

AGENDA



Garden Grove City Council

Tuesday, January 26, 2016

6:30 PM

Courtyard Center
12732 Main Street, Garden Grove,
CA 92840

Bao Nguyen

Mayor

Steven R. Jones

Mayor Pro Tem

Christopher V. Phan

Council Member

Phat Bui

Council Member

Kris Beard

Council Member

Meeting Assistance: Any person requiring auxiliary aids and services, due to a disability, to address the City Council, should contact the City Clerk's Office 72 hours prior to the meeting to arrange for accommodations. Phone: 714) 741-5040.

Agenda Item Descriptions: Are intended to give a brief, general description of the item. The City Council may take legislative action deemed appropriate with respect to the item and is not limited to the recommended action indicated in staff reports or the agenda.

Documents/Writings: Any revised or additional documents/writings related to an item on the agenda distributed to all or a majority of the Council Members within 72 hours of a meeting, are made available for public inspection at the same time (1) in the City Clerk's Office at 11222 Acacia Parkway, Garden Grove, CA 92840, during normal business hours; (2) on the City's website as an attachment to the City Council meeting agenda; and (3) at the Council Chamber at the time of the meeting.

Public Comments: Members of the public desiring to address the City Council are requested to complete a **pink speaker card** indicating their name and address, and identifying the subject matter they wish to address. This card should be given to the City Clerk prior to the start of the meeting. General comments are made during "Oral Communications" and should be limited to matters under consideration and/or what the City Council has jurisdiction over. Persons wishing to address the City Council regarding a Public Hearing matter will be called to the podium at the time the matter is being considered.

Manner of Addressing the City Council: After being called by the Mayor, you may approach the podium, it is requested that you state your name for the record, and proceed to address the City Council. All remarks and questions should be addressed to the City Council as a whole and not to individual Council Members or staff members. Any person making impertinent, slanderous, or profane remarks or who becomes boisterous while addressing the City Council shall be called to order by the Mayor. If such conduct continues, the Mayor may order the person barred from addressing the City Council any further during that meeting.

Time Limitation: Speakers must limit remarks for a total of (5) five minutes. When any group of persons wishes to address the City Council on the same subject matter, the Mayor may request a spokesperson be chosen to represent the group, so as to avoid unnecessary repetition. At the City Council's discretion, a limit on the total amount of time for public comments during Oral Communications and/or a further limit on the time allotted to each speaker during Oral Communications may be set.

PLEASE SILENCE YOUR CELL PHONES DURING THE MEETING.

AGENDA

Open Session

6:30 PM

INVOCATION

PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

ROLL CALL: COUNCIL MEMBER BEARD, COUNCIL MEMBER BUI, COUNCIL MEMBER PHAN, MAYOR PRO TEM JONES, MAYOR NGUYEN

1. CLOSED SESSION REPORT

1.a. CLOSED SESSION REPORT

2. PRESENTATIONS

3. ORAL COMMUNICATIONS (to be held simultaneously with other legislative bodies)

4. WRITTEN COMMUNICATIONS

4.a. Approval for use of Willowick Golf Course for annual Garden Grove Community Foundation Golf Classic. (*Action Item*)

4.b. Approval of written request from the Garden Grove Farmers Market Director to waive annual fees associated with the Garden Grove Farmers Market. (Cost: \$1,625.50) (*Action Item*)

5. CONSENT ITEMS

Consent Items will be acted on simultaneously with one motion unless separate discussion and/or action is requested by a member.

5.a. Approval of the 2016 Investment Policy; Re-Appointment of a City Treasurer and a Deputy City Treasurer; and Delegation of Investment Authority. (*Action Item*)

5.b. Approval of the First Amendment to an agreement with Community Action Partnership of Orange County for grant funding for physical activity opportunity projects. (*Action Item*)

5.c. Authorize the issuance of a purchase order to Apex Computer Systems, Inc. for the purchase of Hewlett Packard Computers. (Cost: \$57,736.80) (*Action Item*)

5.d. Acceptance of Project No. S-1124-A Material Storage Canopy as complete. (*Action Item*)

- 5.e. Consideration of donation request from the Vietnamese American Federation of Southern California. (Cost: approximately \$260) *(Action Item)*
- 5.f. Request for authorization to participate in the City of Santa Ana's application for a U.S. Department of Housing and Urban Development Promise Zone Designation. *(Action Item)*
- 5.g. Approval of warrants. *(Action Item)*
- 5.h. Approval to waive full reading of Ordinances listed. *(Action Item)*

6. PUBLIC HEARINGS

Motion to approve will include adoption of each Resolution unless otherwise stated.

- 6.a. Public Hearing - Consideration of an amended and restated Operating Covenant Agreement with AAA Oil, Inc. dba California Fuels and Lubricants at 11621 and 11671 Westminster Avenue. *(Action Item)*
- 6.b. Public Hearing - District Elections mapping process update. *(Action Item)*

7. COMMISSION/COMMITTEE MATTERS

- 7.a. Appointment of Michael Barker to fill the vacancy on the Planning Commission. *(Action Item)*

8. ITEMS FOR CONSIDERATION

- 8.a. Approval of funding for 800 MHZ Backbone and Radios. *(Action Item)*
- 8.b. Award of Independent Financial Auditor/Contract to Davis Farr LLP for FY 2015-16 through FY 2019-20 (Cost: \$397,041 for five years) *(Action Item)*

9. ORDINANCES PRESENTED FOR SECOND READING AND ADOPTION

- 9.a. Second reading of Ordinance No. 2863 updating the City's Land Use Regulations pertaining to cannabis dispensaries, delivery, and cultivation; and confirming unlisted uses are prohibited. *(Action Item)*

Ordinance No. 2863 entitled AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING AMENDMENT NO. A-015-2015 AMENDING TITLE 9 OF THE GARDEN GROVE MUNICIPAL CODE TO UPDATE THE CITY'S LAND USE REGULATIONS PERTAINING TO CANNABIS DISPENSARIES, DELIVERY, AND CULTIVATION, AND TO CONFIRM THAT USES NOT SPECIFICALLY IDENTIFIED IN A ZONING DISTRICT ARE PROHIBITED IN THAT DISTRICT

10. MATTERS FROM THE MAYOR, CITY COUNCIL MEMBERS, AND CITY

MANAGER

- 10.a. Presentation on SR22 Billboards (per City Manager).
- 10.b. Discussion on the qualifications of City Commissioners, as requested by Council Member Beard. (*Action Item*)
- 10.c. Discussion regarding the provision of financial support for non-profit organizations, as requested by Council Member Bui.

11. ADJOURNMENT

The next Regular Meeting will be held on Tuesday, February 9, 2015, at 5:30 p.m. in the Community Meeting Center, 11300 Stanford Avenue, Garden Grove.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kimberly Huy
Dept.: City Manager Dept.: Community Services
Subject: Approval for use of Willowick Golf Course for annual Garden Grove Community Foundation Golf Classic. (*Action Item*) Date: 1/26/2016

OBJECTIVE

The purpose of this memorandum is to request approval for the use of Willowick Golf Course for the 12th Annual Golf Classic, jointly sponsored by the Garden Grove Community Foundation and Garden Grove Chamber of Commerce.

BACKGROUND

For the past eleven years, the Garden Grove Community Foundation (GGCF) and the Garden Grove Chamber of Commerce (Commerce) have partnered to plan and coordinate a golf tournament fundraiser known as the GGCF/Chamber of Commerce Golf Classic. This event is one of the largest and most significant Fundraisers for both organizations. Funds raised help support GGCF annual events and also assist the Chamber in promoting the Garden Grove business community and providing resources for tourists who visit Garden Grove.

DISCUSSION

Willowick is contractually obligated to grant free use of the golf course to a 501(c) (3) tax exempt organization once a year. Traditionally, the City Council has granted joint use of the course to the GGCF and Garden Grove Chamber and both organizations are asking that the City Council once again approve their request. The golf tournament is scheduled for Wednesday, May 4, 2016.

FINANCIAL IMPACT

None.

RECOMMENDATION

It is recommended that the City Council:

- Approve the use of Willowick Golf Course on Wednesday, May 4, 2016, for the

12th annual GGCF/Chamber Golf Classic.

ATTACHMENTS:

Description	Upload Date	Type	File Name
GGCF/Chamber of Commerce Request Letter	1/13/2016	Cover Memo	Letter_from_GGCF_re_Golf_Tournament.pdf

GGCF

Garden Grove Community Foundation

A 501(c)3 Non-Profit Organization

Board of Directors

President

Jeremy Harris

Long Beach Chamber of Commerce

Vice President

Andrew Kanzler

Garden Grove Planning Commission

Secretary

Liz Polisar

Community Leader

Treasurer

Jane Oglesby

Community Leader

January 13, 2016

The Honorable Mayor Bao Nguyen
City of Garden Grove
P.O. Box 3070
Garden Grove, CA 92842

Dear Mayor Nguyen and Garden Grove City Council Members:

For the past 11 years, the Garden Grove Community Foundation (GGCF) and the Garden Grove Chamber of Commerce have collaborated to plan and coordinate a golf tournament fundraiser known as the GGCF/Chamber Golf Classic. Each year, this joint venture has been highly successful and beneficial for the community.

Our Board of Directors would like to continue this successful partnership and is requesting the City's approval to designate the use of Willowick Golf Course for one day, **Wednesday, May 4, 2016**, to be used for the GGCF/Chamber Golf Classic.

This is one of the largest and most significant fundraisers for both organizations. The proceeds help support GGCF annual events, such as the free summer concert series in Eastgate Park and the Food for Thought luncheon for Garden Grove Unified School District high school students. The funds also assist the Chamber in promoting the Garden Grove business community and providing resources for tourists who visit Garden Grove.

We hope to receive your approval for the use of Willowick by Tuesday, January 26, 2016 so that we can proceed with planning next year's tournament. If you have any questions, please contact the GGCF at (714) 741-5291.

Thank you for your continued support of our organizations!

Sincerely,



Jeremy Harris, President
Garden Grove Community Foundation



Susan Tran, Chair of the Board
Garden Grove Chamber of Commerce

Board Members

Kris Beard - Stephen D'Agostino - Steven R. Jones - Ric V. Lerma - Mark McGee - Tam Nguyen - Richard Porras - Jennifer Smalley - Eric Williams

Board Alternates

John Borack - Efrain Davalos - Andrew Halberstadt

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kimberly Huy
Dept.: City Manager Dept.: Community Services
Subject: Approval of written request from the Date: 1/26/2016
Garden Grove Farmers Market
Director to waive annual fees
associated with the Garden Grove
Farmers Market. (Cost:
\$1,625.50) (*Action Item*)

OBJECTIVE

To transmit a letter from the Garden Grove Farmers Market Director, Ms. Lee Ostendorf, requesting that the annual fees related to the Garden Grove Farmers Market be waived.

BACKGROUND

Ms. Lee Ostendorf has served as the director of the Garden Grove Farmers Market since the Farmers Market was established in April 2010. The Farmers Market is held every Sunday from 9:00 a.m. to 2:00 p.m. along the historic Main Street. Each year, Ms. Ostendorf has requested approval to waive the annual business license and permit fees for this event.

DISCUSSION

The Garden Grove Farmers Market Director is requesting that the City Council waive the annual fees associated with the weekly Farmers Market.

FINANCIAL IMPACT

The total amount of fees to be waived is approximately \$1,625.50. This cost includes annual business license fees of \$68.50 per vendor, for a total of \$1,575.50 (23 vendors), and the annual event permit fee of \$50.00.

RECOMMENDATION

It is recommended that the City Council:

- Consider the request from the Garden Grove Farmers Market director to waive the annual fees associated with the weekly Farmers Market.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Letter Request from the Garden Grove Farmers Market Director	1/13/2016	Cover Memo	Ltr_Request_for_Fees_to_be_Waived_1- 13-16.pdf

Lee Ostendorf
5390 E. 8th Street
Long Beach, Ca 90804

December 23, 2015

City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA 92840

Honorable Mayor and Members of the City Council:

I am requesting your support by waiving the City fees that are associated with the Garden Grove Farmers' Market, which is held every Sunday from 9 a.m. to 2 p.m. on Historic Main Street. I am so grateful that every year, since the opening of the market, this request has been granted by the Council. It allows the Farmers' Market to continue to operate. It has been most difficult this past year with the closing of 3 restaurants on the street, especially Kaye's Kitchen. Thank you for your consideration.

Most Sincerely,

A handwritten signature in cursive script that reads "Lee Ostendorf". The signature is written in black ink and is positioned above the printed name and title.

Lee Ostendorf
Garden Grove Farmers' Market Director

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kingsley Okereke
Dept.: City Manager Dept.: Finance
Subject: Approval of the 2016 Investment Date: 1/26/2016
Policy; Re-Appointment of a City
Treasurer and a Deputy City
Treasurer; and Delegation of
Investment Authority. (*Action
Item*)

OBJECTIVE

To comply with California Government Code Section 53646(a)(1), which states that the Treasurer or Chief Fiscal Officer of the local agency may annually render to the legislative body of that local agency a statement of investment policy, which the legislative body of the local agency shall consider at a public meeting; and to renew delegation to the City Treasurer and Deputy City Treasurer the authority to invest City funds.

BACKGROUND

The current City Investment Policy, has continued to remain in compliance with State guidelines including the following stipulations:

1. The Chief Fiscal Officer may submit a quarterly report to the legislative body that contains detailed information on all securities, investments, and moneys of the local agency.
2. Prohibition of governments investing in inverse floaters.
3. Prohibition of governments investing in any security that could result in zero interest accrual if held to maturity.

Also, consistent with State guidelines, the City Council may renew the delegation of authority each year to the City Treasurer and to the Finance Director, or his designee, as Deputy City Treasurer, as the persons responsible for the investments. The City Council has delegated this authority by Resolution No. 9219-14 to said positions.

DISCUSSION

Prior to Chapter 889, Statutes of 2004 (AB 2853, Laird), California Government Code Section 53646 required cities to annually render an investment policy to be considered at a public meeting. With the advent of AB 2853, the requirement to

submit investment policies was made optional, although the Legislature still encourages the submittal of investment policies because of the public interest served. The Finance Director, acting as Deputy City Treasurer, provides the City Council a copy of the investment portfolio monthly. Also, the City's Investment Policy is presented to the City Council for review and approval at a public meeting annually. The Investment Policy outlines the City's investment guidelines and investing strategy. The Policy requires the City to hold the securities or have safekeeping by a recognized financial institution. Currently, U. S. Bank and Union Bank, N.A. (which is a custodial service completely separate from Union Bank operations) provide custodial/safekeeping services to the City. The City Investment Policy applies to secure the investment principal, allows for ease of liquidation, and provides a reasonable return on the investments. In addition, the Investment Policy allows the City of Garden Grove to maintain sufficient cash so all payments due in at least the next six months may be made in a timely manner. The requirements and strategies outlined in the City's Investment Policy have allowed the City of Garden Grove to have no losses in principal while maintaining a reasonable return on the portfolio. Last fiscal year the City's Investment Portfolio return was approximately 1.26%. All of the investments held in the portfolio at this time are either Federal Securities or invested in the Local Agency Investment Fund (LAIF).

FINANCIAL IMPACT

None.

RECOMMENDATION

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

- Approve the attached 2016 Investment Policy;
- Re-appoint Kimberly A. Huy as City Treasurer, and Kingsley Okereke as the Deputy City Treasurer; and
- Renew delegation to the City Treasurer and Deputy City Treasurer the responsibility to invest or to reinvest City funds.

ATTACHMENTS:

Description	Upload Date	Type	File Name
2016 INVESTMENT POLICY	1/14/2016	Backup Material	INVESTMENT_POLICY_2016_draft.docx

City of Garden Grove

INVESTMENT POLICY

2016

CITY COUNCIL

BAO NGUYEN, MAYOR

STEVE JONES, MAYOR PRO TEM

KRIS BEARD, COUNCIL MEMBER

PHAT BUI, COUNCIL MEMBER

CHRISTOPHER V. PHAN, COUNCIL MEMBER

CITY MANAGER

SCOTT C. STILES

ASSISTANT CITY MANAGER/FINANCE DIRECTOR

KINGSLEY OKEREKE

**City of Garden Grove
11222 Acacia Parkway, Garden Grove, CA 92840**

CITY OF GARDEN GROVE INVESTMENT POLICY

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CITY OF GARDEN GROVE

INVESTMENT POLICY

MISSION STATEMENT

It is the policy of the City of Garden Grove to invest public funds in a manner that will provide in priority order, maximum security, adequate liquidity and sufficient yield, while meeting the daily cash flow demands of the City of Garden Grove and conforming to all sections of California Government Code Section 53600, et seq., and related statutes and regulations governing the investment of public funds.

1. PURPOSE

This statement is intended to provide direction for the investment of the City of Garden Grove's temporary idle cash under the prudent investor standard. California Government Code Section 53600.3 defines the prudent investor as an individual who is authorized to make investment decisions as trustees, and therefore they are considered fiduciaries subject to the prevailing standard. Furthermore, the trustee is to act to safeguard the principal and maintain the liquidity needs of the agency.

The City's ultimate investment goal is to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the entity and conforming to all state and local statutes governing the investment of public funds.

2. SCOPE

This investment policy applies to all financial assets of the City of Garden Grove. These funds are accounted for in the City of Garden Grove's audited Comprehensive Annual Financial Report (CAFR) and include all funds under the direction of the City. Bond Proceeds are excluded from this Policy. Investment of bond proceeds will be made in accordance with applicable bond indentures.

3. PRUDENCE

Investments shall be made with judgment and care--under circumstances then prevailing--which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal

responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4. OBJECTIVES

The City's funds shall be invested in accordance with all applicable City policies and codes, State statutes, and Federal regulations, and in a manner designed to accomplish the following objectives.

Section 53600.5 of the California Government Code defines the investment objectives of the investment of public funds and that the primary objective of a trustee is the safety of the principal of funds under its control. The secondary objective is to meet the liquidity needs of the depositor. The third objective is to achieve a return on the funds under its control.

A. Safety

Safety and the minimizing of risk associated with investing refers to attempts to reduce the potential for loss of principal, interest or a combination of the two. The first level of risk control is found in State law that restricts the particular type of investments permissible for municipalities. The second level of risk control is reduction of default risk by investing in instruments that appear upon examination to be the most credit worthy. The third level of risk control is reductions of market risk by investing in instruments that have maturities coinciding with dates of disbursements, thereby eliminating risk of loss from a forced sale. The City of Garden Grove only invests in those instruments that are considered very safe. Safety of principal is the foremost objective of the City of Garden Grove's Investment Program.

B. Liquidity

Liquidity refers to the ability to easily sell at any time with a minimal risk of losing some portion of principal or interest. Liquidity is an important quality for an investment to have, for at any time the City may have unexpected or unusual circumstances that result in larger disbursements than expected. When this occurs the existence of highly liquid investments allows the City to meet the cash requirements without unfavorable forced liquidation penalties. Generally investments and their maturities are selected in anticipation of disbursement needs. The City of Garden Grove's Investment Portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

C. Yield

Yield is the potential dollar earnings an investment can provide, and also is sometimes described as the rate of return. To meet the objectives, the City of Garden Grove attempts to obtain the highest yield on its investments consistent with the preservation of principal and liquidity. The yield benchmark for the City is the 6 month Treasury Bill as listed in the Money Rates section of the Wall Street Journal.

5. DELEGATION OF AUTHORITY

The City invests in the spectrum of instruments allowable under the Government Code Section 53600 et seq. of the State of California. The City Council has delegated, by resolution No. 9219-14, the authority to invest with the City Finance Director and the appropriate assistants, subject to the limitations set forth in the Investment Policy and Investment Guidelines. (The City holds its public investor harmless for responsible investment transactions undertaken in accordance with the Investment Policy.)

6. ETHICS AND CONFLICT OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Finance Director of the City any material financial interest in financial institutions that conduct business with the jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City, particularly with regard to the time of purchases and sales.

7. INVESTMENT GUIDELINES AND INVESTMENT STRATEGY

The City of Garden Grove uses a set of written Investment Guidelines (Attachment 1) that define the procedures for investing within the directives of the Investment Policy. In accordance with the Investment Guidelines, Investment Strategy (Attachment 2) is used to maximize yield depending on market conditions.

8. INVESTMENT INSTRUMENTS

The City invests in the following investment instruments as approved by the California Government Code, Sections 53600 et seq. subject to the limitations stated in the City's Investment Guidelines and Investment Strategy:

1. Securities of the U. S. Government or its Agencies
An obligation of the U. S. Government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market.
2. Federal Home Loan Bank (FHLB)
Members of the Home Loan Bank system issue consolidated bonds and discount notes as joint and severable obligations of the Home Loan Bank System. Although the banks operate under federal charter with government supervision, there is no explicit federal guarantee of Federal Home Loan Bank debt. The reserves against the debt, which must be maintained, are considerable and this investment is considered very safe.
3. Federal National Mortgage Association (FNMA)
FNMA purchases conventional mortgages which are generated from the sale of corporate obligations to private investors. Its strong secondary market is financed in part through issuance of short-term notes that resemble commercial paper. The notes range up to 360 days.
4. Federal Farm Credit Bank (FFCB)
Farm Credit Bonds are high credit quality bonds. The Farm Credit System's status as a Government-sponsored enterprise, results from its public mission and ties to the federal government; the traditionally strong governmental support of the agricultural sector; and the System's strong financial performance in recent years, including favorable earnings and strong capital ratios. Farm Credit Debt Securities are the joint and several obligations of the Farm Credit System Banks and are not obligations of and are not guaranteed by the United States or any Federal agency instrumentality, other than the Banks.
5. Local Agency Investment Fund (LAIF)
The LAIF is established by the State Treasurer for the benefit of local agencies in which their money is pooled as a method for managing funds.
6. Local Agency Bonds
Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

7. Certificate of Deposit (CD)
A time deposit with a specific maturity evidenced by a certificate.
8. Bankers Acceptances
A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.
9. Negotiated Certificates of Deposit
Unsecured obligations of a financial institution, bank or savings and loan, bought at par value with the promise to pay face value plus accrued interest at maturity. They are high-grade negotiable instruments, paying a higher interest rate than regular certificates of deposit.
10. Commercial Paper
An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 180 days.
11. Repurchase Agreements (Overnight)
An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price or at a specified later date.
12. Passbook Savings Account
13. Other investments that are, or may become, legal investments through the State of California Government Code.

9. DELIVERY

All security transactions entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis to ensure that securities are deposited in an eligible financial institution prior to the release of the funds. Securities will be held by a third party custodian designated by the Finance Director and evidenced by safekeeping receipts and monthly reports.

10. POLICY CONSTRAINTS

The City operates its investment program with many State and self-imposed constraints. It does not speculate; it does not buy stocks or corporate bonds; it does not deal in futures or options; it does not purchase on margin through Reverse Repurchase Agreements. The weighted average life of the portfolio is maintained within limits dictated by the cash flow needs of the City, the economy, and the Investment Guidelines. The City diversifies its investments to reduce

potential default on market risks. The portfolio is carefully monitored to assure the prudent management of the portfolio.

11. INVESTMENT CONTROLS

The City has developed a System of Internal Investment Controls and a Segregation of Responsibilities of Investment Functions in order to assure an adequate system of internal control over the investment function.

The Finance Director shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

12. INVESTMENT REPORTS

The Finance Director renders a monthly Investment Report to the City Manager and City Council, through the Manager's Memo, showing the type of investment, institution, date of maturity, amount of deposit, current market value for all securities under the City control, rate of interest, amount of interest received during the month and Par Value. A graph is included which indicates the percent of the portfolio that is invested in each type of investment instrument.

GLOSSARY

ACCRUED INTEREST – Interest earned but not yet received.

AGENCIES – Agencies of the Federal government set up to supply credit to various classes of institutions (e.g., S&L's, small business firms, students, farmers, housing agencies, etc.). Examples include Federal Home Loan Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB) and Federal Farm Credit Bank (FFCB).

BANKERS' ACCEPTANCE (BA) – A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the issuer.

BROKER/DEALER – An individual or firm acting as principal in a securities transaction.

CALLABLES – Securities that the issuer has the right to redeem prior to maturity.

CERTIFICATE OF DEPOSIT (CD) – A time deposit with a specific maturity evidenced by a certificate. Large denomination CD's are typically negotiable.

COLLATERAL – Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMMERCIAL PAPER – Short term unsecured promissory note issued by a corporation (including limited liability companies) to raise working capital. These negotiable instruments are purchased at a discount to par value or at par value with interest bearing. Commercial paper is issued by corporations such as General Motors Acceptance Corporation, IBM, Bank of America, etc.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) – The official annual report of the City. It includes five combined statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principles (GAAP). It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON – a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value; b) a certificate attached to a bond evidencing interest due on a payment date.

DELIVERY VS PAYMENT – Delivery of securities with a simultaneous exchange of money.

DEMAND ACCOUNT – An account with a commercial bank from which check withdrawals may be made at any time.

DISCOUNT – The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DIVERSIFICATION – Dividing investment funds among a variety of securities offering independent returns.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC) – A Federal agency that insures bank deposits, currently up to \$100,000 per deposit.

FEDERAL HOME LOAN BANKS (FHLB) – The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-à-vis member commercial banks.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA) – FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a Federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

LIQUIDITY – A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL AGENCY INVESTMENT FUND (LAIF) – The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE – The price at which a security is trading, usually the liquidation value.

MATURITY – The date upon which the principal or stated value of an investment becomes due and payable.

PAPER GAIN OR LOSS – Term used for unrealized gain or loss on securities being held in a portfolio based on comparison of current market quotes and their original

cost. This situation exists as long as the security is held while there is a difference between cost value (book value) and the market value.

PORTFOLIO – Collection of securities held by an investor.

PRUDENT PERSON RULE – An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called “legal list.” In other states, the trustee may invest in a security if it is one that would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

RATE OF RETURN – The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond, the current income return.

REPURCHASE AGREEMENT (REPO) – A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate them for this.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO) – A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specific date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

SAFEKEEPING – The service provided by banks and trust companies for clients when the bank or trust company stores the securities, takes in coupon payments, and redeems issues at maturity.

SPREAD – a) The yield or price difference between the bid and offer on an issue; b) the yield or price difference between different issues.

TREASURY BILLS – A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

TREASURY BONDS – U.S. Treasury securities that have initial maturities of more than ten years.

TREASURY NOTES – Intermediate-term coupon bearing U.S. Treasury securities having initial maturities of from one year to ten years.

TRUSTEE – A financial institution with trust powers that acts in a fiduciary capacity for the benefit of the bondholders in enforcing the terms of the bond contract.

YIELD – The rate of annual income return on an investment, expressed as a percentage. (a) Income Yield is obtained by dividing the current dollar income by the current market price for the security. (b) Net Yield or Yield to Maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

YIELD CURVE – Yield calculations of various maturities at a given time to observe spread difference.

YIELD TO MATURITY – The current coupon yield minus any premium above par, or plus any discount from par in the purchase price with the adjustment spread over the period from date of purchase to maturity.

INVESTMENT GUIDELINES

INVESTMENT GUIDELINES STATE THE PARAMETERS OF HOW INVESTING IS TO BE ACCOMPLISHED.

1. CASH AVAILABILITY GUIDELINES

A. Cash flow analysis is developed which serves as a basis for determining the cash available for investment and maturity dates needed to cover future disbursements.

B. A close rapport is maintained with all other departments having a significant impact on cash flow to ensure receipt of timely and accurate data.

C. Revenue receipts are consolidated into one bank account and invested on a pooled concept basis. This provides maximum interest with minimal accounting steps. Interest earnings are allocated according to fund cash and investment balances.

D. Active bank balances are kept as low as possible without jeopardizing good banking relationships by maintaining investment of available cash as near to 100 percent as possible.

E. Bank balances are obtained daily to assure fast, accurate, and detailed information.

F. Sufficient funds are maintained in very liquid investments to meet most unexpected contingencies.

2. INVESTING GUIDELINES

A. Based on the economy a close working relationship is maintained with a list of well-established brokers, and bankers whose expertise is of assistance in making investing decisions.

B. Economic data, forecasts, and conditions are continuously obtained from financial experts in the field and evaluated as to impact on investing decisions.

C. Business journals are routinely reviewed and education programs attended to enhance knowledge and professional skills required managing an investment portfolio.

D. Only investments authorized by the Investment Policy are transacted.

E. Investments are diversified by (1) type, (2) institution, (3) length of maturity, and (4) broker/dealer/bank used as is consistent with safety, liquidity, yield, and administrative cost.

F. Purchases of investments are made with the intent of holding the investments to maturity.

G. The City does not permit the purchase of securities on margin (the borrowing of funds via Reverse Repurchase Agreements using the security to be purchased as collateral).

H. Competitive bids are obtained and documented on all investments when practical.

I. Every investment transaction is documented and the procedure for monitoring is clearly defined.

J. Security purchases are maintained within statutory limits imposed by the California Government Code.

Current limits are:

Bankers Acceptances-30% and not over 180 days in maturity (53601-f)

Commercial Paper - 15% (53601-g)

Negotiated Certificates of Deposit - 30% (53601-h)

K. The weighted average life of the portfolio is maintained within limits dictated by the cash flow needs of the City and the economy.

L. Investment strategies are reviewed for possible need to change at least quarterly. They are reviewed more frequently as changes in economic conditions dictate.

3. GUIDELINES FOR TYPES OF INVESTMENTS

A. CALIFORNIA STATE-LOCAL AGENCY INVESTMENT FUND

A resolution of the City is on file with the State Treasurer, which permits maintaining an account in the Local Agency Investment Fund. Effective January 01, 2016, the maximum per account balance that can be held in the fund was increased from \$50 million to \$65 million. LAIF has a policy limiting the number of total deposit and withdrawals each month (currently it is a total of 15 transactions). Since periodically LAIF changes the maximum balance and the number of transactions allowed each month, the City will make the necessary adjustments to conform to any new requirements. Interest is paid quarterly on an average of what the fund earned for the quarter.

B. REPURCHASE AGREEMENTS (REPOS)

Repos are used only as a short-term investment not exceeding 30 days.

C. BANKERS ACCEPTANCES

Bankers Acceptances are mainly used for investments with a maturity of one to six months. The City will only invest in the 100 largest banks in the world (in terms of assets). Investment in any one institution will not exceed 10 percent of the City's portfolio. Investment in Bankers Acceptances will not exceed 30 percent of the City's portfolio as per State law. Maturities will be for 180 days or less.

D. TIME CERTIFICATES OF DEPOSITS (TCDs)

Only Time Certificates of Deposits that are insured for \$100,000 by FDIC, FLSIC, or fully collateralized as required by state law if over \$100,000 are purchased. Not more than five percent of the City's portfolio is invested in any one institution. Time Certificates of Deposit are safe kept in the City's vault in a fire file or in an acceptable safekeeping account with a perfected interest in the City's name. The institution must be located in California.

E. COMMERCIAL PAPER

Commercial paper is a short-term unsecured promissory note issued by a corporation to raise working capital. Local agencies are permitted by state law to invest in commercial paper of "prime" quality of highest rank. The City of Garden Grove invests in high quality commercial paper for periods of one to ten days to maximize temporary idle funds.

F. TREASURY NOTES AND FEDERAL AGENCY SECURITIES

Investments in Treasury Notes and Federal Agency Securities are limited to those with maturity of five years or less.

INVESTMENT STRATEGY

1. When making an investment decision, the purchase of an investment is made with the intent of holding that investment to maturity.
2. Fully utilize the cash flow projection to balance the liquidity needs at all times.
3. Maintain close working relationships with bankers and brokers, and contact several with each investment transaction.
4. Obtain, at least weekly, economic forecasts from bankers, brokers or other financial experts in the field.
5. Keep the active bank balance at the lowest possible level without jeopardizing good bank relationships.
6. Maintain sufficient funds in overnight investments to meet current cash flow.
7. Review investment plan and strategy annually or as the need arises.
8. Review investment strategy quarterly and update as needed.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kim Huy
Dept.: City Manager Dept.: Community Services
Subject: Approval of the First Date: 1/26/2016
Amendment to an
agreement with Community
Action Partnership of Orange
County for grant funding for
physical activity opportunity
projects. (*Action Item*)

OBJECTIVE

To request that the City Council approve the First Amendment to an Agreement with Community Action Partnership of Orange County (CAPOC), for grant funding from the Center of Disease Control (CDC) to encourage physical activity opportunities by installing permanent physical activity equipment in City parks and extending walking paths at Eastgate Park.

BACKGROUND

In June of 2014, CAPOC approached the City of Garden Grove regarding partnering in applying for a grant that supports the implementation of policies, systems, and environmental interventions to improve the health of and reduce diseases in Garden Grove, Anaheim and Santa Ana residents. CAPOC's target strategies are to reach 75 percent of Garden Grove community members to increase their access to healthy food and beverages, and physical activities.

DISCUSSION

The attached First Amendment will provide funding, in the amount of approximately \$140,216, for year two of the Agreement for the installation of permanent physical activity equipment in City parks and extending a walking path at Eastgate Park.

FINANCIAL IMPACT

As a supporting agency, the financial impact will consist of in-kind staff time to manage the projects. Cost of materials and supplies will be funded through the grant.

RECOMMENDATION

It is recommended that the City Council:

- Approve the attached First Amendment to an Agreement with the Community Action Partnership of Orange County, and
- Authorize the City Manager to sign and execute the First Amendment, including making any modifications during the contract period for the operation and implementation of the contract services.

ATTACHMENTS:

Description	Upload Date	Type	File Name
OCPICH Subgrant Agreement	1/5/2016	Backup Material	OCPICH_Subgrant_-_executed.pdf
OCPICH First Amendment	1/5/2016	Backup Material	OCPICH_Subgrant_-_First_Amendment.pdf

AGREEMENT BIBLIOGRAPHY

Agreement With:	Community Action Partnership of Orange County
Agreement Type:	2015 Subgrant Agreement
Date Approved:	10 13 2015
Start Date:	10 01 2015
End Date:	09 30 2016
Contract Amount:	\$145,000
Comments	Community Services
Insurance Expiration:	N/A
Date Archived:	ARCHIVED 12/04/2015

Subgrant Agreement

This Subgrant (hereinafter referenced as "Agreement") is entered into between Community Action Partnership of Orange County, a California non-profit corporation, (hereinafter referenced as "Subgrantor" and City of Garden Grove, a municipal corporation, (hereinafter referenced as "Subgrantee") for the funding of Orange County Partnerships to Improve Community Health Grant (hereinafter referenced as "Grant") for a one (1) year term and shall be effective on October 1, 2014.

Recitals

The Grant is authorized under Section 317(k)(2) of the Public Health Service Act, 42 U.S. Code 247b(k)(2). The Grant Number is 1U58DP005861-01. The goals of the Grant are (1) Create social and physical environments that promote good health for all; (2) Promote health and reduce chronic disease risk through the consumption of healthful diets and achievement and maintenance of healthy body weight; (3) Improve access to comprehensive, quality health care services; and (4) Reduce illness, disability, and death related to tobacco use and secondhand smoke exposure. The Orange County Partnership to Improve Community Health project will focus on goals one and two. The Grant aligns with national health objectives aimed at creating social and physical environments that promote good health for all by encouraging collaboration across sectors, implementing evidence-based strategies, and measuring the effects of prevention activities. With the making of policy, systems and environment (PSE) changes, the goal is to improve short- and long-term health outcomes. Population-based strategies create greater access to healthier environments where people live, learn, work, and play. The Grant reflects the importance of cross-sector collaborations to build accepted and sustainable changes and the need to evaluate and communicate what works. The PICH logic model provides a framework to use throughout program planning, implementation, and evaluation. All proposed objectives and activities in the work plan, known as the Community Action Plan (CAP), should be connected to elements reflected in the logic model and contribute to the ultimate goals of improving quality of life, averting premature death and reducing medical costs.

1. **Scope of Work**

Subgrantee's scope of work is set forth in Exhibit "A" and is made part of this Agreement. Failure to complete the scope of work within the Term of this

Agreement is considered as a default and at Subgrantor's option, subgrantor can refuse future renewal of this Agreement.

This Grant has been assigned the Federal Award Identification Number (FAIN) U58DP005861. Subgrantee must document the assigned FAIN on all communication and correspondence.

2. Term and Amount of Agreement

- a. Term of this Agreement is from October 1, 2014 to Sept 29, 2015;
- b. There are two (2) 1-year options which are contingent on adequate funding from the Centers for Disease Control and Prevention (CDC) and satisfactory programmatic progress of Subgrantee. Subgrantee must give ninety (90) day notice in writing as prescribed herein to Subgrantor to exercise each option;
- c. The maximum amount of funding from October 1, 2014 to Sept 29, 2015 is \$145,000; and
- d. This Agreement shall terminate if the agreement between Subgrantor and CDC is terminated and upon such termination, Subgrantor shall have no further liability to Subgrantee.

3. Program Requirements, Standards and Guidance

- a. This award is based on the application submitted to Subgrantor and as approved by CDC and is subject to the terms and conditions incorporated either directly or by reference in the following:
 - i. The Grant program legislation and program regulation, as amended from time to time, cited in the Notice of Award (NOA) between CDC and Subgrantor; (a copy of which is attached hereto and incorporated herein as Exhibit "B");
 - ii. The restrictions on the expenditure of federal funds in appropriation acts to the extent those restrictions are pertinent to this award;
 - iii. The HS Grants Policy Statement, including addenda in effect as of the beginning date of the budget period; and
 - iv. The terms and conditions cited in this Agreement.
- b. Subgrantee shall comply with all of the requirements, standards, and guidelines contained in the authorities listed below, as they may be amended from time to time, with respect to procurement requirements,

administrative expenses, and other costs claimed under this Agreement, including those costs incurred pursuant to sub-subgrants executed by Subgrantee, notwithstanding any language contained in the following authorities that might otherwise exempt Subgrantee from their applicability.

- i. OMB Circular A-102 (Common Rule for State and Local Governments), as codified by the Department of Health and Human Services (HHS) at 45 CFR Part 92;
- ii. OMB Circular A-110 (Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations), as codified by HHS at 45 CFR Part 174;
- iii. OMB Circular A-122 (Cost Principles for Non-Profit Organizations) as codified at 2 CFR Part 230;
- iv. OMB Circular A-87 (Cost Principles for State, Local and Indian Tribal Governments) as codified at 2 CFR Part 225; and
- v. OMB Circular A-133 will apply to audits of fiscal year ending before December 26, 2014. The standards set forth in 2 CFR Part 200 Subpart F will apply to audits of fiscal year beginning on or after December 26, 2014.

4. Payment and Whistleblower Hot Line Information

- a. Subgrantor will issue monthly payment to Subgrantee upon receipt and approval of a certified Expenditure/Activity Report. The Report shall indicate the actual expenditures being billed to Subgrantor for reimbursement for the specific report period. Subgrantee shall submit backup for all expenses, including but not limited to invoices, proposed bids, time cards and payroll register, within 15 days after the month ended;
- b. If Subgrantee owes Subgrantor any outstanding balances(s) for overpayments, current or previous, the balance(s) may be offset after notice to Subgrantee providing an opportunity to present any valid objection to the offset; and
- c. Whistleblower Protections – The HHS office Inspector General (OIG) maintains a toll-free number (1-800-HHS-TIPS [1-800-447-8477]) for receiving information concerning fraud, waste or abuse under grants and cooperative agreements. Information also may be submitted by e-

mail to hhstips@oig.hhs.gov or by mail to Office of the Inspector General Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SE, Washington DC 20201. Such reports are treated as sensitive material and submitters may decline to give their names if they choose to remain anonymous.

5. Award Information

- a. The Funding Opportunity Announcement (FOA) Number for this Non-Research award is CDC-RFA-DP14-1417. Subgrantee must comply with all terms and conditions outlined in Subgrantor's Notice of Award, including grants policy terms and conditions contained in applicable HHS Grants Policy Statements, and requirements imposed by program statutes and regulations and HHS grant administration regulations, as applicable; as well as any requirements or limitations in any applicable appropriations acts; and
- b. Program income – Any program income generated under this Grant will be used in accordance with the Addition alternative.

6. Funding Restrictions and Limitations

- a. Funding Opportunity Announcement (FOA) Restrictions:
Restrictions that must be considered while planning the programs and writing the budget are:
 - i. Subgrantee may not use funds for research;
 - ii. Subgrantee may not use funds for clinical care;
 - iii. Subgrantee may use funds only for reasonable program purposes, including personnel, travel, supplies, and services;
 - iv. Generally, Subgrantee may not use funds to purchase furniture or equipment. Any such proposed spending must be clearly identified in the budget;
 - v. Reimbursement of pre-award costs is not allowed;
 - vi. Other than for normal and recognized executive-legislative relationships, no funds may be used for: publicity or propaganda purposes, for the preparation, distribution, or use of any material designed to support or defeat the enactment of legislation before any legislative body the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity

- designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before any legislative body; and
- vii. See Additional Requirement (AR) 12 for detailed guidance on this prohibition and additional guidance on lobbying for CDC awardees.
- b. Indirect Costs are not approved for this award;
 - c. Cost limitations as stated in the Consolidated Appropriations Act 2014 – Item A through G
 - i. Cap on Salaries (Div. H, Title II, Sec. 203): None of the funds appropriated in this Grant shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II. Note: The salary rate limitation does not restrict the salary that an organization may pay an individual working under an HHS contract or order; it merely limits the portion of that salary that may be paid with Federal funds;
 - ii. Gun Control Prohibition (Div. H, Title II, Sec. 217): None of the funds made available in this title may be used, in whole or in part, to advocate or promote gun control;
 - iii. Proper Use of Appropriations - Publicity and Propaganda (LOBBYING) FY2012 (Div. H, Title V, Sec. 503):
 - a) 503(a): No part of any appropriation contained in this Act or transferred pursuant to section 4002 of Public Law 111-148 shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the Congress or any State or local legislature or legislative body, except in presentation of the Congress or any State or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any State or local government itself;

- b) 503 (b): No part of any appropriation contained in this Act or transferred pursuant to section 4002 of Public Law 111-148 shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the Congress or any State government, State legislature or local legislature or legislative body, other than normal and recognized executive legislative relationships or participation by an agency or officer of an State, local or tribal government in policymaking and administrative processes within the executive branch of that government;
- c) 503(c): The prohibitions in subsections (a) and (b) shall include any activity to advocate or promote any proposed, pending or future Federal, State or local tax increase, or any proposed, pending, or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control. For additional information, see Additional Requirement 12 at http://www.cdc.gov/od/pgo/funding/grants/additional_req.shtm and AntiLobbying Restrictions for CDC Grantees at http://www.cdc.gov/od/pgo/funding/grants/Anti-Lobbying_Restrictions_for_CDC_Grantees_July_2012.pdf;
- d) Needle Exchange (Div. H, Title V, Sec. 522): Notwithstanding any other provision of this Act, no funds appropriated in this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug;
- e) Restricts dealings with corporations with recent felonies (Div. E, Title VI, Sec. 623): None of the funds made available by this Act may be used to enter into a contract, memorandum of understanding, or cooperative

agreement with, make a grant to, or provide a loan or loan guarantee to any corporation that was convicted (or had an officer or agent of such corporation acting on behalf of the corporation convicted) of a felony criminal violation under any Federal or State law within the preceding 24 months, where the awarding agency is aware of the conviction, unless the agency has considered suspension or debarment of the corporation, or such officer or agent, and made a determination that this further action is not necessary to protect the interests of the Government;

- f) Restricts dealings with corporations with recent felonies (Div. E, Title VI, Sec. 623): None of the funds made available by this Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to any corporation that was convicted (or had an officer or agent of such corporation acting on behalf of the corporation convicted) of a felony criminal violation under any Federal or State law within the preceding 24 months, where the awarding agency is aware of the conviction, unless the agency has considered suspension or debarment of the corporation, or such officer or agent, and made a determination that this further action is not necessary to protect the interests of the Government;
- g) Blocking access to pornography (Div. H, Title V, Sec. 528): (a) None of the funds made available in this Act may be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography; (b) Nothing in subsection (a) shall limit the use of funds necessary for any Federal, State, tribal, or local law enforcement agency or any other entity carrying out criminal investigations, prosecution, or adjudication activities.

- iv. Rent or Space Costs: Subgrantee is responsible for ensuring that all costs included in this Grant to establish billing are allowable in accordance with the requirements of the Federal award(s) to which they apply, including 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards; 2 CFR Part 225,, Cost Principles for State, Local and Indian Tribal Governments (OMB Circular A-87); 2 CFR Part 230, Cost Principles for Non-Profit Organizations (OMB Circular A-122). Furthermore, it is the responsibility of the Subgrantee to ensure rent is a legitimate direct cost line item;
- v. Trafficking In Persons: This award is subject to the requirements of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. Part 7104(g)). For the full text of the award terms and conditions, see, <http://www.cdc.gov/od/pgo/funding/grants/Award Term and Condition for Trafficking in Persons.shtm>; and
- vi. Cancel Year: 31 U.S.C. Part 1552(a) Procedure for Appropriation Accounts Available for Definite Periods states the following: On September 30th of the 5th fiscal year after the period of availability for obligation of a fixed appropriation account ends, the account shall be closed and any remaining balances (whether obligated or unobligated) in the account shall be canceled and thereafter shall not be available for obligation or expenditure for any purpose. An example is provided below:

7. Audit Requirements

- a. Audit requirements for Subgrantee: The Subgrantor will ensure that the Subgrantee receiving CDC funds meet the requirements detailed in the NOA. The Subgrantor will also ensure to take appropriate corrective action within six (6) months after receipt of the Subgrantee audit report in instances of non-compliance with applicable Federal law and regulations (2 CFR 200 Subpart F and HHS Grants Policy Statement). If a Subgrantee is not required to have a program-specific audit, the Subgrantor will still perform adequate monitoring of Subgrantee's activities. Subgrantee will

cooperate and permit the independent auditor access to Subgrantee's records and financial statements.

Note: The standards set forth in 2 CFR Part 200 Subpart F will apply to audits of fiscal year beginning on or after December 26, 2014;

- b. Federal Funding Accountability and Transparency Act (FFATA): Subgrantor is required to comply with sub-award reporting requirements of the Federal Funding Accountability and Transparency Act (FFATA). Subgrantor must file the FFATA sub-award report by the end of the month following the month in which Subgrantor awards funds greater than or equal to \$25,000 to any agency/service provider. In accordance with terms of the Agreement, agencies are required to provide the information requested in the FFATA form on or before the 15th day after execution of this Agreement. Failure to timely submit the completed form may result in "high-risk" designation and/or imposition of additional special terms and conditions on Subgrantee's eligibility for CDC funds;
- c. Total Compensation of Subgrantee's Executives: Unless you are exempt (gross income from all sources reported in last tax return is under \$300,000), for each first-tier subgrantee under this Grant, you must report the names and total compensation of each of the subgrantee's five most highly compensated executives for the subgrantee's preceding completed fiscal year, if:
- In the Subgrantee's preceding fiscal year, the Subgrantee received:
 - 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR Part 170.320 (and sub-awards);
 - \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and sub-awards); and
 - The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. Part 78m(a), 78o(d)) or section 6104 of

the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>).

Subgrantee must report Subgrantee's executive total compensation to Subgrantor by the 20th of the month following the month during which Subgrantor makes the Subgrant. For example, if a subgrant is obligated on any date during the month of October of a given year (i.e., between October 1st and 31st), Subgrantee must report any required compensation information to the Subgrantor by November 20th of that year.

Definitions:

- Entity means all of the following, as defined in 2 CFR Part 25 (Appendix A, Paragraph(C)(3)):
 - Governmental organization, which is a State, local government, or Indian tribe;
 - Foreign public entity;
 - Domestic or foreign non-profit organization;
 - Domestic or foreign for-profit organization; and
 - Federal agency, but only as a sub-recipient under an award or sub-award to a non-Federal entity.
- Executive means officers, managing partners, or any other employees in management positions;
- Sub-award: a legal instrument to provide support to an eligible sub-recipient for the performance of any portion of the substantive project or program for which the grantee received this award. The term does not include the grantees procurement of property and services needed to carry out the project or program (for further explanation, see Sec. __210 of the attachment to OMB Circular A-133. Audits of States, Local Governments, and Non-Profit Organizations). A sub-award may be provided through any legal agreement, including an agreement that the grantee or a sub-recipient considers a contract;
- Subgrantee means an entity that receives a sub-award from Subgrantor under the Grant; and is accountable to the Subgrantor for the use of the Federal funds provided by the sub-award;

- Total compensation means the cash and non-cash dollar value earned by the executive during the Subgrantee's or the sub-grantee's preceding fiscal year and includes the following (for more information see 17 CFR Part 229.402(c)(2)):
 - Salary and bonus;
 - Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments;
 - Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees;
 - Change in pension value. This is the change in present value of defined benefit and actuarial pension plans;
 - Above-market earnings on deferred compensation which is not tax-qualified; and
 - Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.
- d. Record Retention
- i. All records maintained by Subgrantee shall meet the OMB requirements contained in the following Circulars, or subsequent amendments thereto: A 102, Subpart C, ("Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments") or A 110, Subpart C, (Nonprofit Organizations and Education Institutions), whichever is applicable;
 - ii. Subgrantee shall maintain all records pertaining to this Agreement for a minimum period of three (3) years after submission of the final report. However, Subgrantee shall maintain all such records until resolution of all audit and monitoring findings are completed; and

- iii. Subgrantee assures that employee and applicant records shall be maintained in a confidential manner to assure compliance with the Information Practices Act of 1977, as amended, and the Federal Privacy Act of 1974, as amended.

8. Compliance Monitoring

a. Right to monitor, audit and investigate

- i. Any duly authorized representative of the federal government and Subgrantor shall have the right to monitor and audit Subgrantee and all sub-subgrantees providing services under this Agreement through on-site inspections, audits, and other applicable means determines necessary;
- ii. Subgrantee shall make available all reasonable information necessary to substantiate that expenditures under this Agreement are allowable and allocable, including, but not limited to books, documents, papers, and records. Subgrantee shall agree to make such information available to the federal government and Subgrantor to perform inspections, for examination, copying, or mechanical reproduction, on or off the premises of the appropriate entity upon a reasonable request;
- iii. Any duly authorized representative of the federal government or Subgrantor shall have the right to undertake investigations in accordance with 42 U.S.C. §9901 et seq., as amended; and
- iv. All agreements entered into by Subgrantee with audit firms for purposes of conducting independent audits under this Agreement shall contain a clause permitting any duly authorized representative of the federal government or Subgrantor access to the working papers of said audit firm(s).

b. Ensuring all costs claimed are allowable:

- i. As the subrecipient of federal funds under this Agreement, Subgrantee is responsible for substantiating that all costs claimed under this Agreement are allowable and allocable under all applicable federal laws, and for tracing all costs to the level of expenditure;
- ii. As the administrator of this Grant, duly authorized representative of the federal government or Subgrantor must

conduct onsite and follow-up monitoring, and other audits/reviews as necessary, to ensure that:

- a) Subgrantee meets federal performance goals, administrative and financial management standards, and other requirements applicable to Grant; and
 - b) Funds allocated to Subgrantee are expended for the purposes identified in federal law for allowable and allocable costs in accordance with federal OMB requirements.
- c. The federal government and Subgrantor shall provide Subgrantee reasonable advance written notice of on-site monitoring reviews of Subgrantee's program or fiscal performance. Subgrantee shall cooperate with the Inspector General and Subgrantor's program and audit staff and other representatives, and provide access to all programs, records, documents, resources, personnel, inventory, and other things reasonably related to the administration and implementation of the services and activities funded directly or indirectly by this Agreement;
- d. In the event it is determined that Subgrantee is not in compliance with material or other legal requirements of this Agreement, Subgrantor shall provide Subgrantee with observations, recommendations, and/or findings of noncompliance in writing, along with specific action plans for correcting the noncompliance;
- e. Collection of Disallowed Costs
- i. In the event questioned costs are identified in a final decision on cost disallowance issued by the federal government or Subgrantor, Subgrantee shall comply with any demand for repayment, as specified in such final report;
 - ii. Time to response. Subgrantee shall have no more than twenty (20) days from receipt of the final decision to tender payment to Subgrantor or, alternatively, to provide Subgrantor with complete and accurate information or documentary evidence in support of the allowability of questioned costs;
 - iii. Notice after review of further supporting evidence. If Subgrantee challenges questioned costs and submits complete and accurate information or documentary evidence in support of the allowability of questioned costs as provided above in

subparagraph 8(e)(ii), Subgrantor shall, after consideration of Subgrantee's submission, accordingly issue a revised Notice of Disallowed Costs, if any, no later than forty (40) days after receipt of Subgrantee's information or documentation.

Subgrantee shall have ten (10) days from receipt of such Notice to tender payment or a repayment plan acceptable to Subgrantor;

- iv. All statements, notices, responses and demands issued in accordance with this paragraph shall be in writing and delivered in accordance with the terms stated under this Agreement; and
 - v. Subgrantor may, at its discretion, reasonably extend the time periods allowed for responses specified in this paragraph.
- f. In the event that Subgrantee fails to comply with the audit requirements stated herein, Subgrantor may impose sanctions as provided in 2 CFR §200.338 - Remedies for noncompliance, which may include:
- i. Temporarily withholding cash payments pending correction of the deficiency or more severe enforcement action by the Federal awarding agency or Subgrantor;
 - ii. Disallowing all or part of the cost of the activity or action not in compliance;
 - iii. Wholly or partly suspending or terminating the Grant;
 - iv. Initiate suspension or debarment proceedings (as authorized under 2 CFR part 180 and Federal awarding agency regulations);
 - v. Withholding further funding for the Grant; and/or
 - vi. Taking other remedies that may be legally available.

9. General Requirements

a. Travel Cost

In accordance with HHS Grants Policy Statement, travel costs are only allowable where such travel will provide direct benefit to the project or program. There must be a direct benefit imparted on behalf of the traveler as it applies to the approved activities of the NOA. To prevent disallowance of cost, the Subgrantee is responsible for ensuring that only allowable travel reimbursements are applied in accordance with their organization's established travel policies and procedures.

Subgrantee approved policies must meet the requirements of 2 CFR Parts 200, 225 and 230, as applicable and 45 CFR Parts 74 and 92, as applicable;

b. Food and Meals

Costs associated with food or meals are allowable when consistent with OMB Circulars and guidance, HHS Federal regulations, Program Regulations, HHS policies and guidance. In addition, costs must be proposed in accordance with Subgrantee approved policies and a determination of reasonableness has been performed by the Subgrantee. Subgrantee approved policies must meet the requirements of 2 CFR Parts 200, 225 and 230, as applicable and 45 CFR Parts 74 and 92, as applicable;

c. Prior Approval

All requests, which require prior approval, must bear the signature of an authorized official of the business office of the Subgrantee's organization named on this Agreement.

All correspondence (including emails and faxes) regarding this Grant must be dated, identified with the AWARD NUMBER, and include a point of contact (name, phone, fax, and email). All correspondence should be addressed to the Contract Manager listed below:

Belinda Ong
Community Action Partnership of Orange County
12666 Hoover St
Garden Grove, CA 92841
Telephone: 714-406-2500, ext. 5350
Email: bong@capoc.org

d. Inventions

Acceptance of Grant funds obligates Subgrantee to comply with the standard patent rights clause in 37 CFR Part 401.14;

e. Publications

Publications, journal articles, etc. produced under this Grant must bear an acknowledgment and disclaimer, as appropriate, for example:

This publication (journal article, etc.) was supported by the Grant or Cooperative Agreement Number, 1 U58 DP 005861-1 funded by the Centers for Disease Control and Prevention. Its contents are solely the

responsibility of the authors and do not necessarily represent the official views of the Centers for Disease Control and Prevention or the Department of Health and Human Services;

f. Acknowledgment of Federal Support

When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with this Grant, Subgrantee shall clearly state:

- Percentage of the total costs of the program or project which will be financed with this Grant;
- Dollar amount of this Grant for the project or program; and
- Percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

g. Copyright Interests Provision

This provision is intended to ensure that the public has access to the results and accomplishments of public health activities funded by CDC. Pursuant to applicable Grant regulations and CDC's Public Access Policy, Subgrantee agrees, through Subgrantor, to submit into the National Institutes of Health (NIH) Manuscript Submission (NIHMS) system an electronic version of the final, peer-reviewed manuscript of any such work developed under this Grant upon acceptance for publication, to be made publicly available no later than 12 months after the official date of publication. Also at the time of submission, Subgrantee and/or the Subgrantee's submitting author must specify the date the final manuscript will be publicly accessible through PubMed Central (PMC). Subgrantee and/or Subgrantee's submitting author must also post the manuscript through PMC within twelve (12) months of the publisher's official date of final publication; however the author is strongly encouraged to make the subject manuscript available as soon as possible. Subgrantee must obtain prior approval from Subgrantor and CDC for any exception to this provision.

The author's final, peer-reviewed manuscript is defined as the final version accepted for journal publication, and includes all modifications from the publishing peer review process, and all graphics and supplemental material associated with the article.

Subgrantee and its submitting authors working under this Grant are responsible for ensuring that any publishing or copyright agreements concerning submitted articles reserve adequate right to fully comply with this provision and the license reserved by CDC. The manuscript will be hosted in both PMC and the CDC Stacks institutional repository system. In progress reports for this Grant, Subgrantee must identify publications subject to the CDC Public Access Policy by using the applicable NIHMS identification number for up to three (3) months after the publication date and the PubMed Central identification number (PMCID) thereafter;

h. Disclaimer for Conference/Meeting/Seminar Materials

If a conference/meeting/seminar is funded by this Grant, Subgrantee must include the following statement on conference materials, including promotional materials, agenda, and internet sites:

Funding for this conference was made possible (in part) by the Centers for Disease Control and Prevention. The views expressed in written conference materials or publications and by speakers and moderators do not necessarily reflect the official policies of the Department of Health and Human Services, nor does the mention of trade names, commercial practices, or organizations imply endorsement by the U.S. Government;

i. Logo use for Conference and Other Materials

Neither the Department of Health and Human Services (HHS) nor the CDC logo may be displayed if such display would cause confusion as to the funding source or give false appearance of Government endorsement. Use of the HHS name or logo is governed by U.S.C. Part 1320b-10, which prohibits misuse of the HHS name and emblem in written communication. A non-federal entity is unauthorized to use the HHS name or logo governed by U.S.C. Part 1320b-10. The appropriate use of the HHS logo is subject to review and approval of the HHS Office of the Assistant Secretary for Public Affairs (OASPA). Moreover, the HHS Office of the Inspector General has authority to impose civil monetary penalties for violations (42 CFR Part 1003). Accordingly, neither the HHS nor the CDC logo can be used by the Subgrantee without the express, written consent of either the CDC Project Officer or the CDC Grants Management Officer. It is the responsibility of the Subgrantee to request consent through Subgrantor for use of the logo in sufficient detail to ensure a complete depiction and disclosure of all uses of the Government

logos. In all cases for utilization of Government logos, Subgrantee must ensure written consent is received from the Project Officer and/or the Grants Management Officer through Subgrantor;

j. American Made products

To the greatest extent practicable, all equipment and products purchased with CDC funds should be American-made. CDC defines equipment as tangible non - expendable personal property (including exempt property) charged directly to an award having a useful life of more than one year AND an acquisition cost of \$5,000 or more per unit. However, consistent with Subgrantee policy, a lower threshold may be established. Please provide the information to Subgrantor to establish a lower equipment threshold to reflect Subgrantee's organization's policy.

Subgrantee may use its own property management standards and procedures, provided it observes provisions of in applicable grant regulations and OMB circulars;

k. Federal Information Security Management Act (FISMA)

All information systems, electronic or hard copy, that contain federal data must be protected from unauthorized access. This standard also applies to information associated with CDC grants. Congress and the OMB have instituted laws, policies and directives that govern the creation and implementation of federal information security practices that pertain specifically to grants and contracts. The current regulations are pursuant to the Federal Information Security Management Act (FISMA), Title III of the E- Government Act of 2002, PL 107-347.

FISMA applies to Subgrantee only when Subgrantee collects, stores, processes, transmits or uses information on behalf of HHS or any of its component organizations. In all other cases, FISMA is not applicable to recipients of grants, including cooperative agreements. Under FISMA, Subgrantee retains the original data and intellectual property, and is responsible for the security of these data, subject to all applicable laws protecting security, privacy, and research.

If/When information collected by a Subgrantee is provided to HHS, responsibility for the protection of the HHS copy of the information is transferred to HHS and it becomes the agency's responsibility to protect that information and any derivative copies as required by FISMA. For the full text of the requirements under Federal

Information Security Management Act (FISMA), Title III of the E-Government Act of 2002 Pub. L. No. 107-347, please review the following website: http://frwebgate.access.gpo.gov/cqibin/getdoc.cgi?dbname=107_cong_public_laws&docid=f:publ347.107.pdf;

I. Pilot Program for Enhancement of Contractor Employee Whistleblower Protection:

- i. Subgrantee is hereby given notice that the 48 CFR section 3.908, implementing section 828, entitled "Pilot Program for Enhancement of Contractor Employee Whistleblower Protections," of the National Defense Authorization Act (NOAA) for Fiscal Year (FY) 2013 (Pub. L. 112-239, enacted January 2, 2013), applies to this Grant. The use of the term "Contract", "contractor," "subcontract," or "subcontractor" for the purpose of this term and condition, should be read as "grant," "grantee," "subgrant," or "subgrantee";
 - ii. This Agreement and employees working on this Agreement will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908;
 - iii. The Subgrantee shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation; and
 - iv. The Subgrantee shall insert the substance of this clause, including this paragraph (d), in all subcontracts over the simplified acquisition threshold.
- m. Amendment and Modification
- i. Formal amendments to this Agreement are required for changes to: the term, total cost or Maximum Amount, scope of work, and/or formal name changes. No amendment to this Agreement shall be valid unless made in writing, signed by the parties, and approved as required. No oral understanding or

Agreement not incorporated in the Agreement is binding on any of the parties;

- ii. If Subgrantee intends to request a formal amendment to this Agreement, the request must be submitted in writing; and
- iii. Any increase to out-of-state travel costs or equipment purchases will require a request for modification to the budget.

