No. 1 in the amount of \$379,838 for the Pre-Construction Phase of PM/CM Services; and, (4) Authorize the Director of Public Works to terminate the contract with URS, Inc. for Project Management Services as of November 30, 2011.

Councilmember Moore moved the approval of Item 8; Councilmember Trujillo seconded the motion which carried unanimously.

Don Jensen introduced Resident Engineer Peter Ho of AECOM Technical Services, Inc. Mr. Jensen stated that Mr. Ho had been the Resident Engineer on the Norwalk/Telegraph bridge project.

9. AWARD OF CONTRACT - Project Construction & Management Services for the Interstate 5 Water Main Relocation for the Carmenita Road Segment

Recommendation: That the City Council: (1) Award a contract to Tetra Tech, Inc. in the amount of \$368,692.00 for project and construction management services for the Interstate 5 water main relocation for the Carmenita Road segment; and (2) Approve the Professional Services Agreement and authorize the Director of Public Works to execute the agreement for the Interstate 5 Water Main Relocation for the Carmenita Road segment.

Councilmember González moved the approval of Item 9; Mayor Pro Tem Rounds seconded the motion which carried unanimously.

10. Reimbursement of Property Acquisition Costs Incurred by the City of La Mirada for the Valley View Grade Separation Project

Recommendation: That the City Council authorize the Director of Finance and Administrative Services to reimburse the City of La Mirada in the amount of \$39, 684 for right-of-way required to construct the Valley View Grade Separation Project.

Councilmember González moved the approval of Item 10; Mayor Pro Tem Rounds seconded the motion which carried unanimously.

11. AWARD OF BID - Award Bid to George Chevrolet for a ½ Ton Pickup Truck

Recommendation: That the City Council award a bid to George Chevrolet for a ½ ton pickup truck and authorize the Director of Purchasing Services to issue a purchase order to process the transaction.

Councilmember Moore moved the approval of Items 11 and 12; Councilmember González seconded the motion. Councilmember Moore asked what the City does with old vehicles. Paul Martinez responded that they are sent to auction. Councilmember Moore stated that the new City policy requires Council approval to dispose of vehicles. Mayor Serrano asked if it might be possible to donate old vehicles to needy Santa Fe Springs families. The City Attorney stated that the policy would need to be changed to include the possibility of donation to private individuals. Mayor Serrano directed staff to look into this issue. Councilmember González stated that this might create some problems of liability. Councilmember Moore amended his motion to approve Items 11 and 12 to include the authority to dispose of the vehicles referenced. The amend motion was accepted by Councilmember González. The motion carried unanimously.

12. Authorize the Purchase of (2) 2011 F-350 Trucks from Carmenita Ford

Recommendation: That the City Council authorize the Director of Purchasing to purchase (2) F-350 trucks through a piggyback opportunity from Carmenita Ford; and authorize the Director of Purchasing Services to issue a purchase order to process the transaction.

Mayor Pro Tem Rounds asked if there was a cost savings by taking this approach. Paul Martinez stated that it would save the City money. Mayor Pro Tem Rounds asked that in the future the bids received by the other party be provided to Council as information. See item 11.

13. Resolution No. 9350 – Establishing the City's Maximum Contribution to the Public Employees' Retirement System for Safety and Miscellaneous Employees' Medical Coverage

Recommendation: That the City Council adopt Resolution No. 9350 which establishes the City's share of contributions to the Public Employees' Retirement System for safety and miscellaneous employees' medical coverage.

Councilmember González moved the approval of Item 13; Councilmember Trujillo seconded the motion which carried unanimously.

CLOSED SESSION

14. CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION

Initiation of litigation pursuant to subdivision (c) of Section 54956.9:

One case: CDC v. Ameron, et al.

Mayor Serrano recessed the meetings at 6:24 p.m. for the Closed Session.

Mayor Serrano reconvened the meetings at 7:14 p.m.

15. INVOCATION

The Invocation was given by Councilmember Trujillo.

16. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Pro Tem Rounds.

INTRODUCTIONS

17. No representatives from the Youth Leadership Committee were present.

18. Mayor Serrano introduced Daniel J. McMillan of MorganStanley SmithBarney.

19. ANNOUNCEMENTS

Hilary Keith gave the Community Services announcements.

PRESENTATIONS

20. Presentation to Milestone Event Celebrants

Mayor Serrano called on Public Relations Specialist Julie Herrera to assist with the presentation. The following residents were recognized for achieving milestones: Caroline Basye Romero – 83rd Birthday; Consuelo Hernandez – 90th Birthday; Lorenza Madrigal – 98th Birthday

21. Recognition of the City Employees' Team Championship Title for the SCMAF Southeast 2011 Dan Ablott Memorial Coed Softball Tournament

Mayor Serrano called on Director of Parks & Recreation Services Carole Joseph to assist with the presentation. The following employees were recognized for being part of the Championship team: Danny Alanis, Parks and Recreation; Rita Argott, Parks and Recreation; Roberta Argott, Parks and Recreation; Eddie Barrios, Parks and Recreation; Joseph Dinh, Parks and Recreation; Nick Espinoza, Parks and Recreation; Robert Garcia, Public Works; Andrea Salas, Parks and Recreation; John Sanchez, Parks and Recreation; Brianna Tavera, Parks and Recreation; Mario Vasquez, Parks and Recreation; Lauren Weitmann, Parks and Recreation.

22. Introduction of New City Employees

Mayor Serrano called on Director of Library & Cultural Services Hilary Keith to introduce the following new employees: Alonso Bautista - Library Services Aide; John Lawver - Heritage Park Ranger; Michelle Gamboa - Work Study Literacy Volunteer; Daniel Chavez - Work Study Literacy Volunteer; Hallie Gayle - Work Study Literacy Volunteer.

23. APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS

Councilmember Moore announced that Larry Oblea had resigned from the Planning Commission and in his place he appointed Traffic Commissioner Manny Zevallos. To replace Manny Zevallos, he appointed Lillian Puentes to the Traffic Commission. He also appointed Dr. Francine Rippey to the Historical Committee. Mayor Pro Tem Rounds appointed Sadie Calderon and Debra Cabrera to the Beautification Committee.

24. ORAL COMMUNICATIONS

Mayor Serrano opened Oral Communications at 7:48 p.m.

There being no one wishing to speak, Mayor Serrano closed Oral Communications at 7:49 p.m.

25. EXECUTIVE TEAM REPORTS

Councilmember Moore announced that it was intention to run for City Council in 2013.

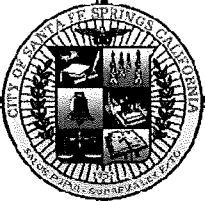
26. ADJOURNMENT

At 7:52 p.m., Mayor Serrano adjourned the meetings in memory of former Traffic Commission Edward Garcia, father of City employee Patricia Lozano.

Joseph D. Serrano, Sr.
Mayor

ATTEST:

Anita Jimenez, Deputy City Clerk



City of Santa Fe Springs

Public Financing Authority Meeting

November 22, 2011

NEW BUSINESS

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

RECOMMENDATION

That the City Council receive and file the report.

BACKGROUND

The Santa Fe Springs Public Financing Authority is the City entity that is utilized to facilitate the issuance of public purpose debt in Santa Fe Springs. The following is a brief status report on the debt instruments currently outstanding that were issued through this financing authority.

Consolidated Redevelopment Project 2001 Tax Allocation Refunding Bonds

Financing proceeds available for appropriation at 10/31/11	None
Outstanding principal at 10/31/11	\$19,380,000

Consolidated Redevelopment Project 2002 Tax Allocation Refunding Bonds

Financing proceeds available for appropriation at 10/31/11	None
Outstanding principal at 10/31/11	\$14,230,000

Consolidated Redevelopment Project 2003 Taxable Tax Allocation Refunding Bonds

Financing proceeds available for appropriation at 10/31/11	None
Outstanding principal at 10/31/11	\$4,135,000

Water Revenue Bonds, 2003 Series A

Financing proceeds available for appropriation at 10/31/11	None
Outstanding principal at 10/31/11	\$4,325,000

Water Revenue Bonds, 2005 Series A

Financing proceeds available for appropriation at 10/31/11	None
Outstanding principal at 10/31/11	\$2,920,000

Consolidated Redevelopment Project 2006-A Tax Allocation Bonds

Financing proceeds available for appropriation at 10/31/11	\$1,538,121*
Outstanding principal at 10/31/11	\$31,047,149

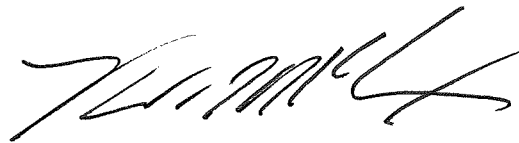
Consolidated Redevelopment Project 2006-B Taxable Tax Allocation Bonds

Financing proceeds available for appropriation at 10/31/11	None
Outstanding principal at 10/31/11	\$13,530,000

Consolidated Redevelopment Project 2007-A Tax Allocation Refunding Bonds

Financing proceeds available for appropriation at 10/31/11	None
Outstanding principal at 10/31/11	\$41,205,000

The City and Community Development Commission budgets include sufficient appropriations to meet the debt service obligations associated with these issues and it is anticipated that the Fiscal Year 2011-12 revenue sources funding these appropriations will be sufficient as well.



Thaddeus McCormack
City Manager/Executive Director

* \$1,538,121 of 2006-A tax exempt bond funds had been used for property acquisitions in relation to the Valley View Grade Separation Project. These funds were reimbursed from Federal, State and County sources in May 2011. However, do to the lawsuit pending with the State no appropriations can be made until the California Supreme Court decides the case. This is expected by mid-January 2012.

PLEASE REFER TO ITEM 6A



City of Santa Fe Springs

Water Utility Authority Meeting

November 22, 2011

NEW BUSINESS

Update on the Status of Water-Related Capital Improvement Projects

RECOMMENDATION

That the Water Utility Authority receive and file the report.

BACKGROUND

This report is for informational purposes only. The following is a listing of active water projects along with their current status:

New Water Well Located Within Zone II (Well No. 12)

Continued work is being done to enable the construction of a New Water Production Well on city property located on Borate Street east of Radburn Avenue. Interviews have been scheduled with the top three consultants for engineering services for the well head and pump design. Geoscience Support Services, Inc., the City's Hydrogeological consultant has submitted to staff a preliminary well design report and draft technical specifications for well drilling, construction, development and testing.

FISCAL IMPACT

The projects are fully funded through the Capital Improvement Program in place.

INFRASTRUCTURE IMPACT

A fully functioning water production well will provide a much needed source of potable water within Zone II and the water well will enhance the reliability of the City's water system.

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

Thaddeus McCormack
Executive Director

Attachment(s):

None.

PLEASE REFER TO ITEM 6A



City of Santa Fe Springs

Community Development Commission

November 22, 2011

NEW BUSINESS

Consideration for Approval: Consent and Agreement Regarding Successor to Villages at Heritage Springs LLC, interest in the Villages at Heritage Springs Project
Consideration to consent and agree to the assignment of the developer's interest in the Villages at Heritage Springs Project from Villages LLC (Comstock) to a new development entity (Arsenault Holdings LLC)

RECOMMENDATION


That the Community Development Commission: (1) Approve the Consent and Agreement Regarding Successor to Villages At Heritage Springs LLC, Interest in Villages at Heritage Springs and (2) Authorize the Chairperson to execute the attached Consent and Agreement document.

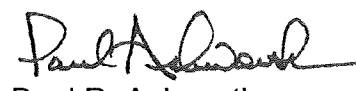
BACKGROUND

The Villages LLC entity is in default to its lender and foreclosure action was approaching when a new source of capital was found to avert foreclosure. In order for the project's re-financing to occur, it is necessary for the CDC to consent to (re)assignment of the developer's interest in the project from Villages LLC to the new development entity, Arsenault Holdings LLC, a Colorado limited liability company. As provided in Section 15 of the Disposition and Development Agreement between the CDC and Villages LLC dated November 17, 2005, "*Developer may not assign any of its responsibilities pursuant to this DDA...and may not sell such portion of the Site to anyone...without the express, written, prior consent of the CDC...which consent shall not be unreasonably withheld.*" In accordance with Section 15, the CDC is asked to consent and agree to the transfer of interest in the Project from Villages LLC (Comstock) to Arsenault Holdings LLC.

FISCAL IMPACT

By approving the Consent and Agreement Regarding Successor to Villages at Heritage Springs, LLC, Interest in Villages at Heritage Springs Project, the CDC will be facilitating the recapitalization of the housing project thereby allowing for the infusion of new capital needed to restart stalled construction activity. The result will have a positive fiscal impact by allowing for new construction and home sales activity to generate new tax revenues.


Thaddeus McCormack
City Manager


Paul R. Ashworth
Executive Director

Attachment

Consent and Agreement Regarding Successor to Villages at Heritage Springs LLC, Interest in Villages at Heritage Springs

**CONSENT AND AGREEMENT
REGARDING SUCCESSOR TO VILLAGES AT HERITAGE SPRINGS, LLC
INTEREST IN VILLAGES AT HERITAGE SPRINGS PROJECT**

THIS CONSENT AND AGREEMENT REGARDING SUCCESSOR TO VILLAGES AT HERITAGE SPRINGS, LLC INTEREST IN VILLAGES AT HERITAGE SPRINGS PROJECT ("Consent"), dated as of November 22, 2011, is by and between the City of Santa Fe Springs, a municipal corporation and a political subdivision of the State of California ("City"), the Community Development Commission of the City of Santa Fe Springs ("CDC") and Arsenault Holdings, LLC, a Colorado limited liability company ("Arsenault").

WHEREAS, Arsenault is currently under contract to purchase acquisition and development and construction loans (collectively, the "Loans") made by Housing Capital Company to Villages at Heritage Springs, LLC ("Original Developer"), which Loans are secured by certain real property constituting the majority of the real estate in the Villages at Heritage Springs Project (the "Project") that has not previously been sold to homeowners (the "Property");

WHEREAS, it is the intention of Arsenault, or one or more entities owned and controlled by Marcel J.C. Arsenault (collectively, "New Developer") to close on the purchase of the Loans and to take title to the Property pursuant to a foreclosure sale and/or a deed in lieu of foreclosure;

WHEREAS, it is the intention of New Developer to continue with the development of the Project in the same manner as Original Developer and in accordance with that certain Disposition and Development Agreement dated November 17, 2005, as amended, by and between CDC and Original Developer (the "DDA"), together with other entitlements pertaining to the Project granted by City and/or CDC, including but not necessarily limited to Development Plan Approval and Subdivision Map approval. It is also the intention of New Developer to engage Robert W. Comstock and certain key employees of Original Developer in such continued and future development of the Project; and

WHEREAS, in order to acknowledge the rights and obligations of New Developer as successor to Original Developer in and to the DDA and other documents executed by and between CDC and/or City and Original Developer, City, CDC and Arsenault have agreed to the following terms and conditions.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt, adequacy and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Consent to New Developer. If and to the extent that New Developer closes on the purchase of the Loans and succeeds to the interest of Original Developer in ownership of the Property, City and CDC consent to New Developer succeeding to the rights and obligations of Original Developer in and to the following documents:

(i) the DDA;

(ii) that certain Purchase and Sale Agreement and Joint Escrow Instructions dated July 9, 2009, by and between Original Developer and CDC; and

(iii) that certain Acquisition Agreement Relating to: City of Santa Fe Springs Community Facilities District No. 2009-1 (Villages at Heritage Springs), which agreement has not been executed as of the date hereof, but which agreement has been approved as to form by the City.

2. Ameron Obligation. In consideration for City and CDC acknowledging the rights and obligations of New Developer under and pursuant to the documents listed in Paragraph 1 of this Consent, New Developer acknowledges and agrees that it will assume the obligation of Original Developer to CDC and/or City for reimbursement to City of One Million Dollars (\$1,000,000) of clean-up costs related to the Ameron clean-up, which obligation is not memorialized in the DDA.

3. Prevailing Wage Laws. In Paragraph 13 of the DDA, Original Developer concluded that it was not required to pay "prevailing wages" for any portion of the Project and agreed to defend, indemnify and hold harmless City against any claim, demand or liability arising from any obligation to pay "prevailing wages" for any portion of the Project ("Prevailing Wage Indemnity"). However, New Developer has determined that it is appropriate to pay "prevailing wages" for any public improvements constructed on or after the date that New Developer succeeds to the interest of Original Developer in ownership of the Property. Therefore, and to the extent that New Developer does in fact pay "prevailing wages" for public improvements that it constructs, City hereby agrees that the Prevailing Wage Indemnity shall not extend to and be assumed by New Developer, and City shall only look to Original Developer with respect to the Prevailing Wage Indemnity.

4. Notwithstanding anything contained herein to the contrary, if and to the extent that New Developer does not close on the purchase of the Loans and succeed to the interest of Original Developer in the ownership of the Property, all of the consents, rights and obligations set forth in this Consent shall be deemed terminated and neither party shall have any further rights or obligations to the other party hereunder.

IN WITNESS WHEREOF, the parties hereto have duly executed this Consent to be effective as of the date and year first above written.

Community Development Commission
of the City of Santa Fe Springs

By: _____
Name: _____
Title: _____

City of Santa Fe Springs, for itself and on
Behalf of Community Facilities District
No. 2009-01 (Villages at Heritage Springs)

By: _____
Name: _____
Title: _____

Arsenault Holdings, LLC

By: _____
Sharon K. Eshima, Manager

PLEASE REFER TO ITEM 6A

**CITY OF SANTA FE SPRINGS
MINUTES FOR THE
SPECIAL MEETING OF
THE SANTA FE SPRINGS
CITY COUNCIL**

October 29, 2011

1. CALL TO ORDER

Mayor Serrano called the Special Meeting of the City Council to order at 7:30 a.m. in the upstairs meeting room at the Clarke Estate.

2. ROLL CALL

Present: Councilmembers González, Moore, and Trujillo, Mayor Pro Tem Rounds, and Mayor Serrano

Also present: Thaddeus McCormack, City Manager; Neil Kupchin, Training Consultant

3. NEW BUSINESS

City Council Goal Setting Session

1. Introduction: Consultant Kupchin discussed the following:

- Overview of the Agenda and Goals of the Session
- Defining City of Santa Fe Springs Success Factors
- “For the City of Santa Fe Springs to be successful over the next five years and beyond, we need to...” (The City Council developed the following list)
 - Be fiscally responsible
 - Have a healthy business community
 - Provide quality services to all residents
 - Work together with staff
 - Train our employees
 - Be accountable
 - Lead by example
 - Practice open two way communication
 - Provide needed services
 - Improve and enhance all services to the public
 - Trust that the City Council will do what is right for Santa Fe Springs 24/7
- Critical Characteristics, Traits and Actions Needed for Success

2. Using Strategic Planning To Road Map the Santa Fe Springs Future: Vision, Mission, Guiding Values, Core Strategies, Goals and Action Plans

The Council developed the following Vision, Mission and Guiding Values

VISION

The City of Santa Fe Springs is a great place to live, work and play.

MISSION

The City of Santa Fe Springs is committed to enhancing the quality of life of its residents and businesses by providing:

- A safe environment
- A thriving business community
- Quality family, youth and senior services
- Sound financial management of the community's resources

GUIDING VALUES

- Personal Integrity, Honesty and Ethics
 - Setting a good example
 - Possessing good character
 - Adhering to policies and procedures
 - Leading by example
 - Displaying sound judgment
- Public Service
 - Putting the interests of the public first; being respectful & courteous at all times
 - Taking pride in what you do
 - Being responsive in a timely manner
 - Displaying a positive, service oriented attitude
- Compassion
 - Identify and understand the needs of others
 - Displaying empathy and seeing other points of view
 - Caring for others
 - Displaying humility on an everyday basis
- Responsibility, Accessibility and Accountability
 - Practicing transparency and openness
 - Accepting ownership for the jobs we do
 - Putting the City's agenda – "What is best for the City of Santa Fe Springs?" – as our #1 priority
- Dedication
 - Being willing to work above and beyond normal work expectations
 - Seeking continuous improvement
 - Being results oriented and working towards a result
 - Displaying enthusiasm and positive team player attributes in everything we do

3. City Current State Assessment, Core Strategies & Goal Setting

The Council developed the following list of Core Strategies:

CORE STRATEGIES

- 1. Provide a Positive Business Environment**
 - **Business Attraction and Retention Plan**

2. **Commitment to Public Service**
3. **Quality Public Safety**
 - **Quality Police and Fire Services**
 - **Environmental Protection**
4. **Sound Fiscal Management**
 - **Enhance Revenues**
5. **Committed Community Services**
 - **Implement Community Needs Survey**
6. **Create and Maintain a Positive Working Environment**
 - **Provide needed training**
 - **Evaluation of employees**

Consultant Kupchin led the Council in the following SWOT analysis:

**CITY OF SANTA FE SPRINGS
SWOT ANALYSIS
*STRENGTHS – WEAKNESSES – OPPORTUNITIES - THREATS***

I. Strengths - To Build Upon

- **Compassion**
- **Dedicated employees**
- **Relationships with the business community**
- **Community involvement – listening**
- **Geographic location**
- **Child care services**
- **Serious City Council**
- **Public Safety/Fire**
- **Intervention programs**
- **Senior programs**
- **Infrastructure**
- **Involved residents**
- **Family services**
- **Agencies – outreach programs**
- **Public art**
- **Parks and Rec – greenery**
- **Library services**
- **Facilities – i.e. Clarke Estate**
- **Water Department**
- **Traffic/lighting**
- **Public works**
- **CUPA**
- **CDC**

II. Weaknesses – To Eliminate/Reduce

- Teamwork
- Communication between City Council and staff and among staff
- Transparency
- Employee evaluations, accountability
- Reliance on sales tax revenue
- Diverse revenue streams
- Planning and development
- Environmental issues
- Training
- Succession planning
- Risk management
- Infrastructure maintenance
- Relations between management and staff
- Communicating with residents on important issues – to get their involvement
- Community involvement

III. Opportunities – To Exploit/Take Advantage of

- Communication skills
- Revenue generating facilities and businesses
- Business acquisition and retention
- Under and undeveloped land
- Expand social services
- More child based programs
- Grants
- Work with county – Knabe, and Federal government
- Organizational culture change
- Downtown in economy – to make needed changes
- Long term fiscal planning
- Exchange of expectations – increase trust
- Benefits adjustment

IV. Threats – To Ease/Reduce

- State of California
- Handling change, unwillingness to change
- Redevelopment impact
- Mutual respect
- Environmental disasters
- Poor economy
- Surrounding government agencies
- Rising cost to purchase water
- How surrounding cities handle economy
- Residents in denial of economy and cuts

- Non profits increasing expectations of the city
- Businesses leaving city
- Rising employee benefit costs

GENERATING CITY OF SANTA FE SPRINGS CORE STRATEGIES

The Council outlined the following Core strategies for the City:

1. **Provide a Positive Business Environment**
 - **Business Attraction and Retention Plan**
2. **Commitment to Public Service**
3. **Quality Public Safety**
 - **Quality Police and Fire Services**
 - **Environmental Protection**
4. **Sound Fiscal Management**
 - **Enhance revenues**
5. **Committed Community Services**
 - **Implement Community Needs Survey**
6. **Create and Maintain a Positive Working Environment**
 - **Provide needed training**
 - **Evaluation or employees**

4. NEXT STEPS AND COMMITMENTS

The future success of the City of Santa Fe Springs depends upon the individual and collective efforts of everyone in the city. Strategic Plan success will depend upon clear communication, individual and team accountability and willingness to adapt and change, among many other critical elements.

