

AGENDA



Garden Grove City
Council

Tuesday, October 24,
2017

6:30 PM

Community Meeting
Center, 11300 Stanford
Avenue, Garden Grove,
CA 92840

Steven R. Jones

Mayor

Phat Bui

Mayor Pro Tem - District 4

Kris Beard

Council Member - District 1

John R. O'Neill

Council Member - District 2

Thu-Ha Nguyen

Council Member - District 3

Stephanie Klopfenstein

Council Member - District 5

Kim B. Nguyen

Council Member - District 6

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

ROLL CALL: COUNCIL MEMBER BEARD, COUNCIL MEMBER O'NEILL, COUNCIL MEMBER T. NGUYEN, COUNCIL MEMBER KLOPFENSTEIN, COUNCIL MEMBER K. NGUYEN, MAYOR PRO TEM BUI, MAYOR JONES

INVOCATION

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

1. ORAL COMMUNICATIONS (to be held simultaneously with other legislative bodies)
2. WRITTEN COMMUNICATIONS
 - 2.a. Consideration of a request from Action Civics LA to waive fees for their Project Soapbox competition to be held at the Community Meeting Center on Sunday, December 3, 2017. (Sponsorship Cost: \$1,190) (*Action Item*)

RECESS

CONDUCT OTHER LEGISLATIVE BODIES' BUSINESS

RECONVENE

3. CONSENT ITEMS

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

- 3.a. Adoption of a Resolution authorizing certain public employees to order the deposit or withdrawal of monies in the Local Agency Investment Fund (LAIF). (*Action Item*)
- 3.b. Approval to exonerate the Public Improvement Bonds for the Wesley Village apartment project located at 10882 Stanford Avenue, Garden Grove. (*Action Item*)
- 3.c. Joint Item with the Sanitary District Board: Adoption of a Resolution approving a Property Tax Exchange Agreement with the City of Garden Grove, Garden Grove Sanitary District, and the City of Orange for the Lewis Street Reorganization. (*Action Item*)
- 3.d. Joint Item with the Sanitary District Board: Acceptance of City

Project No. 7405, and Sanitary District Project Nos. 7834 and 7837 East Garden Grove Storm Drain and Sewer Improvements as complete. (*Action Item*)

- 3.e. Authorize the issuance of a purchase order to Fairview Ford Sales, Inc., for one new utility truck. (Cost: \$37,607.04) (*Action Item*)
- 3.f. Award of contract for RFP No. S-1221 to Master Landscape and Maintenance Inc., for oleander trimming and storm drain maintenance. (Cost: \$68,425.92) (*Action Item*)
- 3.g. Approval of Cooperative Agreement No. C-7-1857 with the Orange County Transportation Authority for the Bicycle Corridor Improvement Program Project. (*Action Item*)
- 3.h. Approval of a Financial Participation Agreement with the West Orange County Water Board for the relocation of water facilities in connection with the Interstate 405 Freeway Improvement Project. (Estimated Cost: \$197,400) (*Action Item*)
- 3.i. Receive and file minutes from the meeting held on October 10, 2017. (*Action Item*)
- 3.j. Approval of warrants. (*Action Item*)

4. PUBLIC HEARINGS

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

- 4.a. Adoption of a Resolution approving an agreement with Garden Grove Automotive, Inc., for opening and operating a Kia Dealership at 13731 Harbor Boulevard, Garden Grove. (*Action Item*)

5. ITEMS FOR CONSIDERATION

- 5.a. Approval of a Selective Traffic Enforcement Program Grant Agreement with the State of California Office of Traffic Safety to implement traffic safety checkpoints. (Grant Funding: \$286,000) (*Action Item*)

6. MATTERS FROM THE MAYOR, CITY COUNCIL MEMBERS, AND CITY MANAGER

7. ADJOURNMENT

The next Regular City Council Meeting will be held on Tuesday, November 14, 2017, at 5:30 p.m. at the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, CA.

Happy Birthday Council Member Beard

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott C. Stiles	From:	Janet Pelayo
Dept.:	City Manager	Dept.:	Community Services
Subject:	Consideration of a request from Action Civics LA to waive fees for their Project Soapbox competition to be held at the Community Meeting Center on Sunday, December 3, 2017. (Sponsorship Cost: \$1,190) (<i>Action Item</i>)		
		Date:	10/24/2017

OBJECTIVE

To transmit a letter from Action Civics LA, requesting that the City Council waive the co-sponsorship policy regarding weekend use of a City facility to conduct their third annual Orange County-wide Project Soapbox competition at the Community Meeting Center on Sunday, December 3, 2017.

BACKGROUND

The Orange County-wide Project Soapbox competition is the culminating celebration, where over 400 Orange County middle and high school students participate in Project Soapbox to identify community-based issues, conduct research and address these issues in front of their peers and community leaders. Winners from school-based Project Soapbox competitions are invited to perform at the County-wide competition held on Sunday, December 3rd.

The annual event provides an opportunity for youth, community and civic leaders, family and friends to engage in an afternoon of civil discourse and problem-solving discussions. Participating schools from Garden Grove Unified School District include Pacifica High School, Doig Intermediate, and Los Amigos High School.

DISCUSSION

At present, the City Council policy allows for co-sponsorship of events at City facilities Monday through Friday (8am-5pm). The Action Civics LA is requesting that the City Council make an exception and allow their group to utilize the Community

Meeting Center on Sunday, December 3, 2017 at no charge for use of the room.

The Action Civics LA would still be required to pay the cost of set-up fees and staff time.

FINANCIAL IMPACT

The cost to waive the Community Meeting Center room rental fees through co-sponsorship of the Action Civics LA Project Soapbox is \$1,190 for a three (3) hour time slot, which excludes the cost of staff and set-up fees of the event. This event on Sunday, December 3, 2017, does not conflict with any scheduled or pre-scheduled events and therefore will not result in any lost revenue to the City.

RECOMMENDATION

It is recommended that the City Council:

- Consider the request from Action Civics LA.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Written Request from Civics Action LA	10/17/2017	Cover Memo	Co-sponsorship_Request_from_Action_Civics_LA_10-17-17.pdf

ActionCivics★LA

An initiative of Mikva Challenge

October 17, 2017

Dear Councilwoman Kim Nguyen,

The purpose of this letter is to request the city of Garden Grove's partnership in hosting Action Civics LA's third annual Orange County-wide Project Soapbox competition on Sunday, December 3, 2017 at the Garden Grove Community Center. On this day, youth from Garden Grove and neighboring cities will get on their "soapbox" and in two-minutes or less present a researched, call-to-action speech on a issue most pressing in their community today.

The Orange County-wide Project Soapbox competition is the culminating celebration of a semester-long, in classroom and after school club project. Over 400 Orange County middle and high school students are currently participating in Project Soapbox to examine community, identify community-based issues, conduct research, and address these issues in front of their peers and community leaders. Winners from school-based Project Soapbox competitions are invited to perform on the December 3rd county-wide competition.

The annual event provides an opportunity for youth, community and civic leaders, family and friends to engage in an afternoon of civil discourse and problem-solving discussion. The three hour program will run from 1:00pm-4:00pm and will include youth speeches, community-building exercises, issue-based breakout sessions, a keynote speaker, and award presentations.

Participating schools from Garden Grove Unified School District include Pacifica High, Doig Intermediate, and Los Amigos High School. Anaheim, Santa Ana, and Irvine schools will also participate.

We expect an audience of around 150, which includes 60-75 youth with 20-25 performers plus their teachers, Soapbox judges, and audience supporters. These events are always free and open to the public, so we invite parents, adult allies, program supporters, friends, and media to attend.

We respectfully request a fee waiver for use of the Community Center and would like to reserve Butterfield AB, the Founders Room, and the Constitution Room AB.

If you have any questions, please do not hesitate to contact me at Sheila@mikvachallenge.org or (949) 636-3486.

Thank you for your time and consideration.

Sheila McMullin
Action Civics LA Program Director

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott C. Stiles	From:	Kingsley Okereke
Dept.:	City Manager	Dept.:	Finance
Subject:	Adoption of a Resolution authorizing certain public employees to order the deposit or withdrawal of monies in the Local Agency Investment Fund (LAIF). (<i>Action Item</i>)		
		Date:	10/24/2017

OBJECTIVE

For the City Council to adopt the attached Resolution to comply with the Local Agency Investment Fund (LAIF) requirement for the City Council to authorize approval for certain public employees to order the deposit or withdrawal of funds on behalf of the City of Garden Grove.

BACKGROUND

The City of Garden Grove invests part of the investment portfolio in the State of California LAIF managed by the State Treasurer. The LAIF program allows cities to place money in a major portfolio at no additional cost to taxpayers, using the expertise of the State's Investment Division staff. Participating agencies can withdraw their funds from LAIF at any time making it readily accessible for liquidity needs. Investing City monies in LAIF is allowed as part of the City's Investment Policy.

The City's last LAIF Resolution No. 8929-09 was adopted by the City Council at their meeting held on September 22, 2009. Due to retirements, there have been changes to the positions and titles of the public employees responsible for the placement and withdrawal of funds in the City's LAIF account.

DISCUSSION

LAIF serves as the City's liquid savings account that enables efficient daily cash flow management, and the attached Resolution identifies authorized staff members to transact with LAIF as City representatives. Currently, only Monica Neely and Jeff Kuramoto are designated to perform all investment transactions with LAIF. The additional three staff are named to ensure adequate coverage at all times. Each

deposit into or withdrawal from the City LAIF account is logged and reported as part of the daily cash and investment reconciliation report. Monthly bank account reconciliations also reflect these transactions with confirmation receipts from LAIF. It is necessary to update our bank and investment authorizations with LAIF, and a resolution is required to appoint current staff members and to update titles. After adoption by the City Council, a certified copy of the Resolution will be forwarded to LAIF.

FINANCIAL IMPACT

There is no financial impact to the General Fund.

RECOMMENDATION

It is recommended that the City Council

- Adopt the attached Resolution authorizing certain City staff or their successors or their designees to order the deposit or withdrawal of monies in the Local Agency Investment Fund.

ATTACHMENTS:

Description	Upload Date	Type	File Name
CC Resolution	10/19/2017	Resolution Letter	10-24-17_CC_LAIF_Resolution.pdf

GARDEN GROVE CITY COUNCIL

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
AUTHORIZING INVESTMENT OF CITY MONIES IN THE LOCAL AGENCY INVESTMENT FUND

WHEREAS, pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of monies of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the City Council does hereby find that the deposit and withdrawal of monies in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code for the purpose for investment as stated therein is in the best interests of the City of Garden Grove.

NOW, THEREFORE, BE IT RESOLVED that the City Council does hereby authorize the deposit and withdrawal of City of Garden Grove monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard.

BE IT FURTHER RESOLVED, that the following City of Garden Grove officers or their successors in office or their designees shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund:

<u>Kingsley Okereke</u> (Name) Asst. City Mgr. / Finance Director	<u>Laura J Stover</u> (Name) Human Resources Director/ Treasurer	<u>Monica Neely</u> (Name) Division Manager
_____ (Title)	_____ (Title)	_____ (Title)
_____ (Signature)	_____ (Signature)	_____ (Signature)
<u>Ann Eifert</u> (Name) Division Manager	<u>Jeff Kuramoto</u> (Name) Utility Revenue Supervisor	
_____ (Title)	_____ (Title)	
_____ (Signature)	_____ (Signature)	

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: William E. Murray

Dept.: City Manager Dept.: Public Works

Subject: Approval to exonerate the Public Improvement Bonds for the Wesley Village apartment project located at 10882 Stanford Avenue, Garden Grove. (*Action Item*) Date: 10/24/2017

OBJECTIVE

To obtain City Council approval to exonerate the Public Improvement Bonds for the completed 47-unit affordable apartment development project, Wesley Village, located on the west side of Main Street, north of Acacia Parkway, and south of Stanford Avenue, at 10882 Stanford Avenue, Garden Grove.

BACKGROUND

The Wesley Village apartment project was approved by the Planning Commission at their meeting held on December 4, 2014, to construct 47 affordable apartment units for low to very-low income seniors and families.

DISCUSSION

As a condition of approval for this development, three bonds were secured to guarantee the construction of on-site grading and drainage improvements and certain off-site improvements. With the work completed, the following improvement bonds are ready for exoneration:

Public Improvement	Amount
Faithful Performance	\$26,846.00
Labor and Material	\$671,138.00
Monument	\$4,500.00

FINANCIAL IMPACT

There is no financial impact to the General Fund.

RECOMMENDATION

It is recommended that the City Council:

- Approve the exoneration of the Public Improvement Bonds for the Wesley Village, a 47-unit affordable apartment development project located on the west side of Main Street, north of Acacia Parkway, and south of Stanford Avenue at 10882 Stanford Avenue, Garden Grove.

By: Kamyar Dibaj, Project Engineer

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott C. Stiles	From:	Lisa L. Kim
Dept.:	City Manager/General Manager	Dept.:	Community and Economic Development
Subject:	Joint Item with the Sanitary District Board: Adoption of a Resolution approving a Property Tax Exchange Agreement with the City of Garden Grove, Garden Grove Sanitary District, and the City of Orange for the Lewis Street Reorganization. (<i>Action Item</i>)		
		Date:	10/24/2017

OBJECTIVE

To adopt a Resolution approving a Property Tax Exchange Agreement between the City of Garden Grove/Garden Grove Sanitary District and the City of Orange regarding the Lewis Street Reorganization Between the City of Garden Grove and the City of Orange (RO 17-01).

BACKGROUND

Shea Homes requested the City take various land use actions necessary for it to develop a gated small lot subdivision (the "Project") on a 9.01-acre lot, located at the northwest corner of Lewis Street and Garden Grove Boulevard. The Project consists of 70 single-family residential detached units with attached enclosed two car garages, along with related street and open space improvements, and has been designed to satisfy the special requirements set forth in Municipal Code for Small Lot Subdivisions.

On April 6, 2017, the Planning Commission held a public hearing to consider General Plan Amendment No. GPA 001 2017, Planned Unit Development No. PUD 006 2017, Tentative Tract Map No. TT 17927 2017, Site Plan No. SP 028 2017, and Development Agreement No. DA 006 2017, which are the land use entitlements necessary to approve the Project. The Planning Commission adopted Resolutions (i) recommending City Council adoption of a Mitigated Negative Declaration and a Mitigation Monitoring and Reporting Program for the proposed Project and approval of GPA 001 2017, PUD 006 2017, and DA 006 2017, and (ii) contingently approving

SP 028 2017 and TT 17927-2017, subject to specified conditions of approval.

Currently, a portion of the project site, at the northeast corner, is located within the jurisdictional territory and Sphere of Influence of the City of Orange. Development of the proposed Project requires a Sphere of Influence change and detachment/annexation of 0.901 acres (the "RO 17-01 Territory") from the City of Orange to the City of Garden Grove and the Garden Grove Sanitary District. The applicant requested that the City initiate proceedings with the Orange County Local Agency Formation Commission (LAFCO) for a change of organization that would adjust the boundary between the Cities of Garden Grove and Orange and result in the detachment and annexation of approximately 0.901 acres from the City of Orange to the City of Garden Grove and the Garden Grove Sanitary District.

Orange County LAFCO is the government agency charged with controlling the boundaries of cities and special districts. Per state statute, Orange County LAFCO has the authority to adopt and update a "sphere of influence" for each city and to approve or disapprove all boundary changes/detachments/annexations. A city's "sphere of influence" includes that property located outside of the city that is designated for potential future annexation to the city. In order for Orange County LAFCO to approve the annexation of property to a city, the city's "sphere of influence" must include the property, and the city's General Plan must cover the property. A city is also to "pre zone" property within its sphere of influence so that zoning and development standards are already in place when and if the property is ultimately annexed to the city.

On May 23, 2017, the City Council approved the Planning Commission recommendation and took the following actions: (i) adopted a Resolution adopting a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Project; (ii) adopted a Resolution approving General Plan Amendment No. GPA 001 2017 to amend the City of Garden Grove's General Plan Land Use Map to modify the General Plan Land Use Designation of the portion of the project site that is located within the City of Garden Grove from Civic/Institutional to Low Density Residential and to include the properties to be annexed under the General Plan Land use Designation of Low Density Residential; (iii) introduced and conducted the first reading of an Ordinance approving Planned Unit Development No. PUD 006 2017 to amend the City's official Zoning Map to change the zoning for the portion of the project site that is located within the City of Garden Grove and to "pre zone" the properties to be annexed to residential Planned Unit Development zoning (PUD 006 2017) with R 1 (Single-Family Residential) base zoning; (iv) introduced and conducted the first reading of an Ordinance approving Development Agreement No. DA 006 2017; and (v) adopted a Resolution authorizing the initiation of, and recommending the Orange County Local Agency Formation Commission take proceedings for the Lewis Street Reorganization Between the City of Garden Grove and the City of Orange (RO 17-01), consisting of the detachment and annexation of approximately 0.901 acres of territory from the City of Orange to the City of Garden Grove and the Garden Grove Sanitary District, in the manner provided by the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000.

DISCUSSION

The Cities of Garden Grove and Orange have discussed and agreed on the terms of the proposed reorganization of the city boundaries and annexation of the subject 0.901 acres to the City of Garden Grove. In summary, the reorganization consists of: (i) the detachment of 0.901 acres from the City of Orange; (ii) annexation of the same territory to the City of Garden Grove and the Garden Grove Sanitary District; and (iii) concurrent amendment to each agency's sphere of influence. The reorganization would adjust the boundary between the City of Garden Grove and the City of Orange so that it would follow the centerline of Lewis Street north to the centerline of El Prado Avenue. Just north of the triangular section of undeveloped land created by the rerouting of Lewis Street as a result of the construction of the SR-22 Freeway, the adjusted boundary would rejoin the existing boundary between the two cities. The reasons for the proposed Reorganization are as follows: The construction of the 22 Freeway to the north of the proposed reorganization required the realignment of Lewis Street, moving it almost completely within the City of Orange; and the Project, which consists of developing a small lot residential subdivision of 70 homes within the City of Garden Grove on parcels located on the west side of Lewis Street, requires the change in organization which will serve to promote logical, efficient, and cost effective delivery of public services to the annexed property.

The property owners and LAFCO are in support of this request. The property owners have agreed to pay all processing fees associated with the annexation and necessary City land use actions and, following the annexation, to pay all generally applicable City taxes and assessments, including the City's Paramedic Tax and City-wide street lighting and park maintenance assessments. These additional tax and assessment revenues will help offset the incremental additional costs of providing fire, police, and other City services to the annexed property. Upon completion of the annexation, the City will take over responsibility for providing police, fire, and other city services, including water service, to the property, and will also assume ownership of, and responsibility for all right-of-way and public facilities adjacent to the property that are currently owned by the City of Orange.

The City of Garden Grove has filed an application with the Orange County LAFCO for the reorganization of the City of Orange and City of Garden Grove boundaries affecting approximately 0.901 acres of territory currently located in the City of Orange, which reorganization is identified for reference as the "Lewis Street Reorganization Between the City of Garden Grove and the City of Orange" (RO 17-01) (the "Reorganization").

Sections 99 and 99.01 of the California Revenue and Taxation Code requires jurisdictions involved in such a jurisdictional change to adopt resolutions agreeing to a property tax redistribution prior to LAFCO's approval of the Reorganization pursuant to Section 56658 of the California Government Code.

The City of Orange, the City of Garden Grove, and the Garden Grove Sanitary District recognize that the RO 17-01 Territory would be more efficiently served by the City of Garden Grove and the Garden Grove Sanitary District and that it is appropriate to distribute one hundred percent (100%) of the City of Orange's share of the one percent basic levy of property tax generated within the RO 17-01 Territory

to the City of Garden Grove and the Garden Grove Sanitary District upon the effective date of the Reorganization.

As such, an agreement with the City of Orange and the City of Garden Grove/Garden Grove Sanitary District have been reached, subject to approval of their respective governing bodies, regarding exchange of property tax as a result of the proposed Reorganization, whereby, upon the effective date of the Reorganization, the City of Garden Grove and the Garden Grove Sanitary District shall receive one hundred percent (100%) of the City of Orange's share of the one percent basic levy of property tax generated within the RO 17-01 Territory.

FINANCIAL IMPACT

The Auditor Controller, of the County of Orange, provided a revenue impact analysis for agencies affected by the proposed jurisdictional boundary change (RO 17-01). The analysis states that the City of Orange's share of the one percent basic levy of property tax generated within the RO 17-01 Territory, is \$62.99, which is also the amount of property tax that is subject to negotiation between the City of Garden Grove/Garden Grove Sanitary District and the City of Orange.

Upon the effective date of the Reorganization, the City of Garden Grove and the Garden Grove Sanitary District will receive one hundred percent (100%) of the City of Orange's share of the one percent basic levy of property tax generated within the RO 17-01 Territory, which shall be allocated between the City of Garden Grove and the Garden Grove Sanitary District in the following proportions, unless the City of Garden Grove and the Garden Grove Sanitary District mutually agree to adjust the allocation proportions:

City of Garden Grove: 83.532%

Garden Grove Sanitary District: 16.468%

RECOMMENDATION

It is recommended that the City Council and Sanitary District Board:

- Adopt concurrent Resolutions approving a Property Tax Exchange Agreement between the City of Garden Grove/Garden Grove Sanitary District and the City of Orange regarding the Lewis Street Reorganization Between the City of Garden Grove and the City of Orange (RO 17-01).

By: Chris Chung, Urban Planner

ATTACHMENTS:

Description	Upload Date	Type	File Name
Proposed City			

<p>Council Resolution approving a property tax exchange agreement between the City of Garden Grove/Garden Grove Sanitary District and the City of Orange regarding the Lewis Street Reorganization Between the City of Garden Grove and the City of</p>	<p>10/16/2017</p>	<p>Resolution Letter</p>	<p>Property_Tax_Exchange_Agreement_City_Council_Draft_Reso.docx</p>
<p>Proposed Garden Grove Sanitary District Resolution approving a property tax exchange agreement between the City of Garden Grove/Garden Grove Sanitary District and the City of Orange regarding the Lewis Street Reorganization Between the City of Garden Grov</p>	<p>10/16/2017</p>	<p>Resolution Letter</p>	<p>Property_Tax_Exchange_Agreement_GGSD_Draft_Reso.docx</p>

CITY OF GARDEN GROVE

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE, CALIFORNIA APPROVING A PROPERTY TAX EXCHANGE AGREEMENT BETWEEN THE CITY OF GARDEN GROVE, THE GARDEN GROVE SANITARY DISTRICT, AND THE CITY OF ORANGE REGARDING THE LEWIS STREET REORGANIZATION BETWEEN THE CITY OF GARDEN GROVE AND THE CITY OF ORANGE (RO 17-01)

WHEREAS, the City of Garden Grove has filed an application with the Local Agency Formation Commission for the reorganization of the City of Orange and City of Garden Grove boundaries affecting approximately 0.901 acres of territory (the "RO 17-01 Territory") currently located in the City of Orange, which reorganization is identified for reference as the "Lewis Street Reorganization Between the City of Garden Grove and the City of Orange" (RO 17-01) (the "Reorganization"); and

WHEREAS, the Garden Grove Sanitary District is a subsidiary district of the City of Garden Grove and provides sewer and solid waste collection services within the boundaries of the City of Garden Grove; and

WHEREAS, the RO 17-01 Territory is respectively described and depicted on Exhibit "A" and Exhibit "B" attached hereto, is currently located in Tax Rate Area 08-002, and consists of (1) an uninhabited parcel of private property identified as Assessor's Parcel No. 231-255-01 owned by the Christ Catholic Cathedral Facilities Corporation; (2) an uninhabited portion of a parcel of real property identified as Assessor's Parcel No. 231-041-28 owned by Christ Catholic Cathedral Facilities Corporation; and (3) and portions of the Lewis Street and El Prado Avenue right-of-way owned by the City of Orange; and

WHEREAS, the reasons for the proposed Reorganization are as follows: The construction of the 22 Freeway to the north of the proposed reorganization required the realignment of Lewis Street, moving it almost completely within the City of Orange. An application to develop a small lot residential subdivision of 70 homes within the City of Garden Grove on parcels located on the west side of Lewis Street requires the change in organization to more efficiently provide for utilities and services to the proposed residential subdivision; and

WHEREAS, the proposed reorganization would detach the RO 17-01 Territory from the City of Orange and annex it to the City of Garden Grove and the Garden Grove Sanitary District, and adjust the boundary between the City of Garden Grove and the City of Orange so that it would follow the centerline of Lewis Street north to the centerline of El Prado Avenue; and

WHEREAS, the proposed reorganization will serve to promote logical, efficient, and cost effective delivery of public services; and

WHEREAS, the City of Orange supports the proposed Reorganization; and

WHEREAS, the City of Orange, the City of Garden Grove, and the Garden Grove Sanitary District recognize that the RO 17-01 Territory would be more efficiently served by the City of Garden Grove and the Garden Grove Sanitary District and that is appropriate to distribute 100 percent of the City of Orange's share of the one percent basic levy of property tax generated within the RO 17-01 Territory to the City of Garden Grove and the Garden Grove Sanitary District upon the effective date of the Reorganization; and

WHEREAS, Sections 99 and 99.01 of the California Revenue and Taxation Code requires jurisdictions involved in such a jurisdictional change to adopt resolutions agreeing to a property tax redistribution prior to LAFCO's issuance of a certificate of filing pursuant to Section 56658 of the California Government Code; and

WHEREAS, the staffs of the City of Orange and the City of Garden Grove/Garden Grove Sanitary District have reached an agreement, subject to approval of their respective governing bodies, regarding exchange of property tax as a result of the proposed Reorganization, whereby, upon the effective date of the Reorganization, the City of Garden Grove and the Garden Grove Sanitary District shall receive one hundred percent (100%) of the City of Orange's share of the one percent basic levy of property tax generated within the RO 17-01 Territory; and

WHEREAS, the staffs of the City of Orange and the City of Garden Grove/Garden Grove Sanitary District recommend that concurrent resolutions be adopted and approved by their respective City Councils and Boards of Directors.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Garden Grove does hereby approve the property tax exchange agreement reached between the City of Garden Grove/Garden Grove Sanitary District and the City of Orange whereby, upon completion of the Lewis Street Reorganization Between the City of Garden Grove and the City of Orange (RO 17-01) and detachment and annexation of the RO 17-01 Territory described and depicted in Exhibits "A" and "B", respectively, from the City of Orange to the City of Garden Grove and the Garden Grove Sanitary District, the City of Garden Grove and the Garden Grove Sanitary District shall receive one hundred percent (100%) of the City of Orange's share of the one percent basic levy of property tax generated within the RO 17-01 Territory, which shall be allocated between the City of Garden Grove and the Garden Grove Sanitary District in the following proportions, unless the City of Garden Grove and the Garden Grove Sanitary District mutually agree to adjust the allocation proportions:

City of Garden Grove:	83.532%
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Garden Grove Sanitary District:	16.468%
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EXHIBIT "A"

**"LEWIS STREET REORGANIZATION BETWEEN THE
CITY OF GARDEN GROVE AND THE CITY OF ORANGE" (RO 17-01)**

THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 35,
TOWNSHIP 4 SOUTH, RANGE 10 WEST, RANCHO LAS BOLSAS TOGETHER WITH THAT PORTION
OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 35, IN THE
CITY OF ORANGE, COUNTY OF ORANGE, STATE OF CALIFORNIA, MORE PARTICULARLY
DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN
ANNEXATION NO. 27 TO THE CITY OF GARDEN GROVE, CERTIFIED SEPTEMBER 13, 1957 BY THE
SECRETARY OF STATE OF THE STATE OF CALIFORNIA AS ORD. NO. 84, SAID POINT BEING
DISTANT SOUTH 00°40'39" WEST 30.00 FEET AND NORTH 89°21'36" WEST 20.00 FEET FROM THE
SOUTH QUARTER CORNER OF SAID SECTION 35, SAID SOUTH QUARTER CORNER ALSO BEING
THE CENTERLINE INTERSECTION OF LEWIS STREET AND GARDEN GROVE BOULEVARD, AS
SHOWN ON RECORD OF SURVEY NO. 2003-1073, AS PER MAP RECORDED IN BOOK 206, PAGES 5
THROUGH 20, INCLUSIVE OF RECORDS OF SURVEY, RECORDS OF SAID COUNTY, SAID
CENTERLINE INTERSECTION ALSO BEING ORANGE COUNTY SURVEYOR'S HORIZONTAL
CONTROL STATION GPS NO. 3090, HAVING A COORDINATE VALUE (U.S. SURVEY FOOT) OF
NORTH 2229385.177 AND EAST 6061044.495 BASED UPON THE CALIFORNIA COORDINATE
SYSTEM (CCS83), ZONE VI, NORTH AMERICAN DATUM OF 1983 (1991.35 EPOCH, ORANGE
COUNTY SURVEYOR GPS ADJUSTMENT) AS SHOWN ON SAID RECORD OF SURVEY;
THENCE ALONG THE GENERAL NORTHERLY LINE OF THAT CERTAIN PARCEL OF LAND
DESCRIBED IN ANNEXATION NO. 4 TO THE CITY OF GARDEN GROVE, CERTIFIED DECEMBER 31,
1956 BY SAID SECRETARY OF STATE AS ORD NO. 24, SOUTH 89°21'36" EAST 20.00 FEET TO ITS
INTERSECTION WITH THE SOUTHERLY PROLONGATION OF THE CENTERLINE OF SAID LEWIS
STREET;
THENCE LEAVING SAID GENERAL NORTHERLY LINE AND ALONG SAID PROLONGATION AND
SAID CENTERLINE, SAID CENTERLINE ALSO SHOWN ON RECORD OF SURVEY NO. 2003-1006, AS
PER MAP RECORDED IN BOOK 199, PAGES 1 THROUGH 16, INCLUSIVE OF RECORDS OF SURVEY,
RECORDS OF SAID COUNTY, THE FOLLOWING THREE (3) COURSES:

1. NORTH 00°40'39" EAST 329.58 FEET TO THE BEGINNING OF A CURVE CONCAVE
SOUTHEASTERLY HAVING A RADIUS OF 700.00 FEET;

- 1 2. NORTHERLY AND NORTHEASTERLY ALONG SAID CURVE 265.67 FEET THROUGH A
2 CENTRAL ANGLE OF 21°44'43";
3 3. NORTH 22°25'22" EAST 195.46 FEET TO ITS INTERSECTION WITH THE CENTERLINE
4 OF EL PRADO AVENUE AS SHOWN ON SAID RECORD OF SURVEY NO. 2003-1006 AND
5 TRACT NO. 5540, AS PER MAP RECORDED IN BOOK 201, PAGES 39 AND 40 OF
6 MISCELLANEOUS MAPS, RECORDS OF SAID COUNTY;

7
8 THENCE LEAVING SAID CENTERLINE OF LEWIS STREET AND ALONG SAID CENTERLINE OF EL
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10 SOUTHERLY HAVING A RADIUS OF 150.00 FEET,
11 THENCE CONTINUING ALONG SAID CENTERLINE AND CURVE, NORTHWESTERLY 41.34 FEET
12 THROUGH A CENTRAL ANGLE OF 15°47'32" TO A POINT OF NON-TANGENCY ON THE EASTERLY
13 LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN ANNEXATION NO. 131 TO THE CITY
14 OF GARDEN GROVE, CERTIFIED NOVEMBER 29, 1968 BY SAID SECRETARY OF STATE AS ORD.
15 NO. 1029, A RADIAL LINE TO SAID POINT BEARS NORTH 06°42'58" EAST;
16 THENCE LEAVING SAID CENTERLINE AND ALONG SAID EASTERLY LINE AND CONTINUING
17 ALONG THE EASTERLY LINE OF SAID PARCEL OF LAND DESCRIBED IN SAID ANNEXATION NO.
18 27, SOUTH 00°40'39" WEST 821.36 FEET TO THE POINT OF BEGINNING.

19
20 CONTAINING 39,328 SQUARE FEET OR 0.901 ACRES, MORE OR LESS.

21
22 AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART
23 HEREOF.

24
25 DATED THIS 10th DAY OF August, 2017

26
27 PREPARED BY ME OR UNDER MY DIRECT SUPERVISION.

28
29 
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31 KURT R. TROXELL, L.S. 7854



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EXHIBIT "B"

TO ACCOMPANY LEGAL DESCRIPTION

"LEWIS STREET REORGANIZATION BETWEEN THE CITY OF GARDEN GROVE AND THE CITY OF ORANGE" (RO 17-01)

SURVEYOR'S STATEMENT:

THIS PROPOSAL WAS PREPARED BY ME OR UNDER MY SUPERVISION.

DATED THIS 18th DAY OF August, 2017

KURT R. TROXELL, L.S. 7854



NOTE:

COORDINATES SHOWN ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM (CCSR83), ZONE VI, 1983 NAD (1991.35 EPOCH OCS GPS ADJUSTMENT).

ALL DIMENSIONS SHOWN ARE GROUND UNLESS OTHERWISE NOTED. TO OBTAIN GRID DISTANCE MULTIPLY GROUND DISTANCE BY 0.99998291

AREA OF REORGANIZATION:

AREA = 39,238 SQUARE FEET
(0.901 ACRES)

COUNTY SURVEYOR'S STATEMENT:

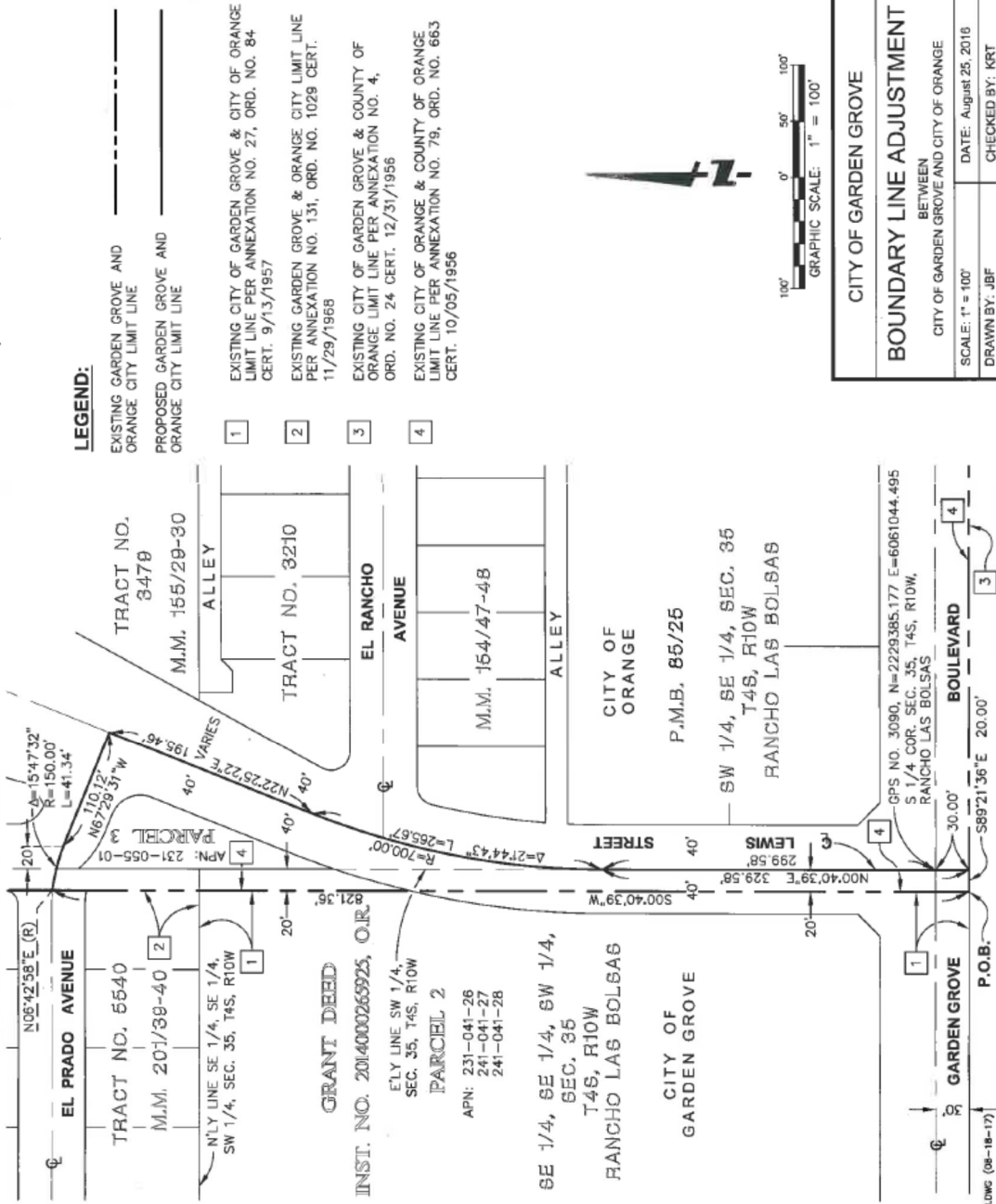
THIS DESCRIPTION AND MAP OF PROPOSED REORGANIZATION DOES MEET THE APPROVAL OF THE ORANGE COUNTY SURVEYOR'S OFFICE.

DATED THIS 21st DAY OF August, 2017

KEVIN R. HILLS, COUNTY SURVEYOR
L.S. 6617, EXP. 12/31/2017



6795 Van Kester, Suite 100, Irvine, California 92618
Tel (949) 471-1960 • Fax (949) 471-5315 • www.fusco.com



CITY OF GARDEN GROVE

BOUNDARY LINE ADJUSTMENT

BETWEEN

CITY OF GARDEN GROVE AND CITY OF ORANGE

SCALE: 1" = 100'

DATE: August 25, 2016

DRAWN BY: JBF

CHECKED BY: KRT

DATE: August 25, 2016

DRAWN BY: JBF

CHECKED BY: KRT

GARDEN GROVE SANITARY DISTRICT

RESOLUTION NO.

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN GROVE SANITARY DISTRICT, CALIFORNIA APPROVING A PROPERTY TAX EXCHANGE AGREEMENT BETWEEN THE CITY OF GARDEN GROVE, THE GARDEN GROVE SANITARY DISTRICT, AND THE CITY OF ORANGE REGARDING THE LEWIS STREET REORGANIZATION BETWEEN THE CITY OF GARDEN GROVE AND THE CITY OF ORANGE (RO 17-01)

WHEREAS, the City of Garden Grove has filed an application with the Local Agency Formation Commission for the reorganization of the City of Orange and City of Garden Grove boundaries affecting approximately 0.901 acres of territory (the "RO 17-01 Territory") currently located in the City of Orange, which reorganization is identified for reference as the "Lewis Street Reorganization Between the City of Garden Grove and the City of Orange" (RO 17-01) (the "Reorganization"); and

WHEREAS, the Garden Grove Sanitary District is a subsidiary district of the City of Garden Grove and provides sewer and solid waste collection services within the boundaries of the City of Garden Grove; and

WHEREAS, the RO 17-01 Territory is respectively described and depicted on Exhibit "A" and Exhibit "B" attached hereto, is currently located in Tax Rate Area 08-002, and consists of (1) an uninhabited parcel of private property identified as Assessor's Parcel No. 231-255-01 owned by the Christ Catholic Cathedral Facilities Corporation; (2) an uninhabited portion of a parcel of real property identified as Assessor's Parcel No. 231-041-28 owned by Christ Catholic Cathedral Facilities Corporation; and (3) and portions of the Lewis Street and El Prado Avenue right-of-way owned by the City of Orange; and

WHEREAS, the reasons for the proposed Reorganization are as follows: The construction of the 22 Freeway to the north of the proposed reorganization required the realignment of Lewis Street, moving it almost completely within the City of Orange. An application to develop a small lot residential subdivision of 70 homes within the City of Garden Grove on parcels located on the west side of Lewis Street requires the change in organization to more efficiently provide for utilities and services to the proposed residential subdivision; and

WHEREAS, the proposed reorganization would detach the RO 17-01 Territory from the City of Orange and annex it to the City of Garden Grove and the Garden Grove Sanitary District, and adjust the boundary between the City of Garden Grove and the City of Orange so that it would follow the centerline of Lewis Street north to the centerline of El Prado Avenue; and

WHEREAS, the proposed reorganization will serve to promote logical, efficient, and cost effective delivery of public services; and

WHEREAS, the City of Orange supports the proposed Reorganization; and

WHEREAS, the City of Orange, the City of Garden Grove, and the Garden Grove Sanitary District recognize that the RO 17-01 Territory would be more efficiently served by the City of Garden Grove and the Garden Grove Sanitary District and that is appropriate to distribute 100 percent of the City of Orange's share of the one percent basic levy of property tax generated within the RO 17-01 Territory to the City of Garden Grove and the Garden Grove Sanitary District upon the effective date of the Reorganization; and

WHEREAS, Sections 99 and 99.01 of the California Revenue and Taxation Code requires jurisdictions involved in such a jurisdictional change to adopt resolutions agreeing to a property tax redistribution prior to LAFCO's issuance of a certificate of filing pursuant to Section 56658 of the California Government Code; and

WHEREAS, the staffs of the City of Orange and the City of Garden Grove/Garden Grove Sanitary District have reached an agreement, subject to approval of their respective governing bodies, regarding exchange of property tax as a result of the proposed Reorganization, whereby, upon the effective date of the Reorganization, the City of Garden Grove and the Garden Grove Sanitary District shall receive one hundred percent (100%) of the City of Orange's share of the one percent basic levy of property tax generated within the RO 17-01 Territory; and

WHEREAS, the staffs of the City of Orange and the City of Garden Grove/Garden Grove Sanitary District recommend that concurrent resolutions be adopted and approved by their respective City Councils and Boards of Directors.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Garden Grove Sanitary District does hereby approve the property tax exchange agreement reached between the City of Garden Grove/Garden Grove Sanitary District and the City of Orange whereby, upon completion of the Lewis Street Reorganization Between the City of Garden Grove and the City of Orange (RO 17-01) and detachment and annexation of the RO 17-01 Territory described and depicted in Exhibits "A" and "B", respectively, from the City of Orange to the City of Garden Grove and the Garden Grove Sanitary District, the City of Garden Grove and the Garden Grove Sanitary District shall receive one hundred percent (100%) of the City of Orange's share of the one percent basic levy of property tax generated within the RO 17-01 Territory, which shall be allocated between the City of Garden Grove and the Garden Grove Sanitary District in the following proportions, unless the City of Garden Grove and the Garden Grove Sanitary District mutually agree to adjust the allocation proportions:

City of Garden Grove:	83.532%
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Garden Grove Sanitary District:	16.468%
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EXHIBIT "A"

**"LEWIS STREET REORGANIZATION BETWEEN THE
CITY OF GARDEN GROVE AND THE CITY OF ORANGE" (RO 17-01)**

THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 35,
TOWNSHIP 4 SOUTH, RANGE 10 WEST, RANCHO LAS BOLSAS TOGETHER WITH THAT PORTION
OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 35, IN THE
CITY OF ORANGE, COUNTY OF ORANGE, STATE OF CALIFORNIA, MORE PARTICULARLY
DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN
ANNEXATION NO. 27 TO THE CITY OF GARDEN GROVE, CERTIFIED SEPTEMBER 13, 1957 BY THE
SECRETARY OF STATE OF THE STATE OF CALIFORNIA AS ORD. NO. 84, SAID POINT BEING
DISTANT SOUTH 00°40'39" WEST 30.00 FEET AND NORTH 89°21'36" WEST 20.00 FEET FROM THE
SOUTH QUARTER CORNER OF SAID SECTION 35, SAID SOUTH QUARTER CORNER ALSO BEING
THE CENTERLINE INTERSECTION OF LEWIS STREET AND GARDEN GROVE BOULEVARD, AS
SHOWN ON RECORD OF SURVEY NO. 2003-1073, AS PER MAP RECORDED IN BOOK 206, PAGES 5
THROUGH 20, INCLUSIVE OF RECORDS OF SURVEY, RECORDS OF SAID COUNTY, SAID
CENTERLINE INTERSECTION ALSO BEING ORANGE COUNTY SURVEYOR'S HORIZONTAL
CONTROL STATION GPS NO. 3090, HAVING A COORDINATE VALUE (U.S. SURVEY FOOT) OF
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THENCE ALONG THE GENERAL NORTHERLY LINE OF THAT CERTAIN PARCEL OF LAND
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1956 BY SAID SECRETARY OF STATE AS ORD NO. 24, SOUTH 89°21'36" EAST 20.00 FEET TO ITS
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THENCE LEAVING SAID GENERAL NORTHERLY LINE AND ALONG SAID PROLONGATION AND
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RECORDS OF SAID COUNTY, THE FOLLOWING THREE (3) COURSES:

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SOUTHEASTERLY HAVING A RADIUS OF 700.00 FEET;

- 1 2. NORTHERLY AND NORTHEASTERLY ALONG SAID CURVE 265.67 FEET THROUGH A
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3 3. NORTH 22°25'22" EAST 195.46 FEET TO ITS INTERSECTION WITH THE CENTERLINE
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22 AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART
23 HEREOF.

