

ONLINE AGENDA INFORMATION

The online Agenda is not the official Agenda for the El Cajon City Council, but is posted and published five days prior to the City Council Meeting for the convenience of the public. Changes may be made up to 72 hours prior to the meeting; therefore added or deleted items may not appear on the City's website at this time. The City Council's official Agenda is prepared and posted outside City Council Chambers in the kiosk 72 hours prior to every regular meeting, and 24 hours prior to every special meeting. You may call the City Clerk's Office at (619) 441-1763 for information about any changes to this Agenda.

AGENDA BINDER, INCLUDING AGENDA REPORTS, IS AVAILABLE FOR VIEWING AFTER 4:00 P.M., THE FRIDAY BEFORE THE COUNCIL MEETING, AT THE EL CAJON BRANCH OF THE PUBLIC LIBRARY, 201 E. DOUGLAS AVENUE, PHONE (619) 588-3718.

LIBRARY HOURS: Monday – Thursday 9:30 a.m. – 8:00 p.m., Friday & Saturday 9:30 a.m. – 5:00 p.m., and Sunday 12:00 – 5:00 p.m.

SUPPLEMENTAL AGENDA ITEM DOCUMENTS AND/OR MATERIALS RECEIVED AFTER POSTING OF THIS AGENDA, IF ANY, MAY BE VIEWED IN THE CITY CLERK'S OFFICE AT 200 CIVIC CENTER WAY, EL CAJON, MONDAY THROUGH THURSDAY, 7:30 A.M. TO 5:30 P.M. AND ON ALTERNATE FRIDAYS FROM 8:00 A.M. TO 5:00 P.M.

FOR A SCHEDULE OF FRIDAY CITY HALL CLOSURES, VISIT WWW.CITYOFELCAJON.US OR CALL THE CITY CLERK'S OFFICE AT (619) 441-1763.

CITY OF EL CAJON

*City Council/Housing Authority/
Successor Agency to the Redevelopment Agency*

AGENDA



March 10, 2015

**Honoring
and celebrating
the people
who make
El Cajon**

***The Valley
of
Opportunity***

Bill Wells
Mayor

Bob McClellan
Mayor Pro Tem

Tony Ambrose
Councilmember

Star Bales
Councilmember

Gary Kendrick
Councilmember

Douglas Williford
City Manager

Morgan Foley
City Attorney

Majed Al-Ghafry
Assistant City Manager

Belinda Hawley
City Clerk



Upcoming Events in El Cajon City Council Meeting For March 10, 2015



March 11 - The San Diego Antique & Collectible Show will be from 12:00 p.m. to 4:00 p.m. at the Ronald Reagan Community Center, located at 195 E. Douglas Avenue. See a wide selection of antiques from jewelry to art. Parking and admission are free. Call (619) 887-8762 for more information.

March 12 - The El Cajon Farmers' Market continues every Thursday in Downtown El Cajon, from 3:00 p.m. to 7:00 p.m. at the Prescott Promenade, 201 East Main Street. Enjoy fresh fruit, vegetables, bread, prepared hot food, music and more! Visit www.elcajonfarmersmarket.org.

March 13 and March 27 - Alternate Friday closures for El Cajon City offices. Please go to www.cityofelcajon.us for a full calendar of hours for City offices during 2015.

March 15 - Run EC's St. Patrick's Day Half Marathon & 5K Run/Walk. The Half Marathon begins at 198 West Main Street in Downtown El Cajon, near the El Cajon Arch. Funds raised will benefit several East County charities. Visit www.stpatrickshalf.com to register or to be a volunteer.

March 24 and April 14 - El Cajon City Council Meetings are at 3:00 p.m. and 7:00 p.m., as needed. The meetings are held in the City Council Chamber at 200 Civic Center Way. For more information and to view the full agenda online please visit www.cityofelcajon.us.

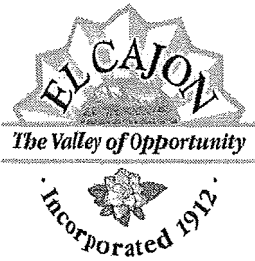
March 18 - El Cajon Police 2014 Citizen's Academy begins. This ten-week program allows members of the community to learn how their police department functions. Classes will be held every Wednesday, from 6:00 p.m. to 8:30 p.m. at the El Cajon Police Station, located at 100 Civic Center Way, in El Cajon. For more information on future academies, please call (619) 579-4227.

March 21 - Arbor Day Celebration! Join us as we celebrate the City's 17th year of receiving the Tree City USA award and our 25th Annual Arbor Day ceremony. Festivities will begin at 8:00 a.m. at Hillside Park, located at 840 Buena Terrace. Volunteers will be trained on proper tree planting techniques before heading out to plant over 50 trees in the surrounding park. Planting tools will be provided, but volunteers are encouraged to bring work gloves and sunscreen. Register to be a volunteer by calling (619) 441-1658.

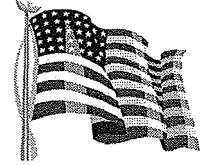
The El Cajon Gateway – Spring 2015 El Cajon City News and Guide to Recreation is now available! The City Guide has been mailed to thousands of El Cajon residents and is also available online at www.elcajonrec.org. Register now for spring classes before they fill up. For more information, please call (619) 441-1516. Pick up a copy of the spring guide at any of the El Cajon recreation centers, local libraries and in the lobbies of City Hall and the El Cajon Police Station.

Upcoming Community Events:

May 16 - America on Main Street in Downtown El Cajon. This patriotic event is planned to coincide with the nationally recognized Armed Forces Day and celebrates the American spirit through appreciation and respect of the many diverse ethnic and historical groups in the community. Highlights include four stages with live entertainment, American and ethnic food booths, a chili cook-off, a Ferris wheel, hay rides, arts, crafts, display booths, a petting zoo, and more. Hours will be from 10:00 a.m. to 8:00 p.m. on East Main Street and Rea Avenue, between Magnolia and Claydelle Avenue. For volunteer and sponsorship information, please call (619) 441-1762.



AGENDA



March 10, 2015
3:00 p.m.

The Agenda contains a brief general description of each item to be considered and most items have a *RECOMMENDATION* from Staff or a Commission, which Council will consider when making a final decision.

Copies of written documentation relating to each item of business on the Agenda are on file in the City Clerk's Office and in the Agenda Book next to the podium in the Council Chambers.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM FOR EACH ITEM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE CITY CLERK if you wish to speak about an Item on the Agenda or under Public Comment.

- **CALL TO ORDER:** Mayor Bill Wells
- **ROLL CALL:** City Clerk Belinda Hawley



PLEDGE OF ALLEGIANCE TO FLAG AND MOMENT OF SILENCE

- **POSTINGS:** The City Clerk posted Orders of Adjournment of the February 24, 2015, Meeting and the Agenda of the March 10, 2015, Meeting in accordance to State Law and Council/Authority/Successor Agency to the Redevelopment Agency Policy.
- **PRESENTATIONS:** None
- **AGENDA CHANGES:**

*Backup Information Available – Housing Authority and Successor Agency Items are identified.

CONSENT ITEMS: (1.1 – 1.10)

Consent Items are routine matters enacted by one motion according to the **RECOMMENDATION** listed below. With the concurrence of the City Council, a Council Member or person in attendance may request discussion of a *Consent Item* at this time.

***1.1 MINUTES OF CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY TO THE EL CAJON REDEVELOPMENT AGENCY MEETINGS**

RECOMMENDATION: That the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency approve Minutes of the February 24, 2015 Meeting of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency.

1.2 WARRANTS

RECOMMENDATION: That the City Council approve payment of Warrants as submitted by the Finance Department.

1.3 APPROVAL OF READING BY TITLE AND WAIVER OF READING IN FULL OF ORDINANCES ON AGENDA

RECOMMENDATION: That the City Council approve the reading by title and waive the reading in full of all Ordinances on the Agenda.

***1.4 RESOLUTIONS: SANDAG's SMART GROWTH AND ACTIVE TRANSPORTATION GRANT PROGRAMS (Report: Planning Manager)**

RECOMMENDATION: That the City Council adopt the next RESOLUTIONS in order authorizing the City Manager, or designee, to make applications for SANDAG's Smart Growth and Active Transportation Grant Programs and execute agreements with SANDAG, and other agencies as necessary, following award of grants.

CONSENT ITEMS: (Continued)

***1.5 FISCAL YEAR 2014 CALHOME GRANT FUNDING
(Report: Assistant City Manager/Director of Community Development)**

RECOMMENDATION: That the City Council:

- Authorize the City Manager, or designee, to accept the Fiscal Year 2014 CalHome Grant in the amount of \$634,000, and to execute all documents and agreements necessary for the receipt and use of these grant funds; and
- Appropriate \$634,000 in the CalHome Fund to be used for mortgage assistance loans to low-income first-time homebuyers and for program costs.

***1.6 RESOLUTION: JOHNSON AVENUE SEWER RELIEF PROJECT PHASE I (JASRP-I), WW3250-1 AUTHORIZATION FOR THE EXECUTION OF AN AGREEMENT WITH SAN DIEGO GAS AND ELECTRIC COMPANY (SDG&E) FOR REIMBURSEMENT OF CONSTRUCTION COSTS FOR WORK PERFORMED BY THE CITY OF EL CAJON AND BENEFITING SDG&E
(Report: Deputy Director of Public Works)**

RECOMMENDATION: That the City Council adopt the next RESOLUTION approving a Reimbursement Agreement with SDG&E and authorize the City Manager, or designee, to execute the Agreement.

***1.7 KaBOOM! PLAYGROUND GRANT APPLICATION – BILL BECK PARK
(Report: Director of Recreation)**

RECOMMENDATION: That the City Council:

- Authorize the City Manager, or designee, to accept the 2015 KaBOOM! Playground Grant for Bill Beck Park, if the City is awarded the Playground Grant by KaBOOM!; and
- Appropriate \$4,250.00, if necessary, as the remaining funding source for the complete installation of the Bill Beck Park playground.

CONSENT ITEMS: (Continued)

- *1.8 JOHNSON AVENUE SEWER RELIEF PROJECT - STATE WATER RESOURCES CONTROL BOARD FINANCING AGREEMENT - AMENDMENT NO. 1 (Report: Deputy Director of Public Works)**

RECOMMENDATION: That the City Council approve Amendment No. 1 of the Loan Agreement, and authorize the City Manager, or designee, to execute an amendment to the Financing Agreement with the State Water Board in the amount of \$11.3 million to fund the construction of Phase I of the Johnson Avenue Sewer Relief Project (JASRP-I).

- *1.9 RESOLUTIONS: APPROVAL OF PLANS AND BID SPECIFICATIONS FOR EAST COUNTY PERFORMING ARTS CENTER (ECPAC) IMPROVEMENTS, IFM3471 / Bid No. 035-15 (Report: Assistant City Manager)**

RECOMMENDATION: That the City Council adopt the next RESOLUTIONS in order, to approve Plans and Bid Specifications for the East County Performing Arts Center (ECPAC) Improvements Project, IFM3471 / Bid No. 035-15, and direct a Notice Inviting Sealed Bids to be opened on May 7, 2015.

- *1.10 SINGLE AUDIT REPORT ON FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2014 (Report: Director of Finance)**

RECOMMENDATION: That the City Council receive and accept the Single Audit Report on Federal Awards for the fiscal year ended June 30, 2014.

PUBLIC COMMENT:

At this time, any person may address a matter within the jurisdiction of the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency that is not on the Agenda. Comments relating to items on today's agenda are to be taken at the time the item is heard. State law prohibits discussion or action on items not on the Agenda; however, Council, Authority and Agency Members may briefly respond to statements or questions. An item may be placed on a future Agenda.

2. WRITTEN COMMUNICATIONS: None

3. PUBLIC HEARINGS:

- *3.1 FIRST AMENDMENT TO THE PURCHASE AND SALE AGREEMENT –
JKC EL CAJON, LLC.
(Report: Assistant City Manager/Director of Community Development)**

RECOMMENDATION: That the City Council, acting as the Successor Agency to the former El Cajon Redevelopment Agency:

- Open the public hearing and receive testimony;
- Close the public hearing;
- Adopt the next resolution in order to approve the proposed First Amendment to the Purchase and Sale Agreement (“Amendment”) between the City of El Cajon (“Successor Agency”), as Successor Agency to the former El Cajon Redevelopment Agency and JKC El Cajon, LLC (“Buyer”) for the sale of Site #10, 572-588 N. Johnson Avenue, APN 482-250-34-00, (“Property”) substantially in the form as it is presented at this meeting to make revisions to the sections relating to the City Acquisition of Sign Area, Conditional Use Permit, Close of Escrow, and Flood Map Revision, and IRS Section 1031 Exchange, with such changes as may be approved by the Executive Director;
- Authorize the Executive Director or designee to execute all documents necessary to implement approved terms and conditions, and complete the sale upon approval by the Oversight Board and California Department of Finance;

THEN

- Acting as the City of El Cajon, appropriate \$36,000 in the General Fund - Other Financing Sources for transfer to the Capital Improvements Project Fund for the City’s acquisition of the Sign Area.

4. ADMINISTRATIVE REPORTS: None

5. COMMISSION REPORTS: None

6. ACTIVITIES REPORTS OF MAYOR WELLS/COMMENTS

SANDAG (San Diego Association of Governments); SANDAG Public Safety Committee; League of California Cities, San Diego Division; Heartland; Fire Training JPA – Alternate; Indian Gaming Local Community Benefit Committee.

***6.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

***6.2 LEGISLATIVE REPORT**

ACTIVITIES REPORTS OF COUNCILMEMBERS

7.

COUNCILMEMBER GARY KENDRICK

Heartland Communications JPA; Heartland Fire Training JPA;.

***7.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

8.

COUNCILMEMBER TONY AMBROSE

SANDAG (San Diego Association of Governments) - Alternate; SANDAG Public Safety Committee – Alternate Chamber of Commerce – Government Affairs; MTS (Metropolitan Transit System Board) - Alternate; East County Economic Development Council; METRO Commission/ Wastewater JPA.

***8.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

9.

MAYOR PRO TEM BOB McCLELLAN

MTS (Metropolitan Transit System Board); Harry Griffen Park Joint Steering Committee; Heartland Communications JPA – Alternate.

***9.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

10.

COUNCILMEMBER STAR BALES

East County Economic Development Council - Alternate; METRO Commission/ Wastewater JPA – Alternate; Indian Gaming Local Community Benefit Committee – Alternate.

***10.1 COUNCIL ACTIVITIES REPORT/COMMENTS**

11. JOINT COUNCILMEMBER REPORTS – None

12. GENERAL INFORMATION ITEMS FOR DISCUSSION – None

13. ORDINANCES: FIRST READING – None

14. ORDINANCES: SECOND READING AND ADOPTION

***14.1 ORDINANCE AMENDING SPECIFIC PLAN NO. 182**

RECOMMENDATION: That Mayor Wells requests the City Clerk to recite the title:

An Ordinance Amending Specific Plan No. 182 to Streamline the Development Permit Process

- **MOTION to adopt Ordinance Amending Specific Plan No. 182**

***14.2 ORDINANCE ESTABLISHING ALTERNATIVE PROCUREMENT PROCEDURES FOR PUBLIC PROJECTS**

RECOMMENDATION: That Mayor Wells requests the City Clerk to recite the title:

An Ordinance of the City Council of the City of El Cajon Amending Title 2 by Adding Chapter 2.80 to the El Cajon Municipal Code to Establish Alternative Procurement Procedures for Public Projects

- **MOTION to adopt Ordinance to Establish Alternative Procurement Procedures for Public Projects**

15. CLOSED SESSIONS:

RECOMMENDATION: That the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency adjourn to Closed Sessions as follows:

15.1 CONFERENCE WITH LABOR NEGOTIATOR – pursuant to Government Code Section 54957.6.

Agency Designated Representative: Jim Lynch, Director of Human Resources
Employee Organization: El Cajon Professional Firefighters
International Association of Fire Fighters
Local 4603
(includes El Cajon Fire Supervisory Unit and El Cajon Firefighters' Association)

15.2 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – pursuant to paragraph (1) of subdivision (d) of Government Code Section 54956.9:

Name of Case: Raymond Goodlow v. City of El Cajon, et al.
United States District Court, Southern District of California
Case No. 13CV1524-DMS-NLS

16. RECONVENE TO OPEN SESSION:

City Attorney or Representative reports on actions taken in Closed Sessions.

ADJOURNMENT: The Regular Joint Meeting of the El Cajon City Council/ El Cajon Housing Authority/Successor Agency to the El Cajon Redevelopment Agency held this 10th day of March 2015 is adjourned to Tuesday, March 24, 2015, at 3:00 p.m.

**JOINT MEETING OF THE
EL CAJON CITY COUNCIL/HOUSING
AUTHORITY/SUCCESSOR AGENCY
TO THE REDEVELOPMENT AGENCY**



MINUTES

**CITY OF EL CAJON
EL CAJON, CALIFORNIA**

February 24, 2015

An Adjourned Regular Joint Meeting of the El Cajon City Council/Housing Authority/Successor Agency to the Redevelopment Agency of the City of El Cajon, California held Tuesday, February 24, 2015, was called to order by Mayor/Chair Bill Wells at 3:00 p.m., in the Council Chambers, 200 Civic Center Way, El Cajon, California. This meeting was adjourned from the Adjourned Regular Joint meeting held at 7:00 p.m. on February 10, 2015.

ROLL CALL

| | |
|-----------------------------------|---|
| Council/Agencymembers present: | Ambrose, Bales and Kendrick |
| Council/Agencymembers absent: | None |
| Mayor Pro Tem/Vice Chair present: | McClellan |
| Mayor/Chair present: | Wells |
| Other Officers present: | Hawley, City Clerk/Secretary Foley, City Attorney/General Counsel Williford, City Manager/Executive Director Al-Ghafry, Assistant City Manager |

PLEDGE OF ALLEGIANCE TO FLAG led by Mayor Wells and MOMENT OF SILENCE.

POSTINGS: The City Clerk posted Orders of Adjournment of the February 10, 2015, meetings and the Agenda of the February 24, 2015, meeting in accordance to State Law and Council/Authority/Successor Agency to the Redevelopment Agency Policy.

PRESENTATIONS:

- **Neighborhood Watch Program**
- **Mid-Year Report and Five-Year Business Plan**

AGENDA CHANGES: None

CONSENT ITEMS: (1.1 – 1.7)

MOTION BY McCLELLAN, SECOND BY BALES, to APPROVE Consent Items 1.1 to 1.7.

MOTION CARRIES BY UNANIMOUS VOTE.

1.1 MINUTES OF CITY COUNCIL/HOUSING AUTHORITY/SUCCESSOR AGENCY TO THE EL CAJON REDEVELOPMENT AGENCY

Approve Minutes of the February 10, 2015 Meetings of the El Cajon City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency.

1.2 WARRANTS

Approve payment of Warrants as submitted by the Finance Department.

1.3 APPROVAL OF READING BY TITLE AND WAIVER OF READING IN FULL OF ORDINANCES ON AGENDA

Approve the reading by title and waive the reading in full of all Ordinances on the Agenda.

1.4 2014 SAN DIEGO COUNTY STONEGARDEN COLLABORATIVE GRANT (Report: Chief of Police)

Authorize the City Manager or designee to accept the 2014 San Diego County Stonegarden Collaborative Grant in the amount of \$104,000, and to execute any grant documents and agreements necessary for the receipt and use of these funds; and appropriate these funds in the amount of \$25,000 for overtime and fringe benefits, and \$79,000 to purchase a fully outfitted patrol vehicle and License Plate Reader (LPR), for a total of \$104,000.

CONSENT ITEMS: (Continued)

1.5 RESOLUTION: AWARD OF BID NO. 031-15, TRAFFIC SIGNAL HEAD UPGRADES CITYWIDE (Report: Purchasing Agent)

Adopt RESOLUTION No. 015-15 awarding the bid to the lowest responsive, responsible bidder, HMS Construction, Inc., in the amount of \$268,737.00.

1.6 RESOLUTION: AMENDMENT TO THE 2014 Five (5) YEAR REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM (RTIP No. 14-03) (Report: Deputy Director of Public Works)

Adopt RESOLUTION No.016-15 to approve the amendment to the 2014 Five (5) Year RTIP.

1.7 RESOLUTION: AUTHORIZATION FOR ARCHITECTURAL SERVICES (Report: Assistant City Manager)

Adopt RESOLUTION No. 017-15 to approve \$55,000 in Architectural Design Services for consulting services of plans and specifications for the Fletcher Hills Pool Renovation project.

Students in the audience from Valhalla High School introduced themselves to Council.

PUBLIC COMMENT:

Kenneth Kestner spoke about being harassed by gangs and would like the opportunity to speak with the El Cajon Police Department. He presented a written list of concerns to Council.

Ray Lutz expressed his disappointment in the way negotiations for ECPAC have been handled.

Michael Stowers gave update on the upcoming St. Patrick's Day Half Marathon on Sunday, March 15, 2015. He thanked the Council for their support and invited the Council and the community to participate.

Mayor Pro Tem McClellan expressed his regrets for not attending the services for **Ron Pennock**, due to health issues.

2. **WRITTEN COMMUNICATIONS: None**

3. **PUBLIC HEARINGS:**

3.1 **DELINQUENT REFUSE COLLECTION CHARGES
(Report: Deputy Director of Public Works)**

RECOMMENDATION: That the City Council:

- Open the Public Hearing and receive testimony;
- Close the Public Hearing;

THEN

- Adopt the next RESOLUTIONS in order certifying the list of property owners as delinquent in the payment of their mandatory trash service bills; and,
- Authorize the City Clerk to record the amount owed as a lien on the property and forward a list to the County Tax Assessor for billing on the next property tax bill.

DISCUSSION

Public Hearing is now Open.

Assistant City Manager Al-Ghafry introduced the Item to the Council.

A speaker card was turned in by **Mr. Ali Hussainy** but he did not speak at the meeting.

Elmer Heap, Waste Management Manager, indicated that the account at 1762 Woodburn Street, belonging to Mr. Hussainy, may be adjusted, and requested a couple of days to clarify the situation.

No further comments were offered.

MOTION BY WELLS, SECOND BY McCLELLAN, to CLOSE the Public Hearing.

MOTION CARRIES BY UNANIMOUS VOTE.

PUBLIC HEARINGS: (Item 3.1 – Continued)

MOTION BY McCLELLAN, SECOND BY AMBROSE, to ADOPT RESOLUTIONS NOS. 018-15A, 018-15B, 018-15C, 018-15D, 018-15E, 018-15F, 018-15G and 018-15H, certifying the list of property owners as delinquent in the payment of their mandatory trash service bills; and, Authorize the City Clerk to record the amount owed as a lien on the property and forward a list to the County Tax Assessor for billing on the next property tax bill.

MOTION CARRIES BY UNANIMOUS VOTE.

**3.2 REGULATORY STREAMLINING – SPECIFIC PLAN NO. 182 AMENDMENT
(Report: Planning Manager)**

RECOMMENDATION: That the City Council:

- Open the public hearing and receive testimony;
- Close the public hearing;

THEN

- Make a MOTION, and second to introduce the Ordinance;
- Discussion;
- Vote;
- If approved, the City Clerk recites the title:

An Ordinance Amending Specific Plan No. 182 to Streamline the Development Permit Process

DISCUSSION

City Manager Williford introduced the Item to the Council.

Planning Manager Anthony Shute presented information about the Item.

Councilmember Kendrick spoke in support of the project.

Mayor Wells announced the Public Hearing is now Open.

Eric Lund representing the San Diego East County Chamber of Commerce spoke in support of the item.

Ray Lutz, representing Citizens Oversight.org, indicated he did not support the changes and felt projects in public spaces should be brought forward to **Council**.

PUBLIC HEARINGS: (Item 3.2 – Continued)

No further comments were offered.

MOTION BY WELLS, SECOND BY McCLELLAN, to CLOSE the Public Hearing.

MOTION CARRIES BY UNANIMOUS VOTE.

Mayor Wells, Councilmember Ambrose and Councilmember Bales spoke in support of the streamlining procedures of the development permit process.

MOTION BY BALES, SECOND BY McCLELLAN, to INTRODUCE an Ordinance Amending Specific Plan No. 182 to Streamline the Development Permit Process.

MOTION CARRIES BY UNANIMOUS VOTE.

City Clerk Hawley recited the title of the ordinance for a first reading:

An Ordinance Amending Specific Plan No. 182 to Streamline the Development Permit Process

**3.3 FY 2015-16 CDBG AND HOME ALLOCATIONS
(Report: City Manager)**

RECOMMENDATION: That the City Council

- Open the public hearing and accept public testimony;
- Accept public input for the FY 2015-16 One-Year Action Plan;
- Close the public hearing;

THEN

- Allocate funds to projects and programs that will be funded from the FY 2015-16 Community Development Block Grant (CDBG) and HOME grant programs.

DISCUSSION

Mayor Pro Tem Kendrick disqualified himself due to his spouse's employment by the Home of Guiding Hands, which is a source of income to his family. He left the Chambers at 3:54 p.m.

Assistant City Manager Al-Ghafry introduced **Senior Management Analyst Jamie Kasvikis**, and presented the Item to **Council**.

PUBLIC HEARINGS: (Item 3.3 – Continued)

In response to questions from **Councilmember Ambrose** and **Mayor Wells**, **Assistant City Manager Al-Ghafry** spoke about the costs for LED lighting, the number of City-owned lights and the average life cycle for LED lights.

Discussion ensued among **Council** and **Staff** concerning the request for funding of the solar panel project at the East County Transitional Living Center (ECTLC), renovations for Wells Park, and the benefits of installing LED lights.

Mayor Wells announced the Public Hearing is now Open.

The following people spoke in support of their requests for funding:

Phillip Stuzman – Angel's Depot

Estela De Los Rios – CSA San Diego County

Marion Mann – Meals on Wheels, Greater San Diego

Harold Brown – El Cajon Transitional Living Center (ECTLC)

Sarah Brenha – Home of Guiding Hands

Deborah Martin – ElderHelp

Ray Lutz indicated he has not seen the objective type of analysis of how well the programs are doing, and how the money is being spent. He suggested that the groups work together to avoid an overlap in services to the community. He additionally commented that ECTLC apparently does religious indoctrination, but they should stay away from religious proselytizing, if they are using government money.

City Attorney Foley stated that discussions have been held just about every year with ECTLC, and any monies they have been given are closely monitored to make certain they don't run afoul of the constitutional prohibition. ECTLC has been forthright about providing information and the City is confident there is no problem.

Mayor Wells inquires about the success rate of participants at ECTLC. **Harold Brown** returned to the podium to respond to the questions and indicated that not all help given is Christian based.

No further comments were offered.

PUBLIC HEARINGS: (Item 3.3 – Continued)

MOTION BY WELLS, SECOND BY McCLELLAN, to CLOSE the Public Hearing.

**MOTION CARRIES BY UNANIMOUS VOTE OF THOSE PRESENT.
(KENDRICK – Disqualified)**

MOTION BY McCLELLAN, SECOND BY AMBROSE, to APPROVE the tentative CDBG allocations in the Administration Category, as recommended by Staff.

**MOTION CARRIES BY UNANIMOUS VOTE OF THOSE PRESENT.
(KENDRICK – Disqualified)**

MOTION BY McCLELLAN, SECOND BY AMBROSE, to APPROVE the tentative CDBG allocations in the Public Facilities/Capital/Other category, as recommended by Staff.

**MOTION CARRIES BY UNANIMOUS VOTE OF THOSE PRESENT.
(KENDRICK – Disqualified)**

MOTION BY WELLS, SECOND BY AMBROSE, to APPROVE the tentative CDBG allocations in the Public Services category, as recommended by Staff, with the exception of reducing the City - Police Services allocation to \$53,976.00, and to tentatively allocate the requested amount of \$20,000.00 to the Angel's Depot for Emergency Food Distribution to Seniors program.

**MOTION CARRIES BY UNANIMOUS VOTE OF THOSE PRESENT.
(KENDRICK – Disqualified)**

MOTION BY AMBROSE, SECOND BY McCLELLAN, to APPROVE the tentative HOME allocations in the Administration category, as recommended by Staff.