The rubber meets the road after today's session. Only action brings about positive change.

1. What are the next steps that need to be taken to ensure Strategic Plan success?

1. **Transcribe notes**
2. **Notes sent to Thaddeus**
3. **City Manager reviews notes and sends to City Council**
4. **Strategic Plan Teams formed**
5. **Teams develop goals and action plans for assigned Core Strategies**
6. **Draft of Plan sent to City Council for review**
7. **Revisions agreed upon, PR campaign agreed upon**
8. **Plan finalized, distributed to all employees**
9. **Strategic Plan reviewed with City Council twice yearly**

2. What are the specific actions you are willing to commit to as you leave today's session?

- **Making our City succeed**
- **Supporting City Manager in implementing of Strategic Plan**
- **Work together as a team**
- **Celebrate and learn from success**
- **Be ethical**
- **Anything it takes to make it work**
- **Give staff more space**

5. ORAL COMMUNICATIONS

There were no oral communications

6. ADJOURNMENT

The meeting was adjourned at 4:17 p.m.

Joseph D. Serrano, Sr.
Mayor

ATTEST:

Thaddeus McCormack
City Clerk



City of Santa Fe Springs

City Council Meeting

November 22, 2011

NEW BUSINESS

Consideration for Approval: Consent and Agreement Regarding Successor to Villages at Heritage Springs LLC, Interest in Villages at Heritage Springs Project. Consideration to consent and agree to the assignment of the developer's interest in the Villages at Heritage Springs Project from Villages LLC (Comstock) to a new development entity (Arsenault Holdings LLC).

RECOMMENDATION

It is recommended that the City Council take the following actions:

1. Approve the Consent and Agreement Regarding Successor to Villages at Heritage Springs LLC, Interest in Villages at Heritage Springs; and
2. Authorize the Mayor to execute the Consent and Agreement document.

BACKGROUND

The Villages LLC entity is in default to its lender and foreclosure action was approaching when a new source of capital was found to avert foreclosure. In accordance with Section 15 of the Disposition and Development Agreement between the CDC and Villages LLC dated November 17, 2005, the CDC is being asked to consent and agree to the transfer of interest in the Project from Villages LLC (Comstock) to Arsenault Holdings LLC.

In October 2009 the City Council authorized the formation of Community Facilities District 2009-1 (Villages at Heritage Springs) to facilitate the reimbursement of costs incurred by Villages LLC to install certain public improvements needed to support the Villages at Heritage Springs development. Attached to this report is a document entitled "Consent and Agreement Regarding Successor to Villages at Heritage Springs, LLC, Interest in Villages at Heritage Springs Project". The City Attorney and staff are recommending that the City Council approve this document so obligations of the Villages LLC with respect to CFD 2009-1 can be transferred to the new developer.

FISCAL IMPACT

By approving the Consent and Agreement Regarding Successor to Villages at Heritage Springs, LLC, Interest in Villages at Heritage Springs Project, the City will be facilitating the recapitalization of the housing project thereby allowing for the infusion of new capital needed to restart stalled construction activity. The result will have a positive fiscal impact by allowing for new construction and home sales activity to generate new tax revenues.



Thaddeus McCormack
City Manager

Attachment(s):
Consent and Agreement

Report Submitted By: Don Jensen, Director
Department of Public Works

Date of Report: November 16, 2011

12

**CONSENT AND AGREEMENT
REGARDING SUCCESSOR TO VILLAGES AT HERITAGE SPRINGS, LLC
INTEREST IN VILLAGES AT HERITAGE SPRINGS PROJECT**

THIS CONSENT AND AGREEMENT REGARDING SUCCESSOR TO VILLAGES AT HERITAGE SPRINGS, LLC INTEREST IN VILLAGES AT HERITAGE SPRINGS PROJECT ("Consent"), dated as of November 22, 2011, is by and between the City of Santa Fe Springs, a municipal corporation and a political subdivision of the State of California ("City"), the Community Development Commission of the City of Santa Fe Springs ("CDC") and Arsenault Holdings, LLC, a Colorado limited liability company ("Arsenault").

WHEREAS, Arsenault is currently under contract to purchase acquisition and development and construction loans (collectively, the "Loans") made by Housing Capital Company to Villages at Heritage Springs, LLC ("Original Developer"), which Loans are secured by certain real property constituting the majority of the real estate in the Villages at Heritage Springs Project (the "Project") that has not previously been sold to homeowners (the "Property");

WHEREAS, it is the intention of Arsenault, or one or more entities owned and controlled by Marcel J.C. Arsenault (collectively, "New Developer") to close on the purchase of the Loans and to take title to the Property pursuant to a foreclosure sale and/or a deed in lieu of foreclosure;

WHEREAS, it is the intention of New Developer to continue with the development of the Project in the same manner as Original Developer and in accordance with that certain Disposition and Development Agreement dated November 17, 2005, as amended, by and between CDC and Original Developer (the "DDA"), together with other entitlements pertaining to the Project granted by City and/or CDC, including but not necessarily limited to Development Plan Approval and Subdivision Map approval. It is also the intention of New Developer to engage Robert W. Comstock and certain key employees of Original Developer in such continued and future development of the Project; and

WHEREAS, in order to acknowledge the rights and obligations of New Developer as successor to Original Developer in and to the DDA and other documents executed by and between CDC and/or City and Original Developer, City, CDC and Arsenault have agreed to the following terms and conditions.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt, adequacy and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Consent to New Developer. If and to the extent that New Developer closes on the purchase of the Loans and succeeds to the interest of Original Developer in ownership of the Property, City and CDC consent to New Developer succeeding to the rights and obligations of Original Developer in and to the following documents:

(i) the DDA;

(ii) that certain Purchase and Sale Agreement and Joint Escrow Instructions dated July 9, 2009, by and between Original Developer and CDC; and

(iii) that certain Acquisition Agreement Relating to: City of Santa Fe Springs Community Facilities District No. 2009-1 (Villages at Heritage Springs), which agreement has not been executed as of the date hereof, but which agreement has been approved as to form by the City.

2. Ameron Obligation. In consideration for City and CDC acknowledging the rights and obligations of New Developer under and pursuant to the documents listed in Paragraph 1 of this Consent, New Developer acknowledges and agrees that it will assume the obligation of Original Developer to CDC and/or City for reimbursement to City of One Million Dollars (\$1,000,000) of clean-up costs related to the Ameron clean-up, which obligation is not memorialized in the DDA.

3. Prevailing Wage Laws. In Paragraph 13 of the DDA, Original Developer concluded that it was not required to pay "prevailing wages" for any portion of the Project and agreed to defend, indemnify and hold harmless City against any claim, demand or liability arising from any obligation to pay "prevailing wages" for any portion of the Project ("Prevailing Wage Indemnity"). However, New Developer has determined that it is appropriate to pay "prevailing wages" for any public improvements constructed on or after the date that New Developer succeeds to the interest of Original Developer in ownership of the Property. Therefore, and to the extent that New Developer does in fact pay "prevailing wages" for public improvements that it constructs, City hereby agrees that the Prevailing Wage Indemnity shall not extend to and be assumed by New Developer, and City shall only look to Original Developer with respect to the Prevailing Wage Indemnity.

4. Notwithstanding anything contained herein to the contrary, if and to the extent that New Developer does not close on the purchase of the Loans and succeed to the interest of Original Developer in the ownership of the Property, all of the consents, rights and obligations set forth in this Consent shall be deemed terminated and neither party shall have any further rights or obligations to the other party hereunder.

IN WITNESS WHEREOF, the parties hereto have duly executed this Consent to be effective as of the date and year first above written.

Community Development Commission
of the City of Santa Fe Springs

By: _____

Name: _____

Title: _____

City of Santa Fe Springs, for itself and on
Behalf of Community Facilities District
No. 2009-01 (Villages at Heritage Springs)

By: _____
Name: _____
Title: _____

Arsenault Holdings, LLC

By: _____
Sharon K. Eshima, Manager



City of Santa Fe Springs

City Council Meeting

November 22, 2011

NEW BUSINESS

Resolution No. 9352 Requesting that the State Joint Legislative Audit Committee (JLAC) Identify the Central Basin Municipal Water District as a High Risk Agency and Direct the State Auditor to Conduct an Audit of the District's Practices

RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 9352, requesting that the State Joint Legislative Audit Committee Identify the Central Basin Municipal Water District as a high risk agency and direct staff to forward the resolution to the Joint Legislative Audit Committee.

BACKGROUND

In September 2011, the Governor signed AB 187 (Lara) into law. This legislation authorizes the State Auditor to establish a high-risk government agency audit program, which provides for the identification and subsequent audit of government agencies considered high risk for potential waste, fraud, abuse and mismanagement. City staff believes the Central Basin Municipal Water District (District) meets the criteria of a high risk agency.

In the past four years, the District has repeatedly made efforts to expand its authority in order to assume overall control of the Central Groundwater Basin. For example, a barrage of litigation filed by the District since 2008 has resulted in an estimated legal expense to all parties of approximately \$10 to \$12 million. Through these lawsuits, the District has attempted to expand its own domain and has delayed the implementation of beneficial programs such as conjunctive use of the groundwater basin. The intent of the most recent environmental study is to take control of the storage space in the Central Groundwater Basin.

Despite the concerns of many of its member agencies, the District appears unconcerned about the need for accountability and transparency relating to questionable expenditures including potential conflicts of interest, annual budgets unsupported by true costs of providing service, process of awarding contracts, and district staffing and consulting contracts—big on public relations, low on water expertise. Yet the District continues to increase its surcharge on import water supplies for groundwater recharge, which increases groundwater costs to local agencies and higher retail water rates. These increases in the surcharge are not supported by a cost of service analysis. Surcharge fees have increased from \$5.00 per acre foot in 1991 to \$90 per acre foot in 2011, averaging a 20% annual increase each and every year for the past 20 years.

The attached resolution requests that the Joint Legislative Audit Committee (JLAC) identify the District as a high risk agency and that the JLAC direct the State Auditor to conduct a thorough audit of the District's business practices.

It should be noted that the Southeast Water Coalition, of which the City of Santa Fe Springs is a member, fully supports the request for an audit of the District. Other neighboring cities that have taken a similar action include Lakewood and Norwalk.

FISCAL IMPACT

Adoption of this resolution will not have a fiscal impact on the City.

INFRASTRUCTURE IMPACT

Adoption of this resolution will not have an impact on City infrastructure.

A handwritten signature in black ink, appearing to read 'Thaddeus McCormack', with a stylized flourish at the end.

Thaddeus McCormack
City Manager

Attachment(s):
Resolution No. 9352

RESOLUTION NO. 9352

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS REQUESTING THAT THE STATE OF CALIFORNIA JOINT LEGISLATIVE AUDIT COMMITTEE (JLAC) IDENTIFY THE CENTRAL BASIN MUNICIPAL WATER DISTRICT AS A HIGH RISK GOVERNMENT AGENCY AND THAT THE JLAC DIRECT THE STATE AUDITOR TO CONDUCT AN AUDIT OF THE PRACTICES OF THE CENTRAL BASIN MUNICIPAL WATER DISTRICT UNDER THE AUSPICES OF AB 187.

WHEREAS, the Central Basin Municipal Water District ("District") delivers imported and recycled water to a portion of the Central Basin of Los Angeles County in southeast Los Angeles County; and

WHEREAS, the District has increased its water rates by 125% since 2009 and during that same period has more than doubled its surcharges on water purchased by customers, resulting in a \$90 per acre foot surcharge for Fiscal Year 2012; and

WHEREAS, that surcharge is also imposed on water purchased for replenishment and therefore all entities that pump groundwater in both the Central and West Coast Basins pay that surcharge, whether or not they purchase water directly from the District; and

WHEREAS, the District has not provided the agencies it serves with a cost-of-service analysis to support increases in rates and surcharges; and

WHEREAS, the lack of transparency in the District's budget development and adoption process makes it impossible to know exactly how the money generated by rates and surcharges is actually spent; and

WHEREAS, the management and Board actions of the District have raised questions of possible misappropriation of funds, the impermissible expenditure of public money for personal benefit, conflicts of interest in the award of contracts, the use of rate-payer money to distribute "fabricated" news and other improper and possibly unlawful practices; and

WHEREAS, the District hires consultants through its attorneys, thereby shielding the purpose and associated costs of these consultants from public disclosure; and

WHEREAS, the District in the last three years has filed six lawsuits against the Metropolitan Water District of Southern California, its water supplier, the Water Replenishment District of Southern California, its largest customer, and the groundwater producers in the Central Basin; and

WHEREAS, the District refuses to disclose the costs of such litigation, while an estimated \$10 million has been spent by its customers to pay both the District's legal costs and the costs to defend against the District's litigation; and

WHEREAS, the District has undertaken an expensive recycled water project without executed customer contracts, in violation of a key recommendation from the 2001 State Audit of the District's recycled water program; and

WHEREAS, the District has incurred unknown but needless expense in its pursuit of a groundwater monitoring, groundwater storage and groundwater replenishment function that are outside its purview; and

WHEREAS, the Central Basin Water Association, the Southeast Water Coalition and the West Basin Water Association, representing all retail water suppliers and groundwater producers in the 430-square mile area encompassing the Central and West Coast Basins of the Los Angeles Coastal Plain, have called for a comprehensive management audit of the District by the State Auditor.

NOW, THEREFORE, the City Council of the City of Santa Fe Springs does hereby resolve as follows:

SECTION 1. That the Joint Legislative Audit Committee identify the Central Basin Municipal Water District to be a high risk agency in accordance with the provisions of AB 187.

SECTION 2. That the Joint Legislative Audit Committee direct the State Auditor to conduct a comprehensive audit of the Central Basin Municipal Water District.

SECTION 3. That the Joint Legislative Audit Committee determine that the audit should include, but not be limited to, the following:

1. A thorough review of the Southeast Water Reliability Project in relationship to the 2001 Audit, including an accounting of the expenses to date, and the status of actual and projected customers;
2. A review of the District's staffing level, with a detailed examination of public relations expenses versus technical staff expenses;
3. A review of state, federal and local lobbying expenses, including an assessment of their level and propriety;
4. An evaluation of the District's budget development and adoption process, and internal protocols for expenditures;
5. An evaluation of practices regarding the District's process to analyze, assess and determine rates, taxes, surcharges and other charges and the relationship to the cost of providing service;
6. An evaluation of litigation expenses, and the purpose and propriety of litigation;

7. An evaluation of contracting procedures and their compliance with state laws and regulations, and standards to insure transparency and accountability to the public; and
8. A review of the District's management procedures in comparison to public agency standards for Best Management Practices.

SECTION 4. That staff be directed to forward this resolution to the Honorable Ricardo Lara, Chair, Joint Legislative Audit Committee, the Honorable Alan Lowenthal, the Honorable Warren Furutani, and the Honorable Tony Mendoza:

APPROVED and ADOPTED on this 22nd day of November, 2011.

MAYOR

ATTEST:

CITY CLERK



City of Santa Fe Springs

City Council Meeting

November 22, 2011

NEW BUSINESS

Approval of a Subrecipient Agreement with the I-5 Consortium Cities Joint Powers Authority for Use of Measure R Highway Program Design and Construction Funding

RECOMMENDATION

That the City Council take the following actions:

1. Approve the Subrecipient Agreement with the I-5 Consortium Cities Joint Powers Authority for Use of Measure R Highway Program Design and Construction Funding; and
2. Authorize the City Manager to execute the Agreement.

BACKGROUND

The I-5 Consortium Cities Joint Powers Authority has entered into a Memorandum of Understanding (Grant Agreement) with the Los Angeles County Metropolitan Transportation Authority for the use of \$14,168,107.00 of Measure R Highway Program Design and Construction Funding to be used for specified I-5 pre-construction mitigation projects to be completed within the Cities of Santa Fe Springs, Norwalk, Downey and La Mirada (Subrecipients). The Consortium desires to contract with the Subrecipients at a total cost of \$14,168,107.00 for the engineering, construction and management of all phases of the mitigation projects as described in Attachment C of the Grant Agreement.

Per the attached Subrecipient Agreement Santa Fe Springs will coordinate the design and construction of Project Numbers 9, 10, 16 and 17 as described in Attachment C of the Grant Agreement and use MTA funds solely to reimburse the actual expenses incurred by the City to implement Project Numbers 9, 10, 16 and 17. If MTA funds are not forthcoming from MTA for any reason, the Consortium shall not have any obligation to reimburse Santa Fe Springs through any other source of Consortium funds. Any cost overruns are the responsibility of the City. All Projects must be completed and all funds distributed no later than June 30, 2014.

FISCAL IMPACT

The agreement allows the City to be reimbursed for any costs associated with the design and construction of Project Numbers 9, 10, 16 and 17.

INFRASTRUCTURE IMPACT

Several streets adjacent to the I-5 Freeway will be rehabilitated in advance of traffic diversion that will result from the I-5 Freeway widening project.


Thaddeus McCormack
City Manager

Attachment(s):
Subrecipient Agreement

Report Submitted By: Don Jensen, Director
Department of Public Works

Date of Report: November 16, 2011

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**SUBRECIPIENT AGREEMENT BETWEEN
THE CITY OF SANTA FE SPRINGS AND THE I-5 CONSORTIUM
CITIES JOINT POWERS AUTHORITY**

THIS SUBRECIPIENT AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 2011 ("Effective Date") by and between the CITY of SANTA FE SPRINGS, a California municipal corporation ("Santa Fe Springs" or "Subrecipient City") and the I-5 CONSORTIUM CITIES JOINT POWERS AUTHORITY, a California Joint Powers entity ("the Consortium").

RECITALS

A. The Consortium has entered into that certain Measure R Highway Program Design and Construction Funding Agreement ("Grant Agreement") with the Los Angeles County Metropolitan Transportation Authority ("MTA"), by which the Consortium will receive fourteen million, one hundred sixty-eight thousand, one hundred seven dollars (\$14,168,107.00) for the I-5 South pre-construction mitigation project ("Project"). The Grant Agreement is attached hereto as Exhibit A and incorporated herein by reference.

B. The Consortium has entered into a subrecipient agreement with the City of La Mirada ("La Mirada" or "Subrecipient City"), titled "Subrecipient Agreement Between the City of La Mirada and the I-5 Consortium Cities Joint Powers Authority," effective as of _____, 2011, to complete a certain portion of the design and construction of the Project as described in Attachment C to the Grant Agreement.

C. The Consortium has entered into a subrecipient agreement with the City of Norwalk ("Norwalk" or "Subrecipient City"), titled "Subrecipient Agreement Between the City of Norwalk and the I-5 Consortium Cities Joint Powers Authority," effective as of _____, 2011, to complete a certain portion of the design and construction of the Project as described in Attachment C to the Grant Agreement.

D. The Consortium has entered into a subrecipient agreement with the City of Downey ("Downey" or "Subrecipient City"), titled "Subrecipient Agreement Between the City of Downey and the I-5 Consortium Cities Joint Powers Authority," effective as of _____, 2011, to complete a certain portion of the design and construction of the Project as described in Attachment C to the Grant Agreement.

E. Together, Norwalk, La Mirada, Santa Fe Springs, and Downey shall be referred to as "Subrecipients" or "Subrecipient Cities."

F. The Consortium wishes to contract with the Subrecipients at a total cost of fourteen million, one hundred sixty-eight thousand, one hundred seven dollars (\$14,168,107.00) ("Funds") for the design and construction of all portions and phases of the Project as described in Attachment C to the Grant Agreement.

G. Santa Fe Springs desires to provide design and construction services to implement its share of the Project.

NOW, THEREFORE, the parties hereto agree as follows:

1. SUBRECIPIENT OBLIGATIONS

1.1 Implementation of Sub-Projects. Santa Fe Springs hereby agrees to coordinate, perform and complete the design and construction of the improvements identified as Project Numbers 9, 10, 16, and 17 in Attachment C of the Grant Agreement ("Santa Fe Springs Projects").

1.2 Use of MTA Funds. Santa Fe Springs hereby agrees to use the Funds solely to implement the Santa Fe Springs Projects pursuant to all of the terms and conditions of this Agreement and the applicable terms and conditions of the Grant Agreement. The Funds shall be used solely to reimburse the actual expenses incurred by Santa Fe Springs to implement the Santa Fe Springs Projects.

1.3 Compliance with Grant Agreement. Santa Fe Springs shall perform its respective obligations under the Grant Agreement. In the event that MTA determines Santa Fe Springs has breached its obligations under the Grant Agreement, Santa Fe Springs will be solely responsible for complying with any MTA demands, determinations, fines, or other such actions or penalties initiated by MTA because of the breach. No non-breaching Subrecipient City, non-participating cities, or the Consortium as a whole shall be in any way responsible for satisfying any MTA demands made in response to a breach of the Grant Agreement by Santa Fe Springs. If Santa Fe Springs is found in breach of the Grant Agreement, it shall remain obligated under this Agreement and remain responsible to fulfill its obligations under this Agreement, including those obligations under Section 1.1.

1.4 Compliance with Law. Santa Fe Springs shall perform the Santa Fe Springs Projects as detailed under Section 1.1 of this Agreement in accordance with all ordinances, resolutions, statutes, rules, and regulations of any federal, state or local government agency having jurisdiction at the time service is rendered.