24
25 DATED THIS 10th DAY OF August, 2017

26
27 PREPARED BY ME OR UNDER MY DIRECT SUPERVISION.

28
29 KRT
30

31 KURT R. TROXELL, L.S. 7854



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35

1 **EXHIBIT "A"**

2 **"LEWIS STREET REORGANIZATION BETWEEN THE**
3 **CITY OF GARDEN GROVE AND THE CITY OF ORANGE" (RO 17-01)**

4
5 THIS DESCRIPTION AND MAP OF PROPOSED REORGANIZATION DOES MEET THE APPROVAL OF
6 THE ORANGE COUNTY SURVEYOR'S OFFICE.

7
8 DATED THIS 21ST DAY OF August, 2017.

9
10
11 

12
13 KEVIN R. HILLS, COUNTY SURVEYOR
14 L.S. 6617, EXP. 12/31/2017



EXHIBIT "B"

TO ACCOMPANY LEGAL DESCRIPTION

"LEWIS STREET REORGANIZATION BETWEEN THE CITY OF GARDEN GROVE AND THE CITY OF ORANGE" (RO 17-01)

SURVEYOR'S STATEMENT:

THIS PROPOSAL WAS PREPARED BY ME OR UNDER MY SUPERVISION.

DATED THIS 18th DAY OF August, 2017

KURT R. TROXELL, L.S. 7854



NOTE:

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AREA OF REORGANIZATION:

AREA = 39,238 SQUARE FEET
(0.901 ACRES)

COUNTY SURVEYOR'S STATEMENT:

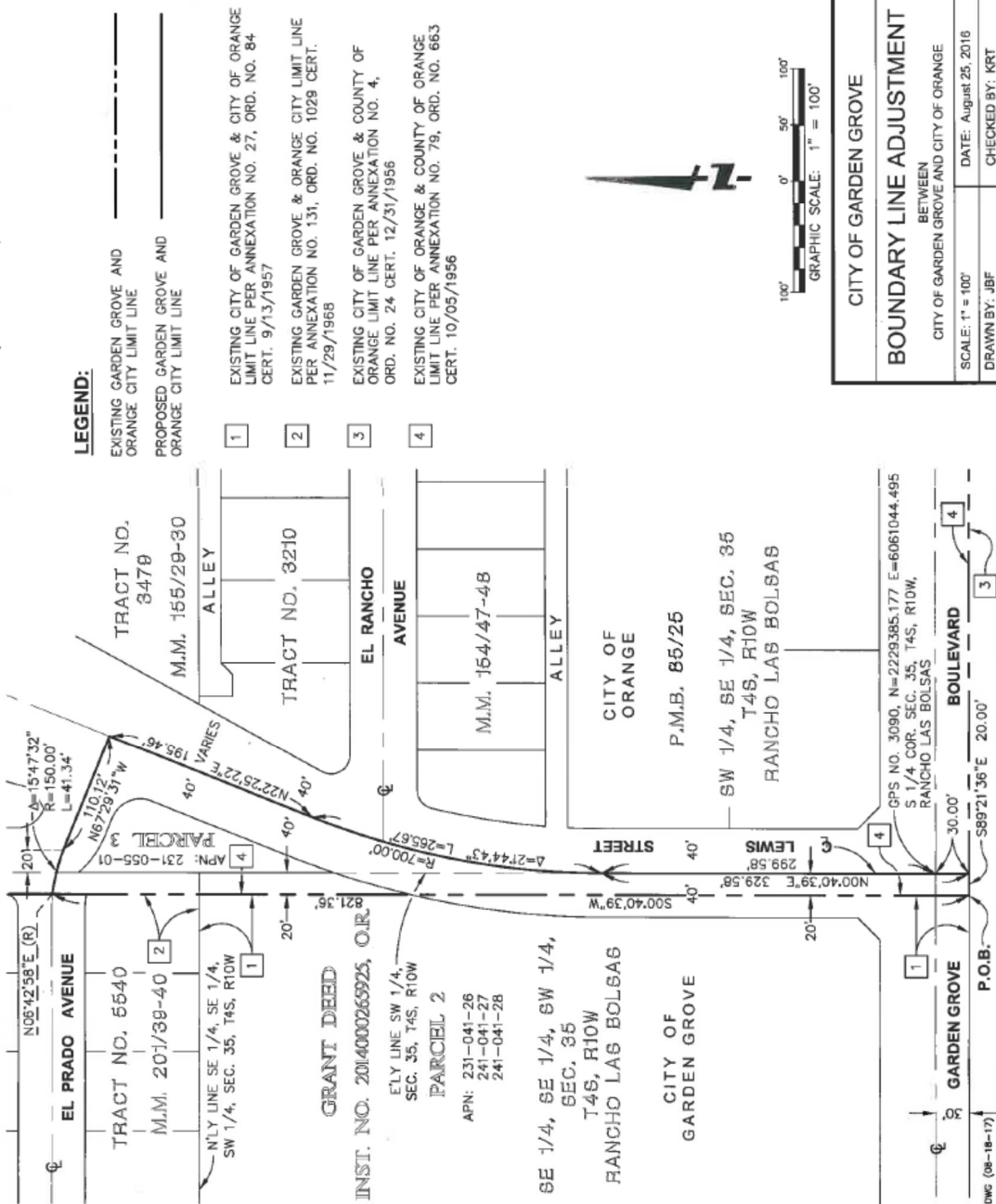
THIS DESCRIPTION AND MAP OF PROPOSED REORGANIZATION DOES MEET THE APPROVAL OF THE ORANGE COUNTY SURVEYOR'S OFFICE.

DATED THIS 21st DAY OF August, 2017

KEVIN R. HILLS, COUNTY SURVEYOR
L.S. 6617, EXP. 12/31/2017



6795 Van Kester, Suite 100, Irvine, California 92618
Tel (949) 471-1960 • Fax (949) 471-5315 • www.fusco.com



City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott C. Stiles	From:	William E. Murray
Dept.:	City Manager	Dept.:	Public Works
Subject:	Joint Item with the Sanitary District Board: Acceptance of City Project No. 7405, and Sanitary District Project Nos. 7834 and 7837 East Garden Grove Storm Drain and Sewer Improvements as complete. (<i>Action Item</i>)		
Date:	10/24/2017		

OBJECTIVE

For the City Council and the Garden Grove Sanitary District Board (District Board) to jointly accept City Project No. 7405, and Sanitary District Project Nos. 7834 and 7837 East Garden Grove Storm Drain and Sewer Improvements as complete, and authorize the City Manager/General Manager to execute the Notice of Completion of Public Improvements and Work.

BACKGROUND

The City Council and Sanitary District Board jointly awarded a contract to Mamco, Inc., at the meetings held on June 28, 2016. The Project combined storm drain and sewer construction work in one construction contract for the purposes of the most efficient and economic delivery of both types of underground construction projects. The storm drain improvements located on Lampson Avenue and Ranchero Way, included removal and replacement of existing catch basins, sidewalks, curbs and gutters, access ramps and cross gutters, rehabilitation of existing alleys, adjustment of utility covers to finish surfaces, installation of traffic loop detectors, and other pertinent work. The sewer improvements consisted of constructing new replacement sewer lines in Nutwood Street, Imperial Avenue, and Central Avenue. The improvements also included approximately 3,681 linear feet of new replacement extra strength Vitrified Clay Pipe (VCP) sewer line of various sizes (8-inch, 10-inch, 12-inch, and 15-inch), installation of approximately 554 linear feet of new replacement 8-inch Polyvinyl Chloride Pipe (PVC) sewer line, construction of twenty one (21) new sewer manholes, removal of twenty (20) existing sewer manholes, and removal and/or abandonment of existing sewer pipes.

DISCUSSION

The contractor, Mamco, Inc., has completed this project in accordance with the plans, specifications and other contract documents.

FINANCIAL IMPACT

The project was funded with Drainage Fee Funds and Sewer Funds, and was completed within budget and on 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 City Project No. 7405, and Sanitary District Project Nos. 7834 and 7837-East Garden Grove Storm and Sewer Improvements;
- Authorize the City Manager/General 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.

It is recommended that the Sanitary District Board:

- Accept Sanitary District Project Nos. 7834 and 7837, and City Project No. 7405-East Garden Grove Storm Drain Sewer Improvements as complete;
- Authorize the General Manager/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.

By: Navin Maru
Assistant Engineer

ATTACHMENTS:

Description	Upload Date	Type	File Name
Notice of Completion	10/16/2017	Backup Material	10-24-17_Notice_of_Completion-#7405_7834_7837(Oct16-2017).pdf

RECORDING REQUESTED BY

When Recorded Mail To:

Secretary/City Clerk
Garden Grove Sanitary District/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 Sanitary District/City of Garden Grove, Orange County, California, has caused a public improvement, to wit:

CITY PROJECT NO. 7405, AND SANITARY DISTRICT PROJECT NOS. 7834 AND 7837 EAST GARDEN GROVE STORM DRAIN AND SEWER IMPROVEMENTS

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 Secretary of the Garden Grove Sanitary District/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 [MAMCO, INC.](#), on the [28th](#) day of [June 2016](#), and filed for record in the office of the Secretary of the Garden Grove Sanitary District/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 the Sanitary District/City Council 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 the Sanitary District/City Council 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 [24th](#) day of [October 2017](#); that the nature of the title to said property of said Sanitary District/City Council 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:

NOTICE OF COMPLETION
CITY PROJECT NO. 7405, AND SANITARY DISTRICT PROJECT NOS. 7834 AND 7837 EAST
GARDEN GROVE STORM DRAIN AND SEWER IMPROVEMENTS
ACCEPT PROJECT AS COMPLETE
October 24, 2017
Page 2 of 2

CITY PROJECT NO. 7405, AND SANITARY DISTRICT PROJECT NOS. 7834 AND
7837 EAST GARDEN GROVE STORM DRAIN AND SEWER IMPROVEMENTS

NAME OF SURETY on Labor and Material Bond is: Alliant Insurance Services, Inc.
1301 Dove Street, Suite 200
Newport Beach, CA 92660
Tel No. (949) 756-0271

DATED this _____ day of _____ 20 ____

GARDEN GROVE SANITARY DISTRICT/
GARDEN GROVE CITY COUNCIL

By _____
General Manager/City Manager

ATTEST:

Secretary/City Clerk

STATE OF CALIFORNIA
COUNTY OF ORANGE

I am the City Engineer 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 _____ at Garden Grove, California
(Date) (Place)

Dan Candelaria, P.E., T.E.
City Engineer

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott C. Stiles	From:	William E. Murray
Dept.:	City Manager	Dept.:	Public Works
Subject:	Authorize the issuance of a purchase order to Fairview Ford Sales, Inc., for one new utility truck. (Cost: \$37,607.04) (<i>Action Item</i>)		
		Date:	10/24/2017

OBJECTIVE

To secure City Council authorization to purchase one (1) utility truck from Fairview Ford Sales, Inc. in the amount of \$37,607.04.

BACKGROUND

Public Works is responsible for providing safe and reliable vehicles for all City departments. The Public Works Department currently has one (1) vehicle that meets the City's guidelines for replacement. The replacement was approved through the Fiscal Year 2017/18 budget process.

DISCUSSION

Specifications were prepared and sent to bidders in the Southern California area. Multiple bids were received. Pursuant to Garden Grove Municipal Code Section 2.50.060 and based on the City's Public Works Department recommendations, the results deemed that Fairview Ford Sales, Inc., was the lowest responsive bid.

Fairview Ford Sales, Inc. San Bernardino, CA	\$37,607.04
FFBH Motors LLC dba Frontier Ford Santa Clara, CA	\$38,260.00
Carmenita Truck Center Santa Fe Springs, CA	\$39,718.94
Reynolds Buick/GMC Inc. Covina, CA	\$40,467.59

FINANCIAL IMPACT

The financial impact is \$37,607.04 to the Fleet Management Fund. There is no impact to the General Fund. The vehicle being replaced will be sold at public auction.

RECOMMENDATION

It is recommended that the City Council:

- Authorize the Finance Director to issue a purchase order in the amount of \$37,607.04 to Fairview Ford Sales, Inc. for the purchase of one (1) utility truck.

By: Steve Sudduth
Equipment Lead Worker

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: William E. Murray
Dept.: City Manager Dept.: Public Works
Subject: Award of contract for RFP No. S-1221 to Master Landscape and Maintenance Inc., for oleander trimming and storm drain maintenance. (Cost: \$68,425.92) (*Action Item*)

OBJECTIVE

To request that the City Council award a contract to Master Landscape and Maintenance Inc., to provide all material, equipment, transportation, traffic control, and labor for trimming of the oleander bushes and storm drain maintenance.

BACKGROUND

RFP No. S-1221 was advertised on July 19, 2017, and re-advertised on July 26, 2017. The proposal document was posted on the City's website via the Planet Bids on-line bidding system. A mandatory pre-proposal meeting was held on August 3, 2017, with six (6) companies in attendance.

DISCUSSION

Two (2) proposals were received and opened on August 21, 2017. The Source Selection Committee (SSC) review scores were completed on August 21, 2017, and the SSC unanimously voted to recommend the highest scoring proposer, Master Landscape Maintenance, Inc. The analysis below indicates the proposal pricing and the SSC scores:

COMPANY NAME	TOTAL AMOUNT OF RATES COMBINED	FINAL SSC SCORES
Master Landscape and Maintenance Inc. Westminster, CA	\$68,425.92	2580
S.C. Yamamoto, Inc.	\$71,940.00	2220

La Habra, CA

FINANCIAL IMPACT

The new contract for oleander trimming and storm drain maintenance is \$68,425.92, which is available in the Public Works budget.

RECOMMENDATION

It is recommended that the City Council:

- Award a contract to Master Landscape Maintenance Inc., in the firm fixed amount of \$68,425.92 for the first three years with options to renew the contract for two additional years;
- Authorize the City Manager to execute the agreement on behalf of the City and make minor modifications as appropriate thereto; and
- Authorize the City Manager or authorized designee to sign amendments to the agreement including the authorization to enter into the option years, providing sufficient funds are available.

By: Richard Gosselin
Public Works Supervisor

ATTACHMENTS:

Description	Upload Date	Type	File Name
Contract	10/16/2017	Backup Material	DOC-20171016-10_59_54.pdf

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made this _____ day of _____, 2017, by the **CITY OF GARDEN GROVE**, a municipal corporation, ("CITY") and **Master Landscape & Maintenance, Inc.**, 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 Provide all material, equipment, transportation, traffic control, and labor for trimming of Oleander Bushes and Storm Drain Maintenance at various locations for the City of Garden Grove
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.** The term of the agreement shall be for period of three (3) year from full execution of the agreement, with an option to extend said agreement for an additional two (2) years, for a total performance period of five (5) years. 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 Contractors Proposal which is attached as Attachment B and is hereby incorporated by reference. Contractor is required to present evidence to support performed work.
2. **Services to be Provided.** The services to be performed by CONTRACTOR shall consist of tasks as set forth in the Scope of Work which 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.** AMOUNT. Total Compensation under this agreement shall not exceed (NTE) amount of Sixty Eight Thousand Four Hundred Twenty Five Dollars and 92/100 (\$68,425.92), for the first three years, payable in arrears and in accordance with the Contractor's Proposal (Attachment B). All work shall be in accordance with RFP No. S-1221.

- 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 the Contractor's Proposal (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 until all certificates and endorsements have been received and approved by the CITY. All liability insurance required by this Agreement shall not be cancelled until 30 days advance notice has been provided to the CITY, 10 day notice shall be provided for cancellation due to non-payment of premium.
- 4.2 WORKERS COMPENSATION INSURANCE. During the duration of this Agreement, CONTRACTOR and all subcontractors 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 of \$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 of \$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.

An **On-Going and Completed Operations Additional Insured Endorsement** for the policy under section 4.3 (a) and 4.3 (c) 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, and 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 causing 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)
Master Landscape & Maintenance, Inc.
Attention: Robert Whitecotton,
14600 Goldenwest Street, Suite 210
Westminster, CA 92683
- 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.

17. **Prevailing Wages.** The CITY has been advised that the Prevailing Wages Law applies to the work. CONTRACTOR and its subcontractors must be registered with the California Department of Industrial Relations pursuant to Labor Code Section 1725.5. This Agreement shall not be effective until CONTRACTOR provides proof of registration to the CITY. CONTRACTOR shall be responsible for CONTRACTOR's compliance in all respects with the Prevailing Wage Law, including the payment of the prevailing wage rates to all the laborers involved, and with California Labor Code Section 1770 et seq., including the keeping of all records required by the provisions of Labor Code Section 1776 and the implementing administrative regulations. CONTRACTOR shall submit payroll records to the Labor Commissioner pursuant to Labor Code section 1771.4(a)(3) and shall comply with the job site notices posting requirements established by the Labor Commissioner pursuant to Title 8, California Code of Regulations Section 16461(e) or other regulation promulgated pursuant to Labor Code Section 1771.4(a)(2). Pursuant to Labor Code Section 1771.4, this Project is subject to compliance monitoring and enforcement by the California Department of Industrial Relations. The CITY shall be a third party beneficiary of the forgoing covenant with rights to enforce the same as against the CONTRACTOR.
18. **Appropriations.** This Agreement is subject to and contingent upon funds being appropriated therefor by the Garden Grove City Council for each fiscal year covered by the term of this Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to the CITY.

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"
Master Landscape & Maintenance, Inc.

By: _____

Name: Robert Whitecotton

Title: President

Date: 9/19/17

Tax ID No. 92-0178322

DIR Reg# 1000018806

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:

Omara Pandora
Garden Grove City Attorney

9-25-17

**SPECIFICATIONS/SCOPE OF WORK
RFP S-1221**

**ATTACHMENT "A"
TRIMMING OF OLEANDER BUSHES
(PART A)**

**CITY OF GARDEN GROVE
RFP S-1221**

- I. It is the intent of the City of Garden Grove to enter into a multi-year contract for Oleander shrub trimming services. The prices quoted with the proposal shall be in effect for a period of three years. This contract will be subject to review and extension after the period of three years. At the City's option, this contract may be extended for an additional two years if it is in the best interest of the City. It is the intent of the City to renew this contract for successive years without any cost increase. However, the Contractor or the City may request a price escalation adjustment (price increase/decrease) in writing sixty (60) days prior to the contract renewal date.

A request for price increase/decrease shall be calculated upon United States Department of Labor, Bureau of Labor Statistics Consumer Price Index, Subgroup "all items" entitled "Consumer Price Index, Los Angeles-Long Beach-Anaheim average."

- II. For general information as required, call (714) 741-5384, Streets Division.
- III. Type of Work: Provide complete trimming and debris pickup of Oleander bushes.
- IV. Awarding of the contract shall be contingent upon inspection of type and condition of equipment to be used to meet specifications.
- V. SPECIFICATIONS AND LOCATIONS OF WORK

A. Equipment:

Provide operator and 110 HP minimum tractor with hydrostatic transmission and Bomford Model 728, side arm drop capable of minimum 25 foot reach - flail slope mower with sharp dropped forged flail cutting blades.

B. Locations:

1.

- a. Roan Road Banner to Percheron Road 650 Ln. Ft.

Specifications: Remove side and end growth to a depth of 2 to 2-1/2 feet from the average extending edge of the bush, or 2 to 2-1/2 feet in from the face of the curb; based on City supervisor's direction. Top growth down to 10 feet from top of curb level.

2.

- | | | |
|----|------------------------------------|---------------|
| a. | Chapman - Knott to Valley View N/S | 7,800 Ln. Ft. |
| b. | Chapman - Knott to Valley View S/S | 6,980 Ln. Ft. |
| c. | Springdale - N/O Chapman | 640 Ln. Ft. |
| d. | Springdale - S/O Chapman | 640 Ln. Ft. |

Specifications: Remove side and end growth to a depth of 2 to 2-1/2 feet from the average extending edge of the bush, or 2 to 2-1/2 feet in from the face of the curb; based on City supervisor's direction. Top growth down to 8 feet from top of curb level.

3.

- | | | |
|----|---|---|
| a. | Garden Grove Blvd. - Shackelford to Gilbert | 3,200 Ln. Ft. |
| b. | Garden Grove Boulevard at Casa Linda | 55 Ln. Ft. section of Oleanders shall be 30 inches in height. |
| c. | West end of Oleanders | 153 Lt. Ft. section shall be 30 inches in height. |
| d. | Katella Avenue - Fay to Stratford | 800 Ln. Ft. |

Specifications: Remove side and end growth to a depth of 2 to 2-1/2 feet from the average extending edge of the bush, or 2 to 2-1/2 feet in from the face of the curb; based on City supervisor's direction. Top growth down to 9 feet from top of curb level.

- | | | |
|----|--------------------------|-------------|
| 4. | Brady Way - S/O Stanford | 800 Ln. Ft. |
|----|--------------------------|-------------|

Specifications: Remove side and end growth to a depth of 2 to 2-1/2 feet from the average extending edge of the bush, or 2 to 2-1/2 feet in from the face of the curb; based on City supervisor's direction. Top growth down to 7 feet from top of curb level.

VI. All work shall begin on the date and time determined by the Trees Division Supervisor or his duly appointed representative and completed within 15 working days of the starting date.

VII. ADDITIONAL SCHEDULE OF SPECIFICATIONS

A. Specifications:

1. Side and end trimming shall be vertical, and top trimming shall be horizontal unless otherwise specified. The area where the top and sides of the Oleander meet shall be trimmed to form a rounded edge rather than a right angle. The radius of the angle shall be

approximately two to three feet, which will make that section of the Oleander bush more rounded rather than a square edge.

2. The Contractor shall consider and make adjustments from the original contract specification to provide necessary trimming of any section of the Oleander bushes, so that visual clearness has met City Traffic Control's ordinance requirements.
3. The Contractor shall provide trimming around all wires, poles, buildings, or stationary objects by whatever means necessary to maintain a symmetrical-shaped, trimmed appearing Oleander.
4. When the Oleander bush is protruding through or beyond a fence, those branches shall be trimmed to within 3 inches of the face of the fence. Brady Way shall be excluded from this specification.
5. A symmetrical form with no extending branches or foliage with a tolerance of three (3) inches shall be maintained.
6. Contractor will provide traffic control in accordance with specifications of the work area Traffic Control Handbook, latest edition, which has been approved by the Southern California Chapter of the Public Works Association.
7. Storm Water Protection: Trimming activity Best Management shall be adhered to all times. Trimming work activity shall be in compliance with the **City of Garden Grove Local Implementation Plan (LIP)**, Adoption storm water quality municipal codes and ordinances. ***This document is posted on the City's Planet Bid website as a separate document.***

B. Specifications Involving Cleanup by Contractor:

All specifications in this contract are to be included, in addition to the following:

1. Trimming and removal of all brush and debris under, in and around the Oleander including the street and walkway areas.
2. Contractor will provide traffic control in accordance with specifications of the work area Traffic Control Handbook, latest edition, which has been approved by the Southern California Chapter of the Public Works Association.
3. Removal of parked vehicles shall be the responsibility of the Contractor and shall be dealt with in accordance with the Garden Grove Municipal Code and the approval of the Trees Division Supervisor.

4. **Removal:** All debris and other vegetation resulting from Oleander trimming operations shall be promptly removed from the worksite and properly disposed of at the Contractor's expense. All laws and ordinances that are applicable to and governing such disposal shall be fully complied with.
5. **Daily Clean Up:** The street, gutter, parkway, sidewalk, and yard areas of all property shall be left free of debris at the close of each day's operation.
6. **Sharp drop flail blades shall be used.** Dull drop flail blades which cause ripping of stems and foliage will not be acceptable.
7. **The Contractor shall make an additional pruning cut, beginning three feet above curb level at the trimmed vertical face of the Oleander bush; a downward tapering cut will begin, reaching an inward length of 12 inches at curb level.**

VIII. CONDUCT OF OPERATION

- A. **Cooperation with Others:** The Contractor shall endeavor to maintain good public relations at all times. The work shall be conducted in a manner that will cause no interference with or annoyance to the public.
- B. **Supervision:** The Contractor will assure that a qualified supervisor is present at all times when work is being performed. If a citizen has a complaint or concern about work being performed, the Contractor's Supervisor shall make initial contact with the citizen and endeavor to resolve the problem. The supervisor shall report each daily work schedule on the preceding afternoon before 3 p.m.
- C. **Inclement Weather:** Work shall be suspended during periods of inclement weather, as determined by the Trees Division Supervisor.
- D. **Preservation of Property:** The Contractor shall carefully protect from damage all existing trees, shrubs, plants, or other growth and fixtures that remain. The Contractor shall be liable for any and all damaged trees, plants, shrubs, other growth, irrigation, public utility boxes lines, etc., any damaged said property shall be replaced or restored to their original condition within a 48-hour period, to the satisfaction of the Trees Division Supervisor or his duly appointed representative.
- E. **The Contractor shall notify the Parks Supervisor or his duly appointed representative 24 hours in advance before starting his work required by the contract.**
- F. **If the Contractor, after having officially started said contract, should discontinue work of any cause, he shall notify the Trees Division Supervisor**

or his duly appointed representative of the date of the restarting of operations.

- G. Parking of the Contractor's vehicles at any given location on City residential streets for more than 24 hours shall not be permitted.
- H. All work shall be completed to the satisfaction of the Trees Division Supervisor or his duly appointed representative of the Public Works Department.
- I. Work outside regular hours will not be permitted: Normal working hours shall be between the hours of 7 a.m. and 4 p.m., Monday through Friday, excluding holidays recognized by the City of Garden Grove and City's Friday off. The City may allow the Contractor to work overtime in order that he may finish within his time limit for completion, but the expense for such work shall be included in his bid prices, and will not be considered as an addition to the contract. The Contractor shall reimburse the City for the actual cost or overtime inspection.

IX. VARIATION IN QUANTITY

City reserves the right to increase or decrease the quantity to be trimmed under such contract by as much as 10%.

X. INSPECTION

When work is completed and ready for final inspection, the Contractor shall so notify the Trees Division Supervisor. As soon as possible thereafter, the Trees Division Supervisor or his duly appointed representative will make the necessary inspection and if he finds that the work has been properly performed and completed in accordance with all terms of the specifications and contract, he will accept it and notify the City Controller to that effect.

XI. PAYMENT TO THE CITY

- A. The City has reserved the right to make increases or decreases in the quantities of items of work to be performed or furnished under such contract. In the event of any such increases or decreases in the quantity of work to be performed or furnished are so ordered, payment shall be proportionate to the changes.
- B. The City shall make payment only after the entire job has been completed and the contract specifications have been met, to the satisfaction of the Trees Division Supervisor or his duly appointed representative.

XII. OTHER CONTRACTOR REQUIREMENTS

- A. The Contractor Must Provide proof of a valid C-27 Landscaping Contractor License and be in good standing.**
- B. The Contractor must provide proof of registration with the Department of Industrial Relations (DIR) for the company as well as all sub-contractors listed.**
- C. Contractor must have a minimum of five (5) years of experience performing the same type of work.**

**PROPOSAL
(ATTACHMENT B)
PART A-OLEANDER TRIMMING**

THE HONORABLE MAYOR AND CITY COUNCIL
CITY OF GARDEN GROVE
11222 ACACIA PARKWAY
GARDEN GROVE, CA 92840

TO: THE HONORABLE MAYOR AND CITY COUNCIL

Gentlemen:

The undersigned, having carefully examined the Specifications for Oleander trimming and cleanup, HEREBY PROPOSE to furnish all labor, materials, equipment and transportation, and do all the work required to complete the said work in accordance with the said Specifications for the price named in the previous schedule of specifications.

D. Designated locations of Oleander trimming to be bid on:

1. Brady Way - S/O Stanford	840 Ln. Ft.
2. Chapman - Knott to Valley View N/S	7,800 Ln. Ft.
3. Chapman - Knott to Valley View S/S	6,980 Ln. Ft.
4. Garden Grove Blvd. - Shackelford to Gilbert	3,200 Ln. Ft.
5. Katella Avenue - Fay to Stratford	880 Ln. Ft.
6. Roan Road Banner to Percheron Road	650 Ln. Ft.
7. Springdale - N/O Chapman	640 Ln. Ft.
8. Springdale - S/O Chapman	640 Ln. Ft.

E. Proposal prices are for each designated locations (a-i)

1. Mechanical Mowing/Cleanup and Misc. Trimming

(a) Brady Way - S/O Stanford	<u>627.43</u>
(b) Chapman - Knott to Valley View N/S	<u>3272.23</u>
(c) Chapman - Knott to Valley View S/S	<u>2960.63</u>
(d) Garden Grove Blvd. - Shackelford to Gilbert	<u>1524.23</u>
(e) Katella Avenue - Fay to Stratford	<u>642.63</u>
(f) Roan Road Banner to Percheron Road	<u>555.23</u>
(g) Springdale - N/O Chapman	<u>551.43</u>
(h) Springdale - S/O Chapman	<u>551.43</u>

2. TOTAL proposal price for mechanical mowing,
traffic control, cleanup and miscellaneous
trimming

\$10,685.24

(Prevailing Wages do apply to this contract.)

It is understood and agreed that:

- F. No proposal will be accepted unless authorized representatives of proposing organizations attend a pre-proposal conference at the stated time and location: 2:00 P.M. on Thursday, August 3, 2017 at the Garden Grove Municipal Service Center, Training Room, 13802 Newhope St, Garden Grove, CA.
- G. After the contract has been awarded, the designed Contractor shall attend a pre-job conference. The Contractor shall be informed of said time and location.
- H. No verbal agreement or conversation with any officer, agent or employee of the City either before or after the execution of the agreement, shall affect or modify any of the terms or obligations of this proposal.
- I. The City will not be responsible for any errors or omissions on the part of the undersigned in making up his proposal, nor will proposers be released on account of errors.
- J. 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 proposal, or any other person, firm or corporation to refrain from proposing, and that the undersigned has not in any manner sought, by collusion, to secure for himself an advantage over any other proposer.
- K. The Undersigned is licensed in accordance with the Laws of the State of California.

Robert Whitecotton

PROPOSER'S NAME (PRINTED)

AUTHORIZED SIGNATURE

DATE: 8/21/17

Corporation
TYPE OF ORGANIZATION: INDIVIDUAL,
PARTNERSHIP OR CORPORATION

EMAIL ADDRESS:
info@masterlandscapemaintenance.com

14600 Goldenwest St. #210, Westminster, CA 92683
ADDRESS

(714) 531-0549

TELEPHONE

DIR REG#
1000018806

C-27 830979
STATE OF CALIFORNIA CONTRACTOR
LICENSE NUMBER

**PROPOSAL
(ATTACHMENT B)
PART B-STORM DRAIN MAINTENANCE**

THE HONORABLE MAYOR AND CITY COUNCIL
CITY OF GARDEN GROVE
11222 ACACIA PARKWAY
GARDEN GROVE, CA 92840

TO: THE HONORABLE MAYOR AND CITY COUNCIL

The undersigned having carefully examined the Plans and Specifications for Storm Drain Channel Maintenance and Cleanup, HEREBY PROPOSE to furnish all labor, materials, equipment and transportation, and do all the work required to complete work in accordance with the Plans and Specifications for the sum price of:

LOCATION			COST
1.	Valley View	1.39 miles	\$ <u>3363.49</u>
2.	Belgrave	1.75 miles	\$ <u>4,089.25</u>
3.	Emerald	0.50 miles	\$ <u>1,569.25</u>
4.	Trask	0.26 miles	\$ <u>1,048.32</u>
5.	Shannon	0.74 miles	\$ <u>2,053.09</u>
Total Bid Amount			\$ <u>12,123.40</u>

(Prevailing Wages do apply to this contract.)

It is understood and agreed that:

- O. No proposal will be accepted unless authorized representatives of proposing organizations attend a pre-proposal conference at the stated time and location:
Garden Grove Municipal Service Center, Training Room
2:00P.M., Thursday, August 3, 2017 13802 Newhope Street, Garden Grove, CA.
- P. After the contract has been awarded, the designed Contractor shall attend a pre-job conference. The Contractor shall be informed of said time and location.
- Q. No verbal agreement or conversation with any officer, agent or employee of the City either before or after the execution of the agreement shall affect or modify any of the terms or obligations of this proposal.

- R. The City will not be responsible for any errors or omissions on the part of the undersigned in making up his proposal, nor will proposers be released on account of errors.
- S. 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 proposal or any other person, firm or corporation to refrain from proposing, and that the undersigned has not in any manner sought, by collusion, to secure for himself an advantage over any other proposer.
- T. The Undersigned is licensed in accordance with the Laws of the State of California.

Robert Whitecotton
PROPOSER'S NAME (PRINTED)

[Signature]
AUTHORIZED SIGNATURE

DATE: 8/21/17

EMAIL ADDRESS
info@masterlandscapemaintenance.com

DIR REG#
1000018806

Corporation
TYPE OF ORGANIZATION: INDIVIDUAL,
PARTNERSHIP OR CORPORATION

14600 Goldenwest St. #210, Westminster, CA 92683
ADDRESS

(714) 531 - 0549
TELEPHONE

C-27 830979
STATE OF CALIFORNIA CONTRACTOR
LICENSE NUMBER

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott C. Stiles	From:	Lisa Kim
Dept.:	City Manager	Dept.:	Community and Economic Development
Subject:	Approval of Cooperative Agreement No. C-7-1857 with the Orange County Transportation Authority for the Bicycle Corridor Improvement Program Project. (<i>Action Item</i>)	Date:	10/24/2017

OBJECTIVE

To obtain City Council approval to enter into a Cooperative Agreement with the Orange County Transportation Authority (OCTA) for the City of Garden Grove Bicycle Corridor Improvements Project.

BACKGROUND

On June 14, 2016, the Garden Grove City Council adopted Resolution No. 9366-16 authorizing the application for grant funds from the Orange County Transportation Authority (OCTA) for the 2016 Bicycle Corridor Improvement Program (BCIP) to improve the Garden Grove on-street bicycle infrastructure by 75 percent.

The BCIP is a \$20 million grant program for projects that make bicycling and walking easier and safer in Orange County. Funding for the program comes from the Congestion Mitigation and Air Quality Improvement Program, a federal program that provides funding for transportation projects that help meet Federal Clean Air Act requirements. To date, OCTA has awarded \$10 million in grant funding through the program to 28 projects.

DISCUSSION

The City of Garden Grove has received approval of the BCIP Grant proposal to make bikeway improvements on several corridors. The proposed bikeway improvements would improve the on-street bicycle infrastructure by 75 percent and provide a more convenient network by creating 14.85 miles of comfortable bikeways. These improvements would be a major step in accomplishing the goal from the Garden Grove Active Streets Master Plan of a safe, comfortable, network of bikeways.

The bikeway improvement locations identified for this grant include the following streets:

- Brookhurst Street (Trask Avenue – Katella Avenue)
- Gilbert Street (Westminster Avenue – Katella Avenue)
- West Street (Garden Grove Boulevard – Orangetown Avenue)
- Chapman Avenue (Valley View Street – Beach Boulevard)
- Lampson Avenue (Westcliff Drive – Haster Street)

The total 14.85 miles of improved bikeways include the construction of 6.5 miles of new bikeways and improvement of 8.35 miles of existing, but underutilized bikeways. Bicycle facility improvements include creating new bike lanes through road rebalancing (2.66 miles on West Street and Gilbert Street), striping buffers to existing bike lanes (6 miles on Brookhurst Street and Chapman Avenue), striping bike lane network gaps (1.2 miles on Brookhurst Street), and providing bicycle wayfinding signs along all the proposed corridors (14.85 miles).

FINANCIAL IMPACT

There is no impact to the General Fund. The BCIP Grant request by the City of Garden Grove was approved for a total of \$1,265,883. The required matching funds of 12% will come from specifically designated AQMD Rideshare funds and non-General Fund, Public Works Capital funds. The City's financial responsibility towards the project is estimated at \$151,905.

RECOMMENDATION

It is recommended that the City Council:

- Approve the attached Cooperative Agreement with OCTA for the City of Garden Grove Bicycle Corridor Improvements Project; and
- Authorize the Mayor to execute the Cooperative Agreement on behalf of the City.

By: Erin Webb, Senior Planner

ATTACHMENTS:

Description	Upload Date	Type	File Name
Cooperative Agreement	10/12/2017	Backup Material	Cooperative_Agreement_C-7-1857.pdf
CC Resolution No. 9366-16	10/12/2017	Backup Material	RES09366-16_Bicycle_Corridor_Improv.pdf

1 **COOPERATIVE AGREEMENT NO. C-7-1857**
2 **BETWEEN**
3 **ORANGE COUNTY TRANSPORTATION AUTHORITY**
4 **AND**
5 **CITY OF GARDEN GROVE**
6 **FOR**
7 **THE BICYCLE CORRIDOR IMPROVEMENT PROGRAM PROJECT**
8 **CITY OF GARDEN GROVE BICYCLE CORRIDOR IMPROVEMENTS PROJECT**
9

10 **THIS COOPERATIVE AGREEMENT** is effective this _____ day of _____ 2017,
11 by and between the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184,
12 Orange, California 92863-1584, a public corporation of the State of California (hereinafter referred to
13 as "AUTHORITY"), and City of Garden Grove, 11222 Acacia Parkway, Garden Grove, California
14 92840, a municipal corporation duly organized and existing under the constitution and laws of the
15 State of California (hereinafter referred to as "CITY") each individually known as "PARTY" and
16 collectively known as "PARTIES."

17 **RECITALS:**

18 **WHEREAS**, AUTHORITY and CITY desire to enter into a Cooperative Agreement to define
19 the roles and responsibilities related to funding between AUTHORITY and CITY for the final design
20 and construction of the City of Garden Grove Bicycle Corridor Improvements Project as defined in the
21 scope of work provided in the Bicycle Corridor Improvement Program 2016 Call for Projects, herein
22 incorporated by reference; (hereinafter referred to as "PROJECT"); and

23 **WHEREAS**, the Bicycle Corridor Improvement Program is funded with Congestion Mitigation
24 and Air Quality Improvement Program ("CMAQ") funds; and

25 **WHEREAS**, the CMAQ program is authorized under Fixing America's Surface Transportation
26 (FAST) Federal Transportation Act; and

1 **WHEREAS**, CITY is an eligible sub-recipient of federal funding under the CMAQ program, and
2 PROJECT is eligible for CMAQ funding contingent on California Department of Transportation
3 ("Caltrans") and the Federal Highway Administration ("FHWA") approval; and

4 **WHEREAS**, on August 8, 2016, AUTHORITY's Board of Directors (BOARD), approved funding
5 of up to Seventy-Six Thousand, Eight Hundred Twenty-Six dollars (\$76,826) in CMAQ funds to be
6 matched with Ten Thousand, Four Hundred Seventy-Six dollars (\$10,476) in local funds for the design
7 phase of PROJECT and One Million, Thirty-Seven Thousand, One Hundred Fifty-Two dollars
8 (\$1,037,152) in CMAQ funds to be matched with One Hundred Forty-One Thousand, Four Hundred
9 Twenty-Nine dollars (\$141,429) in CITY funds for the construction phase of PROJECT; and

10 **WHEREAS**, AUTHORITY and CITY agree that the total funding for the final design and
11 construction of PROJECT shall be One Million, Two Hundred Sixty-Five Thousand, Eight Hundred
12 Eighty-Three dollars (\$1,265,883) or amount in accordance with Exhibit A, entitled "Bicycle Corridor
13 Improvement Program Funding Plan", which is attached herein and incorporated by reference; and

14 **WHEREAS**, AUTHORITY and CITY agree that CMAQ funding for PROJECT is contingent
15 upon funding being available through FAST Act and PROJECT maintaining its eligibility for this
16 funding; and

17 **WHEREAS**, AUTHORITY and CITY agree that Caltrans and FHWA authorization is required
18 following AUTHORITY's amendment to the Federal Transportation Improvement Program ("FTIP"),
19 and in order to proceed or commence each phase of PROJECT for performance under this
20 Cooperative Agreement; and

21 **WHEREAS**, AUTHORITY is responsible for programming the funds to specific projects within
22 Orange County; and Caltrans administers the CMAQ program on behalf of the FHWA and is
23 responsible for acquiring federal approvals for PROJECT on behalf of CITY, determining federal
24 eligibility, compliance with federal requirements, and reimbursement for PROJECT activities; and

25 **WHEREAS**, this Cooperative Agreement defines the specific terms and conditions and funding
26 responsibilities between the PARTIES for completion of PROJECT; and

1 **WHEREAS**, On August 8, 2016, AUTHORITY's BOARD approved this Cooperative
2 Agreement; and

3 **WHEREAS**, On _____, 20____, CITY's City Council approved this Cooperative
4 Agreement;

5 **NOW, THEREFORE**, it is mutually understood and agreed by AUTHORITY and CITY as
6 follows:

7 **ARTICLE 1. COMPLETE AGREEMENT**

8 A. This Cooperative Agreement, including any attachments incorporated herein and made
9 applicable by reference, constitutes the complete and exclusive statement of the term(s) and
10 condition(s) of this Cooperative Agreement between AUTHORITY and CITY and it supersedes all prior
11 representations, understandings, and communications. The invalidity in whole or in part of any term
12 or condition of this Cooperative Agreement shall not affect the validity of other term(s) or condition(s)
13 of this Cooperative Agreement. The above referenced Recitals are true and correct and are
14 incorporated by reference herein.

15 B. AUTHORITY's failure to insist on any instance(s) of CITY's performance of any term(s)
16 or condition(s) of this Cooperative Agreement shall not be construed as a waiver or relinquishment of
17 AUTHORITY's right to such performance or to future performance of such term(s) or condition(s), and
18 CITY's obligation in respect thereto shall continue in full force and effect. Changes to any portion of
19 this Cooperative Agreement shall not be binding upon AUTHORITY except when specifically
20 confirmed in writing by an authorized representative of AUTHORITY by way of a written amendment
21 to this Cooperative Agreement and issued in accordance with the provisions of this Cooperative
22 Agreement.

23 C. CITY's failure to insist on any instance(s) of AUTHORITY's performance of any term(s)
24 or condition(s) of this Cooperative Agreement shall not be construed as a waiver or relinquishment of
25 CITY's right to such performance or to future performance of such term(s) or condition(s), and
26 AUTHORITY's obligation in respect thereto shall continue in full force and effect. Changes to any

1 portion of this Cooperative Agreement shall not be binding upon CITY except when specifically
2 confirmed in writing by an authorized representative of CITY by way of a written amendment to this
3 Cooperative Agreement and issued in accordance with the provisions of this Cooperative Agreement.

4 **ARTICLE 2. SCOPE OF AGREEMENT**

5 This Cooperative Agreement specifies the terms and conditions, roles and responsibilities of
6 PARTIES as they pertain to the subjects and PROJECT addressed herein. PARTIES agree that each
7 shall cooperate and coordinate with the other in all activities covered by this Cooperative Agreement
8 and any other supplemental agreements, including Letter Agreements which may be required to
9 facilitate purposes thereof.

10 **ARTICLE 3. RESPONSIBILITIES OF AUTHORITY**

11 AUTHORITY agrees to the following responsibilities for PROJECT:

12 A. AUTHORITY shall formally request on behalf of CITY that the Southern California
13 Association of Governments ("SCAG") amend the FTIP to program up to the amount of funds in
14 accordance with the funding plan outlined in Exhibit A, whereby AUTHORITY's performance under
15 this Cooperative Agreement is contingent upon SCAG, Caltrans and FHWA approval.

16 B. AUTHORITY shall process any required FTIP amendments.

17 C. AUTHORITY shall provide assistance to CITY in securing the CMAQ funds.

18 D. AUTHORITY is not required to program or provide any amount beyond what has been
19 identified in this Cooperative Agreement as CMAQ and what is ultimately approved for PROJECT in
20 CMAQ by Caltrans and FHWA.

21 E. AUTHORITY shall review CITY's request for obligation of CMAQ funds which must
22 receive AUTHORITY approval prior to submittal to Caltrans District 12 for reimbursement.

23 F. AUTHORITY shall cancel PROJECT if CITY has not submitted a complete request for
24 authorization to proceed ("E-76 Request") to Caltrans and AUTHORITY, including prior environmental
25 approval by February 1 of the year the funds are programmed.