**MOTION CARRIES BY UNANIMOUS VOTE OF THOSE PRESENT.
(KENDRICK – Disqualified)**

MOTION BY AMBROSE, SECOND BY McCLELLAN, to APPROVE the tentative HOME allocations in the CHDO Reserve category, as recommended by Staff.

**MOTION CARRIES BY UNANIMOUS VOTE OF THOSE PRESENT.
(KENDRICK – Disqualified)**

PUBLIC HEARINGS: (Item 3.3 – Continued)

MOTION BY BALES, SECOND BY AMBROSE, to APPROVE the tentative HOME allocations in the Entitlement Programs category, as recommended by Staff.

**MOTION CARRIES BY UNANIMOUS VOTE OF THOSE PRESENT.
(KENDRICK – Disqualified)**

Councilmember Kendrick returned to the Chambers at 4:54 p.m.

*Recess called at 4:54 p.m.
Meeting called back to order at 5:02 p.m.*

4. ADMINISTRATIVE REPORTS:

4.1 REJECTION OF BID NO. 030-15, FIRE STATION #6 RENOVATION AND CITY HALL MODERNIZATION (Report: Assistant City Manager)

RECOMMENDATION: That the City Council adopts the next RESOLUTION in order, to reject all bids; finding that rejection of all bids renders moot all bid protests; authorize rebidding with revised specifications; and authorizing the City Manager to enter into a sole source contract for the purchase and installation of the Westnet Fire Alarm Alerting System for Fire Station No. 6.

DISCUSSION

Assistant City Manager Al-Ghafry presented the Item to **Council** and explained the reasons for rejecting all bids.

Danielle Stevens, representing M.A. Stevens Construction, provided a handout to Council and spoke against the City's decision to City to reject the bids. She suggested that not all bids be rejected, and that the bid be awarded to the lowest responsive bidder: M.A. Stevens Construction.

Discussion ensued between **Staff** and **Council** concerning:

- The need to ensure a level bidding field for all contractors;
- The need to remove from the bid, the Westnet fire alarm system, which is furnished and only installed by the manufacturer.

ADMINISTRATIVE REPORTS: (Item 4.1 – Continued)

In response to questions from **Mayor Wells**, **City Attorney Foley** indicated the real question is about fairness, and it is felt that after analyzing the situation, the documents were not fair enough for each bidder to make an appropriate and responsive bid. The recommendation is to reject all bids, as is the City's prerogative, according to California law, and rules on the bid documents as well.

Councilmembers concurred with the recommendation from **Staff**.

No one else came forward to speak.

MOTION BY BALES, SECOND BY McCLELLAN, to ADOPT RESOLUTION No. 019-15, to reject all bids; finding that rejection of all bids renders moot all bid protests; authorize rebidding with revised specifications; and authorizing the City Manager to enter into a sole source contract for the purchase and installation of the Westnet Fire Alarm Alerting System for Fire Station No. 6.

MOTION CARRIES BY UNANIMOUS VOTE.

5. COMMISSION REPORTS: None

6. ACTIVITIES REPORTS OF MAYOR WELLS/COMMENTS

SANDAG (San Diego Association of Governments); SANDAG Public Safety Committee – Chair; League of California Cities, San Diego Division; Heartland Fire Training JPA – Alternate; Indian Gaming Local Community Benefit Committee.

6.1 Council Activities Report/Comments

REPORT AS STATED.

6.2 LEGISLATIVE REPORT: No recommended action.

(Remainder of this page intentionally left blank)

ACTIVITIES REPORTS OF COUNCILMEMBERS

7.

COUNCILMEMBER GARY KENDRICK

Heartland Communications JPA; Heartland Fire Training JPA.

7.1 Council Activities Report/Comments

REPORT AS STATED.

8.

COUNCILMEMBER TONY AMBROSE

SANDAG – Alternate; SANDAG Public Safety Committee – Alternate; Chamber of Commerce – Government Affairs; MTS (Metropolitan Transit System Board) – Alternate; East County Economic Development Council; METRO Commission/Wastewater JPA.

8.1 Council Activities Report/Comments

REPORT AS STATED.

9.

MAYOR PRO TEM BOB McCLELLAN

MTS (Metropolitan Transit System Board); Harry Griffen Park Joint Steering Committee; Heartland Communications JPA – Alternate.

9.1 Council Activities Report/Comments

REPORT AS STATED.

10.

COUNCILMEMBER STAR BALES

East County Economic Development Council – Alternate; METRO Commission/Wastewater JPA – Alternate; Indian Gaming Local Community Benefit Committee – Alternate.

10.1 Council Activities Report/Comments

In addition to the submitted report, **Councilmember Bales** stated she attended the Veterans' Commission Meeting. **Councilmember Ambrose** also praised the work being done by the Veterans' Commission.

11. **JOINT COUNCILMEMBER REPORTS: None**

12. **GENERAL INFORMATION ITEMS FOR DISCUSSION: None**

13. **ORDINANCES: FIRST READING**

13.1 **AMENDMENT TO THE MUNICIPAL CODE TO ESTABLISH SPECIFIC PROCEDURES TO SOLICIT, QUALIFY, EVALUATE, SELECT AND AWARD OF PUBLIC CONSTRUCTION CONTRACTS (Report: Deputy Director of Public Works)**

RECOMMENDATION: That the City Council approves for introduction, an ordinance to establish specific procedures to solicit, qualify, evaluate, select, and award, public construction contracts. If approved, the Mayor requests the City Clerk to recite the title of the ordinance for a First Reading.

- Make a MOTION, and second to introduce the Ordinance;
- Discussion;
- Vote;
- If approved, the City Clerk recites the title:

DISCUSSION

Assistant City Manager Al-Ghafry introduced the item to Council.

Councilmember Ambrose spoke in support of the item.

No further comments were offered.

MOTION BY McCLELLAN, SECOND BY AMBROSE, to INTRODUCE the Ordinance to amend the Municipal Code to establish specific procedures to solicit, qualify, evaluate, select and award of public construction contracts.

MOTION CARRIES BY UNANIMOUS VOTE.

The **City Clerk** recites the title of the ordinance for a first reading.

An Ordinance of the City Council of the City of El Cajon Amending Title 2 by Adding Chapter 2.80 to the El Cajon Municipal Code to Establish Alternative Procurement Procedures for Public Projects

14. ORDINANCES: SECOND READING AND ADOPTION: None

15. CLOSED SESSION

RECOMMENDATION: That the City Council/Housing Authority/Successor Agency to the Redevelopment Agency adjourn to Closed Session as follows:

15.1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR – pursuant to Section 54956.8 of the Government Code:

| <u>Property</u> | <u>Negotiating Parties</u> | <u>Agency Negotiator</u> |
|--|----------------------------|---|
| APN #488-111-28-00 | Rock Church | City Manager |
| A portion of City-owned property (ECPAC Theater) | Mark W. Stevens | Assistant City Manager City Attorney |

Under negotiation: For the Agency/Council to provide instructions to its negotiators regarding the price and terms for the potential lease of property owned by the City.

DISCUSSION

Bonnie Price spoke against the Closed Session discussion regarding ECPAC.

Ray Lutz, representing Citizens Oversight.org, stated the discussions, other than price and payment terms, should be in open discussion. He stated that the City is in violation of the Brown Act by discussing the matters relating to ECPAC in Closed Session.

Mayor Wells consulted with **City Attorney Foley** to clarify if any of the accusations made by Mr. Lutz have merit.

City Attorney Foley addressed the points made by **Mr. Lutz**, and clarified that the Brown Act is in no way being violated.

MOTION BY McCLELLAN, SECOND BY AMBROSE, to ADJOURN to Closed Session at 5:32 p.m.

MOTION CARRIES BY UNANIMOUS VOTE.

16. RECONVENE TO OPEN SESSION AT 5:49 P.M.

City Attorney Foley reports the following actions:

- 15.1 Price and terms were discussed and direction was given to the Real Property Negotiators.

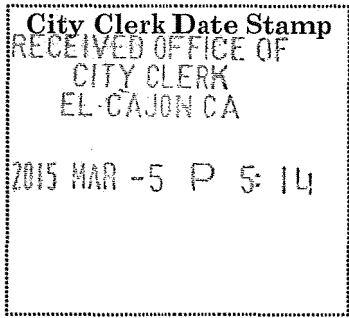
ADJOURNMENT: Mayor Wells adjourned the Adjourned Regular Joint Meeting of the City Council/Housing Authority/Successor Agency to the Redevelopment Agency held this 24th day of February, 2015, at 5:50 p.m. to Tuesday, March 10, 2015 at 3:00 p.m.

BELINDA A. HAWLEY, CMC
City Clerk/Secretary

DRAFT

**APPROVAL OF READING BY TITLE AND WAIVER OF READING
OF ORDINANCES ON THIS AGENDA**

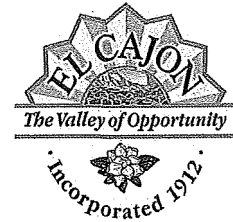
The City Council waives the reading of the full text of every ordinance contained in this agenda and approves the reading of the ordinance title only.



City of El Cajon Agenda Report

MEETING: Mar 10, 2015

ITEM NO: 1.4



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Anthony Shute, Planning Manager

SUBJECT: SANDAG's Smart Growth and Active Transportation Grant Programs

RECOMMENDATION: That the City Council:

ADOPT the next RESOLUTIONS in order AUTHORIZING the City Manager to make applications for SANDAG's Smart Growth and Active Transportation Grant Programs and execute agreements with SANDAG, and other agencies as necessary, following award of grants.

BACKGROUND

The *TransNet* Extension Ordinance provides funding for two competitive grant programs that support local jurisdictions' efforts to increase walking, biking, and transit usage throughout the region: the *TransNet* Smart Growth Incentive Program (SGIP) and the *TransNet* Active Transportation Grant Program (ATGP).

Specifically, the SGIP provides funding for transportation-related infrastructure improvements and planning efforts that support smart growth development in opportunity areas as shown on the Smart Growth Concept Map. On October 24, 2014, SANDAG's Board of Directors adopted the latest revisions to the map, which illustrates the location of existing, planned, and potential opportunity areas for planning purposes and to help prioritize public transit investments. Furthermore, the map is used for determining eligibility for the SGIP. On December 19, 2014, the SANDAG Board of Directors released a third cycle of funding for both programs. Approximately \$12 million in SGIP funds and \$3 million in ATGP funds are available.

PROJECT DESCRIPTION

The City is preparing to make four grant applications in order to secure funding for transportation-related infrastructure improvements, and planning efforts that support mixed use economic development in El Cajon's Smart Growth Opportunity Areas, including an education awareness program to support pedestrian and bicycle infrastructure. The grant applications are described as follows:

El Cajon Transit Center (SGIP)

The El Cajon Transit Center is the transit hub for East County. The orange and green trolley lines provide quick and efficient service to the employment center near Gillespie field, major shopping areas at the Santee Town Center and Grossmont Center and to the greater urbanized areas of San Diego. The area immediately surrounding the transit center contains a diverse mix of uses but lacks the appropriate infrastructure, public amenities, and commercial services to function as a modern mixed use development area. Moreover, El Cajon Boulevard, a primary commercial corridor, is within easy walking distance of the transit station and yet appropriate crossings are not in place to encourage the movement of pedestrians and cyclists. The grant being sought is \$400,000 (maximum allowed) to evaluate infrastructure needs, land use and mobility comprehensively throughout the project area. The City's match is \$30,000.

Gillespie Field Aerotropolis (SGIP)

The cities of El Cajon and Santee, and the County of San Diego, in collaboration with the East County Economic Development Council, have been exploring the Aerotropolis concept for the Gillespie Field area for a few years. Previous efforts have been made to secure grant funds to further investigate and develop a plan that coordinates land uses with transportation facilities in the surrounding area, including the Gillespie Field Transit Station.

This proposed approach will be a coordinated tri-jurisdictional effort to develop a transportation and land use strategy that provides additional employment and development opportunities consistent with the Gillespie Field Airport Land Use Compatibility Plan. The grant amount being requested is \$400,000 with \$35,000 matching funds from El Cajon (\$20,000) and Santee (\$15,000). The County is proposing \$5,600 in-kind contribution.

Freeway Underpass Pedestrian Improvements (ATGP)

Consistent with the Active Transportation Grant Program (ATGP) goal to build and improve facilities for pedestrians, City staff has identified needed safety improvements to the pedestrian network at three major freeway underpasses.

1. Magnolia Avenue at the Interstate-8 cloverleaf interchange, including pedestrian only access from Fletcher Parkway to Madison Avenue.
2. Johnson Avenue underpass at the Interstate-8 pedestrian walkway from Arnele Avenue-Village Parkway to Madison Avenue.
3. El Cajon Boulevard underpass at the Interstate-8 pedestrian walkway.

The proposed improvements include new sidewalks, ADA compliant curb ramps, and high visibility crosswalks with active flashing beacons, pedestrian warning signs, and pedestrian lighting. The requested amount of grant funding for design, construction, and contract administration is \$1,049,220. A ten percent match in the amount of \$116,580.00 will be from local TransNet funds. The grand total for this project is \$1,165,800.

Mobility Education (ATGP)

Circulate San Diego has partnered with the City of El Cajon to apply for an Education, Encouragement, and Awareness (EEA) grant under the Active Transportation Grant Program. Circulate San Diego is an advocacy transportation organization and is the result of the 2014 merger of WalkSanDiego and Move San Diego. This grant application is designed to promote community awareness and conduct education in transit use, bicycle safety, and attentive walking. The campaign would focus on improving safety, encouraging short trips to be made by walking or biking, and promoting the use of the local and regional transit systems. The requested amount is \$50,000 with a City in-kind match of \$5,000.

Summary

The grant applications under these programs demonstrate the City of El Cajon's commitment to improving neighborhoods through capital improvements, planning for a quality future where jobs and housing are accessible by transit, and helping residents from all walks of life to navigate through the City on foot, by bike, or on transit. The four grant applications build upon one another by addressing the needs of the community comprehensively through different approaches. The education grant will provide the forward momentum and broad base support for the planning efforts around the El Cajon Transit Center and Gillespie Field. The physical improvements to be made through the ATGP capital grant will display the City's dedication to making positive pedestrian improvements in the physical environment. The results of the planning efforts will provide further opportunities for the City to leverage more grant funds for capital improvements.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

The grant requests are not a project subject to the California Environmental Quality Act (CEQA) because it is a procedural, administrative step in the process, which only authorizes the applications to be made, and if awarded, entering into an agreement with SANDAG. Furthermore, pursuant to CEQA Guidelines Section 15378(b)(4), the planning grants are not a project subject to CEQA because this action is related to a funding mechanism with no commitment to a specific project that may result in a potentially significant impact on the environment. If awarded, the ATGP grant application project is categorically exempt pursuant to CEQA Guidelines Section 15301 (Existing Facilities) for pedestrian safety improvements involving negligible or no expansion of use beyond that existing at the time of the lead's agency determination.

RECOMMENDATION

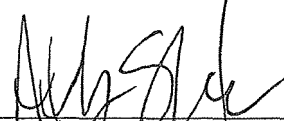
That the City Council adopt the next resolutions in order authorizing the filing of applications for Smart Growth Incentive Grant Program funds through the San Diego Association of Governments for the projects described above, and accepting the terms of the grant agreement.

FISCAL IMPACT

There is no fiscal impact associated with applying for the grants. Acceptance of the grant, if awarded, will result in a fiscal impact as follows:

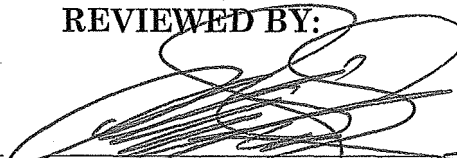
| Grant Application Project | Requested Grant Amount | Proposed City Match | Funding Source |
|---|------------------------|-----------------------------|----------------|
| El Cajon Transit Center | \$400,000 | \$30,000 + \$40,000 in-kind | General Fund |
| Gillespie Field Aerotropolis | \$400,000 | \$20,000 + \$25,000 in-kind | General Fund |
| Freeway Underpass Pedestrian Improvements | \$1,049,220 | \$116,580 | Local TransNet |
| Mobility Education | \$50,000 | \$5,000 in-kind | General Fund |

PREPARED BY:



**Anthony Shute
PLANNING
MANAGER**

REVIEWED BY:



**Majed Al-Ghafry
ASSISTANT
CITY MANAGER**

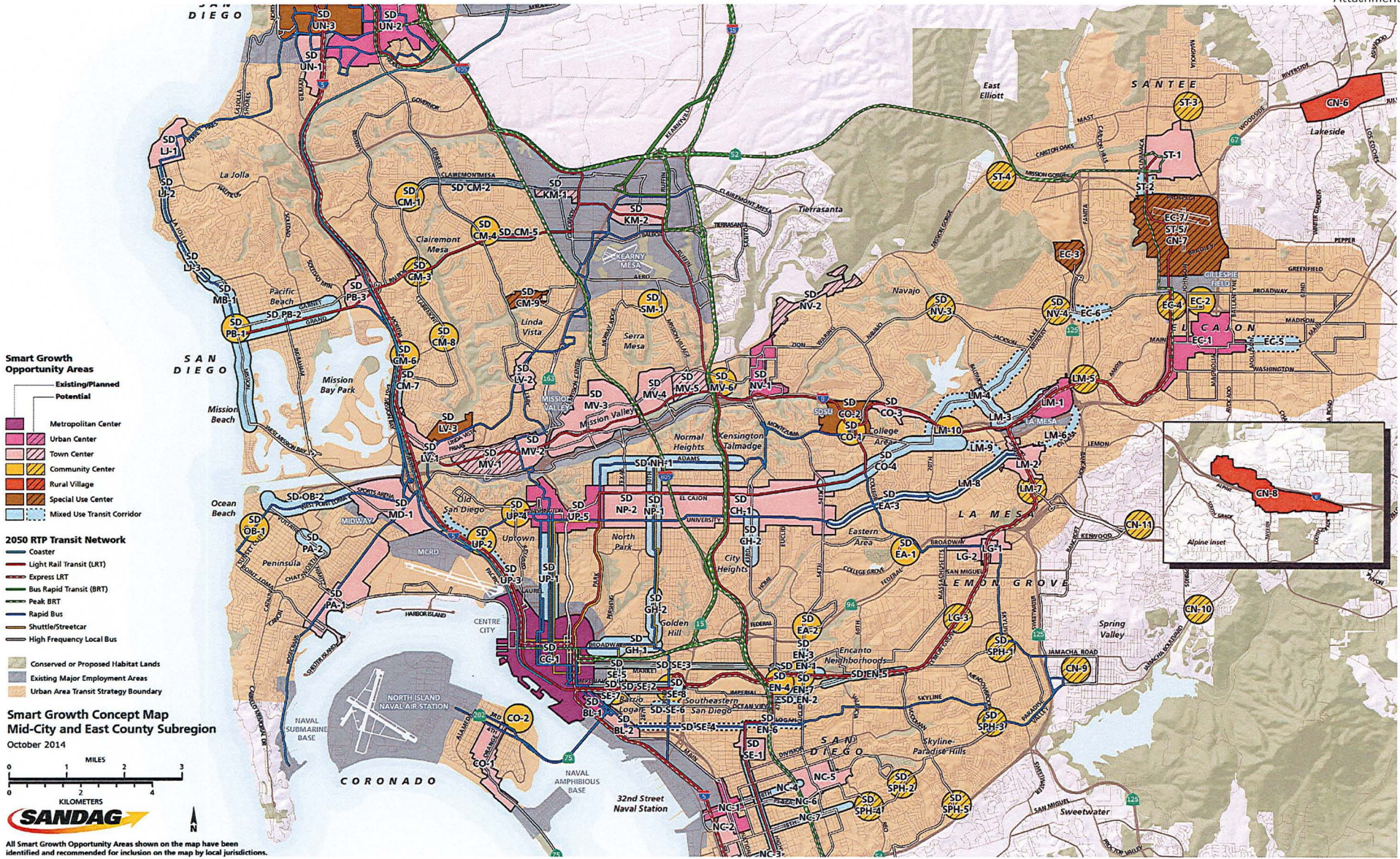
APPROVED BY:



**Douglas Williford
CITY MANAGER**

ATTACHMENTS

1. Smart Growth Concept Map
2. Proposed El Cajon Transit Center Resolution
3. Proposed Gillespie Field Aerotropolis Resolution
4. Proposed Freeway Underpass Pedestrian Improvements Resolution
5. Proposed Mobility Education Resolution
6. Grant Agreement Template



RESOLUTION NO. -15

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CAJON
AUTHORIZING THE FILING OF AN APPLICATION FOR
SMART GROWTH INCENTIVE GRANT PROGRAM FUNDS
THROUGH THE SAN DIEGO ASSOCIATION OF GOVERNMENTS
FOR THE EL CAJON TRANSIT CENTER PROJECT,
AND ACCEPTING THE TERMS OF THE GRANT AGREEMENT

WHEREAS, \$12 million of *TransNet* funding for capital and planning Smart Growth Incentive Program projects is available to local jurisdictions and the County of San Diego from Fiscal Years 2014-2016; and

WHEREAS, the City of El Cajon wishes to receive \$400,000 in Smart Growth Incentive Program funds for the El Cajon Transit Station (Project); and

WHEREAS, the City of El Cajon understands that the Smart Growth Incentive Program funding is fixed at the programmed amount, and therefore Project cost increases that exceed the grant awarded will be the sole responsibility of the grantee; and

WHEREAS, the City of El Cajon agrees to complete the proposed Project within a timely matter and in compliance with SANDAG Board Policy No. 035; and

WHEREAS, this action is not a project subject to the California Environmental Quality Act (CEQA) because it is a procedural, administrative step in the process, which only authorizes entering into an agreement with SANDAG. Furthermore, pursuant to CEQA Guidelines Section 15378(b)(4), it is not a project subject to CEQA because this action is related to a funding mechanism with no commitment to a specific project that may result in a potentially significant impact on the environment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of El Cajon, as follows:

1. The City Manager, or designee, is hereby authorized to submit an application to SANDAG for the for the *TransNet* Smart Growth Incentive Program funding in the amount of \$400,000 for the El Cajon Transit Center; and
2. If a grant award is made by SANDAG to fund the El Cajon Transit Center project, the City of El Cajon commits to providing \$30,000 local match, including \$40,000 in-kind contribution, and authorizes El Cajon staff to accept the grant funds, execute that certain Grant Agreement with no exceptions in substantially the same form as presented and on file with the Community Development Department (with such changes as may be approved by the City Manager, or the person designated by the City Manager), and complete the Project.

(Continued on Page 2)

3. The City of El Cajon agrees to indemnify, hold harmless, and defend SANDAG, the San Diego County Regional Transportation Commission, and all officers and employees thereof against all causes of action or claims related to El Cajon's *TransNet* funded projects.

03/10/15 (Item No. 1.4)

SANDAG Grant Agmt – SGIGP El Cajon Transit Ctr 030615

RESOLUTION NO. -15

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CAJON
AUTHORIZING THE FILING OF AN APPLICATION FOR
SMART GROWTH INCENTIVE GRANT PROGRAM FUNDS
THROUGH THE SAN DIEGO ASSOCIATION OF GOVERNMENTS
FOR THE GILLESPIE FIELD AEROTROPOLIS PROJECT,
AND ACCEPTING THE TERMS OF THE GRANT AGREEMENT

WHEREAS, \$12 million of *TransNet* funding for capital and planning Smart Growth Incentive Program projects is available to local jurisdictions and the County of San Diego from Fiscal Years 2014-2016; and

WHEREAS, the City of El Cajon wishes to receive \$400,000 in Smart Growth Incentive Program funds for the Gillespie Field Aerotropolis Project; and

WHEREAS, the City of El Cajon understands that the Smart Growth Incentive Program funding is fixed at the programmed amount, and therefore Project cost increases that exceed the grant awarded will be the sole responsibility of the grantee; and

WHEREAS, the City of El Cajon agrees to complete the proposed Project within a timely matter and in compliance with SANDAG Board Policy No. 035; and

WHEREAS, this action is not a project subject to the California Environmental Quality Act (CEQA) because it is a procedural, administrative step in the process, which only authorizes entering into an agreement with SANDAG. Furthermore, pursuant to CEQA Guidelines Section 15378(b)(4), it is not a project subject to CEQA because this action is related to a funding mechanism with no commitment to a specific project that may result in a potentially significant impact on the environment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of El Cajon, as follows:

1. The City Manager, or designee, is hereby authorized to submit an application to SANDAG for the for the *TransNet* Smart Growth Incentive Program funding in the amount of \$400,000 for the Gillespie Field Aerotropolis Project; and
2. If a grant award is made by SANDAG to fund the Gillespie Field Aerotropolis Project, the City of El Cajon commits to providing \$20,000 in matching funds, including, \$25,000 in-kind contribution, and with the City of Santee matching \$15,000, and with the County of San Diego providing a \$5,600 in-kind contribution.

(Continued on Page 2)

3. City of El Cajon staff is authorized to accept the grant funds, execute that certain Grant Agreement with no exceptions in substantially the same form as presented and on file with the Community Development Department (with such changes as may be approved by the City Manager, or the person designated by the City Manager), and complete the Project.
4. The City of El Cajon agrees to indemnify, hold harmless, and defend SANDAG, the San Diego County Regional Transportation Commission, and all officers and employees thereof against all causes of action or claims related to El Cajon's *TransNet* funded projects.

03/10/15 (Item No. 1.4)

SANDAG Grant Agmt – SGIGP Gillespie Field 030615

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CAJON
AUTHORIZING THE FILING OF AN APPLICATION FOR
ACTIVE TRANSPORTATION GRANT PROGRAM FUNDS THROUGH
THE SAN DIEGO ASSOCIATION OF GOVERNMENTS FOR THE CITY OF EL CAJON
PEDESTRIAN UNDERPASS IMPROVEMENTS AT INTERSTATE 8 PROJECT,
AND ACCEPTING THE TERMS OF THE GRANT AGREEMENT

WHEREAS, \$3 million of *TransNet* funding for capital and non-capital Active Transportation Grant Program projects is available to local jurisdictions and the County of San Diego from Fiscal Years 2014-2016; and

WHEREAS, the City of El Cajon wishes to receive \$1,049,220.00 in Active Transportation Grant Program funds for the El Cajon Pedestrian Underpass Improvement at Interstate 8 (Project); and

WHEREAS, the City of El Cajon understands that the Active Transportation Grant Program funding is fixed at the programmed amount, and therefore Project cost increases that exceed the grant awarded will be the sole responsibility of the grantee; and

WHEREAS, the City of El Cajon agrees to complete the proposed Project within a timely matter and in compliance with SANDAG Board Policy No. 035; and

WHEREAS, this action is not a project subject to the California Environmental Quality Act (CEQA) because it is a procedural, administrative step in the process, which only authorizes entering into an agreement with SANDAG, and furthermore, pursuant to CEQA Guidelines Section 15301 (Existing Facilities), pedestrian safety improvements involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination is categorically exempt from CEQA.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of El Cajon, as follows:

1. The City Manager, or designee, is hereby authorized to submit an application to SANDAG for the *TransNet* Active Transportation Grant Program funding in the amount of \$1,165,800 for the El Cajon Pedestrian Underpass Improvement at Interstate 8 Project.
2. If a grant award is made by SANDAG to fund the El Cajon Pedestrian Underpass Improvement at Interstate 8 Project, the City of El Cajon commits to providing \$116,580 of matching funds (TransNet Account EL11 – Sidewalks) and authorizes the City of El Cajon staff to accept the

grant funds, execute that certain Grant Agreement with no exceptions in substantially the same form as presented and on file with the Community Development Department (with such changes as may be approved by the City Manager, or the person designated by the City Manager), and complete the Project.

3. The City of El Cajon agrees to indemnify, hold harmless, and defend SANDAG, the San Diego County Regional Transportation Commission, and all officers and employees thereof against all causes of action or claims related to City of El Cajon's *TransNet* funded projects.