2. DISBURSEMENT OF FUNDS

2.1 Maximum Amount of Funds. Upon compliance with the requirements set forth herein, Consortium shall make the following reimbursements to Santa Fe Springs:

(a) For the Santa Fe Springs Projects, the Consortium shall reimburse Santa Fe Springs an amount not to exceed two million, seven hundred fifty-six thousand, one hundred eighty-six and eighty-nine cents (\$2,756,186.89), which shall constitute the Consortium's full obligation to Santa Fe Springs and other Consortium

} FISCAL
IMPACT
\$2,396,68
9/10, 16 & 17

service providers, unless the Consortium receives additional funds from MTA for the completion of the Santa Fe Springs Projects or unless the Consortium opts to shift funds currently allocated under the Grant Agreement from other projects identified in the Grant Agreement to the Santa Fe Springs Projects. In such case, the parties shall amend the Agreement to reflect the additional sum and, if applicable, the additional services Santa Fe Springs shall provide. If the funds are insufficient to complete the Santa Fe Springs Projects, Santa Fe Springs shall secure and provide such additional non-Grant funds necessary to complete the Santa Fe Springs Projects. Reimbursement, if any, by the Consortium is conditioned upon receipt of such funds by the Consortium from MTA and obtaining all required approvals from MTA, including, but not limited to, environmental clearances. If MTA funds are not forthcoming from MTA for any reason, the Consortium shall not have any obligation to reimburse Santa Fe Springs through any other source of Consortium funds.

2.2 Cost Overruns. At no time shall the Consortium or a non-participating member city be liable for any cost associated with the Project, including the Santa Fe Springs Projects. In the event that MTA Funds are not forthcoming from MTA for any reason, or if the funds allocated to Santa Fe Springs are insufficient to cover costs for the Santa Fe Springs Projects in any way, the member cities of the Consortium that are not named as Subrecipients under this Agreement will not be held liable for any costs. Santa Fe Springs will be solely responsible for any costs associated with the Santa Fe Springs Projects in the event that MTA Funds are not forthcoming for any reason, or in the event that the funds allocated to Santa Fe Springs are insufficient to cover costs for the Santa Fe Springs Projects in any way.

2.3 Method of Payment. The Consortium shall make reimbursements to Santa Fe Springs upon Santa Fe Springs's submittal of, and Consortium's approval of: (i) a detailed invoice; and (ii) the program performance reports required by the Grant Agreement. To the extent the Funds actually have been received from MTA, the Consortium shall pay Santa Fe Springs for all expenses stated on the invoice, which are approved by Consortium pursuant to this Agreement no later than two weeks after receipt of payment from MTA, provided the program performance reports are also timely submitted and approved.

3. **PERFORMANCE SCHEDULE**

3.1 Time of Essence. Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance. Santa Fe Springs shall commence, prosecute, and complete the Santa Fe Springs Projects as detailed under Section 1.1 of this Agreement within the time periods established in Section 9 of the Grant Agreement, unless extensions of such time periods have been approved in writing by the Consortium. The Santa Fe Springs Projects must be completed and all Funds must be distributed no later than June 30, 2014, as required by Section 9 of the Grant

Agreement. Notwithstanding any provisions in this Agreement to the contrary, any Funds not distributed by June 30, 2014, are subject to lapse.

3.3 Force Majeure. The time period(s) specified for performance of the work under this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of Santa Fe Springs, including, but not limited to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riot, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the Consortium and MTA, if Santa Fe Springs shall, within ten (10) days of the commencement of such delay, notify the Consortium Representative in writing of the causes of the delay.

3.4 Term. This Agreement is effective as of the Effective Date written above, and shall be terminated when all of the following have occurred, unless earlier terminated in accordance with Section 7.2: (i) the entirety of the Project has been completed, (ii) all audits and reports have been submitted by Santa Fe Springs to the Consortium pursuant to the Grant Agreement and MTA requirements, and (iii) MTA has released final disbursement to Consortium and Santa Fe Springs has received final disbursement of Funds from Consortium pursuant to this Agreement; or by June 30, 2014, whichever event occurs first. In the event that the June 30, 2014 deadline is extended pursuant to any agreement between the Subrecipients, the new deadline shall take the place of "June 30, 2014" in the preceding sentence.

3.5 Reversion of Assets Upon the expiration or sooner termination of this Agreement, Santa Fe Springs shall transfer to the Consortium: (i) any and all Funds on hand that Santa Fe Springs is not already obligated to pay to others for the Santa Fe Springs Projects; and (ii) any accounts receivable attributable to the use of the Funds that Santa Fe Springs is not already obligated to pay to others for the Santa Fe Springs Projects.

4. COORDINATION OF WORK

4.1 Subrecipient Representative. The Subrecipient Representative for Santa Fe Springs shall be the City Manager of Santa Fe Springs or such person as may be designated by the City Manager of Santa Fe Springs in writing. The Consortium shall refer any decisions which must be made by Santa Fe Springs to the Subrecipient Representative. Any approval of Santa Fe Springs required hereunder shall mean the approval of the Subrecipient Representative, unless the Subrecipient Representative shall inform the Consortium that the decision must be made by the Santa Fe Springs City Council.

4.2 Consortium Representative. The Consortium Representative shall be the Executive Director, or such person as may be designated by the Executive Director in writing. It shall be Santa Fe Springs's responsibility to ensure that the Consortium Representative is kept informed of the progress of the performance of the

services and Santa Fe Springs shall refer any decisions, which must be made by Consortium to the Consortium Representative. Any approval of Consortium required hereunder shall mean the approval of the Consortium Representative, unless the Consortium Representative shall inform Santa Fe Springs that the decision must be made by the Board of Directors.

4.3 Independent Contractor. Santa Fe Springs is, and shall at all times remain as to Consortium, to the other Subrecipients, and to all member cities of the Consortium not named as Subrecipients under this Agreement, a wholly independent contractor. Santa Fe Springs shall have no power to incur any debt, obligation, or liability on behalf of Consortium, on behalf of another Subrecipient City, or on behalf of any member city of the Consortium not named as a Subrecipient City under this Agreement. Neither Consortium nor any of its agents shall have control over the conduct of Santa Fe Springs or any of Santa Fe Springs's employees, except as set forth in this Agreement. Santa Fe Springs shall fully comply with the worker's compensation laws regarding the City of Santa Fe Springs and Santa Fe Springs's employees. Santa Fe Springs further agrees to indemnify and hold Consortium, the other Subrecipient Cities, and all member cities of the Consortium not named as Subrecipients under this Agreement harmless from any failure of Santa Fe Springs to comply with applicable workers compensation laws.

5. **MANDATORY LIABILITY COVERAGE**

5.1 General Liability Coverage. Santa Fe Springs shall obtain, at its sole cost and keep in full force and effect during the term of this Agreement, commercial general liability coverage in the amount of one million dollars (\$1,000,000.00) per occurrence for bodily injury, personal injury, and property damage.

5.2 Professional Liability Coverage Santa Fe Springs shall require errors and omissions liability insurance appropriate for each of the professions engaged by Santa Fe Springs in the engineering and design of the Santa Fe Springs Projects in the amount of one million dollars (\$1,000,000.00) per occurrence and two million dollars (\$2,000,000.00) annual aggregate. The professional liability coverage shall provide: (i) that the coverage shall extend to the Consortium and each of its officers, agents, employees, and volunteers, and (ii) that the coverage shall extend to each of the member cities of the Consortium not named as Subrecipients in this Agreement.

5.3 Memorandum of Coverage. Santa Fe Springs shall file with Consortium upon the execution of this Agreement, a memorandum of coverage issued by the California Joint Powers Insurance Authority which shall provide that no cancellation, major change in coverage, expiration, or nonrenewal will be made during the term of this Agreement, without thirty (30) days written notice to the Consortium prior to the effective date of such cancellation, or change in coverage.

5.4 Subrecipient City Insurance. The general liability coverage shall provide (i) that the coverage shall extend to the Consortium, and each of its

officers, agency, employees, and volunteers and (ii) that the coverage shall operate as primary coverage.

5.5 Coverage Requirements. Santa Fe Springs shall require each consultant or contractor retained by Santa Fe Springs to implement the Santa Fe Springs Projects to obtain liability coverage at least as comprehensive as required under Section 5.1-5.4 hereunder and shall require the Consortium and its officers, agents, employees, and volunteers to be named as additional named insured on such coverage. Santa Fe Springs shall also require each consultant and contractor to obtain Worker's Compensation coverage at not less than the minimum required under California law.

6. RECORDS AND REPORTS

6.1 Reports. Santa Fe Springs shall prepare and submit detailed invoices regarding the Santa Fe Springs Projects to the Consortium on a monthly basis. The Joint Powers Authority Engineer (or his or her designee) shall prepare and submit monthly progress reports on behalf of Santa Fe Springs, which shall be submitted to MTA, the Subrecipients' city managers, and the Subrecipients' elected officials, to fulfill the Consortium's reporting obligations under the Grant Agreement.

7. ENFORCEMENT OF CONTRACT

7.1 Applicable Law. This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California and the United States, as applicable. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of Los Angeles, State of California, the United States District, or any other appropriate court in Los Angeles County, and Santa Fe Springs covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

7.2 Termination. Consortium may terminate this Agreement if Consortium receives notice from MTA that the Grant Agreement has been terminated by giving thirty (30) days notice to Santa Fe Springs. The Consortium shall reimburse Santa Fe Springs for all costs incurred prior to the termination date, in accordance with Part II, Section 2 of the Grant Agreement.

7.3 Waiver. Waiver by any party of any of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement.

7.4 Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different

times, of any other rights or remedies for the same default, or any other default by the other parties.

7.5 Legal Action. In addition to any other rights or remedies, any party may take legal action, in law or in equity, to cure, correct, or remedy any default, to recover damages for any default, to complete specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

7.6 Attorneys' Fees. If any party to this Agreement is required to initiate or defend or is made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to actual attorneys' fees. Attorneys' fees shall include attorneys' fees on any appeal, and in addition a party entitled to attorneys' fees shall be entitled to all other costs for investigating such action, taking depositions and discovery and all other costs incurred in such litigation.

8. INDEMNIFICATION

8.1 Neither Consortium nor any officer or employee thereof, nor any member of the Consortium which is not named as a Subrecipient City in this Agreement, shall be responsible for any damage or liability occurring by reason of anything done or committed to be done by Santa Fe Springs, its officers, agents, employees, contractors and subcontractors under this Agreement. Santa Fe Springs shall fully indemnify, defend, and hold harmless from and against any liability and expenses, including without limitation, defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of risk of property, any environmental obligation, any legal fees, and any claims for damages of any nature whatsoever arising out of this Agreement, including without limitation: (i) misuse of the Funds by Santa Fe Springs, or its officers, agents, employees, contractors or subcontractors; (ii) breach of Santa Fe Springs's obligations under this Agreement; or (iii) any act or omission of Santa Fe Springs, or its officers, agents, employees, contractors or subcontractors in the performance of the work or the provision of services, in connection with this Agreement and, without limitation, implementation of the Santa Fe Springs Projects.

9. MISCELLANEOUS PROVISIONS

9.1 Notices. Any notices, bills, invoices or reports required by this Agreement shall be given by first class U.S. mail or by personal service. Notices shall be deemed received on (i) the day of delivery if delivered by hand or overnight courier service during Santa Fe Springs's and Consortium's regular business hours or by facsimile before or during regular business hours; or (ii) on the third business day following deposit in the United States mail, postage prepaid, to the addresses heretofore set forth in the Agreement, or to such other addresses as the parties may,

from time to time, designate in writing pursuant to the provisions of this section. All notices shall be delivered the parties and Subrecipients at the following addresses:

If to Norwalk: City Clerk
 City of Norwalk
 12700 Norwalk Boulevard
 Norwalk, California 90650
 Fax: (562) 929-5773

With a copy to:

Michael Egan, City Manager
City of Norwalk
12700 Norwalk Boulevard
Norwalk, California 90650
Fax: (562) 929-5773

If to La Mirada: City Clerk
 City of La Mirada
 13700 La Mirada Boulevard
 La Mirada, California 90638
 Fax: (562) 943-1463

With a copy to:

Tom Robinson, City Manager
City of La Mirada
13700 La Mirada Boulevard
La Mirada, California 90638
Fax: (562) 943-1463

If to Santa Fe Springs: City Clerk
 City of Santa Fe Springs
 11710 Telegraph Road
 Santa Fe Springs, California 90670
 Fax: (562) 868-7112

With a copy to:

Thaddeus McCormack, City Manager
City of Santa Fe Springs
11710 Telegraph Road
Santa Fe Springs, California 90670
Fax: (562) 868-7112

If to Downey: City Clerk
City of Downey
11111 Brookshire Ave.
Downey, California 90241
Fax: (562) 923-6388

With a copy to:

Gerald Caton, City Manager
City of Downey
11111 Brookshire Ave.
Downey, California 90241
Fax: (562) 923-6388

If to Consortium: I-5 Consortium Cities Joint Powers Authority
12700 Norwalk Boulevard
P.O. Box 1030
Norwalk, California 90651-1030
Fax: (626) 737-8495

9.2 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Integration; Amendment. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements, and understandings, if any, between the parties, and non shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

9.4 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrants that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement, on behalf of said party; (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) entering into this Agreement does not violate any provision of any other agreement to which said party is bound.

9.5 Exhibits; Precedence. All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated here by reference, the provisions of this Agreement shall prevail.

IN WITNESS WHEREOF, the parties have signed this document as of the date written in the introductory paragraph.

CITY OF SANTA FE SPRINGS

By: _____
City Manager

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

Steven N. Skolnik
City Attorney

**I-5 CONSORTIUM CITIES JOINT
POWERS AUTHORITY**

By: _____
Executive Director

ATTEST:

By: _____

APPROVED AS TO FORM:

Best Best & Krieger LLP
Special Counsel for the Authority

**MEASURE R HIGHWAY PROGRAM
DESIGN AND CONSTRUCTION FUNDING AGREEMENT
FUNDING AGREEMENT**

This Funding Agreement ("FA") is dated for reference purposes only October 4, 2011, and is by and between the Los Angeles County Metropolitan Transportation Authority ("LACMTA") and the I-5 Consortium Cities Joint Powers Authority (I-5 JPA) ("GRANTEE") for the I-5 South Pre-Construction Mitigation Project, Final Phase (the "Project").

WHEREAS, LACMTA adopted Ordinance #08-01, the Traffic Relief and Rail Expansion Ordinance, on July 24, 2008 (the "Ordinance"), which Ordinance was approved by the voters of Los Angeles County on November 4, 2008 as "Measure R" and became effective on January 2, 2009;

WHEREAS, this FA is intended to fund the design and construction portion of the Project; and

WHEREAS, the LACMTA Board, at its April 28, 2011 meeting, programmed \$14,168,107 in Measure R Funds to the I-5 JPA for the design and construction of Project, subject to the terms and conditions contained in this FA; and

WHEREAS, the Funds are currently programmed for the Project as follows: \$14,168,107 in Measure R Funds in FY 2010-11. The total designated for the design and construction of the Project is \$14,168,107.

NOW, THEREFORE, the parties hereby agree as follows:

The terms and conditions of this FA consist of the following and each is incorporated by reference herein as if fully set forth herein:

1. Part I - Specific Terms of the FA
2. Part II - General Terms of the FA
3. Attachment A - Project Funding
4. Attachment B - Expenditure Plan Guidelines
Attachment B1 - Expenditure Plan - Cost & Cash Flow Budget
5. Attachment C - Scope of Work
6. Attachment D - Reporting and Expenditure Guidelines
7. Attachment D1 - Monthly Progress/Expenditure Report
8. Attachment E - Federal Transportation Improvement Program (FTIP) Sheet

In the event of a conflict, the Special Grant Conditions, if any, shall prevail over the Specific Terms of the FA and any attachments and the Specific Terms of the FA shall prevail over the General Terms of the FA.

IN WITNESS WHEREOF, the parties have caused this FA to be executed by their duly authorized representatives as of the dates indicated below:

LACMTA:

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By: _____ Date: _____
Arthur T. Leahy
Chief Executive Officer

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By: _____ Date: 10/17/11
Deputy

GRANTEE:

I-5 CONSORTIUM CITIES JOINT POWERS AUTHORITY

By: _____ Date: _____
Michael Mendez
Chairman

APPROVED AS TO FORM:

By: _____ Date: _____
Steven L. Dorsey
Authority Counsel

PART I
SPECIFIC TERMS OF THE FA

1. Title of the Project (the "Project"): I-5 South Pre-Construction Mitigation Project, Final Phase – Design and Construction. For purposes of this FA, the Project is only for the **DESIGN and CONSTRUCTION** of the Project.
2. Grant Funds:
 - 2.1 Programmed Funds for this Project consist of the following: Measure R Funds
 - 2.2 To the extent the Measure R Funds are available; LACMTA shall make to GRANTEE a grant of the Measure R funds in the amount of \$14,168,107 (the "Funds") for the Project. LACMTA Board of Directors' action of April 28, 2011, granted the Measure R Funds for the Project. The Funds are programmed over Fiscal Year (FY) 2010-11.
3. This grant shall be paid on a reimbursement basis. GRANTEE must provide the appropriate supporting documentation with the Monthly Progress/Expenditure Report. GRANTEE Funding Commitment, if applicable, must be spent in the appropriate proportion to the Funds with each month's expenditures. LACMTA will withhold five% of eligible expenditures per invoice as retainage pending an audit of expenditures and completion of scope of work.
4. **Attachment A** the "Project Funding" documents all sources of funds programmed for the Project as approved by LACMTA and is attached as Attachment A. The Project Funding includes the total programmed funds for the Project, including the Funds programmed by LACMTA and, if any, the GRANTEE Funding Commitment of other sources of funding. The Project Funding also includes the fiscal years in which all the funds for the Project are programmed. The Funds are subject to adjustment by subsequent LACMTA Board Action.
5. **Attachment B1** is the Expenditure Plan - Cost & Cash Flow Budget (the "Expenditure Plan"). It is the entire proposed cash flow, the Budget and financial plan for the Project, which includes the total sources of all funds programmed to the Project, including GRANTEE and other entity funding commitments, if any, for this Project as well as the fiscal year and months the Project funds are anticipated to be expended. GRANTEE shall submit annually to LACMTA no later than December 31st an update to Attachment B1 for review by LACMTA for budget and programming purposes. Acceptance of any changes to the document will be conveyed by amendment to this FA. GRANTEE shall update the Expenditure Plan annually and such update shall be submitted to LACMTA's Executive Director of Highway Program in writing. If the LACMTA's Executive Director of Highway Program concurs with such updated Expenditure Plan in writing, Attachment B1 shall be replaced with the new Attachment B1 setting forth the latest approved Expenditure Plan. Payments under this agreement shall be consistent with Attachment B1 as revised from time to time.

6. **Attachment C** is the Scope of Work ("the Scope of Work") The GRANTEE shall complete the Project as described in the Scope of Work. This Scope of Work shall include a detailed description of the Project and the work to be completed, including anticipated Project milestones and a schedule consistent with the lapsing policy in Part II, Section 9, and a description of the Project limits. Work shall be delivered in accordance with this schedule and scope unless otherwise agreed to by the parties in writing. If GRANTEE is consistently behind schedule in meeting milestones or in delivering the Project, LACMTA will have the option to suspend or terminate the FA for default as described in **Part II, Sections 2, 9, 10 and 11** herein below.

7. No changes to this FA, including but not limited to the Funds; and any other source of funds from LACMTA in the Project Funding, Expenditure Plan or the Scope of Work shall be allowed without an amendment to the original FA, approved and signed by both parties.

8. **Attachment D** - the Reporting & Expenditure Guidelines; GRANTEE shall complete the "Monthly Progress/Expenditure Report." The Monthly Progress/Expenditure Report is attached to this FA as Attachment D1 in accordance with Attachment D - Reporting and Expenditure Guidelines.

9. **Attachment E** - the "FTIP PROJEDCT SHEET" (PDF) is attached as Attachment E and is required to ensure that the Project is programmed correctly in the most up-to-date FTIP document. The FTIP PROJECT SHEET (PDF) can be found in ProgramMetro FTIP database under the reports section at <http://program.metro.net> All projects that receive funding through Measure R must be programmed into the FTIP which includes locally funded regionally significant projects for information and air quality modeling purposes. GRANTEE shall review the Project in ProgramMetro each year and update or correct the Project as necessary during a scheduled FTIP amendment or adoption. GRANTEE will be notified of amendments and adoptions to the FTIP via e-mail. Changes to the FTIP through ProgramMetro should be made as soon as possible after GRANTEE is aware of any changes to the Project, but no later than October 1 of the year the change or update is effective. Should GRANTEE fail to meet this date, it may affect GRANTEE's ability to access funding, delay the Project and may ultimately result in the Funds being lapsed.

10. No changes to the (i) Grant amount, (ii) Project Funding, (iii) the Scope of Work, or (iv) Expenditure Plan, (v) FTIP Project Sheet or (vi) Special Grant Conditions shall be allowed without a written amendment to this FA, approved and signed by the LACMTA Chief Executive Officer or his/her designee and GRANTEE. Modifications that do not materially affect the terms of this FA, such as redistributing Funds among existing budget line items or non-material schedule changes must be formally requested by GRANTEE and approved by LACMTA in writing. Non-material changes are those changes, which do not affect the grant amount, or its schedule, Project Funding, Financial Plan, the Scope of Work, including its schedule.

10. LACMTA's Address:

Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012
Attention: Jon Grace, Project Manager 99-22-4 email gracej@metro.net
Phone (213) 922-4848

11. GRANTEE's Address:

I-5 Consortium Cities Joint Powers Authority
12700 Norwalk Boulevard
P.O. Box 1030
Norwalk, CA 90651-1030
Yvette Kirren, Executive Director email Yvette@kes-inc.com
Phone (626) 921-4477

PART II
GENERAL TERMS OF THE FA

1. **TERM**

The term of this FA shall commence on the date this FA is fully executed and, shall terminate upon the occurrence of all of the following, unless terminated earlier as provided herein: (i) the agreed upon Scope of Work has been completed; (ii) all LACMTA audit and reporting requirements have been satisfied; and (iii) the final disbursement of the Funds has been made to GRANTEE. All eligible Project expenses as defined in the Reporting and Expenditure Guidelines (**Attachment D**), incurred after the FA is executed shall be reimbursed in accordance with the terms and conditions of this FA unless otherwise agreed to by the parties in writing.

2. **SUSPENDED OR TERMINATION**

Should LACMTA determine there are insufficient Measure R Funds available for the Project, LACMTA may suspend or terminate this FA by giving written notice to GRANTEE at least thirty (30) days in advance of the effective date of such suspension or termination. If a Project is suspended or terminated pursuant to this section, LACMTA will not reimburse GRANTEE any costs incurred after that suspension or termination date, except those costs necessary (i) to return any facilities modified by the Project construction to a safe and operable state; and (ii) to suspend or terminate the construction contractor's control over the Project. LACMTA's share of these costs will be consistent with the established funding percentages outlined in this FA.

3. **INVOICE BY GRANTEE**

Unless otherwise stated in this FA, the Monthly Progress/Expenditure Report, with supporting documentation of expenses and Project progress as described in Part II, Sections 6.1 of this FA, and other documents as required, shall satisfy LACMTA invoicing requirements.