26 G. AUTHORITY reserves the right to change the fund sources programmed to the

PROJECT.

ARTICLE 4. RESPONSIBILITIES OF CITY

CITY agrees to the following responsibilities for PROJECT:

A. CITY shall act as the lead agency for the final design and construction of PROJECT.

B. CITY shall comply with all local, state, and federal project delivery requirements including, but not limited to Disadvantaged Business Enterprise, Title VI, American with Disabilities Act, and Buy America provisions.

C. CITY shall submit National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA) environmental documentation to Caltrans for approval prior to November 30 or of the fiscal year the funds are programmed in accordance to Exhibit A.

D. CITY is responsible for preparing and submitting to AUTHORITY an Engineer's Estimate of PROJECT cost ninety (90) days prior to E-76 Request.

E. CITY is responsible for preparing and submitting all necessary Caltrans-required documentation including E-76 Request. CITY agrees to submit an E-76 Request including all required forms and prior approvals including NEPA to Caltrans District 12 by February 1 of the year the funds are programmed, consistent with the fiscal year identified in Exhibit A.

F. CITY acknowledges that if the E-76 Request for CMAQ funds is not submitted to Caltrans by February 1 of the year the funds are programmed, or CITY has not advanced PROJECT to ready-to-list stage as determined through Caltrans guidelines by this date, or PROJECT is found ineligible by Caltrans and FHWA, the proposed funding shall be cancelled by AUTHORITY.

G. CITY shall provide a minimum of twelve percent (12%) of the final design and construction costs in CITY funds as the required local match consistent with Exhibit A. Any savings recognized in the PROJECT will be credited or reimbursed proportionally to the amount contributed to the PROJECT by each fund type.

H. CITY shall follow applicable procurement procedures outlined in the Caltrans Local Assistance Program Guide Chapter 10 Consultant Selection and Chapter 15 Advertise and Award

1 Project.

2 I. CITY shall not advertise or award a contract before FHWA authorization to proceed.

3 J. CITY shall invoice Caltrans at minimum once every six (6) months.

4 K. CITY agrees that any cost overruns shall be the responsibility of CITY.

5 L. If CITY receives local, state, or federal funds from a non-AUTHORITY source, CITY
6 will not invoice Caltrans for the amount received from the other non-AUTHORITY source(s).

7 M. CITY shall notify AUTHORITY regarding any funds from non-AUTHORITY sources
8 received for the PROJECT and AUTHORITY funds may not pay for expenses already supported
9 through these non-AUTHORITY funds.

10 N. CITY agrees that AUTHORITY reserves the right to change the fund source
11 programmed to the PROJECT.

12 O. CITY shall submit semi-annual status reports for PROJECT to AUTHORITY due on
13 April 30 for the prior six (6)-month period (July through December), and due on October 30 for the
14 prior six (6)-month period (January through June), (Exhibit B, entitled "Semi-Annual Report Form").

15 P. CITY shall submit a final report to AUTHORITY within six (6) months of Caltrans
16 payment of final progress invoice for PROJECT in accordance with Exhibit C, entitled "Final Project
17 Report Form."

18 Q. CITY is responsible for completing PROJECT in accordance with the Bicycle Corridor
19 Improvement Program Funding Plan (Exhibit A), and to abide by all CMAQ programming guidelines,
20 and any and all other federal, state, and Caltrans requirements.

21 R. If reimbursed costs are deemed ineligible by FHWA or Caltrans or CITY is required to
22 return any funds for any reason, those costs shall be the sole responsibility of CITY.

23 **ARTICLE 5. DELEGATED AUTHORITY**

24 The actions required to be taken by CITY in the implementation of this Cooperative Agreement
25 are delegated to its Public Works Director, or designee, and the actions required to be taken by
26 AUTHORITY in the implementation of this Cooperative Agreement are delegated to AUTHORITY's

Chief Executive Officer, or designee.

ARTICLE 6. AUDIT AND INSPECTION

AUTHORITY and CITY shall maintain a complete set of records in accordance with generally accepted accounting principles. Upon reasonable notice, CITY shall permit the authorized representatives of AUTHORITY to inspect and audit all work, materials, payroll, books, accounts, and other data and records of CITY for a period of four (4) years after final payment, or until any on-going audit is completed. For the purposes of audit, the date of completion of this Cooperative Agreement shall be the date of Caltrans' payment of CITY's final billing (so noted on the invoice) under this Cooperative Agreement. AUTHORITY shall have the right to reproduce any such books, records, and accounts. The above provision with respect to audits shall extend to and/or be included in construction contracts with CITY's contractor(s).

ARTICLE 7. INDEMNIFICATION

A. CITY shall indemnify, defend and hold harmless AUTHORITY, its officers, directors, employees and agents from and against any and all claims (including attorney's fees and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, worker's compensation subrogation claims, damage to or loss of use of property alleged to be caused by the negligent acts or, omissions, or willful misconduct, by CITY, its officers, directors, employees or agents in connection with or arising out of the performance of this Cooperative Agreement.

B. AUTHORITY shall indemnify, defend and hold harmless CITY, its officers, directors, employees and agents from and against any and all claims (including attorney's fees and reasonable expenses for litigation or settlement) for any loss or damages, bodily injuries, including death, worker's compensation subrogation claims, damage to or loss of use of property alleged to be caused by the negligent acts or, omissions, or willful misconduct, by AUTHORITY, its officers, directors, employees or agents in connection with or arising out of the performance of this Cooperative Agreement.

C. The indemnification and defense obligations of this Cooperative Agreement shall survive its expiration or termination.

ARTICLE 8. ADDITIONAL PROVISIONS

PARTIES agree to the following mutual responsibilities:

A. Term of Agreement: This Cooperative Agreement shall continue in full force and effect through December 31, 2024 or until final acceptance by AUTHORITY, whichever is later. This Cooperative Agreement may only be extended upon mutual agreement by both PARTIES.

B. Termination: This Cooperative Agreement is null and void if PROJECT is not funded. AUTHORITY shall cancel projects for which CITY has not submitted an E-76 Request by February 1 of the fiscal year for which funds are programmed and, or has not advanced PROJECT to ready stage as determined by AUTHORITY.

C. Termination for Convenience: This Cooperative Agreement may be terminated by either PARTY after giving thirty (30) days prior written notice to the other PARTY.

D. Amendments: This Cooperative Agreement may be amended in writing at any time by the mutual consent of PARTIES. No amendment shall have any force or effect unless executed in writing by PARTIES.

E. PARTIES shall comply with all applicable federal, state, and local laws, statutes, ordinances and regulations of any governmental authority having jurisdiction over PROJECT.

F. Legal Authority: PARTIES hereto consent that they are authorized to execute this Cooperative Agreement on behalf of said PARTIES and that, by so executing this Cooperative Agreement, PARTIES hereto are formally bound to the provisions of this Cooperative Agreement.

G. Severability: If any term, provision, covenant or condition of this Cooperative Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this Cooperative Agreement shall not be affected thereby, and each term, provision, covenant or condition of this Cooperative Agreement shall be valid and enforceable to the fullest extent permitted by law.

H. Counterparts of Agreement: This Cooperative Agreement may be executed and delivered in any number of counterparts, each of which, when executed and delivered shall be deemed

1 an original and all of which together shall constitute the same agreement. Facsimile signatures will
2 be permitted.

3 I. Force Majeure: Either AUTHORITY or CITY shall be excused from performing its
4 obligations under this Cooperative Agreement during the time and to the extent that it is prevented from
5 performing by an unforeseeable cause beyond its control, including but not limited to; any incidence of
6 fire, flood; acts of God; commandeering of material, products, plants or facilities by the federal, state or
7 local government; national fuel shortage; or a material act or omission by the other PARTY; when
8 satisfactory evidence of such cause is presented to the other PARTY, and provided further that such
9 nonperformance is unforeseeable, beyond the control and is not due to the fault or negligence of the
10 AUTHORITY or CITY not performing.

11 J. Assignment: Neither this Cooperative Agreement, nor any of the AUTHORITY and CITY
12 rights, obligations, duties, or authority hereunder may be assigned in whole or in part by either
13 AUTHORITY or CITY without the prior written consent of the other PARTY in its sole and absolute
14 discretion. Any such attempt of assignment shall be deemed void and of no force and effect. Consent
15 to one assignment shall not be deemed consent to any subsequent assignment, nor the waiver of any
16 right to consent to such subsequent assignment.

17 K. Obligations To Comply with Law: Nothing herein shall be deemed nor construed to
18 authorize or require any PARTY to issue bonds, notes or other evidences of indebtedness under the
19 terms, in amounts, or for purposes other than as authorized by local, state or federal law.

20 L. Governing Law: The laws of the State of California and applicable local and federal laws,
21 regulations and guidelines shall govern this Cooperative Agreement.

22 M. Litigation fees: Should litigation arise out of this Cooperative Agreement for the
23 performance thereof, the court shall award costs and expenses, including attorney's fees, to the prevailing
24 PARTY.

25 N. Notices: Any notices, requests, or demands made between the PARTIES pursuant to
26 this Cooperative Agreement are to be directed as follows:

To CITY:	To AUTHORITY:
City of Garden Grove	Orange County Transportation Authority
11222 Acacia Parkway, Garden Grove, California 92840	550 South Main Street P. O. Box 14184 Orange, California 92863-1584
Attention: Erin Webb Senior Planner (714)-741-5313 Email: erinw@ci.garden-grove.ca.us	Attention: Luis Martinez Associate Contract Administrator (714)-560-5767 Email: lmartinez1@octa.net With a copy that shall not constitute Notice to: Cc: Louis Zhao Section Manager, Transit and Local Transportation Programming

O. Successors and Assigns: The provisions of this Cooperative Agreement shall bind and inure to the benefit of each of PARTIES hereto, and all successors or assigns of PARTIES hereto.

P. Time is of the Essence: Time is of the essence for the work identified in Exhibit A. All work must be completed no later than forty-two (42) months after the E-76 request approval date.

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Dated: _____

GARDEN GROVE CITY COUNCIL

RESOLUTION NO. 9366-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
AUTHORIZING APPLICATION FOR FUNDS FOR THE BICYCLE CORRIDOR
IMPROVEMENT PROGRAM FUNDED WITH CONGESTION MITIGATION AND AIR
QUALITY IMPROVEMENT PROGRAM FUNDING UNDER THE MOVING AHEAD FOR
PROGRESS IN THE 21ST CENTURY AND FIXING AMERICAS SURFACE
TRANSPORTATION FEDERAL TRANSPORTATION ACT FOR CITY OF GARDEN GROVE
BICYCLE CORRIDOR IMPROVEMENTS

WHEREAS, the United State Congress enacted the Moving Ahead for Progress in the 21st Century (MAP-21) Federal Transportation Act on July 6, 2012, and Fixing America's Surface Transportation (FAST) Federal Transportation Act on December 4, 2015, which makes Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds available to the Orange County Transportation Authority (OCTA);

WHEREAS, OCTA has established the procedures and criteria for reviewing proposals;

WHEREAS, OCTA has established the procedures and criteria for reviewing proposals for grant funding;

WHEREAS, the City of Garden Grove possesses authority to nominate bicycle projects funded using Congestion Mitigation and Air Quality Improvement Program funding and to finance, acquire, and construct the proposed project;

WHEREAS, by formal action, the City Council authorizes the nomination of City of Garden Grove Bicycle Corridor Improvements, including all understanding and assurances contained therein, and authorizes the person identified as the official representative of the City of Garden Grove to act in connection with the nomination and to provide such additional information as may be required;

WHEREAS, the City of Garden Grove will maintain and operate the property acquired, developed, rehabilitated, or restored for the life of the resultant facility(ies) or activity;

WHEREAS, with the approval of the California Department of Transportation (Caltrans) and/or OCTA, the City of Garden Grove or its successors in interest in the property may transfer the responsibility to maintain and operate the property;

WHEREAS, the City of Garden Grove will give Caltrans and/or OCTA's representatives access to and the right to examine all records, books, papers, or documents related to the bicycle project;

WHEREAS, the City of Garden Grove will cause project work to commence within six months following notification from the State or OCTA that funds have

been authorized to proceed by the Federal Highway Administration or Federal Transit Administration and that the project will be carried to completion with reasonable diligence;

WHEREAS, the City of Garden Grove commits \$163,905 of AQMD Rideshare and Public Works Capital funds and will provide 12% of the total project as match to the requested \$1,201,978 in OCTA CMAQ funds for a total project cost estimated to be \$1,365,883;

WHEREAS, the City of Garden Grove will comply where applicable with provisions of the California Environmental Quality Act, the National Environmental Policy Act, the Americans with Disabilities Act, Federal Title VI, Buy American provision, and any other federal, state, and/or local laws, rules and/or regulations;

WHEREAS, the City of Garden Grove City Council authorize the execution of any necessary cooperative agreements between the City of Garden Grove and OCTA to facilitate the delivery of the project; and

WHEREAS, the City of Garden Grove will amend the agency Capital Improvement Program (CIP) to include the project if selected for funding.

NOW, THEREFORE, BE IT RESOLVED that the City/County of Garden Grove hereby authorizes Lisa Kim, the Community and Economic Development Director, as the official representative of the City of Garden Grove to apply for the Congestion Mitigation and Air Quality funding under the Moving Ahead for Progress in the 21st Century Federal Transportation Act and Fixing Americas Surface Transportation Act for the City of Garden Grove Bicycle Corridor Improvements.

BE IT FURTHER RESOLVED that the City Council of the Garden Grove, agrees to fund its share of the project costs and any additional costs over the identified programmed amount.

Adopted this 14th day of June 2016.

ATTEST:

/s/ BAO NGUYEN
MAYOR

/s/ KATHLEEN BAILOR, CMC
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 Resolution was duly adopted by the City Council of the City of Garden Grove, California, at a meeting held on the 14th day of June 2016, by the following vote:

AYES: COUNCIL MEMBERS: (5) BEARD, BUI, JONES, PHAN, NGUYEN
NOES: COUNCIL MEMBERS: (0) NONE
ABSENT: COUNCIL MEMBERS: (0) NONE

/s/ KATHLEEN BAILOR, CMC
CITY CLERK

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott C. Stiles	From:	William E. Murray
Dept.:	City Manager	Dept.:	Public Works
Subject:	Approval of a Financial Participation Agreement with the West Orange County Water Board for the relocation of water facilities in connection with the Interstate 405 Freeway Improvement Project. (Estimated Cost: \$197,400) (<i>Action Item</i>)		
		Date:	10/24/2017

OBJECTIVE

For the City Council to approve a Financial Participation Agreement with the West Orange County Water Board (WOCWB) for the relocation of water facilities required to be relocated by the Interstate 405 Freeway (I-405) improvement project.

BACKGROUND

On October 25, 1967, the City of Garden Grove and other agencies entered into a Joint Powers Agreement to form the WOCWB, a joint powers agency. The WOCWB and its member agencies own, operate and maintain certain potable water transmission and distribution lines all located within the boundaries of the County of Orange, State of California.

Certain WOCWB facilities extending over and across the I-405 are located within, and subject to, various encroachment permits and related documents currently managed by the Orange County Transportation Authority (OCTA). OCTA is constructing improvements on the I-405 between State Route 73 and Interstate 605 Freeways.

DISCUSSION

As a result of the construction for the I-405 Project, it is necessary for WOCWB to relocate its existing thirty-three (33) inch waterline located in Westminster Boulevard where it crosses the I-405, from east of Willow Lane to Springdale Street, due to a conflict in facilities. In accordance with the existing permits and documents, the WOCWB is responsible for the complete cost to relocate its facilities, which is estimated to be \$4,700,000. The City of Garden Grove's share of the relocation costs is estimated to be \$197,400, which is 4.2 percent. The City will be responsible for its fair share of any additional work required to complete the relocation work.

FINANCIAL IMPACT

Funds have been allocated to the 2017-18 Water Budget. There is no impact to the General Fund.

RECOMMENDATION

It is recommended that:

- City Council approve the Financial Participation Agreement with the WOCWB for the relocation of water facilities required to be relocated by the I-405 improvement project; and
- Authorize the City Manager to execute the agreement on behalf of the City and approve any amendments to the agreement as needed.

By: William E. Murray, P.E.
Public Works Director

ATTACHMENTS:

Description	Upload Date	Type	File Name
Agreement WOCWB 405	10/16/2017	Backup Material	AgmntWOCWB405_ProjectMember_Agency_FP_AgmntCity_of_GG_(00199340xBDA6E)_(1).docx
WOCWB Utility Agreement	10/16/2017	Backup Material	17_08_17_WOCWB_1087_Utility_Agreement.pdf
WOCWB Loan Agreement	10/16/2017	Backup Material	17_08_15_WOCWB_Loan_Agrmt_151087.pdf
Location Map	10/16/2017	Backup Material	LOCATION_MAP_CC_1523.pdf

**FINANCIAL PARTICIPATION AGREEMENT –
CITY OF GARDEN GROVE FACILITIES RELOCATION COSTS**

(405 Freeway Facilities Relocation)

This **FINANCIAL PARTICIPATION AGREEMENT** – City of Garden Grove **FACILITIES RELOCATION COSTS** (“Agreement”) is made and entered into and effective as of this ____ day of _____, 2017, by and between the **WEST ORANGE COUNTY WATER BOARD**, a joint powers agency (hereinafter referred to as “WOCWB”) and the **CITY OF GARDEN GROVE**, a California general law city, organized and existing pursuant to the Constitution and laws of the State of California (hereinafter referred to as “City”, each agency to this Agreement may in certain cases be referred to herein as a “Party” and collectively, herein as the “Parties”).

RECITALS

1. Pursuant to the WOCWB Joint Powers Agreement (as defined herein), October 25, 1967, WOCWB and its Member Agencies (as defined in the Joint Powers Agreement) own, operate and maintain certain potable water transmission and distribution lines all located within the boundaries of the County of Orange (“County”), State of California (“State”).

2. Certain WOCWB facilities extending over and across the Interstate 405 Freeway (“I-405”) are located within, and subject to, various encroachment permits and related documents currently managed by the Orange County Transportation Authority (“OCTA”) and are further described herein as the “Relocation Facilities”.

3. OCTA, by and through a cooperative agreement with the California Department of Transportation, is constructing improvements on Interstate 405 (I-405) Freeway between State Route 73 (SR-73) and Interstate 605 (I-605). The improvements include one general purpose lane in each direction from Euclid Street to I-605, and an additional lane in each direction that would combine with the existing high-occupancy vehicle lane to provide dual express lanes in each direction of I-405 from SR-73 to I-605 (“405 Project”).

4. As a result of the construction for the 405 Project, it is necessary for WOCWB to relocate its existing thirty-three (33) inch waterline located in Westminster Boulevard where it crosses Interstate 405 from east of Willow Lane to Springdale Street (the “Relocation Project”) in conflict with the 405 Project.

5. In accordance with 405 Project requirements, Utility Agreement No. UK 151087 (“UK 151087”) has been entered into between OCTA and WOCWB. UK 151087 specifies the facilities relocation work to be performed, performance of work responsibility, and that the cost liability of such relocation based on existing rights of the respective Member Agencies in the facilities to be relocated (all as set out in Exhibit “A”). Under the terms of UK 151087, one-

hundred (100) percent cost responsibility for the relocation work is assigned to WOCWB including, but not limited to, all services, final design and construction cost (hereafter, the “WOCWB Relocation Work”). UK 151087 also allows for the advancement of funds for the relocation work by OCTA upon determination of a hardship in accordance with Section 706 of the Streets and Highways Code.

6. WOCWB has entered into the OCTA Reimbursement Agreement (as defined herein) with OCTA to provide a portion of the funding necessary to provide for the WOCWB Relocation Work on the Relocated Facilities.

7. In order to provide adequate funds for WOCWB to repay the Financial Participation Payments which will come due under the OCTA Reimbursement Agreement, WOCWB is entering into this Agreement with City to provide for Financial Participation Payments to be made to WOCWB by City upon the terms and conditions set forth herein.

ARTICLE I

INTENTION; DEFINITIONS; ACTIONS BY WOCWB CONTRACT MANAGER

1.1 Intention. It is the intention of the Parties to provide for Financial Participation Payments to be made by City to WOCWB to allow WOCWB to make the OCTA Contract Payments, as specified in the OCTA Reimbursement Agreement in a timely manner. City acknowledges that WOCWB does not have financial reserves sufficient to pay the OCTA Contract Payments due from City and other involved Member Agencies of WOCWB.

1.2 Definitions. In addition to the definitions heretofore included in the Recitals, and unless the context otherwise requires, the following terms shall have the following meanings:

“**Allocated Ownership**” means the allocated ownership, and corresponding cost responsibility, for the Relocated Facilities as set out in Exhibit “A” attached hereto and incorporated herein by this reference. In the case of City the allocated ownership is 4.2%.

“**CHB**” means the City of Huntington Beach, a California charter city organized and operating pursuant to the laws of the State.

“**City**” means City of Garden Grove, a California general law city, organized and operating pursuant to the provisions of the California Constitution and State law.

“**Contract Manager**” means CHB when operating or acting in its capacity as Contract Manager for WOCWB.

“**Default Rate**” means an interest rate equal to the variable State Surplus Money Investment Fund (SMIF) interest rate, which may be adjusted on a periodic basis.

“**Due Date(s)**” means the date(s) set out in Exhibit “C”.

“Event of Default” means an Event of Default as set forth in Section 4.1 of this Agreement.

“Financial Participation Payments” means those certain payments made by City to WOCWB, through CHB, pursuant to the provisions of Article III of this Agreement.

“General Manager” means the duly appointed and acting General Manager of WOCWB.

“Letter(s) of Credit” means that certain irrevocable, standby letter(s) of credit issued or provided pursuant to Section 3.6 hereof by a Letter of Credit Bank(s), or any reissuance or extension thereof, which Letter(s) of Credit shall be in the applicable Stated Amount and shall be for an initial term of no less than one year.

“Letter of Credit Bank(s)” means the issuer from time to time of a Letter(s) of Credit and the respective successors and assigns of the issuer thereof and any surviving, resulting or transferee banking association or corporation with which, or into which, it may be consolidated or merged or to which it may transfer all of its banking business, provided that such entity shall have a minimum rating, at all times during the term of the Letter(s) of Credit, of one of the following: (1) Moody’s long-term rating of “A” and short-term rating of “P-1”; or, (2) S&P long-term rating of “A” and short-term rating of “A-1”; or, (3) Fitch long-term rating of “A+” and short-term rating of “F1”; with any of the foregoing ratings to be evidenced by proof provided by the Letter of Credit Bank(s) to the Contract Manager in writing.

“Member Agencies” means the Member Agencies of WOCWB as set forth in the WOCWB Joint Powers Agreement.

“OCTA Reimbursement Agreement” means that certain Reimbursement Agreement No. U-2017-151087 between the Orange County Transportation Authority and WOCWB dated as of _____, 2017.

“Relocation Facilities” means those facilities of WOCWB which are required to be removed, abandoned and/or relocated as a result of the 405 Project which Relocation Facilities are described in Exhibit “B,” attached hereto and incorporated herein by this reference.

“Reserve Fund” means the fund or account (regardless of actual designation) established and maintained by the Contract Manager pursuant to the provisions and requirements of Section 3.4 hereof. The Reserve Fund shall be discreet for each Member Agency using a unique object account for payment tracking.

“Reserve Requirement” means an amount equal to the average of one periodic Reimbursement Payment, as scheduled in Exhibit “C.”

“State” means the State of California.

“WOCWB” means West Orange County Water Board, a joint powers agency organized pursuant to the provisions of the WOCWB Joint Powers Agreement.

“WOCWB Joint Powers Agreement” means that certain Joint Powers Agreement, dated as of October 25, 1967, as subsequently amended, and as such may be further amended or supplemented in the future from time to time.

1.3 Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural, and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to “Articles,” “Sections” and other subdivisions are to be corresponding Articles or subdivisions of this Agreement; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision thereof.

1.4 Actions of WOCWB’s Contract Manager. Pursuant to an existing agreement WOCWB has retained CHB to act as its Contract Manager for all operational and financial purposes. For purposes of this Agreement references to WOCWB shall include the Contract Manager. All actions to be undertaken by WOCWB shall, unless otherwise expressly stated herein, be undertaken or performed on behalf of WOCWB by the Contract Manager. The Contract Manager acts through the General Manager.

1.5 WOCWB Actions to Complete Relocation of Relocation Facilities. Through the Contract Manager and pursuant to the requirements of OCTA and the terms of the OCTA Reimbursement Agreement, WOCWB shall undertake to contract for, and complete, the relocation of the Relocation Facilities. WOCWB shall provide the Member Agencies with periodic updates on the progress and status of such relocation work.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

2.1 Representations by WOCWB. WOCWB makes the following representations:

(a) WOCWB is a joint powers agency duly organized and existing under and pursuant to the laws of the State.

(b) WOCWB has full legal right, power and authority to enter into this Agreement and carry out its obligations hereunder, to carry out and consummate all other transactions

contemplated by this Agreement, and WOCWB has complied with the provisions of applicable State law in all matters relating to such transactions.

(c) By proper action, WOCWB has duly authorized the execution, delivery and due performance of this Agreement.

2.2 Representations by City. City makes the following representations:

(a) City is a general law city duly organized and existing under and pursuant to the laws of the State.

(b) City has full legal right, power and authority to enter into this Agreement and carry out its obligations hereunder, to carry out and consummate all other transactions contemplated by this Agreement, and City has complied with the provisions of applicable State law in all matters relating to such transactions.

(c) By proper action, City has duly authorized the execution, delivery and due performance of this Agreement.

ARTICLE III

PAYMENT OF FINANCIAL PARTICIPATION PAYMENTS TO WOCWB

3.1 Payments of Financial Participation Payments.

(a) City shall pay to WOCWB the Financial Participation Payments allocated to City based upon City's Allocated Ownership/financial responsibility portion of the Relocation Facilities based upon the payment schedules set forth in Exhibit "C," attached hereto and incorporated herein by this reference, as such may be revised pursuant to Section 3.3. Subject to Section 3.2, each such Financial Participation Payment shall be made by City to WOCWB not later than the corresponding Due Date as shown in Exhibit "C."

(b) Unless otherwise agreed to by and between City and the Contract Manager, such Financial Participation Payments shall be made by wire transfer consistent with the wire instructions to be provided by WOCWB. In the event of a change in such wire directions, the Contract Manager shall inform City of such change in writing.

(c) Each Financial Participation Payment shall be paid to WOCWB in lawful money of the United States of America. In the event that City fails to make any of the payments required to be made by it under this Section, such payment shall continue as an obligation of City until such amount shall have been fully paid and City agrees to pay the same with interest accruing thereon at the Default Rate from and after the applicable Due Date for payment.

(d) City shall have the option to prepay all or a portion of its total allocated Financial Participation Payment at any time.

(e) The obligation of City to make the Financial Participation Payments is absolute and unconditional and until such time as all Financial Participation Payments shall have been paid in full (or provisions for the payment thereof shall have otherwise been made by mutual agreement of the Parties) City will not discontinue or suspend any of the Financial Participation Payments required to be made by it under this Section when due. The obligation to make Financial Participation Payments as set forth in this Section shall not be conditioned on the performance or non-performance by any Party of any agreement, delays resulting in the completion of the work on the Relocation Facilities by WOCWB or by any other cause whatsoever; unless the obligation to make Financial Participation Payments is otherwise discharged by mutual agreement of the Parties in the event of changed circumstances.

3.2 Initial Deposits as Against Financial Participation Payments; Application of Deposit(s); Reconciliation.

(a) City in lieu of periodic Financial Participation Payments may choose to make one or more deposits with CHB as the Financial Agent and Treasurer of WOCWB which deposit(s) shall be used as a credit against Financial Participation Payments as such shall become due.

City is expected to prepay all of its total allocated Financial Participation Payment in a single payment, which prepayment shall, upon receipt, be promptly applied by WOCWB to make an Advanced Payment, as defined in the OCTA Reimbursement Agreement, in the amount of City's allocated percent of the loan to OCTA. Upon WOCWB's receipt of City's total allocated Financial Participation Payment, City will, thereupon and thereafter, have no requirement to make further Financial Participation Payments other than as provided in 3.3. Additionally, upon full prepayment by City, Sections 3.5 and 3.6 of this Agreement shall, thereupon and thereafter, not be applicable to City.

(b) CHB shall establish and, through a federally insured banking institution maintain, a separate fund or account for receipt of such City deposits (hereinafter referred to as the "Deposit Account" regardless of actual designation). The Deposit Account shall be used to receive deposits from City for payment or prepayment of its allocated Financial Participation Payments pursuant to the terms of this Agreement. Funds held in the Deposit Account shall be expended by CHB, on behalf of WOCWB, subject to the terms of this Agreement for payment or prepayment of City's Financial Participation Payments coming due thereafter under the terms of this Agreement.

(c) CHB shall provide City with periodic statements concerning the amount of funds held in the Deposit Account and charges made to the Deposit Account for payment or prepayment of Financial Participation Payments pursuant to the terms hereof on a monthly basis. Records of all deposits and charges against the Deposit Account shall be maintained at CHB's business offices and open for review by City (or its agents) during normal business hours should City wish to review such.

(d) Following the completion of the design, construction, installation and expiration of the notice of completion period for the Relocation Facilities CHB, as the financial agent and treasurer of WOCWB, shall provide City with a final accounting of all of the total project costs as allocated to City pursuant to the terms hereof. In the event that funds remain in the Deposit

Account which have not been, and are not required to be, expended pursuant to the terms of this Agreement, such funds shall be returned to City by check, or other payment means acceptable to CHB and City within thirty (30) business days following completion of the above-referenced accounting report. In the event that final accounting shows a balance due to WOCWB from City and there are no funds remaining in the Deposit Account to cover such, City shall provide final payment to CHB as Treasurer of WOCWB for the City allocated costs within thirty (30) business days of such final accounting.

3.3 Adjustment of Financial Participation Payments. The schedule of allocated Financial Participation Payments set forth in Exhibit “C” to this Agreement shall be subject to modification or amendment (i) as a result of change orders resulting from WOCWB’s construction contract for the completion of the work on the Relocation Facilities and/or (ii) as a result of changes in interest rates as imposed pursuant to the terms of UK 151087. In the event of such change order(s) being approved pursuant to the WOCWB Relocation Facilities contract documents, WOCWB, through its Contract Manager, shall provide to City a modified schedule of allocated Financial Participation Payments which shall supersede Exhibit “C” upon the finalization thereof and provision to City pursuant to the provisions of Article IV, hereof.

3.4 Application of Financial Participation Payments. WOCWB, through CHB, agrees to retain all Financial Participation Payments made by City pursuant to the provision of this Agreement and apply such to the payment of construction contract costs resulting from the OCTA Reimbursement Agreement, subject to the provisions of Sections 3.2 and 3.3, hereof.

3.5 Reserve Fund and Reserve Fund Deposit.

(a) As additional security for the payment of the Reimbursement Payments, CHB, as the Contract Manager shall open and maintain a Reserve Fund (regardless of actual designation). The Reserve Fund shall be utilized solely for the retention and application of Reserve Fund deposits and usage as set forth in this Section 3.5.

(b) Not later than January 1, 2018, City shall deposit with the Contract Manager an amount equal to the Reserve Requirement for deposit into the Reserve Fund.

(c) Moneys in the Reserve Fund shall be used solely for the purpose of satisfying payments of the Reimbursement Payments to the extent that they are not made by City in a timely manner. In the event that the payment of a Reimbursement Payment is not made by City by the corresponding Due Date, the Contract Manager shall withdraw from the Reserve Fund for satisfaction of the Reimbursement Payment. The Contract Manager will, promptly thereafter, notify City in writing of the amount needed to replenish the Reserve Fund to the Reserve Requirement. City shall replenish the Reserve Fund to the Reserve Requirement within thirty (30) Business Days following such notice. Failure to replenish the Reserve Fund to the Reserve Requirement as set forth above shall constitute an event of default for purposes of Section 4.1 hereof.

(d) Draws upon the moneys in the Reserve Fund shall not preclude a Party from pursuing other applicable remedies under the provisions of Article IV hereof.

(e) Moneys in the Reserve Fund shall be invested by the Contract Manager in investments authorized in the City of Huntington Beach's investment policy and the local agency investment guidelines issued by the California Debt and Investment Advisory Commission ("CDIAC"). The Contract Manager shall provide City with periodic statements of the balance held in the Reserve Fund. Any moneys in the Reserve Fund in excess of the Reserve Requirement shall be: (i) returned to City upon written request therefore (which request(s) shall be no more often than once per quarter); or (ii) applied to City's next occurring Reimbursement Payment, as City shall direct in writing.

(f) Upon completion of the payment of all Reimbursement Payments by City, and satisfaction of all contractual obligations of City, all moneys then held in the Reserve Fund, if any, shall be returned to City. Alternatively, monies held in the Reserve Fund, if any, may be applied to the final Reimbursement Payment due from the City.

(g) The Contract Manager may establish additional accounts of the Reserve Fund as the Contract Manager shall deem necessary and prudent in furtherance of its duties pursuant to this Agreement upon written notification to City.

3.6 Satisfaction of Reserve Requirement by Way of a Letter of Credit.

(a) In lieu of a cash deposit to the Reserve Fund as set out in Section 3.5, City may deposit with the Contract Manager one or more Letters of Credit in an amount equal to all or a portion of the Reserve Requirement.

(b) The form of such Letter of Credit shall be provided by WOCWB general legal counsel not later than January 1, 2018.

(c) Any such Letter of Credit shall be used to satisfy any draws on the Reserve Fund in the same manner as set out in Section 3.5(c), above.

(d) The Contract Manager shall notify City, in writing, promptly following the draw(s) on any Letter of Credit then on deposit in the Reserve Fund, which notification shall include the amount(s) drawn on such Letter of Credit.

(e) Any such Letter of Credit shall be renewed, replaced or replaced with a cash deposit, in the amount of the Reserve Requirement, not later than 15 days prior to the expiration of the then-current Letter of Credit. Failure to comply with this subsection shall constitute an event of default for purposes of Section 4.1 hereof.

(f) In the event any Letter of Credit Bank(s) wrongfully refuses to honor any drawing made on any Letter(s) of Credit, WOCWB, through the Contract Manager may immediately bring an action and pursue any remedy available at law or in equity for the purpose of compelling the corresponding Letter of Credit Bank(s) to honor such drawing and to enforce the provisions of the corresponding Letter(s) of Credit. In such event, the Contract Manager shall promptly notify City, in writing, of such event.

(g) Upon completion of the payment of all Reimbursement Payments by City, and satisfaction of all contractual obligations of City, all Letter(s) of Credit then held in the Reserve Fund, if any, shall be returned to City.

ARTICLE IV

EVENT OF DEFAULT – REMEDIES

4.1 Events of Default Defined. The following shall be “events of default” under this Agreement and the terms “events of default” and “default” shall mean, whenever they are used in this Agreement, any one or more of the following events:

- (a) An event of default by the City shall have occurred under Section 3.1 hereof.
- (b) Failure by the WOCWB or City to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement, other than such failure as may constitute an event of default under clause (a) of this Section, for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to WOCWB, or City, as applicable; provided, however, that if the failure stated in the notice cannot be corrected within such period, then the applicable Party shall not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the defaulting Party within such period and diligently pursued until the default is corrected.

4.2 Remedies on Default.

- (a) In the event of a breach of this Agreement, all legal and equitable remedies may be employed to enforce the terms herein, subject to the terms hereof.
- (b) WOCWB, through its Contract Manager, take any appropriate action to cause City to pay any Financial Participation Payment not paid when due.
- (c) Notwithstanding the provisions of Section 4.2(a) and (b), it is the intent of the parties to try and resolve any differences arising from this Agreement through mediation prior to the initiation of litigation. In the event of any disagreement over the meaning or application of this Agreement, the parties shall first attempt to resolve the matter informally. Should that prove unsuccessful, any party may ask for mediation. A neutral mediator from the State Mediation and Conciliation Service or the Judicial Arbitration and Mediation Service (“JAMS”) shall be appointed to hear each side in an informal setting, and to render an advisory recommendation. Any such mediation costs shall be equally shared by the parties.

4.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to WOCWB is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement, or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as

often as may be deemed expedient. In order to entitle WOCWB to exercise any remedy reserved to it, it shall not be necessary to give any notice other than such notice as may be required in this Article or by law.

4.4 No Additional Waiver Implied by One Waiver. In the event any provision contained in this Agreement should be breached by a Party and thereafter waived by another Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

4.5 Application of Funds. All moneys received by WOCWB pursuant to any right given or action taken under the provisions of this Article IV shall be deposited into the Reimbursement Fund and shall be applied by WOCWB in the following order:

First, Costs and Expenses: to the payment of the fees, costs and expenses of WOCWB in pursuing such event(s) of default including reasonable compensation to its agents, attorneys and counsel; and

Second, Payments Due Under OCTA Agreement: to the payment of payments due under the terms of the OCTA Agreement including any penalties, interest or costs due thereunder as a result of such event(s) of default.

ARTICLE V

GENERAL PROVISIONS

5.1 Record Keeping. WOCWB shall keep records and accounts of Financial Participation Payments, and other amounts due hereunder, collected and paid by City. Such records shall be maintained by WOCWB, through its Contract Manager, and shall be available for inspection by the Parties hereto upon reasonable prior notice.

5.2 Interpretation. WOCWB and City represent that they have read this Agreement and that they are fully aware of its contents and of its legal effect. The Parties have jointly cooperated in the drafting and preparation of this Agreement. Hence, in any construction to be made of this Agreement, the same shall not be construed in favor or against either WOCWB or City. The terms and provisions of this Agreement shall be construed in accordance with the laws of the State.

5.3 Entire Agreement. This Agreement constitutes a single, integrated written contract which contains the sole and entire agreement and understanding of WOCWB and City with respect to the subject matter of the reimbursements set forth herein (subject to the terms of the Settlement Agreement), and contains all covenants and agreements between the WOCWB and City with respect to such matter. No covenants, agreements, representations, or warranties of any kind whatsoever, whether express or implied in fact, have been made by any party to this Agreement, except as specifically set forth in this Agreement. All prior and contemporaneous

discussions, negotiations and agreements as to such matters have been and are merged and integrated into, and are expressly superseded by, this Agreement.

5.4 Successor Is Deemed Included in All References to Predecessor. Whenever in this Agreement either the WOCWB or City is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Agreement contained by or on behalf of the WOCWB or City shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

5.5 Assignment. This Agreement, and the rights and obligations hereof, shall not be assigned without the prior written consent of the other Party hereto.

5.6 Severability of Invalid Provisions. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement and such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The WOCWB hereby declares that it would have entered into this Agreement and each and every other Section, subsection, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, subsections, paragraphs, sentences, clauses or phrases of this Agreement may be held illegal, invalid or unenforceable.

5.7 Amendments. No modification, amendment or waiver of any of the provisions contained in this Agreement, or any future representations, promise, or condition in connection with the subject matter of this Agreement shall be binding upon any party to this Agreement unless made in writing and signed by such party or by a duly authorized officer or agent of such party.

5.8 Waiver. The failure of any party hereto to insist on compliance within any of the terms, covenants or conditions of this Agreement by any other party hereto, shall not be deemed a waiver of such terms, covenants or conditions of this Agreement by such other party, nor shall any waiver constitute a relinquishment of any other right or power for all or any other times.

5.9 Waiver of Personal Liability. No member, officer, agent or employee of WOCWB or City shall be individually or personally liable for any payment(s) due hereunder or be subject to any personal liability or accountability by reason of the execution and delivery thereof; but nothing herein contained shall relieve any such officer, agent or employee from the performance of any official duty provided by law or by this Agreement.

5.10 Cooperation and Execution of Documents. The parties hereto agree to complete and execute any further or additional documents which may be necessary to complete or further the terms of this Agreement.

5.11 California Law. This Agreement shall be construed and governed in accordance with the laws of the State of California, applicable to contracts made and performed in the State.

5.12 Exhibits. The following exhibits attached hereto are incorporated into this Agreement by reference.

<u>Exhibit</u>	<u>Description</u>
“A”	Description of Allocated Ownership/Financial Responsibility for Relocated Facilities
“B”	Description of Relocation Facilities
“C”	Schedule of Allocated Financial Participation Payments

5.13 Notices. Any notice, demand request, consent, approval or communication that any party desires or is required to give to any other party hereunder shall be in writing, postage prepaid and addressed to each other party at the following addresses or at such other address as may have been specified by notifying the other parties of the change of address:

To WOCWB: WOCWB
 Attention: General Manager
 2000 Main Street
 Huntington Beach, CA 92648

To City: _____

5.14 Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

[Remainder of this page intentionally blank]

IN WITNESS WHEREOF, the Parties to this Agreement have executed this Agreement by their duly Authorized Officers as of the date first set forth above.

WEST ORANGE COUNTY WATER BOARD

By: _____
Chairperson

By: _____
General Manager

CITY

By: _____
Title: _____

ATTEST:

By: _____
Title: _____

EXHIBIT “A”

**DESCRIPTION OF ALLOCATED OWNERSHIP/FINANCIAL RESPONSIBILITY
FOR RELOCATED FACILITIES**

WEST ORANGE COUNTY WATER BOARD
I-405 FREEWAY PIPELINE RELOCATION PROJECT
ALLOCATION OF ESTIMATED COSTS BY AGENCY

AGENCY	PERCENT OWNERSHIP	ESTIMATED COSTS
Huntington Beach	56.1	\$2,636,700
Garden Grove	4.2	\$197,400
Seal Beach	14.3	\$672,100
Westminster	25.4	\$1,193,800
Totals	100	\$4,700,000

Note: The estimated costs listed above are subject to changes upon the receipt of the final contract bid and as set forth in Section 3.3 herein.

EXHIBIT “B”

DESCRIPTION OF RELOCATION FACILITIES

The Orange County Transportation Authority’s I-405 Freeway Widening Project requires the WOCWB to relocate approximately 2,400 feet of its 33-inch OC-35 transmission pipeline where it traverses beneath the freeway immediately to the south of the Westminster Boulevard bridge between the intersections of Willow Lane and Westminster Blvd. and the intersection of Springdale Street and Westminster Blvd.

The new pipeline will extend south from Westminster Boulevard along Willow Lane to the cul-de-sac at the end of Willow Lane on the northeast side of the I-405 Freeway. The pipeline will then cross beneath the freeway in a steel casing pipe to the intersection of Willow Lane and Mahogany Avenue on the southwest side of the freeway. From that point the pipe will then extend to the intersection of Mahogany Avenue and Springdale Street where it will connect to the OC-35 pipeline.

EXHIBIT “C”

SCHEDULE OF ALLOCATED FINANCIAL PARTICIPATION PAYMENTS

Payment Number	Payment Due Date
1	March 1, 2018
2	June 1, 2018
3	September 1, 2018
4	December 1, 2018
5	March 1, 2019
6	June 1, 2019
7	September 1, 2019
8	December 1, 2019
9	March 1, 2020
10	June 1, 2020
11	September 1, 2020
12	December 1, 2020
13	March 1, 2021
14	June 1, 2021
15	September 1, 2021
16	December 1, 2021
17	March 1, 2022
18	June 1, 2022
19	September 1, 2022
20	December 1, 2022
21	March 1, 2023
22	June 1, 2023
23	September 1, 2023
24	December 1, 2023
25	March 1, 2024
26	June 1, 2024
27	September 1, 2024
28	December 1, 2024
29	March 1, 2025
30	June 1, 2025
31	September 1, 2025
32	December 1, 2025
33	March 1, 2026
34	June 1, 2026
35	September 1, 2026
36	December 1, 2026
37	March 1, 2027
38	June 1, 2027
39	September 1, 2027
40	December 1, 2027

Notes:

- 1.) The proposed quarterly Payment schedule assumes a loan date of December 15, 2017. This quarterly payment schedule shall be adjusted based on the actual date of loan, however payment shall be provided no later than the first day of the month for each quarter for the preceding payment period.
- 2.) For each quarterly payment, quarterly loan Interest, quarterly loan principal, and any late fees for previous billing shall be included for the anticipated 40 payment (10 year) loan.
- 3.) The proposed quarterly Payment schedule will be updated with the quarterly Payment amounts when the contract bid has been finalized and accepted by the WOCWB and OCTA.
- 4.) The proposed quarterly Payment schedule and Payment amounts are subject to changes as set forth in Section 3.3 herein.