03/10/15 (Item No. 1.4)

SANDAG Grant Agmt – ATGP Pedestrian Underpass Improv @ I-8 030615

RESOLUTION NO. -15

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CAJON
AUTHORIZING THE FILING OF AN APPLICATION FOR
ACTIVE TRANSPORTATION GRANT PROGRAM FUNDS
THROUGH THE SAN DIEGO ASSOCIATION OF GOVERNMENTS
FOR THE CITY OF EL CAJON MOBILITY EDUCATION,
ENCOURAGEMENT AND AWARENESS PROJECT,
AND ACCEPTING THE TERMS OF THE GRANT AGREEMENT

WHEREAS, \$3 million of *TransNet* funding for capital and non-capital Active Transportation Grant Program projects is available to local jurisdictions and the County of San Diego from Fiscal Years 2014-2016; and

WHEREAS, the City of El Cajon wishes to receive \$50,000 in Active Transportation Grant Program funds for the El Cajon Mobility Education, Encouragement and Awareness (Project); and

WHEREAS, the City of El Cajon understands that the Active Transportation Grant Program funding is fixed at the programmed amount, and therefore Project cost increases that exceed the grant awarded will be the sole responsibility of the grantee; and

WHEREAS, the City of El Cajon agrees to complete the proposed Project within a timely matter and in compliance with SANDAG Board Policy No. 035; and

WHEREAS, this action is not a project subject to the California Environmental Quality Act (CEQA) because it is a procedural, administrative step in the process, which only authorizes entering into an agreement with SANDAG.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of El Cajon, as follows:

1. The City Manager, or designee, is hereby authorized to submit an application to SANDAG for the *TransNet* Active Transportation Grant Program funding in the amount of \$50,000 for the El Cajon Mobility Education, Encouragement and Awareness Project.
2. If a grant award is made by SANDAG to fund the El Cajon Mobility Education, Encouragement and Awareness Project, the City of El Cajon commits to providing \$5,000 of in-kind matching funds and authorizes the City of El Cajon staff to accept the grant funds, execute that certain Grant Agreement with no exceptions in substantially the same form as presented and on file with the Community Development Department (with such changes as may be approved by the City Manager, or the person designated by the City Manager), and complete the Project.

(Continued on Page 2)

3. The City of El Cajon agrees to indemnify, hold harmless, and defend SANDAG, the San Diego County Regional Transportation Commission, and all officers and employees thereof against all causes of action or claims related to City of El Cajon's *TransNet* funded projects.

03/10/15 (Item No. 1.4)

SANDAG Grant Agmt – ATGP Mobility Education 030615

GRANT AGREEMENT TEMPLATE – FOR INFORMATION ONLY

[SELECT APPLICABLE PROGRAM: *TransNet* SMART GROWTH INCENTIVE GRANT PROGRAM OR *TransNet* ACTIVE TRANSPORTATION GRANT PROGRAM]

THIRD FUNDING CYCLE

**GRANT AGREEMENT [AGREEMENT NUMBER] BETWEEN
THE SAN DIEGO ASSOCIATION OF GOVERNMENTS AND
[INSERT AGENCY/JURISDICTION NAME]
REGARDING [INSERT FULL PROJECT TITLE]**

THIS GRANT AGREEMENT [AGREEMENT NUMBER] (Agreement) is made this [Day] day of [Month], 2015, by and between the San Diego Association of Governments, 401 B Street, Suite 800, San Diego, California, hereinafter referred to as SANDAG, and the [Grant Recipient and Address], hereinafter referred to as Grantee. This agreement expires on [Month] [Day], [Year].

Note to Grant Recipient: This Agreement Template covers provisions for both the SGIP and ATGP. Prior to contract execution, the Grant Agreement will be tailored to reflect the applicable grant program.

Note to SANDAG Contracts Staff: Prior to internal routing, references to SGIP and ATGP should be updated as applicable.

The following recitals are a substantive part of this Agreement:

Note to SANDAG Contracts Staff: Select either SGIP Recitals or ATGP Recitals.

Smart Growth Incentive Program (SGIP) Recitals (A – J):

- A.** The SANDAG Board of Directors allocates funds under the *TransNet* local sales tax program to support local transportation-related infrastructure projects in the San Diego region through a competitive process.
- B.** The *TransNet* Extension Ordinance contains provisions to fund the Smart Growth Incentive Program (SGIP), which funding began on April 1, 2008. The SGIP encompasses projects that better integrate transportation and land use and recognizes the comprehensive effort to integrate smart growth place making, access to transit, and environmental justice.
- C.** In January 2010, the SANDAG Board of Directors approved Board Policy No. 035 – Competitive Grant Program Procedures (Board Policy No. 035), which is included as Attachment B. This Grant Award, Agreement and the Grantee's performance thereunder are subject to Board Policy No. 35, which includes multiple "use it or lose it" provisions.
- D.** The SANDAG Board of Directors approved programming of approximately \$12 million in *TransNet* funds on December 19, 2014, by Resolution Number [insert Resolution Number].
- E.** On December 19, 2014, SANDAG issued a Call for Projects from local jurisdictions in San Diego County wishing to apply for a portion of the *TransNet* SGIP funds for use on capital improvement and planning projects meeting certain criteria.

- F. Grantee successfully applied for *TransNet* SGIP funding for the [Insert Project Name], as described in Grantee's grant application. The Scope of Work, Project Schedule, and Approved Project Budget are included as Attachment A.

Note to SANDAG Contracts Staff: Before finalizing this agreement for internal SharePoint routing, obtain from SANDAG Finance and Planning staff the *TransNet* MPO ID required to complete Recital G, below.

- G. Grantee's Project is funded with [insert dollar amount] in *TransNet* SGIP funds and the *TransNet* MPO ID for the Project is [insert ID number].
- H. The purpose of this Agreement is to establish the terms and conditions for SANDAG to provide Grantee with funding to implement the Project.
- I. Although SANDAG will be providing financial assistance to Grantee to support the Project, SANDAG will not take an active role or retain substantial control of the Project. Therefore, this Agreement is characterized as a funding agreement rather than a cooperative agreement.
- J. Grantee understands that *TransNet* funds derive from retail transactions and use tax revenues which fluctuate. SANDAG's funding commitment to SGIP Projects, including this Project, is subject to these fluctuations, which may impact funding availability for this Project.

Active Transportation Grant Program (ATGP) Recitals (A – L):

- A. The SANDAG Board of Directors allocates funds under the *TransNet* local sales tax program and the Transportation Development Act (TDA) to support local bicycle and pedestrian transportation projects in the San Diego region through a competitive process.
- B. The *TransNet* Extension Ordinance contains provisions to fund the Bicycle, Pedestrian, and Neighborhood Safety Program (BPNSP), which funding began on July 1, 2008. The BPNSP encompasses bicycle and pedestrian travel projects and recognizes the comprehensive effort to integrate smart growth place making, access to transit and environmental justice.
- C. Article 3 of the TDA provides funding for Bicycle and Pedestrian Facilities and Programs.
- D. Together the *TransNet* BPNSP and TDA Article 3 funding are commonly referred to as the SANDAG Active Transportation Grant Program (ATGP).
- E. In January 2010, the SANDAG Board of Directors approved Board Policy No. 035 – Competitive Grant Program Procedures (Board Policy No. 035), which is included as Attachment B. This Grant Award, Agreement and the Grantee's performance thereunder are subject to Board Policy No. 035, which includes multiple "use it or lose it" provisions.
- F. The SANDAG Board of Directors approved programming of approximately \$3 million in both *TransNet* and TDA funds on December 19, 2014, by Resolution Number [insert Resolution Number].
- G. On [December 19, 2014], SANDAG issued a Call for Projects from local jurisdictions in San Diego County wishing to apply for SANDAG ATGP funds for use on capital improvement and planning projects meeting certain criteria.

- H. Grantee successfully applied for ATGP Funding for the [Insert Project Name] (Project), as described in Grantee's grant application. The Scope of Work, Project Schedule, and Approved Project Budget are included as Attachment A.

Note to SANDAG Contracts Staff: Before finalizing this agreement for internal routing, obtain from SANDAG Finance and Planning staff the TDA Claim Number or TransNet MPO ID required to complete Recital I, below.

- I. Grantee's Project is funded with [insert dollar amount] in ATGP funds, which includes [insert dollar amount] in *TransNet* BPNSP funds and [insert dollar amount] in TDA funds, and the *TransNet* MPO ID for the Project is [insert ID number] and the TDA Claim Number is [insert claim number].
- J. The purpose of this Agreement is to establish the terms and conditions for SANDAG to provide Grantee with funding to implement the Project.
- K. Although SANDAG will be providing financial assistance to Grantee to support the Project, SANDAG will not take an active role or retain substantial control of the Project. Therefore, this Agreement is characterized as a funding agreement rather than a cooperative agreement.
- L. Grantee understands that *TransNet* funds derive from retail transactions and use tax revenues which fluctuate. SANDAG's funding commitment to ATGP Projects, including this Project, is subject to these fluctuations, which may impact funding availability for this Project.

NOW, THEREFORE, it is agreed as follows:

I. DEFINITIONS

- A. **Application.** The signed and dated grant application, including any amendment thereto, with all explanatory, supporting, and supplementary documents filed with SANDAG by or on behalf of the Grantee and accepted or approved by SANDAG. All of Grantee's application materials, not in conflict with this Agreement, are hereby incorporated into this Agreement as though fully set forth herein.
- B. **Approval, Authorization, Concurrence, Waiver.** A written statement (transmitted in typewritten hard copy or electronically) of a SANDAG official authorized to permit the Grantee to take or omit an action required by this Agreement, which action may not be taken or omitted without such written permission. Except to the extent that SANDAG determines otherwise in writing, such approval, authorization, concurrence, or waiver permitting the performance or omission of a specific action does not constitute permission to perform or omit other similar actions. An oral permission or interpretation has no legal force or effect.
- C. **Approved Project Budget.** The most recent statement of the costs of the Project, the maximum amount of assistance from SANDAG for which the Grantee is currently eligible, the specific tasks (including specific contingencies) covered, and the estimated cost of each task, that has been approved by SANDAG. The Approved Project Budget is included in Attachment A.

Note to Grant Recipient: Only the applicable grant program will be referenced here.

Note to SANDAG Contracts Staff: Choose the appropriate program here.

- D. **[SGIP Funds and Funding.** Funding from the *TransNet* Extension Ordinance for the SGIP.]
OR **[ATGP Funds and Funding.** Funding from the *TransNet* BPNSP and TDA Article 3 funds.]
- E. **Grantee.** The local jurisdiction that is the recipient of [SGIP or ATGP] funding under this Agreement.
- F. **Notice to Proceed** means a written notice from SANDAG issued to the Grantee authorizing the Grantee to proceed with all or a portion of the work described in the Scope of Work. Grantee shall not proceed with the work and shall not be eligible to receive payment for work performed prior to SANDAG's issuance of a Notice to Proceed.
- G. **Subgrantee.** Any contractor or consultant, at any tier, paid directly or indirectly with funds flowing from this Agreement for the Project.

II. PROJECT IMPLEMENTATION

- A. **General.** The Grantee agrees to carry out the Project as follows:
 1. **Project Description.** Grantee agrees to perform the work as described in the Scope of Work included as Attachment A.
 2. **Effective Date.** The effective date of this Agreement or any amendment hereto is the date on which this Agreement or an amendment is fully executed. The Grantee agrees to undertake Project work promptly after receiving a Notice to Proceed from SANDAG.
 3. **Grantee's Capacity.** The Grantee agrees to maintain or acquire sufficient legal, financial, technical, and managerial capacity to: (a) plan, manage, and complete the Project and provide for the use of any Project property; (b) carry out the safety and security aspects of the Project; and (c) comply with the terms of the Agreement and all applicable laws, regulations, and policies pertaining to the Project and the Grantee, including but not limited to the *TransNet* Extension Ordinance and Board Policy No. 035.
 4. **Project Schedule.** The Grantee agrees to complete the Project according to the Project Schedule included in Attachment A and in compliance with Board Policy No. 035, as amended, and included as Attachment B.
 5. **Project Implementation and Oversight.** Grantee agrees to comply with the Project Implementation and Oversight Requirements, included as Attachment C, and Board Policy No. 035, as amended.
 6. **Changes to Project's Scope of Work.** This Agreement was awarded to Grantee based on the application submitted by Grantee, which contained representations by Grantee regarding project parameters, project proximity to transit, and other criteria relevant to evaluating and ranking the Project based on SANDAG [SGIP or ATGP] scoring criteria. Any substantive deviation from Grantee's representations in the Application during project implementation may require reevaluation or result in loss of funding. If Grantee knows or should have known that substantive changes to the Project will occur or have occurred, Grantee will immediately notify SANDAG in writing.

SANDAG will then determine whether the Project is still consistent with the overall objectives of the [SGIP or ATGP] and whether the changes would have negatively affected the Project ranking during the competitive grant evaluation process. SANDAG reserves the right to have [SGIP or ATGP] Funding withheld from Grantee, or refunded to SANDAG, due to Grantee's failure to satisfactorily complete the Project or due to substantive changes to the Project.

7. **Media and Community Outreach Coordination.** The Grantee agrees notify SANDAG of any media and community outreach efforts, including presentations to community groups, other agencies, and elected officials. The Grantee agrees to assist SANDAG with media or community events related to the Project, such as ground breaking and ribbon cutting. Press materials shall be provided to SANDAG staff before they are distributed. SANDAG logo(s) should be included in press materials and other project collateral, but may never be included in such documents without advance approval from SANDAG.

As part of the quarterly reports submitted to SANDAG, the Grantee agrees to provide project milestone information to support media and communications efforts. SANDAG reserves the right to use the information provided by the Grantee for any combination of the following, including but not limited to: social media posts, online photo albums, videos, press releases, PowerPoint presentations, web updates, newsletters, and testimonials. In submitting photos to SANDAG, the Grantee agrees to release the rights of the photos to SANDAG for its use.

8. **Project Signage and Designation of *TransNet* Funded Facilities.** Each capital project in excess of \$250,000 funded in whole or in part by revenues from the *TransNet* Extension Ordinance shall be clearly designated during its construction or implementation as being provided by revenues from the *TransNet* Extension Ordinance.

Grantee agrees to follow the Project Signage Specifications. SANDAG will provide sign specifications. Grantee agrees to follow sign specifications and submit proof files to SANDAG for approval before printing.

9. **Baseline Data Collection.** For capital projects, Grantee is required to coordinate with SANDAG staff on the development of a baseline data collection plan in accordance with the Project Implementation and Oversight Requirements.

- B. **Application of Laws** Should a federal or state law pre-empt a local law, regulation, or the *TransNet* Extension Ordinance, the Grantee must comply with the federal or state law and implementing regulations. No provision of this Agreement requires the Grantee to observe or enforce compliance with any provision, perform any other act, or do any other task in contravention of federal, state, territorial, or local law, regulation, or ordinance. If compliance with any provision of this Agreement violates or would require the Grantee to violate any law, the Grantee agrees to notify SANDAG immediately in writing. Should this occur, SANDAG and the Grantee agree that they will make appropriate arrangements to proceed with or, if necessary, terminate the Project or affected portions thereof expeditiously.

- C. Notice Regarding Prevailing Wages.** SANDAG's [SGIP or ATGP] Grants are funded with *TransNet* revenues consistent with the *TransNet* Extension Ordinance adopted by the voters in November 2004 (SANDAG Ordinance 04-01). Although SANDAG Ordinance 04-01 does not require payment of prevailing wages, California law may require that Grantee's public works projects pay prevailing wages for workers. Grantee acknowledges that SANDAG has strongly encouraged Grantee to seek legal counsel regarding whether the Project will be subject to prevailing wage laws consistent with Labor Code Section 1720, *et seq.* This Agreement requires Grantee's compliance with all federal, state, and local laws and ordinances as applicable.
- D. Significant Participation by a Subgrantee.** Although the Grantee may delegate any or almost all Project responsibilities to one or more subgrantees, the Grantee agrees that it, rather than any subgrantee, is ultimately responsible for compliance with all applicable laws, regulations, and this Agreement.
- E. Third Party Contracting.** Grantee shall not award contracts over three thousand dollars (\$3,000) on the basis of a noncompetitive procurement for work to be performed under this Agreement without the prior written approval of SANDAG. Contracts awarded by Grantee, if intended as local match credit, must meet the requirements set forth in this Agreement regarding local match funds.
1. If Grantee hires a consultant to carry out professional services funded under this Agreement, Grantee shall: prepare an Independent Cost Estimate (ICE) prior to soliciting proposals; publicly advertise for competing proposals for the work; use cost as an evaluation factor in selecting the consultant; document a Record of Negotiation (RON) establishing that the amount paid by Grantee for the consultant services is fair and reasonable; and pass through the relevant obligations in this Agreement to the consultant.
 2. If Grantee hires a contractor to carry out construction services funded under this Agreement, Grantee shall: prepare an ICE (e.g., a construction cost estimate) prior to soliciting bids; publicly advertise for competing bids for the work; award the work to the lowest responsive and responsible bidder; document a RON establishing that the amount paid by Grantee for the construction services is fair and reasonable; and pass through the relevant obligations in this Agreement to the contractor.
- F. Grantee's Responsibility to Extend Agreement Requirements to Other Entities**
1. **Entities Affected.** Grantee agrees to take appropriate measures necessary to ensure that all Project participants comply with all applicable federal laws, regulations, and policies affecting Project implementation. In addition, if an entity other than the Grantee is expected to fulfill any responsibilities typically performed by the Grantee, the Grantee agrees to assure that the entity carries out the Grantee's responsibilities as set forth in this Agreement.
 2. **Documents Affected.** The applicability provisions of laws, regulations, and policies determine the extent to which those provisions affect an entity (such as a subgrantee) participating in the Project through the Grantee. Thus, the Grantee agrees to use a

written document to ensure that each entity participating in the Project complies with applicable laws, regulations, and policies.

3. **Flowdown.** The Grantee agrees to include in each document (subagreement, lease, third-party contract, or other) any necessary provisions requiring the Project participant (third-party contractor, subgrantee, or other) to impose applicable laws, Agreement requirements and directives on its subgrantees, lessees, third-party contractors, and other Project participants at the lowest tier necessary.
- G. No SANDAG Obligations to Third-Parties.** In connection with the Project, the Grantee agrees that SANDAG shall not be subject to any obligations or liabilities to any subgrantee, lessee, third-party contractor, or other person or entity that is not a party to the Agreement for the Project. Notwithstanding that SANDAG may have concurred in or approved any solicitation, subagreement, lease, or third-party contract at any tier, SANDAG has no obligations or liabilities to any entity other than the Grantee, including any subgrantee, lessee, or third-party contractor at any tier.
- H. Changes in Project Performance.** The Grantee agrees to notify SANDAG immediately, in writing, of any change in local law, conditions (including its legal, financial, or technical capacity), or any other event that may adversely affect the Grantee's ability to perform the Project in accordance with the terms of the Agreement and as required by Board Policy No. 035. The Grantee also agrees to notify SANDAG immediately, in writing, of any current or prospective major dispute, breach, default, or litigation that may adversely affect SANDAG's interests in the Project; and agrees to inform SANDAG, also in writing, before naming SANDAG as a party to litigation for any reason, in any forum. At a minimum, the Grantee agrees to send each notice to SANDAG required by this subsection to SANDAG's Office of General Counsel.
- I. Standard of Care.** The Grantee expressly warrants that the work to be performed pursuant to this Agreement shall be performed in accordance with the applicable standard of care. Where approval by SANDAG, its Executive Director, or other representative of SANDAG is indicated in the Scope of Work, it is understood to be conceptual approval only and does not relieve the Grantee of responsibility for complying with all laws, codes, industry standards, and liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of the Grantee or its subgrantees.
- III. ETHICS**
- A. Grantee Code of Conduct/Standards of Conduct.** The Grantee agrees to maintain a written code of conduct or standards of conduct that shall govern the actions of its officers, employees, council or board members, or agents engaged in the award or administration of subagreements, leases, or third-party contracts supported with [SGIP or ATGP] Funding. The Grantee agrees that its code of conduct or standards of conduct shall specify that its officers, employees, council or board members, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from any present or potential subgrantee, lessee, or third-party contractor at any tier or agent thereof. The Grantee may set *de minimis* rules where the financial interest is not substantial, or the gift is an unsolicited item of nominal intrinsic value. The Grantee agrees that its code of conduct or standards of conduct shall also prohibit its officers, employees, board members, or agents from using their respective

positions in a manner that presents a real or apparent personal or organizational conflict of interest or personal gain. As permitted by state or local law or regulations, the Grantee agrees that its code of conduct or standards of conduct shall include penalties, sanctions, or other disciplinary actions for violations by its officers, employees, council or board members, or their agents, or its third-party contractors or subgrantees or their agents.

1. **Personal Conflicts of Interest.** The Grantee agrees that its code of conduct or standards of conduct shall prohibit the Grantee's employees, officers, council or board members, or agents from participating in the selection, award, or administration of any third-party contract or subagreement supported by [SGIP or ATGP] Funding if a real or apparent conflict of interest would be involved. Such a conflict would arise when an employee, officer, board member, or agent, including any member of his or her immediate family, partner, or organization that employs, or intends to employ, any of the parties listed herein has a financial interest in a firm competing for award.
 2. **Organizational Conflicts of Interest.** The Grantee agrees that its code of conduct or standards of conduct shall include procedures for identifying and preventing real and apparent organizational conflicts of interest. An organizational conflict of interest exists when the nature of the work to be performed under a proposed third-party contract or subagreement may, without some restrictions on future activities, result in an unfair competitive advantage to the third-party contractor or subgrantee or impair its objectivity in performing the contract work.
- B. SANDAG Code of Conduct.** SANDAG has established policies concerning potential conflicts of interest. These policies apply to Grantee. For all awards by SANDAG, any practices which might result in unlawful activity are prohibited including, but not limited to, rebates, kickbacks, or other unlawful considerations. SANDAG staff members are specifically prohibited from participating in the selection process when those staff have a close personal relationship, family relationship, or past (within the last 12 months), present, or potential business or employment relationship with a person or business entity seeking a contract with SANDAG. It is unlawful for any contract to be made by SANDAG if any individual Board member or staff has a prohibited financial interest in the contract. Staff are also prohibited from soliciting or accepting gratuities from any organization seeking funding from SANDAG. SANDAG's officers, employees, agents, and Board members shall not solicit or accept gifts, gratuities, favors, or anything of monetary value from consultants, potential consultants, or parties to subagreements. By signing this Agreement, Grantee affirms that it has no knowledge of an ethical violation by SANDAG staff or Grantee. If Grantee has any reason to believe a conflict of interest exists with regard to the Agreement or the Project, it should notify the SANDAG Office of General Counsel immediately.
- C. Bonus or Commission.** The Grantee affirms that it has not paid, and agrees not to pay, any bonus or commission to obtain approval of its [SGIP or ATGP] Funding application for the Project.
- D. False or Fraudulent Statements or Claims.** The Grantee acknowledges and agrees that by executing the Agreement for the Project, the Grantee certifies or affirms the truthfulness and accuracy of each statement it has made, it makes, or it may make in connection with the Project, including, but not limited to, the Grantee's grant application, progress reports and invoices.

IV. AMOUNT OF FUNDING ASSISTANCE

The Grantee agrees that SANDAG will provide [SGIP or ATGP] Funding for the Project equal to the smaller of the following amounts: (a) the Maximum SANDAG Amount Approved of \$ [REDACTED], or (b) the amount calculated in accordance with the Maximum Percentage(s) of SANDAG Participation, which is [REDACTED] percent ([REDACTED]%). SANDAG's responsibility to make payments under this Agreement is limited to the amounts listed in the Approved Project Budget for the Project. Grantee's estimate in its application for funding from SANDAG for the Project is the amount that forms the basis upon which SANDAG determines the Maximum SANDAG Amount Awarded and Maximum Percentage(s) of SANDAG Participation.

V. MATCHING FUNDS

Grantee has proposed to provide matching funds for the Project and therefore agrees as follows:

- A. Duty to Obtain Matching Funds.** The Grantee agrees to provide sufficient funds or approved in-kind resources, together with the [SGIP or ATGP] Funding awarded, that will assure payment of the actual cost of each Project activity covered by this Agreement. The amount of matching funds and percentage(s) of matching funds Grantee shall provide are set forth in the Approved Project Budget. The Grantee agrees to complete all proceedings necessary to provide its share of the Project costs at or before the time the matching funds are needed for Project costs.
- B. Prompt Payment of Matching Funds.** The Grantee agrees to provide the proportionate amount of the matching funds promptly as it incurs Project costs or Project costs become due. Each of Grantee's invoices must include its pro-rata matching fund contribution as reflected in the Approved Project Budget, along with supporting, descriptive and/or explanatory documentation for the matching funds provided.
- C. Reduction of Matching Funds.** The Grantee agrees that no refund or reduction of the amount of matching funds may be made unless, at the same time, a reduction of the proportional amount of the [SGIP or ATGP] Funding provided is made to SANDAG in order to maintain the Maximum Percentage(s) of SANDAG Participation.

VI. APPROVED PROJECT BUDGET

Except to the extent that SANDAG determines otherwise in writing, the Grantee agrees as follows: The Grantee and SANDAG have agreed to a Project budget that is designated the "Approved Project Budget." The Grantee will incur obligations and make disbursements of Project funds only as authorized by the Approved Project Budget. An amendment to the Approved Project Budget requires the issuance of a formal amendment to the Agreement, unless the re-allocation of funds among budget items or fiscal years that not increase the total amount of the [SGIP or ATGP] Funding awarded for the Project, does not negatively impact the benefits obtained from the Project, and is consistent with applicable laws, regulations, and policies. Prior written SANDAG Project Manager approval is required for transfers of funds between Approved Project Budget line items.

VII. PAYMENTS

- A. Grantee's Request for Payment When Matching Funds Are Required.** The Grantee will demonstrate or certify that it will provide adequate matching funds such that, when combined with payments from SANDAG, will cover all costs to be incurred for the Project. Except to the extent that SANDAG determines, in writing, that the Grantee may defer its provision of matching funds for the Project, a Grantee is required under the terms of this Agreement to provide matching funds for the Project and agrees that it will not:
1. Request or obtain matching funds exceeding the amount justified by the matching share previously provided, or
 2. Take any action that would cause the proportion of [SGIP or ATGP] Funding made available to the Project at any time to exceed the percentage authorized by the Agreement for the Project.
- B. Payment by SANDAG.** Upon receiving a request for payment and adequate supporting information, SANDAG will make payment, [or for projects with TDA funding, authorize the County of San Diego to make payment] for eligible amounts to Grantee within thirty (30) days if Grantee has complied with the requirements of the Agreement, including submission of a Quarterly Report which is included as Attachment D, has satisfied SANDAG that the [SGIP or ATGP] Funding requested is needed for Project purposes in that requisition period, and is making adequate progress toward Project completion consistent with Board Policy No. 035. After the Grantee has demonstrated satisfactory compliance with the preceding requirements, SANDAG may reimburse the Grantee's apparent allowable costs incurred consistent with the Approved Project Budget. SANDAG shall retain ten percent (10%) from the amounts invoiced until satisfactory completion of work. SANDAG shall promptly release retention amounts to Grantee following Grantee's satisfactory completion of work and receipt of Grantee's final invoice and all required documentation.
- C. Eligible Costs.** The Grantee agrees that Project costs eligible for [SGIP or ATGP] Funding must comply with the following requirements, unless SANDAG determines otherwise in writing. To be eligible for reimbursement, Project costs must be:
1. Consistent with the Project Scope of Work, the Approved Project Budget, and other provisions of the Agreement.
 2. Necessary in order to accomplish the Project.
 3. Reasonable for the goods or services purchased.
 4. Actual net costs to the Grantee (i.e., the price paid minus any refunds, rebates, or other items of value received by the Grantee that have the effect of reducing the cost actually incurred, excluding program income).
 5. Incurred for work performed, only on a reimbursement basis, after both the Effective Date of the Agreement and following Grantee's receipt of a Notice to Proceed from SANDAG.

6. Satisfactorily documented with supporting documentation which is to be submitted with each invoice.
7. Treated consistently in accordance with generally accepted accounting principles and procedures for the Grantee and any third-party contractors and subgrantees, (see Section 6 Accounting Records).
8. Eligible for [*TransNet* or *TransNet* and TDA] Funding as part of the [SGIP or ATGP].
9. Indirect Costs are only allowable with prior SANDAG approval. Grantee must submit the following documentation as part of the grant application materials: (1) an indirect cost allocation audit approved by a qualified independent auditor or (2) the applicant's proposed method for allocating indirect costs in accordance with OMB guidelines. Indirect cost allocation plans must be reviewed and renewed annually.
10. Project generated revenue realized by the Grantee shall be utilized in support of the Project. Project generated revenue and expenditures, if any, shall be reported at the end of the Agreement period.