10. Correspondence Requirements

- a. All correspondence, including emails and faxes, to Subgrantor must be dated, identified with the Award Number and include name, email address, phone number and fax number of contact person.
- b. Unless otherwise provided herein, notice given by the parties shall be in writing, delivered personally, by United States certified mail and deemed delivered three (3) days after tendered for delivery, or by overnight delivery service (with confirmation). Certain reporting and other communications may be delivered electronically or as is customary between the parties.
- c. Address of Subgrantor and point of contact:

For Program Correspondence
Ann Mino – Program Manager
12666 Hoover Street
Garden Grove, CA 92841
Email: amino@capoc.org
Telephone: 717-406-2500, ext. 5316

For Contract Correspondence
Belinda Ong – Contract Manager
12666 Hoover Street
Garden Grove, CA 92841
Email: bong@capoc.org
Telephone: 714-406-2500, Ext. 5350

- d. Address of Subgrantee and point of contact

City of Garden Grove
Attn: John Montanhez - Recreation Manager
11222 Acacia Parkway
Garden Grove, CA 92840

11. Closeout Requirements

Subgrantee must submit closeout reports in a timely manner. Unless an extension is granted, Subgrantee must submit all closeout reports within sixty (60) days after the last day of the final budget period. Failure to submit timely and accurate final reports may affect future funding. An original plus two copies of the reports must be mailed to Subgrantor by the due date noted. Ensure the Award and Program Announcement numbers shown above are on the reports. All manuscripts published as a result of the work supported in part or whole by this Grant must be submitted with the progress reports.

a. Final Performance Report:

At a minimum, the report should include the following:

- i. Statement of progress made toward the achievement of originally stated aims;
- ii. Description of results (positive or negative) considered significant; and
- iii. List of publications resulting from the project, with plans, if any, for further publication.

b. Final Financial Report

The final financial report should only include those funds authorized and actually expended during the timeframe covered by this report. This report must indicate the exact balance of unobligated funds and may not reflect any unliquidated obligations;

c. Equipment Inventory Report

An original and two copies of a complete inventory must be submitted for all major equipment acquired or furnished under this Grant with a unit acquisition cost of \$5,000 or more. The inventory list must include the description of the item, manufacturer serial and/or identification number, acquisition date and cost, percentage of

Federal funds used in the acquisition of the item. The Subgrantee should also identify each item of equipment that it wishes to retain for continued use in accordance with 2 CFR Parts 200, 215.37 or 2 CFR Part 215.71. These requirements do apply to equipment purchased with non-federal funds for this Grant. CDC may exercise its rights to require the transfer of equipment purchased under the assistance award. CDC and Subgrantor will notify the Subgrantee if transfer to title will be required and provide disposition instruction on all major equipment. Equipment with a unit acquisition cost of less than \$5,000 that is no longer to be used in projects or programs currently or previously sponsored by the Federal Government may be retained, sold, or otherwise disposed of, with no further obligation to the Federal Government. If no equipment was acquired under this award, a negative report is required; and

d. Final Invention Statement

An original and two copies of a Final Invention Statement are required. Electronic versions of the form can be downloaded by visiting <http://www.hhs.gov/forms/hhs568.pdf>. If no inventions were conceived under this assistance award, a negative report is required.

12. Insurance Requirements

- a. By execution of this Agreement, Subgrantee agrees that the below-required insurance policies and bond shall be in effect at all times during the term of this Agreement.

Commercial General Liability with broad form property damage and contractual liability – minimum \$1,000,000 per occurrence and \$2,000,000 aggregate

Automobile Liability (including coverage for owned, non-owned and hired vehicles) – minimum \$1,000,000 per occurrence

Worker's Compensation – statutory

Employer's Liability – minimum \$1,000,000 per occurrence

Professional Liability - \$1,000,000 per claims made or per occurrence
Employee Liability – minimum \$750,000

- b. Subgrantee shall provide Subgrantor with written notice at least thirty (30) calendar days prior to cancellation or reduction of insurance coverage to an amount less than that required in this Agreement;
- c. In the event said insurance coverage expires at any time or times during the term of this Agreement, Subgrantee agrees to provide within thirty (30) calendar days prior to said expiration date, a new Certificate of Insurance (ACORD 25) evidencing insurance coverage as provided for herein for not less than the remainder of the term of this Agreement. The Certificate shall identify and name Subgrantor as the Certificate Holder;
- d. New Certificates of Insurance will be reviewed for content and form by Subgrantor;
- e. In the event Subgrantee fails to maintain in effect at all times the specified insurance and bond coverage as herein provided, Subgrantor may, in addition to any other available remedies it may have, suspend this Agreement;
- f. With the exception of workers' compensation and fidelity bond, CDC shall be named as additional insured on all Certificates of Insurance required under this Agreement;
- g. The issuance of other CDC contracts, to include any cash advances and reimbursement payments, to the Subgrantee shall be contingent upon required current insurance coverage being on file at Subgrantor and CDC for this Agreement; and
- h. Should Subgrantee utilize a sub-subgrantee(s) to provide services under this Agreement, Subgrantee shall indemnify and hold Subgrantor and CDC harmless against any liability incurred by that sub-grantee(s).

13. Codes of Conduct

- a. Written standards. Subgrantee shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts or subcontracts. No employee, officer, or agent of the Subgrantee shall participate in the selection, award, or administration of a sub-subcontract supported by federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any

member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the Subgrantee shall neither solicit nor accept gratuities, favors, or anything of monetary value from sub-subgrantees or parties to sub-subagreements. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipients.

- b. Self-dealing prohibited. Subgrantee shall not pay federal funds received from CDC to any entity in which it (or one of its employees, officers, agents, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein) has an interest. As ownership constitutes a financial interest, Subgrantee shall not sub-subcontract with a subsidiary. Similarly, Subgrantee shall not sub-subcontract with an entity that employs or is about to employ any person described in 45 CFR Part 92 (for states and local governments) and 45 CFR Part 74 (for nonprofit organizations), and/or OMB Circular A 110, Section 42, or subsequent amendments to these requirements.
- c. Subgrantee certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest and that no officer or employee who performs any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit that either directly or indirectly arises from this Agreement.
- d. Subgrantee shall establish written safeguards to prohibit its employees or its officers from using their positions for a purpose that could result in private gain or that gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

14. Procurement Standards

- a. Maintenance of written procurement procedures. Subgrantee shall administer this Agreement in accordance with all federal rules and regulations pertaining to procurement, including Office of Management and Budget (OMB) Circulars and amendments thereto. Subgrantee

shall establish, maintain, and follow written procurement procedures consistent with the procurement standards in 45 CFR Part 92 (OMB Circular A-102 for state and local governments) and 45 CFR Part 74 (OMB Circular A-110 for education institutions and nonprofit organizations), or any subsequent amendments to these standards, and all additional provisions in this Agreement, including but not limited to a code of conduct for the award and administration of contracts and a procedure that provides, to the maximum extent practical, open and free competition;

- b. Eligible bidders. Subgrantee shall not permit any organizational conflicts of interest or noncompetitive practices that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective sub-subgrantee performance and eliminate unfair competitive advantage, individuals, or firms that develop or draft specifications, requirements, statements of work, invitations for bids, and/or requests for proposals shall be excluded from competing for such procurements. Subgrantee shall award any sub-subgrant to the bidder or offeror whose bid or offer is responsive to the solicitation and is most advantageous to Subgrantee when considering price, quality, and other factors. Subgrantee's solicitations shall clearly set forth all requirements that the bidder or offeror shall fulfill in order for the bid or offer to be evaluated by the recipient;
- c. Subgrantee assures that all supplies, materials, vehicles, equipment, or services purchased or leased with funds provided by this Agreement shall be used solely for the activities allowed under this Agreement, unless a fair market value for such use is charged to the benefiting program and credited to this Agreement.
- d. Subgrantee shall provide for open and free competition and adequate cost analysis in all procurement transactions for each purchase order, lease, or sub-subcontract for any articles, supplies, equipment, or services to be obtained from vendors or sub-subcontractors;
- e. Non-competitive bid justification. If a service or product is of a unique nature, or more than one vendor/provider cannot reasonably be identified, Subgrantee shall maintain adequate justification for the absence of competitive bidding "Adequate justification" must include, but is not limited to:

- i. Explanation of why the acquisition of goods or services is limited to one vendor or supplier;
 - ii. Description of sole vendor/supplier's unique qualifications to provide the goods or services in question; and
 - iii. Analysis of cost(s) to demonstrate reasonableness.
- f. Emergency procurements. In cases of bona fide emergency where awarding a sub-subgrant is necessary for the immediate preservation of public health, welfare, or safety, documentation of the emergency will be sufficient in lieu of the three-bid process;
 - g. In all procurements, Subgrantee is solely responsible for maintenance of adequate procurement records demonstrating compliance with Federal and State requirements; and
 - h. Noncompliance with any of the provisions in this section may result in a disallowance of the costs of the procurement transaction.

15. Sub-Subgrant

- a. Subgrantee may enter into sub-subgrant(s) to perform part or all of the direct services covered under this Agreement. Prior to the commencement of sub-subgrant services under this Agreement, Subgrantee shall obtain board approval, to include but not be limited to, an assurance that the sub-subgrantee agreement(s) shall comply with all terms, conditions, assurances, and certifications of this Agreement for the nonprofit and local governmental agencies performing services in the area(s) described in ARTICLE 1 -SCOPE OF WORK;
- b. Notification of sub-subgrant execution. Subgrantee shall provide written notification to Subgrantor within sixty (60) calendar days prior to execution of each sub-subgrant agreement the name of the sub-subgrantee entity, its address, telephone number, contact person, contract amount, and program description of each sub-subgrantee activity to be performed under this Agreement. This written notification shall also include a certification that, to the best of Subgrantee's knowledge, the sub-subgrantee is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency. For purposes of this certification of sub-subgrantee eligibility, Subgrantee

- may rely on information provided via the Excluded Parties List System (EPLS), available at <https://www.sam.gov/portal/public/SAM/>;
- c. If Subgrantor determines that Subgrantee has executed a sub-subgrant with an individual or entity listed as debarred, suspended, or otherwise ineligible on EPLS as of the effective start date of the sub-subgrant, costs Subgrantee has incurred under this Agreement may be disallowed;
 - d. Subgrantee is solely responsible for allowable use and allocation of all funds under this Agreement. Subgrantee shall maintain control and accounting procedures capable of tracing funds paid to any sub-subgrantee to a level of expenditure sufficient to establish that such funds have been used in accordance with the terms of this Agreement and applicable laws. Any sub-subgrants under this Agreement shall provide for adequate controls and substantiation of expenditures. Such controls may include requiring sub-subgrantees to provide detailed invoices, periodic monitoring of sub-subgrantee's program activities and fiscal accountability, retaining a right of reasonable access to the sub-subgrantee's books and records, or any other method(s) by which Subgrantee can fulfill its responsibility to substantiate costs as required by OMB Circulars A-87, 122, and 133 and/or applicable amendments to these provisions;
 - e. Subgrantee is solely responsible for performance of the terms, conditions, assurances, and certifications of this Agreement, without recourse to the Federal government, the State and Subgrantor, regarding the settlement and satisfaction of all contractual and administrative issues arising out of sub-subgrant agreement(s) entered into in support of this Agreement, including disputes, claims, or other matters of a contractual nature as well as civil liability arising out of negligence or intentional misconduct of the sub-subgrantee(s);
 - f. Nothing contained in this Agreement shall create any contractual relation between Subgrantor and any sub-subgrantees, and no sub-subgrant shall relieve the Subgrantee of its responsibilities and obligations hereunder. Subgrantee shall be liable for any acts and omissions of its sub-subgrantees or of persons either directly or indirectly employed by sub-subgrantees in violation of this Agreement. Subgrantee's obligation to pay sub-subgrantee(s) is independent from CDC and Subgrantor's obligation to make payments to Subgrantee.

As a result, CDC and Subgrantor shall have no obligation to pay or to enforce payment of any moneys to any sub-subgrantee; and

- g. In the event CDC and/or Subgrantor suspends, terminates, and/or makes changes to the services to be performed under this Agreement, Subgrantee shall notify all of its sub-subgrantees in writing within five (5) days of receipt of notice of such action.

16. Federal and State Policy Provisions

- a. Certifications – Subgrantee’s signature affixed hereon shall constitute a certification that to the best of its ability and knowledge it will comply with the provisions set forth in the following:

- i. Drug Free Workplace Requirements Contract Certification Clause (CCC 307);
- ii. National Labor Relations Board Certification (CCC 307);
- iii. Expatriate Corporations (CCC 307);
- iv. Domestic Partners (CCC 307);
- v. Amendment for Change of Agency Name (CCC 307);
- vi. Resolution (CCC 307);
- vii. Air and Water Pollution Violation (CCC-307);
- viii. Information Integrity and Security (Department of Finance, Budget Letter 04-35); and
- ix. Safeguarding Against and Responding to a Breach of Security Involving Personal Information (Department of General Services, Management Memo 08-11)

The above documents are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto;

- b. Federal Certification Regarding Debarment, Suspension and Related Matters - Contractor hereby certifies to the best of its knowledge that it, any of its officers, or any sub-subgrantee(s):

- i. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
- ii. Have not within a three (3) year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a

public transaction; violation of federal or State antitrust statutes; commission of embezzlement, theft, forgery, or bribery; falsification or destruction of records; making false statements; or receiving stolen property;

- iii. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph b of this certification;
 - iv. Have not, within a three (3) year period preceding this Agreement, had one or more public (federal, state, or local) transactions terminated for cause or default;
 - v. If any of the above conditions are true for the Subgrantee, any of its officers, or any sub-subgrantee(s), Subgrantee shall describe such condition(s) in writing and submit this information to Subgrantor with the other forms Subgrantee must complete and return prior to Subgrantor's execution of this Agreement. Based on the description, Subgrantor in its discretion may decline to execute this Agreement, or set further conditions of this Agreement. In the event any of the above conditions are true and not disclosed by Subgrantee, it shall be deemed a material breach of this Agreement, and Subgrantor may terminate this Agreement for cause immediately pursuant to the termination provisions of State and federal law governing the this Agreement; and
 - vi. As provided in this Agreement, Subgrantee must certify in writing to the best of its knowledge that any sub-subgrantee(s) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency.
- c. Affirmative Action Compliance
- i. Each Subgrantee or sub-subgrantee with 50 or more employees and an agreement of \$50,000 or more shall be required to develop a written Affirmative Action Compliance Program;
 - ii. The written program shall follow the guidelines set forth in Title 41 CFR Section 60 1.40, Sections 60 2.10 through 60 2.32, Sections 60 250.1 through 60 250.33, and Sections 60 741.4 through 60 741.32; and

- iii. Each Subgrantee or sub-subgrantee with less than 50 employees shall comply with Section 202 of Part II of Executive Order 11246, as amended by Executive Order 11375. Subgrantee shall ensure that sub-subgrantees falling within the scope of this provision shall comply in full with the requirements thereof.
- d. Nondiscrimination Compliance
 - i. Subgrantee's signature affixed hereon shall constitute a certification that to the best of its ability and knowledge will, unless exempted, comply with the nondiscrimination program requirements set forth in this section;
 - ii. Subgrantee hereby certifies compliance with the following:
 - a) Federal Executive Order 11246, as amended by Executive Order 11375, relating to equal employment opportunity;
 - b) Title VI and Title VII of the Civil Rights Act of 1964, as amended;
 - c) Rehabilitation Act of 1973, as amended;
 - d) Vietnam Era Veterans Readjustment Assistance Act of 1972, as amended;
 - e) Title 41, Code of Federal Regulations (CFR), Chapter 60, Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor, as amended; and
 - f) Public Law 101 336, Americans with Disabilities Act of 1990, as amended.
- e. Transparency Act Reporting - In accordance with requirements of the Federal Funding Accountability and Transparency Act (FFATA), Subgrantee that 1) are not required by the IRS to annually file a Form 990 federal return, 2) receive at least 80% of their annual gross revenues from federal sources (excluding any ARRA funds), and 3) have annual gross revenues totaling \$25,000,000.00 or more from federal grants, contracts, or other federal sources (excluding any ARRA funds), shall provide to Subgrantor a current list of names and total compensation of Subgrantee's top five (5) highly compensated officials/employees. The list shall be provided with the executed copy of the Agreement returned to Subgrantor. This requirement applies

only to Subgrantee that falls within all three categories set forth in this paragraph;

f. Specific Assurances

i. Pro-Children Act of 1994

- a) This Agreement incorporates by reference all provisions set forth in Public Law 103-227, Part C -Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act);
- b) Subgrantee further agrees that the above language will be included in any sub-subgrants that contain provisions for children's services and that all sub-subgrantees shall certify compliance accordingly. For detailed explanation, see <http://providers.csd.ca.gov/>;
- c) This Agreement incorporates by reference all provisions set forth in the Child Support Services and Referrals (Section 678 (b) 1998 CSBG Reauthorization Act). For detailed explanation, see <http://providers.csd.ca.gov/>.

ii. Federal and State Occupational Safety and Health Statues. Subgrantee assures that it shall be in compliance with the provisions as set forth in Federal and State Occupational Safety and Health Statutes; the California Safe Drinking Water and Toxic Enforcement Act of 1986; Universal Waste Rule (Hazardous Waste Management System: Modification of the Hazardous Waste Recycling Regulatory Program); Final Rule; and Workers' Compensation laws;

iii. Political Activities

- a) Subgrantee shall refrain from all political activities if such activities involve the use of any funds that are the subject of this Agreement; and
- b) Subgrantee is prohibited from any activity that is designed to provide voters or prospective voters with transportation to the polls or to provide similar assistance in connection with an election if such activities involve the use of any funds that are subject to this Agreement.

iv. Lobbying Activities

- a) Subgrantee shall refrain from all lobbying activities if such activities involve the use of any funds that are the subject

- of this Agreement or any other fund, programs, projects, or activities that flow from this Agreement; and
- b) If Subgrantee engages in lobbying activities, Subgrantee shall complete, sign and date the CERTIFICATION REGARDING LOBBYING/DISCLOSURE OF LOBBYING ACTIVITIES, Attachment __, as required by the U.S. Department of Health and Human Services under 45 CFR Part 93.
 - v. Data Universal Numbering System (DUNS) Requirements
Subgrantee shall provide to Subgrantor proof of an active nine-digit Data Universal Numbering System (DUNS) number as a prerequisite to execution of this Agreement. To obtain authentication of the DUNS number, print and submit verification from the Systems for Award Management website at <https://www.sam.gov/portal/public/SAM/>.

17. General Terms and Conditions

- a. Approval: This Agreement is of no force or effect until signed by both parties and approved by the CDC, if required. Subgrantee may not commence performance until such approval has been obtained;
- b. Amendment: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties;
- c. Assignment: This Agreement is not assignable by Subgrantee, either in whole or in part, without the consent of Subgrantor in the form of a formal written amendment;
- d. Audit: Subgrantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Subgrantee agrees to include a similar right of the awarding agency and Subgrantor to audit records and interview staff in any sub-subgrantees related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896);
- e. Indemnification: Subgrantee agrees to indemnify, defend and save harmless CDC and Subgrantor, their officers, agents and employees

from any and all claims and losses accruing or resulting to any and all subgrantee, sub-subgrantees, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Subgrantee in the performance of this Agreement;

- f. Disputes: Subgrantee shall continue with the responsibilities under this Agreement during any dispute;
- g. Termination for Cause: Subgrantor may terminate this Agreement and be relieved of any payments should the Subgrantee fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination Subgrantor may proceed with the work in any manner deemed proper by Subgrantor. All costs to Subgrantor shall be deducted from any sum due Subgrantee under this Agreement and the balance, if any, shall be paid to the Subgrantor upon demand;
- h. Independent Contractor: Subgrantee, and the agents and employees of Subgrantee, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of Subgrantor;
- i. Non-Discrimination Clause: During the performance of this Agreement, Subgrantee and its sub-subgrantees shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Subgrantee and its sub-subgrantees shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Subgrantee and its sub-subgrantee(s) shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2

- of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Subgrantee and its sub-subgrantees shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement. Subgrantee shall include the nondiscrimination and compliance provisions of this clause in all sub-subgrant to perform work under this Agreement;
- j. **Timeliness:** Time is of the essence in this Agreement;
 - k. **Governing Law:** This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California;
 - l. **Antitrust Claims:** The Subgrantee by signing this Agreement hereby certifies that if services or goods are obtained by means of a competitive bid, the Subgrantee shall comply with the requirements of the federal and state laws;
 - m. **Child Support Compliance Act:** If this Agreement is in excess of \$100,000, the Subgrantee acknowledges in accordance with Public Contract Code 7110, that:
 - i. The Subgrantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
 - ii. The Subgrantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
 - n. **Unenforceable Provision:** In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby;
 - o. **Texting while driving:** Subgrantee and sub-subgrantees of this Agreement are prohibited from texting while driving a Government owned vehicle or when using Government furnished electronic equipment while driving any vehicle. Texting means reading from or

entering data into any handheld or other electronic device, including SMS texting, e-mailing, instant messaging, obtaining navigational information, or engaging in any other form of electronic data retrieval or electronic data communication. Driving means operating a motor vehicle on an active roadway with the motor running, including while temporarily stationary due to traffic, a traffic light, stop sign or otherwise. It does not include operating a motor vehicle with or without the motor running when one has pulled over to the side of, or off, an active roadway and has halted in a location where one can safely remain stationary. Subgrantee and sub-subgrantees are responsible for ensuring their employees are aware of this prohibition and adhere to this prohibition.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year last signed.

Subgrantor

Community Action Partnership
Of Orange County,
a California non-profit corporation

By: Clarence W Ray
Name: Clarence W. Ray
Title: Executive Director
Date: 5/27/15

Subgrantee

City of Garden Grove
a municipal corporation

By: [Signature]
Name: Allan Reeder
Title: Interim City Manager
Date: 5/6/15

ATTEST: [Signature]
TERESA POMEROY
Deputy City Clerk
City of Garden Grove
DATED: 5/6/15

Exhibit A
Scope of Work

Scope of Work October 1, 2014 to September 29, 2015

Partnerships to Improve Community Health (PICH) use evidence and practice-based strategies to create or strengthen healthy environments that make it easier for people to make healthy choices and take charge of their health. PICH maximizes public health impact in a sustainable way by creating, updating and implementing Policy, Systems and Environmental (PSE) changes within the targeted communities.

OC-PICH, which includes 11 funded agencies, will focus on 3 targeted strategies; increase access and consumption of healthy foods and beverages, increase access to safe places to be active, and media/communications as it related to CDC approved activities/strategies to community residents (safe biking/walking campaign, increase water consumption campaign, etc.). All strategies will have an evaluation component, which all subgrantees will provide their evaluation information (surveys, results, etc.), as it related to OC-PICH/CDC funded projects, to CAPOC and to the program evaluation subgrantees,. The project is required to reach 75% or 623,757 residents in the cities of Anaheim, Garden Grove and Santa Ana by September 2017.

Project Period Objective (PPO) – Nutrition

Increase the number of K-12 schools with improved school local procurement policies and practices:

Farm to Institution– The Coalition will expand farm-to-institutions programs in Anaheim, Garden Grove and Santa Ana. Implementing Farm to School with the program’s jurisdiction will create access to healthy, local food options for community residents and priority population. The City’s activities for this strategy include:

- Support OCFAC and other coalition partners, as needed.

Increases the number of jurisdictions with strategies to incorporate land/vendor use agreements to improve access to fresh, local produce and strategies to incorporate free/low-cost beverage options, specifically water to community residents:

Community Garden – The Coalition will expand community, school and home gardens and distribution of grown fresh produce to the larger community. The achievement of our activities will create land use policies that will allow community members access to healthy foods. The City’s activities for this strategy include:

- Advocate updating, amending or establishing new zoning or land policies to accommodate community gardens, as needed. Deliverable - program/progress report; and
- Identify opportunities to implement new community gardens, as needed. Deliverable -.program/progress report.

Water Access- Discourage consumption of sugar-sweetened beverages/encourage consumption of water, specifically tap water in public spaces. AHOC's activities for this strategy include:

- Encourage residents to consume water/support CAPOC's water campaign; and
- Support other partner's efforts, as needed.

Project Period Objective (PPO) – Physical Activity

Increase the number of K-12 schools insuring students receive moderate to vigorous state required physical activity minutes.

Physical Activity Opportunities – Supports the CA State law that mandates every student needs to receive 200 minutes of Physical Education every 10 school days in elementary schools and 400 minutes every 10 school days in secondary schools. AHOC will support the development and implementation of physical activity policies in the targeted school districts. The Coalition will focus on one school district, while still providing technical assistance to the other districts. The City's activities for this strategy include:

- Support OCDE and other coalition partners.

Increase the number of jurisdiction with improved policies and physical environment related to active transportation.

Active Transportation – Includes enhancing and supporting infrastructure for bicycle and pedestrian plans, enhance traffic safety in areas where persons are physical activity. The City's activities for this strategy include:

- Provide and encourage physical activity opportunities for residents. Deliverable- Program/Progress Report;
- Install permanent physical activity equipment in a public park. Deliverable - Installation of equipment;
- Install/Extend walking path in public park. Deliverable - installation of walking path;

- Organize and host an Open Streets Event. Deliverable - Event;
- Support safe, healthy environments. Deliverable – program/progress report; and
- Support and assist, as needed, UCI and SSG evaluation efforts. Deliverable – program/progress report.

Project Period Objective (PPO) – Media and Communications

Increase the number of jurisdictions with media and communications supporting community health activities.

Media/Communications - communicate our partnerships and PSE strategies to the public. The overall communication plan will utilize mixed communication methods to target all areas of OC-PICH jurisdiction in communication our health campaigns. CAPOC will house the communications at their site. If any technical assistance is needed regarding communications for OC-PICH please submit a request.

- Provide support for the development of a social media campaigns, as well as, other mixed communication methods. Deliverable – calendar of events and Implementation of media campaigns.

The City's program progress and performance will be monitored by the Program Manager. The Contract Manager will ensure The City of Garden Grove is contract compliant. The following will be required of Subgrantee:

- Required attendance to monthly OC-PICH planning meetings;
- Provide a monthly activity/event calendar to the Program Manager. The calendar will include activities completed with CDC funds, as well as supporting un-funded activities;
- Quarterly program/progress reports due to Program Manager (including; meetings, activities, PSE efforts, etc.);
- All payroll related support materials for personnel working on the OC PICH program will be submitted to Contract Manager monthly;
- Submit bidding process, following CDC & CAPOC policies and procedures, to Contracts Manager, as needed;
- All budget and/or program modifications need to have prior approval by PI;
- Monthly billing reports (including all invoices related to OC PICH funding) due to Contract Manager; and
- CAPOC will complete site visits at a minimum two times per contract year, as funding allows; and

- Use OC-PICH logo, slogan and materials, once created and approved by the Coalition, for all OC-PICH related materials. CAPOC will house the Communications for this project. If any materials or more information is needed regarding media/communications please submit a request.

Exhibit B
Notice of Award

The first page of the NOA is intentionally left blank

SECTION I - AWARD DATA - 1U58DP005861-01

Award Calculation (U.S. Dollars)

Salaries and Wages	
Fringe Benefits	\$183,489
Personnel Costs (Subtotal)	\$60,221
Supplies	\$243,710
Travel Costs	\$5,100
Other Costs	\$5,908
Consortium/Contractual Cost	\$240,750
	\$889,783

Federal Direct Costs	
Approved Budget	\$1,385,251
Federal Share	\$1,385,251
TOTAL FEDERAL AWARD AMOUNT	\$1,385,251
	\$1,385,251

AMOUNT OF THIS ACTION (FEDERAL SHARE) \$1,385,251

Recommended future year total cost support, subject to the availability of funds and satisfactory progress of the project.

02	\$1,385,251
03	\$1,385,251

Fiscal Information:

CFDA Number: 93.331
 EIN: 1952452787A1
 Document Number: 005861DP14

IC	CAN	2014	2015	2016
DP	939012K	\$1,385,251	\$1,385,251	\$1,385,251

SUMMARY TOTALS FOR ALL YEARS		
YR	THIS AWARD	CUMULATIVE TOTALS
1	\$1,385,251	\$1,385,251
2	\$1,385,251	\$1,385,251
3	\$1,385,251	\$1,385,251

Recommended future year total cost support, subject to the availability of funds and satisfactory progress of the project

CDC Administrative Data:

PCC: / OC: 4151 / Processed: ERAAPPS 09/20/2014

SECTION II - PAYMENT/HOTLINE INFORMATION - 1U58DP005861-01

For payment information see Payment Information section in Additional Terms and Conditions.

INSPECTOR GENERAL: The HHS Office Inspector General (OIG) maintains a toll-free number (1-800-HHS-TIPS [1-800-447-8477]) for receiving information concerning fraud, waste or abuse under grants and cooperative agreements. Information also may be submitted by e-mail to hhstips@oig.hhs.gov or by mail to Office of the Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington DC 20201. Such reports are treated as sensitive material and submitters may decline to give their names if they choose to remain anonymous. This note replaces the Inspector General contact information cited in previous notice of award.

SECTION III - TERMS AND CONDITIONS - 1U58DP005861-01

This award is based on the application submitted to, and as approved by, CDC on the above-titled project and is subject to the terms and conditions incorporated either directly or by reference in the following:

- a. The grant program legislation and program regulation cited in this Notice of Award.
- b. The restrictions on the expenditure of federal funds in appropriations acts to the extent those restrictions are pertinent to the award.
- c. 45 CFR Part 74 or 45 CFR Part 92 as applicable.
- d. The HS Grants Policy Statement, including addenda in effect as of the beginning date of the budget period.
- e. This award notice, INCLUDING THE TERMS AND CONDITIONS CITED BELOW.

This award has been assigned the Federal Award Identification Number (FAIN) U58DP005861. Recipients must document the assigned FAIN on each consortium/subaward issued under this award.

Treatment of Program Income;
Additional Costs

SECTION IV – DP Special Terms and Conditions – 1U58DP005861-01

Funding Opportunity Announcement (FOA) Number: CDC-RFA-DP14-1417
Award Number: 1U58DP005861 - 1 Community Action Partnership of Orange County
Award Type: Cooperative Agreement
Applicable Cost Principles: 2 CFR Part 230 Cost Principles Non-Profit Organizations (OMB Circular A-122)

AWARD INFORMATION

Incorporation: The Centers for Disease Control and Prevention (CDC) hereby incorporates Funding Opportunity Announcement number CDC-RFA-DP14-1417, entitled Partnerships to Improve Community Health (PICH), and application dated SELECT DATE, as may be amended, which are hereby made a part of this Non-Research award hereinafter referred to as the Notice of Award (NoA). The Department of Health and Human Services (HHS) grant recipients must comply with all terms and conditions outlined in their NoA, including grants policy terms and conditions contained in applicable HHS Grants Policy Statements, and requirements imposed by program statutes and regulations and HHS grant administration regulations, as applicable; as well as any requirements or limitations in any applicable appropriations acts. The term grant is used throughout this notice and includes cooperative agreements.

CLARIFICATION: The Statutory Authority of 42 USC 241 42 CFR 52 cited on the first page of this Notice of Award is incorrect.
The correct Statutory Authority for this grant under FOA DP14-1417 is: This program is authorized under Sections 317 (k)(2) of the Public Health Service Act 42 U.S.Code 247b(k)(2).

Approved Funding: Funding in the amount of \$1,385,251 is approved for the Year 01 budget period, which is September 30, 2014 through September 29, 2015. All future year funding will be based on satisfactory programmatic progress and the availability of funds.

Note: Refer to the Payment Information section for draw down and Payment Management System (PMS) subaccount information.

Award Funding: Not funded by the Prevention and Public Health Fund

Objective Review Statement Response Requirement: The review comments on the strengths and weaknesses of the proposal are provided as part of this award. A response to the weaknesses in these statements must be submitted to and approved, in writing, by the Grants Management Specialist/Grants Management Officer (GMS/GMO) noted in the Staff Contacts section of this NoA, no later than 30 days from the budget period start date. Failure to submit the required information by the due date, October 30, 2014, will cause delay in programmatic progress and will adversely affect the future funding of this project.

Budget Revision Requirement: By October 30, 2014 the grantee must submit a revised budget with a narrative justification and work plan. Failure to submit the required information in a timely manner may adversely affect the future funding of this project. If the information cannot be provided by the due date, you are required to contact the GMS/GMO identified in the Staff Contacts section of this notice before the due date.

Program Income: Any program income generated under this grant or cooperative agreement will be used in accordance with the Addition alternative.

FUNDING RESTRICTIONS AND LIMITATIONS

Funding Opportunity Announcement (FOA) Restrictions:

Restrictions that must be considered while planning the programs and writing the budget are:

- Awardees may not use funds for research.
- Awardees may not use funds for clinical care.
- Awardees may use funds only for reasonable program purposes, including personnel, travel, supplies, and services.
- Generally, awardees may not use funds to purchase furniture or equipment. Any such proposed spending must be clearly identified in the budget.
- Reimbursement of pre-award costs is not allowed.
- Other than for normal and recognized executive-legislative relationships, no funds may be used for: publicity or propaganda purposes, for the preparation, distribution, or use of any material designed to support or defeat the enactment of legislation before any legislative body the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before any legislative body.
- See Additional Requirement (AR) 12 for detailed guidance on this prohibition and additional guidance on lobbying for CDC awardees.
- The direct and primary recipient in a cooperative agreement program must perform a substantial role in carrying out project outcomes and not merely serve as a conduit for an award to another party or provider who is ineligible.

Indirect Costs: Indirect costs are not approved for this award, because an approved Indirect Cost Rate Agreement has not been established. The costs identified as Indirect Costs have been moved to Direct Costs, Other category. To have indirect costs approved for this grant, submit an approved indirect cost rate agreement to the grants management specialist no later than 30 days of receipt of this Notice of Award.

Cost Limitations as Stated in the Consolidated Appropriations Act, 2014, (Items A through G)

A. Cap on Salaries (Div. H, Title II, Sec. 203): None of the funds appropriated in this title shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II. Note: The salary rate limitation does not restrict the salary that an organization may pay an individual working under an HHS contract or order; it merely limits the portion of that salary that may be paid with Federal funds. **B. Gun Control Prohibition (Div. H, Title II, Sec. 217):** None of the funds made available in this title may be used, in whole or in part, to advocate or promote gun control. **C. Proper Use of Appropriations - Publicity and Propaganda (LOBBYING) FY2012 (Div. H, Title V, Sec. 503):**

- 503(a): No part of any appropriation contained in this Act or transferred pursuant to section 4002 of Public Law 111-148 shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the Congress or any State or local legislature or legislative body, except in presentation of the Congress or any State or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any State or local government itself.
- 503 (b): No part of any appropriation contained in this Act or transferred pursuant to section 4002 of Public Law 111-148 shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity

designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the Congress or any State government, State legislature or local legislature or legislative body, other than normal and recognized executive legislative relationships or participation by an agency or officer of an State, local or tribal government in policymaking and administrative processes within the executive branch of that government.

- 503(c): The prohibitions in subsections (a) and (b) shall include any activity to advocate or promote any proposed, pending or future Federal, State or local tax increase, or any proposed, pending, or future requirement or restriction on any legal consumer product, including its sale of marketing, including but not limited to the advocacy or promotion of gun control.

For additional information, see Additional Requirement 12 at http://www.cdc.gov/od/pgo/funding/grants/additional_req.shtm and Anti Lobbying Restrictions for CDC Grantees at http://www.cdc.gov/od/pgo/funding/grants/Anti-Lobbying_Restrictions_for_CDC_Grantees_July_2012.pdf.

D. Needle Exchange (Div. H, Title V, Sec. 522): Notwithstanding any other provision of this Act, no funds appropriated in this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

E. Restricts dealings with corporations with recent felonies (Div. E, Title VI, Sec. 623): None of the funds made available by this Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to any corporation that was convicted (or had an officer or agent of such corporation acting on behalf of the corporation convicted) of a felony criminal violation under any Federal or State law within the preceding 24 months, where the awarding agency is aware of the conviction, unless the agency has considered suspension or debarment of the corporation, or such officer or agent, and made a determination that this further action is not necessary to protect the interests of the Government.

F. Restricts dealings with corporations with unpaid federal tax liability (Div. E, Title VI, Sec. 622, Div. H, Title V, Sec. 518): None of the funds made available by this Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, where the awarding agency is aware of the unpaid tax liability, unless the agency has considered suspension or debarment of the corporation and made a determination that this further action is not necessary to protect the interests of the Government.

G. Blocking access to pornography (Div. H, Title V, Sec. 528): (a) None of the funds made available in this Act may be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography; (b) Nothing in subsection (a) shall limit the use of funds necessary for any Federal, State, tribal, or local law enforcement agency or any other entity carrying out criminal investigations, prosecution, or adjudication activities.

Rent or Space Costs: Grantees are responsible for ensuring that all costs included in this proposal to establish billing or final indirect cost rates are allowable in accordance with the requirements of the Federal award(s) to which they apply, including 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87); and 2 CFR Part 230, Cost Principles for Non-Profit Organizations (OMB Circular A-122). The grantee also has a responsibility to ensure sub-recipients expend funds in compliance with applicable federal laws and regulations. Furthermore, it is the responsibility of the grantee to ensure rent is a legitimate direct cost line item, which the grantee has supported in current and/or prior projects and these same costs have been treated as indirect costs that have not been claimed as direct costs. If rent is claimed as direct cost, the grantee must provide a narrative justification, which describes their prescribed policy to include the effective date to the assigned Grants Management Specialist (GMS) identified in the CDC Contacts for this award.

Trafficking In Persons: This award is subject to the requirements of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. Part 7104(g)). For the full text of the award terms

and conditions, see,
[http://www.cdc.gov/od/pgo/funding/grants/Award Term and Condition for Trafficking in Persons.shtml](http://www.cdc.gov/od/pgo/funding/grants/Award_Term_and_Condition_for_Trafficking_in_Persons.shtml)

Cancel Year: 31 U.S.C. Part 1552(a) Procedure for Appropriation Accounts Available for Definite Periods states the following, On September 30th of the 5th fiscal year after the period of availability for obligation of a fixed appropriation account ends, the account shall be closed and any remaining balances (whether obligated or unobligated) in the account shall be canceled and thereafter shall not be available for obligation or expenditure for any purpose. An example is provided below:

Fiscal Year (FY) 2014 funds will expire September 30, 2017. All FY 2014 funds should be drawn down and reported to Payment Management Services (PMS) prior to September 30, 2017. After this date, corrections or cash requests will not be permitted.

REPORTING REQUIREMENTS

Annual Federal Financial Report (FFR, SF-425): The Annual Federal Financial Report (FFR) SF-425 is required and must be submitted through eRA Commons no later than 90 days after the end of the calendar quarter in which the budget period ends. The FFR for this budget period is due to the GMS/GMO by December 29, 2015. Reporting timeframe is September 30, 2014 through September 29, 2015.

The FFR should only include those funds authorized and disbursed during the timeframe covered by the report. The final FFR must indicate the exact balance of unobligated funds and may not reflect any unliquidated obligations. There must be no discrepancies between the final FFR expenditure data and the Payment Management System's (PMS) cash transaction data. All Federal reporting in PMS is unchanged.

Failure to submit the required information in a timely manner may adversely affect the future funding of this project. If the information cannot be provided by the due date, the grantee is required to contact the Grants Officer listed in the contacts section of this notice before the due date.

FFR (SF-425) instructions for CDC Grantees are available at <http://grants.nih.gov/grants/forms.htm>. For further information, contact GrantsInfo@nih.gov. Additional resources concerning the eFSR/FFR system, including a User Guide and an on-line demonstration, can be found on the eRA Commons Support Page: <http://www.cdc.gov/od/pgo/funding/grants/eramain.shtml>.

Performance Reporting: The Annual Performance Report is due no later than 120 days prior to the end of the budget period, **May 29, 2015**, and serves as the continuing application. This report should include the information specified in the FOA.

Audit Requirement : Domestic Organizations: An organization that expends \$500,000 or more in a fiscal year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of OMB Circular A-133. The audit period is an organization's fiscal year. The audit must be completed along with a data collection form (SF-SAC), and the reporting package shall be submitted within the earlier of 30 days after receipt of the auditor's report(s), or nine (9) months after the end of the audit period. The audit report must be sent to:

Federal Audit Clearing House Internet Data Entry System

Electronic Submission:

[https://harvester.census.gov/facides/\(S\(0vkw1zaelyzjibnahocqa5i0\)\)/account/login.aspx](https://harvester.census.gov/facides/(S(0vkw1zaelyzjibnahocqa5i0))/account/login.aspx)

AND

Procurement & Grants Office, Risk Management & Compliance Activity
Electronic Copy to: PGO.Audit.Resolution@cdc.gov

After receipt of the audit report, the National External Audit Review Center will provide audit resolution instructions. CDC will resolve findings by issuing Final Determination Letters.

Audit requirements for Subrecipients: The grantee must ensure that the subrecipients receiving CDC funds also meet these requirements. The grantee must also ensure to take appropriate corrective action within six months after receipt of the subrecipient audit report in instances of non-compliance with applicable Federal law and regulations (2 CFR 200 Subpart F and HHS Grants Policy Statement). The grantee may consider whether subrecipient audits necessitate adjustment of the grantee's own accounting records. If a subrecipient is not required to have a program-specific audit, the grantee is still required to perform adequate monitoring of subrecipient activities. The grantee shall require each subrecipient to permit the independent auditor access to the subrecipient's records and financial statements. The grantee must include this requirement in all subrecipient contracts.

Note: The standards set forth in 2 CFR Part 200 Subpart F will apply to audits of fiscal years beginning on or after December 26, 2014.

Federal Funding Accountability and Transparency Act (FFATA): FFATA applies to new awards that have been made and noncompeting continuations that were issued as new awards on or after October 1, 2010. In accordance with 2 CFR Chapter 1, Part 170 Reporting Sub-Award And Executive Compensation Information, Prime Awardees awarded a federal grant are required to file a FFATA sub-award report by the end of the month following the month in which the prime awardee awards any sub-grant equal to or greater than \$25,000.

Pursuant to A-133 (see Section 205(h) and Section 205(i)), a grant sub-award includes the provision of any commodities (food and non-food) to the sub-recipient where the sub-recipient is required to abide by terms and conditions regarding the use or future administration of those goods. If the sub-awardee merely consumes or utilizes the goods, the commodities are not in and of themselves considered sub-awards.

2 CFR Part 170: http://www.ecfr.gov/cgi-bin/text-idx?SID=62c0c614004c0ada23cb6552e0adcdc6&node=2:1.1.1.1.4&rgn=div5#_top

FFATA: www.fsrs.gov. Reporting of First-Tier Sub-awards

Applicability: Unless you are exempt (gross income from all sources reported in last tax return is under \$300,000), you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a sub-award to an entity.

Reporting: Report each obligating action of this award term to <http://www.fsrs.gov>. For sub-award information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010). You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov/specify>.

Total Compensation of Recipient Executives: You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if:

- The total Federal funding authorized to date under this award is \$25,000 or more;
- In the preceding fiscal year, you received—
 - 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR Part 170.320 (and sub-awards); and
 - \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR Part 170.320 (and sub-awards); and
 - The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. Part 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>).

Report executive total compensation as part of your registration profile at <http://www.sam.gov>. Reports should be made at the end of the month following the month in which this award is made and annually thereafter.

Total Compensation of Sub-recipient Executives: Unless you are exempt (gross income from all sources reported in last tax return is under \$300,000), for each first-tier sub-recipient under this award, you must report the names and total compensation of each of the sub-recipient's five most highly compensated executives for the sub-recipient's preceding completed fiscal year, if:

- In the sub-recipient's preceding fiscal year, the sub-recipient received—
 - 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR Part 170.320 (and sub-awards); and
 - \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and sub-awards); and
 - The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. Part 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>).

You must report sub-recipient executive total compensation to the grantee by the end of the month following the month during which you make the sub-award. For example, if a sub-award is obligated on any date during the month of October of a given year (i.e., between October 1st and 31st), you must report any required compensation information of the sub-recipient by November 30th of that year.

Definitions:

- Entity means all of the following, as defined in 2 CFR Part 25 (Appendix A, Paragraph(C)(3)):
 - Governmental organization, which is a State, local government, or Indian tribe;
 - Foreign public entity;
 - Domestic or foreign non-profit organization;
 - Domestic or foreign for-profit organization;
 - Federal agency, but only as a sub-recipient under an award or sub-award to a non-Federal entity.
- Executive means officers, managing partners, or any other employees in management positions.
- Sub-award: a legal instrument to provide support to an eligible sub-recipient for the performance of any portion of the substantive project or program for which the grantee received this award. The term does not include the grantees procurement of property and services needed to carry out the project or program (for further explanation, see Sec. .210 of the attachment to OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations). A sub-award may be provided through any legal agreement, including an agreement that the grantee or a sub-recipient considers a contract.
- Sub-recipient means an entity that receives a sub-award from you (the grantee) under this award; and is accountable to the grantee for the use of the Federal funds provided by the sub-award.
- Total compensation means the cash and non-cash dollar value earned by the executive during the grantee's or sub-recipient's preceding fiscal year and includes the following (for more information see 17 CFR Part 229.402(c)(2)):
 - Salary and bonus
 - Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

- o Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
- o Above-market earnings on deferred compensation which is not tax-qualified.
- o Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

GENERAL REQUIREMENTS

Travel Cost: In accordance with HHS Grants Policy Statement, travel costs are only allowable where such travel will provide direct benefit to the project or program. There must be a direct benefit imparted on behalf of the traveler as it applies to the approved activities of the NoA. To prevent disallowance of cost, the grantee is responsible for ensuring that only allowable travel reimbursements are applied in accordance with their organization's established travel policies and procedures. Grantees approved policies must meet the requirements of 2 CFR Parts 200, 225 and 230, as applicable and 45 CFR Parts 74 and 92, as applicable.

Food and Meals: Costs associated with food or meals are allowable when consistent with OMB Circulars and guidance, HHS Federal regulations, Program Regulations, HHS policies and guidance. In addition, costs must be proposed in accordance with grantee approved policies and a determination of reasonableness has been performed by the grantees. Grantee approved policies must meet the requirements of 2 CFR Parts 200, 225 and 230, as applicable and 45 CFR Parts 74 and 92, as applicable.

Prior Approval: All requests, which require prior approval, must bear the signature of an authorized official of the business office of the grantee organization as well as the principal investigator or program or project director named on this NoA. The grantee must submit these requests by **May 29, 2015** or no later than 120 days prior to this budget period's end date. Any requests received that reflect only one signature will be returned to the grantee unprocessed. Additionally, any requests involving funding issues must include an itemized budget and a narrative justification of the request.

The following types of requests require prior approval.

- Use of unobligated funds from prior budget period (Carryover)*
- Lift funding restriction, withholding, or disallowance
- Redirection of funds
- Change in scope
- Implement a new activity or enter into a sub-award that is not specified in the most recently approved budget
- Apply for supplemental funds
- Response to the Objective/Technical Review Statement
- Change in key personnel
- Extensions
- Conferences or meetings that exceed cost threshold

Note: Awardees may request up to 75 percent of their estimated unobligated funds to be carried forward into the next budget period.

Templates for prior approval requests can be found at:
<http://www.cdc.gov/od/pgo/funding/grants/granteeguidance.shtm>

Correspondence: ALL correspondence (including emails and faxes) regarding this award must be dated, identified with the AWARD NUMBER, and include a point of contact (name, phone, fax, and email). All correspondence should be addressed to the Grants Management Specialist listed below and submitted with an original plus two copies.

Cynthia Atkins-Woods, Grants Management Specialist
 Centers for Disease Control,
 PGO, Chronic and Birth Defects Services Branch
 2920 Brandywine Road, Mail Stop E-09
 Atlanta, GA 30341-4146
 Telephone: (770) 488-3181

Email: vfi4@cdc.gov

Key Personnel: In accordance with 2 CFR Parts 200.308 and 215.25(c)(2) & (3), CDC grantees must obtain prior approval from CDC for (1) change in the project director/principal investigator, business official, authorized organizational representative or other key persons specified in the FOA, application or award document; and (2) the disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.

Inventions: Acceptance of grant funds obligates grantees to comply with the standard patent rights clause in 37 CFR Part 401.14.

Publications: Publications, journal articles, etc. produced under a CDC grant support project must bear an acknowledgment and disclaimer, as appropriate, for example:

This publication (journal article, etc.) was supported by the Grant or Cooperative Agreement Number, **1 U58 DP 005861-1** funded by the Centers for Disease Control and Prevention. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the Centers for Disease Control and Prevention or the Department of Health and Human Services.

Acknowledgment Of Federal Support: When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all awardees receiving Federal funds, including and not limited to State and local governments and grantees of Federal research grants, shall clearly state:

- percentage of the total costs of the program or project which will be financed with Federal money
- dollar amount of Federal funds for the project or program, and
- percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

Copyright Interests Provision: This provision is intended to ensure that the public has access to the results and accomplishments of public health activities funded by CDC. Pursuant to applicable grant regulations and CDC's Public Access Policy, Recipient agrees to submit into the National Institutes of Health (NIH) Manuscript Submission (NIHMS) system an electronic version of the final, peer-reviewed manuscript of any such work developed under this award upon acceptance for publication, to be made publicly available no later than 12 months after the official date of publication. Also at the time of submission, Recipient and/or the Recipient's submitting author must specify the date the final manuscript will be publicly accessible through PubMed Central (PMC). Recipient and/or Recipient's submitting author must also post the manuscript through PMC within twelve (12) months of the publisher's official date of final publication; however the author is strongly encouraged to make the subject manuscript available as soon as possible. The recipient must obtain prior approval from the CDC for any exception to this provision.

The author's final, peer-reviewed manuscript is defined as the final version accepted for journal publication, and includes all modifications from the publishing peer review process, and all graphics and supplemental material associated with the article. Recipient and its submitting authors working under this award are responsible for ensuring that any publishing or copyright agreements concerning submitted articles reserve adequate right to fully comply with this provision and the license reserved by CDC. The manuscript will be hosted in both PMC and the CDC Stacks institutional repository system. In progress reports for this award, recipient must identify publications subject to the CDC Public Access Policy by using the applicable NIHMS identification number for up to three (3) months after the publication date and the PubMed Central identification number (PMCID) thereafter.

Disclaimer for Conference/Meeting/Seminar Materials: Disclaimers for conferences/meetings, etc. and/or publications: If a conference/meeting/seminar is funded by a grant, cooperative agreement, sub-grant and/or a contract the grantee must include the following statement on conference materials, including promotional materials, agenda, and internet sites:

Funding for this conference was made possible (in part) by the Centers for Disease Control and Prevention. The views expressed in written conference materials or publications and by speakers and moderators do not necessarily reflect the official policies of the Department of Health and Human Services, nor does the mention of trade names, commercial practices, or organizations imply endorsement by the U.S. Government.

Logo Use for Conference and Other Materials: Neither the Department of Health and Human Services (HHS) nor the CDC logo may be displayed if such display would cause confusion as to the funding source or give false appearance of Government endorsement. Use of the HHS name or logo is governed by U.S.C. Part 1320b-10, which prohibits misuse of the HHS name and emblem in written communication. A non-federal entity is unauthorized to use the HHS name or logo governed by U.S.C. Part 1320b-10. The appropriate use of the HHS logo is subject to review and approval of the HHS Office of the Assistant Secretary for Public Affairs (OASPA). Moreover, the HHS Office of the Inspector General has authority to impose civil monetary penalties for violations (42 CFR Part 1003). Accordingly, neither the HHS nor the CDC logo can be used by the grantee without the express, written consent of either the CDC Project Officer or the CDC Grants Management Officer. It is the responsibility of the grantee to request consent for use of the logo in sufficient detail to ensure a complete depiction and disclosure of all uses of the Government logos. In all cases for utilization of Government logos, the grantee must ensure written consent is received from the Project Officer and/or the Grants Management Officer.

Equipment and Products: To the greatest extent practicable, all equipment and products purchased with CDC funds should be American-made. CDC defines equipment as tangible non-expendable personal property (including exempt property) charged directly to an award having a useful life of more than one year AND an acquisition cost of \$5,000 or more per unit. However, consistent with grantee policy, a lower threshold may be established. Please provide the information to the Grants Management Officer to establish a lower equipment threshold to reflect your organization's policy.

The grantee may use its own property management standards and procedures, provided it observes provisions of in applicable grant regulations and OMB circulars.

Federal Information Security Management Act (FISMA): All information systems, electronic or hard copy, that contain federal data must be protected from unauthorized access. This standard also applies to information associated with CDC grants. Congress and the OMB have instituted laws, policies and directives that govern the creation and implementation of federal information security practices that pertain specifically to grants and contracts. The current regulations are pursuant to the Federal Information Security Management Act (FISMA), Title III of the E-Government Act of 2002, PL 107-347.

FISMA applies to CDC grantees only when grantees collect, store, process, transmit or use information on behalf of HHS or any of its component organizations. In all other cases, FISMA is not applicable to recipients of grants, including cooperative agreements. Under FISMA, the grantee retains the original data and intellectual property, and is responsible for the security of these data, subject to all applicable laws protecting security, privacy, and research. If/When information collected by a grantee is provided to HHS, responsibility for the protection of the HHS copy of the information is transferred to HHS and it becomes the agency's responsibility to protect that information and any derivative copies as required by FISMA. For the full text of the requirements under Federal Information Security Management Act (FISMA), Title III of the E-Government Act of 2002 Pub. L. No. 107-347, please review the following website:
http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=107_cong_public_laws&docid=f:publ347.107.pdf

Pilot Program for Enhancement of Contractor Employee Whistleblower Protections: Grantees are hereby given notice that the 48 CFR section 3.908, implementing section 828, entitled "Pilot Program for Enhancement of Contractor Employee Whistleblower Protections," of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013 (Pub. L. 112-239, enacted January 2, 2013), applies to this award.

Federal Acquisition Regulations

As promulgated in the Federal Register, the relevant portions of 48 CFR section 3.908 read as follows (note that use of the term "contract," "contractor," "subcontract," or "subcontractor" for the

purpose of this term and condition, should be read as "grant," "grantee," "subgrant," or "subgrantee"):

3.908 Pilot program for enhancement of contractor employee whistleblower protections.

3.908-1 Scope of section.

(a) This section implements 41 U.S.C. 4712.

(b) This section does not apply to-

(1) DoD, NASA, and the Coast Guard; or

(2) Any element of the intelligence community, as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 3003(4)). This section does not apply to any disclosure made by an employee of a contractor or subcontractor of an element of the intelligence community if such disclosure-

(i) Relates to an activity of an element of the intelligence community; or

(ii) Was discovered during contract or subcontract services provided to an element of the intelligence community.

3.908-2 Definitions.

As used in this section-

"Abuse of authority" means an arbitrary and capricious exercise of authority that is inconsistent with the mission of the executive agency concerned or the successful performance of a contract of such agency.

"Inspector General" means an Inspector General appointed under the Inspector General Act of 1978 and any Inspector General that receives funding from, or has oversight over contracts awarded for, or on behalf of, the executive agency concerned.

3.908-3 Policy.

(a) Contractors and subcontractors are prohibited from discharging, demoting, or otherwise discriminating against an employee as a reprisal for disclosing, to any of the entities listed at paragraph (b) of this subsection, information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract, a gross waste of Federal funds, an abuse of authority relating to a Federal contract, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract). A reprisal is prohibited even if it is undertaken at the request of an executive branch official, unless the request takes the form of a non-discretionary directive and is within the authority of the executive branch official making the request.

(b) Entities to whom disclosure may be made.

(1) A Member of Congress or a representative of a committee of Congress.

(2) An Inspector General.

(3) The Government Accountability Office.

(4) A Federal employee responsible for contract oversight or management at the relevant agency.

(5) An authorized official of the Department of Justice or other law enforcement agency.

(6) A court or grand jury.

(7) A management official or other employee of the contractor or subcontractor who has the responsibility to investigate, discover, or address misconduct.

(c) An employee who initiates or provides evidence of contractor or subcontractor misconduct in any judicial or administrative proceeding relating to waste, fraud, or abuse on a Federal contract shall be deemed to have made a disclosure.

3.908-9 Contract clause.

Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights (Sept. 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

PAYMENT INFORMATION

Automatic Drawdown (Direct/Advance Payments): Payment under this award will be made available through the Department of Health and Human Services (HHS) Payment Management System (PMS). PMS will forward instructions for obtaining payments.

PMS correspondence, mailed through the U.S. Postal Service, should be addressed as follows:

Director, Division of Payment Management
P.O. Box 6021
Rockville, MD 20852
Phone Number: (877) 614-5533_
Email: PMSSupport@psc.gov
Website: <http://www.dpm.psc.gov/help/help.aspx>

Note: To obtain the contact information of PMS staff within respective Payment Branches refer to the links listed below:

- University and Non-Profit Payment Branch:
http://www.dpm.psc.gov/contacts/dpm_contact_list/univ_nonprofit.aspx?explorer.event=true

- Governmental and Tribal Payment Branch:

http://www.dpm.psc.gov/contacts/dpm_contact_list/gov_tribal.aspx?explorer.event=true

- Cross Servicing Payment Branch:

http://www.dpm.psc.gov/contacts/dpm_contact_list/cross_servicing.aspx

- International Payment Branch:

Bhavin Patel (301) 443-9188_

If a carrier other than the U.S. Postal Service is used, such as United Parcel Service, Federal Express, or other commercial service, the correspondence should be addressed as follows:

U.S. Department of Health and Human Services
Division of Payment Management
7700 Wisconsin Avenue, Suite 920
Bethesda, MD 20814

To expedite your first payment from this award, attach a copy of the Notice of Grant/Cooperative Agreement to your payment request form.

The grant document number and subaccount title (below) must be known in order to draw down funds from this P Account.

Grant Document Number: 005861DP14
Subaccount Title: DP141417PARTIMPICH14

Acceptance of the Terms of an Award: By drawing or otherwise obtaining funds from the grant Payment Management Services, the grantee acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the

requirements of the award. If the recipient cannot accept the terms, the recipient should notify the Grants Management Officer within thirty (30) days of receipt of this award notice.

Certification Statement: By drawing down funds, the grantee certifies that proper financial management controls and accounting systems, to include personnel policies and procedures, have been established to adequately administer Federal awards and funds drawn down. Recipients must comply with all terms and conditions outlined in their NoA, including grant policy terms and conditions contained in applicable HHS Grant Policy Statements, and requirements imposed by program statutes and regulations and HHS grants administration regulations, as applicable; as well as any regulations or limitations in any applicable appropriations acts.

CLOSEOUT REQUIREMENTS

Grantees must submit closeout reports in a timely manner. Unless the Grants Management Specialist/Grants Management Officer (GMS/GMO) approves a deadline extension the grantee must submit all closeout reports within 90 days after the last day of the final budget period. Reporting timeframe is September 30, 2014 through September 29, 2017. Failure to submit timely and accurate final reports may affect future funding to the organization or awards under the direction of the same Project Director/Principal Investigator (PD/PI).

All manuscripts published as a result of the work supported in part or whole by the cooperative grant must be submitted with the progress reports.

An original plus two copies of the reports must be mailed to the GMS for approval by the GMO by the due date noted. Ensure the Award and Program Announcement numbers shown above are on the reports.

The final and other programmatic reports required by the terms and conditions of the NoA are the following.

Final Performance Report: An original and two copies are required. At a minimum, the report should include the following:

- Statement of progress made toward the achievement of originally stated aims.
- Description of results (positive or negative) considered significant.
- List of publications resulting from the project, with plans, if any, for further publication.

Final Federal Financial Report (FFR, SF-425): The FFR should only include those funds authorized and actually expended during the timeframe covered by the report. The Final FFR, SF-425 is required and must be submitted through eRA Commons no later than 90 days after the end of the project period. This report must indicate the exact balance of unobligated funds and may not reflect any unliquidated obligations. Should the amount not match with the final expenditures reported to the Department of Health and Human Services' Payment Management Services (PMS), you will be required to update your reports to PMS accordingly. Remaining unobligated funds will be de-obligated and returned to the U.S. Treasury.

If the final reports (FFR and Final Progress Report) cannot be submitted within 90 days after the end of the project period, in accordance with 2 CFR Parts 200.343 (Closeout), 225 and 230, the grantee must submit a letter requesting an extension that includes the justification for the delay and state the expected date the CDC Procurement and Grants Office will receive the reports. All required documents must be mailed to the business contact identified in Staff Contacts.

Equipment Inventory Report: An original and two copies of a complete inventory must be submitted for all major equipment acquired or furnished under this project with a unit acquisition cost of \$5,000 or more. The inventory list must include the description of the item, manufacturer serial and/or identification number, acquisition date and cost, percentage of Federal funds used in the acquisition of the item. The grantee should also identify each item of equipment that it wishes to retain for continued use in accordance with 2 CFR Parts 200, 215.37 or 2 CFR Part 215.71. These requirements do apply to equipment purchased with non-federal funds for this program. The awarding agency may exercise its rights to require the transfer of equipment purchased under the assistance award referenced in the cover letter. CDC will notify the grantee if transfer to

title will be required and provide disposition instruction on all major equipment. Equipment with a unit acquisition cost of less than \$5,000 that is no longer to be used in projects or programs currently or previously sponsored by the Federal Government may be retained, sold, or otherwise disposed of, with no further obligation to the Federal Government. If no equipment was acquired under this award, a negative report is required.

Final Invention Statement: An original and two copies of a Final Invention Statement are required. Electronic versions of the form can be downloaded by visiting <http://www.hhs.gov/forms/hhs568.pdf>. If no inventions were conceived under this assistance award, a negative report is required. This statement may be included in a cover letter.

CDC ROLES AND RESPONSIBILITIES

Roles and Responsibilities: Grants Management Specialists/Officers (GMO/GMS) and Program/Project Officers (PO) work together to award and manage CDC grants and cooperative agreements. From the pre-planning stage to closeout of an award, grants management and program staff have specific roles and responsibilities for each phase of the grant cycle. The GMS/GMO is responsible for the business management and administrative functions. The PO is responsible for the programmatic, scientific, and/or technical aspects. The purpose of this factsheet is to distinguish between the roles and responsibilities of the GMO/GMS and the PO to provide a description of their respective duties.

Grants Management Officer: The GMO is the federal official responsible for the business and other non-programmatic aspects of grant awards including:

- Determining the appropriate award instrument, i.e., grant or cooperative agreement
- Determining if an application meets the requirements of the FOA
- Ensuring objective reviews are conducted in an above-the-board manner and according to guidelines set forth in grants policy
- Ensuring grantee compliance with applicable laws, regulations, and policies
- Negotiating awards, including budgets
- Responding to grantee inquiries regarding the business and administrative aspects of an award
- Providing grantees with guidance on the closeout process and administering the closeout of grants
- Receiving and processing reports and prior approval requests such as changes in funding, carryover, budget redirection, or changes to the terms and conditions of an award
- Maintaining the official grant file and program book

The GMO is the only official authorized to obligate federal funds and is responsible for signing the NoA, including revisions to the NoA that change the terms and conditions. The GMO serves as the counterpart to the business officer of the recipient organization.

GMO Contact: See Staff Contacts below for the assigned GMO

Grants Management Specialist: The GMS is the federal staff member responsible for the day-to-day management of grants and cooperative agreements. The GMS is the primary contact of recipients for business and administrative matters pertinent to grant awards. Many of the functions described above are performed by the GMS on behalf of the GMO.