Send invoice with supporting documentation to:

Los Angeles County Metropolitan Transportation Authority
Accounts Payable
P. O. Box 512296
Los Angeles, CA 90051-0296

Re: I-5 South Pre-Construction Mitigation Project, Final Phase,
FA# MOU.MRI5JPA2
Project Manager: Jon Grace

4. USE OF FUNDS:

4.1 GRANTEE shall utilize the Funds to complete the Project as described in the Scope of Work and in accordance with the Reporting and Expenditure Guidelines and the specifications for use for the transportation purposes described in the Ordinance.

4.2 **Attachment C** shall constitute the agreed upon Scope of Work between LACMTA and GRANTEE for the Project. The Funds, as granted under this FA, can only be used towards the completion of the Scope of Work detailed in Attachment C.

4.3 GRANTEE shall not use the Funds to substitute for any other funds or projects not specified in this FA. Further, GRANTEE shall not use the Funds for any expenses or activities above and beyond the approved Scope of Work (Attachment C) without an amendment to the FA approved and signed by the LACMTA Chief Executive Officer or his Designee.

4.4 GRANTEE must use the Funds in the most cost-effective manner. If GRANTEE intends to use a consultant or contractor to implement all or part of the Project, LACMTA requires that such activities be procured in accordance with GRANTEE's contracting procedures and consistent with State law as appropriate. GRANTEE will also use the Funds in the most cost-effective manner when the Funds are used to pay "in-house" staff time. GRANTEE staff or consultant with project oversight roles can not award work to companies in which they have a financial or personal interest. This effective use of funds provision will be verified by LACMTA through on-going Project management and through any LACMTA interim and final audits.

4.5 If a facility, equipment (such as computer hardware or software), vehicle or property, purchased or leased using the Funds, ceases to be used for the proper use as originally stated in the Scope of Work, or the Project is discontinued, any Funds expended for that purpose must be returned to LACMTA as follows: GRANTEE shall be required to repay the Funds in proportion to the useful life remaining and in an equal proportion of the grant to GRANTEE Funding Commitment ratio.

5. REIMBURSEMENT OF FUNDS

Funds will be released on a reimbursement basis in accordance with invoices submitted in support of the Monthly Progress/Expenditure Report. LACMTA will make all disbursements electronically unless an exception is requested in writing. Reimbursements via Automated Clearing House (ACH) will be made at no cost to GRANTEE. GRANTEE must complete the ACH form and submit such form to LACMTA before grant payments can be made. ACH Request Forms can be found at www.metro.net/projects_studies/call_projects/ref_docs.htm. GRANTEE must provide detailed supporting documentation with its Monthly Progress/Expenditure Report.

GRANTEE Funding Commitment, if any, must be spent in direct proportion to the Funds with each month's payment.

6. REPORTING AND AUDIT REQUIREMENTS/PAYMENT ADJUSTMENTS:

6.1 GRANTEE shall submit the Monthly Progress/Expenditure Report (**Attachment D1**) t within (**Attachment D2**) within 15 days after the close of each month. Should GRANTEE fail to submit such reports within 15 of the due date and/or submit incomplete reports, LACMTA will not reimburse GRANTEE until the completed required reports are received, reviewed, approved. The Monthly Progress/Expenditure Reports shall include all appropriate documentation (such as contractor invoices, timesheets, receipts, etc.). All supporting documents must include a clear justification and explanation of their relevance to the Project. If no activity has occurred during a particular month, GRANTEE is still required to submit the Monthly Progress/Expenditure Report indicating no dollars were expended that month.

6.2 LACMTA, and/or its designee, shall have the right to conduct audits of the Project, as deemed appropriate, such as financial and compliance audits; interim audits; pre-award audits, performance audits and final audits. LACMTA will commence a final audit within six months of receipt of acceptable final invoice, provided the Project is ready for final audit (meaning all costs and charges have been paid by GRANTEE and invoiced to LACMTA, and such costs, charges and invoices are properly documented and summarized in the accounting records to enable an audit without further explanation or summarization including actual indirect rates for the period covered by the FA period under review). GRANTEE agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with Generally Accepted Accounting Principles (GAAP). GRANTEE shall reimburse LACMTA for any expenditure not in compliance with the Scope of Work and/or not in compliance with other terms and conditions of this FA. The allowability of costs for GRANTEE's own expenditures submitted to LACMTA for the Project shall be in compliance with Office of Management and Budget (OMB) Circular A-87. The allowability of costs for GRANTEE'S contractors, consultants ad suppliers expenditures submitted to LACMTA through GRANTEE's Monthly Progress /Expenditure Reports shall be in compliance with OMB Circular A-87 or Federal Acquisition Regulation (FAR) Subpart 31 (whichever is applicable). Findings of the LACMTA audit are final. When LACMTA audit findings require GRANTEE to return monies to LACMTA, GRANTEE agrees to return the monies within thirty (30) days after the final audit is sent to GRANTEE.

6.3 GRANTEE's records shall include, without limitation, accounting records, written policies and procedures, contract files, original estimates, correspondence, change order files (including documentation covering negotiated settlements), invoices, and any other supporting evidence deemed necessary by LACMTA to substantiate charges related to the Project (all collectively referred to as "records") shall be open to inspection and subject to audit and reproduction by LACMTA auditors or authorized representatives to the extent deemed necessary by LACMTA to adequately permit evaluation of expended costs. Such records subject to audit shall

also include, without limitation, those records deemed necessary by LACMTA to evaluate and verify, direct and indirect costs, (including overhead allocations) as they may apply to costs associated with the Project. These records must be retained by GRANTEE for three years following final payment under this Agreement. Payment of retention amounts shall not occur until after the LACMTA's final audit is completed.

6.4 GRANTEE shall cause all contractors to comply with the requirements of Part II, Section 5, paragraphs 6.2 and 6.3 above. GRANTEE shall cause all contractors to cooperate fully in furnishing or in making available to LACMTA all records deemed necessary by LACMTA auditors or authorized representatives related to the Project.

6.5 LACMTA or any of its duly authorized representatives, upon reasonable written notice shall be afforded access to all of the records of GRANTEE and its contractors related to the Project, and shall be allowed to interview any employee of GRANTEE and its contractors through final payment to the extent reasonably practicable.

6.6 LACMTA or any of its duly authorized representatives, upon reasonable written notice, shall have access to the offices of GRANTEE and its contractors, shall have access to all necessary records, including reproduction at no charge to LACMTA, and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the terms and conditions of this FA.

6.7 When business travel associated with the Project requires use of a vehicle, the mileage incurred shall be reimbursed at the mileage rates set by the Internal Revenue Service, as indicated in the United States General Services Administration Federal Travel Regulation, Privately Owned Vehicle Reimbursement Rates.

6.8 GRANTEE shall be responsible for ensuring all contractors/subcontractors for the Project comply with the terms of the Ordinance. GRANTEE shall cooperate with LACMTA Audit Department such that LACMTA can meet its obligations under the Ordinance.

6.9 GRANTEE shall certify each invoice by reviewing all subcontractor costs and maintaining internal control to ensure that all expenditures are allocable, allowable and reasonable and in accordance with OMB A-87 or FAR subparagraph 31 (whichever is applicable) and the terms and conditions of this FA.

6.10 GRANTEE shall also certify final costs of the Project to ensure all costs are in compliance with OMB A-87 or FAR subparagraph 31 (whichever is applicable) and the terms and conditions of this FA.

6.11 In addition to LACMTA's other remedies as provided in this FA, LACMTA may withhold the Funds if the LACMTA audit has determined that GRANTEE failed to comply with the Scope of Work (such as misusing Funds or failure to return

Funds owed to LACMTA in accordance with LACMTA audit findings) and /or is severely out of compliance with other terms and conditions as defined by this FA, including the access to records provisions of Part II, Section 6.

7. GRANT

This is a one time only grant of the Measure R Funds are subject to the terms and conditions agreed to herein. This grant does not imply nor obligate any future funding commitment on the part of LACMTA.

8. SOURCES AND DISPOSITION OF FUNDS:

8.1 The obligation for LACMTA to grant the Funds for the Project is subject to sufficient Funds being made available for the Project by the LACMTA Board of Directors. If such Funds are not made available as anticipated from Measure R Program revenues, LACMTA will have the right to adjust the cash flow accordingly until such funds become available. LACMTA shall have no obligation to provide any other funds for the Project, unless otherwise agreed to in writing by LACMTA.

8.2 GRANTEE shall fully fund and contribute the GRANTEE Funding Commitment, if any is identified in the Project Funding (Attachment A), towards the cost of the Project. If the Funds identified in Attachment A are insufficient to complete the Project, GRANTEE agrees to secure and provide such additional non-LACMTA programmed funds necessary to complete the Project.

8.3 GRANTEE shall be responsible for any and all cost overruns for the Project.

8.4 GRANTEE shall be eligible for the Funds up to the grant amount specified in Part I, Section 2 of this FA subject to the terms and conditions contained herein. Any Funds expended by GRANTEE prior to the execution of this FA (prior to the LACMTA Chief Executive Officer's signature) shall not be reimbursed not shall they be credited toward the GRANTEE Funding Commitment requirement, without the prior written consent of LACMTA. GRANTEE Funding Commitment dollars expended prior to the year the Funds are awarded shall be spent at GRANTEE's own risk.

8.5 If GRANTEE receives outside funding for the Project in addition to the Funds identified in the Project Funding and the Expenditure Plan at the time this grant was awarded, this FA shall be amended to reflect such additional funding. If, at the time of final invoice or voucher, funding for the Project (including the Funds, GRANTEE Funding Commitment, and any additional funding) exceeds the actual Project costs, then the cost savings shall be applied in the same proportion as the sources of funds from each party to this FA as specified in the Project Funding and both the Funds and GRANTEE Funding Commitment required for the Project shall be reduced accordingly.

9. TIMELY USE OF FUNDS / REPROGRAMMING OF FUNDS:

9.1 GRANTEE must demonstrate timely use of the Funds by:

- (i) executing this FA within ninety (90) days of receiving formal transmittal of the FA from LACMTA, or by December 31 of the first Fiscal Year in which the Funds are programmed, whichever date is later; and
- (ii) meeting the Project milestones due dates as agreed upon by the LACMTA and GRANTEE in Attachment C (Scope of Work) of this FA. Contracts for construction or capital purchase shall be executed within nine (9) months from the date of completion of design; and
- (iii) submitting the Monthly Progress/Monthly Expenditure Reports as described in Part II, Section 6.1 of this FA; and
- (iv) expending the Funds granted under this FA for allowable costs within three years or 36 months from July 1 of the Fiscal Year in which the Funds are programmed, unless otherwise stated in this FA. All Funds programmed for FY 2010-11 are subject to lapse by June 30, 2014.

9.2 In the event that the timely use of the Funds is not demonstrated as described in Part II, Section 9.1 of this FA, the Project will be reevaluated by LACMTA as part of its annual Recertification/Deobligation process and the Funds may be reprogrammed to another project by the LACMTA Board of Directors in accordance with the Ordinance, which may require that any reprogrammed funds be returned to the sub-region. In the event that all of the Funds are reprogrammed, this FA shall automatically terminate.

10. DEFAULT:

A Default under this FA is defined as any one or more of the following: (i) GRANTEE fails to comply with the terms and conditions contained herein; or (ii) GRANTEE fails to perform satisfactorily or makes a material change, as determined by LACMTA at its sole discretion, to the Expenditure Plan, the Scope of Work, or the Project Funding without LACMTA's prior written consent or approval as provided herein.

11. REMEDIES:

11.1 In the event of a Default by GRANTEE, LACMTA shall provide written notice of such Default to GRANTEE with a 30-day period to cure the Default. In the event GRANTEE fails to cure the Default, or commit to cure the Default and commence the same within such 30-day period to the satisfaction of LACMTA, LACMTA shall have the following remedies: (i) LACMTA may terminate this FA; (ii) LACMTA may make no further disbursements of Funds to GRANTEE; and/or (iii) LACMTA may recover from GRANTEE any Funds disbursed to GRANTEE as allowed by law or in equity.

11.2 Effective upon receipt of written notice of termination from LACMTA, GRANTEE shall not undertake any new work or obligation with respect to this FA unless so directed by LACMTA in writing. Any Funds expended after termination shall be the sole responsibility of GRANTEE.

11.3 The remedies described herein are non-exclusive. LACMTA shall have the right to enforce any and all rights and remedies herein or which may be now or hereafter available at law or in equity.

12. COMMUNICATIONS:

12.1 GRANTEE shall ensure that all Communication Materials contain recognition of LACMTA's contribution to the Project. For purposes of this Agreement, "Communications Materials" include, but are not limited to, newsletters and other printed materials, advertising, websites and electronic media, and construction site signage.

12.2 GRANTEE shall ensure that at a minimum, all Communications Materials shall include (i) the phrase "A Measure R project funded by Metro"; and (ii) the Metro logo. Further guidance on acknowledging LACMTA contribution is provided in the Communications Materials guidelines available from the LACMTA Communications Division.

12.3 The Metro logo is a trademarked item that shall be reproduced and displayed in accordance with specific graphic guidelines available from the LACMTA Communications Division.

12.4 GRANTEE shall ensure that any subcontractor, including, but not limited to, public relations, public affairs, and/or marketing firms hired to produce Project Communications Materials will comply with the requirements contained in this **Section 12.**

12.5 GRANTEE shall notify the LACMTA Chief Communications Officer or his/her designee of all press events related to the Project in such a manner that allows LACMTA to participate in such events, at LACMTA's sole discretion.

12.6 The Metro logo is a trademarked item that shall be reproduced and displayed in accordance with specific graphic guidelines available from the LACMTA Communications Division.

12.7 GRANTEE shall ensure that any subcontractor, including, without limitation, public relations, public affairs, and/or marketing firms hired to produce Project Communications Materials will comply with the requirements contained in this Section 12.

13. OTHER TERMS AND CONDITIONS:

13.1 This FA, along with its Attachments, constitutes the entire understanding between the parties, with respect to the subject matter herein. The FA shall not be amended, nor any provisions or breach hereof waived, except in writing signed by the parties who agreed to the original FA or the same level of authority.

13.2 GRANTEE is obligated, to continue using the Project dedicated to the public transportation purposes for which the Project was initially approved. The Project right-of-way, the Project facilities constructed or reconstructed on the Project site, and/or Project property purchased excluding construction easements and excess property (whose proportionate proceeds shall be distributed in an equal proportion of the grant to GRANTEE Funding Commitment ratio) shall remain dedicated to public transportation use in the same proportion and scope and to the same extent as described in this FA. Equipment acquired as part of the Project, including office equipment, vehicles, shall be dedicated to that use for their full economic life cycle, including any extensions of that life cycle achieved by reconstruction, rehabilitation, or enhancements.

13.3 In the event that there is any legal court (e.g., Superior Court of the State of California, County of Los Angeles, or the U.S. District Court for the Central District of California) proceeding between the parties to enforce or interpret this FA, to protect or establish any rights or remedies hereunder, the prevailing party shall be entitled to its costs and expenses, including reasonable attorney's fees.

13.4 Neither LACMTA nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or committed to be done by GRANTEE under or in connection with any work performed by and or service provided by GRANTEE, its officers, agents, employees, contractors and subcontractors under this FA. GRANTEE shall fully indemnify, defend and hold LACMTA, and its officers, agents and employees harmless from and against any liability and expenses, including without limitation, defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of risk of property, any environmental obligation, any legal fees and any claims for damages of any nature whatsoever arising out of the Project, including without limitation: (i) use of the Funds by GRANTEE, or its officers, agents, employees, contractors or subcontractors; (ii) breach of GRANTEE's obligations under this FA; or (iii) any act or omission of GRANTEE, or its officers, agents, employees, contractors or subcontractors in the performance of the work or the provision of the services, in connection with the Project including, without limitation, the Scope of Work, described in this FA.

13.5 Neither party hereto shall be considered in default in the performance of its obligation hereunder to the extent that the performance of any such obligation is prevented or delayed by unforeseen causes including acts of God, acts of a public enemy, and government acts beyond the control and without fault or negligence of the affected party. Each party hereto shall give notice promptly to the other of the nature

and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations under this FA.

13.6 GRANTEE shall comply with and insure that work performed under this FA is done in compliance with Generally Accepted Accounting Principles (GAAP), all applicable provisions of federal, state, and local laws, statutes, ordinances, rules, regulations, and procedural requirements including Federal Acquisition Regulations (FAR), and the applicable requirements and regulations of LACMTA. GRANTEE acknowledges responsibility for obtaining copies of and complying with the terms of the most recent federal, state, or local laws and regulations, and LACMTA requirements including any amendments thereto.

13.7 GRANTEE agrees that the applicable requirements of this FA shall be included in every contract entered into by GRANTEE or its contractors relating to work performed under this FA and LACMTA shall have the right to review and audit such contracts.

13.8 GRANTEE shall not assign this FA, or any part thereof, without prior approval of the LACMTA Chief Executive Officer or his designee, and any assignment without said consent shall be void and unenforceable.

13.9 This FA shall be governed by California law. If any provision of this FA is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

13.10 The covenants and agreements of this FA shall inure to the benefit of, and shall be binding upon, each of the parties and their respective successors and assigns.

13.11 If any software/Intelligent Transportation Systems ("ITS") is developed with the Funds and if GRANTEE ceases to use the software/ITS for public purposes or GRANTEE sells, conveys, licenses or otherwise transfers the software/ITS, LACMTA shall be entitled to a refund or credit, at LACMTA's sole option, equivalent to the amount of the Funds spent developing the software/ITS. Such refund or credit shall not be required, subject to LACMTA approval of the intended use, if GRANTEE reinvests the proceeds of such sale, conveyance, license or transfer into the Project to offset operating or systems management costs.

13.12 Implementation of any ITS project shall be consistent with the Regional ITS Architecture. ITS projects must comply with the LACMTA Countywide ITS Policy and Procedures adopted by the LACMTA Board of Directors including the submittal of a completed, signed self-certification form in the form of Attachment F-1. For the ITS policy and form, see www.metro.net/projects_studies/call_projects/other_resources.htm.

13.13 If any parking facilities are designed and/or constructed using the Funds, GRANTEE shall coordinate with LACMTA parking program staff (see METRO.net for staff listing) in the planning, design and management of the facility and shall ensure that its implementation is consistent with the LACMTA adopted parking policy. For the parking policy, see www.metro.net/projects_studies/call_projects/other_resources.htm.

13.14 GRANTEE will advise LACMTA prior to any key Project staffing changes.

13.15 Notice will be given to the parties at the address specified in Part I, unless otherwise notified in writing of change of address.

13.16 GRANTEE in the performance of the work described in this FA is not a contractor nor an agent or employee of LACMTA. GRANTEE attests to no organizational or personal conflicts of interest and agrees to notify LACMTA immediately in the event that a conflict, or the appearance thereof, arises. GRANTEE shall not represent itself as an agent or employee of LACMTA and shall have no powers to bind LACMTA in contract or otherwise.

ATTACHMENT A -PROJECT FUNDING

Measure R Program - Funding Agreement Projects - FA # MOU.MR50316

I-5 Pre-Construction Mitigation Phase II Project#:MR50316

PROGRAMMED BUDGET - SOURCES OF FUNDS

SOURCES OF FUNDS	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16	Total Budget	% of Budget
LACMTA PROGRAMMED FUNDING								
MEASURE R FUNDS	\$14,168,107						\$14,168,107	100%
SUBTOTAL	\$14,168,107	\$0	\$0				\$ 14,168,107	
PROP C 25%							\$0	0%
SUBTOTAL	\$0	\$0	\$0				\$ -	
LACMTA PROGRAMMED FUNDS BY YEAR SUBTOTAL	\$14,168,107	\$0	\$0				\$ 14,168,107	100%
OTHER SOURCES OF FUNDING:								
LOCAL:							\$0	0%
STATE:							\$0	0%
FEDERAL:							\$0	0%
PRIVATE OR OTHER:							\$0	0%
OTHER FUNDING SUBTOTAL	\$0	\$0	\$0				\$0	0%
TOTAL PROJECT FUNDS	\$14,168,107	\$0	\$0				\$14,168,107	100%

ATTACHMENT B EXPENDITURE PLAN GUIDELINES

State Law Requires All Measure R Project and Program Sponsors to Submit an Expenditure Plan

To be eligible to receive Measure R revenues, an agency sponsoring a capital project or program must by state law (AB 2321) submit an expenditure plan that is acceptable to the Los Angeles County Metropolitan Transportation Authority (LACMTA). Pursuant to this law, LACMTA cannot release Measure R funds to capital project or program sponsors until an expenditure plan containing the following elements is submitted, reviewed and deemed satisfactory by LACMTA. LACMTA staff will request that an expenditure plan be submitted before making a recommendation to the LACMTA Board to program funds to that project:

- o The estimated total cost for each project and program and/or each project or program activity;
- o Funds other than Measure R that the project or program sponsor anticipates will be expended on the projects and programs and/or each project or program activity;
- o The schedule during which the project sponsor anticipates funds will be available for each project and program and/or each project or program activity; and,
- o The expected completion dates for each project and program and/or project or program activity.

Each of the above elements must be provided in enough detail to determine consistency with Measure R, the Long Range Transportation Plan for Los Angeles County, and the Los Angeles County Transportation Improvement Program (also a statutorily mandated function), as follows:

- o Project or program scope of work, including sufficient information to determine funding eligibility, including, but not limited to, the anticipated proportional use of current rail rights-of-way, state highways, and below-ground subways versus any other rights-of-way or above-ground work;
- o A current-year cost estimate breakdown of the major sub-elements of the project such as overhead, environmental and permit work, design and engineering, right-of-way, construction/installation (including maintenance facilities, rail yard, equipment and other major components), construction/installation support, interest costs, rolling stock, and other supporting components;
- o Any extraordinary project cost escalation issues, such as extraordinary commodity, right-of-way, surety, energy costs, etc.;
- o A specific and accurate description of the source, commitment, and anticipated annual availability of any federal, state, local, or private funding identified for the project if applicable including a 3% local funding contribution to rail projects if indicated in Measure R and necessary to meet project expenses, and if the source funds are in current or year-of-expenditure dollars;
- o An annual schedule, in current dollars, of anticipated costs by the cost estimate categories described above; and;
- o The expected completion by month and year of project or program completion.