D. Excluded Costs

1. In determining the amount of [SGIP or ATGP] Funding SANDAG will provide for the Project, SANDAG will exclude:
 - a. Any Project cost incurred by the Grantee before either the date SANDAG issues a Notice to Proceed to Grantee or the Effective Date of the Agreement or any Amendment thereto;
 - b. Any cost that is not included in the latest Approved Project Budget;
 - c. Any cost for Project property or services received in connection with a subagreement, lease, third-party contract, or other arrangement that is required to be, but has not been, concurred in or approved in writing by SANDAG; and
 - d. Any cost ineligible for SANDAG participation as provided by applicable laws, regulations, or policies.
2. Certain costs at times associated with bicycle and pedestrian projects are not eligible when the benefit provided is not the exclusive use of bicyclists or pedestrians. These instances are listed below.
 - a. Curb and gutter are part of the roadway drainage system. As such, newly installed curb and gutter cannot be considered an improvement exclusively for the benefit of the sidewalk or bike lane and are not an eligible expense.
 - b. Driveway ramps installed across sidewalks are not for the benefit of pedestrians, and in fact, degrade the pedestrian environment. Claimants may not include the cost of driveway ramps in applications for sidewalk projects. However, the distance across the driveway may be included when computing the per-square-foot cost of the sidewalk.

- c. Where roadway design standards require a roadway shoulder width at least as wide as would be required for a standard bike lane, the cost of the shoulder construction will not be eligible. Appropriate bikeway signage is eligible.
 - d. Under some circumstances, it may be necessary to remove and replace curb and gutter, driveway ramps, drainage facilities and other existing improvements in order to construct a bikeway or sidewalk. In such cases the cost of this work is most likely eligible, but claimants should carefully document why this is so in the claim submittal.
- E.** The Grantee understands and agrees that payment to the Grantee for any Project cost does not constitute SANDAG's final decision about whether that cost is allowable and eligible for payment under the Project and does not constitute a waiver of any violation by the Grantee of the terms of the Agreement for the Project or Board Policy No. 035. The Grantee acknowledges that SANDAG will not make a final determination about the allowability and eligibility of any cost until the final payment has been made on the Project or the results of an audit of the Project requested by SANDAG or its Independent Taxpayers' Oversight Committee (ITOC) has been completed, whichever occurs latest. If SANDAG determines that the Grantee is not entitled to receive any portion of the [SGIP or ATGP] Funding requested or paid, SANDAG will notify the Grantee in writing, stating its reasons. The Grantee agrees that Project closeout will not alter the Grantee's responsibility to return any funds due to SANDAG as a result of later refunds, corrections, performance deficiencies, or other similar actions; nor will Project closeout alter SANDAG's right to disallow costs and recover funds provided for the Project on the basis of a later audit or other review. Upon notification to the Grantee that specific amounts are owed to SANDAG, whether for excess payments of [SGIP or ATGP] Funding, disallowed costs, or funds recovered from third parties or elsewhere, the Grantee agrees to promptly remit to SANDAG the amounts owed, including applicable interest, penalties and administrative charges.

VIII. ACCOUNTING RECORDS

In compliance with applicable laws, regulations, and policies, the Grantee agrees as follows:

- A. Project Accounts.** The Grantee agrees to establish and maintain for the Project either a separate set of accounts or separate accounts within the framework of an established accounting system that can be identified with the Project. The Grantee also agrees to maintain documentation of all checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents related in whole or in part to the Project so that they may be clearly identified, readily accessible, and available to SANDAG upon request and, to the extent feasible, kept separate from documents not related to the Project.
- B. Documentation of Project Costs and Program Income.** Except to the extent that SANDAG determines otherwise, in writing, the Grantee agrees to support all costs charged to the Project, including any approved services or property contributed by the Grantee or others, with properly executed payrolls, time records, invoices, contracts, or vouchers describing in detail the nature and propriety of the charges, including adequate records to support the costs the Grantee has incurred underlying any payment in which SANDAG has agreed to participate in based upon a payable milestone.

IX. REPORTING, RECORD RETENTION, AND ACCESS

- A. Types of Reports.** The Grantee agrees to submit to SANDAG all reports required by law and regulation, policy, this Agreement, and any other reports SANDAG may specify.
- B. Report Formats.** The Grantee agrees that all reports and other documents or information intended for public availability developed in the course of the Project and required to be submitted to SANDAG must be prepared and submitted in electronic and/or typewritten hard copy formats, as SANDAG may specify. SANDAG reserves the right to specify that records be submitted in particular formats.
- C. Record Retention.** During the course of the Project and for three years thereafter from the date of transmission of the final expenditure report, the Grantee agrees to maintain, intact and readily accessible, all data, documents, reports, records, contracts, and supporting materials relating to the Project, as SANDAG may require.
- D. Access to Records of Grantees and Subgrantees.** The Grantee agrees to permit, and require its subgrantees to permit, SANDAG or its authorized representatives, upon request, to inspect all Project work, materials, payrolls, and other data, and to audit the books, records, and accounts of the Grantee and its subgrantees pertaining to the Project.
- E. Project Closeout.** The Grantee agrees that Project closeout does not alter the reporting and record retention requirements of this Agreement.
- F. Quarterly Reports.** Grantee shall submit written quarterly reports to SANDAG detailing the progress of its work, expenditures incurred, and information regarding whether the Project is projected to be completed within the limits of the Approved Project Budget, Project Schedule, and consistent with Board Policy No. 035 and any policy amendments thereto. Grantee shall document the progress and results of work performed under this Agreement to the satisfaction of SANDAG. This includes progress and final reports, plans, specifications, estimates, and other evidence of attainment of the Agreement objectives, which are requested by SANDAG or ITOC. Grantee may be required to attend meetings of SANDAG staff and committees, including but not limited to ITOC, the Regional Planning Committee, the Transportation Committee, and the SANDAG Board of Directors, to report on its progress and respond to questions.
- G. Communities Served Data and Report.** If requested, Grantee shall provide SANDAG with data regarding how the Project's benefits and burdens were equitably distributed among socio and economic populations in the area affected by the Project, and associated smart growth data.
- X. Project Completion, Audit, Settlement, and Closeout**
- A. Project Completion.** Within ninety (90) calendar days following Project completion or termination by SANDAG, the Grantee agrees to submit a final certification of Project expenses and final reports, as applicable. All payments made to the Grantee shall be subject to review for compliance by SANDAG with the requirements of this Agreement and shall be subject to an audit upon completion of the Project.

B. Project Audit.

Note to Grant Recipient: Only the applicable sections will be included.

Note to SANDAG Contracts Staff: Please choose the appropriate:

For TransNet-funded projects:

The Grantee agrees to have financial and compliance audits performed as SANDAG may require consistent with the *TransNet* Extension Ordinance. The Grantee agrees that Project closeout will not alter the Grantee's audit responsibilities. Audit costs are allowable Project costs.

For TDA-funded projects:

The Grantee agrees to have financial and compliance audits performed as SANDAG may require consistent with Public Utilities Code Section 99245, for TDA funds; and consistent with the *TransNet* Extension Ordinance for *TransNet* funds. The Grantee agrees that Project closeout will not alter the Grantee's audit responsibilities. Audit costs are allowable Project costs.

- C. Performance Audit.** The Grantee agrees to cooperate with SANDAG or ITOC with regard to any performance audit that is performed on the Project pursuant to the *TransNet* Ordinance.
- D. Project Closeout.** Project closeout occurs when SANDAG notifies the Grantee that SANDAG has closed the Project, and, if applicable, either forwards the final [SGIP or ATGP] Funding payment and or acknowledges that the Grantee has remitted the proper refund. The Grantee agrees that Project closeout by SANDAG does not invalidate any continuing requirements imposed by the Agreement or any unmet requirements set forth in a written notification from SANDAG.
- E. Project Use.** Grantee was awarded this Agreement based on representations in its grant application regarding the Project's intended use. If the Project is a capital project, Grantee hereby commits to continued use of the Project for the purposes stated in its application for a period of at least five years after completion of construction. SANDAG may require Grantee to refund SGIP funding provided for the Project in the event Grantee fails to utilize the Project for its intended purposes as stated in the grant application or for any disallowed costs.

XI. TIMELY PROGRESS AND RIGHT OF SANDAG TO TERMINATE

- A.** Grantee shall make diligent and timely progress toward completion of the Project within the timelines set forth in the Project Schedule, and consistent with Board Policy No. 035 and any policy amendments thereto. If timely progress is not achieved, SANDAG may, in its sole discretion, review the status of the Project to determine if the remaining funding should be reallocated to another eligible project, as per Board Policy No. 035. Grantee understands and agrees that any failure to make reasonable progress on the Project or violation of this Agreement and/or Board Policy No. 035, that endangers substantial performance of the Project shall provide sufficient grounds for SANDAG, in its sole discretion, to terminate this Agreement.

- B. In the event Grantee encounters difficulty in meeting the Project Schedule or anticipates difficulty in complying with the Project Schedule, the Grantee shall immediately notify the SANDAG Project Manager in writing, and shall provide pertinent details, including the reason(s) for the delay in performance and the date by which Grantee expects to complete performance or delivery. This notification shall be informational in character only and receipt of it shall not be construed as a waiver by SANDAG of a project delivery schedule or date, or any rights or remedies provided by this Agreement, including Board Policy No. 035 requirements.
- C. Upon written notice, the Grantee agrees that SANDAG may suspend or terminate all or any part of the [SGIP or ATGP] Funding to be provided for the Project if the Grantee has violated the terms of the Agreement, or Board Policy No. 035, or if SANDAG determines that the purpose of the laws or policies authorizing the Project would not be adequately served by the continuation of [SGIP or ATGP] Funding for the Project.
- D. In general, termination of [SGIP or ATGP] Funding for the Project will not invalidate obligations properly incurred by the Grantee before the termination date to the extent those obligations cannot be canceled. If, however, SANDAG determines that the Grantee has willfully misused [SGIP or ATGP] Funding by failing to make adequate progress, or failing to comply with the terms of the Agreement, SANDAG reserves the right to require the Grantee to refund to SANDAG the entire amount of [SGIP or ATGP] Funding provided for the Project or any lesser amount as SANDAG may determine.
- E. Expiration of any Project time period established in the Project Schedule will not, by itself, automatically constitute an expiration or termination of the Agreement for the Project, however, Grantee must request and SANDAG may agree to amend the Agreement in writing if the Project Schedule will not be met. An amendment to the Project Schedule may be made at SANDAG's discretion if Grantee's request is consistent with the provisions of Board Policy No. 035.

XII. CIVIL RIGHTS

The Grantee agrees to comply with all applicable civil rights laws, regulations and policies and shall include the provisions of this Section 12 in each subagreement, lease, third party contract or other legally binding document to perform work funded by this Agreement. Applicable civil rights laws, regulations and policies include, but are not limited to, the following:

- A. **Nondiscrimination.** SANDAG implements its programs without regard to income level, disability, race, color, and national origin in compliance with the Americans with Disabilities Act and Title VI of the Civil Rights Act. Grantee shall prohibit discrimination on these grounds, notify the public of their rights under these laws, and utilize a process for addressing complaints of discrimination. Furthermore, Grantee shall make the procedures for filing a complaint available to members of the public and will keep a log of all such complaints. Grantee must notify SANDAG immediately if a complaint is lodged that relates to the Project or program funded by this grant.
- B. **Equal Employment Opportunity.** During the performance of this Agreement, Grantee and all of its subcontractors, if any, shall not unlawfully discriminate, harass, or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry,

religious creed, national origin, disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family and medical care leave, denial of pregnancy disability leave, veteran status, or sexual orientation. Grantee and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (California Government Code Section 12900, *et seq.*) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0, *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing California Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by this reference and are made a part hereof as if set forth in full. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

XIII. OWNERSHIP OF WORK PRODUCT

SANDAG shall own any deliverables created in whole or in part for SANDAG's benefit pursuant to the Scope of Work for the Project. The term "deliverables" includes, but is not limited to, all original drawings, reports, photos, and other documents, including detailed calculations and other work product developed for the Project or services performed on the Project.

XIV. DISPUTES AND VENUE

- A. Choice of Law.** This Agreement shall be interpreted in accordance with the laws of the State of California.
- B. Dispute Resolution Process.** In the event Grantee has a dispute with SANDAG during the performance of this Agreement, Grantee shall continue to perform unless SANDAG informs Grantee in writing to cease performance. The dispute resolution process for disputes arising under this Agreement shall be as follows:
1. Grantee shall submit a statement of the grounds for the dispute, including all pertinent dates, names of persons involved, and supporting documentation, to SANDAG's Project Manager. The Project Manager and other appropriate SANDAG staff will review the documentation in a timely manner and reply to Grantee within twenty (20) calendar days. Upon receipt of an adverse decision by SANDAG, Grantee may submit a request for reconsideration to SANDAG's Executive Director. The request for reconsideration must be received within ten (10) calendar days from the postmark date of SANDAG's reply. The Executive Director will respond to the request for reconsideration within ten (10) working days. The decision of the Executive Director will be in writing.
 2. If Grantee is dissatisfied with the results following exhaustion of the above dispute resolution procedures, Grantee shall make a written request to SANDAG for appeal to the SANDAG Regional Planning Committee for SGIP projects or to the SANDAG Transportation Committee for ATGP projects. SANDAG shall respond to a request for mediation within thirty (30) calendar days. The decision of the Regional Planning Committee or Transportation Committee shall be final.

- C. Venue.** If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of San Diego, State of California. In the event of any such litigation between the parties, the prevailing party shall be entitled to recover all reasonable costs incurred, including reasonable attorney's fees, litigation and collection expenses, witness fees, and court costs as determined by the court.

XV. ASSIGNMENT

Grantee shall not assign, sublet, or transfer (whether by assignment or novation) this Agreement or any rights under or interest in this Agreement.

XVI. INSURANCE

Grantee shall procure and maintain during the period of performance of this Agreement, and for twelve (12) months following completion, policies of insurance from insurance companies authorized to do business in the State of California or the equivalent types and amounts of self-insurance, as follows:

- A. General Liability.** Combined single limit of \$1,000,000 per occurrence and \$2,000,000 general aggregate for personal and bodily injury, including death, and broad form property damage. The policy must include an acceptable "Waiver of Transfer Rights of Recovery Against Others Endorsement." The policy must name SANDAG as an additional insured in the endorsement. A deductible or retention may be utilized, subject to approval by SANDAG.
- B. Automobile Liability.** For personal and bodily injury, including death, and property damage in an amount not less than \$1,000,000.
- C. Workers' Compensation and Employer's Liability.** Policy must comply with the laws of the State of California. The policy must include an acceptable "Waiver of Right to Recover From Others Endorsement" naming SANDAG as an additional insured.
- D. Other Requirements.** Grantee shall furnish satisfactory proof by one or more certificates (original copies) that it has the foregoing insurance. The insurance shall be provided by an acceptable insurance provider, as determined by SANDAG, which satisfies the following minimum requirements:
1. An insurance carrier qualified to do business in California and maintaining an agent for service of process within the state. Such insurance carrier shall maintain a current A.M. Best rating classification of "A-" or better, and a financial size of "\$10 million to \$24 million (Class V) or better," or
 2. A Lloyds of London program provided by syndicates of Lloyds of London and other London insurance carriers, providing all participants are qualified to do business in California and the policy provides for an agent for service of process in California.
- E.** Certificates of insurance shall be filed with SANDAG. These policies shall be primary insurance as to SANDAG so that any other coverage held by SANDAG shall not contribute to any loss under Grantee's insurance. Insurance policies shall not be canceled without first giving thirty

(30) days advance written notice to SANDAG. For purposes of this notice requirement, any material change in the policy prior to its expiration shall be considered a cancellation.

XVII. INDEMNIFICATION AND HOLD HARMLESS

- A. **Generally.** With regard to any claim, protest, or litigation arising from or related to the Grantee's performance in connection with or incidental to the Project or this Agreement, Grantee agrees to defend, indemnify, protect, and hold SANDAG and its agents, officers, Board members, and employees harmless from and against any and all claims, including, but not limited to prevailing wage claims against the Project, asserted or established liability for damages or injuries to any person or property, including injury to the Grantee's or its subgrantees' employees, agents, or officers, which arise from or are connected with or are caused or claimed to be caused by the negligent, reckless, or willful acts or omissions of the Grantee and its subgrantees and their agents, officers, or employees, in performing the work or services herein, and all expenses of investigating and defending against same, including attorney fees and costs; provided, however, that the Grantee's duty to indemnify and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of SANDAG, its Board of Directors, agents, officers, or employees.
- B. **Intellectual Property.** Upon request by SANDAG, the Grantee agrees to indemnify, save, and hold harmless SANDAG and its Board of Directors, officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by the Grantee of proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under the Project. The Grantee shall not be required to indemnify SANDAG for any such liability caused solely by the wrongful acts of SANDAG employees or agents.

XVIII. INDEPENDENT CONTRACTOR

- A. **Status of Grantee.** Grantee shall perform the services provided for within this Agreement as an independent contractor, and not as an employee of SANDAG. Grantee shall be under the control of SANDAG as to the result to be accomplished and not the means, and shall consult with SANDAG as provided for in the Scope of Work. The payments made to Grantee pursuant to this Agreement shall be the full and complete compensation to which Grantee is entitled. SANDAG shall not make any federal or state tax withholdings on behalf of Grantee. SANDAG shall not be required to pay any workers' compensation insurance on behalf of Grantee. Grantee agrees to indemnify SANDAG for any tax, retirement contribution, social security, overtime payment, or workers' compensation payment which SANDAG may be required to make on behalf of Grantee or any employee of Grantee for work done under this Agreement.
- B. **Actions on behalf of SANDAG.** Except as SANDAG may specify in writing, Grantee shall have no authority, express or implied, to act on behalf of SANDAG in any capacity whatsoever, as an agent or otherwise. Grantee shall have no authority, express or implied, to bind SANDAG or its members, agents, or employees, to any obligation whatsoever, unless expressly provided for in this Agreement.

XIX. SEVERABILITY AND INTEGRATION

If any provision of the Agreement is determined invalid, the remainder of that Agreement shall not be affected if that remainder would continue to conform to the requirements of applicable laws or regulations. This Agreement represents the entire understanding of SANDAG and Grantee as to those matters contained in it. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by SANDAG and the Grantee.

XX. PROJECT MANAGER

The Grantee has assigned [INSERT PROJECT MANAGER NAME] as the Project Manager for the Project. Project Manager continuity and experience is deemed essential in Grantee's ability to carry out the Project in accordance with the terms of this Agreement. Grantee shall not change the Project Manager without first providing written notice to SANDAG.

XXI. NOTICE

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, addressed to:

San Diego Association of Governments
401 B Street, Suite 800
San Diego, CA 92101
Attn: Susan Baldwin / Suchi Mukherjee

Grantee:
[LOCAL AGENCY NAME]
[LOCAL AGENCY ADDRESS]
Attn: [LOCAL AGENCY PROJECT MANAGER]

Notice shall be effective upon receipt thereof.

Note to SANDAG Contracts Staff: After receiving this original agreement back from the Grantee and before routing the original agreement for final SANDAG "wet" signatures, confirm with SANDAG Finance and Planning staff that the applicable RTIP has been approved.

XXII. SIGNATURES

The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written above.

SAN DIEGO ASSOCIATION OF GOVERNMENTS

[INSERT JURISDICTION]

GARY L. GALLEGOS OR DESIGNEE
Executive Director

[Full Name]
[Title]

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Office of General Counsel

[Full Name]
[Title]

DRAFT

ATTACHMENT A

SCOPE OF WORK, SCHEDULE, AND APPROVED PROJECT BUDGET

Project Location

(SPECIFIC PROJECT LOCATION INCLUDING JURISDICTION, COMMUNITY, NEIGHBORHOOD, CORRIDORS, AND INTERSECTIONS)

Project Description

[PROJECT TYPE (DESIGN AND/OR CONSTRUCTION, MASTER PLAN, ETC.), TYPES OF IMPROVEMENTS/RECOMMENDATIONS, PROJECT GOALS]

(INSERT SCOPE, SCHEDULE AND APPROVED PROJECT BUDGET)

TransNet MPO ID NO. _____

DRAFT

ATTACHMENT B



BOARD POLICY NO. **035**

COMPETITIVE GRANT PROGRAM PROCEDURES

Applicability and Purpose of Policy

This Policy applies to all grant programs administered through SANDAG, whether from *TransNet* or another source, including but not limited to the Smart Growth Incentive Program, Environmental Mitigation Program, Bike and Pedestrian Program, Senior Mini Grant Program, Federal Transit Administration grant programs, and Active Transportation Grant Program.

Nothing in this Policy is intended to supersede federal or state grant rules, regulations, statutes, or contract documents that conflict with the requirements in this Policy. There are never enough government grant funds to pay for all of the projects worthy of funding in the San Diego region. For this reason, SANDAG awards grant funds on a competitive basis that takes the grantees' ability to perform their proposed project on a timely basis into account. SANDAG intends to hold grantees accountable to the project schedules they have proposed in order to ensure fairness in the competitive process and encourage grantees to get their projects implemented quickly so that the public can benefit from the project deliverables as soon as possible.

Procedures

1. Project Milestone and Completion Deadlines

1.1. When signing a grant agreement for a competitive program funded and/or administered by SANDAG, grant recipients must agree to the project delivery objectives and schedules in the agreement. In addition, a grantee's proposal must contain a schedule that falls within the following deadlines. Failure to meet the deadlines below may result in revocation of all grant funds not already expended. The final invoice for capital, planning, or operations grants must be submitted prior to the applicable deadline.

1.1.1. Funding for Capital Projects. If the grant will fund a capital project, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary construction contract must be awarded within two years following execution of the grant agreement, and construction must be completed within eighteen months following award of the construction contract. Completion of construction for purposes of this policy shall be when the prime construction contractor is relieved from its maintenance responsibilities. If no construction contract award is necessary, the construction project must be complete within eighteen months following execution of the grant agreement.

1.1.2. Funding for Planning Grants. If the grant will fund planning, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary consultant contract must be awarded within one year following execution of the grant agreement, and the planning project must be

complete within two years following award of the consultant contract. Completion of planning for purposes of this policy shall be when grantee approves the final planning project deliverable. If no consultant contract award is necessary, the planning project must be complete within two years of execution of the grant agreement.

1.1.3 Funding for Operations Grants. If the grant will fund operations, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary services contract for operations must be awarded within one year following execution of the grant agreement, and the operations must commence within six months following award of the operations contract. If no services contract for operations is necessary, the operations project must commence within one year of execution of the grant agreement.

1.1.4 Funding for Equipment or Vehicles Grants. If the grant will fund equipment or vehicles, the project must be completed according to the schedule provided in the grant agreement, but at the latest, any necessary purchase contracts for equipment or vehicles must be awarded within one year following execution of the grant agreement, and use of the equipment or vehicles for the benefit of the public must commence within six months following award of the purchase contract.

2. Project Milestone and Completion Deadline Extensions

2.1. Schedules within grant agreements may include project scopes and schedules that will identify interim milestones in addition to those described in Section 1 of this Policy. Grant recipients may receive extensions on their project-schedules of up to six months for good cause. Extensions of up to six months aggregate that would not cause the project to miss a completion deadline in Section 1 may be approved by the SANDAG Executive Director. Extensions beyond six months aggregate or that would cause the project to miss a completion deadline in Section 1 must be approved by the Policy Advisory Committee that has been delegated the necessary authority by the Board. For an extension to be granted under this Section 2, the following conditions must be met:

2.1.1. For extension requests of up to six months, the grantee must request the extension in writing to the SANDAG Program Manager at least two weeks prior to the earliest project schedule milestone deadline for which an extension is being requested. The Executive Director or designee will determine whether the extension should be granted. The Executive Director's action will be reported out to the Board in following month's report of delegated actions.

2.1.2. A grantee seeking an extension must document previous efforts undertaken to maintain the project schedule, explain the reasons for the delay, explain why the delay is unavoidable, and demonstrate an ability to succeed in the extended time frame the grantee proposes.

2.1.3. If the Executive Director denies an extension request under this Section 2, the grantee may appeal within ten business days of receiving the Executive Director's response to the responsible Policy Advisory Committee by sending the appeal to the SANDAG Program Manager.

2.1.4. Extension requests that are rejected by the Policy Advisory Committee will result in termination of the grant agreement and obligation by the grantee to return to SANDAG any unexpended funds within 30 days. Unexpended funds are funds for project costs not incurred prior to rejection of the extension request by the Policy Advisory Committee.

3. Project Delays and Extensions in Excess of Six Months

3.1. Requests for extensions in excess of six months, or that will cause a project to miss a completion deadline in Section 1 (including those projects that were already granted extensions by the Executive Director and are again falling behind schedule), will be considered by the Policy Advisory Committee upon request to the SANDAG Program Manager.

3.2. A grantee seeking an extension must document previous efforts undertaken to maintain the project schedule, explain the reasons for the delay, explain why the delay is unavoidable, and demonstrate an ability to succeed in the extended time frame the grantee proposes. The grantee must provide the necessary information to SANDAG staff to place in a report to the Policy Advisory Committee. If sufficient time is available, and the grant utilized *TransNet* funds, the request will first be taken to the Independent Taxpayer Advisory Committee (ITOC) for a recommendation. The grantee should make a representative available at the meeting to present the information to, and/or answer questions from, the ITOC and Policy Advisory Committee.

3.3. The Policy Advisory Committee will only grant an extension under this Section 3 for extenuating circumstances that the grantee could not have reasonably foreseen.

4. Resolution and Execution of the Grant Agreement

4.1. Two weeks prior to the review by the Policy Advisory Committee of the proposed grants, prospective grantees must submit a resolution from their authorized governing body that includes the provisions in this Subsection 4.1. Failure to provide a resolution that meets the requirements in this Subsection 4.1 will result in rejection of the application and the application will be dropped from consideration with funding going to the next project as scored by the evaluation committee. In order to assist grantees in meeting this resolution deadline, when SANDAG issues the call for projects it will allow at least 90 days for grant application submission.

4.1.1. Grantee governing body commits to providing the amount of matching funds set forth in the grant application.

4.1.2. Grantee governing body authorizes staff to accept the grant funding and execute a grant agreement if an award is made by SANDAG.

4.2. Grantee's authorized representative must execute the grant agreement within 45 days from the date SANDAG presents the grant agreement to the prospective grantee for execution. Failure to meet the requirements in this Subsection 4.2 may result in revocation of the grant award.

5. Increased Availability of Funding Under this Policy

5.1. Grant funds made available as a result of the procedures in this Policy may be awarded to the next project on the recommended project priority list from the most recent project selection process, or may be added to the funds available for the next project funding cycle, at the responsible Policy Advisory Committee's discretion. Any project that loses funding due to failure to meet the deadlines specified in this Policy may be resubmitted to compete for funding in a future call for grant applications.

Adopted: January 2010

Amended: November 2014

DRAFT

ATTACHMENT C

PROJECT IMPLEMENTATION AND OVERSIGHT REQUIREMENTS

Capital Grants

1. Contact Information: Grantee must provide SANDAG with contact information for the project manager. Grantee must provide SANDAG with updated contact information in a timely manner if there are any changes to staff assigned.

2. Baseline Data Collection: Prior to the construction of grant-funded improvements, the Grantee is responsible for developing a baseline data collection plan with SANDAG to gather information on pedestrian and bicyclist activity. At a minimum, data should be collected for observed bicycle and pedestrian volumes, behavior, and attitudes in the project area. Once the data collection plan is approved by SANDAG staff, the Grantee is responsible for carrying out the plan and returning collected data to SANDAG as a deliverable. Standardized forms required for data collection will be provided by SANDAG.

Grantees are encouraged to use the National Bicycle and Pedestrian Documentation Project methodology and plan for the following:

- Conduct counts prior to project construction, during National Documentation Days in the second week of September. Supplementary counts and surveys can be conducted during January, May, and July to provide seasonal data, if desired.
- Conduct counts for two hours, at peak times relative to the facility. For example, facilities attracting utilitarian trips should be counted on a Tuesday, Wednesday, or Thursday from 5 to 7 p.m., whereas facilities attracting recreational trips should be counted on a Saturday, from 9 to 11a.m.