GMS Contact: See Staff Contacts below for the assigned GMS

Program/Project Officer: The PO is the federal official responsible for the programmatic, scientific, and/or technical aspects of grants and cooperative agreements including:

- The development of programs and FOAs to meet the CDC's mission
- Providing technical assistance to applicants in developing their applications e.g. explanation of programmatic requirements, regulations, evaluation criteria, and guidance to applicants on possible linkages with other resources
- Providing technical assistance to grantees in the performance of their project

- Post-award monitoring of grantee performance such as review of progress reports, review of prior approval requests, conducting site visits, and other activities complementary to those of the GMO/GMS

Programmatic Contact:
 Project Officer, Audrey Williams
 Centers for Disease Control
 Telephone: 770-488-5941
 Email: agw2@cdc.gov

STAFF CONTACTS

Grants Management Specialist: Cynthia M Atkins-woods
 2920 Brandywine Road
 MS K-69
 Atlanta, GA 30341
 Email: vfi4@cdc.gov Phone: 770-488-3181 Fax: 770-488-2670

Grants Management Officer: Vivian F. Walker
 Centers for Disease Control and Prevention
 Procurement and Grants Office
 Koger Center, Colgate Building
 2920 Brandywine Road, Mail Stop E-09
 Atlanta, GA 30341
 Email: vew4@cdc.gov Phone: 770-488-2077

SPREADSHEET SUMMARY
 GRANT NUMBER: 1U58DP005861-01

INSTITUTION: COMMUNITY ACTION PARTNERSHIP/ORANGE CNTY

Budget	Year 1	Year 2	Year 3
Salaries and Wages	\$183,489		
Fringe Benefits	\$60,221		
Personnel Costs (Subtotal)	\$243,710		
Supplies	\$5,100		
Travel Costs	\$5,908		
Other Costs	\$240,750		
Consortium/Contractual Cost	\$889,783		
TOTAL FEDERAL DC	\$1,385,251	\$1,385,251	\$1,385,251
TOTAL FEDERAL F&A	\$0		
TOTAL COST	\$1,385,251	\$1,385,251	\$1,385,251

2015 AGREEMENT WITH COMMUNITY ACTION PARTNERSHIP OF ORANGE COUNTY (CAPOC) TO PROVIDE GRANT FUNDING FOR ACTIVITY EQUIPMENT AND WALKING PATHS IN CITY PARKS AND ASSIST WITH AN OPEN STREETS EVENT (F: 87.1A)

Council Member Jones requested this matter be considered separately from the consent calendar.

Council Member Jones thanked City staff for obtaining grant funding for the open streets event as well as other programs related to active transportation and bicycling. He also thanked Santa Ana Council Member Michelle Martinez for her advocacy in identifying available grant funding partnerships for active transportation programs.

It was moved by Council Member Jones, seconded by Mayor Nguyen that:

The City Manager be authorized to sign and execute a letter requesting the City's desire to exercise year two, of a three year Agreement with CAPOC, which will provide funding for installing permanent physical activity equipment in city parks, extending walking paths in city parks, and assist in organizing and hosting an Open Streets event.

The motion carried by a 5-0 vote as follows:

Ayes: (5) Beard, Bui, Jones, Nguyen, Phan
Noes: (0) None

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles
Dept.: City Manager
Subject: APPROVAL TO EXERCISE YEAR TWO
OF THE 2015 AGREEMENT WITH
COMMUNITY ACTION PARTNERSHIP
OF ORANGE COUNTY

From: Kimberly Huy
Dept.: Community Services
Date: October 13, 2015

OBJECTIVE

To request that the City Council authorize the City Manager to sign a letter exercising year two, of a three-year agreement with Community Action Partnership of Orange County (CAPOC) for grant funding from the Center of Disease Control (CDC). The grant provides funding to encourage physical activity opportunities by installing permanent physical activity equipment in City parks, extending walking paths in City parks, and assist in organizing and hosting an Open Streets event.

BACKGROUND

In June of 2014, CAPOC approached the City of Garden Grove regarding partnering in applying for a grant that supports the implementation of policies, systems, and environmental interventions to improve the health of, and reduce diseases for Garden Grove, Anaheim and Santa Ana residents. CAPOC's target strategies are to reach 75 percent of Garden Grove community members to increase their access to healthy food and beverages, and physical activities.

DISCUSSION

The attached letter exercises year two, of a three-year Agreement with CAPOC, that provides funding in the amount of approximately \$145,000 for installing permanent physical activity equipment in city parks, extending walking paths in city parks, and assist in organizing and hosting an Open Streets event.

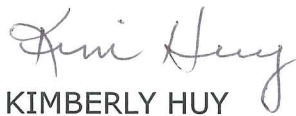
FINANCIAL IMPACT

As a supporting agency, the financial impact will consist of providing in-kind staff time to manage the capital projects. Cost of materials, supplies, and installation will be funded through the grant.

RECOMMENDATION

It is recommended that the City Council:

- Authorize the City Manager to sign and execute a letter requesting the City's desire to exercise year two, of a three year Agreement with CAPOC, which will provide funding for installing permanent physical activity equipment in City parks, extending walking paths in city parks, and assist in organizing and hosting an Open Streets event.



KIMBERLY HUY
Director



By: John Montanhez
Manager

Attachment 1: Agreement
Attachment 2: Letter to exercise year two

Recommended for Approval



Scott C. Stiles
City Manager



CITY OF GARDEN GROVE

October 13, 2015

Ms. Dolores Barrett
Director of Community Partnerships & Services
Community Action Partnership of Orange County
11870 Monarch Street
Garden Grove, CA 92841

Re: Centers for Disease Control and Prevention (CDC)
Partnerships to Improve Community Health (PICH)
CDC-RFA-DP14-1417

Dear Ms. Barrett,

This letter is to inform you that the City of Garden Grove is looking to exercise its option for continued funding for year two of the Center of Disease Control's Partnership to Improve Community Health grant.

The City has goals to continue improving the park amenities at our local parks and providing an engaging event that will further promote health and wellness in our community.

Thank you for this consideration and we look forward to continue working with CAPOC and providing support for this collaboration in our community.

Sincerely,

Scott C. Stiles
City Manager
City of Garden Grove

Bao Nguyen
Mayor

Steven R. Jones
Mayor Pro Tem

Christopher V. Phan
Council Member

Phat Bui
Council Member

Kris Beard
Council Member

FIRST AMENDMENT TO SUBGRANT

This First Amendment to Subgrant (hereinafter referenced as "Amendment") is dated effective as of the date fully executed by all parties ("Effective Date") and is entered into between Community Action Partnership of Orange County, a California non-profit corporation, (hereinafter referenced as "Subgrantor") and City of Garden Grove, a municipal corporation (hereinafter referenced as "Subgrantee") for the funding of Orange County Partnerships to Improve Community Health Grant (hereinafter referenced as "Grant").

Subgrantor and Subgrantee entered into that certain Subgrant dated October 1, 2014.

Subgrantor and Subgrantee now desire to amend the terms of the Agreement, as more particularly set forth below:

1. Section 1, Paragraph 1, Exhibit A will be replaced with the Exhibit A attached hereto and made part of the Agreement.
2. Section 1, Paragraph 4 is hereby added to the Agreement and shall hereafter be and read as follows: "Grant No. for the first option term is 5 NU58DP005861-02-00 and Subgrantee must document the Grant No. on all communication and correspondence".
3. Section 2, a. will be amended to read as follows: "Term of this Agreement is now extended from Sept 30, 2015 to Sept 29, 2016."
4. Section 2, b. will be amended to read as follows: "There is one (1) 1 year option remaining and renewal of said option is contingent on adequate funding from the Centers for Disease Control and Prevention (CDC) and satisfactory programmatic progress of Subgrantee. Subgrantee must give ninety (90) day notice in writing as prescribed herein to Subgrantor to exercise the option."
5. Section 2, c. will be amended to read as follows: "The maximum amount of funding from September 29, 2015 to Sept 29, 2016 is \$140,216; and".
6. Section 3, a. i. Exhibit B will be replaced with the Exhibit B attached hereto and incorporated as part of the Agreement.

7. Except as provided in this Amendment, all terms used in this Amendment that are not otherwise defined shall have the respective meanings ascribed to such terms in the Agreement.
8. This Amendment embodies the entire agreement between Subgrantor and Subgrantee with respect to the amendment of the Agreement. In the event of any conflict or inconsistency between the provisions of the Agreement and this Amendment, the provisions of this Amendment shall control and govern.
9. Except as specifically modified and amended herein, all of the terms, provisions, requirements and specifications contained in the Agreement remain in full force and effect. Except as otherwise expressly provided herein, the parties do not intend to, and the execution of this Amendment shall not, in any manner impair the Agreement, the purpose of this Amendment being simply to amend and ratify the Agreement, as hereby amended and ratified, and to confirm and carry forward the Agreement, as hereby amended, in full force and effect.

This Amendment shall be construed and governed by the laws of the State of CALIFORNIA.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year last signed.

Subgrantor

Community Action Partnership
Of Orange County,
a California non-profit corporation

Subgrantee

City of Garden Grove
a municipal corporation

By: _____

Name: Clarence W Ray

Title: Executive Director

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

Exhibit A
Scope of Work

City of Garden Grove
Scope of Work 9/30/2015 to 9/29/2016

1. City of Garden Grove-institution.
2. The City of Garden Grove was sole sourced. City of Garden Grove is the municipal entity responsible for land use decisions; zoning, streets, bike lanes, sidewalks, open space such as parks and trails. The city is responsible for transportation decisions that affect safety such a speed limits, stop signs/lights, lighting. The city provides tap water in public spaces; drinking fountains and hydration stations.
3. The contract for this project is September 30, 2015 through September 29, 2016.
4. Scope of Work

Project Period Objective 02 – Increase the number of people with improved access to environments with healthy food and beverage options.

- Support other coalition partners, as needed. Deliverable- Participation in OC PICH Partner Meeting-Sign-In Sheet; and
- Support as it relates to implementation of Rethink Your Drink/Water access campaigns. Deliverable- Program/Progress Report.

Project Period Objective 3 – Increase the number of people with improved access to physical activity opportunities.

- Support other coalition partners, as needed. Deliverable- Participation in OC PICH Partner Meeting-Sign-In Sheet;
- Provide and encourage physical activity opportunities for residents. Deliverable- Program/Progress Report;
- Install permanent outdoor fitness equipment at Garden Grove Park. Deliverable- Installation of equipment;
- Extension of permanent walking path at Eastgate Park. Deliverable- Installation of permanent walking path;
- Support safe, healthy environments. Deliverable- Program/Progress Report; and
- Support and assist, as needed, UCI evaluation efforts. Deliverable- Program/Progress Report.

Project Period Objective 05 – Increase the number of public and partner education messages promoting healthy lifestyles.

- Provide technical assistance to the OC PICH coalition for the development of a social media campaigns, as well as, other mixed communication methods. Deliverable- Attendance and participation in meetings related to OC PICH communication/media goals.

5. The City's program progress and performance will be monitored by the Program Manager. The Contract Manager will ensure The City of Garden Grove is contract compliant. The following will be required of subcontractors;

- Required attendance to monthly OC-PICH planning meetings;

- Provide a monthly activity/event calendar to the Program Manager. The calendar will include activities completed with CDC funds, as well as supporting un-funded activities;
- Monthly program/progress reports due to Program Manager (including; meetings, activities, PSE efforts, etc.);
- All payroll related support materials will be submitted to Contract Manager monthly;
- Submit bidding process, following CDC & CAPOC policies and procedures, to Contract Manager, as needed;
- All budget and/or program modifications need to have prior approval by PI;
- Monthly billing reports due to Contract Manager; and
- CAPOC will complete site visits at a minimum two times per contract year.

6. Budget

Salaries and Wages

Position Title and Name	Annual Salary	Time	Months	Amount Requested
Title, Name	\$Annual (\$X/hr)	%		\$
Total Salaries and Wages				

Justification

Job Description: Title – (Name)

We request support for X calendar months. **Please add a description of activities. Complete for all positions**

Fringe Benefits

Fringe Benefits Total \$ _____ x% of Total salaries = Fringe Benefits

(OR)

Fringe Benefits	Amount Requested
List each fringe benefit included	X% of total salaries
Total Fringe Benefits	\$

Total Salary & Wages	Amount Requested
Personnel	\$
Fringe Benefits	\$
Total Personnel	\$

Supplies

Item Requested	Type	Number Needed	Unit Cost	Amount Requested
4-Person Pendulum, Abs & Dip Station		1	\$3,395	\$3,395
2-Person Cross Country Ski		1	\$3,395	\$3,395
2-Person Back & Arms Combo		1	\$3,750	\$3,750
2-Person Wheelchair Accessible Vertical Press		1	\$4,495	\$4,495
2-Person Wheelchair Accessible Lat Pull Down		1	\$4,495	\$4,495
2-Person Wheelchair Accessible Chest Press		1	\$4,495	\$4,495
3-Person Static Combo - Sit-up, Pull-up, Dip Station		1	\$2,995	\$2,995
4-Person Leg Press		1	\$3,395	\$3,395
Single Elliptical Cross Trainer		1	\$4,990	\$4,990
2-Person Full bar Exercise		1	\$1,995	\$1,995
Plyometrics - set of 3		1	\$1,380	\$1,380

Announcement Boards (2)		2	\$1,400	\$2,800
Installation				\$40,500
Shipping				\$2,500
Tax				\$3,388
Total Supplies				\$87,968

Justification.

The general benefits of outdoor fitness include all of the same benefits of regular fitness along with many more that are specifically related to being outside. For starters, a good level of fitness is just as important for your mental health as it is for your physical health. It has been proven that exercise can help reduce stress and improve a person's mood because it releases the 'feel good' hormones into your system; dopamine, endorphins, serotonin and adrenaline. Proper fitness also means improved cardiovascular health which improves your endurance and energy levels as well as your heart's health, which in turn has a positive effect on other aspects of your health.

Travel

Travel (In-State and Out-of-State)

Total \$

Travel (In-State): Total \$

Number of Trips	Number of People	Cost of Airfare	Number of Total Miles	Cost per Mile	Amount Requested
Total					

Per Diem or Lodging	Number of People	Number of Units	Unit Cost	Amount Requested

In-State Travel Justification

Out-of-State Travel Total \$

Number of Trips	Number of People	Cost of Airfare	Number of Total Miles	Cost per Mile	Amount Requested
					\$

Per Diem or Lodging	Number of People	Number of Units	Unit Cost	Amount Requested

Ground Transportation	Number of People	Amount Requested

Justification

Other

Item Requested	Estimated Cost per Month	Number of Staff	Amount Requested
<p>Fitness trail extension:</p> <p>Installation Scope of Work: 1. Grade trail 4' x 1590' x 3" deep. Compact subgrade, remove and dispose of soil. 2. Install 4" x 6" concrete curb on each side of trail (3180 lft). 2500 psi concrete, natural color with broom finish. #4 rebar to be placed in center of curb. 3. Install filter fabric and 106 tons of stabilized DG 3" thk. (includes DG for equipment area), grade and compact DG. 4. Install 12 exercise units and 2 signs per Greenfields details. Remove footing spoils from site and dispose. 5. Removal of debris generated by our work</p>			\$45,500
Irrigation removal and reinstallation			\$6,748
Total Other			\$52,248

Justification

Page 5 of 6

C:\Users\b_ong\Dropbox (CAPOC)\OC PICH\Year 2 - Individual Budget & SoW as Approved\City of Garden Grove - Year 2 SoW & Budget as Submitted.docx

The extension of a walking trail from the current fitness equipment from Eastgate park would provide 1/3 of a mile for patrons of the park to exercise. Recent surveys should the majority of runners ran on the street around the park because the park has no concrete sidewalk that surrounds the park. Park patrons agreed that the installation of a decomposed granite trail would be an added benefit to the park and the local community.

Budget Category	Total
Salary & Wages	\$
Fringe Benefits	\$
Supplies	\$87,968
Travel	\$
Other	\$52,248
Total	\$140,216

Exhibit B
Notice of Award (NOA)

Funding Opportunity Announcement (FOA) Number: DP14-1417

Award Number: 5NU58DP005861-02-00

Award Type: Cooperative Agreement

Applicable Regulations: 45 Code of Federal Regulations (CFR) Part 75, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards

45 CFR Part 75 supersedes regulations at 45 CFR Part 74 and Part 92

AWARD INFORMATION

Incorporation: The Centers for Disease Control and Prevention (CDC) hereby incorporates Funding Opportunity Announcement number CDC-RFA-DP14-1417, entitled Partnerships to Improve Community Health (PICH), and application dated April 2, 2015, as may be amended, which are hereby made a part of this Non-Research award hereinafter referred to as the Notice of Award (NoA). The Department of Health and Human Services (HHS) grant recipients must comply with all terms and conditions outlined in their NoA, including grants policy terms and conditions contained in applicable HHS Grants Policy Statements, and requirements imposed by program statutes and regulations and HHS grant administration regulations, as applicable; as well as any requirements or limitations in any applicable appropriations acts. The term grant is used throughout this notice and includes cooperative agreements.

Note: In the event that any requirement in this Notice of Award, the Funding Opportunity Announcement, the HHS GPS, 45 CFR Part 75, or applicable statutes/appropriations acts conflict, then statutes and regulations take precedence.

Approved Funding: Funding in the amount of \$1,385,251 is approved for the Year 02 budget period, which is September 30, 2015 through September 29, 2016. All future year funding will be based on satisfactory programmatic progress and the availability of funds.

Note: Refer to the Payment Information section for draw down and Payment Management System (PMS) subaccount information.

Award Funding: Not funded by the Prevention and Public Health Fund

Objective/Technical Review Statement Response Requirement: The review comments on the strengths and weaknesses of the proposal are provided as part of this award. A response to the weaknesses in these statements must be submitted to and approved, in writing, by the Grants Management Specialist/Grants Management Officer (GMS/GMO) noted in the Staff Contacts section of this NoA, no later than 30 days from the budget period start date. Failure to submit the required information by the due date, October 30, 2015, will cause delay in programmatic progress and will adversely affect the future funding of this project.

Program Income: Any program income generated under this grant or cooperative agreement will be used in accordance with the Addition alternative.

Addition alternative: Under this alternative, program income is added to the funds committed to the project/program and is used to further eligible project/program objectives.

Note: The disposition of program income must have written prior approval from the GMO.

FUNDING RESTRICTIONS AND LIMITATIONS

Cost Limitations as Stated in the Consolidated and Further Continuing Appropriations Act, 2015 (Items A through E)

A. Cap on Salaries (Div. G, Title II, Sec. 203): None of the funds appropriated in this title shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II.

Note: The salary rate limitation does not restrict the salary that an organization may pay an individual working under an HHS contract or order; it merely limits the portion of that salary that may be paid with Federal funds.

B. Gun Control Prohibition (Div. G, Title II, Sec. 217): None of the funds made available in this title may be used, in whole or in part, to advocate or promote gun control.

C. Lobbying Restrictions (Div. G, Title V, Sec. 503):

- 503(a): No part of any appropriation contained in this Act or transferred pursuant to section 4002 of Public Law 111-148 shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the Congress or any State or local legislature or legislative body, except in presentation of the Congress or any State or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any State or local government itself.
- 503 (b): No part of any appropriation contained in this Act or transferred pursuant to section 4002 of Public Law 111-148 shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the Congress or any State government, State legislature or local legislature or legislative body, other than normal and recognized executive legislative relationships or participation by an agency or officer of an State, local or tribal government in policymaking and administrative processes within the executive branch of that government.
- 503(c): The prohibitions in subsections (a) and (b) shall include any activity to advocate or promote any proposed, pending or future Federal, State or local tax increase, or any proposed, pending, or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control.

For additional information, see Additional Requirement 12 at <http://www.cdc.gov/grants/additionalrequirements/index.html> and Anti Lobbying Restrictions for CDC Grantees at http://www.cdc.gov/grants/documents/Anti-Lobbying_Restrictions_for_CDC_Grantees_July_2012.pdf

D. Needle Exchange (Div. G, Title V, Sec. 521): Notwithstanding any other provision of this Act, no funds appropriated in this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

E. Blocking access to pornography (Div. G, Title V, Sec. 526): (a) None of the funds made available in this Act may be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography; (b) Nothing in subsection (a) shall limit the use of funds necessary for any Federal, State, tribal, or local law enforcement agency or any other entity carrying out criminal investigations, prosecution, or adjudication activities.

Rent or Space Costs: Grantees are responsible for ensuring that all costs included in this proposal to establish billing or final indirect cost rates are allowable in accordance with the requirements of the Federal award(s) to which they apply, including 45 CFR Part 75, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards. The grantee also has a responsibility to ensure sub-recipients expend funds in compliance with applicable federal laws and regulations. Furthermore, it is the responsibility of the grantee to ensure rent is a legitimate direct cost line item, which the grantee has supported in current and/or prior projects and these same costs have been treated as indirect costs that have not been claimed as direct costs. If rent is claimed as direct cost, the grantee must provide a narrative justification, which describes their prescribed policy to include the effective date to the assigned Grants Management Specialist (GMS) identified in the CDC Contacts for this award.

This provision includes express terms and conditions of the award and any violation of it shall be grounds for

unilateral termination of the award by (HHS OPDIV) prior to the end of its term.

Trafficking In Persons: This award is subject to the requirements of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. Part 7104(g)).

Cancel Year: 31 U.S.C. Part 1552(a) Procedure for Appropriation Accounts Available for Definite Periods states the following, On September 30th of the 5th fiscal year after the period of availability for obligation of a fixed appropriation account ends, the account shall be closed and any remaining balances (whether obligated or unobligated) in the account shall be canceled and thereafter shall not be available for obligation or expenditure for any purpose. An example is provided below:

Fiscal Year (FY) 2015 funds will expire September 30, 2020. All FY 2015 funds should be drawn down and reported to Payment Management Services (PMS) prior to September 30, 2020. After this date, corrections or cash requests will not be permitted.

REPORTING REQUIREMENTS

Annual Federal Financial Report (FFR, SF-425): The Annual Federal Financial Report (FFR) SF-425 is required and must be submitted to your grants management specialist (GMS) no later than 90 days after the end of budget period. The FFR for this budget period is due by December 29, 2016. Reporting timeframe is September 30, 2015 through September 29, 2016.

The FFR may be downloaded from the following website below and submitted to the GMS via email.
https://www.whitehouse.gov/sites/default/files/omb/grants/approved_forms/SF-425.pdf

The FFR should only include those funds authorized and disbursed during the timeframe covered by the report. The final FFR must indicate the exact balance of unobligated funds and may not reflect any unliquidated obligations. There must be no discrepancies between the final FFR expenditure data and the Payment Management System's (PMS) cash transaction data. All Federal reporting in PMS is unchanged. Failure to submit the required information in a timely manner may adversely affect the future funding of this project. If the information cannot be provided by the due date, the grantee is required to contact the Grants Officer listed in the contacts section of this notice before the due date.

Performance Reporting: The Annual Performance Report is due no later than 120 days prior to the end of the budget period, May 29, 2016, and serves as the continuing application. This report should include the information specified in the FOA.

Audit Requirement:

Domestic Organizations: An organization that expends \$750,000 or more in a fiscal year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of 45 CFR Part 75. The audit period is an organization's fiscal year. The audit must be completed along with a data collection form (SF-SAC), and the reporting package shall be submitted within the earlier of 30 days after receipt of the auditor's report(s), or nine (9) months after the end of the audit period. The audit report must be sent to:

Federal Audit Clearing House Internet Data Entry System

Electronic Submission: [https://harvester.census.gov/facides/\(S\(0vkw1zaelyzjibnahocqa5i0\)\)/account/login.aspx](https://harvester.census.gov/facides/(S(0vkw1zaelyzjibnahocqa5i0))/account/login.aspx)

AND

Procurement & Grants Office, Risk Management & Compliance Activity
Electronic Copy to: PGO.Audit.Resolution@cdc.gov

This paragraph applies to both Domestic and Foreign organizations. Audit requirements for Subrecipients to whom 45 CFR 75 Subpart F applies: The grantee must ensure that the subrecipients receiving CDC funds also meet these requirements. The grantee must also ensure to take appropriate corrective action within six months after receipt of the subrecipient audit report in instances of non-compliance with applicable Federal law and

regulations (45 CFR 75 Subpart F and HHS Grants Policy Statement). The grantee may consider whether subrecipient audits necessitate adjustment of the grantee's own accounting records. If a subrecipient is not required to have a program-specific audit, the grantee is still required to perform adequate monitoring of subrecipient activities. The grantee shall require each subrecipient to permit the independent auditor access to the subrecipient's records and financial statements. The grantee must include this requirement in all subrecipient contracts.

Note: The standards set forth in 45 CFR Part 75 Subpart F will apply to audits of fiscal years beginning on or after December 26, 2014.

Federal Funding Accountability and Transparency Act (FFATA):

In accordance with 2 CFR Chapter 1, Part 170 Reporting Sub-Award And Executive Compensation Information, Prime Awardees awarded a federal grant are required to file a FFATA sub-award report by the end of the month following the month in which the prime awardee awards any sub-grant equal to or greater than \$25,000.

Pursuant to 45 CFR Part 75, §75.502, a grant sub-award includes the provision of any commodities (food and non-food) to the sub-recipient where the sub-recipient is required to abide by terms and conditions regarding the use or future administration of those goods. If the sub-awardee merely consumes or utilizes the goods, the commodities are not in and of themselves considered sub-awards.

2 CFR Part 170: http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr170_main_02.tpl

FFATA: www.fsrs.gov.

Reporting of First-Tier Sub-awards

Applicability: Unless you are exempt (gross income from all sources reported in last tax return is under \$300,000), you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a sub-award to an entity.

Reporting: Report each obligating action of this award term to www.fsrs.gov. For sub-award information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010). You must report the information about each obligating action that the submission instructions posted at www.fsrs.gov specify.

Total Compensation of Recipient Executives: You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if:

- The total Federal funding authorized to date under this award is \$25,000 or more;
- In the preceding fiscal year, you received—
 - 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR Part 170.320 (and sub-awards); and
 - \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR Part 170.320 (and sub-awards); and
 - The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. Part 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm?explorer.event=true>).

Report executive total compensation as part of your registration profile at <http://www.sam.gov>. Reports should be made at the end of the month following the month in which this award is made and annually thereafter.

Total Compensation of Sub-recipient Executives: Unless you are exempt (gross income from all sources reported in last tax return is under \$300,000), for each first-tier sub-recipient under this award, you must report the names and total compensation of each of the sub-recipient's five most highly compensated executives for the sub-recipient's preceding completed fiscal year, if:

- In the sub-recipient's preceding fiscal year, the sub-recipient received—
 - 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR Part 170.320 (and sub-awards); and
 - \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and sub-awards); and
 - The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. Part 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>).

You must report sub-recipient executive total compensation to the grantee by the end of the month following the month during which you make the sub-award. For example, if a sub-award is obligated on any date during the month of October of a given year (i.e., between October 1st and 31st), you must report any required compensation information of the sub-recipient by November 30th of that year.

Definitions:

- Entity means all of the following, as defined in 2 CFR Part 25 (Appendix A, Paragraph(C)(3)):
 - Governmental organization, which is a State, local government, or Indian tribe;
 - Foreign public entity;
 - Domestic or foreign non-profit organization;
 - Domestic or foreign for-profit organization;
 - Federal agency, but only as a sub-recipient under an award or sub-award to a non-Federal entity.
- Executive means officers, managing partners, or any other employees in management positions.
- Sub-award: a legal instrument to provide support to an eligible sub-recipient for the performance of any portion of the substantive project or program for which the grantee received this award. The term does not include the grantees procurement of property and services needed to carry out the project or program (for further explanation, see 45 CFR Part 75). A sub-award may be provided through any legal agreement, including an agreement that the grantee or a sub-recipient considers a contract.
- Sub-recipient means an entity that receives a sub-award from you (the grantee) under this award; and is accountable to the grantee for the use of the Federal funds provided by the sub-award.
- Total compensation means the cash and non-cash dollar value earned by the executive during the grantee's or sub-recipient's preceding fiscal year and includes the following (for more information see 17 CFR Part 229.402(c)(2)):
 - Salary and bonus
 - Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

- Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
- Above-market earnings on deferred compensation which is not tax-qualified.
- Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

Grantees awarded a grant, cooperative agreement, or contract from such funds with a value of \$25,000 or more shall produce reports on a semi-annual basis with a reporting cycle of January 1 - June 30 and July 1 - December 31; and email such reports to the CDC website (template and point of contact to be provided after award) no later than 20 calendar days after the end of each reporting period (i.e. July 20 and January 20, respectively). Grantee reports must reference the NoA number and title of the grant, and include a summary of the activities undertaken and identify any sub-awards (including the purpose of the award and the identity of each sub-recipient).

Responsibilities for Informing Sub-recipients: Grantees agree to separately identify each sub-recipient, document the execution date sub-award, date(s) of the disbursement of funds, the Federal award number, any special CFDA number assigned for PPHF fund purposes, and the amount of PPHF funds. When a grantee awards PPHF funds for an existing program, the information furnished to sub-recipients shall distinguish the sub-awards of incremental PPHF funds from regular sub-awards under the existing program.

GENERAL REQUIREMENTS

Travel Cost: In accordance with HHS Grants Policy Statement, travel costs are only allowable where such travel will provide direct benefit to the project or program. There must be a direct benefit imparted on behalf of the traveler as it applies to the approved activities of the NoA. To prevent disallowance of cost, the grantee is responsible for ensuring that only allowable travel reimbursements are applied in accordance with their organization's established travel policies and procedures. Grantees approved policies must meet the requirements of 45 CFR Part 75, as applicable.

Food and Meals: Costs associated with food or meals are allowable when consistent with applicable federal regulations and HHS policies and guidance, which can be found at http://www.hhs.gov/asfr/ogapa/acquisition/effspendpol_memo.html. In addition, costs must be proposed in accordance with grantee approved policies and a determination of reasonableness has been performed by the grantees. Grantee approved policies must meet the requirements of 45 CFR Part 75, as applicable.

Prior Approval: All requests, which require prior approval, must bear the signature of an authorized official of the business office of the grantee organization as well as the principal investigator or program or project director named on this NoA. The grantee must submit these requests no later than 120 days prior to this budget period's end date. Any requests received that reflect only one signature will be returned to the grantee unprocessed. Additionally, any requests involving funding issues must include an itemized budget and a narrative justification of the request.

The following types of requests require prior approval.

- Use of unobligated funds from prior budget period (Carryover)
- Lift funding restriction, withholding, or disallowance
- Redirection of funds
- Change in scope
- Implement a new activity or enter into a sub-award that is not specified in the approved budget
- Apply for supplemental funds
- Change in key personnel
- Extensions
- Conferences or meetings that were not specified in the approved budget

Note: Awardees may request up to 75 percent of their estimated unobligated funds to be carried forward into the next budget period.

Templates for prior approval requests can be found at:
<http://www.cdc.gov/grants/alreadyhavegrant/priorapprovalrequests.html>

Key Personnel: In accordance with 45 CFR Part 75.308, CDC grantees must obtain prior approval from CDC for (1) change in the project director/principal investigator, business official, authorized organizational representative or other key persons specified in the FOA, application or award document; and (2) the disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director or principal investigator.

Inventions: Acceptance of grant funds obligates grantees to comply with the standard patent rights clause in 37 CFR Part 401.14.

Publications: Publications, journal articles, etc. produced under a CDC grant support project must bear an acknowledgment and disclaimer, as appropriate, for example:

This publication (journal article, etc.) was supported by the Grant or Cooperative Agreement Number, 5NU58DP005861, funded by the Centers for Disease Control and Prevention. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the Centers for Disease Control and Prevention or the Department of Health and Human Services.

Acknowledgment Of Federal Support: When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all awardees receiving Federal funds, including and not limited to State and local governments and grantees of Federal research grants, shall clearly state:

- percentage of the total costs of the program or project which will be financed with Federal money
- dollar amount of Federal funds for the project or program, and
- percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

Copyright Interests Provision: This provision is intended to ensure that the public has access to the results and accomplishments of public health activities funded by CDC. Pursuant to applicable grant regulations and CDC's Public Access Policy, Recipient agrees to submit into the National Institutes of Health (NIH) Manuscript Submission (NIHMS) system an electronic version of the final, peer-reviewed manuscript of any such work developed under this award upon acceptance for publication, to be made publicly available no later than 12 months after the official date of publication. Also at the time of submission, Recipient and/or the Recipient's submitting author must specify the date the final manuscript will be publicly accessible through PubMed Central (PMC). Recipient and/or Recipient's submitting author must also post the manuscript through PMC within twelve (12) months of the publisher's official date of final publication; however the author is strongly encouraged to make the subject manuscript available as soon as possible. The recipient must obtain prior approval from the CDC for any exception to this provision.

The author's final, peer-reviewed manuscript is defined as the final version accepted for journal publication, and includes all modifications from the publishing peer review process, and all graphics and supplemental material associated with the article. Recipient and its submitting authors working under this award are responsible for ensuring that any publishing or copyright agreements concerning submitted articles reserve adequate right to fully comply with this provision and the license reserved by CDC. The manuscript will be hosted in both PMC and the CDC Stacks institutional repository system. In progress reports for this award, recipient must identify publications subject to the CDC Public Access Policy by using the applicable NIHMS identification number for up to three (3) months after the publication date and the PubMed Central identification number (PMCID) thereafter.

Disclaimer for Conference/Meeting/Seminar Materials: Disclaimers for conferences/meetings, etc. and/or publications: If a conference/meeting/seminar is funded by a grant, cooperative agreement, sub-grant and/or a contract the grantee must include the following statement on conference materials, including promotional materials, agenda, and internet sites:

Funding for this conference was made possible (in part) by the Centers for Disease Control and Prevention. The views expressed in written conference materials or publications and by speakers and moderators do not necessarily reflect the official policies of the Department of Health and Human

Services, nor does the mention of trade names, commercial practices, or organizations imply endorsement by the U.S. Government.

Logo Use for Conference and Other Materials: Neither the Department of Health and Human Services (HHS) nor the CDC logo may be displayed if such display would cause confusion as to the funding source or give false appearance of Government endorsement. Use of the HHS name or logo is governed by U.S.C. Part 1320b-10, which prohibits misuse of the HHS name and emblem in written communication. A non-federal entity is unauthorized to use the HHS name or logo governed by U.S.C. Part 1320b-10. The appropriate use of the HHS logo is subject to review and approval of the HHS Office of the Assistant Secretary for Public Affairs (OASPA). Moreover, the HHS Office of the Inspector General has authority to impose civil monetary penalties for violations (42 CFR Part 1003). Accordingly, neither the HHS nor the CDC logo can be used by the grantee without the express, written consent of either the CDC Project Officer or the CDC Grants Management Officer. It is the responsibility of the grantee to request consent for use of the logo in sufficient detail to ensure a complete depiction and disclosure of all uses of the Government logos. In all cases for utilization of Government logos, the grantee must ensure written consent is received from the Project Officer and/or the Grants Management Officer.

Equipment and Products: To the greatest extent practicable, all equipment and products purchased with CDC funds should be American-made. CDC defines equipment as tangible non-expendable personal property (including exempt property) charged directly to an award having a useful life of more than one year AND an acquisition cost of \$5,000 or more per unit. However, consistent with grantee policy, a lower threshold may be established. Please provide the information to the Grants Management Officer to establish a lower equipment threshold to reflect your organization's policy.

The grantee may use its own property management standards and procedures, provided it observes provisions in applicable grant regulations found at 45 CFR Part 75.

Federal Information Security Management Act (FISMA): All information systems, electronic or hard copy, that contain federal data must be protected from unauthorized access. This standard also applies to information associated with CDC grants. Congress and the OMB have instituted laws, policies and directives that govern the creation and implementation of federal information security practices that pertain specifically to grants and contracts. The current regulations are pursuant to the Federal Information Security Management Act (FISMA), Title III of the E-Government Act of 2002, PL 107-347.

FISMA applies to CDC grantees only when grantees collect, store, process, transmit or use information on behalf of HHS or any of its component organizations. In all other cases, FISMA is not applicable to recipients of grants, including cooperative agreements. Under FISMA, the grantee retains the original data and intellectual property, and is responsible for the security of these data, subject to all applicable laws protecting security, privacy, and research. If/When information collected by a grantee is provided to HHS, responsibility for the protection of the HHS copy of the information is transferred to HHS and it becomes the agency's responsibility to protect that information and any derivative copies as required by FISMA. For the full text of the requirements under Federal Information Security Management Act (FISMA), Title III of the E-Government Act of 2002 Pub. L. No. 107-347, please review the following website:
http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=107_cong_public_laws&docid=f:publ347.107.pdf

Pilot Program for Enhancement of Contractor Employee Whistleblower Protections: Grantees are hereby given notice that the 48 CFR section 3.908, implementing section 828, entitled "Pilot Program for Enhancement of Contractor Employee Whistleblower Protections," of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013 (Pub. L. 112-239, enacted January 2, 2013), applies to this award.

Federal Acquisition Regulations

As promulgated in the Federal Register, the relevant portions of 48 CFR section 3.908 read as follows (note that use of the term "contract," "contractor," "subcontract," or "subcontractor" for the purpose of this term and condition, should be read as "grant," "grantee," "subgrant," or "subgrantee"):

3.908 Pilot program for enhancement of contractor employee whistleblower protections.

3.908-1 Scope of section.

(a) This section implements 41 U.S.C. 4712.

(b) This section does not apply to-

- (1) DoD, NASA, and the Coast Guard; or
- (2) Any element of the intelligence community, as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 3003(4)). This section does not apply to any disclosure made by an employee of a contractor or subcontractor of an element of the intelligence community if such disclosure-
 - (i) Relates to an activity of an element of the intelligence community; or
 - (ii) Was discovered during contract or subcontract services provided to an element of the intelligence community.

3.908-2 Definitions.

As used in this section-

"Abuse of authority" means an arbitrary and capricious exercise of authority that is inconsistent with the mission of the executive agency concerned or the successful performance of a contract of such agency.

"Inspector General" means an Inspector General appointed under the Inspector General Act of 1978 and any Inspector General that receives funding from, or has oversight over contracts awarded for, or on behalf of, the executive agency concerned.

3.908-3 Policy.

(a) Contractors and subcontractors are prohibited from discharging, demoting, or otherwise discriminating against an employee as a reprisal for disclosing, to any of the entities listed at paragraph (b) of this subsection, information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract, a gross waste of Federal funds, an abuse of authority relating to a Federal contract, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract). A reprisal is prohibited even if it is undertaken at the request of an executive branch official, unless the request takes the form of a non-discretionary directive and is within the authority of the executive branch official making the request.

(b) Entities to whom disclosure may be made.

- (1) A Member of Congress or a representative of a committee of Congress.
- (2) An Inspector General.
- (3) The Government Accountability Office.
- (4) A Federal employee responsible for contract oversight or management at the relevant agency.
- (5) An authorized official of the Department of Justice or other law enforcement agency.
- (6) A court or grand jury.
- (7) A management official or other employee of the contractor or subcontractor who has the responsibility to investigate, discover, or address misconduct.

(c) An employee who initiates or provides evidence of contractor or subcontractor misconduct in any judicial or administrative proceeding relating to waste, fraud, or abuse on a Federal contract shall be deemed to have made a disclosure.

3.908-9 Contract clause.

Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights (Sept. 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

PAYMENT INFORMATION

Automatic Drawdown (Direct/Advance Payments): Payment under this award will be made available through the Department of Health and Human Services (HHS) Payment Management System (PMS). PMS will forward instructions for obtaining payments.

PMS correspondence, mailed through the U.S. Postal Service, should be addressed as follows:

Director, Payment Management Services
P.O. Box 6021
Rockville, MD 20852
Phone Number: (877) 614-5533
Email: PMSSupport@psc.gov
Website: <http://www.dpm.psc.gov/help/help.aspx?explorer.event=true>

Note: To obtain the contact information of PMS staff within respective Payment Branches refer to the links listed below:

- University and Non-Profit Payment Branch:
http://www.dpm.psc.gov/contacts/dpm_contact_list/univ_nonprofit.aspx?explorer.event=true
- Governmental and Tribal Payment Branch:
http://www.dpm.psc.gov/contacts/governmental_and_tribal.aspx?explorer.event=true
- Cross Servicing Payment Branch:
http://www.dpm.psc.gov/contacts/cross_servicing.aspx?explorer.event=true
- International Payment Branch:
Bhavin Patel (301) 492-4918
Email: Bhavin.patel@psc.hhs.gov

If a carrier other than the U.S. Postal Service is used, such as United Parcel Service, Federal Express, or other commercial service, the correspondence should be addressed as follows:

U.S. Department of Health and Human Services
Division of Payment Management
7700 Wisconsin Avenue, Suite 920
Bethesda, MD 20814

To expedite your first payment from this award, attach a copy of the Notice of Grant/Cooperative Agreement to your payment request form.

Payment Management System Subaccount: All award funds must be tracked and reported separately. Funds must be used in support of approved activities in the FOA and the approved application. The grant document number (below) must be known in order to draw down funds from the subaccount or existing G Account.

All award funds must be tracked and reported separately. Funds must be used in support of approved activities in the FOA and the approved application.

The grant document number and subaccount title (below) must be known in order to draw down funds from this P Account.

Grant Document Number: 005861DP14
Subaccount Title: DP141417PARTIMPICH14

Acceptance of the Terms of an Award: By drawing or otherwise obtaining funds from the grant Payment Management Services, the grantee acknowledges acceptance of the terms and conditions of the award and is

obligated to perform in accordance with the requirements of the award. If the recipient cannot accept the terms, the recipient should notify the Grants Management Officer within thirty (30) days of receipt of this award notice.

Certification Statement: By drawing down funds, the grantee certifies that proper financial management controls and accounting systems, to include personnel policies and procedures, have been established to adequately administer Federal awards and funds drawn down. Recipients must comply with all terms and conditions outlined in their NoA, including grant policy terms and conditions contained in applicable HHS Grant Policy Statements, and requirements imposed by program statutes and regulations and HHS grants administration regulations, as applicable; as well as any regulations or limitations in any applicable appropriations acts.

CDC ROLES AND RESPONSIBILITIES

Roles and Responsibilities: Grants Management Specialists/Officers (GMO/GMS) and Program/Project Officers (PO) work together to award and manage CDC grants and cooperative agreements. From the pre-planning stage to closeout of an award, grants management and program staff have specific roles and responsibilities for each phase of the grant cycle. The GMS/GMO is responsible for the business management and administrative functions. The PO is responsible for the programmatic, scientific, and/or technical aspects. The purpose of this factsheet is to distinguish between the roles and responsibilities of the GMO/GMS and the PO to provide a description of their respective duties.

Grants Management Officer: The GMO is the federal official responsible for the business and other non-programmatic aspects of grant awards including:

- Determining the appropriate award instrument, i.e.; grant or cooperative agreement
- Determining if an application meets the requirements of the FOA
- Ensuring objective reviews are conducted in an above-the-board manner and according to guidelines set forth in grants policy
- Ensuring grantee compliance with applicable laws, regulations, and policies
- Negotiating awards, including budgets
- Responding to grantee inquiries regarding the business and administrative aspects of an award
- Providing grantees with guidance on the closeout process and administering the closeout of grants
- Receiving and processing reports and prior approval requests such as changes in funding, carryover, budget redirection, or changes to the terms and conditions of an award
- Maintaining the official grant file and program book

The GMO is the only official authorized to obligate federal funds and is responsible for signing the NoA, including revisions to the NoA that change the terms and conditions. The GMO serves as the counterpart to the business officer of the recipient organization.

GMO Contact: See Staff Contacts below for the assigned GMO

Grants Management Specialist: The GMS is the federal staff member responsible for the day-to-day management of grants and cooperative agreements. The GMS is the primary contact of recipients for business and administrative matters pertinent to grant awards. Many of the functions described above are performed by the GMS on behalf of the GMO.

GMS Contact: See Staff Contacts below for the assigned GMS

Program/Project Officer: The PO is the federal official responsible for the programmatic, scientific, and/or technical aspects of grants and cooperative agreements including:

- The development of programs and FOAs to meet the CDC's mission
- Providing technical assistance to applicants in developing their applications e.g. explanation of programmatic requirements, regulations, evaluation criteria, and guidance to applicants on possible linkages with other resources
- Providing technical assistance to grantees in the performance of their project
- Post-award monitoring of grantee performance such as review of progress reports, review of prior

approval requests, conducting site visits, and other activities complementary to those of the GMO/GMS

Programmatic Contact:

Audrey Williams, Project Officer
Centers for Disease Control
Sodium Reduction in Communities
4770 Buford Highway, MS F-73
Atlanta, GA 30341
Telephone: 770.488.5941
Fax: 770.488.8488
Email: agw2@cdc.gov

STAFF CONTACTS

Grants Management Specialist: Karen Clackum
Center for Disease Control and Prevention
Procurement and Grants Office (PGO)
2920 Brandywine Rd, MS E-09
Atlanta, GA 30341
Email: kclackum @cdc.gov **Phone:** 770.488.2680

Grants Management Officer: Roslyn Curington
Center for Disease Control and Prevention
Procurement and Grants Office (PGO)
2920 Brandywine Road, MS E-09
Atlanta, GA 30341
Email: rcurington@cdc.gov **Phone:** 770.488.2832

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Charles D. Kalil
 Dept.: City Manager Dept.: Information Technology
 Subject: Authorize the issuance of a purchase order to Apex Computer Systems, Inc. for the purchase of Hewlett Packard Computers. (Cost: \$57,736.80) (*Action Item*)

OBJECTIVE

To secure City Council authorization to purchase 90 new and unused Hewlett Packard "HP" Business Personal Computers in the amount of \$57,736.80 from Apex Computer Systems, Inc., pursuant to IFB No. S-1184.

BACKGROUND

Some of the City's computer inventory has exceeded the "end of life" requirements. These computers run the Windows XP operating system that Microsoft stopped supporting in April 2014. These computers cannot run the current supported version of Windows, creating a security risk to the City's entire network. A formal bid process to replace 90 computers has been completed.

DISCUSSION

There were 47 prospective bidders for this project. 13 bids were received. Bid results are as follows:

Bidders for IFB No. S-1184	
Bidder Name	Bid Amount
Apex Computer Systems, Inc.	\$57,736.80
Nitech	\$58,222.80
OM Office Supply Inc.	\$60,264.00
MK Management Inc.	\$61,916.40
Cyber Computers, Inc.	\$62,020.40
Daisy I.T.	\$62,833.97

En Pointe	\$63,402.59
GST Informaiton Technology Solutions	\$63,484.24
PCM Logistics	\$66,335.12
Global Blue DVBE, INC.	\$69,414.41
Saitech, Inc.	\$112,174.60
Ritmo Investments, Inc.	\$113,445.52
Sigmanet	\$114,464.66

All bids were found to be responsive.

FINANCIAL IMPACT

The Information Technology Internal Service Fund will absorb the financial impact not to exceed \$57,736.80, which has been budgeted for this purpose.

RECOMMENDATION

It is recommended that the City Council:

- Authorize the Finance Director to issue a purchase order to Apex Computer Systems, Inc. for the purchase of 90 new and unused Hewlett Packard Business Computers, in the amount of \$57,736.80.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: William E. Murray
Dept.: City Manager Dept.: Public Works
Subject: Acceptance of Project No. S-1124-A Material Storage Canopy as complete. (*Action Item*) Date: 1/26/2016

OBJECTIVE

For the Garden Grove City Council to accept the above project as complete and authorize the City Manager to execute the Notice of Completion of Public Improvement and Work.

BACKGROUND

There is a designated storage area in the Municipal Service Center for different materials and equipment used for Public Works operation and maintenance. A canopy was required to cover the storage area to be in compliance with the rules and recommendations of the National Pollutant Discharge Elimination System (NPDES) regulated by California Regional Water Quality Control Board.

DISCUSSION

The contractor, Archico Design Build, has completed the improvements in accordance with the plans, specifications and other contract documents.

FINANCIAL IMPACT

The project was completed within budget and schedule. The retention payment will be released after recordation of the Notice of Completion with the County of Orange.

RECOMMENDATION

It is recommended that the City Council:

- Accept Project No. S-1124-A – Material Storage Canopy as complete;
- Authorize the City Manager to execute the Notice of Completion of Public Works Improvement and Work; and
- Authorize the Finance Director to release the retention payment when appropriate to do so.

ATTACHMENTS:

Description	Upload Date	Type	File Name
MATERIAL STORAGE CANOPY	1/13/2016	Cover Memo	MATERIAL_STORAGE_CANOPY.pdf

RECORDING REQUESTED BY

When Recorded Mail To:

City Clerk
City of Garden Grove
P. O. Box 3070
Garden Grove, CA 92842

NOTICE OF COMPLETION
OF PUBLIC IMPROVEMENT AND WORK

NOTICE IS HEREBY GIVEN that the Garden Grove Public Works, Orange County, California, has caused a public improvement, to wit:

PROJECT NO. S-1124-A
MATERIAL STORAGE CANOPY

To be constructed upon the property hereinafter described. The contract for furnishing of all plant, labor, services, materials, and equipment, and all utilities and transportation, including power, fuel, and water, and performing all work necessary to construct and complete, in a good and workmanlike manner in strict accordance with the specifications, plans, and drawings therefore on file in the office of the City Clerk of the City of Garden Grove, for the construction, installation and completion of the above-described public improvement and work, was heretofore made and entered into with Archico Design Build, on the 12TH day of May 12, 2015, and filed for record in the office of the City Clerk of the City of Garden Grove; that the work upon said public improvement has been completed, and that the City Engineer has notified Public Works that he has made and completed a final inspection of the materials furnished and installed and the work performed in the construction, installation, and completion of said public improvement hereinabove more particularly described and set forth, and has certified in writing to Public Works that all the provisions of the contract and contract documents for the furnishing of all plant, labor, services, materials, and equipment, and the performing of all work necessary for the construction, installation, and completion of said public improvement above described have been fully complied with to his satisfaction as required by the contract document; that final acceptance of the construction, installation, and completion of said public improvement above described was made on the 4TH day of November 2015; that the nature of the title to said property of said City of Garden Grove is as follows: That is to say, it owns said public improvement in fee except the right-of-way upon which it is constructed, and that it owns an easement upon, over, and along said right-of-way for the purpose of the construction, installation, and completion of said public improvement hereinabove described and the use thereof after said completion; that the property hereinabove referred to and on which said public improvement is situated is described as follows, to wit:

PROJECT NO. S-1124-A
MATERIAL STORAGE CANOPY

Material Storage Canopy- PROJECT NO. S-1124-A
RECOMMENDATION TO ACCEPT PROJECT AS COMPLETE
January 26, 2016
Page 2

Page 2 of 2

NAME OF SURETY on Labor and Material Bond is: Indemnity Company of California
17771 Cowan, Ste. 100, Irvine, CA
92623 -Bond # 389481P
License # OC66786
Tel No. (949)-263-3300

DATED this _____ day of _____ 20 ____

GARDEN GROVE Public Works

By _____
City Manager of the Garden Grove

ATTEST:

City Clerk of Garden Grove

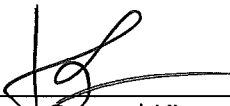
STATE OF CALIFORNIA
COUNTY OF ORANGE

I am the Interim Water Manager of the City of Garden Grove.

I have read the foregoing Notice of Completion of Public Improvement and Work, and know the contents thereof; and I certify that the same is true of my own knowledge, except as to those matters, which are therein stated upon my information or belief, and as to those matters I believe to be true.

I certify (or declare), under penalty of perjury, that the foregoing is true and correct.

Executed on 1-13-16 at Garden Grove, California
(Date) (Place)



Samuel Kim
Interim Water Manager

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kimberly Huy
Dept.: City Manager Dept.: Community Services
Subject: Consideration of donation request from the Vietnamese American Federation of Southern California. (Cost: approximately \$260) (*Action Item*) Date: 1/26/2016

OBJECTIVE

The purpose of this memorandum is to ask that the City Council consider a request from the Vietnamese American Federation of Southern California for the donation of surplus tables and chairs from the H. Louis Lake Senior Center.

BACKGROUND

In November 2015, the H. Louis Lake Senior Center acquired new chairs for their dining room. The Center's old chairs (approximately 80 chairs) were scheduled to be sent to the Warehouse as "surplus goods," where they would be bundled with other surplus items and sold as a "lot" at a Public Auction.

In addition to the chairs, the Senior Center had five (5) tables that were also to be sent to the Warehouse as surplus. The Vietnamese American Federation of Southern California has requested that the City Council consider donating the tables and chairs to the Federation, who recently opened new offices in Garden Grove.

DISCUSSION

The Vietnamese American Federation of Southern California is a recognized 501(c)3 and non-profit in good standing. At least half of the its members are Garden Grove residents.

FINANCIAL IMPACT

While the exact value of the tables and chairs is unknown, a recent auction of bundled furniture would place a value on the chairs of approximately \$2.00 per chair, or \$160. Additionally, the tables have a minimal value and are estimated to be worth no more than \$20 per table, or \$100, for a total donation request value of \$260.

RECOMMENDATION

It is recommended that the City Council:

- Authorize the donation of the five (5) tables and eighty (80) chairs to the Vietnamese American Federation of Southern California to use within their new offices.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Request Letter	1/14/2016	Backup Material	Request_Letter.pdf



CỘNG ĐỒNG NGƯỜI VIỆT QUỐC GIA NAM CALIFORNIA VIETNAMESE AMERICAN FEDERATION OF SOUTHERN CALIFORNIA

January 6th, 2016

Ms. Kim Huy
Community Services Director
City of Garden Grove
11222 Acacia Avenue

Phat Bui
Chủ Tịch/Chairman
Bao N. Nguyen
Phó Chủ Tịch/Vice Chair
Long Nguyen
Phó Chủ Tịch/Vice Chair
Dzung Nguyen
Tổng Thư Ký/General Secretary
Judy Bui
Thủ Quỹ/Treasurer

Subject: Requesting Donation of Used Chairs, Tables, and Office Equipment

Dear Ms. Huy,

We understand the City Senior Center is having about 100 to 150 used old chairs and few old tables that are not being used and have been storage for years. The Vietnamese American Federation of Southern California would like to request the City to donate these chairs and table for our newly open office at 13127 Brookhurst Street, Garden Grove. We also in needs of other office equipment such as white boards, cabinets, bookshelves, printers, computers, etc.

VAFOSC is a non-profit organization founded in the County of Orange with the mission to provide cultural programs, education programs and social services to all residents in Southern California. Many of these programs are available to all people free of charge.

On behalf of some 70 thousand Vietnamese American residents of Garden Grove and more than 500 thousand Vietnamese American residents of Southern California we thank you the City of Garden Grove for your kind donation.

Sincerely,

Phat Bui, President

Mobile: 714-713-4079

email: Phat.Bui@vafosc.com

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Karl Hill
Dept.: City Manager Dept.: Community Development
Subject: Request for authorization to participate in the City of Santa Ana's application for a U.S. Department of Housing and Urban Development Promise Zone Designation. (*Action Item*) Date: 1/26/2016

OBJECTIVE

The purpose of this report is to request authorization for the City of Garden Grove to participate in the City of Santa Ana's application for a U.S. Department of Housing and Urban Development (HUD) Promise Zone designation.

BACKGROUND

In February 2016, the City of Santa Ana will be submitting an application for a HUD Promise Zone designation. The proposed boundaries of the Promise Zone will include a small portion of the City of Garden Grove (i.e., a portion of Buena and Cinton Streets). The Promise Zone Initiative goals include: 1) increasing economic prosperity and job creation, 2) reducing serious and violent crime focused on Santa Ana's safety zones, 3) enhancing educational opportunities, 4) increasing the supply of affordable housing, 5) improving the infrastructure in the commercial corridor, 6) and increasing private sector investment and small business development.

DISCUSSION

The City of Santa Ana has requested a letter agreement from the City of Garden Grove allowing a portion of Garden Grove to be designated as a Promise Zone for implementation of the specific activities that will be outlined in the Promise Zone application. The agreement does not commit Garden Grove to provide any financial or non-financial resources, other than assistance in procuring any documentation or statistics that would be beneficial to the implementation of the Plan. If selected as a Promise Zone designation, Santa Ana, as the lead agency will be responsible to HUD for fulfilling the responsibilities of the Promise Zone designation.

FINANCIAL IMPACT

None.

RECOMMENDATION

It is recommended that the City Council:

- Authorize the City of Garden Grove’s participation in the City of Santa Ana’s application for a HUD Promise Zone designation.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Letter Agreement With Santa Ana	1/20/2016	Cover Memo	SA_Letter_Agreement.Promise_Zone.pdf

MAYOR
 Miguel A. Pulido
 MAYOR PRO TEM
 Vincent F. Sarmiento
 COUNCILMEMBERS
 Angelica Amezcua
 P. David Benavides
 Michele Martinez
 Roman Reyna
 Sal Tinajero



CITY MANAGER
 David Cavazos
 CITY ATTORNEY
 Sonia R. Carvalho
 CLERK OF THE COUNCIL
 Maria D. Huizar

CITY OF SANTA ANA

20 Civic Center Plaza • P.O. Box 1988
 Santa Ana, California 92702
 714-647-6900
www.santa-ana.org

January 7, 2016

Mr. Scott Stiles
 City Manager
 City of Garden Grove
 11222 Acacia Parkway
 Garden Grove, CA 92840

Dear Mr. Stiles,

In February 2016, the City of Santa Ana will be submitting an application for U.S. Department of Housing and Urban Development (HUD) Promise Zone designation.

The proposed boundaries of the Promise Zone designation will include a small portion of the City of Garden Grove. Map is attached.

The Promise Zone Initiative, with goals targeted towards: 1) increasing economic prosperity and job creation, 2) reducing serious and violent crime focused on Santa Ana's safety zones, 3) enhancing educational opportunities, 4) increasing the supply of affordable housing, 5) improving the infrastructure in the commercial corridor, 6) and increasing private sector investment and small business development will have a significant impact for both Cities and organizations that will be partnering on this important initiative.

This letter is requesting if the City of Garden Grove will allow a portion of its City to be designated as a Promise Zone for implementation of the specific activities that will be outlined in the Promise Zone application. The Agreement does not commit Garden Grove to providing any financial or non-financial resources, other than assistance in procuring any documentation or statistics that would be beneficial to the implementation of the Plan.

If selected as a Promise Zone designation, Santa Ana, as the lead agency will be responsible to HUD for fulfilling the responsibilities of the Promise Zone designation.

SANTA ANA CITY COUNCIL

Miguel A. Pulido Mayor mpulido@santa-ana.org	Vincent F. Sarmiento Mayor Pro Tem, Ward 1 vsarmiento@santa-ana.org	Michele Martinez Ward 2 mmartinez@santa-ana.org	Angelica Amezcua Ward 3 aamezcua@santa-ana.org	P. David Benavides Ward 4 dbenavides@santa-ana.org	Roman Reyna Ward 5 rreyna@santa-ana.org	Sal Tinajero Ward 6 stinajero@santa-ana.org
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These responsibilities will include coordinating activities pursuant to the Promise Zone plan presented in the application and administering any funding or other benefits that the designation may confer in the future to the designated Promise Zones. The lead agency will also be responsible for tracking outcomes, reporting to federal agencies, and participating in evaluation activities as requested. The lead agency will provide certification to the other organizations applying for grants and other benefits that could be received by the Promise Zone designation.

If your City is willing to participate in the application, please sign below and return this letter. My email is kreenders@santa-ana.org or by Fax: (714) 647-6549. Thank you.

Sincerely,



Kelly Reenders
Executive Director, Community Development Agency
City of Santa Ana

Undersigned below:

By: _____ Date _____

Title: _____

City of Garden Grove

SANTA ANA CITY COUNCIL

Miguel A. Pulido Mayor mpulido@santa-ana.org	Vincent F. Sarmiento Mayor Pro Tem, Ward 1 vsarmiento@santa-ana.org	Michele Martinez Ward 2 mmartinez@santa-ana.org	Angelica Amezcua Ward 3 aamezcua@santa-ana.org	P. David Benavides Ward 4 dbenavides@santa-ana.org	Roman Reyna Ward 5 rreyna@santa-ana.org	Sai Tinajero Ward 6 stinajero@santa-ana.org
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REQUEST FOR COUNCIL ACTION



CITY COUNCIL MEETING DATE:
OCTOBER 20, 2015

CLERK OF COUNCIL USE ONLY:

TITLE:

STRATEGY TO SECURE FEDERAL PROMISE ZONE DESIGNATION FOR SANTA ANA (STRATEGIC PLAN NO. 5, 4D)

APPROVED

- As Recommended
- As Amended
- Ordinance on 1st Reading
- Ordinance on 2nd Reading
- Implementing Resolution
- Set Public Hearing For _____


CITY MANAGER

CONTINUED TO _____

FILE NUMBER _____

RECOMMENDED ACTION

Receive and file the proposed federal Promise Zone designation of Santa Ana.

DISCUSSION

Securing Santa Ana's designation as a federal Promise Zone (PZ) in 2016 continues to be a priority for staff. Major advantages of this designation include: 1) the awarding of preferences for certain competitive federal grant programs; and 2) proposed hiring tax credits and enhanced depreciation (tax) benefits to investors (subject to Congressional approval). Broad objectives associated with Santa Ana's strategy include the creation of jobs, growing the local economy, improving education opportunities, and reducing violent crime.

A team with representatives from the Community Development Agency, Santa Ana Police Department, and the City Manager's Office has been evaluating the federal application criteria and are now prepared to recommend a defined geographic area that will be the focus of Santa Ana's strategy. This area encompasses Santa Ana's gang Injunction security zones in the Townsend and Santa Anita neighborhoods, including a portion of Buena and Clinton Streets in the City of Garden Grove as illustrated on the proposed promise zone map (Exhibit 1). The strategy will seek to attract resources to improve opportunities for residents of these two areas with a history of violent crime. In addition, our Five Year Strategic Plan adopted in late 2014 will serve as the foundation of this effort.

Current discussions with key institutional partners has encompassed two areas: 1) seeking to find common ground in our mutual strategic plan goals for the next 10 years; and 2) incorporating mutual goals into our PZ Strategy and exploring new partnerships through a Memorandum of Understanding (MOU).

Listed are a few statistics for the proposed area which will support our case.

- Adults no English Speaking 2,950 15% adult population in area
- Adults less than high school education 9,500 or 61%
- Households include a disabled member 1,403 24% of total households
- Households some form of public assistance 450 8% of total households versus poverty rate of 32.9%
- Households no access to motor vehicle 575 10% of total households
- Adults report accessing Internet – cell phone 8,200 Nearly 45% of adults

Staff anticipates a formal announcement from the federal government inviting proposals for Promise Zone designation to be submitted in early 2016.