ATTACHMENT B EXPENDITURE PLAN GUIDELINES

State Law Requires All Measure R Project and Program Sponsors to Submit an Expenditure Plan

Below is an excerpt of AB 2321 (2008, Feuer) the state legislation that requires the expenditure plan:

What AB 2321 (2008, Feuer) Says About the Expenditure Plan:

Section b (3) B

(f) Prior to submitting the ordinance to the voters, the MTA shall adopt an expenditure plan for the net revenues derived from the tax. The expenditure plan shall include, in addition to other projects and programs identified by the MTA, the specified projects and programs listed in paragraph (3) of subdivision (b), the estimated total cost for each project and program, funds other than the tax revenues that the MTA anticipates will be expended on the projects and programs, and the schedule during which the MTA anticipates funds will be available for each project and program. The MTA shall also identify in its expenditure plan the expected completion dates for each project described in subparagraph (A) of paragraph (3) of subdivision (b). To be eligible to receive revenues derived from the tax, an agency sponsoring a capital project or capital program shall submit to the MTA an expenditure plan for its project or program containing the same elements as the expenditure plan that MTA is required by this subdivision to prepare.

(k) No later than 365 days prior to the adoption of an amendment described in paragraph (1) to an expenditure plan adopted pursuant to subdivision (f), including, but not limited to, the expenditure plan adopted by the MTA board as "Attachment A" in Ordinance #08-01 adopted by the board on July 24, 2008, and in addition to any other notice requirements in the proposing ordinance, the board shall notify the Members of the Legislature representing the County of Los Angeles of all of the following:

(1) A description of the proposed amendments to the adopted expenditure plan that would do any of the following:

(A) Affect the amount of net revenues derived from the tax imposed pursuant to this act that is proposed to be expended on a capital project or projects identified in the adopted expenditure plan.

(B) Affect the schedule for the availability of funds proposed to be expended on a capital project or projects identified in the adopted expenditure plan.

(C) Affect the schedule for the estimated or expected completion date of a capital project or projects identified in the adopted expenditure plan.

(2) The reason for the proposed amendment.

(3) The estimated impact the proposed amendment will have on the schedule, cost, scope, or timely availability of funding for the capital project or projects contained in the adopted expenditure plan.

ATTACHMENT B1 - EXPENDITURE PLAN COST & CASH FLOW BUDGET
Measure R Program - Funding Agreement Projects - FA # MOU.MR50316
I-5 Pre-construction Mitigation Final Phase
PROGRAMMED SOURCES OF FUNDS

(000's)									
SOURCES OF FUNDS	FY 2010-11 Qtr 1	FY 2010-11 Qtr 2	FY 2010-11 Qtr 3	FY 2010-11 Qtr 4	FY 2011-12 Qtr 1	FY 2011-12 Qtr 2	FY 2011-12 Qtr 3	FY 2011-12 Qtr 4	TOTAL BUDGET
LACMTA PROGRAMMED FUNDS:									
MEASURE R FUNDS:									
PAED					\$212,522	\$70,841			\$283,362
PS&E					\$850,086	\$495,884	\$70,841		\$1,416,811
RW Support									\$0
Const. Support							\$396,707	\$396,707	\$793,414
RW									\$0
Construction							\$3,967,070	\$3,967,070	\$7,934,140
Total MEASURE R					\$1,062,608	\$566,724	\$4,434,617	\$4,363,777	\$10,427,727
PROP C 25%									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total PROP C 25%									
SUM PROG LACMTA FUNDS:									
OTHER NON LACMTA FUNDING:									
LOCAL:									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total LOCAL%									
STATE:									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total STATE%									
FEDERAL:									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total FEDERAL%									
PRIVATE:									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total PRIVATE%									
SUM NON-LACMTA FUNDS:									
PROJECT FUNDING									
FY11-FY12									

ATTACHMENT B1 - EXPENDITURE PLAN COST & CASH FLOW BUDGET
Measure R Program - Funding Agreement Projects - FA # MOU.MR50316
I-5Pre-construction Mitigation Final Phase
PROGRAMMED SOURCES OF FUNDS

(000's)									
SOURCES OF FUNDS	FY 2012-13 Qtr 1	FY 2012-13 Qtr 2	FY 2012-13 Qtr 3	FY 2012-13 Qtr 4	FY 2013-14 Qtr 1	FY 2013-14 Qtr 2	FY 2013-14 Qtr 3	FY 2013-14 Qtr 4	TOTAL BUDGET
LACMTA PROGRAMMED FUNDS:									
MEASURE R FUNDS:									
PAED									
PS&E									
RW Support									
Const. Support	\$226,690	\$90,676	\$22,669						\$340,035
RW									
Construction	\$2,266,897	\$906,759	\$226,690						\$3,400,346
Total MEASURE R	\$2,493,587	\$997,435	\$249,359						\$3,740,380
PROP C 25%									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total PROP C 25%									
SUM PROG LACMTA FUNDS:									
OTHER NON LACMTA FUNDING:									
LOCAL: ?									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total LOCAL%									
STATE: ?									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total STATE%									
FEDERAL: ?									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total FEDERAL%									
PRIVATE: ?									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total PRIVATE%									
SUM NON-LACMTA FUNDS :									
PROJECT FUNDING									
FY13-FY14									

ATTACHMENT B1 - EXPENDITURE PLAN COST & CASH FLOW BUDGET
Measure R Program - Funding Agreement Projects - FA # MOU.MR50316
1-5Pre-construction Mitigation Final Phase
PROGRAMMED SOURCES OF FUNDS

(000's)									
SOURCES OF FUNDS	FY 2014-15 Qtr 1	FY 2014-15 Qtr 2	FY 2014-15 Qtr 3	FY 2014-15 Qtr 4	FY 2015-16 Qtr 1	FY 2015-16 Qtr 2	FY 2015-16 Qtr 3	FY 2015-16 Qtr 4	TOTAL BUDGET
LACMTA PROGRAMMED FUNDS:									
MEASURE R FUNDS:									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total MEASURE R									
PROP C 25%									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total PROP C 25%									
SUM PROG LACMTA FUNDS:									
OTHER NON LACMTA FUNDING:									
LOCAL: ?									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total LOCAL%									
STATE: ?									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total STATE%									
FEDERAL: ?									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total FEDERAL%									
PRIVATE: ?									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total PRIVATE%									
SUM NON-LACMTA FUNDS :									
PROJECT FUNDING									
FY15-FY16									

ATTACHMENT B1 - EXPENDITURE PLAN COST & CASH FLOW BUDGET
Measure R Program - Funding Agreement Projects - FA # MOU.MR50316
I-5Pre-construction Mitigation Final Phase
PROGRAMMED SOURCES OF FUNDS

(000's)									
SOURCES OF FUNDS	FY 2016-17 Qtr 1	FY 2016-17 Qtr 2	FY 2016-17 Qtr 3	FY 2016-17 Qtr 4	FY 2017-18 Qtr 1	FY 2017-18 Qtr 2	FY 2017-18 Qtr 3	FY 2017-18 Qtr 4	TOTAL BUDGET
LACMTA PROGRAMMED FUNDS:									
MEASURE R FUNDS:									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total MEASURE R									
PROP C 25%									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total PROP C 25%									
SUM PROG LACMTA FUNDS:		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER NON LACMTA FUNDING:									
LOCAL: ?									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total LOCAL%									
STATE: ?									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total STATE%									
FEDERAL: ?									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total FEDERAL%									
PRIVATE: ?									
PAED									
PS&E									
RW Support									
Const. Support									
RW									
Construction									
Total PRIVATE%									
SUM NON-LACMTA FUNDS :	\$0								
PROJECT FUNDING FY17/18	\$0								
SUMMARY OF ALL FUNDS									
PAED	\$0	\$0	\$0	\$0	\$212,522	\$70,841	\$0	\$0	\$283,362
PS&E	\$0	\$0	\$0	\$0	\$850,086	\$495,884	\$70,841	\$0	\$1,416,811
RW Support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Const. Support	\$226,690	\$90,676	\$22,669	\$0	\$0	\$0	\$396,707	\$396,707	\$1,133,449
RW	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$2,266,897	\$906,759	\$226,690	\$0	\$0	\$0	\$3,967,070	\$3,967,070	\$11,334,486
TOTAL MILESTONES	\$2,493,587	\$997,435	\$249,359	\$0	\$1,062,608	\$566,724	\$4,434,617	\$4,363,777	\$14,168,107
SUM PROG LACMTA FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SUM NON-LACMTA FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL PROJECT FUNDING	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Attachment C

Num	City	Project Name	Original Description	Proposed Improvement	Est. Length (FT)	Est. Width (FT)	Estimated Cost of AC Work	Estimated Cost of Cold Plane Work	Estimated Cost of Signal Work	Est. Cost of Incidentals (20%)	Est. Engineering Administration (10%)	Est. Project Administration (10%)	Total Estimated Proposed Project Cost
1	Downey	Truck-impacted Intersections Project - Phase 2	Pavement resurfacing on Florence Ave. between the S.G. River and I-5 overpass bridges, Studebaker Rd. between Florence Ave. and the I-805 ramps, I-805 S/B on-ramp between Florence Ave. and Little Lake Rd. and Fairfield Ave. between Florence Ave. and Dollison Dr.	Grind and Pave 0.40". Full R&R on Intersection of Studebaker and Florence.	2,000.00	74	\$ 333,000.00	\$ 29,600	\$ -	\$ 72,520	\$43,512	\$43,512	\$522,144
2	La Mirada	Alondra pavement rehabilitation from Heron to Stage Rd.	grind and cap with 2" airhm and reconstruct various subgrade failure	Grind and Pave 0.17".	5,000	80	\$ 382,500	\$ 80,000	\$ -	\$ 92,500	\$55,500	\$55,500	\$566,000
3	La Mirada	Trojan Way pavement rehabilitation	grind and cap with 2" airhm and reconstruct various subgrade failure	Grind and Pave 0.25".	4,500	72	\$ 455,625	\$ 64,800	\$ -	\$ 104,085	\$82,451	\$82,451	\$749,412
4	La Mirada	Stage Rd. Pavement Rehabilitation	grind and cap with 2" airhm and reconstruct various subgrade failure	Grind and Pave 0.17".	5,500	60	\$ 315,563	\$ 66,000	\$ -	\$ 76,313	\$45,788	\$45,788	\$549,453
5	La Mirada	Firestone South Pavement Rehabilitation	Cap area with 2" overlay only	Grind and Pave 0.17".	7,000	40	\$ 267,750	\$ 56,000	\$ -	\$ 64,750	\$38,850	\$38,850	\$466,200
6	Norwalk	Union Street Pavement Rehabilitation	Rehabilitate Union Street from Paddison Ave. to San Antonio Drive	Grind and Pave 0.17".	1,400	40	\$ 53,550	\$ 11,200	\$ -	\$ 12,950	\$7,770	\$7,770	\$69,240
7	Norwalk	Paddison Avenue Pavement Rehabilitation	Rehabilitate Paddison Ave. from Union St. to Firestone Blvd.	Grind and Pave 0.17".	1,400	40	\$ 53,550	\$ 11,200	\$ -	\$ 12,950	\$7,770	\$7,770	\$69,240
8	Norwalk/SFS	Norwalk Blvd./San Antonio Drive Rehabilitation and Signal Modifications	Rehabilitate Norwalk Blvd./San Antonio Dr. from Florence Ave. to Rosecrans Ave.. Modify Signal at San Antonio and Foster	Grind and Pave 0.25".	14,000	76	\$ 1,496,250	\$ 212,800	\$ 150,000	\$ 371,810	\$223,086	\$223,086	\$2,677,032
9	SFS	Florence Ave. Pavement Rehabilitation	Rehabilitate Florence Ave. from I-5 / Or & Day R.. to Norwalk Blvd.	Grind and Pave 0.17".	5,500	74	\$ 389,194	\$ 81,400	\$ -	\$ 94,119	\$56,471	\$56,471	\$677,655
10	SFS	Pioneer Blvd. Pavement Rehabilitation	Rehabilitate Pioneer Blvd. from Lakeland Rd. to Telegraph Rd.	Grind and Pave 0.17".	4,850	77	\$ 357,112	\$ 74,990	\$ -	\$ 86,380	\$51,816	\$51,816	\$621,794
11	Norwalk	Pioneer Blvd. Pavement Rehabilitation	Rehabilitate Pioneer Blvd from Lakeland Rd. to Imperial Hwy.	Grind and Pave 0.17".	5,200	78	\$ 387,855	\$ 81,120	\$ -	\$ 93,795	\$56,277	\$56,277	\$675,924
12	Norwalk	Bloomfield Ave. Rehabilitation and Signal Modifications	Rehabilitate Bloomfield Ave. from Rosecrans Ave. to Imperial Hwy. and modify signal at Bloomfield Ave. and Civic Center Dr.	Grind and Pave 0.17".	4,000	80	\$ 306,000	\$ 64,000	\$ 180,000	\$ 110,000	\$66,000	\$66,000	\$792,000
13	Norwalk	Rosecrans Ave. Pavement Rehabilitation	Rehabilitate Rosecrans Ave. from I-5 to Carmanita Rd.	Grind and Pave 0.17".	4,500	84	\$ 361,463	\$ 75,600	\$ -	\$ 87,413	\$52,448	\$52,448	\$629,970
14	Downey	Firestone Blvd. Pavement Rehabilitation	Rehabilitate existing pavement between Lakewood Blvd. and the east city limit	Grind and Pave 0.25".	5,500	80	\$ 618,750	\$ 88,000	\$ -	\$ 141,350	\$84,810	\$84,810	\$1,017,720
15	Downey	Lakewood Boulevard Improvements Project	pavement rehabilitation, traffic signal modifications, median island extensions, street and pedestrian lighting.	Grind and Pave 0.25".	5,500	79	\$ 603,281	\$ 85,800	\$ -	\$ 137,816	\$82,690	\$82,690	\$992,277
16	SFS	OPR and Day Rd. Pavement Rehabilitation	From Florence Ave to Telegraph Rd.	Grind and Pave 0.17".	4,900	74	\$ 346,736	\$ 72,520	\$ -	\$ 83,851	\$50,311	\$50,311	\$603,729
17	SFS	Telegraph Rd. Pavement Rehabilitation	From I-605 to Pioneer Blvd.	Grind and Pave 0.17".	3,900	76	\$ 283,433	\$ 59,280	\$ -	\$ 68,543	\$41,126	\$41,126	\$493,506
Total Estimated Costs							\$ 7,041,610	\$ 1,244,010	\$ 330,000	\$ 1,771,124	\$1,026,674	\$1,026,674	\$12,320,093
Total Estimated Costs Including Contingencies (Add 15%)							\$ 8,063,352	\$ 1,396,112	\$ 379,500	\$ 1,997,793	\$ 1,180,676	\$ 1,180,676	\$ 14,168,107

*I-5 Segment Relationship could be Carmanita, Alondra, Valley View, Rosecrans, Imperial/Norwalk and/or Florence Interchanges

Attachment D Reporting and Administrative Guidelines

- Monthly Progress/Expenditure Report (Attachment D1) is required for all projects. The GRANTEE shall be subject to and comply with all applicable requirements of the funding agency regarding project-reporting requirements. In addition, GRANTEE will submit a Monthly Progress/Expenditure Report to the LACMTA at **P.O. Box 512296, Los Angeles, CA 90051-0296**. Please note that letters or other forms of documentation may not be substituted for this form.
- The Monthly Progress/Monthly Expenditure Reports cover all activities related to the project and list all costs incurred. It is essential that GRANTEE provide complete and adequate response to all the questions. The expenses listed must be supported by appropriate documentation with a clear explanation of the purpose and relevance of each expense to the project. Expenses must reflect the proportionate share of local match, if any, including in-kind, charged to the grant.
- In cases where there are no activities to report, or problems causing delays, clear explanation, including actions to remedy the situation, must be provided.
- GRANTEE is required to track and report on the project schedule. LACMTA will monitor the timely use of funds and delivery of projects. Project delay, if any, must be reported each month. Projects not delivered in a timely manner will be reevaluated by LACMTA as part of the annual Measure R allocation update process and the Funds may be deobligated and reprogrammed by the LACMTA Board.
- The Monthly Progress/Expenditure Reports are due to the LACMTA within 15 days after the close of each month.

Upon completion of the Project a final report that includes project's final evaluation must be submitted.

EXPENDITURE GUIDELINES

- Any activity or expense charged above and beyond the approved Scope-of-Work (FA Attachment C) **is considered ineligible** and will not be reimbursed by the LACMTA unless **prior written authorization** has been granted by the LACMTA Chief Executive Officer or his designee.
- Any expense charged to the grant or local match, including in-kind, must be clearly and directly related to the project.
- Any activity or expense charged as local match cannot be applied to any other LACMTA-funded or non-LACMTA-funded projects; activities or expenses related to a previously funded project cannot be used as local match for the current project.

- Administrative cost is the ongoing expense incurred by the GRANTEE for the duration of the project and for the direct benefit of the project as specified in the Scope-of-Work (Attachment C). Examples of administrative costs are personnel, office supplies, and equipment. As a condition for eligibility, all costs must be necessary for maintaining, monitoring, coordinating, reporting and budgeting of the project. Additionally, expenses must be reasonable and appropriate to the activities related to the project.
- LACMTA is not responsible for, and will not reimburse any costs incurred by the GRANTEE prior to the execution of the FA, unless written authorization has been granted by the LACMTA Chief Executive Officer or her designee.
- The FA is considered executed when the LACMTA Chief Executive Officer or her designee signs the document.

DEFINITIONS

- Local Participation: Where local participation consists of “in-kind” contributions rather than funds, the following contributions may be included:
 - Costs incurred by a local jurisdiction to successfully complete the project. Examples include engineering, design, rights-of-way purchase, and construction management costs.
 - Donations of land, building space, supplies, equipment, loaned equipment, or loaned building space dedicated to the project.
 - Donations of volunteer services dedicated to the project.
 - A third-party contribution of services, land, building space, supplies or equipment dedicated to the project.
- Allowable Cost: To be allowable, costs must be reasonable, recognized as ordinary and necessary, consistent with established practices of the organization, and consistent with industry standard of pay for work classification.
- Excessive Cost: Any expense deemed “excessive” by LACMTA staff would be adjusted to reflect a “reasonable and customary” level. For detail definition of “reasonable cost”, please refer to the Federal Register OMB Circulars A-87 Cost Principals for State and Local Governments; and A-122 Cost Principals for Nonprofit Organizations.
- In-eligible Expenditures: Any activity or expense charged above and beyond the approved Scope-of-Work is considered in eligible.

Measure R FA

LACMTA

(FA) Measure R Funding Agreement - ATTACHMENT D1
MONTHLY PROGRESS REPORT

Grantee To Complete	
Invoice #	
Invoice Date	
FA#	
Monthly Report #	

GRANTEES ARE REQUESTED TO MAIL THIS REPORT TO
P.O. Box #512296, Los Angeles, CA 90051-0296 after the close
of each month. Please note that letters or other forms
of documentation may not be substituted for this form. Refer to the
Reporting and Expenditure Guidelines (Attachment D) for further information.

SECTION 1: GENERAL INFORMATION

PROJECT TITLE: I-5 Pre-Construction Mitigation Final Phase

FA #: MR50316

MONTHLY REPORT SUBMITTED FOR: Month: _____ Year: _____

DATE SUBMITTED: _____

LACMTA Area Team Representative / Project Mgr.	Name:	Jon Grace
	Department:	Highway Program
	Phone Number:	(213) 922-4848
	e-mail:	gracej@metro.net
GRANTEE Contact / Project Manager	Contact Name:	
	Job Title:	
	Department:	
	City / Agency:	
	Mailing Address:	
	Phone Number:	
	e-mail:	

Measure R FA

LACMTA
(FA) Measure R Funding Agreement - ATTACHMENT D1
MONTHLY PROGRESS REPORT

SECTION 3: MONTHLY PROGRESS REPORT

1. DELIVERABLES & MILESTONES

List all deliverables and milestones as stated in the FA, with start and end dates. **DO NOT CHANGE THE ORIGINAL FA MILESTONE START AND END DATES BELOW.**

Grantees must make every effort to accurately portray milestone dates in the original FA Scope of Work, since this will provide the basis for calculating any project delay. If milestone start and/or end dates change from those stated in the Original FA S:

FA Milestones	Original FA Start Date in Scope of Work (Month/Year) a	Original FA End Date in Scope of Work (Month/Year) b	LACMTA Approved Changes (Months) c	LACMTA Approved Completion Schedule d=b+c	Current Completion Forecast (Month/Year) e	Schedule Variance (Months) f=e-d	Percent Completed By Time
PLANNING							
Prepare Concept Report							
Prepare Feasibility Study							
Prepare Project Study Report							
Intelligent Transportation							
Feasibility Study							
Concept Exploration							
Preliminary Design							
Prepare Detailed Design Plans							
Prepare Detailed Construction							
Prepare Project Cost Estimate							
Intelligent Transportation							
Concept of Operations							
System Requirements							
High Level Design							
PA&ED							
Prepare Environmental							
Scoping							
Technical Studies							
Draft Environmental							
Final Environmental							
Community Outreach							
Secure Project Approval							
Intelligent Transportation							
Categorical Exemption							
PS&E							
35% PS&E							
Preliminary Investigations							
Preliminary Foundation							
Geometric Drawings							
Bridge Type Selection							
ADL Review							
Utilities							
Right-of-Way							
Estimating							
Civic Design							
Structural Design							
Intelligent Transportation							
Detailed Design							
ITS Drawings							
System Plans							
Communications Plans							
Systems Integrations Plans							
Equipment Specifications							
Software Specifications							
Project Review & Comments							
65% PS&E							
Civil Design Plans							
Right-of-Way Engineering							
Structural Design							
Prepare Project Cost							
Intelligent Transportation							
Detailed Design							
ITS Drawings							
System Plans							
Communications Plans							
Systems Integrations Plans							
Equipment Specifications							
Software Specifications							
Project Review & Comments							

Measure R FA

LACMTA

(FA) Measure R Funding Agreement - ATTACHMENT D1
MONTHLY PROGRESS REPORT

FA Milestones	Original FA Start Date in Scope of Work (Month/Year) a	Original FA End Date in Scope of Work (Month/Year) b	LACMTA Approved Changes (Months) c	LACMTA Approved Completion Schedule d=b+c	Current Completion Forecast (Month/Year) e	Schedule Variance (Months) f=e-d	Percent Completed By Time
95% PS&E							
Civil Design Plans							
Structural Design							
Intelligent Transportation							
Detailed Design							
ITS Drawings							
System Plans							
Communications Plans							
Systems Integrations Plans							
Equipment Specifications							
Software Specifications							
Submittals & Reviews							
Submit Final PS&E							
Outside Agency Review							
ROW							
Certification/Mapping							
Title Report							
Meet with Property Owners							
Appraisal							
Environmental Investigation							
Closing/Acquisition/Relocation							
Physical Possession							
Remediation							
Third Party Coordination							
UTILITY RELOCATION							
Third Party Coordination							
Design Utilities							
Relocate Utilities							
SOLICITATION (BID/PROPOSAL)							
Develop Solicitation Package							
Solicitation Response							
Evaluations							
Selection							
Board Approval							
Contract Award							
Fully Executed Contract							



City of Santa Fe Springs

City Council Meeting

November 22, 2011

NEW BUSINESS

Approval of Memorandum of Underpass Agreement with Burlington Northern Santa Fe Railway Company for the Valley View Avenue Grade Separation Project

RECOMMENDATION

That the City Council take the following actions:

1. Approve the Memorandum of Underpass Agreement with Burlington Northern Santa Fe Railway Company for the Valley View Avenue Grade Separation Project; and
2. Authorize the Director of Public Works to execute the Memorandum of Underpass Agreement.