In the case that the above timeframes are deemed infeasible due to the project schedule, the Grantee and SANDAG will collaborate on an alternative data collection methodology and procedure.

A subset of Grantees may be selected for in-depth evaluation by SANDAG, in which case, SANDAG will conduct the data collection effort with required participation from Grantee staff. Such in-depth evaluation conducted by SANDAG will take place solely for the purpose of SANDAG Active Transportation data collection and monitoring efforts, and will not impact Grantees' budgets.

Grantees should plan to budget five thousand dollars (\$5,000) for data collection. For questions or assistance with data collection, contact Christine Eary at Christine.Eary@sandag.org, or (619) 699-6928.

3. Design Development and Community Meetings: Grantee must provide SANDAG with advance notice (preferably within two weeks) and agendas of all design development and community meetings, and a meeting summary following the meeting. SANDAG staff may attend any meetings as appropriate.

4. Plan Review: Grantee must submit project design drawings and cost estimates (if available) to SANDAG for review and comment at 30 percent, 60 percent, 90 percent, and 100 percent. SANDAG staff may meet with the Grantee to comment on submitted plans and assure substantial conformance. SANDAG may comment on submitted plans regarding:

- Whether they are consistent with the Project proposed in the original grant application, and
- Consistency with accepted pedestrian/bicycle facility and smart growth design standards.

5. Quarterly Reports and Invoices: Grantee must submit quarterly reports and invoices to SANDAG, detailing accomplishments in the quarter, anticipated progress next quarter, pending issues and actions toward resolution, and status of budget and schedule. Furthermore, the Grantee agrees to provide project milestone information (such as presentations to community groups, other agencies, and elected officials, ground-breakings, and ribbon-cuttings) to support media and communications efforts.

6. Media and Community Outreach Coordination: Press materials shall be provided to SANDAG staff before they are distributed. SANDAG logo(s) should be included in press materials and other project collateral. Furthermore, the grantee agrees to provide project milestone information to support media and communications efforts.

7. Photo Documentation: Grantees are responsible for the following photo documentation:

- Before and after photos, which should be taken from similar angles to showcase how a particular area has been transformed over time.
- Project milestone photos (such as ground-breakings and ribbon-cuttings).
- Photos taken throughout construction phases and throughout the length of the project.

Photos should be high resolution (at least 4 inches by 6 inches with a minimum of 300 pixels per inch) and contain captions with project descriptions, dates, locations, and the names of those featured, if appropriate.

8. Project Signage: Each project or program in excess of \$250,000 funded in whole or in part by revenues from the *TransNet* Extension Ordinance shall be clearly designated during its construction or implementation as being provided by such revenues. SANDAG will provide sign specifications. Grantee agrees to follow sign specifications and submit proof files to SANDAG for approval before printing.

9. Performance Monitoring: SANDAG staff may measure performance of the constructed capital improvements against stated project objectives, and evaluate the overall grant program. Grantee is expected to meet with SANDAG staff to identify relevant performance measures and data sources, and provide available data and feedback regarding the program as appropriate.

Planning and Non-Capital Grants

1. Contact Information. Grantee must provide SANDAG with contact information for the project manager. Grantee must provide SANDAG with updated contact information in a timely manner if there are any changes to staff assigned.

2. Request for Proposals and Consultant Selection. Upon request by SANDAG, Grantee must submit consultant draft Request for Proposals to SANDAG staff for review and comment for consistency with the agreed upon Scope of Work with SANDAG (Attachment A).

3. Quarterly Reports. Grantee must submit quarterly reports to SANDAG, detailing accomplishments in the quarter, anticipated progress next quarter, pending issues and actions toward resolution, and status of budget and schedule.

4. Stakeholder and Community Meetings. Grantee must provide SANDAG with advance notice (preferably within two weeks) and agendas of all stakeholder and community meetings, and a meeting summary following the meeting. SANDAG staff may attend any meetings as appropriate.

5. Media and Community Outreach Coordination. Press materials shall be provided to SANDAG staff before they are distributed. SANDAG logo(s) should be included in press materials and other project collateral. Furthermore, the Grantee agrees to provide project milestone information to support media and communications efforts.

6. Photo Documentation. Grantees are responsible for the following photo documentation:

- Existing conditions photos, which should illustrate the current conditions of the project site and demonstrate the need for improved facilities
- Project milestone photos (such as workshops, presentations to community groups, other agencies, and elected officials)

Photos should be high resolution (at least 4 inches by 6 inches with a minimum of 300 pixels per inch) and contain captions with project descriptions, dates, locations, and the names of those featured, if appropriate.

**ATTACHMENT D
QUARTERLY REPORT AND INVOICE FORMS**

***TransNet Smart Growth Incentive Program and
TransNet/TDA Active Transportation Grant Program
Quarterly Report***

Report Submittal Date: [Insert]

Reporting Period: [Insert - Example: FY 2014, Quarter 1]

PART 1: DESCRIPTION OF ACTIVITY FOR REPORTING PERIOD

1. Work Accomplished This Reporting Period

[INSTRUCTIONS: Replace this text with a detailed description of work completed and underway during the reporting period. In a bullet format, reference specific tasks.]

Example:

- Task 1 - Award Consultant Contract: Issued RFP and convened a selection panel of 5 members from the City, MTS, NTCD, and SANDAG to shortlist 3 of 9 firms. The panel interviewed the 3 firms and selected XYZ Group for this project. The City Council approved the consultant contract with XYZ Group on January 1, 2014. City staff held a kick-off meeting on January 10, 2014.
- Task 2 – Public Outreach: City staff and XYZ Group began organizing the first workshop for this project. The anticipated date of the first workshop will be in the February/March 2014 timeframe.
- Task 3 – Etc.
- Task 4 – Etc.

2. Deliverables Produced This Reporting Period

[INSTRUCTIONS: Summarize the deliverables produced during this period and indicate the date submitted to SANDAG. Deliverables can be submitted as an attachment to this report. See Item 5 for more details.]

Example:

- Final RFP – Submitted in December 2014.
- Approved Consultant Contract and Kick-Off Meeting Notes – Submitted with this report. Please see accompanying list of attachments.

3. Is there an accompanying invoice for this period?

[INSTRUCTIONS: Indicate YES or NO.]

4. Work Anticipated for the Next Reporting Period

[INSTRUCTIONS: Replace this text with a brief description of work anticipated for the next reporting period. Also note any upcoming meetings or workshops.]

5. List of Attachments

[INSTRUCTIONS: List any deliverables or invoice documents attached to this report. Attachments over 6MB should be sent via WeTransfer.]

WeTransfer Link: <https://sandag.wetransfer.com/>

Example:

- Attachment 1: Consultant Contract
- Attachment 2: Kick-Off Meeting Notes
- Attachment 3: Invoice Spreadsheet
- Attachment 4: Invoice Documentation

PART 2: SCHEDULE AND TASK STATUS

| Task | Scheduled Start Date <i>(Per Grant Scope of Work)</i> | Scheduled Completion Date <i>(Per Grant Scope of Work)</i> | Status | Timing | Anticipated Start Date <i>(If Different from Grant Scope of Work)</i> | Anticipated Completion <i>(If Different from Grant Scope of Work)</i> |
|---|---|--|---|--------------------------|---|---|
| NTP Date | | | | | | |
| Task 1 | [mm/dd/yy] | [mm/dd/yy] | [In Progress/ Completed/ Not Started] | [On Time/ Delayed] | [mm/dd/yy] | [mm/dd/yy] |
| Task 2: Policy No. 035 Milestone | [mm/dd/yy] | [mm/dd/yy] | [In Progress/ Completed/ Not Started] | [On Time/ Delayed] | [mm/dd/yy] | [mm/dd/yy] |
| Task 3: Policy No. 035 Milestone | [mm/dd/yy] | [mm/dd/yy] | [In Progress/ Completed/ Not Started] | [On Time/ Delayed] | [mm/dd/yy] | [mm/dd/yy] |

PART 3: CHALLENGES, SCHEDULE DELAYS, AND AMENDMENT REQUESTS

Challenges and Actions Toward Resolution (If applicable)

[INSTRUCTIONS: If you are experiencing challenges in completing project tasks, please provide information about the delay and actions taken to resolve issues. If an amendment is needed, provide justification and check the appropriate box below.]

No amendment requested at this time

Amendment requested to*:

Project Schedule

Project Budget

Scope of Work

**Failure to check a box in the above section assumes there is no action requested. Amendment requests are subject to SANDAG's approval. It is the Grantee's responsibility to ensure compliance with SANDAG Board Policy No. 035: Competitive Grant Program Procedures and grant agreement terms and conditions.*

PART 4: PROJECT STATUS REPORT SIGNATURE

Prepared by _____ Date: _____
Project Manager

INVOICE INSTRUCTIONS

Step 1: Complete the Quarterly Progress Report.

Reimbursements cannot be made without a completed Quarterly Progress Report.

Step 2: Gather Documentation for Staff Costs, Consultant/Contractor Costs, and Other Costs.

Provide SANDAG with a copy of any consultant and contractor agreements awarded through the grant.

Staff Costs should be supported by certified payroll documentation

Consultant costs should be supported by the consultant invoice AND a proof of payment. The proof of payment can be either a copy of the check provided to the consultant or printout from the project's financial accounting system showing that funds were disbursed.

Contractor costs should be supported by the contractor invoice, schedule of values, AND a proof of payment. The proof of payment can be either a copy of the check provided to the contractor or a printout from the project's financial accounting system showing that funds were disbursed.

Other costs should be supported by either an invoice from the vendor or a receipt AND must be accompanied by a proof of payment. The proof of payment can be either a copy of the check provided to the vendor or a printout from the project's financial accounting system showing that funds were disbursed.

Clearly identify (i.e., highlight or circle) all grant-related expenses on documents that include non-related costs.

Step 3: Complete the Expense Summary.

Summarize the total Staff Costs, Consultant/Contractor Costs, and Other Costs incurred during the reporting period.

Confirm that you have the adequate documentation.

Break down each cost by task. This will help with the next step to complete the invoice statement.

Double check and make sure all sub-totals have been calculated correctly.

Step 4: Complete the Invoice Statement.

Enter the costs for each task (calculated in Step 3) into the appropriate cells of the Invoice Statement. The SANDAG contribution, match contribution, and retention amounts should automatically calculate.

Enter previous costs by task into the appropriate cells of the spreadsheet. The remaining grant balance should automatically calculate.

Step 5: Submit Quarterly Progress Report, Invoice, and Supporting Documentation to SANDAG at:

sgatgrants@sandag.org

Sign and scan the completed Quarterly Progress Report. Submit it in PDF form.

Sign and scan the invoice statement. Submit it in PDF form.

Submit supporting documentation in PDF form.

Submit the completed Excel workbook.

Files in excess of 6MB should be submitted via:

<https://sandag.wetransfer.com>

FEAR D

PART 1: STAFF COSTS

| Personnel | Time Period | Hours | Hourly Rate | Amount | Documentation Attached? |
|----------------|----------------------|-------|-------------|--------------------|-------------------------|
| Staff Person A | mm/dd/yy to mm/dd/yy | 10 | \$ | 100.00 \$ 1,000.00 | YES/NO |
| Staff Person B | mm/dd/yy to mm/dd/yy | 10 | \$ | 100.00 \$ 1,000.00 | YES/NO |
| Staff Person C | mm/dd/yy to mm/dd/yy | 10 | \$ | 100.00 \$ 1,000.00 | YES/NO |

[INSERT ADDITIONAL LINES AS NEEDED]

PART 2: CONSULTANT/CONTRACTOR COSTS

| Consultant/Contractor | Invoice No. | Invoice Date | Description of Costs | Amount | Documentation Attached? |
|---------------------------|-------------|--------------|--|--------------|-------------------------|
| Consultant XYZ | 1 | 1/1/2014 | Professional services for the month of January 2014 | \$ 10,000.00 | YES/NO |
| Consultant XYZ | 2 | 2/1/2014 | Professional services for the month of February 2014 | \$ 10,000.00 | YES/NO |
| Consultant XYZ | 3 | 3/1/2014 | Professional services for the month of March 2014 | \$ 10,000.00 | YES/NO |
| Outreach Organization ABC | 1 | 3/1/2014 | Outreach from January 2014 to March 2014 | \$ 10,000.00 | YES/NO |

[INSERT ADDITIONAL LINES AS NEEDED]

PART 3: OTHER COSTS

| Vendor | Invoice No. | Invoice Date | Description of Costs | Amount | Documentation Attached? |
|----------|-------------|--------------|--|-----------|-------------------------|
| Vendor A | 1 | 1/1/2014 | Printing costs for January 2014 | \$ 100.00 | YES/NO |
| Vendor B | 1 | 2/1/2014 | News Announcement for February 2014 Workshop | \$ 100.00 | YES/NO |
| Vendor C | 1 | 2/28/2014 | Snacks for February 2014 Workshop | \$ 100.00 | YES/NO |

[INSERT ADDITIONAL LINES AS NEEDED]

TRANSNET SMART GROWTH INCENTIVE PROGRAM INVOICE

To: **SUCHI MUKHERJEE**
SANDAG
 401 B Street, Suite 800
 San Diego, CA 92101-4231

Project Name: [PROJECT NAME]
 Contract Number: 500XXX

From: Name
 Address

Grant Invoice Number: #
 Billing Period: FROM TO
 Invoice Date: DATE

Grant Award: \$0.00
 Balance Remaining \$0.00

| TASK | Previous Balance | | | Current MM/DD/YYYY to MM/DD/YYYY | | | Total Expenses | SANDAG Total | Match Spent |
|------------------------------|--------------------|---------------|---------------|----------------------------------|--------------------------------|-------------|----------------|--------------|--------------|
| | Reimbursed to Date | Match to Date | Total to Date | Staff Costs | Consultant or Contractor Costs | Other Costs | This Invoice | This Invoice | This Invoice |
| 1 RFP | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 2 Existing Conditions Report | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 3 Public Outreach | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 4 Draft Plan | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 5 Final Plan | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Total | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

Total Current Expenditures: \$0.00
Total Amount Due this Invoice: \$0.00
Less 10% Retention: \$0.00
Match % Met to Date: #DIV/0!

| Total Project Budget (Grant + Match) | |
|---|---------------|
| Task 1 | \$0.00 |
| Task 2 | \$0.00 |
| Task 3 | \$0.00 |
| Task 4 | \$0.00 |
| Task 5 | \$0.00 |
| TOTAL | \$0.00 |
| SANDAG Grant: | \$0.00 |
| Match: | \$0.00 |
| SANDAG Contribution % | #DIV/0! |
| Required Match % | #DIV/0! |

CERTIFICATION OF GRANTEE

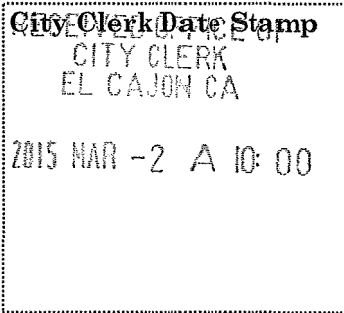
I hereby certify that the above costs were incurred in performance of the work required under the grant and are consistent with the amounts evidenced by attached supporting documents and expenditures.

Signature

Printed Name and Title

Date

DRAFT



City of El Cajon Agenda Report

MEETING: Mar. 10, 2015

ITEM NO: 1.5



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Assistant City Manager/Director of Community Development

SUBJECT: Fiscal Year 2014 CalHome Grant Funding

RECOMMENDATION: That the City Council:

1. Authorize the City Manager or designee to accept the Fiscal Year 2014 CalHome Grant in the amount of \$634,000, and to execute all documents and agreements necessary for the receipt and use of these grant funds; and
2. Appropriate \$634,000 in the CalHome Fund to be used for mortgage assistance loans to low-income first-time homebuyers and for program costs.

BACKGROUND: On June 24, 2014, City staff, with City Council approval, submitted an application to the California Department of Housing and Community Development (HCD) for CalHome grant funds that are made available periodically by HCD through the Housing and Emergency Shelter Trust Fund Act of 2006. The CalHome funds must be used to support affordable housing programs that benefit low-income households, earning 80 percent or less of area median income.

On October 1, 2014, the City's application for the CalHome grant funds was approved by HCD in the amount of \$634,000. The City will utilize these funds, leveraged with federal HOME funds, to provide zero percent deferred-payment mortgage loans to eligible low-income first-time homebuyers. Staff anticipates providing financial assistance to approximately 10 low-income households over three years with this funding, thereby increasing the supply of affordable housing and enhancing the stability and investment in neighborhoods.


FISCAL IMPACT:

No fiscal impact to the General Fund. The appropriation of \$634,000 in the CalHome Fund will be used for mortgage assistance loans to low-income first-time homebuyers and for program costs.

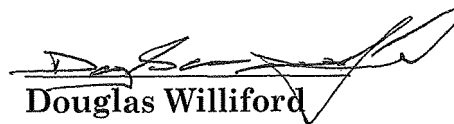
PREPARED BY:

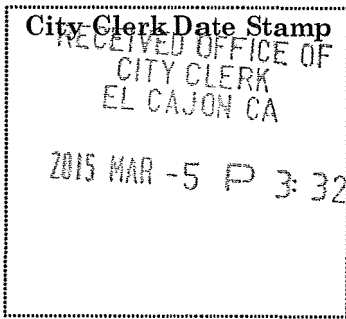

Adriana Castaneda
MANAGEMENT
ANALYST

REVIEWED BY:


Majed Al-Ghafry
ASSISTANT
CITY MANAGER

APPROVED BY:


Douglas Williford
CITY MANAGER



City of El Cajon Agenda Report

MEETING: Mar. 10, 2015

ITEM NO: 1.6



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Deputy Director of Public Works

SUBJECT: Johnson Avenue Sewer Relief Project Phase I (JASRP-I), WW3250-1 Authorization for the Execution of an Agreement with San Diego Gas and Electric Company (SDG&E) for Reimbursement of Construction Costs for work performed by the City of El Cajon and benefiting SDG&E

RECOMMENDATION: That the City Council adopt the next RESOLUTION approving a Reimbursement Agreement with SDG&E and authorize the City Manager to execute the Agreement.

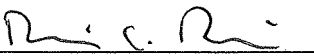
BACKGROUND: The original plans for the Johnson Avenue Sewer Relief Project had reflected an ideal sewer line alignment that included relocation of a ten-inch (10") high-pressure gas line at SDG&E's expense. The estimated cost to relocate the gas line was approximately \$1 million. An alternative alignment for the sewer pipeline was available that would avoid relocating the gas line but would increase the City's costs by an estimated \$182,000 in plan re-design and replacement of additional street surface improvements. SDG&E has agreed to reimburse the City for its extra costs and avoid the cost of relocating the ten-inch (10") gas line. Staff is recommending approval of the attached agreement with SDG&E for reimbursement of the City's extra costs.

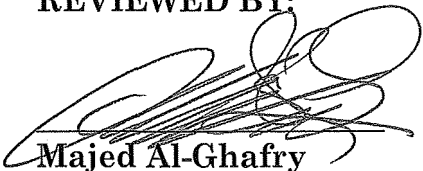
FISCAL IMPACT: The \$182,000 lump sum payment to the City will offset the costs of additional work performed by the City's contractor to avoid relocation of the SDG&E gas line.

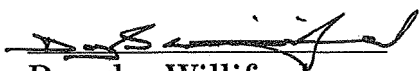
PREPARED BY:

REVIEWED BY:

APPROVED BY:


Dennis C. Davies
DEPUTY DIRECTOR
OF PUBLIC WORKS


Majed Al-Ghafry
ASSISTANT
CITY MANAGER


Douglas Williford
CITY MANAGER

Enclosure

AGREEMENT BETWEEN THE CITY OF EL CAJON
AND SAN DIEGO GAS AND ELECTRIC
REGARDING PLAN REVISIONS AND CONSTRUCTION
COSTS ASSOCIATED WITH CITY OF EL CAJON'S
JOHNSON AVENUE SEWER RELIEF PROJECT

THIS AGREEMENT ("Agreement") is made and entered into effective as of the _____ day of _____, 2014 ("Effective Date"), by and between the CITY OF EL CAJON, a charter city and municipal corporation ("City") and SAN DIEGO GAS AND ELECTRIC COMPANY, a corporation organized and existing under the laws of the state of California ("SDG&E").

RECITALS

WHEREAS, City is pursuing the "Johnson Avenue Sewer Relief Project" for the construction of approximately 10,300 feet of sewer line generally along Johnson Avenue from Bradley Avenue to Madison Avenue for the purpose of alleviating capacity constraints caused by existing wet weather flow conditions and accommodating increases in flow associated with future growth ("Project");

WHEREAS, during the final design of the Project it was discovered that the selected sewer pipeline alignment would conflict with SDG&E's 10-inch high-pressure gas line (the "Gas Line") located in the Project area;

WHEREAS, pursuant to the effective franchise agreement between City and SDG&E, wherein SDG&E has been granted a franchise to transmit and distribute electricity in the City of El Cajon, SDG&E is required to relocate the Gas Line, at their expense, to enable the City to complete the Project;

WHEREAS, SDG&E has estimated that it will cost them upwards of \$1,000,000 to relocate the Gas Line, and has requested that City design and construct its sewer pipeline in an alternative location thus alleviating SDG&E's need to relocate the Gas Line (the "Alternative Pipe Location");

WHEREAS, City has the prerogative to complete the Project with the Alternative Pipe Location, however, in order to comply with SDG&E's request the City estimates it would incur additional design and construction costs of approximately \$182,000;

WHEREAS, SDG&E is willing to pay the additional design and construction costs for the Alternative Pipe Location with a one-time lump sum payment of \$182,000 to cover the City's additional construction costs, design, administrative, inspection and construction management, and contingency costs.

WHEREAS, City and SDG&E desire to enter into an agreement to address the additional costs associated with SDG&E's request for the Alternative Pipe Location;

NOW THEREFORE, in consideration of the above Recitals and the mutual promises contained herein, the parties agree that City will plan and construct the Project with Alternative Pipe Location, that SDG&E shall pay the additional costs thereof, and to set forth the parties' rights and responsibilities associated therewith.

AGREEMENT

1. City and SDG&E agree that SDG&E shall pay to City the sum of \$182,000 ("SDG&E Capped Payment") toward the City's total cost for the additional design and construction of the Alternative Pipe Location, including administrative, inspection and construction management, and contingency costs (the "Additional Costs").
2. City shall be responsible for the design and construction of the Project, including the Alternative Pipe Location. Notwithstanding the foregoing, City agrees to work with SDG&E's design engineer and/or other representatives of SDG&E to ensure that the design and construction specifications for the Alternative Pipe Location are consistent with SDG&E's requested plan revisions. SDG&E shall have the right to inspect these records upon written request to the City.
3. SDG&E shall promptly pay the SDG&E Capped Payment to the City upon mutual execution of the agreement by the parties hereto. City acknowledges and agrees that, upon payment of such amount, SDG&E shall have no further responsibility or liability for any Additional Costs incurred by the City for the Alternative Pipe Location.
4. SDG&E agrees that prior to the City's commencement of the Project (anticipated to commence in January of 2015), SDG&E will, at its sole cost, relocate an existing 3" gas line in the project area to enable the construction of the Alternative Pipe Location.
5. The parties agree that if unforeseen increases in expenditures or commitments are expected or realized which would result in the design or construction expenses to increase to an amount greater than that provided by SDG&E to City the City shall assume the risk and absorb the additional costs.
6. If both parties agree that the Alternative Pipe Location is no longer needed, this Agreement may be terminated subject to Section 7.
7. The parties may mutually agree, in writing, to a termination of this Agreement. In addition the City may, unilaterally, elect to terminate this Agreement upon the giving of ninety (90) days' notice to SDG&E in writing. Within thirty (30) days following termination under this Section 7, City shall refund to SDG&E any unused portion of the SDG&E Capped Payment, accompanied by a reasonably detailed schedule of costs actually incurred by City for that portion of the SDG&E Capped Payment retained by City.
8. SDG&E and City hereby agree that all right, title and interest in and to the Project improvements, including the Alternative Pipe Location, shall vest in the City of El Cajon and that, notwithstanding anything herein to the contrary, City shall have the right to control the Project improvements, and access to the Project improvements. SDG&E shall, at the request of City, execute such documents City deems necessary to convey or acknowledge title of the Project improvements to City.
9. If a dispute arises out of or relates to this Agreement, and if the dispute cannot be settled by negotiation, the parties agree to try in good faith to settle the dispute by non-binding mediation. The costs of such mediation shall be shared equally by the parties.
10. All notices, demands, requests or other communication required or permitted to be given hereunder ("Notices") shall be in writing and (i) delivered in person to an officer or duly authorized representative of the other party, or (ii) sent by First Class United States Mail, postage prepaid to City or SDG&E at the appropriate address set forth below, or to such other address as City or SDG&E may hereinafter designate by written notices to the other party. Any such notice shall be deemed duly given

upon receipt if delivered as set forth under (i) above, or, in case of (ii) above, forty-eight (48) hours from the time of mailing if mailed as provided in this section.

SDG&E address for notice:

San Diego Gas & Electric Company
8335 Century Park Court, CP22A
San Diego, CA 92123

Attention: Michael Wong

City address for notice:

City of El Cajon
200 Civic Center Way
El Cajon, CA 92020

Attention: Director of Public Works

With a copy to:

City Attorney
City of El Cajon
200 East Main Street
El Cajon, CA 92020

11. The signatories to this Agreement represent and warrant that they have the requisite authority to enter into this Agreement on behalf of the party for whom they sign.

12. This Agreement shall become effective when executed by all parties and shall continue in full force until termination as provided for herein or by the mutual written consent of the parties.

13. This Agreement represents the entire understanding of SDG&E and City as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to the matters covered herein. This Agreement may not be modified or altered except in writing signed by both parties.

14. Should any part of this Agreement be held to be invalid by a court of competent jurisdiction, the remainder of the Agreement shall be considered as the whole Agreement and be binding on the contracting parties.

15. This Agreement shall be construed in accordance with and governed by the laws of the State of California. This Agreement shall be deemed made and entered into in San Diego County, California, which shall also be deemed to be the sole and proper venue for any action or proceeding relating to this Agreement.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties executed this Agreement as of the date first written above.

CITY OF EL CAJON, a municipal corporation:

SAN DIEGO GAS AND ELECTRIC, a
California Corporation:

By: _____
Douglas Williford, City Manager

By: 
Title: CEsar A Desian MAIZ

ATTEST:

By: _____
Belinda A. Hawley, CMC, City Clerk

Approved as to Form:

By: _____
Morgan L. Foley, City Attorney

RESOLUTION NO. -15

RESOLUTION OF THE
CITY COUNCIL OF THE CITY OF EL CAJON
APPROVING A REIMBURSEMENT AGREEMENT WITH
SAN DIEGO GAS AND ELECTRIC COMPANY (SDG&E) FOR
REIMBURSEMENT OF CONSTRUCTION COSTS FOR WORK
PERFORMED BY THE CITY OF EL CAJON
AND BENEFITTING SDG&E

WHEREAS, the original plans for the Johnson Avenue Sewer Relief Project had initially selected an ideal sewer line alignment that included relocation of a ten-inch (10") high-pressure gas line at the expense of San Diego Gas & Electric (SDG&E), and the estimated cost to relocate the gas line would be approximately \$1 million; and

WHEREAS, an alternative alignment for the sewer pipeline was available that would avoid the costs to relocate the gas line but would increase the City of El Cajon's ("City") costs by an estimated \$182,000 in plan redesign and replacement of additional street surface improvements; and

WHEREAS, SDG&E has agreed to reimburse the City for its extra costs and avoid the cost of relocation of the ten-inch (10") gas line; and

WHEREAS, staff is recommending approval of the Agreement Between the City of El Cajon and San Diego Gas and Electric Regarding Plan Revisions and Construction Costs Associated with City of El Cajon's Johnson Avenue Sewer Relief Project (the "Agreement") attached hereto as Exhibit "A," for reimbursement of the City's extra costs.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. The above recitals are true and correct, and are the findings of the City Council.
2. The City Council hereby approves the execution of the Agreement Between San Diego Gas & Electric and the City of El Cajon, substantially in the form as presented to the City Council in this meeting, with such changes as may be approved by the City Manager.
3. The City Manager and City Clerk are hereby authorized and directed to execute said Agreement on behalf of the City of El Cajon.