**ORANGE COUNTY TRANSPORTATION AUTHORITY
UTILITY AGREEMENT**

DISTRICT 12	COUNTY Orange	ROUTE I-405	POST MILE 20.81-22.67	EA 12- 0H1000	PROJECT ID 1200000180
FEDERAL AID NUMBER HPLULN-6071(043)			OWNER'S PLAN NUMBER CC 1523		

FEDERAL PARTICIPATION

On the project ☒ YES ☐ NO

On the Utilities ☐ YES ☒ NO

UTILITY AGREEMENT NO. UK151087

DATE 8/17/17

The Orange County Transportation Authority (OCTA) in cooperation with the California Department of Transportation ("Caltrans") is proposing to improve Interstate 405 between State Route 73 and Interstate 605 (Project). OCTA and Caltrans have entered into Cooperative Agreement No. 12-697 relating to the Project under which Caltrans will provide Project oversight and upon completion of the Project, Caltrans will continue to own and maintain the Interstate 405.

West Orange County Water Board

Hereinafter referred to as "OWNER", owns and maintains the following **(the "Utility Facilities")**

- **33-inch Waterline in Westminster Blvd crossing I-405 from Willow Lane to Springdale Street**

within the limits of the OCTA Project which requires

relocation

to accommodate OCTA's Project.

It is hereby mutually agreed between OCTA and OWNER as follows:

I. WORK TO BE PERFORMED

In accordance with Notice to Owner No. UK151087 dated 6/21/2017, OWNER shall relocate OWNER's Utility Facilities. All work shall be performed substantially in accordance with OWNER's Plan No. CC 1523 dated _____ consisting of _____ sheets, a copy of which is on file at OCTA's offices located at 550 S. Main Street, Orange, CA 92868. Deviations from the OWNER's plan described above initiated by either OCTA or the OWNER, shall be agreed upon by both parties hereto under a Revised Notice to Owner. Such Revised Notices to Owner, approved by OCTA and agreed to/acknowledged by the OWNER, will constitute an approved revision of the OWNER's plan described above and are hereby made a part hereof. No work under said deviation shall commence prior to written execution by the OWNER of the Revised Notice to Owner. Changes in the scope of the work will require an amendment to this Agreement in addition to the revised Notice to Owner.

UTILITY AGREEMENT NO. UK151087

II. LIABILITY FOR WORK

The existing facilities are located within the STATE's right of way under permit and will be relocated at OWNER's expense under the provisions of Section 673 of the Streets and Highways Code.

III. PERFORMANCE OF WORK

OWNER agrees to cause the herein described work to be performed by a contract with the lowest qualified bidder, selected pursuant to a valid competitive bidding procedure, and to furnish or cause to be furnished all necessary labor, materials, tools, and equipment required therefore, and to prosecute said work diligently to completion.

Engineering services for preparation of plans, specifications, and estimates are to be furnished by a consulting engineering firm of GHD on a fee basis previously approved by OCTA. Cost principles for determining the reasonableness and allowability of consultant costs shall be determined in accordance with 48 CFR, Chapter 1, Part 31; 23 CFR, Chapter 1, Part 645; and OMB Circular A-87, as applicable.

Use of out-of-state personnel (or personnel requiring lodging and meal "per diem" expenses) will not be allowed without prior written authorization by OCTA's representative. Requests for such authorization must be contained in OWNER's estimate of actual and necessary relocation costs. Accounting Form FA-1301 is to be completed and submitted for all non-State personnel travel per diem. OWNER shall include an explanation why local employee or contract labor is not considered adequate for the relocation work proposed. Per diem expenses shall not exceed the per diem expense amounts allowed under the State's California Department of Human Resources (CalHR) travel expense guidelines.

Work performed directly by OWNER's employees shall comply with Labor Code Section 1771. OWNER shall verify compliance with this requirement in the administration of its contracts referenced above. OWNER shall verify compliance with this requirement in the administration of its contracts referenced above.

IV. PAYMENT FOR WORK

OWNER recognizes its legal obligation to relocate its facility at its own cost, but, at the present time does not have sufficient funds available to proceed with the relocation of OWNER's facilities provided for herein. It is estimated that the cost of the work provided for by this Agreement and, as hereinafter set forth, is the not to exceed sum of \$4,700,000.00. OCTA agrees to advance to OWNER the not to exceed sum of \$4,700,000.00, in accordance with Section 706 of the Streets and Highways Code, to apply to the cost of the work to be undertaken as provided hereinabove. Said not to exceed .sum of \$4,700,000.00 will be deposited by the

UTILITY AGREEMENT NO. UK151087

OCTA with OWNER within 30 days after execution of the Agreement by the parties hereto and upon receipt of an OWNER's bill for the advance.

It is understood that OWNER shall pay interest upon receipt of said advance. The rate of interest shall be the rate of earnings of the Surplus Money Investment Fund and computation shall be in accordance with Section 1268.350 of the Code of Civil Procedure.

Repayment of the advanced funds by OWNER shall be per the terms specified in the attached REIMBURSEMENT AGREEMENT NO. U-2017-151087 dated .

V. GENERAL CONDITIONS

OWNER shall submit a Notice of Completion to OCTA within 30 days of the completion of the work described herein.

It is understood that said highway is a Federal aid highway and accordingly, 23 CFR, Chapter 1, Part 645 is hereby incorporated into this Agreement.

In addition, the provisions of 23 CFR 635.410, Buy America, are also incorporated into this Agreement. The Buy America requirements are further specified in Moving Ahead for Progress in the 21st Century (MAP-21), section 1518; 23 CFR 635.410 requires that all manufacturing processes have occurred in the United States for steel and iron products (including the application of coatings) installed on a project receiving funding from the FHWA.

OWNER understands and acknowledges that this project is subject to the requirements of the Buy America law (23 U.S.C., Section 313) and applicable regulations, including 23 CFR 635.410 and FHWA guidance. OWNER hereby certifies that in the performance of this Agreement, for products where Buy America requirements apply, it shall use only such products for which it has received a certification from its supplier, or provider of construction services that procures the product certifying Buy America compliance. This does not include products for which waivers have been granted under 23 CFR 635.410 or other applicable provisions or excluded material cited in the Department's guidelines for the implementation of Buy America requirements for utility relocations issued on December 3, 2013.

If, in connection with OWNER'S performance of Work hereunder, OCTA provides to OWNER any materials that are subject to the Buy America Rule, OCTA acknowledges and agrees that OCTA shall be solely responsible for satisfying any and all requirements relative to the Buy America Rule concerning the materials thus provided (including, not limited to, ensuring and certifying that said materials comply with the requirements of the Buy America Rule).

OCTA further acknowledges that OWNER, in complying with the Buy America Rule, is expressly relying upon the instructions and guidance (collectively, "Guidance") issued by

UTILITY AGREEMENT NO. UK151087
--

Caltrans and its representatives concerning the Buy America Rule requirements for utility relocations within the State of California. Notwithstanding any provision herein to the contrary, OWNER shall not be deemed in breach of this Agreement for any violations of the Buy America Rule if OWNER's actions are in compliance with the Guidance.

It is expressly understood by the Parties that Owner is not, in executing this Agreement, abandoning any pre-existing right, title or interest it may have in any land or facilities, all such rights, title and interest being expressly reserved.

The terms of this Agreement shall be binding and inure to the benefits of the Parties hereto.

Signatures on Following Page

UTILITY AGREEMENT NO. UK151087

SIGNATURE PAGE
TO
UTILITY AGREEMENT NO.

UK151087

IN WITNESS WHEREOF, the above parties have executed this Agreement on the dates below.

Owner:
**WEST ORANGE COUNTY WATER
BOARD**

**ORANGE COUNTY
TRANSPORTATION AUTHORITY,
a public entity**

APPROVED

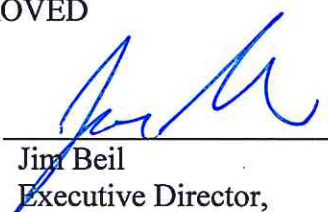
By: _____
Title: _____

Date: _____

By: _____
Title: _____

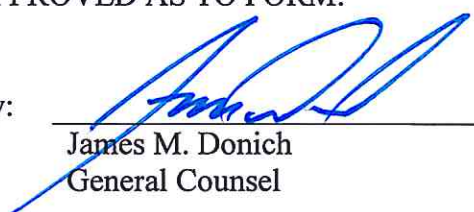
Date: _____

APPROVED

By: 
Jim Beil
Executive Director,
Capital Programs

Date: 8/12/17

APPROVED AS TO FORM:

By: 
James M. Donich
General Counsel

Date: 8/17/17



COMMITTEE TRANSMITTAL

June 12, 2017

To: Members of the Board of Directors

From: Laurena Weinert, ^{LM}Clerk of the Board

Subject: Relocation of West Orange County Water Board Water Line for the Interstate 405 Improvement Project

Finance and Administration Committee Meeting of May 24, 2017

Present: Directors Do, Jones, R. Murphy, and Steel
Absent: Directors Hennessey, Pulido, and Spitzer

Committee Vote

This item was passed by the Members present.

Committee Recommendation

Authorize the Chief Executive Officer to negotiate and execute Reimbursement Agreement No. UK151087 with the West Orange County Water Board, in an amount not to exceed \$4.7 million, for the relocation of the 33-inch pipeline that must be moved to accommodate the Interstate 405 Improvement Project.

**REIMBURSEMENT AGREEMENT NO. U-2017-151087 BETWEEN THE
ORANGE COUNTY TRANSPORTATION AUTHORITY AND WEST ORANGE
COUNTY WATER BOARD**

THIS REIMBURSEMENT AGREEMENT ("Agreement") is made and entered into and effective this _____ day of _____, 2017, by and between West Orange County Water Board, a Joint Powers Authority (hereinafter referred to as "WOCWB"), whose mailing address is 19001 Huntington Street, Huntington Beach California, 92648 and the Orange County Transportation Authority (hereinafter referred to as "OCTA") whose mailing address is 550 South Main Street / P. O. Box 14184, Orange, CA 92863-1584.

I. BACKGROUND:

A. OCTA, by and through a cooperative agreement with the California Department of Transportation, is constructing improvements on Interstate 405 (I-405) between State Route 73 (SR-73) and Interstate 605 (I-605). The improvements include one general purpose lane in each direction from Euclid Street to I-605, and an additional lane in each direction that would combine with the existing high-occupancy vehicle lane to provide dual express lanes in each direction of I-405 from SR-73 to I-605 (Project).

B. As a result of the construction for the Project, it is necessary for WOCWB to relocate its existing thirty-three (33) inch waterline located in Westminster Boulevard where it crosses Interstate 405 from east of Willow Lane to Springdale Street in conflict with Project.

C. In accordance with Project requirements, Utility Agreement No. UK 151087 ("UA 151087") has been entered into between OCTA and WOCWB (**Exhibit A**). UA 151087 specifies the relocation work to be performed, performance of work responsibility, and that the cost liability of relocation responsibility based on existing property rights. Under the terms of UA 151087, one-hundred (100) percent cost responsibility for the relocation work is assigned to WOCWB including, but not limited to, all services, final design, property acquisition costs and construction cost (hereafter, the "Relocation Work"). UA 151087 also allows for the advancement of funds for the relocation work by OCTA upon determination of a hardship in accordance with Section 706 of the Streets and Highways Code.

D. Whereas the WOCWB has formally requested an advancement of funds and by entering into this Agreement, OCTA finds that a hardship exists and that funds in the amount estimated at \$4,700,000 shall be advanced to WOCWB conditioned upon WOCWB's agreement to repay such funds in accordance with this Agreement.

II. AGREEMENT

In consideration of the promises and mutual covenants herein contained, WOCWB and OCTA hereby agree as follows:

A. WOCWB will perform the necessary relocation work in accordance with UA 151087 subject to the reimbursement terms and provisions of this Agreement.

**REIMBURSEMENT AGREEMENT NO. U-2017-151087 BETWEEN THE
ORANGE COUNTY TRANSPORTATION AUTHORITY AND WEST ORANGE
COUNTY WATER BOARD**

B. Funds advanced under this Agreement shall be exclusively used by WOCWB for the Relocation Work in the amount not to exceed the amount set forth in **Exhibit B, Proposed Project Loan**. A reconciliation of the actual bid price shall be performed upon receipt of bids by WOCWB for the relocation and shall provide the basis for the actual loan amount. An amount not to exceed 22 percent shall be applied to the bid price for project management, engineering, inspection, soils and materials testing and construction contingency. Should the bid price exceed the not to exceed amount in Exhibit B, a cost analysis of bid shall be submitted by WOCWB to OCTA for review to address the bid amount. Should WOCWB desire an advance of funds in excess of the not to exceed amount, it must submit a written request for an amendment to this Agreement which is subject to OCTA Board Approval. If OCTA identifies any bid anomalies it may request that WOCWB reject all bids and re-bid and re-procure the Relocation Work.

C. Pursuant to Section 706 of the Streets and Highways Code, OCTA agrees, upon the terms and conditions contained in this Agreement, to loan funds for a period not to exceed 10 (ten) years from the date of deposit of funds into a WOCWB account for the Relocation Work.

D. Interest for the loan shall be charged to WOCWB at the rate of earnings equal to the State of California Surplus Money Investment Fund (SMIF) and shall be accrued daily based on this rate. OCTA shall inform the WOCWB when the rate of earnings changes.

E. OCTA shall furnish a cashier's check representing 100% (one hundred percent) of the loan proceeds within 30 (thirty) days of receipt of acceptable invoice from WOCWB. Such an invoice shall include this Agreement number, signature by an authorized agent, proof of actual expenses bid for the Relocation Work by a WOCWB contractor, and a reconciliation of the actual bid identified in Section B above.

F. A loan repayment plan shall be developed between parties which includes standard quarterly payments identified in **Exhibit C, Proposed Quarterly Payment Schedule**, to establish a 10 (ten) year re-payment structure. Prior to the end of each calendar year during the loan repayment period, a reconciliation of payments and interest due may be performed by OCTA based on interest rates updates made to the SMIF and requested adjustments shall be incorporated within the loan repayment plan to maintain conformance with the SMIF.

G. WOCWB shall submit to OCTA repayment for the loan based on a 10 (ten)-year duration including interest accrued daily. This payment shall be made by the 1st of month in which it is due and shall be paid on a quarterly basis of each calendar year. The first payment is due no later than the 1st of the month that is no longer than 90 (ninety) days from the date of WOCWB's receipt of the funds. Any payments which are late by more than five days shall accrue a one-time penalty of 5% (five percent) of the amount that is due. Such penalty shall be paid within 30 (thirty) days of receipt by WOCWB of a written notice from OCTA that the penalty is being imposed. Interest shall accrue on the penalty amount at the same rate as the principal amount if the penalty is not paid within the 30 (thirty)-day period.

H. Any advanced funds which are in excess of WOCWB's actual expenditures at the time in which WOCWB accepts the Relocation Work as complete, shall be returned to OCTA no later than 90 (ninety) days from the date WOCWB accepts the Relocation Work. Funds not returned within this 90 (ninety)-day period shall be treated in the same manner as a late payment under

**REIMBURSEMENT AGREEMENT NO. U-2017-151087 BETWEEN THE
ORANGE COUNTY TRANSPORTATION AUTHORITY AND WEST ORANGE
COUNTY WATER BOARD**

Section 7 above. WOCWB shall provide OCTA with an accounting of all funds expended on the Relocation Work in a manner which is reasonably acceptable to OCTA. WOCWB shall keep all records relating to the loan and the Relocation Work for a period of at least 7 (seven) years from acceptance of the Relocation Work. OCTA shall be permitted access to such records during WOCWB's normal business hours and be able to audit such records.

I. Advanced payment or early pay-off of the loan is acceptable and no penalty shall be applied. WOCWB shall be responsible for interest of outstanding funds to the date of final payment. A cost accounting of interest due will be performed at final payment. Advanced payment(s) must be addressed in the reconciliation of payments and interest due as described in Section 6 above.

J. By entering into this Agreement, WOCWB represents that it has the present and future ability to repay the funds advanced under the terms and conditions set forth in this Agreement and that it will take any and all actions required, including, if necessary and lawful, raising rates, fees or charges to those served by WOCWB and/or raising contributions from its member agencies, to pay off the loan in a timely manner.

K. In the event that WOCWB identifies other funds to pay for the Relocation Work, including enacted State Legislation or from other sources, either in whole or part, OCTA agrees to reasonably cooperate with WOCWB to identify and secure such funds and to the extent such funds are made available to pay for the Relocation Work. To the extent such funds are made available, WOCWB shall, within 90 (ninety) days of receipt of such funds, remit to OCTA an equivalent amount from the funds advanced under this Agreement.

L. If either party breaches any of the terms, covenants or provisions of this Agreement, and either party commences litigation to enforce any provisions of this Agreement arising out of such a breach, the prevailing party shall be entitled to all reasonable legal costs incurred in filing such litigation, including court costs, expert costs, attorney's fees and any other reasonably incurred legal expenses.

M. No Board member of OCTA or WOCWB, no official, agent, or employee of OCTA and no official, agent, employee or member city of WOCWB shall be personally liable to the other parties, or any successor in interest, in the event of any default or breach by OCTA or WOCWB, or for any amount which may become due to OCTA or WOCWB, or successor, or on any obligations under the terms of this Agreement

N. To the fullest extent permitted by law, OCTA and WOCWB agree to save, indemnify, defend, and hold harmless each other (and their respective officers, directors, agents, employees, member cities, and agents) from any and all liability, claims, suits, actions, arbitration proceedings, administrative proceedings, and regulatory proceedings, losses, expenses, or any injury or damage of any kind whatsoever, whether actual, alleged or threatened, attorney fees, court costs, and any other costs of any nature without restriction incurred in relation to, as a consequence of, or arising out of, the performance of this Agreement, and attributable to the fault of the other. Following a determination of the percentage of fault and or liability by agreement between the Parties or a court of competent jurisdiction, the Party responsible for liability to the other will indemnify the other Party to this Agreement for the percentage of liability determined.

**REIMBURSEMENT AGREEMENT NO. U-2017-151087 BETWEEN THE
ORANGE COUNTY TRANSPORTATION AUTHORITY AND WEST ORANGE
COUNTY WATER BOARD**

O. OCTA may, at its own expense, inspect any construction by WOCWB hereunder, to assure itself that WOCWB work is being performed in accordance with Project requirements

P. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereon, and supersedes all prior negotiations, understandings, or agreements pertaining to the 33- inch waterline relocation work by and between WOCWB and OCTA.

Q. The terms of this Agreement shall be binding upon any successors and assigns of the parties; provided that neither party shall assign this Agreement to a third party that is not a governmental agency without the express written consent of the other party, which consent shall not be unreasonably withheld.

**REIMBURSEMENT AGREEMENT NO. U-2017-151087 BETWEEN THE
ORANGE COUNTY TRANSPORTATION AUTHORITY AND WEST ORANGE
COUNTY WATER BOARD**

In executing this Agreement, the parties represent and warrant that each has received all necessary approval authority and that the persons executing this Agreement on behalf of each party is authorized to do so by law.

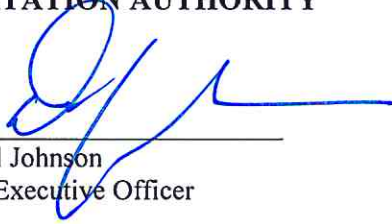
**WEST ORANGE COUNTY WATER
BOARD**

BY: _____
TITLE: _____

DATE: _____

ATTEST

**ORANGE COUNTY
TRANSPORTATION AUTHORITY**

BY: 

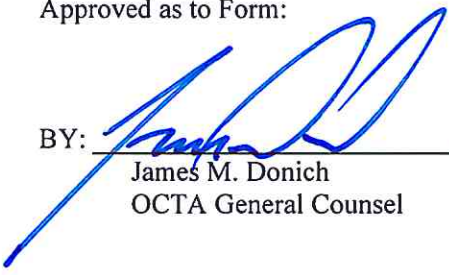
Darrell Johnson
Chief Executive Officer

DATE: 8-15-17

Approved as to Form:

BY: _____
WOCWB General Counsel

Approved as to Form:

BY: 

James M. Donich
OCTA General Counsel

EXHIBIT B
Proposed Project Loan

Construction Not to Exceed Bid Loan Amount	\$3,853,000
Project Management/Engineering/Inspection/Materials Testing and Other Service (12 %)	\$462,000
<u>Project Loan Contingency (10 %)</u>	<u>\$385,000</u>
Total Loan Amount	\$4,700,000

Notes:

- 1.) Exhibit B shall be amended at bid approval by OCTA to include the actual bid value which shall be increased by 12 percent for Services and 10 percent for total Loan Project Contingency.
- 2.) A request for a loan exceeding \$4.7 million is subject to approval of the Orange County Transportation Authority Board of Directors and West Orange County Water Board.

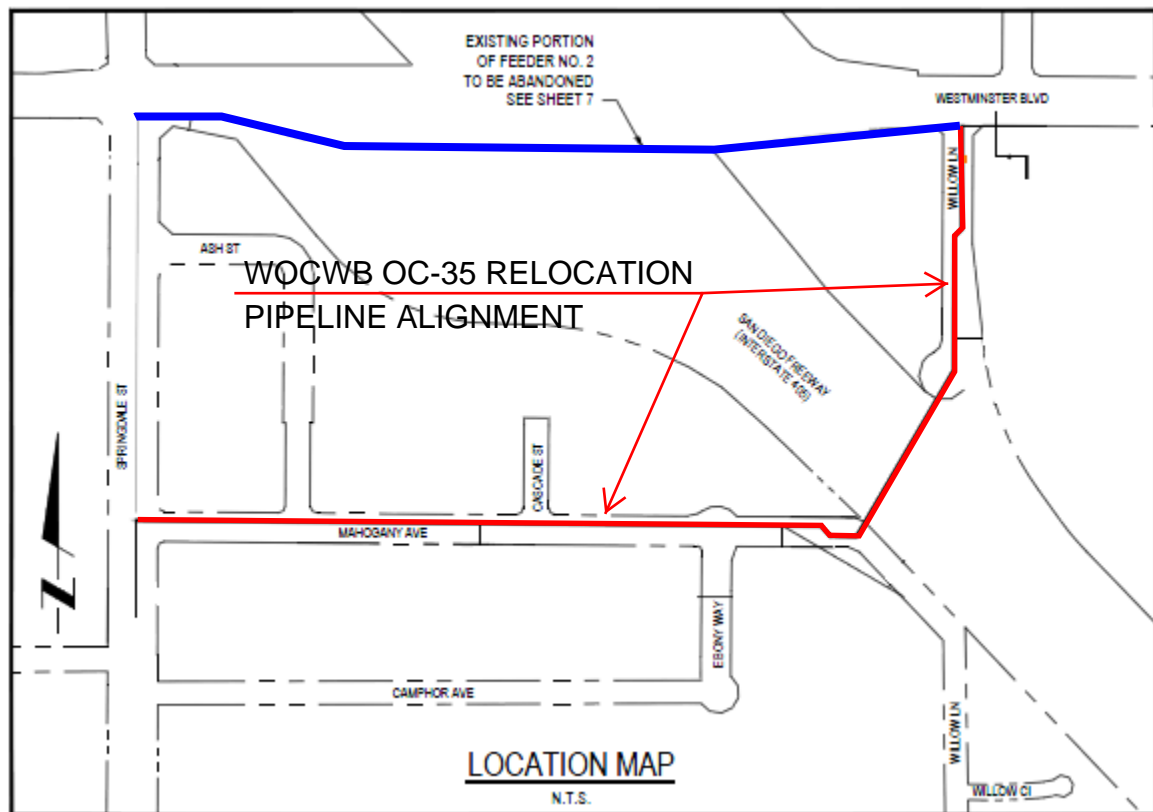
EXHIBIT C
Proposed Quarterly Payment Schedule

Payment Number	Payment Due Date	Payment Number	Payment Due Date	Payment Number	Payment Due Date
1	February 1, 2018	15	August 1, 2021	29	February 1, 2025
2	May 1, 2018	16	November 1, 2021	30	May 1, 2025
3	August 1, 2018	17	February 1, 2022	31	August 1, 2025
4	November 1, 2018	18	May 1, 2022	32	November 1, 2025
5	February 1, 2019	19	August 1, 2022	33	February 1, 2026
6	May 1, 2019	20	November 1, 2022	34	May 1, 2026
7	August 1, 2019	21	February 1, 2023	35	August 1, 2026
8	November 1, 2019	22	May 1, 2023	36	November 1, 2026
9	February 1, 2020	23	August 1, 2023	37	February 1, 2027
10	May 1, 2020	24	November 1, 2023	38	May 1, 2027
11	August 1, 2020	25	February 1, 2024	39	August 1, 2027
12	November 1, 2020	26	May 1, 2024	40	November 1, 2027
13	February 1, 2021	27	August 1, 2024		
14	May 1, 2021	28	November 1, 2024		

Notes:

- 1.) The proposed quarterly Payment schedule assumes a loan date of November 1, 2017. This quarterly payment schedule shall be adjusted based on the actual date of loan, however payment shall be provided no later than the first day of the month for each quarter for the preceding payment period.
- 2.) For each quarterly payment, quarterly loan Interest, quarterly loan principal, and any late fees for previous billing shall be included for the anticipated 40 payment (10 year) loan. If the interest rate of earnings is unavailable for the prior billing period from the State of California's Surplus Money Investment Fund (SMIF), then interest shall payable to OCTA based on the most recent rate available. Annually, an adjustment shall be made to make WOCWB current on payment should any variations from the published SMIF occur in accordance with Agreement terms.
- 3.) Early payment of the loan is acceptable in accordance with agreement terms. At final invoice, WOCWB shall work with OCTA to develop a final accounting for the final payment.

CC 1523 West Orange County Water Board Relocation of OC-35



City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Scott C. Stiles From: Teresa Pomeroy
Dept.: City Manager Dept.: City Clerk
Subject: Receive and file minutes Date: 10/24/2017
 from the meeting held on
 October 10, 2017. (*Action*
 Item)

Attached are the minutes from the meeting held on October 10, 2017, recommended to be received and file as submitted or amended.

ATTACHMENTS:

Description	Upload Date	Type	File Name
Minutes	10/19/2017	Backup Material	cc-min_10_10_2017.pdf

MINUTES

GARDEN GROVE CITY COUNCIL

Regular Meeting

Tuesday, October 10, 2017

Community Meeting Center
11300 Stanford Avenue, Garden Grove, CA 92840

CONVENE MEETING

At 5:36 p.m., Mayor Jones convened the meeting in the Council Chamber

ROLL CALL PRESENT: (6) Mayor Jones, Council Members Beard,
O'Neill, T. Nguyen, Klopfenstein, K. Nguyen

ABSENT: (1) Council Member Bui absent at Roll Call, but
joined the meeting at 5:50 p.m.

CONVENE CLOSED SESSION

At 5:38 p.m., Mayor Jones announced that the City Council was going into Closed Session in the Founders Room to discuss the following matter:

Conference with Legal Counsel – Existing Litigation

Pursuant to Government Code Section 54956.9(d)(1):

Andrew Garcia v. City of Garden Grove, USDC Case No. 8:16-cv-00154 DOC (KESx)

Conference with Legal Counsel – Existing Litigation

Pursuant to Government Code Section 54956.9(d)(1):

Gultoprak v. City of Garden Grove, et al., SDSC Case No. 37-2017-00004481-CU-PA-NC

City Attorney Sandoval announced that there would be no discussion regarding Gultoprak v. City of Garden Grove, et al., SDSC Case No. 37-2017-00004481-CU-PA-NC

ORAL COMMUNICATIONS FOR CLOSED SESSION

Speakers: None

ADJOURN CLOSED SESSION

At 6:20 p.m., Mayor Jones adjourned Closed Session.

CONVENE REGULAR MEETING

At 6:35 p.m., Mayor Jones convened the meeting in the Council Chamber with all Council Members present.

MAYOR JONES ASKED EVERYONE TO STAND AND OBSERVE A MOMENT OF SILENCE TO HONOR THE VICTIMS OF THE RECENT LAS VEGAS SHOOTING.

INVOCATION

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

COMMUNITY SPOTLIGHT: IN RECOGNITION OF GARDEN GROVE POLICE SERGEANT JOHN REYNOLDS FOR GOING ABOVE AND BEYOND THE CALL OF DUTY (F: 52.3)

ORAL COMMUNICATIONS

Speakers: Charles Mitchell, Bob Donelson, Pam Donelson, Leland Sisk

CONSIDERATION OF A REQUEST FROM THE KOREAN AMERICAN FESTIVAL FOUNDATION OF ORANGE COUNTY FOR SPONSORSHIP OF THE INTERNATIONAL FESTIVAL OF ORANGE COUNTY (F: 88.1)

Council Member Bui stated that he has volunteered his time and efforts to the International Festival of Orange County; however, he will not benefit financially through his involvement and will be voting on this matter.

Following staff presentation and City Council discussion, Mayor Jones asked the Representative from the Korean American Festival Foundation of Orange County to address the City Council.

Mayor Jones commented on the value of celebrating the diversity within the community through the promotion of the International Festival and requested staff to post information on the upcoming Festival.

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

The request from the Korean American Festival Foundation of Orange County be approved for an in-kind sponsorship amount of \$3,000 for the International Festival of Orange County being held on the weekend of October 20, 2017, through October

22, 2017, at the Garden Square Shopping Center parking lot at 9772 Garden Grove Boulevard.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

RECESS

At 7:05 p.m., Mayor Jones recessed the meeting.

RECONVENE

At 7:30 p.m., Mayor Jones reconvened the meeting in the Council Chamber with all Council Members present.

ACCEPTANCE OF PROJECT NO. 7369, MWD INTERCONNECT AND PRV FACILITIES REHABILITATION AS COMPLETE (F: 112.proj.7369)

It was moved by Council Member Bui, seconded by Council Member O'Neill that:

Project No. 7369, MWD Interconnect and PRV Facilities Rehabilitation be accepted as complete;

The City Manager be authorized to execute the Notice of Completion of Public Works Improvement and Work; and

The Finance Director be authorized to release the retention payment when appropriate to do so.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

ACCEPTANCE OF PROJECT NO. 7400 – WATER SERVICE LINE REPLACEMENT AND IMPROVEMENT PROJECT, PHASE I AS COMPLETE (F: 112.proj.7400)

It was moved by Council Member Bui, seconded by Council Member O'Neill that:

Project No. 7400 – Water Service Line Replacement and Improvement Project, Phase I be accepted as complete;

The City Manager be authorized to execute the Notice of Completion of Public Works Improvement and Work; and

The Finance Director be authorized to release the retention payment when appropriate to do so.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

AUTHORIZE THE ISSUANCE OF A PURCHASE ORDER TO SCOTT EQUIPMENT, INC., FOR ONE (1) CONSTRUCTION EQUIPMENT TRAILER (F: 60.4)

It was moved by Council Member Bui, seconded by Council Member O'Neill that:

The Finance Director be authorized to issue a purchase order in the amount of \$26,096.12 to Scott Equipment, Inc., for the purchase of one (1) construction equipment trailer.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

AUTHORIZE THE ISSUANCE OF A PURCHASE ORDER TO SIEMENS INDUSTRY INC., TO PERFORM AN INVESTMENT GRADE ENERGY AUDIT OF CITY FACILITIES (F: 60.4)

It was moved by Council Member Bui, seconded by Council Member O'Neill that:

The Finance Director be authorized to issue a purchase order in the amount of \$66,000 to Siemens Industry, Inc., to perform a citywide investment grade energy audit.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

APPROVAL OF COOPERATIVE AGREEMENT NO. C-7-1828 WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR THE MAGNOLIA STREET CORRIDOR TRAFFIC SIGNAL SYNCHRONIZATION PROJECT

(F: 55-Orange County Transportation Authority C-7-1828)

It was moved by Council Member Bui, seconded by Council Member O'Neill that:

Cooperative Agreement No. C-7-1828 with the Orange County Transportation Authority be approved for the Magnolia Street Corridor Traffic Signal Synchronization Project; and

The Mayor be authorized to execute the agreement on behalf of the City.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

APPROVAL OF COOPERATIVE AGREEMENT NO. C-7-1829 WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR THE BROOKHURST STREET CORRIDOR TRAFFIC SIGNAL SYNCHRONIZATION PROJECT

(F: 55-Orange County Transportation Authority C-7-1829)

It was moved by Council Member Bui, seconded by Council Member O'Neill that:

Cooperative Agreement No. C-7-1829 with the Orange County Transportation Authority be approved for the Brookhurst Street Corridor Traffic Signal Synchronization Project; and

The Mayor be authorized to execute the agreement on behalf of the City.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

AWARD OF CONTRACT TO VIRTUNET FOR IN-CAR VIDEO SERVER AND STORAGE EQUIPMENT FOR POLICE VEHICLES, INSTALLATION AND THREE (3) YEARS OF MAINTENANCE (F: 55-Virtunet LLC)

It was moved by Council Member Bui, seconded by Council Member O'Neill that:

A contract be awarded to Virtunet LLC, in the amount of \$139,839, for the purchase of in-car server and storage equipment for police vehicles, including installation and three years of service, support and maintenance; and

The City Manager be authorized to sign the agreement on behalf of the City, and to make minor modifications as appropriate thereto.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

AWARD OF CONTRACT TO INTERWEST CONSULTING GROUP TO PROVIDE PLAN
CHECK CONSULTANT SERVICES AND ADDITIONAL CONTRACTUAL SERVICES
(F: 55-Interwest Consulting Group)

It was moved by Council Member Bui, seconded by Council Member O'Neill that:

A contract be awarded to Interwest Consulting Group, in the amount of \$250,000, for plan check consulting services with the option to extend the agreement for three years for a total performance period of four years;

The City Manager or designee be authorized to execute the agreement on behalf of the City, and to make minor modifications as appropriate; and

The City Manager or designee be authorized to sign amendments to the agreement including the extensions of the term for three years provided sufficient funds are available.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

AWARD OF CONTRACT TO BUREAU VERITAS NORTH AMERICA, INC., TO PROVIDE
PLAN CHECK CONSULTANT SERVICES AND ADDITIONAL CONTRACTUAL SERVICES
(F: 55-Bureau Veritas North America, Inc.)

It was moved by Council Member Bui, seconded by Council Member O'Neill that:

A contract be awarded to Bureau Veritas North America, Inc., in the amount of \$250,000, for plan check consulting services with the option to extend the agreement for three years for a total performance period of four years;

The City Manager or designee be authorized to execute the agreement on behalf of the City, and to make minor modifications as appropriate; and

The City Manager or designee be authorized to sign amendments to the agreement including the extensions of the term for three years provided sufficient funds are available.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

RECEIVE AND FILE MINUTES FROM THE MEETING HELD ON SEPTEMBER 26, 2017
(F: Vault)

It was moved by Council Member Bui, seconded by Council Member O'Neill that:

The minutes from the meeting held on September 26, 2017, be received and filed.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

WARRANTS (F: 60.5)

It was moved by Council Member Bui, seconded by Council Member O'Neill that:

Regular Warrants 629028 through 629258; 629259 through 629859; 629860 through 630033; Wires W1978 through W1980; W1981 through W1983; and Direct Deposits W629258 through W629858; be approved as presented in the warrant register submitted, and have been audited for accuracy and funds are available for payment thereof by the Finance Director; and

Payroll Warrants 181683 through 181722; Direct Deposits D318679 through D319378; Wires W2402 through W2405; be approved as presented in the warrant register submitted, and have been audited for accuracy and funds are available for payment thereof by the Finance Director.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

APPROVAL TO WAIVE FULL READING OF ORDINANCES LISTED

It was moved by Council Member Bui, seconded by Council Member O'Neill that:

Full reading of Ordinances listed be waived.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

PUBLIC HEARING – ADOPTION OF A RESOLUTION ESTABLISHING AND AMENDING
THE PARKING CITATION SCHEDULE TO INCLUDE MONETARY PENALTIES FOR RV
PARKING VIOLATIONS (F: 82.7)

Following staff's presentation and City Council discussion, Mayor Jones declared the Public Hearing open and asked if anyone wished to address the City Council on the matter.

Speakers: Joe Resong

There being no further response from the audience, the Public Hearing was declared closed.

Council Member Bui expressed concern that the community may not be aware that citations are going to be issued for parking Recreational Vehicles on the public streets without a permit. He asked that staff issue warnings, and after City Council discussion, consensus was to provide warnings and to issue citations starting on November 1, 2017.

It was moved by Council Member Beard, seconded by Council Member O'Neill that:

Resolution No. 9460-17 entitled: A Resolution of the City Council of the City of Garden Grove establishing the monetary penalties for violations of Recreational Vehicle Parking Regulations, be adopted; and

That staff be directed to issue warnings until the effective date to issue citations on November 1, 2017.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

APPOINTMENT TO COMPLETE AN UNEXPIRED TERM ON THE MAIN STREET COMMISSION AND DISCUSSION OF BOARD ORGANIZATION (F: 122.6A)

Mayor Jones announced that this item would be tabled off-calendar.

AUTHORIZE THE ISSUANCE OF A PURCHASE ORDER TO PIERCE MANUFACTURING FOR ONE (1) LIGHT AND AIR VEHICLE (F: 60.4)

Following staff presentation, it was moved by Council Member O'Neill, seconded by Council Member K. Nguyen that:

The Finance Director be authorized to issue a purchase order in the amount of \$399,010 to Pierce Manufacturing for the purchase of one (1) light and air vehicle.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

ADOPTION OF A RESOLUTION AMENDING FISCAL YEAR 2017-18 BUDGET TO INCORPORATE A LIST OF PROJECTS TO BE FUNDED BY SENATE BILL 1 AND APPROPRIATE RELATED FUNDING (F: 34.1)

Following staff presentation and City Council discussion, it was moved by Council Member O'Neill, seconded by Council Member Beard that:

Resolution No. 9461-17 entitled: A Resolution of the City Council of the City of Garden Grove amending the 2017-18 budget to appropriate funding and to incorporate a list of projects funded by Senate Bill 1: The Road Repair and Accountability Act 2017, be adopted.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

ORDINANCE NO. 2887 PRESENTED FOR SECOND READING AND ADOPTION (F: 122.6)

(As approved earlier in the meeting, it was moved by Council Member Bui, seconded by Council Member O'Neill, and approved by a 7-0 vote, that full reading of ordinances listed be waived.)

Following the reading of the title of the Ordinance, it was moved by Mayor Jones, seconded by Council Member Klopfenstein that:

Ordinance No. 2887 entitled: An Ordinance of the City Council of the City of Garden Grove revising Chapter 2.32 of Title 2 of the Garden Grove Municipal Code renaming the Main Street Commission to Downtown Commission, be adopted.

The motion carried by a 7-0 vote as follows:

Ayes: (7) Beard, O'Neill, T. Nguyen, Bui, Klopfenstein, K.
Nguyen, Jones
Noes: (0) None

MATTERS FROM THE MAYOR, CITY COUNCIL MEMBERS, AND CITY MANAGER

Council Member O'Neill announced the annual Holiday Craft Boutique on Saturday, October 21, 2017, from 8:00 a.m. to 3:00 p.m., held by the Women's Civic Club of Garden Grove, 9501 Chapman Avenue; noting that the Women's Club rents tables to vendors and uses the rental proceeds for scholarships to Garden Grove High School students.

Council Member T. Nguyen stated that the Mid-Autumn Children's Festival held at the Atlantis Play Center was a success, and she recognized Community Services staff for contributing to the success of the event.

Council Member Klopfenstein thanked the community for attending the vigil for the Las Vegas shooting victims that was held at the Village Green Park. She also thanked the Mayor for his words at the vigil and the presence of Public Safety.

Council Member Bui commented that the Las Vegas shooting incident was a shock and that he regrets he was unable to attend Sunday night's vigil; however, he expressed his hope that people commenting on social media would respect each other even though there are different points of view. He noted the upcoming International Festival of Orange County, which has been an annual Korean festival. This year's festival will include and celebrate the other Asian and Latino cultures.

Mayor Jones commented on the Amazon HQ2 request for proposal and the possibility of Amazon locating in Orange County, noting that the Memorandum with the City of Santa Ana regarding the Willowick property allows for the City to work collaboratively with Santa Ana to open up discussion on future possibilities for development projects. He noted that he and City Manager Stiles visited the Governor's Office along with Mayors and City Managers to discuss incentives the State would offer Amazon. He expressed his appreciation for staff time with their work in meeting the October 19th Amazon proposal deadline.

City Manager Stiles stated that he would be coordinating a joint meeting with the Garden Grove and Santa Ana City Councils regarding the Willowick property. He thanked the Fire Department for their support with the Anaheim Hills Canyon fire in the deployment of five apparatus vehicles. In response to issues brought up under Oral Communications: A report on short term rentals will be provided to the City Council; the City's Code does allow Recreational Vehicles to be parked in the R-1 zone on private property as long as there is nothing encroaching on adjoining property lines; and that the Garden Grove and Westminster Police Chiefs are collaborating to address the crime and have increased patrol on Garden Grove Boulevard and Beach Boulevard.

CLOSED SESSION REPORT

City Attorney Sandoval announced that there was nothing to report on the Closed Session matter.

ADJOURNMENT

At 8:04 p.m., Mayor Jones adjourned the meeting. The next City Council Meeting will be held on Tuesday, October 24, 2017, at 5:30 p.m. at the Community Meeting Center, 11300 Stanford Avenue, Garden Grove, California.