BACKGROUND

The Valley View Avenue Grade Avenue Separation Project involves eliminating the existing at-grade crossing of the Burlington Northern Santa Fe (BNSF) Railway Company railroad tracks on Valley View Avenue south of Stage Road.

On March 26, 2007, the City of Santa Fe Springs and City of La Mirada (Cities) entered into an Underpass Agreement with BNSF in which all parties expressed their understanding and agreement with respect to the construction and maintenance of the Valley View Avenue Grade Separation.

Through the Underpass Agreement, BNSF permitted the Cities to temporarily relocate rail traffic on a shoofly across property owned by both Cities. The Memorandum of Underpass Agreement identifies the property within both Cities where a temporary construction easement is granted to BNSF to operate railway operations on the railroad shoofly. In addition, the Memorandum of Underpass Agreement identifies that portion of BNSF property where the Cities are granted permission to enter upon and use as necessary to construct and maintain improvements related to the Valley View Avenue Grade Separation Project.

FISCAL IMPACT

There is no fiscal impact to approving the Memorandum of Underpass Agreement with BNSF.

INFRASTRUCTURE IMPACT

The temporary construction easements identified in the Memorandum of Underpass Agreement will facilitate the construction of the temporary railroad shoofly and the overall improvements to construct the Valley View Avenue Grade Separation.

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

Thaddeus McCormack
City Manager

Attachment(s):

Memorandum of Underpass Agreement

Report Submitted By: Don Jensen, Director Department of Public Works

Date of Report: November 16, 2011

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

BNSF Railway Company
2500 Lou Menk Drive, AOB-3
Fort Worth, Texas 76131
Attention: Corporate Real Estate – Development

MEMORANDUM OF UNDERPASS AGREEMENT

This **Memorandum of Underpass Agreement** (“**Memorandum**”) is executed as of _____, 2011, by and between BNSF RAILWAY COMPANY, a Delaware corporation (“**BNSF**”), and the CITY OF SANTA FE SPRINGS and the CITY OF LA MIRADA, corporate and political subdivisions of the State of California (collectively, “**CITIES**”).

WITNESSETH, that:

1. BNSF owns and operates a railroad corridor that crosses through the City of La Mirada and the City of Santa Fe Springs in the County of Los Angeles, State of California, including that certain land more particularly shown by drawing in **Exhibit “A”** attached to and made a part of this Memorandum for all purposes (“**BNSF Property**”).

2. CITIES, as joint owners of Valley View Avenue, desire to improve the existing BNSF/Valley View Avenue at-grade crossing by constructing a new crossing at separated grades to be known as the Valley View Avenue Underpass and designated as California Public Utilities Crossing No. 2-158.4-C, D.O.T. No. 027657G.

3. The existing Valley View Avenue at-grade crossing (P.U.C. Crossing No. 2-152.29) will be closed permanently and removed upon completion of construction and the placing in service of the underpass.

4. BNSF and CITIES entered into that certain Underpass Agreement dated effective as of March 26, 2007 (as may be amended from time to time, the “**Underpass Agreement**”), under which the parties expressed their understanding and agreement with respect to the construction and maintenance of the Valley View Avenue Underpass, including, among other things, (i) CITIES’ obligation to construct, and thereafter maintain, a bridge and associated facilities as part of the overall project to provide BNSF with a grade separated crossing of Valley View Avenue (“**Structure**”) and (ii) the temporary relocation of rail traffic on a shoofly near the BNSF Property, the location of such shoofly across property owned by the City of Santa Fe Springs being more particularly described by metes and bounds and shown by drawing in **Exhibit “B-1”** attached to and made a part of this Memorandum for all purposes, and across property owned by the City of La Mirada being more particularly described by metes and bounds and shown by drawing in **Exhibit “B-2”** attached to and made a part of this Memorandum for all purposes.

5. Pursuant to the Underpass Agreement, BNSF granted to CITIES, their successors and assigns, upon and subject to the terms and conditions in the Underpass Agreement, permission and license to enter upon and use that portion of BNSF Property as is necessary to construct, and thereafter maintain, the Structure, including, without limitation, (i) the right of the City of Santa Fe Springs to access that certain portion of the BNSF Property more particularly described by metes and bounds and shown by drawing in Exhibit "C-1" attached to and made a part of this Memorandum for all purposes, and (ii) the right of the City of La Mirada to access that certain portion of the BNSF Property more particularly described by metes and bounds and shown by drawing in Exhibit "C-2" attached to and made a part of this Memorandum for all purposes.

6. Pursuant to the Underpass Agreement, CITIES granted to BNSF, at no cost or expense to BNSF, a permanent right of access from CITIES' property to BNSF's tracks for maintenance purposes.

7. BNSF and CITIES hereby execute this Memorandum to provide public notice of the existence of the Underpass Agreement (including, but not limited to, the licenses, easements, and rights of access granted to the respective parties). This Memorandum may be released by a written instrument executed by both BNSF and CITIES, and placed of record in Los Angeles County, California.

8. All the terms, conditions, provisions, and covenants of the Underpass Agreement are incorporated herein by this reference for all purposes as though written out at length herein, and both the Underpass Agreement and this Memorandum shall be deemed to constitute a single instrument and document. This Memorandum is not intended to amend, modify, supplement, or supersede any of the provisions of the Underpass Agreement and, to the extent there may be any conflict or inconsistency between the Underpass Agreement and this Memorandum, the Underpass Agreement shall control.

9. This Memorandum may be executed in multiple counterparts, each of which will, for all purposes, be deemed an original, but which together with constitute one and the same instrument.

[Signatures on following pages.]

IN WITNESS WHEREOF, the parties have executed this Memorandum to be executed and attested by its duly qualified and authorized officials as of the day and year first above written.

BNSF RAILWAY COMPANY,
a Delaware corporation

By: _____
Printed Name: _____
Title: _____

WITNESS:

STATE OF _____)
COUNTY OF _____)

On _____, 2011, before me, _____
(here insert name and title of the officer), personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____ (Seal)

CITY OF LA MIRADA

By: _____

Name: _____

Title: _____

WITNESS:

STATE OF CALIFORNIA)

)

COUNTY OF LOS ANGELES)

On _____, 2011, before me, _____
(here insert name and title of the officer), personally appeared _____ who proved
to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to
the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____ (Seal)

CITY OF SANTA FE SPRINGS

By: _____

Name: _____

Title: _____

WITNESS:

STATE OF CALIFORNIA)

)

COUNTY OF LOS ANGELES)

On _____, 2011, before me, _____
(here insert name and title of the officer), personally appeared _____ who proved
to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to
the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

(Seal)

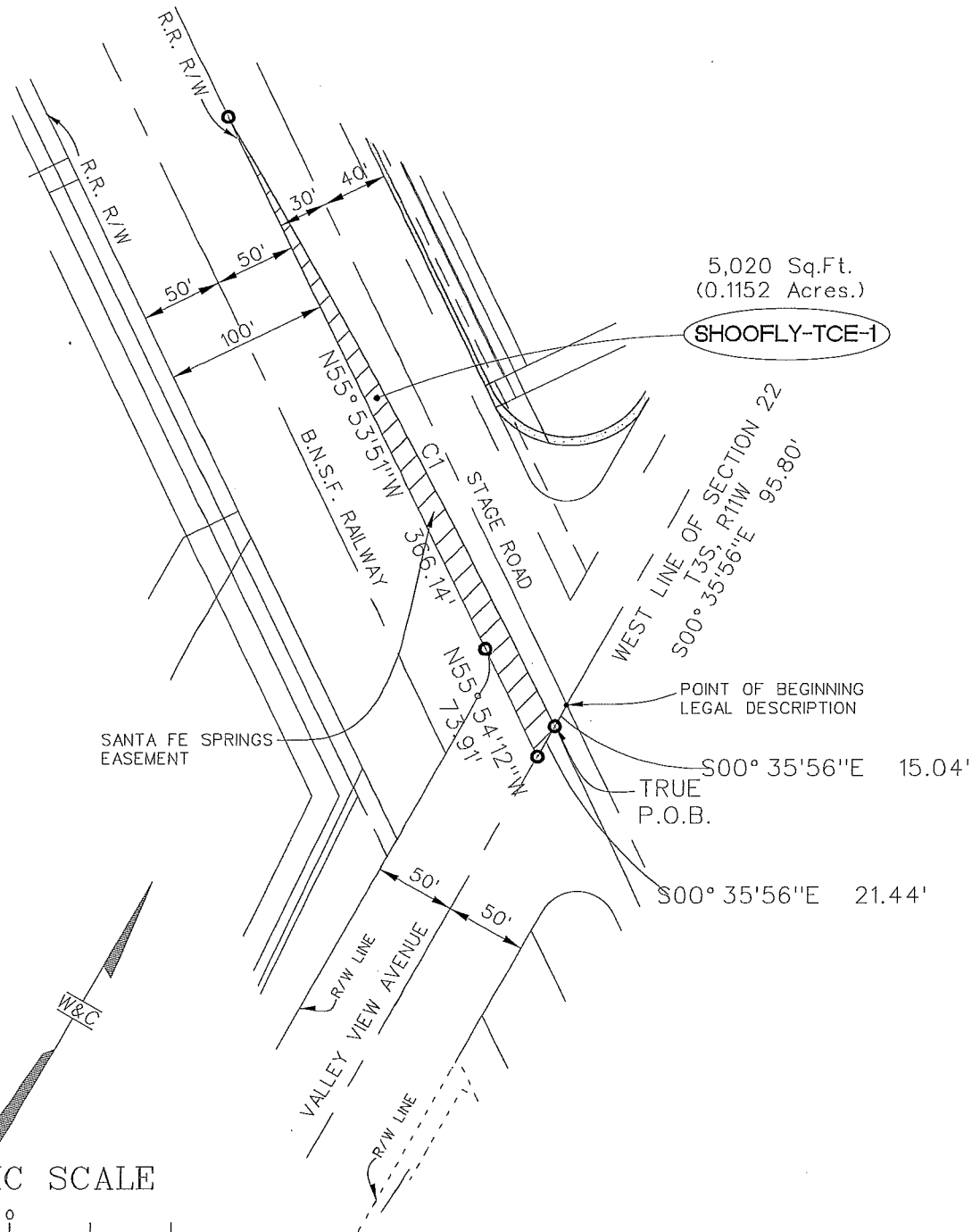
625 E. CARNEGIE DRIVE SUITE 100
SAN BERNARDINO, CA 92408
(909) 806-8000

LAYOUT NAME: BNSF Exhibit A
DRAWING NAME: 08-400-189-00_Exhibits.dwg
NETWORK ADDRESS: M:\RR\08-400-189-00\CADD\EXHIBITS\

EXHIBIT "B-1"

TEMPORARY CONSTRUCTION EASEMENT

CURVE TABLE						
CURVE	LENGTH	RADIUS	DELTA	TANGENT	CHORD	CHORD DIRECTION
C1	428.31'	5744.65'	04° 16' 19"	214.25'	428.21'	S55° 15' 29"E



GRAPHIC SCALE



(IN FEET)
1 inch = ft.

**WILSON
& COMPANY**

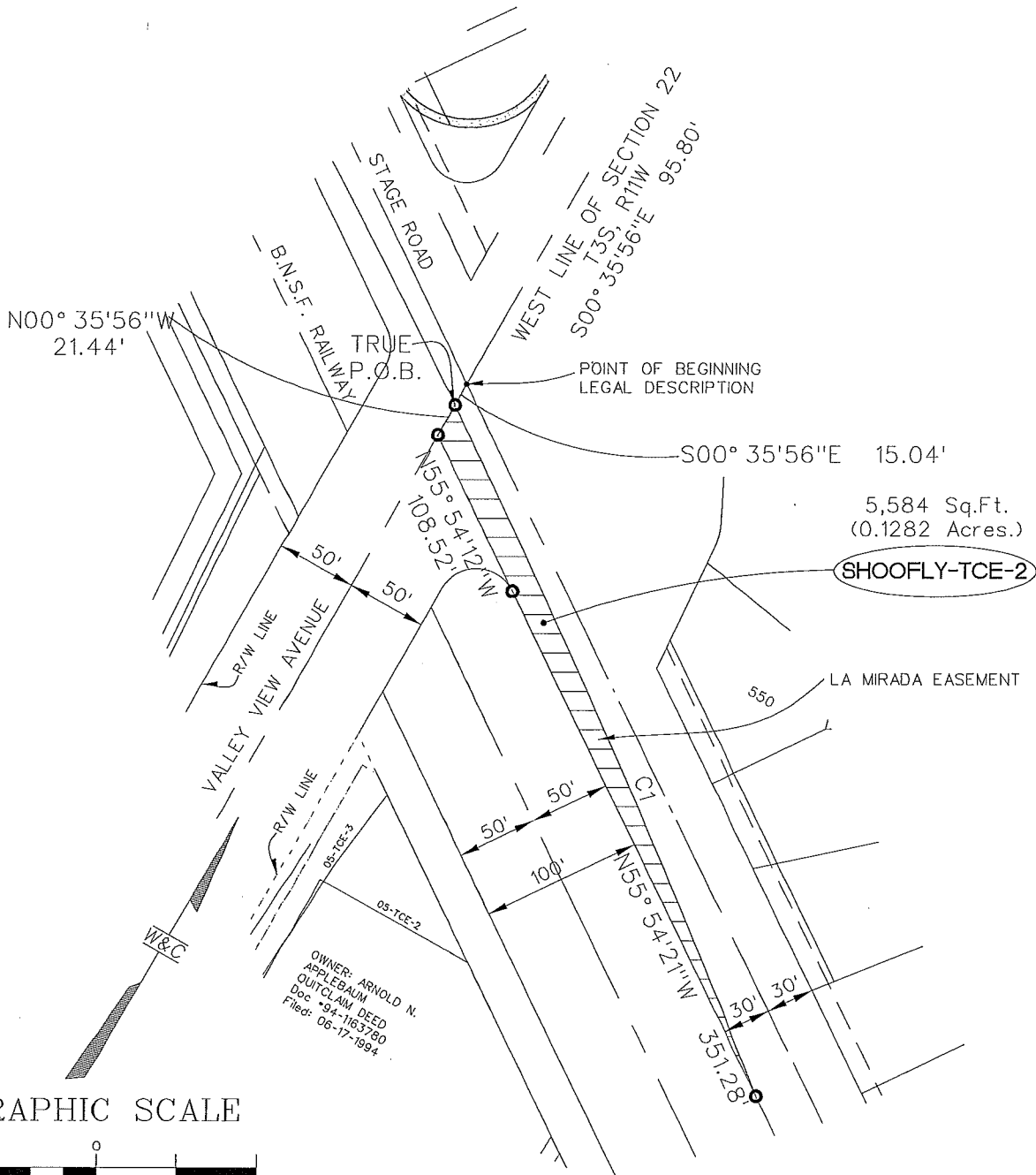
625 E. CARNEGIE DRIVE SUITE 100
SAN BERNARDINO, CA 92408
(909) 806-8000

LAYOUT NAME: SHOOFLY-TCE-1
DRAWING NAME: 08-400-189-00_Exhibits.dwg
NETWORK ADDRESS: M:\RR\08-400-189-00\CADD\EXHIBITS\

EXHIBIT "B-2"

TEMPORARY CONSTRUCTION EASEMENT

CURVE TABLE						
CURVE	LENGTH	RADIUS	DELTA	TANGENT	CHORD	CHORD DIRECTION
C1	472.48'	5744.65'	04° 42' 45"	236.37'	472.34'	S53° 45' 57"E



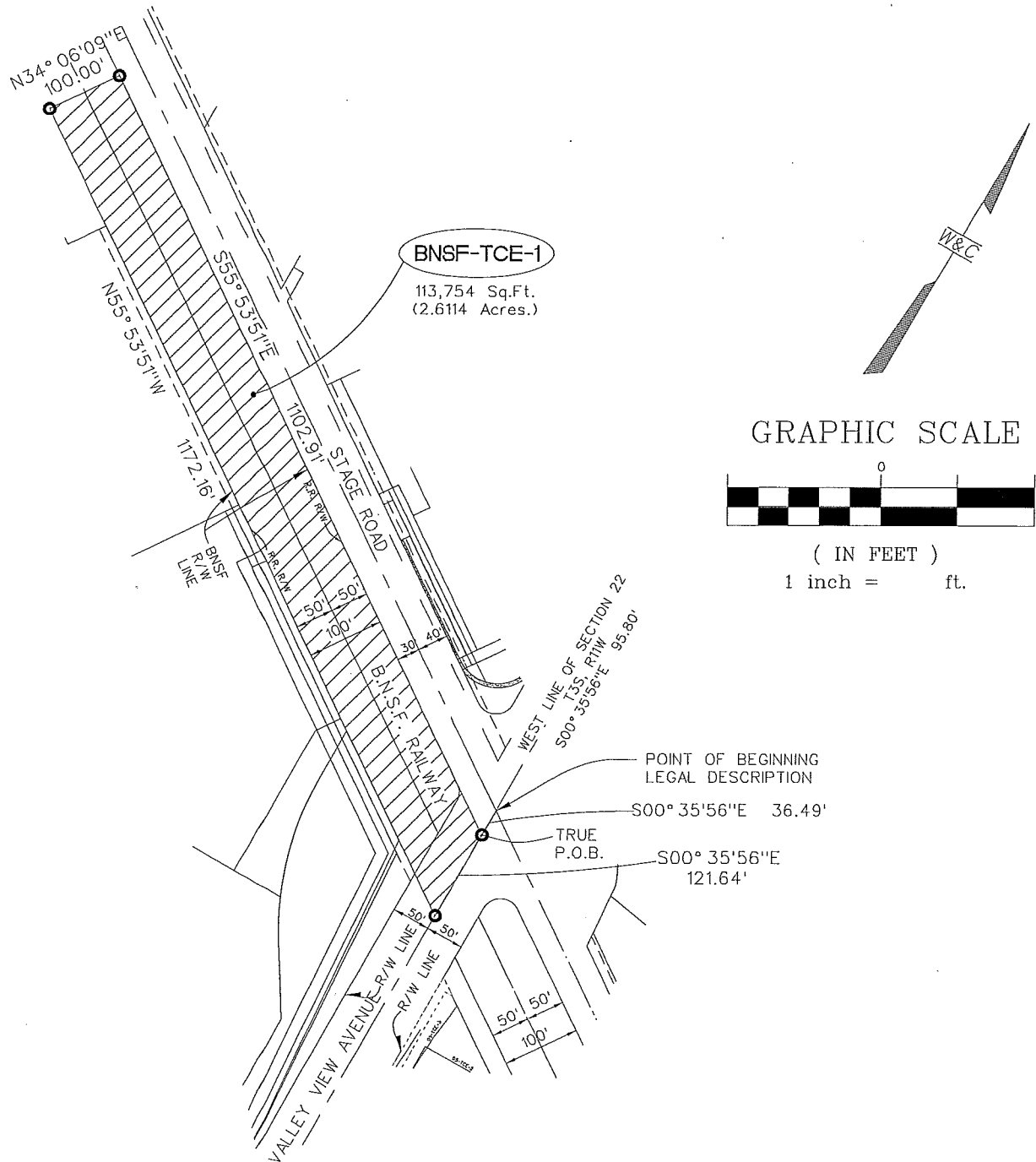
**WILSON
& COMPANY**

625 E. CARNEGIE DRIVE SUITE 100
SAN BERNARDINO, CA 92408
(909) 806-8000

LAYOUT NAME: SHOOFLY-TCE-2
DRAWING NAME: 08-400-189-00...Exhibits.dwg
NETWORK ADDRESS: M:\RR\08-400-189-00\CADD\EXHIBITS\

EXHIBIT "C-1"

TEMPORARY CONSTRUCTION EASEMENT



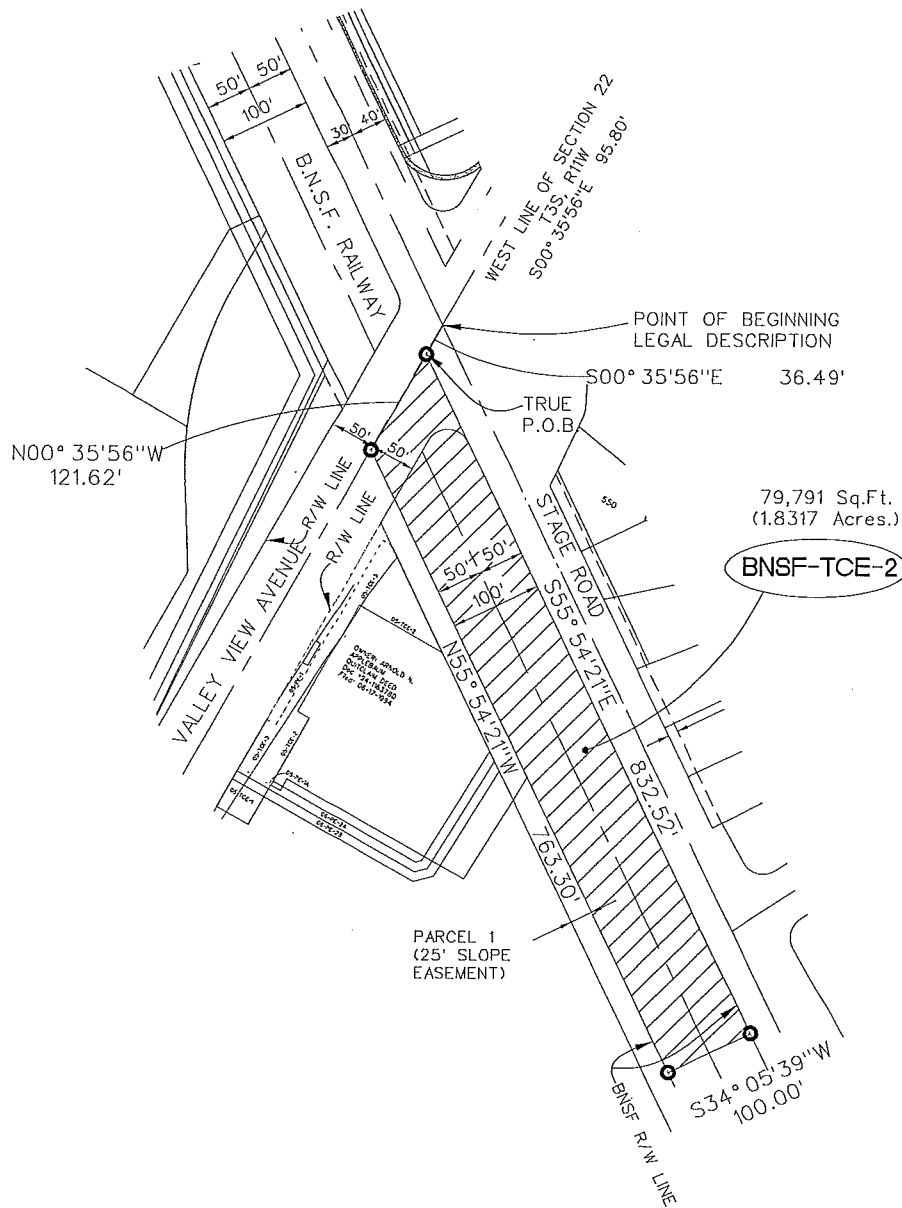
WILSON
& COMPANY

625 E. CARNEGIE DRIVE SUITE 100
SAN BERNARDINO, CA 92408
(909) 806-8000

LAYOUT NAME: BNSF-TCE1
DRAWING NAME: 08-400-189-00_Exhibits.dwg
NETWORK ADDRESS: M:\RR\08-400-189-00\CADD\EXHIBITS\

EXHIBIT "C-2"

TEMPORARY CONSTRUCTION EASEMENT



LAYOUT NAME: BNSF-TCE
DRAWING NAME: 08-400-189-00_Exhibits.dwg
NETWORK ADDRESS: M:\RR\08-400-189-00\CADD\EXHIBITS\

WILSON
& COMPANY
625 E. CARNEGIE DRIVE SUITE 100
SAN BERNARDINO, CA 92408
(909) 806-8000

City of Santa Fe Springs

City Council Meeting

November 22, 2011



NEW BUSINESS

Alcohol Sales Conditional Use Permit Case No. 53

A request to allow the operation and maintenance of an alcohol beverage sales use for on-site customer consumption at The Dugout located at 12215 Slauson Ave., in the M-1 and M-2, Zone (Jesse Mireles/The Dugout)

RECOMMENDATION:

That the City Council take the following action:

1. Approve Alcohol Sales Conditional Use Permit (ASCUP) Case No. 53 subject to a compliance review in one (1) year, to ensure the use is still operating in strict compliance with the conditions of approval.