Exhibit "A"

AGREEMENT BETWEEN THE CITY OF EL CAJON
AND SAN DIEGO GAS AND ELECTRIC
REGARDING PLAN REVISIONS AND CONSTRUCTION
COSTS ASSOCIATED WITH CITY OF EL CAJON'S
JOHNSON AVENUE SEWER RELIEF PROJECT

THIS AGREEMENT ("Agreement") is made and entered into effective as of the ____ day of _____, 2014 ("Effective Date"), by and between the CITY OF EL CAJON, a charter city and municipal corporation ("City") and SAN DIEGO GAS AND ELECTRIC COMPANY, a corporation organized and existing under the laws of the state of California ("SDG&E").

RECITALS

WHEREAS, City is pursuing the "Johnson Avenue Sewer Relief Project" for the construction of approximately 10,300 feet of sewer line generally along Johnson Avenue from Bradley Avenue to Madison Avenue for the purpose of alleviating capacity constraints caused by existing wet weather flow conditions and accommodating increases in flow associated with future growth ("Project");

WHEREAS, during the final design of the Project it was discovered that the selected sewer pipeline alignment would conflict with SDG&E's 10-inch high-pressure gas line (the "Gas Line") located in the Project area;

WHEREAS, pursuant to the effective franchise agreement between City and SDG&E, wherein SDG&E has been granted a franchise to transmit and distribute electricity in the City of El Cajon, SDG&E is required to relocate the Gas Line, at their expense, to enable the City to complete the Project;

WHEREAS, SDG&E has estimated that it will cost them upwards of \$1,000,000 to relocate the Gas Line, and has requested that City design and construct its sewer pipeline in an alternative location thus alleviating SDG&E's need to relocate the Gas Line (the "Alternative Pipe Location");

WHEREAS, City has the prerogative to complete the Project with the Alternative Pipe Location, however, in order to comply with SDG&E's request the City estimates it would incur additional design and construction costs of approximately \$182,000;

WHEREAS, SDG&E is willing to pay the additional design and construction costs for the Alternative Pipe Location with a one-time lump sum payment of \$182,000 to cover the City's additional construction costs, design, administrative, inspection and construction management, and contingency costs.

WHEREAS, City and SDG&E desire to enter into an agreement to address the additional costs associated with SDG&E's request for the Alternative Pipe Location;

NOW THEREFORE, in consideration of the above Recitals and the mutual promises contained herein, the parties agree that City will plan and construct the Project with Alternative Pipe Location, that SDG&E shall pay the additional costs thereof, and to set forth the parties' rights and responsibilities associated therewith.

AGREEMENT

1. City and SDG&E agree that SDG&E shall pay to City the sum of \$182,000 ("SDG&E Capped Payment") toward the City's total cost for the additional design and construction of the Alternative Pipe Location, including administrative, inspection and construction management, and contingency costs (the "Additional Costs").
2. City shall be responsible for the design and construction of the Project, including the Alternative Pipe Location. Notwithstanding the foregoing, City agrees to work with SDG&E's design engineer and/or other representatives of SDG&E to ensure that the design and construction specifications for the Alternative Pipe Location are consistent with SDG&E's requested plan revisions. SDG&E shall have the right to inspect these records upon written request to the City.
3. SDG&E shall promptly pay the SDG&E Capped Payment to the City upon mutual execution of the agreement by the parties hereto. City acknowledges and agrees that, upon payment of such amount, SDG&E shall have no further responsibility or liability for any Additional Costs incurred by the City for the Alternative Pipe Location.
4. SDG&E agrees that prior to the City's commencement of the Project (anticipated to commence in January of 2015), SDG&E will, at its sole cost, relocate an existing 3" gas line in the project area to enable the construction of the Alternative Pipe Location.
5. The parties agree that if unforeseen increases in expenditures or commitments are expected or realized which would result in the design or construction expenses to increase to an amount greater than that provided by SDG&E to City the City shall assume the risk and absorb the additional costs.
6. If both parties agree that the Alternative Pipe Location is no longer needed, this Agreement may be terminated subject to Section 7.
7. The parties may mutually agree, in writing, to a termination of this Agreement. In addition the City may, unilaterally, elect to terminate this Agreement upon the giving of ninety (90) days' notice to SDG&E in writing. Within thirty (30) days following termination under this Section 7, City shall refund to SDG&E any unused portion of the SDG&E Capped Payment, accompanied by a reasonably detailed schedule of costs actually incurred by City for that portion of the SDG&E Capped Payment retained by City.
8. SDG&E and City hereby agree that all right, title and interest in and to the Project improvements, including the Alternative Pipe Location, shall vest in the City of El Cajon and that, notwithstanding anything herein to the contrary, City shall have the right to control the Project improvements, and access to the Project improvements. SDG&E shall, at the request of City, execute such documents City deems necessary to convey or acknowledge title of the Project improvements to City.
9. If a dispute arises out of or relates to this Agreement, and if the dispute cannot be settled by negotiation, the parties agree to try in good faith to settle the dispute by non-binding mediation. The costs of such mediation shall be shared equally by the parties.
10. All notices, demands, requests or other communication required or permitted to be given hereunder ("Notices") shall be in writing and (i) delivered in person to an officer or duly authorized representative of the other party, or (ii) sent by First Class United States Mail, postage prepaid to City or SDG&E at the appropriate address set forth below, or to such other address as City or SDG&E may hereinafter designate by written notices to the other party. Any such notice shall be deemed duly given

upon receipt if delivered as set forth under (i) above, or, in case of (ii) above, forty-eight (48) hours from the time of mailing if mailed as provided in this section.

SDG&E address for notice:

San Diego Gas & Electric Company
8335 Century Park Court, CP22A
San Diego, CA 92123

Attention: Michael Wong

City address for notice:

City of El Cajon
200 Civic Center Way
El Cajon, CA 92020

Attention: Director of Public Works

With a copy to:

City Attorney
City of El Cajon
200 East Main Street
El Cajon, CA 92020

11. The signatories to this Agreement represent and warrant that they have the requisite authority to enter into this Agreement on behalf of the party for whom they sign.
12. This Agreement shall become effective when executed by all parties and shall continue in full force until termination as provided for herein or by the mutual written consent of the parties.
13. This Agreement represents the entire understanding of SDG&E and City as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to the matters covered herein. This Agreement may not be modified or altered except in writing signed by both parties.
14. Should any part of this Agreement be held to be invalid by a court of competent jurisdiction, the remainder of the Agreement shall be considered as the whole Agreement and be binding on the contracting parties.
15. This Agreement shall be construed in accordance with and governed by the laws of the State of California. This Agreement shall be deemed made and entered into in San Diego County, California, which shall also be deemed to be the sole and proper venue for any action or proceeding relating to this Agreement.

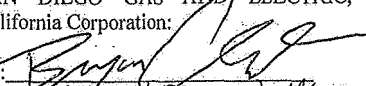
[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties executed this Agreement as of the date first written above.

CITY OF EL CAJON, a municipal corporation:

By: _____
Douglas Williford, City Manager

SAN DIEGO GAS AND ELECTRIC, a
California Corporation:

By: 
Title: General Manager

ATTEST:

By: _____
Belinda A. Hawley, CMC, City Clerk

Approved as to Form:

By: _____
Morgan L. Foley, City Attorney

City Clerk Date Stamp
RECEIVED OFFICE OF
CITY CLERK
EL CAJON CA
2015 MAR -4 A 9:03

City of El Cajon Agenda Report

MEETING: 03/10/2015

ITEM NO: 1.7



TO: Mayor Wells, Mayor Pro McClellan,
Council Members Ambrose, Bales, Kendrick

FROM: Sara Ramirez, Director of Recreation

SUBJECT: KaBOOM! Playground Grant Application – Bill Beck Park

RECOMMENDATION: That the City Council:

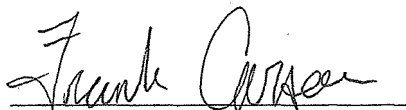
1. Authorize the City Manager or designee to accept the 2015 KaBOOM! Playground Grant for Bill Beck Park, if the City is awarded Playground Grant by KaBOOM!.
2. Appropriate \$4,250, if necessary, as the remaining funding source for the complete installation of the Bill Beck Park playground.

BACKGROUND: KaBOOM! is a non-profit 501(c)3 entity that has built nearly 3,000 playgrounds nationwide at minimal costs to the local community. Primary funding for these projects comes from a variety of corporate sponsors. KaBOOM! has not identified the corporate funding partner for this round of grant monies, but has provided a list of four corporations, indicating that one will be the corporate funding partner for this grant. The list includes Disney, JetBlue, Humana and Forresters. Corporate funding sponsors envision a playground to serve communities and families with financial need.


Through a rigorous selection process, the City of El Cajon and its community partner, Kiwanis of El Cajon Valley, were selected as a final round applicant for this year's grant. Should El Cajon be selected, "Build Day" will be Saturday, June 13, 2015. It is expected that the KaBOOM! Playground process will include over 150 community volunteers, made up of neighborhood youth and adults, to help design and "build" the new playground and take part in approximately eight beautification projects in Bill Beck Park. The City will be responsible for all site preparation and Kiwanis has agreed to contribute \$4,250 towards the project.

FISCAL IMPACT: Potential impact to the Recreation Department Special Revenue Fund (240000) in the amount of \$4,250 unless additional support is garnered. No General Fund monies will be spent on the event and indirect staff costs will be absorbed within the respective department budgets.

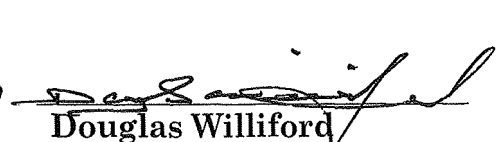
PREPARED BY:


Frank Carson
Recreation Services

REVIEWED BY:


Sara Ramirez
Director of Recreation

APPROVED BY:


Douglas Williford
CITY MANAGER

City Clerk Date Stamp

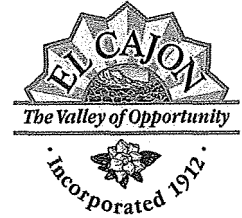
RECEIVED OFFICE OF
CITY CLERK
EL CAJON CA

2015 MAR -5 P 4:02

City of El Cajon Agenda Report

MEETING: Mar. 10, 2015

ITEM NO: 1.8



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Deputy Director of Public Works

SUBJECT: Johnson Avenue Sewer Relief Project - State Water Resources Control Board
Financing Agreement-Amendment No. 1

RECOMMENDATION: That the City Council approve Amendment No. 1 of the Loan Agreement, and authorize the City Manager to execute an amendment to Financing Agreement with the State Water Board in the amount of \$11.3 million to fund the construction of Phase I of the Johnson Avenue Sewer Relief Project (JASRP-I).

BACKGROUND:

In February 2014, the City Council approved a loan agreement with the State Water Board to finance the Johnson Avenue Sewer Relief Project for \$11.3 million. Bids were subsequently opened on August 12, 2014, and were rejected by the City Council because the lowest Bid of \$16.4 million exceeded the approved loan amount by more than 45%. Staff recommended dividing the project into two phases and re-bid Phase I. The City Council subsequently approved the plan, and bids for Phase I were opened on October 28, 2014. The City Council awarded the phase I project to SC Valley Engineering Inc. on December 9, 2014.


Amendment No. 1 to the loan agreement recognizes the division of the project into two phases and approves funding for phase 1 in the amount of \$6,396,403 plus a contingency reserve of \$340,000. When Phase I is completed, the City will be eligible to collect a grant of \$1,400,000 in loan principal forgiveness. The amendment also reserves an additional \$4,563,597 for construction of phase II if the City elects to construct Phase II. Staff is currently considering an update to the Sewer System Master Plan to determine if Phase II is needed.

FISCAL IMPACT: Contract amendment No. 1 reserves loan proceeds from the State Revolving Fund to a maximum amount of \$6,736,403 with a principal forgiveness amount of \$1,400,000 when Phase I is completed. The loan will be amortized over a twenty-year payback period at 2.1 % per annum.


PREPARED BY:

REVIEWED BY:

APPROVED BY:


Dennis Davies
Deputy Director of
Public Works


Majed Al-Ghafry
Assistant City Manager


Douglas Williford
CITY MANAGER

Enc. Amendment No. 1 to the Existing Loan Agreement



CITY OF EL CAJON
AND
CALIFORNIA STATE WATER RESOURCES CONTROL BOARD

INSTALLMENT SALE AGREEMENT
PUBLICLY OWNED TREATMENT WORKS (POTW) CONSTRUCTION FINANCING
JOHNSON AVENUE SEWER INTERCEPTOR PROJECT

CLEAN WATER STATE REVOLVING FUND PROJECT NO. C-06-7612-110
AGREEMENT NO. 13-816-550

AMENDMENT NO. 1
DATED AS OF FEBRUARY 10, 2015

AMOUNT: \$11,300,000

START DATE: JANUARY 1, 2014
END DATE: OCTOBER 19, 2035

The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement, originally executed on March 10, 2014, and incorporated herein:

Changes made in this amendment are shown as follows in the attached Exhibits:

- Exhibit A – Scope of Work & Incorporated Documents (2 pages attached)*
- Exhibit A-FBA – Final Budget Approval (3 pages attached)**
- Exhibit B – Financing Amount (1 page attached)*

- * Except as otherwise noted, text deletions are displayed as strike through text (i.e., strike out) and text additions are displayed in bold and underline.
- ** Entire Exhibit added.

All other terms and conditions shall remain the same.

CITY OF EL CAJON:

By: _____
Name: Douglas Williford
Title: City Manager

Date: _____

STATE WATER RESOURCES CONTROL BOARD:

By: _____
Name: Darrin Polhemus
Title: Deputy Director, Division of Financial Assistance

Date: _____

EXHIBIT A – SCOPE OF WORK & INCORPORATED DOCUMENTS

1. The Recipient agrees to start construction no later than the ~~estimated date of September 2, 2014~~
December 18, 2014.
2. The ~~estimated~~ Completion of Construction date is hereby established as October 19, 2015.
3. The Recipient agrees to ensure that its final Request for Disbursement is received by the Division no later than six months after Completion of Construction, unless prior approval has been granted by the Division. If the Recipient fails to do so, then the undisbursed balance of this Agreement will be deobligated.
4. The Project, commonly known as Johnson Avenue Sewer Interceptor Project generally consists of construction of a relief sewer, abandon existing sewer facilities and pipelines that are difficult to maintain, and eliminate two high-risk siphons to address sanitary sewer overflow concerns, as more particularly described in the financial assistance application of the Recipient and the accepted plans and specifications for the Project, if any.
5. Incorporated by reference into this Agreement are the following documents:
 - (a) the Final Plans & Specification **dated September 2014 and Addendum No. 1 dated October 15, 2014 and Contract Change Order, issued January 14, 2015,** which are the basis for the construction contract to be awarded by the Recipient ~~(Agreement will be amended to incorporate such document)~~ **to SC Valley Engineering, Inc.;**
 - (b) the State Water Resources Control Board Order No. 2006-0003-DWQ; and
 - (c) the Authorized Representative Resolution No. 120-11 dated December 13, 2011;
 - (d) the Pledged Revenues and Funds Resolution No. 65-13 dated June 25, 2013; and
 - (e) the Reimbursement Resolution No. 120-11 dated December 13, 2011.
6. Scope of Work.
 - (a) Project Objectives

The Project will prevent future sewer overflows by increasing the City's existing trunk sewer capacity. The capacity is constrained on some portions of the existing trunk sewer of Johnson Avenue. The proposed project will also accommodate future wet weather flow conditions at I-8 crossings and along Fletcher Parkway by consolidating wastewater flow south of I-8 and west of Mollison Avenue into a singular new trunk sewer line. In addition, the project is designed to accommodate increases in flow associated with future growth as projected in the adopted City planning documents.

EXHIBIT A – SCOPE OF WORK & INCORPORATED DOCUMENTS

(b) Project Description

The Project will construct a relief sewer, abandon existing sewer facilities and pipelines that are difficult to maintain, and eliminate two high-risk siphons. The three distinct reaches of the Project are as follows:

(1) Johnson/Bradley Reach

This reach will start at the connection to the City's existing 36-inch interceptor sewer at the intersection of Bradley and Marshall Avenues and will continue east along Bradley Avenue towards Johnson Avenue where it will turn south until it will end at the intersection of Johnson Avenue and Fesler Street. **A 42-inch gravity main will be installed within this reach based on the design criteria.**

(2) Parkway Plaza Reach

From the termination point of reach 1, the proposed sewer pipeline will continue south on Johnson Avenue. Once it crosses Fletcher and just past the Chase Bank building, the proposed sewer alignment will jog eastward into the parking lot of the Westfield Parkway Plaza Shopping Center (Shopping Center). It will continue south in the parking lot and will cross underneath the concrete-lined Forrester Creek channel and I-8 to the Sunterra condominium parking lot. **The recommended size for this reach varies between 42 and 36 inches in diameter.**

The two siphons located in the vicinity of I-80 will be eliminated. In addition, the existing trunk sewer lines located within the Shopping Center parking lot and on Johnson Avenue from Arnele Avenue to just beyond the I-8 eastbound off-ramp will be abandoned.

(3) Johnson/Madison Reach

This reach will start within the Johnson Avenue right of way just south of the I-8 eastbound off-ramp and continue south to the intersection of Madison Avenue where it will turn east. It will go east on Madison until it reaches the alley west of Chambers Street also known as the Compton Alley where it will turn north and terminates at the intersection of Compton Street. **This reach consists of 30-inch and 8-inch diameter pipes.**

The Project will be constructed into two (2) phases. Phase 1 will include the Johnson/Bradley Reach but will terminate just north of Fletcher Parkway. Phase 2 will start at the termination point of Phase 1 and will include both the Parkway Plaza Reach and the Johnson/Madison Reach.

EXHIBIT A-FBA – FINAL BUDGET APPROVAL

Table 1: Approved Construction Bid Amount

| CONTRACTOR | AMOUNT BID | APPROVED COSTS |
|------------------------------------|-------------|----------------|
| SC Valley Engineer, Inc. (Phase 1) | \$6,396,403 | \$6,396,403 |

Note: The Project has one (1) CWSRF Agreement, but will have two (2) construction phases. Each phase will be bid separately. The Phase 1 bid opening date was October 28, 2014, and the approved bid amount is as shown in Table 1 above. Phase 2 has not been bid. Only Construction costs related to Phase 1 are eligible for disbursement. Phase 2 construction cost eligibility will be withheld until the City submits a revised Final Budget Approval (FBA) package for Division staff's review and approval.

1 - BUDGET

Table 2: Approved Final Project Budget for Phase 1

| PROJECT COST TABLE | |
|---------------------------------------|-----------------|
| TYPE OF WORK | APPROVED BUDGET |
| A. Construction | |
| SC Valley Engineering, Inc. | \$6,396,403 |
| B. Pre-Purchased Material/Equipment | \$0 |
| C. Change Order Contingency | \$340,000 |
| D. Allowances | |
| Planning | \$0 |
| Design | \$0 |
| Construction Management | \$0 |
| Administration | \$0 |
| Value Engineering | \$0 |
| Subtotal - D | \$0 |
| PHASE 1 – Total (Subtotal A+B+C+D) | \$6,736,403 |
| PHASE 2 – (Estimated Total) | \$4,563,597 |
| TOTAL (Phase 1 and estimated Phase 2) | \$11,300,000 |

Note: Adjustments may be made between Line Items on the Final Disbursement.

2 - PROJECT ELIGIBILITY DETERMINATION

The eligibility determinations and conditions of approval identified below are based on the review of:

- Stamped and Signed Final Plan and Specifications (P&S) for the Project received December 9, 2014, dated September 2014; and
- Addendum No. 1, dated October 15, 2014 and Contract Change Order 1, issued January 14, 2015.

EXHIBIT A-FBA – FINAL BUDGET APPROVAL

The eligibility determination for the bid items shown in the schedule of values provided by the Recipient are as follows:

Table 3: Eligibility Determination Agreement for Phase 1:

| Bid Item | Description | Percent Eligibility |
|----------|---|---------------------|
| 1 | Mobilization/General Requirements | 100% |
| 2 | Sheeting and Shoring | 100% |
| 3 | Demolitions, Removals and Abandonment | 100% |
| 4 | 42-inch gravity sewer | 100% |
| 5 | 36- inch gravity sewer | 100% |
| 6 | 30- inch gravity sewer | 100% |
| 7 | 8- inch gravity sewer | 100% |
| 8 | Trenchless Construction Helix/EI Monte Waterlines | 100% |
| 9 | 7-ft Dia Manhole | 100% |
| 10 | 6- ft Dia Manhole | 100% |
| 11 | 5- ft Dia Manhole | 100% |
| 12 | Junction Structure Sta 10+100 | 100% |
| 13 | Traffic control | 100% |
| 14 | Video Detection System | 100% |
| 15 | Environmental Mitigation & Monitoring | 100% |
| 16 | Paving Overlay | 100% |
| 17 | ADA Pedestrian Ramps | 100% |
| 18 | Additional Rock Excavation | 100% |
| 19 | Additional Potholes | 100% |
| 20 | Additional Utility Crossings | 100% |
| 21 | Additional Pipe Bedding | 100% |
| 22 | Relocate/Reconstruct Water Laterals | 100% |
| 23 | Relocate/Reconstruct Sewer Laterals | 100% |
| 24 | Dewatering to Sewer System | 100% |
| 25 | Imported Backfill | 100% |
| 26 | Regulated Waste Material Disposal in Class II Facility | 100% |
| 27 | Regulated Waste Material Disposal in Class III Facility | 100% |
| 28 | Open Trench Steel Casing | 100% |
| 29 | Groundwater Treatment Allowance | 100% |
| 30 | Field Contingency Allowance | 100% |

Note:

1. Bid items, shown in the schedule of values, provided by the recipient, are for Phase 1
2. Phase 2 has not been bid yet; a separate eligibility determination will be created for Phase 2.

Eligibility Determination Conditions of Approval

1. Necessary insurance directly related to the construction contract and extending throughout the period of the construction contract will be eligible for CWSRF financing. This includes builder risk insurance, public liability insurance, fire, and Project specific insurance.
2. Earthquake insurance and "Act of God" insurance are ineligible for funding.
3. Asphalt pavement, corresponding improvements, and excavation and refill materials due to trenching are limited to replacement of the trench width plus one foot on each side of the trench disturbed due to

EXHIBIT A-FBA – FINAL BUDGET APPROVAL

the construction work of the subject contract only. Full lane width paving or slurry seal is eligible only if required by ordinance or code.

4. The cost of local permits and licenses other than those issued by the Recipient are eligible for CWSRF financing.
5. The payment of construction change orders will be held until the final disbursement request is processed. The approved change order contingency may not be increased above the approved contingency shown in Table 2. Any unclaimed construction or allowance costs may also be used towards construction change orders. The change order approval may not: (1) increase the maximum amount of the financing agreement based on Table 2: Approved Construction Budget, (2) increase the term of the financing agreement, or (3) result in a substantial change in the Project scope.
6. Review of the P&S by the Division is conducted to determine eligibility and administrative compliance with the Policy. Issuance of the FBA does not relieve the Recipient and the design engineer of their legal liability for the adequacy of the design.

3 – PROJECT COMPLETION

Project Completion Report

The project completion report shall contain the following:

1. A description of the final constructed project.
2. A description of the water quality problem the project sought to address.
3. A discussion of the project's likelihood of successfully addressing that water quality problem in the future, and
4. Summarize compliance with environmental conditions, if applicable.

Project Completion Reporting

1. The recipient must notify the appropriate Regional Water Board and the Division that its project was completed by submitting a Project Completion Report to the Division with a copy to the Regional Water Board. The Project Completion Report must be submitted on or before the due date established per section XIII(B)(2) of the CWSRF Policy.
2. The State Water Board expects the recipient to prepare and send a timely and complete report. The State Water Board may avail itself of any legal means to obtain this report. (See Water Code §13267.)

EXHIBIT B – PROJECT FINANCING AMOUNT

1. **Estimated Reasonable Cost.** The estimated reasonable cost of the total Project, including associated planning and design costs, is eleven million, three hundred thousand dollars and no cents (\$11,300,000.00).
2. **Project Funding.** Subject to the terms of this Agreement, the State Water Board agrees to provide Project Funds in the amount of up to eleven million, three hundred thousand dollars and no cents (\$11,300,000.00).
3. **Repayment and Interest Rate.** The Recipient agrees to repay all Project Funds according to the schedule in Exhibit C at an interest rate of two and one tenths percent (2.1%) per annum and an Administrative Service Charge of zero percent (0.0%) per annum.
4. **Contingent Principal Forgiveness.** Contingent on the Recipient's performance of its obligations under this Agreement, the State Water Board agrees to forgive two million dollars and no cents (\$2,000,000.00) of the principal due under this Agreement.
5. The term of this Agreement is from January 1, 2014 to October 19, 2035.
6. Budget costs are contained in the Project Cost Table, which is part of Exhibit A-FBA. ~~(This Agreement will be amended to incorporate this Exhibit.)~~
7. ~~Preliminary budget costs are as follows:~~

| | | |
|-------------------------------------|---------------------|----------------------|
| Allowances (soft costs): | Planning | \$450,000 |
| | Design | \$350,000 |
| | Total | \$800,000 |

~~Construction costs and disbursements are not available until after this Agreement has been amended to incorporate the Final Budget Approval in Exhibit A.1.~~
~~Any construction expenses incurred by the Recipient prior to such amendment of this Agreement are at the Recipient's risk. Failure to begin construction according to the timelines set forth in Exhibit A will require the Recipient to repay to the State Water Board all disbursed Project Funds, including Allowances.~~

City Clerk Date Stamp

RECEIVED OFFICE OF
CITY CLERK
EL CAJON CA

2015 MAR -5 P 4: 02

City of El Cajon Agenda Report

MEETING: Mar. 10, 2015

ITEM NO: 1.9



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Assistant City Manager

SUBJECT: Approval of Plans and Bid Specifications for East County Performing Arts Center (ECPAC) Improvements, IFM3471 / Bid Number 035-15


RECOMMENDATION: That the City Council: Adopt the next RESOLUTIONS in order, to approve Plans and Bid Specifications for the East County Performing Arts Center (ECPAC) Improvements Project, IFM3471 / Bid Number 035-15, and direct a Notice Inviting Sealed Bids to be opened on May 7, 2015.

BACKGROUND: In Fiscal Year 2014-2015, Architect Mosher Drew was selected from a list of pre-qualified architects to develop plans and specifications for the ECPAC Improvements Project. The plans and specifications for the project are complete and are available for review at the City Clerk's office.

CEQA: The proposed ECPAC Improvements Project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) according to Section 15301 (Class 1) (c) of the CEQA Guidelines. Section 15301 provides an exemption for the maintenance of public facilities.

FISCAL IMPACT: The estimated construction cost for this project is approximately \$2,920,000. The adopted project budget for Fiscal Year 2014-2015 includes sufficient General Funds to cover this work.

PREPARED BY:


Majed Al-Ghafry
ASSISTANT CITY MANAGER

APPROVED BY:


Douglas Williford
CITY MANAGER

RESOLUTION NO. -15

RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR
EAST COUNTY PERFORMING ARTS CENTER (ECPAC) IMPROVEMENTS
(Bid No. 035-15, IFM3471)

WHEREAS, the City Engineer has submitted plans and specifications for the East County Performing Arts Center ("ECPAC") Improvements project; and

WHEREAS, it appears to be in the best interests of the City of El Cajon that the plans and specifications for said project should be approved.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. That the plans and specifications submitted by the Deputy Director of Public Works for the ECPAC Improvements project are hereby approved and adopted as the official plans and specifications for said project.
2. Said plans and specifications are directed to be filed in the office of the Deputy Director of Public Works of the City of El Cajon.