STRATEGIC PLAN ALIGNMENT

Approval of this item supports the City's efforts to meet Goal #5 Community Health, Livability, Engagement & Sustainability, Objective #4 (support neighborhood vitality and livability), Strategy D (implement new neighborhood initiatives focusing on residential areas that have been adversely affected by disinvestment and decline. Programs and services from a variety of resources will be utilized to achieve positive and sustainable improvements).

ENVIRONMENTAL IMPACT

There is no environmental impact associated with this action.

FISCAL IMPACT

There is no fiscal impact associated with this action.



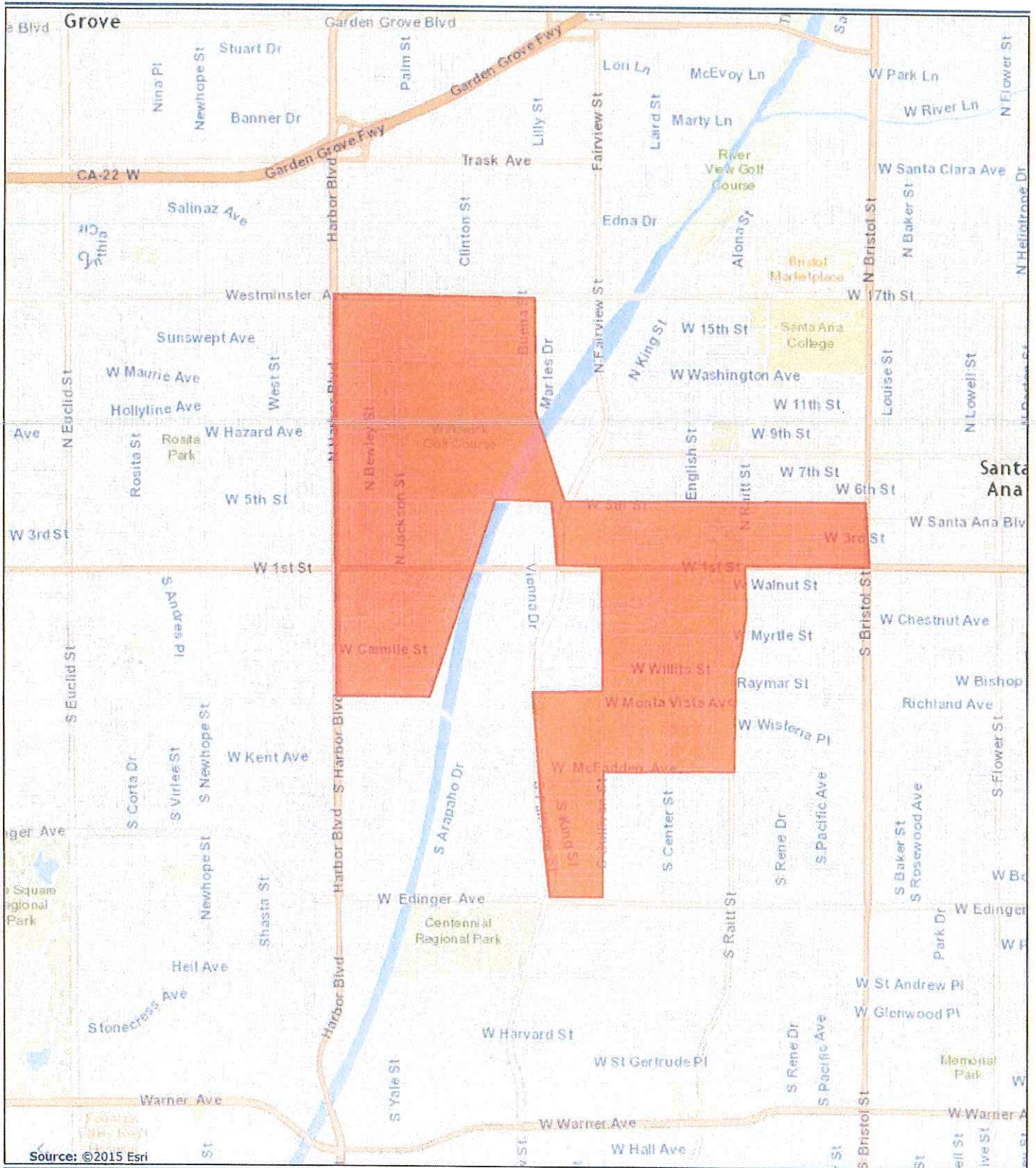
Kelly Reenders
Executive Director
Community Development Agency

KR/II

Exhibit: 1. Proposed Promise Zone Map



Proposed Promise Zone Including Gang Injunction Areas



City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kathy Bailor
Dept.: City Manager Dept.: City Clerk
Subject: Approval of warrants. (Action Date: 1/26/2016
Item)

The attached warrants are submitted for City Council approval.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Warrants	1/20/2016	Backup Material	cc_warrants.pdf

WARRANT NUMBER	NAME	AMOUNT	DATE	PAGE	STATUS
179224	ANTONIO G AQUINO	10663.30	179225	DARA L DANLEY	1508.49
179226	DARA L DANLEY	890.44	179227	RICHARD ROUNDS	0.00
179228	MICHAEL J MC CLELLAN	6809.39	179229	JAIIME F CHAVEZ	1322.90
179230	JUDITH A MOORE	1864.07	179231	DIANE BELAIR	1851.64
179232	JO ANNE M CHUNG	1747.22	179233	ROBERT N SEDITA JR	94.48
179234	TIMOTHY E THRONE	178.91	179235	THOMAS E BUTTERS	2426.43
179236	CARINA M DAN	166.98	179237	CHRIS M VERES	2889.07
179238	JARROD R WALKER	1271.73	179239	ROBERT R MOUNGEY	342.57
179241	MICHAEL F ROCHA	1839.01	179242	RONALD D GUSMAN	375.40
179243	JAVIER RODRIGUEZ	982.20	179244	HIEN M VO	400.79
179245	YUKIYOSHI NAKAGAWA	1377.67	179246	CHRISTOPHER A RAHE	546.16
179247	ANA E PULIDO	2918.34	179248	STEPHANIE AMBRIZ	169.80
179249	DEANNA M CHUMACERO	221.97	179250	VANESSA L GARCIA	127.96
179251	JOSEPH M GOMEZ	58.38	179252	STEVEN E GOMEZ	447.03
179253	ELI C KARIM	114.71	179254	NOEL N NICHOLAS	37.15
179255	JACLYN M TROM	446.49	179256	BRYSON T DAHLHEIMER	409.64
179257	MICHELLE N ESTRADA-MONSA	362.93	179258	KEIRA LONG	1416.32
179259	RANDY L TUCKER	583.86	179260	SHELBY KEUILIAN	761.98
179261	JOAN M CEPLIUS	814.16	179262	KHRYNSTON SAMRETH	1814.51
179263	O.C.E.A. GENERAL	2013.79	179264	O.C.E.A.	946.91
179265	COMMUNITY HEALTH CHARITI	50.00	179266	GARDEN GROVE POLICE ASSO	880.00
179267	TERESA L POMEROY	2223.02	D287310	KRIS C BEARD	211.00
D287311	PHAT T BUI	198.83	D287312	STEVEN R JONES	19.46
D287313	BAO Q NGUYEN	23.98	D287314	CHRIS V PHAN	198.16
D287315	DAVID R BARLAG	6907.69	D287316	PAMELA M HADDAD	1625.20
D287317	SCOTT C STILES	6634.83	D287318	MARIA A STIPE	5954.46
D287319	MELANIE J VALDES	2193.95	D287320	KATHLEEN BAILOR	2632.25
D287321	DENISE KEHN	1927.63	D287322	MARITZA PIZARRO	1526.75
D287323	CARLOS MARQUEZ	2573.83	D287324	EDUARDO N ZARAGOZA	88.91
D287325	SYLVIA GARCIA	1980.06	D287326	KINGSLEY C OKEREKE	4893.41
D287327	ANN CAO EIFERT	2208.62	D287328	HEIDI M JANZ	2145.21
D287329	CHRISTI C MENDOZA	246.88	D287330	DEBORAH A POWELL	1165.54
D287331	MARGARITA A ABOLA	1666.41	D287332	ELLIS EUN ROK CHANG	2332.87
D287333	HENRY CHAO	2160.77	D287334	JANET J CHUNG	1960.09
D287335	CLAUDIA FLORES	2201.91	D287336	CARRIE S HANES	1804.91
D287337	RHONDA C KAWELL	2436.33	D287338	ROBERT W MAY	1667.22
D287339	SHAWNA A MCDONOUGH	1580.63	D287340	HANG HARRY WONG	2487.37
D287341	LIGIA ANDREI	1094.69	D287342	ARIANA B BAUTISTA	1295.44
D287343	CHERYLE LYNN EICHEL	170.14	D287344	GIANCARLO ESPINOZA	595.18
D287345	PAMELA S GILLIS	2258.59	D287346	SUE J GULLEY	361.79
D287347	JEFF N KURAMOTO	3153.74	D287348	CHELSEA E LUKAS	1403.36
D287349	EDWARD E MARVIN JR	1642.12	D287350	ANGELA M MENDEZ	1698.80
D287351	MONICA A NEELEY	2515.52	D287352	JENNIFER L PETERSON	1702.55
D287353	ANH PHAM	1434.10	D287354	EVA RAMIREZ	1676.87
D287355	GARY F HERNANDEZ	1647.22	D287356	JULIE A HITCHCOCK	1697.94
D287357	SANDRA E SEGAWA	2846.80	D287358	GREG BLODGETT	2507.60
D287359	MONICA COVARRUBIAS	2381.44	D287360	GRACE E LEE	2184.85
D287361	ALANA R CHENG	1957.09	D287362	MICHAEL G AUSTIN	2316.52

**** PAGE TOTAL = 160565.31

D287363	TODD C HARTWIG	12184.90	D287364	AARON J HODSON	1640.45
D287365	JERROLD R HOLSTEIN	334.87	D287366	DONALD E LUCAS	2470.13
D287367	DAVID B MARCUM	575.29	D287368	DANNY O RODRIGUEZ JR.	1974.57
D287369	RAQUEL SHOGREN	225.29	D287370	NABIL L TEWFIK	3058.86
D287371	LIZABETH C VASQUEZ	1653.11	D287372	RODRIGO E VICTORIA	546.28
D287373	DANIEL A WINDHAM	2283.06	D287374	ISABELLA C ZANDVILLET	1768.60
D287375	CHRISTOPHER CHUNG	2279.72	D287376	PAUL GUERRERO	2422.25
D287377	KARL J HILL	3957.84	D287378	LEE W MARINO	3460.21
D287379	MARIA C PARRA	2313.91	D287380	ERIN WEBB	3039.38
D287381	AMENAH ABU-HAMDIYYAH	1616.84	D287382	JULIE A ASHLEIGH	1712.30
D287383	RITA M CRAMER	1943.68	D287384	RALPH V HERNANDEZ	2005.66
D287385	ALLISON MILLS	910.02	D287386	NIDA R WATKINS	2258.97
D287387	SHAUNA J CARRENO	1862.18	D287388	TERESA G CASEY	1215.60
D287389	VIRGINIA DELGADO	1046.41	D287390	DANNY HUYNH	3155.27
D287391	VILMA C KLOESS	1737.84	D287392	IVY LE	1673.29
D287393	TAMMY LE	1312.83	D287394	LINDA MIDDENDORF	2255.16
D287395	ROSALINDA MOORE	1251.32	D287396	MARIA A NAVARRO	2064.67
D287397	PHUONG-VIEN T NGUYEN	2293.57	D287398	QUANG NGUYEN	2191.16
D287399	TINA T NGUYEN	1902.13	D287400	THYANA T PHI	2093.97
D287401	MARIA RAMOS	1945.76	D287402	TANYA L TO	1623.39
D287403	CUONG K TRAN	1982.77	D287404	ELAINE TRUONG	1370.72
D287405	THANH-NGUYEN VO	1730.32	D287406	MICHAEL C BOS	2100.32
D287407	HOWARD R BROWN	2220.38	D287408	DANIEL J CANDELARIA	4150.23
D287409	DIGNA A R DE LOS REYES	1226.66	D287410	KAMYAR DIBAJ	2364.07
D287411	NICOLAS C HSTEH	2637.06	D287412	ROSEMARIE JACOT	1869.91
D287413	NAVIN B MARU	2430.30	D287414	MARK P UPHUS	3068.44
D287415	JOSE A VASQUEZ	1837.67	D287416	ANA G VERGARA NEAL	1942.73
D287417	DAI C VU	3151.19	D287418	KHANG L VU	2506.98
D287419	JOSHUA J ARTONUS	1532.53	D287420	JAN BERGER	1667.59
D287421	ROBERT P BERMUDEZ	3247.60	D287422	TIM P CANNON	2500.79
D287423	MYUNG J CHUN	2779.32	D287424	RONALD W DIEMERT	1732.51
D287425	CHRIS N ESCOBAR	6147.92	D287426	JASON A FERTAL	1625.84
D287427	ALEJANDRO GONZALEZ	2753.69	D287428	MICHAEL J GRAY	1586.52
D287429	LARRY GRIFFIN	1692.75	D287430	ROBERT ALAN HAENDIGES	1730.79
D287431	RYAN S HART	3426.56	D287432	ROBERT M HIGGINBOTHAM	1143.89
D287433	EDWARD A HUY	3204.05	D287434	VIDAL JIMENEZ	1804.92
D287435	SAMUEL K KIM	3575.93	D287436	SHAN L LEWIS	1505.52
D287437	REBECCA PIK KWAN LI	2681.11	D287438	SCOTT T LOWE	2559.31
D287439	DAVID MA'AE	1566.32	D287440	TYLER MEISLAHN	1617.15
D287441	JESSE K MONTGOMERY	1319.15	D287442	STEVEN J MOYA JR	1716.28
D287443	BASIL G MURAD	2725.47	D287444	KIRK L NATLAND	695.31
D287445	DUC TRUNG NGUYEN	1207.97	D287446	JIMMY NGUYEN	185.74
D287447	CORNELIU NICOLAE	2246.98	D287448	ANDREW I ORNELAS	2200.53
D287449	DAVID A ORTEGA	1824.92	D287450	CELESTINO J PASTILLAS	2604.84
D287451	WILLIAM F PEARSON	1944.32	D287452	LES A RUITENSCHILD	2755.80
D287453	JONATHAN RUIZ	1505.78	D287454	MODESTO R SALDANA	1732.21
D287455	ALEXIS SANTOS	1106.67	D287456	ADRIAN M SARMIENTO	3064.68
D287457	ALBERT TALAMANTES JR	531.97	D287458	MINH K TRAN	1468.93

*** PAGE TOTAL = 195770.65

D287459	ALEJANDRO N VALENZUELA	1380.71	D287460	KATHLEEN N VICTORIA	653.35
D287461	RONALD J WOLLAND	1388.73	D287462	VICTOR K YERGENSEN	1514.40
D287463	ALICE K FREGOSO	1643.66	D287464	RAQUEL K MANSON	2307.99
D287465	CAROLYN E MELANSON	1630.89	D287466	WILLIAM E MURRAY JR	6423.90
D287467	EMILY H TRIMBLE	1350.29	D287468	RODOLPHO M BECERRA	1351.07
D287469	EDGAR A CANO	653.83	D287470	ALBERT J CARRISOZA	1384.97
D287471	MARRAY R CHAPMAN	144.97	D287472	VINCENT L DE LA ROSA	1669.85
D287473	HECTOR M ESPINOZA	1044.22	D287474	MAURICIO S GARCIA	2064.94
D287475	GLORIA GAW	1847.32	D287476	RICHARD R GOSSELIN	2935.00
D287477	HERMILO HERNANDEZ	1388.76	D287478	DARNELL D JERRY	364.52
D287479	KEANU M KALOLO	1172.31	D287480	BRENT KAYLOR	1938.28
D287481	BEN A KOSKY	1225.13	D287482	MARK W LADNEY	2149.72
D287483	RAUL LEYVA	2022.78	D287484	ANTONIO R MARTIN	1754.95
D287485	ROBERT P MCLOGAN	298.27	D287486	CARLOS F MENDEZ	1356.33
D287487	RIGOBERTO MENDEZ	1869.89	D287488	JEFFREY K MUMM	565.61
D287489	STEVEN T ORTIZ	2768.63	D287490	RICHARD L PINKSTON	1621.64
D287491	BRADLEY J POINDEXTER	662.46	D287492	STEVE J TAUANU U	1473.51
D287493	SUSAN VITALI	562.56	D287494	STEPHANIE A WASINGER	206.99
D287495	JEFFREY G CANTRELL	1779.91	D287496	THOMAS C COUNTS	27.78
D287497	JAMES CUNNINGHAM	2093.55	D287498	EARNEST L DOMINGUEZ	682.14
D287499	JULIA ESPINOZA	1092.18	D287500	ALBERT R EURS II	1965.21
D287501	CECELIA A FERNANDEZ	1070.12	D287502	CONRAD A FERNANDEZ	810.21
D287503	CYNTHIA Y FLORES VAZQUEZ	1232.43	D287504	JESUS RICHARD GOMEZ	1196.39
D287505	JORGE GONZALEZ	1087.90	D287506	MICHAEL R GREENE	1817.61
D287507	GLORIA A HARO	1146.25	D287508	ERIC W JOHNSON	419.30
D287509	KHUONG NGUYEN	1082.20	D287510	VIRGINIA NICHOLS	792.60
D287511	WILLIAM R PICKRELL	2357.30	D287512	CHRISTOPHER L RELLEFORD	1539.27
D287513	DELFRADO C REYES	1073.05	D287514	RAFAEL ROBLES	860.97
D287515	RODERICK THURMAN	1443.99	D287516	EVARISTO VERA	1071.74
D287517	RICHARD L WILLIAMS	1374.22	D287518	ANSELMO AGUIRRE	1770.50
D287519	CHRISTOPHER L ALLEN	1789.85	D287520	JOHN M BRUNING	557.24
D287521	PHILLIP J CARTER	2300.09	D287522	RICK L DUVALL	1718.47
D287523	SERGIO GARCIA GARCIA	217.80	D287524	AARON R HANSEN	1001.89
D287525	PATRICIA CLAIR HAYES	2124.73	D287526	HUY HOA HUYNH	1884.45
D287527	BRYAN D KWATKOWSKI	1222.49	D287528	DANIEL C MOSS	1385.26
D287529	JOEL G NAVARRO	1011.37	D287530	BRANDON S NUNES	663.55
D287531	ROLANDO QUIROZ	1424.87	D287532	TODD R REED	1442.49
D287533	RONALD E SANDIFORTH	1879.98	D287534	GREGORY L SMITH	606.12
D287535	LUIS A TAPIA	1924.90	D287536	MICHAEL W THOMPSON	2119.89
D287537	WILLIAM J WHITE	1803.79	D287538	JEREMY J GLENN	470.19
D287539	JESSE GUZMAN	2162.18	D287540	BRETT A MEISLAHN	1500.97
D287541	MARK E MONSON	2130.96	D287542	ALAN D SARVER	1837.87
D287543	STEPHEN D SUDDUTH	1394.11	D287544	TIMOTHY WALLINGFORD	3487.79
D287545	HILLARD J WILLIAMS	622.73	D287546	ALBERT J HOLMON III	2833.84
D287547	ALLEN L SERNA	1994.42	D287548	VICTOR T BLAS	1923.47
D287549	FRANK X DE LA ROSA	1551.60	D287550	ERVIN DUBRUL	1560.30
D287551	JOSE GOMEZ	1751.00	D287552	BRENT W HAYES	2528.08
D287553	FRANK D HOWENSTEIN	2258.18	D287554	ALLEN G KIRZHNER	1787.15

*** PAGE TOTAL = 143453.32

D287555	KEON DONTRAY NELSON	1895.79	D287556	STEPHEN PORRAS	2451.91
D287557	ALEJANDRO VALENZUELA JR	1375.06	D287558	JESSE VIRAMONTES	3943.74
D287559	VERONICA AVILA	1479.06	D287560	JEFFREY P DAVIS	1977.82
D287561	NOELLE N KIM	575.57	D287562	MISSY M MENDOZA	269.80
D287563	MARIE L MORAN	2242.54	D287564	KRISTY H THAI	1537.91
D287565	EDWARD D AMBRIZ GARCIA	162.25	D287566	NICHOLAS J BARRETT	108.58
D287567	ALEXIS R BAUTISTA-MOYANO	102.28	D287568	ALEJANDRA CAMARENA	136.31
D287570	HUGO CAMARENA	365.02	D287570	RACHEL M CAMARENA	1713.28
D287571	RENE CAMARENA	1738.90	D287572	MARTI CARROLL	921.77
D287573	VICTORIA M CASILLAS	1640.45	D287574	ALMA BRENDA CASTRO	186.69
D287575	CYNTHIA A CHEW	1704.03	D287576	WENDY CHEW	134.17
D287577	MAXINE M COLTER	227.48	D287578	JULIE T COTTON	44.58
D287579	KENNETH E CUMMINGS	708.50	D287580	JEANETTE A DE MENECEZ	50.32
D287581	JACOB R GRANT	1709.53	D287582	CAROLINA HONSTAIN	248.27
D287583	KIMBERLY HUY	4194.59	D287584	ANA C IZQUIERDO	86.57
D287585	MARITZA JIMENEZ	156.33	D287586	ANN KELLER PLUMB	526.09
D287587	ANDREW M LEWIS	134.59	D287588	JOHNNY LUNA	123.22
D287589	ELAINE M MA'AE	2294.75	D287590	STACY L MARGOLIN	2262.44
D287591	JESUS MEDINA	1543.93	D287592	JUAN MEDINA	1764.22
D287593	NICHOLAS M MEDINA	127.80	D287594	MONSERRAT MENDOZA ALVARE	132.57
D287595	JOHN A MONTANACHEZ	2964.13	D287596	BRIANNA M MOORE	757.22
D287597	GINA D NECCO	202.68	D287598	JACOB J NEELY	365.02
D287599	JENNIFER GODDARD NYE	1413.23	D287600	GABRIELA O'CADIZ-HERNAND	2587.85
D287601	LORI OCHOA	2203.28	D287602	CHRISTIAN PANGAN	476.67
D287603	JANET E PELAYO	2533.35	D287604	CRISTAL PERALTA	163.05
D287605	LEGEND PHAM	198.85	D287606	ARIELLE PICKRELL	132.38
D287607	SUGEIRY REYNOSO	2026.30	D287608	MARINA Y ROMERO	1640.93
D287609	MONICA K ROMO	18.19	D287610	RICARDO SALDIVAR	217.13
D287611	DANA MARIE SAUCEDO	1370.31	D287612	EMERON J SCHLUMBERGER	823.65
D287613	CLAUDIA VALDIVIA	2554.46	D287614	JEFFREY VAN SICKLE	1890.38
D287615	JOSEFINA L VELAZQUEZ	343.42	D287616	DAISY O VENCES	99.49
D287617	ANDRE LUIS VICTORIA	73.75	D287618	PAUL E VICTORIA	1109.87
D287619	DAVID M WILMES	279.31	D287620	LUCIA MEDINA-WHITTAKER	597.58
D287621	MILLIE MEROLA	1664.43	D287622	RANDY ABRAHAMSON	1839.93
D287623	THOMAS R SCHULTZ	2349.96	D287624	ANTHONY R ACOSTA	3485.60
D287625	ALBERTO ACOSTA	2566.81	D287626	LUCAS B BAUER	1539.02
D287627	JOHN D BARANGER III	2172.42	D287628	JERRY R BRENNEMAN	2824.28
D287629	BRADLEY D BELL	3992.26	D287630	GUY BROWN	2081.33
D287631	JEREMY J BROADWATER	4069.52	D287632	DANIEL L CLEARWATER	3135.13
D287633	JOSE J CAMBEROS	2982.05	D287634	JOE W CRAWFORD	3855.13
D287635	PATRICK S COLLINS	4713.02	D287636	JUSTIN D DOYLE	1761.86
D287637	TIMOTHY A CRAWFORD	2052.56	D287638	DAVID W EDNOFF	2270.01
D287639	MICHAEL G ECKHARDT JR	3426.30	D287640	JAMES L GABBARD	4451.35
D287641	STEVE P FELLNER	2710.52	D287642	CHARLES GREEN	2083.04
D287643	DREW R GARCIA	1196.05	D287644	MATTHEW R HENSHAW	10794.63
D287645	JEFF W HANNA	4163.14	D287646	SCOTT A KUHLMAN	2630.76
D287647	MICHAEL L JACOBS	2134.42	D287648	NORMAN M LOVELY	4100.43
D287649	COREY L LINDSAY	2487.29	D287650		4802.52

*** PAGE TOTAL = 164376.96

D287651	JOHN M MARQUEZ JR	2002.21	D287652	CHEYNE C MAULE	3832.71
D287653	TERRY A MCGOVERN JR	7755.70	D287654	SHANE D MELLE	1219.14
D287655	TRAVIS M MELLE	4685.74	D287656	MARK A MICKELSEN	3720.73
D287657	SON L NGUYEN	1841.92	D287658	FREDERICK N NIBLO	2020.00
D287659	BRENT C PARDOEN	2400.34	D287660	MICHAEL KURT RIETH	3084.16
D287661	WADE E RUHMAN	3260.86	D287662	DENNIS L RUZICKA	3524.49
D287663	TIMOTHY S SAWYER	8188.11	D287664	SCOTT A SCHERER	3244.65
D287665	CHRISTOPHER R SMITH	1699.14	D287666	JEFFREY T SPARGUR	3107.49
D287667	MORRIS B SPELL	8159.52	D287668	WILLIAM S STROHM	5562.96
D287669	JUSTIN D TRAVER	6001.88	D287670	CHRISTOPHER B TRENHOLM	7405.75
D287671	JUSTIN TRUHILL	3495.85	D287672	MARIO G VALDERRAMA	2179.36
D287673	DAVID S WALDSCHMIDT	1610.34	D287674	MARK S WEISS	2622.70
D287675	PAUL J WHITTAKER	11963.08	D287676	JEFFREY WILKINS	4895.35
D287677	JOSEPH A WINGERT JR.	3171.39	D287678	MYLES A BURROUGHS	1055.94
D287679	DAVID M CARLSON	5888.72	D287680	JOSHUA A FELDMAN	9217.99
D287681	TIMOTHY D FISHER	8420.10	D287682	GARRET M FURUTA	2631.37
D287683	SHANE S HOWEY	1876.30	D287684	PETER M HUBER	5000.97
D287685	JORDAN R JEMIOLA	2455.29	D287686	MATTHEW C KLEIBACKER	4514.85
D287687	ANTHONY L KNAACK	2756.32	D287688	DANIEL J MOORE	5787.68
D287689	GRANT A NOBLE	6356.78	D287690	ERIC S NORRDIEN	4668.78
D287691	ERIC M PALOMO	2296.49	D287692	ANDREW J ROACH	3697.95
D287693	RICHARD RONSTADT	3434.46	D287694	DAVID C SANCHEZ	2158.74
D287695	NICK R SCHAEFER	1109.26	D287696	ERIC P STOKER	3519.80
D287697	ERIC THORSON	6219.98	D287698	RYAN D VAN WIE	2777.91
D287699	KICKER E VENCILL	1938.02	D287700	GREGORY D WILLIAMS	2861.53
D287701	NATHAN T BRADY	2756.91	D287702	DON T NGUYEN	1669.38
D287703	THANH Q NGUYEN	5482.50	D287704	WILLIAM D SHAKESPEARE	445.49
D287705	KEITH T VELOTTA	3227.22	D287706	TODD D ELGIN	4736.70
D287707	CAROLE A KANEGAE	2029.41	D287708	VINCENTE J VAICARO	5529.01
D287709	KRISTEN A BACKOURIS	1459.79	D287710	GENA M BOWEN	1557.62
D287711	JESENIA CAMPOS	1270.69	D287712	HELENA ELSOUSOU	2667.63
D287713	ROBERT D FOWLER	8665.53	D287714	AI KELLY HUYNH	1669.99
D287715	EDUARDO C LEIVA	4721.64	D287716	JEFFREY C NIGHTENGALE	4848.79
D287717	TRAVIS J WHITMAN	6372.87	D287718	CLAUDIA ALARCON	2733.49
D287719	PEDRO R ARELLANO	2859.14	D287720	PAUL W ASHBY	2643.57
D287721	ALFREDO R AVALOS	3402.05	D287722	CARLOS BAUTISTA JR	2858.69
D287723	RYAN S BERLETH	1738.29	D287724	SUMMER A BOGUE	1676.80
D287725	RICHARD O BURILLO	3535.20	D287726	RYAN V BUSTILLOS	2049.67
D287727	DANIEL A CAMARA	2568.16	D287728	ROBERT W CAMPBELL	2181.09
D287729	JUAN C CENTENO	3039.52	D287730	DAVID Y H CHANG	3221.28
D287731	AARON J COOPMAN	4041.91	D287732	GARY L COULTER	2220.68
D287733	CHARLIE DANIELEY III	1573.80	D287734	KEVIN DINH	3789.62
D287735	JARED R DOYLE	2024.73	D287736	RONNIE D ECHAVARRIA	3431.77
D287737	AMIR A EL-FARRA	2846.70	D287738	JOSHUA N ESCOBEDO	4611.77
D287739	KORY C FERRIN	2600.12	D287740	KARI A FLOOD	1834.31
D287741	MANUEL FLORES JR	3643.95	D287742	MICHAEL E GERDIN	3198.61
D287743	JOSEPH P GROSS JR	4300.46	D287744	ALLAN S HARRY	3478.23
D287745	BRIAN HATFIELD	3647.85	D287746	KEITH J HIGGINS	2269.09

**** PAGE TOTAL = 345532.52

D287747	WILLIAM T HOLLOWAY	3187.59	D287748	JASON L JOHNSON	2043.79
D287749	GERALD F JORDAN	2104.82	D287750	TIMOTHY P KOVACS	3170.72
D287751	AUSTIN C LAVERTY	1851.47	D287752	CHRISTOPHER LAWTON	4080.16
D287753	RAPHAEL M LEE	273.81	D287754	RAFAEL LOERA JR	2090.03
D287755	JON D LOFQUIST	2880.16	D287756	RYAN M LUX	1790.48
D287757	DANNY J MIHALIK	1898.88	D287758	AARON S NELSON	2740.89
D287759	JASON S PERKINS	6339.93	D287760	RON A REYES	2793.98
D287761	PHILIP E SCHMIDT	3264.01	D287762	CHRISTOPHER M SHELGREEN	4538.78
D287763	CHARLES W STARNES	14300.58	D287764	ARTHUR F TINTLE JR	3378.43
D287765	DANIEL J VILLEGAS	2492.71	D287766	JONATHAN B WAINWRIGHT	1967.48
D287767	JOHN J YERGLER	3585.31	D287768	MARCOS R ALAMILLO	2663.77
D287769	WILLIAM ALLISON	3945.28	D287770	RICHARD A ALVAREZ-BROWN	4529.75
D287771	BOBBY B ANDERSON	2805.41	D287772	JOHN F BANKSON	2359.93
D287773	EVAN S BERESFORD	2823.89	D287774	RAY E BEX	2890.50
D287775	VANESSA M BRODEUR	1716.19	D287776	ADAM B COUGHRAN	2966.81
D287777	NATHANIEL D COX	1931.40	D287778	THOMAS R DARE	5246.67
D287779	JUAN M DE ANDA	3107.35	D287780	CHRISTOPHER M EARLE	5322.55
D287781	MICHAEL K ELHAMI	2674.78	D287782	BENJAMIN M ELIZONDO	4802.78
D287783	STEPHEN C ESTLOW	473.90	D287784	GEORGE R FIGUEROA	2758.51
D287785	ROGER A FLANDERS	1066.47	D287786	PATRICK E GILDEA	2438.98
D287787	ALDO U GUERCA	3765.40	D287788	TROY HALLER	7169.69
D287789	JAMES C HOLDER	2619.95	D287790	LUIS A LEAL CONTRERAS	3280.72
D287791	ERICK LEYVA	2961.48	D287792	CHARLES H LOFFLER	2366.15
D287793	MARK A LORD	2503.28	D287794	TAYLOR A MACY	4781.32
D287795	MARIO MARTINEZ JR	6073.55	D287796	BRYAN J MEERS	2316.46
D287797	JEFFREY M MOONEY	2473.42	D287798	JEREMY N MORSE	3196.91
D287799	MITCHEL S MOSSER	2597.47	D287800	RUDOLPH J NEGRON	3592.61
D287801	VINCENT T NGUYEN	3236.80	D287802	STEVEN TRUJILLO ORTIZ	2041.76
D287803	OMAR F PEREZ	2702.24	D287804	MICHAEL M PHILLIPS	2802.32
D287805	DOUGLAS A PLUJARD	3322.68	D287806	COREY T POLOPEK	2360.49
D287807	SINDY RAMIREZ OROZCO	3844.25	D287808	JOHN E RANEY	2652.50
D287809	ROCKY F RUBALCABA	1821.79	D287810	SEAN M SALAZAR	2476.34
D287811	MICHAEL J VISCOMI	4858.53	D287812	KATHERINE M ANDERSON	3536.06
D287813	THOMAS A CAPPS	4553.46	D287814	JAMES D FISCHER	4479.62
D287815	NATHAN D MORTON	3002.67	D287816	LINO G SANTANA	4477.62
D287817	JAMES C TUCKER II	3093.32	D287818	ROYCE C WIMMER	3811.99
D287819	ADAM D ZMLJA	3782.99	D287820	BRIAN D DALTON	1504.92
D287821	JUAN L DELGADO JR	16538.77	D287822	OTTO J ESCALANTE	3691.98
D287823	GEORGE KAISER	2613.50	D287824	PETER M KUNKEL	3887.18
D287825	LUIS F RAMIREZ	2870.17	D287826	PETER HOANG VI	2141.24
D287827	JEFFREY A BROWN	4329.11	D287828	DONALD J HUTCHINS	2923.05
D287829	RAUL MURILLO JR	4833.64	D287830	JOSHUA T OLIVO	2429.54
D287831	ROBERT M STEPHENSON III	4351.85	D287832	COURTNEY P ALLISON	2150.07
D287833	LISA A BELTHIUS	395.84	D287834	CHARLES K BODDY	5453.15
D287835	ROBERT L BOGUE JR	11816.57	D287836	CRAIG A HERRICK	42.79
D287837	PATRICK R JULIENNE	830.82	D287838	CINDY S NAGAMATSU HANLON	2330.99
D287839	VERONICA NELSON	970.49	D287840	JOHN O OJEISEKHABA	278.16
D287841	HECTOR FERREIRA JR	370.87	D287842	BRYAN GONZALEZ	278.27

*** PAGE TOTAL = 316887.74

D287843	SAIRA HERNANDEZ-CALLEROS	272.09	D287844	KRYSTAL L N JEANG	292.38
D287845	HAN NA KIM	167.53	D287846	FELICIA H PEREZ	428.15
D287847	JUDITH A BAINFO	219.99	D287848	KAREN D BRAME	1207.31
D287849	KENNETH L CHISM	2099.58	D287850	MICHAEL C CLABAUGH	1827.83
D287851	CHARLES M CLINE JR	643.98	D287852	JAMES E COLEGROVE	3476.15
D287853	CHASEN P CONTRERAS	1640.16	D287854	PAUL E DANIELSON	967.20
D287855	ROBERT M DONAHUE JR	879.30	D287856	MICHAEL FEHER	599.94
D287857	VICTORIA M FOSTER	1443.19	D287858	SEAN M GLEASON	1683.72
D287859	MICHAEL D HANDFIELD	701.23	D287860	NICKOLAS K JENSEN	2219.58
D287861	MICHAEL J JOHNSON	2539.70	D287862	CRAIG A MC IVER	2925.72
D287863	KENNETH E MERRILL	260.78	D287864	ROBERT F ROMAINE	1044.85
D287865	JOHN J STEPANOVICH	118.52	D287866	SCOTT D WATSON	855.38
D287867	GARY E ELKINS	1990.24	D287868	JOHN A FLAWS	2120.92
D287869	JASON S FULTON	1895.07	D287870	FLOR DE LIZ GUERRERO	914.23
D287871	ROBERT J KIVLER	1597.93	D287872	VICTORIA L LAWTON	1996.27
D287873	REBECCA S MEEKS	2406.57	D287874	TED H PEASLEE	5277.13
D287875	JOHN E REYNOLDS	9051.36	D287876	BENJAMIN L STAUFFER	5765.70
D287877	DAVID C YOUNG	5779.75	D287878	MARIA A ALCARAZ	1741.08
D287879	JOANN J ARMSTRONG	2100.59	D287880	CARISSA L BRUNICK	1261.00
D287881	TAMMY L CHAURAN-HAIGROV	1848.83	D287882	VERONICA FRUTOS	1027.40
D287883	LAURIE J FUSSELL	1746.47	D287884	DAVID L GEORGE	1860.54
D287885	JOAN L HIGHTOWER	1728.37	D287886	PINKY C HINGCO	2242.22
D287887	SUSAN C HUANG	1644.37	D287888	RORY K JANOCHA	680.29
D287889	DEBORAH A LARA	1860.21	D287890	ANGELA LEDESMA	1582.69
D287891	MARIA C MCFARLANE	1701.27	D287892	BRITTNEE D MCGOWEN	1749.21
D287893	TRINA T NGUYEN	1507.69	D287894	DEBRA J NICHOLS	1814.35
D287895	DIANA L O'BRIEN	1090.09	D287896	ASHLEY C ROJAS	1383.54
D287897	ASHLEY T SEROTA	1448.45	D287898	KRISTIN M WEISS	1808.44
D287899	SHANNON M YELENSKY	1733.04	D287900	JENNIFER A DIX	2254.60
D287901	DEBBY L FELSE	2045.92	D287902	KATHERINE M FRANCISCO	2855.65
D287903	AMANDA B GARNER	1795.10	D287904	KIMBERLY B GENDREAU	1089.98
D287905	ARCHIE GUZMAN	3518.57	D287906	ROBERT D LUX	2640.93
D287907	MELISSA MENDOZA-CAMPOS	1741.40	D287908	BRANDY J PARK	2245.62
D287909	CRISTINA V PAYAN	1515.55	D287910	JENNIFER M RODRIGUEZ	4599.53
D287911	TANYA L SAMOFF	2539.11	D287912	SUSAN A I SEYMOUR	2797.38
D287913	NICOLE D SHORROW	2948.38	D287914	DANNY J SOSEBEE	2101.09
D287915	MARSHA D SPELLMAN	4165.44	D287916	SANTA WARDLE	2493.94
D287917	CHERYL L WHITNEY	2627.18	D287918	JOHN CASACCIA II	3177.87
D287919	HAN J CHO	3073.93	D287920	SCOTT A COLEMAN	4873.21
D287921	RICHARD E DESBIENS	1579.13	D287922	MICHAEL D FARLEY	4438.49
D287923	JAMES D FRANKS	2868.30	D287924	PETE GARCIA	1802.93
D287925	STEVEN H HEINE	26.60	D287926	JOSE D HERRERA	2870.27
D287927	THI A HUYNH	17373.98	D287928	DANIEL V KARSCHAMROON	2211.30
D287929	JOSEPH L KOLANO	4840.82	D287930	LEA K KOVACS	4931.97
D287931	NICHOLAS A LAZENBY	5387.21	D287932	DAVID LOPEZ	3827.86
D287933	STEVEN W LUKAS	1433.45	D287934	JOHN P MACIEL	2616.32
D287935	MICHAEL L MARTIN	3108.75	D287936	LUIS A PAYAN	2896.23
D287937	TERRA M RAMIREZ	7004.42	D287938	ORLONZO REYES	3104.88

*** PAGE TOTAL = 232292.86

D287939	MICHAEL A REYNOLDS	3235.17	D287940	PAUL M TESSIER	4635.89
D287941	EDGAR VALENCIA	17294.45	D287942	TUONG-VAN NGUYEN VU	1568.01
D287943	DENNIS WARDLE	3104.04	D287944	CHRISTOPHER A WASINGER	1503.21
D287945	CARL J WHITNEY	4131.75	D287946	EDWIN P WILSON	3291.25
D287947	RONALD A DOSCHER	2572.10	D287948	ERIC A QUINTERO	1980.48
D287949	MARY C CERDA	1683.12	D287950	NICOLE L CHUNG	1067.93
D287951	SUSAN A HOLSTEIN	2928.80	D287952	LIANE Y KWAN	2458.83
D287953	JANY H LEE	3114.28	D287954	SHERRILL A MEAD	2071.89
D287955	LAURA J STOVER	3894.24	D287956	FRANA K CASSIDY	1544.45
D287957	HIEN O PHAM	1613.64	D287958	KATRENA J SCHULZE	399.06
D287959	MATTHEW T SWANSON	1118.42	D287960	ANTHONY VALENZUELA	1280.24
D287961	CANDY G WILDER	1805.50	D287962	TERENCE S CHANG	1626.48
D287963	VERNA L ESPINOZA	1682.01	D287964	CHARLES D KALIL	1519.16
D287965	GEOFFREY A KLOESS	2566.10	D287966	CAMERON M MANGELS	1398.11
D287967	RACHOT MORAGRAAN	2872.13	D287968	NOEL J PROFFITT	3119.33
D287969	ANAND V RAO	3440.62	D287970	JOSEPH M SCHWARTZ	2306.32
D287971	ROD T VICTORIA	1972.36	D287972	TERREL KEITH WINSTON	3171.27
D287973	POLICE ASSN	14183.21	D287974	GG FIRE FIGHTERS 2005	19700.55
D287975	SO CAL CU	91403.00	D287976	SOUTHLAND CU	4135.00
W2198	GREAT WEST LIFE 457 #340	131913.90	W2199	GREAT WEST LIFE OBRA#340	1404.34
W2200	INTERNAL REVENUE SERVICE	383724.96	W2201	EMPLOYMENT DEVELOPMENT D	113805.67

*** PAGE TOTAL = 854241.27

TOTAL CHECK PAYMENTS	43
TOTAL DIRECT DEPOSITS	667
TOTAL WIRE PAYMENTS	4
GRAND TOTAL PAYMENTS	714

56,367.80
1,725,903.96
630,848.87
.....
2,413,120.63

Checks #179224 thru #179267, and Direct Deposits #D287310 thru #DD287976, and wire #W2198 thru #W2201 presented in the Payroll Register submitted to the Garden Grove City Council 26 JAN 2016, have been audited for accuracy and funds are available for payment thereof.

[Handwritten Signature]
 KINGSLEY C OKEREKE - FINANCE DIRECTOR

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
595175	BURST COMMUNICATIONS, INC.	REV & VOID	-3,692.44 *
598321	HILCO FASTENER WAREHOUSE	REV & VOID	-23.98 *
598196	ABU-HAMDIYYAH, AMEENAH	TUITION REIMB	337.01 *
598197	C. L. E. A. CALIF LAW ENFORCEMENT ASSOC	DISABILITY INSURANCE	2,469.25 *
598198	CHEW, CYNTHIA	MED TRUST REIMB	209.40 *
598199	CHUNG, CHRISTOPHER	TUITION REIMB	1,953.00 *
598200	CLEANSTREET	STREET SWEEPING SERV	48,162.34 *

PAGE TOTAL FOR "*" LINES = 49,414.58

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598201	FISHER, TIM*	TUITION REIMB	1,236.00 *
598202	G.T. CONSTRUCTION, INC.	MAINT OF REAL PROP	2,100.00 *
598203	GRAFFITI PROTECTIVE COATINGS, INC.	MAINT-SERV CONTRACTS	15,513.77 *
598204	HOWEY, SHANE	MED TRUST REIMB	95.00 *
598205	KIM, SAMUEL	DUES/MEMBERSHIPS	100.00 *
598206	LINCOLN FINANCIAL GROUP	LIFE INS PREMIUM	7,672.90 *
598207	PETTY CASH - MUN SRVC CTR	TELEPHONE	60.00
		OTHER CONF/MTG EXP	12.00
		TELEPHONE EQUIP	97.17
		MV GAS/DIESEL FUEL	89.75
		PAINT/DYE/LUBRICANTS	22.65
		OTHER MAINT ITEMS	145.77
		OFFICE SUPPLIES/EXP	284.69
		OTHER MINOR TOOLS/EQ	7.53
		CELL PHONE/BEEPER	20.00
			739.56 *
598208	RADI'S CUSTOM UPHOLSTERY	MOTOR VEH PARTS	1,950.00 *
598209	SAUCEDO, DANA	MED TRUST REIMB	7.90 *
598210	VISION SERVICE PLAN	VISION INSURANCE	3,673.15 *
598211	ACRYLATEX COATINGS & RECYCLING	PAINT/DYE/LUBRICANTS	797.88 *
598212	BELNICK INC DBA BIZCHAIR.COM	MINOR OFFICE FURN/EQ	15,119.00
		MINOR FURN/EQUIP	3,368.30
			18,487.30 *
598213	METROLINK TRAINS	WAGE ATTACHMENT	986.00
		L/S/A TRANSPORTATION	330.00
			1,316.00 *
598214	AIM ASSET PROPERTY MANAGEMENT, INC.	OTHER PROF SERV	4,166.50 *
598215	WALLY FOX ELECTRIC MOTOR REPAIR	REPAIRS-FURN/MACH/EQ	996.50 *

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598216	KLOESS, GROFFREY	MED TRUST REIMB	503.88 *
598217	CSU SACRAMENTO	OTHER EDUCATION EXP	2,736.00 *
598218	ANAHEIM HOUSING AUTHORITY COMMUNITY DEV.	MOBILITY INSP FEE	300.00 *
598219	BOGUE JR., ROBERT L	TRAVEL ADVANCE-P.D.	200.00 *
598220	STATE OF CALIF-FRANCHISE TAX BOARD	WAGE ATTACHMENT	784.24 *
598221	EXCLUSIVE AUTO DETAIL	MOTOR VEHICLE MAINT	210.00 *
598222	REPUBLIC WASTE SERVICES OF SOUTHERN CALIFORNIA, LLC	AMT DUE GG DISPSL REFUSE COLL SERV	154,992.88 9,813.09 164,805.97 *
598223	APPLE ONE EMPLOYMENT SVS	TEMP AIDE SERVICES	3,020.78 *
598224	JACOBS, MICHELE	WAGE ATTACHMENT	453.69 *
598225	LAWTON, CHRISTOPHER	TRAVEL ADVANCE	172.00 *
598226	LINCOLN FINANCIAL GROUP	LIFE INS PREMIUM	8,706.80 *
598227	MARYLAND CHILD SUPPORT ACCOUNT	WAGE ATTACHMENT	343.38 *
598228	O.C. HOUSING AUTHORITY ACCTG DEPT.	MOBILITY INSP FEE	1,350.00 *
598229	LEGAL SHIELD	LEGAL	569.80 *
598230	CO. OF ORANGE	WAGE ATTACHMENT	461.54 *
598231	SHRED CONFIDENTIAL, INC.	OTHER PROF SERV	63.00 *
598232	CO. OF ORANGE	WAGE ATTACHMENT	134.31 *
598233	PAR ELECTRIC	STR PERMIT REFUND	400.00 *
598234	CO. OF ORANGE	WAGE ATTACHMENT	276.92 *
598235	INTERNAL REVENUE SERVICE	WAGE ATTACHMENT	37.50 *
598236	E.G. BRENNAN & CO., INC.	OFFICE SUPPLIES/EXP	100.86 *

PAGE TOTAL FOR "*" LINES = 185,630.67

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598237	CAHA	REGISTRATION FEES	295.00 *
598238	STANDARD INSURANCE CO. RAS EXECUTIVE BENEFITS	DISABILITY INSURANCE	856.99 *
598239	TRANSAMERICA EMPLOYEE BENEFITS	LIFE INS PREMIUM	7,454.90 *
598240	COUNTY OF ORANGE OC HEALTH CARE AGENCY/ENV HLTH	TAXES/LICENSES	76.25 *
598241	EXTRA SPACE STORAGE INC	LAND/BLDG/ROOM RENT	1,032.00 *
598242	BUFFALO ELECTRIC WHOLESALE	MINOR FURN/EQUIP	1,528.73 *
598243	FLT GEOSYSTEMS	OTHER PROF SUPPLIES	110.00 *
598244	UNITED STATES TREASURY	WAGE ATTACHMENT	130.00 *
598245	CO. OF ORANGE	WAGE ATTACHMENT	831.00 *
598246	MUNICIPAL WATER DISTRICT OF ORANGE COUNTY	IMPORT WTR-MWDOC	556,027.58 *
598247	CMTA	REGISTRATION FEES	195.00 *
598248	DOUBLETREE GUEST SUITES DOHENY BEACH	LODGING	869.47 *
598249	ADMINSURE	SELF-INS ADMN	15,965.00 *
598250	ADAMSON POLICE PRODUCTS	MOTOR VEH PARTS	1,047.25 *
598251	BOLSA NURSERY	TREES	47.52 *
598252	CSG CONSULTANTS, INC.	OTHER PROF SERV	17,016.73 *
598253	CALIF STATE BOARD OF EQUALIZATION	PERMITS/OTHER FEES	1,433.32 *
598254	CAMERON WELDING SUPPLY	OTHER MAINT ITEMS	42.41 *
598255	CERTIFIED TRANSPORTATION SERVICES, INC.	L/S/A TRANSPORTATION	647.24 *
598256	CHEVRON AND TEXACO CARD SERV	MV GAS/DIESEL FUEL	162.23 *
598257	CHEVRON AND TEXACO CARD SERV	MV GAS/DIESEL FUEL	226.36 *
598258	FEDERAL EXPRESS CORP	DELIVERY SERVICES	30.16 *

PAGE TOTAL FOR "*" LINES = 606,025.14

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598259	FLOWERS BY CINA, INC.	OTHER AGR SUPPLIES	81.00 *
598260	FORD OF ORANGE	MOTOR VEH PARTS	457.91 *
598261	FRYE SIGN CO	SAFETY EQ/SUPPLIES	344.71 *
598262	GBS LINENS	LAUNDRY SERVICES	83.28 *
598263	HILL'S BROS LOCK & SAFE INC	OTHER PROF SERV	3.78
		FACT:OFFICE EXP	48.71
			52.49 *
598264	HYDRO-SCAPE PRODUCTS INC	PIPES/APPURTENANCES	102.45 *
598265	J & S STRIPING CO.	OTHER PROF SERV	24,731.35 *
598266	LAWSON PRODUCTS, INC.	MOTOR VEH PARTS	1,018.96 *
598267	R.J. NOBLE COMPANY	ASPHALT PRODUCTS	1,091.75 *
598268	OCEAN BLUE ENVIRONMENTAL SERVICES, INC.	MAINT-SERV CONTRACTS	4,197.50 *
598269	PEST OPTIONS, INC.	NON-SPEC CONTR SERV	881.98 *
598270	SCOTT FAZEKAS & ASSOCIATES INC.	OTHER PROF SERV	12,454.55 *
598271	SPARKLETTIS	BOTTLED WATER	63.39 *
598272	TURBO DATA SYSTEMS, INC	OTHER PROF SERV	60.00 *
598273	GRAINGER	MAINT SUPP-TRAFF SIG	134.30 *
598274	WOODRUFF, SPRADLIN & SMART A PROFESSIONAL CORP	LEGAL FEES	10,145.57 *
598275	ZOLL MEDICAL CORP	MEDICAL SUPPLIES	1,500.28 *
598276	ALBERT GROVER & ASSOCIATES	ENGINEERING SERVICES	4,983.00 *
598277	IRONMAN PARTS & SERVICES	MOTOR VEHICLE MAINT	0.00 *
598278	INTERNATIONAL INST. MUNICIPAL CLERKS	TUITION/TRAINING	220.00 *
598279	SCPMA-HR ATTN: JANET LAMWATTHANANON	DUES/MEMBERSHIPS	50.00 *

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598280	ORANGE COUNTY REGISTER	BOOKS/SUBS/CASSETTES	98.29 *
598281	TRAFFIC MANAGEMENT INC	SIGNS/FLAGS/BANNERS	909.74 *
598282	CALIF PARK & RECREATION SOCIETY CPRS	DUES/MEMBERSHIPS	150.00 *
598283	DISCOVERY SCIENCE CENTER	OTHER PROF SERV	3,012.30 *
598284	ORRICK, HERRINGTON & SUTCLIFFE LLP	ARBITRAGE SERV	500.00 *
598285	AMERINATIONAL COMMUNITY SERVICES, INC.	OTHER PROF SERV	105.00 *
598286	DWYNE JONES DBA AMERICAN ENGRAVING COMPANY	OTHER EDUCATION EXP	947.00 *
598287	FASTANAL INDUSTRIAL CONSTRUCTION SUPPLY	WHSE INVENTORY	586.32 *
598288	GRP2 UNIFORMS, INC KEYSTONE UNIFORMS, OC	UNIFORMS	2,062.93 *
598289	LIEBERT CASSIDY WHITMORE	LEGAL FEES	2,990.00 *
598290	FLEMING ENVIRONMENTAL INC.	REPAIRS-FURN/MACH/EQ	6,723.75 *
598291	i.i. FUELS, INC	MV GAS/DIESEL FUEL	25,261.15 *
598292	COSTCO MEMBERSHIP	DUES/MEMBERSHIPS	165.00 *
598293	GARDEN GROVE COMMUNITY FOUNDATION	CITY WATER SERVICES	25,000.00 *
598294	OVERLAND, PACIFIC & CUTLER INC.	RELOCATION SERVICES	967.50 *
598295	FIRST BANKCARD UNION BANK OF CALIFORNIA	OFFICIAL HOSPITALITY	311.76
		OTHER CONF/MTG EXP	220.00
			531.76 *
598296	HODSON, AARON	DEP CARE REIMB	138.46 *
598297	LIONS GATE HOTEL & COTTAGE SUITES	LODGING	541.75 *
598298	BEST OF THE BEST BTB EVENT PRODUCTS, INC.	OTHER RENTALS	370.85 *
598299	HMZ RETAIL, LP	WATER REFUND	3,588.76
		MISC REFUND	1,273.35
			4,862.11 *

PAGE TOTAL FOR "*" LINES = 75,923.91

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598300	STANDARD INSURANCE COMPANY	DISABILITY INSURANCE	24,186.62 *
598301	PETTY CASH - FINANCE	VOID	0.00
		JIMMY AU	23.97
		BUS LIC REFUND	0.30
		PETER JANANIAN	45.00
		NHI KIEU NGUYEN	20.00
		JUDY RIPPE	12.00
		JENNIFER HUNTINGTON	35.00
		MY NGUYEN	90.00
		GAYNOR'S LOUNGE	70.00
		BUS LIC REFUND	68.20
		KLONDIKE AIR INC	20.00
		BETTY MCKEE	93.02
		THOMAS DAWKINS	51.00
		LAM CHI TRAN	51.00
		JIMMY OR LINDA MOORE	51.00
		COLIN ELENA	51.00
		ALISA NGUYEN	51.00
		HIEU HUU PHAN	37.09
		PRESCILIANA TORRES	32.20
		JANY LEE	58.65
		ANGELA LEDESMA	100.05
		CHUNG PHAM	12.00
		BINH NGUYEN	8.00
			980.48 *
598302	GARDEN GROVE CHAMBER OF COMMERCE	REGISTRATION FEES	320.00 *
598303	SAFeway INC	OTHER FOOD ITEMS	90.94 *
598304	FIRST BANKCARD UNION BANK OF CALIFORNIA	TRUST FUND EXPEND	320.00
		OTHER PROF SERV	6.48
		TELEPHONE EQUIP	53.99
		OFFICE SUPPLIES/EXP	-43.19
			337.28 *
598305	FIRST BANKCARD UNION BANK OF CALIFORNIA	ADVERTISING	55.10
		OTHER MINOR TOOLS/EQ	53.96
		OTHER REC/CULT SUPP	167.27
			276.33 *
598306	FIRST BANKCARD UNION BANK OF CALIFORNIA	FOOD	45.19 *

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598307	FIRST BANKCARD UNION BANK OF CALIFORNIA	L/S/A TRANSPORTATION LODGING REGISTRATION FEES ADMN/ENTRANCE FEE FOOD OFFICE SUPPLIES/EXP	95.99 387.40 -750.00 3,020.00 202.89 205.26 3,161.54 *
598308	U.S. POSTAL SERVICE (HASLER)	POSTAGE	20,000.00 *
598309	ARTI NEHRU	OTHER PROF SERV	481.25 *
598310	ABM SERVICES, INC.	MAINT OF REAL PROP DUES/MEMBERSHIPS	14,575.75 743.22 15,318.97 *
598311	AUTO PARTS DISTRIBUTOR	MOTOR VEH PARTS	16,556.38 *
598312	ADAMSON POLICE PRODUCTS	MOTOR VEH PARTS	2,716.60 *
598313	MAYFLOWER DISTRIBUTING CO	TRUST FUND EXPEND	88.74 *
598314	ANGELUS QUARRIES, INC.	AGGREGATES/MASONRY	48.32 *
598315	BOUND TREE MEDICAL LLC	MEDICAL SUPPLIES	934.29 *
598316	CAMERON WELDING SUPPLY	MOTOR VEH PARTS	102.35 *
598317	CAROLLO ENGINEERS, P.C.	ENGINEERING SERVICES	24,492.61 *
598318	COMLINK LASERCARE	PHOTO/BLUEPRINT SUPP OFFICE SUPPLIES/EXP	355.49 -167.40 188.09 *
598319	GANAHL LUMBER COMPANY	AGGREGATES/MASONRY OTHER CONST SUPPLIES	1,378.89 13.61 1,392.50 *
598320	GRAFFITI PROTECTIVE COATINGS, INC.	TRAFFIC SIGNAL MAINT	845.46 *
598321	HILCO FASTENER WAREHOUSE	OTHER MAINT ITEMS	23.98 *
598322	OCEAN BLUE ENVIRONMENTAL SERVICES, INC.	HAZMAT REMOVAL	612.14 *

PAGE TOTAL FOR "*" LINES = 86,963.22

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598323	ORANGE COUNTY NEWS	ADVERTISING	824.37 *
598324	PACIFIC MEDICAL CLINIC	MEDICAL SERVICES	847.00 *
598325	SOUTH COAST EMERGENCY VEHICLE SERVICES	MOTOR VEH PARTS	66.80 *
598326	VALLEY POWER SYSTEMS, INC.	MOTOR VEH PARTS	6.47 *
598327	WALTERS WHOLESALE ELECTRIC	ELECTRICAL SUPPLIES	376.40 *
598328	WAXIE SANITARY SUPPLY	WHSE INVENTORY	238.33 *
598329	UNITED WATER WORKS, INC.	PIPES/APPURTENANCES	784.08 *
598330	WEST COAST SAND & GRAVEL	OTHER MAINT ITEMS	607.68 *
598331	MCFADDEN DALE INDUSTRIAL HARDWARE	OTHER MAINT ITEMS	61.24 *
598332	AEG SOLUTIONS INC	PHOTO/BLUEPRINT SUPP	343.74 *
598333	NATURE'S GROWERS NURSERY	SEEDS/PLANTS	22.68 *
598334	WAKESHA-PEARCE INDUSTRIES	OTHER MAINT ITEMS	1,491.78 *
598335	INTERLOG CORPORATION DBA INTERLOG CONSTRUCTION	BLDGS/IMPROVEMENTS	195,611.12 *
598336	LABSOURCE, INC.	WHSE INVENTORY	3,240.00 *
598337	FLEET SERVICES, INC.	MOTOR VEH PARTS	1,646.52 *
598338	CORELOGIC SOLUTIONS, LLC	SOFTWARE	394.50 *
598339	AMERICAN INTERNET SERVICES, LLC	NETWORK COMMUNICT	669.56 *
598340	GRP2 UNIFORMS, INC KEYSTONE UNIFORMS, OC	UNIFORMS	81.89 *
598341	MUNICIPAL WATER DISTRICT OF ORANGE COUNTY	OTHER PROF SERV	3,431.78 *
598342	AT&T	TELEPHONE	5,390.34 *
598343	AT&T	TELEPHONE	2,946.57 *
598344	ANAHEIM, CITY OF	ELECTRICITY	87.86 *

PAGE TOTAL FOR "*" LINES = 219,170.71

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598345	SPOK, INC.	TELEPHONES/BEEPERS	191.75 *
598346	MCI COMM SERVICE	TELEPHONE	33.92 *
598347-598350	VOID WARRANTS		
598351	SO CALIF EDISON CO	ELECTRICITY	89,049.27 *
598352	SO CALIF GAS CO	NATURAL GAS	9,220.75 *
598353	SPRINT	TELEPHONE	69.60 *
598354	TIME WARNER CABLE	CABLE	71.96 *
598355	VERIZON CALIFORNIA	TELEPHONE/BEEPERS	1,185.69 *
598356	VERIZON WIRELESS-LA	TELEPHONE/BEEPERS	15,831.77 *
598357	APP-ORDER, LLC	OTHER PROF SERV	340.00 *
598358	ALAN'S LAWN AND GARDEN CENTER INC.	MOTOR VEH PARTS	167.73 *
598359	ALL BRANDS SEWING & VACUUM	HSHLD EQUIP/SUPPLIES	17.38 *
598360	AMTECH ELEVATOR SERVICES	MAINT-SERV CONTRACTS	707.75 *
598361	ANGELUS QUARRIES, INC.	AGGREGATES/MASONRY	12.74 *
598362	VOID WARRANT		
598363	CDW-GOVERNMENT INC	SOFTWARE	204.75 *
598364	FLOWERS BY CINA, INC.	OTHER AGR SUPPLIES	66.96 *
598365	GBS LINENS	LAUNDRY SERVICES	58.65 *
598366	GANAHL LUMBER COMPANY	AGGREGATES/MASONRY	48.58 *
598367	GOLDEN OFFICE TRAILERS INC	LAND/BLDG/ROOM RENT	864.00 *