BACKGROUND

The applicant is proposing to open a new restaurant at 12215 Slauson Ave. named "The Dugout". The applicant's business plan is to offer a family style atmosphere, full service restaurant with arcade games and three full size baseball batting cages within the restaurant. The entire restaurant will have a baseball theme and will cater to children and their parents. In order to offer a variety of food and beverage choices, the applicant is proposing to sell beer and wine at the location.

The applicant submitted a site plan that provides the location of the batting cages, arcade, eating area, and alcohol serving area. Staff from the Fire Department, Planning Department, and Police Services Department conducted an on site, walk through inspection of the location and are confident that the applicant will operate his business in accordance with the conditions of approval.

The applicant recently applied for a Type 41 (On-site Beer & Wine) License with the Department of Alcoholic Beverage Control. As is required by Section 155.628 of the Zoning Regulations, the applicant is applying for an ASCUP to allow the sale of beer and wine at the above location.

CALLS FOR SERVICE

No calls for service are on file for the location.

ENVIRONMENTAL DOCUMENTS

Staff finds and determines that the proposed project is a categorically-exempt project pursuant to Section 15301 (Class 1, Existing Facilities) of the California

Environmental Quality Act (CEQA); consequently, no other environmental documents are required by law.

ZONING ORDINANCE REQUIREMENTS

Section 155.628 (B), regarding the sale or service of alcoholic beverages, states the following:

"A Conditional Use Permit shall be required for the establishment, continuation or enlargement of any retail, commercial, wholesale, warehousing or manufacturing business engaged in the sale, storage or manufacture of any type of alcoholic beverage meant for on or off-site consumption. In establishing the requirements for such uses, the Planning Commission and City Council shall consider, among other criteria, the following:

a. Conformance with parking regulations.

The subject property is delinquent in required parking as required under the City's parking regulations. Concurrent with this request, the applicant is also requesting a Modification Permit to allow a reduction of the required parking stalls.

b. Control of vehicle traffic and circulation.

The subject property has on-site vehicle circulation with two driveways for entry and exit located on the west curb line of Chetle Ave. north of Slauson Ave.

c. Hours and days of operation.

The subject location will operate from 11:00am to 9:00pm, Sunday – Thursday, and; 11:00am to 10:00pm, Friday – Saturday.

d. Security and/or law enforcement plans.

As part of the conditions of approval, the Applicant is required to submit and maintain a Security Plan. The applicant has already submitted a Security Plan that has been approved by the Department of Police Services.

e. Proximity to sensitive and/or incompatible land uses, such as schools, religious facilities, recreational or other public facilities attended or utilized by minors.

The proposed family restaurant/batting cage operation is intended to cater to baseball enthusiasts of all age groups, but more specifically, minors trying to improve in their batting techniques; as a result, minors will be at the location. Nevertheless, its proximity to sensitive land uses is as follows:

- 1. The proposed use is within 2,340 feet of an elementary school – Aeolian Elementary.*
- 2. The proposed use is within 1,200 feet of a baseball field – York Park.*
- 3. The proposed use is within 3,876 feet of an extended educational center*

– Sierra Adult School.

4. *The proposed use is within 1,490 feet of another restaurant selling alcoholic beverages for on-site consumption – Sako's Restaurant.*

- f. **Proximity to other alcoholic beverage uses to prevent the incompatible and undesirable concentration of such uses in an area.**

The location is within an area populated by industrial/warehouse buildings. The closest other alcoholic beverage location is approximately 1,490 feet away – Sako's Restaurant. Sako's is also a family restaurant licensed to sell beer and wine for on-site consumption.

- g. **Control of noise, including noise mitigation measures.**

The subject site will not generate any audible noises out of character with other industrial facilities in the area.

- h. **Control of littering, including litter mitigation measures.**

As a standard condition of approval, the Applicant is required to keep the property free of litter and debris.

- i. **Property maintenance.**

Staff found that the property is in compliance with the City's Property Maintenance Ordinance.

- j. **Control of public nuisance activities, including, but not limited to, disturbance of the peace, illegal controlled substances activity, public drunkenness, drinking in public, harassment of passersby, gambling, prostitution, sale of stolen goods, public urination, theft, assaults, batteries, acts of vandalism, loitering, curfew violations, sale of alcoholic beverages to a minor, lewd conduct or excessive police incident responses resulting from the use.**

The Applicant has submitted a Security Plan which details how he will prevent and/or abate any of the listed public nuisances.

SURROUNDING ZONING AND LAND USE

The subject property is comprised of two parcels. The northern parcel is within the M-1 Zone, and the southern parcel is located within the M-2 Zone. The surrounding properties, are within the M-1 and M-2 zones, and are developed with warehouse/industrial type buildings.

LEGAL NOTICE OF PUBLIC HEARING

This matter was set for Public Hearing at the November 14, 2011 Planning Commission Meeting in accordance with the requirements of Section 65090 and 65091 of the State Planning, Zoning and Development Laws and the requirements of Sections 155.860 through 155.864 of the City's Municipal Code.

Legal notice of the Public Hearing for the proposed Alcohol Sales Conditional Use Permit was sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500 feet of the exterior boundaries of the subject property on November 1, 2011. The legal notice was also posted in Santa Fe Springs City Hall, the City Library and Town Center on November 1, 2011 as required by the State Zoning and Development Laws and by the City's Zoning Regulations. As of November 9, 2011, Staff has not received any inquiries regarding the proposal.

STAFF CONSIDERATIONS

After conducting an on-site inspection, Staff found that the establishment is compliant with the conditions of approval as set forth in this report, and is compliant with the ABC regulations. Based on its findings, staff is recommending approval of an Alcohol Sales Conditional Use Permit subject to a compliance review in one (1) year, to ensure the use is still operating in strict compliance with the conditions of approval.

CONDITIONS OF APPROVAL


1. That the sale of alcoholic beverages shall only be permitted during the normal hours of business each day of the week, or as required by the Alcohol Beverage Code.
2. That the Type 41 Alcoholic Beverage License, allowing the on-site sale of alcoholic beverages in connection with a public eating place, shall be restricted to the sale for consumption of alcohol beverages on the subject site only; the use shall not sell alcoholic beverages for transport and/or for consumption off the subject premise.
3. That it shall be the responsibility of the ownership to ensure that all alcoholic beverages purchased on the subject site shall be consumed within the business establishment; all stored alcoholic beverages shall be kept in a locked and secured area that is not accessible to patrons.
4. That the applicant shall be responsible for maintaining control of litter on the subject property and the adjacent properties as a result of the business.
5. That the applicant and/or his employees shall not allow any person who is intoxicated, or under the influence of any drug, to enter, be at, or remain upon the licensed premises, as set forth in Section 25602(a) of the Business and Professions Code.
6. That there will be a corporate officer or manager, 25 years of age or older, on the licensed premises during all public business hours, who will be responsible for the business operations. The general manager and any newly/subsequently hired manager(s), of the licensed premise shall obtain an ABC Manager's

Permit within two-months of the hire date. The City of Santa Fe Springs' Director of Police Services shall be provided a copy of said Manager's Permit including the name, age, residential address, and related work experience of the intended Manager, prior to the Manager assuming the manager responsibilities.

7. That the applicant and/or his employees shall not sell, furnish, or give any alcohol to any habitual drunkard or to any obviously intoxicated person, as set forth in Section 25602 (a) of the State Business and Professions Code.
8. That the applicant shall not have upon the subject premises any alcoholic beverage(s) other than the alcoholic beverage(s) which the licensee is authorized to sell under the licensee's license, as set forth in Section 25607 (a) of the State Business and Professions Code.
9. That the applicant and/or any of his employees shall not sell, furnish, or give any alcoholic beverage to any person under 21 years of age, as set forth in Section 25658 (a) of the State Business and Professions Code.
10. That solicitation of drinks is prohibited; that is, an employee of the licensed premises shall not solicit alcoholic drinks from customers. Refer to Section 303 of the California Penal Code and Section 25657 of the Business and Professions Code.
11. That the applicant and/or his employees shall not permit any person less than 21 years of age to sell alcoholic beverages.
12. That vending machines, water machines, pay telephones and other similar equipment shall not be placed outdoors whereby visible from the street or adjacent properties.
13. That roof mounted structures or mechanical equipment shall be concealed from public view in an architecturally compatible manner approved by the Director of Planning and Development.
14. That all buildings, structures, walls, fences, and similar appurtenances shall be maintained in good appearance and condition at all times.
15. That streamers, banners, pennants, whirling devices or similar objects that wave, float, fly, rotate or move in the breeze shall be prohibited unless approved by the Director of Planning and Development.
16. That the applicant must receive approval by the Director of Public Works for any installation of newspaper racks on the exterior of the premises.

17. That a copy of these conditions shall be posted and maintained with a copy of the City Business License and Fire Department Permits, in a place conspicuous to all employees of the location.
18. That the applicant shall allow the Director of Police Services, Whittier Police Officers, and any of their representatives to view the security surveillance video footage immediately upon their request.
19. That the applicant and/or his employees shall not allow any person to loiter on the subject premises, shall report all such instances to the City's Police Services Center; and, shall post signs, as approved by the Department of Police Services, prohibiting loitering.
20. That the applicant must receive approval from the Department of Police Services for any installation of pay telephones on the premises; and, such phones shall not be capable of receiving calls.
21. That security personnel shall not perform any law enforcement functions; instead, security personnel shall report immediately to the Whittier Police Department all incidents in which a person could be charged with a misdemeanor or a felony offense.
22. That security personnel, as well as the owner, corporate officers and managers, shall cooperate fully with all city officials, law enforcement personnel, and code enforcement officers; and, shall not obstruct or impede their entrance into the licensed premises while in the course of their official duties.
23. That in the event the applicant intend to sell, lease or sublease the subject business operation or transfer the subject Permit to another owner/applicant or licensee, the Director of Police Services shall be notified in writing of said intention not less than (60) days prior to signing of the agreement to sell lease or sublease.
24. That this permit is contingent upon the approval by the Department of Police Services of an updated security plan which shall address the following for the purposes of minimizing risks to the public health, welfare, and safety:
 - (A) A description of the storage and accessibility of alcoholic beverages on display, as well as surplus alcoholic beverages in storage;
 - (B) A description of crime prevention barriers in place at the subject premises, including, but not limited to: placement of signage, landscaping, ingress and egress controls, security systems, and site plan layouts;

- (C) A description of how the applicant plans to educate employees on their responsibilities; actions required of them with respect to enforcement of laws dealing with the sale of alcohol to minors; and, the conditions of approval set forth herein;
 - (D) A business policy requiring employees to notify the Police Services Center of any potential violations of law or this Conditional Use Permit, occurring on the subject premises, and the procedures for such notifications.
 - (E) The City's Director of Police Services may, at his discretion, require amendments to the Security Plan to assure the protection of the public's health, welfare, and safety.
25. That this Permit shall be subject to a compliance review in one year, prior to December 14, 2012, to ensure the alcohol sales activity is still operating in strict compliance with the original conditions of approval. At which time the applicant may request an extension of the privileges granted herein, provided that the use has been continuously maintained in strict compliance with these conditions of approval.
26. That all other applicable requirements of the City Zoning Ordinance, Uniform Building Code, Uniform Fire Code, the determinations of the City and State Fire Marshall, the security plan and all other applicable regulations shall be strictly complied with.
27. That failure to comply with the foregoing conditions shall be cause for suspension and/or revocation of this Permit.
28. That ASCUP Case No. 53 shall be subject to any other conditions the City Council may deem necessary to impose.
29. It is hereby declared to be the intent, that if any provision of this permit is violated or held to be invalid, or if any law, statute, or ordinance is violated, the Permit shall be void and the privileges granted hereunder shall lapse.

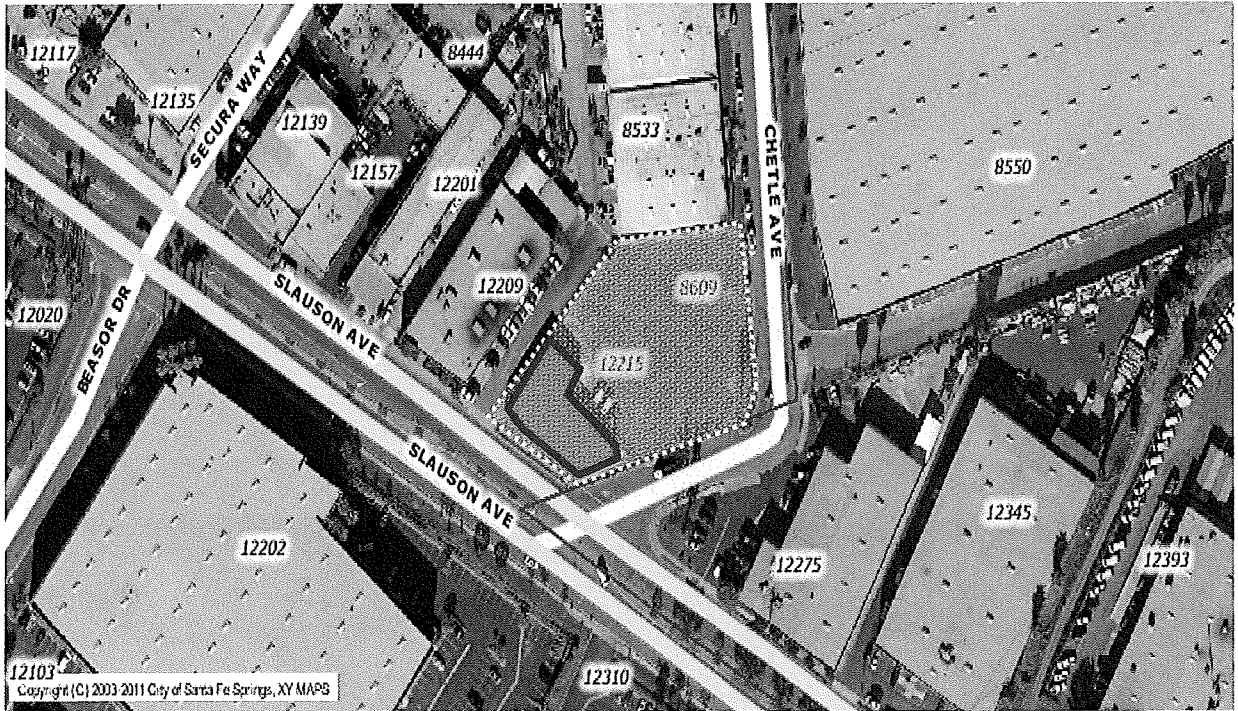


Thaddeus McCormack
City Manager

Attachment(s)

1. Aerial Photograph

Location Map



CITY OF SANTA FE SPRINGS

Alcohol Sales Conditional Use Permit Case No. 53
The Dugout
12215 Slauson Avenue



City of Santa Fe Springs

City Council Meeting

November 22, 2011

NEW BUSINESS

Application for Alcohol Sales Conditional Use Permit Case No. 55

Request for approval to allow the operation and maintenance of an alcoholic beverage use involving the storage and transportation of alcoholic beverages at 11630 Pike St., in the M2, Heavy Manufacturing Zone, located within the Consolidated Redevelopment Project Area. (Approved Freight Forwarders)

RECOMMENDATION:

Staff recommends that the City Council take the following action:

1. Approve Alcohol Sales Conditional Use Permit (ASCUP) Case No. 55 subject to a compliance review in one (1) year, to ensure the use is still operating in strict compliance with the conditions of approval.

BACKGROUND

The applicant, Approved Freight Forwarders, currently occupies the 80,162 square foot building located at 11630 Pike St., west of Norwalk Boulevard. The applicant currently operates a commercial freight forwarding warehouse at the location and was recently approached by a local beverage distributor to house and coordinate liquor and wine shipments to Hawaii. The alcohol will be off loaded into the warehouse, palletized, and loaded back into shipping containers bound for Hawaii within 24 to 48 hours.

Staff from the Fire Prevention Bureau, Police Services, and the Planning Department inspected the location and created a list of conditions of approval for the Conditional Use Permit.

The applicant recently applied for a Type 14 (Public Warehouse) License with the Department of Alcoholic Beverage Control. As is required by Section 155.628 of the Zoning Regulations, the applicant is applying for an ASCUP to allow the storage of alcoholic beverages at the above location.

CALLS FOR SERVICE

No calls for service are on file for the location.

ENVIRONMENTAL DOCUMENTS

Staff finds and determines that the proposed project is a categorically-exempt project pursuant to Section 15301 (Class 1, Existing Facilities) of the California Environmental Quality Act (CEQA); consequently, no other environmental documents are required by law.

ZONING ORDINANCE REQUIREMENTS

Section 155.628 (B), regarding the sale or service of alcoholic beverages, states the following:

"A Conditional Use Permit shall be required for the establishment, continuation or enlargement of any retail, commercial, wholesale, warehousing or manufacturing business engaged in the sale, storage or manufacture of any type of alcoholic beverage meant for on or off-site consumption. In establishing the requirements for such uses, the Planning Commission and City Council shall consider, among other criteria, the following:

a. Conformance with parking regulations.

The property is developed with an 80,000 sq ft warehouse building in accordance with Development Plan Approval Case No. 405. In 1984, the property was granted MOD 817 to allow 25% of the required parking to be of compact size (the parking regulations provides that no more 15% of the parking be compact). As a result, the property provides 160 parking spaces. However, in accordance with the current Parking Regulations, the property provides 40 parking spaces more than required as follows:

<i>Total Area:</i>	<i>80,000 sq ft</i>	
<i>First 20,000:</i>	<i>1/500</i>	<i>= 40 Stalls</i>
<i>Remaining:</i>	<i>1/750 (60,00/750)</i>	<i>= 80 Stalls</i>
<i>Total Required:</i>		<i>= 120 Stalls</i>
<i>Total Provided:</i>		<i>= 160 Stalls</i>

b. Control of vehicle traffic and circulation.

The subject property has on-site vehicle circulation with a single driveway for entry and exit located on the south curb line of Pike St. There is also an employee parking lot adjacent to the main driveway, also located on the south curb line of Pike St.

c. Hours and days of operation.

The subject location will operate from 5:00am to 5:00pm, Monday – Friday, and will be closed on weekends.

d. Security and/or law enforcement plans.

As part of the conditions of approval, the Applicant is required to submit and maintain an updated Security Plan.

e. Proximity to sensitive and/or incompatible land uses, such as schools, religious facilities, recreational or other public facilities attended or utilized by minors.

The subject use is a warehouse activity and will not deal with retail sales to the public. Therefore, staff does not believe this use will be incompatible with other land uses or public facilities attended or utilized by minors.

f. Proximity to other alcoholic beverage uses to prevent the incompatible and undesirable concentration of such uses in an area.

The subject use is a warehouse activity and is simply a freight forwarder for alcoholic beverages among other items. No onsite retail sales or consumption is permitted; therefore, proximity to another alcohol beverage use is not a concern.

g. Control of noise, including noise mitigation measures.

The subject site does not generate any audible noises out of character with other industrial facilities in the area.

h. Control of littering, including litter mitigation measures.

Due to the fact that the company is a freight forwarder, staff does not foresee an issue with littering; however, as a standard condition of approval, the Applicant is required to keep the property free of litter and debris.

i. Property maintenance.

Staff found that the property is in compliance with the City's Property Maintenance Ordinance.

j. Control of public nuisance activities, including, but not limited to, disturbance of the peace, illegal controlled substances activity, public drunkenness, drinking in public, harassment of passersby, gambling, prostitution, sale of stolen goods, public urination, theft, assaults, batteries, acts of vandalism, loitering, curfew violations, sale of alcoholic beverages to a minor, lewd conduct or excessive police incident responses resulting from the use.

The applicant is a freight forwarder; therefore, the negative impacts normally encountered by retail uses involved in alcohol beverage sales are not foreseen at the site. Nevertheless, Staff has generated the attached conditions of approval to address these impacts should they become apparent.

SURROUNDNG ZONING AND LAND USE

The subject property, as well as the surrounding properties, are within the M-2, Heavy Manufacturing, Zone, and developed with warehouse/industrial type buildings.

LEGAL NOTICE OF PUBLIC HEARING

This matter was set for Public Hearing at the November 14, 2011 Planning Commission Meeting in accordance with the requirements of Section 65090 and 65091 of the State Planning, Zoning and Development Laws and the requirements of Sections 155.860 through 155.864 of the City's Municipal Code.