03/10/15 (Item 1.9)

Bid 035-15 - ECPAC Improvements - apr 030415

RESOLUTION NO. -15

RESOLUTION ORDERING THE WORK AND DIRECTING
PUBLICATION OF NOTICE INVITING BIDS FOR
EAST COUNTY PERFORMING ARTS CENTER (ECPAC) IMPROVEMENTS
(Bid No. 035-15, IFM3471)

WHEREAS, plans and specifications have been submitted for the East County Performing Arts Center ("ECPAC") Improvements project; and

WHEREAS, it appears to be in the best interests of the City that said work should be ordered to be performed.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

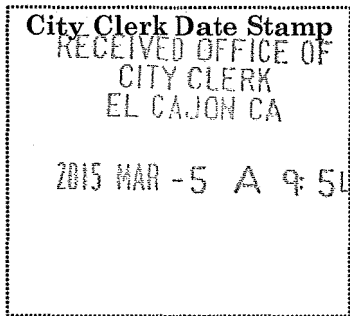
1. That the City Council does hereby order that the ECPAC project shall be performed.

2. That May 7, 2015, at 2:00 P.M., in the office designated by the Purchasing Agent of the City of El Cajon, 200 Civic Center Way, El Cajon, California, is hereby fixed as the time and place for the opening of bids for said project.

3. The Purchasing Agent of the City of El Cajon is hereby directed to cause a Notice to Bidders to be published in the newspaper, in accordance with the provisions of law.

03/10/15 (Item 1.9)

Bid 035-15 – ECPAC Improvements - ntc 030415



City of El Cajon Agenda Report

MEETING: Mar. 10, 2015

ITEM NO: 1.10



TO: Mayor Wells, Mayor Pro Tem McClellan,
Councilmembers Ambrose, Bales, Kendrick

FROM: Director of Finance

SUBJECT: Single Audit Report on Federal Awards for the Fiscal Year Ended
June 30, 2014

RECOMMENDATION: That the City Council receive and accept the Single Audit Report on Federal Awards for the fiscal year ended June 30, 2014.

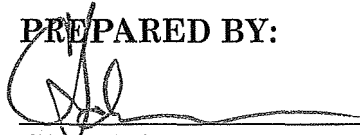
BACKGROUND: As a recipient of federal funds, the City is subject to the requirements of the Single Audit Act and Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Findings were the City complied, in all material respects, with the compliance requirements in accordance with OMB Circular A-133 that could have a direct and material effect on each of our major Federal programs.

The single audit is intended to provide a cost-effective audit since it is conducted in lieu of multiple audits of individual Federal programs. The Single Audit Report on Federal Awards includes:

- the financial statements;
- a schedule of expenditures of Federal awards;
- auditor's opinion on the fair presentation of the financial statements and schedule of expenditures of Federal awards;
- auditor's report on internal control and compliance pertaining to financial reporting and major programs; and
- auditor's schedule of findings and questioned costs.

FISCAL IMPACT: None.

PREPARED BY:


Clay Schoen
DIRECTOR OF FINANCE

APPROVED BY:


Douglas Williford
CITY MANAGER

City of El Cajon
El Cajon, California

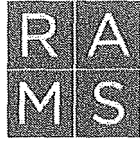
Single Audit Report on Federal Awards

Year Ended June 30, 2014

City of El Cajon

**Single Audit Report on Federal Awards
Table of Contents**

| | <u>Page</u> |
|---|-------------|
| Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 1 |
| Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133 | 3 |
| Schedule of Expenditures of Federal Awards | 6 |
| Notes to the Schedule of Expenditures of Federal Awards | 8 |
| Schedule of Findings and Questioned Costs | 9 |
| Summary Schedule of Prior Audit Findings | 11 |



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscpa.net

The Honorable City Council
City of El Cajon, California

PARTNERS

Brenda L. Odle, CPA, MST
Terry P. Shea, CPA
Kirk A. Franks, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Jay H. Zercher, CPA (Partner Emeritus)
Phillip H. Waller, CPA (Partner Emeritus)

MANAGERS / STAFF

Bradford A. Welebir, CPA, MBA
Jenny Liu, CPA, MST
Seong-Hyea Lee, CPA, MBA
Charles De Simoni, CPA
Yiann Fang, CPA
Nathan Statham, CPA, MBA
Brigitta Bartha, CPA
Gardenya Duran, CPA
Juan Romero, CPA
Ivan Gonzales, CPA, MSA
Brianna Pascoe, CPA

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of El Cajon (the City), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 1, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants

To the Honorable City Council
City of El Cajon, California

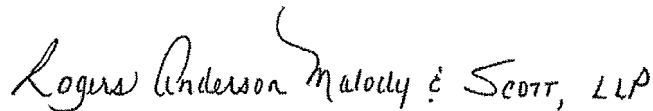
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

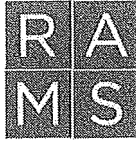
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Rogers Anderson Matouly & Scott, LLP". The signature is written in black ink and is positioned above the typed name of the firm.

San Bernardino, California
December 1, 2014



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscca.net

The Honorable City Council
City of El Cajon, California

PARTNERS

Brenda L. Odle, CPA, MST
Terry P. Shea, CPA
Kirk A. Franks, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Jay H. Zercher, CPA (Partner Emeritus)
Phillip H. Waller, CPA (Partner Emeritus)

MANAGERS / STAFF

Bradford A. Welebir, CPA, MBA
Jenny Liu, CPA, MST
Seong-Hyea Lee, CPA, MBA
Charles De Simoni, CPA
Yiann Fang, CPA
Nathan Statham, CPA, MBA
Brigitta Bartha, CPA
Gardenya Duran, CPA
Juan Romero, CPA
Ivan Gonzales, CPA, MSA
Brianna Pascoe, CPA

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Report on Compliance for Each Major Federal Program

We have audited the City of El Cajon's (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2014. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants

To the Honorable City Council
City of El Cajon, California

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Honorable City Council
City of El Cajon, California

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of El Cajon as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 1, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Rogers Anderson Maloney & Scott, LLP

San Bernardino, California

February 23, 2015 (except for the Schedule of Expenditures of Federal Awards, as to which the date is December 1, 2014.)

City of El Cajon

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA Number | Program/Project Identification Number | Federal Expenditures | Amount Provided to Subrecipients |
|--|---------------------|---------------------------------------|----------------------|----------------------------------|
| U.S. Department of Housing and Urban Development | | | | |
| <i>Direct Assistance:</i> | | | | |
| 2012 Community Development Block Grant* | 14.218 | B-12-MC-06-0541 | \$ 794,739 | \$ 138,057 |
| 2013 Community Development Block Grant* | 14.218 | B-13-MC-06-0541 | 190,076 | 88,536 |
| Total CFDA 14.218 | | | 984,815 | 226,593 |
| 2010 HOME Investment Partnership Grant | 14.239 | M-10-MC-06-0508 | 40,298 | 4,979 |
| 2011 HOME Investment Partnership Grant | 14.239 | M-11-MC-06-0508 | 1,419 | - |
| 2012 HOME Investment Partnership Grant | 14.239 | M-12-MC-06-0508 | 165,103 | - |
| 2013 HOME Investment Partnership Grant | 14.239 | M-13-MC-06-0508 | 16,136 | - |
| Total CFDA 14.239 | | | 222,956 | 4,979 |
| Total U.S. Department of Housing and Urban Development | | | 1,207,771 | 231,572 |
| U.S. Department of Justice | | | | |
| <i>Direct Assistance:</i> | | | | |
| Asset Forfeiture | 16.000 | CA037050 | 171,527 | - |
| Fugitive Apprehension Task Force | 16.000 | 2010-USMS | 5,191 | - |
| Total CFDA 16.000 | | | 176,718 | - |
| Joint Law Enforcement Operations | 16.111 | SW-CAS-612 | 24,503 | - |
| Total CFDA 16.111 | | | 24,503 | - |
| Office of Justice Program, Bureau of Justice Assistance, Bulleproof Vest Partnership Program | 16.607 | 1121-0235 | 2,463 | - |
| Total CFDA 16.607 | | | 2,463 | - |
| Project Safe Neighborhoods | 16.609 | 91-SD-C47778 | 30,041 | - |
| Total CFDA 16.609 | | | 30,041 | - |
| Edward Byrne Memorial Justice Assistance Grant Program 2013 | 16.738 | 2013-DJ-BX-0120 | 34,942 | - |
| Total CFDA 16.738 | | | 34,942 | - |
| Total U.S. Department of Justice | | | 268,667 | - |
| U.S. Department of Transportation | | | | |
| <i>Passed through the State of California Department of Transportation:</i> | | | | |
| Highway Safety Improvement Program* | 20.205 | HSIPL-5211(022) | 204,420 | - |
| Highway Safety Improvement Program* | 20.205 | HSIPL-5211(026) | 1,376 | - |
| Highway Safety Improvement Program* | 20.205 | HSIPL-5211(027) | 3,050 | - |
| Highway Safety Improvement Program* | 20.205 | HSIPL-5211(028) | 3,078 | - |
| Highway Safety Improvement Program* | 20.205 | HSIPL-5211(029) | 4,425 | - |
| Safe Route to School Program* | 20.205 | SRTSL-5211(023) | 272,849 | - |
| Safe Route to School Program* | 20.205 | SRTSL-5211(024) | 198 | - |
| Total CFDA 20.205 | | | 489,396 | - |
| <i>Passed through the State of California Office of Traffic Safety</i> | | | | |
| State and Community Highway Safety | 20.600 | OTS-38-PT1405 | 27,772 | - |
| Total CFDA 20.600 | | | 27,772 | - |
| <i>Passed through the State of California Office of Traffic Safety</i> | | | | |
| Minimum Penalties for Repeat Offenders for Driving While Intoxicated | 20.608 | OTS-38-1405 | 12,957 | - |
| Total Passed through the State of California Office of Traffic Safety | | | 12,957 | - |
| <i>Passed through the University of California, Berkeley</i> | | | | |
| Minimum Penalties for Repeat Offenders for Driving While Intoxicated | 20.608 | SC14122 | 10,306 | - |
| Total Passed through the University of California, Berkeley | | | 10,306 | - |
| Total CFDA 20.608 | | | 23,263 | - |
| Total U.S. Department of Transportation | | | 540,431 | - |

See accompanying notes to schedule of expenditures of federal awards

City of El Cajon

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA Number | Program/Project Identification Number | Federal Expenditures | Amount Provided to Subrecipients |
|---|---------------------|---------------------------------------|----------------------|----------------------------------|
| U.S. Department of Homeland Security | | | | |
| <i>Passed through the County of San Diego Office of Emergency Services:</i> | | | | |
| 2011 State Homeland Security Grant | 97.067 | OES 073-00000, 2011-SS-0077 | 9,137 | - |
| 2012 State Homeland Security Grant | 97.067 | OES 073-00000, 2012-SS-00123 | 15,903 | - |
| 2011 Operation Stonegarden | 97.067 | OES 073-91015, 2011-1077 | 55,270 | - |
| 2013 Operation Stonegarden | 97.067 | OES 073-91015, 2013-00110 | 3,620 | - |
| <i>Total Passed through the County of San Diego Office Emergency Services</i> | | | <u>83,930</u> | <u>-</u> |
| <i>Passed through the City of San Diego Department of Homeland Security:</i> | | | | |
| 2011 Urban Area Security Grant | 97.067 | FIPS 073-66000, 2011-0077 | 939 | - |
| 2012 Urban Area Security Grant | 97.067 | FIPS 073-66000, 2012-00123 | 3,930 | - |
| 2013 Urban Area Security Grant | 97.067 | OES 073-66000, 2013-00110 | 3,555 | - |
| <i>Total Passed through the City of San Diego Department of Homeland Security</i> | | | <u>8,424</u> | <u>-</u> |
| Total CFDA 97.067 | | | <u>92,354</u> | <u>-</u> |
| Total U.S. Department of Homeland Security | | | <u>92,354</u> | <u>-</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 2,109,223</u> | <u>\$ 231,572</u> |

* - Major Program

See accompanying notes to schedule of expenditures of federal awards

**Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2014**

(1) **Summary of Significant Accounting Policies Applicable to the Schedule of Expenditures of Federal Awards**

(a) *Scope of Presentation*

The accompanying schedule presents only the expenditures incurred by the City of El Cajon that are reimbursable under federal programs of federal awards. For the purposes of this schedule, federal awards include both federal awards received directly from a federal agency, as well as federal funds received indirectly by the City from a non-federal agency or other organization. Only the portion of program expenditures reimbursable with such federal funds are reported in the accompanying schedule. Program expenditures in excess of the maximum federal reimbursement authorized or the portion of the program expenditures that were funded with state, local or other non-federal funds are excluded from the accompanying schedule.

(b) *Basis of Accounting*

The expenditures included in the accompanying schedule were reported on the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are incurred when the City becomes obligated for payment as a result of the receipt of the related goods and services. Expenditures reported include any property or equipment acquisitions incurred under the federal program.

(c) *Subrecipients*

The City incurred \$226,593 of Community Development Block Grant and \$4,979 of HOME Investment Partnership Grant expenditures that were paid to subrecipients during the year ended June 30, 2014.

City of El Cajon

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2014**

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

| | | | | |
|--|-------|-----|--------------|---------------|
| Material weakness identified? | _____ | Yes | <u> X </u> | No |
| Significant deficiencies identified that are not considered to be material weaknesses? | _____ | Yes | <u> X </u> | None Reported |
| Noncompliance material to financial statements noted? | _____ | Yes | <u> X </u> | No |

Federal Awards

Internal control over major programs:

| | | | | |
|--|-------|-----|--------------|---------------|
| Material weakness identified? | _____ | Yes | <u> X </u> | No |
| Significant deficiencies identified that are not considered to be material weaknesses? | _____ | Yes | <u> X </u> | None Reported |

Type of auditor's report issued on compliance for major programs: unmodified

| | | | | |
|--|-------|-----|--------------|----|
| Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? | _____ | Yes | <u> X </u> | No |
|--|-------|-----|--------------|----|

City of El Cajon

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2014**

I. SUMMARY OF AUDITOR'S RESULTS (continued)

Identification of major programs:

| <u>CFDA Number</u> | <u>Name of Federal Program</u> |
|--------------------|---|
| 14.218 | Community Development Block Grant |
| 20.205 | Highway Safety and Improvement Program/Safe Routes to School |

Dollar threshold used to distinguish
between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? X Yes No

II. FINDINGS – FINANCIAL STATEMENT FINDINGS

No matters to be reported.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

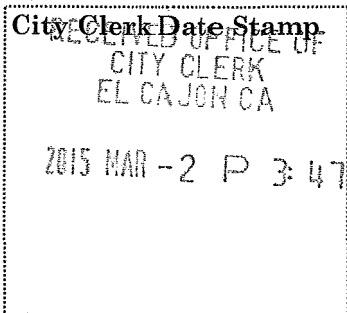
No matters to be reported.

City of El Cajon

**Summary Schedule of Prior Audit Findings
Year Ended June 30, 2014**

CURRENT STATUS OF PRIOR YEAR FINDINGS:

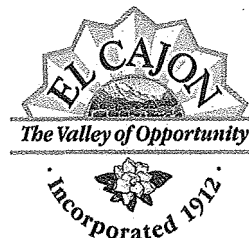
No prior year findings to report.



City of El Cajon Agenda Report

MEETING: Mar. 10, 2015

ITEM NO: 3.1



TO: Mayor Wells, Mayor Pro Tem McClellan
Councilmembers Ambrose, Bales, Kendrick

FROM: Assistant City Manager/Director of Community Development

SUBJECT: FIRST AMENDMENT TO THE PURCHASE AND SALE
AGREEMENT – JKC EL CAJON, LLC.

RECOMMENDATION: That the City Council, acting as the Successor Agency to the former El Cajon Redevelopment Agency:

1. Open the public hearing and receive testimony;
2. Close the public hearing;
3. Adopt the next resolution in order to approve the proposed First Amendment to the Purchase and Sale Agreement (“Amendment”) between the City of El Cajon (“Successor Agency”), as Successor Agency to the former El Cajon Redevelopment Agency and JKC El Cajon, LLC (“Buyer”) for the sale of Site #10, 572-588 N. Johnson Avenue, APN 482-250-34-00, (“Property”) substantially in the form as it is presented at this meeting to make revisions to the sections relating to the City Acquisition of Sign Area, Conditional Use Permit, Close of Escrow, and Flood Map Revision, and IRS Section 1031 Exchange, with such changes as may be approved by the Executive Director;
4. Authorize the Executive Director or designee to execute all documents necessary to implement approved terms and conditions, and complete the sale upon approval by the Oversight Board and California Department of Finance; and
5. Acting as the City of El Cajon, appropriate \$36,000 in the General Fund - Other Financing Sources for transfer to the Capital Improvements Project Fund for the City’s acquisition of the Sign Area.

BACKGROUND: On September 9, 2014, the City Council as Successor Agency, approved the Purchase and Sale Agreement (“PSA”) between the Successor Agency and JKC El Cajon, LLC for the sale of 572-588 N. Johnson Avenue. The Oversight Board approved the PSA on September 17, 2014, and the California Department of Finance (“DOF”) on September 24, 2014.

Since the approval of the PSA, Successor Agency staff has been diligently working with the Buyer on various issues involving the Property. Based on the Property documents and reports obtained by the parties, the Buyer and the Successor Agency would like to modify certain terms and conditions of the PSA. Presented and discussed in detail in

the First Amendment to Purchase and Sale Agreement (“Attachment B”) are the following proposed amendments:

- a) City Acquisition of Sign Area – The City of El Cajon, acting as the City, will enter into a separate written agreement with the Buyer regarding the acquisition of approximately 1,200 square-foot area of the Property designated as the Sign Area. The City will need access and easement rights to the area, including all utilities and other public infrastructure in the Property.
- b) Conditional use permit – The Property is currently zoned for heavy commercial/light industrial use. The Buyer’s plan to develop the Property for vehicle sales and service is permitted, but with the Buyer securing an approved Conditional Use Permit (“CUP”). The Buyer has until June 30, 2015, to obtain a CUP for such intended uses.
- c) Close of Escrow – The Buyer wishes to extend the date of closing until August 31, 2015, after the Buyer’s approval of conditions set forth in Subdivision (B) of Section III (which includes the additional condition of the approval of the CUP and FEMA’s approval of the CLOMR discussed below).
- d) Flood Map Revision – The Property requires a Conditional Letter of Map Revision (“CLOMR”) from the Federal Emergency Management Agency (“FEMA”) to remove the Property from the FEMA floodway map. The Successor Agency will apply for a CLOMR and the Buyer will share in the expense incurred by the Successor Agency to process the CLOMR.
- e) IRS Section 1031 Exchange – The Buyer has requested the option to acquire the Property as part of a like-kind exchange transaction by assigning the Agreement to a qualified intermediary in connection with a tax-deferred exchange. This request is typical when dealing with transactions involving large investment properties, where allowing the use of a section 1031 exchange assists the purchaser, and Staff recommends approval.

Separate approval by the Oversight Board to authorize the execution of the First Amendment to the Purchase and Sale Agreement is required, and will be requested at the Oversight Board meeting to be held on March 18, 2015. Staff will then submit the Oversight Board action to the DOF for approval.


CEQA: The proposed sale of the former Redevelopment Agency property is exempt from the provisions of the California Environmental Quality Act (CEQA) in accordance with Section 15061(b); (General Rule) of the CEQA Guidelines. As it pertains to this project, the subject property is vacant land, and there is no proposed redevelopment or use of the property at this time. Section 15061(b) provides an exemption for projects where it can be seen with certainty that there is no possibility that the proposed project may have a significant impact on the environment.

FISCAL IMPACT: Appropriate \$36,000 in the City’s General Fund-Other Financing Sources for transfer to the City Capital Improvement Projects Fund to acquire the Sign

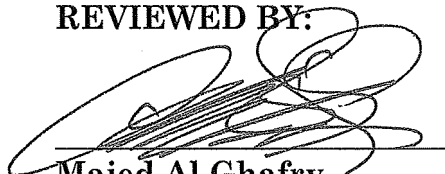
City Council Agenda Report
First Amendment to the Purchase and Sale Agreement between
the City as Successor Agency and JKC El Cajon, LLC
March 10, 2015, Agenda

Area. Costs incurred to process the CLOMR will be funded by contributions from the Buyer and by Successor Agency's Other-Funds approved in the Recognized Obligation Payment Schedules ("ROPS").


PREPARED BY:


Adriana Castañeda
MANAGEMENT
ANALYST

REVIEWED BY:


Majed Al-Ghafry
ASSISTANT
CITY MANAGER

APPROVED BY:


Douglas Williford
CITY MANAGER

Attachments:

- A. Proposed Resolution
- B. First Amendment to the Purchase Sale Agreement

RESOLUTION NO. SA -15

RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF EL CAJON AS THE SUCCESSOR AGENCY TO
THE EL CAJON REDEVELOPMENT AGENCY
APPROVING A FIRST AMENDMENT TO THE
PURCHASE AND SALE AGREEMENT AND
SUCH OTHER DOCUMENTS NECESSARY TO
SELL SUCCESSOR AGENCY PROPERTY LOCATED AT
572-588 N. JOHNSON AVENUE (APN 482-250-34-00)

WHEREAS, on September 9, 2014, the City Council as Successor Agency to the El Cajon Redevelopment Agency (the "Successor Agency") approved the Purchase and Sale Agreement (the "PSA") between the Successor Agency and JKC El Cajon, LLC (the "Buyer") for the sale of 572-588 N. Johnson Avenue, a 1.36 acre parcel in a premium location adjacent to Interstate 8 with easy access to the freeway, APN 482-250-34-00 (the "Property"), and

WHEREAS, the PSA was approved by the Oversight Board on September 17, 2014 and the California Department of Finance (the "DOF") on September 24, 2014; and

WHEREAS, the Buyer and the Successor Agency entered into that certain Purchase and Sale Agreement dated October 28, 2014, for the purpose of the purchase of the Property by the Buyer; and

WHEREAS, the Buyer and the Successor Agency would like to modify certain terms and conditions of the PSA to include (1) the terms related to the acquisition of an approximately 1,200 square foot area by the City of El Cajon, for a highway oriented sign, including necessary access easements; (2) adding a condition that the Buyer must first obtain a conditional use permit for vehicle sales and service; (3) adding a condition that the Property is removed from FEMA's floodway map through an approved Conditional Letter of Map Revision ("CLOMR"), with an agreement for the sharing of costs for the CLOMR; (4) extending the date for the close of escrow in order to meet the conditions for obtaining both the conditional use permit and the CLOMR; and (5) including the option for the Buyer to acquire the Property as a part of a property exchange pursuant to Internal Revenue Code section 1031; and

WHEREAS, the proposed sale of the Property is exempt from the provisions of the California Environmental Quality Act (CEQA) in accordance with Section 15061(b); (General Rule) of the CEQA Guidelines; and as it pertains to this project, the subject property is vacant land, and there is no proposed redevelopment or use of the property at this time; and Section 15061(b) provides an exemption for projects where it can be seen with certainty that there is no possibility that the proposed project may have a significant impact on the environment; and

(Continued on Page 2)

WHEREAS, separate approval by the Oversight Board to authorize the execution of the First Amendment to the Purchase and Sale Agreement is required, and will be requested at the Oversight Board meeting to be held on March 18, 2015, after which time staff will submit the Oversight Board action to the California Department of Finance for approval.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS SUCCESSOR AGENCY TO THE EL CAJON REDEVELOPMENT AGENCY AS FOLLOWS:

1. The above recitals are true and correct and are the findings of the City Council.

2. The proposed sale is exempt from the California Environmental Quality Act (CEQA) under Section 15061 (b) (3) (General Rule) of the CEQA Guidelines because it will have no physical effect on the environment.

3. The City Council hereby approves the First Amendment to the Purchase and Sale Agreement for the sale of the Property to JKC El Cajon, LLC, to modify certain terms and conditions of the PSA as more particularly set forth therein, and herein.

4. The City Manager, or designee, is authorized to execute and deliver the First Amendment, substantially in the form as presented at this meeting, with such changes as the City Manager, or designee, shall approve, and take all actions and execute all such other and further documents, instructions, certificates, and agreements necessary to close the escrow for the sale of the Property in accordance with the terms of the Agreement.

5. City Clerk is directed to forward a copy of this Resolution to any party requesting of the action.

03/10/15 (Item 3.1)

1st Amendment to PSA for 572-588 N Johnson (Site 10) to JKC El Cajon (Kia) 030515

**FIRST AMENDMENT TO
PURCHASE AND SALE AGREEMENT
BETWEEN CITY OF EL CAJON AS SUCCESSOR
AGENCY TO THE FORMER EL CAJON REDEVELOPMENT
AGENCY AND JKC EL CAJON, LLC**

THIS FIRST AMENDMENT is made and entered into effective this ____ day of January, 2015, by and between JKC EL CAJON, LLC, an Oregon limited liability company (the "Buyer"), and the CITY OF EL CAJON AS SUCCESSOR AGENCY TO THE FORMER EL CAJON REDEVELOPMENT AGENCY, a charter city and municipal corporation (the "Seller").

RECITALS

1. Developer and Agency entered into that certain Purchase and Sale Agreement dated October 28, 2014 (as amended from time to time, the "Agreement"), for the purpose of selling, on the part of the Seller, to the Buyer, certain real property and improvements thereon commonly known as 572 North Johnson Avenue, El Cajon, California (APN 482-250-34) (the "Property").

2. The Agreement provides, in Section VII, paragraph (M), that it may be amended by the parties only by an agreement in writing.

3. Buyer and Seller now wish to modify certain terms and conditions of the Agreement and wish to reduce their understanding to writing in accordance with the requirements of Section VII, paragraph (M), of the Agreement.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

Section 1. Paragraph (7) of Subdivision (B) of Section III, is hereby amended to read as follows:

7. City Acquisition of Sign Area. Buyer and the City of El Cajon (the "City"), in its own capacity, and not as the successor agency to the El Cajon Redevelopment Agency, will enter into a mutually acceptable written agreement prior to April 30, 2015 regarding the City's acquisition of approximately 1,200 square feet of the Property for a City of El Cajon sign, together with such rights to access the Sign Area, including all utilities, under, over, and upon the Property as may be agreed to by the Buyer (the "Sign Area"). The agreement for the Sign Area shall include the following terms:

a. City shall pay the sum of \$36,000 to the Buyer for the Sign Area, which payment shall be made through Escrow.

b. Seller will provide legal description of Sign Area, which includes the access easement, to the escrow company for recordation.

Section 2. Paragraph (2) of Subdivision (B) of Section II, is hereby amended to read as follows:

2. **Deposit.** The Initial Deposit and a subsequent deposit made by the Buyer in the amount of FIFTY THOUSAND and 00/100 Dollars (\$50,000.00) due on or before 121 calendar days after this Agreement is signed by both parties (the "Second Deposit"), and, if applicable, a third deposit in the amount of FIFTY THOUSAND and 00/100 Dollars (\$50,000), as hereinafter set forth, are sometimes referred to herein as the "Deposits". In the event that for any reason, including additional time needed to obtain a conditional use permit for the property, closing does not occur on or prior to June 30, 2015, Buyer shall make a third deposit in the amount of FIFTY THOUSAND and 00/100 Dollars (\$50,000.00) (the "Third Deposit") on or before June 30, 2015, for the purposes of extending the Close of Escrow beyond June 30, 2015 but in no event later than as set forth in Subdivision (D) of Section III. Upon Escrow's receipt of Buyer's Third Deposit, Buyer's entire Deposit (of ONE HUNDRED FIFTY THOUSAND AND 00/100 Dollars (\$150,000)) shall become non-refundable to Buyer unless the CLOMR is not approved by FEMA or Buyer as set forth in Subdivision (D) of Section III. The Deposits shall, if requested by Buyer, be deposited by Escrow Holder in an interest-bearing bank or savings and loan association account and the accrued interest shall become part of the Deposits. All Deposits shall be made by cash, check or wired funds

Section 3. Paragraph 9 of Subdivision (B) of Section III is hereby amended to read as follows:

9. Conditional Use Permit. The parties acknowledge that the Property is currently zoned C-M (Heavy Commercial – Light Industrial) and that as of the date hereof, it is Buyer's intent to develop the Property for vehicle sales and service, and related businesses. The parties further acknowledge that such intended uses are permitted within the C-M zoning but only with an approved conditional use permit. Buyer shall have **until February 28, 2015** to apply for a conditional use permit and, if an application for a conditional use permit is made, **until June 30, 2015** to obtain a conditional use permit for such intended uses. The Seller agrees to cooperate in the execution of any application or other documentation that may be required, as the owner of the Property, to facilitate Buyer completing such application. All application costs and fees, and any third parties' expenses shall be paid by Buyer. Buyer understands that the Seller cannot make any representations or covenants that its planning agency and its legislative body, if applicable, will approve the Buyer's application; Buyer further acknowledges that the Seller, by approving this Agreement, cannot make a commitment to Buyer's proposed use of the Property.