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598368	GRANICUS, INC.	MAINT-SERV CONTRACTS	1,953.60 *
598369	INTERVAL HOUSE	OTHER PROF SERV	1,005.05 *
598370	SHOETERIA	SAFETY EQ/SUPPLIES	1,151.08 *
598371	SIMPSON CHEVROLET OF GG	MOTOR VEH PARTS	205.64 *
598372	SOUTHERN CALIFORNIA GAS CO ML 711D	MOTOR VEHICLE MAINT	575.00 *
598373	VULCAN MATERIALS COMPANY WESTERN DIVISION	ASPHALT PRODUCTS	2,444.00 *
598374	WOODRUFF, SPRADLIN & SMART A PROFESSIONAL CORP	LEGAL FEES	62,917.58 *
598375	2-1-1 ORANGE COUNTY	CONTRACTUAL SERV	2,428.00 *
598376	SARBS-CWEA	DUES/MEMBERSHIPS	50.00 *
598377	IRONMAN PARTS & SERVICES	MOTOR VEHICLE MAINT	1,839.80 *
598378	LEVEL 27 MEDIA	DONATE-BCYFC PARE	277.96 *
598379	NORTH NET FIRE TRAINING CENTER	LUMBER	1,768.00 *
598380	CALIF PARK & RECREATION SOCIETY CPRS	DUES/MEMBERSHIPS	140.00 *
598381	P.A.P.A.	DUES/MEMBERSHIPS	45.00
		TUITION/TRAINING	240.00
			285.00 *
598382	ALAMO, ROSAMARIA	OTHER PROF SERV	675.00 *
598383	911 VEHICLE	REPAIRS-FURN/MACH/EQ	301.76 *
598384	SECOND HARVEST FOOD BANK OF ORANGE COUNTY, INC.	FACT:CAC EXP	27.72 *
598385	BOYS TOWN CALIFORNIA, INC.	OTHER PROF SERV	2,836.47 *
598386	TEAM OF ADVOCATES FOR SPECIAL KIDS	OTHER PROF SERV	1,340.72 *
598387	CCTV CAMERA PROS	OTHER MAINT ITEMS	1,439.97 *
598388	GRANT WRITING USA	TUITION/TRAINING	810.00 *

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598389	ASCAP	TAXES/LICENSES	1,743.00 *
598390	VMI INC.	OTHER PROF SUPPLIES	101.00 *
598391	LACEY CUSTOM LINENS, INC.	LAUNDRY SERVICES	146.50
		COMMODITIES	59.78
			206.28 *
598392	FIRE SERVICE SPECIFICATION & SUPPLY	REPAIRS-FURN/MACH/EQ	978.52 *
598393	CITY OF GARDEN GROVE-WORK COMP ACCT	SELF-INS CLAIMS	119,528.72 *
598394	POSTMASTER	POSTAGE	7,007.00 *
598395	RICOH USA INC	INTEREST COSTS	24.29
		LONG TERM DEBT	695.63
			719.92 *
598396	FIRST BANKCARD UNION BANK OF CALIFORNIA	REPAIRS-FURN/MACH/EQ	256.54
		REGISTRATION FEES	315.00
		TAXES/LICENSES	49.99
		OTHER MINOR TOOLS/EQ	318.92
			940.45 *
598397	FIRST BANKCARD UNION BANK OF CALIFORNIA	HOLIDAY TOY DRIVE	499.74
		TRUST FUND EXPEND	713.70
		FACT: YTH ENRCH	38.63
		OTHER PROF SERV	99.95
		FACT:CAC EXP	106.23
		FOOD	75.55
		OTHER PROF SUPPLIES	199.45
		HSHLD EQUIP/SUPPLIES	21.59
		OTHER REC/CULT SUPP	264.99
			2,019.83 *
598398	CITY CLERK'S ASSOC. OF CA C/O LEAGUE OF CALIFORNIA CITIES	OTHER EDUCATION EXP	40.00 *
598399	BROWNELLS, INC.	OTHER MINOR TOOLS/EQ	34.45 *
598400	RUSSELL SIGLER INC.	AIR COND SUPPLIES	323.72 *

PAGE TOTAL FOR "*" LINES = 133,642.89

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598401	CHEVRON AND TEXACO CARD SERV	MV GAS/DIESEL FUEL	511.67 *
598402	COASTLINE EQUIPMENT	OTHER MAINT ITEMS	2,475.90 *
598403	COMLINK LASERCARE	REPRO SUPPLIES	1,556.05 *
598404	COMMUNITY VETERINARY HOSPITAL	TRUST EXP	156.00 *
598405	COUNTRY CITY TOWING	TOWING SERVICES	150.00 *
598406	CRON & ASSOCIATES TRANSCRIPTION, INC.	OTHER PROF SERV	7,048.32 *
598407	DELTA DENTAL OF CALIFORNIA	SELF-INS CLAIMS	17,166.85 *
598408	DIAMOND ENVIRONMENTAL SERVICES	MAINT-SERV CONTRACTS	374.35
		OTHER MAINT ITEMS	303.47
			677.82 *
598409	ENTERPRISE FLEET MGMT INC CUSTOMER BILLINGS	VEHICLE OP LEASE	6,606.87
		EQ POOL MAINT	903.05
			7,509.92 *
598410	JOHN B EWLES INC	TRASH/CLEANING SERV	600.00 *
598411	FEDERAL EXPRESS CORP	DELIVERY SERVICES	110.10 *
598412	FLOWERS BY CINA, INC.	OTHER AGR SUPPLIES	129.60 *
598413	LIFECOM SAFETY SERVICE & SUPPLY	GEN PURPOSE TOOLS	73.94 *
598414	GALLS, LLC GALLS/QUARTERMASTER/ROY TAILORS	UNIFORMS	1,290.80 *
598415	MERCHANTS BLDG MAINT LLC	MAINT-SERV CONTRACTS	1,904.43 *
598416	MOTOROLA SOLUTIONS, INC.	800 MHZ EQUIP	634,467.20 *
598417	R.J. NOBLE COMPANY	OTHER MAINT ITEMS	2,379.55 *
598418	OCEAN BLUE ENVIRONMENTAL SERVICES, INC.	OTHER MAINT ITEMS	682.00 *
598419	ORANGE COUNTY APPLIANCE PARTS	JANITORIAL SUPPLIES	18.49 *
598420	ORANGE COUNTY FIRE PROTECTION	REPAIRS-FURN/MACH/EQ	598.96 *

PAGE TOTAL FOR "*" LINES = 679,507.60

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598421	RICK ENGINEERING COMPANY	LNDSCP/IMP TO GRNDS	280.00 *
598422	AT&T GLOBAL SERVICES INC	TELEPHONE	2,906.55 *
598423	FIRST BANKCARD UNION BANK OF CALIFORNIA	REPAIRS-FURN/MACH/EQ REGISTRATION FEES TAXES/LICENSES OTHER PROF SUPPLIES OTHER MINOR TOOLS/EQ	256.54 315.00 49.99 199.45 318.92 1,139.90 *
598424	COUNTY OF ORANGE TREASURER REVENUE RECOVERY-A/R UNIT	CITATION DIST	21,954.00 *
598425	VIVINT SOLAR	PERMIT REFUND	137.60 *
598426	VIVINT SOLAR	PERMIT REFUND	137.60 *
598427	SPARKLETT'S	BOTTLED WATER	20.01 *
598428	SPECTRUM GAS PRODUCTS, INC.	OTHER RENTALS	152.00 *
598429	TAB PRODUCTS CO. LLC DBA DIT	OTHER PROF SERV	35,689.04 *
598430	TIME WARNER CABLE	CABLE TV SERVICE	48.16 *
598431	UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA	OTHER MAINT ITEMS	306.00 *
598432	GRAINGER	LABORATORY CHEMICALS OTHER MAINT ITEMS SAFETY EQ/SUPPLIES OTHER MINOR TOOLS/EQ	171.98 -97.13 24.10 57.94 156.89 *
598433	WEST COAST ARBORISTS INC	TREE TRIMMING SERV	22,570.00 *
598434	FERGUSON ENTERPRISES, INC.	PIPES/APPURTENANCES	259.08 *
598435	SOUTHERN CALIFORNIA ERGONOMICS	TELEPHONE EQUIP	1,897.68 *
598436	TRAFFIC MANAGEMENT INC	SIGNS/FLAGS/BANNERS	271.94 *
598437	CLEAR'S ATTN:MARIE SY;SAN GABRIEL PD	DUES/MEMBERSHIPS	150.00 *

PAGE TOTAL FOR "*" LINES = 88,076.45

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598438	CCUG COMPUTERIZED CLETS USERS GROUP	DUES/MEMBERSHIPS	75.00 *
598439	HOSHIZAKI WESTERN	AIR COND SUPPLIES	263.06 *
598440	DIRECTV	CABLE TV SERVICE	280.96 *
598441	PETCO ANIMAL SUPPLIES, INC.	TRUST EXP	143.61 *
598442	NGUOI VIET DAILY NEWS	ADVERTISING	378.00 *
598443	YO-FIRE SUPPLIES	OTHER MAINT ITEMS	2,389.45 *
598444	BURST COMMUNICATIONS, INC.	COMMODITIES	3,692.44 *
598445	SEAVCO IVR SEAVER MOTORCYCLES	MOTOR VEHICLE MAINT	1,389.69 *
598446	WORK DOGS INT.	TRUST EXP	200.00 *
598447	CORNERSTONE COMMUNICATIONS, INC.	COMMUNITY RELATIONS	4,000.00 *
598448	BELL PIPE & SUPPLY CO.	LABORATORY CHEMICALS PIPES/APPURTENANCES	140.39 171.64 312.03 *
598449	COUNTY OF ORANGE TREASURER-TAX COLLECTOR	NETWORKING SERVICES OTHER PROF SERV FORENSIC SERV	1,115.00 9,248.50 77,825.32 88,188.82 *
598450	PRADO FAMILY SHOOTING RANGE	PISTOL RANGE RENTAL	350.00 *
598451	FIRST BANKCARD UNION BANK OF CALIFORNIA	DUES/MEMBERSHIPS MV GAS/DIESEL FUEL	54.99 60.00 114.99 *
598452	FIRST BANKCARD UNION BANK OF CALIFORNIA	HOLIDAY TOY DRIVE TRUST FUND EXPEND FACT:YTH ENRCH OTHER PROF SERV FACT:CAC EXP FOOD HSHLD EQUIP/SUPPLIES OTHER REC/CULT SUPP	499.74 713.70 38.63 99.95 106.23 75.55 21.59 264.99

PAGE TOTAL FOR "*" LINES = 101,778.05

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598453	CARL WARREN & CO	SELF-INS ADMN	1,820.38 *
598454	SOLAR SERVICE CENTER, INC	PERMIT REFUND	9,000.00 *
598455	SOLAR SERVICE CENTER, INC	PERMIT REFUND	189.60 *
598456	THATTE, SAM DBA SAM THATTE VISUAL COMM.	OTHER PROF SERV	161.60 *
598457	RAMCO REFRIGERATION AND AIR CONDITIONING, INC	MAINT-SERV CONTRACTS	2,000.00 *
598458	NICOLAE, CORNELIU	PERMITS/OTHER FEES	275.00 *
598459	COSTCO C/O CAPITAL ONE COMMERCIAL	HOLIDAY TOY DRIVE	95.00 *
		TRUST FUND EXPEND	419.31
		FACT: PROGRAM EXP	351.20
		FOOD	84.67
		FOOD SERV SUPPL	479.99
		BOTTLED WATER	51.47
		OTHER FOOD ITEMS	67.21
		OFFICE SUPPLIES/EXP	425.18
			113.97
			1,993.00 *
598460	SMART & FINAL	TRUST FUND EXPEND	365.22
		FOOD	100.20
		FOOD SERV SUPPL	292.48
		BOTTLED WATER	25.25
		OTHER FOOD ITEMS	690.89
			1,474.04 *
598461	ANAHEIM HOUSING AUTHORITY COMMUNITY DEV.	MOBILITY INSP FEE	450.00 *
598462	GARDEN GROVE CHAMBER OF COMMERCE	REGISTRATION FEES	320.00 *
598463	HAENDIGES, ROBERT	TUITION REIMB	370.68 *
598464	CHUNG*, NICOLE	TUITION REIMB	2,508.38 *
598465	HUYNH, AI KELLY	TUITION REIMB	3,000.00 *
598466	MEEKS, REBECCA S	TRAVEL ADVANCE-P.D. L/S/A TRANSPORTATION	-119.60 50.00

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598467	NGUYEN, THANH	SUBSISTENCE	119.60
			50.00 *
598468	O. C. HOUSING AUTHORITY	TUITION REIMB	810.00 *
598469	FIRST BANKCARD UNION BANK OF CALIFORNIA	MOBILITY INSP FEE	1,500.00 *
		HOLIDAY TOY DRIVE	1,295.37
		TRUST FUND EXPEND	99.12
		FOOD	93.38
		OTHER FOOD ITEMS	60.07
		MEDICAL SUPPLIES	68.67
		MINOR FURN/EQUIP	508.12
		AWARDS/TROPHIES	100.00
			2,224.73 *
598470	YERGENSEN *, VICTOR	TUITION REIMB	739.47 *
598471	RUBALCABA, ROCKY	TUITION REIMB	1,600.00 *
598472	SCPM-HR ATTN: JANET LAMWATHANANON	DUES/MEMBERSHIPS	150.00 *
598473	MARIA PARRA	TUITION REIMB	2,090.31 *
598474	RED HELMET TRAINING	TUITION/TRAINING	725.00 *
598475	RED HELMET TRAINING	TUITION/TRAINING	225.00 *
598476	PAYAN, LUIS	TUITION REIMB	1,600.00 *
598477	FINANCIAL MGMT DIV OCSD	SEWER FEES	403,458.00 *
598478	NATIONAL CREDIT REPORTING	OTHER PROF SERV	25.90 *
598479	HELTON, VICKY	TRAVEL ADVANCE-P. D.	-119.60
		L/S/A TRANSPORTATION	50.00
		SUBSISTENCE	119.60
			50.00 *
598480	FIRST BANKCARD UNION BANK OF CALIFORNIA	ADVERTISING	200.00
		FOOD	127.17
			327.17 *

PAGE TOTAL FOR "*" LINES = 415,575.58

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598481	FIRST BANKCARD UNION BANK OF CALIFORNIA	BOOKS/SUBS/CASSETTES	12.49 *
598482	FIRST BANKCARD UNION BANK OF CALIFORNIA	NETWORKING SERVICES	85.39
		NETWORKING SUPPLIES	216.15
		OFFICE SUPPLIES/EXP	226.31
			527.85 *
598483	C.A.P.F. CALIF ASSOC PROF FIREFIGHTERS	DISABILITY INSURANCE	1,482.00 *
598484	VU, KHANG	MED TRUST REIMB	1,419.30 *
598485	SOUTH COAST AIR QUALITY MGMT DISTRICT	PERMITS/OTHER FEES	542.32 *
598486	ALL CITY MANAGEMENT SERVICES, INC.	CROSSING GUARD SERV	4,382.88 *
598487	BOUND TREE MEDICAL LLC	MEDICAL SUPPLIES	37.53 *
598488	SUPPLYWORKS	WHSE INVENTORY	1,427.43
		JANITORIAL SUPPLIES	53.21
			1,480.64 *
598489	COASTLINE EQUIPMENT	MOTOR VEH PARTS	232.47 *
598490	CONTINENTAL CONCRETE CUTTING	GEN PURPOSE TOOLS	230.00 *
598491	COUNTRY CITY TOWING	TOWING SERVICES	340.00 *
598492	FEDERAL EXPRESS CORP	DELIVERY SERVICES	24.20 *
598493	REPUBLIC SERVICES #676	TRASH/CLEANING SERV	10.28 *
598494	HD SUPPLY WATERWORKS, LTD.	MOTOR VEH PARTS	313.20 *
598495	HILLCO FASTENER WAREHOUSE	MOTOR VEH PARTS	94.50
		HARDWARE	35.87
			130.37 *
598496	i.i. FUELS, INC	MV GAS/DIESEL FUEL	8,779.15 *
598497	KELLY PAPER	PAPER/ENVELOPES	169.29 *
598498	L-3 COMMUNICATIONS MOBILE-VISION, INC	REPAIRS-FURN/MACH/EQ	82.28
		MOTOR VEH PARTS	58.12

PAGE TOTAL FOR "*" LINES = 20,113.97

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598499	GARDEN GROVE ACE HARDWARE	HARDWARE	140.40 *
598500	NIAGARA PLUMBING	OTHER MAINT ITEMS	14.70 *
598501	OPPERMAN & SONS TRUCK	MOTOR VEH PARTS	6.48 *
598502	ORANGE COUNTY SANDBAGGER	COMMODITIES	3,431.09 *
598503	RUITENSCHILD, LES	PERMITS/OTHER FEES	1,749.60 *
598504	SPARKLETTS	BOTTLED WATER	60.00 *
598505	UNIFIRST CORP	LAUNDRY SERVICES	399.32 *
598506	U.S. TOY CO.	OTHER REC/CULT SUPP	86.81 *
598507	VISION MARKING DEVICES	OFFICE SUPPLIES/EXP	47.47 *
598508	WALTERS WHOLESALE ELECTRIC	ELECTRICAL SUPPLIES	22.34 *
598509	WINNERS CIRCLE TROPHY COMPANY	AWARDS/TROPHIES	228.78 *
598510	WOODRUFF, SPRADLIN & SMART A PROFESSIONAL CORP	LEGAL FEES	415.80 *
598511	SHAMROCK SCIENTIFIC SPECIALTY SYSTEMS, INC	OTHER PROF SUPPLIES	9,469.15 *
598512	P.L. HAWN COMPANY, INC. AIR FILTRATION & POLLUTION CONT	AIR COND SUPPLIES	320.88 *
598513	SCOTT EQUIPMENT	MOTOR VEHICLE REPL	1,052.80 *
598514	SCPMA-HR	DUES/MEMBERSHIPS	28,403.60 *
598515	ALLSPACE- GARDEN GROVE	LAND/BLDG/ROOM RENT	100.00 *
598516	ULINE INC.	WHSE INVENTORY	218.00 *
598517	MARIE CALLENDER'S	FOOD	767.39 *
598518	HYDRO-SCAPE PRODUCTS INC	PIPES/APPURTENANCES	252.44 *
		OTHER MINOR TOOLS/EQ	116.53
			0.00
			116.53 *

PAGE TOTAL FOR "*" LINES = 47,303.58

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598519	XPEDX	WHSE INVENTORY	1,421.28 *
598520	PACIFIC COAST BOLT CORP	WHSE INVENTORY	365.00 *
598521	BLACK&WHITE EMERGENCY VEHICLES	OTHER BLD/EQ/ST SERV	410.00 *
598522	BATTERY SYSTEMS	MOTOR VEH PARTS	2,005.62 *
598523	CAPPELLO JANITORIAL SUPPLIES, INC.	OTHER MAINT ITEMS	86.18 *
598524	WURTH LOUIS & COMPANY	HARDWARE	72.37
		OTHER CONST SUPPLIES	908.90
			981.27 *
598525	ESTELA CASTILLO	TENANT UTILITY REIMB	102.00 *
598526	MICHAELS #3023	TRUST FUND EXPEND	428.64 *
598527	NEUMAN POOLS	OFFICE SUPPLIES/EXP	200.00 *
598528	WEST COUNTY TIRE & AUTO INC.	WHSE INVENTORY	1,746.50 *
598529	TOPAZ ALARM CORP	OTHER PROF SERV	35.00 *
598530	GLOBALSTAR USA	FRINGE-LEAVE	122.78 *
598531	SOUTHERN COMPUTER WAREHOUSE, INC	REPRO SUPPLIES	123.66
		NETWORKING SUPPLIES	56.38
			180.04 *
598532	HADRONEX, INC. DBA SMARTCOVER SYSTEMS	FURN/MACH/EQ ADDS	10,698.80 *
598533	BILL'S SOUND & SECURITY	OTHER PROF SERV	150.00 *
598534	FLEMING ENVIRONMENTAL INC.	MAINT-SERV CONTRACTS	375.00 *
598535	GRP2 UNIFORMS, INC KEYSTONE UNIFORMS, OC	UNIFORMS	8,621.08 *
598536	OFFICEMAX INCORPORATED	OFFICE SUPPLIES/EXP	2,909.94 *
598537-598539	VOID WARRANTS		
598540	HOME DEPOT CREDIT SERVICES	POOL CAR USAGE	215.69

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
		MAINT OF REAL PROP	8.60
		OTHER BLD/EQ/ST SERV	65.79
		SEEDS/PLANTS	27.95
		OTHER AGR SUPPLIES	97.83
		MOTOR VEH PARTS	43.69
		PAINT/DYE/LUBRICANTS	336.05
		JANITORIAL SUPPLIES	178.62
		ELECTRICAL SUPPLIES	689.45
		HSHLD EQUIP/SUPPLIES	51.56
		PIPES/APPURTENANCES	632.92
		OTHER MAINT ITEMS	1,549.68
		OFFICE SUPPLIES/EXP	37.74
		GEN PURPOSE TOOLS	282.83
		MINOR FURN/EQUIP	258.34
		SAFETY EQ/SUPPLIES	97.04
		OTHER MINOR TOOLS/EQ	1,651.13
		OTHER REC/CULT SUPP	92.71
		LUMBER	890.39
		HARDWARE	527.08
		AGGREGATES/MASONRY	30.64
		OTHER CONST SUPPLIES	177.14
		SIGNS/FLAGS/BANNERS	40.95
			7,983.82 *
598541	FIRST BANKCARD UNION BANK OF CALIFORNIA	GEN PURPOSE TOOLS	883.44 *
598542	FIRST BANKCARD UNION BANK OF CALIFORNIA	FOOD	218.81
		TELEPHONE EQUIP	114.21
		HSHLD EQUIP/SUPPLIES	153.21
		OFFICE SUPPLIES/EXP	257.65
			743.88 *
598543	CHUNG, JANET	DEP CARE REIMB	270.00 *
598544	GARCIA, SYLVIA	MED TRUST REIMB	355.00 *
598545	HERNANDEZ, GARY	MED TRUST REIMB	223.00 *
598546	LOWE*, SCOTT T	MED TRUST REIMB	142.35 *
598547	MEROLA*, MILLIE	MED TRUST REIMB	533.36 *
598548	NEELY *, MONICA	MED TRUST REIMB	999.96 *

PAGE TOTAL FOR "*" LINES = 12,134.81

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598549	THE PM GROUP	PRINTING	9,974.88 *
598550	POMEROY*, TERESA L.	MED TRUST REIMB	110.00 *
598551	COUNTY OF ORANGE DA'S OFFICE, ASSET FORFEITURE	PROP/EV REFUND INTEREST	2,926.00 4.41 2,930.41 *
598552	JENNIFER RODRIGUEZ	MED TRUST REIMB	2,499.90 *
598553	EXPERIAN INFO SOLUTIONS INC	OTHER PROF SERV	77.88 *
598554	GARDEN GROVE CHAMBER OF COMMERCE	REGISTRATION FEES	160.00 *
598555	GARDEN GROVE CHAMBER OF COMMERCE	REGISTRATION FEES	120.00 *
598556	GARDEN GROVE COMMUNITY FOUNDATION	TRUST FUND EXPEND	2,074.91 *
598557	HILL'S BROS LOCK & SAFE INC	OTHER MAINT ITEMS	23.98 *
598558	KEYSER/MARSTON ASSOCIATES INC	OTHER PROF SERV	2,854.77 *
598559	MACIAS GINI & O'CONNELL LLP	ACCTG/AUDITING	1,142.00 *
598560	FIS ACCOUNTING DEPT	BANK FEES-CRDT CD	16,227.88 *
598561	SAXE-CLIFFORD, PH.D., SUSAN	MEDICAL SERVICES	3,375.00 *
598562	STATE INDUSTRIAL PRODUCTS	WHSE INVENTORY	1,940.48 *
598563	TIME WARNER CABLE	NETWORK COMMUNICT	834.00 *
598564	TYCO INTEGRATED SECURITY LLC	MAINT-SERV CONTRACTS	535.72 *
598565	VALLEY POWER SYSTEMS, INC.	REPAIRS-FURN/MACH/EQ	3,560.32 *
598566	VERDE INVESTMENTS, INC.	INTEREST COSTS LONG TERM DEBT	8,086.52 5,077.90 13,164.42 *

PAGE TOTAL FOR "*" LINES = 61,606.55

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598567	WEST COAST ARBORISTS INC	TREE TRIMMING SERV	15,172.00 *
598568	DFM ASSOCIATES	OFFICE SUPPLIES/EXP	108.00 *
598569	ORANGE COUNTY REGISTER	BOOKS/SUBS/CASSETTES	393.12 *
598570	LADNEY, MARK	SAFETY EQ/SUPPLIES	448.07 *
598571	MAJOR LEAGUE SOFTBALL, INC.	OTHER PROF SERV	840.00 *
598572	ECOLOGICAL FERTIGATION, INC.	MAINT OF REAL PROP	990.00 *
598573	GMS AUTOGLASS	MOTOR VEH PARTS	253.34 *
598574	AMERINATIONAL COMMUNITY SERVICES, INC.	OTHER PROF SERV	191.48
		NSP HOME IMP GRANT	67.50
			258.98 *
598575	E&A MANAGEMENT INC.	FACT:FOST/ADOPT	150.00 *
598576	NGUYEN, DUC	SAFETY EQ/SUPPLIES	92.87 *
598577	HDR ENGINEERING INC	MAINT OF REAL PROP	11,357.65 *
598578	ORANGE COUNTY CLERK RECORDER HALL OF FINANCE & RECORDS	FEE REFUND	50.00 *
598579	ORANGE COUNTY CLERK RECORDER HALL OF FINANCE & RECORDS	FEE REFUND	50.00 *
598580	ORANGE COUNTY CLERK RECORDER HALL OF FINANCE & RECORDS	FEE REFUND	50.00 *
598581	KINDNESS GENERAL CONTRACTORS, INC.	DEPOSIT REFUND	1,200.00
		WATER REFUND	-318.25
			881.75 *
598582	ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC	MAINT-SERV CONTRACTS	3,181.69 *
598583	SOUTH COAST AIR QUALITY MGMT DISTRICT	PERMITS/OTHER FEES	542.32 *
598584	CMRTA	DUES/MEMBERSHIPS	100.00 *
598585	CPRS CPSI	REGISTRATION FEES	2,085.00 *
598586	ADMINSURE	SELF-INS ADMIN	15,965.00 *

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598587	AKM CONSULTING ENGINEERS	ENGINEERING SERVICES	6,120.00 *
598588	ALAN'S LAWN AND GARDEN CENTER INC.	OTHER MAINT ITEMS	21.17
		OTHER MINOR TOOLS/EQ	70.00
			91.17 *
598589	ALLSTAR FIRE EQUIPMENT INC.	WILDLAND/SAFETY	4,391.31
		SAFETY EQ/SUPPLIES	625.44
			5,016.75 *
598590	AQUA-METRIC SALES, CO.	WHSE INVENTORY	24,332.08 *
598591	AUTO PARTS DISTRIBUTOR	MOTOR VEH PARTS	7,439.89 *
598592	BIG RON'S AUTO BODY & PAINT, INC.	REPAIRS-FURN/MACH/EQ	617.60 *
598593	ANTHONY BIRMINGHAM WINDOW CLEANING	MAINT-SERV CONTRACTS	1,197.00 *
598594	BOUND TREE MEDICAL LLC	MEDICAL SUPPLIES	1,114.05 *
598595	CAMERON WELDING SUPPLY	MOTOR VEH PARTS	19.47
		OTHER REC/CULT SUPP	42.41
			61.88 *
598596	CLASSIC PRESS	WHSE INVENTORY	1,706.40 *
598597	CLEANSTREET	STREET SWEEPING SERV	198.80 *
598598	CONTROL AUTOMATION DESIGN	MAINT-SERV CONTRACTS	1,485.00 *
598599	COUNTRY CITY TOWING	TOWING SERVICES	306.25 *
598600	EXCLUSIVE AUTO DETAIL	MOTOR VEHICLE MAINT	1,128.00 *
598601	FORD OF ORANGE	MOTOR VEH PARTS	544.53 *
598602	GARDEN GROVE UNIFIED SCHOOL DIST	LAND/BLDG/ROOM RENT	404.27 *
598603	HILL'S BROS LOCK & SAFE INC	MOTOR VEH PARTS	214.92
		OTHER MAINT ITEMS	42.34
		HARDWARE	47.93
			305.19 *

PAGE TOTAL FOR "*" LINES = 52,068.86

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598604	KNORR SYSTEMS, INC.	OTHER MAINT ITEMS	488.24 *
598605	KOA CORPORATION	ENGINEERING SERVICES	24,822.50 *
598606	LAWSON PRODUCTS, INC.	MOTOR VEH PARTS	910.22 *
598607	LORRAINE MENDEZ & ASSOCIATES, LLC	OTHER PROF SERV	5,312.50 *
598608	METRO CITIES FIRE AUTH-	TELEPHONE	192.60 *
598609	GARDEN GROVE ACE HARDWARE	OTHER MINOR TOOLS/EQ	12.95 *
598610	NATIONAL CONSTRUCTION RENTALS	OTHER RENTALS	20.80 *
598611	NOWDOCS INTERNATIONAL INC.	OTHER PROF SERV	525.00 *
598612	OPPERMAN & SONS TRUCK	MOTOR VEH PARTS	209.58 *
598613	DAY & NIGHT PLUMBING, INC	MAINT-SERV CONTRACTS	204.00 *
598614	POOL WATER PRODUCTS	OTHER MAINT ITEMS	42.13 *
598615	PYRO-COMM SYSTEMS, INC.	MAINT-SERV CONTRACTS	135.00 *
598616	QUEST DIAGNOSTICS INC	MEDICAL SERVICES	52.98 *
598617	QUINN POWER SYSTEMS ASSOCIATES	REPAIRS-FURN/MACH/EQ	1,039.12 *
598618	RED WING SHOE STORE-WEST	SAFETY EQ/SUPPLIES	416.04 *
598619	S.C. YAMAMOTO, INC.	MAINT OF REAL PROP	500.00 *
598620	SABP INC SABP REPROGRAPHICS	PHOTO/BLUEPRINT SUPP	291.68 *
598621	SAXE-CLIFFORD, PH.D., SUSAN	MEDICAL SERVICES	375.00 *
598622	SCOTT FAZEKAS & ASSOCIATES INC.	OTHER PROF SERV	10,301.39 *
598623	SHOETERIA	SAFETY EQ/SUPPLIES	190.00 *
598624	SHRED CONFIDENTIAL, INC.	OTHER PROF SERV	126.00 *
598625	SIMPSON CHEVROLET OF GG	REPAIRS-FURN/MACH/EQ	1,449.05

PAGE TOTAL FOR "*" LINES = 46,167.73

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598626	SPARKLETT'S	MOTOR VEH PARTS	4,214.54
598627	SUN BADGE COMPANY	BOTTLED WATER	5,663.59 *
598628	THOMSON REUTERS- WEST	UNIFORMS	134.38 *
598629	TRUCK & AUTO SUPPLY INC. TrucParCo	DUES/MEMBERSHIPS	56.36 *
598630	UNIFIRST CORP	MOTOR VEH PARTS	235.94 *
598631	VALLEY POWER SYSTEMS, INC.	LAUNDRY SERVICES	862.90 *
598632	WATERLINE TECHNOLOGIES, INC.	MOTOR VEH PARTS	1,710.76 *
598633	WAXIE SANITARY SUPPLY	MOTOR VEH PARTS	6.57 *
598634	FERGUSON ENTERPRISES, INC.	LABORATORY CHEMICALS	1,831.80 *
598635	WESTERN EXTERMINATOR	WHSE INVENTORY	1,892.33 *
598636	GROUP DELTA CONSULTANTS, INC	PIPES/APPURTENANCES	325.23 *
598637	FACTORY MOTOR PARTS CO	MAINT-SERV CONTRACTS	506.00 *
598638	MONTROSE ENVIRONMENT CORP DBA SCEC	ENGINEERING SERVICES	29,017.75 *
598639	O'REILLY AUTO PARTS	MOTOR VEH PARTS	52.35 *
598640	SIERRA PACIFIC ELECTRICAL CONTRACTING	MAINT-SERV CONTRACTS	1,575.00 *
598641	BATTERY SYSTEMS	MOTOR VEH PARTS	1,575.45 *
598642	DOUGLAS, MONSON HENRY	MAINT OF REAL PROP	1,285.29 *
598643	SITEIMPROVE, INC.	MOTOR VEH PARTS	986.37 *
598644	BATTERY SPECIALTIES, INC.	OTHER PROF SERV	65.00 *
598645	SUPPLY SOLUTIONS	MAINT-SERV CONTRACTS	5,715.00 *
		MAINT SUPP-TRAFF SIG	740.88 *
		WHSE INVENTORY	1,689.34 *

PAGE TOTAL FOR "*" LINES = 55,928.29

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598646	MSC INDUSTRIAL SUPPLY CO. INC.	JANITORIAL SUPPLIES	195.02 *
598647	CORELOGIC SOLUTIONS, LLC	SOFTWARE	394.50 *
598648	GRP2 UNIFORMS, INC KEYSTONE UNIFORMS, OC	UNIFORMS	1,329.76 *
598649	D'ALELIO, INC.	SAFETY EQ/SUPPLIES	201.90 *
598650	SOUTHERN COMPUTER WAREHOUSE, INC	MAINT-SERV CONTRACTS	4,069.70 *
598651	PD PLAY	OTHER MAINT ITEMS	2,629.00 *
598652	PSI	PIPES/APPURTENANCES	17.22 *
598653	NET MOTION WIRELESS	NETWORKING SERVICES	2,700.00 *
598654	BILL'S SOUND & SECURITY	OTHER PROF SERV	150.00 *
598655	COLLINS FLOWERS INC.	OTHER PROF SERV	162.00 *
598656	HILL, ANTHONY	WATER CLOSING BILL REFUND	6.72 *
598657	GARCIA, SELINA	WATER CLOSING BILL REFUND	12.40 *
598658	MEDINA, SALLIE and VELAZQUEZ, ALEJANDRO	WATER CLOSING BILL REFUND	63.83 *
598659	CARLSON, MARGARET	WATER CLOSING BILL REFUND	66.25 *
598660	HILL, JOSEPH	WATER CLOSING BILL REFUND	129.99 *
598661	CLARK, SCOTT	WATER CLOSING BILL REFUND	43.99 *
598662	GONZALEZ, FELICIA	WATER CLOSING BILL REFUND	82.03 *
598663	PROFESSIONAL STONE CARE INC & FRANK BRYANT, PRES	WATER CLOSING BILL REFUND	139.13 *
598664	ARISTA, JUDY	WATER CLOSING BILL REFUND	21.32 *
598665	TRAN, TONY	WATER CLOSING BILL REFUND	15.24 *
598666	NCGG, LLC	WATER CLOSING BILL REFUND	36.61 *
598667	PARKER, CAROLYN	WATER CLOSING BILL REFUND	22.03 *

PAGE TOTAL FOR "*" LINES = 12,488.64

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598668	NGUYEN, LAN	WATER CLOSING BILL REFUND	56.09 *
598669	AU, JAMES	WATER CLOSING BILL REFUND	31.01 *
598670	INGE REALTY	WATER CLOSING BILL REFUND	55.59 *
598671	SIM, INBO	WATER CLOSING BILL REFUND	55.52 *
598672	NGUYEN, LAN	WATER CLOSING BILL REFUND	33.99 *
598673	TRAN, THAM	WATER CLOSING BILL REFUND	108.36 *
598674	CHOI, CANDIE	WATER CLOSING BILL REFUND	54.14 *
598675	NGUYEN, THAI	WATER CLOSING BILL REFUND	20.67 *
598676	TRAN, HAI MANH	WATER CLOSING BILL REFUND	17.23 *
598677	NGUYEN, ANH	WATER CLOSING BILL REFUND	171.00 *
598678	LE, HAI	WATER CLOSING BILL REFUND	57.59 *
598679	FOSTER, SHAWN	WATER CLOSING BILL REFUND	44.70 *
598680	KIM, JOON	WATER CLOSING BILL REFUND	60.38 *
598681	TRAN, TAM	WATER CLOSING BILL REFUND	32.30 *
598682	NGUYEN, MAITIEN	WATER CLOSING BILL REFUND	34.36 *
598683	RICHMOND AMERICAN HOMES	WATER CLOSING BILL REFUND	506.64 *
598684	GROOVER, BRIAN	WATER CLOSING BILL REFUND	90.06 *
598685	TRAN, PHI-HO	WATER CLOSING BILL REFUND	43.23 *
598686	NTWD ST BAPTIST CH	WATER CLOSING BILL REFUND	279.82 *
598687	LE, JOHN	WATER CLOSING BILL REFUND	43.09 *
598688	DINH, HIEN	WATER CLOSING BILL REFUND	159.81 *
598689	I MATRESS C/O TY NGUYEN	WATER CLOSING BILL REFUND	25.12 *

PAGE TOTAL FOR "*" LINES = 1,980.70

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598690	NGUYEN, PHUOC	WATER CLOSING BILL REFUND	70.00 *
598691	TRAN, KHAIEN/LUONG, TRA THI PHUONG	WATER CLOSING BILL REFUND	48.41 *
598692	OR, DANY	WATER CLOSING BILL REFUND	28.50 *
598693	CAO, CONNIE & HUNG	WATER CLOSING BILL REFUND	70.00 *
598694	PHAM, KEN	WATER CLOSING BILL REFUND	58.76 *
598695	VO, HAI THANH	WATER CLOSING BILL REFUND	66.93 *
598696	THE BRICK HOUSE ON MAIN/FUJI ENT LLC/TRA, TANYA	WATER CLOSING BILL REFUND	48.01 *
598697	TRUONG, KIM ANH	WATER CLOSING BILL REFUND	86.88 *
598698	HEBEL, LEI	WATER CLOSING BILL REFUND	38.17 *
598699	ASTIN, AIDEN	WATER CLOSING BILL REFUND	63.94 *
598700	REAVANS PROPERTY MGMT	WATER CLOSING BILL REFUND	58.83 *
598701	TN TOAD CORPORATION LLC	WATER CLOSING BILL REFUND	8.90 *
598702	DURHAM, XINIA	WATER CLOSING BILL REFUND	71.28 *
598703	SMIDT, DONALD J & VICKIE PASTOR	WATER CLOSING BILL REFUND	1.25 *
598704	STUART, MARGARET A	WATER CLOSING BILL REFUND	8.72 *
598705	KUSUDA, MARY & BACON, SUSAN	WATER CLOSING BILL REFUND	37.19 *
598706	KIBBEY, LAURA	WATER CLOSING BILL REFUND	44.73 *
598707	BYERLY, TERRA	WATER CLOSING BILL REFUND	23.33 *
598708	ORANGE COUNTY SALES	WATER CLOSING BILL REFUND	55.41 *
598709	BART SMITH / EVERGREEN REALTY	WATER CLOSING BILL REFUND	17.60 *
598710	GARZA, ROSIE	WATER CLOSING BILL REFUND	31.39 *
598711	LOUGHNER, CAROLYN	WATER CLOSING BILL REFUND	19.67 *

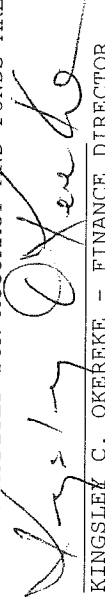
WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 01/26/16

WARRANT	VENDOR	DESCRIPTION	AMOUNT
598712	DOAN, TIM	WATER CLOSING BILL REFUND	58.05 *
598713	REYES, RAYMOND	WATER CLOSING BILL REFUND	47.59 *
598714	MUCHA, ROBERT & MICHELLE	WATER CLOSING BILL REFUND	124.92 *
W1522	AGENCY WIRE		
W1523	AGENCY WIRE		
W1524	AGENCY WIRE		
W1525	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	PENSION PAYMENT	889,000.28 *
W1526	THE BANK OF NEW YORK MELLON	INTEREST COSTS	26,880.00 *
W1527	MUNICIPAL WATER DISTRICT OF ORANGE COUNTY	IMPORT WTR-MWDOC	556,027.58 *
W1528	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	HEALTH INSURANCE	654,837.60 *
W1529	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	PENSION PAYMENT	977,442.99 *

PAGE TOTAL FOR "*" LINES = 3,104,419.01

FINAL TOTAL 6,514,704.81 *

DEMANDS #598196 - 598714 AND WIRES W1522 - W1529 AS PRESENTED IN THE WARRANT REGISTER SUBMITTED TO THE GARDEN GROVE CITY COUNCIL JANUARY 26, 2016, HAVE BEEN AUDITED FOR ACCURACY AND FUNDS ARE AVAILABLE FOR PAYMENT THEREOF


 KINGSLEY C. OKEREKE - FINANCE DIRECTOR

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kingsley Okereke
 Dept.: City Manager Dept.: Finance
 Subject: Public Hearing - Consideration of an amended and restated Operating Covenant Agreement with AAA Oil, Inc. dba California Fuels and Lubricants at 11621 and 11671 Westminster Avenue. (Action Item) Date: 1/26/2016

OBJECTIVE

The purpose of this report is for the City Council to hold a Public hearing and consider adopting a Resolution approving an Amended and Restated Operating Covenant Agreement (the "Agreement") with AAA Oil, Inc. dba California Fuels and Lubricants ("CFL"), located at 11621 and 11671 Westminster Avenue in Garden Grove (the "Site").

BACKGROUND

CFL delivers high-quality name brand petroleum products and services throughout Southern California, and Garden Grove is CFL's point-of-sale for sales tax purposes. CFL was founded in Garden Grove September 2004 with only 2 employees. Today, the company employs 44 people and is one of the City's top ten (10) highest sales tax producers. In August 2013, the City and CFL entered into an Operating Covenant Agreement (the "Original Agreement") pursuant to which the City agreed to share 50% of all incremental additional sales tax revenues generated by CFL above those then being generated, up to a maximum of \$2,000,000, for a period of 10 years, and CFL agreed to make an additional \$2,000,000 capital investment to expand its business and provide certain operating covenants to ensure CFL remained in Garden Grove. To date, CFL has received a total of \$12,045.88 under the terms of the Original Agreement.

In 2015, CFL approached the City requesting to renegotiate the Original Agreement to be more competitive in the fuel industry. On May 12, 2015, the City Council received information pertaining to CFL's request, directed staff to negotiate an amendment to the Original Agreement with CFL for the Council's consideration, and approved a contract with Tierra West Advisors, Inc. to prepare an economic analysis of the amended agreement pursuant to Government Code 53083).

City staff has negotiated the attached proposed Amended and Restated Operating Covenant Agreement ("Amended Agreement") with CFL for the City Council's consideration. Pursuant to the proposed Amended Agreement, the City would keep the first \$200,000 in sales tax revenues generated by CFL each year for the next approximately 20 years (until June 30, 2036), and would share annual sales tax revenues above \$200,000 with CFL according to the following revised structure:

Portion of Annual Sales Tax Revenues Generated by Business	Percentage Retained by City	Percentage Payable to Company
--	-----------------------------	-------------------------------

business		Company
First \$200,000	100%	0%
Next \$1,800,000	30%	70%
Next \$1,000,000	40%	60%
Next \$2,000,000	50%	50%
Next \$2,000,000	45%	55%
Amount in Excess of \$7,000,000	35%	65%

In exchange, CFL would agree to continue to keep its business in Garden Grove and designate Garden Grove as its point-of-sale until at least June 30, 2036, and to make an additional \$8,000,000 near-term investment in the business to further expand its operations in Garden Grove.

CFL anticipates that the proposed additional \$8 Million capital investment will help it to significantly increase its sales, which would result in a corresponding significant increase in sales tax revenues to the City. According to the analysis performed by the City's consultant Tierra West Advisors, it is estimated that the Amended Agreement will provide CFL with approximately \$6.6 million and the City \$6.9 million over a twenty (20) year period. CFL also projects the addition of approximately 130 to 235 new jobs over a period of twenty (20) years. New jobs are anticipated to include drivers, dispatchers, logistics office staff, accounting and IT positions.

DISCUSSION

City Benefits

The purpose of the proposed Amended Agreement is to induce CFL to remain in Garden Grove for the next 20 years and to make a significant additional capital investment of its own funds in its business in order to increase the volume of sales in Garden Grove. If the anticipated expansion and sales growth occurs as a result of CFL's capital investment, the Agreement will result in the generation of significant additional sales tax revenues to the City's General Fund, the creation of additional employment opportunities for residents of the City, the long-term maintenance of the Site in a first class condition, and other tangible and intangible benefits to the City. The projected benefits to the City from the proposed Amended Agreement are described more fully in the attached report prepared by Tierra West Advisors.

FINANCIAL IMPACT

If CFL's revenue growth projections are realized, the City would receive approximately \$6.8 million in sales tax revenues from CFL's business over the next 20 years under the sales tax sharing structure in the proposed Amended Agreement. Without the Amended Agreement, there is a risk CFL would choose to relocate, in which case the City would receive no sales tax revenues attributable to the Business. The City has appropriated \$32,000 in the City's 2015-2016 FY budget which will be used to fund the anticipated tax rebate payments made to CFL from March 1, 2016 to June 30, 2016.

RECOMMENDATION

Staff recommends that:

- A Public Hearing be conducted;
- Adopt the attached Resolution making certain findings and approving the Amended and Restated Operating Covenant Agreement with AAA Oil, Inc. dba California Fuels and Lubricants; and
- Authorize the City Manager to execute the Amended and Restated Operating Covenant Agreement, including any minor modifications as appropriate, and any other pertinent

documents necessary to effectuate and/or implement the Agreement.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Resolution	1/20/2016	Backup Material	Resolution_Approving_Amended_and_Restated_Operating_Covenant_Agreement_AAA_Oil__Inc.-Material 12.DOC
Agreement	1/20/2016	Backup Material	20160120140417157-2-2.pdf
Consultant Report AB 562	1/20/2016	Backup Material	LTR____Tax_Sharing_Report_-_CA_Fuels_1-20-16_Final_Edits-6.pdf

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE, CALIFORNIA, APPROVING AMENDED AND RESTATED OPERATING COVENANT AGREEMENT BETWEEN THE CITY OF GARDEN GROVE AND AAA OIL, INC. DBA CALIFORNIA FUELS AND LUBRICANTS

THE CITY COUNCIL OF THE CITY OF GARDEN GROVE, CALIFORNIA, DOES HEREBY FIND AS FOLLOWS:

A. AAA Oil, Inc. dba California Fuels and Lubricants (the "Company") owns and operates a petroleum products distribution business (the "Business") in the City of Garden Grove and is one of the City's largest sales tax generators.

B. On or about August 13, 2013, the City and the Company entered into that certain Operating Covenant Agreement (the "Original Agreement"). Pursuant to the Original Agreement, the Company agreed to be bound by certain operating covenants and restrictive covenants with respect to the Business and the real property on which the Business is located (the "Site"), including, but not limited to, (i) committing to invest no less than two million dollars (\$2,000,000) in the Business; (ii) continuously operating the Business on the Site and designating the Site as the point of sale for all of the Business's sales until at least June 30, 2025; (iii) timely paying all taxes; (iv) maintaining the Site in accordance with specified standards; and (v) complying with all applicable laws and other governmental requirements. In consideration for Company's agreement to be bound by such operating covenants and restrictive covenants, the City agreed to make certain Covenants Consideration payments to the Company over a period of up to ten (10) years, up to a maximum of two million dollars (\$2,000,000).

City recognizes that retention of the Business will continue to contribute to the economic vitality of the City, continue to provide additional jobs in the City, continue to expand the City's tax base, and otherwise improve economic and physical conditions in the City.

C. In order to ensure retention of the Business in Garden Grove for the long term, to facilitate the retention and expansion of jobs in the City, to allow CFL to gain competitiveness within the fuel provision industry, and to incentivize CFL to make significant additional capital investments to expand its Business in the City, the City and the Company desire to amend and restate the Original Agreement to provide for an additional capital investment in the Business by the Company, to extend the length of the Covenants Consideration Accrual Period and Operating Period, and to revise the method of calculating the Covenants Consideration. Accordingly, the City and the Company propose to enter into that certain Amended and Restated Operating Covenant Agreement attached hereto at Exhibit "A" (the "Agreement"). Pursuant to the proposed Agreement, the Company would agree to be bound by certain expanded operating covenants and restrictive covenants with respect to the Business and the Site, including, but not limited to, (i) committing to

invest no less than an additional eight million dollars (\$8,000,000) to expand the Business in Garden Grove; (ii) continuously operating the Business on the Site and designating the Site as the point of sale for all of the Business's sales until at least June 30, 2036, and agreeing not to solicit or accept economic incentives from other public or private entities to relocate the Business outside of the City during this period; (iii) timely paying all taxes; (iv) maintaining the Site in accordance with specified standards; and (v) complying with all applicable laws and other governmental requirements. In consideration for Company's agreement to be bound by such operating covenants and restrictive covenants, and of the additional sales tax revenues to be paid by the Company for the benefit of the City, which the City would not otherwise realize, the City would agree to make certain Covenants Consideration payments to the Company in amounts measured by the amount of sales tax revenues generated by the Company's Business from March 1, 2016 through June 30, 2036, in accordance with the following structure:

Portion of Annual Sales Tax Revenues Generated by Business	Percentage Retained by City	Percentage Payable to Company
First \$200,000	100%	0%
Next \$1,800,000	30%	70%
Next \$1,000,000	40%	60%
Next \$2,000,000	50%	50%
Next \$2,000,000	45%	55%
Amount in Excess of \$7,000,000	35%	65%

The Company would be prohibited from allocating or using any Covenants Consideration paid to Company under the Agreement for construction and/or development on the Site.

D. The Company has represented to the City that the proposed additional capital investment in, and expansion of, the Company's Business would not be feasible without the Covenants Consideration to be paid by the City pursuant to the Agreement, and that the Company anticipates and expects that such Covenants Consideration payments foreseeably would result in benefits to the Company in an amount commensurate with their value at the time of each payment.

E. The Company and the City anticipate that Company's expanded Business, as operated in accordance with the Agreement, would generate additional sales tax revenues to the City, ensure the long-term maintenance of the Site in a

first-class condition, and create significant employment opportunities and other tangible and intangible benefits to the City.

F. The City retained Tierra West Advisors, Inc. to review, analyze, and prepare an economic analysis of the Agreement in accordance with Government Code 53083. A copy of the report prepared by Tierra West Advisors, Inc. (the "Summary Report") is attached hereto as Exhibit "B" and was made available to the public and on the City's website prior to January 26, 2016 Public Hearing. The Summary Report describes the Company, describes the start and end dates for the economic development subsidy under the Agreement, describes the economic development subsidy called for under the Agreement, including the estimated total amount of the expenditure of public funds as a result of the economic development study, includes a statement of the public purposes for the economic development subsidy under the Agreement, contains an estimate of the projected tax revenue to the City as a result of the economic development subsidy, and contains an estimate of the number of jobs that will be created by the economic development subsidy under the Agreement. The Summary Report concludes that, over the more than 20-year term of the Agreement, it is estimated that the Company will receive an approximately \$6.6 million total subsidy, that the City will receive approximately \$6.9 million in sales tax revenues attributable to the Company's Business, and that approximately 130 to 235 new jobs will be created in Garden Grove as a result of the Agreement.

G. Prior to approval of the Agreement, the City made the information required by Government Code Section 53083(a) available in written form and on the City's website.

H. On January 26, 2016, the City Council held a notice public hearing regarding the Agreement and the City's obligations thereunder to pay the Covenants Consideration as required by Government Code Section 53083(b).

I. The City Council has duly considered the terms of the proposed Agreement, the Summary Report prepared Tierra West Advisors, Inc., the value of the assistance to provided by the City pursuant to the Agreement, the benefits the City will derive from the Agreement, the report of City Staff, and other evidence and testimony provided at the January 26, 2016 Public Hearing.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDEN GROVE, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. The City Council hereby makes the following findings:

A. The recitals set forth above are true and correct and are incorporated herein by reference.

- B. The Company's significant capital investment to expand the Business, the conduct and operation of the expanded Business on the Site, the imposition of the operating covenants and restrictive covenants upon the Business and the Site, and the City's payment of the Covenant Consideration in accordance with the proposed Operating Covenant Agreement constitute valid public purposes under Article XVI, Section 6 of the California Constitution as necessary for the economic enhancement of the City and to contribute to the City's general fund that supports services for the health, safety and welfare of the residents of the City.
- C. The proposed Agreement is in the vital and best interest of the City and the welfare of its residents and is in accordance with the public purposes and provisions of applicable state and local laws. Without limiting the foregoing, the Company's expanded Business, as operated in accordance with the Agreement, will generate additional sales tax revenues to the City, will create significant employment opportunities for residents of the City, will ensure proper maintenance of the Site, and will provide other tangible and intangible benefits to the City.
- D. The purpose and intention of the City in paying the Covenant Consideration pursuant to the Agreement is solely to induce Company to make a significant capital investment in order to expand its Business within the City, and to continue to locate and operate the expanded Business on the Site until at least June 30, 2036, so as to increase the amount of sales tax revenues generated in the City, to further the continued maintenance of the Site and the well-being of the citizens at large, and to increase local employment opportunities.
- E. The Company's planned capital investment in the Business and planned expansion of the Company's Business within the City would not be feasible without the Covenants Consideration to be paid by the City pursuant to the Agreement.
- F. The benefits provided by the continued operation of the Company's Business on the Site in accordance with the Agreement will result in substantially more benefits to the City than the costs to the City of providing the Covenants Consideration provided for in the Agreement.
- G. The Covenants Consideration to be paid by the City pursuant to the Agreement foreseeably will result in benefits to the Company in an amount commensurate with its value at the time of each payment, and the total aggregate amount of the Covenants Consideration payments to be made by the City pursuant to the Agreement is not anticipated to exceed the minimum additional amount the Company is required to invest to expand the Business within the City pursuant to the Agreement.

- H. The amount of each payment required to be made by the City under the Agreement is a fair exchange for the consideration actually furnished pursuant to the Agreement by the Company during each fiscal year of the City in which payment is made; each payment to be made by the City under the Agreement has been calculated so that it will not exceed the resources available to make such payment; and in no event shall the City be immediately indebted to Company for the aggregate payments provided for pursuant to the Agreement.
- I. The Agreement does not include or require any activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The Agreement does not require any change or significant intensification in land use or density and prohibits the Company from allocating or use using any Covenant Consideration paid by the City pursuant to the Agreement for construction and/or development on the Site. The Company is not required to secure any other discretionary government approvals pursuant to the Agreement that would trigger California Environmental Quality Act (CEQA) review. Therefore, in light of the whole record, it can be seen with certainty that the project has no potential to cause a significant effect on the environment. As such, the City Council finds that approval of the Agreement is exempt from the provisions of CEQA pursuant to CEQA Guidelines Section 15061(b)(3).

SECTION 2. The Amended and Restated Operating Covenant Agreement between the City of Garden Grove and AAA Oil, Inc., attached hereto at Exhibit "A", is hereby approved.

SECTION 3. The City Manager is hereby authorized to execute the Agreement, the Memorandum of Agreement, and any other related attachments, including any minor modifications as appropriate, and any other pertinent documents necessary to effectuate and/or implement the Agreement.

SECTION 4. The City Manager (or his/her duly authorized representative) is further authorized to implement the Agreement and take all further actions and execute all documents referenced therein and/or necessary and appropriate to carry out the Agreement. The City Manager (or his/her duly authorized representative) is hereby authorized to the extent necessary during the implementation of the Agreement to make technical or minor changes thereto after execution, as necessary to properly implement and carry out the Agreement, provided the changes shall not in any manner materially affect the rights and obligations of the City.

SECTION 5. The City Clerk shall certify to the adoption of this Resolution.

Adopted this 26th day of January, 2016.

Exhibit "A"

Amended and Restated Operating Covenant Agreement

Exhibit "B"
Summary Report

AMENDED AND RESTATED OPERATING COVENANT AGREEMENT

This Amended and Restated Operating Covenant Agreement ("Agreement"), dated for purposes of identification only as of January 26, 2016, is made and entered into by and between the CITY OF GARDEN GROVE, a California municipal corporation (the "City"), and AAA OIL, INC., dba California Fuels and Lubricants, a California corporation ("Company"). City and Company are sometimes referred to in this Agreement collectively as "Parties," and individually as a "Party."

RECITALS

A. Company is the lessee of a portion of that certain real property located at 11621 and 11671 Westminster Avenue in the City of Garden Grove and more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (the "Site"), on which Company currently operates a petroleum products distribution business (the "Business") and which is the current point of sale for the Business for purposes of the Bradley Burns Uniform Local Sales and Use Tax Law (the "Sales and Use Tax Law"). Company's Business is one of the largest sales tax generators in the City. The Site is owned by Duenas Management, LLC (the "Owner of the Site"). During the Operating Period hereunder, Company and/or Owner may purchase additional or alternate property within the City of Garden Grove to be the Company's point of sale for purposes of the Sales and Use Tax Law for the Business. In such event, the "Site" hereunder shall mean and refer to such additional or alternative property upon satisfaction of each of the following conditions precedent: (1) commencement of fee title ownership of such additional or alternative property within the City of Garden Grove by Company and/or Owner; (2) designation of the property as the point of sale for purposes of the Sales and Use Tax Law for the Business; and (3) recordation against the property of a memorandum of agreement in accordance with Section 31 of this Agreement.

B. City and Company are parties to that certain Operating Covenant Agreement, dated as of August 13, 2013 (the "Original Agreement") whereby Company has agreed to make capital investments to expand its Business and to continue to locate and operate its Business on the Site during the operating period described in the Original Agreement. City recognizes that retention of the Business will continue to contribute to the economic vitality of the City, continue to provide additional jobs in the City, continue to expand the City's tax base, and otherwise improve economic and physical conditions in the City. Through this Agreement, the Parties desire to amend and restate the Original Agreement to provide for an additional capital investment in the Business by the Company, to extend the length of the Covenants Consideration Accrual Period and Operating Period, and to revise the method of calculating the Covenants Consideration.

C. Pursuant to the Original Agreement, Company agreed to invest over two million dollars (\$2,000,000) in additional trucks, tanks, and other equipment for the Business and to expand the scope of the Business's operations. In order to further expand the Business's operations, Company intends to invest at least eight million dollars (\$8,000,000) in the Business in addition to the commitment made in the Original Agreement. Company and City anticipate that Company's expanded Business, as operated in accordance with this Agreement, will

generate additional Sales Tax Revenues and will also create significant employment opportunities and other tangible and intangible benefits to the City.

D. The City has determined that the imposition of certain operating covenants and restrictive covenants with respect to the Business and the Site constitutes a valid public purpose, and therefore the City desires to obtain such operating covenants and restrictive covenants with respect to the Business and the Site and, subject to the terms hereof, Company is willing to enter into and be bound by such operating covenants and restrictive covenants.

E. In consideration for Company's agreement to be bound by such operating covenants and restrictive covenants, and of the additional Sales Tax Revenues to be paid by the Company for the benefit of the City, which the City would not otherwise realize, and in order to induce the Company to retain the Business in Garden Grove, the City has agreed to make certain payments to the Company (referred to herein as "Covenants Consideration") through June 30, 2036. The City and the Company agree the amount of each payment required to be made by the City hereunder is a fair exchange for the consideration actually furnished pursuant to this Agreement by Company during each fiscal year of the City in which payment is made, that each payment to be made by the City hereunder has been calculated so that it will not exceed the resources available to make such payment, and further that in no event shall the City be immediately indebted to Company for the aggregate payments herein provided.

F. The purpose and intention of the City in paying the Covenant Consideration is solely to induce Company to make the above-described capital investment in order to expand its Business within the City, and to continue to locate and operate the expanded Business on the Site until at least June 30, 2036, so as to increase the amount of Local Sales Tax Revenues generated in the City, to further the continued maintenance of the Site and the well-being of the citizens at large, and to increase local employment opportunities.

G. The Covenants Consideration to be paid by the City is solely the result of arms-length negotiations by and between the City and the Company, and apart from such negotiations and this Agreement, which is the result thereof, is not otherwise required to be provided.

H. The Company anticipates and expects that the Covenants Consideration to be paid by the City pursuant hereto foreseeably will result in benefits to the Company in an amount commensurate with its value at the time of each payment.

AGREEMENT

1. Definitions. Capitalized terms within this Agreement shall have the meanings set forth below, or if not defined in this Section 1, shall have the meaning ascribed thereto when such terms are first used herein:

a. **Additional Capital Investment.** "Additional Capital Investment" means the purchase or lease of additional trucks, tanks, equipment, and/or other depreciable assets used in operation of the Business and/or additional real estate required for expansion of the Business. For purposes of this definition, the amount of Additional Capital Investment attributable to an operating lease for an asset shall be the net present value of the lease payments under said lease.

- b. Agreement Approvals. "Agreement Approvals" is defined in Section 7.
- c. Annual Covenants Consideration Amount. "Annual Covenants Consideration Amount" is defined in Section 5.
- d. Books and Records. "Books and Records" is defined in Section 4.
- e. Breach. "Breach" is defined in Section 6.
- f. Business. "Business" refers to the operation on the Site of a facility for the sale and distribution of petroleum products and products ancillary to the sale and distribution of petroleum products that generate Sales Tax Revenues.
- g. City. "City" means the City of Garden Grove, California, a municipal corporation.
- h. City Indemnitees. "City Indemnitees" means the City and its elected and appointed officials, officers, employees, representatives, agents, consultants, attorneys, volunteers, successors and assigns.
- i. Company. "Company" means AAA Oil, Inc., dba California Fuels & Lubricants, a California Corporation, and any other corporation, limited liability company, partnership, or sole proprietorship that engages in the sale and/or distribution of petroleum products or of products ancillary to the sale and distribution of petroleum products, and (i) which is owned and/or controlled by either or both Jaime Duenas or Efrain Davalos, Jr., or their successors or assigns, (ii) which purchases a controlling interest in, or merges with, the Company, or (iii) which operates on the Site.
- j. Covenants. "Covenants" means the covenants, obligations, and promises of the Company set forth in this Agreement.
- k. Covenants Consideration. "Covenants Consideration" means the amount paid by City pursuant to Section 5.
- l. Covenants Consideration Accrual Period. "Covenants Consideration Accrual Period" means the period commencing on the Effective Date and continuing until and expiring on June 30, 2036 or upon the earlier termination of this Agreement.
- m. Default. "Default" is defined in Section 6.
- n. Effective Date. The "Effective Date" shall mean and refer to March 1, 2016.
- o. Enforced Delay. "Enforced Delay" is defined in Section 17.
- p. Environmental Claims. "Environmental Claims" mean any claims by third parties for personal injury (including sickness, disease or death), or for injury to property or natural resources or the environment, including, without limitation, lost profits, consequential

damages, diminution of property value or loss of use of property, or for any violation or alleged violation of, or noncompliance with, the requirements of any Environmental Law.

q. Environmental Cleanup Liability. "Environmental Cleanup Liability" means any cost or expense incurred to investigate, monitor, remove, remediate, treat, clean up, abate or otherwise respond to any release or threatened release of Hazardous Materials, including, without limitation, the cost of obtaining site closure from applicable governmental agencies and the cost of restoring the affected property upon completion of responsive action.

r. Environmental Compliance Costs. "Environmental Compliance Costs" mean any cost or expense necessary to enable the affected property to comply with all applicable Environmental Laws.

s. Environmental Law. "Environmental Law" shall mean any applicable federal, California, regional or local law, statute, ordinance, rule, regulation or order for the protection of human health or the environment, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601, et seq.); the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 et seq.); the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.); the Clean Air Act (42 U.S.C. § 7401 et seq.); the Safe Drinking Water Act (42 U.S.C. § 300f et seq.); the Emergency Planning and Community Right To Know Act of 1986 (42 U.S.C. § 11001 et seq.); the Occupational Safety and Health Act (29 U.S.C. § 651 et seq.); the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. § 136 et seq.); the Hazardous Materials Transportation Act (49 U.S.C. § 5101 et seq.); the Carpenter Presley Tanner Hazardous Substance Account Act (Health and Safety Code § 25300 et seq.); the Hazardous Waste Control Law (Health and Safety Code § 25100 et seq.); the Hazardous Waste Disposal Land Use law (Health and Safety Code § 25220 et seq.); the Porter Cologne Water Quality Control Act (Water Code § 13000 et seq.); Hazardous Materials Release Response Plans and Inventory (Health and Safety Code § 25500 et seq.); Underground Storage of Hazardous Substances (Health and Safety § 25280 et seq.); The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) (Health and Safety Code § 25249.5 25249.13); the Asbestos Notification Law (Health and Safety Code § 25915 et seq.); the California Occupational Safety and Health Act (Labor Code § 6300 et seq.); Chapters 10 and 11, Division 4.5, Title 22, California Code of Regulations; and any law or regulation implementing, amending or succeeding any of the foregoing, and any similar laws or regulations at any time in effect having any of the purposes designated above.

t. Fiscal Year. "Fiscal Year" means each one year period commencing July 1 and ending June 30 during the Covenants Consideration Accrual Period.

u. Governmental Requirements. "Governmental Requirements" is defined in Section 4.

v. Hazardous Materials. "Hazardous Materials" mean any pollutant, contaminant, hazardous or toxic substance, material or waste which is or becomes identified, listed or regulated as such under any Environmental Law by the United States government, the State of California or any regional or local governmental authority having jurisdiction over the Property.