Legal notice of the Public Hearing for the proposed Alcohol Sales Conditional Use Permit was sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500 feet of the exterior boundaries of the subject property on November 1, 2011. The legal notice was also posted in Santa Fe Springs City Hall, the City Library and Town Center on November 1, 2011 as required by the State Zoning and Development Laws and by the City's Zoning Regulations. As of November 9, 2011, Staff has not received any inquiries regarding the proposal.

STAFF CONSIDERATIONS

After conducting an on-site inspection, Staff found that the establishment is compliant with the conditions of approval as set forth in this report, and is compliant with the ABC regulations. Based on its findings, staff is recommending approval of an Alcohol Sales Conditional Use Permit subject to a compliance review in one (1) year, to ensure the use is still operating in strict compliance with the conditions of approval.

CONDITIONS OF APPROVAL

1. The applicant shall maintain all licenses issued by the Department of Alcoholic Beverage Control.
2. That the applicant shall store all alcoholic beverages in a secured area of the warehouse.
3. That the applicant shall be responsible for maintaining control of litter, debris, boxes, pallets and trash on the subject property.
4. That the required off-street parking areas shall not be encroached on, reduced or used for outdoor storage of trucks, equipment or any other related material.
5. That the applicant and/or his employees shall prohibit the consumption of alcoholic beverages on the subject property at all times.
6. That the alcoholic beverages shall not be sold to the general public from the subject site at any time.
7. That the alcoholic beverages shall be shipped to the applicant's customers by the applicant's commercial trucks and/or other licensed commercial transportation companies.
8. That it shall be unlawful for any person who is intoxicated or under the influence of any drug to enter, be at, or remain upon the licensed premises as set forth in Section 25602(a) of the State Business and Professions Code.

9. That it shall be unlawful to have upon the subject premises any alcoholic beverage other than the alcoholic beverage(s) which the licensee is authorized by the State ABC to sell under the licensee's license, as set forth in Section 25607(a) of the State Business and Professions Code.
10. That this permit is contingent upon the approval by the Department of Police Services of an updated security plan that, within sixty (60) days of the effective date of this approval, shall be submitted by the applicant and shall address the following for the purpose of minimizing risks to the public health, welfare and safety:
 - (A) A description of the storage and accessibility of alcohol beverages on display as well as surplus alcohol beverages in storage;
 - (B) A description of crime prevention barriers in place at the subject premises, including, but not limited to, placement of signage, landscaping, ingress and egress controls, security systems and site plan layouts;
 - (C) A description of how the permittee plans to educate employees on their responsibilities, actions required of them with respect to enforcement of laws dealing with the sale of alcohol to minors and the conditions of approval set forth herein;
 - (D) A business policy requiring employees to notify the Police Services Center of any potential violations of the law or this Conditional Use Permit occurring on the subject premises and the procedures for such notifications.
 - (E) The City's Director of Police Services may, at his discretion, require amendments to the Security Plan to assure the protection of the public's health, welfare and safety
11. That the owner, corporate officers and managers shall cooperate fully with all City officials, law enforcement personnel and code enforcement officers and shall not obstruct or impede their entrance into the licensed premises while in the course of their official duties.
12. That a copy of these conditions shall be posted and maintained with a copy of the City Business License and Fire Department Permits in a place conspicuous to all employees of the location.
13. That failure to comply with the foregoing conditions shall be cause for suspension and/or revocation of this Permit.

14. That in the event the owner(s) intend to sell, lease or sublease the subject business operation or transfer the subject Permit to party or licensee, the Director of Police Services shall be notified in writing of said intention not less than (60) days prior to signing of the agreement to sell or sublease.
15. That this Permit shall be subject to a compliance review in one year, on or before December 14, 2012, to ensure the alcohol sales activity is still operating in strict compliance with the original conditions of approval. At which time the applicant may request an extension of the privileges granted herein, provided that the use has been continuously maintained in strict compliance with these conditions of approval.
16. That all other applicable requirements of the City Zoning Ordinance, California Building Code, California Fire Code, Business & Professions Code, the determinations of the City and State Fire Marshall, and all other applicable regulations shall be strictly complied with.
17. That ASCUP Case No. 55 shall not be valid until approved by the City Council and shall be subject to any other conditions the City Council may deem necessary to impose.
18. It is hereby declared to be the intent that if any provision of this Permit is violated or held to be invalid, or if any law, statute or ordinance is violated, the Permit shall be void and the privileges granted hereunder shall lapse.

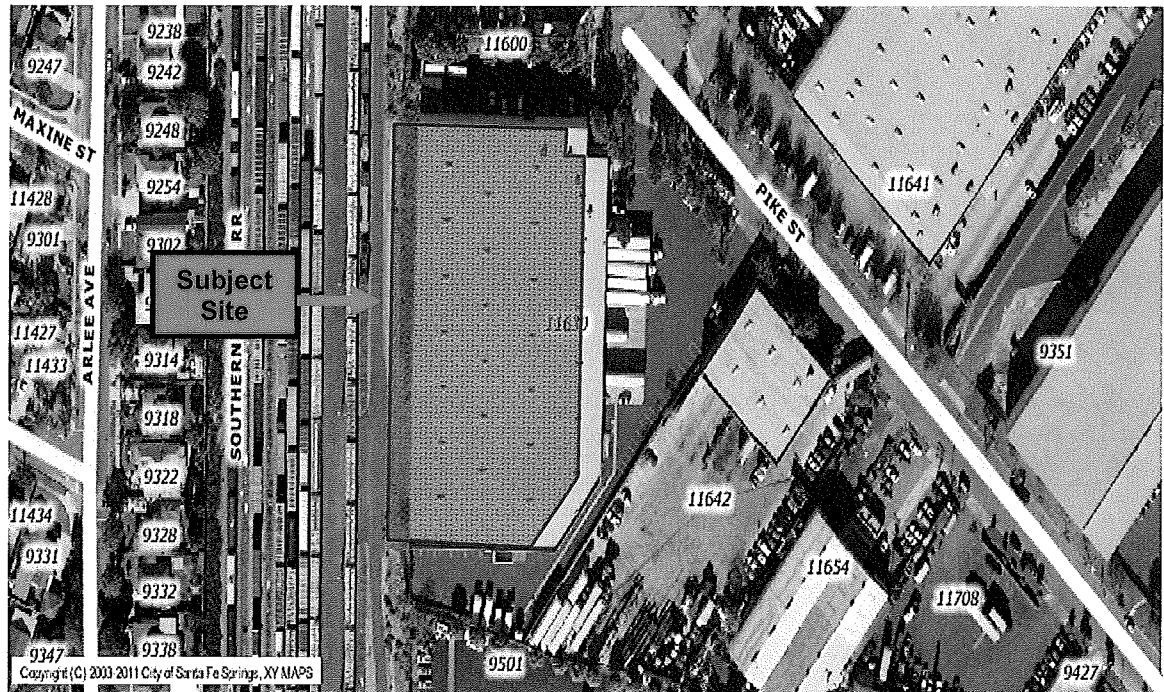


Thaddeus McCormack
City Manager

Attachment(s)

1. Aerial Photograph

Location Map



CITY OF SANTA FE SPRINGS

Alcohol Sales Conditional Use Permit Case No. 55
Approved Freight Forwarders
11630 Pike Street



City of Santa Fe Springs

City Council Meeting

November 22, 2011

PRESENTATION

Red Ribbon Week Community Parade and Red Ribbon Week Art Contest Winners

RECOMMENDATION

The Mayor may wish to call upon Rick Brown, Family & Youth Intervention Program Coordinator, to assist with this year's Red Ribbon presentation.

BACKGROUND

Red Ribbon Week, an annual event to commemorate the memory of slain DEA agent Enrique Camarena, as well as celebrate a positive lifestyle by saying no to drugs, was observed the week of October 24-28, 2011. The highpoint of the week was the "Look at Me, I'm Drug-Free" Community parade held on October 26. Participants included members of the City Council, Board Members of the Little Lake City, Los Nietos, and Whittier Union High School Districts, school administrators, teachers, and students from the local elementary and middle schools and Santa Fe High School.

In addition to the various Red Ribbon activities that the schools put on for their students, the Department of Police Services conducted a poster contest for Red Ribbon Week. Students in grades Kindergarten through 12th were asked to create a poster showing why they choose to say no to drugs. Thirty-three students were selected as winners from over 300 submittals. These winners have been invited to tonight's Council meeting to receive a Certificate of Merit signed by the Mayor.

The Mayor may call upon Family and Youth intervention Coordinator Rick Brown from the Department of Police Services to assist in the presentation.

Thaddeus McCormack
City Manager

Attachment

2011 Red Ribbon Week Art Contest Winners

2011 Red Ribbon Week Art Contest Winners (Grades K-8, 11&12)

Kindergarten		6th grade	
Adrian Ortega	Cresson Elementary	Andrew Cabrera	LCMS
Aleena Garcia	SFS Christian	Jennisa Casillas	St. Pius X
Kyle Radoumis	SFS Christian	Metztli Mercado-Garcia	LCMS
1st Grade		7th Grade	
Natalee Salcido	Lakeland Elementary	Isaac Armentariz	LCMS
Alyssa Galindo	Lakeview Elementary	Alina Cambero	St. Pius X
Angel Flores	St. Pius X	Jackie Lin	LCMS
2nd Grade		8th Grade	
Crystal Vargas	Cresson Elementary	Brianna Meza	LCMS
Jacob Franco	Jersey Elementary	Alyssa Solares	St. Pius X
Nadia Mello	Lakeview	Mariah Wilson	SFS Christian
3rd Grade		11th Grade	
Christian Rocha	Lakeland Elementary	Tiffany Cho	SFHS
Isabel Bobadilla	Lakeview Elementary	Donavin Santana	SFHS
Marcus Hernandez	SFS Christian	Alexxis Monteverde	SFHS
4th Grade		12th Grade	
Nathan Alcantas	Cresson Elementary	Guadalupe Gutierrez	SFHS
Juliana Esparza	Jersey Elementary	Padyn Alvarez	SFHS
Samantha Hunter	Jersey Elementary	Eliaamme Melendez	SFHS
5th Grade			
Lauryn Bradley	St. Pius X		
Luis Zavala	Lakeview		
Sofya Politis	SFS Christian		



City of Santa Fe Springs

City Council Meeting

November 22, 2011

APPOINTMENT TO BOARDS, COMMITTEES, COMMISSIONS

Below is a list of current vacancies:

Committee	Vacancy	Councilmember
Beautification	2	González
Beautification	3	Serrano
Community Program	3	González
Community Program	1	Moore
Community Program	3	Rounds
Community Program	2	Serrano
Community Program	5	Trujillo
Historical	2	Rounds
Historical	1	Serrano
Historical	2	Trujillo
Parks & Recreation	2	González
Parks & Recreation	1	Trujillo
Senior Citizens Advisory	1	González
Senior Citizens Advisory	1	Moore
Senior Citizens Advisory	2	Rounds
Senior Citizens Advisory	1	Trujillo
Sister City	3	González
Sister City	1	Moore
Sister City	1	Rounds
Sister City	2	Serrano
Sister City	1	Trujillo
Youth Leadership	1	González
Youth Leadership	2	Serrano

Please direct any questions regarding this report to the Deputy City Clerk.


Thaddeus McCormack
City Manager

Attachments:
Committee Lists
Prospective Member List

BEAUTIFICATION COMMITTEE

Meets the fourth Wednesday of each month, except July, Aug, Dec.

9:30 a.m., Town Center Tall

Membership: 25

APPOINTED BY	NAME	TERM EXPIRATION YR.
Gonzalez	Juanita Montes	(12)
	Irene Pasillas	(12)
	Vacant	(12)
	May Sharp	(13)
	Vacant	(13)
Moore	Juliet Ray	(12)
	Paula Minnehan	(12)
	Annie Petris	(13)
	Guadalupe Placencia	(13)
	Ruth Gray	(13)
Rounds	Sadie Calderon	(12)
	Rita Argott	(12)
	Annette Ledesma	(13)
	Marlene Vernava	(13)
	Debra Cabrera	(13)
Serrano	Vacant	(12)
	Vacant	(12)
	Vacant	(12)
	Vada Conrad	(13)
	Sally Gaitan*	(13)
Trujillo	Sylvia Takata	(12)
	Eleanor Connelly	(12)
	Margaret Bustos*	(12)
	Rosalie Miller	(13)
	A.J. Hayes	(13)

**Asterisk indicates person currently serves on three committees*

COMMUNITY PROGRAM COMMITTEE

Meets the third Wednesday in Jan., May, and Sept., at 7:00 p.m., in City Hall.

Membership: 25

APPOINTED BY	NAME	TERM EXPIRATION YR.
Gonzalez	Jeanne Teran	(12)
	Miguel Estevez	(12)
	Vacant	(12)
	Vacant	(13)
	Vacant	(13)
Moore	Rosalie Miller	(12)
	Margaret Palomino	(12)
	Mary Jo Haller	(13)
	Lynda Short	(13)
	Vacant	(13)
Rounds	Mark Scoggins*	(12)
	Marlene Vernava	(12)
	Vacant	(12)
	Vacant	(13)
	Vacant	(13)
Serrano	Ruth Gray	(12)
	Mary Anderson	(13)
	Dolores H. Romero*	(13)
	Vacant	(12)
	Vacant	(13)
Trujillo	Vacant	(12)
	Vacant	(12)
	Vacant	(12)
	Vacant	(13)
	Vacant	(13)

**Asterisk indicates person currently serves on three committees*

FAMILY & HUMAN SERVICES ADVISORY COMMITTEE

Meets the third Wednesday of the month, except Jul., Aug., Sept., and Dec., at 5:30 p.m., Neighborhood Center

Membership: 15 Residents Appointed by City Council
5 Social Service Agency Representatives Appointed by the Committee

APPOINTED BY	NAME	TERM EXPIRATION YR.
Gonzalez	Mercedes Diaz	(12)
	Josephine Santa-Anna	(12)
	Angelica Miranda	(13)
Moore	Arcelia Miranda	(12)
	Laurie Rios*	(13)
	Margaret Bustos*	(13)
Rounds	Annette Rodriguez	(12)
	Janie Aguirre*	(13)
	Ted Radoumis	(13)
Serrano	Lydia Gonzales	(12)
	Manny Zevallos	(13)
	Gilbert Aguirre*	(13)
Trujillo	Dolores H. Romero*	(12)
	Gloria Duran*	(12)
	Alicia Mora	(13)

Organizational Representatives: Nancy Stowe
Evelyn Castro-Guillen
Elvia Torres
(SPIRRIT Family Services)

**Asterisk indicates person currently serves on three committees*

HERITAGE ARTS ADVISORY COMMITTEE

Meets the Last Tuesday of the month, except Dec., at 9:00 a.m., at the Library Community Room

Membership: 9 Voting Members
 6 Non-Voting Members

APPOINTED BY

NAME

Gonzalez

Laurie Rios*

Moore

May Sharp

Rounds

A.J. Hayes

Serrano

Paula Minnehan

Trujillo

Amparo Oblea

Committee Representatives

Beautification Committee

Marlene Vernava

Historical Committee

Larry Oblea

Planning Commission

Frank Ybarra

Chamber of Commerce

Tom Summerfield

Council/Staff Representatives

Council

Richard Moore

City Manager

Thaddeus McCormack

Director of Library & Cultural Services

Hilary Keith

Director of Planning & Development

Paul Ashworth

**Asterisk indicates person currently serves on three committees*

HISTORICAL COMMITTEE

Meets Quarterly - The second Tuesday of Jan. and the first Tuesday of April, July, and Oct., at 5:30 p.m., Carriage Barn

Membership: 20

APPOINTED BY	NAME	TERM EXPIRATION YR.
Gonzalez	Ed Duran	(12)
	Gilbert Aguirre*	(13)
	Janie Aguirre*	(13)
	Sally Gaitan	(13)
Moore	Astrid Gonzalez	(12)
	James Berkshire	(12)
	Amparo Oblea	(13)
	Francine Rippy	(13)
Rounds	Vacant	(12)
	Vacant	(12)
	Mark Scoggins*	(13)
	Janice Smith	(13)
Serrano	Gloria Duran*	(12)
	Hilda Zamora	(12)
	Vacant	(13)
	Larry Oblea	(13)
Trujillo	Vacant	(12)
	Alma Martinez	(12)
	Merrie Hathaway	(13)
	Vacant	(13)

**Asterisk indicates person currently serves on three committees*

PARKS & RECREATION ADVISORY COMMITTEE

Meets the First Wednesday of the month, except Jul., Aug., and Dec., 7:00 p.m., Council Chambers.

Subcommittee Meets at 6:00 p.m., Council Chambers

Membership: 25

APPOINTED BY	NAME	TERM EXPIRATION YR.
Gonzalez	Jennie Carlos	(12)
	Frank Leader	(12)
	Vacant	(13)
	Raul Miranda, Jr.	(12)
	Vacant	(13)
Moore	Jimmy Mendoza	(12)
	Michele Carbajal	(12)
	Janet Rock	(13)
	David Gonzalez	(13)
	Daniel Baca	(13)
Rounds	Kenneth Arnold	(12)
	Richard Legarreta, Sr.	(12)
	Luigi Trujillo	(12)
	Angelica Miranda	(13)
	Mark Scoggins*	(13)
Serrano	Lynda Short	(12)
	Bernie Landin	(12)
	Joe Avila	(12)
	Sally Gaitan	(13)
	Fred Earl	(13)
Trujillo	Miguel Estevez	(12)
	Andrea Lopez	(12)
	Christina Maldonado	(13)
	Vacant	(13)
	Arcelia Miranda	(13)

**Asterisk indicates person currently serves on three committees*

PERSONNEL ADVISORY BOARD

Meets Quarterly on an As-Needed Basis

Membership: 5 (2 Appointed by City Council, 1 by Personnel Board, 1 by Firemen's Association, 1 by Employees' Association)

Terms: Four Years

APPOINTED BY	NAME	TERM EXPIRES
Council	Angel Munoz	6/30/2015
	Ron Biggs	6/30/2013
Personnel Advisory Board	Jim Contreras	6/30/2011
Firemen's Association	Wayne Tomlinson	6/30/2013
Employees' Association	Anita Ayala	6/30/2015

PLANNING COMMISSION

Meets the second and fourth Mondays of every Month at 4:30 p.m.,
Council Chambers

Membership: 5

APPOINTED BY	NAME
Gonzalez	Laurie Rios
Moore	Manny Zevallos
Rounds	Susan Johnston
Serrano	Michael Madrigal
Trujillo	Frank Ybarra

SENIOR CITIZENS ADVISORY COMMITTEE

Meets the Second Tuesday of the month, except Jul., Aug., Sep., and Dec., at 10:00 a.m., Neighborhood Center

Membership: 25

APPOINTED BY	NAME	TERM EXPIRATION YR.
Gonzalez	Gloria Duran*	(12)
	Josephine Santa-Anna	(12)
	Vacant	(13)
	Janie Aguirre*	(13)
	Ed Duran	(13)
Moore	Yoshi Komaki	(12)
	Yoko Nakamura	(12)
	Paul Nakamura	(12)
	Vacant	(13)
	Pete Vallejo	(13)
Rounds	Vacant	(12)
	Vacant	(12)
	Gloria Vasquez	(13)
	Lorena Huitron	(13)
	Berta Sera	(13)
Serrano	Gusta Vicuna	(12)
	Louis Serrano	(12)
	Mary Bravo	(12)
	Amelia Acosta	(13)
	Jessie Serrano	(13)
Trujillo	Julia Butler	(12)
	James Hogan	(12)
	Gilbert Aguirre*	(13)
	Margaret Bustos*	(13)
	Vacant	(13)

*Asterisk indicates person currently serves on three committees

SISTER CITY COMMITTEE

Meets the First Monday of every month, except Dec., at 6:30 p.m., Town Center Hall, Mtg. Room #1. If the regular meeting date falls on a holiday, the meeting is held on the second Monday of the month.

Membership: 25

APPOINTED BY	NAME	TERM EXPIRATION YR.
Gonzalez	Vacant	(12)
	Kimberly Mette	(12)
	Jimmy Mendoza	(13)
	Vacant	(12)
	Vacant	(13)
Moore	Martha Villanueva	(12)
	Vacant	(12)
	Mary K. Reed	(13)
	Peggy Radoumis	(13)
	Jeannette Wolfe	(13)
Rounds	Manny Zevallos	(12)
	Susan Johnston	(12)
	Francis Carbajal	(12)
	Ted Radoumis	(13)
	Vacant	(13)
Serrano	Charlotte Zevallos	(12)
	Vacant	(12)
	Laurie Rios*	(13)
	Doris Yarwood	(13)
	Vacant	(13)
Trujillo	Alicia Mora	(12)
	Andrea Lopez	(12)
	Dolores H. Romero*	(13)
	Marcella Obregon	(13)
	Vacant	(13)

**Asterisk indicates person currently serves on three committees.*

TRAFFIC COMMISSION

Meets the Third Thursday of every month, at 7:00 p.m., Council Chambers

Membership: 5

APPOINTED BY	NAME
Gonzalez	Ruben Madrid
Moore	Lillian Puentes
Rounds	Ted Radoumis
Serrano	Sally Gaitan
Trujillo	Greg Berg

YOUTH LEADERSHIP COMMITTEE

Meets the First Monday of every month, at 6:30 p.m., Council Chambers

Membership: 20

APPOINTED BY	NAME	TERM EXPIRATION YR.
Gonzalez	Dominique Walker	()
	Victoria Molina	()
	Vacant	()
	Marilyn Llanos	(12)
Moore	Destiny Cardona	(14)
	Gabriela Rodriguez	(13)
	Wendy Pasillas	(13)
	Daniel Wood	(13)
Rounds	Drew Bobadilla	(13)
	Siboney Ordaz	(12)
	Alexandra Vergara	(12)
	Lisa Baeza	(13)
Serrano	Vacant	()
	Vacant	()
	Marisa Gonzalez	(15)
	Ariana Gonzalez	(13)
Trujillo	Maxine Berg	()
	Martin Guerrero	(13)
	Omar Rodriguez	(12)
	Kevin Ramirez	(13)

Prospective Members for Various Committees/Commissions

Beautification

Community Program

Family & Human Services

Miguel Estevez

Raul Miranda, Jr.

A.J. Hayes

Heritage Arts

Historical

Personnel Advisory Board

Parks & Recreation

Planning Commission

Senior Citizens Advisory

Sister City

Traffic Commission

Youth Leadership

Yardley Castellanos

Cristian Garcia

Irie Garcia

Yesenia Maciel

Victoria Ramirez

Felipe Rangel