Teresa Pomeroy, CMC
City Clerk

181723	KIMBERLY HUY	(VOID)	0.00	181724	DARNELL D JERRY	642.55
181725	KIMBERLY HUY	(VOID)	11087.20	181726	NIDA R WATKINS	7581.97
181727	BRITTNEE D MCGOWEN	(VOID)	1387.64	181728	BRITTNEE D MCGOWEN	1630.40
181729	CAROL E BECKLES	(VOID)	49.27	181730	STEPHANIE L KLOPFENSTEIN	365.28
181731	STEVE R SOLORIO	(VOID)	45.52	181732	JUDITH A MOORE	1912.10
181733	DIANE BELAIR	(VOID)	1621.69	181734	AMANDA M POLLOCK	1077.04
181735	JO ANNE M CHUNG	(VOID)	2158.84	181736	THOMAS E BUTTERS	2039.63
181737	JUSTIN E DAVENPORT	(VOID)	256.67	181738	CHRIS M VERES	2907.71
181739	ROBERT R MOUNGEY	(VOID)	390.50	181740	MICHAEL F ROCHA	2265.49
181741	KEVIN L RAY	(VOID)	655.17	181742	ADRIANNA M RODRIGUEZ	299.54
181743	DANIEL C MOSS	(VOID)	1326.82	181744	YUKIYOSHI NAKAGAWA	1444.44
181745	ANA E PULIDO	(VOID)	3313.84	181746	KYLAN C ACOSTA	216.33
181747	STEPHANIE AMBRIZ	(VOID)	228.95	181748	DEANNA M CHUMACERO	1154.17
181749	STEVEN E GOMEZ	(VOID)	460.21	181750	ISABELLA H KUBES	29.56
181751	EMILY PATINO MARQUEZ	(VOID)	378.07	181752	JESUS PEREZ	653.70
181753	DIANA SALDIVAR	(VOID)	234.08	181754	PHILIP J SEYMOUR	171.10
181755	CHRISTOPHER C DOVEAS	(VOID)	378.94	181756	ISAAC DAVILA	361.57
181757	JULIAN TAPIA	(VOID)	209.41	181758	KENTON TRAN	345.04
181759	RANDY L TUCKER	(VOID)	1271.88	181760	JOAN M CEPLIUS	845.25
181761	HAN J CHO	(VOID)	21850.69	181762	HINA J AHMAD	465.80
181763	O.C.E.A. GENERAL	(VOID)	2413.56	181764	O.C.E.A.	1213.19
181765	COMMUNITY HEALTH CHARITI	(VOID)	50.00	181766	GARDEN GROVE POLICE ASSO	1520.00
D319301	DEBBY L FELSE	(VOID)	-645.15	D319377	KRIS C BEARD	436.81
D319378	PHAT T BUI	(VOID)	2.19	D319379	STEVEN R JONES	346.80
D319380	DIEDRE THU HA NGUYEN	(VOID)	404.95	D319381	KIM B NGUYEN	406.73
D319382	JOHN R O'NEILL	(VOID)	444.79	D319383	PAMELA M HADDAD	1486.35
D319384	SHAWN S PARK	(VOID)	1851.29	D319385	SCOTT C STILES	6741.33
D319386	MARIA A STIPE	(VOID)	5014.74	D319387	MEENA YOO	1860.33
D319388	DENISE KEHN	(VOID)	2024.43	D319389	MARITZA PIZARRO	1571.57
D319390	TERESA L POMEROY	(VOID)	2823.82	D319391	LIZABETH C VASQUEZ	1662.76
D319392	SHAUNA J CARRENO	(VOID)	1945.67	D319393	TERESA G CASEY	1401.65
D319394	VIRGINIA DELGADO	(VOID)	1481.09	D319395	DANNY HUYNH	3295.32
D319396	VILMA C KLOESS	(VOID)	1832.52	D319397	IVY LE	1825.88
D319398	TAMMY LE	(VOID)	1537.87	D319399	LINDA WIDDENDORF	2520.13
D319400	ROSALINDA MOORE	(VOID)	1281.56	D319401	MARIA A NAVARRO	2178.99
D319402	PHUONG VIEN T NGUYEN	(VOID)	2436.21	D319403	QUANG NGUYEN	2315.14
D319404	TINA T NGUYEN	(VOID)	2028.95	D319405	THYANA T PHI	2189.04
D319406	MARIA RAMOS	(VOID)	2048.33	D319407	TANYA L TO	1487.25
D319408	CUONG K TRAN	(VOID)	2019.22	D319409	ELAINE TRUONG	1346.93
D319410	THANH-NGUYEN VO	(VOID)	1701.48	D319411	SYLVIA GARCIA	2044.54
D319412	KINGSLEY C OKEREKE	(VOID)	4952.45	D319413	HEIDI M JANZ	2152.07
D319414	CHRISTI C MENDOZA	(VOID)	573.86	D319415	ANN C EIFERT	2645.08
D319416	DEBORAH A POWELL	(VOID)	1610.20	D319417	MARGARITA A ABOLA	1764.11
D319418	MARISA ATIN RAMOS	(VOID)	1124.32	D319419	ELLIS FUN ROK CHANG	2456.09
D319420	JANET J CHUNG	(VOID)	1946.33	D319421	CLAUDIA FLORES	3597.69
D319422	RHONDA C KAWELL	(VOID)	2870.30	D319423	ROBERT W MAY	1337.67
D319424	SHAWNA A MCDONOUGH	(VOID)	1390.82	D319425	HEIDY Y MUNOZ	2038.24
D319426	ALEXANDER TRINIDAD	(VOID)	2289.98	D319427	LIGIA ANDREI	1299.67

**** PAGE TOTAL = 178311.20

D319428	ARIANA B BAUTISTA	1490.96	D319429	KAREN J BROWN	658.53
D319430	CORINNE L HOFFMAN	2317.00	D319431	JEFF N KURAMOTO	2158.16
D319432	CHELSEA E LUKAS	1823.74	D319433	EDWARD E MARVIN JR	1670.28
D319434	ANGELA M MENDEZ	1715.70	D319435	MONICA A NEELY	3483.10
D319436	JENNIFER L PETERSON	1753.11	D319437	ANH PHAM	1631.13
D319438	EVA RAMIREZ	1622.61	D319439	JAIME F CHAVEZ	1430.43
D319440	GARY F HERNANDEZ	1465.15	D319441	NEAL M MANALANSAN	1414.67
D319442	DANIEL J SANCHEZ	1543.64	D319443	SANDRA E SEGAWA	3148.90
D319444	ALANA R CHENG	2184.74	D319445	LISA L KIM	3907.76
D319446	JAYME K AHLO	2194.81	D319447	MICHAEL G AUSTIN	2320.69
D319448	DAVID A DENT	3499.92	D319449	TODD C HARTWIG	2166.69
D319450	AARON J HODSON	1955.79	D319451	DONALD E LUCAS	2606.31
D319452	LORENA J QUILLA-SOULES	2817.27	D319453	DANIEL A WINDHAM	2417.59
D319454	CHRISTOPHER CHUNG	2516.66	D319455	PAUL GUERRERO	2443.00
D319456	LEE W MARINO	3346.05	D319457	MARIA L MEDRANO	1859.82
D319458	MARIA C PARRA	2579.67	D319459	ERIN WEBB	3158.77
D319460	GREG BLODGETT	2618.57	D319461	MONICA COVARRUBIAS	2496.16
D319462	GRACE E LEE	2263.73	D319463	AMEENAH ABU-HAMDIYYAH	1679.25
D319464	JULIE A ASHLEIGH	1802.85	D319465	RYTA M CRAMER	1978.89
D319466	RALPH V HERNANDEZ	2083.18	D319467	JIMMY NGUYEN	1338.79
D319468	ROY N ROBBINS	2693.31	D319469	ALLISON D WILSON	1820.42
D319470	MICHAEL C BOS	2208.81	D319471	DANIEL J CANDELARIA	4164.48
D319472	VINCENT L DE LA ROSA	1787.51	D319473	KAMYAR DIBAJ	1000.00
D319474	ALICIA M HOFER	1504.52	D319475	NICOLAS C HSIEH	2740.51
D319476	ROSEMARIE JACOT	1972.01	D319477	NAVIN B MARU	3350.99
D319478	MICHAEL F SANTOS	2176.23	D319479	MARK P UPHUS	3200.26
D319480	JOSE A VASQUEZ	2364.88	D319481	ANA G VERGARA NEAL	2072.38
D319482	DAI C VU	3395.35	D319483	KHANG L VU	2828.60
D319484	JOSHUA J ARIONUS	1729.51	D319485	JAN BERGER	1859.87
D319486	ROBERT P BERMUDEZ	3488.38	D319487	TIM P CANNON	2804.58
D319488	MYUNG J CHUN	3001.60	D319489	CARINA M DAN	495.31
D319490	RYAN H DAVIS	1220.19	D319491	RONALD W DIEMERT	1755.49
D319492	CHRIS N ESCOBAR	2255.24	D319493	JASON A FERTAL	1788.25
D319494	ALEXANDER L GERRY	1152.18	D319495	ALEJANDRO GONZALEZ	2323.50
D319496	MICHAEL J GRAY	1194.00	D319497	LARRY GRIFFIN	1828.19
D319498	ROBERT A HAENDIGES	1954.11	D319499	RYAN S HART	2653.04
D319500	ROBERT M HIGINBOTHAM	1240.87	D319501	EDWARD A HUY	2149.94
D319502	VIDAL JIMENEZ	1750.86	D319503	SAMUEL K KIM	3588.91
D319504	BRENDA L LAI	457.12	D319505	SHAN L LEWIS	1585.90
D319506	REBECCA PIK KWAN LI	2954.24	D319507	SCOTT T LOWE	2639.63
D319508	DAVID MA'AE	1519.06	D319509	TYLER MEISLAHN	1738.26
D319510	JESSE K MONTGOMERY	1818.88	D319511	STEVEN J MOYA JR	1834.15
D319512	BASIL G MURAD	1244.18	D319513	KIRK L NATLAND	670.18
D319514	DUC TRUNG NGUYEN	1727.55	D319515	CORNELIU NICOLAE	2267.94
D319516	ANDREW I ORNELAS	1447.33	D319517	DAVID A ORTEGA	3747.97
D319518	CELESTINO J PASILLAS	2450.85	D319519	WILLIAM F PEARSON	2635.58
D319520	LES A RUITENSCHILD	2646.79	D319521	JONATHAN RUIZ	1833.47
D319522	MODESTO R SALDANA	1830.79	D319523	ALEXIS SANTOS	1006.46

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D319524	ADRIAN M SARMIENTO	2057.21	D319525	ALBERT TALAMANTES JR	1460.79
D319526	MINH K TRAN	1761.29	D319527	ALEJANDRO VALENZUELA JR	1100.25
D319528	ALEJANDRO N VALENZUELA	2315.53	D319529	KATHLEEN N VICTORIA	857.24
D319530	RONALD J WOLLAND	1501.38	D319531	VICTOR K YERGENSEN	2445.22
D319532	ALICE K FREGOSO	1710.45	D319533	RAQUEL K MANSON	2410.38
D319534	CAROLYN E MELANSON	1536.57	D319535	WILLIAM E MURRAY JR	6031.91
D319536	EMILY H TRIMBLE	1469.43	D319537	ALFRED J AGUIRRE	2686.01
D319538	ANTHONY U AGUIRRE	533.01	D319539	RODOLPHO M BECERRA	1676.99
D319540	HELEN L CAMDEN	303.53	D319541	EDGAR A CANO	1287.74
D319542	ALBERT J CARRISOZA	1583.47	D319543	GABRIELA R CONTRERAS	1940.12
D319544	JULIE T COTTON	855.88	D319545	ERIC M ESPINOZA	1383.21
D319546	HECTOR M ESPINOZA	1771.12	D319547	ROBERT J FRANCO	634.12
D319548	MAURICIO S GARCIA	2606.54	D319549	GLORIA GAW	1926.01
D319550	RICHARD R GOSSELIN	3100.37	D319551	HERMILO HERNANDEZ	1435.54
D319552	DONALD A HORNE JR	1060.10	D319553	DARNELL D JERRY	549.46
D319554	BRENT KAYLOR	1948.65	D319555	MARK W LADNEY	2176.62
D319556	RAUL LEYVA	2016.59	D319557	ANTONIO R MARTIN	2133.02
D319558	ROBERT P MCLOGAN	651.69	D319559	KEVIN E MEJIA	585.35
D319560	RIGOBERTO MENDEZ	2623.93	D319561	JON A MIHAILA	839.54
D319562	STEVEN T ORTIZ	1664.11	D319563	RICHARD L PINKSTON	1906.06
D319564	BRADLEY J POINDEXTER	691.12	D319565	STEVE J TAUANU'U	1863.08
D319566	SUSAN VITALI	749.40	D319567	STEPHANIE A WASINGER	664.43
D319568	IOAN ANDREI	618.25	D319569	JEFFREY G CANTRELL	1874.92
D319570	THOMAS C COUNTS	70.03	D319571	JAMES CUNNINGHAM	1941.48
D319572	EARNEST L DOMINGUEZ	830.50	D319573	JULIA ESPINOZA	1140.15
D319574	ALBERT R EURS II	2044.54	D319575	CECELIA A FERNANDEZ	1106.29
D319576	CONRAD A FERNANDEZ	932.89	D319577	DIANA GOMEZ	615.44
D319578	JORGE GONZALEZ	1055.95	D319579	MICHAEL R GREENE	1810.36
D319580	RONALD D GUSMAN	839.96	D319581	GLORIA A HARO	1141.31
D319582	ERIC W JOHNSON	988.52	D319583	URIEL MACIAS	789.66
D319584	LUIS Y MENDOZA AGUILAR	883.49	D319585	KHUONG NGUYEN	1122.26
D319586	ALEJANDRO ORNELAS	890.86	D319587	WILLIAM R PICKRELL	2392.53
D319588	DELFRADO C REYES	1122.26	D319589	RAFAEL ROBLES	1131.04
D319590	JAVIER RODRIGUEZ	1122.26	D319591	RODERICK THURMAN	1511.50
D319592	EVARISTO VERA	1578.28	D319593	RICHARD L WILLIAMS	1564.46
D319594	ANSELMO AGUIRRE	1787.51	D319595	CHRISTOPHER L ALLEN	1793.61
D319596	JOHN M BRUNING	588.97	D319597	PHILLIP J CARTER	2180.11
D319598	RICK L DUVAL	2518.29	D319599	AARON R HANSEN	1447.59
D319600	PATRICIA CLAIR HAYES	2888.75	D319601	HUY HOA HUYNH	1988.00
D319602	BRYAN D KWATKOWSKI	1557.66	D319603	CHRISTOPHER B PRUDHOMME	349.57
D319604	ROLANDO QUIROZ	1686.70	D319605	TODD R REED	1466.25
D319606	ESTEBAN H RODRIGUEZ	1558.04	D319607	LUIS A TAPIA	1909.31
D319608	MICHAEL W THOMPSON	2672.25	D319609	WILLIAM J WHITE	1935.42
D319610	JEREMY J GLENN	470.29	D319611	JESSE GUZMAN	2325.13
D319612	BRETT A MEISLAHN	1630.27	D319613	MARK E MONSON	2185.89
D319614	AUSTIN H POWELL	1799.01	D319615	MELVIN P REED	1456.11
D319616	STEPHEN D SUDDUTH	1458.37	D319617	TIMOTHY WALLINGFORD	3346.92
D319618	HILLARD J WILLIAMS	704.95	D319619	SOMELIA K GOUNTOUNA	1580.48

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D319620	ALBERT J HOLMON III	3014.01	D319621	ALLEN L SERNA	2332.44
D319622	VICTOR T BLAS	2216.12	D319623	FRANK X DE LA ROSA	3028.18
D319624	ERVIN DUBRUL	3159.23	D319625	JOSE GOMEZ	1790.16
D319626	BRENT W HAYES	2598.21	D319627	FRANK D HOWENSTEIN	2152.87
D319628	ALLEN G KIRZHNER	2501.27	D319629	KEON DONTRAY NELSON	1793.40
D319630	BRANDON S NUNES	1126.44	D319631	STEPHEN PORRAS	2369.90
D319632	JESSE VIRAMONTES	1623.25	D319633	JOHN ZAVALA	2106.44
D319634	VERONICA AVILA	488.20	D319635	JEFFREY P DAVIS	2091.48
D319636	NOELLE N KIM	1614.06	D319637	MISSY M MENDOZA	638.78
D319638	MARIE L MORAN	2321.57	D319639	KRISTY H THAI	2068.84
D319640	EDWARD D AMBRIZ GARCIA	314.93	D319641	GABRIELLA E BALANDRAN	88.31
D319642	VALERIA J BARON	194.32	D319643	JOSUE BARREIRO MENDOZA	614.45
D319644	NICHOLAS J BARRETT	80.85	D319645	ALEXIS R BAUTISTA-MOYANO	238.50
D319646	ALEJANDRA CAMARENA	199.48	D319647	RACHEL M CAMARENA	1734.30
D319648	RENE CAMARENA	1606.56	D319649	MARTI CARROLL	1596.45
D319650	VICTORIA M CASILLAS	1691.71	D319651	CYNTHIA A CHEW	1755.32
D319652	AMANDA D CROSS	1058.30	D319653	GISELL L CRUZ	527.95
D319654	KENNETH E CUMMINGS	416.51	D319655	KEVIN J CUMMINGS	303.19
D319656	GRISSELL V EVERASTICO	201.58	D319657	JARED D GARCIA	167.82
D319658	VANESSA L GARCIA	167.69	D319659	JACOB R GRANT	3030.91
D319660	CAROLINA HONSTAIN	361.73	D319661	KELLY L HOWENSTEIN	398.86
D319662	ANA C IZQUIERDO	550.26	D319663	MARITZA JIMENEZ	289.41
D319664	MARISSA D LOPEZ	41.52	D319665	LUIS A LUNA	408.19
D319666	STEPHANIA LUNA	334.46	D319667	KATHERINE LUJ	546.06
D319668	ELAINE M MA'AE	2215.13	D319669	JESUS MEDINA	1662.70
D319670	JUAN MEDINA	1882.47	D319671	NICHOLAS M MEDINA	50.54
D319672	JOHN A MONTANCHEZ	3201.22	D319673	BRIANNA M MOORE	907.24
D319674	KIRSTEN K NAKAISHI	183.56	D319675	GINA D NECCO	403.03
D319676	JACOB J NEELY	376.89	D319677	NOEL N NICHOLAS	1147.77
D319678	JENNIFER GODDARD NYE	2357.26	D319679	GABRIELA O'CADIZ-HERNAND	2530.69
D319680	LORI OCHOA	1680.95	D319681	CHRISTIAN PANGAN	561.82
D319682	JANET E PELAYO	2718.54	D319683	PERLA PERALTA	157.33
D319684	SUGEIRY REYNOSO	2332.53	D319685	PAIGE L ROBINSON	483.77
D319686	MARINA Y ROMERO	1623.10	D319687	MONICA K ROMO	89.00
D319688	TANYA ROSAS	354.00	D319689	RICARDO SALDIVAR	430.92
D319690	DANA MARIE SAUCEDO	2105.61	D319691	EMERON J SCHLUMPBERGER	929.86
D319692	AUSTIN M ST MARSEILLE	185.49	D319693	MIRANDA M TORRES	353.34
D319694	KENNETH P TRAVIS III	339.25	D319695	CLAUDIA VALDIVIA	2692.73
D319696	JEFFREY VAN SICKLE	1964.71	D319697	JOSEFINA L VELAZQUEZ	387.33
D319698	DAISY O VENCES	517.43	D319699	JOSHUA VENCES	220.82
D319700	PAUL E VICTORIA	1359.18	D319701	JACOB D VIRAMONTES	136.89
D319702	DAVID M WILMES	254.28	D319703	SVETLANA MOURE	108.45
D319704	THOMAS R SCHULTZ	2469.18	D319705	TREVOR G SMOUSE	1901.99
D319706	ALBERTO ACOSTA	4943.62	D319707	ANTHONY R ACOSTA	1998.73
D319708	JOHN D BARANGER III	2278.30	D319709	LUCAS B BAUER	2273.51
D319710	BRADLEY D BELL	2150.74	D319711	JERRY R BRENEWMAN	8217.07
D319712	GUY BROWN	2232.67	D319713	JOSE J CAMBEROS	2318.24
D319714	DANIEL L CLEARWATER	3526.22	D319715	YVES G CLERMONT	2424.66

**** PAGE TOTAL = 135595.23

D319716	JOE W CRAWFORD	4407.11	D319717	TIMOTHY A CRAWFORD	4809.64
D319718	JUSTIN D DOYLE	3345.64	D319719	MICHAEL G ECKHARDT JR	4581.28
D319720	DAVID W EDNOFF	6405.35	D319721	STEVE P FELNER	3727.98
D319722	JAMES L GABBARD	3229.16	D319723	DREW R GARCIA	1437.19
D319724	JEFF W HANNA	5335.77	D319725	MATTHEW R HENSHAW	5473.00
D319726	MICHAEL L JACOBS	2049.96	D319727	WILLIAM R JAEGER	2168.37
D319728	JORDAN R JEMIOLA	2869.46	D319729	MATTHEW C KLEIBACKER	3171.99
D319730	SCOTT A KUHLMAN	2796.68	D319731	NICHOLAS A LERARIO	2339.84
D319732	COREY L LINDSAY	1873.35	D319733	NORMAN M LOVELY	3634.65
D319734	JOHN M MARQUEZ JR	2559.98	D319735	CHEYNE C MAULE	3944.27
D319736	TERRY A MCGOVERN JR	7817.79	D319737	SHANE D MELLE	3717.00
D319738	TRAVIS M MELLE	5012.59	D319739	MARK A MICKELSEN	3184.95
D319740	SON L NGUYEN	2754.72	D319741	THANH Q NGUYEN	4798.64
D319742	FREDERICK N NIBLO	4903.52	D319743	BRENT C PARDOEN	3524.44
D319744	MICHAEL KURT RIEFH	3707.90	D319745	WADE E RUHMAN	3291.40
D319746	DENNIS L RUZICKA	4746.22	D319747	DAVID C SANCHEZ	1414.63
D319748	TIMOTHY S SAWYER	2908.68	D319749	NICK R SCHAEFER	1527.37
D319750	SCOTT A SCHERER	2402.11	D319751	MORRIS B SPELL	6173.64
D319752	WILLIAM S STROHM	3380.06	D319753	JUSTIN D TRAVER	7372.39
D319754	CHRISTOPHER B TRENHOLM	1755.03	D319755	JUSTIN TRUILL	2930.83
D319756	MARIO G VALDERRAMA	2669.62	D319757	DAVID S WALDSCHMIDT	2304.13
D319758	MARK S WEISS	2232.71	D319759	JOSEPH A WINGERT JR	3747.39
D319760	JASON R BLOMGREN	3301.65	D319761	MYLES A BURROUGHS	5658.07
D319762	DAVID M CARLSON	4483.07	D319763	PARKER W CARY	5767.08
D319764	JOSHUA A FELDMAN	3455.69	D319765	TIMOTHY D FISHER	4796.28
D319766	GARRET M FURUTA	2981.05	D319767	SHANE S HOWEY	1948.43
D319768	PETER M HUBER	3391.61	D319769	JAYCEN R JUSTUS	3104.17
D319770	ANTHONY L KNAACK	3672.54	D319771	JOSHUA D LEE	4127.70
D319772	DANIEL J MOORE	7462.19	D319773	GRANT A NOBLE	4804.77
D319774	ERIC S NORRIN	4439.31	D319775	ANTHONY J PAGE	2971.40
D319776	ERIC M PALOMO	2926.25	D319777	ANDREW J ROACH	4538.82
D319778	RICHARD RONSTADT	4177.38	D319779	TIMOTHY N STOWE	3468.63
D319780	ERIC THORSON	3561.59	D319781	RYAN D VAN WIE	7751.11
D319782	GREGORY D WILLIAMS	1808.73	D319783	JEREMIE E YORKE	3417.87
D319784	BRYSON T DAHLHEIMER	1717.18	D319785	LISA S GUARDI	660.16
D319786	DON T NGUYEN	1912.41	D319787	NICHOLAS S SEELEY	149.69
D319788	JOSEPH I VALENZUELA	71.56	D319789	PAUL J WHITTAKER	4905.65
D319790	RANDY ABRAHAMSON	5051.25	D319791	TODD D ELGIN	5003.89
D319792	CAROLE A KANEGAE	2233.64	D319793	WILLIAM ALLISON	3053.61
D319794	KRISTEN A BACKOURIS	1548.20	D319795	SHARON S BAEK	1533.60
D319796	GENA M BOWEN	1245.82	D319797	JESENIA CAMPOS	1151.61
D319798	THOMAS R DARE	4355.70	D319799	HELENA EL SOUSOU	2414.66
D319800	ROBERT D FOWLER	1903.38	D319801	AI KELLY HUYNH	1820.73
D319802	CINDY S NAGAMATSU HANLON	2427.72	D319803	JEFFREY C NIGHTENGAL	3091.48
D319804	REYNA ROSALES	1497.21	D319805	TIMOTHY R ASHBAUGH	2174.86
D319806	ALFREDO R AVALOS	3189.51	D319807	CARLOS BAUTISTA JR	3002.82
D319808	RYAN S BERLETH	2009.00	D319809	SUMMER A BOGUE	1685.72
D319810	ROBERT W CAMPBELL	3468.59	D319811	JEROME L CHEATHAM	2723.47

**** PAGE TOTAL = 322456.94

D319812	GARY L COULTER	2604.90	D319813	NATHANIEL D COX	2821.08
D319814	BRIAN D DALTON	1835.96	D319815	CHARLIE DANIELEY III	1654.45
D319816	NICHOLAS A DE ALMEIDA LO	1939.64	D319817	KEVIN DINH	2722.52
D319818	JARED R DOYLE	2002.85	D319819	MICHELLE N ESTRADA-MONSA	1816.11
D319820	KARI A FLOOD	1935.98	D319821	JOSEPH P GROSS JR	2599.56
D319822	TROY HALLER	3155.92	D319823	ALLAN S HARRY	4019.69
D319824	WILLIAM T HOLLOWAY	3037.71	D319825	MICHAEL J JENSEN	2757.93
D319826	NICKOLAS K JENSEN	2197.70	D319827	PATRICK R JULIENNE	2706.41
D319828	KRISTOFER D KELLEY	2339.80	D319829	TIMOTHY P KOVACS	3857.97
D319830	AUSTIN C LAVERTY	2011.84	D319831	CHRISTOPHER LAWTON	2804.26
D319832	JON D LOFQUIST	2104.73	D319833	BRADLEY A LOWEN	2147.42
D319834	MATTHEW P MARCHAND	3273.20	D319835	MARIO MARTINEZ JR	4178.32
D319836	BRYAN J MEERS	2593.49	D319837	JEREMY N MORSE	2051.11
D319838	MITCHEL S MOSSER	2400.46	D319839	JASON M MURO	2579.71
D319840	AARON S NELSON	3548.61	D319841	ADAM C NIKOLIC	2588.01
D319842	JASON S PERKINS	3389.48	D319843	PHILLIP H PHAM	2171.31
D319844	DOUGLAS A PLUARD	3198.15	D319845	COREY T POLOPEK	2375.59
D319846	JOHN E REYNOLDS	2671.02	D319847	CHRISTIN E ROGERS	2674.19
D319848	GAREY D STAAL	2742.38	D319849	BRADLEY D STENE	1877.47
D319850	BRIAN T STROUD	3040.28	D319851	VINCENTE J VAICARO	4134.01
D319852	EDGAR VALENCIA	3005.15	D319853	DANIEL J VILLEGAS	3299.81
D319854	JONATHAN B WAINWRIGHT	3213.74	D319855	CHRISTOPHER A WASINGER	4070.73
D319856	ADAM D ZMIJA	3665.22	D319857	MARCOS R ALAMILLO	2865.78
D319858	CLAUDIA ALARCON	2897.15	D319859	BOBBY B ANDERSON	2636.32
D319860	PEDRO R ARELLANO	2974.81	D319861	JOHN F HANKSON	2565.48
D319862	JOSHUA K BEHZAD	1939.89	D319863	JOSHUA D BRANNON	2273.13
D319864	VANESSA M BRODEUR	1979.99	D319865	JUAN C CENTENO	2863.57
D319866	DAVID Y H CHANG	2546.34	D319867	BRIAN M CLASBY JR	2778.76
D319868	CHASEN P CONTRERAS	2447.07	D319869	AMIR A EL-FARRA	3600.31
D319870	JOSHUA N ESCOBEDO	2102.56	D319871	HECTOR FERREIRA JR	1826.86
D319872	GEORGE R FIGUEROA	5682.74	D319873	ROGER A FLANDERS	1032.71
D319874	MICHAEL E GERDIN	2648.25	D319875	ROBERT J GIFFORD	2769.87
D319876	SEAN M GLEASON	2726.67	D319877	BRIAN HATFIELD	2663.07
D319878	MICHAEL J JOHNSON	3404.12	D319879	ARION J KNIGHT	3761.42
D319880	RAFAEL M LEE	593.70	D319881	DEREK M LINK	2562.30
D319882	RAFAEL LOERA JR	2618.18	D319883	CHARLES H LOFFLER	2623.70
D319884	MARK A LORD	3786.61	D319885	TAYLOR A MACY	3058.30
D319886	GIANLUCA F MANIACI	2939.44	D319887	NATHAN D MORTON	8347.58
D319888	PATRICK W MURPHY	1887.69	D319889	RUDOLPH J NEGRON	2864.21
D319890	JEFFREY C NGUYEN	2823.45	D319891	STEVEN TRUJILLO ORTIZ	1987.42
D319892	LUIS A PAYAN	3585.13	D319893	OMAR F PEREZ	2174.71
D319894	SINDY RAMIREZ OROZCO	2364.11	D319895	JOHN E RANEY	3197.21
D319896	RYAN R RICHMOND	2182.44	D319897	ERIC T RUZIECKI	2464.53
D319898	SEAN M SALAZAR	2638.95	D319899	LINO G SANTANA	3391.58
D319900	PHILIP E SCHMIDT	3663.10	D319901	CHRISTOPHER M SHELREN	2013.89
D319902	ROBERT M STEPHENSON III	3261.09	D319903	ARTHUR F TINTLE JR	4617.21
D319904	JOHN J YERGLER	2636.28	D319905	KATHERINE M ANDERSON	3141.63
D319906	PAUL W ASHBY	3183.13	D319907	RYAN V BUSTILLOS	3633.40

**** PAGE TOTAL = 271043.71

D319908	THOMAS A CAPPS	2419.76	D319909	MICHAEL K ELHAMI	4048.41
D319910	PATRICK E GILDEA	3357.34	D319911	DANNY J MIHALIK	3191.25
D319912	RON A REYES	2903.42	D319913	ROCKY F RUBALCABA	2768.56
D319914	ROYCE C WIMMER	3503.53	D319915	JUAN L DELGADO JR	3118.08
D319916	CHRISTOPHER M EARLE	2524.63	D319917	BENJAMIN M ELIZONDO	2181.93
D319918	OTTO J ESCALANTE	4464.87	D319919	GEORGE KAISER	2760.03
D319920	PETER M KUNKEL	3718.86	D319921	NICHOLAS A LAZENBY	2735.80
D319922	LUIS F RAMIREZ	17504.86	D319923	PETER HOANG VI	2349.60
D319924	JEFFREY A BROWN	2883.73	D319925	DONALD J HUTCHINS	3644.28
D319926	JASON L JOHNSON	2275.38	D319927	ERICK LEYVA	3204.80
D319928	RYAN M LUX	2457.93	D319929	RAUL MURILLO JR	4022.46
D319930	JOSHUA T OLIVO	3185.80	D319931	COURTNEY P ALLISON	2225.00
D319932	LISA A BELTHIUS	534.92	D319933	RANDY G CHUNG	69.46
D319934	ADAM B COUGHRAN	243.27	D319935	DANIEL S EDWARDS	714.91
D319936	VERONICA NELSON	911.40	D319937	JOHN O OJISEKHOB	299.55
D319938	JOSEPH D VARGAS	198.35	D319939	TRAVIS J WHITMAN	4539.59
D319940	CARL J WHITNEY	4631.64	D319941	DANIEL ALVAREZ	353.62
D319942	FRANCISCO AVALOS JR	335.88	D319943	KRYSTAL L N JEANG	313.95
D319944	FELICIA H PEREZ	376.04	D319945	KEIRA LONG	824.15
D319946	KAREN D BRAME	879.68	D319947	KENNETH L CHISM	1715.97
D319948	CHARLES M CLINE JR	836.00	D319949	JAMES E COLEGROVE	3274.16
D319950	RUSSELL B DRISCOLL	515.27	D319951	LARRY J EBELT	1694.47
D319952	MICHAEL FEHER	1165.51	D319953	KORY C FERRIN	3146.27
D319954	VICTORIA M FOSTER	1293.99	D319955	VICTORIA A GILL	1698.06
D319956	BERNAIN A JIMENEZ JR	1840.61	D319957	SHAYLEN L MAO	1875.66
D319958	KENNETH E MERRILL	526.01	D319959	PATRICK J MUSCHETTO	1820.50
D319960	AARON T SHIPLEY	1698.06	D319961	CHARLES W STARNES	4649.91
D319962	JOHN J STEPANOVICH	888.05	D319963	PATRICK M THRASHER	1114.89
D319964	MICHAEL J VISCOMI	5145.29	D319965	TUONG-VAN NGUYEN VU	1617.07
D319966	SCOTT D WATSON	910.07	D319967	ROBERT L BOGUE JR	3609.06
D319968	FLOR DE LIS ELIZONDO	845.36	D319969	GARY E ELKINS	2150.56
D319970	JOHN A FLAWS	2279.92	D319971	JASON S FULTON	2221.54
D319972	JAMES C HOLDER	3484.64	D319973	ROBERT J KIVLER	1262.35
D319974	VICTORIA L LAWTON	2121.30	D319975	EDUARDO C LEIVA	3603.11
D319976	RAQUEL D MATA	821.42	D319977	REBECCA S MEELS	2326.61
D319978	MICHELLE L OLMSTEAD	996.26	D319979	DAVID C YOUNG	3203.30
D319980	MARIA A ALCARAZ	1732.89	D319981	CARISSA L BRUNICK	1419.34
D319982	TAMMY L CHAURAN-HAIGROV	1654.26	D319983	VERONICA FRUTOS	865.42
D319984	DAVID L GEORGE	2103.02	D319985	JENNIFER A GERACI	1263.78
D319986	JOAN L HIGHTOWER	1759.58	D319987	PINKY C HINGCO	1789.11
D319988	SUSAN C HUANG	1875.88	D319989	SHELBY KEULLIAN	1412.03
D319990	ALLYSON T LE	1447.50	D319991	ANGELA LEDESMA	1966.18
D319992	MARIA C MCFARLANE	1842.28	D319993	TRINA T NGUYEN	1687.23
D319994	DEBRA J NICHOLS	1897.77	D319995	DIANA L O'BRIEN	1064.78
D319996	ASHLEY C ROJAS	1532.37	D319997	JENNIFER V ROMBOUGH	1429.54
D319998	KIMBRA S VELLANOWETH	1740.50	D319999	KRISTIN M WEISS	1802.96
D320000	SHANNON M YELENSKY	1754.47	D320001	JENNIFER A DIX	2168.48
D320002	KATHERINE M FRANCISCO	1399.67	D320003	AMANDA B GARNER	2083.23


**** PAGE TOTAL = 208720.24

D320004	ARCHIE GUZMAN	2072.36	D320005	ROBERT D LUX	2533.69
D320006	MELISSA MENDOZA-CAMPOS	2473.83	D320007	MICHAEL A MOSER	1900.45
D320008	BRANDY J PARK	2251.44	D320009	CRISTINA V PAYAN	2371.74
D320010	JENNIFER M RODRIGUEZ	2077.39	D320011	TANYA L SAMOFF	2836.06
D320012	SUSAN A I SEYMOUR	2628.69	D320013	NICOLE D SHORROW	901.63
D320014	DANNY J SOSEBEE	2053.55	D320015	MARSHA D SPELLMAN	2778.14
D320016	SPENCER T TRAN	1874.58	D320017	SANTA WARDLE	1143.05
D320018	CHERYL L WHITNEY	2527.06	D320019	RICHARD A ALVAREZ-BROWN	2704.11
D320020	EVAN S BERESFORD	2390.46	D320021	RAY E BEX	3432.60
D320022	RICHARD O BURILLO	4458.64	D320023	DANIEL A CAMARA	2309.53
D320024	JOHN CASACCIA II	2920.82	D320025	SCOTT A COLEMAN	3636.12
D320026	AARON J COOPMAN	2472.61	D320027	RICHARD E DESBIENS	1357.45
D320028	STEPHEN C ESTLOW	1601.33	D320029	MICHAEL D FARLEY	2814.85
D320030	JAMES D FRANKS	2511.90	D320031	PETE GARCIA	1916.93
D320032	STEVEN H HEINE	801.98	D320033	JOSE D HERRERA	2972.13
D320034	THI A HUYNH	2629.22	D320035	GERALD F JORDAN	3094.95
D320036	JOSEPH L KOLANO	2580.87	D320037	LEA K KOVACS	3033.00
D320038	DAVID LOPEZ	2372.14	D320039	STEVEN W LUKAS	1808.89
D320040	TERRA M RAMIREZ	1944.49	D320041	ORLONZO RYES	3617.90
D320042	PAUL M TESSIER	2440.97	D320043	DENNIS WARDLE	2869.75
D320044	RONALD A DOSCHER	428.23	D320045	ERIC A QUINTERO	2170.23
D320046	MARY C CERDA	1878.18	D320047	NICOLE L CHUNG	1995.68
D320048	NICHOLAS G FRANC	1720.97	D320049	SUSAN A HOLSTEIN	2345.56
D320050	LIANE Y KWAN	2677.41	D320051	JANY H LEE	3241.44
D320052	SHERRILL A MEAD	2071.26	D320053	CAITLYN M STEPHENSON	1612.84
D320054	LAURA J STOVER	4355.53	D320055	FRANA K CASSIDY	1618.38
D320056	ANNA L GOLD	1597.31	D320057	HIEN Q PHAM	1631.85
D320058	KATRENA J SCHULZE	439.89	D320059	MATTHEW T SWANSON	1217.72
D320060	ANTHONY VALENZUELA	1364.27	D320061	CANDY G WILDER	1808.25
D320062	STEVEN F ANDREWS	1487.87	D320063	TERENCE S CHANG	2123.69
D320064	VERNA L ESPINOZA	1736.11	D320065	CESAR GALLO	2229.14
D320066	CHARLES D KALIL	1730.49	D320067	GEOFFREY A KLOESS	2695.03
D320068	RACHOT MORAGRAAN	4000.05	D320069	NOEL J PROFFITT	3066.94
D320070	ANAND V RAO	3544.20	D320071	JOSEPH M SCHWARTZ	1900.98
D320072	ROD T VICTORIA	2161.92	D320073	TERREL KEITH WINSTON	3310.42
D320074	POLICE ASSN	15847.85	D320075	GG FIRE FIGHTERS 2005	20945.39
D320076	SO CAL CU	87943.00	D320077	SOUTHLAND CU	5616.94
W2406	GREAT WEST LIFE 457 #340	111442.77	W2407	GREAT WEST LIFE OBRA#340	2644.83
W2408	INTERNAL REVENUE SERVICE	382802.82	W2409	EMPLOYMENT DEVELOPMENT D	105147.21

**** PAGE TOTAL = 893669.95

TOTAL CHECK PAYMENTS	44	78,910.81
TOTAL DIRECT DEPOSITS	702	1,682,892.61
TOTAL WIRE PAYMENTS	4	602,037.63
GRAND TOTAL PAYMENTS	750	2,363,841.05

Checks #181724 thru #181766, and Direct Deposits #D319301 thru D320077, and wire #W2406 thru #W2409 presented in the Payroll Register submitted to the Garden Grove City Council 24 OCT 2017, have been audited for accuracy and funds are available for payment thereof.


 KINGSLEY C OKEREKE - FINANCE DIRECTOR

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
605861	FULLWOOD, DALE A	REV & VOID	-760.00 *
607449	FULLWOOD, DALE A	REV & VOID	-760.00 *
608821	FULLWOOD, DALE A	REV & VOID	-760.00 *
610434	FULLWOOD, DALE A	REV & VOID	-760.00 *
612141	FULLWOOD, DALE A	REV & VOID	-760.00 *
613563	FULLWOOD, DALE A	REV & VOID	-760.00 *
615155	FULLWOOD, DALE A	REV & VOID	-760.00 *
616690	FULLWOOD, DALE A	REV & VOID	-760.00 *
617974	FULLWOOD, DALE A	REV & VOID	-760.00 *
619338	FULLWOOD, DALE A	REV & VOID	-760.00 *
620867	FULLWOOD, DALE A	REV & VOID	-760.00 *
622302	FULLWOOD, DALE A	REV & VOID	-760.00 *
623649	FULLWOOD, DALE A	REV & VOID	-760.00 *
626571	FULLWOOD, DALE A	REV & VOID	-760.00 *
626809	NGUYEN, TUYET TRINH	REV & VOID	-1,052.00 *
628766	A-1 FENCE COMPANY	REV & VOID	-82.23 *
628776	BAVCO	REV & VOID	-448.27 *
628888	AMARILLO GEAR COMPANY	REV & VOID	-1,126.98 *
628974	ANDERSEN'S DOOR SERVICE	REV & VOID	-890.00 *

PAGE TOTAL FOR "*" LINES = -14,239.48

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
629243	ANDERSEN'S DOOR SERVICE	REV & VOID	-331.50 *
629341	DINH, THANH	REV & VOID	-1,578.00 *
630027	COUNTY OF ORANGE TREASURER-TAX COLLECTOR	REV & VOID	-86,360.61 *
630034	AT&T	TELEPHONE	3,068.97 *
630035	AT&T	TELEPHONE	203.62 *
630036	FRONTIER COMMUNICATIONS	TELEPHONE/BEEPERS	569.98 *
630037	SO CALIF EDISON CO	ELECTRICITY	22,311.88 *
630038	SO CALIF GAS CO	NATURAL GAS	6,891.30 *
630039	SPRINT	TELEPHONE	69.60 *
630040	TIME WARNER CABLE	CABLE	71.96 *
630041	ANDERSEN'S DOOR SERVICE	MAINT-SERV CONTRACTS	1,071.50 *
630042	ENTERPRISE RIDESHARE EAN SERVICES, LLC	OTHER RENTALS	3,715.00 *
630043	GARDEN GROVE SECURED STORAGE	OTHER RENTALS	1,080.00 *
630044	VOID WARRANT		
630045	i.i. FUELS, INC	MV GAS/DIESEL FUEL	3,205.67 *
630046	KIM, SON H	RENT SUBSIDY	825.00 *
630047	LOWE*, SCOTT T	MED TRUST REIMB	145.00 *
630048	PLUARD*, DOUGLAS A.	TRAVEL ADVANCE-P.D.	221.30 *
630049	POMEROY*, TERESA L.	MED TRUST REIMB	160.00 *
630050	S.C. YAMAMOTO, INC.	MAINT-SERV CONTRACTS	9,684.29 *
630051	SAFEWAY INC	OTHER FOOD ITEMS	188.86 *

PAGE TOTAL FOR "*" LINES = -34,786.18

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630052	SAN BERNARDINO COUNTY SHERIFFS DEPT	TUITION/TRAINING	600.00 *
630053	SMART & FINAL	FOOD	184.85
		FOOD SERV SUPPL	183.74
		FOOD PREP UTENSILS	47.07
		BOTTLED WATER	12.50
		OTHER FOOD ITEMS	20.60
		OTHER PROF SUPPLIES	42.86
			491.62 *
630054	TEX-WIL INC. DBA RICHARD JONES PIT BBQ	CATERING SERVICES	950.00 *
630055	U.S. BEHAVIORAL HEALTH PLAN, CA	NON-SPEC CONTR SERV	1,677.20 *
630056	CINDY TRAN	DEPOSIT REFUND	530.31 *
630057	ORANGE COUNTY BUSINESS JOURNAL	DUES/MEMBERSHIPS	178.00 *
630058	*BROWN, JEFFREY	EMPL COMPUTER PURCH	2,500.00 *
630059	HUTCHINS, DONALD	TRAVEL ADVANCE-P.D	220.54 *
630060	TRANSAMERICA EMPLOYEE BENEFITS	LIFE INS PREMIUM	8,949.15 *
630061	OCSD FINANCIAL MNGT DIV	SEWER FEES	18,295.10 *
630062	CAMARENA, RENE	MED TRUST REIMB	498.66 *
630063	CPRS DISTRICT 10	REGISTRATION FEES	60.00 *
630064	TRAN,HAU	RENT SUBSIDY	492.00 *
630065	15915 LA FORGE ST WHITTIER LLC	WAGE ATTACHMENT	-884.80
		RENT SUBSIDY	3,160.00
			2,275.20 *
630066	SAN DIEGO COMM COLLEGE DISTRICT SAN DIEGO MIRAMAR COLLEGE	TUITION/TRAINING	23.00 *
630067	UNION BANK	POSTAGE	6.65
		TUITION/TRAINING	160.00
		FOOD	102.45

PAGE TOTAL FOR "*" LINES = 37,740.78

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630068	UNION BANK	ELECTRICAL SUPPLIES	49.89
		OTHER MAINT ITEMS	269.34
		MINOR FURN/EQUIP	323.24
			911.57 *
		REGISTRATION FEES	700.00
		OFFICE SUPPLIES/EXP	153.51
			853.51 *
630069	UNION BANK	MV GAS/DIESEL FUEL	535.77 *
630070	UNION BANK	MV GAS/DIESEL FUEL	639.89 *
630071	UNION BANK	MV GAS/DIESEL FUEL	439.13 *
630072	UNION BANK	LODGING	869.27
		REGISTRATION FEES	199.00
		TUITION/TRAINING	1,450.00
		OTHER EDUCATION EXP	478.18
		LABORATORY CHEMICALS	152.70
		OTHER MAINT ITEMS	-144.95
		AGGREGATES/MASONRY	154.30
			3,158.50 *
630073	STEPHANIE L. KLOPFENSTEIN	LODGING	525.56 *
630074	NIBLO, FRED	COMMUNICATION EQ	1,064.75 *
630075	VULCAN MATERIALS COMPANY WESTERN DIVISION	MAINT-SERV CONTRACTS	23,829.92
		ASPHALT PRODUCTS	39,668.13
			63,498.05 *
630076	AMARILLO GEAR COMPANY	OTHER MINOR TOOLS/EQ	1,126.98 *
630077	COUNTY OF ORANGE TREASURER-TAX COLLECTOR	OTHER PROF SERV	41,777.00
		FORENSIC SERV	43,762.75
			85,539.75 *
630078	VULCAN MATERIALS COMPANY WESTERN DIVISION	ASPHALT PRODUCTS	6,762.61 *
630079	ALLISON, WILLIAM	TRAVEL ADVANCE-P.D.	200.00 *
630080	BANK OF SACRAMENTO	STREET CONSTR CONT	29,325.73 *