- w. Notice of Default. "Notice of Default" is defined in Section 6.
- x. Operating Period. "Operating Period" means the period commencing on the Effective Date and continuing until and expiring on June 30, 2036 or upon earlier termination of this Agreement.
- y. Owner of the Site. "Owner of the Site" means Duenas Management, LLC and each of its successors in interest to all or any portion of the Site.
- z. Overpayments. "Overpayments" is defined in Section 5.
- aa. Prior Payments. "Prior Payments" is defined in Section 6.
- bb. Quarter. "Quarter" means any three (3) month period commencing on January 1, April 1, July 1, and October 1.
- cc. Quarterly Covenants Consideration Amount. "Quarterly Covenants Consideration Amount" is defined in Section 5.
- dd. Quarterly Payment. "Quarterly Payment" is defined in Section 5.
- ee. Required Operations. "Required Operations" means, collectively, the following on and with respect to the Site: (i) Company retaining and continuing to own a leasehold and/or ownership interest in all or such lesser portion of the Site sufficient to allow the Business to be conducted; (ii) Company's operation of the Business on the Site; and (iii) Company not transferring or otherwise relocating all or any portion of the retail sales operation or the point of sale as reported to the SBE for the Business to another facility or location outside of the City.
- ff. Sales and Use Tax Law. "Sales and Use Tax Law" means the Bradley Burns Uniform Local Sales and Use Tax Law, commencing with Section 7200 of the Revenue and Taxation Code of the State of California, as amended, or its equivalent.
- gg. Sales Tax. "Sales Tax" means all sales and use taxes levied under the authority of the Sales and Use Tax Law, excluding any Sales Tax that is to be refunded to Company because of an overpayment of Sales Tax.
- hh. Sales Tax Revenues. "Sales Tax Revenues" means that portion of the Sales Tax, if any, paid by Company upon taxable sales and uses attributable to the operations of the Company and allocated and paid to the City pursuant to the Sales and Use Tax Law. "Sales Tax Revenues" shall not include (i) penalties, assessments, collection costs and other costs, fees or charges resulting from late or delinquent payment of Sales Tax and which are levied, assessed or otherwise collected from Company; (ii) any Sales Tax levied by, collected for or allocated to the State of California, the County of Orange, the Garden Grove Sanitary District, or a district or any entity (including an allocation to a statewide or countywide pool) other than the City; (iii) any administrative fee charged by the SBE; (iv) any Sales Tax subject to any sharing, rebate, offset, or other charge imposed pursuant to any applicable provision of federal, state or local (except the City's) law, rule, or regulation to the extent such Sales Taxes are not received and

retained by the City for its own use; (v) any Sales Tax attributable to any transaction not consummated within the Covenants Consideration Accrual Period; (vi) any Sales Tax (or other funds measured by Sales Tax) required by law or agreement to be paid over to another public entity or set aside and/or pledged to a specific use other than for deposit into or payment from the City's general fund, including retroactively.

ii. SBE. "SBE" means the California State Board of Equalization, or any successor agency.

jj. Site. "Site" is defined in Recital "A."

2. Representations and Warranties of the City. The City represents and warrants to Company that, as of the Effective Date:

a. City is a general law city duly organized and existing under the laws of the State of California.

b. The individuals executing this Agreement on behalf of the City are duly authorized by appropriate action of the City Council to execute this Agreement on behalf of the City.

c. To the City's actual current knowledge, the City's entry into this Agreement and the performance of the City's obligations under this Agreement do not violate any contract or agreement to which the City is a party.

d. To the City's actual current knowledge, there are no pending claims or lawsuits against the City that will delay or prevent the performance of the City's obligations under this Agreement.

e. The representations and warranties of the City set forth in this Section 2 are material consideration to Company, and the City acknowledges that Company is relying upon the representations of the City set forth in this Section 2 in undertaking its obligations under this Agreement.

3. Representations and Warranties of the Company. The Company represents and warrants to City that, as of the Effective Date:

a. Company is a California corporation duly organized and existing under the laws of the State of California and in good standing to do business in the State of California, with corporate and/or partnership powers adequate for the making and performing of this Agreement and for carrying on the business now conducted or proposed to be conducted by it.

b. Company is solely owned by Jaime Duenas and Efrain Davalos, Jr.

c. The individuals executing this Agreement on behalf of Company are duly authorized by appropriate action of Company to execute this Agreement on behalf of the Company.

d. Company has the legal right, power and authority to enter into this Agreement and to consummate the transactions contemplated by this Agreement, and the execution, delivery and performance of this Agreement have been duly authorized by Company and no other action by Company is requisite to the valid and binding execution, delivery and performance of this Agreement, except as otherwise expressly set forth in this Agreement.

e. Company is the lessee of the Site under a valid lease agreement between the Company and the Owner of the Site; Company has the right, pursuant to such lease agreement, to conduct the Required Operations on the Site for the entire Operating Period; and there are no defaults under said lease agreement. Company acknowledges, and expressly and affirmatively assumes all risk, that termination of Company's leasehold interest in the Site or other actions by the Owner of the Site, or its successors and assigns, which impair the ability of Company to continuously conduct the Required Operations on the Site for the entire Operating Period, may cause Company to be in Default under this Agreement.

f. To Company's actual current knowledge, Company's entry into this Agreement and/or the performance of Company's obligations under this Agreement do not conflict with any provision of any law or regulation to which Company is subject, and do not violate any contract, agreement or other legal obligation of Company.

g. To Company's actual current knowledge, there are no pending or threatened lawsuits or other actions or proceedings which would delay, prevent or impair the timely performance of Company's obligations under this Agreement.

h. Company has not filed any petition seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any law relating to bankruptcy or insolvency, nor has any such petition been filed against Company. No general assignment of Company's property has been made for the benefit of creditors, and no receiver, master, liquidator, or trustee has been appointed for Company or any of its property. Company is not insolvent and the consummation of the transactions contemplated by this Agreement shall not render Company insolvent. Company has now and will have throughout the term of this Agreement, sufficient capital or net worth to meet its current obligations, including all obligations under this Agreement.

i. Company is a sophisticated investor and business operator and its decision to enter into this Agreement is based upon its own independent investigations, evaluations, and assessments. Company has not relied in entering into this Agreement upon any oral or written information from City or its employees, agents, consultants, advisors, or representatives, other than the express representations and warranties of City specifically set forth herein. Company acknowledges no employee, agent, consultant, advisor or representative of City has been authorized to make, and Company has not relied upon, any statements or representations made thereby, other than those specifically contained in this Agreement.

j. The representations and warranties of Company set forth in this Section 3 are material consideration to the City, and Company acknowledges that the City is relying upon the representations of Company set forth in this Section 3 in undertaking its obligations under this Agreement.

4. Operating Covenants and Restrictive Covenants.

a. Additional Investment to Expand Business. Company hereby covenants and agrees that, between the period that commenced on January 1, 2015 and continuing up and through December 31, 2024, it will make an Additional Capital Investment of no less than Eight Million Dollars (\$8,000,000) for purposes of expanding the Business on the Site, excluding funds spent by Company, if any, on construction and/or development on the Site. Such Additional Capital Investment shall be wholly in addition to the Two Million Dollar (\$2,000,000) investment in the Business required pursuant to the Original Agreement, which Company represents has already been made. Company hereby agrees that it will not allocate or use any Covenant Consideration paid to Company by City for construction and/or development on the Site. Upon request of City, Company shall provide documents evidencing its compliance with this Subsection 4.a.

b. Operating Covenant; Continuous Operation. Company hereby covenants and agrees that it shall continuously conduct and operate, or cause to be conducted and operated, the Required Operations on the Site during the entire Operating Period. Such continuous operations shall be subject to the Enforced Delay provisions of Section 17 hereof. Failure of Company to continuously conduct and operate, or cause to be conducted and operated, the Required Operations on the Site during the entire Operating Period shall entitle City to terminate this Agreement and obligate Company to repay to City all previously paid Covenants Consideration in accordance with Subsection 6.b. of this Agreement.

c. Designation of Site as Point of Sale. At all times during the Operating Period, Company shall designate the Site as the point of sale for Sales Tax purposes in all Business and related sales.

d. Covenant Against Solicitation and Acceptance of Economic Incentives During the Term of the Operating Period. Company covenants and agrees that, during the Operating Period, Company shall not directly or indirectly solicit or accept any "Financial Assistance" from any other public or private person or entity, if such Financial Assistance is given for the purpose of causing or would result in Company's breach of any of the covenants or terms and conditions of this Agreement. For purposes of this Section, "Financial Assistance" means any direct or indirect payment, subsidy, rebate, or other similar or dissimilar monetary or non-monetary benefit, including, without limitation, payment of land subsidies, relocation expenses, public financings, property or sales tax relief, rebates, and/or exemptions or credits.

e. Payment of Taxes. Company shall pay or cause to be paid any and all taxes applicable to or arising out of Company's operation of the Business and ownership, lease, operation and/or use of the Site and/or equipment and facilities on the Site (including, without limitation, all taxes attributable to sales occurring on the Site), except Company retains its right to protest and contest County of Orange decisions related to the value of its interest in the Site and/or SBE decisions related to the amount of Sales Tax due. Company shall make or cause to be made timely Sales Tax payments to the SBE.

f. Maintenance of Site. During the Operating Period, Company shall, at no cost to the City, keep and maintain, or cause to be kept and maintained, the Site, including all

landscaping on the Site and all facilities and equipment pertaining to the Business that are located on the Site, in a first class condition, free from accumulation of debris, weeds, graffiti and waste materials, in good order and repair, and in a safe condition.

g. Compliance With Governmental Requirements. Subject to Company's right to contest the same, Company shall, at all times, comply with all applicable laws, ordinances, statutes, codes, rules, regulations, orders and decrees of the United States, the State of California, the County of Orange, the City or any other political subdivision in which the Site is located, and of any other political subdivision, agency or instrumentality exercising jurisdiction over the City, the Company, or the Site, including all applicable federal, state and local occupation, safety and health laws, rules, regulations and standards, applicable federal and state labor standards, applicable prevailing wage requirements, the City zoning and development, building, plumbing, mechanical and electrical codes, and all other provisions of the City of Garden Grove Municipal Code, and all applicable disabled and handicapped access requirements, including, without the limitation, the Americans With Disability Act, 42 U.S.C. §12101 et seq., Government Code §4450 et seq., and the Unruh Civil Rights Act, Civil Code §51 et seq. ("Governmental Requirements"). Nothing in this Agreement is a representation or warranty by City, and Company hereby expressly acknowledges and agrees that the City has not previously affirmatively represented to the Company or its agents, in writing or otherwise, that any tenant improvement or construction or erection of improvements performed on the Site on or after the date of this Agreement is not a "public work," as defined in Section 1720 et seq. of the California Labor Code, including but not limited to Sections 1771 and 1781. Company hereby agrees that Company shall have the obligation to provide any and all disclosures or identifications required by Labor Code Section 1781, as the same may be amended from time to time, or any other similar law. In addition to any other Company indemnifications of City or the City Indemnitees set forth in this Agreement, Company shall indemnify, protect, defend and hold harmless the City and its officers, employees, contractors and agents, with counsel reasonably acceptable to City, from and against any and all loss, liability, damage, claim, cost, expense and/or "increased costs" (including reasonable attorneys fees, court and litigation costs, and fees of expert witnesses) which, in connection with the construction (as defined by applicable law) and/or operation of the Business, results or arises in any way from any of the following: (1) the noncompliance by Company of any applicable local, state and/or federal law, including, without limitation, any applicable federal and/or state labor laws (including, without limitation, if applicable, the requirement to pay state prevailing wages and to hire apprentices); (2) the implementation of Section 1781 of the Labor Code, as the same may be amended from time to time, or any other similar law; and/or (3) failure by Company to provide any required disclosure or identification as required by Labor Code Section 1781, as the same may be amended from time to time, or any other similar law. It is agreed by the Parties that, in connection with any construction (as defined by applicable law) on the Site occurring on or after the date of this Agreement, Company shall bear all risks of payment or non-payment of prevailing wages and hiring of apprentices under California law and/or the implementation of Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law. "Increased costs," as used in this Subsection 4.f., shall have the meaning ascribed to it in Labor Code Section 1781, as the same may be amended from time to time. The foregoing indemnity shall survive termination of this Agreement.

h. Maintenance and Audits of Books and Records. For the entire duration of the Operating Period, and for an additional period thereafter of not less than three (3) years, Company shall maintain all books, records, documents, and/or other information relating to Company's compliance with the Covenants, including, but not limited to, records reflecting all sales made by Company, records reflecting the point of sale for Sales Tax purposes of all sales made by Company, records reflecting all federal, state, and/or local taxes paid by Company, records pertaining to Company's compliance with Governmental Regulations, records evidencing Company's investment in expansion of its Business operations, and records reflecting Company's use of all Covenants Consideration payments ("Books and Records"). Within thirty (30) days of written request by the City, Company shall provide City with any and all such Books and Records reasonably determined necessary by City to evidence Company's compliance with the Covenants. In addition to the foregoing, from time to time, and anticipated to be at least once every year, City may request Company to make any and all Books and Records available to an independent auditor or examiner, to be selected by City, for auditing and examination purposes. If such an audit and examination reveals any inaccurate reporting or payment of Sales Tax or other violations of the Covenants, which results in any Overpayments, such Overpayments may be recaptured by City as provided in Subsection 5.g.

5. Covenants Consideration.

a. Covenants Consideration; Determined on an Annual Basis. In consideration of Company's compliance with the Covenants, subject to availability and appropriation by the Garden Grove City Council of sufficient funds, commencing as of July 1, 2016, City agrees to pay Company Covenants Consideration in an amount, calculated as illustrated in Table 1, below, and determined on an annual basis, equal to a portion of all Sales Tax Revenues generated by the Business during each Fiscal Year in excess of Two Hundred Thousand Dollars (\$200,000) (the "Annual Covenants Consideration Amount"). In the event there is insufficient Sales Tax Revenues to trigger the payment of Covenants Consideration in any Fiscal Year, such insufficiency shall not carry forward to any future years. Notwithstanding the foregoing, for the portion of the Quarter commencing on the Effective Date and continuing through March 31, 2016, and for the Quarter commencing April 1, 2016 and continuing through June 30, 2016, City shall also pay Company Covenants Consideration in an amount calculated in accordance with the last two paragraphs of Section 5.b, respectively.

Table 1

Portion of Annual Sales Tax Revenues Generated by Business	Percentage Payable to Company as Covenants Consideration
First \$200,000	0%
Next \$1,800,000	70%
Next \$1,000,000	60%
Next \$2,000,000	50%
Next \$2,000,000	55%
Amount in Excess of \$7,000,000	65%

b. Covenants Consideration; Quarterly Payments. For each Fiscal Year, the City shall pay the Annual Covenants Consideration Amount to Company in four (4) separate quarterly Covenants Consideration payments corresponding to the amount of Sales Tax Revenues generated during each Quarter of the Fiscal Year (the "Quarterly Payments"). The amount of each Quarterly Payment for the first three (3) quarters of any Fiscal Year shall be determined by the City by multiplying (i) the amount of Sales Tax Revenues generated by the Business during the applicable Quarter by (ii) the percentages set forth in Table 2, below (the product of which is referred to herein and in Exhibit "B" as the "Quarterly Covenants Consideration Amount").

Table 2

Portion of Quarterly Sales Tax Revenues Generated by Business	Percentage Payable to Company as Covenants Consideration
First \$50,000	0%
Next \$450,000	70%
Next \$250,000	60%
Next \$500,000	50%
Next \$500,000	55%
Amount in Excess of \$1,750,000	65%

If Sales Tax Revenues for the applicable Quarter are less than or equal to fifty thousand dollars (\$50,000), then no Quarterly Payment attributable to such Quarter is due. Except for the portion of the Quarter commencing on the Effective Date and continuing through March 31, 2016, and for the Quarter commencing April 1, 2016 and continuing through June 30, 2016, the Quarterly Payment corresponding to the fourth Quarter of any Fiscal Year shall be in the amount equal to the Annual Covenants Consideration Amount, minus the aggregate sum of the previous Quarterly Payments for the Fiscal Year. However, if, and to the extent that, the aggregate sum of the previous Quarterly Payments for the Fiscal Year made by the City exceeds the Annual Covenant Consideration Amount for such Fiscal Year, then the City shall recapture such sum from the Company as provided in Subsection 5.g. More specific computational steps for computing the Annual Covenants Consideration Amount and the amount of the Quarterly Payments are set forth in Exhibit "B," which is attached hereto and incorporated herein by reference. Payment of the Covenants Consideration payment determined by City to be owing to Company for each Quarter shall be made by City within thirty (30) days after the City and/or the sales tax consultant retained by the City verifies that the City has received all Sales Tax Revenues for the applicable Quarter. Company expressly understands that nothing contained in this Agreement shall obligate or otherwise commit City to pay the Covenant Consideration for the applicable period unless and until City receives reasonably satisfactory verification that City has received all Sales Tax Revenues for such period.

For the portion of the Quarter commencing on the Effective Date and continuing through March 31, 2016, the Quarterly Payment amount shall be determined by the City by multiplying (i) one-third (1/3) of the amount of Sales Tax Revenues generated by the Business during the Quarter by (ii) the percentages set forth in Table 2, above.

For the Quarter commencing April 1, 2016 and continuing through June 30, 2016, the Quarterly Payment amount shall be determined by the City by multiplying (i) the amount of Sales Tax Revenues generated by the Business during the Quarter by (ii) the percentages set forth in Table 2, above.

c. Conditions Precedent to Payment of Covenants Consideration. The City's obligation to make any Covenants Consideration payments pursuant to this Section 5 is conditioned upon all of the following conditions precedent, which shall be satisfied on or before the date of the applicable disbursement: (i) this Agreement shall remain in full force and effect and not have been terminated; (ii) sufficient funds for such payments shall have been appropriated and be available to City for such payments; (iii) there shall be no Default by the Company under the Agreement which remains uncured on the date such Covenants Consideration payment, or applicable portion thereof, would otherwise be made to the Company; and (iv) City and/or the sales tax consultant retained by the City has verified that the City has received all Sales Tax Revenues for the period to which such Covenants Consideration period is attributed.

d. Termination of Covenants Consideration. The Covenants Consideration payments shall terminate upon the earlier to occur of (1) termination of this Agreement, or (2) expiration of the Covenants Consideration Accrual Period.

e. Source of Funds for Covenants Consideration. The Covenants Consideration shall be paid from any source of funds legally available to City. The determination of the source of funds shall be in the sole and absolute discretion of the City. In this regard, Company acknowledges and agrees that neither the Sales Tax Revenues nor any other general or special funds of the City are pledged or otherwise encumbered, hypothecated to, or given as security for the Covenants Consideration, and that the reference to Sales Tax Revenues for purposes of calculating the Covenants Consideration payments is solely for computational purposes.

f. No Acceleration. It is acknowledged by the Parties that any payments by City provided for in this Agreement may only be paid for those periods in which Company is in compliance with the Covenants pursuant to this Agreement. Therefore, the failure of City to make any payments or the failure by City to perform any of its other obligations hereunder shall not cause the acceleration of any anticipated future Covenants Consideration payments by City to Company.

g. Recapture of Previous Overpayments. City shall be entitled to recapture previous payments made to Company hereunder, or applicable portions thereof, if, at any time during or after the term of this Agreement, (i) the SBE determines that all or any portion of the Sales Tax Revenues received by the City were improperly allocated and/or paid to the City, and if SBE requires repayment of, offsets against future Sales Tax payments, or otherwise recaptures from the City those improperly allocated and/or paid Sales Tax Revenues, or (ii) the City determines that the aggregate sum of the quarterly Covenants Consideration payments made by City to Company with respect to any Fiscal Year exceeds the Annual Covenant Consideration Amount for such Fiscal Year (collectively, "Overpayments"). City may, at City's option, choose to recapture such Overpayments by, either, (i) offsetting future Covenant Consideration payments due Company by the amount of such Overpayments, or (ii) requiring Company to repay City for such Overpayments. If City chooses to require Company to repay City for such Overpayments, then Company shall repay City within thirty (30) days after written demand from City. If Company fails to make such repayment within thirty (30) days after City's written demand, then such obligation shall accrue interest from the date of City's original written demand at the then maximum legal rate imposed pursuant to the California Code of Civil Procedure on prejudgment monetary obligations, compounded monthly, until paid.

h. Review of Records Relating to Determination of Sales Tax Revenues. In addition to, and without limiting, the City's rights pursuant to Subsection 4.g., above, following written request, each Party shall promptly make available at no cost to the other Party and/or its designees the entirety of its books and records relating to the determination of the amount of Sales Tax Revenues generated by the Company for any period within the Covenants Consideration Accrual Period, and shall direct its accountants and other consultants and contractors in possession of its books and records to do likewise; provided, however, that nothing herein shall be deemed to abridge or constitute a waiver of any Party's evidentiary rights and privileges arising pursuant to any provision of law.

i. Disclosure of Payments. Company agrees that the Covenants Consideration payments and the amounts thereof do not constitute a violation of Revenue and Taxation Code Section 7056 or any other provision of law pertaining to the disclosure of sales

tax information, shall be a matter of public record, may be disclosed to any person, and may be included on the City's warrant register. Company waives any law that is contrary to any of the agreements in this Subsection 5.i.

j. Effect of Invalidation of Agreement and/or Covenants Consideration Payments. City makes no representation or warranty to Company as to the legality of the Covenants Consideration payments or the City's authority to make such payments. In the event that a judgment is rendered against City invalidating its payment obligations set forth in this Agreement, City shall not be deemed to be in Default under this Agreement, and either City or Company may terminate this Agreement by delivery of written notice of termination to the other Party.

6. Defaults and Remedies.

a. Definitions of Breach and Default. Occurrence of any or all of the following shall constitute a breach of this Agreement ("Breach"):

- i. Company's failure or delay to perform any material term or provision of this Agreement, including, but not limited to, failure to comply with the Covenants.
- ii. Company's assignment, transfer, pledge, encumbrance, or hypothecation of any of its rights and/or obligations under this Agreement, without the express written consent of the City.
- iii. The filing of a petition in bankruptcy by or against the Company or appointment of the receiver or trustee of any property of the Company, or an assignment by the Company for the benefit of creditors, or adjudication that the Company is insolvent by a court, and a failure of the Company to cause such petition, appointment or assignment to be removed or discharged within sixty (60) days.
- iv. City's failure to comply with its obligation to make payments to Company pursuant to Section 5 hereof.

The nondefaulting party shall give written notice of any Breach to the party in Breach, specifying the Breach complained of by the nondefaulting party ("Notice of Default"). Delay in giving such Notice of Default shall not constitute a waiver of any Breach nor shall it change the time of Breach. Upon receipt of the Notice of Default, the party in Breach shall promptly commence to cure the identified Breach at the earliest reasonable time after receipt of the Notice of Default and shall complete the cure of such Breach not later than thirty (30) days after receipt of the Notice of Default, or, if such Breach cannot reasonably be cured within such thirty (30) day period, then as soon thereafter as reasonably possible, provided the party in Breach shall diligently pursue such cure to completion ("Cure Period"). Failure of the Party in Breach to cure the Breach within the Cure Period shall constitute a "Default" under this Agreement.

Any failures or delay by either Party in asserting any of its rights and remedies as to any Breach or Default shall not operate as a waiver of any Breach or Default or of any such rights or

remedies. Delays by either Party in asserting any of its rights and remedies shall not deprive either Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

b. City's Remedies. Upon the occurrence of a Default by Company, in addition to any other remedies available at law or in equity, or otherwise provided in this Agreement, City shall be entitled to any or all of the following remedies, which remedies are cumulative and not mutually exclusive:

- i. Automatic Suspension of Covenants Consideration Payments. Without City being required to seek judicial relief, Company's right to receive Covenants Consideration during the period that the Company is in Default shall be automatically suspended, and the term of the Covenants Consideration Accrual Period shall not be extended by reason of such suspension.
- ii. Termination of Agreement. City may terminate this Agreement upon written notice of termination to Company. In the event City terminates this Agreement due to Company's failure to continuously conduct and operate, or cause to be conducted and operated, the Required Operations on the Site during the entire Operating Period, in accordance with Subsection 4(b) of this Agreement, then in addition to any other rights or remedies available to City under this Agreement, City shall be entitled to recover from Company, and Company shall pay to City, all Covenants Consideration payments made by City to Company pursuant to this Agreement prior to the date of City's termination of this Agreement ("Prior Payments"). Company hereby stipulates and agrees that the amount of the Prior Payments are a reasonable estimate of the damages and costs City shall incur by reason of the events described in the preceding sentence, and that such damages and costs are, by their nature, difficult and impractical to calculate and determine.
- iii. Institution of Legal Actions. City may institute an action at law or equity to seek specific performance of the terms of this Agreement, or to cure, correct or remedy any Default by Company, or to obtain any other remedy consistent with the purpose of this Agreement.

c. Company's Remedies. Upon the occurrence of a Default by City, in addition to any other remedies available at law or in equity, or otherwise provided in this Agreement, Company shall be entitled to any or all of the following remedies, which remedies are cumulative and not mutually exclusive:

- i. Termination of Agreement. Company may terminate this Agreement upon written notice to City.
- ii. Institution of Legal Action. Company may institute an action at law or equity to seek specific performance of the terms of this Agreement, or to

cure, correct or remedy any Default by City, or to obtain any other remedy consistent with the purpose of this Agreement; provided, however, that the remedies available to Company for City's Default shall be solely limited to rescission, injunction, specific performance, and/or the payment of monies expressly required by this Agreement, and in no event shall Company be entitled to any other direct or indirect monetary damages of any kind, including, without limitation, loss of opportunity, loss of business, loss of profits, or consequential, incidental, or special damages.

d. Effect of Termination. Except as otherwise provided herein, upon termination of this Agreement by either Party pursuant to, and if authorized by, any provision of this Agreement, all executory obligations under this Agreement that accrue or arise subsequent to the date of termination shall also terminate, but obligations that have accrued or arisen prior to such termination shall remain in full force and effect. Without limiting the generality of the foregoing, no termination of this Agreement shall operate to release or discharge City from any obligation to make Covenants Consideration payments with respect to sales occurring prior to the date of termination or discharge Company from any obligation to refund to City any Overpayments in accordance with Subsection 5.g.

e. Rights and Remedies are Cumulative. Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by either 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 Party.

f. Inaction Not a Waiver of Default. Any failures or delays by either Party in asserting any of its rights and remedies as to any Default shall not operate as a waiver of any Default or of any such rights or remedies, or deprive either such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

g. Venue. In the event of any litigation under this Agreement, all such actions shall be instituted in the Superior Court of the County of Orange, California.

h. Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

7. Company's Obligations to Indemnify and Defend City.

a. Indemnity From Third Party Claims. Company agrees to and shall indemnify, defend, protect, and hold harmless the City Indemnitees, jointly and severally, from and against any and all liabilities, suits, actions, claims, demands, penalties, damages (including, without limitation, penalties, fines and monetary sanctions), losses, costs or expenses, proceedings, lawsuits, orders, judgments, fines, obligations, encumbrances, liens, expenses (including without limitation all costs and expenses reasonably incurred to investigate and defend claims, whether or not any such claim is ultimately defeated, and costs and expenses reasonably incurred for consultants, court fees, administrative fees, expert witness fees, and

attorneys' fees and remedial and response costs) of whatever kind or nature, contingent or otherwise, matured or not matured, foreseeable or unforeseeable, at law or in equity, any of which are suffered or incurred by the City Indemnitees, or assessed, levied or asserted by any person or entity (whether governmental or private) against the City Indemnitees, relating to, resulting from, arising out of or based upon, in whole or in part, the following: (i) any act, omission or negligence of the Company or any lessee or sublessee of the Company, or their respective contractors, licensees, invitees, agents, sublessees, servants or employees, wheresoever that the same may occur; (ii) any use of the Site, or any accident, injury, death or damage to any person or property occurring in, on or about the Site, or any part of the Site, or from the conduct of the Company's Business or from any activity, work or thing done, permitted or suffered by the Company or its lessees, sublessees, contractors, employees, or invitees, in or about the Site; (iii) Company's Breach of this Agreement or the Original Agreement, including, but not limited to, failure to comply with the Covenants; (iv) the presence, release, use, generation, discharge, storage, disposal, removal or remediation of any Hazardous Materials on, in, under, or emanating from the Site; (v) the violation, or alleged violation, or compliance with the requirements of any Environmental Law, or any other statute, ordinance, order, rule, regulation, permit, judgment or license relating to the use, generation, release, discharge, storage, disposal or transportation of Hazardous Materials to, from, on, in, under, about or around the Site, or (vi) any Environmental Cleanup Liability or Environmental Compliance Costs related to the Site. This indemnity shall include, without limitation, any liabilities arising from or out of or relating in any manner to any Environmental Claims or any nuisance, contamination, leak, spill, release or other adverse effect on the environment caused by or resulting from any Hazardous Material, or toxic substances or waste existing on, under, or emanating from the Site. Notwithstanding the foregoing, the indemnities described in (i) and (ii) above shall not apply to the extent of the sole negligence or willful misconduct of the City Indemnitees.

b. Defense/Indemnification of this Agreement. Company shall defend, indemnify, and hold harmless the City Indemnitees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorneys' fees and costs incurred by the City and any claim for private attorney general fees and costs claimed by or awarded to any party, against the City or any of the City Indemnitees, relating to: (1) the City's approval of this Agreement or the Original Agreement; (2) the validity or enforceability of this Agreement or the Original Agreement; and/or (3) the payments to be remitted pursuant to this Agreement or the Original Agreement, including, but not limited to, any action to attack, set aside, void, challenge, or annul the Agreement, the Original Agreement, or any of the Covenants Consideration payments on any legal basis (collectively "Agreement Approvals"). City will promptly notify Company of any claim, action or proceeding concerning the Agreement Approvals. City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification obligation. In the event of such election, Company shall pay all of the costs related thereto, including without limitation reasonable attorneys' fees and costs incurred by the City. In the event of a disagreement between the City and Company regarding litigation issues, the City shall have the authority to control the litigation and make litigation-related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Company shall not be required to pay or perform a settlement unless such settlement is approved by Company.

Within ten (10) days of the filing of any legal action regarding the Agreement Approvals, the Company shall submit a cash deposit or irrevocable letter of credit in the amount of One Hundred Thousand Dollars (\$100,000), or such lesser amount acceptable to City, in favor of the City in a form acceptable to the City, to pay the City's fees and costs in connection with the potential defense of any such action and shall thereafter replenish the funds in increments of Twenty Thousand Dollars (\$20,000), or such lesser amount acceptable to City, when requested by the City. Failure to provide funds sufficient to satisfy this indemnification obligation shall constitute grounds for the City to take action to nullify the Agreement Approvals. In the event that excess defense funds are in the possession of the City after any action is concluded, the City shall refund the excess funds to Company.

In any legal proceedings concerning this Agreement, the Company agrees that it will not challenge the obligation of the City to make any of the payments required to be made to the Company under Section 5 hereof as an impermissible debt under the California Constitution or any other applicable law. Any action by the Company in violation of this commitment shall render this Agreement void ab initio.

In the event that a judgment is rendered against City invalidating this Agreement or its payment obligations hereunder, City shall not be deemed to be in Default under this Agreement, and either City or Company may terminate this Agreement by delivery of written notice of termination to the other Party in accordance with Subsection 5.j.

c. Indemnity Obligations Survive Termination of Agreement. The obligations of Company pursuant to this Section 7 shall survive expiration or earlier termination of this Agreement.

8. Disclaimer of Representations and Warranties by City.

a. There are no representations, agreements, arrangements, or circumstances, oral or written, between the Parties relating to the subject matter contained in this Agreement that are not fully expressed herein, and City has not made and does not make any representation or warranty concerning any matter or thing affecting or relating to the Business, the Required Operations, and/or the Site.

b. City has made no representations or warranties with regard to zoning and subdivision laws, ordinances, resolutions and regulations of governmental authorities having jurisdiction over the Site, and the use and improvement of the Site.

c. City has made no representations or warranties to Company as to the legality, validity or enforceability of this Agreement or the City's authority to make the Covenants Consideration payments.

d. City has made no representations or warranties to Company as to the tax consequences of this Agreement and/or the characterization of the Covenants Consideration payments for federal and/or state income tax purposes.

9. Police Power. Nothing contained in this Agreement shall be deemed to limit, restrict, amend or modify, or to constitute a waiver or release of, any ordinances, notices, orders,

14. Modification or Amendment. This Agreement may not be modified or amended except in a writing signed by all Parties hereto.

15. Severability. If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

16. Construction. The Parties agree that each Party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement or any amendments or exhibits to this Agreement.

17. Extensions and Delays; No Excuse Due to Economic Changes. In addition to specific provisions of this Agreement providing for extensions of time, neither Party hereunder shall be deemed to be in Default, and times for performance and other dates specified in this Agreement shall be extended, where delays are due to war; insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; acts of terrorism; epidemics; quarantine restrictions; freight embargoes; acts of governmental authorities; litigation challenging the validity of this transaction or any element thereof or the right of either Party to engage in the acts and transactions contemplated by this Agreement (collectively, "Enforced Delays," and each, separately, an "Enforced Delay"), provided, however, that the Party claiming the right to an extension of time notify the other Party of the nature of the matter causing an Enforced Delay; and, provided further, that the extension of time shall be only for the period of the Enforced Delay. Notwithstanding the foregoing, deadlines for performance may not be extended as provided above due to any inability of Company to maintain financing for its operations, any inability of Company to conduct the Required Operations on the Site due to eviction, termination of the Company's lease, or other acts of the Owner of the Site, or due to City's inability to make Covenants Consideration payments due and payable to Company. In no event shall either Party be deemed in default of this Agreement because of an Enforced Delay event.

City and Company expressly acknowledge and agree that changes in either general economic conditions or changes in economic assumptions of any of them which may have provided a basis for entering into this Agreement, and which occur at any time after the execution of this Agreement, are not Enforced Delays and do not provide any Party with grounds for asserting the existence of a delay or excuse in the performance of any covenant or undertaking which may arise under this Agreement. Each Party expressly assumes the risk that changes in general economic conditions, or changes in such economic assumptions relating to the terms and covenants of this Agreement could impose an inconvenience or hardship on the continued performance of such Party under this Agreement, but that such inconvenience or hardship is not an Enforced Delay and does not excuse the performance by such Party of its obligations under this Agreement. Notwithstanding the foregoing, in the event changes in economic conditions result a material hardship on the continued performance of either Party under this Agreement, or in the terms of this Agreement being materially disadvantageous to one

Party in comparison to similar agreements between similarly situated companies and cities in Southern California, then, upon the written request of either Party, the Parties shall meet and confer in good faith to discuss potential mutually acceptable modifications to the Agreement; provided, however, that neither Party shall be obligated to agree to any modification or amendment as a result of such meet and confer process.

18. Time of the Essence. Time is of the essence with respect to this Agreement and all Parties' obligations under this Agreement.

19. Warranty Against Payment of Consideration for Agreement. The Company warrants that it has not paid or given, and will not pay or give, to any third person, any money or other consideration for obtaining this Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers and attorneys.

20. Nonliability and Release of City Officials. No member, official, agent, employee, or attorney of the City shall be personally liable to the Company, or any successor in interest of the Company, in the event of any default or breach by the City or for any amount which may become due to the Company or its successors, or on any obligations under the terms of this Agreement, and no judgment or execution thereon entered in any action hereon shall be personally enforced against any such member, official, agent, employee, or attorney of the City. The Company hereby waives and releases any claim it may have personally against the members, officials, agents, employees consultants, or attorneys of the City with respect to any Default or Breach by the City or for any amount which may become due to the Company or its successors, or on any obligations under the terms of this Agreement. The Company makes such release with full knowledge of Civil Code Section 1542, and hereby waives any and all rights thereunder to the extent of this release, if such Section 1542 is applicable California Civil Code Section 1542 provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.”

21. Administration. This Agreement shall be administered and executed by the City Manager of the City, or his/her designated representative, following approval of this Agreement by the City. The City shall maintain authority of this Agreement through the City Manager (or his/her authorized representative). Whenever a reference is made herein to an action or approval to be undertaken by the City, the City Manager is authorized to act on behalf of City unless specifically provided otherwise or the context should require otherwise. The City Manager shall have the authority but not the obligation to issue interpretations, waive provisions, execute the Memorandum of Agreement, extend time limits, and/or enter into amendments of this Agreement on behalf of the City so long as such actions do not substantially change the Company's obligations to comply with the Covenants, or add to the costs to the City as specified herein as agreed to by the City Council. All other waivers or amendments shall require the written consent of the City Council.

22. Successors and Assigns. The provisions of this Agreement shall be binding upon, and inure to the benefit of, the City and the Company and their respective successors and assigns as the case or context may require. Whenever the term "Company" or "City," as the case may be, is used in this Agreement, such term shall include any other permitted successors and assigns as herein provided.

23. Assignment by Company. Company may not assign, transfer, encumber, or hypothecate any of its rights or obligations under this Agreement without the express written consent of City, which shall not be unreasonably withheld.

24. Attorneys' Fees. In the event that suit is brought for the enforcement of this Agreement or, as of the result of any alleged Default, the prevailing party or parties in such suit shall be entitled, in addition to damages, injunctive relief or any other relief to which it might be entitled, to recover their reasonable costs and expenses including, without limitation, litigation costs and reasonable attorneys' fees, from the losing party or parties, and any judgment or decree rendered in such proceeding shall include an award thereof. Costs recoverable for enforcement of any judgment shall include reasonable attorneys' fees.

25. Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

26. Interpretation. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others where and when the context so dictates. The word "including" shall be construed as if followed by the words "without limitation." This Agreement shall be interpreted as though prepared jointly by both Parties.

27. Waiver. Failure of a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, or the failure by a Party to exercise its rights upon the Breach or Default of the other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by the other Party with the terms of this Agreement thereafter.

28. No Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit for the Parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

29. Authority to Execute. The person or persons executing this Agreement on behalf of the Company warrant and represent that they have the authority to execute this Agreement on behalf of their corporation, partnership or business entity and warrant and represent that they have the authority to bind the Company to the performance of its obligations hereunder.

30. Counterparts. This Agreement may be executed and acknowledged in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one (1) Agreement, binding on the Parties hereto.

31. Consent of Owner of the Site; Recordation of Memorandum of Agreement.

The Site and Company's interest therein shall be held, sold, conveyed, hypothecated, encumbered, used, occupied, leased and improved subject to the Covenants set forth herein, which are intended to be equitable servitudes running with the Site for the benefit of, and enforceable by, the City, and binding on upon all persons having any right, title or interest in the Site, or any part thereof, and their heirs, successors, and assigns. By execution of the "Consent of the Owner of the Site" on the signature page of this Agreement, the Owner of the Site hereby expressly acknowledge they have read and understand this Agreement, agree to the entry into this Agreement by the Company, and acknowledge and agree with the provisions of this Section 31. In addition, within fifteen (15) days of full execution of this Agreement, Company and the Owner of the Site agree to execute, and to provide to City for recordation, a Memorandum of Agreement in substantially the same form as attached hereto at Exhibit "C." The written consent of the Owner of the Site to this Agreement and the recordation of the Memorandum of Agreement are express conditions precedent to the effectiveness of this Agreement and all City obligations hereunder. Upon expiration of the Operating Period or earlier termination of this Agreement, City shall cooperate in good faith with Company and the Owner of the Site to execute and record a notice of such expiration or termination of the Agreement and the Covenants.

32. Original Agreement. Except as set forth in the following sentence, this Agreement is intended to replace and supersede in its entirety the Original Agreement and, upon the Effective Date, the Original Agreement shall be terminated in its entirety, and the City and Company shall have no further rights or obligations under the Original Agreement except as may be expressly provided therein. Notwithstanding the foregoing sentence or anything else in this Agreement to the contrary, the terms of the Original Agreement shall remain in full force and effect through February 28, 2016 and the City shall continue to be obligated under the Original Agreement to pay Company any Covenants Consideration due and payable under the Original Agreement as of the Effective Date of this Agreement. For purposes of calculating the Quarterly Payment, if any, due Company under the terms of the Original Agreement for the portion of the Quarter commencing January 1, 2016 and ending February 29, 2016, the amount of Sales Tax Revenues for the entire Quarter and the amount of the "Quarterly Baseline" shall each be multiplied by two-thirds (2/3) before calculating the "Quarterly Increment."

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the respective dates set forth below.

CITY:

CITY OF GARDEN GROVE, a municipal corporation

Dated: _____, 2016

By: _____
Scott C. Stiles
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

Omar Sandoval
Acting City Attorney

COMPANY

AAA OIL, INC., a California corporation

Dated: _____, 2016

By: _____
Jaime Duenas
President

By: _____
Efrain Davalos, Jr.
Secretary

CONSENT BY OWNER OF THE SITE

The undersigned hereby represent and warrant that Duenas Management, LLC is the sole, fee simple Owner of the Site described in Exhibit "A" hereto, and that they are the sole owners, members, and officers of Duenas Management, LLC, and hereby consent to the entering into of this Agreement by AAA Oil, Inc. and the recordation of the Memorandum of Agreement against the Site in the official records of the County of Orange

Dated: _____, 2016

By: _____
Jaime Duenas

Dated: _____, 2016

By: _____
Rogelio Duenas

EXHIBIT "A"

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTH LINE OF SECTION 4, TOWNSHIP 5 SOUTH, RANGE 10 WEST, IN THE RANCHO LAS BOLSAS, AS SHOWN ON A MAP RECORDED IN BOOK 51, PAGE 12 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, DISTANT THEREON NORTH 89 DEG. 14R45" EAST 351 FEET FROM THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION AND RUNNING THENCE NORTH 0 DEG. 49' 15" WEST PARALLEL WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 4, 495 FEET; THENCE EASTERLY PARALLEL WITH THE SOUTH LINE OF SAID SECTION 4, 529 FEET, MORE OR LESS, TO THE EASTERLY LINE OF THE WEST 20 ACRES, OF THE SOUTH 30 ACRES OF THE SOUTH WEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION; THENCE SOUTHERLY ALONG SAID EASTERLY LINE 495 FEET TO THE SOUTH LINE OF SAID SECTION; THENCE WESTERLY ALONG SAID SOUTH LINE 529 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE WEST 320 FEET.

APN: **100-130-38**

EXHIBIT "B"

**QUARTERLY COVENANTS CONSIDERATION PAYMENTS
COMPUTATIONAL STEPS**

Step for Calculating Quarterly Payments for Quarters 1-3

STEP 1: Determine and verify the amount of Sales Tax Revenues for Quarter.

STEP 2: As illustrated in the following table, multiply the applicable portion of the Sales Tax Revenues for Quarter by the corresponding percentage and add the resulting amounts together to determine the Quarterly Covenants Consideration Amount.

Portion of Quarterly Sales Tax Revenues		Percentage		
First \$50,000	x	0%	=	A
Next \$450,000	x	70%	=	B
Next \$250,000	x	60%	=	C
Next \$500,000	x	50%	=	D
Next \$500,000	x	55%	=	E
Amount in Excess of \$1,750,000	x	65%%	=	F
				A+B+C+D+E+F = Quarterly Covenants Consideration Amount

STEP 3: If the Quarterly Covenants Consideration Amount is greater than zero, then Quarterly Payment equals the Quarterly Covenants Consideration Amount.

[If Quarterly Covenants Consideration Amount > 0, then Quarterly Payment = Quarterly Covenants Consideration Amount]

If the Quarterly Covenants Consideration Amount is zero, then no Quarterly Payment is due.

[If Quarterly Covenants Consideration Amount = 0, then Quarterly Payment = 0]

Steps for Calculating Quarterly Payments for Quarter 4

STEP 1: Determine and verify the amount of Sales Tax Revenues for the entire Fiscal Year.

STEP 2: As illustrated in the following table, multiply the applicable portion of the Sales Tax Revenues for the Fiscal Year by the corresponding percentage and add the resulting amounts together to determine the Annual Covenants Consideration Amount.

Portion of Quarterly Sales Tax Revenues		Percentage		
First \$200,000	x	0%	=	A
Next \$1,800,000	x	70%	=	B
Next \$1,000,000	x	60%	=	C
Next \$2,000,000	x	50%	=	D
Next \$2,000,000	x	55%	=	E
Amount in Excess of \$7,000,000	x	50%	=	F
				A+B+C+D+E+F = Annual Covenants Consideration Amount

STEP 3: Subtract the aggregate sum of the Quarterly Payments from Quarters 1, 2 and 3 from the Annual Covenants Consideration Amount to determine the Quarter 4 Quarterly Covenants Consideration Amount.

[Annual Covenants Consideration Amount – Quarter 1 Quarterly Payment – Quarter 2 Quarterly Payment – Quarter 3 Quarterly Payment = Quarter 4 Quarterly Covenants Consideration Amount]

STEP 5: If the Quarter 4 Quarterly Covenants Consideration Amount is greater than zero, then the Quarter 4 Quarterly Payment equals the Quarter 4 Quarterly Covenants Consideration Amount.

[If Quarter 4 Quarterly Covenants Consideration Amount > 0, then Quarterly Payment = Quarter 4 Quarterly Covenants Consideration Amount]

If the Quarter 4 Quarterly Covenants Consideration Amount is less than or equal to zero, then (i) no Quarterly Payment is due, and (ii) any Overpayment for Fiscal Year

will be recaptured from Company by either invoicing Company or offsetting future Quarterly Payments.¹

If Quarter 4 Quarterly Covenants Consideration Amount \leq 0, then Quarterly Payment = 0]

¹ In the event the Sales Tax Revenues for any Fiscal Year are less than Two Hundred Thousand Dollars (\$200,000), resulting in a negative Annual Covenants Consideration Amount, such negative amount is *not* carried forward to future Fiscal Years. However, if a negative Annual Covenants Consideration Amount results in an Overpayment for the Fiscal Year, the Overpayment shall be recaptured from the Company as described in Step 5.

EXHIBIT "C"

MEMORANDUM OF AGREEMENT

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Garden Grove
11222 Acacia Parkway
Garden Grove, California 92840
Attention: City Clerk

This document is exempt from the payment of a recording fee pursuant to Government Code Sections 6103 and 27383.

MEMORANDUM OF AGREEMENT

This **MEMORANDUM OF AGREEMENT** (the "Memorandum") is entered into as of _____ by and between the **CITY OF GARDEN GROVE**, a municipal corporation (the "City"), **AAA OIL, INC., dba California Fuels and Lubricants**, a California corporation ("Company"), and **DUENAS MANAGEMENT, LLC** (the "Owner of the Site").

RECITALS

A. The Owner of the Site is the fee simple owner of that certain real property located at 11621 and 11671 Westminster Avenue in the City of Garden Grove (the "Site"). The Site is commonly known as Assessors Parcel Number 100-130-38, and is more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference.

B. The Company owns and operates a petroleum products distribution business (the "Business") on the Site, and has a leasehold interest in the Site pursuant to a lease agreement between the Company and the Owners of the Site.

C. The City and the Company have entered into that certain Amended and Restated Operating Covenant Agreement, dated _____ (the "Agreement"), pursuant to which, in exchange for certain Covenants Consideration to be paid by the City, the Company is required to comply with certain specified Covenants affecting the Site for the duration of the Operating Period (which includes the period through and including June 30, 2036). The Owner of the Site has expressly consented to entry into the Agreement by the Company and to execution and recordation of this Memorandum. A copy of the Agreement, as it may be amended from time to time, is available for review at the Office of the City Clerk of the City.

D. City, Company, and the Owner of the Site desire to execute this Memorandum to provide notice of the existence of the Agreement and all rights and obligations under the Agreement to all appropriately interested persons, including without limitation any and all future owners and/or lessees of the Site or any part thereof or any interest therein, and this Memorandum in no way modifies the provisions of the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the City, the Company, and the Owner of the Site hereby agree and confirm as follows:

1. Definitions. All capitalized words used herein, unless otherwise defined, shall have the meanings ascribed to them in the Agreement.

2. Effect of Agreement. The Agreement imposes certain Covenants on Company, which pertain to or affect the Site, and which are intended to be equitable servitudes running with the Site for the benefit of, and enforceable by, the City, and binding on upon all persons having any right, title or interest in the Site, or any part thereof, and their heirs, successors, and assigns, as further set forth below, including without limitation the following:

a. Investment to Expand Business. As more specifically set forth in Section 4 of the Agreement, Company is required to make an Additional Capital Investment of no less than Eight Million Dollars (\$8,000,000) for purposes of expanding the Business on the Site.

b. Operating Covenant; Continuous Operation. As more specifically set forth in Section 4 of the Agreement, Company is required to continuously conduct and operate, or cause to be conducted and operated, the Required Operations on the Site during the entire Operating Period (which means the period commencing on March 1, 2016 and continuing until and expiring on June 30, 2036). "Required Operations" means, collectively, the following on and with respect to the Site: (i) Company retaining and continuing to own a leasehold and/or ownership interest in all or such lesser portion of the Site sufficient to allow the Business to be conducted; (ii) Company's operation of the Business on the Site; and (iii) Company not transferring or otherwise relocating all or any portion of the retail sales operation or the point of sale as reported to the SBE for the Business to another facility or location outside of the City. Failure of Company to continuously conduct and operate, or cause to be conducted and operated, the Required Operations on the Site during the entire Operating Period shall entitle City to terminate the Agreement and demand repayment by Company of all previously paid Covenants Consideration in accordance with Subsection 6.b. of the Agreement.

c. Designation of Site as Point of Sale. As more specifically set forth in Section 4 of the Agreement, at all times during the Operating Period, Company is required to designate the Site as the point of sale for Sales Tax purposes in all Business and related sales.

d. Payment of Taxes. As more specifically set forth in Section 4 of the Agreement, Company is required to pay or cause to be paid any and all taxes applicable to or arising out of Company's operation of the Business and ownership, lease, operation and/or use of the Site and/or equipment and facilities on the Site (including, without limitation, all taxes attributable to sales occurring on the Site), except Company retains its right to protest and contest County of Orange decisions related to the value of its interest in the Site and/or SBE decisions related to the amount of Sales Tax due; and Company is required to make or cause to be made timely Sales Tax payments to the SBE.

e. Maintenance of Site. As more specifically set forth in Section 4 of the Agreement, during the Operating Period, Company is required, at no cost to the City, to keep and

maintain, or cause to be kept and maintained, the Site, including all landscaping on the Site and all facilities and equipment pertaining to the Business that are located on the Site, in a first class condition, free from accumulation of debris, weeds, graffiti and waste materials, in good order and repair, and in a safe condition.

f. Compliance With Governmental Requirements. As more specifically set forth in Section 4 of the Agreement, subject to Company's right to contest the same, Company is required to, at all times, comply with all applicable laws, ordinances, statutes, codes, rules, regulations, orders and decrees of the United States, the State of California, the County of Orange, the City or any other political subdivision in which the Site is located, and of any other political subdivision, agency or instrumentality exercising jurisdiction over the City, the Company, or the Site, including all applicable federal, state and local occupation, safety and health laws, rules, regulations and standards, applicable federal and state labor standards, applicable prevailing wage requirements, the City zoning and development, building, plumbing, mechanical and electrical codes, and all other provisions of the City of Garden Grove and its Municipal Code, and all applicable disabled and handicapped access requirements, including, without the limitation, the Americans With Disability Act, 42 U.S.C. §12101 et seq., Government Code §4450 et seq., and the Unruh Civil Rights Act, Civil Code §51 et seq. ("Governmental Requirements").

3. Agreement and Memorandum Run with the Site. The Site and Company's interest therein shall be held, sold, conveyed, hypothecated, encumbered, used, occupied, leased and improved subject to the Covenants set forth in the Agreement and the provisions of this Memorandum, which are intended to be covenants running with the land and enforceable by the City, and its successors and assigns, as equitable servitudes against the Site for the benefit of the City, and binding on upon all persons having any right, title or interest in the Site, or any part thereof, and their heirs, successors, and assigns. All covenants, without regard to technical classification or designation shall be binding for the benefit of City and such covenants shall run in favor of City for the entire period during which such covenants shall be in force and effect, without regard to whether City is or remains an owner of any land or interest therein to which such covenants relate.

4. Provisions. To the extent of any inconsistency between the Agreement and this Memorandum, the Agreement shall control.

5. Successors and Assigns. This Memorandum shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns.

6. Governing Law. This Memorandum shall be governed in accordance with the laws of the State of California.

7. Recordation. City, Company, and the Owner of the Site hereby confirm and acknowledge that this Memorandum shall be recorded in the Official Records of Orange County, California, following execution. Upon recordation of this Memorandum, this Memorandum shall replace that certain Memorandum of Agreement executed by City, Company, Jaime Duenas, and Rogelio Duenas, dated August 13, 2013, and recorded September 16, 2013, as

document number 2013000536943 (the "Original Memorandum"), and the Original Memorandum shall be of no further force and effect.

8. Counterparts. This Memorandum may be executed in counterparts, each of which shall be deemed an original and which together shall constitute a single agreement.

IN WITNESS WHEREOF, the City, the Company, and the Owner of the Site have executed this Memorandum as of the date first written above.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the undersigned have executed this Memorandum of Agreement on the respective dates set forth below.

CITY:

CITY OF GARDEN GROVE, a municipal corporation

Dated: _____, 2016

By: _____
Scott C. Stiles
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

Omar Sandoval
Acting City Attorney

COMPANY

AAA OIL, INC., a California corporation

Dated: _____, 2016

By: _____
Jaime Duenas
President

By: _____
Efrain Davalos, Jr.
Secretary

OWNER OF THE SITE

DUENAS MANAGEMENT, LLC, a California limited liability company

Dated: _____, 2016

By: _____
Jaime Duenas, Member

Dated: _____, 2016

By: _____
Rogelio Duenas, Member

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE) ss.

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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 OF NOTARY PUBLIC

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE) ss.

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WITNESS my hand and official seal

SIGNATURE OF NOTARY PUBLIC

EXHIBIT "A"

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTH LINE OF SECTION 4, TOWNSHIP 5 SOUTH, RANGE 10 WEST, IN THE RANCHO LAS BOLSAS, AS SHOWN ON A MAP RECORDED IN BOOK 51, PAGE 12 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, DISTANT THEREON NORTH 89 DEG. 14R45" EAST 351 FEET FROM THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION AND RUNNING THENCE NORTH 0 DEG. 49' 15" WEST PARALLEL WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 4, 495 FEET; THENCE EASTERLY PARALLEL WITH THE SOUTH LINE OF SAID SECTION 4, 529 FEET, MORE OR LESS, TO THE EASTERLY LINE OF THE WEST 20 ACRES, OF THE SOUTH 30 ACRES OF THE SOUTH WEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION; THENCE SOUTHERLY ALONG SAID EASTERLY LINE 495 FEET TO THE SOUTH LINE OF SAID SECTION; THENCE WESTERLY ALONG SAID SOUTH LINE 529 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE WEST 320 FEET.

APN: **100-130-38**



January 19, 2016

Mr. Greg Blodgett
Senior Project Manager
Ms. Grace Lee
Sr. Economic Development Specialist
City of Garden Grove | Economic Development Division
11222 Acacia Parkway
Garden Grove, CA 92840

RE: AAA Oil, Inc. (Dba California Fuels and Lubricants)
AB 562 - Economic Development Strategy
Job Retention, Capital Investment and Sales Tax Sharing

Dear Mr. Blodgett and Ms. Lee:

The City of Garden Grove (City) has commissioned Tierra West Advisors, Inc. (Tierra West) to mediate, review, analyze and prepare a report pertaining to an Amended and Restated Operating Covenant Agreement, between the City and AAA Oil, Inc. Dba California Fuels and Lubricants (CFL). The Amended and Restated Operating Covenant Agreement and terms are based upon the City's economic development strategy and in compliance with the newly enacted public reporting requirements of Assembly Bill 562 (AB 562)The State Legislature and Governor Brown, due to the elimination of Redevelopment addressed the loud outcry by cities, counties and communities for the need to legislatively assist local agencies, as well as the State, to encourage employment, retain jobs and companies in local communities. The loss of redevelopment has left the City of Garden Grove with a loss of local resources to encourage economic development. In response to this financial loss, the City of Garden Grove is developing an economic development strategy and considering an economic development subsidy that will comply with the continued public reporting provisions mandated by AB 562.

CFL, located in Garden Grove, is proposing to maintain its primary office location within the City for the next 20 years and four (4) months maintain the City as the Point of Sales for all

2616 East 3rd Street
Los Angeles California 90033
T 323/265 4400
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W tierrawestadvisors.com

REAL ESTATE & DEVELOPMENT
STRATEGISTS

taxable sales. In order to remain competitive and promote expansion, CFL and the City are proposing to enter into the Amended and Restated Operating Covenant Agreement which includes a revenue sharing and capital investment arrangement as part of the City's Economic Development Program.

The Amended and Restated Operating Covenant Agreement is intended to provide CFL and the City the ability to address among others:

- Decline in competitiveness due to industry consolidation
- Update the existing Operating Covenant Agreement
- Extend CFL's operations in the City
- Retain City General Fund revenues to provide needed services for residents
- Retain and capture future growth in CFL product sales (leveraging on estimated future revenue and industry price increases) Increase the economic competitiveness of Garden Grove
- Increase the City's wealth and prosperity
- Diversify the City's economic base and wage levels
- Outreach and support to existing businesses
- Maintain and enhance a consistent, business-friendly environment
- Expand public-private partnership opportunities

Tierra West recognizes that the provisions of the Amended and Restated Operating Covenant Agreement and retention of CFL would not only assist CFL but also provide a strong public purpose through the City's continued expansion of economic development opportunities for businesses within the City. Simultaneously, retention of CFL in the City, will provide continued growth of the City's General Fund revenue and tax base and improve economic and physical conditions and services in the City.

Sincerely,
TIERRA WEST ADVISORS, INC.



John N. Yonai



City of Garden Grove
Economic Development (AB562)
Amended and Restated Operating Covenant Agreement
between
City of Garden Grove
and
AAA Oil, Inc.
dba California Fuels and Lubricants

The City of Garden Grove (City) in order to maintain sustainable economic development, community vitality and recovery from the annual loss of over \$5 million previously received by the City's Redevelopment Agency, is implementing economic development strategies that include the application of Assembly Bill (AB) 562. The City and AAA Oil, Inc., dba California Fuels and Lubricants, (CFL) propose to enter into an Amended and Restated Operating Covenant Agreement. The Amended and Restated Operating Covenant Agreement requires CFL to remain in operation in the City and the City will continue to provide revenue sharing with CFL.

The loss of redevelopment has left the City of Garden Grove as well as all cities Statewide with a loss of local resources to encourage economic development and maintain local services. The California Legislature and Governor Brown made the decision to terminate redevelopment and removed the single largest economic tool available to local agencies. Based upon the decision to terminate redevelopment statewide, the Governor and Legislature recognized the necessity of cities, counties and the State, to encourage employment and retain jobs and companies by giving economic subsidies to businesses and the importance of providing public input by requiring:

1. A public hearing prior to the granting of the subsidy
2. A report regarding the subsidy within the term
3. Where a subsidy has a term of more than 10 years, an additional public hearing at the conclusion of the subsidy.

The State approved AB 562, which went into effect on January 1, 2014, codifying a continued public reporting requirement for economic development subsidies.

This report includes the information required by AB 562 and the fiscal analysis necessary to determine the projected revenue generated by CFL to the City as part of the economic development strategy for business retention through an Amended and Restated Operating Covenant Agreement. The City provided information which was utilized to establish an estimated "Revenue Tax Base" of sales tax collected by the City from CFL. After the Revenue Tax Base was determined, projections of additional revenue generation from sales tax collections directly attributable to the business were developed. The projected revenue tax increase from CFL represents new resources as well as the retention of a portion of existing general fund revenues to the City of which a percentage of the revenue collected will be shared with CFL. This will avoid significant fiscal impacts to City revenues and community services.

AB562 requires a statement of public purpose for the economic development subsidies which can be satisfied by showing how the public is benefited at large with the proposed business retention. Community-wide benefits can be readily shown by the retention of revenues that will be used to provide municipal services. The City Council may choose to approve the Amended and Restated Operating Covenant Agreement in order to retain and expand jobs, maintain a local business, assist CFL to gain competitiveness within the fuel provision industry and incentivize the business owner to consider and complete upgrades and improvements. This report identifies the financial data necessary to allow the City Council to determine the value of entering into the proposed Amended and Restated Operating Covenant Agreement.

AB 562 Reporting Requirements

On and after January 1, 2014, each local agency shall, before approving any economic development subsidy within its jurisdiction, provide all of the following information in written form available to the public, and through its Internet Web site, if applicable:

1. The name and address of all corporations or any other business entities, except for sole proprietorships, that are the beneficiary of the economic development subsidy, if applicable.

AAA Oil, Inc., dba California Fuels & Lubricants – 11621 Westminster Ave, Garden Grove, CA 92843

Founded in 2004, AAA Oil, Inc., dba California Fuels and Lubricants, (CFL) is a state provider of competitively priced energy products and services. CFL delivers high-quality name brand petroleum products including but not limited to clear and dyed diesel, gasoline, all variety of lubricants, greases, DEF, propane, CNG, and LPG. CFL operates its own fleet of vehicles and provides 24/7 emergency services, fuel and lube inventory management, remote tank monitoring with a fully integrated fuel management system/fuel monitoring and tank rentals and sales. Certifications include Supplier Clearing House: Minority Business Enterprise (MBE) CPUC VON: 11090024 and National Minority Supplier Development Council (NMSDC) #SC05132.