Section 4. Subdivision (D) of Section III is hereby amended to read as follows:

D. Close of Escrow. For purposes of this Agreement, the "Close of Escrow" shall be defined as the date that the grant deed or deeds conveying the Property to Buyer is or are recorded in the Official Records of San Diego County, California. Escrow shall close on or before sixty (60) days after the Buyer's approval as set forth in paragraphs 2, 3, 4, 5, 6 and 9, of Subdivision (B), above, delivery of the Deposits as set forth in paragraph 2 of Subdivision (B) of Section II, above, and approval of the CLOMR by **(a) FEMA; and (b) Buyer, to the extent of any conditions in the CLOMR to occur within ten (10) days of receipt by Buyer, as set forth in Section VIII, below (the "Closing Date"), but not later than the later of (i) August 31, 2015, or (ii) fifteen (15) days after approval of the CLOMR by FEMA and Buyer.**

Section 5. A new Section VIII, entitled, "**Flood Map Revision**" is added to the Agreement to read as follows:

VIII. Flood Map Revision

As a result of the Buyer's investigation of the Property as set forth in Paragraph (8) of Subdivision (B) of Section III, above, it has been determined that the Property will require a Conditional Letter of Map Revision (the "CLOMR") with the Federal Emergency Management Agency ("FEMA") for the Property with the intent to remove the Property from the existing FEMA floodway map. Notwithstanding the obligation of Buyer to be responsible for the costs related to any appeals of the FEMA designation, the parties hereby agree that the Seller will be responsible for processing the application for a CLOMR, and that Buyer will share in the expense incurred by Seller. The parties estimate that the total cost for Seller to process the CLOMR is \$15,000.00. Buyer agrees to contribute up to 50% of the actual the cost for the CLOMR not to exceed \$7,500.00.

Section 5. A new Section IX, entitled "**IRS Section 1031 Exchange**" is added to the Agreement to read as follows:

IX. IRS Section 1031 Exchange

The parties acknowledge that Buyer may elect the right to acquire the Property as part of a like-kind exchange transaction by the transfer of this Agreement in whole or in part to a "qualified intermediary" selected by Buyer in connection with a tax-deferred exchange as contemplated by Section 1031 of the Internal Revenue Code of 1986, as amended. Seller agrees to execute a consent and acknowledgment of an assignment of this Agreement as part of such an exchange. Seller agrees to cooperate with Buyer in connection with such tax-deferred exchange, including the execution of such documents as may be reasonably necessary to effectuate the same; provided that (a) the Closing

Date shall not be delayed as the result of such exchange; (b) all additional costs in connection with such exchange shall be borne by Buyer; (c) Seller conveys title to the Property directly to Buyer (or its permitted assignee) by direct deeding and does not take title to any exchange property; and (d) Buyer shall indemnify Seller and hold Seller harmless from and against any and all claims, demands, liabilities, costs, expenses, penalties, damages and losses, including, without limitation, reasonable attorney fees relating to Seller's participation in such exchange. This agreement and Buyer's obligations hereunder are not subject to or conditioned upon Buyer's ability to consummate an exchange. Seller's responsibility for reviewing exchange documents shall be limited to determining whether the terms and conditions of such exchange documents are such that they are in compliance with the foregoing provisions. Buyer shall be responsible for making all determinations as to the legal sufficiency or other consideration, including, but not limited to tax considerations, relating to such exchange documents. Seller, in so cooperating in any exchange transaction arranged by Buyer, shall in no event be responsible for, or in any way warrant, the tax consequences of the exchange transaction.

Section 6. Except as otherwise modified by this First Amendment the Agreement shall remain in full force and effect.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to Affordable Housing Agreement effective the date and year first written above.

CITY OF EL CAJON AS SUCCESSOR AGENCY TO THE EL CAJON REDEVELOPMENT AGENCY, a charter city and municipal corporation

Date _____

Douglas Williford, Executive Director

ATTEST:

Belinda A. Hawley, Secretary

JKC EL CAJON, LLC, an Oregon limited liability company

Date _____

John P. Keifer, Member

APPROVED AS TO FORM:

By: _____
Morgan L. Foley, General Counsel

APPROVED AS TO CONTENT:

By: _____
Majed Al-Ghafry, Assistant City Manager

City Clerk Date Stamp
RECEIVED OFFICE OF
CITY CLERK
EL CAJON CA
2015 MAR -2 P 3:47

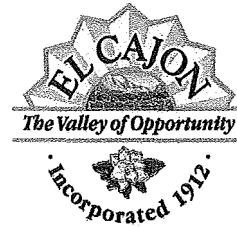
City of El Cajon



Agenda Report

MEETING: 3/10/15

ITEM NO: 6.1



TO: City Council
FROM: Mayor Bill Wells
SUBJECT: Council Activities Report

RECOMMENDATION:

That the City Council accept and file the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.


REPORT:


Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

- February 24, 2015 - Meeting w/ Councilmember Ambrose
- February 24, 2015 - Meeting w/ City Manager
- February 24, 2015 - Meeting w/ City Manager and Ramzi Murad
- February 27, 2015 - SANDAG Meeting
- March 3, 2015 - Read to Students at Jamacha Elementary School
- March 3, 2015 - Don Parent, San Diego Gas & Electric
- March 10, 2015 - City Council Meeting at 3:00 p.m.

I will be happy to answer any questions you may have.

SUBMITTED BY,



Bill Wells
Mayor 



LEGISLATIVE REPORT 2015-2016




6.2

| BILL | NO. | SPONSOR | SUBJECT | COUNCIL DATE | POSITION | COMMITTEE | BILL STATUS / LAST ACTION DATE |
|------|-----|---------|------------------------------------|--------------|----------|-----------|---|
| AB | 2 | Alejo | Community Revitalization Authority | 1/27/2015 | "Watch" | Assembly | 12/2/2014-From printer. May be heard in committee January 1. No recent updates. |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

City Clerk Date Stamp
RECEIVED OFFICE OF
CITY CLERK
EL CAJON CA
2015 MAR -2 P 3:47

City of El Cajon



Agenda Report

MEETING: 3/10/15
ITEM NO: 7.1



TO: Mayor and City Council
FROM: Councilmember Kendrick
SUBJECT: Council Activities Report

RECOMMENDATION:

That the City Council accept and file the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

- March 6, 2015 - Meeting w/ City Manager
- March 10, 2015 - City Council Meeting at 3:00 p.m.

I will be happy to answer any questions you may have.

SUBMITTED BY,


Gary Kendrick
Councilmember

City Clerk Date Stamp
RECEIVED OFFICE OF
CITY CLERK
EL CAJON CA
2015 MAR -2 P 3:47

City of El Cajon



Agenda Report

MEETING: 3/10/15

ITEM NO: 8.1



TO: Mayor and City Council
FROM: Councilmember Ambrose
SUBJECT: Council Activities Report

RECOMMENDATION:

That the City Council accept and file the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

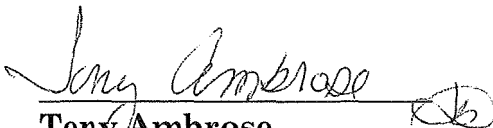
REPORT:

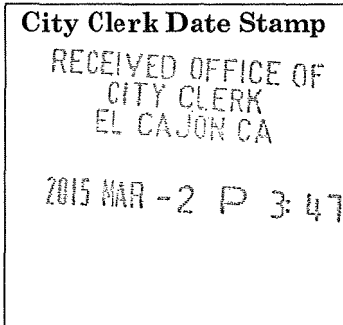
Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

- March 4, 2015 - Meeting w/ Chris George, El Cajon KIA
- March 5, 2015 - Metro JPA Meeting
- March 6, 2015 - East County Chamber First Friday Breakfast
- March 6, 2015 - East County Incubator Meeting
- March 10, 2015 - City Council Meeting at 3:00 PM

I will be happy to answer any questions you may have.

SUBMITTED BY,


Tony Ambrose
Councilmember



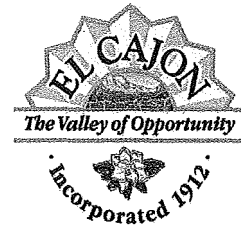
City of El Cajon



Agenda Report

MEETING: 3/10/15

ITEM NO: 9.1



TO: Mayor and City Council
FROM: Mayor Pro Tem McClellan
SUBJECT: Council Activities Report

RECOMMENDATION:

That the City Council accept and file the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.


REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

- February 19, 2015- MTS Board Meeting
- February 26, 2015- MTS Budget Development Meeting
- February 27, 2015- Chaldean American Chamber Socialites Mercedes-Benz Event
- March 10, 2015- City Council Meeting at 3:00 p.m.

I will be happy to answer any questions you may have.

SUBMITTED BY,



Bob McClellan
 Mayor Pro Tem

City Clerk Date Stamp

RECEIVED OFFICE OF
CITY CLERK
EL CAJON CA

2015 MAR -2 P 3:47

City of El Cajon



Agenda Report

MEETING: 3/10/15

ITEM NO: 10.1



TO: Mayor and City Council
FROM: Councilmember Bales
SUBJECT: Council Activities Report

RECOMMENDATION:

That the City Council accept and file the following report of Council/Mayor activities attended during the current agenda period.

BACKGROUND:

Government Code Section 53232.3(d) requires members of a legislative body to provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

REPORT:

Since the last City Council meeting, I have attended the following events on behalf of the City of El Cajon:

- February 27, 2015 -Grand Opening for TitleMax
- February 27, 2015 -Chaldean American Chamber Socialites Mercedes-Benz Event
- March 7, 2015 - KPBS/UCSD Art Exhibit
- March 8, 2015 - El Cajon Recreation Department Annual Dance Recital
- March 9, 2015 - Meeting w/ City Manager
- March 10, 2015 - City Council Meeting at 3:00 p.m.

I will be happy to answer any questions you may have.

SUBMITTED BY,

Star Bales

Star Bales
Councilmember

ORDINANCE NO. _____

AN ORDINANCE AMENDING SPECIFIC PLAN NO. 182 TO
STREAMLINE THE DEVELOPMENT PERMIT PROCESS

WHEREAS, the El Cajon Planning Commission held a duly advertised public hearing on February 17, 2015, and recommended City Council approval of the amendment to Specific Plan No. 182 for the streamlining of permits; and

WHEREAS, on April 1, 2014, the Planning Commission adopted Resolution No. 10757 initiating an amendment to Specific Plan No. 182 together with the annual Zoning Code Omnibus update and General Plan Amendment for consistency with the ALUCPs; and

WHEREAS, Specific Plan No. 182 designates the City Council as the decision making body for all new developments, substantial redevelopment of existing buildings, use permits, and modification of development standards; and

WHEREAS, a streamlined permit process for projects within the boundaries of Specific Plan No. 182 will further enable City efforts to expedite development permitting; and

WHEREAS, the El Cajon City Council held a duly advertised public hearing on February 24, 2015, to consider an Amendment to Specific Plan No. 182 to align the development permit process for projects within the specific plan boundaries with the permit process for most of the city; and

WHEREAS, at the public hearing the City Council received evidence through public testimony and comment, in the form of both verbal and written communications and reports prepared and presented to the City Council, including (but not limited to) evidence such as the following:

- A. Based upon the record as a whole, the Planning Commission hereby finds that the proposed amendments to Specific Plan No. 182, as modified by this Resolution, are exempt from CEQA pursuant to the "General Rule" that CEQA only applies to projects that have the potential for causing a significant physical effect on the environment, (CEQA Guidelines, Section 15061 (b) (3)). The proposed amendment is designed to streamline the development permit process, and therefore does not raise this project to a level of significance that warrants CEQA analysis because the intensity of allowable development is not increased and there are no potentially significant environmental effects.

(Continued on Page 2)

- B. The proposed specific plan amendment is applicable to the downtown area and is not property-specific. The amendment would streamline the development review and permit process, and the minor technical edits would improve text consistency and clarity.
- C. Specific Plan No. 182 focuses on a particular portion of the City where special circumstances require a more detailed framework of development than the General Plan, and more detailed standards than the general provisions of the Zoning Code. This approach effectively establishes a link between General Plan implementing policies and potential development proposals in the defined area. The proposed amendment is designed to encourage investment and target new development to the City's downtown area; and

WHEREAS, after considering such evidence and facts, the City Council did consider Amendments to Specific Plan No. 182 as presented at its meeting.

NOW THEREFORE, The City Council of the City of El Cajon does ordain as follows:

Section 1. That the foregoing recitals are true and correct, and are findings of fact of the El Cajon City Council in regard to this Amendment to Specific Plan No. 182.

Section 2. That based upon said findings of fact, the El Cajon City Council hereby APPROVES the Amendment to Specific Plan No. 182, in accordance with the attached Exhibit "A."

Section 3. This ordinance shall become effective thirty (30) days following its passage and adoption.

02/24/15 (Item 3.2) – 1st Reading
03/10/15 (Item 14.1) – 2nd Reading

AM SP 182 ordinance 022015

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF EL CAJON AMENDING TITLE 2 BY ADDING
CHAPTER 2.80 TO THE EL CAJON MUNICIPAL CODE
TO ESTABLISH ALTERNATIVE PROCUREMENT
PROCEDURES FOR PUBLIC PROJECTS

WHEREAS, Article 1, Section 103 of the Charter of the City of El Cajon authorizes the City to regulate municipal affairs as it may deem necessary or appropriate to further the general welfare of its inhabitants; and

WHEREAS, Article 4, Section 400 provides that the City Council shall establish standards, procedures, rules or regulations relating to all aspects of the bidding, award and performance of Public Works Contracts; and

WHEREAS, the City desires to establish a process whereby it may use design-build procedures or other alternate public construction project procurement procedures in order to benefit from the efficiencies of alternate procurement procedures for public projects; and

WHEREAS, it is necessary for the City Council to establish by ordinance the authority to use alternate public construction project procurement procedures, including design-build procedures, for public projects.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF EL CAJON DOES ORDAIN AS FOLLOWS:

SECTION 1. This ordinance is enacted pursuant to the authority of the City Council under Article 1, Section 103, and Article 4, Section 400, of the Charter of the City of El Cajon.

SECTION 2. A new Chapter 2.80 is hereby added to Title 2 of the El Cajon Municipal Code to read as follows:

Chapter 2.80 ALTERNATE PUBLIC CONSTRUCTION PROJECT PROCUREMENT

2.80.010 Purpose and intent.

The purpose of this chapter is to provide definitions and guidelines and to establish specific procedures to be used to solicit, qualify, evaluate, and select and award construction contracts using alternate public construction project procurement procedures, which may include the design-build method. The intent is to provide alternative and optional procedures for bidding and building construction projects when it is anticipated that an alternative process will reduce project cost, expedite project completion, or provide design features not achievable through the design-bid-build method.

(Continued on Page 2)

2.80.020 Definitions.

For the purposes of this chapter, the following definitions apply:

"Alternate procedure" means an alternate public construction project procurement procedure, other than by traditional design-bid-build procurement procedure (i.e., where the city hires a design professional to produce complete plans and specifications, and contractors bid on the construction of the improvements based on those previously approved plans and specifications), by which both the design and construction of a project are procured by one of the following methods in compliance with this chapter.

1. Design-build, as defined in this chapter.
2. From a design-build entity, as defined in this chapter, which might also include other disciplines including, but not limited to, soils or materials testing and soil remediation, or the provision of products, such as solar energy devices or playground equipment.
3. From a construction consultant who is preliminarily selected as the preferred contractor, and where the city establishes any method for obtaining preconstruction services from the construction consultant, including guidelines for the approval of a design of the project in coordination with the construction consultant and the city's previously selected design professionals, or any similar methodology, in any event intended to result in the best value to the city through a guaranteed maximum price from the construction consultant through a design-build contract.

"Best interest of the city" means an alternate procedure that is projected to meet the interests of the city and objectives of the project which may include reducing the project delivery schedule and total cost of the project while maintaining a high level of quality workmanship and materials.

"Best value" means value determined by objective criteria, and may include, but is not limited to, price, features, functions, life cycle costs, and other criteria deemed appropriate.

"Competitive negotiation" means a competitive sealed proposal procurement method that includes, but is not limited to, all of the following requirements:

(Continued on Page 3)

1. Generally describes the services sought to be procured by the city;
2. Sets forth minimum criteria for evaluating proposals submitted in response to a request for proposals;
3. Generally describes the format and content of proposals to be submitted;
4. Provides for negotiation of scope and price; and
5. May place emphasis on described factors other than price to be used in evaluating proposals.

"Construction consultant" means a pre-qualified, licensed, contractor selected by the city as the preferred contractor for a design-build project, who shall be compensated for services incurred in assisting in the design of a project resulting in a design-build contract with the construction consultant as a single entity or a member of a design-build entity.

"Design-build" means a public construction procurement method in which both the design and construction of a project are procured from a single entity. Design-build includes the utilization of competitive negotiation.

"Design-build contract" means a contract between the city and a design-build entity or construction consultant to furnish the architecture, engineering, and related services as required for a given public works project, and to furnish the labor, materials and other construction services for the same project. A design-build contract may be awarded conditioned upon subsequent refinements in scope and price during the development of the design, approval by the city of a guaranteed maximum price for project construction, and may permit the city to make changes in the scope of the public works project without invalidating the design-build contract.

"Design-build entity" means a partnership, corporation, or other legal entity that is able to provide appropriately licensed contracting, architectural, or engineering services. A design-build entity may include a construction consultant as a design-build entity member.

"Design-build entity member" includes any person who provides licensed contracting, architectural, or engineering services.

(Continued on Page 4)

"Design professional" means a professional that is duly licensed and registered in California, either city staff or an outside consultant, who provides professional design services and/or develops the criteria package that may include, but is not limited to, facility program, design criteria, performance specifications and other project-specific technical material.

"Project" means the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind, including demolitions, and the construction and installation of drainage systems, lighting and signaling systems, sewer and water systems, and park and recreational facilities.

"Qualified list of design-build entities or construction consultants" means those design-build entities or construction consultants selected based on a competitive selection process and who are determined to be qualified to act as a design-build entity or a construction consultant for the city on any project.

2.80.030 Alternate procedure procurement.

Prior to procuring a design-build contract, the city shall select one of the following methods of prosecution of work:

- A. Prepare a project-specific request for a proposal setting forth the scope of the project that may include, but is not limited to, the size, type and desired design character of the project and site, and performance specifications. The performance specifications shall describe the quality of construction materials, assemblies, equipment, workmanship, preliminary plans or building layouts, and other information deemed necessary to adequately describe the city's needs. The performance specifications shall be prepared or reviewed and approved by a design professional designated by the city.
- B. Prepare a project-specific request for a proposal setting forth the scope of the project that may include, but is not limited to, the size, type and desired design character of the project and site, and performance specifications to be distributed exclusively to those teams selected from the qualified list of design-build entities or construction consultants. The performance specifications shall describe the quality of construction materials, assemblies, and other information deemed necessary to adequately describe the city's needs.

- C. Select a design-build entity or construction consultant from those teams identified on the qualified list of design-build entities or construction consultants without preparing a formal request for proposals. Prior to an award to a design-build entity or construction consultant pursuant to the qualified list of design-build entities or construction consultants the city manager shall certify to the city council in writing that the most qualified firms have been invited to interview and the selected firm is capable of providing the services and it is in the best interest of the city to proceed in this manner.
- D. Select a design-build entity or construction consultant as a sole source, if, in advance of the contract, the city manager certifies in writing the sole source status of the provider based on the need to utilize a specified material or methodology in the best interest of the city, which could only be supplied, constructed, or installed by only one contractor or supplier.

2.80.040 Qualification and selection process.

The city may establish a qualification and selection process for design-build entities or construction consultants that specifies the qualification criteria, as well as recommends the manner in which the winning entity will be selected. Nothing in this chapter precludes a design-build contract from being awarded to a sole source if, in advance of the contract, the city manager certifies in writing the sole source status of the provider.

2.80.050 Qualification Criteria

At a minimum, the city shall require the following criteria in soliciting proposals from design-build entities or construction consultants:

- A. Possession of all required licenses, registrations, and credentials in good standing in the state of California that are required to design and construct the project.
- B. Submission of documentation establishing that the design-build entity members or construction consultant employee(s) or subcontractors have completed, or demonstrated the capability to complete, projects of similar size, scope, building type, or complexity, and that proposed key personnel have sufficient experience and training to competently manage and complete the design and construction of the project in compliance with applicable state and local building codes, including Title 15 of this Code.
- C. Submission of a proposed project management plan establishing that the design-build entity or construction consultant has the experience, competence and capacity needed to effectively complete the project.

(Continued on Page 6)

- D. Submission of evidence establishing the design-build entity or construction consultant has the capacity to obtain all required payment and performance bonding, liability insurance, and errors and omissions insurance, as well as a financial statement demonstrating to the city's satisfaction that the design-build entity or construction consultant has the capacity to complete the project.
- E. Provision of a declaration that the applying members of the design-build entity or construction consultant has not had a surety company finish work on any project within the past five years.
- F. Provision of a declaration providing detail for the past five years concerning all of the following:
 - 1. Civil or criminal violations of the Occupational Safety and Health Act against any member of the design-build entity or construction consultant;
 - 2. Civil or criminal violations of the Contractors' State License Law against any member of the design-build entity or construction consultant;
 - 3. Any criminal conviction of, or civil judgment against, any member of the design-build entity or construction consultant of submitting a false or fraudulent claim to a public agency;
 - 4. Civil or criminal violations of federal or state law governing the payment of wages, benefits, or personal income tax withholding, or of Federal Insurance Contributions Act (FICA) withholding requirements, state disability insurance withholding, or unemployment insurance payment requirements against any member of the design-build entity or construction consultant. For purposes of this section, only violations by a design-build entity member or construction consultant's employee or subcontractor as an employer shall be deemed applicable, unless it is shown that the design-build entity member or construction consultant's employee or subcontractor, in his or her capacity as an employer, had knowledge of a subcontractor's or employee's violations or failed to comply with the conditions set forth in Section 1770 et seq. of the State California Labor Code;
 - 5. Civil or criminal violations of federal or state law against any design-build entity member or construction consultant's employee or subcontractor governing equal opportunity employment, contracting or subcontracting;

(Continued on Page 7)

6. Any construction or design claim or litigation totaling more than \$50,000 pending or settled against any member of the design-build entity or construction consultant over the last five years; and
 7. Any debarment, disqualification or removal from a federal, state, or local government public works project.
- G. Provision of a declaration by an officer, principal, member, manager, general partner, or other, similar, representative of the design-build entity or construction consultant that the design-build entity or construction consultant will comply with all other provisions of law applicable to the project. The declaration shall state that reasonable diligence has been used by the representative in its preparation and that it is true and complete to the best of the signer's knowledge.
- H. In the case of a partnership or other association that is not a legal entity, a copy of the agreement creating the partnership or association and specifying that all partners or association members agree to be fully liable for the performance under the design-build contract.
- I. The information concerning the design-build entity's or construction consultant's qualifications and experience shall be verified under oath by an officer, principal, member, manager, general partner, or other, similar, representative of the design-build entity and each of its design-build entity members or of the construction consultant and each of its employees or subcontractors. It shall be unlawful to submit any declaration under this chapter containing any material matter that is known to be or, after reasonable investigation, should be known to be, false, or omits to make a statement of material matter that the person making the statement knows, or should know to be, false.

2.80.060 Selection method.

The city shall select one of the following methods as the process to be used for the selection of the winning entity:

- A. A competition based on performance specifications and criteria set forth by the city in the request for proposals, without preliminary designs provided by the city.
 1. Criteria used in this form of evaluation of proposals may include, but not be limited to, items such as evaluation of references with respect to responsiveness; quality of work; timeliness; overall performance;

(Continued on Page 8)

proposed design approach; life-cycle costs; project features; financial strength; quality; total cost; past performance; business standing; schedule; and operational and functional performance of the facility. An evaluation will be made considering overall quality; capability; resource availability; and financial stability of the design-build entity or construction consultant. However, any criteria and methods used to evaluate proposals shall be limited to those contained in the request for proposals or qualifications.

2. Any architectural firms, engineering firms, specialty consultants, or individuals retained by the city to assist in the preparation of the request for proposals shall not be eligible to participate in the competition with any design-build entity or construction consultant.
 3. Award shall be made to the design-build entity or construction consultant whose proposal is judged as providing best value meeting the interests of the city and meeting the objectives of the project.
- B. A competition based on program requirements, performance specifications, and a preliminary design or combination thereof set forth by the city in the request for proposals. Limited or preliminary drawings and specifications detailing the requirements of the project may accompany the request for proposals.
1. The city shall establish technical criteria and methodology, including price, to evaluate proposals and shall describe the criteria and methodology of evaluation and selection in the request for proposal or qualification design-build entity or construction consultant.
 2. Except as otherwise provided herein, any architectural firms, engineering firms, specialty consultants, or individuals retained by the city to assist in the preparation of request for proposals shall not be eligible to participate in the competition with any design-build entity or construction consultant; provided, however, that with the city's consent any such agreement between the city and the retained professionals may be assigned, for good and valuable consideration, to the design-build entity as a design-build entity member or to the construction consultant as an employee or subcontractor as applicable.

(Continued on Page 9)

3. Award shall be made to the design-build entity or construction consultant on the basis of the technical criteria and methodology, including price, whose proposal is judged as providing best value in meeting the interests of the city and meeting the objectives of the project.
- C. A competition based on program requirements and a detailed scope of work, including any preliminary design drawings and specifications set forth by the city in the request for proposals.
1. Any architectural firms, engineering firms, specialty consultants, or individuals retained by the city to assist in the preparation of request for proposals shall not be eligible to participate in the competition with any design-build entity or construction consultant.
 2. Award shall be made on the basis of best value that is also in the best interest of the city.
- D. A "sole source" award as otherwise allowed by this chapter or title, the city's charter, or any law.
- E. By competitive negotiation.

2.80.070 Work listing.

- A. The city recognizes that the design-build entity or construction consultant is charged with performing both design and construction. Because a design-build contract may be awarded prior to the completion of the design, it is often impractical for the design-build entity or construction consultant to list all subcontractors at the time of the award.
- B. All of the following requirements shall apply to subcontractors licensed by the state that are employed on any alternate procedure projects undertaken pursuant to this chapter.
1. The design-build entity or construction consultant in each design-build proposal shall specify the construction trades or types of subcontractors that may be named as members of the design-build entity, or employees or subcontractors of the construction consultant, at the time of award. In selecting the trades that may be identified as members of the design-build entity or construction consultant, the design-build entity or construction consultant shall identify the trades deemed essential in the design considerations of the project. All subcontractors that are listed at the time of award shall be afforded the protection of all applicable laws.

2. All subcontracts that were not listed by the design-build entity or construction consultant at the time of award in accordance with subsection (B)(1) of this section shall be performed and awarded by the design-build entity or construction consultant in accordance with a bidding process set forth in the design-build contract.

3. In a contract between the design-build entity or construction consultant and a subcontractor, and in a contract between any subcontractor and its subcontractor, the percentage of the retention proceeds withheld may not exceed the percentage specified in the contract between the city and the design-build entity or construction consultant. If the design-build entity or construction consultant provides written notice to any subcontractor who is not a member of the design-build entity or employee or subcontractor of the construction consultant, prior to or at the time that the bid is requested, that a bond may be required and the subcontractor subsequently is unable or refuses to furnish a bond to the design-build entity or construction consultant, then the design-build entity or construction consultant may withhold retention proceeds in excess of the percentage specified in the contract between the city and the design-build entity or construction consultant from any payment made by the design-build entity or construction consultant to the subcontractor.

SECTION 3. The Council finds that the adoption and implementation of this ordinance are exempt from the provisions of the California Environmental Quality Act under Section 15061(b)(3) in that the Council finds there is no possibility that the implementation of this ordinance may have a significant effect on the environment.

SECTION 4. This ordinance shall become effective thirty (30) days following its passage and adoption.

Design-Build Ordinance 022015

First Reading – 02/24/15 (Item 13.1)
Second Reading – 03/10/15 (Item 14.2)