PAGE TOTAL FOR "*" LINES = 194,581.80

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630081	BANK OF SACRAMENTO	STREET CONSTR CONT	32,404.50 *
630082	BURILLO*, RICHARD O	SUBSISTENCE	904.30 *
630083	STATE OF CALIF-FRANCHISE TAX BOARD	WAGE ATTACHMENT	834.91 *
630084	CALIF STATE BOARD OF EQUALIZATION	PERMITS/OTHER FEES	1,373.22 *
630085	CENTENO, JUAN	MILEAGE REIMB	29.82 *
630086	CHEW, CYNTHIA	MED TRUST REIMB	102.00 *
630087	COSTCO C/O CAPITAL ONE COMMERCIAL	PHOTO PROC/ENGRAVING	12.08
		FACT:PROGRAM EXP	49.35
		FOOD	379.36
		FOOD SERV SUPPL	25.73
		BOTTLED WATER	43.83
		LABORATORY CHEMICALS	11.84
		OFFICE SUPPLIES/EXP	17.08
		OTHER MINOR TOOLS/EQ	94.79
		OTHER REC/CULT SUPP	82.85
			716.91 *
630088	LEE, GRACE	DEP CARE REIMB	192.30 *
630089	MARYLAND CHILD SUPPORT	WAGE ATTACHMENT	343.38 *
630090	PHI, THYANA	DEP CARE REIMB	129.23 *
630091	CO. OF ORANGE	WAGE ATTACHMENT	461.54 *
630092	RIVERSIDE COUNTY SHERIFF'S DEPT	TUITION/TRAINING	219.00 *
630093	RIVERSIDE COUNTY SHERIFF'S DEPT	TUITION/TRAINING	934.00 *
630094	RUITENSCHILD, LES	DEP CARE REIMB	325.00 *
630095	SEGAWA*, SANDRA	MED TRUST REIMB	421.14 *
630096	CARL WARREN & CO	SELF-INS ADMN	9,000.00 *
630097	CO. OF ORANGE	WAGE ATTACHMENT	134.31 *

PAGE TOTAL FOR "*" LINES = 48,525.56

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630098	WHITNEY, CARL	TRAVEL ADVANCE-P.D.	200.00 *
630099	WILDER, CANDY	MED TRUST REIMB	271.96 *
630100	SAN DIEGO HUMANE SOCIETY AND SPCA	TUITION/TRAINING	518.00 *
630101	VALDIVIA, CLAUDIA	DEP CARE REIMB	184.62 *
630102	APWA	DUES/MEMBERSHIPS	142.50 *
630103	APWA	TUITION/TRAINING	384.00 *
630104	CSULB FOUNDATION	TUITION/TRAINING	397.00 *
630105	HODSON, AARON	DEP CARE REIMB	138.46 *
630106	JOHNSON, CHRISTIAN	WAGE ATTACHMENT	276.92 *
630107	STATER BROTHERS MARKET	AWARDS/TROPHIES	202.50 *
630108	BUSTILLOS*, RYAN	MILEAGE REIMB	197.44
		SUBSISTENCE	32.00
			229.44 *
630109	ORANGE COUNTY SHERIFF/ LEVYING OFFICER CENTRAL DIV	WAGE ATTACHMENT	320.29 *
630110	INTERNAL REVENUE SERVICE	WAGE ATTACHMENT	37.50 *
630111	ALLAN HANCOCK COLLEGE	TUITION/TRAINING	302.96 *
630112	VAICARO, VINCENTE	SUBSISTENCE	326.00
		OTHER CONF/MTG EXP	66.00
			392.00 *
630113	JENSEN, NICKOLAS	MILEAGE REIMB	101.20
		SUBSISTENCE	102.00
		LODGING	504.09
		OTHER CONF/MTG EXP	47.85
			755.14 *
630114	VERITIV OPERATING COMPANY	WHSE INVENTORY	1,447.53 *
630115	UNITED STATES TREASURY	WAGE ATTACHMENT	130.00 *

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630116	DIVISION OF THE STATE ARCHITECT ATTN: SB 1186	STATE ADA PASSTHRU	1,276.20 *
630117	TARGET CORPORATION MAIL STOP NCB-OIPU	AWARDS/TROPHIES	1,220.00 *
630118	JONES, STEVE	L/S/A TRANSPORTATION LODGING OTHER CONF/MTG EXP	17.24 569.26 130.68 717.18 *
630119	CAMARA, DANIEL	TRAVEL ADVANCE-P.D.	392.00 *
630120	UNION BANK	ADVERTISING OTHER PROF SERV L/S/A TRANSPORTATION LODGING TUITION/TRAINING FOOD UNIFORMS NETWORKING SUPPLIES AWARDS/TROPHIES	220.00 21.90 566.80 288.84 950.00 100.74 114.96 66.98 136.96 2,467.18 *
630121	UNION BANK	TAXES/LICENSES	68.99 *
630122	UNION BANK	FACT:CMT SUPVSR OTHER PROF SERV ADMN/ENTRANCE FEE FACT:OFFICE EXP FACT:PROGRAM EXP FOOD FOOD PREP UTENSILS OTHER MINOR TOOLS/EQ OTHER REC/CULT SUPP	99.42 15.56 316.00 121.60 54.37 416.85 20.64 125.27 163.95 1,333.66 *
630123	UNION BANK	MAINT-SERV CONTRACTS NETWORKING SERVICES REGISTRATION FEES NETWORKING SUPPLIES SOFTWARE OFFICE SUPPLIES/EXP MINOR OFFICE FURN/EQ	215.01 63.51 100.00 840.47 39.99 141.65 494.45 1,895.08 *

PAGE TOTAL FOR "*" LINES = 9,370.29

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630124	UNION BANK	TUITION/TRAINING	50.00
		FOOD	21.55
		BOOKS/SUBS/CASSETTES	65.00
		OFFICE SUPPLIES/EXP	133.74
		SAFETY EQ/SUPPLIES	-277.20
		OTHER MINOR TOOLS/EQ	279.40
			272.49 *
630125	UNION BANK	BANK FEES-CRDT CD	98.63
		LODGING	3,023.88
		TUITION/TRAINING	450.00
		FOOD	216.51
			3,789.02 *
630126	UNION BANK	FOOD	249.70
		FOOD SERV SUPPL	187.61
		OTHER FOOD ITEMS	221.05
			658.36 *
630127	UNION BANK	LODGING	212.69
		FOOD	23.31
		MV GAS/DIESEL FUEL	244.52
			480.52 *
630128	UNION BANK	MV GAS/DIESEL FUEL	116.27 *
630129	UNION BANK	FOOD	211.77 *
630130	UNION BANK	ADMN/ENTRANCE FEE	300.00 *
630131	UNION BANK	FOOD	112.36
		OFFICE SUPPLIES/EXP	54.25
		OTHER MINOR TOOLS/EQ	230.00
		ATHLETIC SUPPLIES	19.54
		OTHER REC/CULT SUPP	435.17
		OTH FINES/PENALTIES	6.49
			857.81 *
630132	ADAMSON POLICE PRODUCTS	MOTOR VEH PARTS	6,043.45 *
630133	ADVANCED IMAGING STRATEGIES INC	OFFICE SUPPLIES/EXP	51.00 *
630134	ALAN'S LAWN AND GARDEN CENTER INC.	MOTOR VEH PARTS	1,098.96

PAGE TOTAL FOR "*" LINES = 12,780.69

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630135	ALHAMBRA FOUNDRY CO LTD	OTHER MAINT ITEMS	59.66
630136	CITY OF ANAHEIM DIVISION OF COLLECTION	OTHER MINOR TOOLS/EQ	50.87
630137	ANAHEIM HOUSING AUTHORITY COMMUNITY DEV.		1,209.49 *
630138	AUTO PARTS DISTRIBUTOR	PIPES/APPUTENANCES	1,874.17 *
630139	BARR AND CLARK, INC.	FAIR SHARE COST	224,638.89 *
630140	BAY ALARM COMPANY	MOBILITY INSP FEE	750.00 *
630141	BIG RON'S AUTO BODY & PAINT, INC.	MOTOR VEH PARTS	15,580.43 *
630142	ANTHONY BIRMINGHAM WINDOW CLEANING	OTHER PROF SERV	3,200.00 *
630143	BLODGETT, GREG	MAINT OF REAL PROP	195.00 *
630144	JARED DOYLE	REPAIRS-FURN/MACH/EQ	6,039.67 *
630145	BOUND TREE MEDICAL LLC	MAINT-SERV CONTRACTS	1,351.00 *
630146	CDW-GOVERNMENT INC	FOOD	229.22 *
630147	CJ CONCRETE CONSTRUCTION, INC.	UNIFORMS	150.00 *
630148	CARD INTEGRATORS CORPORATION	WHSE INVENTORY	5.49 *
630149	C.WELLS PIPELINE MATERIALS INC.	NETWORKING SUPPLIES	58.66
630150	CAMERON WELDING SUPPLY	SOFTWARE	1,045.29
		MAINT-SERV CONTRACTS	1,103.95 *
		OTHER MAINT ITEMS	51,544.15 *
		WHSE INVENTORY	417.10 *
		OTHER PROF SERV	1,837.14 *
		FACT:PROGRAM EXP	43.10
		MOTOR VEH PARTS	19.70
		OTHER MAINT ITEMS	44.89
		OTHER REC/CULT SUPP	37.32
			518.96
			663.97 *

PAGE TOTAL FOR "*" LINES = 310,789.67

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630151	CERTIFIED TRANSPORTATION SERVICES, INC.	L/S/A TRANSPORTATION	453.49 *
630152	CIVILTEC ENGINEERING INC	ENGINEERING SERVICES	1,673.75 *
630153	CLASSIC PRESS	WHSE INVENTORY	107.75 *
630154	SUPPLYWORKS	WHSE INVENTORY	3,007.97
		JANITORIAL SUPPLIES	897.53
			3,905.50 *
630155	CLEANSTREET	STREET SWEEPING SERV	5,549.00
		OTHER BLD/EQ/ST SERV	3,825.00
			9,374.00 *
630156	COASTLINE EQUIPMENT	MOTOR VEH PARTS	369.72
		OTHER MAINT ITEMS	3,042.99
			3,412.71 *
630157	CONTINENTAL CONCRETE CUTTING	OTHER MAINT ITEMS	1,922.00
		GEN PURPOSE TOOLS	1,184.00
			3,106.00 *
630158	WM CURBSIDE, LLC AT YOUR DOOR	OTHER PROF SERV	4,495.00 *
630159	L.N.CURTIS & SONS	SAFETY EQUIP	3,645.00
		SAFETY EQ/SUPPLIES	-1,046.28
		FIRE HOSE RPLCMT	1,706.76
			4,305.48 *
630160	DEKRA-LITE INDUSTRIES INC.	OTHER PROF SERV	20,766.92 *
630161	DENNIS GRUBB & ASSOCIATES, LLC	OTHER PROF SERV	350.00 *
630162	DIAMOND ENVIRONMENTAL SERVICES	NON-SPEC CONTR SERV	406.93 *
630163	ENTERPRISE HOLDINGS, INC.	TRANSP EQUIP RENTAL	5,326.00 *
630164	EWING IRRIGATION PRODUCTS, INC.	PIPES/APPURTENANCES	1,988.75 *
630165	EXCLUSIVE AUTO DETAIL	MOTOR VEHICLE MAINT	438.00 *
630166	EXPERIAN INFO SOLUTIONS INC	OTHER PROF SERV	77.00 *

PAGE TOTAL FOR "*" LINES = 60,187.28

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630167	FEDERAL EXPRESS CORP	DELIVERY SERVICES	184.51 *
630168	FORD OF ORANGE	MOTOR VEH PARTS	173.91 *
630169	THE SHERWIN-WILLIAMS CO DBA FRAZEE PAINTS	WHSE INVENTORY	125.50 *
630170	FRYE SIGN CO	MOTOR VEHICLE MAINT	870.00 *
630171	GANAHL LUMBER COMPANY	OTHER CONST SUPPLIES	27.33 *
630172	CITY OF GARDEN GROVE	WATER REFUND CITY WATER SERVICES	39.90 84.89 124.79 *
630173	REPUBLIC SERVICES #676	REFUSE COLL SERV	68.71 *
630174	REPUBLIC WASTE SERVICES OF SOUTHERN CALIFORNIA, LLC	AMT DUE GG DISPSL REFUSE COLL SERV	28,269.42 9,813.09 38,082.51 *
630175	GARDEN GROVE UNIFIED SCHOOL DIST	LAND/BLDG/ROOM RENT	595.20 *
630176	GOLDEN OFFICE TRAILERS INC	LAND/BLDG/ROOM RENT	862.00 *
630177	GOLDEN WEST COLLEGE CRIMINAL JUSTICE TRAINING CENTER	TUITION/TRAINING	395.00 *
630178	HDL COREN & CONE	OTHER PROF SERV	5,625.00 *
630179	HILLCO FASTENER WAREHOUSE	MOTOR VEH PARTS	49.16 *
630180	HILL'S BROS LOCK & SAFE INC	MAINT-SERV CONTRACTS MOTOR VEH PARTS OTHER MAINT ITEMS OTHER MINOR TOOLS/EQ HARDWARE	2,559.19 7.97 356.27 81.57 177.42 3,182.42 *
630181	APPLE ONE EMPLOYMENT SVS	TEMP AIDE SERVICES	3,491.37 *
630182	HUNSAKER & ASSOCIATES INC	ENGINEERING SERVICES	2,880.00 *
630183	HUYNH, AI KELLY	TUITION REIMB	1,380.00 *

PAGE TOTAL FOR "*" LINES = 58,117.41

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630184	J & M SERVICE, INC.	OTHER CONST SUPPLIES	137.44 *
630185	J&M ENVIRONMENTAL CONTROL GROUP	ENGINEERING SERVICES	1,525.00 *
630186	DANGELO CO	WHSE INVENTORY	6,933.71 *
630187	JAY'S CATERING	FOOD	1,598.38 *
630188	JOHNSTONE SUPPLY	AIR COND SUPPLIES	58.14 *
630189	KELLY PAPER	WHSE INVENTORY	152.12 *
630190	KNORR SYSTEMS, INC.	OTHER BLD/EO/ST SERV OTHER MAINT ITEMS	172.00 273.15 445.15 *
630191	LAWSON PRODUCTS, INC.	MOTOR VEH PARTS	2,191.32 *
630192	GALLS, LLC GALLS/QUARTERMASTER/ROY TAILORS	GEN PURPOSE TOOLS	64.62 *
630193	INNOVYZE INC	SOFTWARE	6,750.00 *
630194	MCGOVERN, T.J.	FOOD	25.00 *
630195	MC MASTER-CARR SUPPLY CO	OTHER MINOR TOOLS/EQ	204.29 *
630196	MERCHANTS BLDG MAINT LLC	MAINT-SERV CONTRACTS	20,649.28 *
630197	METRO CITIES FIRE AUTH	TELEPHONE	519.52 *
630198	GARDEN GROVE ACE HARDWARE	HARDWARE	60.25 *
630199	MOMAR, INC	GEN PURPOSE TOOLS	1,089.63 *
630200	MR. D'S AUTOMOTIVE	MOTOR VEHICLE MAINT	239.95 *
630201	NATIONAL CONSTRUCTION RENTALS	OTHER RENTALS	502.43 *
630202	VOID WARRANT		
630203	OFFICE DEPOT, INC	OFFICE SUPPLIES/EXP	3,177.65 *
630204	NEW IMAGE COMMERCIAL FLOORING	OTHER CONST SUPPLIES	950.32 *

PAGE TOTAL FOR "W" LINES = 47,274.20

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630205	NGUYEN, THANH	FOOD MV GAS/DIESEL FUEL	10.34 89.48 99.82 *
630206	NIKKI'S FLAG SHOP	SIGNS/FLAGS/BANNERS	71.96 *
630207	NOVUSOLUTIONS INOBBAR, LLC	MAINT-SERV CONTRACTS	7,950.00 *
630208	NOWDOCS INTERNATIONAL INC.	OTHER PROF SERV OFFICE SUPPLIES/EXP	525.00 325.00 850.00 *
630209	OCEAN BLUE ENVIRONMENTAL SERVICES, INC.	OTHER MAINT ITEMS	620.00 *
630210	ORANGE COUNTY APPLIANCE PARTS	AIR COND SUPPLIES	3.45 *
630211	ORANGE COUNTY FIRE PROTECTION	MAINT-SERV CONTRACTS	3,154.95 *
630212	O.C. HOUSING AUTHORITY ACCTG DEPT.	MOBILITY INSP FEE	3,075.00 *
630213	ORANGE COUNTY STRIPING SERV	MAINT-SERV CONTRACTS	14,713.98 *
630214	PACIFIC MEDICAL CLINIC	MEDICAL SERVICES	420.00 *
630215	PETDATA, INC.	OTHER PROF SERV	3,293.60 *
630216	PACIFIC 4	WHSE INVENTORY	311.35 *
630217	PACIFIC ROOTER DAY & NIGHT PLUMBING	MAINT-SERV CONTRACTS	650.00 *
630218	PENCO ENGINEERING, INC.	ENGINEERING SERVICES	21,218.75 *
630219	PEST OPTIONS, INC.	NON-SPEC CONTR SERV	525.00 *
630220	PYRO-COMM SYSTEMS, INC.	MAINT-SERV CONTRACTS	420.00 *
630221	QUALITY CODE PUBLISHING	OTHER PROF SERV	2,765.94 *
630222	RDO EQUIPMENT CO.	MOTOR VEH PARTS	39.20 *
630223	REDFLEX TRAFFIC SYSTEMS, INC.	OTHER PROF SERV	31,900.00 *
630224	PROACTIVE WORK HEALTH SERVICES	MEDICAL SERVICES	1,908.00 *

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630225	SIEMENS INDUSTRY, INC.	ENGINEERING SERVICES	1,561.38 *
630226	DATA TICKET, INC	OTHER PROF SERV	690.00 *
630227	MULTIRIVER STUDIOS, LLC PIANO PLACE MUSIC & ARTS CENTER	INSTRUCTOR SERVICES	738.36 *
630228	NEWHOPE P & L, INC. DBA NEWHOPE PAINT & COATINGS	MOTOR VEHICLE MAINT	1,985.00 *
630229	ROSEBURROUGH TOOL, INC.	GEN PURPOSE TOOLS	490.91 *
630230	AT&T GLOBAL SERVICES INC	TELEPHONE	200.00 *
630231	SAFETY 1st PEST CONTROL, INC	OTHER MAINT ITEMS	300.00 *
630232	SHRED CONFIDENTIAL, INC.	OTHER PROF SERV	94.50 *
630233	SHREEVES, ROBERT G	OTHER PROF SERV	63.00 *
630234	SIMPSON CHEVROLET OF GG	MOTOR VEHICLE MAINT MOTOR VEH PARTS	90.00 24.46 114.46 *
630235	SITEONE LANDSCAPE SUPPLY HLDING	WHSE INVENTORY	387.38 *
630236	SMITH EMERY LABORATORIES	ENGINEERING SERVICES	4,920.00 *
630237	SMITHSON ELECTRIC, INC	MAINT-SERV CONTRACTS	1,250.00 *
630238	SO CALIF MUN ATHLETIC FEDERATION	OTHER PROF SERV	1,190.00 *
630239	SOUTHERN CALIFORNIA GAS CO ML 711D	MAINT-SERV CONTRACTS	1,150.00 *
630240	SOUTHERN COUNTIES LUBRICANTS LLC.	WHSE INVENTORY	7,145.58 *
630241	SPARKLETT'S	BOTTLED WATER OTHER MAINT ITEMS	203.57 40.49 244.06 *
630242	SPECTRUM GAS PRODUCTS, INC.	MEDICAL SUPPLIES	152.00 *
630243	STATE INDUSTRIAL PRODUCTS	WHSE INVENTORY	3,855.38 *
630244	STRADLING, YOECCA, CARLSON & RAUTH	LEGAL FEES	15,039.50 *

PAGE TOTAL FOR "*" LINES = 41,571.51

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630245	SUNBELT RENTALS	JANITORIAL SUPPLIES	1,113.64 *
630246	TT TECHNOLOGIES, INC	WHSE INVENTORY	1,993.40 *
630247	THE LEARNING SPOT CHILD DEVELOPMENT CENTER	INSTRUCTOR SERVICES	2,482.20 *
630248	TOXGUARD FLUID TECHNOLOGIES	GREASE/LUBE OIL	296.45 *
630249	TRANSPORTATION STUDIES, INC.	ENGINEERING SERVICES	1,620.00 *
630250	TRUCK & AUTO SUPPLY INC. TrucParCo	MOTOR VEH PARTS	532.52 *
630251	TURNOUT MAINTENANCE COMPANY	FIRE TURNOUTS REPAIR	413.19 *
630252	TED STRONG DBA: T&T ENVIRONMENTAL, LLC	OTHER PROF SERV	925.00 *
630253	UNIFIRST CORP	LAUNDRY SERVICES	1,741.28 *
630254	UNITED PARCEL SERVICE	DELIVERY SERVICES	132.54 *
630255	SUNG HO PARK FIVE STAR TAEKWONDO	INSTRUCTOR SERVICES	749.70 *
630256	VISION MARKING DEVICES	OFFICE SUPPLIES/EXP	315.07 *
630257	VULCAN MATERIALS COMPANY WESTERN DIVISION	ASPHALT PRODUCTS	4,391.18 *
630258	GRAINGER	WHSE INVENTORY ELECTRICAL SUPPLIES AIR COND SUPPLIES OTHER MINOR TOOLS/EQ HARDWARE	2,198.48 326.40 78.22 75.30 -249.46 2,428.94 *
630259	WATERLINE TECHNOLOGIES, INC.	LABORATORY CHEMICALS	831.90 *
630260	WAXIE SANITARY SUPPLY	WHSE INVENTORY JANITORIAL SUPPLIES	3,973.87 84.76 4,058.63 *
630261	UNITED WATER WORKS, INC.	PIPES/APPURTENANCES	180.23 *
630262	WEST COAST ARBORISTS INC	TREE TRIMMING SERV	21,281.00 *

PAGE TOTAL FOR "*" LINES = 45,486.87

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630263	FERGUSON ENTERPRISES, INC #1350	PIPES/APPUTENANCES	144.18 *
630264	WESTCOAST MUFFLER	REPAIRS-FURN/MACH/EQ	1,224.43 *
630265	WESTERN EXTERMINATOR	MAINT-SERV CONTRACTS	773.57 *
630266	WESTERN OIL SPREADING SERVICES	ASPHALT PRODUCTS	658.73 *
630267	WINNERS CIRCLE TROPHY COMPANY	AWARDS/TROPHIES	131.99 *
630268	YELLOW CAB OF GREATER OC	L/S/A TRANSPORTATION	37.00 *
630269	ZEP SALES & SERVICE	MOTOR VEH PARTS	201.63 *
630270	ZOLL MEDICAL CORP	MEDICAL SUPPLIES	303.05 *
630271	TECHNICO CONST.	DEPOSIT REFUND	2,800.00
		WATER REFUND	-121.00
			2,679.00 *
630272	DIVERSIFIED COMMUNICATIONS SERVICES, INC.	OTHER MAINT ITEMS	340.00 *
630273	ROLCOM INC.	DEPOSIT REFUND	2,800.00
		WATER REFUND	-145.56
			2,654.44 *
630274	NICK FRANC	MILEAGE REIMB	25.15 *
630275	LY WESTCOAST INVESTMENT, LLC	MISC REFUND	30.58 *
630276	DE NORA WATER TECHNOLOGIES, INC.	LABORATORY CHEMICALS	1,827.67 *
630277	ANELLE MANAGEMENT SERVICES INC. DBA FLEETCREW	REPAIRS-FURN/MACH/EQ	334.95 *
630278	MITYLITE, INC.	MINOR OFFICE FURN/EQ	1,684.34 *
630279	JASON BLOMGREN	TAXES/LICENSES	200.00 *
630280	LUIS VELAZQUEZ	CITATION DIST	58.00 *
630281	DEDIOS, NANCY	TENANT UTILITY REIMB	2.00 *
630282	JOANNA PEREZ	LICENSING REVENUE	100.00 *

PAGE TOTAL FOR "*" LINES = 13,410.71

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630283	RAMOS, SONIA	DEPOSIT REFUNDS	500.00 *
630284	DTNTECH MARKETING	AWARDS/TROPHIES	128.52 *
630285	F & B RENTALS	OTHER RENTALS	95.65 *
630286	ASSOCIATED SOILS ENGINEERING, INC.	ENGINEERING SERVICES	5,211.21 *
630287	CROP PRODUCTION SERVICES	INSECTICIDES	204.78 *
630288	LOGOS ETC.	UNIFORMS	185.05 *
630289	AGUINAGA GREEN	OTHER AGR SUPPLIES	517.20 *
630290	CRAWFORD, JOE	LODGING FOOD MV GAS/DIESEL FUEL	102.66 20.57 131.25 254.48 *
630291	P.L. HAWN COMPANY, INC. AIR FILTRATION & POLLUTION CONT	AIR COND SUPPLIES	35.17 *
630292	NATIONAL RESOURCE SAFETY CENTER	DUES/MEMBERSHIPS	595.00 *
630293	ORANGE RADIATOR SERVICE	REPAIRS-FURN/MACH/EQ	2,262.75 *
630294	FACTORY MOTOR PARTS CO	MOTOR VEH PARTS	187.98 *
630295	*BROWN, JEFFREY	TAXES/LICENSES	200.00 *
630296	WESTERN WATER WORKS	WHSE INVENTORY	3,070.02 *
630297	TRELOAR, TOM	OTHER PROF SERV	450.00 *
630298	CHEMEX INDUSTRIES	JANITORIAL SUPPLIES	778.22 *
630299	SOUTHERN CALIFORNIA EDISON	BLDGS/IMPROVEMENTS	2,953.90 *
630300	COMMERCIAL AQUATIC SERVICES	OTHER PROF SERV	2,720.35 *
630301	MCFADDEN DALE INDUSTRIAL HARDWARE	HARDWARE	3.77 *
630302	INTERNATIONAL INST. MUNICIPAL CLERKS	DUES/MEMBERSHIPS	225.00 *

PAGE TOTAL FOR "*" LINES = 20,579.05

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630303	LEAGUE OF CALIFORNIA CITIES	REGISTRATION FEES	1,300.00 *
630304	THOMAS PLUMBING CO MILLER, THOMAS E	MAINT-SERV CONTRACTS	25.00 *
630305	GRACELAND COLLEGE CENTER SKILLPATH SEMINARS	TUITION/TRAINING	149.00
		BOOKS/SUBS/CASSETTES	33.83
			182.83 *
630306	TRAFFIC MANAGEMENT INC	SIGNS/FLAGS/BANNERS	1,712.15 *
630307	E.G. BRENNAN & CO., INC.	OFFICE SUPPLIES/EXP	428.00 *
630308	BADOUD, TOM	OTHER PROF SERV	262.50 *
630309	A TO Z CIRCUIT BREAKERS, INC.	ELECTRICAL SUPPLIES	43.10 *
630310	GRAFIX	REPAIRS-FURN/MACH/EQ	587.97 *
630311	KBI CONSTRUCTION, INC	OTHER PROF SERV	15,000.00 *
630312	STATEWIDE TRAFFIC SAFETY AND SIGNS INC	SIGNS/FLAGS/BANNERS	820.86 *
630313	O'REILLY AUTO PARTS	MOTOR VEH PARTS	2,864.28 *
630314	DAVENPORT*, JUSTIN	SAFETY EQ/SUPPLIES	100.00 *
630315	MAJOR LEAGUE SOFTBALL, INC.	OTHER PROF SERV	660.00 *
630316	COMMUNITY BANK ESCROW NO. 2473	STREET CONSTR CONT	34,770.93 *
630317	IMPERIAL SPRINKLER SUPPLY INC	WHSE INVENTORY	1,729.88 *
630318	VORTEX INDUSTRIES INC	MAINT-SERV CONTRACTS	4,445.20 *
630319	VERITIV OPERATING COMPANY	WHSE INVENTORY	587.13 *
630320	COSTAR GROUP, INC.	OTHER PROF SERV	431.35 *
630321	CAMFIL, USA INC.	OTHER MAINT ITEMS	299.24 *
630322	GUZMAN, SANDRA JAZMIN	TENANT UTILITY REIMB	53.00 *
630323	RODRIGUEZ, DEANNA	DEPOSIT REFUNDS	500.00

PAGE TOTAL FOR "*" LINES = 66,303.42

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630324	ECOLOGICAL FERTIGATION, INC.	ROOM FEE REFUND	~52.25 447.75 *
630325	JIMENEZ, GIOVANNI	MAINT-SERV CONTRACTS	1,155.00 *
630326	BRYSON DAHLMEIMER	OTHER PROF SERV	300.00 *
630327	TAYLOR, ANNA LAVINE	TUITION/TRAINING	175.00 *
630328	EDWARD HUY	TENANT UTILITY REIMB	5.00 *
630329	SCHORR METALS, INC.	SAFETY EQ/SUPPLIES	74.00 *
630330	AMERINATIONAL COMMUNITY SERVICES, INC.	HARDWARE	383.36 *
630331	LT PROPERTIES	OTHER PROF SERV	406.75
630332	WALLACE, LARONDA PEARLENE	NSP HOME IMP GRANT	100.80 507.55 *
630333	SHOP EQUIPMENT LA	LAND/BLDG/ROOM RENT	15,920.05 *
630334	LABSOURCE, INC.	TENANT UTILITY REIMB	20.00 *
630335	AMERICAN ASPHALT SOUTH, INC.	FURN/MACH/EQUIP REPL	14,869.50 *
630336	GENERAL DYNAMICS OTS - SIMUNITION OPERATIONS	WHSE INVENTORY	506.00 *
630337	HTL HOTEL ADVISORS, INC. DBA HTL HOSPITALITY ADVISORS	MAINT-SERV CONTRACTS	120,774.94 *
630338	NGUYEN, BECKY	TUITION/TRAINING	885.00 *
630339	TRAFFIC AND PARKING CONTROL CO TAPCO	OTHER PROF SERV	7,211.25 *
630340	SOCAL SALES & MARKETING	TENANT UTILITY REIMB	50.00 *
630341	DEPARTMENT OF JUSTICE ACCOUNTING/CASHERING DEPT	SIGNS/FLAGS/BANNERS	161.63 *
630342	STAR LAMINATORS, INC.	WHSE INVENTORY	706.37 *
		LIFESCAN FEE-DOJ	49.00 *
		PRINTING	162.00 *

PAGE TOTAL FOR "*" LINES = 164,363.40

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630343	TRAN, SOPHIE	OTHER PROF SERV	143.00 *
630344	MAGIC ENTERTAINMENT INC.	OTHER PROF SERV	800.00 *
630345	BANNER BANK	BLDGS/IMPROVEMENTS	2,915.11 *
630346	SCHAFER CONSULTING, INC.	OTHER PROF SERV	5,762.50 *
630347	FAIRBANK, MASLIN, MAULLIN, METZ, & ASSOC. INC.	OTHER PROF SERV	18,750.00 *
630348	RABC-ECC A JOINT VENTURE	BLDGS/IMPROVEMENTS	55,387.09 *
630349	MARK BEDOR	OTHER PROF SERV	60.00 *
630350	THE LEW EDWARDS GROUP	OTHER PROF SERV	2,500.00 *
630351	FAIR HOUSING FOUNDATION	OTHER PROF SERV	3,100.10 *
630352	FASTENAL INDUSTRIAL CONSTRUCTION SUPPLY	WHSE INVENTORY	259.14 *
630353	FUSECO, INC	DEPOSIT REFUND WATER REFUND	2,800.00 -410.57 2,389.43 *
630354	WEST COUNTY TIRE & AUTO INC.	WHSE INVENTORY	4,911.36 *
630355	HF&H CONSULTANTS, LLC	OTHER PROF SERV	3,508.75 *
630356	FLEET SERVICES, INC.	MOTOR VEH PARTS	581.56 *
630357	YO-FIRE SUPPLIES	WHSE INVENTORY OTHER MAINT ITEMS	2,241.33 419.56 2,660.89 *
630358	GRIFFITH COMPANY	STREET CONSTR CONT	660,647.73 *
630359	BSN SPORTS, LLC	OTHER MAINT ITEMS	1,904.88 *
630360	SOUTH BAY FOUNDRY INC	WHSE INVENTORY	14,465.44 *
630361	SEAVCO IVR SEAVER MOTORCYCLES	REPAIRS-FURN/MACH/EQ	1,649.86 *
630362	ORANGE COUNTY CLERK RECORDER HALL OF FINANCE & RECORDS	FEE REFUND	78.00 *

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630363	ELIZABETH PETERSON	OTHER PROF SERV	550.00 *
630364	AMERICAN INTERNET SERVICES, LLC	NETWORK COMMUNICT	669.56 *
630365	GRP2 UNIFORMS, INC KEYSTONE UNIFORMS, OC	UNIFORMS	756.34 *
630366	ZERO WASTE USA	OTHER MAINT ITEMS	646.48 *
630367	PREMIUM QUALITY LIGHTING	ELECTRICAL SUPPLIES	378.82 *
630368	FIRSTCOM MUSIC	TAXES/LICENSES	1,656.00 *
630369	TANYA SAMOFF	TUITION REIMB	2,965.07 *
630370	TANAKA FARMS	OTHER REC/CULT SUPP	1,056.00 *
630371	DELTA AIR QUALITY SERVICES, INC DBA MAQS SNA /DBA MAQS-SNA	MAINT-SERV CONTRACTS	1,520.00 *
630372	NICHOLS CONSULTING ENGINEERS, CHTD	OTHER PROF SERV	3,060.00 *
630373	ITE	BOOKS/SUBS/CASSETTES	778.40 *
630374	NATEC INTERNATIONAL INC	TUITION/TRAINING	1,985.00 *
630375	CPS HR CONSULTING	OTHER PROF SERV	199.00 *
630376	CRAFECO INC. DEPT #2279	HEAVY EQUIP RENTAL	754.25 *
630377	VU, KIM CUC THI	TENANT UTILITY REIMB	22.00 *
630378	LY, NANCY	TENANT UTILITY REIMB	16.00 *
630379	SOBHANI, ELAHEH	TENANT UTILITY REIMB	22.00 *
630380	CA SHOPPING CART RETRIEVAL CORP	OTHER PROF SERV	2,083.00 *
630381	LACEY CUSTOM LINENS, INC.	LAUNDRY SERVICES	288.53 *
630382	PRINT MASTERS 85	PINS/MEMENTOS	954.00 *
630383	NICOLAE, CORNELIU	PERMITS/OTHER FEES	105.00 *
630384	ORANGE COUNTY EMERGENCY PET CLINIC	OTHER PROF SERV	100.00 *

PAGE TOTAL FOR "*" LINES = 20,565.45

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630385	COUNTY OF ORANGE TREASURER-TAX COLLECTOR	OTHER RENTALS	3,387.00 *
630386	JUMPZONE PARTY RENTALS	OTHER PROF SERV	888.00 *
630387	MWB COPY PRODUCTS, INC DBA:SOCAL OFFICE TECHNOLOGIES	MAINT-SERV CONTRACTS	11,472.97 *
630388	NGUYEN, JIMMY	TENANT UTILITY REIMB	87.00 *
630389	BILL'S SOUND & SECURITY	OTHER PROF SERV	300.00 *
630390	S.C. SIGNS & SUPPLIES LLC	SIGNS/FLAGS/BANNERS	224.99 *
630391	ORION SAFETY PRODUCTS	WHSE INVENTORY	4,733.82 *
630392	MIDWAY CITY FEED CO.	OTHER REC/CULT SUPP	370.58 *
630393	TRAIN PARTY EXPRESS	OTHER PROF SERV	1,100.00 *
630394	NELSON, KEVIN & DEBORAH	WATER CLOSING BILL REFUND	84.00 *
630395	BUNKER, CATHY	WATER CLOSING BILL REFUND	52.17 *
630396	BUTLER, JAMES	WATER CLOSING BILL REFUND	1.14 *
630397	JENSEN, AMANDA & MOORE, RICK	WATER CLOSING BILL REFUND	1.47 *
630398	RICHARDS, PAUL J	WATER CLOSING BILL REFUND	12.28 *
630399	TOY VAULT	WATER CLOSING BILL REFUND	6.17 *
630400	NGUYEN, ANTHONY	WATER CLOSING BILL REFUND	17.98 *
630401	VILLA RENTALS	WATER CLOSING BILL REFUND	46.62 *
630402	AMOS, MATTHEW	WATER CLOSING BILL REFUND	61.90 *
630403	PHAM, VANTHY	WATER CLOSING BILL REFUND	1.72 *
630404	KOOIMAN, DAVE	WATER CLOSING BILL REFUND	49.54 *
630405	RELIEF HOUSING SOLUTIONS	WATER CLOSING BILL REFUND	235.06 *
630406	NGUYEN, KEITH	WATER CLOSING BILL REFUND	49.58 *

PAGE TOTAL FOR "*" LINES = 23,183.99

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
630407	NGUYEN, KATHY	WATER CLOSING BILL REFUND	113.77 *
630408	SUGIHARA, PAT	WATER CLOSING BILL REFUND	117.64 *
630409	CARLSON, KARINA & MATTHEW	WATER CLOSING BILL REFUND	142.20 *
630410	DINH, TAMMY	WATER CLOSING BILL REFUND	43.79 *
630411	NRI PORTFOLIOS LLC	WATER CLOSING BILL REFUND	54.19 *
630412	LAM, CHI	WATER CLOSING BILL REFUND	50.88 *
630413	VU, HUAN	WATER CLOSING BILL REFUND	210.69 *
630414	NGUYEN, THU	WATER CLOSING BILL REFUND	11.83 *
630415	NGUYEN, KEVIN	WATER CLOSING BILL REFUND	26.35 *
630416	SALAMANCA, MATTHEW	WATER CLOSING BILL REFUND	39.35 *
630417	MENARD, RAY C/O HUNT.WEST PROP IN.	WATER CLOSING BILL REFUND	9.43 *
630418	BARKER, JOEL	WATER CLOSING BILL REFUND	46.46 *
630419	TRAN, NATHAN	WATER CLOSING BILL REFUND	23.29 *
630420	NGUYEN, TINA	WATER CLOSING BILL REFUND	16.79 *
630421	DANG, DOAN TRANG	WATER CLOSING BILL REFUND	63.59 *
630422	LY, NINA	WATER CLOSING BILL REFUND	27.39 *
630423	TRAN, HENRY	WATER CLOSING BILL REFUND	38.36 *
630424	BROWN, SHANNON	WATER CLOSING BILL REFUND	1.62 *
630425	WEBB, TIM P	WATER CLOSING BILL REFUND	14.89 *
630426	FULLWOOD, DALE A	RENT SUBSIDY	10,640.00 *
630427	NHAN, VU	RENT SUBSIDY	564.00 *
630428	NGUYEN, TUYET TRINH	RENT SUBSIDY	1,052.00 *

WARRANTS SUBMITTED TO CITY COUNCIL FOR APPROVAL 10/24/17

WARRANT	VENDOR	DESCRIPTION	AMOUNT
W1984	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	PENSION PAYMENT	515,138.55 *
W1986	KS STATE BANK	INTEREST COSTS	141.09
		LONG TERM DEBT	7,735.99
			7,877.08 *
W1987	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	HEALTH INSURANCE	700,171.24 *
W1988	LINCOLN FINANCIAL GROUP	LIFE INS PREMIUM	7,017.60 *
W1989	MUNICIPAL WATER DISTRICT OF ORANGE COUNTY	IMPORT WTR-MWDOC	1,012,159.58 *
W1990	VISION SERVICE PLAN	VISION INSURANCE	7,503.17 *
W1991	ANAHEIM/ ORANGE COUNTY VISITOR & CONVENTION BUREAU A/R DEPT AMT DUE VCB		355,390.01 *
W1992	CALIFORNIA STATE DISBURSEMENT UNIT	WAGE ATTACHMENT	5,064.51 *
W1993	INTERNAL REVENUE SERVICE	WAGE ATTACHMENT	884.80 *

PAGE TOTAL FOR "*" LINES = 2,611,206.54

FINAL TOTAL 4,633,118.13 *

DEMANDS #630034 - 630428 AND WIRES W1984 - W1993 AS PRESENTED IN THE WARRANT REGISTER SUBMITTED TO THE GARDEN GROVE CITY COUNCIL OCTOBER 24, 2017, HAVE BEEN AUDITED FOR ACCURACY AND FUNDS ARE AVAILABLE FOR PAYMENT THEREOF

[Signature] *OK on behalf of*
 KINGSLEY C. OKEREKE - FINANCE DIRECTOR

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott Stiles	From:	Lisa Kim
Dept.:	City Manager	Dept.:	Community and Economic Development
Subject:	Adoption of a Resolution approving an agreement with Garden Grove Automotive, Inc., for opening and operating a Kia Dealership at 13731 Harbor Boulevard, Garden Grove. (<i>Action Item</i>)		
		Date:	10/24/2017

OBJECTIVE

For the City Council to consider adoption of the attached Resolution approving an Agreement Regarding Opening, Operating, and their Covenants ("Agreement") by and between the City of Garden Grove ("City"), and Garden Grove Automotive, Inc. ("GGA").

BACKGROUND

Operating as Garden Grove Kia, GGA currently sells Kia automobiles on property located at 10081 Garden Grove Boulevard in Garden Grove ("Current Site") and is desirous of opening Garden Grove Kia at a new location, 13731 Harbor Boulevard in Garden Grove ("New Site"). GGA has entered into an agreement to acquire the New Site which is approximately 2.3 acres.

The existing Garden Grove Kia operates on the Current Site via a lease and is required to vacate the property pursuant to the terms of an existing Disposition and Development Agreement with New Age Garden Grove, LLC ("New Age DDA"). The New Age DDA provides for the development of Brookhurst Place in multiple phases. In order to begin Phase 2 construction of Brookhurst Place, several action items need to occur including: 1) the existing Garden Grove Kia to vacate the Current Site; 2) the Successor Agency is required to clear the Current Site; and 3) the Successor Agency to convey the cleared Current Site to New Age by early 2018.

The Agency has previously entered into a relocation agreement with GGA with respect to the Current Site which fully compensated GGA with respect to relocation benefits required by law.

DISCUSSION

In August 2017, GGA submitted a formal request to the City requesting economic development assistance to help facilitate opening and operation of its Kia dealership on the New Site. To that end, the City has negotiated an agreement with GGA to encourage the opening and operation of Garden Grove Kia on the New Site. GGA has agreed to be bound by certain operating and other covenants with respect to the Kia dealership on the New Site. It should be noted that the Agreement is not an agreement to construct a dealership on the New Site but rather an agreement to pay certain Covenant Consideration if GGA actually opens, operates and fulfills other covenants on the New Site. In consideration for commitments under the proposed Agreement, the City would agree to pay certain Covenant Consideration to the GGA in amounts measured below:

- The City agrees to pay to GGA an amount equal to thirty-five percent (35%) of the Sales Tax Revenues generated annually above a base amount of One Hundred Fifty Thousand Dollars (\$150,000), which payments shall be made until the expiration of or earlier termination of the Sales Tax Revenue Accrual Period.
- The Covenant Consideration Payments shall be made annually, on or before October 1 of each year during the Sales Tax Revenue Accrual Period.
- The Total Covenant Consideration Payments to GGA has a cap and will not exceed the sum of Two Million, Five Hundred Thousand Dollars (\$2,500,000).
- The term of the payment obligation expires on the earlier of (i) the twentieth (20th) anniversary date of the date on which Garden Grove Kia opens for business on the New Site, (ii) payment in the aggregate of Two Million, Five Hundred Thousand Dollars of Covenant Consideration, or (iii) termination of the Agreement.
- The term of the Agreement is twenty-five (25) years.
- GGA covenants to make available not less than forty (40) Full-Time Equivalent (FTE) jobs (as defined in the Agreement) to be certified annually.

The opening and operation of Garden Grove Kia would not be feasible without the Covenant Consideration to be paid by the City pursuant to the proposed Agreement. The Agreement is compliant with provisions of Government Code §§ 52200 *et seq.* and Government Code § 53083 *et seq.* Government Code § 53083 *et seq.* requires the following be provided before approving any economic development subsidy within its jurisdiction and that such information be in written form available to the public and included on its Internet Website.

- 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.

- 2) The start and end dates and schedule, if applicable, for the economic development subsidy.
- 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.
- 4) A statement of the public purposes for the economic development subsidy.
- 5) Projected tax revenue to the local agency as a result of the economic development subsidy.
- 6) Estimated number of jobs created by the economic development subsidy, broken down by full-time, part-time, and temporary positions.
- 7) Before granting an economic development subsidy, each local agency shall provide public notice and a hearing regarding the economic development subsidy
- 8) The City's economic consultants Keyser Marston Associates prepared the report required by Government Code § 53083 *et seq.*, which includes the aforementioned requirements and is attached as Attachment 2.

FINANCIAL IMPACT

This is a performance based Agreement. The Covenant Consideration payments to GGA are measured by the incremental additional amount of net sales tax revenues generated by GGA operations, and are capped at a maximum of two million five hundred thousand dollars (\$2,500,000) over twenty (20) years. The City of Garden Grove will receive a base sales tax base of \$150,000 annually over twenty (20) years and 65% of the sales tax revenues above the sales tax base of \$150,000.