Refined Petroleum Industry

The refined petroleum products market in the US grew 22 percent between 2006-2012 despite a sharp decline in consumption and price during the economic downturn. The local refined petroleum products industry followed similar trends, growing by an average of 6 percent per year during the 2006-2012 review period. The US refined petroleum products industry became more export-oriented with the share of exports increasing from 6 percent in 2006 to 16 percent in 2012. Strong growth is forecast for the industry as high prices and recovering volume demand will propel revenues.

2. The start and end dates and schedule, if applicable, for the economic development subsidy.

The Amended and Restated Operating Covenant, if approved, is for twenty (20) years and (4) months commencing on March 1, 2016 and ending on June 30, 2036.

Sales Tax Generation

The Bradley Burns Uniform Local Sales and Use Tax (“Bradley Burns”) applies to the sales of tangible personal property in which a percentage of California’s sales and use tax rate is distributed back to the jurisdiction where sales were generated to support local general funds. For many jurisdictions, including the City, this amount is one percent (1%). Sales tax is payable to the City from the State Board of Equalization. The calculations in this report indicate only the estimated amount of sales tax to be received by the City through the distribution formula used by the State Board of Equalization. CFL proposes to maintain and enhance existing business operations in the City. The City and CFL mutually agreed that a Sales Tax Base would be set at \$200,000 annually. Payment will be made quarterly with \$50, 000 per quarter set as the base to offset and minimize any potential decline in current general fund revenue. Therefore, the City would receive the first \$50, 000 in a quarter and revenue sharing would commence on any sales tax generated by CFL above this amount. The Annual base remains at \$200,000

Sales projections were developed based upon review of retail sales data between the years of 2011 through 2015. According to the historical sales data, CFL generated on average of \$6.93 million in revenue per quarter or \$27.72 million annually. 2014 and 2015 data indicated steady growth in revenue with an average of \$9.13 million in sales per quarter or \$36.5 million per year.

The City and CFL previously entered into an Operating Covenant Agreement in August 2013, which provides for the City to rebate to CFL 50% of the incremental additional sales tax revenue generated by CFL above the amount of sales tax revenues generated in the Fiscal Year 2012-2013 base year, for a period of 10 years (through June 20, 2023), up to an aggregate maximum of \$2,000,000 with the remaining 50% of the incremental additional sales tax revenue retained by the City. The existing Operating Covenant Agreement also calls for a minimum of \$2,000,000 capital investment by CFL in the business. Under the current Operating Covenant Agreement, CFL has already exceeded the \$2,000,000 capital investments. In addition, the City has received 99.99% of the sales tax revenue while CFL has received less than 0.01%.

3. A description of the economic development subsidy, including the estimated total amount of the expenditure of public funds by, or of revenue lost to, the local agency as a result of the economic development subsidy.

Economic Development Strategy Implementation and Business Retention

In furtherance of the City's economic development strategies, a revenue sharing agreement in the form of the Amended and Restated Operating Covenant Agreement is being proposed. Pursuant to AB562, the revenue sharing Amended and Restated Operating Covenant Agreement is defined as an Economic Development Subsidy that is an expenditure of public funds or loss of revenue to a local agency in the amount of one hundred thousand dollars (\$100,000) or more, for the purpose of stimulating economic development within the jurisdiction of a local agency, including, but not limited to, bonds, grants, loans, loan guarantees, enterprise zone or empowerment zone incentives, fee waivers, land price subsidies, matching funds, tax abatements, tax exemptions, and tax credits. The Economic Development Subsidy shall not include expenditures of public funds by, or loss of revenue to, the local agency for the purpose of providing housing affordable to persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code. The City and CFL are currently in a revenue sharing agreement which the parties propose to amend and extend. The current Operating Covenant Agreement term began in July of 2013; the Amended and Restated Operating Covenant Agreement term will extend the current Operating Covenant Agreement by 20 years and four (4) months from March 1, 2016 and expiring on June 30, 2036.

The City is being proactive in retaining CFL as one of the major contributors to the City's general fund. The City's economic development strategies recognize the vulnerable economic recovery the Nation and City are experiencing. The potential relocation of CFL and total loss of revenue would be much more detrimental and undermine the City's delicate economic recovery and cause significant impact to its services. The City is making a significant commitment to maintain the economic momentum it has gained over the past 12 months.

The City and CFL propose to enter into an Amended and Restated Operating Covenant Agreement that would extend the commitment by CFL to remain in the City for twenty (20) years and four (4) months. The Amended and Restated Operating Covenant Agreement provides for a sales tax sharing structure that would provide CFL with up to seventy (70) percent of the sales tax revenue generated by CFL above sales tax in excess of \$200,000 generated annually, with payments distributed quarterly that are in excess of \$50,000 per quarter not to exceed two million dollars (\$2,000,000) and the City receives up to thirty (30) percent of the revenue between \$200,000 and \$2,000,000 in addition to the first \$200,000 of annual revenue which shall be paid quarterly in excess of the \$50,000. It is estimated that the Amended and Restated Operating Covenant Agreement will provide CFL with approximately \$6.6 million and the City \$6.9 million over a twenty (20) year and four (4) month period.

- The City base revenue receipts is reset to \$200,000 annually or \$50,000 quarterly

- City retains the first \$200,000 of sales tax collected annually which is accounted for in quarterly sales tax amounts of \$50,000 before sales tax sharing reimbursements commence to CFL.
- This allows the City to gradually adjust to the new terms and financial impact.
- City and CFL sharing of revenue in the Amended and Restated Operating Covenant Agreement includes the following structure:
 1. 30/70 from \$200,001 to \$2,000,000
 2. 40/60 from \$2,000,001 to \$3,000,000
 3. 50/50 from \$3,000,001 to 5,000,000
 4. 45/55 from \$5,000,001 to \$7,000,000
 5. 35/65 from \$7,000,001 and up.

In addition to the Amended and Restated Operating Covenant Agreement addressing Sales Tax sharing between the parties, CFL commits to investing \$8 million in capital assets between 2015 and 2024 as part of its growth plans within the City. CFL has already committed \$3.368 million to capital investment in 2015 as part of this Amended and Restated Operating Covenant Agreement.

4. A statement of the public purposes for the economic development subsidy.

Public Purpose

Review of the Amended and Restated Operating Covenant Agreement and proposed revenue sharing between CFL and the City is consistent with the City’s economic goals and strategies and is in the best interest of the general public.

Economic goals and strategies include the following:

- Increase the economic competitiveness of Garden Grove
- Increase the City’s wealth and prosperity
- Maximize public revenues and economic development financing options
- Diversify the City’s economic base and wage levels
- Outreach and support to existing businesses
- Maintain and enhancing a consistent, business-friendly environment
- Expand public-private partnership opportunities
- Maintain current and provide future City public Services, capital projects and maintenance

The loss of redevelopment has had significant fiscal impact on City revenues as a result of eliminating the primary local economic tool. Retaining CFL’s business operations in the City would address the need and desire to maintain revenue streams such as property and sales tax to the City. Additionally, CFL’s continued presence in the City would assist in maintaining relative balance in the local economy through indirect retail sales and employment from other local businesses that are supported by CFL’s location in the City.

The Amended and Restated Operating Agreement assists CFL in the following areas:

- Decline in competitiveness due to industry consolidation

- Update current Operating Covenant Tax Sharing Agreement Terms to allow CFL to remain competitive
- Early capture of future growth in product sales (leveraging on estimated future revenue or industry price increases)

CFL has identified multiple instances where larger competitors, created by significant consolidation of operators in the industry, have prevailed over CFL by providing prices at significantly lower than CFL product costs. In recent months there have been a number of smaller firms that have been purchased by larger companies. These acquisitions have made it difficult for many of the remaining smaller operations to submit competitive price quotes for new business contracts. Larger companies are positioned to offer lower bid prices, thus creating a challenging environment for operations similar to CFL to remain viable.

CFL and the City concur that the current Operating Covenant Agreement between the City and CFL is not reflective of the current industry standards or requirements for competitiveness. Tierra West has reviewed comparable agreements between companies and communities and noted substantial support for revenue sharing agreements of 65 percent and above. CFL, as well as, overall industry forecasts project significant growth in sales revenue over the next five (5) and ten (10) years. City staff and CFL agree that early capture or the ability of CFL to accelerate increases in revenue through the proposed Amended and Restated Operating Covenant Agreement will allow it to be more competitive with contract pricing and operations.

5. Projected tax revenue to the local agency as a result of the economic development subsidy.

Based upon the proposed Amended and Restated Operating Covenant Agreement, it is estimated that the City will receive \$3.1 million during the first ten (10) years of the Amended and Restated Operating Covenant Agreement and \$6.9 million over the course of the full term of the twenty (20) year and four (4) month Amended and Restated Operating Covenant Agreement.

6. Estimated number of jobs created by the economic development subsidy, broken down by full-time, part-time, and temporary positions.

AAA Oil, Inc., dba California Fuels and Lubricants (CFL), was founded in Garden Grove September 2004 with only 2 employees. Today they employ 44 people and are one of the City's top ten (10) highest sales tax producers.

CFL projects the addition of approximately 130 to 235 new jobs over a period of twenty (20) years and four (4) months. New jobs will include drivers, dispatchers, logistics office staff, accounting and IT positions. Job growth as proposed at this facility will be constant each year at a rate of change/growth that ranges from 12.5% in its lowest year of 2014 to 44.4% in the highest growth year of 2017. Notable growth in employment opportunities in the initial years and constant job growth throughout the twenty (20) year four (4) month period is consistent with the capital investment proposed by CFL.

Summary

AAA Oil, Inc., dba California Fuels and Lubricants (CFL) and the City have agreed that CFL remaining in Garden Grove is beneficial for both parties. The City has proposed that CFL agree to an Amended Operating Covenant Agreement to remain in Garden Grove for the next twenty (20) years. CFL and the City have mutually agreed to a revenue sharing structure and capital investment plan in exchange for the Amended and Restated Operating Covenant Agreement. The Amended and Restated Operating Covenant Agreement provides CFL a more competitive advantage in an industry that is consolidating and extremely competitive for smaller firms. The Amended and Restated Operating Covenant Agreement is the economic development subsidy that is consistent with the City's economic development implementation strategy and as prescribed in AB 562.

Assistance is provided in the form of a revenue sharing Amended and Restated Operating Covenant Agreement between CFL and the City. The Amended and Restated Operating Covenant Agreement provides for CFL receiving 50.0% to 70.0% of the sales tax revenue generated by CFL's sales operation with the balance of 30.0% to 50.0% remaining with the City. The proposed Amended and Restated Operating Covenant Agreement is for twenty (20) years and four (4) months. The estimated amount of the total subsidy or expenditure of public funds would be \$6.6 million over a twenty (20) year four (4) month period.

Based upon review of the Amended and Restated Operating Covenant Agreement, the structure is consistent with the City's economic goals and an implementation strategy is in the best interest of the general public. The Amended and Restated Operating Covenant Agreement and projections indicate the City will receive approximately \$6.9 million in sales tax revenue during the twenty (20) year four (4) month Amended and Restated Operating Covenant Agreement.

The Amended and Restated Operating Covenant Agreement serves a valid public purpose through the expansion of economic development opportunities for businesses in the City, continuing to expand the City's employment base, increasing capital investment in the CFL, increasing the property and personal property tax base, and continuing to generate sales tax revenue that the City utilizes to fund general governmental services for businesses and residents.

Recommendation

Retention of CFL in the City will continue to contribute to the economic vitality of the City, provide additional jobs within the City, expand the City's tax base and improve economic and physical conditions in the City. Loss or relocation of CFL out of the City will impact a vulnerable economic recovery and momentum that the City is achieving and reduce City services. As such, it is recommended that the Amended and Restated Operating Covenant Agreement be approved.

By its approval of the Amended and Restated Operating Covenant , the City Council of the City of Garden Grove finds and determines that the Amended and Restated Operating Covenant Agreement serves a valid public purpose through continuing to expand economic opportunities for businesses in the City, continuing to expand the City's employment base, and continuing to generate Sales Tax that the City will utilize to fund general governmental services such as police, fire, street maintenance, and parks and recreation programs.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Maria Stipe
Dept.: City Manager Dept.: Deputy City Manager
Subject: Public Hearing - District Elections Date: 1/26/2016
mapping process update. (*Action Item*)

OBJECTIVE

The purpose of this report is to receive a report on the first round of community input on the district elections mapping process, provide sample voting district discussion maps for City Council consideration and hold a public hearing to receive public input on district boundaries.

BACKGROUND

On September 25, 2015, the City Council approved a settlement in a lawsuit brought against the City asserting the City's current "at-large" method of electing City Council members violates the California Voting Rights Act. Pursuant to the settlement the City must replace the current at-large election process with a by-district election process beginning in 2016. Although the settlement calls for five districts and elimination of an at-large mayor's election, the court is still reviewing this aspect of the case.

In October 2015, the City Council approved an agreement with Compass Demographics to direct the process of creating districts. In coordination with Mr. David Ely, a community participation plan was developed to gather public input on voting district boundaries and to facilitate the development of preliminary district map proposals.

DISCUSSION

In accordance with the community participation plan the City began outreach efforts including, but not limited to, the following elements described in this section.

Outreach

The City established a dedicated webpage containing all notices and information on the district elections mapping process with information in English, Spanish, Korean, Chinese and Vietnamese. An email address specific to voting district formation

communications - districtelections@garden-grove.org was also established.

Additionally, City staff provided information to the public on the district mapping process through the City's social media accounts, press releases, posting notices in the City's regular posting locations, listings on the City's events calendar, information in the City water bill inserts, emails to local community groups and residents, and a study session at the November 24, 2015, City Council meeting.

Individual Meet with the Expert Meetings Round 1

Public input began with a series of meetings for interested stakeholders with demographics mapping expert David Ely from Compass Demographics. Mr. Ely held 11 individual and small group meetings from November 30 – December 4, 2015, generally from 10:00 am to 9:00 pm. Mr. Ely discussed how equal population districts might be distributed, using a Garden Grove map with United States 2010 Census population figures by Census block groups to facilitate stakeholder efforts and input regarding communities of interest. He provided data tables to accompany sample discussion maps to convey demographic information expressed in percentages, including voting age population by ethnicity, Spanish and Asian surname registered voters and Spanish and Asian surname voter turnout. The City offered interpreters for individual meetings upon request.

Community Meetings Round 1

Following the small group meetings with key stakeholders, public input continued with three community meetings, at various locations in the City on different days and times to accommodate the public. Each meeting had the same agenda. The meetings began with an educational presentation to inform the public about voting districts and the process for initial formation of district boundaries. The group then separated into small groups led by outreach facilitators to elicit participants' ideas about communities of interest, connections, barriers, divisions and sample maps. The City provided Spanish, Korean, Chinese and Vietnamese translators at all of the community meetings. Mr. Ely will summarize the comments received thus far during his presentation.

Voting District Discussion Maps

Mr. Ely has created three sample voting district discussion maps and provided related data tables showing options for five districts. Based on input from the first round of individual and community meetings, it was determined that the sample maps provide a good representation of what final maps might look like with some fine tuning based on community input.

Attendees at the community meetings participated in an exercise to identify communities of interest, geographic features and where boundaries should be drawn but this exercise did not produce any finalized maps submitted for consideration of district boundaries. No community members have submitted finalized maps for consideration at this point.

The three sample voting district discussion maps are attached to this report, labeled as "Sample Voting District Maps and Data". The community meeting presentation materials are also attached.

Next Steps

Mr. Ely will hold a second round of Meet the Expert meetings on January 28, 29, 30 and February 1 and 2, 2016 and a second round of community meetings will occur on March 2, 5, 9, and 12, 2016. These meetings will give the public another opportunity to provide input on discussion map proposals.

In March or April 2016, the City Council will hold a public hearing following the second round of meetings to consider final district proposals.

FINANCIAL IMPACT

None.

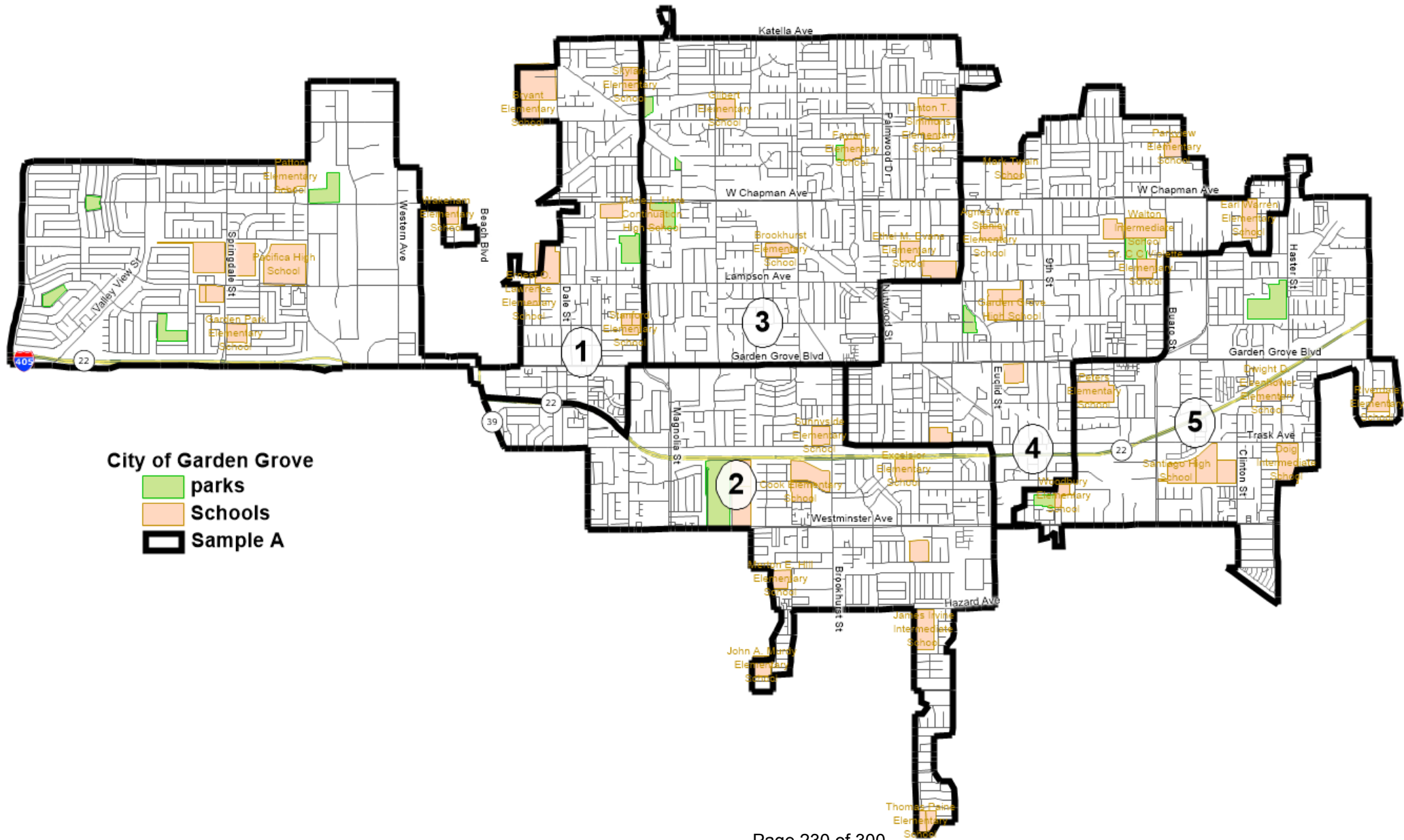
RECOMMENDATION

It is recommended that the City Council:

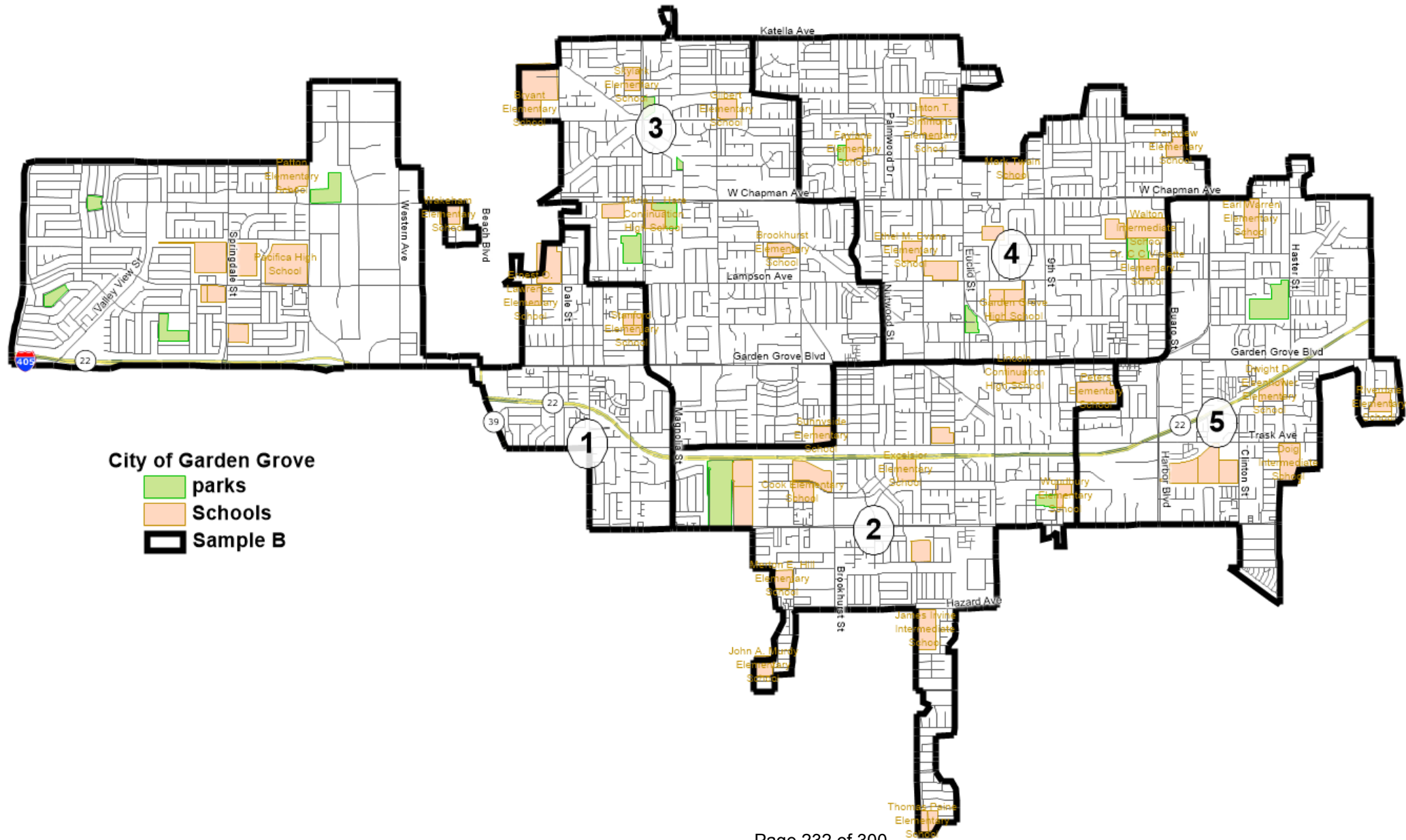
- Receive the presentation from David Ely, Compass Demographics, regarding voting district discussion maps and the first round of voting district formation community participation meetings to gather public input on district boundaries;
- Discuss voting district formation and voting district discussion maps; and
- Hold a public hearing to receive public input on district boundaries.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Sample Voting District Maps and Data	1/19/2016	Exhibit	Gardengrove_meeting1_(4).Sample_Maps____Data.pptx
Community Meeting Materials	1/19/2016	Exhibit	Gardengrove_meeting1_(4).pptx



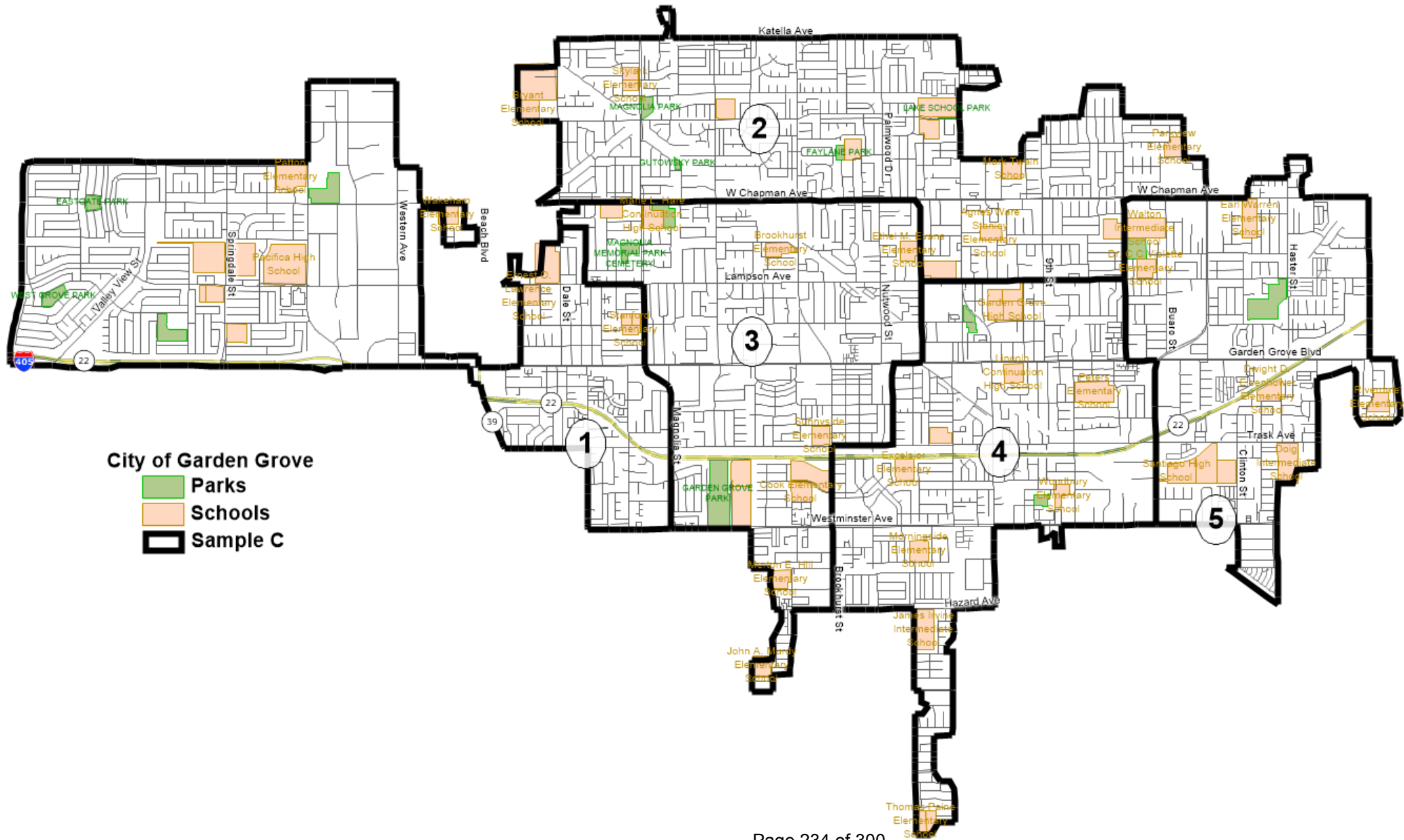
District	City Total	Sample A				
		1	2	3	4	5
Population	170883	33837	34265	34221	34380	34180
Deviation		-340	88	44	203	3
% Deviation		-1.0%	0.3%	0.1%	0.6%	0.0%
White	22.6%	42.5%	12.8%	26.3%	20.8%	10.7%
Asian	37.7%	30.4%	60.9%	36.7%	35.6%	24.9%
Latino	36.9%	24.1%	24.0%	33.8%	40.6%	62.0%
Voting Age Pop.						
White	25.7%	45.4%	14.9%	30.1%	24.3%	13.1%
Asian	39.0%	30.6%	61.6%	37.8%	36.6%	27.7%
Latino	32.6%	21.2%	21.4%	29.1%	36.2%	56.6%
Citizen Voting Age Pop D13						
White	31.2%	50.8%	17.5%	34.2%	30.6%	18.7%
Asian	41.2%	29.6%	63.4%	41.6%	36.1%	35.0%
Latino	24.6%	16.6%	16.2%	21.6%	29.7%	43.2%
2015 Registered Voters						
Spanish Surname	22.4%	15.1%	15.2%	19.4%	26.9%	41.3%
Asian Surname	36.3%	22.4%	59.4%	35.2%	34.7%	32.7%
Vietnamese Surname	29.3%	15.9%	51.2%	28.1%	27.1%	26.9%
Nov 2012 Voters						
Spanish Surname	20.3%	13.8%	14.9%	17.9%	24.9%	37.4%
Asian Surname	32.4%	18.1%	55.9%	30.7%	31.2%	33.1%
Vietnamese Surname	25.9%	12.6%	48.4%	24.3%	23.9%	27.5%
Nov 2014 Voters Turnout	42.4%	46.2%	41.8%	43.2%	41.4%	37.7%
Spanish Surname	15.3%	10.7%	9.5%	13.5%	18.9%	30.2%
Asian Surname	38.8%	21.6%	64.3%	36.1%	37.7%	41.6%
Vietnamese Surname	32.4%	15.9%	57.3%	30.0%	30.1%	36.6%



City of Garden Grove

- parks
- Schools
- Sample B

District	City Total	Sample B				
		1	2	3	4	5
Population	170883	34044	34550	34129	34026	34134
Deviation		-133	373	-48	-151	-43
% Deviation		-0.4%	1.1%	-0.1%	-0.4%	-0.1%
White	22.6%	40.5%	11.5%	22.9%	26.5%	11.7%
Asian	37.7%	33.3%	54.7%	42.1%	33.1%	25.0%
Latino	36.9%	23.3%	31.5%	31.8%	37.3%	60.6%
Voting Age Pop.						
White	25.7%	43.4%	13.6%	26.1%	30.5%	14.3%
Asian	39.0%	33.7%	56.1%	43.4%	33.8%	27.8%
Latino	32.6%	20.3%	28.1%	27.5%	33.0%	55.2%
Citizen Voting Age Pop D13						
White	31.2%	49.3%	17.0%	29.3%	36.3%	19.8%
Asian	41.2%	32.8%	58.3%	48.2%	32.8%	34.2%
Latino	24.6%	15.0%	21.1%	20.3%	27.8%	42.4%
2015 Registered Voters						
Spanish Surname	22.4%	14.4%	19.1%	18.8%	24.2%	40.8%
Asian Surname	36.3%	24.7%	57.1%	39.2%	31.8%	31.8%
Vietnamese Surname	29.3%	18.1%	49.8%	30.8%	25.0%	25.7%
Nov 2012 Voters						
Spanish Surname	20.3%	13.0%	18.6%	17.3%	22.4%	37.1%
Asian Surname	32.4%	20.2%	53.9%	35.0%	27.8%	31.9%
Vietnamese Surname	25.9%	14.5%	47.2%	27.4%	21.3%	26.0%
Nov 2014 Voters Turnout	42.4%	46.1%	41.9%	41.6%	42.8%	38.0%
Spanish Surname	15.3%	9.9%	12.6%	12.7%	17.1%	29.8%
Asian Surname	38.8%	23.7%	63.1%	40.8%	33.4%	40.0%
Vietnamese Surname	32.4%	17.8%	56.6%	33.8%	26.7%	34.7%



District	City Total	Sample C				
		1	2	3	4	5
Population	170883	34044	34439	34032	34253	34115
Deviation		-133	262	-145	76	-62
% Deviation		-0.4%	0.8%	-0.4%	0.2%	-0.2%
White	22.6%	40.5%	28.1%	18.3%	13.7%	12.2%
Asian	37.7%	33.3%	31.8%	51.3%	47.2%	25.0%
Latino	36.9%	23.3%	36.9%	27.5%	36.6%	60.1%
Voting Age Pop.						
White	25.7%	43.4%	32.4%	21.1%	16.0%	14.9%
Asian	39.0%	33.7%	32.3%	51.9%	49.1%	27.7%
Latino	32.6%	20.3%	32.3%	24.2%	32.6%	54.6%
Citizen Voting Age Pop D13						
White	31.2%	49.3%	37.2%	24.2%	20.4%	20.8%
Asian	41.2%	32.8%	32.8%	56.2%	50.8%	33.6%
Latino	24.6%	15.0%	27.4%	16.3%	25.9%	41.9%
2015 Registered Voters						
Spanish Surname	22.4%	14.4%	22.9%	17.1%	22.7%	40.3%
Asian Surname	36.3%	24.7%	30.8%	47.7%	49.6%	31.8%
Vietnamese Surname	29.3%	18.1%	24.8%	38.9%	42.0%	25.7%
Nov 2012 Voters						
Spanish Surname	20.3%	13.0%	21.4%	16.1%	21.2%	36.6%
Asian Surname	32.4%	20.2%	26.6%	43.4%	47.0%	31.6%
Vietnamese Surname	25.9%	14.5%	20.8%	35.5%	39.6%	25.7%
Nov 2014 Voters Turnout	42.4%	46.1%	43.3%	41.8%	40.7%	38.4%
Spanish Surname	15.3%	9.9%	16.3%	11.7%	15.0%	28.8%
Asian Surname	38.8%	23.7%	31.6%	50.6%	55.9%	40.1%
Vietnamese Surname	32.4%	17.8%	26.0%	43.3%	48.4%	34.7%

Process and Anticipated Schedule

Community Participation Processes

- Two Rounds
 - Individual Informational Meetings (Nov.–Dec. 2015 & Early 2016)
 - Community Meetings
 - Multiple community meetings in each round (Dec. 2015 & Mar. 2016)
 - Project overview and gather valuable feedback to incorporate into the development of the sample maps
- Public Hearings
 - Hearings will be held to present proposed districts and receive public input

General Districting Considerations

- Legal Requirements
- Geography
 - Neighborhoods
 - Physical Layout
 - School Districts and Other Areas
- Political Participation
 - Voter Registration
 - Voter Turnout
 - Ethnic Shares
- Demographic Characteristics
 - Population by Ethnicity
 - Voting Age Population by Ethnicity
 - Citizen Voting Age by Ethnicity
- Socio-Economic Characteristics
 - Income
 - Home Ownership
 - Age of Housing
 - Length of Residence
- Public Input

Geographic Criteria

- Areas that function as **neighborhoods or communities** that should be kept together in a single district
- Neighborhoods or communities that share **common interests** and should be combined within a district
- Physical features such as streets, utilities or other elements that would act as natural **barriers** between districts
- Communities that are **dissimilar** and should be put into separate districts
- Significant locations or **points of interest** that are of particular importance or concern to individual communities; explain their significance.

Technical Process

Criteria

Federal Requirement	
1	Equal Population
	As equal as practical based on data and Criteria Based on most recent Census Total Population
2	Minority Voting Rights
	No Discriminatory Purpose No Vote Dilution: Narrowly Tailored
3	Equal Protection
	Race must not Predominate
State Law	
a	Topography
b	Geography
c	Cohesiveness, contiguity, integrity, and compactness of territory
d	Community of Interest

Demographic Data

	Total	Latino	Asian	White
Population	170883	36.9%	37.7%	22.6%
Voting Age Pop.	127120	32.6%	39.0%	25.7%
Citizen Voting Age Pop D13	99617	24.6%	41.2%	31.2%

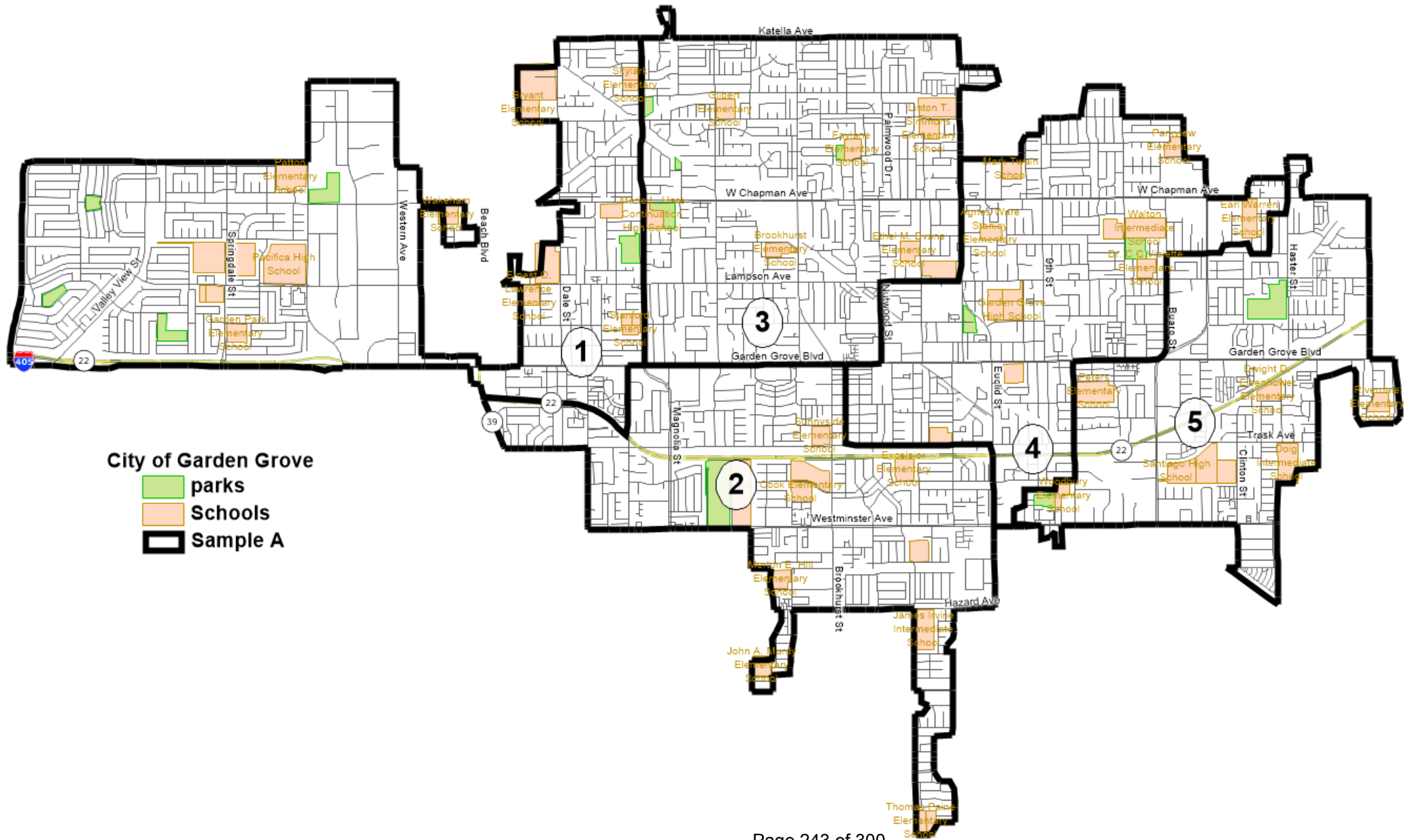
2015 Registered Voters	Total	Spanish Surname	Asian Surname

Nov 2014 Voters	Total	Spanish Surname	Asian Surname

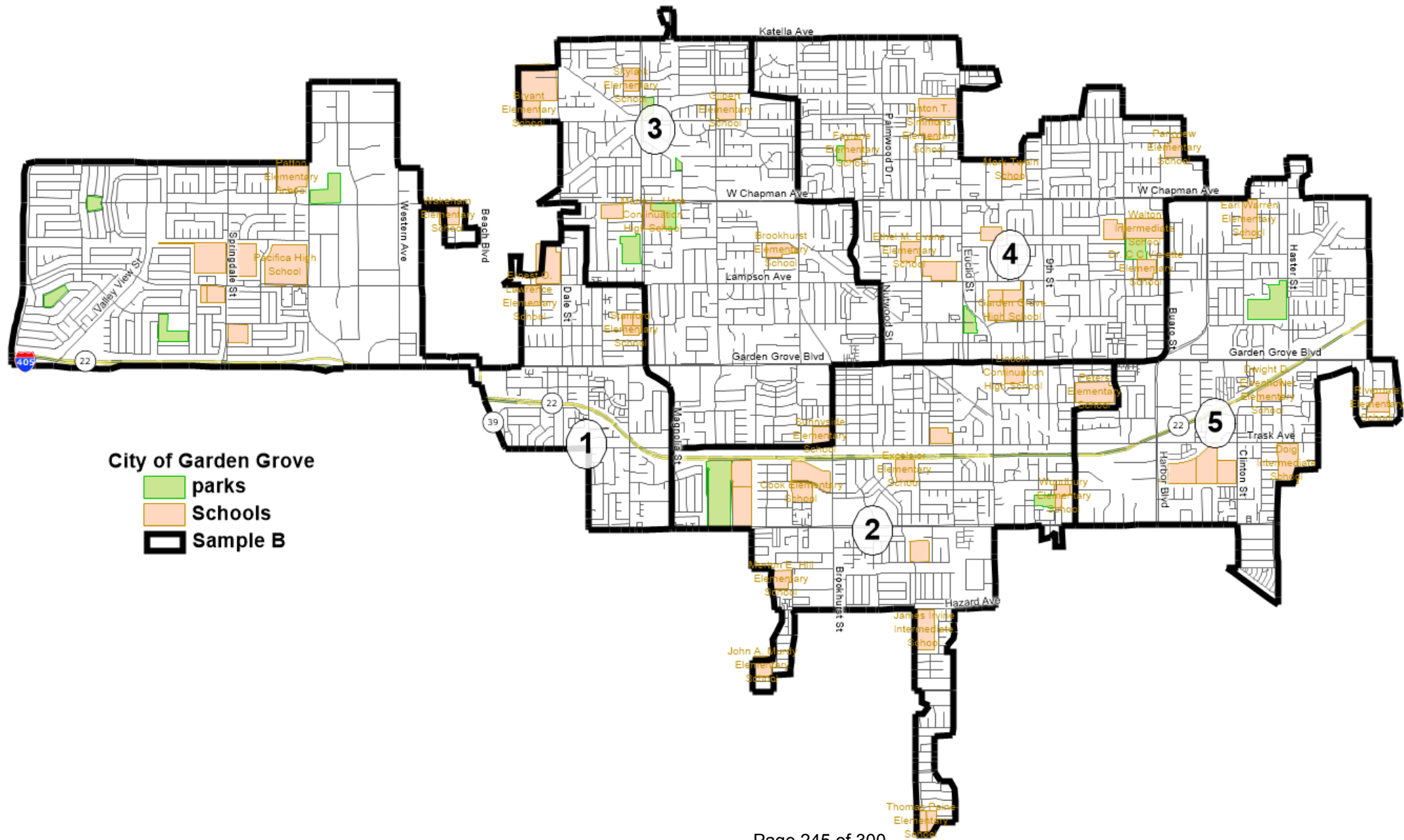
Nov 2012 Voters	Total	Spanish Surname	Asian Surname

Geographic Data

- Streets and Highways
- Census Tracts and Blocks
- Precincts
- Parcels
- City GIS Layers
- School District Boundaries
- Attendance Areas



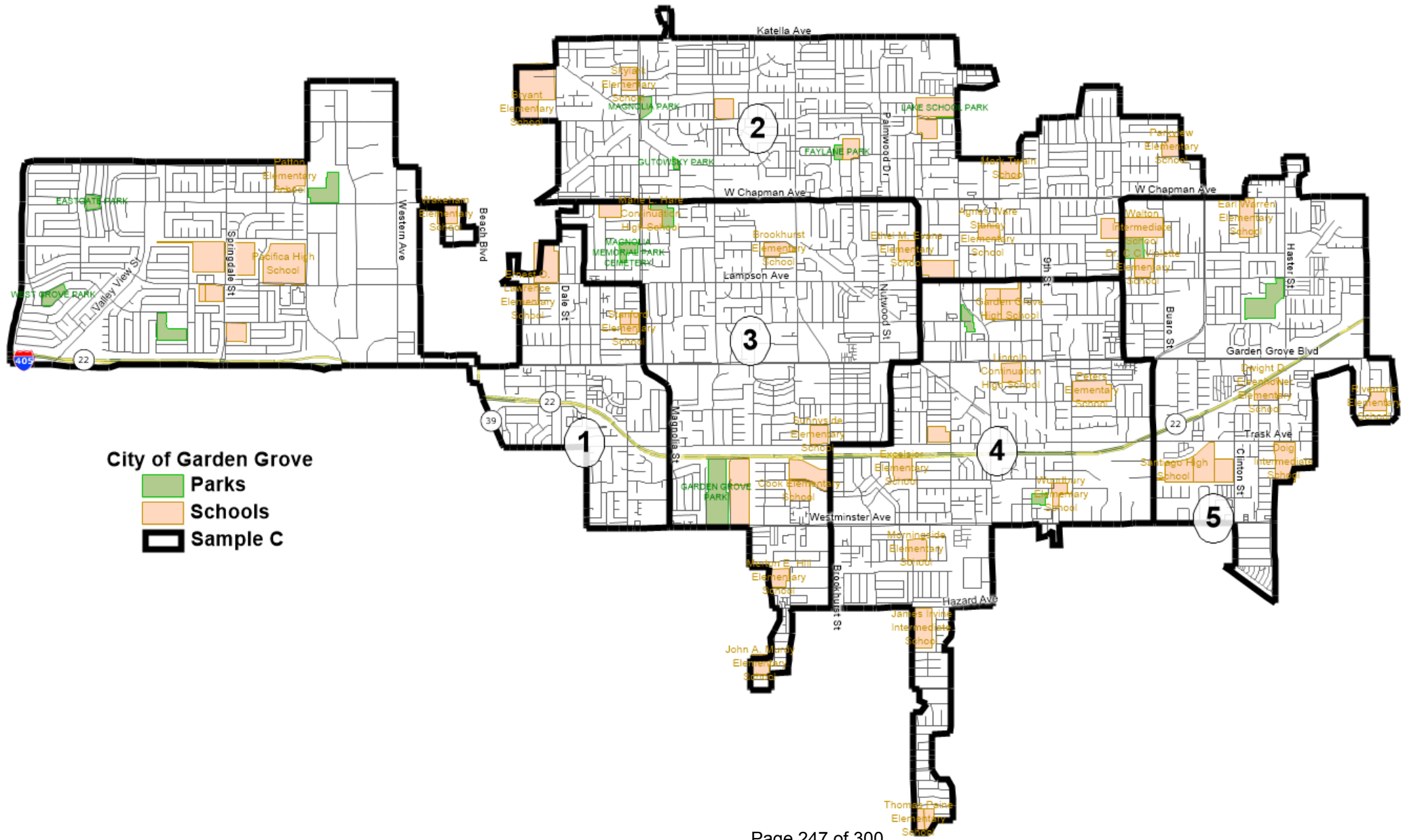
District	City Total	Sample A				
		1	2	3	4	5
Population	170883	33837	34265	34221	34380	34180
Deviation		-340	88	44	203	3
% Deviation		-1.0%	0.3%	0.1%	0.6%	0.0%
White	22.6%	42.5%	12.8%	26.3%	20.8%	10.7%
Asian	37.7%	30.4%	60.9%	36.7%	35.6%	24.9%
Latino	36.9%	24.1%	24.0%	33.8%	40.6%	62.0%
Voting Age Pop.						
White	25.7%	45.4%	14.9%	30.1%	24.3%	13.1%
Asian	39.0%	30.6%	61.6%	37.8%	36.6%	27.7%
Latino	32.6%	21.2%	21.4%	29.1%	36.2%	56.6%
Citizen Voting Age Pop D13						
White	31.2%	50.8%	17.5%	34.2%	30.6%	18.7%
Asian	41.2%	29.6%	63.4%	41.6%	36.1%	35.0%
Latino	24.6%	16.6%	16.2%	21.6%	29.7%	43.2%
2015 Registered Voters						
Spanish Surname	22.4%	15.1%	15.2%	19.4%	26.9%	41.3%
Asian Surname	36.3%	22.4%	59.4%	35.2%	34.7%	32.7%
Vietnamese Surname	29.3%	15.9%	51.2%	28.1%	27.1%	26.9%
Nov 2012 Voters						
Spanish Surname	20.3%	13.8%	14.9%	17.9%	24.9%	37.4%
Asian Surname	32.4%	18.1%	55.9%	30.7%	31.2%	33.1%
Vietnamese Surname	25.9%	12.6%	48.4%	24.3%	23.9%	27.5%
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Vietnamese Surname	32.4%	15.9%	57.3%	30.0%	30.1%	36.6%



City of Garden Grove

-  parks
-  Schools
-  Sample B

District	City Total	Sample B				
		1	2	3	4	5
Population	170883	34044	34550	34129	34026	34134
Deviation		-133	373	-48	-151	-43
% Deviation		-0.4%	1.1%	-0.1%	-0.4%	-0.1%
White	22.6%	40.5%	11.5%	22.9%	26.5%	11.7%
Asian	37.7%	33.3%	54.7%	42.1%	33.1%	25.0%
Latino	36.9%	23.3%	31.5%	31.8%	37.3%	60.6%
Voting Age Pop.						
White	25.7%	43.4%	13.6%	26.1%	30.5%	14.3%
Asian	39.0%	33.7%	56.1%	43.4%	33.8%	27.8%
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Citizen Voting Age Pop D13						
White	31.2%	49.3%	17.0%	29.3%	36.3%	19.8%
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Spanish Surname	20.3%	13.0%	18.6%	17.3%	22.4%	37.1%
Asian Surname	32.4%	20.2%	53.9%	35.0%	27.8%	31.9%
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Nov 2014 Voters Turnout	42.4%	46.1%	41.9%	41.6%	42.8%	38.0%
Spanish Surname	15.3%	9.9%	12.6%	12.7%	17.1%	29.8%
Asian Surname	38.8%	23.7%	63.1%	40.8%	33.4%	40.0%
Vietnamese Surname	32.4%	17.8%	56.6%	33.8%	26.7%	34.7%



District	City Total	Sample C				
		1	2	3	4	5
Population	170883	34044	34439	34032	34253	34115
Deviation		-133	262	-145	76	-62
% Deviation		-0.4%	0.8%	-0.4%	0.2%	-0.2%
White	22.6%	40.5%	28.1%	18.3%	13.7%	12.2%
Asian	37.7%	33.3%	31.8%	51.3%	47.2%	25.0%
Latino	36.9%	23.3%	36.9%	27.5%	36.6%	60.1%
Voting Age Pop.						
White	25.7%	43.4%	32.4%	21.1%	16.0%	14.9%
Asian	39.0%	33.7%	32.3%	51.9%	49.1%	27.7%
Latino	32.6%	20.3%	32.3%	24.2%	32.6%	54.6%
Citizen Voting Age Pop D13						
White	31.2%	49.3%	37.2%	24.2%	20.4%	20.8%
Asian	41.2%	32.8%	32.8%	56.2%	50.8%	33.6%
Latino	24.6%	15.0%	27.4%	16.3%	25.9%	41.9%
2015 Registered Voters						
Spanish Surname	22.4%	14.4%	22.9%	17.1%	22.7%	40.3%
Asian Surname	36.3%	24.7%	30.8%	47.7%	49.6%	31.8%
Vietnamese Surname	29.3%	18.1%	24.8%	38.9%	42.0%	25.7%
Nov 2012 Voters						
Spanish Surname	20.3%	13.0%	21.4%	16.1%	21.2%	36.6%
Asian Surname	32.4%	20.2%	26.6%	43.4%	47.0%	31.6%
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Nov 2014 Voters Turnout	42.4%	46.1%	43.3%	41.8%	40.7%	38.4%
Spanish Surname	15.3%	9.9%	16.3%	11.7%	15.0%	28.8%
Asian Surname	38.8%	23.7%	31.6%	50.6%	55.9%	40.1%
Vietnamese Surname	32.4%	17.8%	26.0%	43.3%	48.4%	34.7%

Opportunities for Participation

Visit the City of Garden Grove website for additional details.

<http://www.ci.garden-grove.ca.us/citymanager/CityClerk/DistrictElectionMapping>

The screenshot shows the City of Garden Grove website's "District Election Mapping" page. The header includes the city logo, a search bar, and navigation tabs for "City Manager's Office", "Most Requested", "City Departments", "Online Services", and "Open Government". Social media icons for Instagram, Facebook, Twitter, YouTube, and Google+ are also present. The main content area is titled "District Election Mapping" and includes an "INTRODUCTION" section. The introduction explains that in September 2015, the City Council settled a lawsuit regarding the current "at-large" election process, requiring a shift to a by-district system. It lists five non-overlapping electoral districts and provides contact information for the City Clerk, Kathy Ballor. A bulleted list of links is provided, including "Sample Maps & Data", "Participation Kit", "Demographics", "Agendas", "Meeting Materials", "Notices", and "Press Releases". The page also lists dates and locations for individual and public informational meetings. Individual meetings are on Monday, November 30 and Friday, December 4, 2015, at Garden Grove City Hall. Public meetings are on Wednesday, December 9, 2015 (at Garden Grove Sports and Recreation Center), Saturday, December 12, 2015 (at Garden Grove Courtyard Center), and Wednesday, December 16, 2015 (at Kiwanis Club of Garden Grove). A "LATEST NEWS" section at the bottom states that the first round of public informational meetings (December 9, 12, and 16) are now available and that the city invites community participation in upcoming meetings to provide input on the formation of new district voting maps.

City of Garden Grove California

Select Language | Search

City Manager's Office | Most Requested | City Departments | Online Services | **Open Government** | Instagram | Facebook | Twitter | YouTube | Google+

District Election Mapping

Home / District Election Mapping

INTRODUCTION

In September 2015, the Garden Grove City Council settled a lawsuit brought against the City, asserting that the City's current "at-large" method of electing City Council members violated the California Voting Rights Act. Pursuant to the settlement, a stipulated judgment was entered, requiring the City to replace the current at-large election process with a by-district election process for all five city council seats, commencing in 2016.

Five, non-overlapping, geographically-defined electoral districts will be drawn, and the City Council will consist of one member who resides within, and is nominated and elected by voters within, each of those five districts. The Electoral District Map will be designed in accordance with the California Government and Election Codes.

The City has retained Compass Demographics to assist in developing the district maps.

This page will provide access to all items related to the district-based elections mapping process including, but not limited to, notices of all public meetings, public notices, press releases, agenda reports, maps, and supporting documents. Should you have any questions, please do not hesitate to contact Kathy Ballor, City Clerk, at (714) 741-5035 or email districtelections@garden-grove.org.

Below is a list of current and future links to items related to the district-based elections:

- Sample Maps & Data
- Participation Kit
- Demographics
- Agendas
- Meeting Materials
- Notices
- Press Releases

Dates, times and locations for upcoming Community Meetings are as follows:

INDIVIDUAL INFORMATIONAL MEETINGS
Monday, November 30 - Friday, December 4, 2015
10:00 a.m. to 9:00 p.m.
Garden Grove City Hall
11222 Acacia Parkway, 92840
*Reservations must be made at least three business days in advance by contacting the City Clerk's Office at (714) 741-5035 or by email at districtelections@garden-grove.org.

PUBLIC INFORMATIONAL MEETINGS
Wednesday, December 9, 2015
6:30 p.m. - 8:30 p.m.
Garden Grove Sports and Recreation Center, at Garden Grove Park
13641 Deodara Dr., 92844

Saturday, December 12, 2015
6:30 p.m. - 8:30 p.m.
Garden Grove Courtyard Center, at Village Green park
12732 Main St., 92840

Wednesday, December 16, 2015
6:30 p.m. - 8:30 p.m.
Kiwanisland, at Kiwanis Club of Garden Grove
9840 Larson Ave., 92844

LATEST NEWS

The times and locations for the first round of Public Informational Meetings (December 9, 12 and 16) are now available.

The City of Garden Grove invites members of the community to participate in upcoming community meetings to provide input on the formation of new district voting maps for the city. The meetings, running from the end of November 2015 through March 2016, will be facilitated by David Ely from Compass Demographics, the firm overseeing the formation of five voting

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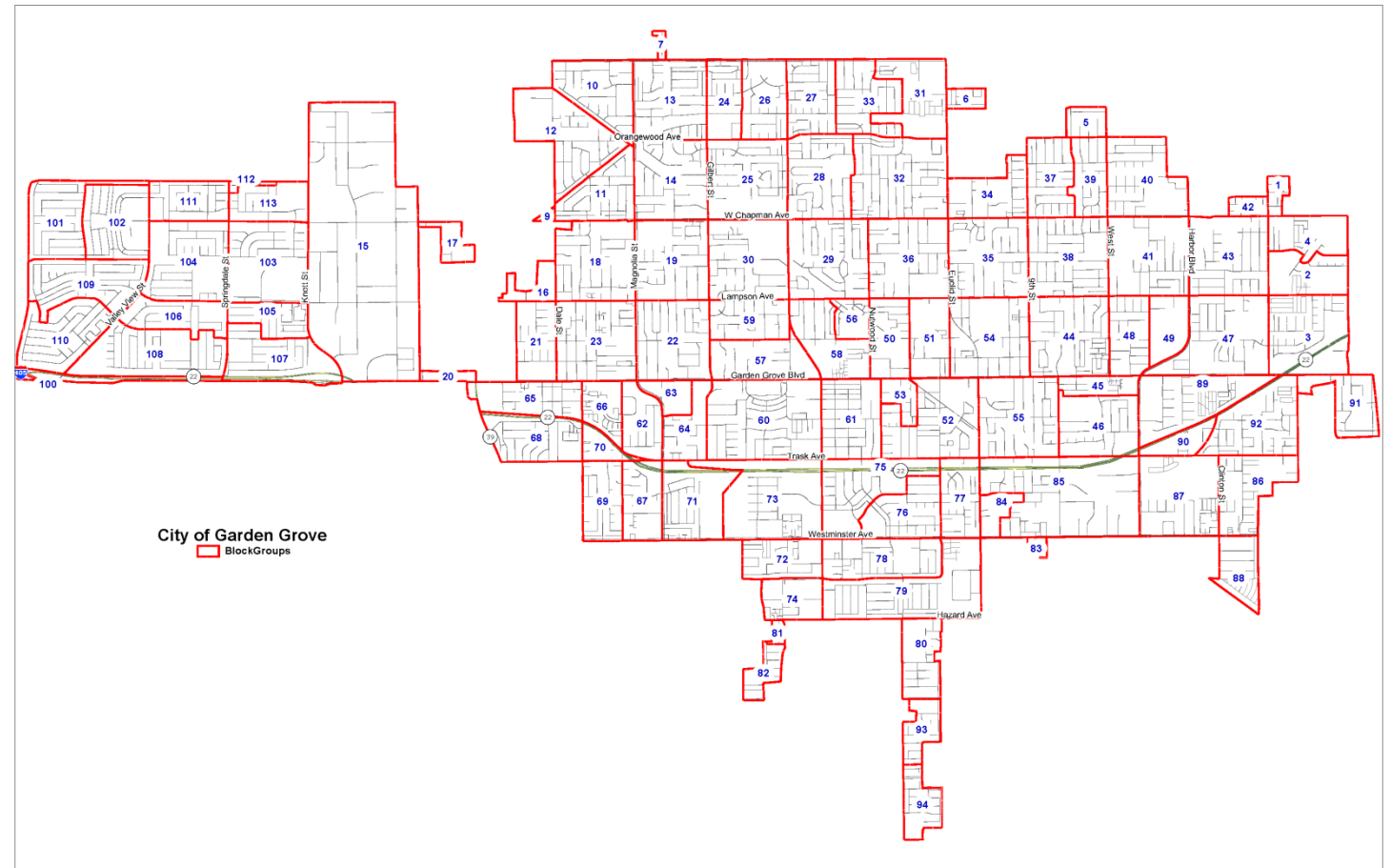
Participation Kit – Create your own map

The Public Participation Kit contains:

- Instruction sheet
- PDF map of city, which divide the city into Census Block Groups
- An "Assignment" worksheet showing the demographic data for each Population Unit
- A "Balance" worksheet which shows the totals resulting from your assignments

How to create a district map:

- Start with a base map
- Review the Census Block Groups and population numbers
- Begin to identify hard boundaries, communities of interest, population numbers



Participation Kit – Assign

On the "Assignments" worksheet tabs, enter the number of the district (1-6) on the first column where you wish to assign a given population unit. **Remember that districts must be balanced by Total Population.**

Guide to Data:

- The first four columns (Tot Pop, Hisp, NH Wht, and NH Asn) give the Total Population percentages from the 2010 Census
- The following columns give the same percentages for the Voting Age Population characteristics.
- Once you complete the assignment sheet, you can check the results of your assignments on the "balance" worksheet tab.

	District	label	POP	LATPOP	WHIPOP	BLAPOP	AMIPOP	ASIPOP	HPIPOP	OTHPOP	MMRPOP	VAP	LATVAP	WHIVAP	BLAVAP	AMIVAP	ASIVAP	HPIVAP	OTHVAP	
1																				
2	1	001404	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	1	001503	4	842	128	589	11	4	102	1	4	3	669	84	491	11	2	75	1	
4	1	001505	1	1065	111	470	13	1	458	8	1	3	860	90	397	11	1	355	4	
5	1	001505	2	289	69	169	0	2	39	3	2	5	211	49	128	0	2	23	3	
6	1	001505	3	2137	400	1152	64	21	485	4	6	5	1653	281	933	40	16	375	2	
7	1	001505	4	1207	253	814	12	6	117	0	0	5	943	173	668	8	4	87	0	
8	1	001601	1	1520	931	365	37	8	157	5	13	4	967	524	292	23	4	113	3	
9	1	001601	2	809	129	554	13	2	106	0	1	4	639	94	457	11	2	71	0	
10	1	001601	3	818	111	577	11	1	112	0	0	6	638	69	477	8	1	80	0	
11	1	001601	4	895	104	664	8	4	110	0	0	5	689	64	537	8	4	75	0	
12	1	001601	5	2469	322	1425	40	17	648	6	1	10	1990	210	1248	25	13	479	4	
13	1	001601	6	1182	112	818	17	6	227	0	0	2	1026	89	734	17	6	178	0	
14	1	001602	1	880	90	430	2	6	347	2	1	2	662	53	356	2	6	240	2	
15	1	001602	2	1068	137	750	6	3	159	3	3	7	850	91	623	2	1	121	2	
16	1	001602	3	915	75	539	9	5	281	0	2	4	748	56	456	8	2	220	0	
17	1	001602	4	1200	209	780	17	7	170	0	3	14	981	153	670	14	6	125	0	
18	1	001602	5	624	64	366	18	3	157	4	1	11	526	45	319	16	3	127	4	
19	1	001704	1	4603	248	374	44	1	3902	7	7	20	3162	151	292	36	1	2661	3	
20	1	001704	2	718	79	310	3	3	304	6	1	12	566	57	261	3	3	229	4	
21	1	001704	3	2130	313	798	35	2	971	4	2	5	1611	203	654	30	2	712	4	
22	1	001705	3	1015	167	436	20	2	386	0	2	2	791	115	379	18	1	274	0	
23	1	001706	1	1009	76	556	16	1	357	2	0	1	835	60	488	14	1	270	2	
24	1	001706	2	883	130	624	10	8	99	3	6	3	691	86	511	9	8	67	2	
25	1	001706	3	1091	111	650	21	5	273	3	2	26	897	69	563	17	5	218	3	
26	1	001706	4	886	69	510	15	0	288	1	0	3	729	44	440	10	0	232	1	
27	1	001707	2	1710	163	290	38	2	1194	1	7	15	1337	105	250	24	2	938	1	
28	1	001707	3	1398	105	226	14	0	1044	3	0	6	1123	78	200	10	0	829	3	
29	1	001707	4	1613	99	331	15	4	1143	1	11	9	1271	73	285	15	4	878	1	
30	2	001708	3	1434	110	480	23	2	805	3	3	8	1165	73	426	18	2	637	3	
31	2	001801	1	1958	1289	313	63	9	254	22	4	4	1297	769	261	39	9	204	14	

Participation Kit – Report

- As you update your district assignments of each Population Unit, you will see the totals automatically update on the "Balance" tab.
- The table shows you the summary statistics for each district, including information for Total Population, Voting Age Population.
- The table also shows you the population deviations from the ideal population target of XX,XXX.
- Plans should come as close as possible to being equal in population.
- You can justify your small deviations by providing additional information when you submit.

1		City	The Great Plan								
2	District	Total	1	2	3	4	5	6	7	8	9
3	Population	135161	34976	33863	32613	33709	0	0	0	0	0
4	Deviation		1186	73	-1177	-81	-33790	-33790	-33790	-33790	-33790
5	% Deviation		3.5%	0.2%	-3.5%	-0.2%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%
6	Latino	34.4%	13.7%	48.4%	33.3%	42.9%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
7	Asian	23.6%	39.0%	14.8%	14.7%	25.2%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
8	White	38.2%	44.5%	32.8%	47.8%	27.9%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
9	Voting Age Pop.										
10	Latino	29.8%	11.7%	42.7%	28.7%	37.7%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
11	Asian	23.7%	37.1%	15.9%	15.4%	25.7%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
12	White	42.7%	48.4%	37.5%	51.7%	32.3%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
13	Citizen Voting Age Pop D13										
14	Latino	24.0%	9.8%	35.5%	26.4%	27.1%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
15	Asian	22.2%	34.2%	14.6%	14.2%	25.4%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
16	White	48.6%	52.9%	42.4%	55.4%	40.6%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
17	2015 Registered Voters										
18	Democratic	33.3%	26.2%	37.0%	35.8%	36.3%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
19	Republican	38.5%	47.9%	34.7%	34.9%	33.2%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
20	Spanish Surname	22.7%	10.4%	34.1%	22.5%	28.5%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
21	Asian Surname	14.4%	21.9%	10.5%	7.6%	16.5%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
22	Korean Surname	6.2%	10.8%	3.3%	1.7%	8.1%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
23	Nov 2014 Voters										
24	Turnout	43.2%	53.5%	38.6%	41.6%	34.9%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
25	Spanish Surname	14.6%	7.3%	23.8%	14.3%	20.2%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
26	Asian Surname	12.7%	16.6%	10.2%	6.8%	15.9%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
27	Korean Surname	5.4%	7.9%	3.0%	1.6%	8.4%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
28	Nov 2012 Voters										
29	Spanish Surname	19.0%	9.9%	29.4%	18.6%	24.3%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
30	Asian Surname	12.4%	17.4%	9.3%	6.8%	14.7%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
31	Korean Surname	4.5%	7.1%	2.4%	1.3%	6.4%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

Participation Kit – Describe

- Make sure you give your plan a name
- Add the number of districts you created
- Provide any descriptive comments you feel necessary
- Add your contact information (optional)

1	Plan Name:	The Great Plan						
2	# of Districts:	4						
3								
4	Comments:	This is a test Plan						
5								
6								
7								
8								
9								
10								
11								
12								
13								
14	Contact Info	Name	Organization	e-mail	Phone			
15		Great Plan	resident	great@plan.com				
16								

Group Exercise

- Workgroups of 8–10 participants per table
- Use table map to identify:
 - Neighborhoods or communities
 - Connections
 - Barriers
 - Divisions
 - Points of interest
- Review and prioritize sample maps
- Report group findings
- Questions and answers

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kathy Bailor
Dept.: City Manager Dept.: City Clerk
Subject: Appointment of Michael Barker to Date: 1/26/2016
fill the vacancy on the Planning
Commission. (*Action Item*)

As requested by Mayor Nguyen, attached is the application from Michael Barker for appointment to the Planning Commission.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Application	1/21/2016	Backup Material	Michael_Barker.pdf

City of Garden Grove

Application for Appointment

Commission: Planning

Background and Personal Data Outline

Last Name:	Barker	First Name:	Michael
Home Address:	11801 Old Fashion Way, Garden Grove, Ca.	Business Address:	11801 Old Fashion Way, Garden Grove, Ca.
Home Zip:	92840	Business Zip:	92840
Home Telephone:	7146364657	Business Telephone:	7148019842
Cellular Telephone:	7148019842	Email Address:	mcbarker@pacbell.net

List courses of study or emphasis which may have a bearing on selection:

Master's Degree in Architecture/Urban Planning (minor in Industrial Design) from Syracuse University, N.Y. Studied in Syracuse, N.Y., Florence and Rome, Italy, and Paris, France. (graduated May 1993) Bachelor's Degree in Architecture from California Polytechnic University of Pomona, Ca. Studied in Pomona, Ca. and Florence, Italy. (graduated December 1991)

Present or past employment which may relate to your interest and/or ability in this area:

I've been working in the architectural profession since approximately 1986 and have been an independent architectural consultant since 2002. I have presented projects to Planning Commissions and am familiar with the entitlement process. I understand how demographics, land use, and zoning ordinances can affect the economic development of a community. The Planning Commission is an integral part of the decision making process affecting that future development. I therefore believe that, as a member of the Planning Commission, my knowledge and experience will provide the necessary leadership to help guide the commission's decisions within it's purview of Garden Grove's General Plan.

List current membership in organizations and offices held as they may relate to this selection:

Member of Garden Grove Elks Lodge #1952 Board of Directors Central Garden Grove Little League AYSO coach boys U14

Please provide any additional information which may be helpful for selection:

Other than the few years I spent studying architecture in Europe I've lived my entire life in Garden Grove. I love this city and am looking for an opportunity to give back. I have no political agenda nor do I intend to use a position on the commission as a springboard into local politics. As a member of the Planning Commission my goal would be to assist the commission, as a whole, in making decisions based on what is best for the future development of Garden Grove. Thank you for your consideration.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kingsley Okereke
Dept.: City Manager Dept.: Finance
Subject: Approval of funding for 800 MHZ Backbone and Radios. (*Action Item*) Date: 1/26/2016

OBJECTIVE

To request that the City Council approve the funding plan for the purchase and replacement of public safety emergency mobile radios, consoles and the City of Garden Grove's allocated cost of upgrades to the Orange County 800 Megahertz Countywide Coordinated Communication System.

BACKGROUND

In 2005, the City of Garden Grove in conjunction with other Orange County cities and parties, executed a Joint Agreement for Operation, Maintenance and Financial Management of the Orange County 800 Megahertz Countywide Coordinated Communication System. The agreement provides for the funding, management and governance of the 800 MHz Countywide Coordinated Communications System (800 MHz CCCS). This system is utilized countywide by Police, Fire, Public Works, and other public agencies. The current 800 MHz CCCS, is becoming obsolete and unsustainable.

To ensure future continued operation, Orange County Communications is planning for an extension and upgrade to the countywide "backbone" of the 800MHz radio system. However, this improvement will cause approximately 75% of the City radios to no longer function on the upgraded backbone. The backbone requires that all future radios be Project 25 (P25) compliant, which is the latest generation. The goal of P25 is to enable public safety responders to communicate with each other to achieve enhanced coordination, timely response, and efficient and effective use of communications equipment. The 800MHz CCCS backbone and required P25 radios are absolute necessities for the City's public safety and public utilities operations. Garden Grove has no other options but to participate in the countywide emergency communication system.

DISCUSSION

Orange County Communications, the lead agency, has been in discussions with cities

and other parties over the past year to finalize the nature of the system upgrade and requisite costs. The total cost of the upgrade to the 800MHz CCCS backbone and P25 radios have now been articulated and Garden Grove's allocation includes \$1,259,322 (Backbone) and \$3,380,206 to purchase new system radio and console equipment. The County of Orange is also organizing a debt financing arrangement just for the backbone portion that cities can join. Motorola, the sole source for the P25 radios have also indicated willingness to provide bulk purchase discount pricing and financing for interested cities.

Staff plans to take advantage of the Motorola bulk purchase discount as available. In the current fiscal year budget, \$634,438 was approved to purchase 92 radios at such a discount. With regards to the remaining cost of the upgrade and radios, staff is recommending that the City pursue an internal funding plan and not join the county debt financing arrangement. The County debt financing is limited to the backbone component only and is costly. Staff determined that it would be more prudent for the City to internally finance the necessary costs by borrowing available internal service (vehicle replacement) funds with a 10 year repayment plan. The repayment plan contemplates an annual budgeted debt service amount including interest to payback the borrowed funds over ten years, plus an additional amount that would accumulate and be used for future replacement of the radios and backbone system.

FINANCIAL IMPACT

The annual fiscal impact will be approximately \$600,000 on the general fund, water and sewer funds.

The costs of the upgrade to the 800MHz CCCS backbone and P25 radios as refined in January 2016 by the Orange County Communications are outlined in the chart below by the fiscal year in which they are projected to be due.

Fiscal year	Amount	Item	Method of Payment
2015 - 2016	\$634,468	Equipment/Radio	FY15-16 Budget
2015 - 2016	\$129,608	Backbone	Internal Finance
2016-2017	\$342,011 \$2,745,738	Backbone Equipment/Radio	Internal Finance Internal Finance
2017-2018	\$787,703	Backbone	Internal Finance
Total	\$4,639,528	Backbone and Equipment/Radio	Internal Finance Term

The initial radio cost of \$634,468 was approved in the current year budget and hence available to purchase 92 radios on a discount. The remaining total cost of \$4,005,060 will be internally financed. The Financing plan structure would be as follows:

Vehicle Replacement Fund: Transfer \$4,005,060 from the Vehicle Replacement Fund

to the new Communications Replacement Fund. The funds will be repaid over a ten year period with annual installments of \$400,506 plus interest at the City's investment portfolio's rate as of the preceding year end. The balance in the vehicle replacement fund is adequate to support this arrangement without jeopardizing citywide effective vehicle replacement plans.

Communications Replacement Fund: Create a new internal service fund named "Communications Replacement Fund" with a transfer-in of \$4,005,060 from the Vehicle Replacement Fund. All payments for the backbone upgrade and radio purchases would be made from this fund. In addition, annual budget allocation of \$600,000 will be made to this fund for (a) \$400,506 plus interest annual repayment to the Vehicle Replacement fund, and (b) balance accumulated to replace the radios and backbone requirements in the future.

Annual Budget allocation: Annual Budget allocation of \$600,000 for communications funding and replacement will be made in General Fund, Water Fund and Sewer fund, and transferred to the Communications Replacement Fund. Staff will allocate the budget to the department and funds based on radio count or other reasonable basis. After ten years and full repayment to the vehicle fund, the annual budget allocation would reduce to \$200,000 for system replacement only.

RECOMMENDATION

It is recommended that the City Council:

- Approve the creation of the Communications Replacement Fund;
- Approve the internal financing plan with the requisite \$4,005,060 transfer/loan from the Vehicle Replacement Fund to the Communications Replacement Fund to pay for the 800MHz CCCS backbone upgrade and P25 radios; and
- Approve the annual budget allocation of \$600,000 from the benefiting departments and funds as appropriate to the Communications Replacement Fund for the repayment of the transfer/loan beginning in FY16-17, and accumulation of future replacement funds.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kingsley Okereke
 Dept.: City Manager Dept.: Finance
 Subject: Award of Independent Financial Date: 1/26/2016
 Auditor/Contract to Davis Farr
 LLP for FY 2015-16 through FY
 2019-20 (Cost: \$397,041 for five
 years) (*Action Item*)

OBJECTIVE

To seek City Council approval to award a five-year contract, with two additional option years, including additional services for the City's Independent Financial Auditor Services.

BACKGROUND

The purpose of the City's annual audit is to obtain an opinion from an independent firm of the City's financial management practices, and to verify conformance with generally accepted accounting principles and related Government Accounting Standards. The City, as a matter of accounting and financial prudence, periodically re-examines the independent financial audit relationship and contract. The City has been audited by Macias, Gini & O'Connell, LLP, and their contract has expired upon completion of the audit for the FY 2014-15; therefore staff issued and advertised RFP No. S-1176 on August 26, 2015, to solicit proposals for auditing services. A mandatory pre-proposal meeting was held on September 11, 2015, to allow all interested proposers to interact with City staff and ask any questions to clarify the City's auditing requirements. Seven proposals were received and opened on September 25, 2015.

DISCUSSION

A Source Selection Committee (SSC) comprised of two staff and one outside participant analyzed and scored the proposals. The proposals were evaluated based on Technical Qualifications, Engagement Team Qualifications, and Pricing. The analysis below indicates the Proposal Pricing and the SSC scores of the top three firms:

Company Name	Five Year Average of Proposed Audit	Total Proposed	FINAL SSC
--------------	-------------------------------------	----------------	-----------

	Fees	Audit Fees	SCORES
Davis Farr LLP	\$79,408	\$397,041	2,499
White Nelson Diehl Evans, LLP	\$94,333	\$471,665	2,300
Vasquez & Company, LLP	\$97,778	\$488,892	2,191

Each of the firms had excellent qualifications, and all proposers had experience in conducting audits of government and non-profit entities. All seven firms demonstrated their understanding of the project plan of the City Audit. The significant difference among the proposals was in the proposed pricing.

Davis Farr LLP is a well-qualified regional CPA Firm with significant presence in California. Their government services headquarters is located in Irvine, California, making them easily accessible to their clients. The Davis Farr LLP engagement team has vast experience in governmental accounting and auditing and has provided one of the lower priced proposal of those qualified to conduct the City’s annual audit. Davis Farr LLP engagement team has provided auditing services for many cities including the following cities in Orange County: Costa Mesa, Huntington Beach, and Villa Park. Based on the proposal evaluation results, it is recommended that the City award a contract to Davis Farr LLP as the City’s independent auditing firm for the next five fiscal years with two additional option years.

FINANCIAL IMPACT

Total cost for the City’s auditing services will be \$397,041 for the next five fiscal years: 2015-16, \$78,450; 2016-17, \$78,450; 2017-18, \$78,450; 2018-19, \$80,101; 2019-20, \$81,590. The requisite funds will be appropriated annually and attributed to the City’s audit entities and component units. These fees are based on the City and its component units as currently constituted. Any changes in the future will result in reductions or increases in the annual fees which include additional services based on the standard personnel fees outlined in the proposal.

RECOMMENDATION

It is recommended that City Council:

- Award a contract to the highest scoring proposer, Davis Farr LLP, as the City’s Independent Auditor for Fiscal Years 2015-16 through 2019-20, including two additional option years for audit and other additional services as outlined in the proposal from Davis Farr LLP, and to appropriate necessary funds including additional option years; and
- Authorize the City Manager or his designee to execute the agreement, making minor modifications as necessary, and approve two additional option years for audit and other additional services as outlined in the proposal.

ATTACHMENTS:

Description
Agreement

Upload Date
1/21/2016

Type
Backup Material

File Name
Davis_LLPAgreement.pdf

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made this _____ day of _____, 2016, by the **CITY OF GARDEN GROVE**, a municipal corporation, ("CITY") and **Davis Farr LLP**, herein after referred to as "CONTRACTOR".

RECITALS

The following recitals are a substantive part of this Agreement:

1. This Agreement is entered into pursuant to Garden Grove COUNCIL AUTHORIZATION, DATED _____.
2. CITY desires to utilize the services of CONTRACTOR to Provide Annual Auditing Services for the City of Garden Grove for the Five Fiscal Years 2015-16, 2016-17, 2017-18, 2018-19, 2019-20.
3. CONTRACTOR is qualified by virtue of experience, training, education, and expertise to accomplish services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term and Termination.** This agreement shall cover services rendered between (March 1, 2016 and June 30, 2021.) City reserves the right to extend the term for two additional fiscal years, one year at a time. This agreement may be terminated by the CITY without cause. In such event, the CITY will compensate CONTRACTOR for work performed to date in accordance with PROPOSAL PRICING form (Attachment B). Contractor is required to present evidence to support performed work completion.
2. **Services to be Provided.** The services to be performed by CONTRACTOR shall consist of tasks as set forth in the Scope of Work. The Scope of Work is attached as Attachment A, and is incorporated herein by reference. The Scope of Work and this Agreement do not guarantee any specific amount of work.
3. **Compensation.** CONTRACTOR shall be compensated as follows:
 - 3.1 **AMOUNT.** Total Compensation under this agreement shall be per the schedule included in the proposal, APPENDIX B, payable in arrears and in accordance with RFP No. S-1176.
 - 3.2 **Payment.** For work under this Agreement, payment shall be made per invoice for work completed. For extra work not a part of this Agreement, a written authorization by CITY will be required, and payment shall be based on schedule included in PROPOSAL PRICING form (Attachment B).

- 3.3 Records of Expenses. CONTRACTOR shall keep complete and accurate records of all costs and expenses incidental to services covered by this Agreement. These records will be made available at reasonable times to CITY.
- 3.4 Termination. CITY shall have the right to terminate this agreement, without cause, by giving thirty (30) days written notice of termination. If the Agreement is terminated by CITY, then the provisions of paragraph 3 would apply to that portion of the work completed.

4. Insurance requirements.

- 4.1 COMMENCEMENT OF WORK. CONTRACTOR shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance.
- 4.2 WORKERS COMPENSATION INSURANCE. During the duration of this Agreement, CONTRACTOR shall maintain Workers Compensation Insurance in the amount and type required by law, if applicable.
- 4.3 INSURANCE AMOUNTS. CONTRACTOR shall maintain the following insurance for the duration of this Agreement:
- (a) Commercial general liability in an amount not less than \$1,000,000.00 per occurrence (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY.
 - (b) Automobile liability in an amount not less than \$1,000,000.00 combined single limit (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY.
 - (c) Professional liability in an amount not less than \$1,000,000.00. Insurance companies must be admitted and licensed In California and have a Best's Guide Rating of A-, Class VII or better, as approved by the City. If the policy is written on a "claims made" basis, the policy shall be continued in full force and effect at all times during the term of the agreement, and for a period of three (3)

years from the date of the completion of services provided. In the event of termination, cancellation, or material change in the policy, professional/consultant shall obtain continuing insurance coverage for the prior acts or omissions of professional/consultant during the course of performing services under the term of the agreement. The coverage shall be evidenced either by a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the present or new carrier.

An Additional Insured Endorsement, **ongoing and completed operations**, for the policy under section 4.3 (a) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to City's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.3 (b) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for automobiles owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

For any claims related to this Agreement, CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, agents, or volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.

If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.

5. **Non-Liability of Officials and Employees of the CITY.** No official or employee of CITY shall be personally liable to CONTRACTOR in the event of any default or breach by CITY, or for any amount which may become due to CONTRACTOR.
6. **Non-Discrimination.** CONTRACTOR covenants there shall be no discrimination against any person or group due to race, color, creed, religion, sex, marital status, age, handicap, national origin, or ancestry, in any activity pursuant to this Agreement.

7. **Independent Contractor.** It is agreed to that CONTRACTOR shall act and be an independent contractor and not an agent or employee of the CITY, and shall obtain no rights to any benefits which accrue to CITY'S employees.

8. **Compliance with Law.** CONTRACTOR shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government. CONTRACTOR shall comply with, and shall be responsible for, all contractors and subcontractors performing any of the work pursuant to this Agreement to comply with, all applicable federal and state labor standards, including, to the extent applicable, the prevailing wage requirements promulgated by the Director of Industrial Relations of the State of California Department of Labor. The City makes no warranty or representation concerning whether any of the work performed pursuant to this Agreement constitutes public works subject to the prevailing wage requirements.

9. **Notices.** All notices shall be personally delivered or mailed to the below listed address, or to such other addresses as may be designated by written notice. These addresses shall be used for delivery of service of process.
 - a. (Contractor)
 Davis Farr LLP
 Attention: Jennifer Farr, Partner
 2301 Dupont Drive, Suite 200
 Irvine, CA 92612

 - b. (Address of CITY) (with a copy to):
 City of Garden Grove Garden Grove City Attorney
 11222 Acacia Parkway 11222 Acacia Parkway
 Garden Grove, CA 92840 Garden Grove, CA 92840

10. **CONTRACTOR'S PROPOSAL.** This Agreement shall include CONTRACTOR'S proposal or bid which shall be incorporated herein by reference. In the event of any inconsistency between the terms of the proposal and this Agreement, this Agreement shall govern.

11. **Licenses, Permits, and Fees.** At its sole expense, CONTRACTOR shall obtain a Garden Grove Business License, all permits, and licenses as may be required by this Agreement.

12. **Familiarity with Work.** By executing this Agreement, CONTRACTOR warrants that: (1) it has investigated the work to be performed; (2) it has investigated the site of the work and is aware of all conditions there; and (3) it understands the facilities, difficulties, and restrictions of the work under this Agreement. Should Contractor discover any latent or unknown conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY of this and shall not proceed, except at CONTRACTOR'S risk, until written instructions are received from CITY.

13. **Time of Essence.** Time is of the essence in the performance of this Agreement.
14. **Limitations Upon Subcontracting and Assignment.** The experience, knowledge, capability, and reputation of CONTRACTOR, its principals and employees were a substantial inducement for CITY to enter into this Agreement. CONTRACTOR shall not contract with any other entity to perform the services required without written approval of the CITY. This Agreement may not be assigned voluntarily or by operation of law, without the prior written approval of CITY. If CONTRACTOR is permitted to subcontract any part of this Agreement, CONTRACTOR shall be responsible to CITY for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor and CITY. All persons engaged in the work will be considered employees of CONTRACTOR. CITY will deal directly with and will make all payments to CONTRACTOR.
15. **Authority to Execute.** The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the parties are formally bound.
16. **Indemnification.** CONTRACTOR agrees to protect, defend, and hold harmless CITY and its elective or appointive boards, officers, agents, and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, arising out of, or in any way connected with performance of the Agreement by CONTRACTOR, CONTRACTOR'S agents, officers, employees, subcontractors, or independent contractors hired by CONTRACTOR. The only exception to CONTRACTOR'S responsibility to protect, defend, and hold harmless CITY, is due to the sole negligence of CITY, or any of its elective or appointive boards, officers, agents, or employees.

This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONTRACTOR.

\\\\\\

(Agreement Signature Block on Next Page)

IN WITNESS THEREOF, these parties have executed this Agreement on the day and year shown below.

Date: _____

**"CITY"
CITY OF GARDEN GROVE**

By: _____
City Manager

ATTESTED:

City Clerk

Date: _____

**"CONTRACTOR"
Davis Farr LLP**

By: *Jennifer Farr*

Name: Jennifer Farr

Title: Partner

Date: 1/15/2016

Tax ID No. 47-3535842

Contractor's License: _____

Expiration Date: _____

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY.

APPROVED AS TO FORM:

Olga Sandora
Garden Grove City Attorney

1-20-16

ATTACHMENT "A"
SCOPE OF WORK

RFP NO. S-1176

**Provide Annual Auditing Services for the City of Garden Grove for the Five
Fiscal Years 2015-16, 2016-17, 2017-18, 2018-19, 2019-20.**

I. INTRODUCTION

A. Description of the Government

Background Information

The City of Garden Grove serves an area of 17.08 square miles with a population of approximately 174,000. The City's fiscal year begins on July 1 and ends on June 30.

The City of Garden Grove is a full service general law city providing Municipal Support, Fire Protection, Police Protection, Community Development, Community Services, Public Works – Water, Sewer, Solid Waste, and Parks & Recreation services to the community. The accounting and financial reporting functions of the City are centralized.

More detailed information on the government and its finances can be found in Budget documents, Official Statements, and Comprehensive Annual Financial Reports.

Finance Department Operations

The Finance Department is headed by Kingsley Okereke, Assistant City Manager/ Finance Director, and consists of approximately 42 employees. The Finance Department includes Accounting, Budget, Economic Development, Purchasing, Revenue Management (Business Tax, Investments, Utility Revenue), and Risk Management.

Availability of Prior Comprehensive Annual Financial Reports

The City of Garden Grove's most recent Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014 and prior year CAFRs are posted on the City's website, see Appendix A for website address.

B. General Information

The City of Garden Grove ("City") is requesting a proposal from qualified firms of Certified Public Accountants to audit the City's financial statements for the fiscal years ending June 30, 2016, 2017, 2018, 2019, and 2020, with the option of auditing its financial statements for each of the two subsequent fiscal years (FY20-

21; FY21-22). These audits are to be performed in accordance with auditing standards generally accepted in the United States of America, the standards set forth for financial audits in the current U.S. General Accounting Office's (GAO) Government Auditing Standards, the provisions of the federal Single Audit Act, the Uniform Guidance and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations, as amended.

C. Term of Engagement

A five (5) year contract is contemplated, with an option to extend the contract for two one-year periods (possible 7-year total), subject to annual review and the discretion of the City.

D. Subcontracting

Should any firm submitting a proposal consider subcontracting portions of the engagement, that fact must be clearly identified in the proposal along with the name(s) of the proposed subcontracting firm(s). Following the award of the audit contract, no additional subcontracting will be allowed without the express prior written consent of the City of Garden Grove.

II. SCOPE OF SERVICES

A. General

The City of Garden Grove is soliciting the services of qualified firms of Certified Public Accountants to audit and express an opinion on the fair presentation of its financial statements in accordance with the provisions contained in this Request for Proposals, subject to the satisfactory negotiation of terms, including a price acceptable to both the City and the selected firm.

B. Scope of Work to Be Performed

The selected independent auditor will be required to perform the following tasks:

The auditor shall perform an audit of all funds of the City. The audit shall be conducted in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller of the United States. Generally, City staff prepare the City's Comprehensive Annual Financial Report (CAFR). However, the City may from time to time require the auditors to prepare all or sections of the CAFR. The CAFR will be in full compliance with GASB 34 and all other relevant and applicable GASB pronouncements. The audit firm will render their auditor's report on the basic financial statements which will include both Government-Wide Financial Statements and Fund Financial Statements. The audit firm will also apply limited audit procedures to

Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each major fund of the City.

The auditor is expected to express an opinion on the fair presentation of the financial statements of the City of Garden Grove as Successor to the Agency for Community Development and report on compliance with applicable laws, regulations, and administrative requirements governing its activities. The auditor shall prepare GASB 34 and other relevant compliant component unit financial statements for each of the engagements.

The auditor shall perform a single audit on the expenditures of federal grants in accordance with the Uniform Guidance and OMB Circular A-133 and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of the City's financial statements in accordance with Government Auditing Standards and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards in Accordance with the Uniform Guidance and OMB Circular A-133. The single audit report will include appropriate schedule of expenditures of federal awards, footnotes, findings, and questioned costs, including reportable conditions and material weaknesses, and follow up on prior findings where required.

The auditor shall perform an audit of the Housing Authority FDS report.

The auditor shall perform required compliance procedures pertaining to the low and moderate successor housing authority report.

The auditor shall perform agreed upon procedures pertaining to the City's and the Sanitary District's GANN Limits (Appropriations Limit) and render letters annually to the City and Sanitary District, respectively, regarding compliance.

The auditor shall perform agreed-upon auditing procedures pertaining to the Willowick Golf Course, Gem Theatre, Refuse Hauler, and Civic Center Property Management contracts.

The auditor shall issue a separate "management letter" that includes recommendations for improvements in internal control, accounting procedures, and other significant observations that are considered to be non-reportable conditions.

The auditor shall timely prepare and file the Annual State Controller's Reports (City, Street Report, Garden Grove Sanitary District Public Improvement Corporation, Orange County Regional/Cities Airport Authority, Garden Grove Public Improvement Corporation, Garden Grove Sanitary District (Orange), Garden Grove Public Financing Authority), as requested on a year to year basis by the City.

The auditor shall timely prepare and file tax returns as requested by the City (i.e. Garden Grove Sanitary District Improvement Corp.).

The auditor shall provide a reasonable amount of technical assistance upon the City's request throughout the year at no additional cost unless previously agreed upon in each year's engagement letter.

C. Auditing Standards to Be Followed

To meet the requirements of this request for proposals, the audit shall be performed in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the provisions of the Single Audit Act and the provisions of the Uniform Guidance and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations. Any revisions to these standards must be followed.

An opinion on compliance with the rules and regulations for successor redevelopment agencies, as published by the Department of Finance and the Office of State Controller, may also be required.

D. Reports to Be Issued

Following the completion of the audit of the fiscal year's financial statements, the Auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles (audit opinion on the financial statements)
2. Single Audit Report
3. AQMD Report
4. Financial and Compliance Audit of the Housing Authority (Section 8)
5. Agreed Upon Procedures Reports for the following:
 - a. Willowick golf course agreement
 - b. Refuse hauler agreement
 - c. Gem theatre production company agreement
 - d. City GANN Limit
 - e. Garden Grove Sanitary District GANN Limit
6. State Controller's Report(s):
 - a. Garden Grove Sanitary District (Orange)
7. Tax Return(s):
 - a. Garden Grove Sanitary District Public Improvement Corporation
8. Management Letter including recommendations for improvements in internal controls considered non-reportable conditions.

The following are additional services and reporting to be performed at the request of the City on an annual basis:

1. Preparation of the Comprehensive Annual Financial Report (in full)
2. Separate audit report of the Successor Redevelopment Agency

3. Separate audit report of the Successor Housing Authority
4. Separate audit report of the Community Development Block Grant
5. Agreed Upon Procedures Report(s):
 - a. Civic center property management agreement
6. State Controller's Report(s):
 - a. City of Garden Grove
 - b. Street Report
 - c. Garden Grove Sanitary District Public Improvement Corporation
 - d. Orange County Regional/Cities Airport Authority
 - e. Garden Grove Public Improvement Corporation
7. Tax Return(s):
 - a. Garden Grove Sanitary District Public Improvement Corporation
 - b. Garden Grove Housing Authority
 - c. Garden Grove Public Financing Authority
 - d. Orange County Regional/Cities Airport Authority
 - e. Garden Grove Public Improvement Corporation

In the required report(s) on internal controls, the Auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions that are also material weaknesses shall be identified as such in the report.

Non-reportable conditions discovered by the Auditors shall be reported in a separate letter to management, which shall be referred to in the report(s) on internal controls.

The reports on compliance shall include all instances of significant non-compliance.

Irregularities and Illegal Acts. Auditors shall be required to make an immediate written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following parties: Finance Director, City Manager, City Attorney, and Audit Committee.

Reporting to the Audit Committee. Auditors shall assure themselves that the City of Garden Grove's Audit Committee is informed in accordance with applicable standards.

E. **Special Considerations**

1. The City of Garden Grove will send its Comprehensive Annual Financial Report to the Government Finance Officers Association of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting program. The Auditor shall provide special assistance to the City of Garden Grove to meet the requirements of that program.

2. The City of Garden Grove, Garden Grove Public Financing Authority, Garden Grove Sanitary District, or the City of Garden Grove as Successor to the former Agency for Community Development may prepare one or more official statements in connection with the sale of debt securities which will contain the general purpose financial statements and the Auditor's report thereon. The Auditor shall, if requested by the fiscal advisor and/or the underwriter, issue a "consent and citation of expertise" as the Auditor and any necessary "comfort letters" at no additional cost to the City.

4. The Single Audit Report shall be issued separately from, and is not to be included in, the comprehensive annual financial report.

F. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the Auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the City of Garden Grove of the need to extend the retention period. The Auditor will be required to make working papers available to the City and any other third parties authorized by the City.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

G. Schedule for the FY2014-2015 Fiscal Year Audit

(A similar schedule will be developed for audits of future fiscal years if the City of Garden Grove exercises its option for additional audits.)

Each of the following shall be completed by the auditor no later than the dates indicated.

Entrance Conference

1. The entrance conference shall be held with all key Finance Department personnel. The purpose of this meeting will be to discuss prior audit problems, to discuss interim and year-end work to be performed, to summarize the results of the preliminary review, and to identify the key internal controls or other matters to be tested. Additionally, this meeting will also be used to establish overall liaison for the audit and to make arrangements for work space and other needs of the Auditor. The entrance conference shall be held in March/April 2015.

2. Detailed Audit Plan

Auditor shall provide the City both a detailed audit plan and a list of all schedules to be prepared by the City by March 2015.

3. Interim Work

The Auditor shall complete all interim work by May 2015.

4. Field Work

The Auditor shall complete all field work and manager review by September 2015.

5. Draft Reports

The Auditor shall have drafts report(s) and recommendations to management available for review by the Finance Director by October 2015.

6. Final Reports

The City and/or auditor will complete their review of all draft reports as expeditiously as possible. During this time, the auditor should be available for any meetings that may be necessary to discuss the audit reports. Once all issues for discussion are resolved, the final signed reports shall be delivered to the City within ten (10) working days. It is anticipated that this process will be completed and the final reports (hard-copy, electronic files, and PDF), delivered by the dates listed below.

Report	Draft Due Date	Final Due Date	Responsible Party for Preparation Printing & Binding	Number of Copies
CAFR	Mid-October	End-October	City / Auditor in part or in full	Electronic & PDF
Other Reports	TBD	TBD	Auditor	10 & PDF
Single Audit	Mid-October	End-October	Auditor	10 & PDF
Agreed Upon Procedures	Mid-October	End-October	Auditor	10 & PDF
Management Letter	Mid-October	End-October	Auditor	10 & PDF
Housing Authority FDS	Three - Four weeks prior to date required by Grantor	Two - Three weeks prior to date required by Grantor	Auditor	10 & PDF
State Controller Reports	Three - Four weeks prior to date required by the State Controller's Office	Two - Three weeks prior to date required by the State Controller's Office	Auditor	PDF
Tax Returns	Three - Four weeks prior to required filing date	Two -Three weeks prior to required filing date	Auditor	PDF

III. PROPOSAL REQUIREMENTS

A. General Requirements

1. Submission of Proposals

The following material is required to be received no later than 2:00 p.m. on Friday, September 25, 2015 for a proposing firm to be considered.

a. A master copy (so marked) of a Technical Proposal and six (6) copies to include the following:

i. Title Page

Title page showing the Request for Proposals' subject; the firm's name; the name, address and telephone number of a contact person; and the date of the proposal.

ii. Table of Contents

iii. Transmittal Letter

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for 120 days.

iv. Detailed Proposal

The detailed proposal should follow the order set forth below in Section III B. Technical Proposal of this Request for Proposals. It should include an executive summary.

B. Technical Proposal

1. General Requirements

The purpose of the technical proposal (proposal) is to demonstrate the qualifications, competence, and capacity of the firms seeking to undertake independent audits of the City in conformity with the requirements of this request for proposals.

As such, the substance of proposals will carry more weight than their form or manner of presentation. The technical proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

The technical proposal should address all the points outlined in the request for proposals. The proposal should be prepared simply and economically, providing straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional data may be presented

on the following subjects, items 2-8 must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that it is independent of the City as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards. The firm also should provide an affirmative statement that it is independent of all of the component units of the City of Garden Grove as defined by those same standards.

The firm should also list and describe the firm's (or proposed subcontractor's) professional relationships involving the City or any of its component units for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

3. License to Practice in California

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed or registered to practice in the State of California.

4. Firm Qualifications and Experience

The proposal should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed, the number and nature of the professional staff to be employed in this engagement on a full-time basis, and the number and nature of the staff to be so employed on a part-time basis.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall also provide copies of the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years.

In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

The proposer shall provide a list of seminars and training presented by the firm during the past three (3) years available for attendance by clients of the firm.

5. Partner and Engagement Team Experience

Identify the principal, supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Indicate whether each person is licensed or registered to practice as a Certified Public Accountant in California. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of these audits.

Provide as much information as possible regarding the number, qualifications, experience, and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff, and specialists may be changed if those personnel leave the firm, are promoted, or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City. However, in either case, the City retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposals can only be changed with the express prior written permission of the City, which retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

6. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposals. In developing the work plan, reference should be made to such sources of information as the City's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement
- c. Sample size and the extent to which statistical sampling is to be used in the engagement

- d. Extent of use of EDP software in the engagement
- e. Type and extent of analytical procedures to be used in the engagement
- f. Approach to be taken to gain and document an understanding of the City of Garden Grove's internal control structure
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work
- h. Approach to be taken in drawing audit samples for purposes of tests of compliance

7. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems, and any special assistance that will be requested from the City.

C. Proposal Pricing

1. Total All-Inclusive Maximum Price

The proposal should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price is to contain all direct and indirect costs including all out-of-pocket expenses. An escalation factor may be addressed in the proposal that will allow for an accurate evaluation of the total cost for the five (5) year engagement period and two (2) year optional extensions.

The City will not be responsible for expenses incurred in preparing and submitting the technical proposal or the cost proposal. Such costs should not be included in the proposal.

The proposal pricing section should include a total All-Inclusive Maximum price for each year of the engagement, presented in the format provided in attachment **(Appendix B)**.

2. Rates by Partner, Manager, and Staff Level Times Hours Anticipated for Each

The proposal cost section should also include a schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix B) that supports the total all-inclusive maximum price for the first and subsequent years of the engagement including the two year options.

3. Out-of-Pocket Expenses Included in the Total All-Inclusive Maximum Price

All estimated out-of-pocket expenses to be reimbursed should also be presented within the cost proposal in the format provided in the attachment (Appendix B). All expense reimbursements will be charged against the total all-inclusive maximum price submitted by the firm.

4. Rates for Additional Professional Services

If it should become necessary for the City to request the auditor to render any additional services to either supplement the services requested in this request for proposals or to perform additional work as a result of the specific recommendations included in an report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the City and the audit firm. Any such additional work agreed to shall be performed at the same rates set forth in the schedule of fees and expenses included in the cost proposal.

5. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's cost proposal.

IV. EVALUATION PROCEDURES AND FINAL SELECTION

Proposals will be evaluated based on Pages 7-8, Section 8.0, *EVALUATION OF PROPOSALS*.

The Finance Department, with approval of the City Manager, will select a firm based upon staff evaluation and recommendation, which will then be submitted to the City Council for approval. It is anticipated that a firm will be selected by **November 30, 2015**.

APPENDIX A

The City's Comprehensive Annual Financial Report may be found at:

<http://www.ci.garden-grove.ca.us/finance/Budget-Report-Links>

APPENDIX B
SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

APPENDIX B (REVISED)

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR FY2015-2016

	Hours	Standard Hourly Rates (\$)	Quoted Hourly Rates (\$)	Total (\$)
Partners	80	250	170	13,600
Managers	100	175	130	13,000
Supervisory Staff	250	150	105	26,250
Professional Staff	320	100	80	25,600
Clerical Staff				
Other (specify)				
Subtotal	750			78,450
Meals and Lodging				
Transportation				
Report Preparation, Word Processing, Printing and Binding				
Other (specify)				
Subtotal				0
TOTAL proposed price for FY15-16:				78,450
Total price for FY15-16 audit not to exceed:				78,450

Fee and Expense Proposal for Subsequent Years:

Escalation Factor (%)	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21 (optional)	FY21-22 (optional)
	0%	0%	2%	2%	2%	2%
Total Price not to exceed:	78,450	78,450	80,010	81,590	83,220	84,880

APPENDIX B (REVISED)
(Continued)

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR THE FY2015-2016
BY REPORT
(Escalation Factor to be applied for future fiscal years)**

Audit Reports:	Cost
A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles (audit opinion on the financial statements)	48,550
Single Audit Report (including preparation)	4,000**
AQMD Report (including preparation)	2,500
Housing Authority (Section 8) Audit Report (including preparation)	12,000*
Agreed Upon Procedures Reports:	
Willowick golf course agreement	2,000
Refuse hauler agreement	2,000
Gem theatre production company agreement	1,600
GANN Limit - City	600
GANN Limit - Garden Grove Sanitary District	400
State Controller's Reports:	
Garden Grove Sanitary District (Orange)	1,600
Garden Grove Public Financing Authority	1,600
Tax Returns:	
Garden Grove Sanitary District Public Improvement Corporation	1,600
Other:	
Management Letter including recommendations for improvements in internal controls considered non-reportable conditions.	included
	78,450

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES FOR ADDITIONAL
SERVICES BY REPORT / SERVICE
(Escalation Factor to be applied for future fiscal years)**

Report Preparation:	Cost
Comprehensive Annual Financial Report – preparation in full	5,000
Comprehensive Annual Financial Report – footnote disclosures only	2,000
Separate Audit Reports:	
Successor Redevelopment Agency	5,000
Successor Housing Authority	5,000
Community Development Block Grant	3,000
Garden Grove Public Financing Authority	4,000
Orange County Regional/Cities Airport Authority	4,000
Agreed Upon Procedures Reports:	
Civic center property management agreement	2,000
State Controller's Reports:	
City	3,000
Street Report	1,500

Garden Grove Public Financing Authority	1,600
Garden Grove Sanitary District Public Improvement Corporation	1,600
Orange County Regional/Cities Airport Authority	1,600
Garden Grove Public Improvement Corporation	1,600
Tax Returns:	
Garden Grove Sanitary District Public Improvement Corporation	1,600
Garden Grove Housing Authority	1,600
Garden Grove Public Financing Authority	1,600
Orange County Regional/Cities Airport Authority	1,600
Garden Grove Public Improvement Corporation	1,600
Additional Services:	
Consulting Services - Uniform Guidance Implementation	4,000

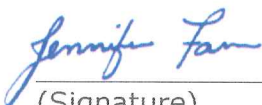
Proposer must be able to provide all services requested. PARTIAL PRICING PROPOSALS WILL NOT BE ACCEPTED! ALL LINES ON THESE FORMS MUST BE COMPLETED OR THE CITY RESERVES THE RIGHT TO DEEM YOUR PROPOSAL AS NON-RESPONSIVE.

NOTE: Please make sure that you include this REVISED version of APPENDIX B with your proposal or your proposal may be deemed as non-responsive.

The City also reserves the right to add or delete services as necessary.

The undersigned hereby certifies that this Proposal is genuine and is not sham or collusive, or made in the interest or in behalf of any person not herein named, and that the undersigned has not directly or indirectly induced or solicited any other proposer to put in a sham bid, or any other person, firm or corporation to refrain from bidding, and that the undersigned has not in any manner sought, by collusion, to secure for himself an advantage over any other bidder.

Please check your calculations before submitting your Proposal; the City of Garden Grove will not be responsible for Proposer miscalculations and may deem your proposal as non-responsive

BY: 

 (Signature)

949.783.1740

 Telephone Number

Jennifer Farr

 (Type or Print Name)

Partner

 (Title)

JFarr@davisfarr.com

 (Email Address)

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Kathy Bailor
Dept.: City Manager Dept.: City Clerk
Subject: Second reading of Ordinance No. Date: 1/26/2016
2863 updating the City's Land
Use Regulations pertaining to
cannabis dispensaries, delivery,
and cultivation; and confirming
unlisted uses are prohibited.
(Action Item)

Presenting for second reading and adoption: Ordinance No. 2863, updating the City's Land Use Regulations pertaining to cannabis dispensaries, delivery, and cultivation; and confirming unlisted uses are prohibited for second reading and adoption.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Ordinance No. 2863	1/20/2016	Ordinance	2863_Updating_Zoning_Code_Cannabis_Regulations.docx

ORDINANCE NO. 2863

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING AMENDMENT NO. A-015-2015 AMENDING TITLE 9 OF THE GARDEN GROVE MUNICIPAL CODE TO UPDATE THE CITY'S LAND USE REGULATIONS PERTAINING TO CANNABIS DISPENSARIES, DELIVERY, AND CULTIVATION, AND TO CONFIRM THAT USES NOT SPECIFICALLY IDENTIFIED IN A ZONING DISTRICT ARE PROHIBITED IN THAT DISTRICT

City Attorney Summary

This Ordinance approves a text amendment to Title 9 of the Garden Grove Municipal Code to update and revise zoning regulations pertaining to marijuana dispensaries and other commercial cannabis activity. Consistent with the recently enacted Medical Marijuana Regulation and Safety Act, this Ordinance clarifies that the establishment, maintenance, or operation of marijuana dispensaries and related commercial cannabis activities, including the distribution, manufacture, cultivation and delivery of cannabis and/or cannabis products, continues to be prohibited throughout the City. In addition, the text amendment confirms that any use not specifically identified as a permitted use, conditionally permitted use, or incidental use in any zone or planned unit development area is a prohibited use in that zone or planned unit development area.

THE CITY COUNCIL OF THE CITY OF GARDEN GROVE FINDS AND DETERMINES AS FOLLOWS:

WHEREAS, the subject case, initiated by the City of Garden Grove, proposes to amend Title 9 of the Garden Grove Municipal Code to update the City's land use regulations pertaining to cannabis dispensaries, delivery, and cultivation, and to confirm that uses not specifically identified in a zoning district are prohibited in that district;

WHEREAS, following a Public Hearing held on December 3, 2015, the Planning Commission adopted Resolution No. 5853-15 recommending approval of Amendment No. A-015-2015;

WHEREAS, pursuant to a legal notice, a Public Hearing regarding the proposed adoption of this Ordinance was held by the City Council on January 12, 2016, and all interested persons were given an opportunity to be heard; and

WHEREAS, the City Council gave due and careful consideration to the matter.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDEN GROVE DOES ORDAIN AS FOLLOWS:

SECTION 1: The above recitals are true and correct.

SECTION 2: The City Council finds that the proposed Code Amendment is not subject to the California Environmental Quality Act ("CEQA"; Cal. Pub. Resources Code Section 21000 et seq.) pursuant to Section 15061(b)(3) of the State CEQA Guidelines (California Code Regulations, Title 14, Section 15000 et seq.).

SECTION 3: Amendment No. A-015-2015 is hereby approved pursuant to the findings set forth herein and the facts and reasons stated in Planning Commission Resolution No. 5853-15, a copy of which is on file in the Office of the City Clerk, and which is incorporated herein by reference with the same force and effect as if set forth in full.

SECTION 4: Section 9.16.020.100 of Title 9 of the Garden Grove Municipal Code is hereby repealed.

SECTION 5: Chapter 9.52 is hereby added to Title 9 of the Garden Grove Municipal Code to read as follows:

CHAPTER 9.52 CANNABIS ACTIVITIES

9.52.010 Purpose, Findings and Definitions

- A. Purpose and Findings. The City Council finds that in order to serve the public health, safety, and welfare of the residents and businesses within the city, the declared purpose of this Chapter is to prohibit marijuana dispensaries and delivery services from locating and operating in the city as stated in this Section.
- B. Definitions. As used in this Chapter, the following terms, words and phrases have the meanings as defined in this Section, unless another meaning is clearly apparent from the context:

"Cannabis" or "Marijuana" means all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from marijuana. "Cannabis" also means marijuana as defined by Section 11018 of the California Health and Safety Code. "Cannabis" includes, but is not limited to, "medical cannabis" as defined in California Business & Professions Code § 19300.5(ag). "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted

therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this definition, "cannabis" does not mean "industrial hemp" as defined by Section 81000 of the Food and Agricultural Code or Section 11018.5 of the Health and Safety Code.

"Cannabis delivery" or "delivery of cannabis" means the transfer of cannabis or cannabis products from a dispensary to any person or entity at a location in the city. "Cannabis delivery" also includes the use by a dispensary of any technology platform owned and controlled by the dispensary, or independently licensed, that enables individuals to arrange for or facilitate the transfer by a dispensary of cannabis or cannabis products. "Cannabis delivery" includes, but is not limited to, "delivery" as defined in California Business & Professions Code Section 19300.5(m).

"Cannabis dispensary," "marijuana dispensary" or "dispensary" means any association, business, facility, use, establishment, location, cannabis delivery service, cooperative, collective, or provider, whether fixed or mobile, that possesses, processes, manufactures, distributes, makes available, or otherwise facilitates the distribution of cannabis or cannabis products to any person, including, but not limited to, a qualified patient, a person with an identification card, or a primary caregiver. The term "cannabis dispensary" includes, but is not limited to, a business, facility, use or location that engages "commercial cannabis activity" as defined in California Business & Professions Code Section 19300.5(k). The term "cannabis dispensary" shall not include the following facilities, locations or uses to the extent cannabis is dispensed by primary caregivers to qualified patients for medicinal use, as long as such use complies strictly with applicable law including, but not limited to, California Health and Safety Code Section 11362.5 and 11362.7: a clinic licensed pursuant to Chapter 1 of Division 2 of the California Health and Safety Code; a health care facility licensed pursuant to Chapter 2 of Division 2 of the California Health and Safety Code; a residential care facility for persons with chronic life-threatening illnesses licensed pursuant to Chapter 3.01 of Division 2 of the California Health and Safety Code; a residential care facility for the elderly licensed pursuant to Chapter 3.2 of Division 2 of the California Health and Safety Code; or a residential hospice or home health agency licensed pursuant to Chapter 8 of Division 2 of the California Health and Safety Code.

"Cannabis cultivation" or "cultivation of cannabis" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

“Cannabis cultivation site” means any indoor or outdoor facility or location where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or that does all or any combination of those activities.

“Cannabis product” means a product containing cannabis, including, but not limited to, concentrates and extractions and includes, but is not limited to, any “medical cannabis product” or “cannabis product,” as defined in California Business & Professions Code § 19300.5(ag), and/or any “edible cannabis product” as defined in California Business and Professions Code Section 19300.5(s).

“Identification card” is a document issued by the State Department of Health Services and/or the County of Orange Health Care Agency which identifies a person authorized to engage in the medical use of marijuana and the person’s designated primary caregiver, if any.

“Primary caregiver” is the individual, designated by a qualified patient or by a person with an identification card, who has consistently assumed responsibility for the housing, health, or safety of that patient or person.

“Qualified patient” is a person who is entitled to the protections of California Health and Safety Code Section 11362.5, but who does not have an identification card issued by the State Department of Health Services.

- C. Use or Activity Prohibited by State Law or Federal Law. Nothing contained in this Chapter shall be deemed to permit or authorize any use or activity which is otherwise prohibited by any state or federal law.

9.52.020 Cannabis Dispensaries and Delivery Prohibited

- A. Cannabis Dispensaries and Delivery Prohibited. Cannabis dispensaries and cannabis delivery are prohibited in all zoning districts, planned unit development districts, and specific plan areas in the city. It shall be unlawful for any person or entity to own, manage, conduct, or operate any cannabis dispensary or cannabis delivery service or to participate as an employee, contractor, agent or volunteer, or in any other manner or capacity, in any cannabis dispensary or cannabis delivery service in the city of Garden Grove.
- B. Establishment or Maintenance of Cannabis Dispensaries Declared a Public Nuisance. The establishment, maintenance, or operation of a cannabis dispensary or cannabis delivery service as defined in this Chapter within the city limits of the City of Garden Grove is declared to be a public nuisance and enforcement action may be taken and penalties assessed pursuant to Title 1,

Chapter 1.04 of the Garden Grove Municipal Code, and/or any other law or ordinance that allows for the abatement of public nuisances.

9.52.030 Cultivation of Cannabis

- A. Cannabis Cultivation Prohibited. The cultivation of cannabis and/or the establishment, maintenance or operation of any cannabis cultivation site is prohibited in all zoning districts, planned unit development districts, and specific plan areas in the city.
- B. Establishment or Maintenance of Cannabis Cultivation Site Declared a Public Nuisance. The establishment, maintenance, or operation of a cannabis cultivation site as defined in this Chapter within the city limits of the City of Garden Grove is declared to be a public nuisance and enforcement action may be taken and penalties assessed pursuant to Title 1, Chapter 1.04 of the Garden Grove Municipal Code, and/or any other law or ordinance that allows for the abatement of public nuisances.

SECTION 6: SubSection D.7 of Section 9.32.030 of Chapter 9.32 of Title 9 of the Garden Grove Municipal Code is hereby amended to read as follows (additions in ***bold/italics***, deletions in ~~strike-through~~):

- 7. Interpretation of Use.
 - a. Applicability.
 - i. ***Any use not specifically listed as a permitted use, incidental use, or conditional use shall be prohibited; provided, however, that*** ~~Whenever~~ a use has not been specifically listed as a permitted use, ***incidental use, or conditional use*** in a particular zone district, but similar uses are found to exist in that zone, the hearing body shall be responsible for interpreting whether or not the use is permitted in that zone district, and under what conditions.
 - ii. Any use determined to be inconsistent or not similar to other uses shall be required to file an application for an ordinance amendment.
 - b. Required Finding. That the proposed use is:
 - i. Similar in scale and operational characteristics to other uses permitted in that zone;
 - ii. Consistent with the intent of the general plan and the zone district;

iii. Compatible with other permitted uses.

SECTION 7: If any Section, subSection, subdivision, sentence, clause, phrase, word, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each Section, subSection, subdivision, sentence, clause, phrase, word, or portion thereof, irrespective of the fact that any one or more Sections, subSections, subdivisions, sentences, clauses, phrases, words or portions thereof be declared invalid or unconstitutional.

SECTION 8: The Mayor shall sign and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same, or the summary thereof, to be published and posted pursuant to the provisions of law and this Ordinance shall take effect thirty (30) days after adoption.

The foregoing Ordinance was passed by the City Council of the City of Garden Grove on the ___ day of _____.

ATTEST:

MAYOR

CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, KATHLEEN BAILOR, City Clerk of the City of Garden Grove, do hereby certify that the foregoing Ordinance was introduced for first reading and passed to second reading on January 12, 2016, with a vote as follows:

AYES: COUNCIL MEMBERS: (5) BEARD, BUI, JONES, PHAN, NGUYEN
NOES: COUNCIL MEMBERS: (0) NONE
ABSENT: COUNCIL MEMBERS: (0) NONE

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: From:
Dept.: Dept.: City Clerk
Subject: Presentation on SR22 Billboards Date:
(per City Manager).

Garden Grove Municipal Code

Title 2 ADMINISTRATION AND PERSONNEL

Chapter 2.21 COMMITTEES/COMMISSIONS GENERALLY

2.21.010 Appointment to Commissions

- A. Pursuant to Government Code Section 40605 the Mayor, with the approval of the City Council, shall make all appointments to boards, commissions, and committees unless otherwise specifically provided by statute.
- B. On or before December 31st of each year, the City Clerk shall prepare a local appointments list for all regular and ongoing boards, commissions, and committees referred to herein. The local appointment list will contain the following information:
1. A list of all appointive positions that will expire during the next calendar year, with the name of the incumbent appointee, date of appointment, date the term expires, and the necessary qualifications for the position; and
 2. A list of all boards, commissions, and committees and the necessary qualifications for each position.
- C. The local appointments list shall be made available to the public for a reasonable fee, which shall not exceed the actual cost thereof, and a copy shall be provided to the Garden Grove Regional Branch of the Orange County Public Library. (2813 § 1, 2012; 2604 § 2, 2003; 2314 § 2, 1995; 2032 § 1, 1988; 2010 § 1, 1987; 1628, 1977)

2.21.012 Terms of Office

The term of office for all members of boards, commissions, and committees shall be from the date of appointment to the date of the first meeting of the City Council following each regular municipal election; provided, however, that a member shall remain in office until his or her successor is appointed or as otherwise set forth herein. (2813 § 1, 2012; 2604 § 3, 2003; 2032 § 4, 1988; 2010 § 2, 1987)

2.21.013 Vacancy

- A. Whenever an unscheduled vacancy occurs on a board, commission, or committee referred to herein, whether due to resignation, removal, or other cause, a special vacancy notice shall be posted in the City Clerk's office, Information Centers of City Hall, and published in a local newspaper, within 20 days after the vacancy occurs. A final appointment to the board, committee, or commission to fill the vacancy shall not be made for at least 10 working days after posting of the notice.
- B. If the City Council determines that an emergency exists, it may fill an unscheduled vacancy immediately. Persons appointed to fill vacancies shall serve on an acting basis until final appointment is made, and in no event longer than the unexpired term unless reappointed. (2813 § 1, 2012; 2604 § 3, 2003; 2032 § 4, 1988; 2010 § 2, 1987)

4, 1988; 2010 § 3, 1987)

2.21.014 Removal

If the Mayor wishes to remove one of his or her appointees before that appointee's term has expired, this action shall be submitted as a regular agenda item for a vote by the City Council. A majority of those voting are required for removal. The exception to this procedure is if a Commissioner is absent without being excused for three consecutive meetings. In this case, the Commissioner shall be automatically removed without a vote of the City Council. (2813 § 1, 2012; 2604 § 4, 2003; 2314 § 3, 1995; 2139 § 1, 1990; 2032 §§ 3, 4, 1988; 2010 § 4, 1987)

2.21.015 Qualifications for Members

Members of all commissions or boards created by ordinance or resolution shall be and remain residents of the City, who are eligible by reason of age, citizenship, and otherwise to register to vote, with the exceptions hereinafter provided.

A. Minors who are and remain City residents are eligible to serve on any commission the City Council may create by ordinance providing for eligibility of minors to serve as commissioners.

B. Nonresidents may serve on the Main Street Commission and such other commissions as the City Council may create for specialized limited functions, if the City Council finds that the commission is intended to represent and further the interests of a specialized industry, trade, or profession, and that the representation and furtherance will ultimately serve the public interest, as provided in Title 2, California Code of Regulations Section 18707.4. (2813 § 1, 2012; 2085 § 1, 1989)

2.21.016 Member Compensation

No compensation shall be provided for the members of any of the City commissions or committees that are or may be established pursuant to ordinance or resolution of the City Council, except where otherwise provided for in said ordinance or resolution. (2813 § 1, 2012; 2273 § 17, 1993)

2.21.017 Dental Insurance

All members of any of the City commissions or committees that are or may be established pursuant to ordinance or resolution of the City Council shall be entitled to participate in the City's dental plan made available to City Councilmembers and City management. Participation in any program shall be voluntary, and at the sole expense of the Commissioner or Committee member. (2813 § 1, 2012; 2273 § 18, 1993)

Garden Grove Municipal Code

Title 2 ADMINISTRATION AND PERSONNEL

Chapter 2.24 PLANNING

2.24.010 Agency Created

Pursuant to the provisions of Title 7, Chapter 3 of the Government Code of the state, a Planning Agency is created. The Planning Agency shall consist of the Planning Commission, the Community Development Department, and the Planning Coordinating Committee. The Planning Agency shall be responsible to the City Council for recommendations on the development of the community. (2813 § 1, 2012; 2273 § 5, 1993; 1628 § 7, 1977; 1213 § 1, 1971; 1068 § 5, 1969; prior code § 2340)

2.24.020 Commission Created

Pursuant to the provisions of Title 7, Chapter 3 of the California Government Code, a Planning Commission is created consisting of seven members. (2813 § 1, 2012; 2314 § 4, 1995; 2273 § 6, 1993; 1213 § 1, 1971; prior code § 2341)

2.24.030 Qualifications

All commissioners shall be residents and qualified electors of the City and shall not be employees of the City.

The composition of the Commission shall be such that broad community interests are represented as fully as possible. (2813 § 1, 2012; 1628 § 8, 1977; 1213 § 1, 1971; prior code § 2341.1)

2.24.050 Vacancy

If any member of the Commission ceases to be a resident of the City, or a qualified elector of the City, or becomes an employee of the City, said membership on the Commission shall be terminated and the position declared vacant. (2813 § 1, 2012; 1628 § 9, 1977; 1213 § 1, 1971; prior code § 2341.3)

2.24.070 Chair

At the first regular meeting after January 1st of each year, the Commission shall elect from its membership a Chair and a Vice-Chair to serve one-year terms. (2813 § 1, 2012; 2087 § 1, 1989)

2.24.080 Meetings

Four members shall constitute a quorum. Meetings shall be held as prescribed by resolution of the City Council. All hearings and meetings of the Commission shall be open to the public and minutes thereof shall be maintained. (2813 § 1, 2012; 2273 § 7, 1993; 1213 § 1, 1971; prior code § 2341.6)

2.24.100 Duties

The duties of the Planning Commission are as follows:

- A. It shall develop and maintain the Comprehensive General Plan for the City consistent with good environmental, economic, and social planning practices.
- B. It shall develop plans, policies, standards, and design guidelines for the comprehensive planning, regulation, and development of land uses consistent with the goals of the City.
- C. It shall periodically review the Capital Improvement Program of the City and make recommendations to the City Council on matters pertaining to the implementation of the Comprehensive General Plan.
- D. It shall endeavor to promote the City and educate its citizens as to its problems, policies, and programs.
- E. It shall perform such other functions as are designated by the City Council and the City Manager.
- F. It shall develop criteria, policies, and development standards for the comprehensive planning, regulation, and development of land uses consistent with the goals of the City concerning waiver procedures and guidelines on its own motion or at the request of the City Council. The Commission shall consider and may recommend changes in these standards and regulations. (2813 § 1, 2012; 2092 § 4, 1989; 2022 § 1, 1987; 1213 § 1, 1971; prior code § 2341.8)

2.24.110 Staff Services

Services required for the proper operation of the Planning Commission shall be provided by the Planning Agency staff. The Planning Agency staff shall be designated by the City Manager or his or her designee. (2813 § 1, 2012; 1628 § 10, 1977; 1213 § 1, 1971; prior code § 2341.9)



CITY OF GARDEN GROVE
OFFICE OF THE CITY CLERK

____ Administrative Board of Appeals
____ Parks, Recreation and Arts
____ Neighborhood Improvement and Conservation

____ Main Street
____ Planning
____ Traffic

Name: _____

Home Address: _____

Phone Nos: _____ Email: _____

List courses of study or emphasis that may have a bearing on selection.

Present or past employment that may relate to your interest and/or ability in this area.

List current membership in organizations and offices held as they may relate to this selection.

Please provide any additional information that may be helpful for selection (Additional documents may be attached).

Signature Date

Print Name