RECOMMENDATION

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

- Conduct a Public Hearing.
- Adopt the attached Resolution approving the Agreement Regarding Opening, Operating, and other Covenants ("Agreement") by and between the City of Garden Grove, a California Municipal Corporation ("City"), and Garden Grove Automotive, Inc.; and
- Authorize the City Manager to execute the Agreement, including any minor modifications as appropriate, and any other pertinent documents necessary to effectuate and/or implement the Agreement.

By: Greg Blodgett, Project Manager

ATTACHMENTS:

Description	Upload Date	Type	File Name
Attachment 1: Agreement	10/12/2017	Backup Material	KIa_Agreement_2017.pdf
Attachment 2: CC Resolution	10/19/2017	Resolution Letter	10-24- 17_CC_Kia_Resolution.pdf
Attachment 3 - Report	10/12/2017	Backup Material	562_report_.pdf

Attachment 1

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

City of Garden Grove
11222 Acacia Parkway
Garden Grove, California 92840
Attn: City Clerk

This document is exempt from the payment of a recording fee pursuant to Government Code Sections 6103 and 27383.

AGREEMENT REGARDING OPENING, OPERATING, AND OTHER COVENANTS

This **AGREEMENT REGARDING OPENING, OPERATING, AND OTHER COVENANTS** ("Agreement") is made as of 10/12, 2017, by and between the **CITY OF GARDEN GROVE**, a California municipal corporation ("City"), and **GARDEN GROVE AUTOMOTIVE, INC.**, a California Corporation ("GGA") (each, a "Party" and collectively, the "Parties"), with reference to the following:

A. GGA currently sells Kia automobiles, operating as Garden Grove Kia, on certain real property located at 10081 Garden Grove Boulevard, Garden Grove, CA and is desirous of relocating Garden Grove Kia to 13731 Harbor Boulevard, Garden Grove, California (the "Site") and, to this end, has entered into an agreement to acquire the Site. The Site is legally described in Exhibit A and shown on the Site Map attached as Exhibit B.

B. Because the sale of Kia automobiles generates a significant number of jobs and sales tax, the City is desirous of encouraging GGA to continue to sell Kia automobiles in the City.

C. GGA is negotiating an agreement with Kia Motors to sell new Kia automobiles at the Site.

D. The City has found that it will benefit the City for GGA to open and operate a Kia Franchise and comply with the Covenants contained in this Agreement.

E. GGA is willing to be bound by the terms of the Covenants contained in this Agreement in return for which, and subject to the fulfillment of the contingency that GGA complies with the Covenants each year, the City will pay Covenant Consideration to GGA.

NOW, THEREFORE, the parties hereby agree, as follows:

1. Definitions.

1.1 "Additional Franchise" means a Franchise in addition to the Kia Franchise.

1.2 **"Affiliate"** means any person, directly or indirectly, in control of, controlled by, or under common control with, a Party. A Party shall be deemed to control another person if such Party possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the other person, whether through the ownership of voting securities, by contract or otherwise.

1.3 **"Agreement"** means this Agreement Regarding Operating and Other Covenants.

1.4 **"Alternative Franchise"** means a Franchise other than the Kia Franchise.

1.5 **"Annual Certificate of Compliance"** means a certificate, in the form attached hereto as Exhibit E and incorporated herein by reference, certifying Annual Compliance.

1.6 **"Annual Compliance"** means compliance each year by GGA with the representations and certifications set forth in the Annual Certificate of Compliance.

1.7 **"Annual Payments"** is defined in Section 3.1.

1.8 **"Annual Period"** means the one (1) year period from July 1 to June 30 each year, commencing on the first July 1 following the Opening for Business and each July 1 thereafter.

1.9 **"Business Day(s)"** shall mean days other than Saturdays, Sundays and legal holidays and closures observed by the City. If the time for performance of an obligation under this Agreement falls on other than a Business Day, the time for performance shall be extended to the next Business Day.

1.10 **"City"** means the City of Garden Grove, a California municipal corporation.

1.11 **"Conditions Precedent"** is defined in Section 4.

1.12 **"Covenant Consideration"** is defined in Section 3.1.

1.13 **"Covenants"** is defined in Section 2.7.

1.14 **"Date of Agreement"** is defined in the Preamble.

1.15 **"Day(s)"** shall mean calendar day(s).

1.16 **"Default"** is defined in Section 5.

1.17 **"Environmental Claim"** shall mean any claim, action, suit, or proceeding for personal injury (including sickness, disease or death), or for tangible or intangible injury or damage to property or natural resources or the environment, including, without limitation, compensation for lost profits, wages, business income, or other economic loss, consequential damages, diminution of property value or loss of use of property, nuisance, or for any violation or alleged violation of, or noncompliance with, the requirements of any Environmental Law.

1.18 **"Environmental Cleanup Liability"** shall mean 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, all to the extent necessary in consideration of the commercial use of the Site.

1.19 “Environmental Compliance Costs” shall mean any cost or expense necessary to enable the real property impacted by the presence of Hazardous Materials to comply with all applicable Environmental Laws.

1.20 “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.

1.21 “Example of Covenant Consideration Calculations” is shown in Exhibit D attached hereto and incorporated herein by reference.

1.22 “Force Majeure” is defined in Section 16.

1.23 “Franchise(s)” means the Kia Franchise which will operate under the name “Garden Grove Kia” on the Site pursuant to a Franchise Agreement and/or any other automobile dealership permitted to Operate on the Site pursuant to Section 2.5, hereof.

1.24 “Franchise Agreement” means the agreement between GGA and Kia Motors pursuant to which GGA is permitted to operate the Kia Franchise, or such other agreement between an automobile manufacturer and GGA permitting the sale of new automobiles and which has been approved by the City under Section 2.6 hereof.

1.25 “FTE Job(s)” means a full time equivalent, permanent job(s) totaling 2080 hours of paid time, including payment for actual work and/or any applicable paid leave consistent with applicable law.

1.26 “**Garden Grove Kia** ” means the name under which GGA Operates the current Kia dealership and will Operate the Kia Franchise on the Site.

1.27 “**GGA**” means Garden Grove Automotive, Inc., a California corporation whose principal shareholder is Hardin Enterprises, Inc., a California corporation. GGA also includes (i) any approved or deemed approved Franchise, (ii) transferee/assignee of GGA’s rights and obligations hereunder, or (iii) partner or Affiliate.

1.28 “**Governmental Requirement(s)**” means all valid and enforceable laws, ordinances, statutes, codes, rules, regulations, orders and decrees of the United States, the State, the County, 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 City, Developer or the Site, including, without limitation, all applicable state labor standards, the City zoning and development standards, building, plumbing, mechanical and electrical codes, and all other provisions of the City Municipal Code, and all applicable disabled and handicapped access requirements, including without limitation (to the extent applicable), Labor Code Sections 1770 *et seq.* (Prevailing Wage Laws), the Americans With Disabilities Act, 42 U.S.C. Section 12101, *et seq.*, Government Code Section 4450, *et seq.*, Government Code Section 11135, *et seq.*, and the Unruh Civil Rights Act, Civil Code Section 51, *et seq.*

1.29 “**Guaranty**” means the Guaranty of Hardin Enterprises, Inc., a California corporation or a Replacement Guarantor in the form substantially attached hereto as Exhibit C and incorporated herein by reference.

1.30 “**Hazardous Materials**” shall 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 Site.

1.31 “**Indemnitees**” is defined in Section 2.3.

1.32 “**Kia Franchise**” means the Franchise granted by Kia Motors under which Garden Grove Kia will be Operated on the Site.

1.33 “**Liquidated Damages Amount**” is defined in Section 5.4.

1.34 “**Opening for Business,**” “**Open(s) for Business,**” or “**Opened for Business**” is defined in Section 2.1.

1.35 “**Operate**” or “**Operation**” is defined in Section 2.1.

1.36 “**Operating Period**” is defined in Section 2.1.

1.37 “**Operator(s)**” is defined in Section 9.

1.38 “**Permitted Assignee**” is defined in Section 9.

1.39 “**Person**” or “**Party**” is defined in Section 17.

1.40 “**Release**” shall mean the release, as defined in Health and Safety Code §§ 25320 and 25321, of a Hazardous Material or Hazardous Materials.

1.41 “**Replacement Guarantor**” means a person or entity approved by the City, acting in its reasonable discretion, which replaces the Guarantor or Replacement Guarantor which person or entity has a net worth of not less than Fifteen Million Dollars (\$15,000,000), including liquid assets of not less than Two Million Dollars (\$2,000,000) as of the date of transfer and annually thereafter.

1.42 “**Sales and Use Tax Law**” is defined in Section 1.42 in the definition of Sales Tax Revenues.

1.43 “**Sales Tax Revenues**” means that portion of tax revenues derived and received by the City from the imposition of 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 (the “**Sales and Use Tax Law**”), that the State Board of Equalization determines are generated by the Franchise(s) on the Site, conducted from the date on which Garden Grove Kia Opens for Business on the Site until the expiration or earlier termination of the Sales Tax Revenue Accrual Period. Sales Tax Revenues shall be based upon the total Sales Tax Revenues received by the City for unrestricted use by the City’s general fund (less any State Board of Equalization adjustments that would have modified previous payments to GGA) during the applicable preceding Annual Period as confirmed by the report furnished by the City’s sales tax consultant as provided by the State Board of Equalization, and the sales tax returns as filed by GGA, and any verifiable reporting as it relates to sales and leasing activities generated by GGA and use taxes assessed and collected thereon by a third party leasing or financing company. GGA shall provide documentation supporting the calculation of Sales Tax Revenues to the City.

1.44 “**Sales Tax Revenue Accrual Period**” means the period commencing upon the date Garden Grove Kia Opens for Business on the Site and terminates on the date which is the earlier to occur of (i) of the twentieth (20th) anniversary date of the date on which Garden Grove Kia Opens for Business on the Site, (ii) payment in the aggregate of Two Million, Five Hundred Thousand Dollars of Covenant Consideration, or (iii) suspension and/or termination of this Agreement in accordance with the terms hereof.

1.45 “**Site**” is defined in Recital A.

1.46 “**Site Map**” means that map attached hereto as Exhibit B and incorporated herein by reference showing the Site.

2. Opening, Operating and Restrictive Covenants.

2.1 Opening and Operating Covenant. Subject to the Conditions Precedent described in Section 4 hereof, GGA, hereby covenants and agrees that it shall open, or cause to be opened, for business to the general public, as evidenced by written notice from GGA to the City of such opening (“**Opening for Business**,” “**Open(s) for Business**,” or “**Open(ed) for Business**”) and continuously operate, or cause to be operated, an automobile dealership during normal business hours under the name “**Garden Grove Kia** ” on the Site primarily for the sale and lease of all makes and models of new Kia automobiles, and secondarily, the sale and lease of used vehicles, and other ancillary automotive uses commonly associated with such uses from time to time, including without

limitation the servicing and repair of vehicles, and vehicle parts sales (“**Operate**” or “**Operation**”) for a period of twenty-five (25) years from the date of Opening for Business (the “**Operating Period**”). Such continuous Operation shall be subject to the Force Majeure provisions of Section 16 hereof.

2.2 Restrictive Covenants. During the Operating Period, GGA shall do, or cause to be done, the following: (1) designate the Site as the point of sale for sales tax purposes in all retail sales and lease contracts for vehicles whose sales and leases originate from the Site; (2) cause all vehicles purchased through GGA’s internet/online sales and scheduled for delivery in Southern California to be delivered from the Site, (3) at no cost to City, keep and maintain the Site and the improvements on the Site and all facilities appurtenant thereto, consistent with the requirements of the Franchise Agreement(s), in good order and repair and safe condition, and the whole of the Site, the improvements, and landscaping in a clean, sanitary, and orderly condition free from debris, graffiti and waste materials, and (4) observe and comply with all Governmental Requirements.

2.3 Indemnities/Release. GGA agrees to indemnify, protect, defend, reimburse and hold the City and their elected and appointed officials, employees, representatives, agents, consultants, attorneys, volunteers, successors and assigns, each of them jointly and severally (collectively, the “Indemnitees”), harmless 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 said Indemnitees, or assessed, levied or asserted by any person or entity (whether governmental or private) against said 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 GGA or any lessee of GGA, or their respective contractors, licensees, invitees, agents, sublessees, servants or employees, wheresoever on or adjacent to the Site 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 thereof, or from the conduct of GGA’s business or from any activity, work or thing done, permitted or suffered by GGA or its sublessees, contractors, employees, or invitees, in, on, or about the Site, (iii) GGA’s failure to comply with one or more Governmental Requirements, (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 Claim 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 and the paragraph immediately below regarding Hazardous Materials shall not apply if and to the extent of the sole negligence or willful misconduct of the Indemnitees.

GGA hereby fully and entirely releases and discharges the City (including their elected and appointed officials, employees, representatives, agents, consultants, attorneys, volunteers, successors and assigns), and of each of them alone, of and from 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, or liens, of whatever kind or nature, matured or not matured, anticipated or unanticipated, known or unknown, at law or in equity, on account of the presence of any Hazardous Materials (i) in, on, under, or emanating from the Site, or (ii) in connection with, or in any way related to, the Site, or (iii) for or on account of the physical condition of the Site. This release constitutes an explicit waiver by GGA of each and all of the provisions of California Civil Code Section 1542, which states 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.”

GGA hereby declares and represents that it is effecting and executing this release of the City after having read all of this release and with full understanding of its meaning and effect and after having received full legal advice as to its rights from an attorney.

2.4 FTE Jobs. GGA hereby covenants to make available not less than forty (40) FTE Jobs as certified upon Opening for Business and annually thereafter.

2.5 Additional/Alternative Franchise(s). Subject to compliance with applicable laws related thereto, including, without limitation, the provisions of Government Code Section 53084 et seq., GGA, or any Affiliate of GGA, shall have the right to Operate Additional Franchise(s) or Alternative Franchises on the Site; provided however, GGA shall notify the City Manager of the City, in writing, of GGA's intent to open an Additional Franchise on the Site (upon such notice, the Additional Franchise shall be deemed approved) or Operate an Alternative Franchise but only with the written approval of the City which approval shall be granted or rejected based on the City's determination, acting in its reasonable discretion, as to whether the Replacement Franchise has historically generated, in other comparable locations, FTE Jobs and sales tax substantially equivalent to the Kia Franchise. The provisions of this Agreement shall apply with respect to Additional Franchise(s) or Alternative Franchise(s).

2.6 Annual Certificate of Compliance. GGA shall have filed on or before August 1 of each year the Annual Certificate of Compliance and be in conformity with the representations and certifications contained therein.

2.7 Covenants. The foregoing sub-Sections 2.1, 2.2, 2.3, 2.4, 2.5 and 2.6 are collectively hereinafter referred to as the “**Covenants**.”

3. Covenant Consideration.

3.1 Payment of Consideration. Subject to the contingency that GGA fulfill the Covenants and generate sufficient Sales Tax Revenue to entitle it to Covenant Consideration, City agrees to pay to GGA (i) an amount equal to (x) thirty-five percent (35%) of the Sales Tax Revenues each year (i.e., from July 1 through June 30) during the Sales Tax Revenue Accrual Period in excess

of One Hundred Fifty Thousand Dollars (\$150,000), which payments shall be made until the expiration of or earlier termination of the Sales Tax Revenue Accrual Period (payments described in clause (ii) are referred to herein as the “**Annual Payments**,” and referred to herein as the “**Covenant Consideration**”). The covenant Considerations due and payable each year is sometimes referred to herein as “**Annual Payment(s)**.” An example of the calculation to determine Covenant Consideration is shown in Exhibit D. GGA and City acknowledge and agree that the definition of Sales Tax Revenues as used herein is used strictly as a measure of the amount of payment due hereunder and as a means of computing the Annual Payments. Annual Payments shall be made annually, on or before October 1 of each year during the Sales Tax Revenue Accrual Period, consistent with the procedure described in the definition of “**Sales Tax Revenues**” above. The City shall determine the total Sales Tax Revenues actually paid to the City during the prior Annual Period. Based on the data provided by the State Board of Equalization to City, and based upon such determination and the formula described above, the City shall determine the amount of the applicable Annual Payment. In the event that the first Annual Payment or the last Annual Payment due hereunder covers less than a full Annual Period, the Annual Payment for such partial Annual Period shall be calculated by first establishing a new base number in place of the One Hundred Fifty Thousand Dollars (\$150,000) by multiplying the total Sales Tax Revenue for such partial period by a fraction the numerator of which is the number of days during that period and the denominator is 365. The result is then multiplied by 35% to determine the Covenant Consideration for the partial period. An example of the calculation of the Covenant Consideration for less than the full Annual Period is included within Exhibit D.

3.2 Cap on Consideration. Notwithstanding anything else herein contained, in no event shall the aggregate Annual Payments paid to GGA pursuant to Section 3.1 exceed the sum of Two Million, Five Hundred Thousand Dollars (\$2,500,000).

3.3 No Acceleration. It is acknowledged by the parties that any payments by the City provided for herein may only be paid in those periods in which GGA is in compliance with the Covenants provided for herein. Therefore, the failure of the City to make any payments as and when provided for in Section 3.1 shall not cause the acceleration of any future payments by the City to GGA beyond the date of GGA’s uncured default.

4. Conditions Precedent. The following are the Conditions Precedent to the Parties’ obligations hereunder:

(a) GGA (directly or through an Affiliate) shall have acquired the Site (or Transaction);

(b) GGA shall have Opened for Business and commenced Operation of Garden Grove Kia on the Site on or before June 30, 2018; and

(c) GGA shall timely file its Annual Certificate of Compliance with the City with respect to each Annual Period on or before August 1 of each year commencing on the August 1 first following the date on which Garden Grove Kia Opens for Business on the Site.

(d) GGA has delivered the executed Guaranty to the City.

(e) GGA is in conformance with the Franchise Agreement.

(f) GGA has provided the City with an executed copy of the Franchise Agreement.

5. Defaults and Remedies. Occurrence of any or all of the following shall constitute a breach by GGA under this Agreement:

5.1 GGA's failure to fully and completely comply with the representations and certifications set forth in the Annual Certificate at such time as the Annual Certificate of Compliance is required to be filed with the City each year.

5.2 GGA's failure to fully and completely comply with the Covenants at any time.

5.3 The filing of a petition in bankruptcy by or against GGA or appointment of a receiver or trustee of any property of GGA, or an assignment by GGA for the benefit of creditors, or adjudication that GGA is insolvent by a court, and a failure of GGA to cause such petition, appointment or assignment to be removed or discharged within one hundred twenty (120) days.

5.4 The failure by GGA to comply with any other material provision of this Agreement.

In the event of any breach under the terms of this Agreement, the nonbreaching party shall give written notice to the breaching party. The breaching party shall commence and diligently thereafter pursue the curing of said breach within thirty (30) days after receipt of notice of such breach; provided, however, if such a cure cannot reasonably be effected within such thirty (30) day period, such failure shall not be a breach so long as the breaching party promptly commences a cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion. Failure to cure, as specified above, shall constitute a "**Default**" hereunder.

5.5 Liquidated Damages. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT TO THE CONTRARY, IF THERE IS A DEFAULT BY GGA HEREUNDER, THEN CITY'S SOLE AND EXCLUSIVE REMEDY FOR SUCH EVENT OF DEFAULT SHALL BE TO TERMINATE THIS AGREEMENT AND RECEIVE FROM GGA AS LIQUIDATED DAMAGES AN AMOUNT EQUAL TO TWENTY FIVE PERCENT (25%) THE TOTAL AMOUNT OF COVENANT CONSIDERATION PAID TO GGA AS OF THE DATE OF SUCH TERMINATION (THE "**LIQUIDATED DAMAGES AMOUNT**"). THE PARTIES HAVE AGREED THAT CITY'S ACTUAL DAMAGES, IN THE EVENT OF SUCH AN EVENT OF DEFAULT BY GGA, WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. AFTER NEGOTIATION, THE PARTIES HAVE AGREED THAT, CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT, THE LIQUIDATED DAMAGES AMOUNT IS A REASONABLE ESTIMATE OF THE DAMAGES THAT CITY WOULD INCUR IN SUCH EVENT. BY PLACING THEIR INITIALS BELOW, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS AGREEMENT WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION. THE PARTIES ACKNOWLEDGE THAT SUCH PAYMENT OF THE DEPOSIT IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL

CODE SECTIONS 3275 OR 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO CITY UNDER CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677.

Initials: City _____ GGA 

5.6 Consequences of a GGA Default. In the event of Default by GGA, and without seeking judicial relief, the following shall automatically and immediately occur: (i) GGA's right to receive Covenant Consideration during the period that the Franchise is not in compliance with the Covenants shall be suspended and the term of the payment period described in Section 2 herein shall not be extended; and (ii) subject to the provisions of Section 17 below, in the event the Franchise is closed for a continuous period of one (1) year or more, GGA's right to receive payments from City pursuant to this Agreement shall be permanently terminated and the terms of this Agreement shall be of no further force or effect, except for the provisions of Sections 2.3, 5, 10, 13, 20, 21, and 31 hereof which shall survive termination as set forth herein. Damages for a Default shall be limited to the Liquidated Damages.

6. Representations and Warranties of GGA. GGA hereby represents and warrants as follows, each of which representations and warranties is made as of the Date of Agreement:

6.1 GGA is a California corporation, duly organized, validly existing and in good standing under the laws of 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. GGA has taken all corporate action required to execute, deliver and perform this Agreement and to make all of the provisions of this Agreement the valid and enforceable obligations they purport to be and has caused this Agreement to be executed by a duly authorized partner or officer. Such corporate action is evidenced by a Resolution of the Board of Directors of GGA which resolution shall be delivered to City concurrently with GGA's delivery to City of an executed copy of this Agreement.

6.2 The execution and delivery of this Agreement and all related documents and the performance of its obligations hereunder by GGA do not conflict with any provision of any law or regulation to which GGA is subject, conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of any agreement or instrument to which GGA is a party or by which GGA is bound, or any order or decree applicable to GGA, or result in the creation or imposition of any lien on any of GGA's assets or property which would materially and adversely affect the Agreement; and GGA has obtained all consents, approvals, authorizations or orders of any court or governmental agency or body, if any, required for the execution, delivery, and performance by GGA of its obligations under this Agreement.

6.3 There are no judgments, orders or decrees of any kind of record against GGA which are unpaid or unsatisfied, nor are there any other legal or administrative proceedings pending, threatened or reasonably anticipated which could be filed before any court or administrative agency which has or is likely to have any material adverse effect on (a) the business or assets or the condition, financial or otherwise, of GGA, or (b) the ability of GGA to perform its obligations under this Agreement.

6.4 GGA 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 GGA. No general

assignment of GGA's property has been made for the benefit of creditors, and no receiver, master, liquidator, or trustee has been appointed for GGA or any of its property. GGA is not insolvent and the consummation of the transactions contemplated by this Agreement shall not render GGA insolvent. GGA 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.

6.5 GGA is a sophisticated investor and its decision to enter into this Agreement is based upon its own independent investigations, evaluations, and assessments. GGA 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. GGA acknowledges no employee, agent, consultant, advisor or representative of City has been authorized to make, and GGA has not relied upon, any statements or representations made thereby, other than those specifically contained in this Agreement.

6.6 The information provided to City by GGA was, is, and shall remain true and correct and accurate and complete in all material respects throughout the term of this Agreement.

7. Representations and Warranties of City. City represents and warrants as follows, each of which representations and warranties is made as of the Date of Agreement:

7.1 The execution of this Agreement and the performance by City of its obligations hereunder have been duly authorized and approved.

7.2 The execution and delivery of this Agreement and all related documents and the performance of City's obligations hereunder by City do not conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of any agreement or instrument to which City is a party or by which City is bound, or any order or decree applicable to City, or result in the creation or imposition of any lien on any of City's assets or property which would materially and adversely affect the Agreement; and City has obtained all consents, approvals, authorizations or orders of any court or governmental agency or body, if any, required for the execution, delivery, and performance by City of its obligations under this Agreement.

7.3 There are no judgments, orders or decrees of any kind of record against City which are unpaid or unsatisfied, nor are there any other legal or administrative proceedings pending, threatened or reasonably anticipated which could be filed before any court or administrative agency which has or is likely to have any material adverse effect on (a) the business or assets or the condition, financial or otherwise, of City, or (b) the ability of City to perform its obligations under this Agreement.

7.4 City 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 City. No general assignment of City's property has been made for the benefit of creditors, and no receiver, master, liquidator, or trustee has been appointed for City or any of its property. City is not insolvent and the consummation of the transactions contemplated by this Agreement shall not render City insolvent.

7.5 The information provided to GGA by City was, is, and shall remain true and correct and accurate and complete in all material respects throughout the term of this Agreement.

8. Disclaimer of Representations and Warranties of City.

8.1 There are no representations, agreements, arrangements, or circumstances, oral or written, between the parties hereto 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 Kia Franchise and/or the Site.

8.2 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.

9. Assignment and Assumption. The terms, Covenants, and obligations of GGA pursuant to this Agreement shall run with the Site and be binding upon GGA's lessees, successors and assigns to the Site or any portion thereof. It is understood that it is possible that the identity of the fee owner of the Site may be different from GGA and different from the operator of the Franchise(s) (the "Operator(s)"). Wherever the term GGA is used in this Agreement, such term shall be deemed to refer to GGA and/or any other owner of all or a portion of the Site and/or the Operators and any authorized successor or assign of same, as provided herein. Except as to a transfer described in the last paragraph of this Section 9, notwithstanding any transfer by GGA of the Site or any portion thereof or any rights therein or any assignment by GGA of any obligations under this Agreement to an Affiliate or any other person or entity, GGA shall remain fully liable for all obligations and requirements set forth in this Agreement. During the Operating Period, GGA shall include reference to this Agreement in any lease or operating agreement respecting the Site, and each lessee or Operators must, in such lease or operating agreement, acknowledge and agree (i) that its interests, rights and obligations are subject to this Agreement, and (ii) that it must comply, or enable GGA to comply, with all terms and provisions of this Agreement applicable and in force and effect following the effective date of such lease or operating agreement. The rights of GGA under this Agreement shall not be subject to assignment by attachment, execution or proceedings under any provision of the Bankruptcy Act, and any such assignment or transfer shall be wholly void and of no force and effect unless written consent thereto is first obtained from the City.

GGA may transfer its interests in all or any portion of the Site and/or Franchise(s) being operated on the Site, including its rights and obligations under this Agreement, with the written approval of the City, as described below, to any entity approved by Kia Motor or, if more than one Franchise or an Alternative Franchise is being operated on the Site, to any entity approved by the automobile manufacturer issuing the Franchise that is the subject of GGA's proposed transfer (a "Permitted Assignee"); provided that the effectiveness of any such transfer shall be subject to (i) approval by the City, acting in its reasonable discretion, of a Replacement Guarantor, (ii) express assumption by the proposed assignee of the rights and obligations of the transferor, and (iii) the express assumption of the obligations under the Guaranty by the Replacement Guarantor.

If the conditions for the effectiveness of a transfer as described immediately above are fulfilled, GGA and the existing Guarantor shall, following the date of such assignment, be relieved of any and all obligations including, without limitation, the Covenants set forth in Section 2 accruing after the date of such assignment.

Notwithstanding the foregoing, in the event that the fee simple ownership of the Site is held by a different person or entity than the person or entity that owns and operates the Franchise, nothing

herein shall be construed to limit the ability of the fee simple owner from transferring the fee simple ownership without consent of the City.

10. Guaranty of GGA Obligations. Hardin Enterprises, a California Corporation, Inc. an Affiliate of GGA, or such other person or entity approved by the City pursuant to Section 9, above, will guaranty the obligation of GGA pursuant to the Guaranty.

11. Notices. All notices under this Agreement shall be given in writing by personal delivery, or by certified mail or registered United States Mail, return receipt requested, postage prepaid, or by overnight delivery, or by facsimile and shall be deemed communicated when received if given by personal delivery or upon receipt or rejection if mailed as provided above or upon the delivery date or attempted delivery date shown on the air bill or facsimile on a business day during business hours in the location where received, and if not then on the next business day, as the case may be. Mailed notices shall be addressed as set forth below, but either party may change its address by giving written notice thereof to the other in accordance with the provisions of this article:

To City: City of Garden Grove
11222 Acacia Parkway
Garden Grove, California 92840
Attn: City Manager

With copies to: City of Garden Grove
11222 Acacia Parkway
Garden Grove, California 92840
Attn: Community and Economic
Development Director

City of Garden Grove
11222 Acacia Parkway
Garden Grove, California 92840
Attn: City Attorney

Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attn: Thomas P. Clark, Jr.

To GGA: Hardin Enterprises, Inc.
1381 Auto Center Drive
Anaheim, California 92806
Attn: Jared Hardin, Vice President

With a copy to: Ferruzzo & Ferruzzo, LLP
3737 Birch Street, Suite 400
Newport Beach, California 92660
Attn: Thomas G. Ferruzzo

12. Miscellaneous. This Agreement constitutes the entire agreement between the Parties concerning the subject matter hereof and supersedes all prior agreements and understandings written

and oral. This Agreement may not be modified or amended except in a writing signed by all parties hereto.

13. Brokerage Commissions. City and GGA shall each indemnify, defend and hold the other Party harmless from and against any and all costs, liabilities, losses, damages, claims, causes of action or proceedings which may result from the Indemitor's dealing with any broker, agency or finder, license or otherwise in connection with the transaction covered by this Agreement.

14. 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.

15. 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, rules, regulations or requirements (now or hereafter enacted or adopted and/or as amended from time to time) of the City, or its departments, commission, agencies and boards and the officers of the City, including without limitation, any general plan or any zoning ordinances, or any of their duties, obligations, rights or remedies thereunder or pursuant thereto or the general policy powers, rights, privileges and discretion in the furtherance of the public health, welfare and safety of the inhabitants of the City of Garden Grove, provided, however, that neither shall take any action to frustrate or hinder the intent or effect of this Agreement.

16. Force Majeure. Time for performance hereunder shall be extended by any period of delay caused by circumstances beyond the reasonable control of the party claiming the delay despite the party's diligent efforts, other than financial ability, provided the party claiming the delay provides written notice to the other party within a reasonable period following commencement of any such circumstances which circumstances shall include, without limitation, fire/casualty losses; strikes; litigation; unusually severe weather; inability to secure necessary labor, materials, or tools; environmental remediation; including governmental review and processing of environmental remediation; delays of any contractor, subcontractor, or supplier; delay caused by the other party; and acts of God (collectively, "Force Majeure").

17. Interpretation. In this Agreement the neuter gender includes the feminine and masculine, and singular number includes the plural, and the words "person" and "Party" include corporation, partnership, firm, trust, or association where the context so requires.

18. Time of the Essence. Time is of the essence of this Agreement and all parties' obligations under this Agreement.

19. Authority to Execute. The person or persons executing this Agreement on behalf of GGA 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 GGA to the performance of its obligations hereunder.

20. Warranty Against Payment of Consideration for Agreement. GGA 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.

21. Release of Public Officials. No member, official, agent, employee, or attorney of the City or City shall be personally liable to GGA, or any successor in interest of GGA, in the event of any default or breach by the City or for any amount which may become due to GGA or its successors, or on any obligations under the terms of this Agreement. GGA 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 them or for any amount which may become due to GGA or its successors, or on any obligations under the terms of this Agreement. GGA 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.”

22. Headings. The headings to the Sections of this Agreement have been inserted for convenience reference only and shall not to any extent have the effect of modifying, amending or changing the expressed terms and provisions of this Agreement.

23. 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, State of California, or in an appropriate municipal court in the County of Orange, State of California.

24. Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

25. Successors and Assigns. The provisions of this Agreement shall be binding upon, and inure to the benefit of, the City and GGA and their successors and assigns as the case or context may require.

26. No Joint Venture. Nothing contained in this Agreement shall be construed to render the City in any way or for any purpose a partner or joint venturer, or in any manner associated in any relationship with GGA, nor shall this Agreement be construed to authorize any party to act as agent for the other.

27. Waiver. The waiver by the City or GGA of any breach by the other party of any term, covenant, or condition in this Agreement contained shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition herein contained. Any party's acceptance of any performance by the other party after the due date of such performance shall not be deemed to be a waiver by any party or any preceding breach by the other party of any term, covenant, or condition of this Agreement, regardless of such party's knowledge of such preceding breach at the time of acceptance of such performance.

28. 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.

29. Recordation of Agreement. This Agreement shall be recorded in the records of the Orange County Recorder's Office after the Site is acquired by GGA (directly or through an Affiliate). Following the termination of the Operating Period or the earlier termination of this Agreement in accordance with the terms thereof, the parties shall cooperate in removal of the Agreement from the records of the Orange County Recorder's Office.

30. Original Signatures. Only original signatures shall be binding upon the parties upon signing and delivering.

31. Attorneys' Fees. In the event that suit is brought for the enforcement of this Agreement or as of the result of any alleged breach hereof, the prevailing party in such suit shall be entitled to recover their reasonable attorneys' fees from the losing party, and any judgment or decree rendered in such proceeding shall include an award thereof. Attorneys' fees under this Section shall include attorneys' fees on any appeal and, in addition, a party entitled to attorneys' fees shall be entitled to all other reasonable costs and expenses incurred in connection with such action. In addition to the foregoing award of attorneys' fees to the prevailing party, the prevailing party in any lawsuit shall be entitled to its attorneys' fees incurred in any post-judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of this Agreement into any judgment on this Agreement.

32. No Third Party Beneficiary. This Agreement is not intended, nor shall it be construed, to create any third party beneficiary rights and any person who is not a party hereto, unless expressly provided otherwise.

33. City Approvals and Actions. Except as provided in the last sentence of this Section 33, the City shall maintain authority with respect to this Agreement and its implementation through the City Manager (or his duly authorized representative). The City Manager shall have the authority to issue interpretations, waive provisions, and/or enter into certain amendments of this Agreement on behalf of the City so long as such actions do not materially or substantially add to the costs incurred or to be incurred by the City as specified herein, and such interpretations, waivers and/or amendments may include extensions of time to perform as specified in the Agreement and, to the extent allowable and consistent with the goals and objectives of the City pursuant to this Agreement, to reasonably accommodate requests of lenders. All other material and/or substantive interpretations, waivers, or amendments shall require the consideration, action and written consent of the City Council.

34. Captions. The captions of this Agreement are inserted for convenience and are not part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement Regarding Operating Covenant and Restrictive Covenants as of the Date of Agreement.

CITY:

CITY OF GARDEN GROVE, a California
Municipal Corporation

By: _____

Name:

Its: City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

Thomas P. Clark, Jr.
Stradling Yocca Carlson & Rauth
Special Counsel

GGA:

GARDEN GROVE AUTOMOTIVE, INC.,
a California corporation

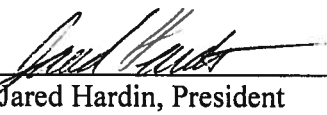
By: _____
Jared Hardin, President

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Real property in the City of Garden Grove , County of Orange, State of California, described as follows:

THE NORTHERLY 312.00 FEET OF THE EASTERLY 420.00 FEET OF THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER AND THE SOUTH QUARTER OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 4, TOWNSHIP 5 SOUTH, RANGE 10 WEST, IN THE RANCHO LAS BOLSAS, IN THE CITY OF GARDEN GROVE, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 51, PAGE 12, OF MISCELLANEOUS MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING NORTH OF THE RIGHT OF WAY OF THE LOS ANGELES INTER-URBAN RAILWAY COMPANY, AS DESCRIBED IN DEED RECORDED AUGUST 1, 1905 IN BOOK 121, PAGES 48 OF DEEDS, AND IN DECREE RECORDED NOVEMBER 8, 1905 IN BOOK 122, PAGE 18 OF DEEDS.

SAID LAND IS ALSO DELINEATED AS PARCEL B ON PARCEL MAP 22905 FILED IN BOOK 8 PAGE 44 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY.

APN: 100-130-52

EXHIBIT B
SITE MAP

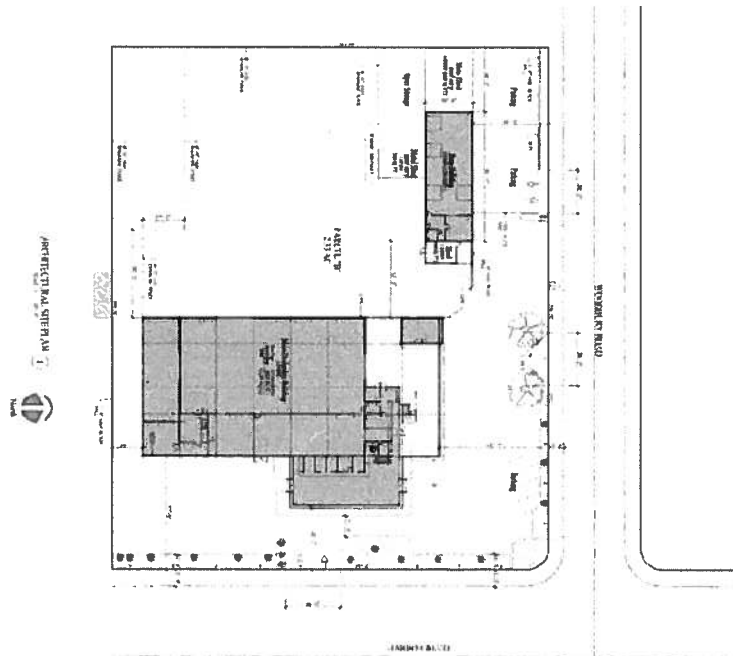


EXHIBIT C

GUARANTY

THIS GUARANTY (this “**Guaranty**”), is entered into as of _____, 2017, by HARDIN ENTERPRISES, INC., a California corporation (“**Guarantor**”) and by, and for the benefit of, the CITY OF GARDEN GROVE, a municipal corporation (the “**City**”).

R E C I T A L S :

WHEREAS, Garden Grove Automotive, Inc., a California corporation (“**GGA**”) and the City are parties to that certain Agreement Regarding Opening, Operating, and Other Covenants, dated _____, 2017 (the “**Agreement**”) attached hereto as Attachment No. 1 and incorporated herein by reference pursuant to which the City agreed to pay certain Covenant Consideration contingent upon certain performance by GGA on the terms and conditions set forth therein. Unless otherwise defined herein, capitalized terms used in this Guaranty shall have the meanings set forth in the Agreement; and

WHEREAS, upon fulfillment of the Conditions Precedent described in Section 4 of the Agreement, the City shall accept this Guaranty as being the Guaranty under the Agreement.

WHEREAS, by this Guaranty, GGA is further guaranteeing to City that GGA shall comply with its obligations under the Agreement.

NOW, THEREFORE, for good and valuable consideration, Guarantor, intending to be legally bound, hereby covenants, agrees, represents and warrants as follows:

ARTICLE 1 – GUARANTEED OBLIGATIONS

Section 1.1 Guaranteed Obligations. Guarantor hereby guarantees timely and full compliance with and performance under the Agreement, including but not limited to, the indemnity obligations set forth in Section 2.3 thereof (collectively, the “**Guaranteed Obligations**”).

Section 1.2 Guaranty of Payment and Performance.

(a) The obligations of Guarantor hereunder constitute a guarantee of payment and performance, as applicable, and not merely of collection, are absolute and unconditional and shall not in any event be discharged, impaired, or otherwise affected except by payment in full of all amounts guaranteed hereunder to the City and/or performance in full of all other obligations guaranteed hereunder, as the case may be. Guarantor agrees that it will, upon notice from the City that any Guaranteed Obligations by GGA are in Default (“**Defaulted Obligations**”), (i) immediately perform Defaulted Obligations, (ii) reimburse the City for all attorneys’ fees and costs, and (iii) if GGA fails to comply with the Guaranteed Obligations to indemnify and/or reimburse City, within twenty (20) days of City’s invoice to GGA, for costs incurred by City to timely comply with the obligations under the Agreement, including but not limited to, costs described under Section 2.3, or with the enforcement of this Guaranty.

(b) The City shall have the right to pursue performance and/or payment from Guarantor of the Defaulted Obligations without first being required to bring a lawsuit or any other legal proceeding against GGA.

ARTICLE 2 – CANCELLATION/COSTS/BANKRUPTCY

Section 2.1. Cancellation. This Guaranty and all obligations and liabilities of Guarantor hereunder will be cancelled when all Guaranteed Obligations have been satisfied and/or paid in full; provided, however, that this Guaranty shall be reinstated and remain in full force and effect for so long as any payment hereunder may be voided or rescinded in bankruptcy proceedings as a preference or for any other reason.

Section 2.2. Insolvency of GGA or Guarantor.

(a) The obligations of Guarantor under this Guaranty shall not be discharged, impaired or otherwise affected by the insolvency, bankruptcy, liquidation, readjustment, composition, dissolution or other similar proceeding involving or affecting either or both GGA or Guarantor, proceedings affecting the ownership of any of the above through merger, consolidation or otherwise, inconsistent orders in or claims by parties to any such proceedings or other release of obligations by operation of law.

(b) Guarantor understands and agrees that, if GGA becomes insolvent or is adjudicated bankrupt, whether by voluntary or involuntary petition, or if any bankruptcy action involving GGA is commenced or filed, or if a petition for reorganization, arrangement or similar relief is filed against GGA, or if a receiver of any part of GGA's property or assets is appointed by any court, Guarantor will immediately pay to City the amount of all accrued, unpaid and accruing Guaranteed Obligations that are payment obligations.

ARTICLE 3 – AGREEMENTS AND WAIVERS

Section 3.1. Agreements. Guarantor hereby:

(a) agrees that any failure or delay by the City to exercise any right or remedy under this Guaranty shall not be construed as a waiver of the right to exercise the same or any other right or remedy hereunder at any time and from time to time thereafter;

(b) agrees that under no circumstances (other than payment and performance, as applicable, in full of the Guaranteed Obligations) shall it become subrogated to any claims of the City against GGA under the Agreement;

(c) agrees that the obligations undertaken in this Guaranty shall not be affected by the lack of validity or enforceability of the Agreement (or any portion thereof) or of any of the Guaranteed Obligations and Guarantor expressly waives any defense based upon any lack of authority of the officers, directors, partners or agents acting or purporting to act on behalf of GGA or any principal of GGA or any defect in the formation of GGA or any principal of GGA ;

(d) agrees that no single exercise of the power to bring any action or institute any proceeding under this Guaranty shall be deemed to exhaust such power, but such power shall

continue undiminished and may be exercised from time to time as often as City may elect until all of Guarantor's liabilities and obligations hereunder have been satisfied;

(e) agrees that its liability under this Guaranty shall in no way be released or otherwise affected by the commencement, existence or completion of any proceeding by the City against GGA with respect to the enforcement and/or collection of the Guaranteed Obligations; and the City shall be under no obligation to take any action and shall not be liable for any action taken or any failure to take action or any delay in taking action against Guarantor or; and

(f) waives any notice of (i) City's intention to act in reliance of this Guaranty, (ii) any presentment, demand, protest or notice of dishonor, nonpayment or other Default, and (iii) the commencement or prosecution of any enforcement proceeding against GGA with respect to the Guaranteed Obligations.

Section 3.2 Waivers.

(a) Guarantor expressly waives:

(i) all rights of subrogation, reimbursement, indemnification, and contribution and any other rights and defenses that are or may become available to Guarantor by reason of California Civil Code Sections 2787 to 2855, inclusive, and 2899, 2953 and 3433;

(ii) all benefits and defenses under California Civil Code Sections 2809 and 2810;

(iii) any defense or benefits arising out of any federal or state bankruptcy, insolvency, or debtor relief laws, including without limitation under Sections 364 or 1111(b)(2) of the United States Bankruptcy Code;

(iv) any and all rights it may have now or in the future to require or demand that City pursue any right or remedy that City may have against GGA or any third party; and

(v) the right to require City to proceed against GGA, exhaust any security which City now holds or may hold in the future from GGA or pursue any other right or remedy available to City.

(b) Guarantor hereby (i) waives notice of acceptance of this Guaranty by GGA and any and all notices and demands of every kind which may be required to be given by any statute, rule or law, (ii) agrees to refrain from asserting, until after GGA's full performance of each of the Guaranteed Obligations, any defense, right of set-off or other claim which Guarantor may have against GGA, (iii) waives presentment for payment, demand for payment, notice of nonpayment or dishonor, protest and notice of protest, diligence in collection and any and all formalities which otherwise might be legally required to charge Guarantor with liability, and (iv) waives any failure by City to inform Guarantor of any facts City may now or hereafter know about GGA or any of the Guaranteed Obligations, it being understood and agreed that City has no duty so to inform and that Guarantor is fully responsible for being and remaining informed by GGA of all circumstances bearing on the risk of nonperformance of the Guaranteed Obligations. City shall not have any obligation to disclose or discuss with Guarantor its assessment of the financial condition of GGA. Guarantor acknowledges that no representations of any kind whatsoever have been made by City.

No modification or waiver of any of the provisions of this Guaranty shall be binding upon City except as expressly set forth in a writing duly signed and delivered by City.

(c) Guarantor further agrees that the Guarantor's liability as guarantor shall not be impaired or affected by: (i) any waiver of any terms or conditions of the Agreement, (ii) City's failure or election not to pursue any other remedies it may have against GGA or Guarantor or any third party, and (iii) any change, modification or termination of the Agreement, it being the intent hereof that, subject to City's compliance with the terms of this Guaranty, Guarantor shall remain liable for the performance of the Guaranteed Obligations, notwithstanding any act or thing which might otherwise operate as a legal or equitable discharge of a surety.

Section 3.3. Enforceability.

(a) Guarantor hereby acknowledges that: (a) the obligations undertaken by Guarantor in this Guaranty are complex in nature, and (b) numerous possible defenses to the enforceability of these obligations may presently exist and/or may arise hereafter, and (c) as part of City's consideration for entering into this transaction, City has specifically bargained for the waiver and relinquishment by Guarantor of all such defenses, and (d) Guarantor has had the opportunity to seek and receive legal advice from skilled legal counsel in the area of transactions of the type contemplated herein. Given all of the above, Guarantor does hereby represent and confirm to City that Guarantor is fully informed regarding, and that Guarantor does thoroughly understand: (i) the nature of all such possible defenses, and (ii) the circumstances under which such defenses may arise, and (iii) the benefits which such defenses might confer upon Guarantor, and (iv) the legal consequences to Guarantor of waiving such defenses. Guarantor acknowledges that Guarantor makes this Guaranty with the intent that this Guaranty and all of the informed waivers herein shall each and all be fully enforceable by City, and that City is induced to enter into this transaction in material reliance upon the presumed full enforceability thereof.

(b) This Guaranty is independent of the obligations of GGA under the Agreement. City may bring a separate action to enforce the provisions hereof against Guarantor without taking action against GGA or any other party or joining GGA or any other party as a party to such action. Except as otherwise provided in this Guaranty, this Guaranty is not secured and shall not be deemed to be secured by any security instrument unless such security instrument expressly recites that it secures this Guaranty.

ARTICLE 4 – REPRESENTATION AND WARRANTY

Section 4.1. Warranties and Representations. Guarantor warrants and represents that:

(a) Guarantor's Warranties. Guarantor warrants and acknowledges that: (a) Guarantor has reviewed all of the terms and provisions of the Agreement; (b) all conditions precedent to the effectiveness of this Guaranty have been fulfilled; (d) Guarantor has established adequate means of obtaining from sources other than City, on a continuing basis, financial and other information pertaining to GGA's financial condition, the progress of payment and performance of the Guaranteed Obligations, and the status of GGA's performance of its obligations under the Agreement, and City has made no representation to Guarantor as to any such matters; (e) the most recent financial statements of Guarantor previously delivered to City are true and correct in all material respects, have been prepared in accordance with generally accepted accounting principles consistently applied (or other principles acceptable to City) and fairly present in all material respects

the financial condition of Guarantor as of the respective dates thereof, and no material adverse change has occurred in the financial condition of Guarantor since the respective dates thereof and (f) Guarantor has not and will not sell, lease, assign, encumber, hypothecate, transfer or otherwise dispose of all or substantially all of Guarantor's assets, or any interest therein, without first providing a Replacement Guarantor.

(b) Net Worth Requirement. During the term of this Agreement, Guarantor shall maintain a net worth of Fifteen Million Dollars (\$15,000,000), including liquid assets of not less than Two Million Dollars (\$2,000,000).

(c) Entity Matters. Guarantor is a duly organized, validly existing, organized and in good standing under the laws of the State of California, has all requisite power and authority to conduct its business and to own its property as now conducted or owned, and is qualified to do business in all jurisdictions where the nature and extent of its business is such that such qualification is required by law; and

(d) Material Economic Benefit. The Agreement constitutes a material economic benefit to Guarantor.

ARTICLE 5 – MISCELLANEOUS PROVISIONS

Section 5.1. Choice of Law. This Guaranty shall be governed, construed, applied and enforced in accordance with the laws of the State of California.

Section 5.2. City Assignment. This Guaranty may be assigned in whole or in part by City upon written notice to Guarantor.

Section 5.3. Miscellaneous. The provisions of this Guaranty will bind and benefit the heirs, executors, administrators, legal representatives, nominees, successors and assigns of Guarantor and City. The liability of all persons and entities that are in any manner obligated hereunder shall be joint and several. If any provision of this Guaranty shall be determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, that portion shall be deemed severed from this Guaranty and the remaining parts shall remain in full force as though the invalid, illegal or unenforceable portion had never been part of this Guaranty.

Section 5.4. No Oral Change. This Guaranty and any provisions hereof may not be modified, amended or waived except by an agreement in writing signed by the City and Guarantor.

Section 5.5. Authority. Guarantor represents and warrants that it has full power and authority to execute and deliver this Guaranty and the execution and delivery of this Guaranty has been duly authorized and does not conflict with or constitute a default under any law, judicial order or other agreement affecting Guarantor.

Section 5.6. Duplicate Originals. This Guaranty may be executed in any number of duplicate originals and each such duplicate original shall be deemed to be an original.

Section 5.7. Notices. All notices given under this Guaranty must be in writing and (a) delivered personally by a process server providing a sworn declaration evidencing the date of service, the individual served, and the address where the service was made; (b) sent by certified mail,

return receipt requested; or (c) delivered by nationally recognized overnight delivery service that provides evidence of the date of delivery (for next morning delivery if sent by overnight delivery service), in all cases with charges prepaid addressed to the appropriate party at its address listed below:

To City: City of Garden Grove
11222 Acacia Parkway
Garden Grove, California 92840
Attn: City Manager

With copies to: City of Garden Grove
11222 Acacia Parkway
Garden Grove, California 92840
Attn: Community and Economic
Development Director

City of Garden Grove
11222 Acacia Parkway
Garden Grove, California 92840
Attn: City Attorney

Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attn: Thomas P. Clark, Jr.

To GGA/Guarantor: _____

Attention: _____

To GGA: Hardin Enterprises, Inc.
1381 Auto Center Drive
Anaheim, California 92806
Attn: Jared Hardin, Vice President

With a copy to: Ferruzzo & Ferruzzo, LLP
3737 Birch Street, Suite 400
Newport Beach, California 92660
Attn: Thomas G. Ferruzzo

Copies of any notice to the Guarantor shall also be sent to the GGA at the same time. Guarantor requests that City copy Guarantor on any notice of default given to GGA pursuant to the Agreement.

Section 5.8. WAIVER OF TRIAL BY JURY. EACH OF GUARANTOR AND THE CITY HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER IN

CONTRACT, TORT OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO THIS GUARANTY.

Section 5.9. Headings, etc. The headings and captions of various paragraphs of this Guaranty are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

Section 5.10. Approval of Guarantor. The City hereby confirms that it approves Guarantor and accepts the guaranty of Guarantor under this Guaranty in satisfaction of the City's Conditions Precedent in Section 4 of the Agreement.

[Signature on Following Page]

IN WITNESS WHEREOF, Guarantor and the City each has caused this Guaranty to be duly executed by its duly authorized representative, all as of the day and year first above written.

GUARANTOR:

HARDIN ENTERPRISES, INC.,
a California corporation

By: _____
Jared Hardin, President

By: _____

Its: _____

CITY:

CITY OF GARDEN GROVE, a municipal corporation

By: _____
_____, City Manager

Attested to by:

By: _____
Teresa Pomeroy, CMC
City Clerk

Approved as to Form:

By: _____
Thomas P. Clark, Jr., Special Counsel

ATTACHMENT NO. 1
AGREEMENT REGARDING OPENING, OPERATING, AND
RESTRICTIVE COVENANTS

[To be inserted]

EXHIBIT D

EXAMPLE OF COVENANT CONSIDERATION CALCULATIONS (SECTION 3.1)

Example of calculation of Covenant Consideration:

Assume:

- Sales Tax Revenue for an Annual Period of \$250,000

Then:

- $250,000 - 150,000 \times 35\% = \$35,000$ in Covenant Consideration for the applicable Annual Period

Example of calculation of less than a full year under the definition of Covenant Consideration:

Assume:

- Opening for Business occurs on May 1, 2018
- Sales Tax Revenue for the period from May 1, 2018 to June 30, 2018 is \$20,000

Then:

$$30 \text{ day} \div 365 \text{ days} = .082$$

$$.082 \times \$150,000 = \$12,329 \text{ is the new base for the partial period}$$

$$\text{The Covenant Consideration for the partial period is therefor } (20,000 - 12,329) \times 35\% = \$2,685$$

EXHIBIT E

ANNUAL CERTIFICATE OF COMPLIANCE

City Manager
City Manager's Office
City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA 92840

Re: Annual Certification Pursuant to Agreement Regarding Opening, Operating, and Other Covenants ("Agreement") by and between the City of Garden Grove and Garden Grove Automotive, Inc. ("GGA").

Dear City Manager:

This Certification is submitted to the City of Garden Grove in accordance with the Agreement, for the Annual Period from July 1 _____ to June 30 _____. The undersigned authorized representatives of "GGA" under the Agreement hereby represent and certify the following:

1. Garden Grove Kia, located at 13731 Harbor Boulevard, Garden Grove, CA [Opened for Business on _____ and] confirms that [Garden Grove Kia] has continually operated as a [Kia] Franchise during the Annual Period in question.
2. [Garden Grove Kia] has been maintained in good condition, meeting the standards required by [Kia Motors America], during the Annual Period and consistent with the Franchise Agreement.
3. [Garden Grove Kia] has maintained forty (40) FTE Jobs during the Annual Period .
4. Garden Grove Kia is in compliance with the Restrictive Covenants.
5. Garden Grove Kia is in compliance with the Franchise Agreement.
6. No Additional Franchise and/or Alternative Franchise are operating on the Site without City Approval.
7. Copies of the Sales Tax amount paid quarterly to the State Board of Equalization (and/or other governmental agency to which such payments are to be made) during the Annual Period is provided in the attached.
8. The representations and warranties set forth in Section 6 of the Agreement remain true, complete and accurate.
9. The Guaranty was delivered on _____ and is still in full force and effect in accordance with its terms.

DATED: _____

By: _____

Its: _____

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Attachment 2

GARDEN GROVE CITY COUNCIL

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING AN AGREEMENT REGARDING OPENING, OPERATING, AND OTHER COVENANTS BY AND BETWEEN THE CITY OF GARDEN GROVE AND GARDEN GROVE AUTOMOTIVE, INC.; MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH; AND AUTHORIZING THE EXECUTION AND IMPLEMENTATION OF SAID AGREEMENT REGARDING OPENING, OPERATING, AND OTHER COVENANTS

WHEREAS, the City of Garden Grove ("City") is a California municipal corporation;

WHEREAS, the City wishes to insure opening and continued operation of a Kia automobile dealership ("Automobile Dealership") in the City for at least twenty-five (25) years;

WHEREAS, Garden Grove Automotive, Inc. ("GGA") is a California Corporation qualified to do business in the State of California;

WHEREAS, GGA desires to provide Covenants (as defined in the Agreement), assuring the City, among other things, of the opening and continuous operation of the Automobile Dealership for a period of twenty-five (25) years (together, the "Covenants"), in return for certain Covenant Consideration to be paid by the City (as described in the Agreement);

WHEREAS, the City and GGA have negotiated the terms of an Agreement Regarding Opening, Operating, and Other Covenants ("Agreement") to provide for the conveyance of the Covenants and the payment of the Covenant Consideration;

WHEREAS, the City has authority to enter into the Agreement and provide the Covenant Consideration pursuant to Government Code Section 52200 *et seq.*;

WHEREAS, the City (i) made the information required by Government Code Section 53083(a) available to the public in written form and on the City's website and (ii) held a noticed Public Hearing regarding the Agreement and City's obligation

therein to pay the Covenant Consideration as required by Government Code Section 53083(b); and

WHEREAS, the City has duly considered all terms and conditions of the proposed Agreement and believes that operation of the Automobile Dealership thereon pursuant to the Agreement is in the vital and best interest of the City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of applicable requirements of State and local law.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GARDEN GROVE AS FOLLOWS:

1. The City Council hereby finds and determines that the recitals set forth above are true and correct and are incorporated herein by reference as if set forth in full.

2. The City Council hereby finds and determines, based upon substantial evidence provided in the record before it, that (a) the Agreement is an agreement that will create or retain at least one (1) full-time equivalent, permanent job for every Thirty-Five Thousand Dollars (\$35,000) of City investment in the Automobile Dealership after full capacity; (b) implementation of the Agreement will promote the public peace, health, safety, and welfare of the City of Garden Grove and its residents; and (c) the Covenant Consideration is reasonably necessary to induce and ensure the opening and operation of the Automobile Dealership and the fulfillment of the Covenants.

3. The City Council hereby finds and determines, based upon substantial evidence provided in the record before it, that the City, as Responsible Agency, has complied with the applicable requirements of CEQA with respect to this Agreement.

4. The City Council hereby finds and determines, based upon substantial evidence provided in the record before it, that the opening and operation of the Automobile Dealership and the fulfillment of the other Covenants will be of material benefit to the City and to the citizens of, and property owners in, the City and

surrounding areas, because the opening and operation of the Automobile Dealership and the fulfillment of the other Covenants will; encourage and foster the economic revitalization of the City for the people in the area and the general public as a whole; increase property tax available to the City; increase sales tax revenues available to the City; and create jobs within the City.

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

Attachment 3

**PROPOSED KIA DEALERSHIP
GARDEN GROVE, CALIFORNIA**

ECONOMIC DEVELOPMENT SUBSIDY REPORT

**California Government Code
Section 53083**

**PURSUANT TO THE OPENING, OPERATING, AND OTHER COVENANTS AGREEMENT
BETWEEN
THE CITY OF GARDEN GROVE
AND
GARDEN GROVE AUTOMOTIVE, INC.**

City of Garden Grove, California

October 2017

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I. INTRODUCTION

A. Purpose of Report

This Economic Development Subsidy Report (Report) was prepared in accordance with Section 53083 of the California Government Code in order to inform the City Council of the City of Garden Grove (City) and the public of the proposed Economic Development Subsidy (Subsidy) provided by the City to Garden Grove Automotive, Inc. (Developer). The proposed Subsidy is described in a proposed Opening, Operating, and Other Covenants Agreement (Agreement) between the City and the Developer.

The Developer currently operates a Kia Dealership under a temporary lease at 10081 Garden Grove Boulevard. Their current lease is expiring and the Developer is seeking to transfer to an alternate location, located at 13731 Harbor Boulevard (Site) in the City. The Site contains a small used car lot, a body shop, and four other non-automotive tenants. Although not required by the Agreement, the Developer proposes substantial renovation, including the retention and improvement of 25,000 square feet (SF) of gross building area (GBA). The Developer further proposes that the renovated facility will be comprised of showroom/delivery, office, service, and parts space, as well as 150 parking spaces (Dealership).

The Report describes and specifies:

- (1) The name and address of all corporations or any other business entities that are the beneficiary of the Subsidy;
- (2) The start and end dates and schedule, if applicable, for the Subsidy;
- (3) The description of the Subsidy, including the estimated total amount of the expenditure of public funds by, or of revenue lost to, the City as a result of the Subsidy;
- (4) The statement of the public purposes for the Subsidy;
- (5) The projected tax revenue to the City as a result of the Subsidy; and
- (6) The estimated number of jobs created by the Subsidy, broken down by full-time, part-time, and temporary positions.

B. Overview of Proposed Dealership

The Site is located at 13731 Harbor Boulevard and measures approximately 2.33 acres. The Site currently contains a small used car lot, a body shop, and four other non-automotive tenants. Although not required by the Agreement, the Developer proposes to renovate the Site. Thereafter, in accordance with the Agreement, Developer proposes to open and operate a Kia Dealership for not less than 25 years.

Table I-1 provides a summary of the physical characteristics of the proposed Dealership.

Table I-1: Dealership Description	
I. Site Area	2.33 Acres
II. Gross Building Area	
A. Showroom/Delivery	6,000 SF
B. Offices	5,000 SF
C. Service	9,000 SF
D. Parts	5,000 SF
E. Total	25,000 SF
III. Parking	
A. Acres	1.75 Acres
B. Spaces	150 Spaces

C. Proposed Transaction Terms

This section summarizes the salient aspects of the business terms contained in the Agreement.

- The Dealership will be operated as a Kia Franchise.
- The Dealership will be maintained in good condition, meeting the standards required by Kia Motors America.
- The Dealership will maintain 40 full-time equivalent jobs during the Annual Period (as defined in the Agreement).
- The Dealership will continuously operate as an automobile dealership on the Site, primarily for the sale and lease of all makes and models of new and used Kia automobiles, as well as the servicing and repair of vehicles and vehicle part sales, for a period of 25 years from the date of Opening for Business (as defined in the Agreement).
- Upon the completion and satisfaction of conditions set forth in the Agreement, the Developer shall receive payments from the City in an amount equivalent to 35.0% of annual sales tax revenue in excess of \$150,000 for the first 20 years, commencing when the Dealership is Open for Business (as

defined in the Agreement), not to exceed a total of \$2,500,000, whichever comes first.

II. NAME AND ADDRESS OF BUSINESS ENTITY RECEIVING SUBSIDY

The Subsidy provided under the Agreement will be paid to the Developer, under the name:

Hardin Enterprises, Inc.
1381 Auto Center Drive
Anaheim, California 92806

III. START AND END DATES OF SUBSIDY

Payments will be delivered by the City to the Developer after certain conditions are completed in accordance with the Agreement. The period of the Subsidy (Sales Tax Revenue Accrual Period) will commence once the Dealership is Opened for Business (as defined in the Agreement) and will terminate on the earlier of: (a) the 20th anniversary date of the date on which the Dealership Opens for Business on the Site; (b) payment in the aggregate of \$2,500,000; or (c) suspension and/or termination of the Agreement.

IV. DESCRIPTION OF THE SUBSIDY

The City will provide the Developer a subsidy equal to 35.0% of annual sales tax revenue in excess of \$150,000 for the first 20 years, commencing when the Dealership is Open for Business (as defined in the Agreement), not to exceed a total of \$2,500,000, whichever comes first.

V. PUBLIC PURPOSE OF SUBSIDY

Implementation of the proposed Agreement, allowing for the Subsidy, can be expected to assist the City in achieving its economic development goals and objectives as defined in the City's General Plan Economic Development Element and Economic Development Strategic Plan. These include the following:

- Assist tax revenue-generating uses with minimal impact to the City's General Fund budget through tax sharing agreements
- Increase and diversify the City's sales and property tax base for the delivery of quality police, fire, housing, recreation, transportation, and other services

- Create and retain jobs within the City
- Support the provision of incentives for private development and redevelopment

VI. PROJECTED TAX REVENUE TO CITY RESULTING FROM THE SUBSIDY

Table VI-1 below provides a summary of the projected sales tax revenues to the City for the Sales Tax Revenue Accrual Period. As shown below, sales tax net of Subsidy to the City as a result of completion of the Dealership are estimated to be \$119,100 in Year 1 and projected to grow to \$266,000 by Year 20. Net sales tax revenues are defined as annual tax revenues received by the City, less: (1) existing tax revenues from the Site, and (2) the Subsidy paid to the Developer.

Table VI-1: Projected Sales Tax Net of Subsidy to City	
Year	Sales Tax Net of Subsidy to City
1	\$119,100
2	\$127,500
3	\$136,600
4	\$145,700
5	\$154,200
6	\$161,300
7	\$169,100
8	\$175,600
9	\$182,800
10	\$189,300
11	\$196,400
12	\$203,600
13	\$210,700
14	\$217,900
15	\$225,000
16	\$232,800
17	\$241,300
18	\$249,100
19	\$257,500
20	\$266,000

VII. ESTIMATED NUMBER OF JOBS CREATED BY THE SUBSIDY

The Developer estimates operation of the Dealership upon completion will create 48 full-time jobs and two part-time jobs. The Agreement requires not less than 40 full-time jobs throughout the term.

VIII. LIMITING CONDITIONS

1. The KMA analysis is based, in part, on data provided by secondary sources such as state and local governments, planning agencies, real estate brokers, and other third parties. While KMA believes that these sources are reliable, we cannot guarantee their accuracy.
2. The projections and analyses contained herein are based on estimates and assumptions which were developed using currently available economic data, project-specific data and other relevant information. It is the nature of forecasting, however, that some assumptions may not materialize and unanticipated events and circumstances may occur. Such changes are likely to be material to the projections and conclusions herein and, if they occur, would require review or potential revision of this document.
3. Any estimates of revenue or cost projections are based on the best project-specific and fiscal data available at this time as well as experience with comparable projects. They are not intended to be projections of actual future performance of any specific project. Any changes to costs, development program, or project performance may render the conclusions contained herein invalid.
4. KMA assumes that all applicable laws and governmental regulations in place as of the date of this document will remain unchanged throughout the projection period of our analysis. In the event that this does not hold true, i.e., if any tax rates change, the analysis would need to be revised.

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To:	Scott C. Stiles	From:	Todd D. Elgin
Dept.:	City Manager	Dept.:	Police
Subject:	Approval of a Selective Traffic Enforcement Program Grant Agreement with the State of California Office of Traffic Safety to implement traffic safety checkpoints. (Grant Funding: \$286,000) (Action Item)	Date:	10/24/2017

OBJECTIVE

To obtain City Council approval to participate in and approve a Grant Agreement for the 2017-2018 Traffic Safety Grant Program through the California Office of Traffic Safety (OTS) for implementing DUI/CDL Checkpoints and Selective Traffic Enforcement Operations.

BACKGROUND

The California Office of Traffic Safety awards grants to local law enforcement agencies. These one-year grants begin October 1, 2017, and end September 30, 2018. The Garden Grove Police Department has applied for and received similar grants dating back to 1996.

DISCUSSION

The City is eligible to receive \$286,000 in federal funds to implement DUI/CDL Checkpoints and Selective Traffic Enforcement Operations. This year's proposed grant funding focuses on the reduction of persons killed and injured in alcohol-involved crashes by using "best practice" strategies. These strategies include driving under the influence (DUI)/Driver's License Checkpoints, DUI Saturation Patrols, Bicycle and Pedestrian Enforcement, Distracted Driver Enforcement, a "Hot Sheet" program, and Traffic Educational Presentations. The Police and Finance Departments will be responsible for providing the necessary reporting to fulfill the goals and objectives of the grant.

FINANCIAL IMPACT

There is no impact to the General Fund. The total amount for the 2017-2018 grant will be \$286,000. There is no need or requirement to hire additional personnel, and there are no out of pocket expenses. There is neither cost nor income to the City based upon participation in this grant.

RECOMMENDATION

It is recommended that the City Council:


- Authorize participation in the Selective Traffic Enforcement Program (STEP);
- Accept the Office of Traffic Safety Grant funds in the amount of \$286,000;
- Authorize the City Manager execute the grant agreement on behalf of the City; and
- Allocate these grant monies to fund Selective Traffic Enforcement Operations.

By: Royce Wimmer
Traffic Investigator

ATTACHMENTS:

Description	Upload Date	Type	File Name
OTS Grant 2017-2018	10/10/2017	Backup Material	OTS_grant_2017-2018.pdf

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10. PROJECTED EXPENDITURES						
FUND	CFDA	ITEM/APPROPRIATION	F.Y.	CHAPTER	STATUTE	PROJECTED EXPENDITURES
402PT-18	20.600	0521-0890-101	2016	2016	23/16	\$30,000.00
164-AL-18	20.608	0521-0890-101	2016	2016	23/16	\$27,000.00
402PT-18	20.600	0521-0890-101	2017	2017	14/17	\$121,000.00
164-AL-18	20.608	0521-0890-101	2017	2017	14/17	\$108,000.00
				AGREEMENT TOTAL		\$286,000.00
<i>I CERTIFY upon my own personal knowledge that the budgeted funds for the current budget year are available for the period and purpose of the expenditure stated above.</i>				AMOUNT ENCUMBERED BY THIS DOCUMENT		
				\$286,000.00		
				PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT		
ACCOUNTING OFFICER'S SIGNATURE			DATE SIGNED	TOTAL AMOUNT ENCUMBERED TO DATE		
				\$286,000.00		

1. PROBLEM STATEMENT

In the City of Garden Grove, we have had 27 fatal traffic collisions since the beginning of 2014. Of those fatalities 10 of them have involved impaired drivers, as well as over 200 other injury collisions involving impaired drivers. The negative effects of drinking and driving have struck our community on several occasions and the Garden Grove Police Department is committed to using all resources available to combat the problem. The City of Garden Grove has taken a zero tolerance approach towards drunk/impaired driving over the three year period of time and has made over 1,400 arrests and initiated several thousand citizen contacts related to DUI investigations. The City of Garden Grove is committed to the safety of our citizens and has utilized DUI Checkpoints and DUI Saturation patrols as a means to deter, locate, and arrest impaired drivers, as well as a means to deter provide educational opportunities to the members of the community. Through the opportunities granted to our department through the awarding of the OTS Step Grant, we will continue our zero tolerance efforts towards eliminating of impaired driving. The efforts will focus on all motorists and citizens in the community. Through the use of press releases and social media, an effort will be made to educate the community on the dangers of impaired driving, the costs of being prosecuted for a DUI, and alternative methods of transportation available to those that may consider driving while impaired.

The City of Garden Grove has seen a marked increase in the number of fatalities and injury collisions involving pedestrians and bicyclists. From 2014 through 2016 there were over 360 injury traffic collisions involving bicyclists and pedestrians with 15 of them being fatalities. The number of fatalities in Garden Grove involving bicyclists and pedestrians is more than all other fatalities combined including those involving impaired driving. The increase has been alarming to the community and in response a citywide campaign was launched in September of 2016 to address the problem. The Garden Grove PD Neighborhood Traffic Unit formed what is known as the Accident Reduction Team or ART Team with personnel from our city's public works, traffic engineering, and community relations departments. Through a collaborative effort between all members of the ART Team, we have identified and addressed traffic engineering issues that could lead to a decrease in these types of collisions, used public works to assist with the use of adequate traffic control measures in areas lacking the proper measures for safe bicycling and walking, and used our community relations department to get the message out through the use of city billboards, social media, press releases, city mailers, and a public service announcement that was filmed and used as an educational tool. As an enforcement and educational tool, the traffic unit has utilized grant funds to conduct heavily publicized bicyclist/pedestrian safety operations in areas targeted for high volumes of collisions and violations. These events are publicized using press releases and social media. The events have been live-streamed on Facebook and typically all of the comments from those following are very supportive and positive towards the operations. During each of the events that have been conducted since the inception of the ART Team, there has been an average of 60 citations issued for various violations related to bicycle/pedestrian safety, including issuing motorist's citations for failing to yield to bicyclists and pedestrians. In conjunction with the issuing of citations, the strong police presence is a reminder of the possibility of being issued a citation and an opportunity to have educational contacts with members of the community.

The Garden Grove PD traffic unit has participated in events such as the National Walk Your Child to School Day and Bicycle Safety Month. Various safety presentations have been provided to senior citizens, school children, and to transients during our departments homeless outreach programs. Flyers with safety messages related to pedestrian and bicycle safety have been developed and handed out at various community events and over 1,000 reflective safety devices were given to children during the month of December.

Motorcycle safety has become an issue recently in the City of Garden Grove. Aside from numerous injury collisions and 1 fatal motorcycle in 2013, injuries to motorcycle officers resulted in the loss of hundreds of man-hours of traffic enforcement, putting the citizens of Garden Grove at even greater risk.

Over the years, approximately 60-75 percent of fatal and injury-combined collisions involved various Primary Collisions Factors (PCF) such as DUI, speed, right-of-way, traffic signals and signs, pedestrian violations, and improper turning.

The Garden Grove Police Department has noticed several arrestees are not showing up for their court dates, and are subsequently issued arrest warrants for not appearing. This enables repeat-offending and allows the public to once again be put at risk by the conscious negligence of an impaired driver. The same issues arise with the drivers who have had their driver's license recently suspended. Several traffic violators are stopped daily and are found to have

suspended driving privileges. This happens as close as the courtroom parking lot where the violators drive away directly after having their driver's license suspended.

2. PERFORMANCE MEASURES

A. Goals:

1. Reduce the number of persons killed in traffic collisions.
2. Reduce the number of persons injured in traffic collisions.
3. Reduce the number of pedestrians killed in traffic collisions.
4. Reduce the number of pedestrians injured in traffic collisions.
5. Reduce the number of bicyclists killed in traffic collisions.
6. Reduce the number of bicyclists injured in traffic collisions.
7. Reduce the number of persons killed in alcohol-involved collisions.
8. Reduce the number of persons injured in alcohol-involved collisions.
9. Reduce the number of persons killed in drug-involved collisions.
10. Reduce the number of persons injured in drug-involved collisions.
11. Reduce the number of persons killed in alcohol/drug combo-involved collisions.
12. Reduce the number of persons injured in alcohol/drug combo-involved collisions.
13. Reduce the number of motorcyclists killed in traffic collisions.
14. Reduce the number of motorcyclists injured in traffic collisions.
15. Reduce hit & run fatal collisions.
16. Reduce hit & run injury collisions.
17. Reduce nighttime (2100 - 0259 hours) fatal collisions.
18. Reduce nighttime (2100 - 0259 hours) injury collisions.

B. Objectives:

	Target Number
1. Issue a press release announcing the kick-off of the grant by November 15. The kick-off press releases and media advisories, alerts, and materials must be emailed to the OTS Public Information Officer at pio@ots.ca.gov, and copied to your OTS Coordinator, for approval 14 days prior to the issuance date of the release.	1
2. Participate and report data (as required) in the following campaigns, National Walk to School Day, NHTSA Winter & Summer Mobilization, National Bicycle Safety Month, National Click it or Ticket Mobilization, National Teen Driver Safety Week, National Distracted Driving Awareness Month, National Motorcycle Safety Month, National Child Passenger Safety Week, and California's Pedestrian Safety Month.	10
3. Develop (by December 31) and/or maintain a "HOT Sheet" program to notify patrol and traffic officers to be on the lookout for identified repeat DUI offenders with a suspended or revoked license as a result of DUI convictions. Updated HOT sheets should be distributed to patrol and traffic officers monthly.	12
4. Send law enforcement personnel to the NHTSA Standardized Field Sobriety Testing (SFST) (minimum 16 hours) POST-certified training.	4
5. Send law enforcement personnel to the NHTSA Advanced Roadside Impaired Driving Enforcement (ARIDE) 16 hour POST-certified training.	4
6. Send law enforcement personnel to the Drug Recognition Expert (DRE) training.	2
7. Send law enforcement personnel to the DRE Recertification training.	2
8. Send law enforcement personnel to SFST Instructor training.	1
9. Conduct DUI/DL Checkpoints. A minimum of 1 checkpoint should be conducted during the NHTSA Winter Mobilization and 1 during the Summer Mobilization. To enhance the overall deterrent effect and promote high visibility, it is recommended the grantee issue an advance press release and conduct social media activity for each checkpoint. For combination DUI/DL checkpoints, departments should issue press releases that mention DL's will be checked at the DUI/DL checkpoint. Signs for DUI/DL checkpoints should read "DUI/Driver's License Checkpoint Ahead." OTS does not fund or support independent DL checkpoints. Only on an exception basis and with OTS pre-approval will OTS fund checkpoints that begin prior to 1800 hours. When possible, DUI/DL Checkpoint screeners should be DRE- or ARIDE-trained.	4
10. Conduct DUI Saturation Patrol operation(s).	12
11. Conduct Traffic Enforcement operation(s), including but not limited to, primary collision factor violations.	8

12. Conduct highly publicized Distracted Driving enforcement operation(s) targeting drivers using hand held cell phones and texting.	2
13. Conduct highly publicized pedestrian and/or bicycle enforcement operation(s) in areas or during events with a high number of pedestrian and/or bicycle collisions resulting from violations made by pedestrians, bicyclists, and drivers.	6
14. Conduct Traffic Safety educational presentations with an effort to reach community members. Note: Presentations may include topics such as distracted driving, DUI, speed, bicycle and pedestrian safety, seat belts and child passenger safety.	2
3. METHOD OF PROCEDURE A. Phase 1 – Program Preparation (1st Quarter of Grant Year) <ul style="list-style-type: none"> The police department will develop operational plans to implement the “best practice” strategies outlined in the objectives section. All training needed to implement the program should be conducted this quarter. All grant related purchases needed to implement the program should be made this quarter. In order to develop/maintain the “Hot Sheets,” research will be conducted to identify the “worst of the worst” repeat DUI offenders with a suspended or revoked license as a result of DUI convictions. The Hot Sheets may include the driver’s name, last known address, DOB, description, current license status, and the number of times suspended or revoked for DUI. Hot Sheets should be updated and distributed to traffic and patrol officers at least monthly. Implementation of the STEP grant activities will be accomplished by deploying personnel at high collision locations. <u>Media Requirements</u> Issue a press release announcing the kick-off of the grant by November 15. The kick-off press releases and media advisories, alerts, and materials must be emailed to the OTS Public Information Officer at pio@ots.ca.gov, and copied to your OTS Coordinator, for approval 14 days prior to the issuance date of the release. B. Phase 2 – Program Operations (Throughout Grant Year) <ul style="list-style-type: none"> The police department will work to create media opportunities throughout the grant period to call attention to the innovative program strategies and outcomes. <u>Media Requirements</u> Send all grant-related activity press releases, media advisories, alerts and general public materials to the OTS Public Information Officer (PIO) at pio@ots.ca.gov, with a copy to your OTS Coordinator. <ul style="list-style-type: none"> If an OTS template-based press release is used, the OTS PIO and Coordinator should be copied when the release is distributed to the press. If an OTS template is not used, or is substantially changed, a draft press release shall be sent to the OTS PIO for approval. Optimum lead time would be 10-20 days prior to the release date to ensure adequate turn-around time. Press releases reporting the results of grant activities such as enforcement operations are exempt from the recommended advance approval process, but still should be copied to the OTS PIO and Coordinator when the release is distributed to the press. Activities such as warrant or probation sweeps and court stings that could be compromised by advanced publicity are exempt from pre-publicity, but are encouraged to offer embargoed media coverage and to report the results. Use the following standard language in all press, media, and printed materials: Funding for this program was provided by a grant from the California Office of Traffic Safety, through the National Highway Traffic Safety Administration. Email the OTS PIO at pio@ots.ca.gov and copy your OTS Coordinator at least 30 days in advance, a short description of any significant grant-related traffic safety event or program so OTS has sufficient notice to arrange for attendance and/or participation in the event. Submit a draft or rough-cut of all printed or recorded material (brochures, posters, scripts, artwork, trailer graphics, etc.) to the OTS PIO at pio@ots.ca.gov and copy your OTS Coordinator for approval 14 days prior to the production or duplication. Include the OTS logo, space permitting, on grant-funded print materials; consult your OTS Coordinator for specifics. C. Phase 3 – Data Collection & Reporting (Throughout Grant Year) <ul style="list-style-type: none"> Invoice Claims (due January 30, April 30, July 30, and October 30) Quarterly Performance Reports (due January 30, April 30, July 30, and October 30) 	

- Collect and report quarterly, appropriate data that supports the progress of goals and objectives.
- Provide a brief list of activity conducted, procurement of grant-funded items, and significant media activities. Include status of grant-funded personnel, status of contracts, challenges, or special accomplishments.
- Provide a brief summary of quarterly accomplishments and explanations for objectives not completed or plans for upcoming activities.
- Collect, analyze and report statistical data relating to the grant goals and objectives.

4. METHOD OF EVALUATION

Using the data compiled during the grant, the Grant Director will complete the "Final Evaluation" section in the fourth/final Quarterly Performance Report (QPR). The Final Evaluation should provide a brief summary of the grant's accomplishments, challenges and significant activities. This narrative should also include whether goals and objectives were met, exceeded, or an explanation of why objectives were not completed.

5. ADMINISTRATIVE SUPPORT

This program has full administrative support, and every effort will be made to continue the grant activities after grant conclusion.

FUND NUMBER	CATALOG NUMBER (CFDA)	FUND DESCRIPTION	TOTAL AMOUNT
164AL	20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	\$135,000.00
402PT	20.600	State and Community Highway Safety	\$151,000.00

COST CATEGORY	CFDA	TOTAL COST TO GRANT
A. PERSONNEL COSTS		
Positions and Salaries		
Full-Time		\$0.00
Overtime		
DUI/DL Checkpoints	20.608	\$38,660.00
DUI Saturation Patrols	20.608	\$74,880.00
Benefits @ 16.43%	20.608	\$18,655.00
Traffic Enforcement	20.600	\$49,600.00
Distracted Driving	20.600	\$12,000.00
Pedestrian and Bicycle Enforcement	20.600	\$36,000.00
Benefits @ 16.43%	20.600	\$16,036.00
Part-Time		\$0.00
Category Sub-Total		\$245,831.00
B. TRAVEL EXPENSES		
		\$0.00
		\$0.00
Category Sub-Total		\$0.00
C. CONTRACTUAL SERVICES		
		\$0.00
Category Sub-Total		\$0.00
D. EQUIPMENT		
Traffic Collision Reconstruction System	20.600	\$36,000.00
Category Sub-Total		\$36,000.00
E. OTHER DIRECT COSTS		
DUI Checkpoint Supplies	20.608	\$2,805.00
Bicycle Safety Equipment	20.600	\$1,364.00
Category Sub-Total		\$4,169.00
F. INDIRECT COSTS		
		\$0.00
Category Sub-Total		\$0.00
GRANT TOTAL		\$286,000.00

BUDGET NARRATIVE	
PERSONNEL COSTS	QUANTITY
DUI/DL Checkpoints - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.	4
DUI Saturation Patrols - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.	12
Benefits @ 16.43% - Overtime Benefits Workers Compensation 14.98% Medicare 1.45%	1
Traffic Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.	8
Distracted Driving - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.	2
Pedestrian and Bicycle Enforcement - Overtime for grant funded law enforcement operations conducted by appropriate department personnel.	6
Benefits @ 16.43% - Overtime Benefits Workers Compensation 14.98% Medicare 1.45%	1
TRAVEL EXPENSES	
-	
CONTRACTUAL SERVICES	
-	
EQUIPMENT	
Traffic Collision Reconstruction System - System to diagram and record a traffic collision scene and perform calculations. Costs may include laptop, software, electronic transit, electronic distance measuring device and accessories.	1
OTHER DIRECT COSTS	
DUI Checkpoint Supplies - On-scene supplies needed to conduct sobriety checkpoints. Costs may include 28" traffic cones, MUTCD compliant traffic signs, MUTCD compliant high visibility vests (maximum of 10), traffic counters (maximum of 2), generator, gas for generators, lighting, reflective banners, electronic flares, PAS device supplies, heater, propane for heaters, fan, anti-fatigue mats, and canopies. Additional items may be purchased if approved by OTS. The cost of food and beverages will not be reimbursed.	1
Bicycle Safety Equipment - Safety equipment such as bicycle headlights/taillights, reflectors, and reflective arm and leg bands to be distributed during bicycle rodeos and other bicycle safety related events.	1
INDIRECT COSTS	
-	
STATEMENTS/DISCLAIMERS	
There will be no program income generated from this grant.	
Nothing in this 'agreement' shall be interpreted as a requirement, formal or informal, that a particular law enforcement officer issue a specified or predetermined number of citations in pursuance of the goals and objectives.	

CERTIFICATIONS AND ASSURANCES

Failure to comply with applicable Federal statutes, regulations, and directives may subject Grantee Agency officials to civil or criminal penalties and/or place the State in a high risk grantee status in accordance with 49 CFR §18.12.

The officials named on the grant agreement, certify by way of signature on the grant agreement signature page, that the Grantee Agency complies with all applicable Federal statutes, regulations, and directives and State rules, guidelines, policies and laws in effect with respect to the periods for which it receives grant funding. Applicable provisions include, but are not limited to, the following:

- 23 U.S.C. Chapter 4—Highway Safety Act of 1966, as amended
- 49 CFR Part 18—Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments
- 23 CFR Part 1200—Uniform Procedures for State Highway Safety Grant Programs

NONDISCRIMINATION

The Grantee Agency will comply with all Federal statutes and implementing regulations relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (Pub. L. 88- 352), which prohibits discrimination on the basis of race, color or national origin (and 49 CFR Part 21); (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683 and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), and the Americans with Disabilities Act of 1990 (Pub. L. 101-336), as amended (42 U.S.C. 12101, et seq.), which prohibits discrimination on the basis of disabilities (and 49 CFR Part 27); (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107), which prohibits discrimination on the basis of age; (e) the Civil Rights Restoration Act of 1987 (Pub. L. 100-259), which requires Federal-aid recipients and all sub-recipients to prevent discrimination and ensure nondiscrimination in all of their programs and activities; (f) the Drug Abuse Office and Treatment Act of 1972 (Pub. L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (g) the comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (Pub. L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (h) Sections 523 and 527 of the Public Health Service Act of 1912, as amended (42 U.S.C. 290dd-3 and 290ee-3), relating to confidentiality of alcohol and drug abuse patient records; (i) Title VIII of the Civil Rights Act of 1968, as amended (42 U.S.C. 3601, et seq.), relating to nondiscrimination in the sale, rental or financing of housing; (j) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (k) the requirements of any other nondiscrimination statute(s) which may apply to the application.

BUY AMERICA ACT

The Grantee Agency will comply with the provisions of the Buy America Act (49 U.S.C. 5323(j)), which contains the following requirements:

Only steel, iron and manufactured products produced in the United States may be purchased with Federal funds unless the Secretary of Transportation determines that such domestic purchases would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. Clear justification for the purchase of non-domestic items must be in the form of a waiver request submitted to and approved by the Secretary of Transportation.

POLITICAL ACTIVITY (HATCHACT)

The Grantee Agency will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508) which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

CERTIFICATION REGARDING FEDERAL LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form- LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-award at all tiers (including subcontracts, sub-grants, and contracts under grant, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

RESTRICTION ON STATE LOBBYING

None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

CERTIFICATION REGARDING DEBARMENT AND SUSPENSION

Instructions for Primary Certification

1. By signing and submitting this grant agreement, the Grantee Agency Official is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the Grantee Agency Official to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the Grantee Agency Official knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The Grant Agency Official shall provide immediate written notice to the department or agency to which this grant agreement is submitted if at any time the Grantee Agency Official learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms *covered transaction*, *debarred*, *suspended*, *ineligible*, *lower tier covered transaction*, *participant*, *person*, *primary covered transaction*, *principal*, *grant agreement*, and *voluntarily excluded*, as used in this clause, have the meaning set out in the Definitions and coverage sections of 49 CFR Part 29. You may contact the department or agency to which this grant agreement is being submitted for assistance in obtaining a copy of those regulations.
6. The Grantee Agency Official agrees by submitting this grant agreement that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who

is proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The Grantee Agency Official further agrees by submitting this grant agreement that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the list of Parties Excluded from Federal Procurement and Non-procurement Programs.
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters-Primary Covered Transactions

1. The Grantee Agency Official certifies to the best of its knowledge and belief, that its principals:
 - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
 - b. Have not within a three-year period preceding this grant 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 or commission of embezzlement, theft, forgery, bribery, falsification or destruction of record, making false statements, or receiving stolen property;
 - c. 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 (1)(b) of this certification; and
 - d. Have not within a three-year period preceding this application/grant agreement had one or more public transactions (Federal, State, or local) terminated for cause or default.
2. Where the Grantee Agency Official is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this grant agreement.

Instructions for Lower Tier Certification

1. By signing and submitting this grant agreement, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this grant agreement is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms *covered transaction*, *debarred*, *suspended*, *ineligible*, *lower tier covered transaction*, *participant*, *person*, *primary covered transaction*, *principal*, *grant agreement*, and *voluntarily excluded*, as used in this clause, have the meanings set out in the Definition and Coverage sections of 49 CFR Part 29. You may contact the person to whom this grant agreement is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this grant agreement that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, declared ineligible, or

voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this grant agreement that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion— Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions. (See below)
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transactions:

1. The prospective lower tier participant certifies, by submission of this grant agreement, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this grant agreement.